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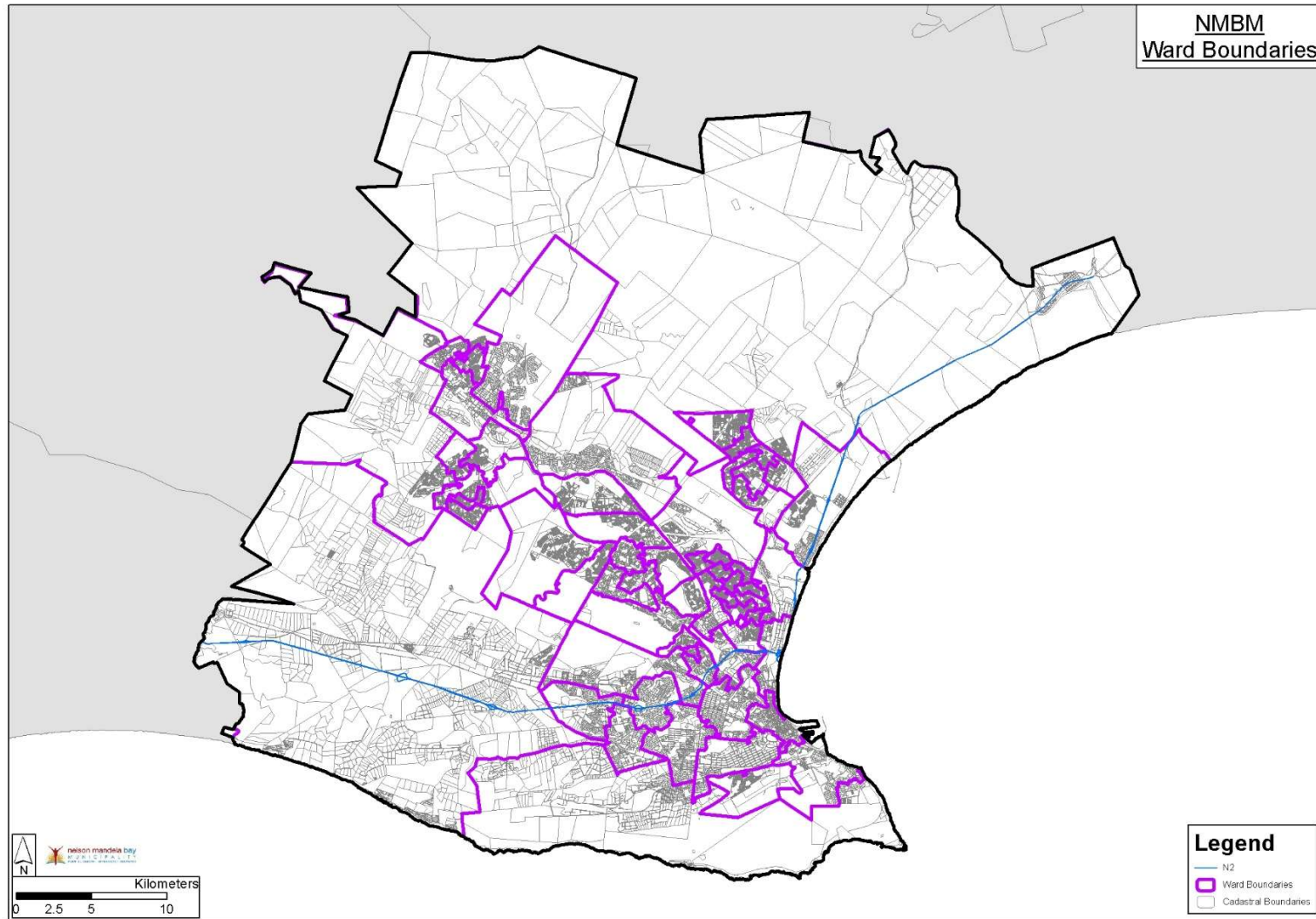


**INTEGRATED  
DEVELOPMENT  
PLAN**

2017/18 - 2021/22

FIFTH EDITION

## PLAN SHOWING 60 WARD BOUNDARIES OF NELSON MANDELA BAY



For more detail, visit [www.nelsonmandelabay.gov.za](http://www.nelsonmandelabay.gov.za)

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*of*



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## LIST OF ACRONYMS

<b>ACDP</b>	African Christian Democratic Party
<b>ACSA</b>	Airports Company South Africa
<b>AGSA</b>	Auditor General South Africa
<b>AIC</b>	African Independent Congress
<b>ANC</b>	African National Congress
<b>ATTP</b>	Assistance to the Poor
<b>BEPP</b>	Built Environment Performance Plan
<b>B&amp;T</b>	Budget and Treasury
<b>CBD</b>	Central Business District
<b>CBOs</b>	Community Based Organisations
<b>CGDS</b>	City Growth and Development Strategy
<b>CM</b>	City Manager
<b>COO</b>	Chief Operating Officer
<b>COPE</b>	Congress of the People
<b>CIDZ</b>	Coega Industrial Development Zone
<b>CITP</b>	Comprehensive Integrated Transport Plan
<b>CS</b>	Corporate Services
<b>CSIR</b>	Council for Scientific and Industrial Research
<b>DA</b>	Democratic Alliance
<b>DORA</b>	Division of Revenue Act
<b>EC</b>	Eastern Cape
<b>ECSECC</b>	Eastern Cape Socio-economic Consultative Council
<b>EDTA</b>	Economic Development, Tourism and Agriculture
<b>E&amp;E</b>	Electricity and Energy
<b>EFF</b>	Economic Freedom Fighters
<b>EPWP</b>	Expanded Public Works Programme
<b>ERP</b>	Enterprise Resource Planning
<b>FLISP</b>	Finance Linked Individual Subsidy Programme
<b>FWFWWTW</b>	Fish Water Flats Waste Water Treatment Works
<b>GDP</b>	Gross Domestic Product

<b>GGP</b>	Gross Geographic Product
<b>GIS</b>	Geographic Information Systems
<b>GRAP 17</b>	Generally Recognised Accounting Practices
<b>GV</b>	General Valuation
<b>GVA</b>	Gross Value Added
<b>HIV/AIDS</b>	Human Immunodeficiency Virus causing the Acquired Immunodeficiency Syndrome
<b>HOVs</b>	High Occupancy Vehicles
<b>HS</b>	Human Settlements
<b>HSDG</b>	Human Settlements Development Grant
<b>HURP</b>	Helenvale Urban Renewal Programme
<b>ICDG</b>	Integrated City Development Grant
<b>ICT</b>	Information and Communication Technology
<b>IDP</b>	Integrated Development Plan
<b>IDPTTT</b>	Inter-Departmental Project Technical Task Team
<b>IDZ</b>	Industrial Development Zone
<b>I&amp;E</b>	Infrastructure and Engineering
<b>IGR</b>	Intergovernmental Relations
<b>IPTS</b>	Integrated Public Transport System
<b>ISP</b>	Integrated Sustainability Plan
<b>ISUP</b>	Informal Settlement Upgrading Policy
<b>ISUS</b>	Informal Settlement Upgrading Strategy
<b>IUDF</b>	Integrated Urban Development Framework
<b>KPA</b>	Key Performance Area
<b>KPE</b>	Key Performance Element
<b>KPI</b>	Key Performance Indicator
<b>LED</b>	Local Economic Development
<b>LLF</b>	Local Labour Forum
<b>LSDF</b>	Local Spatial Development Framework
<b>LTFS</b>	Long-Term Financial Strategy
<b>LTFSP</b>	Long-Term Financial Sustainability Plan
<b>LUMS</b>	Land Use Management System
<b>MBDA</b>	Mandela Bay Development Agency

<b>MDTTT</b>	Multi-Disciplinary Technical Task Team
<b>MFMA</b>	Municipal Finance Management Act
<b>MOSS</b>	Metropolitan Open Space System
<b>MSCOA</b>	Municipal Standard Chart of Accounts
<b>MSDF</b>	Metropolitan Spatial Development Framework
<b>MUM</b>	Management Union Meeting
<b>MURP</b>	Motherwell Urban Renewal Programme
<b>NDP</b>	National Development Plan
<b>NDPG</b>	Neighbourhood Development Partnership Grant
<b>NEMA</b>	National Environmental Management Act
<b>NERSA</b>	National Energy Regulator of South Africa
<b>NGO</b>	Non-governmental Organisation
<b>NMBM</b>	Nelson Mandela Bay Municipality
<b>NMBM IDP</b>	Nelson Mandela Bay Municipality's Integrated Development Plan
<b>NMBMM</b>	Nelson Mandela Bay Metropolitan Municipality
<b>NUSP</b>	National Upgrading Support Programme
<b>NT</b>	National Treasury
<b>OHS &amp; W</b>	Occupational Health, Safety and Wellness
<b>PA</b>	Patriotic Alliance
<b>PDP</b>	Provincial Development Plan
<b>PDoHS</b>	Provincial Department of Human Settlements
<b>PE</b>	Port Elizabeth
<b>PEIA</b>	Port Elizabeth International Airport
<b>PH</b>	Public Health
<b>PHSHDA</b>	Priority Human Settlement and Housing Development Area
<b>PMS</b>	Performance Management System
<b>POS</b>	Public Open Space
<b>PPE</b>	Property, Plant and Equipment
<b>PPP</b>	Public-Private Partnership
<b>PTIG</b>	Public Transport Infrastructure Grant
<b>QMS</b>	Quality Management System
<b>RDP</b>	Reconstruction and Development Programme

<b>SACN</b>	South African Cities Network
<b>SAIMI</b>	South African International Maritime Institute
<b>SANAS</b>	South African National Accreditation System
<b>SANRAL</b>	South African National Roads Agency Limited
<b>SAPOA</b>	South African Property Owners Association
<b>SAPS</b>	South African Police Services
<b>SCADA</b>	Supervisory Control and Data Acquisition
<b>SCOA</b>	Standard Chart of Accounts
<b>SCU</b>	Sustainable Community Unit
<b>SDBIP</b>	Service Delivery and Budget Implementation Plan
<b>SDF</b>	Spatial Development Framework
<b>SDGs</b>	Sustainable Development Goals
<b>SMMEs</b>	Small, Medium and Micro Enterprises
<b>SNDB</b>	Sub-National Doing Business
<b>SOEs</b>	State Owned Enterprises
<b>SOPs</b>	Standard Operating Procedures
<b>SPLUMA</b>	Spatial Planning and Land Use Management Act
<b>SRAC</b>	Sports, Recreation, Arts and Culture
<b>S&amp;S</b>	Safety and Security
<b>STATS SA</b>	Statistics South Africa
<b>SWOT</b>	Strengths, Weaknesses, Opportunities and Threats
<b>TOD</b>	Transit Oriented Development
<b>UDM</b>	United Democratic Movement
<b>UFEC</b>	United Front Eastern Cape
<b>UISP</b>	Upgrading of Informal Settlements Plan
<b>UNS</b>	Urban Network Strategy
<b>USDG</b>	Urban Settlements Development Grant
<b>WWTW</b>	Waste Water Treatment Works



FOREWORD  
*by* | EXECUTIVE MAYOR

Nelson Mandela Bay Municipality continues to suffer the consequences of the most persistent drought in its history coupled with the impacts of the COVID-19 pandemic which began in early 2020. The impacts are exacerbated by the fact that our City has high levels of poverty, joblessness, homelessness, a declining fiscus caused *inter alia* by decreased grant funding from National Treasury as well as a weakened national and local economy.

This Final Edition of the current Integrated Development Plan (IDP) is prepared within these contextual realities. It proposes strategies, programmes, projects and a budget to navigate these harsh realities in a manner that responds to the needs of COVID-19 and the water crises whilst at the same time supporting service delivery that improves the lives of citizens.

The City is committed to conduct its planning, and budgeting in a manner that is respectful of the needs of its citizens whilst at the same time ensuring sustainability of the Municipality into the future.

Our processes to achieve an acceptable IDP are driven by a respect for the rights of citizens to have their voices heard. To this end, we have had to adapt to complying with the constraints imposed by the COVID-19 restrictions. We have introduced a number of ways in which citizens have been able to participate in our planning. These include an IDP App, links on the municipal Website, distribution of forms, interactive radio slots and a social media campaign. The participation results are balanced with achieving a fair and equitable distribution of budget whilst at the same time satisfying ward priorities.

Now, more than ever before, we need to collaborate with all stakeholders that have a role and interest in our City and its development. The Municipality cannot face the challenges alone. It is only together with local communities, neighbouring

municipalities, other spheres of government, citizens, tertiary institutions, the business community and other stakeholders that we can overcome poverty, inequality, segregation, unemployment, crime, vandalism and other development challenges.

Job creation and restoring the economy of our City is a key priority. For this reason, we have emphasised economic turnaround through *inter alia*, the creation of an enabling environment for private sector investments to create jobs for our people. National Government is also contributing to job creation through the Expanded Public Works Programme (EPWP) and the Municipality is ensuring this opportunity is taken full advantage of. The implementation of our 'Assistance To The Poor' (ATTP) programme will continue to assist households who genuinely cannot afford to pay for municipal services.

Whilst we explore every opportunity to secure a lasting solution to the water crisis, residents are urged to use water sparingly and report leaks in their areas, failure of which will result in the prolonging of our existing scarce supply. Every drop counts.

Service delivery is not possible without the continued support of Councillors, municipal officials, residents, and other stakeholders and I extend my gratitude to all contributors to our effort to have continued improvement in service delivery.

A handwritten signature in black ink, consisting of a large, stylized letter 'A' with a horizontal line extending to the right, enclosed within a circular scribble.

**COUNCILLOR N BHANGA**  
**EXECUTIVE MAYOR**

FOREWORD  
*by* | CITY MANAGER

The review of the Integrated Development Plan (IDP) always presents an opportunity for stakeholders to share their views in relation to service delivery and other development priorities of the City. It also presents an opportunity for the leadership of the Municipality to renew their commitment to listen and give effect to the development aspirations of the communities they serve. Equally, for the administrative leadership of the Municipality, it expresses in unequivocal terms, the directive to serve communities and continue to build and create the necessary institutional capacity and service delivery environment for excellence.

This year's IDP review is taking place under the difficult circumstances facing all municipalities in South Africa. The COVID-19 pandemic has placed city administrations in difficult operating environments leading to operations and service delivery commitments not being achieved optimally. The difficulties with public participation processes and inability to conduct them in the traditional ways signify a big shift to reliance on digital platforms and methods. We could not have reasonably prepared ourselves for this shift and it is an illustration of a changed environment and what will start to define a new course for citizen engagement into the future.

The focus of the City in this IDP review period will be based on the need to ensure that the following priorities are given serious consideration when working with citizens, communities, other spheres of government, state owned entities and other groups:

- The acceleration of the provision of basic services to all communities in the City.
- Increased investment towards mitigating the effects of drought and water shortages in the City.

- Continued fighting against the impacts of the COVID-19 pandemic and working with communities, stakeholders and other spheres of government to optimise an effective roll out of vaccines in line with the rollout programme of government.
- Nelson Mandela Bay Metro as a destination of choice for investment and tourism.
- Improvement of public confidence and trust in the leadership of the City.
- Creation of a safer city with less incidence of crime in our communities.
- Ensuring that planning, budgeting and development, both internal and external to the Municipality, is done by taking into consideration all dimensions of sustainability.

These priorities will continue to be important in the coming financial year and ongoing efforts will be made to ensure that we stabilise and overcome the impact of the pandemic in Nelson Mandela Bay. The City has experienced a decline in the revenue collection rate due to the impact of COVID-19 on households and businesses. The tourism sector has been the hardest hit of the economic sectors of the local economy. We have since developed an Economic Recovery Plan which prioritises catalytic projects that can collectively boost the local economy through job creation and other economic opportunities.

In addition to the impacts of the COVID-19 pandemic that other cities have also experienced, Nelson Mandela Bay has been exposed to one of the worst droughts in its history. This has led to the declaration of Nelson Mandela Bay as a disaster area in late 2019. Since 2019 the situation has continued to deteriorate to the crisis situation currently being experienced. This situation requires special attention in ensuring that water is preserved and that additional water provision is explored in the short, medium and long term.

Service delivery will remain one of the cornerstones of our commitment to communities of the City. It is our administrative responsibility to create a citizen centered service delivery culture across the City's administration. Through this IDP



review, we will continue to improve our service delivery approach and capacity and thereby place the needs of our communities first.

We wish to thank all stakeholders including Councillors, residents, property owners, government departments, state owned entities, the business community and municipal officials for their contributions to this IDP review as we attempt to navigate these trying times.

A handwritten signature in black ink, appearing to read 'M George', written in a cursive style.

**MR M GEORGE**

**ACTING CITY MANAGER**

The Constitution of South Africa requires local government to be developmental. The Nelson Mandela Bay Municipality therefore has a responsibility to structure and manage its administration, budgeting and planning processes to give priority to the basic needs of local communities and to promote residents' social and economic development.

This requirement during the time of the continued COVID-19 pandemic being experienced in South Africa requires the City to be particularly responsive to the impacts being experienced at all levels of society. The preparation of this IDP review and the proposals and budget contained in it have taken cognisance of the need to prioritise health, safety and economic recovery especially for the most vulnerable members of society.

The methodology adopted for the formulation of the IDP review as well as the participation mechanisms have been different from those employed prior to 2020. Notwithstanding this, the IDP review responds to the need to manage the COVID-19 impacts in our City and to create a platform for recovery into the future.

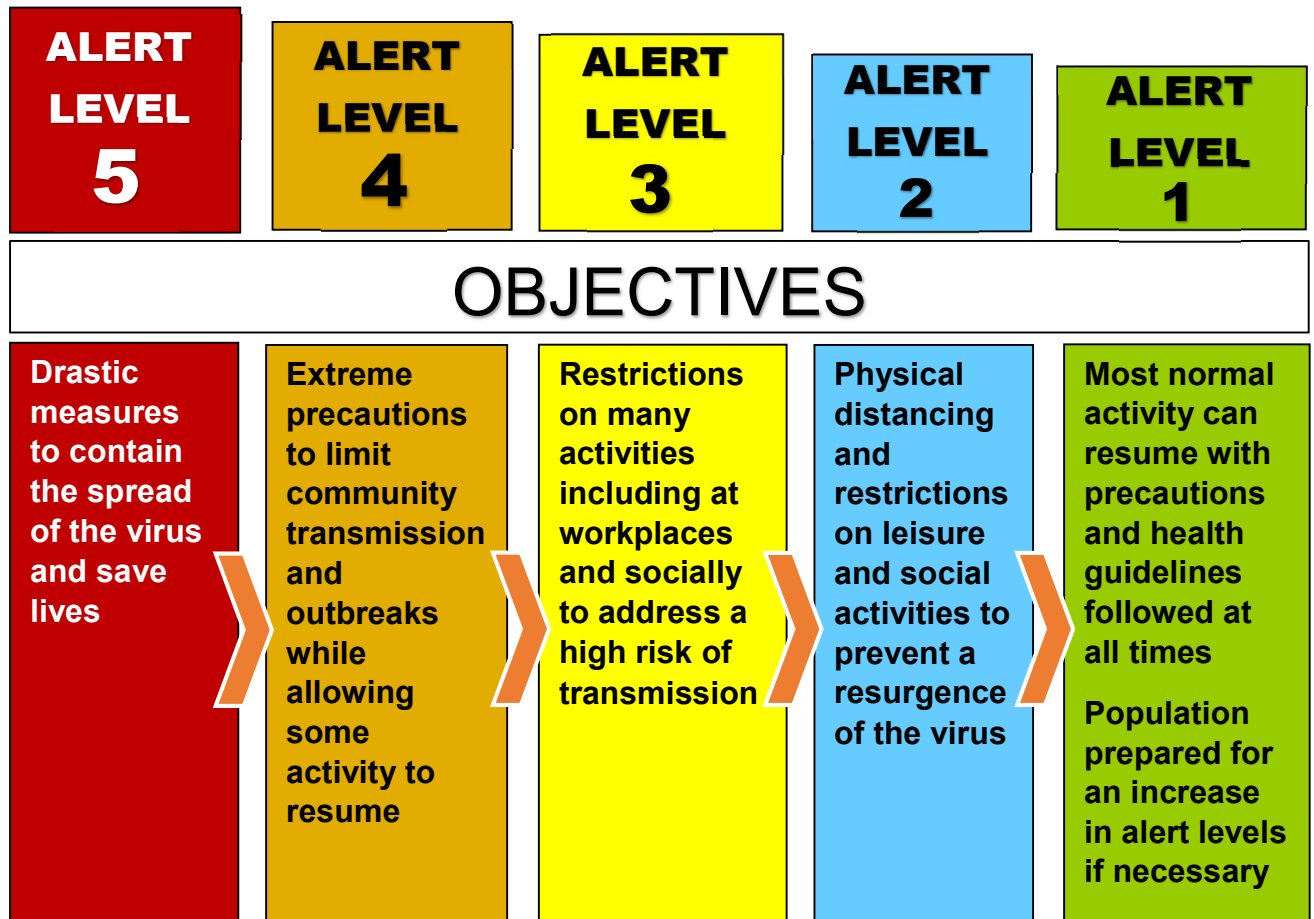
## **1.1 COVID-19 AND ITS IMPACT ON NELSON MANDELA BAY MUNICIPALITY**

The Disaster Management Act, 57 of 2002, provides for a coordinated Disaster Management Policy to focus on preventing or reducing the risk of disasters, mitigating the severity of disasters, emergency preparedness and rapid and effective response to disasters and post disaster recovery. The Act requires the establishment of national, provincial and municipal disaster management centres.

To curb the spread of the COVID-19 pandemic, the President of the Republic of South Africa introduced a National Lockdown. The pronouncement was made on 23 March 2020 and came into effect on midnight of 26 March 2020. Subsequently Government introduced a system of alert levels which includes varying degrees of severity of lockdown – Level 5 being the most restrictive on movement and business and Level 1 being least severe.

Notwithstanding the above, the Country is currently at Alert Level 1 with anticipation of a third wave in the near future which will bring the imposition of higher alert level responses. It is clear that the impact of COVID-19 will continue to be felt in varying degrees for many years into the future.

**FIGURE 1: SUMMARY OF ALERT LEVELS**



### 1.1.1 Impact of COVID-19 on Council operations

Local Government is compelled to comply with various legislation for efficient functioning, decision-making and exercise of power. Some of the key strategic documents that have specific timelines and processes for their production are the IDP and Budget. In addition, the Municipal Finance Management Act dictates certain timeframes.

Local Government is required to actively engage communities and stakeholders for the preparation of the IDP and Budget. As a result of COVID-19 and in terms of the Disaster Management Act, National Government issued directives that affect Council business with regard to strategic plans and legislation. Due to the various alert levels described above, public participation is impacted. In some alert levels, all public meetings are prohibited whilst at the least restrictive alert levels, public meetings can take place but with certain restrictions on number of participants and adherence to social distancing, screening, mask wearing and sanitation. The Municipality has had to adapt to the changing requirements and overall permit a greater reliance on digital and other forms of participation.

Apart from the above, municipalities are experiencing a number of direct and indirect impacts related to the COVID-19 pandemic. Such impacts range from decreased revenue, an increased need for safety and security services, a decline in all sectors of the economy, a need for extraordinary health measures and heightened impacts of poverty, joblessness and homelessness.

Nelson Mandela Bay was declared a national COVID-19 hotspot in November 2020 which saw the introduction of harsher restrictions in Nelson Mandela Bay area than other parts of the country. After the devastation of the second wave of the COVID-19 pandemic which was experienced until early 2021, the Country moved to Alert Level 1 due to a decrease in infections. It is anticipated that a third wave is imminent, however, there are a number of uncertainties of the severity, timing and duration of the wave which could impact directly upon the activities of the Municipality in the 2021/22 financial year.

Municipalities therefore have to be responsive and flexible in the face of the uncertainties. This will require the Nelson Mandela Bay Municipality to be flexible in its approach and capacity towards service delivery.

Government is rolling out a mass vaccination programme in order to overcome the COVID-19 pandemic. It is anticipated that the second and third phase roll out, which includes all residents apart from health care workers, will require municipalities to



facilitate the logistics of the vaccination programme (e.g. vaccination site and publicity campaigns).

## 1.2 CONTEXT AND OVERVIEW

In fulfilling their developmental mandate, municipalities are required by the Constitution of the Republic of South Africa to prepare five-year Integrated Development Plans (IDPs). These serve as strategic plans that indicate where and how Cities should allocate their resources in line with their vision and mission, which are embodied in their long-term plans inclusive of provincial and national government strategies.

Apart from the contextual impacts of COVID-19 and the drought, other impacts that have influenced the City and its strategic planning include the global recession that affects the South African economy; the downgrading of South Africa's credit rating to junk status by various rating agencies; the decreasing revenue from National Treasury; the decreased collection rate; the energy crisis; and increased unemployment.

## 1.3 ABOUT NELSON MANDELA BAY

Nelson Mandela Bay Municipality (NMBM) is the largest of two Category A Metropolitan Municipalities located on the Southern coast of the Eastern Cape Province.



With a population of 1,239,463 (STATS SA GHS 2019), the NMBM has approximately 19% of the population of the Eastern Cape Province and is a major economic role player in the Province with two ports – the Port of Port Elizabeth and the Port of Ngqura located in the Coega Special Economic Zone (SEZ).

The pre-COVID-19 growth rate of the City was 1.36%, (lower than that of other metropolitan areas, such as Ekurhuleni (2.47%) and Tshwane (3.1%)). The City is characterized by a young population, with the age group of 5 to 14 years dominating.

Nelson Mandela Bay has the lowest proportion of informal households among South African Metropolitan Municipalities, having significantly reduced the numbers since 2001 (SACN, 2016). In addition, the average number of people per household declined from 4,25 in 1996 to 3,55 in 2011 (STATS SA, 2011) and remains at 3,55 in December 2019 according to STATS SA General Households Survey, 2019.

Between 2001 and 2011, the total number of people living below the poverty line decreased from 46% to 29% (SACN, 2016).

At the end of February 2020, before the impact of COVID-19 started to be felt, the number of account holders receiving a subsidy in terms of the Assistance to the Poor Programme was 56 707. This number has increased to 69 482 in April 2021. This illustrates a 22% increase in the number of ATTP beneficiaries since the start of COVID-19 i.e. 12 775.

The national average of households receiving at least one social grant is 45,5%. 45% of households in Nelson Mandela Bay receive at least one social grant. By comparison, 53,7% of households in Buffalo City receive at least one social grant.

Nelson Mandela Bay has been the driver of the Eastern Cape economy, contributing 41,81% of the provincial Gross Geographic Product (GGP) (Global Insight, 2013). The unemployment rate dropped from 46,4% in 2001 to 36,6% in 2011. The Eastern Cape Province's average unemployment rate was 37.4% in 2011 (SACN, 2016).

Pre-COVID-19, the unemployment rate during March 2020 in Nelson Mandela Bay was 35% (ECSECC, 2020) which increased to 42,3% in December 2020 (SARS).

The largest economic sectors in Nelson Mandela Bay Metro have been manufacturing, finance, community services and transport. Community services, trade and manufacturing sectors have traditionally created most employment in the Metro. The City offers a wealth of tourism and recreation opportunity due to its biodiversity, beaches and open spaces.

In a spatial sense, the City is relatively low density with an average density of 20 residential units per hectare of developed land. The spatial pattern of the city is one of segregation with lower incomes and higher densities characterising the northern parts of the city and higher incomes and lower densities to the south and west.

### 1.3.1 The Regional Context



The regional context and the linkages between Nelson Mandela Bay and the hinterland are important. NMBM is the largest city in the Eastern Cape Province and thus plays a large role in the economy of the Eastern Cape. Similarly, the surrounding towns play a role in the growth and development of the city. Taking cognisance of the locational context of the city is important in considering growth and development aspects.

The City has an airport, with international status within five minutes of the City centre. It is well serviced by rail linkages to Gauteng and is connected by good quality roads to the rest of the country.

The location of NMBM in its regional context presents many advantages and economic possibilities. The two ports located within the boundary of the City further enhance its attraction for trade and industry.

#### **1.4 VISION AND MISSION**

This document represents the final review of the 2017/18 to 2021/22 IDP. The following mission and vision were identified for this 5-year IDP.

##### **VISION**

*An iconic, friendly, ocean city driven by innovation, service excellence and economic development – a destination of choice*

##### **MISSION**

*To create Freedom, Fairness and Opportunity for all in NMBM; stop corruption; create jobs; and improve service delivery*

It will be required in the development of the next five year IDP, after the local government elections, for the vision and mission to be articulated for the 5-year IDP term.

This will be identified through a collaborative process by the ruling Council.

## **1.5 THE IMPORTANCE OF IDPs AND THE ANNUAL REVIEW PROCESS**

Sections 28 and 34 of the Municipal Systems Act (No. 32 of 2000) stipulate the need for each municipality to develop and adopt an IDP, which should be reviewed annually.

The IDP is the five-year Strategic Planning document of the Municipality adopted at the beginning of each five-year Council term after a Local Government election. The 2017/18 – 2021/22 IDP was adopted by Council on 28 June 2017. This is the final annual review of the current IDP.

Local government operates in an ever-changing environment. The dynamic nature of local, national and global environments constantly present local government with new challenges and demands. Similarly, the needs of the communities of Nelson Mandela Bay continuously change.

The focus of this and last year's IDP review has been on aligning municipal programmes, projects, strategies and budgets within the context of COVID-19 with community needs and priorities, prioritisation of health, safety, the economy and poverty eradication as well as integrated approaches to municipal planning and development.

## **1.6 STRATEGIC OBJECTIVES**

The strategic objectives of the Municipality's IDP are contextualised for this IDP review period by the COVID-19 pandemic and are as follows:

- a) Prioritise a COVID-19 response and recovery in order to minimise the negative impact on Nelson Mandela Bay across all sectors which includes working with all stakeholders towards an effective roll-out of the COVID-19 vaccine in line with the government programme.
- b) Leverage all partnerships with stakeholders in Nelson Mandela Bay to promote COVID-19 stabilisation and recovery and continue these partnerships into the future.
- c) Prioritise a drought response and recovery in order to mitigate against the impacts of the drought and ensure water security in the future.
- d) The acceleration of the provision of basic services to all communities through the transformation of institutional systems, processes and organisational structure to high performance in order to effectively deliver basic services.
- e) Ensure that the municipality is staffed throughout with a motivated, committed and capable workforce within available resources.
- f) Ensure financial prudence and transparent governance and work towards eradicating corruption.
- g) Respond to the COVID-19 economic impacts by stabilising and ensuring recovery of the Nelson Mandela Bay economy with a view to grow and diversify the local economy by attracting new investment and facilitating an enabling environment for business growth and job creation.
- h) Develop an effective and integrated public transport system that promotes access to opportunity through mobility.
- i) Deliver well-resourced and capacitated disaster management, policing and emergency services in order to ensure the safety of communities and visitors and leverage community and civic partnerships.
- j) To improve public confidence and trust in the leadership of the City through inter alia institutional accessibility, effective communication channels for participatory and responsive governance.
- k) Provide a built environment that promotes integration, inclusivity and accessibility.
- l) Deliver on transformation objectives, promote redress and foster social cohesion.

- m) Provide for the health, well-being and social needs of communities and empowerment of vulnerable people through provision of access to social services, social development and indigent support particularly taking the COVID-19 context into account.
- n) Provide dignified housing and sanitation and accelerate access to improved services to indigent households in order to create safe and decent living conditions for all residents.
- o) Ensure proactive planning for sustainable city development, conservation of resources and natural and built environment.
- p) Drive human development and socio-economic transformation and well-being of sport, recreation, arts and cultural services through the provision of world-class sport, recreation, arts and cultural infrastructure.
- q) Ensuring that planning, budgeting and development, both internal and external to the Municipality is done by taking into consideration all dimensions of sustainability.

## **1.7 KEY PERFORMANCE AREAS (KPAs) OF LOCAL GOVERNMENT**

Nelson Mandela Bay Municipality subscribes to the following five Key Performance Areas of Local Government, which form the basis of the IDP and SDBIP of the institution:

- (a) Basic Service Delivery and Infrastructure Development
- (b) Municipal Transformation and Organisational Development
- (c) Local Economic Development
- (d) Financial Sustainability and Viability
- (e) Good Governance and Public Participation

## **1.8 RELATIONSHIP BETWEEN IDP AND RELATED PROCESSES**

The following diagram has been developed to capture the relationship between the various processes that are undertaken for Integrated Development Planning purposes. It is important to note that stakeholders comprising of the community, other spheres of government, external sectors and internal municipal roleplayers

have a vital role in contributing to the substance of the IDP. In addition, the entire process is subjected to monitoring and evaluation processes, which are aimed at identifying shortcomings and ensuring that remedial measures are put in place to have improved and more relevant integrated planning processes going forward.

The strategic objectives of the Municipality, although essentially the same, will include specific objectives that relate to particular circumstances from time-to-time. For example, in the 2020/21 and 2021/22 financial years, the impact of COVID-19 plays a role in the determination of the strategic objectives.

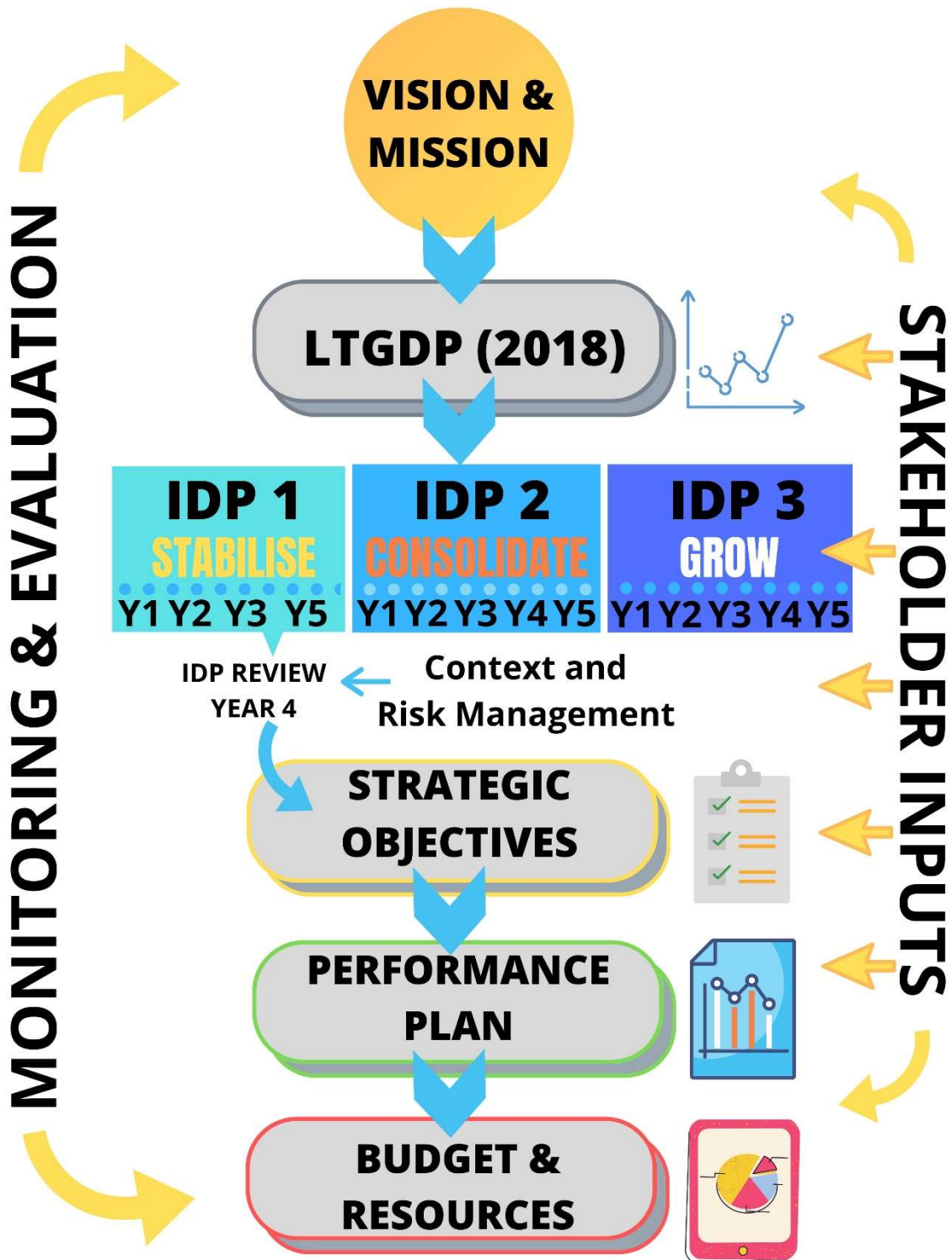
The determination of the strategic objectives is dependent upon an analysis of the context that the Municipality finds itself in in a particular time and is translated into a risk analysis.

The diagram indicates three 5-year IDP periods that make up the 15-year term of the Long-term Growth and Development Plan. This Plan envisages that the first 5-year IDP term will focus on stabilisation of the Municipality. Thereafter, the next 5-year IDP term would consolidate the position of the Municipality, allowing for a transition to growth and transparency in the final 5-year IDP term. In this regard, before the Municipality can move from a position of stabilisation to consolidation, the requirements of stabilisation would have to be met. These would be having a stable political and administrative institution as well as key prerequisites such as an organisational structure fit for purpose, good stakeholder relations and an improving financial situation.

It is unlikely that Nelson Mandela Bay will have reached the level of maturity required to progress to a period of consolidation in the next 5-year IDP period. Certain key issues would still need to be addressed and have been delayed due to the current context.



FIGURE 2: Relationship between IDP and related processes



Source: NMBM, 2021

## 1.9 IDP EVALUATION BY COGTA (EASTERN CAPE PROVINCE)

The Eastern Cape CoGTA Department annually evaluates all IDPs within the Province. An analysis framework is used and the results serve to guide the preparation of credible IDPs. NMBM, being a Metropolitan Municipality, has performed well over the last four years as shown in the Table below, which shows the comparative ratings of the evaluation criteria from 2017/18 to 2020/21:

**TABLE 1: NMBM IDP Ratings**

<b>EVALUATION CRITERIA</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
Spatial Development Framework	High	High	High	High
Service Delivery	High	Medium	Medium	High
Financial Viability	High	High	High	High
Local Economic Development	High	High	High	High
Good Governance and Public Participation	Medium	High	High	High
Institutional Arrangement	Low	Medium	Medium	Medium
Overall Rating	High	High	High	High

*Source: COGTA (2021)*

Notwithstanding the ratings above, the MEC for CoGTA made some specific findings on the 2020/21 IDP Review. The 2021/22 IDP review has taken into account the findings and addressed the findings where possible.

# CHAPTER *two* | SITUATIONAL ANALYSIS

# 2

## 2.1 SITUATIONAL ANALYSIS OF NELSON MANDELA BAY

Nelson Mandela Bay Municipality is located in the Eastern Cape Province of South Africa and is one of eight Metropolitan Municipalities. In 2001, the Nelson Mandela Bay Metropolitan Municipality was formed as a single administrative area covering *inter alia* Gqeberha (formerly Port Elizabeth), Kariega (formerly Uitenhage), Despatch and a number of surrounding areas.

The Coega Special Economic Zone (SEZ) is situated within Nelson Mandela Bay and is a multi-billion dollar industrial complex that accommodates heavy, medium and light industries as well as the Port of Ngqura, which is a deep water harbour. The SEZ covers 110 km<sup>2</sup> of land and is divided into a number of industrial zones as well as environmental areas. The City has a unique advantage in that it possesses two ports, namely Port Elizabeth Harbour and Ngqura. This creates a number of opportunities linked to the diversification of port activities, the maritime sector and the separation of 'dirty' and 'clean' port uses.

## 2.2 DEMOGRAPHIC BACKGROUND

### 2.2.1 Current situation

The following statistics are relevant:

Population	1,239,463 (STATS SA GHS 2019)
Households (total)	356 065 (STATS SA GHS 2019)
Households (formal)	328 828 (STATS SA GHS 2019)
Households (informal)	27 237 (STATS SA GHS 2019)
Number of informal settlements	124 (NMBM, 2021)
Area covered	1 959 km <sup>2</sup>
Unemployment rate	42,3% (SARS, December 2020)
Capital Budget – 2021/22	R1,37 billion
Operating Budget – 2021/22	R13,33 billion

### **2.2.1 Poverty and income**

According to STATS SA General Households Survey (2019), 21,6% of households in Nelson Mandela Bay listed grants as their main source of income. Salaries and wages as the main source of income were most prominent in Cape Town (67,5%), Johannesburg (66,8%) and eThekweni (65,8%). Nelson Mandela Bay at 54,6% and Buffalo City at 54,4% are amongst those Metros with the least source of income from salaries and wages. 21,6% of households in Nelson Mandela Bay rely on grants as their main source of income.

### **2.2.2 Education**

75,8% of learners aged 7 to 24 years in Nelson Mandela Bay attended an educational institution as compared to 80,2% in Buffalo City and 79,2% in Mangaung (79,2%). The lowest attendance was observed in Cape Town (69,8%) and eThekweni (71,1%).

Persons 20 years and older with less than Grade 7 as highest level of education are 4,1%. Buffalo City is 11,4% and Cape Town is 6,1%.

0,8% of people 20 years and older in Nelson Mandela Bay have no schooling compared to a Metro average of 1,4% (STATS SA GHS, 2019).

### **2.2.3 Health**

In respect of health, 24% of persons have medical aid cover against a national average of 25,2% for all Metros and 60,3% of households have their usual place of consultation as a public facility in Nelson Mandela Bay compared to a national Metro average of 62,7% (STATS SA GHS, 2019).

#### **2.2.4 Crime**

The State of Crime and Safety in SA Cities Report, 2020 states the following with regard to crime in Nelson Mandela Bay:

“Nelson Mandela Bay has middle to high levels of most violent crime types. Certain crime hotspots in the Municipality have a substantial gang presence.

Although it records middling to low levels of non-violent property-related crimes and public violence, Nelson Mandela Bay has the second highest murder and robbery rate and the third highest sexual offences and assault rates of all the Metros.

Its indicator of police activity (as measured by recorded rates of driving while under the influence) suggests middling to low levels of police proactivity in this regard.

Nelson Mandela Bay’s crime profile is relatively dominated by (less frequent but more fear-inducing) violent crimes, rather than (more frequent but less fear-inducing) property crimes.

The city’s social and structural rankings are good relative to most other cities, as it scores the highest in terms of social coherence, records the lowest percentage of service deprivation and the lowest percentage of informal housing. However, in terms of marginalisation factors, Nelson Mandela Bay has the highest youth unemployment rate of 47%.

As in all the other cities, Nelson Mandela Bay saw long-term decreases in its recorded rates of assault with the intent to inflict GBH and sexual offences, down 34% and 35% respectively, over the last seven years. However, these long-term declines may be reversing, as both rates saw increases in the last year – assault with the intent to inflict GBH went up 7% and sexual offences increased by 1% in the same period.

The recorded rates of non-violent property-related crimes have seen decreases of 24% over the last seven years and 8% in the last year. Aggravated robbery rates have remained stable over the past seven years and improved in the past year by 5%. Of concern is the increase in the murder rate by 28% in the last seven years and 14% in the last year.

Roadblock activities have seemingly taken an increasingly low policing priority, as shown in the recorded rate of driving under the influence of alcohol or drugs, which has decreased by 29% over the past seven years but has seen an increase of 3% over the last year”.

Crime is one of the factors that have been influenced by the COVID-19 pandemic. In particular gender-based violence has been profiled as one of the areas where such crimes have increased. Detailed statistics on the impact of COVID-19 on various crime types are not yet available.

## **2.3 ACCESS TO SERVICES**

### **(a) Water**

According to STATS SA General Households Survey (2019), 97,3% of households in all Metros have access to piped or tap water in dwellings, off-site or on-site. Nelson Mandela Bay and the City of Cape Town both have 99,5% of households with access to tap water, second to Johannesburg with 99,8%.

The Municipality is assessing the extent of water provision backlog in recently established informal settlements and standpipes are installed in such areas on an on-going basis.

**(b) Sanitation**

Nelson Mandela Bay has the highest household access to improved sanitation of all Metros in the country (95,8%). Buffalo City has 95,1% and Tshwane has 83,1%. Improved sanitation is defined as flush toilets connected to a public sewerage system or a septic tank, or a pit toilet with a ventilation pipe (STATS SA GHS, 2019).

The Municipality rolled out basic sanitation in some historic informal settlements and relocated other households to formal sites with waterborne sanitation. During the 2019/20 financial year, the Municipality connected 1 468 new sewer connections with an additional 803 connections up to 31 March 2021 (2020/21). Approximately 5700 buckets were in circulation in informal settlements as a means of sanitation.

The Municipality is assessing the extent of sanitation provision backlog in recently established informal settlements. Sanitation challenges in such areas will be addressed as part of the NMBM Bucket Eradication Programme.

**(c) Waste management (refuse removal)**

According to STATS SA General Household Survey (2019), Nelson Mandela Bay is second to Ekurhuleni for refuse removal at least once per week in all Metros. The percentages of refuse removed once per week or more are as follows:

- Ekurhuleni 89,5%
- Nelson Mandela Bay 88,5%
- Buffalo City 56,9%

Those not receiving weekly refuse removal, take their refuse to the nearest drop-off sites. The Municipality continues to face the challenge of illegal dumping and refuse collection in informal settlements without proper access roads.

#### (d) Electricity and energy

According to STATS SA General Household Survey (2019), 92% of households in Nelson Mandela Bay have access to electricity. Of the 92%, 88,8% of households are connected to pre-paid electricity meters. In Buffalo City, 86,8% of households connected to electricity are connected to pre-paid meters and 50,3% of households in Johannesburg.

The Municipality continues to explore sustainable approaches towards addressing illegal electricity connections in informal areas on non-proclaimed sites (i.e. sites not serviced or surveyed/pegged, under power lines and on flood plains, and invaded municipal land).

#### (e) Housing

Nelson Mandela Bay has the lowest level of informal houses of all Metros in the Country standing at 7,1% in 2019. Other Metros informal dwellings are City of Cape Town (19,6%), Johannesburg (19,1%) and Ekurhuleni (18,4%), and Buffalo City (17,7%) (STATS SA, GHS, 2019).

The current demand for subsidised housing as captured in the Housing Needs Database is calculated at 124 342 shown below. This is significantly higher than the StatsSA estimates.

**TABLE 2: Estimated Housing Demand**

Female	74 690
Male	49 652
TOTAL	124 342

Source: NMBM, 2020



The above data will be incorporated in the review of the NMBM Human Settlement Sector Plan which is inclusive of all housing needs and the existing informal settlements.

**(f) Infrastructure**

The following is experienced in relation to infrastructure:

- The backlog of tarring of gravel roads is approximately 750 km. The cost to eliminate this backlog is approximately R6 billion. This backlog has occurred largely due to housing development programme funded by the government only includes sufficient funding for gravel roads and the recent increase in the number of developments constructed.
- Stormwater drainage inadequacies are experienced in disadvantaged areas, especially in newly developed areas because of limited funding for roads and stormwater construction. The scour of gravel from unsurfaced roads results in stormwater blockages.
- Ageing infrastructure, especially electricity, water and sanitation infrastructure results in leakages, pipe bursts, blockages and electricity disruptions, which in turn cause service delivery disruptions.
- The completion of the Nooitgedacht Low Level Scheme remains the most significant project to ensure long-term water sustainability in the NMB. This project supports both the provision of basic water, but also water for economic development. Phase 2 is operational and Phase 3 planned for completion by Amatola Water as the implementing agent funded by the Department of Water and Sanitation (DWS) is scheduled for completion in September 2021.
- Fishwater Flats Wastewater Treatment Works (FWF WWTW) commenced with the completion of the Phase 1 (inlet works). Subsequent contracts have commenced with as part of Phase 2. This and other Wastewater Treatment Works are critical (socially & economically) for further growth and development in the metro, not to mention the support for the Bucket Eradication Programme. The total funding needed exceeds R1 billion.

- Economic infrastructure for development such as the Coega Wastewater Treatment Works and the Coega Return Effluent Scheme is needed to support the Coega SEZ. Further development of the SEZ if no funding is availed for these projects. An investment of approximately R600M is required to complete the project, but the viability of the project is also dependent on the FWF WWTW upgrades.
- Planning has commenced on a new wastewater treatment facility to support the housing developments north of Motherwell and the Coega SEZ. This plant is planned for an ultimate capacity of 120 MI/d costing in the region of R1 500 000,00. A start up capacity of approximately 40-50MI/d will be required and is estimated at R750M (including a sea outfall).
- The Municipality is working on a long-term capital investment plan to support economic growth and socio-economic development.

The table below summarises the critical infrastructure needs of the Nelson Mandela Bay.

**TABLE 3: Critical Growth and Investment Priorities in NMBM**

No	Description	Cost Est.	Budget	Timing	Project Status
1	Nooitgedaght Phase 3	R350M	DWS	Jul-21	Construction stage
2	Borehole Water Exploration:	R300M	20/21 – R108M (Non MDRG)	Sept-22	Construction of the Coega Kop Treatment facilities commenced and scheduled for completion in Sept.'22.
3	Western Desalination	R1,500M		5 yrs.	60MI/d: Cost estimate excludes link pipe and pump station network to distribution network. Drought EIA in place. Report Council prepare for CDC to be the implementing agent..
4	Sundays River Return Flows	R1,000M	R100M pa	5 yrs.	55MI/d: Cost estimate includes link pipe & pump station network to distribution network. Subject to EIA processes Subject to Feasibility by DWS based on the Algoa Reconciliation Study outcomes
5	Fishwater Flats	R1,300M	R100M pa	5-10 yrs.	Phase 1: 100% complete Dedicated funding to be explored for remainder of project.
6	Coega Wastewater Treatment Works	R3000M		5 yrs.	Preliminary planning phase. CDC received BFI funding for project.

No	Description	Cost Est.	Budget	Timing	Project Status
7	Coega Return Effluent	R650M		3 yrs.	Project ready for implementation CDC received BFI funding for project.
8	Non-Revenue Water	R1,631M	R650M for First 5 yrs.	10 yr. Plan	Project Commenced. 10 Yr Business Plan Approved by Council to reduce losses in the amount of R1631M. Of this a loan of R415M was approved for NRW for 4 years. First ±R145M implemented in 2020/21 financial year.

Source: NMBM 2021

### (g) Building investment trends

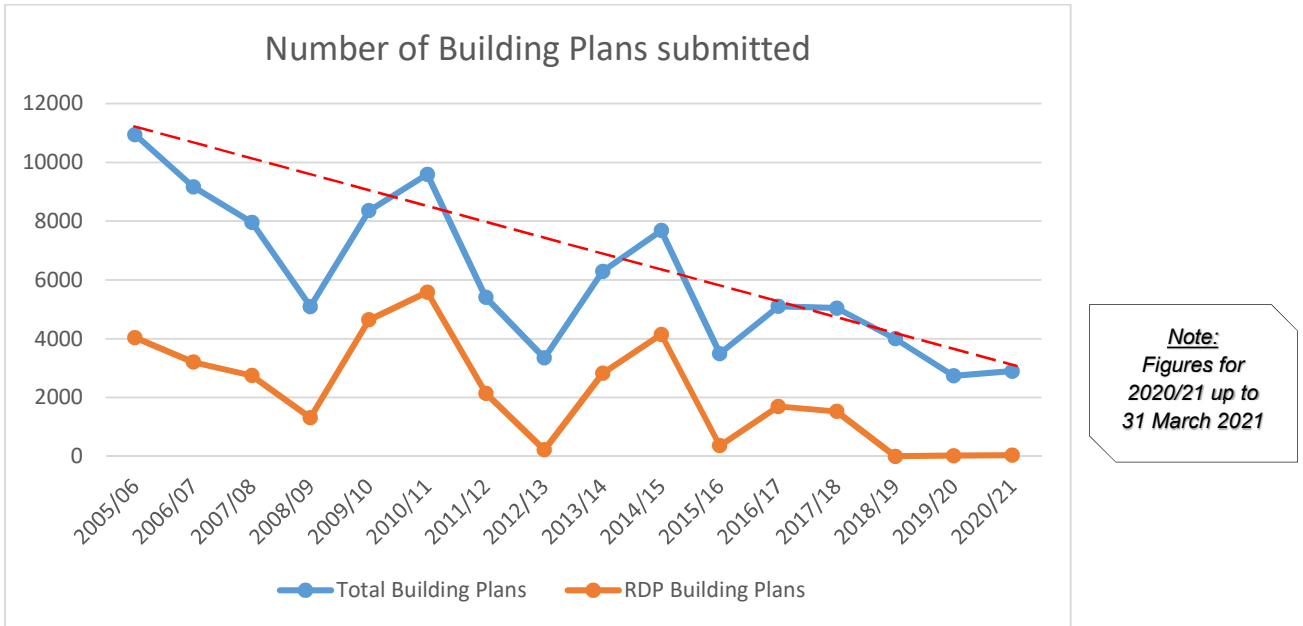
Nelson Mandela Bay recorded steady and rapid growth from 2001 to 2004, followed by a decline in the 2004/2005. The period 2005 to 2007 reflected a recovery but, 2008 saw a dramatic decline in growth, indicating the impact of the global economic crisis.

There was a recovery in the 2009/10, almost to the 2007 pre-economic meltdown figures, both in terms of the number and value of plans passed. This dipped in 2011/12 and continued to dip ever since as can be seen in the following graph. Building Plan submissions are at the lowest level since 2005/06.

The two graphs below show the number and value of building plans submitted over recent years, as economic indicators. A decline in the number of building plans submitted is reflected with a general increase in the value of building plans. The building plan value increase can be attributed to the increased construction cost rather than economic growth. It is observed that the statistics in relation to the approval of building plans remain indicative of a weak economy.

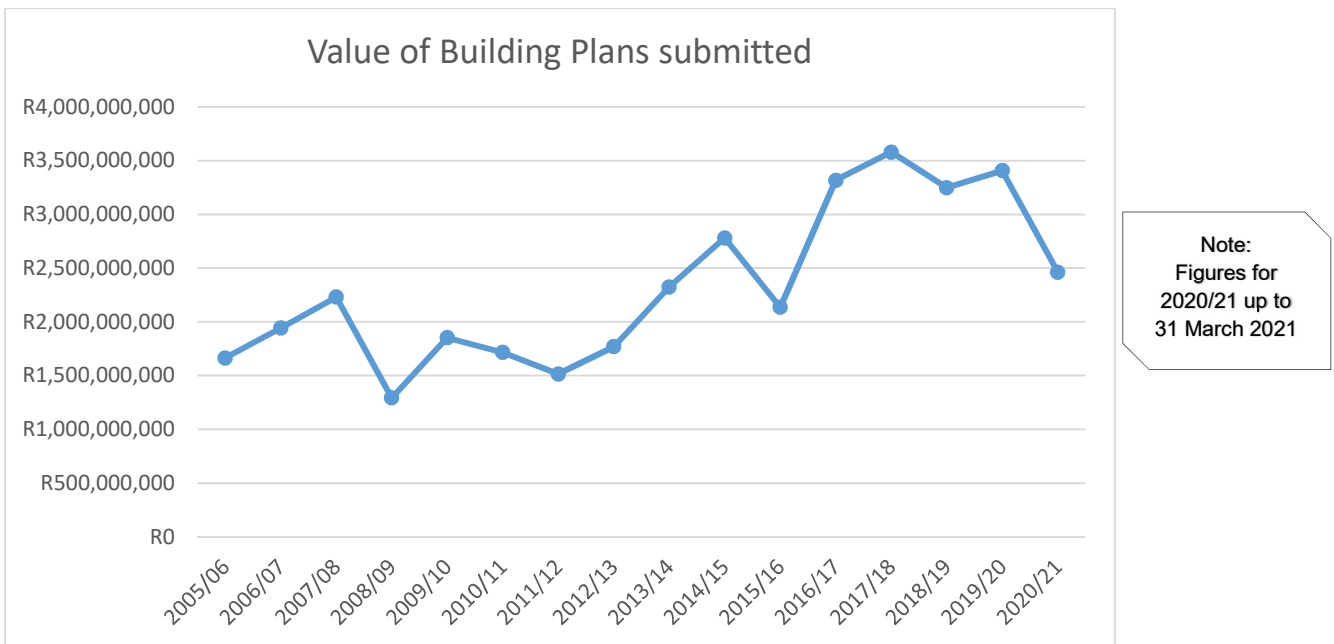
The figure below reflects the total number of building plans as well as a line showing the number of RDP house plans as a proportion of the total number of building plans. It can be seen that the peaks in the total number of building plans in 2010/11 and 2014/15 are directly attributable to the increased number of RDP house plans and not as a result of any economic growth.

**FIGURE 3: Number of Building Plans Submitted 2005 to 2021**



Source: NMBM, 2021

**FIGURE 4: Value of Building Plans Submitted 2005 to 2021**



Source: NMBM, 2021

## **2.4 TRENDS AND DEMAND FOR ECONOMIC INFRASTRUCTURE**

### **2.4.1 Economic Background**

The Nelson Mandela Bay Municipality does not function in isolation of the Eastern Cape, South Africa and the rest of the world.

The economic state of Nelson Mandela Bay is put in perspective by comparing it with its neighbouring municipalities, the Eastern Cape as a whole, and South Africa.

The following information on the economy of Nelson Mandela Bay is an extract from *Statistical Overview: Nelson Mandela Bay Metropolitan Municipality* prepared by IHS Markit. The information was published in 2020 and is based on available historical data.

The data does not cover the significant impacts of COVID-19 on the economic sector of the City. It can be expected that the pandemic has significantly affected all sectors of the economy.

### **2.4.2 Gross Domestic Product**

The Gross Domestic Product (GDP), an important indicator of economic performance, is used to compare economies and economic states. Gross Domestic Product by Region (GDP-R) represents the value of all goods and services produced within a region, over a period of one year, plus taxes and minus subsidies.

**TABLE 4: Gross Domestic Product (GDP) – Nelson Mandela Bay, Eastern Cape and National total, 2009-2019 (R billions, current prices)**

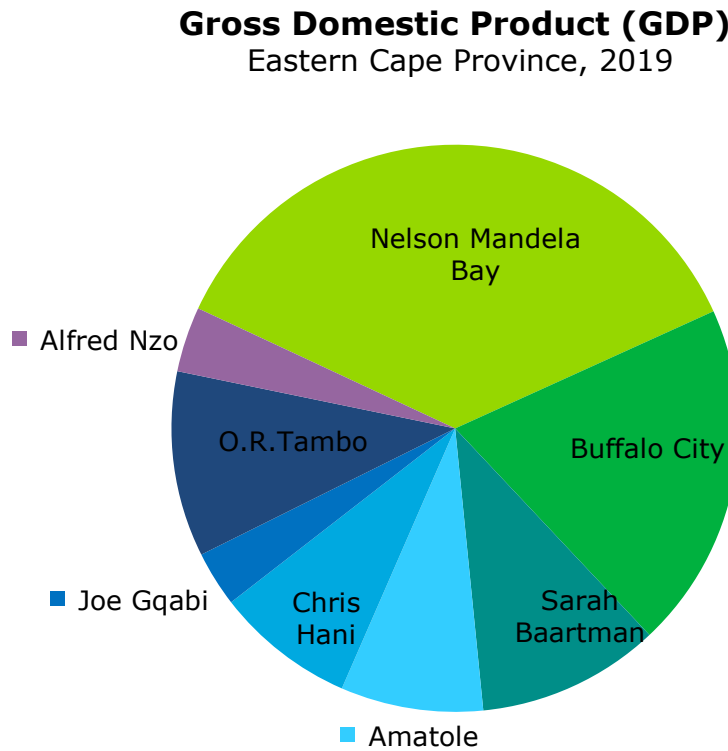
	<b>Nelson Mandela Bay</b>	<b>Eastern Cape</b>	<b>National Total</b>	<b>Nelson Mandela Bay as % of province</b>	<b>Nelson Mandela Bay as % of national</b>
2009	67.4	191.2	2,507.7	35.2%	2.7%
2010	74.7	211.6	2,748.0	35.3%	2.7%
2011	79.3	226.1	3,023.7	35.1%	2.6%
2012	87.9	252.2	3,253.9	34.8%	2.7%
2013	95.7	273.3	3,540.0	35.0%	2.7%
2014	102.9	293.6	3,805.3	35.0%	2.7%
2015	111.4	316.3	4,049.9	35.2%	2.8%
2016	117.9	334.5	4,359.1	35.3%	2.7%
2017	126.9	358.6	4,653.6	35.4%	2.7%
2018	133.6	375.5	4,873.9	35.6%	2.7%
<b>2019</b>	<b>141.9</b>	<b>391.1</b>	<b>5,077.6</b>	<b>36.3%</b>	<b>2.8%</b>

Source: IHS Markit Regional eXplorer version 2070

With a GDP of R142 billion in 2019 (up from R 67.4 billion in 2009), Nelson Mandela Bay contributed 36.28% to the Eastern Cape Province GDP of R391 billion in 2019, increasing in the share of the Eastern Cape from 35.23% in 2009. Nelson Mandela Bay contributes 2.79% to the GDP of South Africa which had a total GDP of R5.08 trillion in 2019 (as measured in nominal or current prices). Nelson Mandela Bay's contribution to the national economy remained similar in importance compared to 2009 (when it contributed 2.69% to South Africa).

In 2019, Nelson Mandela Bay achieved an annual growth rate of 1.92% which is a significantly higher GDP growth than the Eastern Cape's 0.27%, and is higher than that of South Africa, where the 2019 GDP growth rate was 0.15%. Contrary to the short-term growth rate of 2019, the longer-term average growth rate for Nelson Mandela Bay (1.92%) is slightly higher than that of South Africa (1.68%).

**FIGURE 5: Gross Domestic Product (GDP) – Nelson Mandela Bay Metropolitan Municipality and the rest of the Eastern Cape, 2019 (Percentage)**



Source: IHS Markit Regional eXplorer version 2070

Nelson Mandela Bay had a total GDP of R142 billion and, in terms of total contribution towards the Eastern Cape, Nelson Mandela Bay ranked highest relative to all other regional/district economies. This ranking (i.e. in terms of size compared to other regions) remained the same since 2009. In terms of its share of provincial GDP in 2019, Nelson Mandela Bay (36.3%) was significantly larger compared to 2009 (35.2%). For the period 2009 to 2019, the average annual growth rate of 1.9% of Nelson Mandela Bay was the highest relative to its peers in terms of growth in constant 2010 prices.

### 2.4.3 Economic Growth Forecast

Pre-COVID-19, it was expected that Nelson Mandela Bay would grow at an average annual rate of 1.12% from 2018 to 2023. The average annual growth rate of Eastern Cape Province and South Africa was expected to grow at 1.15% and 1.16% respectively.

It is now expected that Nelson Mandela Bay will grow at an average annual rate of 0.12% from 2019 to 2024. The average annual growth rate of Eastern Cape and South Africa is expected to grow at 0.15% and 0.34% respectively.

#### 2.4.4 Gross Value Added by Broad Economic Sector

Nelson Mandela Bay is made up of various industries. The Gross Value Added (GVA) is a measure of output (total production) of a region in terms of the value that was created within that region. GVA can be broken down into various production sectors.

**TABLE 5: Gross Value Added (GVA) by Broad Economic Sector – Nelson Mandela Bay Metropolitan Municipality, 2019 (R billions, Current Prices)**

	Nelson Mandela Bay	Eastern Cape	National Total	Nelson Mandela Bay as % of province	Nelson Mandela Bay as % of national
Agriculture	0.3	5.8	95.7	5.8%	0.35%
Mining	0.1	0.4	376.4	14.8%	0.02%
Manufacturing	25.4	46.2	598.2	54.9%	4.24%
Electricity	4.5	9.3	173.4	47.9%	2.57%
Construction	4.0	13.5	172.2	29.8%	2.34%
Trade	20.5	68.9	685.3	29.7%	2.99%
Transport	13.6	30.4	442.1	44.7%	3.08%
Finance	25.2	63.6	889.3	39.7%	2.84%
Community services	29.8	109.9	1,091.2	27.2%	2.73%
<b>Total Industries</b>	<b>123.4</b>	<b>348.0</b>	<b>4,523.6</b>	<b>35.5%</b>	<b>2.73%</b>

Source: IHS Markit Regional eXplorer version 2070

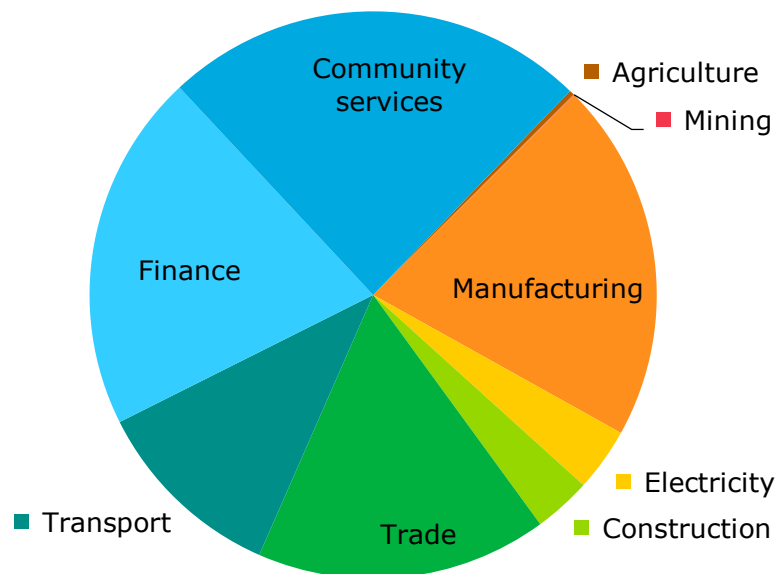
In 2019, the community services sector was the largest within Nelson Mandela Bay accounting for R29.8 billion or 24.2% of the total GVA in the metropolitan economy. The sector that contributes the second most to the GVA of the Nelson Mandela Bay was the manufacturing sector at 20.5%, followed by the finance sector with 20.4%.



The sector that contributes the least to the economy is the mining sector with a contribution of R64.3 million or 0.05% of the total GVA.

**FIGURE 6: Gross Value Added (GVA) by Broad Economic Sector – Nelson Mandela Bay Metropolitan Municipality, 2019 (Percentage Composition)**

**Gross Value Added (GVA) by broad economic sector**  
Nelson Mandela Bay Metropolitan Municipality, 2019



Source: IHS Markit Regional eXplorer version 2070

#### 2.4.5 Historical Economic Growth

For the period 2009 to 2019, the GVA in the electricity sector had the highest average annual growth rate in Nelson Mandela Bay at 8.68%. The industry with the second highest average annual growth rate is the community services sector averaging at 2.45% per year. The construction sector had an average annual growth rate of 0.93%, while the mining sector had the lowest average annual growth of 0.87%. Overall positive growth existed for all the industries in 2019 with an annual growth rate of 1.85% since 2018.

**TABLE 6: Gross Value Added (GVA) by Broad Economic Sector – Nelson Mandela Bay Metropolitan Municipality, 2009, 2014 AND 2019 (R billion, 2010 Constant Prices)**

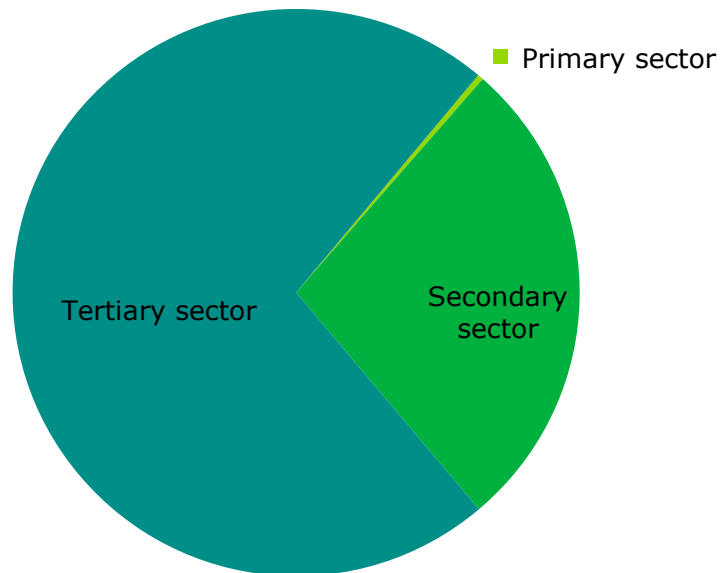
	<b>2009</b>	<b>2014</b>	<b>2019</b>	<b>Average Annual growth</b>
Agriculture	0.14	0.19	0.15	1.05%
Mining	0.08	0.12	0.09	0.87%
Manufacturing	14.23	16.15	16.30	1.37%
Electricity	0.51	0.92	1.18	8.68%
Construction	2.18	2.38	2.39	0.93%
Trade	10.29	11.82	12.10	1.63%
Transport	7.15	8.12	8.69	1.97%
Finance	15.12	16.56	17.76	1.62%
Community services	14.22	16.57	18.12	2.45%
<b>Total Industries</b>	<b>63.93</b>	<b>72.83</b>	<b>76.79</b>	<b>1.85%</b>

Source: IHS Markit Regional eXplorer version 2070

The tertiary sector contributes the most to the Gross Value Added within Nelson Mandela Bay at 72.3%. This is slightly higher than the national economy (68.7%). The secondary sector contributed a total of 27.4% (ranking second), while the primary sector contributed the least at 0.3%.

**FIGURE 7: Gross Value Added (GVA) by Aggregate Economic Sector – Nelson Mandela Bay Metropolitan Municipality, 2019 (Percentage)**

**Gross Value Added (GVA) by aggregate sector**  
Nelson Mandela Bay Metropolitan Municipality, 2019



*Source: IHS Markit Regional eXplorer version 2070*

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

#### **2.4.6 Primary Sector**

The primary sector consists of two broad economic sectors namely the mining and the agricultural sector.

Between 2009 and 2019, the agriculture sector experienced the highest positive growth in 2017 with an average growth rate of 20.4%. The mining sector reached its highest point of growth of 24.9% in 2012. The agricultural sector experienced the lowest growth for the period during 2016 at -15.0%, while the mining sector reaching its lowest point of growth in 2015 at -10.5%. Both the agriculture and mining sectors are generally characterised by volatility in growth over the period.

#### **2.4.7 Secondary Sector**

The secondary sector consists of three broad economic sectors namely the manufacturing, electricity and the construction sector.

Between 2009 and 2019, the manufacturing sector experienced the highest positive growth in 2010 with a growth rate of 5.4%. The construction sector reached its highest growth in 2009 at 10.4%. The manufacturing sector experienced its lowest growth in 2019 of -7.8%, while construction sector reached its lowest point of growth in 2019 with -1.3% growth rate. The electricity sector experienced the highest growth in 2013 at 39.8%, while it recorded the lowest growth of -0.2% in 2010.

#### **2.4.8 Tertiary Sector**

The tertiary sector consists of four broad economic sectors namely the trade, transport, finance and the community services sector.

The trade sector experienced the highest positive growth in 2010 with a growth rate of 6.9%. The transport sector reached its highest point of growth in 2011 at 4.1%. The finance sector experienced the highest growth rate in 2019 when it grew by 3.0% and recorded the lowest growth rate in 2009 at -1.8%. The trade sector also had the lowest growth rate in 2009 at -1.9%. The community services sector, which largely consists of government, experienced its highest positive growth in 2010 with 5.3% and the lowest growth rate in 2017 with 1.2%.

## 2.5 ASSET CONDITION

This data is based upon a study (Infrastructure Maintenance Backlog Assessment) that was conducted in 2011 and escalated.

**TABLE 7: Water Backlog Maintenance**

<b>Water Backlog</b>	<b>Total Sum of Repair Cost</b>	<b>Total Sum of Estimated Replacement Value</b>	<b>Repairs as % of Replacement Value</b>
Dams	R2,408,320	R768,141,482	0.31%
Reservoirs	R21,519,671	R1,206,530,799	1.78%
Water Treatment Works	R57,295,705	R656,586,425	8.73%
Bulk Water Supply Lines	R12,949,500	R5,066,790,845	0.26%
Pump Stations	R23,372,730	R127,379,002	18.35%
Internal Reticulation	R530,370,326	R1,391,328,057	38.12%
<b>Grand Total</b>	<b>R647,916,252</b>	<b>R9,216,756,610</b>	

*Source: NMBM Infrastructure & Engineering Directorate, 2021*

**TABLE 8: Medium-term Replacement / Refurbishment Plan**

<b>Water Backlog</b>	<b>&lt; 2 yrs</b>	<b>&lt; 5 yrs</b>	<b>ASAP</b>	<b>Monitor only</b>	<b>Record only</b>	<b>Routine</b>	<b>Total Sum of Repair Cost</b>
<b>Dams</b>	R853,500	R264,800	R1,229,520	Nil	Nil	R60,500	R2,408,320
<b>Reservoirs</b>	R16,793,467	R295,000	R4,431,204	Nil	Nil	Nil	R21,519,671
<b>Water Treatment Works</b>	R22,119,655	R7,301,250	R18,516,800	R359,500	R567,500	R8,431,000	R57,295,705
<b>Bulk Water Supply Lines</b>	R1,035,000	R1,982,500	R9,722,000	R210,000	Nil	Nil	R12,949,500
<b>Pump Stations</b>	R2,646,900	R477,000	R19,784,330	R120,000	Nil	R344,500	R23,372,730
<b>Internal Reticulation</b>	R4,524,276	R4,040,984	R521,805,065	Nil	Nil	Nil	R530,370,326
<b>Grand Total</b>	<b>R47,972,798</b>	<b>R14,361,534</b>	<b>R575,488,919</b>	<b>R689,500</b>	<b>R567,500</b>	<b>R8,836,000</b>	<b>R647,916,252</b>

*Source: NMBM Infrastructure & Engineering Directorate, 2021*

The table above indicates that the total maintenance backlog for water infrastructure for the next five years amounts to R647 916 252.

**TABLE 9: Sewer Replacement Cost and Maintenance/ Rehabilitation Plan**

Sewer Backlog	< 2 yrs	< 5 yrs	ASAP	Monitor only	Record only	Routine	Total Sum of Repair Cost	Total Sum of Estimated Replacement Value
<b>Pump Stations</b>	R15,527,520	R1,111,000	R12,179,100	R81,000	R0	R826,700	R29,725,320	R120,724,600
<b>Sewer Reticulation</b>	R160,180,756	R167,349,637	R60,938,492	R211,084	R0	R422,168	R389,102,138	R2,110,840,274
<b>Waste Water Treatment</b>	R34,021,564	R5,046,233	R102,497,695	R687,320	R12,000	R487,290	R142,752,104	R1,979,608,789
<b>Grand Total</b>	<b>R209,729,84</b>	<b>R173,506,87</b>	<b>R175,615,287</b>	<b>R979,404</b>	<b>R12,000</b>	<b>R1,736,158</b>	<b>R561,579,562</b>	<b>R4,211,173,663</b>

*Source: NMBM: Infrastructure & Engineering Directorate, 2021*

The above information forms the basis of, the Engineering Design and Management Systems software data management system. This same management system is used to provide the GRAP 17 compliance data on asset management.

### **2.5.1 Roads / Stormwater / Transport**

The NMBM's Comprehensive Integrated Transportation Plan (CITP) is currently in its review stage as required by the National Land Transport Act (5 of 2009). The review includes an overhaul of the CITP, which will include new projects which have to be implemented within the next 5 years of the CITP's validity.

**TABLE 10: CITP Capital Budget Summary 2020/21 – 2025/26**

<b>Project Category</b>	<b>Approved Capital Budget to 2020/21</b>	<b>2021/22 Capital Budget</b>	<b>2022/23 Capital Budget</b>	<b>2023/24 Capital Budget</b>	<b>2024/25 Capital Budget</b>	<b>2025/26 Capital Budget</b>	<b>Total</b>
Roads Required for Additional Capacity	12 000 000	10 000 000	10 000 000	17 950 000	49 750 000	43 800 000	143 500 000
Access and Connectivity Improvements	21 000 000	31 000 000	38 000 000	81 800 000	61 800 000	41 000 000	274 600 000
Road Maintenance Projects	9 200 000	11 000 000	12 000 000	12 000 000	7 000 000	7 000 000	58 200 000
Bridge Maintenance Projects	3 000 000	5 000 000	5 000 000	2 500 000	2 500 000	2 000 000	20 000 000
Traffic & Signage Improvements	11 947 397	11 350 000	11 350 000	9 350 000	9 350 000	9 350 000	62 697 397
Public Transport	96 282 500	130 200 000	112 838 930	275 850 000	221 050 000	75 050 000	911 271 430
Non-Motorised Transport Projects	17 800 000	11 800 000	12 300 000	22 500 000	12 000 000	12 000 000	88 400 000
Freight Transport Projects	0	0	0	800 000	800 000	3 350 000	4 950 000
Transport Planning Projects	0	36 000 000	38 000 000	36 000 000	36 000 000	36 000 000	182 000 000
<b>Total</b>	<b>171 229 897</b>	<b>246 350 000</b>	<b>239 488 930</b>	<b>458 750 000</b>	<b>400 250 000</b>	<b>229 550 000</b>	<b>1 745 618 827</b>

Source: NMBM 2021

The backlog of tarring of gravel roads is approximately 750 km. The cost to eliminate this backlog is approximately R6 billion. This backlog has occurred largely due to the subsidised housing development programme, which only includes sufficient funding for gravel roads. As more RDP houses are built, the backlog for tarring of gravel roads increased.

The table below illustrates the roads, transport and stormwater backlogs and the maintenance budget required to address these backlogs:

**TABLE 11: Maintenance Backlog**

		Total Operational Maintenance and Rehabilitation Backlogs	Annual Requirement to Eliminate Backlog	Budget 2018/19	Budget 2019/2020	Budget 2020/2021
	<b>Roads &amp; Stormwater</b>					
1	Maintenance / Rehabilitation of Subsidised Roads	660 000 000	50 000 000	12 000 000	6 000 000	6 000 000
2	Maintenance / Rehabilitation of -Non subsidised Roads	1 890 000 000	100 000 000	43 015 216	43 410 957	45 000 000
3	Maintenance / Rehabilitation of Stormwater Facilities	830 000 000	65 000 000	21 678 920	25 789 410	26 500 000
4	Road Signs & Markings	116 000 000	15 000 000	3 500 000	3 710 000	3 932 600
5	Maintenance / Rehabilitation of Bridges	540 000 000	45 000 000	896 000	4 000 000	3 000 000
6	Resurfacing of Roads	2 000 000 000	150 000 000	27 000 000	28 000 000	24 000 000
				<b>95 274 271</b>	<b>117 787 500</b>	<b>194 937 780</b>

*Source: NMBM 2021*

The implementation of the projects depends on the availability of funds and is supported by the asset information from the Road Management System, the Stormwater Asset System and the Bridge Management System.



## 2.5.2 Electricity

The NMBM has been reliant on electricity revenue to off-set the rates account and fund a portion of the institution's administration. Declining sales, increasing purchases, alternative forms of energy, tariff structures, losses and theft are creating a much reduced gross profit margin.

Consumption growth in terms of GWh purchased from Eskom has been decreasing by an average of 2% over the last five years even though the number of overall consumers has increased by an average of 12% over the same five-year time period.

In 2019/20 commercial customers procured over 71% of the electricity sold by NMBM. The major clients include Volkswagen Group South Africa, AgniSteels South Africa, Goodyear South Africa, BORBET South Africa, Continental Tyre South Africa, Crown Chickens and Mondelez International. In June 2019 the top twenty customers procured 58 GWh electricity, 24% of the total electricity sold in NMBM.

The following table shows the decline in profit made from the sale of electricity since 2006:

**TABLE 12: Declining Electricity Sales Profit**

Financial Year	Sales	Bulk Purchases	Gross Profit	% Gross Profit	Electricity Losses %
2006/2007	(R1,119,758,699)	R611,923,001	(R507,835,697)	45%	-
2007/2008	(R1,196,274,998)	R663,170,083	(R533,104,914)	45%	-
2008/2009	(R1,502,322,088)	R901,060,864	(R601,261,224)	40%	6,0
2009/2010	(R1,807,750,905)	R1,184,203,683	(R623,547,222)	34%	7,5
2010/2011	(R2,185,993,075)	R1,511,442,011	(R674,551,064)	31%	7,5
2011/2012	(R2,711,116,309)	R1,915,652,397	(R795,463,912)	29%	9,0
2012/2013	(R2,819,881,230)	R2,109,854,326	(R710,026,904)	25%	10,7
2013/2014	(R2,963,172,710)	R216,850,320	(R794,669,190)	27%	11,3
2014/2015	(R3,182,151,220)	R2,294,034,910	(R888,116,310)	28%	12,3

Financial Year	Sales	Bulk Purchases	Gross Profit	% Gross Profit	Electricity Losses %
2015/2016	(3,463,791,052)	R2,720,304,070	(R743,486,982)	21%	12,7
2016/2017	(R3,693,703,315)	(R2,892,128,296)	(R801,575,019)	22 %	13.4
2017/2018	(R3,687,191,074)	(R2,870,435,742)	(R816,755,332)	22%	13.95
2018/2019	(R3,460,029,222)	(R2,913,823,872)	(R546,205,350)	16%	14.34
2019/2020	(R3,247,029,022)	(R2,558,625,981)	(R688,396,149)	21%	19,43

Source: NMBM 2021

As the population grows, it is expected that customer numbers in Nelson Mandela Bay will increase. However, it is to be expected that the increase in energy consumption will partly be offset by the rising unemployment rate, suppressed disposable income and increased poverty.

The price of electricity, tariff increases, alternative energy options and more energy efficient appliances/equipment could suppress future sales growth.

Low economic growth prospects, the political environment in South Africa and the Nelson Mandela Bay Municipality, increased costs of electricity, stability of electricity supply and load shedding are hampering economic activity, depressing economic expansion and causing commercial customers to implement new technologies and renewable energy options in an effort to reduce their reliance on electricity supply from NMBM and Eskom.

The Municipality is a frontrunner in creating an enabling environment and attracting investment in the green economy sector. Currently two wind farms exist in the Metro.

At this stage the PV related opportunities include 378 installations with an indicative capacity of 16,3 megawatts yielding a potential of 26 772,7-megawatt hour (MWh) per annum. From a wind perspective, the biggest wind farm consists of a generation capacity of 27-megawatts which is currently feeding into the grid.

The Municipality played a large role in the success of these ventures and continues to support other public and private initiatives. The Municipality is committed to exploring alternative energy solutions to offset the impact of load shedding, the electricity crisis in South Africa and to help reduce the amount of carbon emissions due to generation from fossil fuels.

The current condition of the electrical infrastructure requires a major injection of funds and manpower in order to bring it to acceptable conditions in line with national standards and the expectations of electricity users.

NERSA has indicated that electricity tariffs cannot be used as the sole source of income to fund capital and maintenance projects. It is thus vitally important that the NMBM finds additional sources of funding for its capital and maintenance projects.

Funding is required to bring the electrical infrastructure back to an acceptable condition, so that it complies with the required national standards. A five-year period is detailed below, however, funding should continue into further years to prevent the network from deteriorating again.

In relation to distribution, the existing municipal electricity network is a mixture of aged and relatively new infrastructure. The majority being older with some equipment older than 40 years. It is therefore urgent that major upgrade, refurbishment and replacement takes place. The following is a reflection of the first 5 years of work required in order to start making inroads into this backlog.

The total cost for the various categories is as follows:

Major Substations	R 122 386 680
Minor Substations	R 376 433 333
Overhead Lines	R 276 000 000
Power Transformers	R 29 727 000
<b>Total over 5 years</b>	<b>R 804 547 013</b>

### **2.5.2.1 Electricity Losses**

Losses are an ongoing concern, as it results in a loss of revenue and overall reduced efficiency of the utilisation of the electrical resources. Creative programmes such as the Innovative Undeclared Informal Electrification Programmes have been implemented to assist in the reduction of non-technical electrical losses caused by tampering and socio-economic factors. The total losses are 19,43% of total electricity, non-technical losses are 13,43% and technical losses are 6%.

A strategy to deal with technical and non-technical losses has been identified and comprises a number of programmes.

NMBM has attained grant funding of approximately R300 million from KfW (German Development Bank) to assist it to be more sustainable and to achieve one of its goals of promoting renewable energies in the next financial year.

**CHAPTER**  
*three***INSTITUTIONAL OVERVIEW****3**

The political structure of the Nelson Mandela Bay Municipality consists of the Council, the Executive Mayoral Committee, the Portfolio Committees and the Municipal Public Accounts Committee, as described below.

A coalition government comprising the following political parties governs the Nelson Mandela Bay Municipality: the Democratic Alliance, United Democratic Movement, Congress of the People, African Christian Democratic Party and the African Independent Congress.

**3.1 COUNCIL**

The role of a Council in local government is that of lawmaker and, as such, it focuses on legislation, participation and oversight. In addition, Municipal Councils facilitate political discussions and debate in order to assist in planning and decision-making. The Speaker heads Council. The Speaker presides at meetings of Council and performs duties as exercises powers delegated by Council to the Speaker. These duties include ensuring regular Council meetings and that meetings are conducted in line with the Rules of Order. Furthermore, the Speaker ensures that the Committees of Council comply with the Code of Conduct of Councillors.



**Speaker of Council:**  
**Cllr Jonathan Lawack**

The Council of the Nelson Mandela Bay Municipality comprises 120 Councillors, elected through a mixed-member proportional representative system. Altogether 60 of the Councillors were elected through a voting process in the 60 wards that make up Nelson Mandela Bay. The remaining 60 Councillors were selected from party lists, on the basis that the total number of party representatives must be proportional to the number of votes received.

Of the 120 Councillors serving in Nelson Mandela Bay, 40 are female and 80 are male. The Democratic Alliance has the largest number of seats (57), followed by the ANC (50); the EFF (6); the UDM (2); and the COPE, PA, UFEC, ACDP and the AIC (1 seat each).

The following table illustrates the above narrative.

**TABLE 13: Political party seat allocation and gender distribution:**

POLITICAL PARTY	ALLOCATION OF SEATS	GENDER DISTRIBUTION	
		MALE	FEMALE
Democratic Alliance	57	42	15
African National Congress	50	30	20
Economic Freedom Fighters	6	3	3
United Democratic Movement	2	1	1
Cope	1	0	1
African Christian Democratic Party	1	1	0
African Independent Congress	1	1	0
Patriotic Alliance	1	1	0
United Front Eastern Cape	1	1	0
<b>TOTAL</b>	<b>120</b>	<b>80</b>	<b>40</b>

*Source: NMBM, 2021*

### **3.2 EXECUTIVE MAYOR AND MAYORAL COMMITTEE**

The Executive Mayoral Committee assists the Executive Mayor in taking and ensuring the implementation of Council decisions. The Executive Mayor's role and responsibilities include identifying and prioritising community needs and drafting strategies to deliver on those needs. In addition, the Executive Mayor has oversight of the delivery of services by the administrative structure of the City. The Executive Mayor is supported by the Deputy Executive Mayor and a Mayoral Committee, comprised of 10 members, each chairing a Portfolio Committee.



**Executive Mayor:  
Cllr Nqaba Bhanga**

The Office of the Executive Mayor of the Nelson Mandela Bay Municipality is located on the first floor of the City Hall, Vuyisile Mini Square, Central, Gqeberha. The Executive Mayor assumed the position with effect from 28 January 2021.



**Cllr TCS Buyeye**  
**Deputy Executive Mayor**

The Deputy Executive Mayor exercises the powers and performs the duties of the Executive Mayor if the Executive Mayor is not available. The Deputy Executive Mayor further exercises any powers and functions delegated to the Office by Council.

**MEMBERS OF THE MAYORAL COMMITTEE:**

The members of the Mayoral Committee that chair the Portfolio Standing Committees are as follows:



## MEMBERS OF THE MAYORAL COMMITTEE



**Cllr M Figg**  
**MMC: Budget and Treasury**

Budget and Treasury *inter alia* entails Budget and Financial Control; Expenditure Management; Revenue Management; Customer Care; and Supply Chain Management.

**Cllr A Lovemore**  
**MMC: Corporate Services**

Corporate Services *inter alia* entails Human Resources Management Services; Labour Relations; Skills Development and Employment Equity; and Asset Management and Facilities Management.



**Cllr L Namette**  
**MMC: Electricity and Energy**

Electricity and Energy *inter alia* entails Distribution of Electricity Supply; and Retail and Commercial Management.



**Cllr M Zinto**  
**MMC: Infrastructure and Engineering**

Infrastructure and Engineering *inter alia* entails Water and Sanitation; and Design and Implementation.



**VACANT**  
**MMC: Human Settlements**

Human Settlements *inter alia* entails Land Planning and Management; Housing Delivery; Development and Support; and Social Development, Education and Administration.



**Cllr L Grootboom**  
**MMC: Public Health**

Public Health *inter alia* entails Waste Management Services; Occupational Health, Safety and Wellness; HIV/AIDS and TB Multi-sectoral Response; Environmental Health; and Environmental Management.



**Cllr J Best**  
**MMC: Safety and Security**

Safety and Security *inter alia* entails Fire and Emergency Services; Disaster Management; Security Services; Traffic and Licencing Services; and the Metro Police.

**Cllr R Kayser**  
**MMC: Roads and Transport**

Roads and Transport *inter alia* entails the Development and Maintenance of Roads; and the Provision of Integrated Public Transport.



**Cllr H van Staaden**  
**MMC: Sport, Recreation, Arts and Culture**

Sport, Recreation, Arts and Culture *inter alia* entails Libraries, Arts and Culture; Museums; Beaches and Resorts; and Sports Development.



**Cllr S Sijadu**  
**Economic Development, Tourism and Agriculture**

Economic Development, Tourism and Agriculture *inter alia* entails Trade and Investment; Sector Development; the Fresh Produce Market and Urban Agriculture.

### **3.3 OFFICE OF THE CHIEF WHIP**

The Office of the Chief Whip of Council has existed in the Nelson Mandela Bay Municipality since 2003. Its primary purpose is to maintain discipline amongst Council members.



Cllr M Steyn  
**Chief Whip**

The Office of the Chief Whip focuses on the following:

- Building better relations between the various political parties represented in Council.
- Political management of Council meetings.
- Management of Council caucuses.
- Recommending to the Executive Mayor which Councillors should serve on Committees and represent the Municipality on external bodies.
- Addressing and resolving complaints that come directly from communities or through the Municipal Petitions Office.

### **3.4 POLITICAL DECISION MAKING PROCESS**

Draft resolutions are usually tabled in Council through the following means:

- Executive Mayor's reports to Council
- City Manager's reports to Council
- The Speaker's reports to Council
- MPAC's reports to Council
- Mechanisms outlined in Council's Rules of Order

The Mayoral reports to Council usually contain draft resolutions that have emanated from Mayoral Committee meetings. Mayoral Committee meetings *inter alia* cover reports received from Portfolio Committees and Executive Management Committee meetings.

Council's resolutions are contained in Council minutes, which are compiled by the Secretariat. All resolutions emanate from Council deliberations, which are based upon the reports outlined above. Resolutions of Council are implemented by the Administration and mechanisms exist to monitor the implementation of Council resolutions through the Monitoring and Evaluation Sub-directorate in the Office of the Chief Operating Officer.

All Committees of Council convene according to an adopted Council's Calendar of Meetings for each calendar year.

### **3.5 ADMINISTRATION**

An Acting City Manager currently heads the Administration of the City.

The Office of the City Manager of the Nelson Mandela Bay Municipality is located on the first floor, in the City Hall, Central, Gqeberha.

The City Manager is appointed by the Municipal Council together with an Executive Management Team to assist in running the administration. The City Manager is *inter alia* responsible for implementing the IDP.

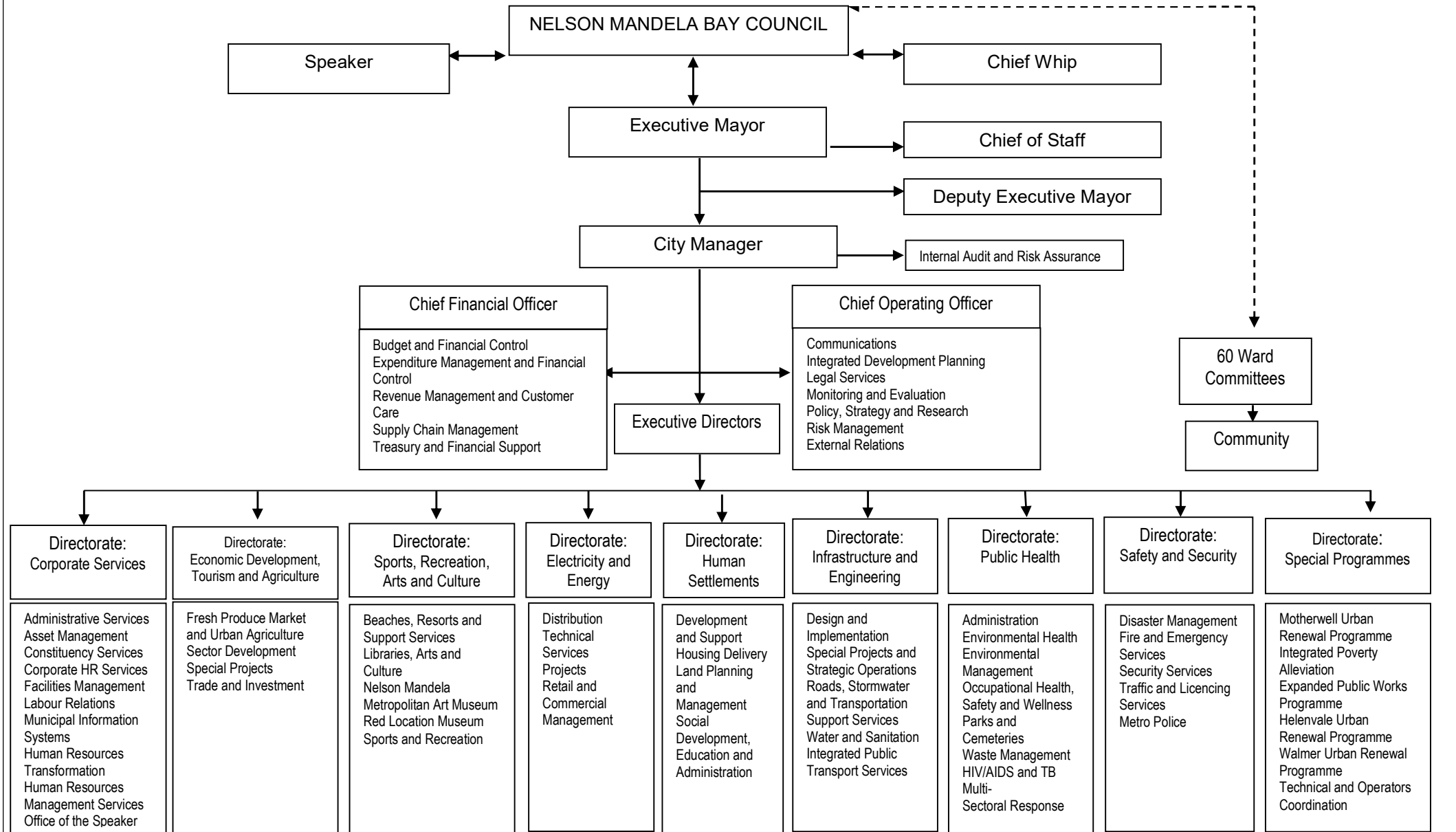
The Executive Management Team is comprised of 10 Senior Managers, each responsible for a directorate, which largely matches the corresponding political portfolio.

The following are the Senior Management positions and their status:

City Manager	Vacant (The Chief Operating Officer is acting as City Manager)
Chief Operating Officer	Mr Mandla George
Chief Financial Officer	Mr Selwyn Thys
Executive Director: Corporate Services	Ms Nosipho Xhego
Executive Director: Economic Development, Tourism and Agriculture	Mr Anele Qaba
Executive Director: Electricity and Energy	Mr Luvuyo Magalela
Executive Director: Infrastructure and Engineering	Mr Joseph Tsatsire (Acting)
Executive Director: Public Health	Mr Sizwe Mvunelwa
Executive Director: Safety and Security	Adv Keith Meyer
Executive Director: Sports, Recreation, Arts and Culture	Ms Noxolo Nqwazi
Executive Director: Human Settlements	Mr Tabiso Mfeya

The organisational structure of the Municipality is under review. The current organisational (macro) structure is as follows:

**ORGANISATIONAL STRUCTURE OF NELSON MANDELA BAY MUNICIPALITY ('AS IS' STRUCTURE)**



### 3.5.1 Total number of funded posts and vacancies

The table below is a summary of total funded posts in the NMBM against those vacant at the end of the 2020/21 financial year.

**TABLE 14: Status quo of vacancies in Nelson Mandela Bay Municipality**

<b>Directorate</b>	<b>Filled Posts</b>	<b>Funded Vacant Posts</b>	<b>Total Funded Posts</b>
Office of the Executive Mayor	99	1	100
Office of the City Manager	21	1	22
Chief of Staff	1	0	1
Office of the Chief Operating Officer	84	2	86
Human Settlements	301	25	326
Safety and Security	1626	49	1675
Budget and Treasury	587	24	611
Public Health	971	14	985
Economic Development, Tourism and Agriculture	77	4	81
Infrastructure and Engineering	1281	61	1342
Corporate Services	449	40	489
Sport, Recreation, Arts and Culture	423	22	445
Electricity and Energy	529	11	540
<b>TOTAL</b>	<b>6449</b>	<b>254</b>	<b>6703</b>

*Source: NMBM, 2021*

### 3.5.2 Policies and By-Laws

A cornerstone of ensuring that the Municipality responds to its legislative mandate in an appropriate manner that is suited to the circumstances of the City, is the suite of policies and by-laws. These policies and by-laws are amended from time-to-time as circumstances change. The main policies and by-laws are published on the municipal website.

**TABLE 15: Policy Register of the Nelson Mandela Bay Municipality**

<b>Policy Title</b>	<b>Reference Number</b>	<b>Adoption Date</b>	<b>Review Due Date</b>	<b>Policy on Website</b>
Anti-Fraud and Anti-Corruption Strategy and related policies	5/20/P	31-03-2011	Under review	No
Arts, Culture, Heritage and Creative Economy Policy	12/2/P	16-05-2018	16-05-2021	No
Asset Management Policy	6/1/2/P	20-07-2009	Under review	No
Assistance to the Poor (Indigent) Policy V2	5/18/5/P	30-05-2016	30-05-2019	Yes
Burial of Destitute Persons Policy	5/21/1/P	11-09-2002	Under review	No
Cash Management and Investment Policy	5/10/P	01-12-2005	Under Review	No
Code of Conduct	4/2/P	26-06-2004	Under review	No
Communications Policy	6/2/2/P	23-05-2017	23-05-2020	No
Councillor Support Policy	3/3/P	25-06-2009	Under review	No
Credit Control Policy	5/15/P	31-03-2011	Under Review	Yes
Disaster Relief Management Policy	19/13/3/P	17-07-2014	Under review	No
Disposal of Immovable Capital Assets Policy and Procedures	6/1/2/8/P	15-09-2016	15-09-2019	Yes
Education, Training and Development (ETD)	4/4/P	23-05-2017	23-05-2020	No
Emerging Enterprise Development Support Programme and Policy	17/8/P	20-06-2018	20-06-2021	Yes
Enterprise Risk Management Policy	2/12/P	19-10-2017	30-11-2020	Yes
EPWP Socio-economic Empowerment Policy and Procedures Manual	17/4/P	27-10-2011	Under review	No
Experiential and Internship Policy	4/4/P	05-08-2003	Due for review	No



<b>Policy Title</b>	<b>Reference Number</b>	<b>Adoption Date</b>	<b>Review Due Date</b>	<b>Policy on Website</b>
Financial Management Policies	5/8/P	24-05-2018	Annually	Yes
Guest House Policy	5/3/1/P	19-02-2004	Under Review	Yes
ICT Disaster Recovery Policy	6/2/3/P	23-05-2017	23-05-2020	No
ICT Enterprise Change Management Policy and Procedures	6/2/3/P	23-05-2017	23-05-2020	No
ICT Governance Framework	6/2/3/P	23-05-2017	23-05-2020	No
ICT Policy	6/2/3/P	23-05-2017	23-05-2020	No
Informal Trading Policy	17/18/P	08-11-2017	13-11-2020	No
Information Security Governance Framework	6/2/3/P	23-05-2017	23-05-2020	No
Information Security Management Policy and Procedures	6/2/3/P	23-05-2017	23-05-2020	No
Integrated Environmental Policy	19/2/P	26-07-2012	Under Review	Yes
International Relations Policy	7/1/P	30-11-2017	30-11-2020	No
Investigation of Fraud and Corruption Policy	5/20/P	Unknown	Under review	No
Learnership Programmes Policy	4/4/P	19-03-2010	Under review	No
Libhongolethu Fare Policy and Structure	19/6/P	16-05-2018	25-05-2021	No
Library Services Policy	19/9/P	30-11-2017	30-11-2020	Yes
Liquor Outlet Policy	5/3/1/P	12-2005	Under Review	Yes
Nelson Mandela Bay Museums Policies, Code of Ethics and Rules	19/14/P	04-12-2008	Under review	No
Outdoor Dining Policy	19/11/4/2/P	16-08-18	16/08-23	Yes
Petitions Policy	11/1/5/3/P	11-10-2012	Under review	Yes
Policy and Procedure for Fleet Management	6/2/1/P	06-06-2005	Under Review	No
Policy and Procedures for the Disposal of Movable Assets Not of High Value	6/1/2/P	19-09-2013	Under review	Yes
Policy Development Framework	2/12/P	23-02-2017	23-02-2020	No
Policy Governing Funding to External Organisations (previously Grant-in-Aid Policy)	5/2/1/P	22-05-2014	Under review	Yes
Policy Governing the Long-Term Financial Plan	5/8/P	01-12-2018	01-12-2021	No
Policy on the Establishment and Functioning of Ward Committees	3/1/1/P	23-05-2017	23-05-2020	Yes

Policy Title	Reference Number	Adoption Date	Review Due Date	Policy on Website
Property Rates Policy 2018/19	5/3/1/P	30-05-2018	Annually	Yes
Public Participation Policy and Procedures Manual	11/1/5/3/P	07-08-2014	Under review	Yes
Recognition of Prior Learning	4/4/P	23-05-2017	23-05-2020	No
Sexual Harassment Policy	4/10/P	23-05-2017	23-05-2020	No
Smoking Control	4/13/P	Unknown	Under review	No
Sport Policy	19/11/P	01-06-2006	Under Review	No
Street Naming Policy	16/1/5/P	13-05-2004	Under Review	No
Student Accommodation Policy	16/4/1/17/P	16-08-2018	16-08-2021	Yes
Substance Abuse Policy	4/13/P	16-02-2011	Under review	No
Supply Chain Management Policy	9/1/P	29-03-2018	29-03-2021	Yes
Tall Building Policy	16/4/1/17/P	05-12/19	05/12/2023	Yes
Tariff Policy	5/5/P	30-05-2016	Annually	Yes
Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy	5/20/P	24-05-2018	24-05-2021	Yes
Ward-Based Grant in Aid Policy	5/7/P	30-11-2017	N/A	No
Whistle-Blowing Policy	5/20/P	24-06-2004	Under review	No

Source: NMBM, 2021

**TABLE 16: Municipality's gazetted By-Laws**

BY-LAW	GAZETTE NO.	DATE OF GAZETTE
NMBM: Customer Care and Revenue Management By-law	1087	21 October 2003
NMBM: Liquor Selling Hours By-law	1459	12 December 2005
Disaster Management Act (52/2002): NMBM: Disaster Management By-law	1803	30 November 2007
Constitution of the Republic of South Africa, 1996: NMBM: Fire Safety By-law	1803	30 November 2007
Constitution of the Republic of South Africa, 1996: NMBM: Roads, Traffic and Safety By-law	1803	30 November 2007
Constitution of the Republic of South Africa, 1996: NMBM: Street Trading By-law	1982	26 September 2008

<b>BY-LAW</b>	<b>GAZETTE NO.</b>	<b>DATE OF GAZETTE</b>
Local Government: Municipal Property Rates Act (6/2004): NMBM: Property Rates By-law	2085	10 March 2009
Constitution of the Republic of South Africa, 1996: NMBM: Air Pollution Control By-law	2322	24 March 2010
Constitution of the Republic of South Africa, 1996: NMBM: Cemeteries and Crematoria By-law	2322	24 March 2010
Constitution of the Republic of South Africa, 1996: NMBM: Health By-law for the Operation and Management of Initiation Schools	2322	24 March 2010
Constitution of the Republic of South Africa, 1996 : NMBM : Municipal Health By-law	2322	24 March 2010
Constitution of the Republic of South Africa, 1996: NMBM: Noise Control By-law	2322	24 March 2010
Constitution of the Republic of South Africa, 1996: NMBM: Prevention of Public Nuisances and Public Nuisances Arising from the Keeping of Animals By-law	2322	24 March 2010
Constitution of the Republic of South Africa, 1996: NMBM: Public Amenities By-law	2322	24 March 2010
Constitution of the Republic of South Africa, 1996: NMBM: Waste Management By-law	2322	24 March 2010
Constitution of the Republic of South Africa (108/1996): NMBM: Outdoor Signs (Advertising and Other) By-law	2361	14 May 2010
Water Services Act (108/1997): NMBM: Water and Sanitation Services By-law	2361	14 May 2010

*Source: NMBM, 2021*

**CHAPTER**  
*four***POLICY AND LEGISLATIVE  
MANDATES****4****4.1 POLICY AND LEGISLATIVE MANDATES AND ALIGNMENT WITH  
LONG-TERM PLANNING**

The legislative and policy mandates that directly influence the establishment and operations of local government are numerous, encompassing international, national, provincial and regional influences. It is important that there is a direct linkage between the activities at local government level and the broader strategic policy and legislative environment in order that a common vision for the development of South Africa and Nelson Mandela Bay in particular can be achieved.

This chapter demonstrates the linkages between Nelson Mandela Bay Municipality's IDP and the following legislative and policy directives, whilst acknowledging that there are numerous other mandates that are adhered to:

- Sustainable Development Goals (SDGs)
- National Development Plan (NDP) 2030
- Integrated Urban Development Framework 2016
- Eastern Cape Vision 2030 – Provincial Development Plan (PDP)
- Medium-Term Strategic Framework Outcomes

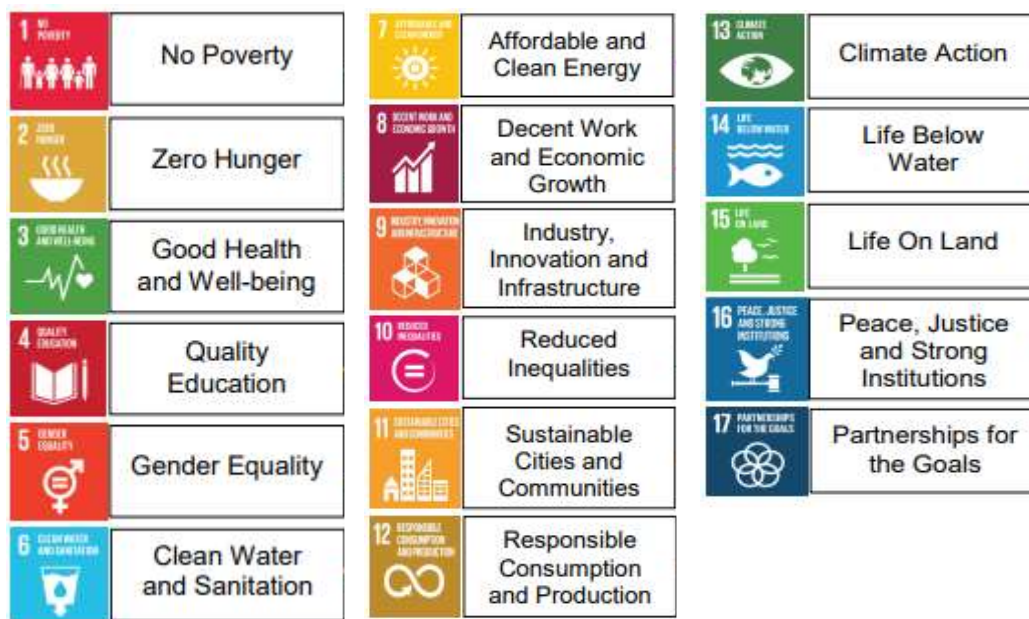
In addition to this, the major legislation affecting IDPs are also outlined. These include:

- Constitution of the Republic of South Africa Act 108 of 1996
- Local Government: Municipal Systems Act 32 of 2000
- Local Government: Municipal Finance Management Act 56 of 2003
- Local Government: Municipal Planning and Performance Management Regulations (2001)
- Local Government: Municipal Structures Amended Act 117 of 1998
- Municipal Property Rates Act 6 of 2004

## 4.1.1 Policy

### 4.1.1.1 Sustainable Development Goals

The Sustainable Development Goals (SDGs) are captured in a set of 17 global goals with 169 targets, for achievement by 2030. The goals were adopted in 2015 by the 194 countries of the United Nations' General Assembly, of which South Africa is a member country.



This IDP responds in some way to all of the Sustainable Development Goals and does not contradict any of them.

#### 4.1.1.2 National Development Plan 2030

The National Planning Commission produced the National Development Plan (NDP) of South Africa in 2011. Among its aims are the elimination of poverty and the reduction of inequality by 2030.

The Plan focuses on a number of thematic areas, which together will transform South African society in combination with capable institutions, a growing economy, increased capacity and leadership, and partnerships.

The thematic areas all have identified objectives and a number of actions that will give rise to the transformation of the status quo. Linkages exist between the thematic areas and the strategic objectives of this IDP. The thematic areas are listed below:

<b>Economy and Employment</b>	<b>Transforming Human Settlements</b>	<b>Building a Capable and Developmental State</b>
<b>Economic Infrastructure</b>	<b>Improving Education, Training and Innovation</b>	<b>Fighting Corruption</b>
<b>Environmental Sustainability and Resilience</b>	<b>Health Care for All</b>	<b>Nation Building and Social Cohesion</b>
<b>Inclusive Rural Economy</b>	<b>Social Protection</b>	
<b>SA in the Region and World</b>	<b>Building Safer Communities</b>	

#### 4.1.1.3 Provincial Development Plan 2030

In the context of the Provincial Development Plan (PDP), strategic interventions are programmes and projects that are implemented to achieve the targets and objectives set out in the PDP and the Five-year plan. The strategic interventions of the flagship programmes of the PDP are the major programmes that will enable achievement of the goals.

**FIGURE 8: PDP APEX Indicators**

The Department of Provincial Monitoring and Evaluation is responsible for planning the implementation methodology of the Programme. The Programme of Action involves a number of steps including the identification of provisional strategic interventions, appointment of project leads, identification of stakeholders and political commitment and monitoring and review.

#### **4.1.1.4 Integrated Urban Development Framework (IUDF)**

The IUDF responds directly to the vision outlined in the National Development Plan and is a policy framework to guide the future growth and management of urban areas. It is designed to effect spatial transformation through reorganising the urban system in order that cities can become more inclusive, resilient and liveable.

Four overall strategic goals are pursued in the IUDF, namely:

- Spatial Integration – new spatial forms
- Inclusion and access - access to social and economic opportunities
- Growth – inclusive sustainable economic growth and development
- Governance – enhanced state capacity and citizens for collaboration around spatial and social integration.

The above inform the priorities of 9 policy levers, identified as follows:

- (i) Integrated urban planning and management
- (ii) Integrated transport and mobility
- (iii) Integrated sustainable human settlements
- (iv) Integrated urban Infrastructure
- (v) Efficient land governance and management
- (vi) Inclusive economic development
- (vii) Empowered active communities and
- (viii) Efficient urban governance.
- (ix) Sustainable finances

The IUDF can be seen to directly link to the strategic objectives of the IDP.

#### **4.1.1.5 Medium-Term Strategic Framework Outcomes**

The Medium-Term Strategic Framework is an expression of Government's Programme of Action. In terms of the Programme of Action, ten strategic priority areas were identified. In order to achieve the strategic priorities, twelve Key Outcomes with accompanying Outputs and Activities were identified. This has led to the conclusion of ministerial performance agreements related to the strategic priority areas. As a result of this, various structures are in place to coordinate the implementation of the outcomes, review progress and decide on interventions when needed.



A direct linkage can be drawn from the strategic objectives of this IDP and the Medium-Term Strategic Framework outcomes listed below:

1: Improved basic education	5: Skilled and Capable Workforce	9: Responsive, Accountable, Effective and Efficient Local Government
2: Long and Healthy Life for All	6: Efficient, Competitive and Responsive Economic Infrastructure	10: Environmental Assets and Natural Resources Protected and Enhanced
3: All People Are and Feel Safe	7: Vibrant, Equitable and Sustainable Rural Communities with Food Security	11: Better South Africa and Better and Safer Africa and World
4: Decent Employment Through Inclusive Economic Growth	8: Sustainable Human Settlements and Improved Quality of Life	12: Efficient, Effective and Development Orientated Public Service and Empowered, Fair and Inclusive Citizenship

#### 4.1.1.6 District Development Model

Traditionally all spheres of government have had the criticism of operating in silos. This had led to incoherent planning and implementation of transversal programmes, which has made service delivery sub-optimal and diminished the ability of Government to tackle the challenges of poverty, inequality and unemployment.

The President's Coordinating Council at a meeting in August 2019 therefore adopted the District Development Model, which envisages "a new integrated district based approach to addressing service delivery challenges and localised procurement and job creation, that promotes and supports local businesses, and which involves communities."

The District Development Model has been piloted in three municipalities in South Africa and Nelson Mandela Bay Municipality is one of those that has submitted its City's Profile to CoGTA. In February 2020, the President's Coordinating Council identified that consideration would be given to the further implementation of the District Development Model in South Africa. The Model presents a number of opportunities to ensure coordinated service delivery through all agencies and government spheres, which in turn will lead to efficiencies and better service delivery.

The Department of Cooperative Governance and Traditional Affairs has published a draft set of Regulations in terms of the Intergovernmental Relations Framework Act titled “Coordinating and aligning development priorities and objectives between the three spheres of government within the context of the District Development Model”.

This is an important step to achieve coordination and synchronising of the development priorities of all three spheres of government. The Regulations assist the creation of intergovernmental structures that will frame the implementation of the One Plan envisaged in the District Development Model.

Nelson Mandela Bay Municipality is participating in these processes with the relevant Provincial Departments.

#### **4.1.1.7 Batho Pele Principles**

The White Paper on Transforming Public Service Delivery was produced in 1998. In that document, the Batho Pele (or People First) initiative was outlined. It aimed to make municipal officials who operate in the service delivery environment more service orientated, strive for excellence, and commit to continuous improvement for the benefit of all citizens. It also aimed to hold officials accountable for the level of services that they deliver.

The following eight principles were identified:

- Consultation – Citizens should be consulted on the level and quality of the public services they receive and, wherever possible, should be given a choice about the services that are offered.
- Service standards and targets – Citizens should be told what level and quality of public services they will receive so that they know what to expect.
- Access – All citizens should have equal access to the services to which they are entitled.

- Courtesy – Citizens should be treated with courtesy and consideration.
- Information – Citizens should be given full, accurate information about the public services they are entitled to receive.
- Openness and transparency – Citizens should be told how municipalities are run, how much they cost, and who is in charge.
- Best value – Public services should be provided economically and efficiently in order to give citizens the best possible value for money.
- Dealing with complaints – If the promised standards of service are not delivered, citizens should be offered an apology, a full explanation and a speedy and effective remedy, and when complaints are made, citizens should receive a sympathetic and positive response.

In pursuing the strategic objectives of the IDP, the administration of Nelson Mandela Bay Municipality will strive to implement the above principles.

#### **4.1.2 Legislation**

**The following legislation defines the nature of the IDP:**

##### ***4.1.2.1 Constitution of the Republic of South Africa Act 108 of 1996***

Sections 152 and 153 of the Constitution stipulate that a municipality must give priority to the basic needs of its communities and promote their social and economic development to achieve a democratic, safe and healthy environment.

##### ***4.1.2.2 Local Government: Municipal Systems Act 32 of 2000***

Sections 28 and 34 of this Act stipulate the need for each municipality to develop and adopt an IDP, which should be reviewed annually. In addition, it outlines the IDP process and components.

#### **4.1.2.3 Local Government: Municipal Finance Management Act 56 of 2003**

Section 21 of this Act makes provision for alignment between the IDP and the municipal budget. The Service Delivery and Budget Implementation Plan is an annual contract between the Municipality's administration, Council and the community, which ensures that the IDP and the Budget are aligned and implemented.

#### **4.1.2.4 Local Government: Municipal Planning and Performance Management Regulations (2001)**

These Regulations make provision for the inclusion in the IDP of the following:

- (i) The institutional framework for the implementation of the IDP;
- (ii) Investment and development initiatives in the Municipality;
- (iii) Key Performance Indicators and other important statistical information;
- (iv) A financial plan; and
- (v) A spatial development framework.

#### **4.1.2.5 Local Government: Municipal Structures Amended Act 117 of 1998**

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

#### **4.1.2.6 Municipal Property Rates Act 6 of 2004 and Amendment Act 29 of 2014**

The objective of this Act is to regulate the powers of municipalities to levy rates on property. Rates represent a critical source of revenue for municipalities in order to achieve their constitutional development objectives.

This Chapter outlines the important aspects of oversight, reporting, monitoring and evaluation in the institution in order to ensure accountability and delivery of the Integrated Development Plan and its strategic objectives.

The key offices, role-players and structures are discussed below:

- Executive Mayor
- City Manager
- Municipal Public Accounts Committee
- Rules and Ethics Committee
- Office of the Auditor-General
- NMBM Audit Committee
- NMBM Internal Audit and Risk Assurance
- Risk Management Committee
- Performance Management and Monitoring and Evaluation
- Supply Chain Management
- Ward Committees

Whilst this Chapter outlines the functional roles and responsibilities of the key structures, it is important to recognise that the community plays a role in the overall oversight of the work of Council. In this regard, communities hold Ward Councillors to account when public meetings are addressed. Petitions and protests are another mechanism used, as well as letters from community stakeholders requesting responses in relation to work done by either Councillors or the administration.

## **5.1 EXECUTIVE MAYOR**

The Executive Mayor is required to identify and prioritise the needs of the Municipality. These are to be reflected in the IDP and Budget, which also need to take into account applicable national and provincial plans.

The Executive Mayor is required to evaluate the progress of the performance of the institution in the implementation of the IDP and report back to Council. This is done through the institutional Performance Management process, Monitoring, and Evaluation.

## **5.2 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**



**Cllr P Tshanga**  
**MPAC Chairperson**

The Municipality has a functional Municipal Public Accounts Committee (MPAC) in place in respect of unauthorised, irregular, fruitless, and wasteful expenditure, as delegated by Council. Therefore, MPAC enables Council to fulfil its obligation to ensure that the spending of Council funds is done economically, efficiently and effectively.

The objectives of MPAC include:

- making recommendations to Council for corrective, remedial and/or disciplinary purposes that may be sanctioned regarding the mismanagement of funds, unauthorised, irregular, fruitless and wasteful expenditure.
- ensuring that the policies and programmes of the NMBM are implemented in an effective, efficient, and economical manner in accordance with the principle of value for money.
- considering and evaluating the Annual Report of the municipality and its entity, and, as an oversight committee, making recommendations to Council when it adopts its Oversight Report on the Annual Report.

Currently MPAC comprises the following members:

- African National Congress (ANC) – 4 members and 1 vacancy
- Democratic Alliance (DA) – 5 members and 1 vacancy
- Economic Freedom Fighters (EFF) – 2 members (one of them is occupying the Chairperson position)
- African Christian Democratic Party (ACDP) – 1 member
- United Democratic Movement (UDM) – 1 member

### **5.3 RULES AND ETHICS COMMITTEE**

A Rules and Ethics Committee was established to monitor and review the Rules of Order of Council.

The objectives of this Committee include the following:

- Inculcating a respect for the rule of law in the institution.
- Upholding Council's Rules of Order, thereby promoting stability in Council.

- Putting the people first (Batho Pele principles).
- Ensuring open and constructive debate.
- Respecting divergent views.
- Enhancing the effective management of Council and Standing Committee meetings.
- Fostering a sense of collective responsibility among Councillors in advancing service delivery and deepening democracy.

#### **5.4 CITY MANAGER**

The City Manager must provide operational guidance on the annual revision, preparation and timeous approval of the IDP, the annual Budget and the SDBIP and ensure strategic alignment between them and report to Council.

The City Manager has delegated the development of the institution's Performance Management System to the Chief Operating Officer; and the cascading of performance management in respect of non-Section 56 employees to the Executive Director: Corporate Services.

#### **5.5 OFFICE OF THE AUDITOR-GENERAL**

The Auditor-General of South Africa has a constitutional mandate and, as the supreme audit institution of South Africa, serves to strengthen South Africa's democracy by enabling oversight, accountability and governance in the public sector through auditing, thereby building public confidence. The Auditor-General also audits the planning processes and performance information of the Municipality and its municipal entity (MBDA).

An Audit Action Plan to deal with AG findings is developed by the NMBM Internal Audit Division and approved by EXCO, under the leadership of the City Manager. The monitoring of the implementation of the Audit Action Plan is done by the Office of the City Manager.



## 5.6 AUDIT COMMITTEE

Council as an independent advisory body appoints the Audit Committee. The Audit Committee advises the Council, political office-bearers, the Accounting Officer and the Executive Management Team on matters such as the following:

- Internal financial control and internal audits.
- Risk management.
- Accounting policies.
- Adequacy, reliability and accuracy of financial reporting and information.
- Performance management.
- Effective governance.
- Compliance with the MFMA, the annual Division of Revenue Act (DoRA) and any other applicable legislation.
- Performance evaluation.
- Any other issues referred to it by the Municipality or its municipal entity.

Furthermore, the Audit Committee reviews the annual financial statements in order to provide an authoritative and credible view of the Municipality's financial position, its efficiency and effectiveness, as well as its overall level of legislative compliance. This Committee is further tasked with the responsibility of monitoring the performance of the Municipality in a number of areas related to the delivery of services to the residents of the Metro.

The NMBM received its ninth consecutive qualified audit report. The 2019/20 Audit Report reflects an improvement on the prior two financial years.

The basis for the qualification for the past 3 financial years are reflected below:

**TABLE 17: Basis for audit qualification (2017/18 – 2019/20)**

2017/18	2018/19	2019/20
<ul style="list-style-type: none"> <li>• <b>Exchange revenue – service charges</b> <ul style="list-style-type: none"> <li>○ The Municipality did not bill for and record all revenue owing to it for services rendered, as required by SA Standard of GRAP 9, Revenue from exchange transactions.</li> </ul> </li> <li>• <b>Property, plant and equipment</b> <ul style="list-style-type: none"> <li>○ The Municipality did not adequately assess whether there were any indications that its expectations on the useful lives of PPE (moveable and immovable assets) had changed as required by the SA Standard of GRAP 17, Property, plant and equipment.</li> <li>○ Insufficient evidence to confirm land registered in the Municipality’s name nor physical verification of moveable assets due to inadequate accounting records.</li> </ul> </li> <li>• <b>Intangible assets</b> <ul style="list-style-type: none"> <li>○ The Municipality did not adequately assess whether there were any indications that its expectations on the useful lives of intangible assets had changed, as required by the SA Standard of GRAP 31, Intangible assets.</li> <li>○ Insufficient audit evidence to physically verify intangible assets due</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• <b>Trade and other payables</b> <ul style="list-style-type: none"> <li>○ The municipality did not recognise all outstanding accruals meeting the definition of a liability in accordance with GRAP 1.</li> </ul> </li> <li>• <b>Irregular expenditure</b> <ul style="list-style-type: none"> <li>○ The municipality has a lack of adequate systems in place to identify and disclose all irregular expenditure incurred during the year, as required by Section 125 (2)(d)(i) of the MFMA.</li> <li>○ The municipality did not have proper systems in place to identify and record all irregular expenditure incurred in prior years.</li> </ul> </li> <li>• <b>Property, plant and equipment</b> <ul style="list-style-type: none"> <li>○ The municipality did not appropriately account for and disclose property, plant and equipment in accordance with GRAP 17 and furthermore did not adequately disclose work-in-progress in accordance with GRAP 17.</li> </ul> </li> <li>• <b>Intangible assets</b> <ul style="list-style-type: none"> <li>○ The municipality capitalised an application system that was still under development contrary to GRAP 31. The municipality did not adequately assess whether there were any indications that its expectations on the</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• <b>Property, plant and equipment</b> <ul style="list-style-type: none"> <li>○ Insufficient evidence that the Municipality had appropriately accounted for and disclosed property, plant and equipment due to the status of the accounting records.</li> <li>○ The Municipality did not adequately assess whether there were any indications that the expectations on the useful lives of property, plant and equipment had changed in accordance with GRAP 17. Completed assets were misclassified contrary to GRAP 17.</li> </ul> </li> <li>• <b>Investment property</b> <ul style="list-style-type: none"> <li>○ Insufficient evidence for investment property due to incomplete records to determine ownership.</li> </ul> </li> <li>• <b>Unauthorised expenditure</b> <ul style="list-style-type: none"> <li>○ Insufficient audit evidence for authorised expenditure.</li> </ul> </li> <li>• <b>Exchange revenue – service charges</b> <ul style="list-style-type: none"> <li>○ Insufficient audit evidence that service charges revenue had been properly accounted for due to inadequate internal controls to maintain records for service charges.</li> </ul> </li> </ul>

2017/18	2018/19	2019/20
<p>to inadequate accounting records.</p> <ul style="list-style-type: none"> <li>• <b>Irregular expenditure</b> <ul style="list-style-type: none"> <li>○ No proper systems in place to identify and record all irregular expenditure.</li> <li>○ Expenditure resulted from payments made in contravention of SCM requirements.</li> <li>○ The audit was unable to confirm amount of irregular expenditure and extent of understatement of irregular expenditure.</li> </ul> </li> </ul>	<p>useful lives of intangible assets had changed, as required by this standard.</p> <ul style="list-style-type: none"> <li>• <b>Investment property</b> <ul style="list-style-type: none"> <li>○ The municipality did not maintain adequate records to determine ownership for its investment properties.</li> </ul> </li> <li>• <b>Exchange revenue – service charges</b> <ul style="list-style-type: none"> <li>○ The municipality did not have adequate internal controls to maintain records for service charges.</li> </ul> </li> <li>• <b>Unauthorised expenditure</b> <ul style="list-style-type: none"> <li>○ The municipality was unable to provide sufficient appropriate audit evidence that the municipality correctly calculated unauthorised expenditure in the current year.</li> </ul> </li> </ul>	

## **5.7 INTERNAL AUDIT AND RISK ASSURANCE**

In terms of Section 165 of the MFMA, the Accounting Officer must establish effective systems of internal control to provide reasonable assurance that the Municipality's financial and non-financial objectives are achieved. Towards the execution of this responsibility and also, to promote ethics, good governance and integrity in the institution, the Internal Audit and Risk Assurance Sub-Directorate was established.

The Forensic Audit Services Section complements the broader justice system and forms part of the Internal Audit Sub-directorate of the Municipality. The forensics component derives its mandate from the NMBM Internal Audit Charter, the MFMA, and the Prevention and Combatting of Corrupt Activities Act. An Ethics Hotline is in place and the Internal Audit Sub-Directorate investigates all matters reported.

## **5.8 RISK MANAGEMENT COMMITTEE**

The preamble of the Risk Management Committee is taken directly from the legal statute of the Local Government: Municipal Finance Management Act 56 of 2003: Section 62 of the Act requires Accounting Officers to ensure that their institutions have and maintain effective, efficient and transparent systems of financial, risk management and internal control.

The Public Sector Risk Management Framework (Chapter 13 - Risk Management Committee Responsibilities) places an unambiguous duty on the Risk Management Committee through its Chairperson to annually and periodically:

- Review the institution's risk identification and assessment methodologies, after satisfying itself of their effectiveness in timeously and accurately identifying and assessing the Institution's risks;
- Evaluate the extent and effectiveness of integration of risk management within the Institution;

- Assess the implementation of the Risk Management Policy and Strategy (including plan);
- Evaluate the effectiveness of the mitigating strategies implemented to address the material risks of the Institution;
- Review the material findings and recommendations by assurance providers on the system of risk management and monitor the implementation of such recommendations;
- Develop its own key performance indicators for approval by the Accounting Officer / Authority;
- Interact with the Audit Committee to share information relating to the material risks of the Institution; and
- Provide timely and useful reports to the Accounting Officer / Authority on the state of risk management, together with accompanying recommendations to address any deficiencies identified by the Committee.

The following are the strategic risks identified in the Municipality and classification by risk type:

**TABLE 18: Strategic Risks**

<b>No</b>	<b>Strategic Risk</b>	<b>Risk Category</b>
1	Political and leadership instability	Governance and Leadership
2	Outbreak of COVID-19 Pandemic	Operational/Performance
3	Non-compliance with Occupational Health and Safety Act	Regulatory/Compliance
4	Drought and water shortages	Operational/Performance/Service Delivery
5	Inability to spent funds from conditional grants	Financial/Regulatory
6	Increase in unauthorised, fruitless and wasteful expenditure	Financial/Regulatory
7	Inadequate IT Infrastructure	Information Technology
8	Failure to fully implement MSCOA (Municipal Standard Chart of Accounts) requirements	Regulatory/Performance/Operational/Information Technology/Financial
9	Ineffective implementation of Audit action plans by Directorates	Financial/ Regulatory/Compliance
10	Damages and vandalism of municipal properties under Facilities Management	Environment & Community
11	Inability to recover critical ICT services in an event of a disaster	Information Technology/ Knowledge: People/Information
12	Challenges with the implementation of the NMBM Employment Equity Plan: Shortage of staff to implement Employment Equity	Knowledge: People/Information Human Resources
13	Inadequate reduction of electricity losses (Non-technical)	Service delivery/ Financial
14	Ageing electricity infrastructure	Service delivery/ Projects

No	Strategic Risk	Risk Category
15	Improper management of the housing account and revolving fund	Financial Regulatory/Compliance
16	Unsafe location of the laboratory Scientific Services	Regulatory/Compliance

## 5.9 PERFORMANCE MANAGEMENT AND MONITORING AND EVALUATION

### 5.9.1 Performance Management

The municipal performance management function describes, measures and reports on how the Municipality's processes relating to the implementation of the IDP and Budget will be conducted, organised and managed. Performance management therefore holds the key to the successful implementation of the IDP and Budget.

Integrated development planning enables the achievement of the planning stage of performance management. The Service Delivery and Budget Implementation Plan (SDBIP), performance agreements and plans underpin effective performance management.

The following table is useful in understanding important performance management concepts:

**TABLE 19: Performance Management**

Concept	Definition
Performance Management	A strategic approach through which performance objectives of the Municipality are identified, defined, translated into business plans and cascaded into individual scorecards. This allows for regular planning, monitoring, evaluating, reviewing and reporting of performance at both organisational and individual levels and permits responses to both inadequate performance and outstanding / excellent performance.

<b>Concept</b>	<b>Definition</b>
Performance Management System (PMS)	The Municipality's Performance Management System entails a framework that describes and represents how its cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the responsibilities of different role players. The Nelson Mandela Bay Municipality uses the Balanced Scorecard method, which takes into account financial, internal business, customer learning and growth perspectives. and non-financial performance.
Key Performance Areas (KPAs)	Critical function / domain that is crucial to the achievement of organisational goals.
Objective	Statement about the ultimate and long-term outcomes the organisation wishes to achieve.
Key Performance Indicators (KPIs)	Measures (qualitative and quantitative) that indicate whether progress is being made towards achieving set objectives.
Input indicators	<p>An indicator that measures equipment, resources, economy and efficiency, for example:</p> <p>Budget projection</p> <p>% capital budget spent to provide water.</p> <p>Unit costs for delivering water to a single household</p> <p>Amount of time / money/ number of people it took the Municipality to deliver water to a single ward.</p> <p>An indicator that measures all the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.</p>
Activity indicators	Activity Indicators measures the processes or actions that produce or achieve desired outputs and ultimately outcomes. In essence, activities describe "what we do" on a daily basis.



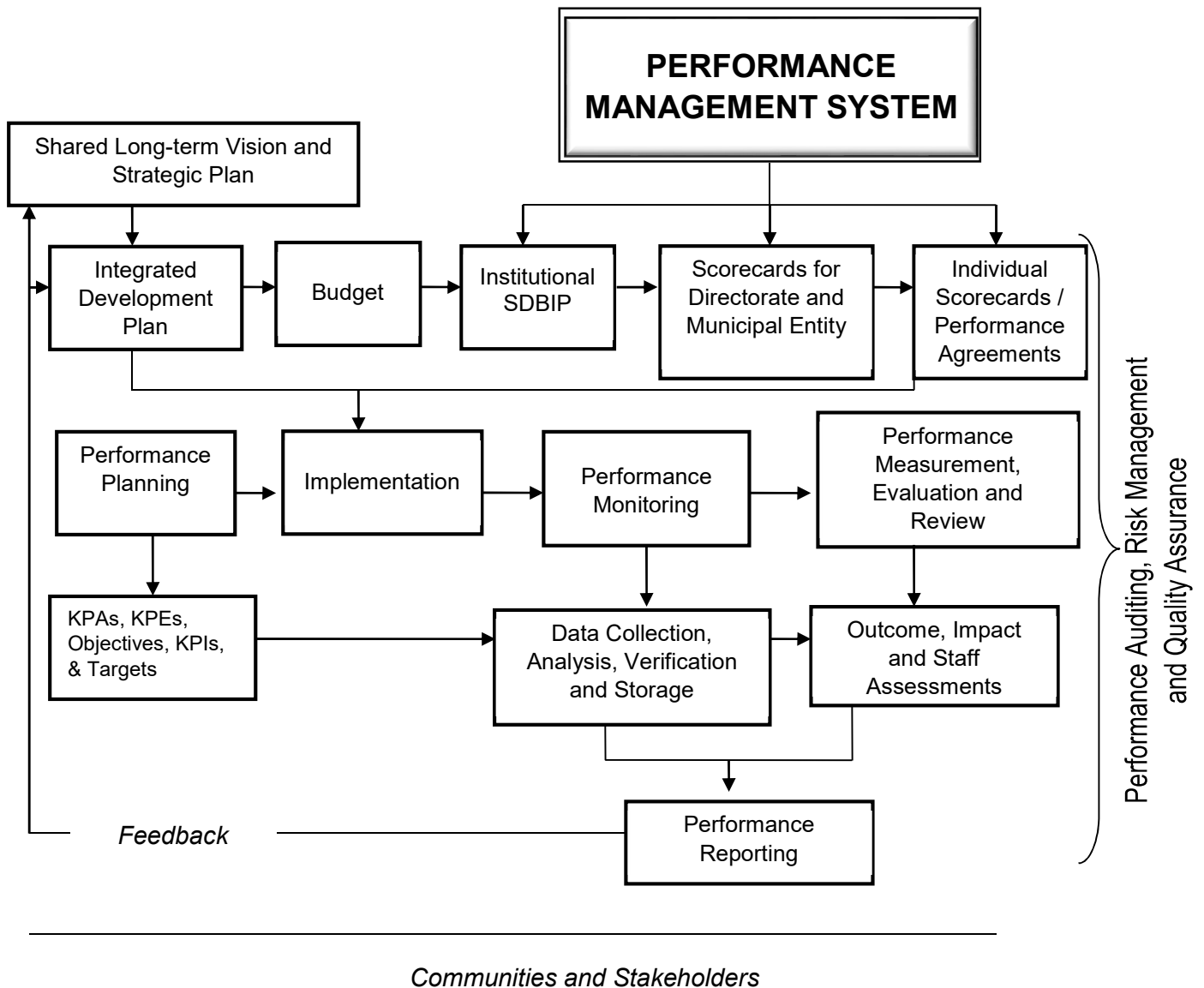
<b>Concept</b>	<b>Definition</b>
Output indicators	<p>Indicators that measure results, usually expressed in quantitative terms (i.e. number/%), e.g. Number of households connected.</p> <p>Output Indicators measure the final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver".</p>
Outcome indicators	<p>Indicators that measure the impact of reaching the target, e.g. Percentage of households with access to water.</p> <p>Outcome Indicators measure medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".</p>
Impact indicators	<p>Indicators that measure the marked effect or influence of achieving specific outcomes.</p> <p>Impact Indicators measure the results of achieving specific outcomes, such as reducing poverty and creating jobs.</p>
Baseline indicators	<p>These provide quantitative and / or qualitative levels of performance at the beginning of the monitoring period in respect of which the institution aims to improve.</p>
Performance targets	<p>Quantifiable levels of the indicators that the organisation wants to achieve at a given point in time.</p>
Performance plan	<p>Plan of agreed Key Performance Areas, Objectives, Key Performance Indicators and Targets covering a specific financial year.</p>
Institutional performance review cycle	<p>12 months' period (continuous), that constitutes the financial year of the Municipality: 1 July to 30 June of the following year.</p>
Review	<p>A comprehensive assessment of the economy, efficiency, effectiveness and impact as far as the key performance indicators and performance targets set by the Municipality are concerned.</p>

Performance management seeks to achieve the following:

- Ensuring accountability, oversight and legal compliance.
- Creating and entrenching a culture of performance amongst employees.

The Integrated Performance Management System used in the Nelson Mandela Bay Municipality is reflected in the diagram below.

**FIGURE 9: Integrated Performance Management System**



### **5.9.2 Monitoring and Evaluation**

The Nelson Mandela Bay Municipality's Monitoring and Evaluation Framework seeks to provide a consistent approach to the monitoring and evaluation of the programmes and projects in the NMBM's IDP so that, sufficient data and information is captured to review progress and impact of the IDP implementation.

The Municipality's Monitoring and Evaluation system is designed to determine whether the Municipality's medium-term objectives and priorities as outlined in its IDP are implemented effectively. The organisational objectives and priorities are translated into a Service Delivery and Budget Implementation Plan. The predetermined key performance indicators in the SDBIP are monitored quarterly and periodically evaluated against IDP objectives.

The implementation of the Municipality's Long-Term Growth and Development Plan (LTGDP), Integrated Development Plan (IDP), Built Environment Performance Plan (BEPP) and Service Delivery and Budget Implementation Plan (SDBIP) are monitored and evaluated against the Municipality's strategic objectives. The municipal planning process is phased into long-term, medium-term and short-term (annual) objectives.

To this end, the impact of the implementation of the short-term plan (SDBIP) will be measured against the medium term plan (IDP) on an annual basis. Every five years, the impact of an IDP on the achievement of the objectives of the Long-Term Growth and Development Plan will be evaluated. The spatial impact in terms of the IDP programmes and projects will be evaluated through the SDF. The annual review of the IDP will take into consideration the monitoring and evaluation report on SDBIP implementation.

## **5.10 SUPPLY CHAIN MANAGEMENT**

The Municipality has an approved Supply Chain Management Policy, which is required to be reviewed on an annual basis. The policy *inter alia* provides for a committee system to achieve and ensure competitive procurement. The Committees established in compliance with the National Standards for Bid Committees, are as follows:

- The Bid Specification Committee
- The Bid Evaluation Committee
- The Bid Adjudication Committee

An Integrated Contracts Management System (ICMAS) tracks the award of tenders from the time of approval of the specifications to the time of final award.

In order to promote oversight responsibility of Council as required in terms of the Supply Chain Management Regulations 27636 (dated 30 May 2005) and the municipality's SCM Policy, Budget and Treasury Directorate submits reports on a quarterly basis to the Budget and Treasury Standing Committee on the implementation of Supply Chain. It is through these reports that the Committee will engage and request further clarity or additional reports. Similar reports are submitted to structures such as the Audit Committee (AC) and the Municipal Public Accounts Committee (MPAC).

## **5.11 WARD COMMITTEES**

All sixty Wards in the NMBM have functional Ward Committees. The main function of a Ward Committee is to improve democracy by promoting greater participation and representation in Council matters. By working with the Ward Councillors, the Ward Committee provides a channel through which communities can most effectively lodge their complaints and concerns. In the NMBM, Ward Committees were inaugurated on 21 June 2017. A number of training and capacitation programmes have been undertaken including programmes on the IDP and Budget related processes.

The roles and responsibilities of Ward Committees include the following:

- Create formal, unbiased communication channels and cooperative partnerships between the Municipality and the community within each ward.
- Promote harmonious relationships between residents of the ward, the Ward Councillor and the Municipality.
- Facilitate participation in IDP processes.
- Act as a reference group / advisory body on Council policies and issues that affect the communities in the ward.
- Serve as an agent for mobilising community action.
- Act as a conduit for community complaints and feedback on Council responses.
- Make recommendations on any matters that may affect the ward or Council.

CHAPTER  
*six*METHODOLOGY AND  
STAKEHOLDER ENGAGEMENTS

## 6

This chapter deals with the priorities that have been raised at public meetings and other consultation methods in the review of the IDP and Budget. In addition, it identifies inputs, programmes and projects by other stakeholders within Nelson Mandela Bay. The Special Sectors including women, youth, people with disabilities and others are also highlighted in this chapter. Decisions to prioritise projects or programmes are based on the prioritisation of the available budget and conditional funding received from other spheres of government.

The IDP Strategy aims to ensure that the people of Nelson Mandela Bay are at the centre of planning and development in the City. The IDP recognises that the Administration and its systems need to be effective in order to achieve optimal service delivery and grow the economy.

Chapter Seven (7) of the Constitution of the Republic of South Africa, Act 108 of 1996, Chapter Four (4) and Five (5) of Local Government Municipal Systems Act, 32 of 2000 and Chapter Four (4) of the Municipal Finance Management Act Number 56 of 2003 compel municipalities to engage communities through public participation programmes. This is not only for compliance purposes, but also as serious engagement with communities so that they have a voice in the manner in which municipal plans and programmes are implemented. By communities registering their issues and priorities, the Municipality can take these into consideration in the allocation of budgets and thereby contribute towards the development agenda of Local Government.

The Long-Term Growth and Development Plan provides a framework for three successive five-year Integrated Development Plans until 2032. The three IDPs are intended to focus on three phases namely consolidation, stabilisation and growth towards a comprehensive turnaround of the Municipality.

The Council approved a Multi-Year Strategic Planning Time Schedule for the IDP, BEPP and Budget on 28 August of 2018 and subsequently confirmed it in 2019/2020. The Strategic Planning Steering Committee chaired by the Deputy Executive Mayor and comprises members of the Mayoral Committee and Executive Management Committee, approved the public participation programme for the start of the review processes for the 2021/22 IDP and Budget. The first comprehensive round of public meetings for the 2021/22 IDP and Budget took place from 12 to 20 October 2020.

## **6.1 STAKEHOLDERS**

Since the declaration of the National Lockdown in March 2020, the ordinary IDP and Budget participation processes with the stakeholders and public have been amended to conform to the constraints of COVID-19.

The Municipality's new approach includes the following:

- The use of an IDP APP for contributions and comments from the public and organisations.
- The use of radio for politicians to inform communities regarding the IDP.
- Live on Municipal Facebook Page.
- Live on YouTube.
- Various Radio Stations interviews by the Political Leadership to market the programme.
- The use of social media platforms as well as a WhatsApp number to receive contributions and comments and for responses from the Municipality.
- The use of the Interactive Voice Response (IVR) account holder database for communication on the IDP via SMS and email.
- Press releases.
- Loud hailing.
- Explanatory video clips on IDP processes posted on social media platforms.
- Municipal Website.

There are six participation Clusters in the Metro with different levels of development. They are as follows:

- Molly Blackburn (Suburbs including Walmer Township and Kuyga)
- Lilian Diedericks (Northern Areas)
- Champion Galela (Zwide Area including Soweto on Sea)
- Govan Mbeki (New Brighton and KwaZakhele Areas)
- Alex Matikinca (Motherwell and Wells Estate Areas)
- Zola Nqini (Uitenhage and Despatch Area)

The annual IDP and Budget processes aim to empower the clusters in order to fully realise their potential to create meaningful input into the IDP and Budget. This process is incremental and requires partnerships with all relevant stakeholders. In addition, the service delivery that is possible in each cluster will vary from time-to-time according to available budget and readiness for plans. Furthermore, the level of development in the different clusters varies. With some clusters such as the former Ibhayi area requiring more delivery of basic services. It can therefore not be expected that in any given period, expenditure in each cluster will be equal.

The following organisations are consulted as stakeholders in the IDP and Budget processes of the Municipality:

- Communities of Nelson Mandela Bay
- IDP Representative Forum
- Economic Sector Leaders
- Organised stakeholder groupings, e.g. NMB Business Chamber, NAFCOC, NGOs, civic groupings, unions and ratepayers' associations
- Tertiary institutions including Nelson Mandela University
- Government sector departments (Provincial and National)
- State-owned enterprises
- Special sectors (youth, women, elderly people, traditional leaders, children and people with disabilities)
- Creative arts and heritage organisations
- Municipal Councillors
- Municipal Directors
- Ward Committees
- Community Development Workers (CDWs)



Other avenues explored to obtain inputs from communities are the two surveys undertaken by the municipality, namely a household satisfaction survey (2017/2018) where 9 932 (5%) households participated and a business satisfaction and interest survey (2019/2020) where 403 businesses within the formal economy participated.

## **6.2 SPECIAL SECTORS**

The Municipality mainstreams special sectors including children, people with disabilities, the elderly, women and youth through the Special Programmes Unit within Constituency Services.

Special Sectors were consulted as part of the IDP consultation sessions held in October 2020 where contributions of the needs of the special sectors were made. A Sign Language Interpreter was available at some of the meetings and documents made available in Braille.

Issues raised by the special sectors include facilities and opportunities specifically for those with special needs. People with disabilities require equal access to public facilities including transport.

In an effort to ensure integration and synergy of special needs groups, all Directorates are required to consider special sectors development in their planning, budgeting and implementation. The Special Programmes Unit of the Municipality focuses on mainstreaming special needs considerations in municipal work.

## **6.3 WARD PRIORITIES**

During the public participation sessions held with Ward Committees and Communities during 12 to 20 April 2021, processes were undertaken to determine the priorities within wards. From the processes undertaken for this IDP, the following priorities per Ward have emerged in order of priority:

- (i) Rectification of Pre – 1994 houses
- (ii) Provision of Street lights and high mast lights
- (iii) Tarring of roads and construction of speed humps
- (iv) Attend to water leaks
- (v) Attend to illegal dumping and Bush clearing
- (vi) Construction and upgrade of Sport fields, Parks and Play grounds
- (vii) Upgrade and maintenance of sewerage system
- (viii) Visibility of Metro Police and SAPS due to high crime rate
- (ix) Electrification of informal settlements and
- (x) Provision of Schools and Clinics

An integrated approach is therefore required in addressing issues raised by the communities during these public meetings. Issues raised that do not fall within the mandate of Local Government are elevated to the relevant departments for their attention. It is critical for the NMBM to establish, enhance and strengthen Intergovernmental Relations platforms to ensure greater cooperation between the three spheres of government for development within Nelson Mandela Bay.

#### **6.4 SPECIFIC INPUT FROM STAKEHOLDERS**

This Chapter reflects the input received from Government Departments and State Owned Enterprises.

In line with Intergovernmental Relations and Cooperation between various spheres of government, a number of Government Departments and State Owned Enterprises submitted their inputs for inclusion in the 2021/22 IDP as a result of consultation and participation sessions.

### **6.4.1 Transnet**

Transnet is an important stakeholder and development partner to Nelson Mandela Bay Municipality. Through the Strategic Interface Forum (SIF) and its Sub-Committee, the Strategic Development Committee, the Municipality has formed a formal working relationship with all State Owned Enterprises (SOE'S) in the City through a Memorandum of Understanding. Transnet is responsible for a number of large projects in Nelson Mandela Bay that could positively change the development trajectory of the City once they are implemented. These projects include the Nelson Mandela Bay Steam Train (Apple Express), the Port of Port Elizabeth Waterfront development and the relocation of the Oil Tank Farm and Manganese Export Facility.

#### **6.4.1.1 Nelson Mandela Bay Steam Train**

The Municipality in partnership with Transnet embarked on a process to re-establish and operate the Nelson Mandela Bay Steam Train formerly known as the Apple Express. The implementation of the project has focussed on phase one which was from the harbour to Kings Beach during December 2017 and January 2018.

A pilot run of the 2017 tourism route was done in March 2020 after certain rehabilitation of the line took place. It is anticipated this will run regularly in the near future. There are continuous engagements between Transnet and the Municipality on how to take the project forward sustainably.

#### **6.4.1.2 The Port of Port Elizabeth Waterfront Development**

The Port Elizabeth Waterfront has been conceptualised around transforming the Port of Port Elizabeth into a "people-centric port". The project has the ability to be a catalyst for economic growth and inner-city rejuvenation. The project will promote social inclusivity, alleviate poverty and facilitate economic transformation. It will facilitate sustainable economic growth by providing possibilities for new business and the expansion of existing businesses.

The proposed development will cater for tourism, sport, leisure and recreation facilities. It is intended that it will incorporate a maritime museum, facilitate cruise liner tourism, light boat/yacht building and repair facilities, bunkering facilities for small operations, maritime education training as well as retail, residential and office space.

The proposed Waterfront is uniquely positioned to become part of the “heart” of Nelson Mandela Bay together with the Baakens Valley Development.

It is envisaged that the full development could be undertaken in a period of 10-20 years; however, this will be highly dependent on demand. The project is planned to be rolled out through a competitive process which will culminate in a development contract. In addition, Transnet is considering partnerships in the project to ensure that throughout its lifecycle, the economic interests of the City are considered.

In the interim, Transnet has begun a process of developing non-port related activities which form an integral part of the Waterfront Project. The Municipality is interacting with Transnet to ensure a common development vision for the entire area and a synergy between related projects.

A constructive partnership needs to be formed for the planning and implementation of the programmes for this area and processes are under way to ensure that this happens.

#### **6.4.1.3 Oil Tank Farm and Manganese Export Facility**

When the Port of Ngqura was conceptualised in 1990, it was envisaged to be a heavy industrial port which would allow the transformation of the Port of Port Elizabeth into a “clean” port. This physical transformation thus necessitated plans to ensure the cessation of operations for certain commodities which include liquid bulk and manganese. The cessation of these operations would open up commercial opportunities for the Waterfront development and well as establishment of a potential new terminal for the handling of “clean” cargo.

The Port of Port Elizabeth liquid bulk facility (tank farm) was constructed in 1938 and extended in 1954. The facility has reached the end of its design life. In addition, the facility is seen as undesirably close to the City centre and there has been mounting pressure to remove the facility and establish a similar facility elsewhere.

The construction of the new facility at Ngqura began in April 2019. This includes the construction of the Entrance Plaza and Firefighting System. The storage tank platform has been completed and work will now proceed on the construction of the storage tanks and pipelines.

The new Ngqura Bulk Manganese Export Terminal is being established in Zone 9 in the Special Economic Zone (SEZ) on land owned by Transnet through a commercial transaction with Coega Development Corporation (CDC). It will have a target capacity to export 16-22 Million Tonnes Per Annum (Mtpa) of manganese. The existing Port Elizabeth Manganese Terminal facilities have a capacity of 5.1 Mtpa (with an operating license of 6Mtpa) but cannot meet the increased global demand for this commodity.

The completion of Phase 1 of the project is scheduled for 2024. This includes the cessation of the operations current facility in the Port of Port Elizabeth to the establishment of a newly constructed facility at Ngqura. The Municipality has called upon Transnet to fast-track the relocation process from the centre of Gqeberha (formerly known as Port Elizabeth).

Transnet is implementing COVID-19 safety regulations in their operations. During the lockdown period, sea ports in South Africa were not totally closed and commercial cargo operations continued. As production slowed down during the lockdown, exports and imports dropped considerably. All sea cruises undertaken by cruise liner vessels into and out of any sea port within South Africa have been terminated until further notice.

#### **6.4.2 Airports Company South Africa (ACSA)**

ACSA has the following key strategic objectives in Nelson Mandela Bay:

- Cooperation between the Municipality around development planning and Airport master plan and precinct planning to ensure alignment.
- Manage and align developments to ensure maximum economic and social beneficiation for the region.
- Collaboration and agreement on land-use planning to ensure airport impacts on surrounding communities are managed.
- Leverage the Airport as an economic and connectivity node – Airlift Project.
- Positioning Nelson Mandela Bay as an important Airport City in order to leverage economic growth.

Current ACSA projects include the following:

- Terminal refurbishment (CSP)
- Car Rental Upgrade
- Airport Ambience Project
- Storm Water Phase 2
- Parking Office

COVID-19 impacted ACSA countrywide, due to the termination of commercial flights during the National Lockdown period, which resulted in projects for 2020/21 financial year being deferred. These projects will be revisited once air traffic returns to normal.

### 6.4.3 Passenger Rail Association of South Africa (PRASA)

Investment by PRASA in Nelson Mandela Bay will be distributed over a number of PRASA run projects as follows:

**TABLE 20: PRASA Planned Projects until 2023**

<b>Project Name</b>	<b>Estimated Total Cost</b>	<b>2020/2021</b>	<b>2021/2022</b>	<b>2022/2023</b>
Port Elizabeth Station Improvement	R53 000 000	R16 403 125	R29 276 799	R7 320 072
Uitenhage Station	R17 700 000	R2 461 230	R9 564 750	R5 674 020
Mariska Residence Alterations	R8 390 000	R1 678 000	R6 712 000	
New Brighton Station Improvement	R15 000 000	R2 000 000	R13 000 000	
Sydenham Station	R6 000 000	R4 842 857	R1 157 143	
Port Elizabeth Rolling Stock	R11 000 000	R540 000	R2 460 000	R8 000 000
<b>Total</b>	<b>R111 090 000</b>	<b>R27 925 212</b>	<b>R62 170 692</b>	<b>R20 994 092</b>

Source: PRASA CRES (Corporate Real Estate Solutions) 2021

In addition to the above projects, the PRASA Motherwell Passenger Rail Corridor includes an R8 million budget for the next financial year. Budget allocation beyond 2021/22 will be amended once the Memorandum of Agreement has been signed, and PRASA and Nelson Mandela Bay Municipality have agreed and aligned the project implementation timelines with all project dependencies.

As with other State-owned Enterprises, the COVID-19 pandemic has caused delays in the projects, however, engagements to finalise the Memorandum of Agreement are ongoing.

#### **6.4.4 Coega SEZ**

The Municipality and the Coega Development Corporation have agreements in place that outline the operational relationships between the organisations in order to meet the developmental objectives of government within the framework of the municipally approved Development Framework Plan and associated Development Management Plan.

The agreements make provision for development facilitation whilst complying with the respective legislative mandates of the two organisations. In so doing, the CDC is able to meet the expedited time frames for meeting the requirements of industry investing within the Coega SEZ. To date, the CDC has accessed funding from national and provincial government to construct the necessary infrastructure for providing bulk services to the Coega SEZ. Bulk infrastructure includes roads, water, electricity, sewage and stormwater related services.

The Municipality and the CDC have identified water and sanitation for the Coega SEZ as areas of concern. The availability of water and sanitation imposes limits to the growth of the Coega SEZ, having the implication that high water users cannot invest in the SEZ until utility requirements have been addressed. A Water, Sewer and Return Effluent Master Plan has been developed for the Coega SEZ which provides projections for use under different scenarios associated with the intensity of land use.

To date, the Municipality in collaboration with the CDC, has commenced with planning the following projects, which are critically required for the further development of the Coega SEZ:

- Nooitgedacht Low Level Scheme (NLLS) – which supplies water from the Gariiep dam to Nelson Mandela Bay.
- Coega Waste Water Treatment Works and Sea Outfall.
- Coega Return Effluent Scheme.



The following projects have been identified by the Coega Development Corporation for implementation in the 2021/22 financial year:

- 15ML Desalination Project
- Tank Farm
- Gas to Power
- Emergency Centre
- Aquaculture
- Bulk Sewer

#### **6.4.5 South African Police Service**

The South African Police Services is reviewing the location of a number of Police Stations within Nelson Mandela Bay due to the unsuitability of the existing sites and buildings. These include:

- Kabega Park Police Station
- New Brighton Police Station
- KwaNobuhle Police Station
- KwaDwesi Police Station
- Zwide Satelite Police Station

In addition, minor improvements to existing Police Stations are being made that include for example installation of water tanks and minor construction work. These include:

- Port Elizabeth Southdene Garage
- Motherwell Police Station
- Ikamvelihle Police Station
- Mount Road Police Station
- Gelvandale Police Station
- Algoa Park Police Station
- Chatty Police Station

### 6.4.6 Department of Sports, Recreation, Arts and Culture

The Provincial Department of Sports, Recreation, Arts and Culture is providing support across a number of sporting codes in various wards of Nelson Mandela Bay. The following table indicates the sporting code, the budget and the implementation area for the 2021/22 financial year.

**TABLE 21: Provincial Sports Programmes for 2021/22 financial year**

No.	Project / Programme	Budget	Area
1	Support to Boxing tournaments	R150 000 April 2021	Ward 60, 50, 29, 44, 26, 24, 41, 30, 3, 42, 45, 31, 30, 56, 8, 6 and 7
2	Netball league in Motherwell/Wells	R80 000 July 2021	Ward 60, 54, 55, 56, 57, 58 and 59
3	Support to U/13 football league in Veeplaas / KwaDwesi / KwaMagxaki	R100 000 Aug 2021	Ward 30
4	Support to women's football league	R100 000 Aug 2021	City wide
5	Support to U/20 rugby league	R200 000 Sept 2021	City wide
6	Support to 22 clubs with kit & equipment (selected teams under club development programme)	R300 000 Sept 2021	City wide
7	Support cricket league (Males)	R100 000 Oct 2021	City wide
8	Support cricket league	R80 000 Dec 2021	City wide
9	Support to athletics track and field in Bethelsdorp	R30 000 Jan 2021	City wide
10	Support to Rowing Federation	R30 000 April 2021	Ward 16
11	Support Basketball federation	R30 000 May 2021	City wide
12	Support to Handball Federation (Youth Day)	R30 000 June 2021	Ward 19, 20, 21, 22, 32, 36, 41 and 51
13	Support to Judo Federation	R50 000 July 2021	City wide
14	Support to Table Tennis tournament for the NMMD teams (woman's day tournament)	R35 000 Aug 2021	City wide
15	Support to volleyball federation	R25 000	City wide
16	Support to Vukani 15 KM Race	R50 000	City wide
17	Support to 11 hub festivals: • Golden Games • Move for Health • Indigenous Games	R766 000 April 2021 to March 2022	Ward 3, 7, 10, 11, 13, 19, 29, 21, 24, 29, 43, 44 and 50

Source: Provincial Department of Sports, Recreation, Arts and Culture, April 2021

#### **6.4.7 Department of Safety and Liaison**

The Provincial Department of Safety and Liaison is implementing the following programmes within Nelson Mandela Bay:

- (a) Service Delivery evaluations at eight Police Stations (Gelvandale, Walmer, Despatch, Mount Road, Motherwell, Bethelsdorp, KwaZakhele and Algoa Park).
- (b) Unannounced visits at all 17 stations to access the front line service point.
- (c) Four accountability engagements with communities and stakeholders forming part of the Joint Community Police Forum (JCPF) will be conducted (KwaNobuhle, Gelvandale, KwaZakhele and Ikamvelihle).
- (d) Four public awareness Campaigns (Algoa Park, Bethelsdorp, KwaNobuhle and Walmer).
- (e) Capacitation of Community Police Fora from the 17 police stations
- (f) Support the municipality with the implementation of the Community Safety Forum.
- (g) Conduct court watch and brief program at Uitenhage Magistrate Court.
- (h) 8 EPWP staff placed at 4 schools as Safety Patrollers (Walmer Primary, Bayview Primary, Dalrose Primary and Masiphathisane High School).

#### **6.4.8 The South African Property Owners Association (SAPOA) Port Elizabeth Region**

SAPOA represents a number of large scale property development companies and owners in Nelson Mandela Bay. As an organisation, they have *inter alia* highlighted the following issues for attention and noting:

- (a) Political instability has never been conducive to economic growth and development. It has a direct impact on the internal operations of the Municipality, which in turn has a direct impact on service delivery. This is exacerbated during a pandemic.
- (b) The following measures are proposed in order to rebuild the economy and assist business and citizens:
  - Short-term relief to businesses, property owners and developers in terms of rates and taxes.
  - A reduction in the proposed water and electricity increases for the next financial year and beyond.
  - Maintenance of property valuations in order to reduce property rates increases.
  - Flexibility of zoning rights to increase work from home opportunities.
  - Finalisation of a SPLUMA compliant Land Use Management Scheme.
  - Regular review of municipal policy to ensure relevance.
  - Regular feedback on key service delivery projects.

#### **6.4.9 Engagements with Government Departments**

Due to it being a provincial responsibility, municipalities are not mandated to deliver and maintain social infrastructure such as education, health, protection and community facilities. Accordingly, the Municipality has held productive engagements with Provincial Treasury and other departments to promote integrated planning and investment in spatially prioritised urban areas. Continuous dialogue with Provincial and National Departments leads to more efficient planning and use of resources to develop more compact cities.

It should be noted that Provincial Government financial years runs from 1 March to 28 February of the next year whilst Local Government's financial years run from 1 July to 30 June of the next year. COVID-19 has impacted on both the delivery and budgets of projects performed by other spheres of government and state owned enterprises in Nelson Mandela Bay. The impact has largely been in the delay of timelines for the completion of projects.

## 7.1 INTRODUCTION

The spatial strategy of the Municipality is embedded in three interrelated strategic documents; these are:

- The Metropolitan Spatial Development Framework (MSDF)
- The Sustainable Community Planning Methodology
- The Built Environment Performance Plan (BEPP)

This Chapter outlines the key features of these three strategic documents, which together form the spatial strategy of the City. The Metropolitan Spatial Development Framework (MSDF) is the primary spatial plan of the City and represents the spatial manifestation of the IDP. All matters of a spatial nature concerning the Municipality are encapsulated in the MSDF. It includes the aforementioned Sustainable Community Planning Methodology and the Built Environment Performance Plan (2020 to 2021).

The initial MSDF was approved by Council in 2009; a second version was approved in December 2015. The Spatial Planning and Land Use Management Act 2013 (SPLUMA) sets the legal framework for the SDFs of South African municipalities. A major review of the MSDF is scheduled to be conducted during 2021/22. It is important that this process aligns with the next five year IDP. In addition, a Draft SPLUMA By-law has been developed and is in the process of being finalised.

## 7.2 NMBM METROPOLITAN SPATIAL DEVELOPMENT FRAMEWORK

The Metropolitan Spatial Development Framework (MSDF) is supplemented by more detailed Local Spatial Development Frameworks (LSDFs) and Precinct Plans for specific areas. These guide the overall spatial form and identify current and future desirable land uses within the Municipality in order to give physical effect to the vision, goals and objectives of the IDP.

The MSDF identifies major transport routes, future transport links, environmentally important areas and key development opportunities and constraints. The MSDF also aims to sequence future development areas in a manner that makes the best use of infrastructure services and limits the leap-frogging of development and the unnecessary expansion of infrastructure networks.

The legal importance of the MSDF is contained, *inter alia*, in the Spatial Planning and Land Use Management Act 2013 (SPLUMA), Chapter 4, which states that:

*“a Municipal Planning Tribunal or any other authority required or mandated to make a land development decision in terms of this Act or any other law relating to land development, may not make a decision which is inconsistent with a municipal spatial development framework, unless if site specific circumstances justify a departure from such provisions.”*

### **7.2.1 Rationale for Spatial Planning**

The MSDF must give effect to the development principles contained in the Spatial Planning and Land Use Management Act, 2013 (SPLUMA). These are:

- Spatial justice.
- Spatial sustainability.
- Efficiency.
- Spatial resilience.
- Good administration.

### **7.2.2 MSDF processes**

The following processes of the MSDF support sustainable development within the Nelson Mandela Bay Municipality:

- Analysis of spatial opportunities, constraints, patterns and trends.
- Identification of the need for spatial restructuring and land reform.
- Provision of spatial solutions to developmental issues.
- Identification of national spatial development principles and their spatial application in the NMBM.
- Understanding of and allowance for the spatial implications of social, economic and environmental sustainability.
- Production of a document to guide decision-making on developable and non-developable areas, including the sequencing of development.
- Creation of a framework for public and private investment decisions to facilitate investor confidence.

The MSDF is supported by a number of sector plans and topic-specific planning documents, which include the following:

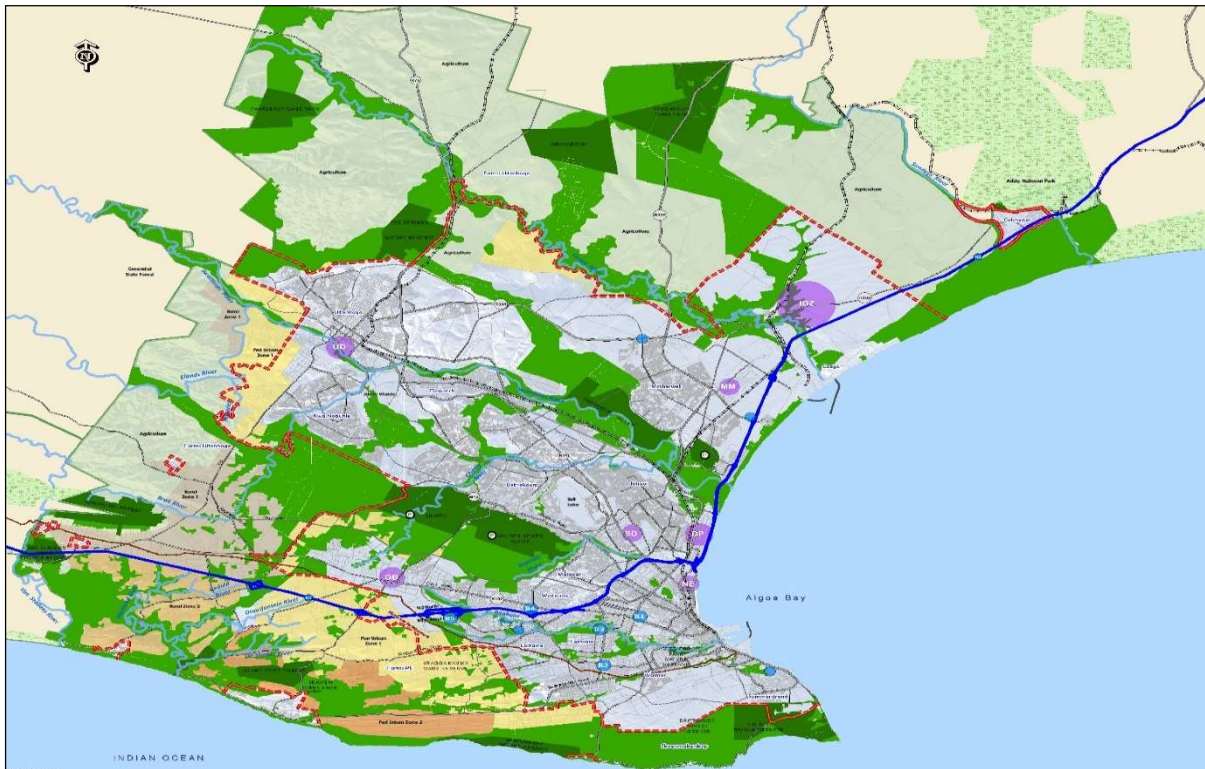
- Strategic Environmental Assessment.
- Urban edge / Rural Management and Urban Densification Policies.
- Demographic Study update.
- Land Use Management System (LUMS).
- Human Settlements Implementation Plan.
- Bioregional Plan.

The review of the Spatial Development Framework will be done in terms of the guidelines issued by the Department of Rural Development and Land Reform for the preparation of Spatial Development Frameworks.

### **7.2.3 Spatial Overview of Nelson Mandela Bay**

The Nelson Mandela Bay Municipality was the first metropolitan municipality in the Eastern Cape Province and is one of eight metropolitan municipalities in South Africa. The Nelson Mandela Bay Municipality covers an area of 1959,02 square kilometres and is bordered by the Sundays River in the north, the Van Stadens River in the south west and the Greater Uitenhage/Despatch areas towards the west of the metropolitan area.



**FIGURE 10: Nelson Mandela Bay: Urban and Natural Environment**

Source: NMBM, 2020

The demarcation process as provided for in the Demarcation Act (Act 27, 1998) caused the disestablishment of seven separate local authority administrations and the formation of the Nelson Mandela Bay Metropolitan Municipality (NMBMM). The most significant administrations incorporated were Port Elizabeth (now Gqeberha), Uitenhage (now Kariega), Despatch and a portion of the Western District Council.

## 7.2.4 Proposed Metropolitan Structure

### 7.2.4.1 Structuring the MSDF

The spatial structuring of the MSDF is based on the following factors:

- Available land and its features.
- Envisaged population growth.
- Economic development.
- Principles guiding integration, efficiency and sustainability.

The following considerations have been used to determine the basic structure of the MSDF:

- Land earmarked for new development, including low income housing, has been selected on the basis that vacant land within and close to the existing built-up areas must be utilised first, while further outlying areas are considered for development only once more centrally located land has been taken up. This will encourage more efficient use of existing infrastructure before network extensions are required. It will also discourage the leap-frogging of development, which is expensive from a bulk services provision perspective.
- Land uses are to be arranged in a manner that promotes the development and use of an efficient public transport system. Densification and a mix of land uses along major transport corridors can achieve this objective.
- Access to green recreational zones from residential areas has been given special attention. Natural, sensitive areas have been identified for protection and additional green spaces have been set aside for recreational use, as well as other uses that are of an ecological nature.
- Certain land uses, such as large industrial areas, are kept away from residential areas, due to the heavy traffic, air pollution and noise generated by industrial operations.
- Existing economic nodes, such as the Coega SEZ, as well as the Uitenhage and Port Elizabeth main industrial areas and existing commercial centres as employment nodes.
- Transport links are proposed to promote integration and overall accessibility. Linking major centres and industrial areas with residential areas is important, taking into account the limitations resulting from topography.
- Public transport corridors have been proposed linking economic areas. The future growth direction from Motherwell would thus be to the west, in the direction of Uitenhage, with the Coega SEZ providing employment opportunities for the adjacent residential areas of Motherwell.
- Main arterial roads and rail links for private and public transport between the different urban areas are most easily arranged in east-west directions.
- Pedestrians, non-motorised transport and public transport are important for access to services and job opportunities.

### 7.2.4.2 Primary Structuring Elements

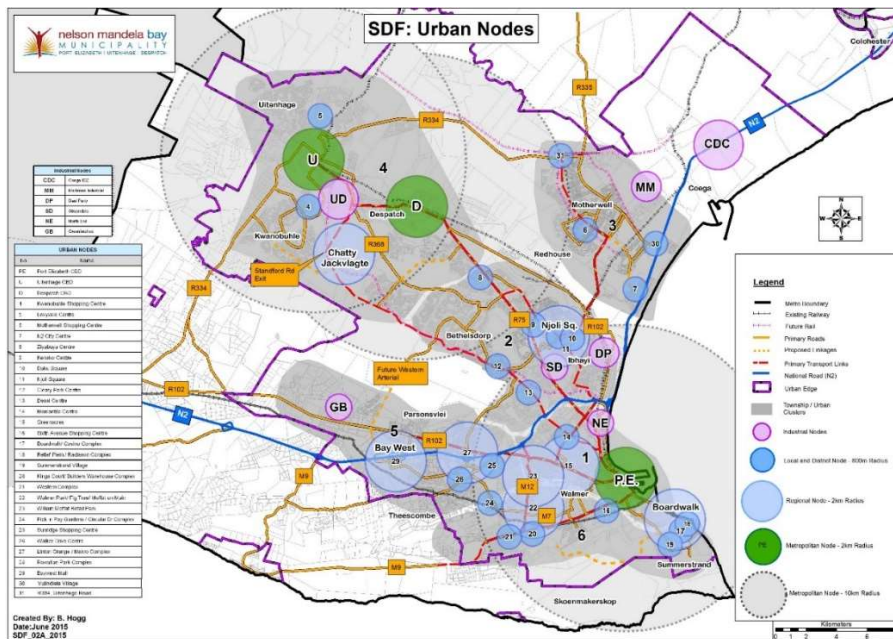
Apartheid planning divided Cities and left places of work and economic opportunities far from the place where the majority of the population live. Measures and strategies need to be put in place to actively restructure Nelson Mandela Bay. The following elements are important to achieve this.

### 7.2.4.3 Activity Nodes

Nodes are places of high accessibility, characterised by a concentration of mixed use activities, such as retail, office, entertainment, community facilities and residential components. Such places are usually located at strategic transport interchanges.

These Nodes are regarded as priority areas for densification, integration, intensification and the improvement of environmental quality. Nodes are mostly targeted for public and private investment, as they can enhance economic opportunities and enable more efficient service delivery intensifying activities.

**FIGURE 11: NMBM Urban Nodes**



Source: NMBM, 2020

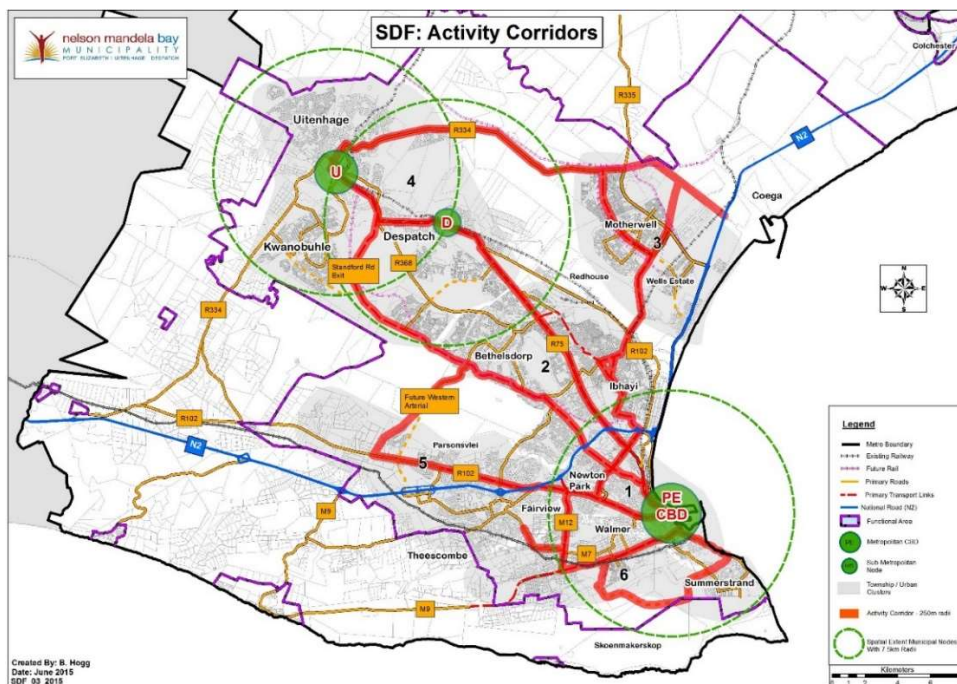
### 7.2.4.4 Urban Corridors/Activity Spines

Urban corridors are a combination of structuring elements that reinforce a hierarchy of nodes. They have varying development intensities and widths. Mixed used activities should be created and promoted within such corridors/spines to also include different modes of transport. This minimises travelling costs and the costs of transport infrastructure by increasing accessibility to employment opportunities, especially for previously disadvantaged communities.

The city structure needs to be developed in a manner that uses infrastructure more efficiently and minimises the need to extend infrastructure networks unnecessarily. Transportation infrastructure is the most expensive infrastructure in urban development and extensions to road and rail networks therefore need to be kept to a minimum.

Residential and commercial densities along transportation routes need to be increased at strategic locations (i.e. near development nodes) in order to transform major routes into activity or development corridors and create an environment conducive for sustainable human settlements.

**FIGURE 12: NMBM Activity Corridors**



Source: NMBM, 2020

Activity corridors are where concentrated urban development occurs along movement routes that are typically also major public transport routes. Development can either take the form of continuous linear development or a series of nodes along the activity spine.

#### **7.2.4.5 Natural Open Space and Green System**

The Nelson Mandela Bay Municipality's open space network plays a fundamental role in shaping the city through the conservation of ecological resources, which are amongst the major structuring elements guiding the development of the city. The open space network has spatial, social and technical dimensions.

The open space and green system within the Metro provides a diverse range of environments, characterised by conservation areas, recreational activities, corridor parks, watercourses, ridges, heritages sites, etc. Existing natural environmental resources are economic assets, as they promote liveability and the vitality of communities. The open space and green system should be protected and enhanced to ensure that the benefits of local ecosystems are maximised.

#### **7.2.4.6 Consolidation and Densification**

A consolidation and densification approach promotes more compact urban development and maximises the efficiency of areas that are well serviced and centrally located.

This approach contributes to the restructuring of the urban environment and discourages urban sprawl by promoting development that is adjacent to existing urban areas. Furthermore, it promotes the more efficient use of the existing infrastructure, especially at urban centres and along urban corridors.

#### **7.2.4.7 Growth Management/Urban Edge**

Most urban areas in South Africa are characterised by urban sprawl. Citizens spend a lot of time and money travelling long distances to work, shops, schools and social facilities. Local authorities are also required to invest large amounts in providing and maintaining excessive infrastructure. A tool of the Spatial Development Framework for growth management is the demarcation of an urban growth boundary or urban edge. The “urban edge” is a conceptual boundary that delineates the urban area in order to contain physical development and sprawl and re-direct growth towards a more integrated, compact and efficient urban form, guided by detailed plans.

The delineation of an urban edge achieves a more efficient and sustainable municipality through the –

- Containment of urban sprawl.
- Intensification of development.
- Integration of urban areas.
- Protection of valuable agricultural, natural and cultural resources.
- Optimum use of existing resources in established urban areas, such as bulk service infrastructure, roads and public facilities.
- Reduced need for commuting, as well as reduced commuting distances.

### **7.3 SUSTAINABLE COMMUNITY PLANNING AND METHODOLOGY**

The existing pattern of development in Nelson Mandela Bay is the result of historical segregation-based planning. The structuring not only separates different racial groupings in geographical terms, but has also resulted in huge disparities in standards of living, as well as access to infrastructural services, employment, and cultural and recreational facilities. As these imbalances serve as constraints for redevelopment, they should be addressed and rectified.

The NMBM developed and introduced this planning methodology to assist the city in dealing with the creation of a more sustainable city. The methodology is an integral part of the MSDF, LSDF and precinct planning that is undertaken.

Sustainable Community Units (SCUs) have been introduced to achieve a more balanced structure in Nelson Mandela Bay, in order to reduce discrepancies in terms of service provision and standards; promote integration in socio-economic and functional terms; and provide for economic activities and employment opportunities.

The urban area of Nelson Mandela Bay has been divided into a number of planning units or entities, known as Sustainable Community Units. These are defined by the distance that an average person can comfortably walk in half an hour, i.e. a 2 km radius. The planning methodology aims to provide the requirements for a minimum standard of planning and living within those areas; in other words, basic amenities, facilities and job opportunities must be within walking distance of all residents. All SCUs in Nelson Mandela Bay are to be linked by a public transport network, which will ensure that all areas are accessible to all communities by means of public transport.

Basic municipal facilities and services should be provided within walking distance of residential areas; higher order facilities can be located further away.

### **7.3.1 Distance to Facilities**

The SCU planning methodology concept identifies the need to make higher levels of sustainability and integration in Nelson Mandela Bay its primary focus. The basis for sustainable community planning lies in the development principles adopted at national, provincial and local government levels, as supported by legislation and government policies.

The Municipality's Sustainable Community Planning methodology covers both existing and future areas of development. A fundamental principle of this plan is to have work opportunities closer to places of residence in order to reduce the need to



travel. This is to be achieved through the planning of new areas to accommodate more than just housing developments, but also through a paradigm shift, in location of new settlements closer to rather than further away from places of employment and social and public amenities. Peri-urban areas in which settlements exist, are also planned according to the Sustainable Community Planning methodology, with a view to providing local job opportunities.

The development goals and principles of particular importance for spatial planning in SCUs are:

- (a) Poverty alleviation and the satisfaction of basic needs.
- (b) Focus on special needs groups (HIV and AIDS affected/infected persons, children, the elderly, and persons with disabilities).
- (c) Gender equality and equity.
- (d) The environment (physical, socio-economic).
- (e) Participation and democratic processes.
- (f) Local economic development.
- (g) Accessibility (public transport and pedestrian focus).
- (h) Mixed-use development.
- (i) Corridor development.
- (j) Safety and security.
- (k) Variation and flexibility.
- (l) Appropriate densification.
- (m) Reducing urban sprawl.

To achieve both sustainability and integration, the following functional elements need attention in relation to the above principles:

- (a) Housing
- (b) Work
- (c) Services
- (d) Transport
- (e) Community
- (f) Character and identity



Focusing on these six elements, minimum standards are pursued to achieve an acceptable planning quality, which will result in an improved quality of life for residents in these areas (for more detail on the planning methodology outlined above, refer to the *Sustainable Community Planning Guide*, dated June 2007; also available on the municipal website: [www.nelsonmandelabay.gov.za](http://www.nelsonmandelabay.gov.za)).

#### **7.4 THE BUILT ENVIRONMENT PERFORMANCE PLAN (BEPP)**

The development of a Built Environment Performance Plan (BEPP) was, up to the 2020/21 financial year, a requirement of the Division of Revenue Act (DoRA) in respect of the various infrastructure grants related to the built environment of metropolitan municipalities.

From 2021 onwards National Treasury no longer requires the formal submission of a BEPP with the assumption that its plans and methodology would be embedded within the municipality's strategic plans and processes.

It is the intention with the formulation of the new MSDF the BEPP spatial strategy will be completely embedded within the MSDF. This "merging" has yet to take place and it is necessary to use the 2020/21 BEPP.

The BEPP is complementary to the Municipality's key strategic documents, which include the Integrated Development Plan (IDP), the Budget, the Spatial Development Framework (SDF) and the Comprehensive Integrated Transport Plan (CITP). The BEPP directly complements the MSDF.

The BEPP focuses on three main areas:

- An Urban Network Strategy (UNS), including Integration Zones and catalytic projects.
- Economic/Growth nodes.
- Informal settlements and marginalised areas.

### **7.4.1 Urban Network Strategy/Integration Zones and Catalytic Projects**

Spatial targeting and the elimination of spatial inequalities, as envisaged in the National Development Plan, is an underlying principle of the Urban Network approach, hence the focus on the catalytic development of under-serviced city areas.

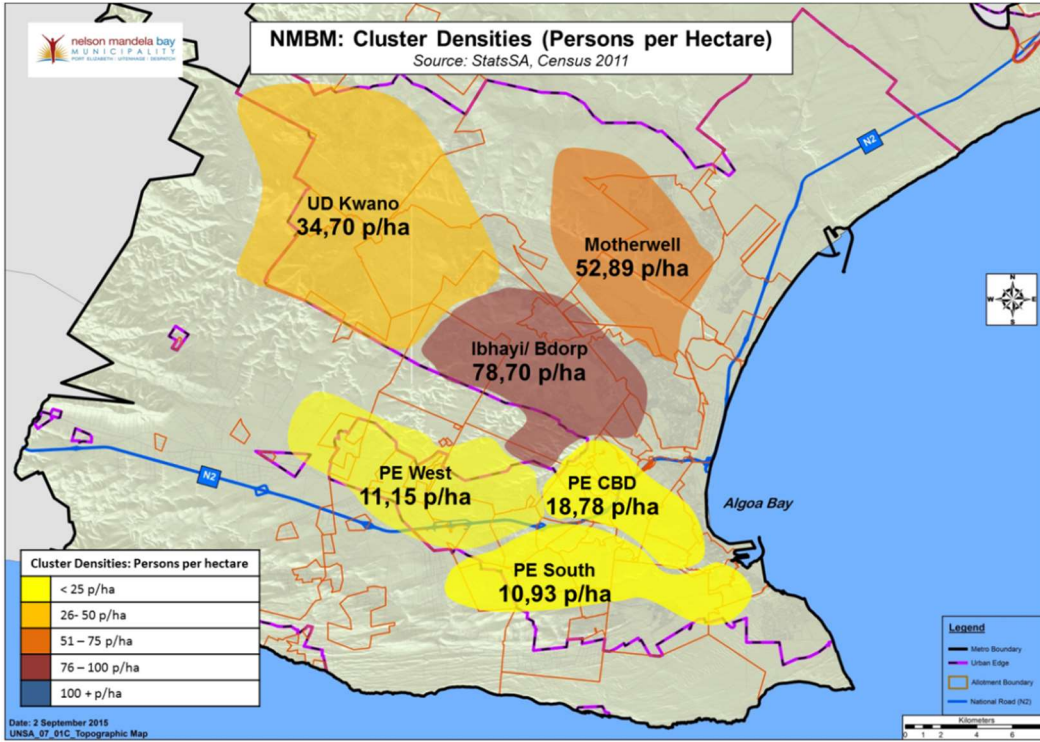
The Urban Network Strategy identifies a number of network elements (CBD, hubs, growth areas) and allows for the identification of Integration Zones that link CBDs and hubs in which catalytic development is encouraged.

#### **7.4.1.1 Township Cluster**

For the purposes of the BEPP, the townships of Nelson Mandela Bay have been clustered into six township clusters.

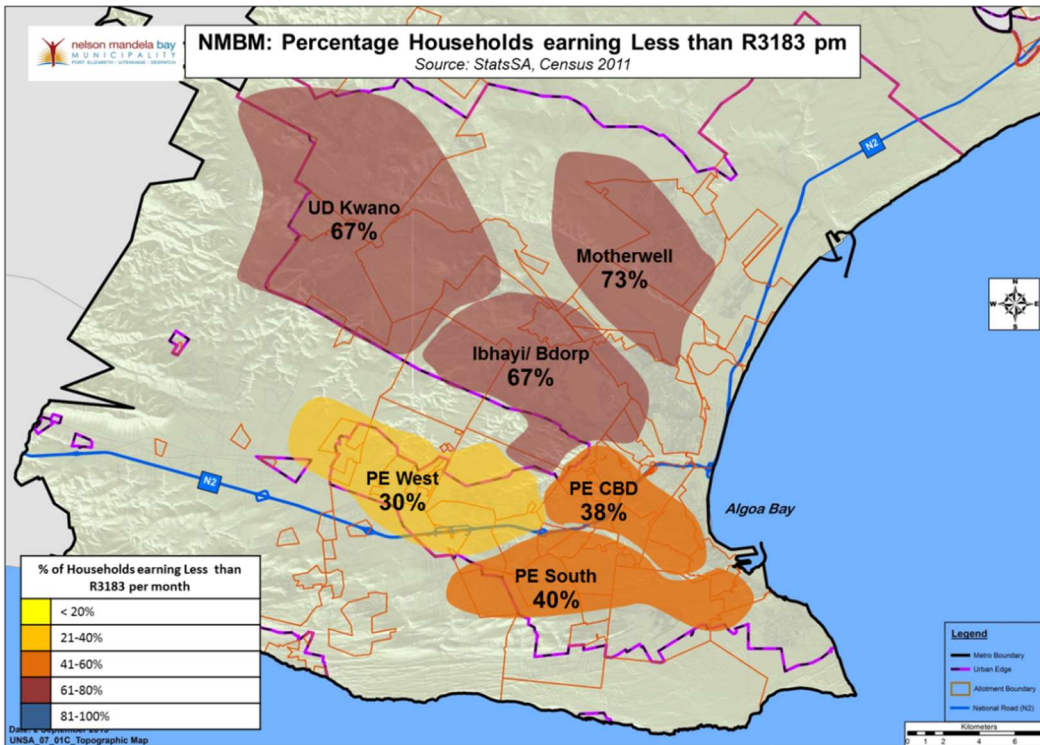
The density and income characteristics of these clusters are illustrated in the figures below, which highlight the higher densities and lower income levels of the Northern Townships (clusters), with Ibhayi displaying the highest density per hectare. Motherwell has the highest percentage of the population earning less than R3 183 per month. The population numbers and densities in the Southern Clusters are noticeably smaller and lower than those of the Northern Clusters.

**FIGURE 13: Urban Network Strategy: Cluster Densities (Persons/Ha)**



Source: NMBM, 2020

**FIGURE 14: Urban Network Strategy - Income Levels per Cluster**

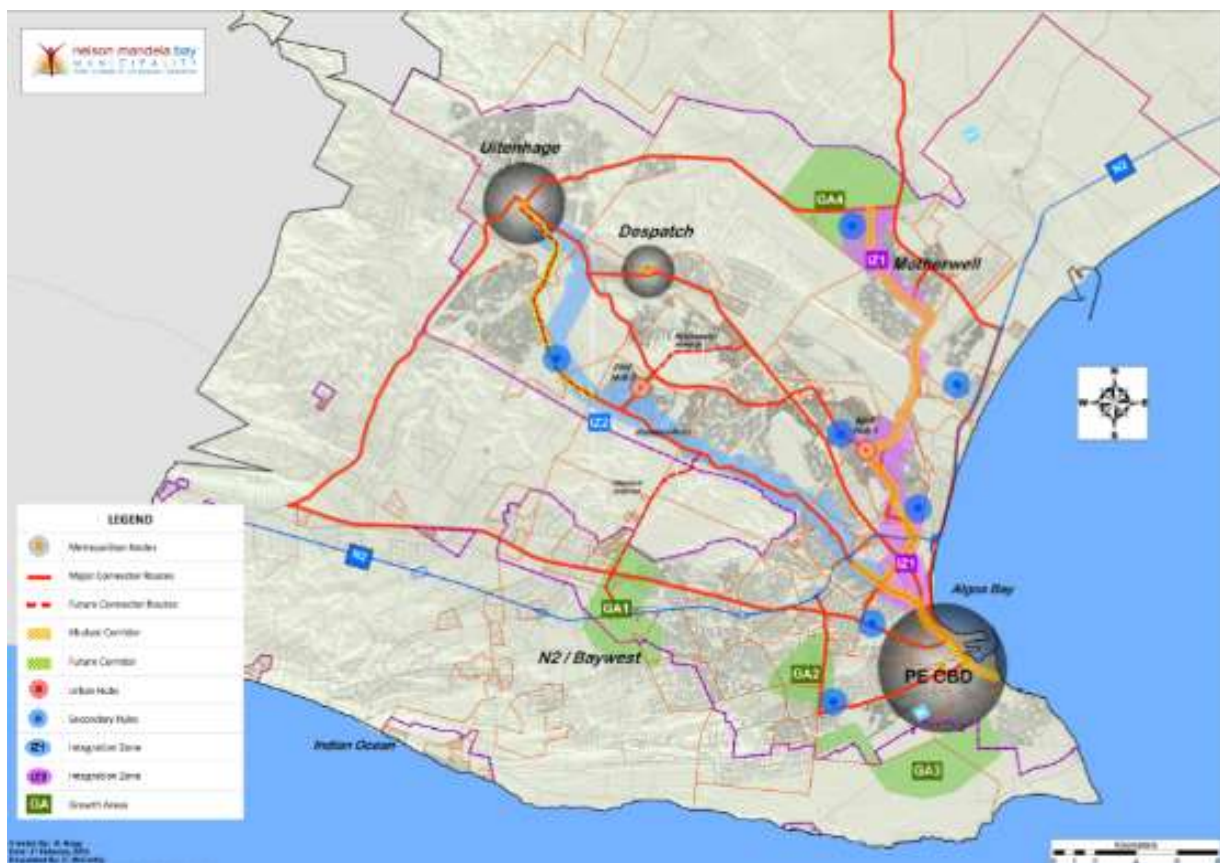


Source: NMBM, 2020

### 7.4.1.2 Identification of urban network elements of the Urban Network Strategy (UNS)

The major elements of the Urban Network Strategy are illustrated and explained in more detail below.

**FIGURE 15: Urban Network Strategy Framework**



Source: NMBM, 2020

***CENTRAL BUSINESS DISTRICTS (CBDs)***

The Urban Network Framework identifies the CBDs of Port Elizabeth, Uitenhage and Despatch as important nodes.

***PRIMARY NETWORK/TRANSPORT LINKS*****MAJOR ARTERIES**

The primary transport network includes three of the five major transport arteries, being Harrower/Stanford Road, Provincial Route R75 and the Khulani Corridor.

Other primary arteries are Old Cape Road (R101), Provincial Route R10, Heugh/Buffelsfontein Road, the William Moffat Expressway, and the N2.

**ROAD NETWORK**

Public transport serves the metropolitan area along the following existing and planned routes:

- North-South linkage between the PE CBD and Motherwell via Ibhayi; along the Khulani Corridor.
- North-West linkage between the PE CBD and Bloemendal/Bethelsdorp, along Stanford Road.
- South-West linkage between the PE CBD and the Western Suburbs, via Old Cape Road.

## **RAIL NETWORK**

There is an existing passenger rail link between the PE CBD and Uitenhage.

There is an existing passenger rail link between the PE CBD and Motherwell/Markman.

A passenger rail link between Port Elizabeth CBD and Motherwell via a proposed new Motherwell Rail Corridor parallel to Tynira Street (Motherwell) is planned. There is a long-term possible linkage between Coega and Uitenhage.

A narrow-gauge rail line exists between Humerail (Port Elizabeth) and Loerie.

## ***OTHER ACTIVITY CORRIDORS***

The Nelson Mandela Bay Urban Network further identifies other existing mixed use activity corridors that are important. These are:

- Walmer Boulevard, Heugh Road and Buffelsfontein Road
- Walmer Main Road
- William Moffat Expressway
- Cape Road

## ***URBAN HUBS***

### **PRIMARY URBAN HUBS**

The Primary Hubs are:

- Port Elizabeth/Uitenhage/Despatch CBD
- Njoli/Ibhayi Hub
- Zanemvula (Chatty Jachtlakte) Hub.

### **7.4.1.3 Integration Zones**

Two integration zones are identified, linking the CBD and Primary Hubs. The Integration Zones traverse the poorest parts of the city, where catalytic development intervention is prioritised.

These Integration Zones are described below:

#### **Integration Zone 1 Khulani/Njoli/Motherwell:**

This Integration Zone includes the Khulani Corridor, as well as the Motherwell Node. It links the Inner City area, the Njoli Hub and Motherwell and incorporates a portion of the Khulani Corridor between Stanford Road and Njoli Square.

#### **Integration Zone 2: Stanford Road to Uitenhage:**

This Integration Zone 2 along Stanford Road is a link between Integration Zone 1 and Chatty Jachtlakte. Environmental and spatial constraints make it a very narrow corridor with limited scope for catalytic and development intervention. These would be limited to modal interchanges along Stanford Road, such as the Cleary Park Modal interchange.

### **7.4.2 Growth Areas**

Four growth areas have been identified:

- Walmer/Summerstrand Growth Area
- Fairview West Growth Area
- Motherwell Growth Area
- Baywest Growth Area

The Urban Network Framework includes the following Secondary Hubs:

- Kenako/Vista
- Red Location
- Jachtlakke/KwaNobuhle
- Wells Estate

Other Nodes Identified, include:

- Greenacres/ Newton Park Node
- Walmer Node
- Great Westway (Makro/ Framesby/ Westering) Node

### **7.4.3 Catalytic Programmes**

The Catalytic Programmes of the BEPP reflect interventions that include developments that are:

- Within defined Integration Zones.
- Private and public sector initiatives in their implementation.
- Inner city, mixed use, social, commercial and residential development initiatives.
- Informal settlements and marginalised area upgrading.
- Linkage projects, such as critical road infrastructure, to ensure a proper linkage between the Integration Zones and the rest of the city.

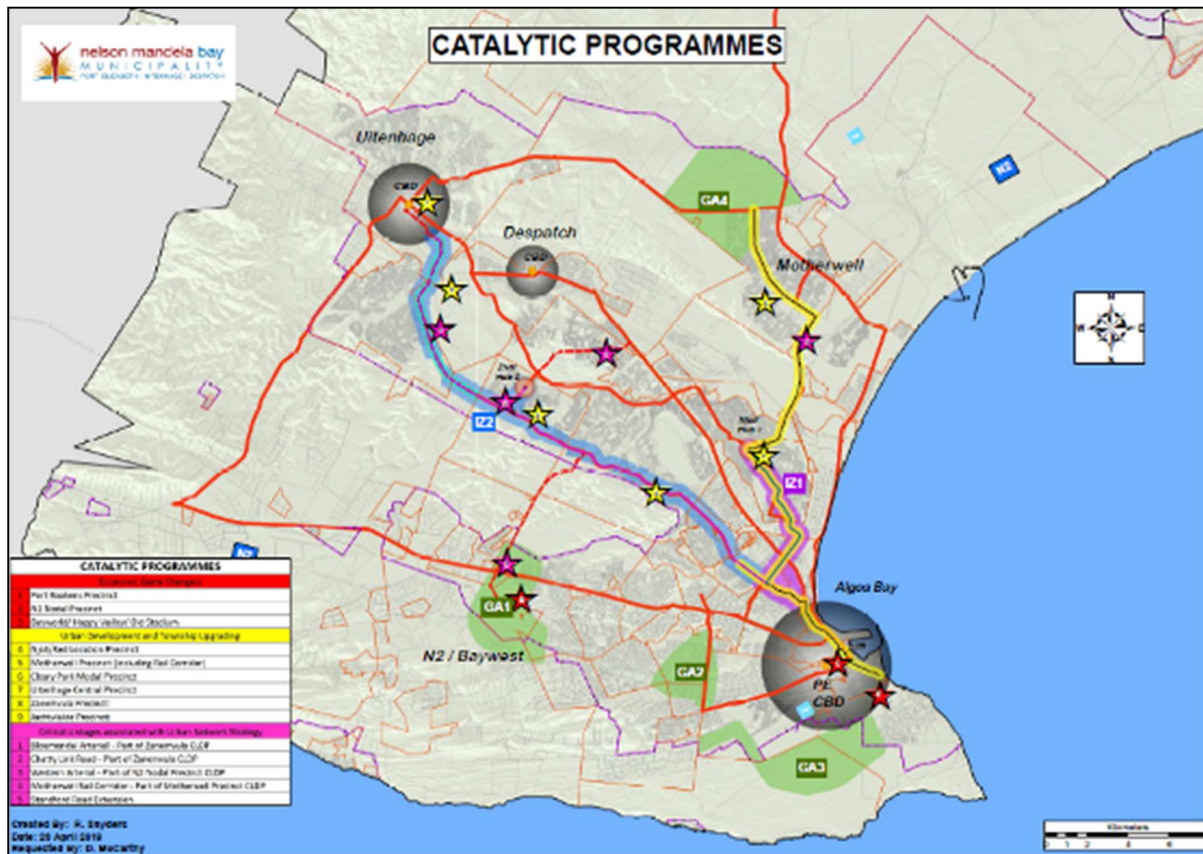
The following map shows the location of the selected catalytic programmes in relation to the Integration Zones of the Urban Network Strategy.



## Catalytic Programmes

It is the intention to move the catalytic programmes as quickly as possible from the planning to the implementation phases.

**FIGURE 16: Catalytic Programmes**



Source: NMBM, 2021

The NMBM is characterised by slow economic growth; therefore, it can be concluded that positive change will be slow. In view of this, the City does not have the opportunity for many economic and “game-changing” projects. It is important therefore to focus efforts on a limited number of strategic projects that will have maximum impact. In addition, because of the extreme poverty of the city, poor areas need to be targeted for investment and development. The City is spatially divided, due to its geography and historic patterns of development. Linkage projects to increase access must therefore also be prioritised.

## **7.5 INTERGOVERNMENTAL PROJECT PIPELINE**

### **7.5.1 Critical Growth and Development Projects for all Sectors**

The intergovernmental project pipeline is contained in Annexure “C” attached. This annexure contains not only the BEPP Catalytic Land Development Programmes as discussed above, but also other growth and investment projects that the City needs to undertake.

Projects included in Annexure “C” include major infrastructure projects as well as certain Human Settlements Projects that are receiving specific attention.

### **7.5.2 Spatial Budgeting Mix**

The following table shows the investment required from all sectors of government in relation to the Urban Network Strategy. Alternatively known as the Spatial Budgeting Mix. The Spatial Budgeting Mix is drawn directly from the Intergovernmental Pipeline of Projects attached as Annexure “C”.

**TABLE 22: Spatial Budgeting Mix**

<b>SPATIAL BUDGETING MIX</b>								
<b>Entity</b>	<b>Spatial Targeting Area</b>		<b>Outside Integration Zone</b>			<b>Other</b>	<b>Total</b>	
	<b>Integration Zones</b>	<b>Prioritized Integration Zone Precincts (Integration Zone 1)</b>	<b>Informal Settlements</b>	<b>Marginalised Areas</b>	<b>Established Economic Nodes (Incl. Growth Areas)</b>			
Metro	R 11,290,237,747	R 1,143,215,385	R 651,371,720	R 725,414,796	R 4,841,798,157	R 1,186,530,859	R 18,695,353,279	
Provincial	R 236,164,326	R -	R -	R 571,664,109	R -	R 682,477,938	R 1,490,306,373	
National	R -	R -	R -	R -	R 1,319,800	R 6,850,000,000	R 6,851,319,800	
SOEs	R 8,000,000	R 8,000,000	R -	R -	R 1,928,954,433	R 2,058,500,000	R 3,995,454,433	
PPP	R 7,989,630,321	R 125,400,000	R -	R 358,665,281	R 22,117,255,527	R 685,659,093	R 31,151,210,222	
<b>TOTAL</b>	<b>R 19,524,032,394</b>	<b>R 1,276,615,385</b>	<b>R 651,371,720</b>	<b>R 1,655,744,186</b>	<b>R 28,889,327,917</b>	<b>R 11,463,167,890</b>	<b>R 62,183,644,107</b>	

Source: NMBM, 2021

## **7.6 INFORMAL SETTLEMENTS AND MARGINALISED AREAS**

### **7.6.1 Management and Upgrading of Informal Settlements**

The Informal Settlements Upgrading Strategy (ISUS) sets out how the municipality will respond to the current housing needs as well as land invasions. These are then added to the National Housing Needs Database (which contains record of existing and new housing stock) to effectively deal with the current housing circumstances and projected household growth in a manner that meets defined needs and contributes to integrated and sustainable human settlements within available resources (funds, land and management capacity).

The Informal Settlements Upgrading Policy (ISUP) places specific emphasis on in-situ upgrading (with relocation as a last resort/option), tenure security, access to basic services and ultimately creating opportunity for long-term shelter development and settlement consolidation through a combination of public and private investments and efforts.

A total of 76 informal settlements in the Metro were assessed and categorized using the National Upgrading Support Programme (NUSP) tools. The assessment and categorisation of each of the informal settlements, lays the basis of the informal settlement upgrading plans, policy, strategy and programme. It was necessary to conduct this assessment and categorisation in order to determine the current status of the informal settlements. This is because it establishes the appropriate development response.

## **Categorisation of Informal Settlements**

Informal settlements may further be categorised as:

- **Category A Settlements:** informal settlements planned for formal in situ upgrading through the implementation of the national Upgrading of Informal Settlements Programme (UISP) and for which funding has already been approved;
- **Category B Settlements:** informal settlements identified for possible in situ upgrading in the future subject to additional land being identified for de-densification of the settlements; and
- **Category C Settlements:** informal settlements identified for future relocation because of their current hazardous locations posing a risk to the lives and livelihoods of inhabitants.

The assessments of the informal settlements involve the following:

- Identification of informal settlements within the municipality
- The spatial location and extent
- A survey to conduct shack numbering and counting within all informal settlements.

The assessment and categorisation phase in addition involves:

- An accurate count of structures in the settlements together with the households present.
- Socio-economic data derived from a 10% sample household survey.
- Basic geotechnical, environment, tenure and bulk services assessment.
- Legal assessment, including cadastral description of land.

The Municipality has a dedicated programme for the upgrading of informal settlements, as contained in the Informal Settlements Upgrading Plan (NMBM: Human Settlements Directorate, 2008). The Plan was developed in 2008 and included 81 informal settlements.

The Municipality has, with support from the NUSP, classified its informal settlements into 5 clusters utilizing the NUSP categorisation A, B1, B2 and C. A total of 40 informal settlements with an estimated 19 730 households have been categorized as shown below.

### ***Ibhayi Cluster***

The Ibhayi Cluster consists of 11 informal settlements and a total of 3546 households.

### ***Northern Area (Bloemendal) Cluster***

The Northern Areas (Bloemendal) Cluster consists of 10 Informal Settlements with an estimated 5322 households.

### ***Uitenhage Cluster***

The Uitenhage Cluster made up of 5 informal settlements comprising 6800 of approximately households.

### ***Motherwell Cluster***

The Motherwell Cluster comprises of 3 informal settlements comprising 922 households.

### ***Citywide Cluster***

The remainder of the informal settlements is classified in the Citywide or Rest of the City Cluster, comprising of 10 Informal Settlements and approximately 3122 households.

Individual upgrading plans per settlement have been developed including livelihood strategies. Recent informal settlements that have emerged as a result of land invasion have not yet been categorised.

### **Anti-Land Invasion Plan**

A Land Invasion Prevention Strategy was effectively implemented until December 2016. Thereafter land invasions accelerated for a number of reasons which are not only attributable to the need for a place to stay.

The City is identifying and auditing all new settlements to understand the extent and analyse data. Thereafter a Strategy will be devised to deal with uncontrolled land invasions.

### **Planning for Informal Settlements**

The programme for informal settlements and marginalised areas is discussed above. Local area planning takes place at the point of design of the new township. Layouts for these developments are prepared in advance and in accordance with the Local Spatial Development Frameworks and the Sustainable Community Planning Methodology which are part of the Spatial Development Strategy of the City. Community participation in the development of the layouts is important.

Through the Capacity Support Implementation Plan, a land and housing market trend analysis has been done with a view to develop proposals to revise the NMBM Housing Policy in a manner that is more sustainable and meets spatial restructuring objectives. A proposal has been completed and presented at an NMBM Housing Indaba in late 2018. Refinement will take place prior to it being submitted to Council for approval with a view towards implementation of a demonstration project.

### **Expected Outcomes of an Informal Settlements Upgrading Strategy**

The upgrading policy and strategy seeks to achieve the following outcomes:

- Proactive and flexible policy for re-blocking of informal settlements:
- Promote the Socio-Economic Integration of Informal Settlements into the Local Urban Fabric
- Improve Control and Management of the Informal Settlement
- Promote partnerships with a range of stakeholders, including:
- Provide Policy Certainty and Clarity
- Generic Policy Proposal and Strategy for Informal Settlements
- Sustainable Livelihoods

Various mechanisms are identified to achieve the abovementioned outcomes.



# CHAPTER *eight* | SECTOR PRIORITIES AND IMPACT OF COVID-19

This chapter identifies the service sector priorities of the municipal directorates. Many of the sector priorities have not been adjusted from year-to-year due to the necessity of continuing municipal operations to comply with prevailing policy and legislation. The manifestation of COVID-19 in the early part of 2020 has caused the Municipality to identify risks and impacts of the pandemic in relation to the operations of the Municipality going forward.

For this reason, this chapter takes into consideration the impacts of COVID-19 pandemic during the 2019/20 and 2020/21 financial years. Therefore, it highlights the need of the municipal administration to be more resilient to the impact of future disasters. The Municipality has realised that in order to deal with catastrophic events, engagements with various sectors of society such as Business Chambers, Tertiary Education Institutions, Provincial and National Government sectors and others are of critical importance.

It is important to be aware of these risks and impacts as they fundamentally affect the ability of the Municipality to deliver services and attend to the needs of communities.

## **8.1 DISASTER MANAGEMENT**

The importance of disaster management is often only appreciated in times of crisis such as when there are floods, severe droughts or as currently experienced the impact of COVID-19. It must be appreciated that it is the disaster management response of the Municipality that will determine the ability of the City to limit the severity of the disaster.

This section sets out the requirements and legal mandate for managing disaster risk within the municipal boundary as required by the Disaster Management Act, (Act 57 of 2002) as amended by Disaster Management Amendment Act, Act 16 of 2015 – hereafter referred to as “the Act”. To fully understand the Disaster Management function, the term must be clearly defined. The Act defines Disaster Management as “*a continuous and integrated multi-sectoral, multi-disciplinary process of planning and implementation of measures aimed at-*

- (a) preventing or reducing the risk of disasters;*
- (b) mitigating the severity or consequence of disasters;*
- (c) emergency preparedness;*
- (d) a rapid and effective response to disasters; and*
- (e) post-disaster recovery and rehabilitation”*

However, the key objective of the Act is to reduce the risk of disasters and create a disaster resilient society. Furthermore, the Act highlights the responsibilities of all stakeholders including those of municipal organs of state. These responsibilities are directly referred to in section 26(g) of the Local Government Municipal Systems Act, (Act 32 of 2000). Therefore, the success of integrated development planning is closely related to each organ of state complying with its responsibility contained in the Act.

### **Disaster Management Framework**

The Act requires a Metropolitan Municipality to ensure an integrated and uniform approach to disaster management in its area. The Nelson Mandela Bay Municipal Council has adopted the Municipal Disaster Management Framework as a policy within which responsibilities of the Municipality in terms of the Act are to be carried out.

## **Disaster Management Plan**

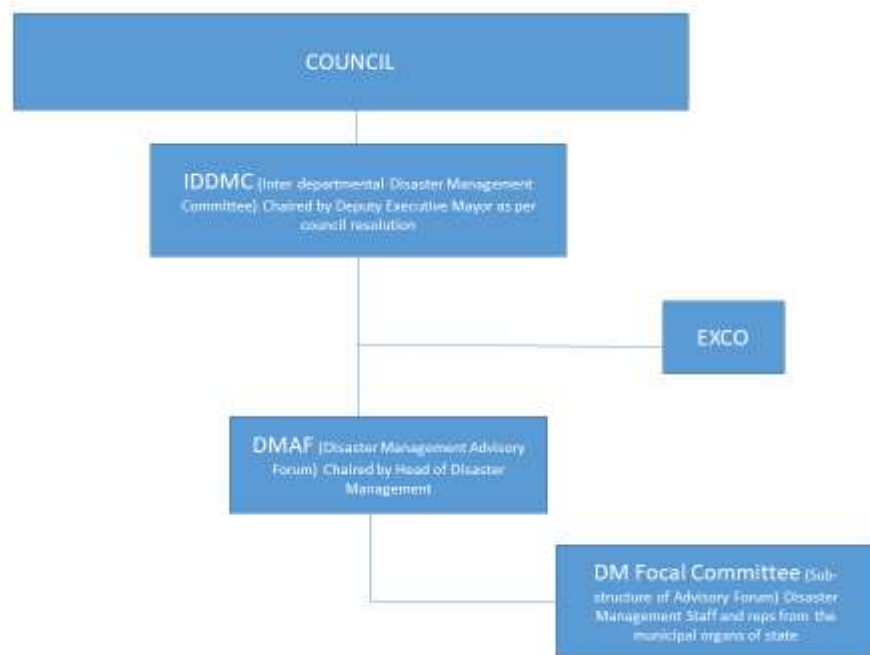
The Municipality is required to prepare a Disaster Management Plan for the City according to the prevailing circumstances and within the ambit of its Municipal Disaster Management Framework. The Disaster Management Plan of the City must meet the criteria set out in Section 53 of the Act. Each municipal organ of state must draft a Disaster Management Plan. The Disaster Management Plans of the municipal organs of state must comply with the criteria set out in Section 52 of the Act. A municipal organ of state must submit a copy of its Disaster Management Plan, to the Disaster Management Centre. Disaster Management Plans of Organs of State are core components of an IDP.

The Municipality's Disaster Management Plan was adopted by Council in 2010 and is available on the municipal website: [www.nelsonmandelabay.gov.za](http://www.nelsonmandelabay.gov.za).

The Disaster Management Plan will be updated in order to be compliant by having municipal organs of state disaster management plans included. A comprehensive risk and vulnerability assessment will be conducted and the results must be considered in all development planning. It should also form an important component of the Spatial Development Framework. The Disaster Management Plan Risk Assessment must inform land use planning and future development.

## **Disaster Management Centre**

In terms of the Act, the Municipality is required to establish a Disaster Management Centre. A fully established and functioning Municipal Disaster Management Centre is key for the Municipality to achieve its responsibilities in terms of the Act. The Disaster Management Centre consults with and operates in close collaboration with the Eastern Cape Provincial Disaster Management Centre. The Disaster Management Centre established the Disaster Operation Centre (DOC) as the facility to be activated for coordination during disaster response.

**FIGURE 17: Disaster Management Structures****Priorities:**

- Disaster Risk Assessment to be conducted.
- Disaster Management Plan to be updated.
- Institutionalisation of disaster management through municipal organs of state disaster management sub plans for all directorates of the Municipality to complement an overall Disaster Management Plan.
- Assessment criteria for Disaster Management Plans to be drafted.
- Reconvene Inter-Departmental Disaster Management Committee.
- Institutional Risk Register to include disaster risks, including massive scale pandemics.
- A need to reinforce current Disaster Management capacity with professional Disaster Management Practitioners.
- Investment in the following disaster management elements:
  - Resources within disaster management.
  - Disease Outbreak planning e.g. COVID-19.

- Budget for Disaster Management Planning for Climate Change as required by the Act.
- Mitigation and prevention.
- Upgrade the Disaster Management Centre.

## **8.2 BUDGET AND TREASURY**

The Budget that is approved with this IDP reflects the financial situation prevalent in the Municipality. The impacts of COVID-19 on the finances of the Municipality are far reaching. This section highlights some of the main impacts that have influenced the Budget.

Most of the 2020/21 financial year experienced a number of budget and finance related affects directly as a result of COVID-19. These affects will continue to have an impact on the 2021/22 development circumstances of the City, until economic stability is achieved in the City and beyond. The following are some of the direct impacts as a result of the COVID-19:

- The average collection rate has decreased from what was anticipated when planning for the 2020/2021 MTREF period. The decrease was from 94% to an average of 85%.
- The average collection rate of 85% has been used to inform the 2021/2022 MTREF period. Due to the decreased collection rate, there is less funding available and a reprioritisation of the Budget is needed.
- COVID-19 has destabilised operations across all municipal Directorates due to decreased working days and the impacts of staff rotation and work from home.
- The increase in unemployment as a result of COVID-19 as well as general reduction of household income has had a direct impact on the Municipality's Assistance to the Poor Scheme. The ATTP Scheme provides free basic services to households that have an income below a certain threshold and the number of qualifying households has risen sharply. This has the dual impact of a decrease in revenue from rates and services as well as an increase in the

financial burden to the Municipality to provide these services free of charge. The increase in the Indigent Register will, therefore, mean reduced disposable income / revenue and a consequent delay in the implementation of projects and service delivery.

- Certain municipal halls and facilities have been used to accommodate the homeless as well as COVID-19 patients. This has caused a consequent reduction in the miscellaneous revenue component of the Budget.
- The reduction of the Repo Rate means that the City will have to reduce the interest rate it charges on arrear accounts. This affects the amount budgeted in respect of arrear account interest. The Repo Rate reduction also affects the interest earned on investments by the Municipality.

In addition to the impacts of COVID-19 on the Budget, the following issues have also affected the formulation of the Budget:

- National Treasury continued to withhold certain funding and conditional grants that were due in the 2019/20 financial year. In addition, in respect of the 2020/21 grant funding and equitable share, no transfers were received until December 2020.
- 2019/20 saw underspending of a number of grants for which the Municipality applied for a roll-over to the 2020/21 financial year. Most notably the Urban Settlements Development Grant amount rolled over was R390,3 million and this funding was only released in March 2021.
- The above action necessitated the need for Council to approve an additional budget amendment in order to legitimise all spending that were not on the original or adjustments budget. This had a knock-on effect of delaying spending and putting pressure on the institution to accelerate projects whilst at the same time complying with Supply Chain Management Regulations.
- In terms of the Municipal Property Rates Act (MPRA), NMBM should implement the new General Valuation Roll from 1 July 2021. The Council has resolved that an extension be applied for in respect of the implementation of the new General Valuation. The City is awaiting response from the MEC – COGTA in this regard.

### **8.3 INFRASTRUCTURE AND ENGINEERING**

This section deals with water and sanitation, roads, stormwater and transportation, which includes the design and implementation component. Since the advent of COVID-19, water and sanitation has come into sharp focus due to the need to ensure adequate water supply and sanitation particularly in informal settlements and areas of poverty so that the spread of the virus can be limited. The growth of informal settlements has complicated the provision of basic services to informal settlements. The water and sanitation situation is exacerbated by the impact of the drought that the City is experiencing. Currently dam levels are below 12% and a sustainable water supply is needed not only for normal operations but particularly for COVID-19 impact mitigation.

#### **8.3.1 Water and Sanitation**

The responsible delivery of water and sanitation services to residents of Nelson Mandela Bay is a key mandate of the institution. These services are provided through managing the supply of water, treatment of water, bulk supply of water, distribution of water, wastewater collection and treatment of wastewater. These include the following:

- the storage of water in 10 dams
- treatment of water at 8 water treatment works
- bulk supply of treated water through 650 km of large diameter pipelines to Metro boundaries into distribution reservoirs
- water distribution reticulation to all customers through 4 800 km of water pipelines
- 61 reservoirs
- 28 water pump stations
- collection of wastewater through a 3 600 km pipe network and pump stations
- 83 sewage pump stations

- treatment of sewage at 7 wastewater treatment plants for both domestic and industrial use
- monitoring trade effluent discharges
- the relevant electrical and mechanical maintenance of plant / equipment

The infrastructure described above is required to fulfill the key institutional mandate, namely to provide services to citizens and businesses located within Nelson Mandela Bay. In order to achieve this, the infrastructure must be maintained, rehabilitated and expanded to keep up with the developmental needs of the City. In doing so, appropriate technologies are constantly researched, as part of the upgrade and rehabilitation plans and integrated into the water and sanitation delivery plans.

The provision of water and sanitation services, connectivity to services, the discharge of sewage into sewers, as well as water conservation measures, are governed by both national legislation (Acts) and local legislation (By-laws). In support of these, the NMBM has approved a Waster Services Development Plan (WSDP), a Water Master Plan and a Sanitation Master Plan that ensure the provision of infrastructure to meet the future needs of the metropolitan area.

The above-mentioned documents are due to be reviewed. The Water Services Development Plan is the first to be reviewed and should serve at Council in the first quarter of the 2021/22 financial year. The revision of the Water and Sanitation Master Plans will take place over the next 2 years.

Within the mandate of delivering water and sanitation services, three main areas need special mention:

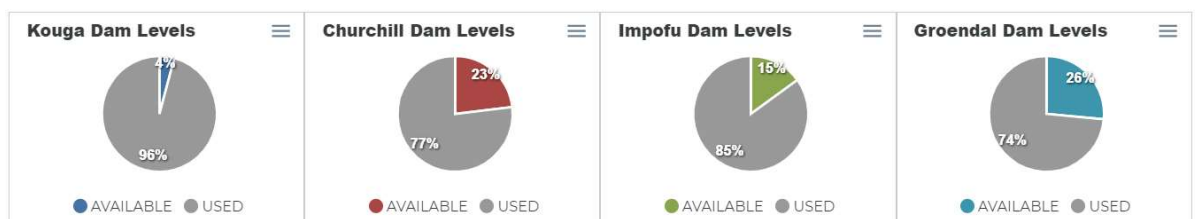


- The ongoing water / drought disaster

COVID-19 and the drought which started in 2015 have impacted on the demand for water.

Current dam levels are below 12% and the outlook for rainfall in the catchment areas is not positive.

**FIGURE 18: Dam levels**



Last updated: May 28, 2021

Dam	Capacity (when full)	Available (MI)	Available (%)
Kouga	125 910 Megalitres	5 255 Megalitres	4.17 %
Churchill	35 240 Megalitres	8 143 Megalitres	23.11 %
Impofu	105 760 Megalitres	15 901 Megalitres	15.03 %
Groendal	11 640 Megalitres	3 080 Megalitres	26.46 %
Loerie	3 030 Megalitres	1 143 Megalitres	37.72 %
Combined	281 580 Megalitres	33 522 Megalitres	11.90 %

- The following intervention projects, their timing and capacity for water delivery are being implemented:

- Boreholes                      15 MI/d              Mar. 2022
- Coegakop WTW                15 MI/d              Sept. 2022
- Nooitgedagt                    40 MI/d              Sept. 2021
- Coega Desalination            15 MI/d              Mar. 2022
- NMBM Desalination            30 MI/d              2023

TOTAL = 115 MI/d

- Currently there is insufficient funding for the following supplementary water projects amounting to R400 million:

– Bushy Park & St Georges Boreholes:	R150M
– Moregrove Boreholes:	R 50M
– KwaNobuhle Pump Station:	R 40M
– Coega Kop Water Treatment Works:	<u>R160M</u> (no carry over)
<b>TOTAL:</b>	<b><u>R400M</u></b>

- In April 2021, a meeting was held with the Minister of Human Settlements and Water and Sanitation and the Minister undertook to make representations on behalf of the Municipality to the Minister of Finance in order to allow the approval of a roll-over of R160 million drought relief funding. This will allow for the development of the Coega Kop Water Treatment Works. The Minister further undertook to seek drought funding for boreholes as follows:
  - Bushy Park / St Georges – R110 million
  - Moregrove Pump Station – R50 million

- Water Losses

Reducing water losses remains key to the provision of an effective and efficient service. Losses contribute negatively to the drought situation and affect the income of the Municipality. In this regard, a Business Plan has been developed that governs efforts to reduce water losses. In reducing losses, key interventions include:

<b>No.</b>	<b>WORKSTREAM</b>
1	Bulk Water Supply and Bulk Water Meters
2	GMA's and DMA's
3	Remote Meter Reading, ICI & DMA Monitoring
4	Pressure Management
5	Non-Revenue Water
6	Billing Management and CDA statistics
7	Water and Sanitation Tariffs
8	Leak Repairs
9	Operations & Maintenance Resources
10	Domestic Meter Audits

No.	WORKSTREAM
11	Valve and Hydrant Audit
12	Water Meter Replacement
13	Pipe Replacement Programme
14	Reservoir Rehabilitation
15	Communications, Publicity, Awareness & Marketing

The total funding required for the above interventions is R1,6 billion.

- Bucket Eradication

The Municipality has reduced the number of sanitation buckets being serviced in the City from approximately 16 000 in 2016 to 5 700 in April 2021. The Council's Bucket Eradication Programme as was approved on 1 December 2016 is being implemented. The Bucket Eradication Programme makes provision for interim services which include combined ablution facilities and chemical toilets. A challenge remains with a number of communities that prefer to stay on the bucket system until houses are provided.

With the slowdown of the housing programme, a greater opportunity exists for the further eradication of buckets, but much public participation will be required.

### **8.3.1.1 Impact of Drought**

Since the start of COVID-19, the demand for water has increased due to hygiene, sanitation and other requirements. Water availability has a direct influence on the ability to mitigate the COVID-19 impact.

Dam levels have receded to below 12% and severe water restrictions are in place. Although 67% of the water for the City comes from the Gariep Dam via the Nooitgedacht pipeline, this water cannot be distributed to all areas of Nelson Mandela Bay. Water consumption remains too high for the supply.

In light of the above, should current consumption patterns continue with no rain fall, the following scenarios are relevant:

- KwaNobuhle could run out of water by July 2021 when the Kouga dam runs dry. The dam is at 4% capacity in May 2021.
- Kariega areas that are fed from Groendal Dam may run out of water by December 2021. The dam is at 26% capacity in May 2021.

Dedicated plans are being implemented to address these individual areas with specific needs, however, the key action remains for all customers to reduce water consumption.

The Nelson Mandela Bay Municipality is entering into a collaboration with the Coega Development Corporation (CDC) for the development of a desalination plan. It is anticipated to be operational within a 12 to 15-month period. The NMBM has appointed the CDC as an implementing agent for the Western Desalination Plant (30 ML/d).

### **8.3.1.2 Community Impacts**

Most of the community concerns relate to maintenance that is provided for on the operating budget.

The next area of concern is basic services to informal settlements that need specific attention under the guidance of the upgrading of informal settlements.

One of the biggest areas of service delivery disruptions is the vandalism of water and sanitation facilities. Most of the resources of the water and sanitation maintenance function is spent on dealing with vandalism as opposed to focusing on pure service delivery activities.

### **8.3.2 Roads, Stormwater and Transportation**

The Municipality must provide safe, affordable, sustainable and accessible multi-modal transport services and infrastructure that promote integrated land use development and ensure optimal mobility for the residents and users of the transport system in the municipal area. Roads, Stormwater, Transportation, Design and Implementation are not trading services. This means that project funding is largely dependent on internal funding such as the Urban Settlements Development Grant (USDG), the Fuel Levy and any other grant funding. The provision of these essential services provides access to all developments in the City including residential, retail, industrial and commerce. These services are essential for the growth of the City.

Key strategies for this section include the following:

- Provision of adequate roads to give access to all developed areas.
- Upgrading of existing roads to ensure an acceptable level of service.
- Provision of facilities for non-motorised transport users.
- Implementation of stormwater infrastructure.
- Design and Implementation of municipal civil services.

The Municipality's Comprehensive Integrated Transportation Plan (CITP) is currently being reviewed to comply with the National Land Transport Act (5 of 2009). The CITP will include projects that need to be implemented within the five year validity period of the CITP.

The review of the CITP will need to take into account the impact on timing of new developments caused by COVID-19 and projects will need to be reprioritised for a phased implementation over the short-, medium- and long-term.

The Municipality's Road and Bridge Management Systems are also currently up for review. The Road Management System is updated every 2 to 3 years and the Bridge Management System every 5 years.

The urgency of certain infrastructure projects due to COVID-19 requirements has highlighted the need to look at various policies and cumbersome procedures where short timeframes for implementation are required. Supply chain management procedures could be refined and streamlined to ensure more efficient service delivery.

### **8.3.2.1 Roads Backlogs**

The following backlogs are experienced with regard to the provision of roads and sidewalks:

- (a) Roads backlogs amount to approximately R6 billion for 750 km.
- (b) Roads and non-motorized transport projects are required for safety efficiency and accessibility.

## **8.4 INTEGRATED PUBLIC TRANSPORT SYSTEM**

The objectives of an Integrated Public Transport System are:

- To provide an efficient, safe, affordable, sustainable and accessible multi-modal public transport system.
- To support social and economic development through optimal mobility thus improving the quality of life for residents and users of the transport system.
- To reduce commuting costs for the residents.

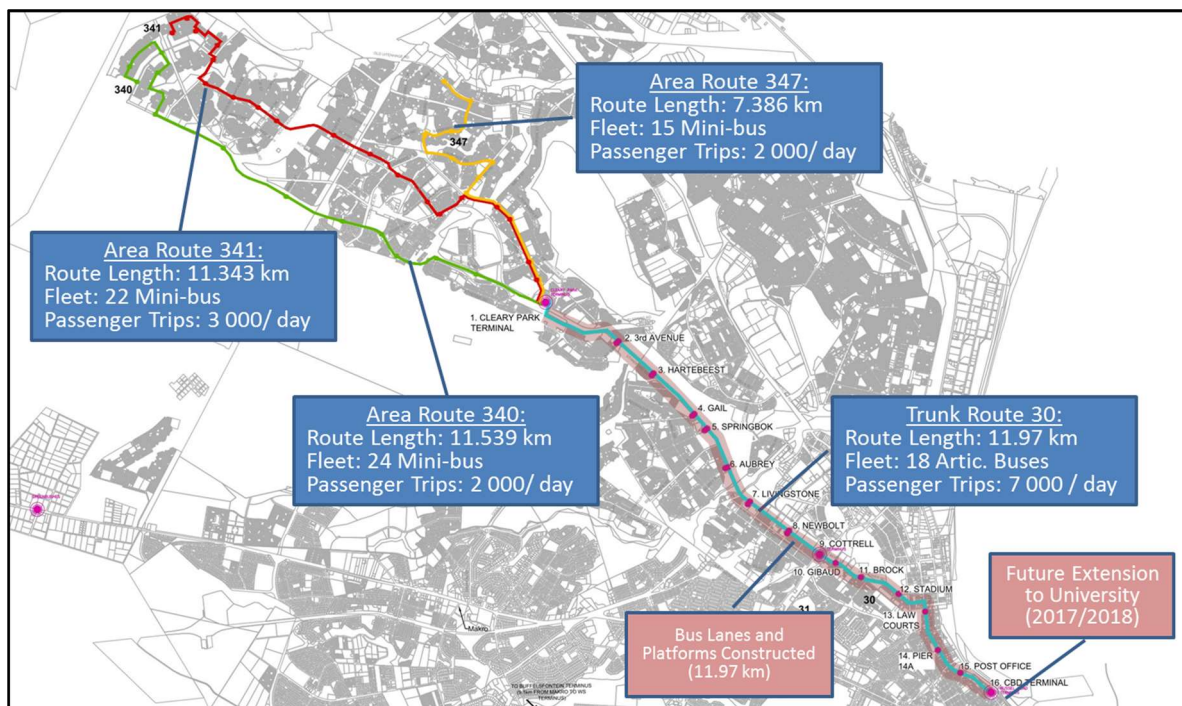
The main mandate of the IPTS sub-directorate is to implement the Integrated Public Transport System (IPTS) in Nelson Mandela Bay with guidance and funding from the National Department of Transport. The IPTS has been designed, to provide improved public transport to the residents of Nelson Mandela Bay, following the principles that are contained in the National Public Transport Strategy and Action Plan that was approved by Cabinet in March 2007. The NMBM Council approved the original Public Transport Plan in 2008, which proposed an integrated network of routes that would be serviced by different modes of transport.

The IPTS strategy is to integrate all public transport operations in the city and the private operators that are currently rendering these services. The public transport operators include the mini-bus taxi industry as well as Algoa Bus Company (ABC). ABC currently holds an interim contract, in terms of Section 42 of the NLTA, with the Eastern Cape Department of Transport for the provision of a bus service in the NMBM. ABC receives a subsidy through this contract for each route it operates.

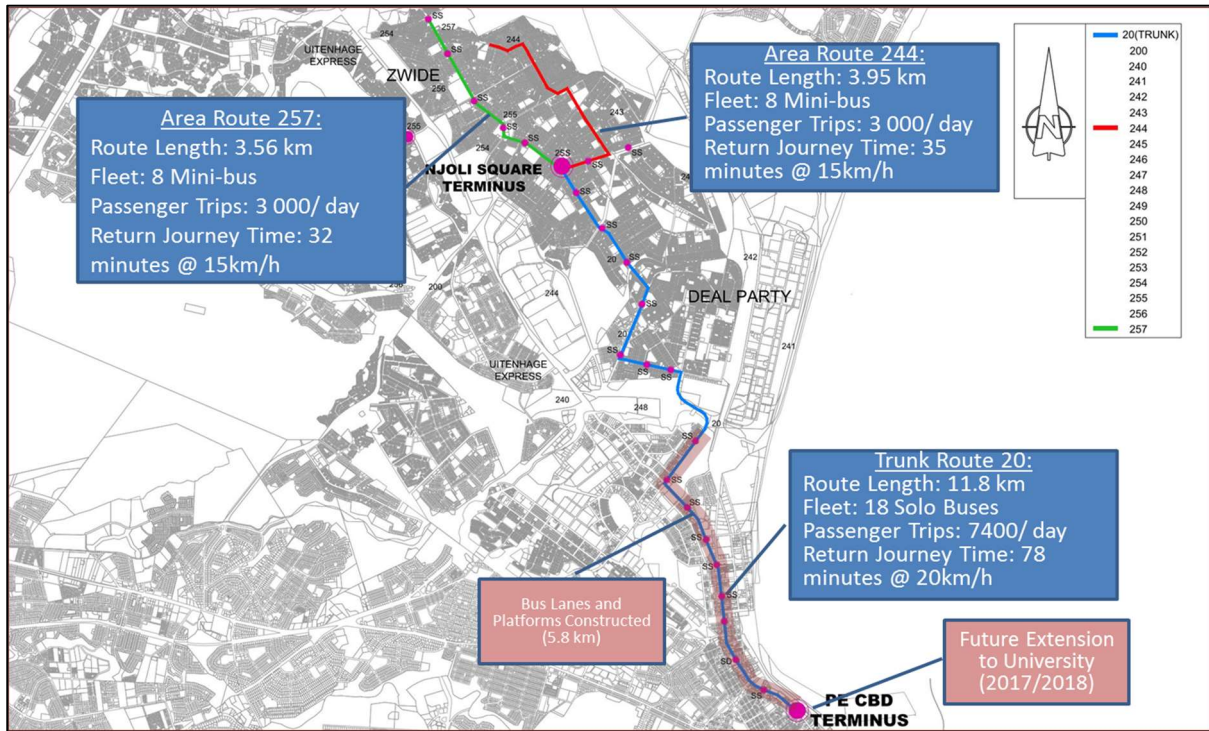
The aim is to integrate all the public transport operators according to Section 41 of the National Land Transport Act, no.5 of 2009 (NLTA). Memoranda of Agreement (MOA), towards this integration, have been signed with all ten taxi associations in the City and the MOA with ABC is in progress.

A three-year Starter Service was identified, with guidance from National Department of Transport, and approved by Council in January 2016. The Starter Service entailed the following routes:

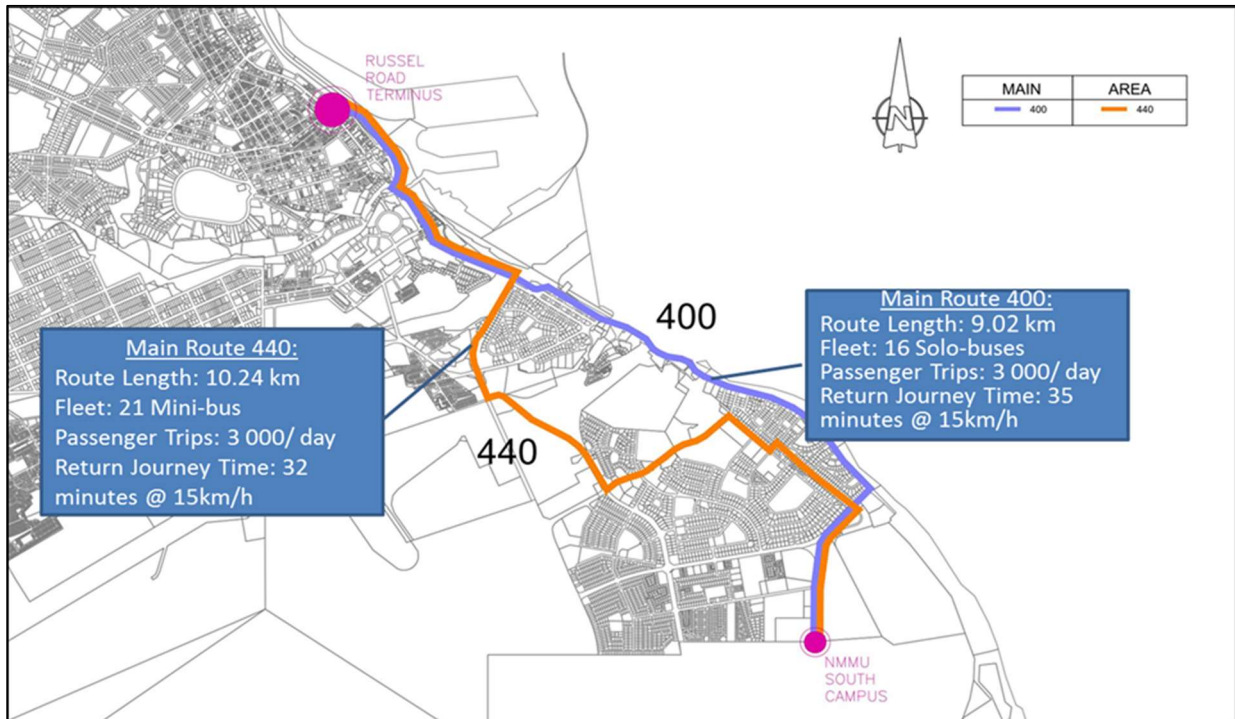
**FIGURE 19: IPTS Phase 1A - Cleary Park to CBD**



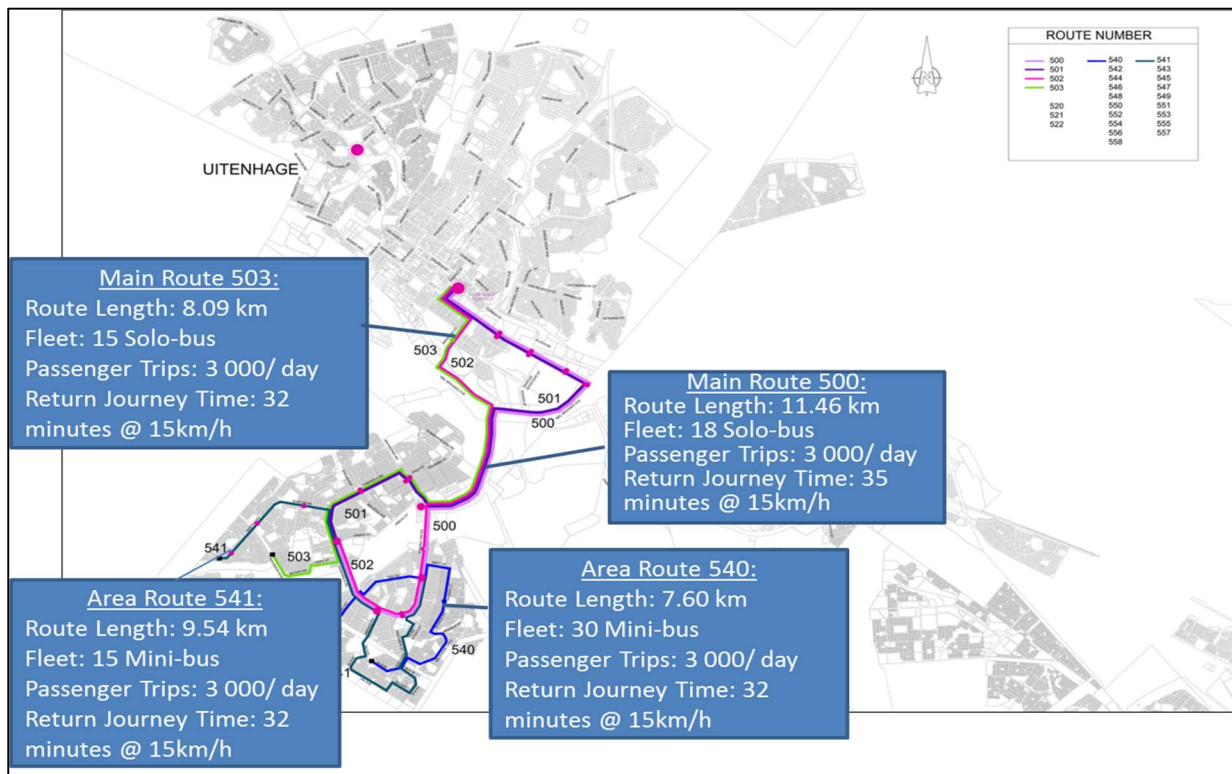
**FIGURE 20: IPTS Phase 1B - Njoli to CBD**



**FIGURE 21: IPTS Phase 1C - Summerstrand to CBD**





**FIGURE 22: IPTS Phase 1D - Uitenhage**

Operations Plans were developed for the four phases and Council, in February 2017, approved Operations Plans for 2 phases of implementation of “Starter Services” and a Business Plan that covered the two phases, namely 1A - Cleary Park and 1B - Njoli. The IPTS sub-directorate implemented Phase 1A: Cleary Park in May 2018. In December 2019, Council approved a revised implementation plan that proposed the following timelines:

- Phase 1B: Uitenhage 2019/2020
- Phase 1C: Western Suburbs 2020/2021
- Phase 1D: Njoli 2021/2022

## IMPLEMENTATION

A Vehicle Operating Company Agreement (VOCA) was signed in November 2017 between NMBM and the Vehicle Operating Company that was set up by the two mini-bus taxi associations operating on the Cleary Park route. The Agreement was signed in terms of Section 41 of the NLTA no. 5 of 2009. Actual operations

commenced on 16 May 2018 with a system that is based on hybrid operations using both minibuses and articulated buses. The minibuses are used on feeder routes and articulated buses on the trunk route (Cleary park – PE CBD). The total number of passengers that have been carried by the system since the commencement of operations is over 5,3 million at April 2021.

The system is currently using a paper ticket system: M-challenger. Plans are ongoing around the upgrading of the system to an Automated Fare Collection system. It is envisaged that the installation of the Automated Fare Collection (AFC) system will commence in the 2021/22 financial year. An Operating Monitoring System (Advanced Public Transport Management Systems - APTMS lite) has been installed on the buses and minibuses with the following functions: Scheduling, Fleet Management, Business Intelligence, Basic Data Management, CCTV Monitoring on the bus and minibus and System Management.

Monitoring of the operations is done at the Integrated Public Transport Operations Centre (TOC). Reports on complaints by the commuters are generated at the TOC and escalated to management for attention. Due to financial constraints, basic Infrastructure development has been implemented and it entails:

- Roadway Infrastructure
- Public Transport Facilities i.e. Depots, Termini, Stations and Stops

The following has been / are being implemented towards marketing the system:

- A Draft Marketing Strategy for the Starter Service has been developed and will be presented to Council for adoption.
- Timetables and Bus information are available at bus shelters and buses.
- Libhongolethu Webpage is operational.
- The Libhongolethu mobile app has been launched as part of the NMBM's mobile app.
- Radio adverts and newspaper articles are done as and when required.

- All information is available on social media i.e. Facebook, Twitter and queries are being responded to.

In as much as Phase 1A of the IPTS Starter Service has been implemented, the process has not been a smooth one. There are numerous challenges that have been faced since the operations commenced. The challenges faced include:

Appointed Vehicle Operating Company (VOC) challenges:

- Lack of capacity within the VOC.
- Reluctance to comply with the terms set in the agreement signed between NMBM and the VOC.

Financial challenges:

- According to the Division of Revenue Act, 30% of the indirect operating costs of the IPTS as well as 100% of the direct operating costs are not covered by the Public Transport Network Grant (PTNG). These costs must be recovered from the fare revenue collected and the deficit must be covered by a contribution from other funding sources including the municipal property rates income. However, the allocated budget from these sources has been insufficient to cover the current phase's operations.
- During mid-2020, a turn-around plan was drafted in-order to cater for this and the other challenges. This plan is in the process of being implemented.

Extension of the Vehicle Operating Company Agreement (VOCA)

The initial three year VOCA, intended for the starter service, expires on 17 May 2021. Negotiations are underway to extend this agreement a further 9 years, to comply with Section 41 of the National Land Transport Act. During this process there will be amendments done to some of the clauses. These amendments will make it easier to manage the contract by changing the payment mechanism and

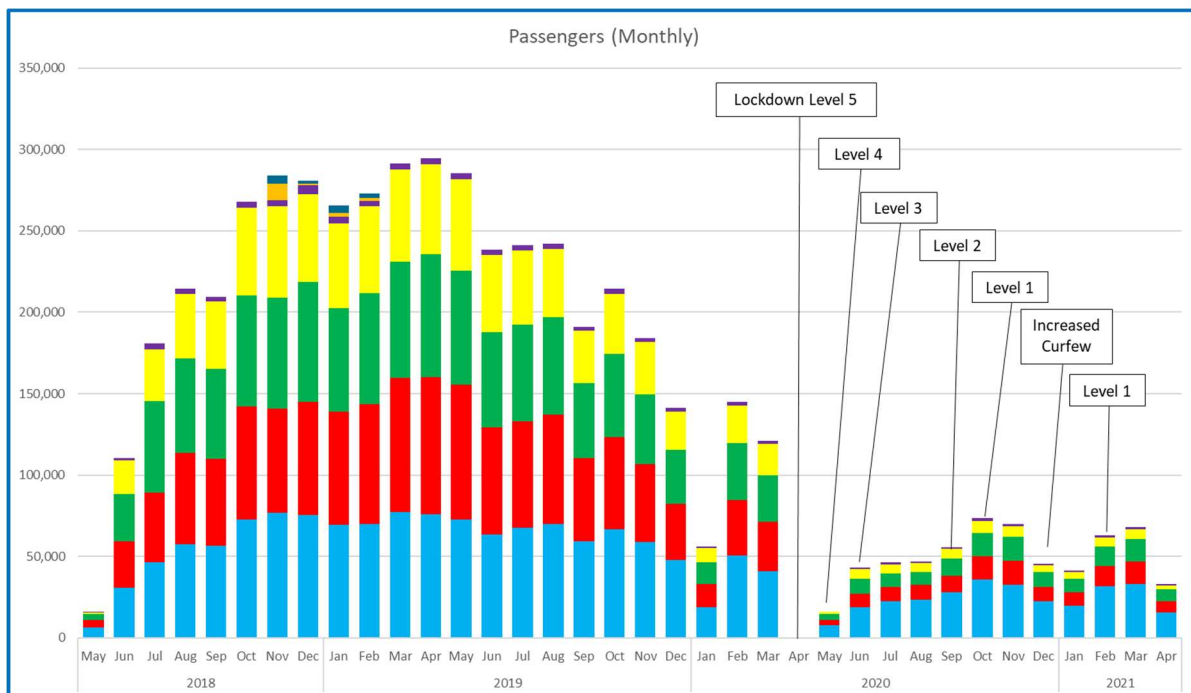
introducing more stringent requirements in areas where challenges are experienced, such as a revised penalty regime.

COVID-19

Due to the COVID-19 pandemic, the envisaged passenger numbers have not been realised over the 2020/21 financial year (see chart below). Although from August 2020 when the Level 3 lockdown was implemented, passenger figures have been increasing very slowly but have not yet achieved the levels that were being carried prior to the lockdown period in early 2020. In addition, during lockdown an insurgence of private car owners have begun operating illegal Jikeleza’s or “ubers” (not the formal Uber e’hailing service) in the Northern Areas, which has resulted in all legal public transport operators suffering enormous loss of passengers and income.

All COVID-19 protocols and measures, temperature scanning, face masks, and sanitising, are still in place on board the Libhongolethu services notwithstanding the lifting of the vehicle capacity restrictions.

**FIGURE 23: Passenger numbers**



The Comprehensive Integrated Transport Plan (CITP) is currently being revised along with updating the operations plans that were prepared in 2016 for the IPTS Starter Service. One of the major requirements in the documents is up-to-date data and data can only be sourced through surveys. The occurrence of the pandemic has clashed with the data collection process and this has therefore impacted negatively on the timeframes set for the compilation of these documents.

Due to the challenges that have been faced in the period of operations, the National Department of Transport has advised the Municipality to scale down its implementation and only focus on turning around the Phase 1A operations.

### **Budget implications for future financial years**

#### Capital and Operational Budgets

The annual budget application to National Department of Transport is as follows:

- 2020/2021 = R251,233,000 (Adjusted)
- 2021/2022 = R290,153,000
- 2022/2023 = R302,724,000

The 2020/2021 budget was split into two main spending categories, Capital Expenditure (CAPEX) and Operating Expenditure (OPEX). The budget split for OPEX was R154,840,501 and CAPEX budget amounted to R96,382,500.

The table below contains 2020/2021 Capital Expenditure relating to Infrastructure implementation, Information Technologies, Systems and Equipment.

**TABLE 23: 2020/2021 IPTS CAPEX Projects**

<b>PROJECT NAME</b>	<b>BUDGET</b>
Work package: Public Transport Facilities	32,000,000
Rehabilitation/surfacing of IPTS routes	19,042,410
Construction of Bus embayments	10,000,000
Construction of sidewalks along IPTS trunk and feeder	15,000,000
OMS APTMS Lite Phase 1	4,364,850
Widening of section in William Slammer Drive	3,000,000
Improvement of entrance at Cleary Park Taxi Rank	3,000,000
Automated Fare Collection (AFC) System	2,853,390
Construction of a Holding Public Depot – Uitenhage	2,000,000
Standford Rd / N2 Bridge widening and construction of pedestrian bridge	1,500,000
Procurement of a transport modelling software package	1,423,450
Interim Ticket System	550,000
Installation of CCTV equipment and fibre for IPTS roll-out	500,000
Automated Bus station door system	500,000
Development of Cleary Park Depot and Terminal	348,400
Provision of kerbside shelters along IPTS trunk routes and feeders	200,000
Supply and installation of traffic loops and signals	100,000
<b>Total</b>	<b>R96,382,500</b>

The 2020/2021 Operating Expenditure budget is summarised according to National Department of Transport cost categories in the table below.

**TABLE 24: 2020/2021 IPTS OPEX Cost Categories**

<b>COST CATEGORY</b>	<b>AMOUNT</b>
Employee related costs	31,633,470
Contracted Services	66,243,460
Review of IPTS Operational Plans	0
Industry Transition – NMBM Advisory Services	9,985,410
Industry Transition – Taxi Advisory Services	2,000,000
Industry Transition – Independent Facilitation	0
Infrastructure and Planning – Engineering – Civil	10,000,000
VOC pre-operational funding	850,000
Legal Costs – Legal Advice and Litigation	1,749,000
Other Contract Services	11,435,330
Transport Operations – IPTS Industry Compensation	30,223,720
General expenses	28,395,821
Operating leases and inventory	28,537,400
Costing charges	30,350
<b>OPEX - TOTAL</b>	<b>154,840,501</b>

#### COVID-19 mitigation measures:

- In the 2020/21 financial Year, a sum of R14,000,000 was made available to mitigate the COVID-19 virus impacts in the transport sector across the City. The City aims to invest in preparedness and deploy emergency relief measures.
- In the 2021/22 financial year, the aim is to increase the figure substantially in order to help flattening the curve and mitigate the spread of the infection in the public transport system across the City.
- The City will have to continue with social and health protection coverage in the transport sector. Financial implications will lead to almost half of the Transport Budget set aside for COVID-19.

#### **Strategy Alignment**

The Phase 1A IPTS routes are aligned with the strategic development corridor extending from the CBD, along the Stanford Road Corridor to Uitenhage. It has nodes associated with the main development areas along the corridor, such as Korsten and Cleary Park. Future extensions to the routes are planned in the areas where new housing developments, such as Jaghtvlakte, are being implemented and planned.

## **8.5 ELECTRICITY AND ENERGY**

The Municipality has to provide a safe, reliable, environmentally friendly, sustainable and cost effective electricity supply to its users. In line with this national mandate, the Municipality aims to develop a resilient infrastructure that will accommodate growth and create sustainable opportunities whilst providing effective and efficient services to the residents of Nelson Mandela Bay.

The Municipality is an energy distribution utility and is licensed by the National Energy Regulator of South Africa (NERSA), the Regulatory Authority, to distribute and trade in energy to end customers within the defined licensed area. NERSA derives its authority in terms of Section 3 of the National Energy Regulator Act, 2004 (Act No. 40 of 2004).

The strategic focus in respect of the provision of electricity and energy in Nelson Mandela Bay is as follows:

- To ensure universal access to safe and reliable electricity supply to all residents.
- To provide public lighting to all the areas in order to improve the overall safety of the City.
- To implement new lighting technologies and improve the public lighting network through enhancing light output, whilst reducing operating and maintenance costs.
- To provide support to social and economic activities through capable and reliable electricity infrastructure.
- To focus on becoming a conduit to stimulate business investment and job creation in the energy sector.
- To implement and investigate renewable energy and alternative energy technologies in order to ensure future sustainability.
- To support and implement the Smart City programmes to enable universal digital connectivity between all devices and communities, smart metering, measuring and monitoring of all municipal infrastructure.



- To lead by example in implementing demand side management and energy efficient measures in an attempt to prevent and lessen the impact of national load shedding requirements.
- To implement decisive, innovative and smart solutions aimed at the systematic reduction of electricity revenue losses and to ensure that the service becomes self-sustained and ultimately profit yielding once again.
- To eradicate the impact and effect of illegal connections and other forms of electricity theft on the electricity infrastructure.

### **Electricity landscape – changes towards more sustainable sources**

The electricity landscape has been subjected to vast changes during recent times with the innovation and developments in own-generation facilities. The Eskom tariffs increasing annually at above CPIX rates, is resulting in progressively more electricity consumers branching out into alternative, more affordable power sources. The rising price of conventional electricity when compared to the energy efficient renewal products available in the market has caused many consumers to tap into these options. This is exacerbated the price of these renewable energy sources decreasing and becoming more affordable year-on-year. It is becoming increasingly more appealing to consumers to install new or replace existing water heaters with those that can be powered through solar power, and to opt for Liquefied Petroleum Gas for cooking and heating purposes instead of conventional grid tied consumption.

The trajectory of electricity consumers becoming more price-sensitive and green-conscious is having detrimental effects on the conventional models used by distributors for electricity revenue projections. In order to prudently accommodate this phenomenon, distributors have to start structuring their revenue projections and tariff setting principles to both consider and facilitate this movement. In as much as the NMBM has as one of its strategic objectives to become an environmentally sustainable city through proactive planning and conservation of natural resources, it simultaneously has an economic obligation to ensure that services are rendered at sustainable, affordable tariffs. The objective is to incorporate new innovative means of ensuring that consumers who move to alternative supply sources remain

accountable for the use and availability of the electricity network in a fair and transparent manner. The institution is presently in the process of moving progressively towards tariff structures that will be able to accommodate the invoicing of alternative energy services in a fair, cost-reflective and attractive manner. Tariff formations that can allow the materialisation of the following types of billing are in the process of being explored.

It is envisaged that the proposed new tariff types will form part of the approved 2021/22 NMBM Tariff Structure, subject to all governing processes, including sufficient stakeholder engagements and public participation.

In considering the legal responsibility of the Municipality and its ability to deliver on its mandate, underlying support is necessary. This support is not only the legislative framework in the Constitution, relevant Acts and the By-laws, but also financial ability of the Municipality to support operating and capital budgets. The needs of communities change over time. Electricity and energy services, which are basic services and a conventional utility, remain. However, changes need to occur in the manner in which they are delivered and charged.

### **The Energy Mix**

The current reality within the Electricity and Energy Industry is that there is a migration of customers from conventional energy sources towards renewable energy sources. This migration is made easy and catapulted by technological advancements which is constantly making renewable energy more affordable and attractive. This trend presents an opportunity to the City to consider renewable energy sources to diversify its energy portfolio.

The Ministry of Energy has recently made great strides towards enabling distributors to be in a position to procure power from Independent Power Producers through the easing of regulations governing this procurement. The Minister of Energy released a letter to NERSA in May 2019 approving deviations from the Integrated Resource Plan (IRP) 2010-2030 granting deviation from the existing IRP 2010-2030 for licensing of operations for generation facilities ranging from 1MW to 10MW.

The key principles for the diversity of our energy mix is as follows:

### Energy Security

- Improvement of energy security by decentralising generation capacity for the City may reduce the impact of loadshedding imposed by Eskom. The additional energy capacity will not only improve the energy security, but also improve the quality of supply into the electricity grid.

### A Sustainable Business Model

In recent years the electricity business model has seen high rising cost of sales from Eskom, declining sales as a result of decrease in the consumption of electricity and a declining profit margin.

The NMBM will employ the following principles in order to diversity our Energy Portfolio:

- Facilitation

Customers are the driving force of change within the energy sector. The City needs to facilitate the installation of Renewable Energy by customers through the introduction of feed-in-tariffs and net-billing.

- Procurement

The Policy Framework is progressively being liberated to enable distributors to purchase from Independent Power Producers (IPP) and for customers to buy from IPPs. The Metro sees itself procuring from IPPs and will apply for additional capacity by following the legislated processes to allow this. Feasibility studies will be done to ensure that there is sustainability of the business and complete

compliance with the policy framework. Power Purchase Agreements will be encouraged and promoted through the appropriate supply chain processes.

The Metro will promote the principle of use-of-system where power can be transferred from IPPs to the end consumer. The principle will be revenue neutral and cost reflective. This will be achieved through entering into use-of-system agreements.

- Installation

The City intends to roll-out PV renewables within the City for own-consumption. This is aimed at reducing the cost associated with self-consumption in the future.

Electricity losses of approximately 15% have been experienced over the last year. These can be drastically reduced using appropriate technology. In addition, new technologies and plans will be progressively introduced with the intention to reduce the reliance on subsidised funding for the electricity and energy sector. Once the electricity losses are properly controlled, there will be an increased availability of funding. Revenue enhancement models are needed for short-, medium- and long-term financial sustainability of the electricity market.

Eskom remains a key role-player in the provision of electricity in South Africa. In 2019, a decision was taken by the Minister of Mineral Resources and Energy to unbundle Eskom and to bring about key regulatory reforms. This is expected to have a large impact on the role of Eskom in energy supply. Following this decision, Eskom's traditional role as a Buyer under Section 34 of the Electricity Regulation Act will certainly change and evolve. The National Integrated Resource Plan (2019) will require the development of new strategies that will allow and enable Eskom to form an integral part in the development of new generation capacity.

Eskom's inability to provide constant reliable electricity and the threat of continued load shedding requires innovation to become an important consideration in the day-to-day business of electricity and energy management. Strategies such as the successful geyser switching strategy, which manages demand and saves on the

Eskom account, whilst preventing certain load shedding must be implemented. Effort must be put into considering ways of reducing the Eskom account. When considering the topic of load shedding and its potential impact on society, an area to focus on is the Cost of Unserved Energy (COUE) as a consequence of the non-availability of electricity supply. The COUE is used to determine the value of the cost of electricity interruptions to electricity customers and the economy as a whole. It endeavours to place an economic value that gets forfeited every time the utility fails to provide uninterrupted supply to its citizen base. The socio-economic impact of an unreliable supply is thus not limited to the loss in consumption and sales revenue, but additionally opportunity cost lost through the creation of an image of unreliability and unattractiveness to a supporting economic environment.

The amendment to the Electricity Regulations Act, allowing municipalities to purchase electricity from Independent Power Producers (IPPs) must be carefully considered and possibly used to develop the renewable energy economy of the City. Such programmes as Embedding Generation Investment, that have been approved by Council should be implemented.

Council should consider Public-Private Partnerships (PPPs) as a model to obtain outcomes to renewable energy and generation. A way in which Council could obtain value from securing long-term sustainable energy would be to be a co-owner of a generation project. These models should be investigated and pursued.

Nelson Mandela Bay Municipality has during 2019/20 financial year revised the load-shedding schedules from only 8 groups to 19 groups. The former 8 groups excluded industry and commercial load and the stages for these groups only went up to stage 4. The revised regulations include contingency schedules from stage 5 to stage 8 load shedding. In order to meet the requirements for the new revision and to reduce the negative impact on consumers, the Municipality's schedules were revised to the 19 groups, which now includes industry and commercial users from stages 5 to 8. The extension of the domestic groups has made it possible to reduce the duration of load shedding from stages 3 to 5. Alternative means and options of reducing the impact of load shedding are being investigated. These means include geyser control switches and the recommissioning of the Gas Turbine at Mount Road.

**FIGURE 24: SWOT Analysis of Electricity and Energy function**

<p><u>Strengths</u></p> <ul style="list-style-type: none"> <li>• High penetration of bulk infrastructure that is able to reach the developing areas.</li> <li>• Well designed, high voltage electrical infrastructure, with capacity to accommodate future growth and deal with fault conditions.</li> <li>• The City is a frontrunner in creating an enabling environment and attracting investment in the green economy sector.</li> </ul>	<p><u>Weaknesses</u></p> <ul style="list-style-type: none"> <li>• The organisational structure does not respond to the present business environment.</li> <li>• Ageing staff with some experienced staff close to retirement.</li> <li>• Obsolete systems – some of the systems are not in line with current business requirements.</li> <li>• Inadequate revenue management monitoring and controls.</li> <li>• High dependency on grant funding from National and Provincial governments.</li> <li>• Decreasing electricity sales and declining gross profit margins.</li> <li>• Climate change responses are <i>ad hoc</i> and decentralised and actions are mostly uncoordinated.</li> </ul>
<p><u>Opportunities</u></p> <ul style="list-style-type: none"> <li>• Renewable energy initiatives and alternative forms of energy can be leveraged to achieve greater sustainability, such as Small Scale Embedded Generation, distributed generation, wheeling agreements, self-generation and feed in tariffs.</li> <li>• Smart City 4th industrial Revolution where existing infrastructure such as fibre networks, SCADA network system, electrical infrastructure and buildings can be used to generate additional revenue and increase efficiency e.g. use of smart street lights and charging stations.</li> <li>• Extra revenue could be realised through effective electricity losses strategies.</li> </ul>	<p><u>Threats</u></p> <ul style="list-style-type: none"> <li>• Overreliance on Eskom for generation purposes.</li> <li>• Customers seeking alternative forms of energy and self-generation capabilities, which will have a negative effect on municipal revenue.</li> <li>• Impeding industry policies and protracted, bureaucratic supply chain regulations, which could impact the speed in which utilities enter into agreements with IPPs.</li> <li>• The physical and manual-dependant nature of the Directorates operations leaves it vulnerable in times when there are disasters such as COVID-19.</li> </ul>

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>• The Minister of Energy approved legislation, which allows utilities such as the Nelson Mandela Bay Municipality to enter into agreements with IPPs for the procurement of alternative sources of energy.</li> <li>• The ability to utilise PPPs to raise investment for smart infrastructure under National Treasury approved principles for revenue sustainability in the electricity markets.</li> <li>• The institution has responded with immense strength and agility to the COVID-19 pandemic and in doing so has unearthed a mine of growth and change that was previously unexplored; the momentum and opportunity to further explore such automation and modernisation as that which was realised under COVID-19 should be capitalised upon.</li> </ul> |  |
|---|--|

### 8.5.1 Electricity and Energy Operations

The operations with regard to Electricity and Energy in the Municipality include:

- Connecting dwellings to the main electricity supply within the Nelson Mandela Bay Municipality's jurisdiction through electrification programmes – the roll out of formal and informal cost effective electrification programmes.
- Revenue management – management of losses, upgrading of commercial customers to Automatic Meter Reading (AMR) facilities, migration of domestic customers to smart metering systems, as well as the installation of smart infrastructure in order to monitor and reduce losses by approximately 1% per annum.
- Revenue realisation programs within the energy sector – introducing cost reflective wheeling tariffs and feed-in tariffs for renewable energy pro-consumers.
- Systems reliability improvement – Supervisory Control and Data Acquisition (SCADA) monitoring networks, protection of the network and improving network

links. Currently the Municipality has 75% SCADA penetration on the high voltage and medium voltage networks. The plan is to increase SCADA penetration to 85% and thus improve the network monitoring and reliability.

- Reinforcement – to strengthen the weak links within the network, to meet the needs of the customers and expectations through enabling infrastructure developments.

### 8.5.2 Developmental Priorities

The table below reflects the developmental priorities for Electricity and Energy:

**TABLE 25: Electricity and Energy developmental priorities**

<b>Service Delivery</b>	<b>Short Term</b>	<b>Medium Term</b>	<b>Long Term</b>
Provide safe and reliable electricity to all residents.	To provide approximately 3 000 new electricity connections per annum.	To provide approximately 15 000 new electricity connections over the next 5 years.	To ensure that 95% of all households have access to safe and reliable electricity supply.
To introduce renewable energy as part of our energy mix for the residents.	Engage with IPPs for the production of sustainable energy to the network.	15% of energy supply to be produced from alternative sustainable sources.	30% of energy supply to be produced from alternative sustainable sources.
Ageing infrastructure.	Refurbishment of the inner city network, encompassing the oldest existing portion of the network.	Refurbishment of 80% of high voltage transformers.	To modernise the network, which will enable future growth and development.

*Source: NMBM, 2021*

### 8.5.3 Impact of COVID-19 on Electricity and Energy

The COVID-19 pandemic has impacted upon service delivery, the implementation of projects and sector plans and the daily operations of those in the electricity and energy industry. These impacts have endured throughout 2020/21 financial year, and will continue to be felt for a number of years. The advent of COVID-19 requires all institutions to examine and adjust the manner in which their operations are undertaken.



The urgency created by COVID-19 has highlighted the need for rapid supply chain responses and stock control. In our uncertain future, the need to ensure proper supply chain processes is crucial. All good intentions and funds will not provide services if supply chains are interrupted due to situations such as COVID-19.

New technologies are needed to meet the changes brought about by COVID-19. National government is under financial stress and the reduction in grant funding is a reality. It is therefore imperative that the use of resources is optimised and new solutions are developed using improved technology. The following impacts have become evident during the COVID-19 period within Electricity and Energy Directorate:

- Socio-economic challenges created by the pandemic, resulted in an increased number of illegal connections and tampering. This places strain on existing infrastructure and resulted in overloading of the electrical network. This trend has had a negative impact on all efforts aimed at reducing electricity losses.
- The above phenomena invariably resulted in an increase in unplanned outages and this in turn resulted in increased labour and associated cost burdens placed on industries over this period.
- Strategic projects that were to deal with infrastructure improvement were affected due to social distancing. This resulted in delays in the completion of such projects.
- As a result of the National lockdown and the regulated reduction of human interaction and contact, Electricity and Energy customer contact centres had to be shut down (at varying levels depending on the National Lockdown stages). Under Level 5, all contact centres were completely closed, while in less harsh Levels 2 to 4, staff were structured to work on a rotational basis in order to minimise the risk of contamination within a group or team. Many customers were unable to access needed customer care services such as new meter applications; replacement of prepaid meter e-cards, or physical reporting of electricity meter faults.

- The need for continued social distancing at customer contact centres forced customers to endure long waiting times in queues. This was exacerbated by a reduced number of agents to service the public at any time during the pandemic.
- The turn-around time for all new applications for electricity connections received during this period, both for business and domestic customers were significantly affected given the reduced number of planners and technicians that were able to work.

### **The impact of Vandalism on the Electricity Network**

In recent months, there has been a very concerning increase in the number electricity interruptions caused by vandalism to the electricity network. This trend is an extremely unfortunate one and its impact on the institution, the business industry and the residents is crippling. The unplanned responses required from the institution in each instance of vandalism of the electrical infrastructure necessitates the redirecting and reprioritising of already stretched resources to the restoration of supply to the affected areas. This phenomenon has a marked effect on the reliability of the electrical supply within the Metro; reliability of electricity is an important measure in the attractiveness of a city or town to future and current investors.

Apart from the reactive responses to instances of vandalism of the electrical infrastructure, the Municipality employs other means aimed at creating awareness around the disastrous effect of such acts. These include interaction with Ward Councillors and community leaders aimed to create a culture of shared ownership of the electrical network, quick response to such deliberate faults to minimise impact on the broader community, etc.

## **8.6 HUMAN SETTLEMENTS**

The impacts of the COVID-19 pandemic have been most harshly felt at a community level where poverty levels are high, self-isolation is not possible and adequate housing amenities and services are lacking. The pandemic has highlighted the need to accelerate addressing the inequalities that are experienced.

### **8.6.1 Housing as a basic need and Human Settlements**

The Constitution of South Africa Act 108 of 1996 and the Bill of Rights contained therein, affirm the democratic values of human dignity, equality and freedom for all citizens. This informs the work of the Municipality in human settlements provision, while it must also give effect to the following associated rights:

- Equality
- Human dignity
- Freedom and security
- Privacy
- Freedom of movement and residence
- Property
- Environment
- Healthcare, food, water and security
- Access to information
- Administrative justice

The City's mandate in respect of human settlements is derived from the National Housing Act 107 of 1997, which provides for "the establishment and maintenance of habitable, stable and sustainable public and private residential environments, to ensure viable households and communities in areas allowing convenient access to economic opportunities, and to health, educational and social amenities in which all citizens and permanent residents of the Republic will, on a progressive basis have access to permanent residential structures with secure tenure, ensuring internal and

external privacy, and providing adequate protection against the elements, potable water, adequate sanitary facilities and domestic energy supply”.

The delivery of housing provides an opportunity to transform settlements and the development trajectory of the City whilst at the same time reducing segregation and inequality.

In fulfilling its mandate, the following challenges have been experienced by the Municipality. These challenges are not unique to Nelson Mandela Bay.

- A housing market in which poor households cannot participate.
- An ongoing housing affordability problem across various sub-markets, particularly the gap market.
- Weak spatial planning and governance capabilities.
- The high cost of well-located land for development.
- The inability to adequately respond to the diverse needs of low-middle income households.
- The absence of a range of typologies and tenure types to support the needs of poor households.
- The limited success of social housing to provide rental accommodation at scale.
- The escalating cost of development for government, resulting in a reduced number of housing units delivered.

Notwithstanding the above, in pursuing sustainable and integrated human settlements projects, the following objectives are pursued for all communities:

- Access to adequate accommodation that is suitable, relevant, appropriately located, affordable and fiscally sustainable.
- Access to basic services such as water, sanitation, refuse removal and electricity.
- Security of tenure, irrespective of ownership or rental, formal or informal structures.

- Access to social services and economic opportunities within a reasonable distance.

### **8.6.2 Diversity in Housing Circumstances**

It is recognised that the Provincial Department of Human Settlements is responsible for the allocation of funding for housing development in the Nelson Mandela Bay area. This influences what can be achieved by the Municipality.

The reality that faces the Municipality in providing adequate housing is that not every citizen in need of a formal home, in a sustainable and integrated human settlement, will receive one in the short or even medium term. To mitigate this, the approach adopted to dealing with informal settlements is to focus on upgrading, de-densification and *in situ* development.

In addition, not every citizen is in need of a subsidised house. There are those who can benefit from other initiatives, such as social housing and the Finance Linked Individual Subsidy Program (FLISP). The role of the Municipality is therefore to match citizens in need of homes to the appropriate available housing instruments, in collaboration with other role-players.

### **8.6.3 Diverse Functions in Human Settlements**

An important aspect in the provision of human settlements is the resolution of community conflicts, disputes and civil disturbances. The relocation of communities from emergency areas or after land invasions, or any highly emotive situations, requires particular facilitation, consensus building, and conflict resolution and problem-solving skills. In meeting the human settlements mandate, the Municipality deals with the most vulnerable citizens and it is therefore important that the approaches are appropriate.

Functions within the Human Settlements Directorate include:

- Land survey
- Building control
- Land use management and spatial planning
- Development and support for human settlements delivery
- Property and planning administration
- Housing consumer education

#### **8.6.4 Human Settlement Sector Plan**

A Human Settlement Sector Plan was adopted by Council in December 2012 in order to comply with the requirements for Level 2 accreditation at that stage and also to increase integration between the Integrated Development Plan (IDP), Spatial Development Framework (SDF), Land Use Management Strategy (LUMS) and infrastructure development planning.

The Human Settlement Plan is presently outdated and will be reviewed in order to:

- align to and express current legislation and policy prescripts
- align to and express current goals and objectives in terms of the National Development Plan and the municipal IDP and strategic plans
- address local conditions
- align available funding to identified priorities

The strategic goals as contained in the Implementation Plan of the 2012 Human Settlement Plan remain relevant. These are:

- Goal 1: Adoption of framework for new Housing Delivery Model
- Goal 2: Understand Demand
- Goal 3: Land Assembly
- Goal 4: Innovative and humane in-situ upgrading

Goal 5: In-situ formalization of Backyard Shacks

Goal 6: Partnerships for broader housing delivery

Goal 7: Progressive and flexible development Policy

Some progress has been made in the achievement of some of the goals.

### 8.6.5 Priority Human Settlement and Housing Development Areas

The Minister of Human Settlements, Water and Sanitation has promulgated what are known as Priority Human Settlement and Housing Development Areas (PHSHDA's). These areas are identified as priority areas that can advance spatial transformation and housing delivery.

Three PHSDAs have been identified for Nelson Mandela Bay. These are as follows:

**TABLE 26: Priority human settlement and housing development areas**

<b>PHSHDA Number and Name</b>	<b>Main Places</b>	<b>Ward Numbers</b>
Baywest Development Area	Bay West, Bethelsdorp, Charlo, Cotswold, Fairview, Fernglen, Framesby, Gelvandale, Hunters Retreat, Kabega, Korsten, Lorraine, Malabar, Mangold Park, Mill Park, Mount Pleasant, New Brighton, Newton Park, Parsons Vlei, Sunridge Park, Theescombe, Walmer, Westering	6, 8, 9, 12, 39
Bethelsdorp Corridor	Algoa Park, Bethelsdorp, Bloemendal, Ibhayi, Korsten, KwaMagxaki, New Brighton, Redhouse, Swartkops	11, 14, 15, 16, 17, 18, 19, 20, 21, 22, 24, 25, 26, 27, 28, 30, 31, 33, 34, 35, 37
Uitenhage-Despatch-KwaNobuhle Corridor	Bethelsdorp, Bloemendal, Despatch, KwaDwesi, KwaMagxaki, KwaNobuhle, Uitenhage	29,36, 38, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53

Source: Government Notice 43316-15-05-20

In most instances, the planning for these areas is complete. Implementation Plans for the development of these areas are being developed and it is intended that public sector investment will leverage private sector investment. The implementation plans will determine the public sector investment required.

#### **8.6.6 Upgrading of Informal Settlements Plan (UISPG)**

The UISPG is required by the National Department of Human Settlements to be used in part for the upgrading of informal settlements. This upgrading is to take place on a holistic basis and focus not only on housing but also community participation and other services and amenities which are delivered by all spheres of government and the private sector.

The Municipality has submitted an Upgrading of Informal Settlements Plan to the National Department of Human Settlements which aligns with the Built Environment Performance Plan, the Urban Settlements Development Grant and the IDP of the City.

The requirements of the Plan are dictated by the National Department of Human Settlements.

The priority projects to be developed in the 2021/22 financial year are as follows:

Priority will also be given to the unlocking of Motherwell Extension 31 as a major dedensification area.



**TABLE 27: UISP Projects, categories and beneficiaries**

<b>PROJECT</b>	<b>NUSP CATEGORY</b>	<b>BENEFICIARY SETTLEMENTS</b>
Ekuphumleni	A	Ekuphumleni
Walmer Erf 1948	B1	Walmer - Airport Valley (Section B & C)
Walmer Development	B1	Walmer - Airport Valley (Section B & C), Walmer Area N & Q, Walmer Federation, Walmer G west
Nkatha/Seyisi	A	Nkatha - Seyisi/ Enkuthazweni
Mandela Village	A	Mandela Village
Motherwell NU30 Erf 4009 and 40016	A	Motherwell NU30
Rocklands	B2	Erikadean, Fitcher's Corner, Kuyga, Shamrock
N2 North Nodal	B2	Erikadean, Fairview 1 & 2, Grogro
Uitenhage Grogro Erf 12872	B2	McCarthy Land, Moeggesukkel (Uitenhage), Ngxazula, Lapland, Mtshini Wam
Motherwell Nu31	B2	Powerline, Hlalani, Endlovini
Vistarus	B1	Vistarus
Westville	A	Westville
Jachtvalkte	A	Qunu, Vastrap
Joe Slovo Uitenhage	A	Joe Slovo Uitenhage
Red Location	A	Red Location
Rosedale Phase 2	A	Rosedale
Doornhoek	A	Doornhoek
Kamesh Erf 3179	A	Kamesh Erf 3179
Malabar Phase 2	A	Malabar, Malabar Entrance, Malabar Sportfield
Ebhongweni	A	Ebhongweni

### **8.6.7 Impact of COVID-19 on Human Settlements**

The focus of the Municipality since the lockdown period has been on providing relief to impoverished areas and informal settlements in particular. Funding has been diverted from projects and programmes to support the provision of water, sanitation and shelter.

A COVID-19 Intervention Programme was developed for Human Settlements, which focuses on *inter alia* de-densification of informal settlements through repositioning and relocation, supply of water and sanitation to households and the provision of shelter where necessary.

The COVID-19 pandemic has had a major impact on the processing of Land Use, Site Development Plans and Building Plan Applications; as well as the assessment / processing of land transactions such as encroachment, sale and lease of land. A downstream impact of decreased income generated from sale/lease of land as well as a concomitant decline in development and rates and taxes will be felt in the forthcoming financial years.

The lockdown has caused backlogs in building plans, land use applications and appeals for which special measures are being taken to minimise the impact.

## 8.7 PUBLIC HEALTH

The role and responsibilities of Public Health in Nelson Mandela Bay have been particularly critical due to the COVID-19 pandemic. The Public Health Sector of the Municipality is mandated to provide public health services to all its inhabitants and occupational health, safety and wellness services to its employees.

Included in the public health services are the following functional areas:

- Municipal Health Services
- Waste Management
- Environmental Management
- Parks and Cemeteries
- Occupational Health Services for Employees

Public Health is the science of disease prevention, prolonging life (life expectancy) and improving quality of life through organised efforts and informed choices of society. It is important to understand and analyse the local determinants of health of a population and the health threats. Disease surveillance is an epidemiological practice of monitoring diseases at long range, their spread, the drivers and progression in human populations and form a key part of a Public Health Strategy.

The role of Public Health was placed in the hands of Local Government by Schedule 4 Part B and Schedule 5 Part B of the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996). The National Health Act, 2003 (Act 61 of 2003) prescribes the role of local government in executing this mandate.

The main role of disease surveillance can be summarised as follows:

- To predict diseases at long range
- To estimate their impact
- To put measures in place to minimise their impact

The World Health Organization defines human health as not merely the absence of disease or infirmity but the completeness of physical, social and mental wellness of communities and more recently, as a resource for everyday living. The World Health Organization puts the South African life expectancy at 60.2 years for males and 67 years for females with an average life expectancy of 63.6 years. Compared to the developed countries, the South African life expectancy may be considered very low.

### **Public Health challenges**

The Municipality is faced with a crisis of continuing multiplicity of diseases worsened by:

- The absence of a coherent Public Health Plan and Strategy.
- A shortage of critical health skills.
- Environmental impact challenges and effects of climate change such as droughts, heat waves and food security.
- Unhygienic public spaces due to illegal dumping of refuse.
- Institutional Occupational Health and Safety Act legal compliance challenges.
- A shortage of suitable land for burial.

### **Health Plan**

Section 33 of the National Health Act, 2003 (Act 61 of 2003) places a responsibility on local government, particularly the District and Metropolitan Municipalities to develop a Health Plan which should guide the planning, resourcing and delivery of health services in each health district. The Nelson Mandela Bay Municipality does not have such a plan, however, the urgency of such a Plan to be put in place has been highlighted by COVID-19.

## **Disease burden**

The Nelson Mandela Bay Municipality faces a crisis of a burden of diseases, which include human immunodeficiency syndrome (HIV), Tuberculosis, communicable diseases, perinatal, maternal and nutritional disorders, non-communicable disease, injuries and more recently the COVID-19 pandemic. The preventative aspects of this burden of diseases are largely reliant on an effective and resourced local government health system.

### **8.7.1 Municipal Health Services (Environmental Health)**

Public Health Surveillance and disease prevention is a specific mandate of local government, especially district and metropolitan municipalities. Environmentally induced diseases are monitored and managed through the following programs and when properly resourced they are capable of reducing the burden of diseases significantly.

#### **Water monitoring**

Water quality and availability is monitored including the mapping of water sources and enforcing laws and regulations related to water quality management. The Municipality also ensures water safety and accessibility in respect of a safe quality (microbiological, physical and chemical) and an adequate quantity for domestic use as well as in respect of the quality for recreational, industrial, food production and any other human or animal use.

#### **Food control**

The Municipality ensures food safety in respect of acceptable microbiological and chemical standards, quality of all food for human consumption and optimal hygiene control throughout the food supply chain from the point of origin, all primary raw material or raw products production, up to the point of consumption.

## **Waste Management and General Hygiene Monitoring (Environmental Health)**

Proper refuse storage, collection, transportation, transfer and processing, materials recovery, and final disposal of refuse is ensured by the Municipality. Waste Management including auditing of waste management systems and adherence to the 'cradle-to-grave' approach is performed by the Municipality. This includes proper management of liquid waste including sewage and industrial effluents as well as proper storage, treatment, collection, transportation, handling and disposal of medical waste and hazardous waste.

### **Health surveillance of premises**

The Municipality monitors all buildings and physical structures used for residential, public or institutional purposes (including health care and other care, detainment, work and recreation, travel, tourism, holidaying and camping) and the facilities in connection therewith and the immediate precincts. Health impact assessments of housing projects are also monitored. In addition, environmental health impacts and other assessments are conducted as part of the urban and rural land-use planning and practices.

### **Surveillance and prevention of communicable diseases**

A role of the Municipality is to promote health and hygiene aimed at preventing environmentally induced diseases and related communicable diseases. In addition, the collection, analysing and dissemination of epidemiological data and information is done. In collaboration with the different spheres of government, epidemiological surveillance of diseases and establishing an effective environmental health surveillance and information system is conducted.

**Vector control monitoring**

Vector control in the interest of public health including control of arthropods, molluscs, rodents and other alternative hosts of diseases is conducted. Where necessary, the removal or remedying conditions resulting in or favouring the prevalence of or increase in rodents, insects, disease carriers or pests is applied. In some cases, residual spraying of premises and precincts and investigating zoonotic diseases and vector-borne diseases in the working and living environment is necessary. A further function includes surveying imported cargo and livestock for the prevalence of disease vectors and undertaking serological testing of rodents, dogs and other pets or animals.

**Environmental pollution control**

The Municipality has to ensure hygienic working, living and recreational environments. This is done by identifying the polluting agents and sources of water, air and soil pollution. Environmental health impact assessments of development projects and policies, including assessments of major hazard installations is conducted. Environmental health hazards are identified and risk assessment and mapping thereof is undertaken. The Municipality further approves environmental health impact assessment reports and comments on environmental impact assessment applications. Furthermore, clean and safe air is ensured through emission inventory monitoring, modelling and toxicological reports, reviews and complaint investigations.

**Disposal of the dead**

The Municipality controls or prohibits the business of an undertaker or embalmer, mortuaries and other places or facilities for the storage of dead bodies. It monitors practices at cemeteries, crematoria and other facilities used for the disposal of dead bodies, manages, controls, and monitors exhumations and reburials or the disposal of human remains.

**Chemical safety**

All operators, fumigation firms and formal and informal retailers that deal with the manufacture, application, transport and storage of chemicals are monitored. Permits and licenses are issued for these premises e.g. Scheduled Trade Permits. Advice, education and training on pesticides and/or chemical safety is facilitated.

**Noise control**

Noise is controlled through the assessment of the extent of noise pollution and its effects on human health.

**Radiation (ionising and non-ionising) monitoring and control**

A function of the Municipality is to ensure the protection against any form or sources of electromagnetic radiation. This is done through ensuring proper disposal of all radiation waste materials from hospitals and other licensed establishments and the safe transportation of radioactive material to ensure compliance.

**8.7.2 Environmental Management**

In respect of environment management within the Municipality, the following functions are performed:

**Formulation of an Environmental Sustainability Policy**

The Municipality is currently in the final stages of adoption of the Environmental Sustainability Policy (ESP). This ESP replaces the Integrated Environmental Policy, which was adopted by Council on 26 July 2012. The (proposed) ESP outlines the vision, priorities and commitments with regard to the management of the environment. Additionally, the ESP delineates the responsibility of the Municipality in sustainable development and in sustainable delivery of its services. It incorporates the vision for (amongst others) water demand management, climate change, the relationship



between the environment and resources into the functional responsibility of the Municipality.

The Constitution compels the Municipality to take reasonable steps to prevent pollution and ecological degradation, promote conservation and secure the ecologically sustainable development and use of natural resources. The Municipal Systems Act (Act 32 of 2002) and the National Environmental Management Act (NEMA) (Act 107 of 1998), as well as other specific environmental management acts such as the Integrated Coastal Management Act (Act 24 of 2008) also place environmental responsibilities on the Municipality.

As an organ of state, the Municipality also has to ensure that all developments are environmentally sensible and sustainable manner. This is to comply with the National Environmental Management Act (Act 107 of 1998) and the Environmental Impact Regulations of 2014 (Government Notice Regulation 982).

Environmental and Occupational Health and Safety legislative frameworks that impact significantly on the rolling out of services in the Municipality are:

- The National Environmental Management: Protected Areas Amendment Act.
- The National Environmental Management: Biodiversity Act, 2004 (Act No. 10 of 2004).
- The National Environmental Management: Air Quality Amendment Act, (Act No.39 of 2004).
- The National Environmental Management: Integrated Coastal Management Amended Act, 2008 (Act No. 24 of 2008).
- The National Environmental Management: Waste Amended Act, 2008 (Act No. 59 of 2008).
- The Water Services Act, 1997 (Act No. 108 of 1997).
- Occupational Health and Safety Act, 1993 (Act No. 85 of 1993).

## **Climate Change Response and Adaptation Plan**

Climate change is broadly defined as the change in climate attributed directly or indirectly to human activity (the emission of greenhouse gases sourced from fossil fuel-based activities) which has altered the composition of the global atmosphere and which is in addition to natural climate variability observed over comparable time periods. This is also true for the Nelson Mandela Bay region where in the past 20 years, weather patterns have demonstrated an increase in floods, more serious droughts and an increase in wind speed and change in direction. Since 2009, Nelson Mandela Bay has tracked climate change issues and broadened the awareness of climate change within the Municipality.

There are two general approaches to combating human-induced climate change:

- Climate mitigation: action taken to reduce or eliminate the source of greenhouse gases or to enhance the absorption of greenhouse gases (“carbon sinks”).
- Climate adaptation: ability of a system or community to adjust to climate variability or extremes.

In order to solve funding and capacity challenges, mutually-beneficial partnerships with the International Council for Local Environmental Initiatives (ICLEI) and other institutions such as the Department of Environmental Affairs (DEA) on Green Economy Projects as well Law Enforcement and Compliance Programs have been established. The ICLEI-led Urban Low Emission Development Strategies (LEDS) project delivered an updated greenhouse gas inventory for the City in 2014. The previous inventory had been done in 2011, using 2007 data.

Inter-departmental cooperation particularly around electricity and energy and disaster management has also contributed to a better understanding of risk, vulnerability and resilience.

In 2015, the Municipality finalised its Climate Change and Green Economy Action Plan. This action-based plan is the first municipal response to climate change.

Since 2018, the Built Environment Performance Plan (BEPP) requires climate risk and resilience inputs to be included, to demonstrate how the City is planning for current and future climatic risks and whether adaptive capacity is being built through sustainable spatial planning. From the 2021/22 financial year, due to the work of the Built Environment Performance Plans being absorbed into other strategic plans of the Municipality, the climate change and risk and resilience issues will need to be dealt with in the other strategic plans.

### **Biodiversity**

Nelson Mandela Bay is rich in biodiversity and ecological assets, which are rapidly being compromised due to unsustainable land-use practises, overgrazing, alien vegetation infestation, pollution and other environmental changes.

Five of South Africa's seven biomes converge in the Nelson Mandela Bay area which is regarded as a global biodiversity hotspot with eleven Municipal Nature Reserves and eight Private Nature Reserves. A biome is a geographically distinct community of plants, animals and their interrelationships. This biodiversity value has therefore made it imperative to create positive links between biodiversity management, human well-being and sustainable development. The Municipality's biodiversity is promoted through the planning, development and implementation of the Nelson Mandela Bay Metropolitan Open Space System (NMBMOSS).

The MOSS Conservation Assessment and Plan is a fundamental and key decision-making tool in land-use management processes and it is a critical informant of the Municipal Spatial Development Framework and Local Spatial Development Frameworks. The City was also the first to develop a Bioregional Plan, which was gazetted in December 2014. The Bioregional Plan maps out Critical Biodiversity Areas (CBA's) and gives land use planning guidelines which developments must take into account in the planning process. The Bioregional Plan is being revised along with

the Metropolitan Spatial Development Framework. Work on the revision will commence in the 2021/22 financial year.

The management of the 102 kilometre Coastal Zone is undertaken in terms of the Integrated Coastal Management Act, National Environmental Management Act, Marine Living Resources Act, NMBM Public Amenities By-Laws, National Water Act (pollution) and related policies; these include the Estuarine Management Directives, Coastal Access Policy and Off Road Vehicle (ORV) Policy, management of public and private jetties, and slipways.

In 2014, Council approved the Coastal Management Program, which addresses coastal developmental requirements and highlights constraints relating to areas prone to high coastal sensitivity and associated impacts.

During 2016, the Coastal Development (Set-back) Line Scheme was submitted for gazetting to give effect to the protection of coastal sensitive areas, provide adequate access to people and guide development along the coast.

### **8.7.3 Waste Management**

The objective of Waste Management Services is to provide quality sustainable waste management services to the residents of Nelson Mandela Bay to ensure a clean and healthy environment by:

- rendering refuse collection services to all residents in terms of the National Environmental Waste Management Act 59 of 2008;
- providing a sufficient number of waste disposal facilities with sufficient capacity;
- drafting and implementing a third generation integrated waste management plan, which focuses on minimising disposal of waste through recycling.

The above objectives are achieved through the following:

- Implementing standards to deal with waste management collection services. These include timing of collection services, the provision of waste containers

and refuse bags and the operation and maintenance of a fleet of refuse collection vehicles.

- Operation of a number of waste drop off sites and transfer stations.
- Operation of two general waste landfill sites that are compliant in terms of applicable legislation. These are at Koedoeskloof and Arlington.
- The control of illegal dumping through an Integrated Waste Management Plan which was developed and approved in 2013. The development of an Integrated Waste Management Plan (IWMP) is a requirement for all government spheres responsible for waste management in terms of the National Environmental Management: Waste Act, 2008 (Act No. 59 of 2008) for government to properly plan and manage waste. NMBM has commenced with the process to finalise the 3rd Generation IWMP, however due to Covid19 this was delayed. The 2nd generation IWMP was adopted by Council on 1 November 2016 and is still valid. The 3rd Generation IWMP is aligned with the updated National Waste Management Strategy that is underpinned by the Sustainable Development Goals of Agenda 2030, adopted by all United Nations member states. It also takes in consideration the National Development Plan: Vision 2030.
- Based on the National Waste Management Strategy the Municipality adopted the three supporting pillars –
  - Waste minimisation
  - Effective and sustainable waste services
  - Compliance, enforcement and awareness
- Guidance on reduction of waste in landfills; cleaner communities, well managed waste services and a zero tolerance to pollution, litter and illegal dumping.
- The third generation of the IWMP is in progress and will consist of projects to address illegal dumping. One of the projects that will be piloted will be source separation.
- Review of Waste Management By-laws.

#### **8.7.4 Parks and Cemeteries**

The Municipality is committed to create and maintain landscaped areas, undeveloped municipal land within the urban footprint and cemeteries in a sustainable, aesthetic, eco-friendly and safe environment to enhance the marketability of the city and improve the quality of life for all.

Roles and responsibilities in respect of Parks and Cemeteries include:

- Conceptualisation, planning and implementation of landscaping projects.
- Planning, providing and maintaining playground equipment.
- Maintaining public open spaces including major parks and landscaped islands.
- Compiling and implementing greening programmes as per the Draft Greening Policy.
- Maintaining parks, flower-beds and developed public open spaces.
- Tree planting and maintaining existing trees and trees on street verges.
- Specialised vegetation control (alien vegetation management and weed control).
- Ensuring land availability for cemeteries; extra burial land is currently being identified.
- Upgrading and maintaining operational and closed cemeteries.
- Providing floral decorations for civic functions, organisations and institutions at municipal venues and for non-profit-making organisations.
- Beautification and greening.
- Providing advice to and educating the public regarding plant identification and diseases.

#### **8.7.5 Occupational Health, Safety and Wellness**

The Municipality has a legal, social and strategic responsibility to protect, preserve and invest in employees' health, safety and wellness. In this regard, the Municipality provides:

- an integrated, Sustainable Employee Health and Wellness Management System; and
- a sustainable Occupational Health and Safety Management System.

As part of the Occupational Health and Safety Management System, the Municipality is focusing on the following:

- Ongoing medical surveillance (statutory and executive) of employees and serving Councillors.
- Sick absenteeism analysis and specialist intervention.
- Financial education and debt management programme.
- Support mechanisms aimed at reducing substance abuse and promoting responsible alcohol use; the Substance Abuse and Addiction Policy was approved by the Council on 2 March 2011.
- Development and implementation of an Occupational Health and Safety Management System Standard (OHSAS) (18001:2007) for hazard identification, risk assessment and control.
- Construction safety management.

The Municipality is implementing intervention strategies to respond to the challenges of HIV and AIDS in the workplace. Each intervention is linked to the priority areas, goals and objectives of the current National Strategic Plan (NSP).

On 30 May 2011, the NMBM Employee Wellness Centre was accredited by the Eastern Cape Department of Health to provide anti-retroviral treatment for municipal employees in need of treatment. The programme excludes employees who are covered in terms of medical aid, unless they have exhausted the benefits allowed by their medical aid society for HIV and AIDS treatment.

### **8.7.6 HIV and AIDS and TB Multi-Sectoral Response**

The Municipality is committed to ensure that HIV/AIDS, Tuberculosis (TB) National/Provincial Strategic Plan (2017-2022) objectives are mainstreamed externally and internally by all stakeholders involved in the fight against HIV/AIDS and TB. Nationally, HIV/AIDS and TB are viewed not only as a health issue, but also as a socio-economic developmental and human rights issue. Hence the framework and handbook for municipalities to respond to HIV/AIDS and TB has been developed as a guiding tool. Local government has to champion the fight against the epidemic, plan an integrated approach that will mitigate the impact of HIV/AIDS, TB and create an enabling environment for economic and social development.

A multi-sectoral approach is imperative for the institution to establish Public, Private Partnership to coordinate, monitor and evaluate the impact made by internal and external stakeholders to be advised and get opinions on the overview of the epidemic. Mainstreaming requires all roleplayers to participate and therefore public participation, consultation and engagement is important. This empowers the institution and communities to understand the epidemic and how to respond. The establishment of Ward War Rooms / Social Labs at ward level will assist to mainstream HIV/AIDS and TB socio-economic issues. Household profiles will be conducted to ascertain challenges and develop an intervention strategy.

The key strategic objectives of the National HIV/AIDS and TB Plan (2012-2016) are outlined as follows:

- Address socio economic and structural drivers leading to HIV infections and measurably reduce stigma and discrimination.
- Reduce the rate of new HIV and TB infections using combination prevention methods and a multi-sectoral approach.
- Sustain health and wellness ensuring physically and mentally healthy communities.
- Protect Human Rights and unlawful discrimination and inequality.



### 8.7.7 Impacts of COVID-19 on Public Health Services

The following impacts have been and will continue to be experienced as a result of COVID-19:

- The Public Health Directorate is a major roleplayer in the City's disaster management response to COVID-19. Many of the resources of the Public Health Directorate have been solely focused on responding to COVID-19 as opposed to the normal functions.
- The Municipality established a Joint Operations Centre for the Disaster Management response. This will be re-established as and when needed. Through the Joint Operations Centre, a number of initiatives were implemented. These include:
  - Community awareness campaigns
  - Loudhaling and flyers
  - Sanitation of public and municipal areas and offices including the acquisition of specialised cleaning equipment
  - Supply of PPE
  - Identification and location of testing and quarantine sites
  - Increased load of patients at clinics and medical facilities
  - Special hazardous waste disposal equipment and procedures
  - Staffing to assist with contact tracing
  - ICT upgrades specifically for COVID-19 tracking and epidemiology purposes
- A Return to Work Plan is in place which requires the screening of all employees at the Employee Wellness Centre prior to their return to work. This has a staffing and financial cost.
- Cemeteries have had to accommodate the increased demand for burials. It is also important that burials are conducted in accordance with the applicable Government Regulations which require social distancing.
- The COVID 19 pandemic has highlighted the long-standing need to find additional burial land as some of the existing operative cemeteries are reaching

capacity. Financial resources to acquire cemetery land must be prioritised to avoid a crisis situation where there deceased cannot be buried properly.

- The cemetery funding for creation of burial space at the operative cemeteries needs to be increased to accommodate the increased burials as a result of the COVID 19 pandemic.
- Ongoing computerisation of cemetery records needs to be accelerated.
- An effort to minimise the spread of COVID-19 within the communities necessitates the disinfection of equipment in parks on a regular basis as well as personnel to control usage.

This has a direct financial implication for the Municipality in the 2021/22 financial year.

## **8.8 SPORTS, RECREATION, ARTS AND CULTURE**

The Sport, Recreation, Arts and Culture mission within the Municipality is to drive the social cohesion, economic development, sustainable social infrastructure, and wellness of Nelson Mandela Bay's citizens through the strategic, well-aligned management of the City's sport, arts, culture, heritage, libraries, beaches, resorts and recreational infrastructure.

### **8.8.1 Arts, Culture, Heritage and Libraries**

Arts, Culture, Heritage, and Libraries performs an intrinsic role in ensuring socio-economic development, local and regional integration by providing:

- Library services through-out the City, ensuring access to information and lending resources and activating programs for leisure, celebration and commemoration and in support of literacy, in line with the "NMBM Library Services Policy 2017".
- Museums and Gallery services to collect, exhibit, conserve, research, preserve and implement support education programs, with a focus on local and regional 'visual arts/ social history" through three facilities namely the Nelson Mandela Metropolitan Art Museum, Red Location Museum and Gallery, in line with the "NMBM Museums Policies, Code of Ethics and Rules" 2008".
- Heritage services through-out the City to initiate, support, advocate, ensure compliance, develop, activate, sustain, preserve and conserve all heritage related matters in the City in line with the South African Heritage Resources Act 1999, "NMBM Street Naming Policy 2004 (to be reviewed)," Culture Promotion Amendment Act 35 of 1983, Cultural Institutions Act 119 of 1998, Geographic Name Change Policy (Eastern Cape Province), Eastern Cape Reburial and Repatriation Policy (Eastern Cape Province).

- Creative Cultural Industries services throughout the City to initiate, support, advocate, ensure compliance, develop, activate, sustain, preserve, protect all local production related to Creative Cultural Industries in the City in line with the Arts and Culture White Paper 1996 (in revision 4th draft 2017) and “NMBM Arts, Culture, Heritage and Creative Economy Policy 2018”

Arts, Culture, Heritage and Libraries are at the core of human creative and expression activity and development. The NDP recognises that ‘promoted effectively, the creative and cultural industries can contribute substantially to small business development, job creation, and urban development and renewal’. Further the NDP recognises the following measures to promote the arts:

- Providing financial and ICT support to artists to enable the creation of works expressing national creativity, while opening space for vibrant debate.
- Strengthening the Independent Communications Authority of South Africa’s mandate for nation building and value inculcation.
- Incentivising commercial distribution networks to distribute and/or host art.
- Developing and implementing plans for a more effective arts and culture curriculum in schools with appropriate educator support.
- Supporting income-smoothing for artists in a special unemployment insurance scheme and evaluating funding models for such initiatives.
- Developing sectoral determination legislation frameworks to protect arts-sector employees.

In contributing to the resilience of the City, Arts, Culture, Heritage and Libraries has potential to contribute to global trade, ideas and technologies across borders, through the establishment and support of strong local cultural creative industries. These industries have the potential to support the development of poor and middle-income citizens through product development and an enabling environment to access markets, goods, services, capital, technology and skills. A city that invests in its creative cultural sectors, promotes values of:

- Recognition of its creative human capital
- Respect for its cultural diversity
- Innovation
- Cultivation of 'Ubuntu' as part of social cohesion
- Literacy
- Celebration of local legacy
- Preservation of its cultural and historical heritage
- Investment in human development
- Unity of its people

Arts, Culture, Heritage and Libraries is a catalytic agent in local economic growth and development through:

- activating and supporting creative cultural industries which in turn contribute to the GDP of the region by generating local tourism, creative cultural product development, entertainment, skills transfer and job creation.
- promoting literacy, social cohesion and cultural tourism as the centre attraction for events and activities purposed around social, historical, creative, entertainment and educational products, and generated by the affiliated sectors.
- developing sustainable arts development support infrastructure, in order to create a conducive environment for the growth and development of the creative sector. This will enable Nelson Mandela Bay to become a city that attracts opportunities for economic growth and takes care of the well-being of its citizens.
- Nurturing local talent by creating opportunities and strategic platforms that showcase this talent. This will contribute positively towards the tourism and economic growth of new creative industries.

## Guiding Principles

- Establish Nelson Mandela Bay as South Africa's arts capital for cultural and creative industries.
- Create a conducive environment for a viable cultural economy through setting up of art and culture infrastructure and programming.
- Create strategic platform opportunities to showcase local talent to encourage a viable cultural economy.
- Support established cultural precincts.
- Develop sustainable relationships with cultural institutions in the city (inclusive of sister city agreements).
- Develop sustainable heritage through ensuring safe, well maintained and active heritage sites by ensuring the establishment of:
  - The Nelson Mandela Bay Heritage Liberation Route.
  - Active, well maintained heritage sites around the Metro.
  - Advocacy and awareness programming.
  - Memorialisation of eminent histories through creation of sites, research and lectures.
- Rename municipal assets.
- Repatriate and rebury fallen heroes.
- Develop Community Arts Centres that are to be community incubators for the arts, with the best offerings going on to perform in the Mendi Arts Centre and the Opera House.
- Implement programs at a developmental level for Arts, Culture heritage and Literacy at Multi-Purpose Centres as well as Libraries with halls.

## **Strategic Arts, Culture and Heritage Programs**

### **Creative Cultural Industries**

Creative cultural Industries (CCIs) are characterised by several sectors including publishing, music, film, design, heritage, visual arts, crafts and performing arts.

These industries are also characterised by business activity that includes formal, informal employment, individual freelancers to firms as forms of businesses, that transact face-to-face, audio visual, interactive media, as well as including formal and informal markets.

Although in the past studies of the contribution of NMBM CCIs has to some extent been researched by SACO, further partnership is planned in the short-term to enable the mapping studies to ensue, to assist the City to plan better for improving effectiveness of these industries in the Metro.

The development of Arts and Culture Centres and or Hubs therefore will be planned to service the six clusters incrementally. In the short-term the Mendi Art Centre will continue to be completed as the first priority, whilst planning will be considered in the mid- to long-term infrastructure support for arts development in the following areas:

- Uitenhage/ KwaNobuhle
- Motherwell
- Northern areas

In order to develop and maintain relationships with cultural institutions to support the arts and culture development agenda, agreements with institutions that play a role in the preservation of heritage in the City are needed. This will activate tourism in the city as well as the develop performing arts in the City:

- The Port Elizabeth Opera House can either work in alignment with the Municipality's strategic program priorities, or become part of the Municipality's cultural profile.
- South End Museum programs should be aligned to the heritage program of NMBM.

The Arts, Culture, Heritage and Library agenda can be furthered by servicing of Sister City Agreements and related programs with identified outputs that will contribute towards international exchange of knowledge, information, skills,

opportunities for development and interaction. Currently sister city agreements exist with Jacksonville, Ningbo and Gothenburg.

Support to the arts sector in respect of funding and platforms to showcase talent opportunities can be done through:

- Distribution of Small Arts Grant Fund through a call for proposals.
- Participation of Local artists in strategic events of the City and other Arts and Culture funded programs and activities.

Initiation and development of administrative support to sustainable creative cultural industries can be promoted through:

- Establishment in the short-term, implementation and monitoring in the mid- to long-term of policies and by-laws that speak to the management of the creative cultural sectors.
- Establishment of partnerships that will ensure correct mapping in the short term, tracing and documenting in the mid to long term of the contribution of the creative cultural industries to the Gross Domestic Product of the City and the Region.

Supporting established cultural precincts to ensure sustainability and the activation of cultural tourism can include:

- (New Brighton) The Red Location to be fully developed (the final two institutions, the Performing Arts Complex and the School for the Arts, being built) and all five institutions operating at an international level.
- Feather Market Centre/ Athenaeum/ Opera House/ Nelson Mandela Metropolitan Art Museum/ Route 67 and other facilities to form a cultural precinct in town (Central) and to be developed to the best potential to become world class facilities.



## **Museums and Galleries**

Nelson Mandela Bay has two Museums and an Art Gallery, namely the Red Location Museum of Struggle and the Nelson Mandela Metropolitan Art Museum and Red Location Art Gallery. The two Museums are internationally acclaimed and award-winning facilities, whose major contributions are:

- to collect, preserve and exhibit in order to foster an understanding and enjoyment of works of art. The art collections, which are of national significance, are to be recorded on the database of the SA Heritage Resources Agency, in preparation for a formal nomination to have the collections declared a National Cultural Treasure.
- to provide suitable accommodation for the Art Museum's collections as a matter that needs urgent attention, and provision for the development of a new Art Museum building that will meet the International Council of Museums' professional standards is a priority. In preparation for the upgrading of the Art Museum it will be necessary to conduct an in-depth study of the Museum's operational requirements over the next five years.

The Red Location Cultural Precinct will continue to implement a 'precinct without walls' program. Firm action has been taken to ensure continued delivery of art, culture and heritage programs to artists and the public. This is encapsulated in the idea that a majority of citizens in the City have some familial or historical link with Red Location and that the Precinct should live outside of its own walls.

Strategic partnerships have and will continue to be established between the Museums and Galleries of the City in an effort to deliver an effective and efficient service. As such partnerships with the NMU, CONRAD Institutes of learning, Drostdy Museum in Uitenhage, ARTec, Standard Bank Gallery to mention a few have and will be established.

## Heritage

The added advantage of being named the Nelson Mandela Bay Municipality lends itself to the nurturing of the history of the legends and the legacy of Nelson Mandela through initiatives that will drive social cohesion through arts and culture initiatives. Heritage in line with the priorities of social cohesion and nation building must be preserved, conserved and activated through:

- the establishment of resources within the City that must be well managed, maintained, used and celebrated.
- the development of liberation heritage resources within the City that are established, as well as those that must still be developed, should form part of the National Heritage Liberation Route.
- the long term objective to create a heritage register for the City. The register will enable the City to grade its resources, as world heritage resources, that would then contribute to local cultural tourism opportunities.
- the celebration, and commemoration of significant milestones in the socio-cultural heritage map of Nelson Mandela Bay remains a priority. This includes programmes such as Heritage Month.
- the renaming of municipal assets will enable the City to transform in compliance with the South African National Geographical Names Council Act of 1998.
- repatriation and reburial of fallen heroes and heroines will enable the City to achieve redress.
- advocacy programming around significant heritage resources will continue to be implemented annually to encourage cultural tourism and support education.

## **Provision of Libraries**

Public Library and Information Services provides resources in various formats to the entire population of the City to foster a life-long reading culture. Libraries are centres for reading, learning and information and it is therefore critical to ensure the improvement of infrastructure that will enable citizens to access information with ease.

Whilst the key priority of Library Services remains ensuring access to information for communities, it is also a significant catalyst in the growth of democracy. As a priority libraries promote a culture of reading through programs that target all sectors of society in the key local languages, namely English, isiXhosa and Afrikaans, in addition to the provision of library services, which include the circulation of resources to the public.

The Library and Information Services implements programs that:

- inculcate a strong sense of pride in and knowledge of all aspects of culture, heritage and the arts.
- build mutual respect, tolerance and intercultural exchange.
- facilitate the emergence of a shared cultural identity characterised by diversity.

It is important to recognise that Library Services remain an unfunded mandate, noting that the funding received from the Eastern Cape Department of Arts and Culture is insufficient to meet the prevailing demand for the provision of efficient and easily accessible library services to all residents. There are 26 existing facilities in the Municipality able to provide library services, complemented by outreach and modular library outlets. The Main Library that has been closed to the public has been rehabilitated and is expected to be completed in 2021/22 financial year.

## **Upgrading, rehabilitation and safeguarding of Arts, Culture, Heritage and Library infrastructure**

For the next five years the emphasis will be on the upgrading, rehabilitation and safeguarding of existing Arts, Culture, Heritage and Library infrastructure due to the impact of vandalism and the ageing of facilities:

- Upgrade and Restoration of Libraries – Main Library (2021/2022 – 2022/2023)
- Red Location Precinct Rehabilitation (2022/2023 – 2023/2024)
- Re-Construction of KwaNobuhle Library (2021/22 – 2023/2024)
- Chatty library roof replacement (2021/2022)
- Zwide Library roof replacement (2021/2022)
- Motherwell library roof replacement (2021/2022)

## **Arts, Culture, Heritage and Library Services COVID-19 compliance and delivery programming**

Whilst COVID-19 continues to be prevalent, the implementation of activities and programmes for Arts, Culture, Heritage and Libraries will comply with the COVID-19 Regulations to reduce the rate of infection. Therefore, there will be virtual platforms created to exhibit creative productions and exhibitions, as well as a limitation of numbers of patrons accessing facilities that provide services in line with social distancing.

The following are the e-services and strategic events:

- Mandela Bay Festival
- <http://www.artmuseum.co.za>
- <https://nmbm.overdrive.com>

## **8.8.2 Beaches, Resorts and Events Management**

### **Beaches infrastructure development, upgrade and management**

The Constitution of the Republic of South Africa, Local Agenda 21, The White Paper on Sustainable Development, The National Environmental Management Act, Act 107 of 1998 and the Integrated Coastal Management Act, Act 24 of 2008 require and place responsibility on the local authority to achieve sustainable coastal development through integrated coastal management that promotes conservation of the coastal environment and ensures that the use of natural resources within the coastal zone is socially and economically justifiable and sustainable while promoting coastal access by citizens and communities to the resource.

Adherence and compliance to the legislation mentioned above is a requirement and relevant to Nelson Mandela Bay Municipality, which is located along a 120km coastline that is characterised by pristine beaches that provide a wide range of recreational opportunities, including swimming and water sports. The NMBM coastline is of great value due to its diverse array of natural and heritage resources, which are key assets that provide socio-economic benefits to communities. These features have also resulted in Nelson Mandela Bay's beaches hosting an array of regional, national and international events.

The provision of amenities of a high standard at all beaches in Nelson Mandela Bay, from parking and boardwalks to ablutions and restaurants, ensures a superb visitor experience.

### **Blue Flag implementation and management**

An objective of the Municipality is to develop, upgrade and maintain recreational facilities which include Beaches and Resorts. These should be clean and safe world class facilities that promote a sense of pride and stimulate the local economy and contribute to the reduction of poverty.

The NMBM is a member of the internationally acclaimed Blue Flag programme, which is a voluntary eco-label for beaches, marinas and boats. The objective of the programme is to raise awareness and promote sound environmental management practices. The Blue Flag criteria cover four aspects of coastal management, namely:

- Sound environmental management
- Environmental education initiatives
- Safety and security for users
- Water quality

The Blue Flag programme has become a symbol of quality around the world, and the Nelson Mandela Bay Municipality strives to reach and maintain that quality at its beaches. Through a comprehensive plan to develop and maintain its beaches, the NMBM has full Blue Flag status for: Humewood, King's Beach, and Hobie Beach. Wells Estate Beach and Blue Water Bay Beach have been added to the programme in the pilot phase. This will contribute to the entire City having quality beaches that will contribute to the City's competitiveness, tourism and local offerings.

### **Co-ordination, implementation and hosting of key strategic city events**

The hosting of events is a significant part of the strategy to promote Nelson Mandela Bay as a preferred city. Events Management services are primarily responsible for the co-ordination and administration of the so called "strategic events" in the City. Events Management is also responsible for the co-ordination and administration of the process related to events compliance as per the SASREA Act 2010 and the development and management of the City Events Calendar. The process is regulated by the Events Policy and Events By-law adopted to regulate events in the City. Events have the ability to promote social integration, stimulate economic development and promote nation-building.

The city invests more than R20 million per annum on the staging and hosting of events. The events contribute to improving the socio-economic status of the citizens and communities due to the fact that more than 80% of the procured services during the hosting of events are provided by the SMME component.

Services provided by SMMEs include stage and sound, cleaning services, transport, security services, food and beverages supply, décor and furniture, accommodation establishments and marketing. This directly benefits a wide range of sectors in the Municipality which results in direct economic benefit and quantifiable return on investment for the City.

The Municipality has identified a number of events which contribute to the achievement of the above objectives:

- NMBM annual Summer Season festival
- Uitenhage Picnic
- NMBM annual Splash Festival
- Richmond Hill event
- NMBM River Mile event
- Annual Ebuleni Music Festival

In addition to the above, the following activities inform the events implementation of the strategic events process and includes:

- Development and review of the city's Event Policy and By-Law
- Development of the city's annual events calendar
- SASREA compliance
- Co-ordination of the City's Strategic Events process which includes proactive and reactive bidding process
- Ensure involvement of NMBM in organisations such as South African Events Council

## **Development, upgrade and management of the City's Resorts**

The City is committed to the development and maintenance of world class Resorts which offer the following benefits:

- Sensitivity to cultural diversity
- Building family unity
- Increased community pride
- Space to enjoy nature
- Space for social interaction and social cohesion
- Recreational environments for the family
- Environmental protection

In order to achieve the above the Resorts Development and Management Policy was approved by Council. The aims of the Policy are to:

- Guide development and maintenance of resorts to ensure that facilities are on a par with tourism industry standards in order to attract visitors to these areas.
- Introduce management mechanisms that will leverage tourism industry management, expertise and investment to increase income generation.
- Use resorts for social development activities for marginalised communities in order to promote the social development objectives of the City.
- Set out the responsible tourism practices that will result in sustainable resorts that will add to the competitive edge of Nelson Mandela Bay Municipality.

A Terms of Reference for the development and management of the Resorts is being finalised and will be put on tender according to the Supply Chain Management Policy.



## Delivery approach

- Leveraging on the city's natural, built and heritage assets as a platform to promote the City as an events preferred destination.
- Provide clean, user friendly and world class recreational facilities and infrastructure through the provision of Blue Flag beaches whilst providing safe recreational facilities.
- Participation in the International Blue flag programme and Implementation.
- The development and co-ordination of Aquatic Awareness and Safety programmes.
- Develop and manage the City's resorts. Currently, the City has 4 resorts 3 of which are leased out to private companies. In the next five years the City will consider a different leasing approach for the various resorts in order to maximise the benefit as well as to cater for the different groups.
- Provide safe beaches through the provision of lifeguards, rescue equipment and through partnership with other internal and external stakeholders. The City will be implementing phase 2 of the absorption of permanent lifeguards so as to be compliant with the Beaches minimum requirement for lifeguards.
- Ensure availability of rescue equipment in order to comply with safety standards.
- Co-ordinate the Events Planning Committee (EPC) for all events taking place in the City in order to ensure compliance with SASREA, 2010 in staging safe and successful events.
- Maintain the partnership between the City, private sector and NGO's in order to complement the City's resources e.g. lifesaving clubs. In the next 5 years the support to life saving clubs must be strengthened through the existing agreement to include the following:
  - Upgrade of lifesaving clubs' infrastructure.
  - Partnerships in aquatic safety awareness programmes.
  - Partnerships in the Blue flag programme.
  - Annual fitness and retesting of all lifeguards.

### **Challenges affecting the delivery of services**

Theft and vandalism of recreational facilities is a challenge which has been exacerbated by COVID-19 pandemic as many people have lost their jobs and source of income. Coastal and recreational facilities have become targets and are stripped for scrap metal and other materials used for shelter by the homeless.

### **Implications of COVID-19 on operations**

Due to the closure of beaches and other recreational facilities during certain period of the various stage of lockdown, the following impacts have been experienced:

- Inability to host flagship events which normally bring in a large amount of spectators.
- Lost return on investment from event hosting and the local job creation opportunities for the event period.
- Loss of revenue from hiring of public open spaces and beaches.
- Decrease in maintenance and infrastructure development budgets.

### **8h.8.3 Sport and Recreation**

Nelson Mandela said at the Laureus World Sports Awards ceremony in 2000: *“Sport has the power to change the world. It has the power to inspire. It has the power to unite people in a way that little else can. Sport can awaken hope where there was previously only despair.”*

Nelson Mandela Bay Municipality must create the enabling environment for federations to organise sport and contribute to the success of our nation.

In terms of the White Paper on Sport and Recreation, 2011; it is the responsibility of Local Government to:

- Develop sport and recreation policies
- Implement and monitor sport and recreation policies
- Provide funding for principle agencies, clubs and individuals
- Develop, upgrade, maintain and manage infrastructure

In addition, Sport and Recreation South Africa through the National Sport and Recreation Plan (2011) identifies Local Government as delivery partner in 43 key activities outlined in its Implementation Plan.

The key responsibility of the Sport and Recreation function is to plan and manage sport and recreation infrastructure. This must be done in a manner that is sustainable, equitable and complies with the national norms and standards of Sport and Recreation South Africa (SRSA) as well as the safety standards as prescribed in the SASREA Act (2010) and its Regulations in Gazette no 40661.

The provision and maintenance of facilities forms the foundation for the entire sport and recreation system. Within this context, facilities encompass the provision of the equipment as well as the provision of basic services required by the facility to be functional. We therefore move from the premise that participation in sport and recreation is a right and not a privilege.

### **Guiding principles**

- Establish the Nelson Mandela Bay Metropolitan Municipality as a preferred destination to host national and international sport and recreation events.
- Ensure equitable access to well maintained, well managed, safe and secure sport and recreation Infrastructure that complies with national norms and standards.
- Development of astro and synthetic pitches for hockey and football to mitigate against water shortages.

- Promote active and healthy lifestyles that will promote citizen wellness through sustainable sport and recreation programs.
- Promote sport and recreation programs that contribute to mass participation, social cohesion and nation building.
- Explore and implement environmentally sustainable methods for irrigation, electrification and pitch maintenance at sport facilities.
- Prioritise the development of sporting precincts within the geographical boundaries of the Molly Blackburn, Lillian Diedericks, Champion Galela, Govan Mbeki, Alex Matikinca and Zola Nqini clusters.
- Foster partnerships through the establishment of Facility Management Committees, with community-based structures and the sport fraternity to foster community ownership and pride in the facilities that are being delivered to them.
- Develop master plans for each precinct and the costing thereof.
- Provide financial support to professional sport (football, rugby and cricket) to ensure we have top-level and successful teams with football and rugby anchored at the Nelson Mandela Bay stadium and cricket at St George's Park stadium.
- Actively lobby for the hosting of National and International Sport and Recreation events that will contribute to tourism and economic development
- Avail grant funding or resource federations and clubs that will contribute towards the transformation of sport and recreation.

In implementing the above, it is critical that the Sport and Recreation Policy, currently under review, be finalised.

### **Sport and Recreation Infrastructure Development**

The Sport and Recreation function is the custodian of approximately 317 sport and recreation facilities. The ageing sport and recreation infrastructure poses a serious threat to the Municipality's ability to deliver quality and uninterrupted service to the sport loving communities of Nelson Mandela Bay.

The sport and recreation function has been severely impacted by the COVID-19 Pandemic. Due to the suspension of sport events and the closure of the sport and recreation facilities, the infrastructure for sport was severely damaged and vandalised.

The impact of vandalism and theft have rendered certain facilities like NU 29 Multi-purpose Centre, Finnis Street Sport Field, Windvogel Sport Field and the Schauderville Pool no longer fit for purpose. A conditional assessment and structural assessment of the vandalised facilities will be undertaken. The assessments will be used to develop a Revitalisation Plan for the Sport and Recreation Infrastructure and Programmes. The Revitalisation Plan will also include other strategic sporting assets.

In addition, some facilities that have been constructed as far back as 1930 and are no longer structurally sound do not meet the legislated requirements. The regulations require that each municipal sport facility that is used for sport events should have a Venue Safety Certificate. It must be noted that currently none of our facilities are fully compliant.

The Municipality therefore adopted the SRSA Norms and Standards for Sport and Recreation Infrastructure Development Provision (Volume 1 & 2) as its guiding document for the provisioning, maintenance and management of sport and recreation infrastructure (3 October 2014). These norms and standards seek to address the following four elements:

- Provision and management of facilities
- Technical specifications
- Operations and maintenance and
- Safety and security

These norms provide the legislative framework that regulates the planning, provision, management, maintenance and protection of the future use of facilities. It encourages a clustered approach to the planning of new developments, rather than the traditional stand-alone development of sport facilities that have no adjacent socio-economic activities to make them more sustainable. It warns against a narrow approach of relying solely on normative standards for planning purposes. Rather, it advocates for the joint working of several stakeholder departments in local government to arrive at solutions that are in the best interests of sport and recreation and improved quality of life of local residents and neighbourhoods.

The demand for sport, recreation, arts and culture infrastructure must be considered in the context of the following key aspects:

- Its role in the development of sustainable human settlements, ensuring social cohesion, nation building, reduction of crime and substance abuse, and the general health and wellbeing of communities.
- Profiling the city as a preferred tourist destination.
- The economic impact of hosting major sport, recreation and cultural events.
- The contribution towards profiling the City as a preferred destination to host national and international sport tournaments and competitions.
- How investment in revenue generating sports infrastructure can assist to deliver economic impact into the local economy and social benefits to communities.

The following sport infrastructure projects will be implemented in the 2021/22 financial year:

- Completion of construction of the Walmer Changing Rooms.
- Planning and construction of Multi-Purpose Centres in wards: 17; 21; 34; 42; 45 and 55.
- Completion of Gelvandale Astro turf Sportfield.
- Replacing of cork floor – Uitenhage Indoor Sport Centre.

- Rehabilitation of Uitenhage Central Sport Stadium infrastructure.
- Completion of the High Street Pool Upgrade.

Investment in revenue generating sports infrastructure can assist to deliver economic impact into the local economy and social benefits to communities. The following Sport Facilities have been identified as Strategic Assets for Sport Development:

- NMB Stadium
- St. Georges Precinct
- Newton Park Pool
- Isaac Wolfson Stadium
- Gelvandale Precinct
- Westborne Oval Precinct
- Kariega Indoor centre
- High street pool
- Raymond Mhlaba Sport Center Sport Precinct
- Jabavu stadiums/ Precinct
- Dan Qeqe Stadium
- Chevrolet Stadium
- NU2 Stadium
- Young Park Tennis/ Netball Facility
- Kwanobuhle Multi-Purpose Sport Facility
- Despatch Rugby Stadium

For the next few years the emphasis will be on the upgrading and rehabilitation of existing sport and recreation infrastructure in terms of the above-mentioned precincts and the development of new facilities in under-developed areas, new human settlements and the peri-urban areas like Rocklands, Witteklip, St Albans and Colchester and KwaNobuhle areas.

It is important for the institution to maintain an accurate Geographical Information System (GIS) based network of all facilities within the Municipality.

## **Strategic Sport and Recreation Projects and Programmes**

Sport tourism events provide an opportunity to market the City as a preferred tourist destination. As such, growth opportunities for the local economy can be created. Sport tourism events can transform the City to become a desirable event City economy.

Nelson Mandela Bay successfully hosted eight football matches during the 2010 FIFA World Cup, including a quarter final as well as the third and fourth play-off games. Likewise, for the 2013 AFCON Tournament, there was a similar schedule being hosted. The City has hosted many other sporting events like the Cricket World Cup, Ironman World Championships in 2018 and Rugby test matches and the COSAFA Women Tournament.

The Sports and Recreation function aims to establish strategic partnerships with national federations and professional teams and event organisers to enable the attraction of strategic events. The Municipality will continue to implement the following strategic events and programmes:

- IRONMAN African Championships
- Lifesaving National Championships
- COSAFA Women's Championships
- NMBM Surf Pro Series
- Eastern Province Athletics Legacy Project
- Herald Cycle Tour
- NMB Sport Summit
- National and International Aquatic Championships in partnership with Swimming SA
- Rugby Test Matches in partnership with EPRU and SARU



- Financial Support towards Professional Sport:
  - Chippa United Football Club
  - EP Cricket Warriors
  - Eastern Province Rugby
  - ABC Motsepe League Clubs under SAFA
  - Partner with NMB Boxing Promoters Association
- Mayoral Cup

Sport for development will also focus on the following programmes:

- Campaigns addressing social issues e.g. drug and alcohol abuse, and gangsterism amongst the youth.
- Programmes focusing on youth, women in sport, the aged, people with disabilities.
- Programmes that promote active and healthy life styles.
- Mass participation in sport and competitions.
- Development of Sport and Recreation Hubs around all Indoor Sport Centres or Multi-Purpose Centres.
- Learn to Swim Programmes.
- Capacity building in sport administration.
- Sports equipment support.
- Activity based support.
- Event hosting support.

## **8.9 ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE**

The Economic Development, Tourism and Agriculture function of Nelson Mandela Bay Municipality ensures that Local Economic Development helps communities to realise a lively, resilient and sustainable local economy to improve the quality of life of residents. This will be achieved by growing and diversifying the local economy through the attraction of new investment, skills development and the facilitation of an enabling environment for small business growth and job creation.

Apart from the impact on human life and health, the biggest concern with regard to COVID-19 has been the impact on the economy of South Africa and the long-term implications for South African society.

This section describes the impact of COVID-19 on the South African economy which has a direct implication on the economy of Nelson Mandela Bay. The section also identifies measures that the Municipality is taking to reduce the impact of COVID-19 on the economy of the City and to assist the City to recover. This is in addition to the major normal programmes of the Economic Development, Tourism and Agriculture function of the Municipality. These are described below.

### **8.9.1 Economic interventions in Nelson Mandela Bay**

In 2018, Nelson Mandela Bay Municipality had a GDP of R128 billion which was equivalent to 34.07% of the Eastern Cape Provincial GDP of R377 billion. Nelson Mandela Bay's contribution to the South African GDP in 2018 was 2,63% (CoGTA Profile and Analysis District Development Model, 2020).

The top four sectors that contribute to Gross Value Added (GVA) in the Nelson Mandela Bay Metropolitan Municipality's economy are as follows:

- Agriculture 3.28%
- Manufacturing 20.1%
- Finance 20.7%
- Community services 24.5%

Nelson Mandela Bay has a large comparative advantage in the manufacturing sector and the transport sector from a value add perspective and trade. In addition, Nelson Mandela Bay has the most advanced infrastructure in the Eastern Cape Province. This includes the Port Elizabeth Port, the Port of Ngqura and other trading platforms which assist in the economic performance (IHS Markit, 2019).

Whilst the GDP contribution remained positive during 2019 with the community services sector amounting to R29.8 billion or 24.2%, the manufacturing sector amounting to R25.4 billion or 21.3% followed by the finance sector at 20.4%, it has been noted that there was a significant decrease of GDP and poor performance of all sectors during 2020 as a result of the COVID-19 pandemic.

The Nelson Mandela Bay Municipality's Council approved the City's Economic Recovery Framework linked to the National Economic Recovery Framework which responds to the devastating effects of the COVID-19 pandemic. The Economic Recovery Framework's central outcomes for Nelson Mandela Bay are as follows:

- Support for the ongoing survival of existing businesses.
- Creation of an enabling environment for businesses and investors to generate meaningful and sustainable profits that contribute to enhanced economic performance.
- Provision of support to grow key economic sectors.
- Development and support of SMMEs and informal businesses.
- Enabling sustainable, quality employment opportunities and improved individual income levels.
- Increasing and broadening the tax-base and new revenue streams.

To support the implementation of the key interventions, the Municipality is engaged in the process of securing private sector investment through the Public Private Partnership (PPP) framework. In collaboration with National Treasury and the Government Transactional Advisory Center (GTAC), economic development projects will be repackaged to ensure viability and readiness for effective implementation. The envisaged investment will assist in ensuring the effective management of the City's assets to produce much needed jobs and work for SMMEs. Approximately R15 million has been approved by the Municipality for the 2020/21 to investigate the implementation of the projects.

The following organisations and initiatives are key to ensure a positive impact on the economy of Nelson Mandela Bay by playing a role in the realisation of the abovementioned outcomes.

#### **8.9.1.1 Nelson Mandela Bay Business Chamber**

The Nelson Mandela Bay Business Chamber is a Not for Profit Company, established by the private sector with representatives from a broad spectrum of businesses across Nelson Mandela Bay. It is one of the largest business associations in the Eastern Cape. The Business Chamber connects business and aims to stimulate economic progress in the City. The Business Chamber collaborates with the Municipality to achieve the goals of economic growth and prosperity.

The Nelson Mandela Business Chamber is focusing on the following catalytic economic sectors that are key to the trade and investment strategy of Nelson Mandela Bay: Agro-processing, Automotive, Creative industry, Light manufacturing, Maritime/Ocean economy, Oil and Gas and Tourism and Hospitality. Good progress has been made over the past 3 years in these sectors. These sectors were also identified as sectors where the Municipality could realistically influence growth and development. Their growth would not only benefit the economy but also provide an opportunity for inclusive growth in the Metro through employment opportunities.

BayGrow is also a Business Chamber initiative to effectively promote trade and investment within Nelson Mandela Bay. The services of BayGrow includes an Investor One-Stop-Shop, Business Help-desk, a Research Unit and Investment Promotion.

#### **8.9.1.2 Coega SEZ and Ports**

Nelson Mandela Bay is a two port City which presents opportunities for a strong maritime sector. The Ports are the Port of Port Elizabeth near the City Centre and the deep water Port of Ngqura in the Coega Special Economic Zone (SEZ) located 30 km north of the City Centre.

The Coega Strategic Economic Zone is a multi-billion-rand industrial development complex customised for heavy, medium and light industries. It is adjacent to the Port of Ngqura, and covers 110 km<sup>2</sup> of land. Its establishment reinforces Nelson Mandela Bay as the economic focus of the Eastern Cape and it presents opportunities for the growth of the City and the region.

Transnet National Ports Authority (TNPA) is consolidating the Head Offices of Parktown, Johannesburg and Kingsmead, Durban, at the Port of Ngqura from 1 April 2021. Transnet's strategy is to create a national spread of Head Office locations, strengthen geographic ties to and with coastal regions and encourage local economic development. The Port of Ngqura is South Africa's newest port and the deepest container port in the country with various Transnet Business activities in Nelson Mandela Bay. The locations of TNPA would reflect Transnet's character of being a National State Owned Enterprise (SOE), adherence to Batho Pele's ethos and diversification of its geographic footprint.

#### **8.9.1.3 Sub-national Doing Business**

A "Doing Business in South Africa" Survey (SNDB) was undertaken by National Treasury in 2015 and 2018 among the nine South African Metropolitan Municipalities. The survey measured the performance of cities in relation to the cost of doing business over three indicators: Construction Permits, Registering Property

and Getting Electricity. Nelson Mandela Bay's rating in the two surveys out of the nine largest Cities are:

INDICATOR	2015	2018
Construction Permits	6	5
Registering Property	5	5
Getting Electricity	9	9

There has been improvement in these indicators from 2015 to 2018 but it is evident from the above figures that there is not sufficient improvement. In order to ensure that the Sub-national Doing Business programme obtains the attention it deserves, a revised management and reporting structure for the programme has been introduced by the Office of the City Manager. This includes monthly reports to the Executive Management Team.

#### **8.9.1.4 Mandela Bay Development Agency (MBDA)**

The Mandela Bay Development Agency (MBDA) is a wholly owned municipal entity of Nelson Mandela Bay Municipality and it implements a number of programmes and projects designed to stimulate socio-economic growth and prosperity. The objectives of the MBDA include:

- Enabling social, spatial and economic transformation.
- Implementing projects, programmes and events which are aligned with plans of the Municipality to:
  - Leverage existing or newly acquired resources such as assets, property and also providing for skills development to ensure the successful implementation.
  - Deliver catalytic programmes, special defined projects and events with reference to:
    - Physical infrastructure.
    - Social infrastructure (i.e. services, social, psycho-social, creativity, heritage, sport and tourism).
    - Economic transformation.

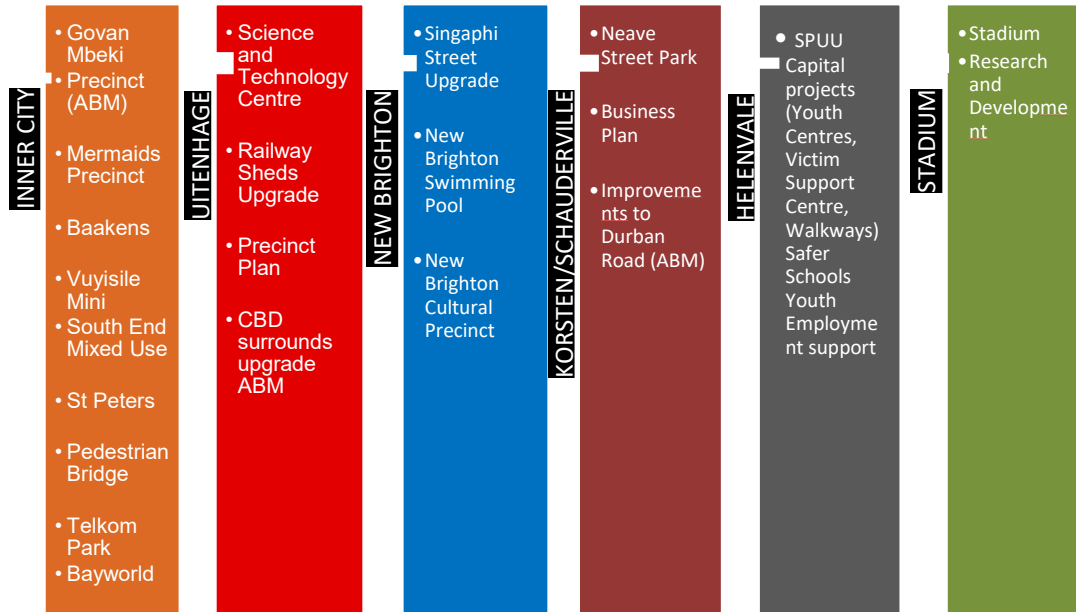
- Pioneering new development models and approaches.
- Identification of stakeholders and partners to undertake work.
- Undertaking relevant research as required.
- Ensuring compliance with all relevant legislation.

The MBDA's projects and programmes are governed by the following key documents:

- Mandate document
- NMBM IDP
- MBDA 5-Year Strategic Plan
- Annual Business Plan and 3-year budget

The MBDA is implementing several programmes across its mandated areas in order to achieve its strategic objectives. A rigorous process to identify which projects would be implemented within each programme has taken place and the basic premise of the process is to take each planned project through MBDA's strategic planning document in order to "filter" through key aspects of the project, chief of which is the IDP.

The primary work of the MBDA is allocated and grouped into six distinct nodal areas, which are: The Inner City; Uitenhage; New Brighton; Korsten and Schauderville; Helenvale and Nelson Mandela Bay Stadium.

**FIGURE 25: MBDA Active Programmes**

Source: MBDA, 2020

The following special projects form part of the portfolio of the Mandela Bay Development Agency being implemented:

### **Nelson Mandela Bay Stadium**

In 2016, the MBDA took over the operation and management of the Nelson Mandela Bay Stadium. The operating costs for the Stadium are funded by the Municipality and the MBDA fulfills the following functions:

- To oversee the Stadium operations and optimise economic viability.
- Promote the precinct and facilitate alignment of stakeholder objectives.
- Manage, develop and increase the use of the precinct's assets.

### **Uitenhage and the Nelson Mandela Bay Science and Technology Centre (STC)**

The MBDA is currently managing the Science Centre in Uitenhage which was previously managed by the Uitenhage Despatch Development Initiative (UDDI). The MBDA runs various programmes at the Centre designed to build enthusiasm and an



affinity for science, technology and mathematics through fun and interactive engagements.

MBDA has been tasked with the upgrade of the Railway Sheds that form part of the Science Centre complex. In terms of infrastructure projects, the refurbishment of the Railway Sheds is a priority to revitalise the area.

### **Baakens River Valley Programme**

The Baakens River programme is a catalytic land development programme of Nelson Mandela Bay Municipality identified in the Built Environment Performance Plan and located within the Inner-City mandate area. Five areas are focused on by the MBDA:

- Vuyisile Mini square and surrounds
- Lower Baakens Precinct
- St. Georges Park
- Port Harbour Precinct
- South End Mixed Housing

### **Happy Valley / Bayworld / Telkom Park Programme**

This programme is a catalytic land development programme of Nelson Mandela Bay Municipality and is conceptualized to integrate the Happy Valley, Bayworld and Telkom Park sites into a single complex.

An investigation as part of the programme is to identify whether an international convention centre should be accommodated in the precinct.

The outcomes of the feasibility study and conditional assessment will determine implementation dates until completion.

**Govan Mbeki Avenue / CBD Port Elizabeth Programme**

The MBDA is to conclude a visioning exercise regarding what the citizens would want in the Central Business District. This visioning exercise would result in the development of a new precinct plan and associated programme for the future development of the CBD in the coming financial years.

**Korsten / Schauderville Programme**

The MBDA has been instrumental in the development of a Master Plan for the area for implementation over the next 20 years. Projects are being prioritised for implementation by the MBDA in conjunction with stakeholders. This will determine the sequencing of projects some of which will be implemented by the MBDA in the short-term.

**Facilities managed by MBDA**

The MBDA is currently managing the Nelson Mandela Bay Science Centre in Uitenhage (NMBMSTC), the Tramways Building located in the Baakens River Valley, the Helenvale Resources Centre located in Helenvale and the Nelson Mandela Bay Stadium.

**Tramways Building**

The Tramways building attracts various corporate and private customers who utilise the venue to host key functions from corporate events, food markets, modelling contests to weddings, birthdays, and awards evenings. Since the MBDA has successfully completed the rehabilitation of the Tramways Building, there has been a constant rise in the popularity of the venue and consequently the number of citizens who visit the venue. The MBDA will build on this positive momentum in the 2021/22 financial year. The building also serves as office accommodation for some of the MBDA staff members.

### Uitenhage Science Centre

The MBDA manages the Uitenhage Science Centre, which was previously managed by the UDDI. Over and above the maintenance of this asset, the MBDA is responsible for running the various programmes and content offerings of the NMBSTC.

The objective for NMBSTC as a strategic programme of the MBDA is to build enthusiasm and a passion for STEMI through fun and interactive engagements with learners and the community. This has been achieved through:

- Partnerships that have enabled the implementation of a COVID-19 response programme for the production of hand sanitisers and facemasks.
- Securing funding that will facilitate the uptake of STEMI subjects by learners at school level through virtual reality exhibits/displays and video streaming.
- Online staff engagements that encourage workspace preparedness for the impact of the Fourth Industrial revolution on future work.
- Online engagements with stakeholders to share/assess best practices for science communication using digital platforms.
- Renovations and upgrade of exhibits at the Science Centre.
- Launching an official digital platform for sharing of educational content, videos and live lectures.
- Research that would assess the attitude, knowledge, behaviour, and educating the public for a better understanding of basic waste management strategies.

### Helenvale Resource Centre

The MBDA has been maintaining and operating the Helenvale Resource Centre since it was upgraded and refurbished in 2015. The Centre comprises a 500-seater Multi-Purpose Community/Sports hall along with smaller community hall facilities and offices for various NGO and government departments that render services to the

local community. The Ward Councillor's office is also located within the Centre. The facility is central to community life in Helenvale and is the venue for funerals, parties, community meetings, youth activities, sports activities, ballroom dancing, award events, etc.

The MBDA has been implementing the Safety and Peace through Urban Upgrading (SPUU) Programme in Helenvale in partnership with the German Development Bank since 2014. Many of the activities of the programme have been based at the Centre. The SPUU programme is coming to an end with the last project expected to be completed in December 2021. It is envisaged that the 2021/2022 financial year is the last year of the Centre being operated by the MBDA and the management and maintenance of the building will revert to the Municipality.

As the nature of these facilities is based on the gathering of people, the activities have largely been negatively impacted by the Lockdown regulations imposed as a result of the COVID-19 pandemic. The buildings have remained closed to the public during large parts of the lockdown and have resumed limited activities as permitted by strict COVID-19 protocols. Whilst the Tramways Building has suffered financial losses due to the building not being rented for events, the impact of closing/limiting access to the Uitenhage Science Centre as well Helenvale HRC has largely been social. (i.e. services and opportunities not being on offer to community members).

#### **8.9.1.5 Urban Renewal Programmes**

The broader objectives of the Urban Renewal Programme are the general renewal of the nodal areas and initiatives to address the economic, social and security needs of the community in an integrated and sustainable manner. Urban renewal presents an opportunity for the three spheres of government to work together to eradicate poverty and unemployment.

Job creation initiatives, public participation in governance, crime-combating initiatives and the establishment of a healthy environment, as well as the acceleration of service delivery, are the key priorities for Motherwell Urban Renewal Programme (MURP) and Helenvale Urban Renewal Programme (HURP).

The MBDA implemented a number of projects and programmes in Helenvale. The Municipality is solely responsible for the Motherwell Urban Renewal Programme. A number of projects have been implemented and others are at various levels of implementation. These include Phase Two of the Motherwell Peace Park, the Motherwell Traffic Licensing Centre, facilitation and coordinating the Motherwell Rail Precinct (Mixed use development), Skills Development and Youth Empowerment, the SMME Hive and the surfacing of culs-de-sac in Motherwell and upgrading of the NU2 Stadium.

### Current programmes

**TABLE 28: Urban Renewal current programmes**

<b>PROGRAMME</b>	<b>FUNDER/OWNER</b>
1) Expansion of Motherwell shopping centre	Private
2) Transnet container centre (SMME Hive)	Transnet
3) Development of Addo Road	SANRAL
4) Renovations of Uitenhage Magistrate Court	Dept. of Public Works and Infrastructure
5) Completion of Motherwell Traffic Centre	NMBM

#### 8.9.1.6 Creating an enabling business environment

The Municipality is committed to work with businesses and influence investor confidence as well as diversify industries. The Municipality has been consulting different business organisations in an attempt to boost business confidence and assist with fast-tracking the resolution of some challenges faced by the investors in the municipal area.

Key programmes to achieve this include:

- Provision of economic infrastructure (water, electricity and ICT).
- Enterprise Development and Support to foster innovation and entrepreneurial activity.

- Skills development and support to ensure industry skills availability and alignment.
- Competitive business support to reduce regulation and red tape and support new businesses, export and productivity.
- Internal coordination of directorates responsible for business related municipal services.

Having recognised the importance of creating an enabling business environment for businesses and investors, the municipality undertook a business satisfaction survey in 2019 to determine and understand the needs and issues concerning businesses in the municipal area.

The Municipality has undertaken an initiative to strengthen internal stakeholder coordination to ensure that issues concerning businesses and investors are speedily addressed. This includes the timeous processing of businesses or investor applications for land/property, re-zoning, electricity and environmental impact assessments.

#### **8.9.1.7 Business Retention and Expansions**

The Municipality will continue to support and promote its traditional industries of manufacturing especially the automotive sector, tourism, pharmaceutical, retail and construction, while making a determined effort to move towards more knowledge-intensive, high-value and internationally competitive economic activities.

Re-investment by existing companies is also encouraged not only to ensure the retention of existing jobs, but also to create new jobs. It is of critical importance that growth strategies for labour intensive sectors such as tourism, construction/property development, business process outsourcing and off-shoring are developed.

The Municipality continues with its plans to retain and encourage re-investment by existing companies in the municipal area through the utilisation of its investment incentive policy which was adopted in October 2020. Three investors operating in the Municipality have applied to be funded under this investment incentive fund. The applications of these investors are being processed and if approved, they will contribute positively to job creation and retention.

#### **8.9.1.8 Development of Key Growth Sectors**

The following sectors have been identified as key sectors to support the economy of Nelson Mandela Bay. These sectors have been severely affected by COVID-19, however, the initiatives will be especially relevant for the medium- to long-term recovery of the economy.

##### **(a) Ocean Economy**

National Government's Operation Phakisa identifies six priority growth areas which Nelson Mandela Bay can take advantage of to enhance its role in the ocean economy. These are:

- marine transport and manufacturing
- offshore oil and gas exploration
- aquaculture
- marine protection services and ocean governance
- small harbours work stream
- coastal and marine tourism

Some of the key opportunities that are being explored are shipbuilding and repair facility, aquaculture development (land-based and sea-based), fishing industry development, Maritime Institute for skills development, etc.

Roughly a quarter of the South African coastline is situated in the Eastern Cape, and Nelson Mandela Bay with its two ports – Port Elizabeth and Ngqura – serves a critical role as the trading and infrastructural hub of the Eastern Cape. The PE harbour plays an important role in the movement of clean cargo, automotive parts and vehicles, while the deep-water Port of Ngqura, is located within Coega, South Africa's largest Special Economic Zone (SEZ).

As part of its Gas-to-Power Programme, the National Department of Energy has identified the Coega Special Economic Zone as the preferred site to build a new 1,000MW liquefied natural gas (LNG) plant.

The city-region has a dedicated formal maritime cluster, the Mandela Bay Maritime Cluster, which has forged stronger partnerships between local government, business, and academia for the benefit of the region.

The establishment of a specialist Ocean Sciences Campus in 2017 at the Nelson Mandela University is another factor supporting the growth of the local maritime sector. The South African International Maritime Institute (SAIMI), also headquartered in Nelson Mandela Bay, plays a much-needed role between industry and educational institutions, with the aim to strengthen maritime education, research and skills development.

## **(b) Tourism**

Tourism is one of the critical sectors that has been identified by the municipality to accelerate socio-economic development with a focus on skills development and creation of entrepreneurial opportunities. There are three fundamental challenges that faces the tourism sector in Nelson Mandela Bay:



- The industry has been severely impacted by COVID-19 resulting in a number of business closures, down-scaling and laying-off of many employees.
- Lack of transformation in the industry remains a key concern with huge disparities across all the demographics and sub-sectors.
- Resources to revive and fast-track the development of the tourism industry have shrunk enormously.

In addressing these challenges, the Municipality will implement the following interventions:

- Development and implementation of a five-year tourism strategy that will not only respond to impacts of COVID-19, but also address transformation through investment, Black-Economic Empowerment, township tourism and skills development.
- Strengthen partnerships with provincial and national government departments and agencies to mobilise resources to stimulate the development and promotion of the tourism industry.
- Mobilise and extensively engage the business sector with a focus on small and black-owned tourism businesses to participate in the tourism recovery process. In addition, EDTA will provide awareness and support to provincial and national interventions such as:
  - The Tourism Equity Fund under the auspices of the National Department of Tourism.
  - The Job Stimulus Fund under the administration of Eastern Cape Development Corporation on behalf of the Provincial Department of Economic Development Environmental Affairs and Tourism.
  - The Local and Regional Economic Development Fund under the auspices of the Provincial Department of Economic Development Environmental Affairs and Tourism.

The Municipality will continue, in partnership with the MBDA to accelerate the preparation of several significant capital projects intended to unlock the development and growth of the tourism industry. The facilitation of these projects is aimed at securing potential investors. These projects include Baakens Valley, Iconic Landmark Precinct, Bay World, Telkom Park, New Brighton Community Tourism Hub, St. Peters and Fort Fredericks Heritage Site.

Furthermore, interdepartmental relationships between Sports, Recreation, Arts and Culture and the Public Health Directorates have been identified as important to develop, maintain, restore and reposition municipal infrastructure such as resorts, heritage buildings and nature reserves to diversify the tourism offering, increase tourism and ensure a balanced geographical spread across the City.

**(c) Agro-processing**

Agro-processing is identified in the National Development Plan as a key vehicle for creating jobs and growth. Strengths of this sector in Nelson Mandela Bay include existing industries, an agricultural hinterland and the SEZ to support industry. Some of the key initiatives include mohair processing and export, processing of dairy products and the export of other agricultural products such as citrus fruit. This sector is, however, constrained by trade policies, lack of skills, loss of productive land and zoning limitations as well as a lack of coordination between stakeholders. Work is underway to ensure meaningful participation of SMMEs in the industry and a program to develop SMMEs is being designed in collaboration with the Provincial Department of Economic Development, Tourism and Environmental Affairs.

The program considers the existing value chains such as the prominent animal production corridor in Uitenhage/St Albans as well as the animal product value addition facilities in the industrial areas of the City. In addition, the program considers the Fresh Produce Market Facility as a platform to develop value addition and food processing in collaboration with industry and key government departments.

The Agro-processing initiatives are supported by primary agriculture production located in the Sarah Baartman District Municipality which has been hit by drought and water shortages, like many areas of the country. With dam levels decreasing daily, agricultural production faces the serious risk factor of drought. Working with various sector departments, Nelson Mandela Bay Municipality is finding solutions to water preservation and effective catchment.

#### **(d) Trade and Investment**

A strong focus is placed on Trade and Investment facilitation through strengthening domestic and international partnerships, increasing the region's export base, and attracting investment. To achieve these objectives, the Trade and Investment function focuses on:

- Promoting Nelson Mandela Bay as a preferred investment destination.
- Facilitating trade through participation on both international and local exhibitions with a view to assisting local companies to access international markets via the Export Helpdesk.
- Training, developing and raising awareness of exports.
- Identifying, developing and packaging investment opportunities.
- Attracting and retaining investments in the municipal area.
- Strengthening collaboration and partnerships with the Nelson Mandela Bay Business Chamber, Eastern Cape Exporters and other clusters in and around Nelson Mandela Bay.

#### **(e) Township Economy**

A strong focus is placed on the economic development of townships and other previously neglected areas. A focus is on the development of businesses in these areas, improvement of infrastructure and links between business hubs. A Plan to develop and deliver an enhanced economic infrastructure to townships is being prepared. Some of the municipal business facilities located in the townships are

dilapidated and some even hijacked by illegal occupants. Examples are the Walmer Enterprise Village in Walmer Township and the SMME hub in Mabandla Street in Uitenhage. Sector development is engaging community leadership, various business fora, NMBM Facilities Management and illegal occupants to institute the SMME development program.

Key to this important work is the collaboration with Facilities Management to ensure the facilities are placed under the asset register so that budget for maintenance can be allocated. The formalisation and institution of the SMME development program will ensure that rental agreements are negotiated and concluded with the beneficiaries. Off-site incubation Centers such as the one located at Veeplaas stand to benefit from the abovementioned intervention.

Also key to the development and support provided to SMMEs located in the Townships and around the City, are the advisory and business networking services provided through specific help-desks aimed at empowering SMMEs with trading permits, key business data and information as well as links to markets. Moreover, SMMEs operating in specific sectors are supported through the mentorship and hand-holding incubation programmes run through the Municipality's One stop shop delivery model. The incubation centres contribute towards skills development, business plan development and compliance with regulations.

To promote the culture of entrepreneurship and self-reliance, the Municipality offers support to informal traders, cooperatives and young aspiring entrepreneurs through trading facilities, equipment, skills, trading permits, material and production stock/inputs. The Urban Agriculture Unit, Informal Trading, Automotive sector and Cooperative Development help-desks are instrumental in providing the above mentioned solutions to SMMEs and entrepreneurs and in collaboration with industry, research institutions and government departments provide data and business information. In the hard lock down period the above mentioned services were critical

especially the provision of production inputs to tackle poverty located in mainly township areas of the City.

The Municipality is collaborating with VWSA and the Nelson Mandela University to develop sustainable township based projects focused on food security, waste management and alternative renewable energy. The University has already initiated similar projects in the KwaZakhele township whilst VWSA has finalised baseline studies and is planning to invest significantly through its community trust in the Uitenhage area.

The Municipality is implementing the 30% set aside policy (EME policy) aimed at ensuring SMMEs secure work through various projects undertaken by the institution. In this regard, there is a decrease in the halting of projects since the social economic consultant was introduced (Social economic consultant was appointed to ensure execution of the set aside program). In addition, the rand value allocation towards EME has increased. Whilst this is progress, the Municipality continues to monitor and strive towards meeting the set targets.

#### **8.9.1.9 Identification and promotion of Strategic Projects**

Strategic Projects act as catalysts for economic growth. The projects allow the Municipality to become competitive. It is recognised that the Municipality, however, cannot implement these strategic projects on its own.

A Spatial Planning and Development Committee, which is a Sub-committee of the Strategic Interface Forum (SIF), has been established and its members include the Nelson Mandela Bay Municipality, Transnet, Coega Development Corporation, ACSA, Nelson Mandela University, PRASA and the South African National Roads Agency Limited. This forum works on fast-tracking some of the major projects, which includes the following.

- Establishment of the Tank Farm and Manganese Export Facility in the Coega Special Economic Zone (SEZ).
- Waterfront Development/Baakens River Precinct.
- Bayworld.
- Telkom Park Precinct/Happy Valley.
- Combined cycle gas turbine (CCGT) and liquid natural gas (LNG) facilities at Coega.
- Addo Road upgrade.
- Bulk water supply including Nooitgedacht water treatment works and a desalination plant.

The relocation of the manganese storage facilities from the Port of Port Elizabeth is enjoying Provincial support as the Premier of the Eastern Cape announced in his State of the Province Address on 23 February 2021 that the bulk manganese terminal should be relocated by 31 December 2021.

#### **8.9.1.10 Expanded Public Works and Job Creation (EPWP)**

The Municipality promotes mainstreaming labour-intensive approaches. Furthermore, both the New Growth Path and the National Development Plan have highlighted the importance of job creation, which includes the implementation of the EPWP Programme, which has been extended to 2030.

The Nelson Mandela Bay Municipality will focus, *inter alia*, on the following in implementing the EPWP:

**TABLE 29: EPWP Projects**

<b>INFRASTRUCTURE DEVELOPMENT</b>					
<b>NO</b>	<b>NAME</b>	<b>PROJECT DESCRIPTION</b>	<b>DURATION</b>	<b>BUDGET</b>	<b>NUMBER OF PEOPLE</b>
1	Protection of Municipal Assets	Addressing vandalism of municipal assets and infrastructure	12 months	R 6 440 000	200
2	Maintenance of roads	Filling of potholes and road markings	12 months	R 6 440 000	200
3	Water leaks repairs	Identification and repairs of water leaks	12 months	R 6 440 000	200
<b>ENVIRONMENTAL DEVELOPMENT</b>					
1	Street cleaning/beach cleaning and public spaces	Street cleaning/beach cleaning and public spaces	12 months	R 16 100 000	500
2	Cleaning of illegal dumping areas, law enforcement and awareness	Cleaning of illegal dumping areas. After clearing the site, law enforcement officers will watch and fine the offenders and provide awareness	12 months	R16 100 000	500
3	Removal of unauthorised outdoor advertisements	Removing all posters from around Nelson Mandela Bay Municipality	6 months	R1 932 000	120
4	Community entities	Establishment of cooperatives to assist in refuse removal	12 months	R 6 440 000	200
5	Grass cutting and bush clearing	Grass cutting and bush clearing	8 months	R11 200 000	500
<b>SOCIAL DEVELOPMENT</b>					
1	Care givers for the elderly	Provide medical/home based care and social assistance to the invalids	12 months	R 3 800 000	68
2	Urban Agriculture backyard gardens	Urban Agriculture to provide seeds and tools and EPWP to provide stipends	6 months	R 805 000	50
3	War on Hunger	Partnership with NGO's. NGOs' will raise funds for the food and NMBM will pay stipends	12 months	R 3 864 000	120
4	Early childhood development	Identifying early childhood development centres in wards that needs human capacity to develop and capacitate the needy children	12 months	R 6 612 500	150

Source: NMBM, 2021

## **8.9.2 Current status of South Africa's economy**

While the long-term economic impact of the COVID-19 pandemic cannot be fully quantified or understood, it is known for certain that the short-term economic impact on Nelson Mandela Bay has been disruptive. It is now understood that Nelson Mandela Bay's local business community has experienced an adverse impact from the pandemic, which is consistent with other cities and regions nationally and globally.

Measuring the short-term impact of the pandemic on our City economy has depended heavily on information provided by local business and other economic decision-makers. This included preliminary studies such as those conducted by the Nelson Mandela Bay Business Chamber (through a straightforward rapid response survey focused on financial performance, supply chain disruption, business survival, employment, and job retention).

This research helped to provide immediate insight that could be used to complement lagging indicators/statistics produced at a national and provincial level.

### **8.9.2.1 Estimated impact on local business**

It is estimated that between 76.7% and 95.7% of *all* businesses operating in the Nelson Mandela Bay city-region have experienced a reduction in revenue as a result of COVID-19 and/or the lockdown just over the initial research reference period alone (30 March – 22 April 2020).



Between 15.2% and 34.3% of all businesses operating in the city-region foresaw their business or branch closing permanently as a result of COVID-19 and/or the associated counter measures.

It is estimated that between 5.1% and 24.2% of all businesses operating in the city-region had initiated retrenchment proceedings (over the reference period).

According to the latest preliminary indicators, South Africa's real GDP (i.e. taking inflation into account) decreased by 7.0% in 2020 following an increase of 0.2% in 2019. The annual real GDP growth rate of -7.0% in 2020 was primarily led by decreases in (a) manufacturing, (b) trade, catering and accommodation, and (c) transport, storage and communication. Thankfully, production in South Africa's agriculture, forestry and fishing industry increased by 13.1% in 2020.

The already high levels of poverty in South Africa have been aggravated by the stay-at-home orders which mean no economic activity and, therefore, no income-earning opportunities, especially for the self-employed and the informal sector.

The Reserve Bank of South Africa responded to the crisis by reducing prime interest rates. This, in turn, will lead to a reduction in short-term interest rates in order to make the servicing of existing debt more affordable to debtors, whether households or firms. Amongst a number of economic relief measures, banks and other financial institutions offered three-month payment holidays for debt and credit cards to allow households and firms to adjust during and immediately after the lockdown.

Considering the above, Nelson Mandela Bay will continue to face a decline in its economic growth due to the temporary and permanent closure of some firms due to COVID-19. This has led to job losses whilst at the same time the cost of living is expected to rise. The majority of communities in Nelson Mandela Bay are poor. In 2019, there were 717 000 people living in poverty, using the upper poverty line definition, across Nelson Mandela Bay. This is 10.17% higher than the 650 000 in 2009 (*IHS Markit (2019)*).

The main risks posed by COVID-19 to the Nelson Mandela Bay's economy are shown below:

**TABLE 30: Gross Value Added by broad economic sectors in Nelson Mandela Bay**

SECTORS	GVA 2019
Agriculture	0.3
Mining	0.1
Manufacturing	25.4
Electricity	4.5
Construction	4.0
Trade	20.5
Transport	13.6
Finance	25.2
Community services	29.8

**HIGH RISK  
ECONOMIC  
SECTORS DUE TO  
COVID-19**

*Source: IHS Markit (2021)*

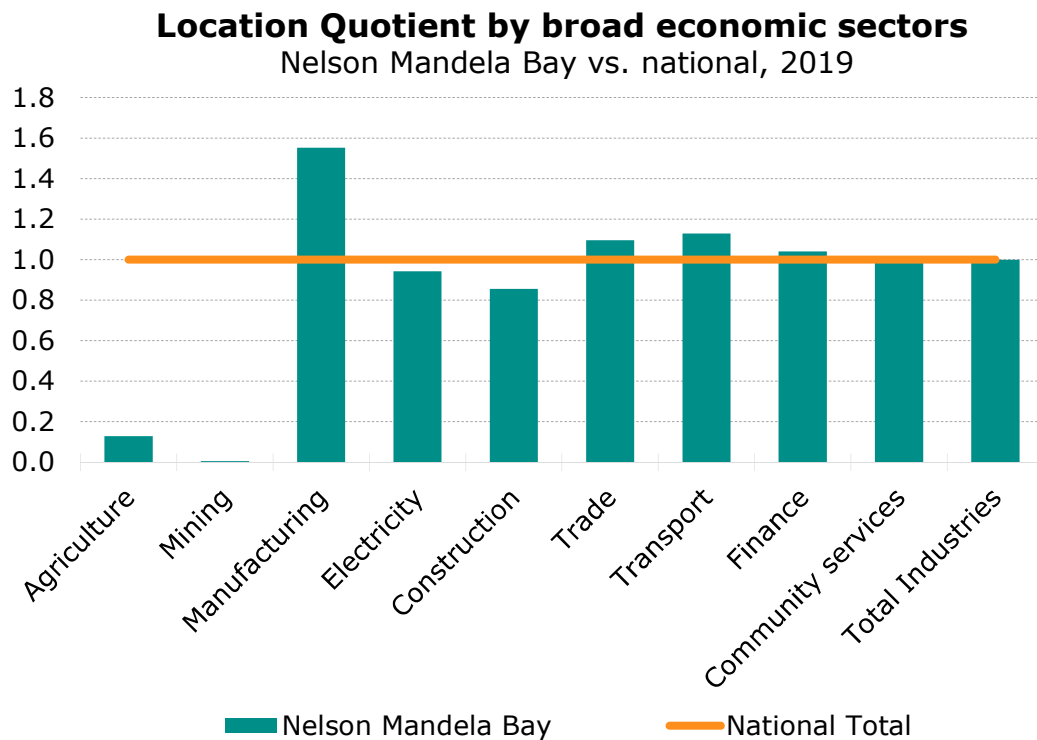
The sectors that are marked red in the table above will require continued intervention in order to avoid unnecessary losses in production and employment. According to the latest available data (for 2019), the community, social and personal services sector is the largest sector in Nelson Mandela Bay accounting for R 29.8 billion or 24.2% of the total gross value added (GVA) of the economy. The sector that contributes the second most is the manufacturing sector at R25.4 billion (or 20.5%, of the total GVA in the municipality's economy followed) by the financial inter-mediation, insurance, real estate and business services sector with 20.4% of the total gross value added (GVA).

In 2019, Nelson Mandela Bay had a comparative advantage in the following sectors as compared the South African economy as a whole:

- Manufacturing sector
- Transport sector
- Trade sector (less prominent)

A location quotient is an analytic statistic that measures a Region's industrial specialisation relative to a larger geographic area.

**FIGURE 27: Location Quotient by broad economic sectors**



Source: *IHS Markit (2021)*

Given the above figures, it is important to consider the strengths of the municipal economy. It is also important not to lose sight on the global economy as this might dilute any strategy that attempts to recover the economy of Nelson Mandela Bay. Global economic recovery is not going to take place simultaneously across the world.

Recovery will occur in different stages. This implies that imports and exports may be slow to take off and this will inhibit progress in those firms and companies that depend on imports for their output and also on exports for their incomes. The manufacturing sector, agricultural sector and tourism are likely to remain hamstrung for a longer period of time as long as our trading partners are not opening their economies.

The business community includes the informal sector, SMMEs as well as large businesses. Businesses in all sectors have been negatively affected by COVID-19; particularly the tourism sector, informal sector, and transport sector. The restrictions in people's movement has had a dire effect on these businesses. According to Business Place Network (2020), COVID-19 affects business sectors on both the supply and demand sides. On the supply side, companies could experience a reduction in the supply of labour, as workers are unwell or need to look after children or other dependents while schools are closed and movement is restricted. Measures to contain the disease by lock-downs and quarantines lead to further and more severe drops in capacity utilisation. Furthermore, supply chains may be interrupted leading to shortages of parts and intermediate goods.

On the demand side, a dramatic and sudden loss of demand and revenue for SMMEs could severely affect their ability to function and/or cause severe liquidity shortages. Furthermore, consumers may experience loss of income, fear of contagion and heightened uncertainty, which in turn reduces spending and consumption. These effects may be compounded when workers are laid off and firms are not able to pay salaries. Some sectors, such as tourism and transportation, may be particularly affected, also contributing to reduced business and consumer confidence.

### **Opportunity to restructure the Nelson Mandela Bay economy**

As much as COVID-19 has brought unprecedented challenges, it has also brought some opportunities to restructure the economy of Nelson Mandela Bay. In restructuring the local economy, the Municipality is afforded a number of opportunities.

A strategic opportunity is firstly to diversify the economy. In this regard, the Municipality must determine what is lacking and what strategic support is required. Secondly, since the majority of SMMEs and informal sector businesses are mainly self-employment entities, these must be transformed to become job creators. Finally, the Municipality must embrace inclusive growth and address inequality at all levels. Such inclusive growth should not just be based on creating employment opportunities, but also opportunities for resource ownership including land ownership.

Based on the challenges caused by COVID-19, the Municipality has acknowledged that there is an urgent need to reprioritise, reallocate and adjust the budget to take into consideration all aspects in relation to economic recovery. The reprioritised budget should give preference to key economic projects identified below.

**TABLE 31: Interventions per economic sector for recovery**

CATEGORY/SECTOR	INTERVENTION
Trade, catering and accommodation including: pharmaceuticals, hardware, general store, food and drinks, and textile and clothing	Saving and creation of jobs: Tourism, Manufacturing, Retail and wholesale; skilling, upskilling and re-skilling in view of new world of work and the new economy; revitalise Township Economy; provide rates and taxes concessions; attract and retain big business through tax and rates incentives; intensify tourism marketing as a tourist centre by intensive COVID-19 health interventions to reduce infections and display the Municipality as a leading example in overcoming the pandemic. In this way community services which is one of the biggest GVA contributors will be able to be revitalised. Diversify the economy

CATEGORY/SECTOR	INTERVENTION
	<p>particularly the manufacturing sector; encourage import substitution to avoid depending on foreign capital for productive capacity; enhance value chain linkages; invest in technology and online connections (4IR) whilst not undermining labour intensive sectors. In this regard transform labour to serve as a complement to capital to avoid displacement of labour in the new economy. Refocus the production economy towards the health sector e.g. production of PPEs and masks (small and informal businesses). Review by-laws that constrain informal business operations.</p>
Infrastructure	<p>Invest in communication, internet, water, electricity and related infrastructure.</p>
Reimagine cities; Smart Cities	<p>A smart city uses information and communication technologies (ICT) to increase operational efficiency, share information with the public and improve both the quality of government services and citizen welfare. Thus the NMBM should provide access to Wi-Fi by building Wi-Fi infrastructure in the communities in preparation for online purchasing from major grocery stores and banking services. Smart cities use intelligent solutions to optimise infrastructure and smart and responsive</p>

CATEGORY/SECTOR	INTERVENTION
	governance to engage citizens in the management of their city. A system of sensors, networks, and applications collect useful data, like traffic congestion, energy use, and CO2 levels.
Finance, Real Estate and Business	SMMEs: Provide debt relief programs; reduce/relax some taxes and rates (provide some concessions); provide debt relief through liaison with commercial banks; reactivate business linkages and networks/value chains; provide preferential procurement services; build and rebuild ecosystems; establish management information systems.
Manufacturing sector; chemicals; automotive sector; agro-processing; textiles & clothing, metals and footwear	List SMMEs in the sector; debt relief to distressed firms to save jobs; value chain linkages; preferential procurement with respect to PPEs and masks including production of sanitisers.
Transport, Storage; and communication	Create online systems and encourage formal business registration; consult with IT companies to make Wi-Fi widely available; controlled operations under lockdown operations.
Construction	Preferential procurement favouring locals. Embark on infrastructure projects.
Electricity, gas and water	Investment in water infrastructure.

CATEGORY/SECTOR	INTERVENTION
Informal sector	Special grants; registration of businesses; business skills training post lockdown phases; create digital platforms identify existing networks within the sector; expand use of online platforms.
Labour intensive public works programme	Reaching an agreement on job creation projects; targets and timelines by the Municipality and its entity; ensuring that identified projects are funded and implemented; adopting a collaborative approach towards job creation projects and funding.
Strategic Projects/Assets	Identify a list of key strategic assets, use of PPP to implement them, provide budget for transactional advisor/s, develop and implement Business plans. Some of the projects include the Municipal resorts that could be turned into world class resorts, development of Nature Reserves and parks, lease of farms to emerging commercial farmers, fast tracking developments and Development applications (both private and public) speeding up catalytic projects, taking stock of dilapidated buildings in Central and enforce by-laws where there have been no rates paid and buildings not complying with other policies such as health and safety, etc, provision of bulk infrastructure that will unlock developments, implementation of



CATEGORY/SECTOR	INTERVENTION
	catalytic projects, Colchester Developments, fast tracking of Njoli Square Development, waste to energy, desalination plant, aerotropolis, fast tracking decision making on waterfront development, development of Telkom Park and Happy Valley precinct, ICC, Uitenhage Railway Shed Development, smart city programmes including provision of smart meters, ICT infrastructure including broadband provision.

## **8.10 SAFETY AND SECURITY**

The Safety and Security function of Nelson Mandela Bay Municipality is responsible for rendering safety and security to all residents, business community, tourists and municipal properties of the Municipality. The services provided include:

- Metro Police Services
- Traffic and Licencing Services
- Security Services
- Fire and emergency services
- Disaster Risk Management Services

In fulfilling the abovementioned responsibilities, the Municipality must comply with applicable legislation that ensures the maintenance of a secure and safe environment.

Over and above the legislative requirements, the Municipality has developed various policies and plans to enhance the function, which include:

- Annual Metro Police Plan
- Disaster Management Plan
- Security Master Plan – Integrated Security Systems – under review
- Firearm Policy and Operational Implementation Strategies
- Executive Protection Policy – under review
- Non Ferrous Metal Theft Strategy – under review
- Access Control Policy – under review
- Surveillance Plan
- CCTV Policy

To create a safe and secure environment in Nelson Mandela Bay, the full participation of all stakeholders, including residents and business is required.

The following objectives are pursued:

- Reducing the likelihood of major incidents that could potentially lead/give rise to the risk of disasters.
- Reducing the risk of fire and other emergency-related risks.
- Enhancing the safe and free flow of traffic.
- Maintaining acceptable standards of response to emergencies.
- Initiating active by-law enforcement.
- Protecting municipal employees and assets.
- Facilitating partnerships with other role-players to ensure an integrated approach towards building a safer City.

Improving safety and security plays an important role in economic growth, tourism development and investment. Fulfilling the safety and security requirements is paramount and demands continuous development to address the ever developing strategies by perpetrators, hence the need to always review the integrated approach in an attempt to curb crime. In addition, safety and security are a prerequisite for the sustainable growth of communities.

Functions of Safety and Security are as follows:

#### **8.10.1 Metro Police**

The authority to establish a Metro Police Service was gazetted in January 2012 and an Implementation Team has been established. The process of the implementation of the Metro Police was done in a phased-in approach, taking into account the available resources and legislation.

The Nelson Mandela Bay Municipality's Metro Police Service was established on 12 May 2016.

Objectives for the Metro Police:

To create a safe and secure environment by:

- Enforcing the National Roads Transport Act 93 of 1996.
- Enforcing the Municipality's by-laws.
- The prevention of crime.

These are discussed in more detail below:

Traffic Policing through:

- Officer initiation and vehicle check points to ensure adherence to the National Roads Transport Act (93 of 1996).
- Reducing driving under the influence of alcohol by arresting drunk drivers.

Enforcing the Municipality's By-Laws through:

- Implementing by-law operations concerning water misuse.
- Patrolling hotspot areas to reduce the incidence of illegal dumping.
- Identifying, reporting and enforcing of illegal informal traders.
- Identifying, reporting, educating and enforcing of illegal advertising in line with the Municipality's by law.

The prevention of crime through:

- Joint Operations with SAPS and other role players.
- Supporting SAPS, as the leading Agency, in responding to protest actions.
- Autonomous operations in line with the Crime Pattern - and Crime Threat Analyses.
- Joint Operations to increase liquor compliance inspections.

The demand for Metro Police outweighs the current staff complement, thus additional staff and resources are required. This requirement will make it possible for the Metro

Police to be visible and service all Wards in Nelson Mandela Bay in line with community priorities as identified in the IDP and Budget public participation sessions.

The adoption of the Safer City Concept by the Municipality requires a safe and secure environment for all. In order to achieve this, Metro Police should be expanded.

The Metro Police should be capacitated with increased technology in order to improve their operations and thereby enhance the safety of citizens.

### **8.10.2 Traffic and Licensing Service**

The Traffic and Licensing Service is striving to achieve and maintain a better image by delivering outstanding quality service to the public through a well-trained and motivated staff who serve efficiently, courteously and with integrity, complying with various legislative requirements, including but not limited to the National Road Traffic Act 93 of 1996, as amended.

The following are the objectives of the Traffic Policing Service:

- Promotion of road safety, through integrated and coordinated law enforcement initiatives.
- Provision of an effective licensing function.
- Promotion of internal efficiency and effectiveness.
- Having a dedicated and efficient workforce through sustainable capacity building initiatives.

Central to the achievement of the above objectives is the need to:

- Promote mutual understanding and cooperation between stakeholders.
- Impart knowledge regarding traffic related matters.
- Facilitate access by all stakeholders to all services and facilities offered.

The strategic focus areas of Traffic and Licensing are the following:

- Develop and implement strategies to reduce road accidents in line with the National Road Safety Strategy (2016-2030).
- Increase the number of driver's licence testing centres to provide effective and efficient services to residents.
- Add additional Municipal Courts to improve and maintain services delivery.
- Maintain and improve the accreditation of the Traffic Training College to ensure the provision of quality and relevant qualifications to stakeholders.
- Continuously contribute to corporate social responsibility by providing free, quality traffic safety training programmes to residents.

### **8.10.3 Security Services**

Chapter 7 of the Constitution requires the City to provide a safe and healthy environment within its financial and administrative capacity. The Security Services function provides the framework for this in respect of planning, implementing and monitoring protection measures. The Security function must identify and address priorities to achieve a sustainable response to and recovery from any security incident.

Security mechanisms used to ensure a safe and secure City includes enhanced information gathering, CCTV surveillance, rapid response, protection of infrastructure and people, by-law enforcement, strategic project management, risk assessments and loss control investigations.

Security Services therefore include a holistic service for the provision of a system where the needs for protection and safekeeping of employees, installations, buildings, equipment and other assets are met, in order to ensure secure working conditions and reduce unnecessary costs due to loss.

The Safety and Security function therefore includes the rendering of a safe and secure environment for the personnel and visitors of the Municipality and the safeguarding of municipal assets in line with the following legislation:

- Municipal Systems Act, (Act No 32 of 2000)
- Private Security Industry Regulation Act, (Act No. 56 of 2001).
- Municipal Systems Act, 2000 (Act No 32 of 2000)

The Security Master Plan outlines various critical issues, which will ensure that the integrated security system approach is being addressed in a systematic and comprehensive manner. The ideals contained in the Security Master Plan are by nature a long-term vision, the intention of which is to provide a framework that will inform the operationalisation and implementation of a structured integrated security system workflow. The involvement of all role-players is essential in achieving the integrated objectives. This plan is being reviewed.

#### **8.10.4 Fire and Emergency Services**

The Fire and Emergency Services function delivers a service to the community, whilst complying with various legislative requirements, including but not limited to the Fire Brigade Services Act, 1987 (Act 99 of 1987), as amended.

The vision of the Fire and Emergency Service is to substantially reduce the loss of life and the destruction of property by fire through the promotion of fire safety awareness. This service provided to the community and delivered by highly trained personnel who can demonstrate competence in all professional aspects of their work, will result in the elimination of preventable fire fatalities and casualties.

The functions include the following:

- **Fire Safety**

- The approval of building plans for fire protection and fire requirements.
- The development, co-ordination and implementation of Fire Safety By-laws and providing detailed knowledge thereof to the public in general.
- The approval and renewal of licences to store petroleum and liquid petroleum gas.
- Approval of major hazardous installations.
- The conducting of fire safety lectures/evacuation drills.
- Fire investigations to establish the causes of fires.
- Various inspections of commercial and industrial premises, as well as places of public entertainment to determine compliance with fire safety requirements.
- Issuing of Controlled Burning Permits in liaison with Environmental Health Services.
- Community fire safety awareness programmes at schools, clinics, old age homes and other institutions, with special attention paid to the previously disadvantaged communities.

- **Operations**

- Control of emergency operations and functions to ensure the efficient extinguishing of fires, dealing with various other emergencies, including hazardous material incidents, as well as the rescuing of life and property from fire or other danger. This service is delivered on a 24-hour basis, with staff members working 12-hour shifts.
- Conducting on and off-station demonstrations and lectures to the general public.
- Conducting tactical pre-planning inspections of commercial and industrial premises, including major hazardous installations.



- Providing an efficient and effective fire fighting vehicle fleet, equipment and technical planning.
  - Controlling fleet maintenance and the replacement of vehicles and equipment, as well as the preparation of specifications and tenders for the procurement of vehicles and equipment.
  - Repairing and maintaining fire-fighting vehicles and equipment.
  - Motor vehicle accident investigations.
  - Controlling repairs to and maintenance of buildings.
- **Internal Communication Systems and Reporting Centres**
    - Providing efficient and effective means of communication to the public with regard to emergency situations.
    - Dispatching and managing vehicle and work force resources at emergency incidents and situations.
    - Interacting and scene co-ordinating with other emergency services.
    - Monitoring private fire alarm systems.
    - Keeping accurate records of all emergency services rendered.
    - Rendering communication systems development and maintenance services.
    - Evaluating and assessing new technologies with regard to all mediums of communication.
    - Deploying IT, radio, telephone and various other communication systems.

#### **8.10.5 Safer City**

Nelson Mandela Bay Municipality is committed to ensuring a safer city for all its residents and visitors. There are a number of challenges related to transgressions of municipal bylaws by some sectors of society. The criminal element also plays a role particularly in the vandalising of municipal and government property as well as general harassment of communities.

Furthermore, the existing CCTV system is non-functional, outdated and is being replaced with the smart city technology.

Building Safer, Shared and Confident Communities' sets the direction for reducing crime, anti-social behaviour and fear of crime. The emphasis is on the guiding principle that prevention is better than cure. Success in building safer communities requires a partnership approach within and across government.

The Municipality is implementing "the Safer City Concept". This concept is accepted and being implemented nationally and provincially. It incorporates smart technology to make optimal use of all the interconnected information available to better understand and control operations and to optimize the use of limited resources. In support of this, an Intelligent Operations Centre that enables the optimization of critical information stored in disparate systems across multiple departments for the benefit of the city's population, economy, and greater ecosystem is critical.

A Community Safety Strategy is necessary. Our society remains a divided one and is becoming a more diverse one as a result of migration over the past decade. Community division creates tensions, prejudice, and can lead to criminal behaviour. Each incident increases the risk of many more.

The Municipality is currently liaising with the Provincial Safety and Liaison Department with regard to the re-establishment of the Community Safety Forum within the Municipality in terms of the White Paper on Safety and Security.

The Community Safety Forum is an important vehicle for facilitating the implementation of a multi-agency crime prevention initiative at local level. It involves participation of roleplayers in planning and implementing safety initiatives as well as coordinated responses by government departments, NGOs, CBOs and the private sector.

### **8.10.6 Impact of COVID-19 on Safety and Security Services**

The following impacts have been identified across the spectrum of Safety and Security Services. It should be noted that the Disaster Management component is dealt with separately in the beginning of this chapter.

- Traffic and Licensing Department was required to close the licensing section of their operations. This meant that learners and drivers licences as well traffic fines could not be processed.
- The traffic officers and metro police has played a large role in managing the implementation of the lockdown including checkpoints, road blocks, public order and social distancing.
- Emergency services have had to be alerted and trained in respect of dealing with COVID-19 call-outs. In addition, sanitisation and preventative measures have had to be ensured in case of infection from any emergency response.
- Reduction in human resources due to high-risk (60 and above and co-morbidity conditions) staff being unable to operate under COVID-19 regulations.
- Impact on staff attendance (Safety and Security being an essential service). Staff being tested positive, self-quarantined, or self-isolated place an added burden on the remaining staff.

## **8.11 CORPORATE SERVICES**

The Corporate Services function is an enabler of the entire institution. This section describes the main Corporate Services sub-functions and the impact of the COVID-19 pandemic on Corporate Services.

### **8.11.1 Facilities Management**

The Facilities Management function ensures adequate office accommodation and facilities with connectivity for staff and Councillors. In providing this interrelated service, the appointment of temporary contracting staff on building projects as part of job creation is considered.

With reference to increased vandalism to municipal property, the impact on planning for maintenance projects remains a strained process as approved funding for planned projects must be redirected to attend to emergency work in an effort to avoid any further damages taking place at various locations across the municipality.

Facilities Management therefore also forms part of the Anti-Vandalism Forum in the Municipality that is chaired by the Member of the Mayoral Committee for Corporate Services.

In relation to Facilities Management, together with relevant stakeholders an integrated Lease Management Strategy is being developed for the managing of leases of office space for Councillors and officials.

### **8.11.2 Asset Management**

The control, maintenance and safeguarding of all movable municipal assets is a responsibility of the various directorates and is monitored by the Corporate Services function.

The main challenge experienced is the high rate of theft and loss of municipal assets and weak internal controls in relation to the management of assets.

In order to ensure that movable municipal assets are properly controlled, managed, maintained and safeguarded, the following is done:

- Monthly reconciliation of assets purchased and bar coded.
- All directorates do annual verification of municipal assets.
- A report on unverified assets is submitted to Council.
- A report on theft and loss of assets is submitted to Council.
- Investigation into theft and the loss of municipal assets by the Safety and Security Directorate are undertaken.

### **8.11.3 Administration and Records Management**

A centralised records management system exists where all documents as well as official Committee meetings' agendas and minutes are archived and readily available.

### **8.11.4 Labour Relations**

Labour Relations is responsible for ensuring good relations and trust between the employer and employees, which is done through proactive labour engagement. It is further responsible for disciplinary matters relating to staff. This includes dealing with the administration and implementation of disciplinary cases at all relevant fora.

### **8.11.5 Corporate HR**

Corporate HR facilitates the implementation of performance management of officials below Executive Director level. The function develops, implements and monitors a staff establishment and further develops and implements human resource strategies and plans.

### **8.11.6 Human Resources Management Services**

The recruitment function involves advertising, long listing, short listing, interviews and interview arrangements, reference checks, employment agreement negotiations, appointments and induction of new staff members. In addition, HRMS deals with benefits administration i.e. allowances, termination of service and retirement aspects.

The Payroll Administration office operates independently as a stand-alone office, however it remains dependent on accurate information being submitted from all offices across the institution to capture payroll details prior to monthly payments being made.

### **8.11.7 Skills Development and Employment Equity**

An important function relates to training and development of support staff, political office-bearers as well as the unemployed graduates with the assistance of LGSETA funding.

The Employment Equity Plan approved in December 2020 will be operational until November 2023.

Each year the Workplace Skills Plan is revised by all directorates, consolidated by the Skills Development and Employment Equity sub-function and submitted to LGSETA by 30 April.

COVID-19 regulations have hampered training since their inception due to virtual training not being able to take place as a result of the training tender not having made provision for this category of training. This has also affected the service providers negatively.

### **8.11.8 MIS**

MIS as an enabler of efficient business processes provides connectivity and communication services to run corporate applications and WEB applications and to allow for batch processing. New developments and system maintenance is ongoing for financial and other critical requirements of all internal stakeholders.

The Municipality's approach to IT and a SMART City is contained in the ICT Strategy which focuses on digitisation. MIS aims to create and boost operational excellence through collaboration and other innovative ideas that promote "citizen-centricity".

The Municipality has invested in the MIS function by building an MPLS and IP network to provide cost effective data, voice and video services to all employees, Councillors and security services.

ICT infrastructure needs to be upgraded to ensure business continuity and disaster recovery. Immediate priorities include sourcing specialised support staff, network administrators and ICT security staff. In addition, tools of trade such as laptops and tablets need to be procured along with the upgrade of the network infrastructure and internet bandwidth.

In the medium-term (over the course of the next five years) MIS will focus on digital transformation or end-to-end business process automation.

### **8.11.9 Office of the Speaker**

The Office of the Speaker is responsible for communication with Councillors, welfare and accommodation of Councillors, processing the administration of Ward Discretionary Funds and scheduling and communication of Council meetings and events relating to Councillors.

### **8.11.10 Constituency Services**

This function is responsible for facilitation and coordination of the mainstreaming of children, disabled, elderly, women and youth in conjunction with line functioning Directorates.

Constituency Services must ensure that the gap between Ward Councillors and their constituencies is minimised. The servicing of municipal residents is essential for local governance and community participation in the affairs that affect their lives and is a prerequisite for the development of the sense of belonging and ownership of decisions taken by the Municipality.

Ward Committees and special sectors play a central role in the building of communities and deepening of local democracy. By virtue of their composition, Ward Committees and special sectors can provide the Municipality with insight into the dynamics of the local community. Whilst the initial focus is on developing capacity to interact on local government matters, it is foreseen that Ward Committees and special sectors will pay attention to building the local community. Training programmes must be developed and it is crucial that such courses or training programmes be accredited and recognised. Capacity building is to be an ongoing programme and will increase in complexity over time.

The population dynamics of Nelson Mandela Bay illustrate the different needs of various sectors amongst local residents. The youth, women, the aged, the disabled and children are the major responsibility of every sphere of government. Councillors and the City administration have the moral obligation to create a fair and prosperous society to address the competing needs of designated sectors.

The Constituency Services function is responsible for all public participation and consultation that needs to take place in relation to all functions of the Municipality such as the IDP and Budget.



Constituency Services maintains a register of all stakeholders that could be relevant to a particular consultation/participation engagement.

These include:

- 60 Ward Committees
- Special Sectors
- Organized Labour and Business
- Government Departments, parastatals and affected municipalities
- Councillors
- Municipal Shop Stewards Forum
- Executive Management

The Municipality mainstreams special sectors including children, people with disabilities, the elderly, women and youth through the Special Programmes Unit within Constituency Services.

#### **8.11.11 SWOT Analysis of Corporate Services**

The following is a SWOT Analysis of Corporate Services. The impacts of COVID-19 have severely weakened the Corporate Services function and these issues are discussed in the section below.

**FIGURE 28: SWOT Analysis of Corporate Services function**

<b>Strengths</b>	<b>Weaknesses</b>
<ul style="list-style-type: none"> <li>• Adequate resources for Council Support</li> <li>• Experienced staff members in various disciplines with institutional memory</li> </ul>	<ul style="list-style-type: none"> <li>• No succession planning</li> <li>• Inadequate qualifications</li> <li>• Poor work culture and ethic</li> <li>• Disintegrated ICT system</li> <li>• Low staff morale</li> </ul>

<ul style="list-style-type: none"> <li>• Effective Standard Operating Procedures for Council support</li> <li>• Annual stock-take of assets</li> <li>• Facilities, MIS and other staff attending to emergencies immediately upon its occurrence reduce impact of emergency as far as possible.</li> <li>• Provides all relevant officials in NMBM with cellphone connectivity – airtime and data as and when required for operational requirements.</li> <li>• All sub-directorates ensure ongoing compliance with COVID-19 regulations. (provision of PPEs and disinfecting of office spaces on a regular basis).</li> <li>• Communications office informs all connected (approximately 4000 users) to the internal network regarding all relevant information across the institution.</li> </ul>	<ul style="list-style-type: none"> <li>• Unfilled vacancies – taking into consideration that the removal of funding for filling of vacancies has a permanent impact.</li> <li>• Lack of up to date organisational structure.</li> <li>• High theft of assets and vandalism.</li> <li>• Challenges with the cascading of performance management below the level of Section 56 employees.</li> <li>• Breakdown in institutional Labour engagements through LLF, MUM and or any other platform.</li> <li>• Currently no training service providers to provide virtual training.</li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Build a new performance driven culture.</li> <li>• Cost saving on alignment and integration of ICT systems.</li> <li>• Motivated and productive workforce.</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>• Staff turnover.</li> <li>• Labour strikes.</li> <li>• Poor image and reputation.</li> <li>• Community protests.</li> <li>• Political instability.</li> <li>• Ageing staff profile.</li> </ul>

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>• Development of a SMART City (commencing with the transfer of IT systems to Microsoft).</li> <li>• Streamlining mSCOA processes among all municipal stakeholders.</li> <li>• Task team was established to consider how performance management will be cascaded to levels below Section 56 appointees.</li> </ul> |  |
|--|--|

#### **8.11.12 Impact of COVID-19 on Corporate Services**

The following impacts are identified across all sub-functions of Corporate Services. It will be important to deal with these impacts in order to create a stable institution that can take the City forward in terms of recovery of COVID-19.

- Corporate Services is working closely with the Department of Health to create an environment to support employers in combatting the disease. Regular inspections of workplaces including health care facilities are necessary to ensure safe and hygienic conditions. In this regard, Corporate Services is instrumental in implementing the COVID-19 Return to Work Plan that contains a number of policies and protocols necessary for the protection of staff.
- As a result of COVID-19, no training took place in the institution from March 2020 to June 2020. This has the effect that staff and political office bearers that should have been trained, were not trained and training is consequently delayed or cancelled. In this regard, budget has been lost.
- The effect of COVID-19 on labour matters necessitates virtual meetings to be convened when cases must be attended to as parties cannot all be in one venue due to the requirement of social distancing. This might cause further delays as all parties to a matter might not have access to the required IT platforms.

- In the case of internal disciplinary matters, delays might be even longer due to regulations identifying staff who should not be at work during various levels of the lockdown. This will impact on the turnaround time for the conclusion of disciplinary and other labour related matters.
- The impact of COVID-19 on the performance management system must still be determined. In order to ensure that social distancing is applied, staff of 60 years and older as well as those with comorbidities are not allowed in the work place for any level above Level 1 of lockdown. The levels of lockdown vary depending on the state of the pandemic. The levels of lockdown also affect staff working on a rotational or shift basis and the number of staff members working from home.
- A new monitoring system will have to be developed to track performance of staff; hence, a revision of this process and implementation will have to be undertaken.
- The delivery of education and training (skills development) will change. Various education and training delivery options are already available in different forms, such as distance learning; however, the “new normal” will, for example, include virtual training and development, which, in itself, still undergoes significant teething problems before it can be successfully implemented.
- The impact of COVID-19 resulted in a moratorium being placed on recruitment processes, which has only recently been lifted.
- COVID-19 has required the Municipality to become more technologically advanced and for users to become knowledgeable about digital platforms and technology.
- The effect of COVID-19 has created an urgency to invest in Human Capital and infrastructure. The re-structuring of the MIS (IT) sub-directorate, the development and revision of policies will address security and access control for off-site connections.
- Connectivity is required to be enhanced through data communication tools (laptops, tables, smart phones, etc.) and digitisation of all paper based forms, memo’s and requisitions. This is to replace paper-based forms and systems. This will require considerable investment.
- The promotion of electronic payments by citizens and business via EFT’s, chain stores and mobile applications must be intensified.

## **8.12 OFFICE OF THE CHIEF OPERATING OFFICER**

The Office of the Chief Operating Officer is an extension of the Office of the City Manager. It is responsible for providing strategic support services to ensure that the Municipality delivers on its mandate in an integrated and coordinated manner.

It strives to achieve good governance by promoting responsiveness to community needs, accountability, transparency and compliance with legal and regulatory prescripts. In this regard, it manages the strategic, transversal and integrated planning processes of the Municipality, ensures that the focus remains on the customer by continuously engaging in planning, implementation and review processes.

The Office ensures good corporate governance through its various Sub-directorates, namely Integrated Development Planning; Strategic Planning and Coordination, Legal Services; Monitoring and Evaluation; Policy, Strategy and Research; Risk Management, International and Intergovernmental Relations and Expanded Public Works Programme.

The following functions are performed within the Office of the Chief Operating Officer:

### **Strategic**

- Manage the development, implementation and review of the Municipality's vision, long-term strategy and the Integrated Development Plan (IDP).
- Ensure that all institutional strategies are aligned to the IDP and long-term strategy.
- Manage the development, implementation and review of corporate strategies and policies.
- Develop and manage the implementation of institutional customer care initiatives.
- Provide for the prioritisation and coordination of planning, budgeting and implementation efforts in line with strategic planning.

- Provide for the coordination of sectoral activities within the Metro.
- Monitor, evaluate and report to internal municipal structures, other spheres of government and the public on the implementation of the Integrated Development Plan, other strategies and the Budget.
- Manage the development and implementation of external relations between the Municipality, stakeholders, other spheres of government and international partners to achieve alignment with the Council's priorities, as expressed in its IDP.
- Identify potential and/or existing control weaknesses and assess the adequacy of the control governance processes in the institution and recommend remedial actions.
- Manage the development and implementation of the Corporate Risk Management Strategy.

### **Operational**

- Manage the development and implementation of the institutional Performance Management System and directorate operational plans (Service Delivery and Budget Implementation Plans).
- Co-ordinate institution-wide projects and programmes.
- Undertake institution-wide research to support the development and implementation of institutional strategies.
- Ensure the design and implementation of operational improvement initiatives.
- Coordinate and report on capital grants on behalf of the institution.
- Develop and monitor the Council Resolutions Monitoring Matrix.
- Ensure that the Municipality complies with all applicable legal and regulatory requirements.
- Provide institution-wide legal support to the Executive and Council, to ensure informed decision-making.
- Coordinate the Expanded Public Works Programme in the institution.

### **8.12.1 Impact of COVID-19 on the operations of the Office of the Chief Operating Officer**

The main impacts of COVID-19 on the Office of the Chief Operating Officer is detailed below:

- The Office of the Chief Operating Officer is responsible for the coordination of strategic functions in the Municipality. This involves the IDP, BEPP, Performance Management System and the Strategic Planning Steering Committee. From time to time, since the COVID-19 pandemic began, functions have been impacted through the inconsistency with regard to holding meetings both virtually and in person. This has caused delays and compromised processes through the need to create alternative mechanisms that involve digitisation, virtual solutions, social distancing and compliance with other COVID-19 regulations.
- Legal matters that the Council was involved in were delayed through the closure of the Courts in 2020 and the phased return to work in the legal and municipal sectors. This has delayed some critical legal matters.
- Not all staff has been able to work at full capacity since the COVID-19 pandemic began. This has inevitably impacted on the productivity of the Office.
- Risk profiles and risk management have had to be re-evaluated as the COVID-19 pandemic and its impacts were not anticipated or dealt with. Work is still required in developing and institutionalising a full risk register for COVID-19 and similar events. The full scale of risks is still unfolding as the pandemic progresses. Most risk mitigation will involve a cost to the Municipality.
- As the Office of the Chief Operating Officer is an extension of the Office of the City Manager, the demands on the Office for COVID-19 related work which has received priority since before the lockdown have been intense.

This chapter deals with the alignment of the Performance Management System of the Municipality with the strategic objectives that have been identified for the 2021/22 IDP. It is to be noted that some of the strategic objectives will relate directly to the COVID-19 pandemic. This is important as the pandemic has had far reaching effects on Local Government in general including Nelson Mandela Bay. The City therefore has to apply extra-ordinary measures to overcome the impact of the virus within the City as well as create a platform for recovery from the impacts experienced and still to be experienced.

Notwithstanding the above, the devastating impact of the pandemic will be felt for many years to come.

The Performance Management System achieves the implementation of the strategic objectives mainly through Circular 88 outcome indicators as well as targets in the performance agreements of senior managers. This IDP identifies Circular 88 and other outcome indicators. A subsequent process after the approval of the IDP is to identify those targets which will be placed in the performance agreements of senior managers to further the achievement of the strategic objectives identified.

The table below identifies the level at which the achievement of the strategic objectives will be monitored, namely at an Outcome level (IDP) and / or Output level (SDBIP and/or subsequent performance scorecard).



**TABLE 32: Alignment of strategic objectives and outcome indicators**

Objective	Indicator level
a) Prioritise a COVID-19 response and recovery in order to minimise the negative impact on Nelson Mandela Bay across all sectors which includes working with all stakeholders towards an effective roll-out of the COVID-19 vaccine in line with the government programme.	Monitored through Output Level Indicators
b) Leverage all partnerships with stakeholders in Nelson Mandela Bay to promote COVID-19 stabilisation and recovery and continue these partnerships into the future.	Monitored through Output Level Indicators
c) Prioritise a drought response and recovery in order to mitigate against the impacts of the drought and ensure water security in the future.	52, 53, 55, 56, 57, 60, 61, 63 and 64  (also monitored through Output Level Indicators)
d) The acceleration of the provision of basic services to all communities through the transformation of institutional systems, processes and organisational structure to high performance in order to effectively deliver basic services.	Monitored through Output Level Indicators
e) Ensure that the municipality is staffed throughout with a motivated, committed and capable workforce within available resources.	Monitored through Output Level Indicators
f) Ensure financial prudence and transparent governance and work towards eradicating corruption.	20, 23, 25, 28, 30 and 31
g) Respond to the COVID-19 economic impacts by stabilising and ensuring recovery of the Nelson Mandela Bay economy with a view to grow and diversify the local economy by attracting new investment and facilitating an enabling environment for business growth and job creation.	40, 41, 43, 44, 45, and 46  (also monitored through Output Level Indicators)
h) Develop an effective and integrated public transport system that promotes access to opportunity through mobility.	47, 48, 49, 50 and 51  (also monitored through Output Level Indicators)

Objective	Indicator level
i) Deliver well-resourced and capacitated disaster management, policing and emergency services in order to ensure the safety of communities and visitors and leverage community and civic partnerships.	21 and 22  (also monitored through Output Level Indicators)
j) To improve public confidence and trust in the leadership of the City through inter alia institutional accessibility, effective communication channels for participatory and responsive governance.	24, 25, 26, 27, 28 and 29  (also monitored through Output Level Indicators)
k) Provide a built environment that promotes integration, inclusivity and accessibility.	20, 25, 32, 34, 36, 37, 38, 43, 44, 45, 46, 47, 48, 49, 52 and 53  (also monitored through Output Level Indicators)
l) Deliver on transformation objectives, promote redress and foster social cohesion.	Monitored through Output Level Indicators
m) Provide for the health, well-being and social needs of communities and empowerment of vulnerable people through provision of access to social services, social development and indigent support particularly taking the COVID-19 context into account.	1, 2, 25, 32, 34, 37, 38, 48, 49, 52 and 54  (also monitored through Output Level Indicators)
n) Provide dignified housing and sanitation and accelerate access to improved services to indigent households in order to create safe and decent living conditions for all residents..	1, 2, 13, 32, 33, 34, 35, 36, 37, 38, 48, 52 and 53  (also monitored through Output Level Indicators)
o) Ensure proactive planning for sustainable city development, conservation of resources and natural and built environment..	Monitored through Output Level Indicators
p) Drive human development and socio-economic transformation and well-being of sport, recreation, arts and cultural services through the provision of world-class sport, recreation, arts and cultural infrastructure.	37, 38 and 47  (also monitored through Output Level Indicators)
q) Ensuring that planning, budgeting and development, both internal and external to the Municipality is done by taking into consideration all dimensions of sustainability.	Monitored through Output Level Indicators

## **9.1 OUTCOME INDICATORS**

The use of Outcome Indicators in integrated development planning is aimed at ensuring measurability of development initiatives undertaken by various stakeholders within Nelson Mandela Bay. Furthermore, it ensures accountability of municipal decision-makers.

The following tables mainly include Circular 88 Outcome Indicators. Circular 88 indicators apply to all municipalities in South Africa and have been developed by National Treasury through an inclusive process. In addition to the outcome indicators identified in National Treasury's Circular 88, Nelson Mandela Bay Municipality has identified and will continue to identify indicators to be measured within the institution to ensure achievement of the strategic objectives that have been identified.

**Energy and Electricity**

Outcome	NT / MSA REF	Indicator NO	Outcome Indicators	YEAR 1 TARGET (2017/18 BASELINE)	YEAR 2 TARGET (2018/19)	YEAR 3 TARGET (2019/20)	YEAR 3 ACTUAL PERFORMANCE (2019/20)	YEAR 4 TARGET (2020/21)	YEAR 5 TARGET (2021/22)	SDBIP KPA	NT / MSA REF	KPI NO	Output Indicators	Baseline (2019/20)	Draft Target (2021/22)	SDBIP Reporting Directorate
EE1. Improved access to electricity	EE1.1 / REG 10(a)	1	Percentage of households with access to electricity	88.9%  (2017/18 General Household Survey)	89%	84%	92.3% (2018/19 General Household Survey)	92.3%	94%	KPA 1	EE1.11	1	Number of dwellings provided with connections to the mains electricity supply by the municipality	124 (formal: state subsidised) 216 (formal: residential) 850 (informal)	1393	EE
										KPA 1	EE1.13	2	Percentage of valid customer applications for new electricity connections processed in terms of municipal service standards	New KPI	30%	EE
EE2. Improved affordability of electricity	EE2.1	2	Percentage of households with electricity connections receiving Free Basic Electricity	24%  (2017/18 General Household Survey)	20%	18%	27% (2018/19 General Household Survey)	27%	25%	KPA 1	EE2.11	3	Percentage of total residential electricity provision allocated as Free Basic Electricity (FBE)	6%	7%	EE

Outcome	NT /MSA REF	Indicator NO	Outcome Indicators	YEAR 1 TARGET (2017/18 BASELINE)	YEAR 2 TARGET (2018/19)	YEAR 3 TARGET (2019/20)	YEAR 3 ACTUAL PERFORMANCE (2019/20)	YEAR 4 TARGET (2020/21)	YEAR 5 TARGET (2021/22)	SDBIP KPA	NT /MSA REF	KPI NO	Output Indicators	Baseline (2019/20)	Draft Target (2021/22)	SDBIP Reporting Directorate
EE3. Improved reliability of electricity service	EE3.1	3	System Interruption Index Average Duration	New Indicator	Accurate reporting system implemented	7 kVA hrs	6.47 kVA hrs	6.47 kVA hrs	6 kVA hrs	KPA 1	EE3.11	4	Percentage of unplanned outages that are restored to supply within industry standard timeframes	98% within 24 hours (For the period 1 April 2020 - 30 June 2020)  <u>Amended to:</u>  The inclusion of this KPI in the SDBIP is regulated by National Treasury. Since the Municipality does not have an adequate system in place to record and track power outages, no target could be set which would comply with the audit criteria specified by the Auditor General.  NOTE: Key Performance Indicator / targets were amended in line with Council approved Adjustments Budget dated 27 February 2020 and Executive Mayoral Committee Resolution for Council to approve corresponding amendments to the 2019/20 SDBIP.	98% within 24 hours (For the period 1 April 2022 - 30 June 2022)	EE
EE3. Improved reliability of electricity service	EE3.2	4	Customer Interruption Index Average Duration	New Indicator	Accurate reporting system implemented	3 kVA hrs	3.6 kVA hrs	3.6 kVA hrs	3 kVA hrs	KPA 1	EE3.21	5	Percentage of planned maintenance performed	81.76%	95%	EE
EE3. Improved reliability of electricity service	EE3.3	5	System Interruption Index Average Frequency	New Indicator	Accurate reporting system implemented	5 kVA hrs	1.82 kVA hrs	1.82 kVA hrs	1 kVA hr	NO OUTPUT INDICATOR PROPOSED						

Outcome	NT /MSA REF	Indicator NO	Outcome Indicators	YEAR 1 TARGET (2017/18 BASELINE)	YEAR 2 TARGET (2018/19)	YEAR 3 TARGET (2019/20)	YEAR 3 ACTUAL PERFORMANCE (2019/20)	YEAR 4 TARGET (2020/21)	YEAR 5 TARGET (2021/22)	SDBIP KPA	NT /MSA REF	KPI NO	Output Indicators	Baseline (2019/20)	Draft Target (2021/22)	SDBIP Reporting Directorate
EE3. Improved reliability of electricity service	EE3.4	6	Customer Average Interruption Frequency Index	New Indicator	Accurate reporting system implemented	This indicator cannot be determined with the approximation method. The Municipality does not have a system in place to measure the number of municipal electricity customers interrupted.										
EE4. Improved energy sustainability	EE4.1	7	Renewable energy capacity available within the municipal jurisdiction as a percentage of Eskom supply capacity to the municipality	New Indicator	1.5%	1.75%	5.16%	5.16%	6%	KPA 1	EE4.12	6	Installed capacity of approved embedded generators on the municipal distribution network	4.1MW	4.1MW	EE
EE4. Improved energy sustainability	EE 4.4	8	Percentage total electricity losses	13.95%	12.8%	11.8%	13.43%	13%	12.8%	NO OUTPUT INDICATOR PROPOSED						

## Environment and Waste

Outcome	NT / MSA REF	Indicator NO	Outcome Indicators	YEAR 1 TARGET (2017/18 BASELINE)	YEAR 2 TARGET (2018/19)	YEAR 3 TARGET (2019/20)	YEAR 3 ACTUAL PERFORMANCE (2019/20)	YEAR 4 TARGET (2020/21)	YEAR 5 TARGET (2021/22)	SDBIP KPA	NT / MSA REF	KPI NO	Output Indicators	Baseline (2019/20)	Draft Target (2021/22)	SDBIP Reporting Directorate
ENV1. Improved air quality	ENV1.1	9	Annual number of days with GOOD air quality	New Indicator introduced for 2021/22			300	300	300	KPA 1	ENV1.12	7	Percentage of AQ monitoring stations providing adequate data over a reporting year	20%	20%	PH
ENV1. Improved air quality	ENV 1.3	10	Percentage of households experiencing a problem with noise pollution	0.03%	0.03%	0.02%	3.62%	3.62%	3%	NO OUTPUT INDICATOR PROPOSED						
ENV2. Minimised solid waste	ENV2.1	11	Tonnes of municipal solid waste sent to landfill per capita	0.03 tonnes	0.34 tonne	0.5 tonnes	0.34 tonnes	0.4 tonnes	0.5 tonnes	NO OUTPUT INDICATOR PROPOSED						
ENV2. Minimised solid waste	ENV2.2	12	Tonnes of municipal solid waste diverted from landfill per capita	New Indicator	0.24 tonnes	0.48 tonnes	0.0009 tonnes	0.24 tonnes	0.48 tonnes	NO OUTPUT INDICATOR PROPOSED						
ENV3. Increased access to refuse removal	ENV3.1 / REG 10(a)	13	Percentage of households with basic refuse removal services or better	87% (2017/18 General household survey)	87%	89%	88.5% (2018/19 General household survey)	90%	92%	KPA 1	ENV 3.11	8	Percentage of known informal settlements receiving basic refuse removal services	74%	100%	PH
ENV3. Increased access to refuse removal	ENV 3.2	14	Percentage of scheduled waste service users reporting non-collection	New Indicator introduced for 2021/22			0.06%	0.06%	0.06%	NO OUTPUT INDICATOR PROPOSED						
ENV4. Biodiversity is conserved and enhanced	ENV4.1	15	Ecosystem/vegetation type threat status	New Indicator	Vulnerable	Vulnerable	Vulnerable	Vulnerable	Vulnerable	KPA 1	ENV4.11	9	Percentage of biodiversity priority area within the municipality	62%	62%	PH

Outcome	NT / MSA REF	Indicator NO	Outcome Indicators	YEAR 1 TARGET (2017/18 BASELINE)	YEAR 2 TARGET (2018/19)	YEAR 3 TARGET (2019/20)	YEAR 3 ACTUAL PERFORMANCE (2019/20)	YEAR 4 TARGET (2020/21)	YEAR 5 TARGET (2021/22)	SDBIP KPA	NT / MSA REF	KPI NO	Output Indicators	Baseline (2019/20)	Draft Target (2021/22)	SDBIP Reporting Directorate
ENV4. Biodiversity is conserved and enhanced	ENV4.2	16	Ecosystem/vegetation type protection level	New Indicator	Well represented	Well represented	Well represented	Well represented	Well represented	KPA 1	ENV4.21	10	Percentage of biodiversity priority areas protected	8.64%	8.64%	PH
ENV5. Coastal and inland water resources maintained	ENV5.1	17	Recreational water quality (coastal)	100%	100%	100%	100%	100%	100%	KPA 1	ENV5.11	11	Percentage of coastline with protection measures in place	New KPI	TBD	PH / SRAC
										KPA 1		ENV5.12	12	Number of coastal water samples taken for monitoring purposes	New KPI	150 samples
ENV5. Coastal and inland water resources maintained	ENV5.2	18	Recreational water quality (inland)	100%	100%	100%	100%	100%	100%	KPA 1	ENV5.21	13	Number of inland water samples tested for monitoring purposes	New KPI	TBD	PH / SRAC



## Financial Management

Outcome	NT / MSA REF	Indicator NO	Outcome Indicators	YEAR 1 TARGET (2017/18 BASELINE)	YEAR 2 TARGET (2018/19)	YEAR 3 TARGET (2019/20)	YEAR 3 ACTUAL PERFORMANCE (2019/20)	YEAR 4 TARGET (2020/21)	YEAR 5 TARGET (2021/22)	SDBIP KPA	NT / MSA REF	KPI NO	Output Indicators	Baseline (2019/20)	Draft Target (2021/22)	SDBIP Reporting Directorate
Sound financial management	N/A	19	Credit rating	New Indicator	Aaa.za	Aaa.za	Aaa.za	Aaa.za	Aaa.za	KPA 4	REG 10(g)(iii)	14	Cost coverage ratio	3.79 months	3 months	B&T
										KPA 4		15	Outstanding service debtors to revenue ratio	27.58%	30%	B&T
										KPA 4		16	Debt coverage ratio	41.16 times	50 times	B&T
Sound financial management	REG 10(c)	20	Percentage of Municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the Municipality's integrated development plan	85.96%	95%	95%	56.12%	95%	95%	KPA 4	N/A	17	% of the Municipality's Capital Budget actually spent	56.12%	95%	CM
										KPA 4		18	% of Mandela Bay Development Agency's Capital Budget actually spent	New KPI	95%	CM

## Fire and Disaster Services

Outcome	NT / MSA REF	Indicator NO	Outcome Indicators	YEAR 1 TARGET (2017/18 BASELINE)	YEAR 2 TARGET (2018/19)	YEAR 3 TARGET (2019/20)	YEAR 3 ACTUAL PERFORMANCE (2019/20)	YEAR 4 TARGET (2020/21)	YEAR 5 TARGET (2021/22)	SDBIP KPA	NT / MSA REF	KPINO	Output Indicators	Baseline (2019/20)	Draft Target (2021/22)	SDBIP Reporting Directorate
FD1. Mitigated effects of fires and disasters	FD 1.1	21	Number of fire related deaths per 100 000 population	3.25 : 100 000  (41 x deaths per 1 271 776 population)  (2016 / 2017 population statistics)	3.16 : 100 000  (40 x deaths per 1 271 776 population)	3.09 : 100 000  (39 x deaths per 1 271 776 population)	5.58 : 100 000  (71 x deaths per 1 271 776 population)	2.98 : 100 000  (38 x deaths per 1 271 776 population)	2.98 : 100 000  (38 x deaths per 1 271 776 population)	KPA 1	FD 1.11	19	Percentage compliance with the required attendance time for structural firefighting incidents	63.76%	75%	S&S
FD1. Mitigated effects of fires and disasters	FD 1.2	22	Number of disaster and extreme weather-related deaths per 100 000 population	New Indicator introduced for 2021/22			18.87 : 100 000  (240 x Covid 19 deaths per 1 271 776 population)	229.28 : 100 000  (2916 x Covid 19 deaths per 1 271 776 population)	0 : 100 000	NO OUTPUT INDICATOR PROPOSED						

**Governance**

Outcome	NT / MSA REF	Indicator NO	Outcome Indicators	YEAR 1 TARGET (2017/18 BASELINE)	YEAR 2 TARGET (2018/19)	YEAR 3 TARGET (2019/20)	YEAR 3 ACTUAL PERFORMANCE (2019/20)	YEAR 4 TARGET (2020/21)	YEAR 5 TARGET (2021/22)	SDBIP KPA	NT / MSA REF	KPI NO	Output Indicators	Baseline (2019/20)	Draft Target (2021/22)	SDBIP Reporting Directorate
GG1. Improved municipal capability	GG 1.1	23	Percentage of municipal skills development levy recovered	New Indicator	60%	65%	32.98%	65%	65%	KPA 4	REG 10(f)	20	% of the Municipality's budget actually spent on implementing its Workplace Skills Plan	0.04399%	0.06%	CM
GG1. Improved municipal capability	GG 1.2	24	Top Management Stability	73% of working days as at 31 March 2018 (CM position and 7 Senior Manager positioned filled) 3 x Senior Manager positions vacant (Budget and Treasury, Public Health, Electricity and Energy)	100% of working days	100% of working days	46% of working days	100% of working days	100% of working days	KPA 4	GG 1.21	21	Staff vacancy rate	20%	10%	CM
										KPA 2	GG 1.22	22	Percentage of vacant posts filled within 3 months	New KPI	20%	CS
										KPA 2	REG 10(e)	23	Number of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan	7 (7 of the 9 Section 56 Managers; 0 of 4 Strategic Skilled Level Managers)	6 (1 City Manager; 1 Section 56 Managers Executive Director: Infrastructure and Engineering 4 Strategic Skilled Level Managers)	CM
GG2. Improved municipal responsiveness	GG 2.1	25	Percentage of ward committees that are functional (meet four times a year, are quorate, and have an action plan)	100% as at 31 March 2018	100%	100%	100%	100%	100%	KPA 5	GG 2.11	24	Percentage of ward committees with 6 or more ward committee members (excluding the ward councillor)	0%	100%	CS
										KPA 5	GG 2.12	25	Percentage of wards that have held at least one councillor-convened community meeting	0 per ward per quarter  (No Councillor-convened community meetings were held)	100%	CS

Outcome	NT /MSA REF	Indicator NO	Outcome Indicators	YEAR 1 TARGET (2017/18 BASELINE)	YEAR 2 TARGET (2018/19)	YEAR 3 TARGET (2019/20)	YEAR 3 ACTUAL PERFORMANCE (2019/20)	YEAR 4 TARGET (2020/21)	YEAR 5 TARGET (2021/22)	SDBIP KPA	NT /MSA REF	KPI NO	Output Indicators	Baseline (2019/20)	Draft Target (2021/22)	SDBIP Reporting Directorate	
GG2. Improved municipal responsiveness	GG 2.2	26	Attendance rate of municipal council meetings by recognised traditional and Khoi-San leaders	N/A (Traditional Leaders do not currently attend municipal council meetings)					NO OUTPUT INDICATOR PROPOSED								
GG2. Improved municipal responsiveness	GG2.3	27	Protest incidents reported per 10 000 population	New Indicator introduced for 2021/22			0.8 protests per 1 263 051 population	0.8 protests per 1 263 051 population	1.2 protests per 1 263 051 population	KPA 1	GG2.31	26	Percentage of official complaints responded to through the municipal complaint management system	New KPI	75% (April 2022 – June 2022)	CM	
GG3. Improved municipal administration	GG 3.1	28	Audit Opinion	Qualified Audit Opinion in respect of 2016/17	Unqualified audit report received from the Auditor General	Unqualified audit report received from the Auditor General	Qualified Audit Opinion in respect of 2019/20	Unqualified audit report received from the Auditor General	Clean audit Outcome received from the Auditor General	KPA 5	GG 3.11	27	Number of repeat audit findings	50 by March 2020  (Reduced from the 87 2017/18 repeat audit findings issued by the Auditor General)	TBD	CM	
										KPA 4	GG 3.12	28	Percentage of councillors who have declared their financial interests	61,6%	100%	CM	
GG4. Improved council functionality	GG 4.1	29	Percentage of councillors attending council meetings	95.77% (2016/17)	95.8%	95.8%	97,7%	98%	98%	KPA 5	GG 4.11	29	Number of agenda items deferred to the next council meeting	28	5	CS	
GG5. Zero tolerance of fraud and corruption	GG 5.1	30	Number of alleged fraud and corruption cases reported per 100 000 population	1.3 alleged cases per 100 000 population	1.3 alleged cases per 100 000 population	1.3 alleged cases per 100 000 population	1.5: 100 000 population	1.3 alleged cases per 100 000 population	1.3 alleged cases per 100 000 population	KPA 5	GG 5.11	30	Number of active suspensions longer than three months	2	0	CM	
										KPA 4	GG 5.12	31	Quarterly salary bill of suspended officials	R3,435,435.00	R 4 million	CM	

Outcome	NT /MSA REF	Indicator NO	Outcome Indicators	YEAR 1 TARGET (2017/18 BASELINE)	YEAR 2 TARGET (2018/19)	YEAR 3 TARGET (2019/20)	YEAR 3 ACTUAL PERFORMANCE (2019/20)	YEAR 4 TARGET (2020/21)	YEAR 5 TARGET (2021/22)	SDBIP KPA	NT /MSA REF	KPI NO	Output Indicators	Baseline (2019/20)	Draft Target (2021/22)	SDBIP Reporting Directorate
GG5. Zero tolerance of fraud and corruption	GG5.2	31	Number of dismissals for fraud and corruption per 100 000 population	0.4 number of dismissals per 100 000 population	0	0	0	0	0				NO OUTPUT INDICATOR PROPOSED			

## Housing and Community Facilities

Outcome	NT / MSA REF	Indicator NO	Outcome Indicators	YEAR 1 TARGET (2017/18 BASELINE)	YEAR 2 TARGET (2018/19)	YEAR 3 TARGET (2019/20)	YEAR 3 ACTUAL PERFORMANCE (2019/20)	YEAR 4 TARGET (2020/21)	YEAR 5 TARGET (2021/22)	SDBIP KPA	NT / MSA REF	KPI NO	Output Indicators	Baseline (2019/20)	Draft Target (2021/22)	SDBIP Reporting Directorate		
HS1. Improved access to adequate housing	HS1.1	32	Percentage of households living in adequate housing	94%	94.8%	95.6%	92.32%	96.4%	97.2%	KPA 1	HS1.11	32	Number of subsidised housing units constructed using various Human Settlements Programmes	0	356	HS		
										KPA 1			HS1.12	33	Number of serviced sites	0	1393	CM
										KPA 1					HS1.13	34	Hectares of land acquired for human settlements in Priority Housing Development Areas	New KPI
HS1. Improved access to adequate housing	HS1.2	33	Title deed backlog ratio	New Indicator introduced for 2021/22			0 : 22918	0 : 22738	356 : 22488	KPA 1	HS1.22	35	Number of title deeds registered to beneficiaries	New KPI			250	HS
HS1. Improved access to adequate housing	HS1.3	34	Percentage of informal settlements upgraded to Phase 3	New Indicator introduced for 2021/22				4.76%	(for the period 1 July 2021 – 30 June 2022)	KPA 1			HS1.31	36	Number of informal settlements assessed (enumerated and classified)	0 (Count was completed in the 2017/18 financial year)	0 (Count was completed in the 2017/18 financial year)	HS
										KPA 1	HS1.32	37			Number of informal settlements upgraded to Phase 2	New KPI	6 (01 July 2021 – 30 June 2022)	HS
HS2. Improved functionality of the residential property market	HS2.2	35	Percentage of residential properties in the subsidy market	94%	94%	94%	62.47%	94%	94%	KPA 3	HS2.21	38	Number of rateable residential properties in the subsidy housing market entering the municipal valuation roll	0	356	B&T / HS		
										KPA 3			HS2.22	39	Average number of days taken to process residential building applications of 500 square meters or less	New KPI	30 days (legislative timeline)	HS

Outcome	NT /MSA REF	Indicator NO	Outcome Indicators	YEAR 1 TARGET (2017/18 BASELINE)	YEAR 2 TARGET (2018/19)	YEAR 3 TARGET (2019/20)	YEAR 3 ACTUAL PERFORMANCE (2019/20)	YEAR 4 TARGET (2020/21)	YEAR 5 TARGET (2021/22)	SDBIP KPA	NT /MSA REF	KPI NO	Output Indicators	Baseline (2019/20)	Draft Target (2021/22)	SDBIP Reporting Directorate
HS2. Improved functionality of the residential property market	HS3.3	36	Percentage of households living in formal dwellings who rent	18.84% (STATSSA 2011)	19%	20%	18.47%	20%	20%				NO OUTPUT INDICATOR PROPOSED			
HS3. Increased access to and utilisation of social and community facilities	HS3.5	37	Percentage utilisation rate of community halls	60%	60%	60%	43%	70%	80%				NO OUTPUT INDICATOR PROPOSED			
HS3. Increased access to and utilisation of social and community facilities	HS3.6	38	Average number of library visits per library	33.1	34.4	39.4	35.6	40.9	42.6				NO OUTPUT INDICATOR PROPOSED			
HS3. Increased access to and utilisation of social and community facilities	HS3.7	39	Percentage of municipal cemetery plots available	New Indicator introduced for 2021/22			10.2%	11.4%	15%				NO OUTPUT INDICATOR PROPOSED			

## Local Economic Development

Outcome	NT / MSA REF	Indicator NO	Outcome Indicators	YEAR 1 TARGET (2017/18 BASELINE)	YEAR 2 TARGET (2018/19)	YEAR 3 TARGET (2019/20)	YEAR 3 ACTUAL PERFORMANCE (2019/20)	YEAR 4 TARGET (2020/21)	YEAR 5 TARGET (2021/22)	SDBIP KPA	NT / MSA REF	KPI NO	Output Indicators	Baseline (2019/20)	Draft Target (2021/22)	SDBIP Reporting Directorate
LED1. Growing inclusive local economies	LED1.1	40	Gross Value Added (GVA) by the municipality per capita	New Indicator introduced for 2021/22			R88,119.96	R88,119.96	R88,119.96	KPA 3	LED1.11	40	Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area	New KPI	65%	CM
										KPA 3	N/A	41	% achievement of the Mandela Bay Development Agency's 2021/22 Key Performance Indicators as reflected in / annexed to MBDA's Business Plan	69.57%	80%	CM
LED1. Growing inclusive local economies	LED1.2	41	Employment rate in the municipal area	New Indicator introduced for 2021/22			36.8%	36.8%	36.8%	KPA 3	LED121 / REG 10(d)	42	Number of work opportunities created by the municipality through Public Employment Programmes (incl. EPWP, CWP and other related employment programmes)	6900  Amended to:  6523  (in line with verified information)	7073	CM
										KPA 3	LED 1.31	43	Number of individuals connected to apprenticeships and learnerships through municipal interventions	New KPI	30	CS



Outcome	NT /MSA REF	Indicator NO	Outcome Indicators	YEAR 1 TARGET (2017/18 BASELINE)	YEAR 2 TARGET (2018/19)	YEAR 3 TARGET (2019/20)	YEAR 3 ACTUAL PERFORMANCE (2019/20)	YEAR 4 TARGET (2020/21)	YEAR 5 TARGET (2021/22)	SDBIP KPA	NT /MSA REF	KPI NO	Output Indicators	Baseline (2019/20)	Draft Target (2021/22)	SDBIP Reporting Directorate
LED2. Improved levels of economic activity in municipal economic spaces	LED 2.1	42	Rates revenue as a percentage of the total revenue of the municipality	New Indicator introduced for 2021/22			26.2%	26.2%	26.6%	KPA 4	LED2.11	44	Percentage of budgeted rates revenue collected	New KPI	85%	B&T
										KPA 3	LED 2.12	45	Percentage of the municipality's operating budget spent on indigent relief for free basic services	4.41%	5.62%	CM
										KPA 3	REG 10(b)	46	Percentage of households earning less than R3720 per month with access to free basic services	100%	100%	B&T
LED2. Improved levels of economic activity in municipal economic spaces	LED 2.2	43	Rateable value of commercial and industrial property per capita	New Indicator introduced for 2021/22			R36 464.71	R36 464.71	R36 464.71	NO OUTPUT INDICATOR PROPOSED						
LED3. Improved ease of doing business within the municipal area	N/A	44	Cost of applying for a construction permit as a percentage of business value	New Indicator introduced for 2021/22					2.6%	KPA 3	LED3.11	47	Average time taken to finalise business license applications	New KPI	30 working days (upon receipt of a complete application)	PH
										KPA 3	LED 3.12	48	Average time taken to finalise informal trading permits	New KPI	14 days	EDTA
										KPA 3	LED 3.13	49	Average number of days taken to process building application of 500 square meters or more	New KPI	30 days	HS
LED3. Improved ease of doing business within the municipal area	LED3.2	45	Average cost to transfer a property as a percentage of total property value	New Indicator introduced for 2021/22				R121.59		KPA 3	LED3.21	50	Percentage of revenue clearance certificates issued within 10 working days from the time of completed application received	New KPI	100%	B&T

Outcome	NT / MSA REF	Indicator NO	Outcome Indicators	YEAR 1 TARGET (2017/18 BASELINE)	YEAR 2 TARGET (2018/19)	YEAR 3 TARGET (2019/20)	YEAR 3 ACTUAL PERFORMANCE (2019/20)	YEAR 4 TARGET (2020/21)	YEAR 5 TARGET (2021/22)	SDBIP KPA	NT / MSA REF	KPI NO	Output Indicators	Baseline (2019/20)	Draft Target (2021/22)	SDBIP Reporting Directorate
LED3. Improved ease of doing business within the municipal area	N/A	46	R value of investments attracted to the Municipality	New Indicator introduced for 2021/22					R50 million	KPA 3	LED3.31	51	Average number of days from the point of advertising to the letter of award per 80/20 procurement process	New KPI	90 days	B&T
				KPA 4	LED3.32	52	Percentage of municipal payments made to service providers who submitted complete forms within 30-days of invoice submission	New KPI		80%			CM			

## Transport and Roads

Outcome	NT / MSA REF	Indicator NO	Outcome Indicators	YEAR 1 TARGET (2017/18 BASELINE)	YEAR 2 TARGET (2018/19)	YEAR 3 TARGET (2019/20)	YEAR 3 ACTUAL PERFORMANCE (2019/20)	YEAR 4 TARGET (2020/21)	YEAR 5 TARGET (2021/22)	SDBIP KPA	NT / MSA REF	KPI NO	Output Indicators	Baseline (2019/20)	Draft Target (2021/22)	SDBIP Reporting Directorate
TR 4. Improved satisfaction with public transport services	TR4.2	47	Percentage of respondents indicating that they believe public transport to be "reliable"	New Indicator	50%	55%	No Data available (Stats SA)	60%	65%	KPA 1	TR4.21	53	Percentage of municipal bus services 'on time'	80% (Cleary Park / Town Route)	80% (Cleary Park / Town Route)	I&E
													<p>Amended to:</p> <p>The inclusion of this KPI in the SDBIP is regulated by National Treasury. Since the Municipality does not have an adequate system in place to track bus services, no target could be set which would comply with the audit criteria specified by the Auditor General.</p> <p>NOTE: Key Performance Indicator / targets were amended in line with Council approved Adjustments Budget dated 27 February 2020 and Executive Mayoral Committee Resolution for Council to approve corresponding amendments to the 2019/20 SDBIP.</p>			

Outcome	NT / MSA REF	Indicator NO	Outcome Indicators	YEAR 1 TARGET (2017/18 BASELINE)	YEAR 2 TARGET (2018/19)	YEAR 3 TARGET (2019/20)	YEAR 3 ACTUAL PERFORMANCE (2019/20)	YEAR 4 TARGET (2020/21)	YEAR 5 TARGET (2021/22)	SDBIP KPA	NT / MSA REF	KPI NO	Output Indicators	Baseline (2019/20)	Draft Target (2021/22)	SDBIP Reporting Directorate	
TR 5. Improved access to public transport (incl. NMT)	N/A	48	Percentage of dwelling units within 500m of scheduled public transport service	New Indicator introduced for 2021/22						80%	KPA 1	TR5.11	54	Number of scheduled public transport access points added	1 (Ward 5 - CBD)	2 (Ward 11 – Livingstone; Ward 7 – Cottrell)	HS / I&E
TR 5. Improved access to public transport (incl. NMT)	TR5.3	49	Percentage of persons with disability where access to public transport is problematic	New Indicator	98%	96%	No Data available (Stats SA)	95%	93%	KPA 1	TR5.31	55	Percentage of scheduled municipal buses that are low entry	100%	37%  (25 buses of 68 are universally accessible)	I&E	
TR 6. Improved quality of municipal road network	N/A	50	Number of fatal crashes attributed to road, environmental and / or other factors	New Indicator introduced for 2021/22						110	KPA 1	TR6.11	56	Percentage of unsurfaced road graded	0%	0.9%	I&E
				KPA 1	TR6.12	57	Percentage of surfaced municipal road lanes which has been resurfaced and resealed	0.216%	0.38%		I&E						
				KPA 1	TR6.13	58	KMs of new municipal road lanes built	New KPI	0km		I&E						
TR 6. Improved quality of municipal road network	TR6.2	51	Number of potholes reported per 10kms of municipal road network	New Indicator introduced for 2021/22						0.076	KPA 1	TR6.21	59	Percentage of reported pothole complaints resolved within standard municipal response time	New KPI	75%	I&E

## Water and Sanitation

Outcome	NT / MSA REF	Indicator NO	Outcome Indicators	YEAR 1 TARGET (2017/18 BASELINE)	YEAR 2 TARGET (2018/19)	YEAR 3 TARGET (2019/20)	YEAR 3 ACTUAL PERFORMANCE (2019/20)	YEAR 4 TARGET (2020/21)	YEAR 5 TARGET (2021/22)	SDBIP KPA	NT / MSA REF	KPI NO	Output Indicators	Baseline (2019/20)	Draft Target (2021/22)	SDBIP Reporting Directorate
WS1. Improved access to sanitation	WS1.1 / REG 10(a)	52	Percentage of households with access to basic sanitation	97%	98%	100%	71.48%	100%	100%	KPA 1	WS1.11	60	Number of new sewer connections meeting minimum standards	1468 In line with Housing Programme	356	I&E
WS2. Improved access to water	WS2.1 / REG 10(a)	53	Percentage of households with access to basic water supply	100%	100%	100%	71.48%	100%	100%	KPA 1	WS2.11	61	Number of new water connections meeting minimum standards	1468 In line with Housing Programme	356	I&E
WS3. Improved quality of water and sanitation services	WS3.1	54	Frequency of sewer blockages per 100 KMs of pipeline	0.0900	0.0800	0.0700	0.0776	0.0600	0.0550	KPA 1	WS3.11	62	Percentage of callouts responded to within 24 hours (sanitation/wastewater)	98.19%	99%	I&E
WS3. Improved quality of water and sanitation services	WS3.2	55	Frequency of water mains failures per 100 KMs of pipeline	0.0055	0.005	0.0045	0.0043	0.0040	0.0035	KPA 1	WS3.21	63	Percentage of callouts responded to within 24 hours (water)	94.44%	99%	I&E
WS3. Improved quality of water and sanitation services	WS3.3	56	Frequency of unplanned water service interruptions	0.000016	0.000015	0.000014	0.000014	0.000013	0.000012	NO OUTPUT INDICATOR PROPOSED						
WS4. Improved quality of water (incl. wastewater)	WS4.1	57	Percentage of drinking water samples complying to SANS241	99%	100%	100%	99%	100%	100%	KPA 1	WS4.11	64	Percentage of water treatment capacity unused	New KPI	100%	I&E
WS4. Improved quality of water (incl. wastewater)	WS4.2	58	Percentage of wastewater samples compliant to water use license conditions	85%	85%	85%	62%	85%	85%	KPA 1	WS4.21	65	Percentage of industries with trade effluent inspected for compliance	33%	75%	I&E

Outcome	NT /MSA REF	Indicator NO	Outcome Indicators	YEAR 1 TARGET (2017/18 BASELINE)	YEAR 2 TARGET (2018/19)	YEAR 3 TARGET (2019/20)	YEAR 3 ACTUAL PERFORMANCE (2019/20)	YEAR 4 TARGET (2020/21)	YEAR 5 TARGET (2021/22)	SDBIP KPA	NT /MSA REF	KPI NO	Output Indicators	Baseline (2019/20)	Draft Target (2021/22)	SDBIP Reporting Directorate
WS4. Improved quality of water (incl. wastewater)	WS4.3	59	Percentage of wastewater effluent volume complying with license conditions (weighted by flows by plant)	New Indicator introduced for 2021/22					75%	KPA 1	WS4.31	66	Percentage of wastewater treatment capacity unused	New KPI	15%	I&E
WS5. Improved water sustainability	WS5.1	60	Percentage non-revenue water	42.2%	40%	37%	36.2%	35%	30%	NO OUTPUT INDICATOR PROPOSED						
WS5. Improved water sustainability	WS5.2	61	Total water losses	42.2%	40%	37%	32%	32%	30%	KPA 1	WS5.21	67	Infrastructure leakage index	New KPI	35%	I&E
WS5. Improved water sustainability	WS5.3	63	Total per capita consumption of water	251 litres per capita per day	250 litres per capita per day	240 litres per capita per day	199 litres per capita per day	230 litres per capita per day	220 litres per capita per day	KPA 1	WS5.31	68	Percentage of total water connections metered	96.96%	98%	I&E
WS5. Improved water sustainability	WS5.4	64	Percentage of water reused	4%	4%	4%	0.23%	4%	4%	NO OUTPUT INDICATOR PROPOSED						

National Treasury requires the Municipality to report upon all the indicators contained in the Municipal Finance Management Act Circular 88. As mentioned previously, the above tables include reporting on the outcomes indicators.

More recently in the latter half of 2020, Climate Change indicators were developed as follows as part of the most recent update of Circular 88.

**TABLE 33: Climate change indicators – Circular 88 Addendum**

Integrated Outcome	Sub-result	Indicators
T5. Climate change resilience and adaption	Rainfall and flooding	Percentage of exposed municipal assets protected from storm surge and flooding
	Heat and warming	Percentage change in water consumption during periods of high heat
		Urban heat island effect
		Percentage change in urban landcover
		GHG emissions per capita
Property and material costs	Rand value of damage to municipal assets due to extreme weather events	

*Source: National Treasury, 2020*

The above climate change indicators operate at the same level as Integrated Outcome Indicators and reporting will be institutionalised through the strategic planning instruments on a five yearly basis.

There was an update of MFMA Circular 88 in December 2019 that focused on the refinement and/or revision of some indicators. Subsequently on 17 December 2020, Circular 88 Addendum 2 was issued marking the second update of the Circular 88.

For the first time, the indicators in the Circular 88 December 2020 version apply to all categories of municipalities. This achieves the ambition of getting closer to a single, differentially applied set of indicators for all of local government. In addition, for the first time, the Circular includes planning and budgeting reforms aligned to reporting reforms. In this regard the reforms enable higher levels of strategic alignment of planning, budgeting and reporting within the local government accountability cycle.

Circular 88 Addendum 2 sees a significant shift in reforms in four respects:

- it more closely integrates and guides planning, budgeting and reporting reforms;
- it significantly expands and revises the set of Circular 88 indicators applicable to metropolitan municipalities;
- it expands the application of the reforms and the indicators to differential categories of municipalities and levels of readiness; and
- it introduces evaluations in the context of these reforms (in relation to the integrated outcome indicators and climate resilience indicators).

Circular 88 and Addenda are attached as Annexure “D”.



# CHAPTER *ten* | BUDGET

## 10.1 FINANCIAL SUSTAINABILITY AND VIABILITY

The National Lockdown and the impact of the COVID-19 pandemic on the economy cannot be ignored. The rise in the national unemployment rate to 32.5% for the last three months of 2020, as reported by the Statistician-General, has clearly had a negative effect on the economic climate, which then directly impacts upon the municipality's ability to recoup service charges from its residents. Local unemployment has risen from 35% in February 2020 to 42,3% in December 2020 (SARS, 2020).

The Municipality has introduced a payment relief programme from 1 July 2020 to enable residents and businesses to make suitable payment arrangements in light of reduced income levels.

The Municipality has re-instated credit control measures on 15 November 2020.

Notwithstanding the above, the Municipality must ensure that it has a funded budget and that it can deliver on the objectives of the IDP. With regard to the budget, the Municipality must operate within the parameters of the Municipal Financial Management Act (MFMA) (56 of 2003), together with the applicable Regulations. All Directorates of the Municipality have a role to play in ensuring that the finances of the Municipality are handled sustainably and that the Municipality is financially viable going forward.

### **10.1.1 Consumer debt**

The increase in consumer debtors of R423.239 million, or 22.56%, compared to the previous financial year, is a cause for concern. A debtors' collection rate of 83.4% was achieved in the 2019/20 financial year, against a target of 85%. Debt collection requires attention in order to improve the financial sustainability of the Municipality.

The Municipality must strive to improve its financial position; this can be achieved by focusing on the following:

- Collection of all outstanding debt from those that can afford to pay.
- Optimising efficiency and improving implementation of the Cost Containment Regulations in order to increase funding for service delivery.
- Reforming Supply Chain processes to speed up project implementation and service delivery and increase transparency.
- Apply measures to ensure value for money of tenders.
- Increase the efficiency of the Assistance to the Poor (ATTP) Programme from a beneficiary perspective.
- Deal with historical irregular expenditure so that it ceases to become an audit qualification.
- Focus on MIS/IT capacity to ensure seamless availability of municipal systems for financial control.

The accumulated collection rate for 2020/21 was calculated at 82.5% at 31 March 2021.

### **10.1.2 Financial sustainability**

In terms of the Municipal Systems Act (Act 32 of 2000), Financial Sustainability relates to the provision of a municipal service in a manner that ensures that the financing of that service from internal or external resources, including budgeted income, grants and subsidies, is sufficient to cover the costs of:

- The initial capital expenditure required for the service.
- Operating the service.
- Maintaining, repairing and replacing the physical assets used in the provision of the service.

The Municipality experienced a serious cash-flow challenge during the 2010/11 financial year. The recovery at the time was guided by a comprehensive Financial Recovery Plan, aimed at placing the institution in a sound and sustainable financial position, thereby ensuring its ability to meet its obligations.

Proper, adequate and regular financial management oversight is therefore crucial to ensure this ongoing financial sustainability. This can be achieved through the effective implementation of financial policies and procedures.

In dealing with the above, attention needs to be paid to the following:

- Increased debt collection and credit control measures
- revenue optimisation
- operational efficiency and cost containment measures
- proper procurement planning and a value for money procurement approach
- proper tariff modelling
- ensuring a cost coverage ratio of three months
- the development of a Long-Term Financial Plan

National Treasury views a three-month cost coverage ratio as critical from a financial perspective. The Audited Consolidated Annual Financial Statements for 2019/20 reflect a cost coverage of 4.0 months and 4.17 months at 31 March 2021. The investment portfolio at 30 June 2020 was positively impacted by unspent conditional grants of approximately R503.1 million (payments on these conditional grants occurred mainly during the months of July and August 2020, i.e. after the end of the financial year).

### **10.1.3 Long-Term Financial Sustainability Plan (LTFSP)**

Long-term financial planning is a key element of the IDP, which allows the achievement of the strategic objectives of Council. In general, a Long-Term Financial Sustainability Plan must have a 10-year horizon and it is instrumental in indicating financial sustainability over the short, medium and long-term.

The LTFSP is underpinned by a number of financial strategies, assumptions and performance indicators, which will enable Council to make informed decisions to ensure financial sustainability, while at the same time meeting the increasing service delivery demands of local communities within the limited available resources.

The MFMA further aims to modernise budget, accounting and financial management practices by placing local government finances on a sustainable footing to maximise the capacity of municipalities to deliver services across communities. It also aims to put in place a sound financial framework by clarifying and separating the roles and responsibilities of the Council, Mayor and officials.

Nelson Mandela Bay Municipality works with National Treasury to develop a model for long-term financial planning. Extensive work has been done on the model, which will be institutionalised during the 2022/23 MTREF.

When preparing an LTFSP, a municipality must consider the following:

- Capital and Operating Budgets
- Master plans and Backlog reports – Asset Management
- Consumption levels / units
- Losses and unaccounted for units
- Revenue streams
- Financial or other risks that may impact on financial sustainability
- Staffing levels

### **10.1.4 Financial Plan**

Section 26(h) of the Local Government: Municipal Systems Act stipulates that a financial plan must be prepared as part of the Municipality's IDP. Municipalities need to be proactive in minimising costs and maximising operational efficiency in order to meet these demands.

In addition to being informed by the IDP, the municipal fiscal environment is influenced by a variety of macro-economic measures. National Treasury determines the ceiling of year-on-year increases in the total Operating Budget, whilst the National Energy Regulator of SA (NERSA) regulates electricity tariff increases. Various government departments also affect municipal service delivery through the level of grants and subsidies.

### Budget assumptions

The multi-year Budget is underpinned by the following targets/assumptions:

**TABLE 34: Financial targets for the period 2020/21 to 2025/26**

PROJECTED TARIFFS % INCREASES - REVENUE						
Income Category	Approved 2020/21 [Baseline]	2021/2022	2022/2023	2023/2024	2024/ 2025	2025/2026
Fines, Penalties and Forfeits	7.50	7.00	7.00	7.00	7.50	7.80
Interest, Dividend and Rent on Land	6.80	5.50	5.50	6.00	6.00	6.50
Licences or Permits	7.50	7.00	7.00	7.00	7.50	7.80
Operational Revenue	7.50	7.00	7.00	7.00	7.50	7.80
Property Rates	6.00	6.00	6.50	6.50	8.00	8.50
Rental from Fixed Assets	7.50	7.00	7.00	7.50	7.50	7.80
Sales of Goods and Rendering of Services	7.50	7.00	7.00	7.00	7.50	7.80
Electricity	6.22	14.59	14.59	14.59	9.22	9.22
Waste Management	6.00	6.00	6.50	6.50	8.0	8.50
Waste Water Management	6.00	6.00	6.50	6.50	8.0	8.50
Water	6.00	6.00	6.50	6.50	8.0	8.50
Income for Agency Services	7.50	7.50	7.50	8.0	8.0	8.50
Transfers and Subsidies (OPERATIONAL)	5.00	5.00	5.50	6.00	6.50	6.50
PROJECTED EXPENDITURE % INCREASES						
Expenditure Category	Approved 2020/2021 [Baseline]	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026
Bulk Purchases - Electricity	6.9	17.8	17.8	17.8	10.22	10.22
Bulk Purchases - Water	5.30	9.7	0	9.7	0	9.7
Contracted Services	5.00	5.00	5.00	5.00	5.50	5.50
Employee Related Cost (Subject to Three Year agreement re Salary Negotiation for 2021/22 to 2023/24)	9.85	6.35	7.35	8.35	6.35	7.35
Inventory Consumed	5.0	0.0	0.0	5.0	5.5	6.0
Repairs and Maintenance	8.0	7.0	7.0	7.0	7.5	8.0
Operating Leases	7.0	7.0	7.0	7.0	7.0	7.0
Operational Cost	5.0	0.0	0.0	5.0	5.5	6.0
Remuneration of Councillors	5.1	5.0	5.0	5.5	6.0	6.0
Transfers and Subsidies	5.0	6.5	6.5	7.0	7.0	6.5
Depreciation and Amortisation	6.5	6.5	6.5	6.5	6.5	6.5

Source: NMBM, 2021

The following table shows the projected financial performance of the Municipality over the MTEF period.

**TABLE 35: Statement of Financial Performance for the period 2021/22 to 2025/26**

Description R thousand	2020/21	2021/22 Medium Term Revenue & Expenditure Framework				
	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
<b>Revenue By Source</b>						
Property rates	2,488,283	2,637,580	2,809,023	2,991,609	3,230,938	3,489,413
Service charges - electricity revenue	3,954,693	4,530,243	5,189,014	5,945,922	6,494,136	7,091,597
Service charges - water revenue	1,301,832	1,379,942	1,469,638	1,565,164	1,690,377	1,834,059
Service charges - sanitation revenue	698,045	739,928	788,023	839,244	906,384	983,426
Service charges - refuse revenue	264,511	280,370	298,581	317,988	343,427	372,618
Rental of facilities and equipment	28,739	27,867	29,514	30,877	33,193	35,782
Interest earned - external investments	161,511	173,680	177,192	178,859	170,000	160,000
Interest earned - outstanding debtors	334,541	376,196	398,797	424,086	453,772	485,536
Fines, penalties and forfeits	205,224	193,047	203,808	215,186	231,324	249,368
Licences and permits	12,104	12,550	13,397	14,327	15,402	16,603
Agency services	3,059	3,242	3,437	3,643	3,935	4,269
Transfers and subsidies	2,497,826	2,425,431	2,603,895	2,652,644	2,825,066	3,008,695
Other revenue	151,168	154,184	165,290	183,950	197,746	213,170
Gains	510	510	510	510	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>12,102,045</b>	<b>12,934,769</b>	<b>14,150,118</b>	<b>15,364,009</b>	<b>16,595,700</b>	<b>17,944,537</b>
<b>Expenditure By Type</b>						
Employee related costs	3,756,172	3,918,556	4,192,768	4,531,044	4,909,386	5,368,414
Remuneration of councillors	85,215	88,818	94,733	102,594	108,750	115,275
Debt impairment	1,284,675	1,418,970	1,457,918	1,492,895	1,294,874	1,263,689
Depreciation & asset impairment	740,575	1,039,206	1,101,540	1,167,633	1,226,014	1,287,315
Finance charges	128,874	119,907	124,774	126,296	100,000	83,000
Bulk purchases - electricity	3,641,083	4,289,195	5,052,672	5,952,048	6,560,347	7,230,814
Inventory consumed	296,570	300,490	309,985	331,963	350,221	371,235
Contracted services	1,192,883	1,381,366	1,510,190	1,656,576	1,747,688	1,843,811
Transfers and subsidies	59,571	53,619	55,839	62,418	65,539	68,816
Other expenditure	809,182	669,172	722,463	771,938	814,394	863,258
Losses	59,305	57,679	60,520	63,262	69,398	76,130
<b>Total Expenditure</b>	<b>12,054,104</b>	<b>13,336,978</b>	<b>14,683,402</b>	<b>16,258,667</b>	<b>17,246,612</b>	<b>18,571,757</b>
<b>Surplus/(Deficit)</b>	<b>47,941</b>	<b>- 402,210</b>	<b>- 533,284</b>	<b>- 894,659</b>	<b>- 650,913</b>	<b>- 627,220</b>

Source: NMBM, 2021

#### 10.1.4.1 Statutory requirements of the Capital Budget

The IDP identifies the priorities which must guide the Capital Budget of the Municipality.

The Municipal Finance Management Act (Act No. 56, 2003) states that:

19.1 A Municipality may spend money on a capital project only if-

The money for the project, excluding the cost of feasibility studies conducted by or on behalf of the Municipality, has been appropriated in the capital budget; the project, including the total cost, has been approved by the council; the sources of funding have been considered, are available and have not been committed for other purposes.

19.2 Before approving a capital project in terms of Section 19 (1) (b), the Council of a municipality must consider-

The project cost covering all financial years until the project is operational; and the future operational costs and revenue on the project, including municipal tax and tariff implications. Furthermore, the Financial Standing Orders state that:

“1.5 Every Manager shall, in respect of the activities of the Business Unit, in consultation with the Business Unit Manager: Budget and Treasury, prepare: - a draft Capital Budget in respect of the ensuing financial year and a draft Capital Programme for the following two financial years, based on the following principles:

Year Two of the current Capital Programme shall become the new Capital Budget and Year Three of the current Capital Programme shall become Year Two in the new Capital Programme and new projects shall enter the Programme in Year Three.”

The following table indicates the Capital Budget for each Municipal Directorate over the MTEF period.

**TABLE 36: 2021/22 to 2025/26 Capital Budget by Directorate**

Vote Description	2021/22 Medium Term Revenue & Expenditure Framework					
	R thousand	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
<b>Capital expenditure - Vote</b>						
Vote 1 - Budget & Treasury	5,392	26,311	7,274	7,427	7,583	
Vote 2 - Public Health	34,358	40,900	34,650	35,378	36,121	
Vote 3 - Human Settlements	158,044	149,087	149,087	152,218	155,415	
Vote 4 - Economic Development, Tourism & Agriculture	23,009	26,087	30,435	31,074	31,726	
Vote 5 - Corporate Services	33,755	17,400	19,600	20,012	20,432	
Vote 6 - Infrastructure & Engineering Unit - Rate & General	374,782	375,583	411,026	419,658	428,470	
Vote 7 - Metro Water Service	361,710	250,790	114,850	117,262	119,724	
Vote 8 - Sanitation - Metro	133,729	191,750	102,750	104,908	107,111	
Vote 9 - Electricity & Energy	208,882	170,456	93,917	95,890	97,903	
Vote 10 - Executive & Council	-	-	-	-	-	
Vote 11 - Safety & Security	39,000	29,200	26,000	26,546	27,103	
Vote 12 - Mandela Bay Stadium	-	-	-	-	-	
Vote 13 - Special Projects and Programmes	-	-	-	-	-	
Vote 14 - Recreational & Cultural Services	34,900	65,500	44,000	44,924	45,867	
<b>Total Capital Expenditure - Vote</b>	<b>1,407,559</b>	<b>1,343,064</b>	<b>1,033,590</b>	<b>1,055,295</b>	<b>1,077,456</b>	
<b>Capital Expenditure - Functional</b>						
<b>Governance and administration</b>	<b>106,318</b>	<b>97,441</b>	<b>71,024</b>	<b>72,516</b>	<b>74,039</b>	
Executive and council	-	-	-	-	-	
Finance and administration	106,318	97,441	71,024	72,516	74,039	
Internal audit	-	-	-	-	-	
<b>Community and public safety</b>	<b>136,765</b>	<b>186,340</b>	<b>122,200</b>	<b>124,766</b>	<b>127,386</b>	
Community and social services	27,325	65,200	44,500	45,435	46,389	
Sport and recreation	30,100	27,700	22,700	23,177	23,663	
Public safety	10,665	22,700	18,500	18,889	19,285	
Housing	66,849	69,240	35,000	35,735	36,485	
Health	1,825	1,500	1,500	1,532	1,564	
<b>Economic and environmental services</b>	<b>362,176</b>	<b>330,928</b>	<b>404,957</b>	<b>413,461</b>	<b>422,144</b>	
Planning and development	-	-	-	-	-	
Road transport	362,176	330,928	404,957	413,461	422,144	
Environmental protection	-	-	-	-	-	
<b>Trading services</b>	<b>800,301</b>	<b>728,356</b>	<b>435,408</b>	<b>444,552</b>	<b>453,888</b>	
Energy sources	204,082	168,526	94,217	96,196	98,216	
Water management	375,165	260,274	134,995	137,830	140,724	
Waste water management	221,054	297,555	204,196	208,484	212,862	
Waste management	-	2,000	2,000	2,042	2,085	
<b>Other</b>	<b>2,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total Capital Expenditure - Functional</b>	<b>1,407,559</b>	<b>1,343,064</b>	<b>1,033,590</b>	<b>1,055,295</b>	<b>1,077,456</b>	
<b>Funded by:</b>						
National Government	711,076	676,381	696,085	710,703	725,628	
Provincial Government						
District Municipality						
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	40,000			40,000	40,000	
<b>Transfers recognised - capital</b>	<b>751,076</b>	<b>676,381</b>	<b>696,085</b>	<b>750,703</b>	<b>765,628</b>	
<b>Borrowing</b>	<b>254,245</b>	<b>281,943</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Internally generated funds</b>	<b>402,239</b>	<b>384,741</b>	<b>337,504</b>	<b>304,592</b>	<b>311,828</b>	
<b>Total Capital Funding</b>	<b>1,407,559</b>	<b>1,343,064</b>	<b>1,033,590</b>	<b>1,055,295</b>	<b>1,077,456</b>	

Source: NMBM, 2021



The following table indicates the various funding sources from which capital expenditure is made:

**TABLE 37: Funding of Capital Expenditure**

Sources of Funding (R'000)	2021/22	%	2022/23	%	2023/24	%	2024/25	%	2025/26	%
Government Grants	711,076	50.52	676,381	50.36	696,085	67.35	710,703	67.35	725,628	67.35
Other Grants	40,000	2.84		0.00		0.00	40,000	3.79	40,000	3.71
Borrowing	254,245	18.06	281,943	20.99	-	0.00	-	0.00	-	0.00
Internal funds	402,239	28.58	384,741	28.65	337,504	32.65	304,592	28.86	311,828	28.94
<b>Total Capital Funding</b>	<b>1,407,559</b>	<b>100.00</b>	<b>1,343,064</b>	<b>100.00</b>	<b>1,033,590</b>	<b>100.00</b>	<b>1,055,295</b>	<b>100.00</b>	<b>1,077,456</b>	<b>100.00</b>

*Source: NMBM, 2021*

#### 10.1.4.2 Repairs and Maintenance

Considering the backlog in infrastructure maintenance, it is evident that this ratio should at least be at a 10% level. At this stage however, the cash position is unable to support a level in excess of 10%. Alternative strategies and/or funding mechanisms must be developed to address the eradication of infrastructure maintenance backlogs.

It is, however, important to note that, Repairs and Maintenance is not a category in the Statement of Financial Performance. In terms of the municipal Standard Chart of Accounts, Repairs and Maintenance is reported at the project level that effectively consolidates expenditure incurred in the Other Expenses, Other Materials, Employee Related Costs and Contracted Services categories relating to repairs and/or maintenance projects.

#### 10.1.4.3 Budgeted Financial Position

The budgeted financial position of the Municipality, taking into account its capital and operating income and expenditure, is reflected below. This is followed by the Cash Flow Statement of the institution.

**TABLE 38: Budgeted Financial Position**

Description	2021/22 Medium Term Revenue & Expenditure Framework				Long Term Revenue & Expenditure Framework
	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
<b>R thousand</b>					
<b>ASSETS</b>					
Current assets					
Cash	200,200	200,200	200,200	200,200	200,200
Call investment deposits	2,900,937	2,782,907	2,255,251	2,260,637	2,418,798
Consumer debtors	2,616,440	2,786,509	2,967,632	3,175,366	3,397,642
Other debtors	450,158	472,666	496,299	479,705	465,000
Current portion of long-term receivables	0	0	0	0	0
Inventory	173,218	183,612	194,524	205,957	218,314
Total current assets	6,340,953	6,425,893	6,113,906	6,321,865	6,699,954
Non-current assets					
Long-term receivables	60,265	63,278	66,442	63,120	59,632
Investments				0	0

Description	2021/22 Medium Term Revenue & Expenditure Framework				Long Term Revenue & Expenditure Framework
	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
<b>R thousand</b>					
Investment property	151,328	142,811	133,783	128,783	123,783
Investment in associated					
Property, plant and equipment	18,639,716	18,955,693	18,886,862	18,726,143	18,526,284
Agricultural					
Biological					
Intangible	83,462	58,415	45,275	40,275	35,275
Other non-current assets					
Total non-current assets	18,934,770	19,220,197	19,132,361	18,958,321	18,744,974
<b>TOTAL ASSETS</b>	<b>25,275,724</b>	<b>25,646,091</b>	<b>25,246,268</b>	<b>25,280,186</b>	<b>25,444,928</b>
<b>LIABILITIES</b>					
Current liabilities					
Bank overdraft				0	0
Borrowing	192,847	192,379	213,799	129,971	143,202
Consumer deposits	168,247	173,294	178,493	183,493	188,493

Description	2021/22 Medium Term Revenue & Expenditure Framework				Long Term Revenue & Expenditure Framework
	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
<b>R thousand</b>					
Trade and other payables	2,744,534	2,883,318	3,028,542	3,179,969	3,338,968
Provisions	216,532	229,572	243,301	257,899	273,373
Total current liabilities	3,322,160	3,478,564	3,664,135	3,751,332	3,944,036
Non-current liabilities					
Borrowing	1,277,416	1,085,037	871,238	741,268	598,066
Provisions	2,626,339	2,783,919	2,950,954	3,128,011	3,315,692
Total non-current liabilities	3,903,755	3,868,956	3,822,193	3,868,279	3,913,758
<b>TOTAL LIABILITIES</b>	<b>7,225,915</b>	<b>7,347,520</b>	<b>7,486,328</b>	<b>7,619,611</b>	<b>7,857,794</b>
<b>NET ASSETS</b>	<b>18,049,809</b>	<b>18,298,571</b>	<b>17,759,940</b>	<b>17,660,575</b>	<b>17,587,134</b>
<b>COMMUNITY WEALTH / EQUITY</b>					
Accumulated Surplus / (Deficit)	17,164,704	17,399,058	16,845,666	16,660,575	16,337,134
Reserves	885,105	899,513	914,274	1,000,000	1,250,000
Minority interests					
<b>TOTAL COMMUNITY WEALTH / EQUITY</b>	<b>18,049,809</b>	<b>18,298,571</b>	<b>17,759,940</b>	<b>17,660,575</b>	<b>17,587,134</b>

Source: NMBM, 2021

**TABLE 39: Cash Flow Statement**

Description	2021/22 Medium Term Revenue & Expenditure Framework			Long Term Revenue & Expenditure Framework	
	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
<b>R thousand</b>					
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>					
Receipts					
Property rates, penalties & collection charges	2,241,943	2,415,760	2,602,700	2,940,154	3,210,260
Service charges	5,890,939	6,660,948	7,541,465	8,585,235	9,459,164
Other revenue	228,376	244,201	268,458	295,147	317,824
Government - operating	2,326,766	2,529,682	2,572,264	2,700,877	2,835,921
Government - capital	839,740	758,593	775,562	814,340	855,057
Interest	493,447	520,158	547,814	510,329	524,152
Payments					
Suppliers and employees	(10,625,675)	(11,838,056)	(13,293,192)	(14,405,183)	(15,693,227)
Finance charges	(124,356)	(127,878)	(128,346)	(100,000)	(83,000)
Transfers and Grants	(53,657)	(46,796)	(60,879)	(74,741)	(65,051)
<b>NET CASH FROM / (USED) OPERATING ACTIVITIES</b>	<b>1,217,523</b>	<b>1,116,611</b>	<b>825,845</b>	<b>1,266,158</b>	<b>1,361,100</b>

Description	2021/22 Medium Term Revenue & Expenditure Framework			Long Term Revenue & Expenditure Framework	
	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
<b>R thousand</b>					
CASH FLOWS FROM INVESTING ACTIVITIES					
Receipts					
Proceeds on disposal of property, plant and equipment					
Decrease (Increase) in non-current debtors					
Decrease (increase) other non-current receivables	2,870	3,013	3,164	3,322	3,488
Decrease (increase) in non-current investments	–	–	–		
Payments					
Capital assets	(1,474,028)	(1,331,797)	(1,169,486)	(1,055,295)	(1,077,456)
NET CASH FROM / (USED) INVESTING ACTIVITIES	(1,471,159)	(1,328,784)	(1,166,321)	(1,051,973)	(1,073,968)

Description	2021/22 Medium Term Revenue & Expenditure Framework			Long Term Revenue & Expenditure Framework	
	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24	Budget Year 2024/25	Budget Year 2025/26
<b>R thousand</b>					
CASH FLOWS FROM FINANCING ACTIVITIES					
Receipts					
Short-term loans					
Borrowing long term/refinancing	254,245	281,943	0	0	0
Increase in consumer deposits	4,900	5,047	5,199	5,000	5,000
Payments					
Repayment of borrowing	(196,369)	(192,847)	(192,379)	(213,799)	(129,971)
NET CASH FROM/(USED) FINANCING ACTIVITIES	62,776	94,143	(187,180)	(208,799)	(124,971)
NET INCREASE / (DECREASE) IN CASH HELD	(190,860)	(118,030)	(527,656)	5,386	158,161
Cash / Cash equivalents at the year begin:	3,291,997	3,101,137	2,983,107	2,455,451	2,460,837
Cash / Cash equivalents at the year-end:	3,101,137	2,983,107	2,455,451	2,460,837	2,618,998

Source: NMBM, 2021

#### 10.1.4.4 Financial Indicators

The following financial indicators identify medium-term projections against past performance.

These indicators and others will be monitored throughout the financial years covered by the Budget.

**TABLE 40: Financial Indicators**

Financial Indicators	Basis of Calculation	2021/22	2022/23	2023/24	2024/25	2025/26
<b>Borrowing Management</b>						
Borrowing to Asset Ratio	Total Long-Term Borrowing/Total Assets	5.05%	4.23%	3.45%	2.93%	2.35%
Capital Charges to Operating Expenditure	Interest and Principal Paid/Operating Expenditure	2.37%	2.16%	1.96%	1.82%	1.15%
<b>Safety of Capital</b>						
Debt to Equity	Loans, Accounts Payable & Tax Provision/Funds & Reserves	23.35%	23.91%	23.16%	16.03%	16.04%
Gearing	Funds & Reserves/Long-Term Borrowing	7.08%	5.93%	4.91%	4.20%	3.40%
<b>Liquidity</b>						
Current Ratio	Current Assets/Current Liabilities	1.91:1	1.85:1	1.67:1	1.68:1	1.70:1
<b>Revenue Management</b>						
Outstanding Debtors to Revenue	Total Outstanding Debtors/Annual Revenue	24.17%	23.48%	22.98%	22.40%	21.86%

Source: NMBM, 2020



### **10.1.5 Credit Rating**

A credit rating is an evaluation of the credit risk of a prospective debtor, predicting its ability to pay back the debt, and an implicit forecast of the likelihood of the debtor defaulting. On 1 December 2020, Moody's Investors Services, an internationally recognised credit ratings agency, assigned a Ba2 negative/Aaa.za national scale issuer rating to the Municipality, due to the downgrade of the South African Government.

The Municipality's credit profile incorporates a capital infrastructure backlog and challenges associated with the acute water shortage being experienced because of the drought. COVID-19 and the associated deterioration in the global and national economic outlook will constrain the Municipality's financial performance due to reduced revenue collection as a result of higher unemployment.

### **10.1.6 Policies / By-laws**

The following policies and by-laws govern the work of the Budget and Treasury function of the Municipality:

- Financial Management Policies
- Assistance to the Poor Policy
- Tariffs Policy
- Asset Management and Disposal Policy (the Municipality has a Generally Recognized Accounting Practices (GRAP) compliant asset register)
- Supply Chain Management Policy
- Property Rates Policy
- Customer Care and Revenue Management By-laws
- Unauthorized, Irregular, Fruitless and Wasteful (UIF+W) Expenditure Policy
- Credit Control Policy

The Budget related policies are updated annually and are available on the municipal website.

### **10.1.7 Revenue Management**

The following are key features of revenue management in Nelson Mandela Bay:

#### **10.1.7.1 Free Basic Services (FBS) – Indigent Support**

The Municipality has an approved Indigent Subsidy Policy referred to as the Assistance to the Poor (ATTP) Policy, which is reviewed on an annual basis. Applications in terms of the Policy are conducted online and are not referred to a Committee for approval. Site visits are completed to verify beneficiaries prior to approval. The relevant Section in the Municipality has 39 staff members that assist with the completion of application forms and attend to the on-site verification of households that apply for the subsidy.

The qualifying criterion for indigent support is that the combined household income may not exceed the equivalent of two welfare state pensions (R3 780 from 1 April 2021; this excludes grants such as foster child grants, care development grants, Ward Committee stipends and child support grants).

In terms of the ATTP Policy, indigent households receive the following support and benefits:

- Full credit for monthly property rates
- Full credit for monthly refuse
- Credit to the maximum of 8 kl of water per month
- Credit to the maximum of 11 kl of sewerage per month
- Free monthly token of 75 kWh of electricity per month

In the event that the indigent households consume more than the limit provided for by the support, the debt is written off after three months. Section 2.1.1 of the ATTP Policy states that all miscellaneous once-off charges incurred by an ATTP beneficiary, with the exception of tampering charges, after initial registration, will be written off. Furthermore, Section 2.1.2 states that no further legal costs and call fees will be charged to ATTP accounts, with the exception of tampering charges.

The schedules below indicate the cost of Free Basic Services for the past two financial years.

## FREE BASIC SERVICES – 2019/20

TABLE 41: 2019/20 ATTP Beneficiation

Month	Total ATTP Accounts	Water	Sewerage	Electricity	Refuse Removal	Rates	
		Total Value R	Total Value R	Total Value R	Total Value R	Total Value R	Total Value R
Jul-19	84,020	10,595,328	14,161,780	3,228,911	8,948,611	9,390,431	46,325,061
August	82,230	10,885,527	14,469,070	3,144,259	8,746,710	9,157,296	46,402,862
September	80,004	10,940,271	14,160,262	3,015,984	8,529,864	11,146,740	47,793,121
October	64,236	9,355,307	11,804,636	2,831,855	6,805,107	7,368,212	38,165,117
November	56,584	8,396,246	10,397,783	2,303,570	6,002,557	6,599,092	33,699,248
December	56,293	8,090,395	10,337,983	2,258,555	6,039,781	6,630,033	33,356,747
Jan-20	56,316	8,827,795	10,732,735	2,283,246	6,043,300	6,626,843	34,513,919
February	56,707	8,445,127	10,585,397	2,299,494	6,138,052	6,729,770	34,197,840
March	58,691	8,261,945	10,716,300	2,398,008	6,388,062	6,958,666	34,722,981
April	59,736	9,171,001	11,132,702	2,367,299	6,549,005	7,125,612	36,345,619
May	59,844	8,376,324	11,025,125	2,369,918	6,561,458	7,113,415	35,446,240
June	61,545	7,734,799	11,240,104	2,322,365	6,747,714	7,237,124	35,282,106
<b>TOTAL</b>		<b>109,080,065</b>	<b>140,763,877</b>	<b>30,823,464</b>	<b>83,500,221</b>	<b>92,083,234</b>	<b>456,250,861</b>

## FREE BASIC SERVICES - 2018/2019

TABLE 42: 2018/2019 ATTP Beneficiation

Month	Total ATTP Accounts	WATER	SEWERAGE	ELECTRICITY	REFUSE REMOVAL	RATES	R/C
		Total Value R	Total Value R	Total Value R	Total Value R	Total Value R	Total Value R
Jul-18	101,096	13,074,008	15,204,182	3,740,859	10,108,752	10,282,917	52,410,718
August	100,890	14,114,249	15,925,570	3,779,579	10,077,698	10,631,778	54,528,874
September	100,494	14,311,283	16,004,932	3,751,412	10,034,620	12,536,817	56,639,064
October	98,006	12,878,776	15,603,662	3,710,513	9,719,594	10,013,464	51,926,009
November	94,589	11,844,708	15,112,170	3,565,301	9,318,663	9,812,283	49,653,125
December	93,341	11,570,179	14,906,024	3,471,699	9,201,269	9,706,315	48,855,486
Jan-19	92,786	12,672,552	15,261,776	3,452,392	9,162,851	9,644,912	50,194,483
February	91,966	12,078,387	14,950,362	3,437,615	9,086,771	9,541,160	49,094,160
March	91,067	11,469,388	14,469,388	3,417,894	8,996,080	9,409,448	47,939,112
April	88,649	10,986,232	14,311,979	3,372,783	8,768,470	9,096,700	46,536,164
May	87,548	11,666,163	14,436,348	3,313,510	8,665,057	8,922,759	47,003,837
June	85,779	10,397,643	13,955,131	3,272,853	8,486,446	8,640,660	44,752,733
<b>TOTAL</b>		<b>147,063,568</b>	<b>180,318,438</b>	<b>42,286,410</b>	<b>111,626,271</b>	<b>118,239,213</b>	<b>599,533,900</b>

Source: NMBM, 2020

### 10.1.7.2 Property Valuation Rolls

The rating of property is implemented impartially, fairly, equitably and without bias. These principles also apply to the setting of criteria for exemptions, reductions and rebates, contemplated in Section 15 of the Municipal Property Rating Act (MPRA), Act No 6 of 2004.

The rating of property is implemented in a way that:

- is developmentally oriented;
- supports sustainable local government by providing a stable and buoyant revenue source within the discretionary control of the Municipality;
- supports local and socio-economic development;
- promotes simplicity, uniformity, certainty in the property rates assessment process;
- gives due consideration to the need for a simple and practical process of billing and collection of property rates;
- promotes sustainable land management, especially that which reduces the risk from natural disasters; and
- achieves national and local environmental management objectives.

The Municipality has an updated Valuation Roll, which is implemented in line with the Municipal Property Rates Act. One supplementary valuation is completed per financial year.

The Municipality has further implemented a General Valuation on 1 July 2017. The next General Valuation will be implemented from 1 July 2021, based on property valuations as at 1 July 2020. The Valuation Roll is updated on a regular basis to achieve a sustainable rates base, in order to generate income to provide quality services.

#### 10.1.7.3 Billing of consumer accounts

The Municipality bills 340 953 debtors per month on its Consolidated Billing System. The billing process is two-fold, 21 billing cycles (1 cycle per night) and meter readings, due dates and debt collection processes are scheduled in line with billing dates. The turnover for the main services for the 2019/2020 financial year was R9 801 606 981. At present, the system bills 229 285 water meters and 36 961 credit electricity meters per month.

#### 10.1.7.4 Revenue Enhancement Strategy

A draft Revenue Enhancement Strategy has been developed and is currently being finalised for circulation and further discussion via the relevant municipal structures.

### **10.1.8 Expenditure Management**

#### 10.1.8.1 Conditional Grants

The Municipality manages its conditional grants in terms of the Division of Revenue Act (DoRA) requirements and submits all required reports. The Municipality does not have separate bank accounts for each conditional grant but keeps control of the grants by maintaining separate vote structures for each grant.

#### 10.1.8.2 Remuneration

Councillors' remuneration is determined annually in terms of the relevant Government Notice issued by the Minister of COGTA in terms of the Remuneration of Public Office-Bearers Act, 1998 (Act No 20 of 1998). The overall increase in human resource costs relevant to all other municipal employees is determined in line with the relevant South African Local Government Bargaining Council Agreement in this regard. At 31 March 2021, employee related costs constituted 27.36% of the total operating revenue.

### 10.1.8.3 Finance costs

All financing costs in terms of external loan funding agreements are serviced in terms of the relevant approved funding agreements.

### 10.1.8.4 Payments to service providers

All monies owed by the Municipality to service providers are paid in terms of Section 65 (2) (e) of the MFMA unless there are delays that result from various reasons on a case-by-case basis.

### 10.1.8.5 Funding of Capital Expenditure

The table below reflects the historical reliance on government grants in order to fulfil the mandate of providing services:

**TABLE 43: Funding of Capital Expenditure**

Sources of funding	2017/18	%	2018/19	%	2019/20	%
Government Grants	1 114 353	67.81%	1 222,332	72.50%	633,075	73.74%
Other grants	243 458	14.81%	40,406	2.40%	103,802	12.09%
Public contributions	0	0%	0	0%	0	0%
Internal Funds	285 645	17.38%	423,187	25.10%	121,647	14.17%
<b>Total Capital Funding</b>	<b>1 643 457</b>	<b>100%</b>	<b>1 685,925</b>	<b>100%</b>	<b>858,525</b>	<b>100%</b>

Source: NMBM, 2021

### 10.1.8.6 Capital and Operating Spending Results

The following table shows the capital and operating spending results of the Municipality over a three-year period.



**TABLE 44: Capital and Operating Spending Results**

R thousand	2017/18			2018/19			2019/20		
	Budget	Audited	Restated	Budget	Audited	Restated	Budget	Pre-Audited	Audited
Operating Revenue	9 651 844	9 542 116	9 569 552	10 361 367	9 995,609	10,004,960	11 509 629	10 930 888	10,899,287
Less: Fuel Levy (Capital Expenditure)		260 874	260 874		320 726	320,726		158 014	158,014
True Operating Revenue		9 281 241	9 318 184		9 674 883	9,684,234		10 772 874	10,741,273
% Operating Revenue		98.86%	99.15%		93.37%	94.46%		93.60%	93.32%
Operating Expenditure	9 676 868	8 830 004	8 622 907	10 435 733	9 918 362	10,178,926	11 653 974	10 673 025	10,656,565
% Operating Expenditure		91.25%	89.11%		95.04%	97.54%		91.58	91.44%
<b>Net Surplus / (Deficit)</b>	<b>(25 024)</b>	<b>712 112</b>	<b>695 277</b>	<b>(74 366)</b>	<b>(243 479)</b>	<b>(494,692)</b>	<b>(144,345)</b>	<b>79,849</b>	<b>84,708</b>
Capital Expenditure	1 643 457	1 643 457	1 643 457	2 063 593	1 666 802	1,685,925	1 572 555	858 525	858,525
% Capital Expenditure		98.42%	98.42%		80.77%	81.70%		54.59%	54.59%

Source: NMBM, 2021

### **10.1.9 Financial Reporting**

The 2019/20 Annual Financial Statements were presented to the Auditor-General on 31 October 2020 and the Consolidated Annual Financial Statements were presented to the Auditor-General on 30 November 2020. The submissions of the Annual Financial Statements to the Auditor-General South Africa were in compliance with the requirements of the MFMA.

The audit report for the 2019/20 financial year has been finalised and will now be presented to the various committee structures.

An Audit Action Plan will be developed to address the issues raised by the Auditor-General, as with all previous audit reports. The Internal Audit function monitors these action plans.

The Municipality compiles and submits all the required legislated financial reports, which includes, inter-alia, those reports required in terms of Sections 71, 52 (d) 72 and 121 of the MFMA.

#### **10.1.10 Implementation of Municipal Standard Chart of Accounts (MSCOA) Regulations**

The MSCOA Regulations are institutional reforms required by National Treasury in line with Section 216 of the Constitution of South Africa. The objective of the MSCOA Regulations is to provide for a national standard for the uniform recording and classification of municipal budget and financial information at a transactional level, by prescribing a standard chart of accounts for municipalities that:

- is aligned to the budget formats and accounting standards prescribed for municipalities; and
- enables uniform information sets to be recorded in terms of national norms and standards across the whole of government, for the purpose of national policy coordination and reporting, benchmarking and performance measurement in the local government sphere.

On 13 November 2014, the MSCOA Implementation Plan was adopted by Council and submitted to National Treasury on 14 November 2014. An MSCOA Implementation Task Team is in place consisting of various work-streams

The benefits of implementing the MSCOA reforms inter-alia include:

- Standardisation of all municipal and the whole-of-government reporting, which leads to a reduction in the Auditor-General's interpretations of multiple charts of accounts.
- Improved transparency and accountability, leading to a high level of service delivery and contributing to a well-run municipality.

**ANNEXURE “A”**  
**WARD-BASED BUDGET**  
**(2021/22 – 2023/24)**

**WARD BASED BUDGET (2021/22 - 2023/24)**  
**CAPITAL AND OPERATING PROJECTS BUDGET BY WARD**

WARD 1					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20190148	PH - Beach Development - Summerstrand	600,000		600,000	
20200088	RENEWAL OF WATER PIPELINE - AIRPORT	5,000,000	4,000,000		
20200128	REINFORCEMENT OF ELECTRICITY NETWORK-WESTERN	666,667	500,000	500,000	
20200228	Upgrade of Walmer change rooms		1,000,000		
20200332	E&E Chelsea MV Upgrade	333,333	333,333	2,666,666	
20210217	Construction of new lifeguard house at Sardinia bay (SRAC)	3,000,000	1,000,000	1,000,000	
20190245	Sanitation : Upgrade of Cape Recife WWTW	10,000,000	5,000,000		NB: As per I&E Directorate
20210272	E&E - Chelsea - Smstr 132kV power line refurbishment	3,000,000			NB: As per E&E Directorate
20200338	Public Lighting	150,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	257,500	365,588		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>23,007,500</b>	<b>12,348,921</b>	<b>4,916,666</b>	
	<b>Projects on operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>23,107,500</b>	<b>12,448,921</b>	<b>5,016,666</b>	
WARD 2					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20190148	PH - Beach Development - Summerstrand		600,000		
20190154	SRAC: Happy Valley Upgrade Infrastructure	500,000	1,000,000	500,000	
20190156	PH - Upgrade and Development of Forest Hill Cemetery	250,000	250,000	500,000	
20200338	Public Lighting	150,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	250,000	426,589		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>1,150,000</b>	<b>2,426,589</b>	<b>1,150,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>1,250,000</b>	<b>2,526,589</b>	<b>1,250,000</b>	
WARD 3					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20190198	PH - Ablution Facility - Peter Gibbs Nursery	500,000	1,000,000	1,000,000	( Project completed ) NB: The project may require R1m for Ablution Facilities in Year 2 (i.e.
20200228	Upgrade of Walmer change rooms	8,000,000			
20210218	Construction of Settlers park office building	1,000,000			
20190298	PH - Occupational Health and Wellness Center - Walmer	200,000			
20210228	PH - Upgrade of Greenhouse at Peter Gibbs Nursery		500,000		
20200338	Public Lighting	250,000	250,000	250,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	300,000	426,589		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>10,250,000</b>	<b>2,176,589</b>	<b>1,250,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>10,350,000</b>	<b>2,276,589</b>	<b>1,350,000</b>	
WARD 4					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20120047	Walmer Development - Roadworks (Human Settlements)	5,784,000	6,674,800	6,674,800	
20170108	Walmer Development - Stormwater (Human Settlements)	4,000,000	2,500,000	2,500,000	
20170109	Walmer Development - Water Reticulation (Human Settlements)	6,389,500	3,007,000	3,007,000	
20170110	Walmer Development - Sewer Reticulation (Human Settlements)	9,865,500	7,818,200	7,818,200	
20182411	1411:Driftsands Collector Sewer Augmentation Phase 2	22,000,000	500,000		NB: As per the I&E Directorate
20200126	REINFORCEMENT OF ELECTRICITY NETWORK-WALMER LORRAINE	3,000,000	3,500,000	6,500,000	
20200188	Electrification Formal sites - Remainder of Walmer Airport Valley Section A, B , C	127,900	4,404,000	1,382,000	NB: As per E&E Directorate
20200338	Public Lighting	250,000	250,000	250,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	300,000	426,589		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>51,716,900</b>	<b>29,080,589</b>	<b>28,132,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>51,816,900</b>	<b>29,180,589</b>	<b>28,232,000</b>	

WARD 5					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20060113	SRAC:Upgrade and Restoration of Libraries - Main Library	3,000,000	15,000,000		
20060229	IPTS - Work Package: Public Transport Facilities	2,000,000			As per I&E Directorate
20200123	REINFORCEMENT OF ELECTRICITY NETWORK-MOUNT ROAD	3,000,000	4,500,000	6,750,000	
20210222	Upgrade of Victoria Quay public toilets	1,000,000	1,000,000	1,000,000	(NB: As confirmed by the Directorate)
20200338	Public Lighting	200,000	200,000	200,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	250,000	355,490		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>9,450,000</b>	<b>21,055,490</b>	<b>7,950,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>9,550,000</b>	<b>21,155,490</b>	<b>8,050,000</b>	
WARD 6					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20200075	REHABILITATION OF WILLIAM MOFFETT EXPRESSWAY	2,500,000	3,000,000	3,000,000	
20200334	E&E - Kragga Kamma MV Upgrade	400,000			
20200338	Public Lighting	250,000	250,000	250,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	300,000	426,589		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>3,450,000</b>	<b>3,676,589</b>	<b>3,250,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>3,550,000</b>	<b>3,776,589</b>	<b>3,350,000</b>	
WARD 7					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20200119	REINFORCEMENT OF ELECTRICITY NETWORK-NEWTON PARK	500,000	1,000,000	2,500,000	
20190226	IPTS - Rehabilitation/Surfacing of IPTS Routes (Fettes Rd, Prince Albert to Harrower)	2,000,000			As per I&E Directorate
20190226	IPTS - Rehabilitation/Surfacing of IPTS Routes (Harrower, Fettes to Corner Kempston Rd Rd)	2,500,000			As per I&E Directorate
20190226	IPTS - Rehabilitation/Surfacing of IPTS Routes (Standford Rd, Corner Drew Street to Corner Newell Street N/E)	2,500,000			As per I&E Directorate
20060229	IPTS - Work Package: Public Transport Facilities	1,000,000			As per I&E Directorate
20200128	REINFORCEMENT OF ELECTRICITY NETWORK-WESTERN	668,858	500,000	500,000	
20200338	Public Lighting	250,000	250,000	250,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	300,000	426,589		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>9,718,858</b>	<b>2,176,589</b>	<b>3,250,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>9,818,858</b>	<b>2,276,589</b>	<b>3,350,000</b>	
WARD 8					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20200332	E&E Chelsea MV Upgrade	333,334	333,333	2,666,666	
20182425	1411:Lorraine-Bulk Sewer Augmentation/Add Capacity	2,000,000	5,000,000		NB: As per I&E Directorate
20200338	Public Lighting	150,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	160,000	227,514		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>2,643,334</b>	<b>5,710,847</b>	<b>2,816,666</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>2,743,334</b>	<b>5,810,847</b>	<b>2,916,666</b>	
WARD 9					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20200334	E&E - Kragga Kamma MV Upgrade	400,000			
20210274	Upgrade of Linton Grange WTW	1,000,000	2,000,000	3,000,000	NB: As per I&E Directorate
20200338	Public Lighting	150,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	160,000	227,514		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>1,710,000</b>	<b>2,377,514</b>	<b>3,150,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>1,810,000</b>	<b>2,477,514</b>	<b>3,250,000</b>	

WARD 10					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20210238	Upgrade and Development of Public Open Spaces - St. Nicholas	1,200,000	1,500,000	1,900,000	
20200338	Public Lighting	100,000	100,000	100,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	75,000	106,647		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>1,375,000</b>	<b>1,706,647</b>	<b>2,000,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital and Operating</b>	<b>1,475,000</b>	<b>1,806,647</b>	<b>2,100,000</b>	
WARD 11					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20200117	REINFORCEMENT OF ELECTRICITY NETWORK-KORSTEN (KFW)	1,500,000	2,000,000	3,000,000	
20190226	IPTS - Rehabilitation/Surfacing of IPTS Routes (Corner Cottrell Street to Corner Drew Street)	2,000,000			As per I&E Directorate
20190226	IPTS - Rehabilitation/Surfacing of IPTS Routes (Standford Road, Corner Drew Street to Corner Newell Street)	1,500,000			As per I&E Directorate
20060229	IPTS - Work Package: Public Transport Facilities	1,000,000			As per I&E Directorate
20210305	PH - Fencing of Korsten Cemetary	1,315,400			As confirmed by the Directorate
20210223	Upgrade of Highfield Road abluion facilities	1,000,000	1,000,000	1,000,000	As confirmed by the Directorate
20200338	Public Lighting	100,000	100,000	100,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	50,000	71,098		NB: As per E&E Directorate
20210095	Gas Turbine Refurbishment - Mount Road Gas Turbine	4,000,000	4,000,000	4,000,000	NB: As per E&E Directorate
20200285	500KWp Solar system at Munelek Building		4,347,830		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>12,465,400</b>	<b>11,518,928</b>	<b>8,100,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital and Operating</b>	<b>12,565,400</b>	<b>11,618,928</b>	<b>8,200,000</b>	
WARD 12					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20120059	Malabar Ext 6 Phase 2 - Roadworks (Human Settlements)		2,232,180	2,232,180	
20170067	Malabar Ext 6 Phase 2 - Stormwater (Human Settlements)		744,060	744,060	
20170068	Malabar Ext 6 Phase 2 - Water Reticulation (Human Settlements)		2,904,960	2,904,960	
20170071	Malabar Ext 6 Phase 2 - Sewer Reticulation (Human Settlements)		9,000,000	9,000,000	
20200128	REINFORCEMENT OF ELECTRICITY NETWORK-WESTERN	666,667	500,000	500,000	
20200334	E&E - Kragga Kamma MV Upgrade	400,000			Project does not belong to this WARD as
20210236	Upgrade & Development of Public Open Spaces -Boulonnias Park	1,900,000	1,500,000	1,500,000	
20200147	WATER: UPGRADE OF RESERVOIR : STRUANDALE	1,000,000			Project does not belong to this WARD as
20210279	Upgrade of Malabar Reservoir -Construction of Perimeter Wall		4,000,000		Project does not belong to this WARD as
20200188	Electrification Formal Sites : Remainder of Malabar Ext 6, Phase 2	1,027,600			NB: As per E&E Directorate
20200338	Public Lighting	400,000	400,000	400,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	160,000	227,514		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>5,554,267</b>	<b>21,508,714</b>	<b>17,281,200</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>5,654,267</b>	<b>21,608,714</b>	<b>17,381,200</b>	
WARD 13					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20210058	RENEWAL OF WATER PIPELINE - HELENVALE	2,500,000	1,500,000		
20200338	Public Lighting	150,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	50,000	71,098		NB: As per E&E Directorate
20060229	IPTS - Work Package: Public Transport Facilities	598,320			As per I&E Directorate
	<b>Total Capital</b>	<b>3,298,320</b>	<b>1,721,098</b>	<b>150,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>3,398,320</b>	<b>1,821,098</b>	<b>250,000</b>	

WARD 14					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20200113	REINFORCEMENT OF ELECTRICITY NETWORK-NORTH	1,000,000	500,000	500,000	
20200333	E&E Deal Party 22kV Upgrade		425,000		
20210104	Upgrade & development of Public open space - Masangwana Park		1,160,000	1,160,000	
20200338	Public Lighting	150,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	50,000	71,098		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>1,200,000</b>	<b>2,306,098</b>	<b>1,810,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>1,300,000</b>	<b>2,406,098</b>	<b>1,910,000</b>	
WARD 15					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20162174	Rehabilitation of Red Location Precinct Buildings		8,000,000	8,000,000	
20200113	REINFORCEMENT OF ELECTRICITY NETWORK-NORTH	1,000,000	500,000	500,000	
20200333	E&E Deal Party 22kV Upgrade		425,000		
20170022	Undeclared Informal Electrification		2,000,000		
20200338	Public Lighting	150,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	50,000	71,098		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>1,200,000</b>	<b>11,146,098</b>	<b>8,650,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital and Operating</b>	<b>1,300,000</b>	<b>11,246,098</b>	<b>8,750,000</b>	
WARD 16					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20170126	John Tallant Link Road	3,333,333	3,333,333	3,333,333	
20200093	RENEWAL OF WATER PIPELINE - SWARTKOPS	4,000,000			
20210224	PH - Beach Development - New Brighton		800,000	800,000	
20182431	1411:Fishwater Flats WWTW Grit & Sludge Treatment Facility	1,000,000	12,000,000	15,000,000	As per I&E Directorate
20190278	Sanitation Services: Fishwater Flats WWTW Upgrade	500,000	1,000,000	2,000,000	As per I&E Directorate
20200155	FISH WATER FLATS WWTW: UPGRADE OF OLD SCREEN HOUSE	5,000,000			As per I&E Directorate
20200157	FISH WATER FLATS WWTW: NEW SCREENING & WASHING SYSTEM	328,850			As per I&E Directorate
20200338	Public Lighting	100,000	100,000	100,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	50,000	71,098		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>14,312,183</b>	<b>17,304,431</b>	<b>21,233,333</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>14,412,183</b>	<b>17,404,431</b>	<b>21,333,333</b>	
WARD 17					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20182617	SRAC:Construction of Multi-Purpose Centre - Ward 17	1,000,000	5,000,000	7,000,000	
20190297	Stormwater Improvements - Stokwe Street, ward 17	10,000,000	10,000,000	5,000,000	
20190300	Stormwater Improvements - Simnka Street, ward 17	10,000,000	10,000,000	5,000,000	
20200338	Public Lighting	150,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	50,000	71,098		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>21,200,000</b>	<b>25,221,098</b>	<b>17,150,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital and Operating</b>	<b>21,300,000</b>	<b>25,321,098</b>	<b>17,250,000</b>	
WARD 18					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20210148	Mandela Village 71 Sites - Sewer Reticulation (Human Settlements)	2,000,000			
20210189	Ward 18 Councillors office- Installation of Fencing	550,000			
20170022	Undeclared Informal Electrification		3,000,000		NB: As per E&E Directorate
20200188	Electrification Formal Sites : Mandela Village (71 sites);Bongweni (44 sites) <b>only 24 sites</b>	1,558,404			NB: As per E&E Directorate
20200338	Public Lighting	150,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	50,000	71,098		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>4,308,404</b>	<b>3,221,098</b>	<b>150,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital and Operating</b>	<b>4,408,404</b>	<b>3,321,098</b>	<b>250,000</b>	



WARD 19					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20120031	Kwazakhele: Ekhumhuleni Roadworks (Human Settlements)	10,529,780			
20130040	Nkatha/Seyisi - Roadworks (Human Settlements)	3,498,710			
20170084	Nkatha/Seyisi - Stormwater (Human Settlements)	1,999,260			
20170086	Nkatha/Seyisi - Water Reticulation (Human Settlements)	1,499,450			
20170088	Nkatha/Seyisi - Sewer Reticulation (Human Settlements)	2,998,890			
20170126	John Tallant Link Road	3,333,333	3,333,333	3,333,333	
20170191	Kwazakhele: Ekuphumleni - Water Reticulation (Human Settlements)	3,948,670			
20170192	Kwazakhele: Ekuphumleni - Sewer Reticulation (Human Settlements)	7,897,330			
20182298	Kwazakhele: Ekuphumleni - Stormwater (Human Settlements)	3,948,670			
20210234	Upgrade and Development of Public Open Spaces - Zokwana Park	1,800,000	600,000	1,700,000	
20200188	Electrification Formal Sites : Nkatha / Seyisi (Enkuthazweni) (72 sites)	1,056,960			
20200338	Public Lighting	150,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	50,000	71,098		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>42,711,053</b>	<b>4,154,431</b>	<b>5,183,333</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>42,811,053</b>	<b>4,254,431</b>	<b>5,283,333</b>	
WARD 20					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20200338	Public Lighting	150,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	50,000	71,098		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>200,000</b>	<b>221,098</b>	<b>150,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>300,000</b>	<b>321,098</b>	<b>250,000</b>	
WARD 21					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20170126	John Tallant Link Road	3,333,334	3,333,334	3,333,334	
20190320	SRAC: Construction of Multi-Purpose Centre - Ward 21	5,000,000	5,000,000	5,000,000	
20210235	Upgrade and Development of Public Open Spaces - Nomjila Park	1,800,000	800,000	1,200,000	
20200338	Public Lighting	150,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	50,000	71,098		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>10,333,334</b>	<b>9,354,432</b>	<b>9,683,334</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>10,433,334</b>	<b>9,454,432</b>	<b>9,783,334</b>	
WARD 22					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20190169	EDTA - NJOLI SQUARE REDEVELOPMENT	20,608,700	26,086,960	30,434,780	
20200338	Public Lighting	150,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	50,000	71,098		NB: As per E&E Directorate
20210187	Ward 22 Councillors office- Installation of Fencing	550,000			
	<b>Total Capital</b>	<b>21,358,700</b>	<b>26,308,058</b>	<b>30,584,780</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>21,458,700</b>	<b>26,408,058</b>	<b>30,684,780</b>	
WARD 23					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20200338	Public Lighting	150,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	50,000	71,098		NB: As per E&E Directorate
20210188	Ward 23 Councillors office- Installation of Fencing	700,000			
	<b>Total Capital</b>	<b>900,000</b>	<b>221,098</b>	<b>150,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>1,000,000</b>	<b>321,098</b>	<b>250,000</b>	

WARD 24					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20200338	Public Lighting	100,000	100,000	100,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	75,000	165,545		NB: As per E&E Directorate
20210190	Ward 24 Councillors office- Installation of Fencing	750,000			
	<b>Total Capital</b>	<b>925,000</b>	<b>265,545</b>	<b>100,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>1,025,000</b>	<b>365,545</b>	<b>200,000</b>	
WARD 25					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20200338	Public Lighting	150,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	75,000	156,647		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>225,000</b>	<b>306,647</b>	<b>150,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>325,000</b>	<b>406,647</b>	<b>250,000</b>	
WARD 26					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20060237	Zwide Bulk Stormwater	6,000,000	20,000,000	10,000,000	
20210213	SRAC: Zwide Library roof replacement	700,000			
20200338	Public Lighting	150,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	75,000	106,647		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>6,925,000</b>	<b>20,256,647</b>	<b>10,150,000</b>	
	<b>Projects on Operating Budget</b>				
	<b>Other Operating Projects</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital and Operating</b>	<b>7,025,000</b>	<b>20,356,647</b>	<b>10,250,000</b>	
WARD 27					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20200338	Public Lighting	150,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	75,000	106,647		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>225,000</b>	<b>256,647</b>	<b>150,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>325,000</b>	<b>356,647</b>	<b>250,000</b>	
WARD 28					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20200338	Public Lighting	150,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	75,000	106,647		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>225,000</b>	<b>256,647</b>	<b>150,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>325,000</b>	<b>356,647</b>	<b>250,000</b>	

WARD 29					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20120033	Jagvlagte (Chatty 11-14) Roadworks (Human Settlements)	-	10,223,800	10,223,800	
20170091	Jagvlagte (Chatty 11-14) - Stormwater (Human Settlements)		4,811,200	4,811,200	
20170093	Jagvlagte (Chatty 11-14) - Water Reticulation (Human Settlements)		4,209,800	4,209,800	
20200272	IPTS - Costruction of Sidewalks along IPTS trunk and feed (CNR Nooidgedacht Rd to CNR Booyens Park Drive)	1,000,000			As per I&E Directorate
20200272	IPTS - Costruction of Sidewalks along IPTS trunk and feed (CNR Nooidgedacht Rd to CNR Booyens Park Drive)	1,000,000			As per I&E Directorate
20200272	IPTS - Costruction of Sidewalks along IPTS trunk and feed (CNR Booyens Park Drive to CNR Nortjie Street E)	1,500,000			As per I&E Directorate
20200272	IPTS - Costruction of Sidewalks along IPTS trunk and feed (CNR Booyens Park Drive to CNR Nortjie Street W)	1,500,000			As per I&E Directorate
20170096	Jagvlagte (Chatty 11-14) - Sewer Reticulation (Human Settlements)		3,608,400	3,608,400	
20190226	IPTS - Rehabilitation/Surfacing of IPTS Routes (Booyens Park Cnr Montequ to Cnr Baatjies Street)	2,000,000			As per I&E Directorate
20182556	Acquisition of Properties - Stanford Road	1,500,000			
20190160	SRAC: Chatty library roof replacement	1,000,000			
20210057	RENEWAL OF WATER PIPELINE - BLOEMENDAL	15,000,000			
20210105	Upgrade & development of Public open spaces - MPC Park		1,170,000	1,170,000	
#####	Undeclared Informal Electrification	4,000,000	5,000,000		NB: As per E&E Directorate
20200188	Electrification Formal Sites : Rem of Military Veteran Hs;Chatty Jachtvlakte, phase 5A	2,012,360	2,495,600	4,168,000	NB: As per E&E Directorate
20200338	Public Lighting	100,000	100,000	100,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	50,000	71,098		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>30,662,360</b>	<b>31,689,898</b>	<b>28,291,200</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>30,762,360</b>	<b>31,789,898</b>	<b>28,391,200</b>	
WARD 30					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20200338	Public Lighting	150,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	50,000	71,098		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>200,000</b>	<b>221,098</b>	<b>150,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>300,000</b>	<b>321,098</b>	<b>250,000</b>	
WARD 31					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
#####	Undeclared Informal Electrification		3,000,000		NB: As per E&E Directorate
20200338	Public Lighting	150,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	50,000	71,098		NB: As per E&E Directorate
20110092	Missionvale Garden Lots - Roadworks (Human Settlements)	6,905,850			
20190003	Missionvale - Stormwater (Human Settlements)	2,959,650			
20190004	Missionvale - Water Reticulation (Human Settlements)	986,550			
20190005	Missionvale - Sewer Reticulation (Human Settlements)	657,700			
	<b>Total Capital</b>	<b>11,709,750</b>	<b>3,221,098</b>	<b>150,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>11,809,750</b>	<b>3,321,098</b>	<b>250,000</b>	
WARD 32					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20200272	IPTS - Costruction of Sidewalks along IPTS trunk and feed (CNR Norman Middleton Rd to Grootboom Street E)	1,500,000			As per I&E Directorate
20060229	IPTS - Work Package: Public Transport Facilities	1,000,000			As per I&E Directorate
20210096	IPTS - Improvement of Entrance at Cleary Park Taxi Rank	3,000,000			As per I&E Directorate
20200038	IPTS - CONSTRUCTION OF BUS EMBAYMENTS IN IPTS ROUTES (Cnr Norman Middleton to CNR Esterhuis)	750,000			As per I&E Directorate
20190054	IPTS - The Development of Cleary Park Depot and Terminal	1,000,000	3,000,000		As per I&E Directorate
20200338	Public Lighting	100,000	100,000	100,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	50,000	71,098		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>7,400,000</b>	<b>3,171,098</b>	<b>100,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>7,500,000</b>	<b>3,271,098</b>	<b>200,000</b>	

WARD 33					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
#####	Undeclared Informal Electrification	4,000,000	5,000,000		
20200338	Public Lighting	100,000	100,000	100,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	50,000	71,098		NB: As per E&E Directorate
20190226	IPTS - Rehabilitation/Surfacing of IPTS Routes (Kleinskool Redhouse/Bethelsdorp Rd, Cnr ERF6623 to CNR Oic	2,500,000			As per I&E Directorate
20200188	Electrification Formal Sites			4,146,000	NB: As per E&E Directorate
	<b>Total Capital</b>	<b>6,650,000</b>	<b>5,171,098</b>	<b>4,246,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>6,750,000</b>	<b>5,271,098</b>	<b>4,346,000</b>	
WARD 34					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20162016	SRAC Construction of Multi-Purpose Centre - Ward 34	1,000,000	3,000,000	7,000,000	
20190226	IPTS - Rehabilitation/Surfacing of IPTS Routes (Kleinskool Redhouse/Bethelsdorp Rd, Cnr Lawrence Erasmus R	2,000,000			Redhouse does not fall within the Ward, as per Ward Cllr
20200272	IPTS - Costruction of Sidewalks along IPTS trunk and feed (CNR Grootboom Street to CNR Esterhuisen Street	1,500,000			As per I&E Directorate
20190268	Erection of Ward 34 Councillors Office	500,000	200,000	500,000	
20200038	IPTS - CONSTRUCTION OF BUS EMBAYMENTS IN IPTS ROUTES (Cnr Norman Middleton to CNR Esterhuis	750,000			As per I&E Directorate
20200038	IPTS - CONSTRUCTION OF BUS EMBAYMENTS IN IPTS ROUTES (Cnr Lawrence Erasmus Rd to Cnr ERF6	1,500,000			As per I&E Directorate
20200338	Public Lighting	100,000	100,000	100,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	50,000	71,098		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>7,400,000</b>	<b>5,371,098</b>	<b>7,600,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>7,500,000</b>	<b>5,471,098</b>	<b>7,700,000</b>	
WARD 35					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20210240	Upgrade and Development of Public Open Spaces - Bramble Park	1,700,000	1,900,000	1,200,000	
20200338	Public Lighting	100,000	100,000	100,000	NB: As per E&E Directorate
20200272	IPTS - Costruction of Sidewalks along IPTS trunk and feed (CNR Norman Middleton to CNR Esterhusen Street	3,000,000			As per I&E Directorate
20200272	IPTS - Costruction of Sidewalks along IPTS trunk and feed (CNR Standford Rd to CNR Williams Slammet Street	2,000,000			As per I&E Directorate
20200272	IPTS - Costruction of Sidewalks along IPTS trunk and feed (CNR Williams Slammet Street to CNR Rensburg R	2,000,000			As per I&E Directorate
20200038	IPTS - CONSTRUCTION OF BUS EMBAYMENTS IN IPTS ROUTES (Section Rensburg Rd and Standford Rd)	750,000			As per I&E Directorate
20200038	IPTS - CONSTRUCTION OF BUS EMBAYMENTS IN IPTS ROUTES (CNR Standford Rd to CNR ERF3628 Str	3,750,000			As per I&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	50,000	71,098		NB: As per E&E Directorate
20210093	IPTS - Widening of section in William Slammert Drive	3,000,000			As per I&E Directorate
	<b>Total Capital</b>	<b>16,350,000</b>	<b>2,071,098</b>	<b>1,300,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>16,450,000</b>	<b>2,171,098</b>	<b>1,400,000</b>	

WARD 36					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20200338	Public Lighting	100,000	100,000	100,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	50,000	71,098		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>150,000</b>	<b>171,098</b>	<b>100,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>250,000</b>	<b>271,098</b>	<b>200,000</b>	
WARD 37					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20130054	Bethelsdorp Ext 32, 34 & 36 - Roadworks (Human Settlements)		4,224,840	4,224,840	
20130057	Kleinskool Kliprand - Roadworks (Human Settlements)			1,500,000	Project does not fall within Ward, as per
20170090	Bethelsdorp Ext 32, 34, & 36 - Stormwater(Human Settlements)		3,307,700	3,307,700	
20170092	Bethelsdorp Ext 32, 34, & 36 - Water Reticulation (Human Settlements)		2,781,480	2,781,480	
20170094	Bethelsdorp Ext 32, 34, & 36 - Sewer (Human Settlements)		3,758,750	3,758,750	
20190226	IPTS - Rehabilitation/Surfacing of IPTS Routes (Randburg Rd, CNR St Ledger Drive to CNR Old PE/Uitenhage F	2,500,000			As per I&E Directorate
20200342	IPTS - Reconstruction of Concrete V Channel along Old Uitenhage Road	2,000,000			As per I&E Directorate
20170095	Kleinskool Kliprand - Stormwater (Human Settlements)			1,000,000	Project does not fall within Ward, as per
20170098	Kleinskool Kliprand - Water Reticulation (Human Settlements)			1,500,000	Project does not fall within Ward, as per
20200038	IPTS - CONSTRUCTION OF BUS EMBAYMENTS IN IPTS ROUTES (Section of Rd along Barberry Drive)	6,000,000			As per I&E Directorate
20170100	Kleinskool Kliprand - Sewer Reticulation (Human Settlements)			4,000,000	Project does not fall within Ward, as per
20200188	Electrification Formal Sites : Bethelsdorp Ext 32, 34 & 36 Infill sites			4,146,000	
20200338	Public Lighting	150,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	50,000	71,098		NB: As per E&E Directorate
20200341	IPTS -Reconstruct Old Uitenhage Rd	7,000,000			NB: As per E&E Directorate
	<b>Total Capital</b>	<b>17,700,000</b>	<b>14,293,868</b>	<b>26,368,770</b>	As per I&E Directorate
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>17,800,000</b>	<b>14,393,868</b>	<b>26,468,770</b>	
WARD 38					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20190162	PH - Upgrade and Development of Bloemendal Cemetery	500,000	500,000	500,000	
20190226	IPTS - Rehabilitation/Surfacing of IPTS Routes (Mpuku Street from CNR Standford Rd to CNR Morocco Street)	2,500,000			As per I&E Directorate
20200038	IPTS - CONSTRUCTION OF BUS EMBAYMENTS IN IPTS ROUTES (Sections of Standford Road)	1,500,000			As per I&E Directorate
20200338	Public Lighting	100,000	100,000	100,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	28,500	40,525		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>4,628,500</b>	<b>640,525</b>	<b>600,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>4,728,500</b>	<b>740,525</b>	<b>700,000</b>	
WARD 39					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20200338	Public Lighting	200,000	200,000	200,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	160,000	227,514		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>360,000</b>	<b>427,514</b>	<b>200,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>460,000</b>	<b>527,514</b>	<b>300,000</b>	

WARD 40					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20060241	Blue Horizan Bay Bulk Stormwater	500,000	500,000	500,000	
20080081	Greenbushes: Stormwater Improvements	500,000	500,000	500,000	
20120043	Seaview Housing - Roadworks (Human Settlements)			5,262,250	
20170097	Seaview Housing - Stormwater (Human Settlements)			2,631,130	
20170099	Seaview Housing - Water (Human Settlements)			3,016,190	
20170101	Seaview Housing - Sewer Reticulation (Human Settlements)			7,028,870	
20200332	E&E Chelsea MV Upgrade	333,333	333,334	2,666,668	
20050106	Water Services: Seaview Water Pump Station: Upgrades	1,000,000			As per I&E Directorate
20210078	Upgrade of Kwanobuhle Water Pump Station	16,959,720	26,040,280		As per I&E Directorate
20170022	Undeclared Informal Electrification	5,000,000	4,000,000		NB: As per E&E Directorate
20200338	Public Lighting	100,000	100,000	100,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	160,000	227,514		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>24,553,053</b>	<b>31,701,128</b>	<b>21,705,108</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>24,653,053</b>	<b>31,801,128</b>	<b>21,805,108</b>	
WARD 41					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20162191	Construction of Joe Slovo Bridge – Ward 41	500,000	1,000,000	1,000,000	
20190294	Aluta Continua Access Road - Joe Slovo - 41	5,000,000	5,000,000		
20200188	Electrification Formal Sites: Connection of Rem- Joe Slovo West;Khayamnandi Ext, Phase 6, North	3,624,860	3,523,200	5,528,000	NB: As per E&E Directorate
20200338	Public Lighting	170,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	28,500	40,525		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>9,323,360</b>	<b>9,713,725</b>	<b>6,678,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>9,423,360</b>	<b>9,813,725</b>	<b>6,778,000</b>	
WARD 42					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20182619	SRAC:Construction of Multi-Purpose Centre - Ward 42	5,000,000	5,000,000	5,000,000	
20200337	E&E Mabandla MV upgrade	166,666	583,333	500,000	
20200338	Public Lighting	100,000	100,000	100,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	28,500	40,525		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>5,295,166</b>	<b>5,723,858</b>	<b>5,600,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>5,395,166</b>	<b>5,823,858</b>	<b>5,700,000</b>	
WARD 43					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20200337	E&E Mabandla MV upgrade	166,667	583,333	500,000	
20200338	Public Lighting	100,000	100,000	100,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	28,500	40,525		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>295,167</b>	<b>583,333</b>	<b>500,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>395,167</b>	<b>683,333</b>	<b>600,000</b>	
WARD 44					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20200225	Re-Construction of Kwanobuhle Library	1,000,000	9,500,000	2,500,000	
20200337	E&E Mabandla MV Upgrade	166,666	583,333	500,000	
20210242	Upgrade and Development of Public Open Spaces -Mqolomba Park	700,000			
20200338	Public Lighting	150,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	100,000	142,196		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>2,116,666</b>	<b>10,375,529</b>	<b>3,150,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>2,216,666</b>	<b>10,475,529</b>	<b>3,250,000</b>	

WARD 45					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20120030	Kwanobuhle Area 11 - Roadworks (Human Settlements)			2,075,320	
20170079	Kwanobuhle Area 11 - Stormwater (Human Settlements)			830,130	
20170081	Kwanobuhle Area 11 - Water Reticulation (Human Settlements)			1,245,190	
20170083	Kwanobuhle Area 11 - Sewer Reticulation (Human Settlements)			4,150,630	
20200337	E&E Mabandla MV Upgrade	166,667	583,333	500,000	
20210241	Upgrade & Development of Public Open Spaces - Mollyblackburn	2,000,000	3,000,000	1,200,000	
20170022	Undeclared Informal Electrification		4,000,000		
20200188	Electrification Formal Sites Area 11	3,513,120	3,251,853	3,703,000	NB: As per E&E Directorate
20200338	Public Lighting	300,000	300,000	300,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	100,000	142,196		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>6,079,787</b>	<b>11,277,382</b>	<b>14,004,270</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>6,179,787</b>	<b>11,377,382</b>	<b>14,104,270</b>	
WARD 46					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20190087	Uitenhage Fresh Produce Market	1,500,000			
20200120	REINFORCEMENT OF ELECTRICITY NETWORK-UITENHAGE	1,000,000	1,000,000	750,000	
20200337	E&E Mabandla MV upgrade	166,667	583,333	500,000	
20210283	Fencing of Uitenhage fresh produce produce	500,000			
20190247	Sanitation :Upgrading of Despatch Reclamation Works	9,000,000			As per I&E Directorate
20200338	Public Lighting	175,000	175,000	175,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	100,000	142,196		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>12,441,667</b>	<b>1,900,529</b>	<b>1,425,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>12,541,667</b>	<b>2,000,529</b>	<b>1,525,000</b>	
WARD 47					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20190168	PH - Upgrade and Development of Matanzima Cemetery	500,000	500,000	250,000	
20200337	E&E Mabandla MV upgrade	166,667	583,335	500,000	
20200338	Public Lighting	175,000	175,000	175,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	100,000	142,196		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>941,667</b>	<b>1,400,531</b>	<b>925,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>1,041,667</b>	<b>1,500,531</b>	<b>1,025,000</b>	
WARD 48					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20190170	PH - Upgrade and Development of Gerald Smith Cemetery	250,000	250,000	500,000	
20200237	Replacement of cork floor - Uitenhage indoor centre	1,000,000	1,000,000		
20190195	PH - Upgrading of Uitenhage Depot into Wellness Centre	200,000			
20190283	PH - Upgrade of Animal Pound	700,000	700,000	700,000	
20200277	Uitenhage infill sites /In Situ- Roadworks (Human Settlements)	986,550	300,700	300,700	
20200278	Uitenhage Infill Sites / In Situ - Stormwater Reticulation (Human Settlements)	739,913	240,560	240,560	
20200279	Uitenhage Infill Sites / In Situ - Water Reticulation (Human Settlements)	657,700	582,608	582,608	
20200280	Uitenhage Infill Sites/ In Situ- Sewer Reticulation (Human Settlements)	822,125	511,190	511,190	
20190242	Water Services : Upgrading Groendal Water Treatment Works	1,750,000	2,500,000	3,000,000	As per I&E Directorate
20190248	Sanitation : Kelvin Jones WWTW Upgrading	11,000,000	5,000,000		As per I&E Directorate
20200188	Electrification Formal Sites	819,728			NB: As per E&E Directorate
20200338	Public Lighting	150,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	100,000	142,196		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>19,176,016</b>	<b>11,377,254</b>	<b>5,985,058</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>19,276,016</b>	<b>11,477,254</b>	<b>6,085,058</b>	

WARD 49					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20210239	Upgrade and Development of Public Open Spaces - Spreu Park	1,600,000	1,500,000	1,200,000	
20200338	Public Lighting	250,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	150,000	213,294		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>2,000,000</b>	<b>1,863,294</b>	<b>1,350,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>2,100,000</b>	<b>1,963,294</b>	<b>1,450,000</b>	
WARD 50					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20200233	Rehabilitation of Main Pavillion - Uitenhage sportsfields	1,000,000	3,000,000	2,000,000	
20200277	Uitenhage infill sites /In Situ- Roadworks (Human Settlements)	986,550	300,700	300,700	
20200278	Uitenhage Infill Sites / In Situ - Stormwater Reticulation	739,913	240,560	240,560	
20200279	Uitenhage Infill Sites / In Situ - Water Reticulation (Human Settlements)	657,700	582,608	582,608	
20200280	Uitenhage Infill Sites/ In Situ- Sewer Reticulation (Human Settlements)	822,125	511,190	511,190	
20210227	Upgrade and Development of Kabah Cemetery	500,000	500,000	500,000	
20200338	Public Lighting	150,000	150,000	150,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	250,000	213,294		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>5,106,288</b>	<b>5,498,352</b>	<b>4,285,058</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital and Operating</b>	<b>5,206,288</b>	<b>5,598,352</b>	<b>4,385,058</b>	
WARD 51					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20190269	Upgrade of Ward 51 Councillor Office	450,000			
20200120	REINFORCEMENT OF ELECTRICITY NETWORK-UITENHAGE	1,000,000	1,000,000	750,000	
20200277	Uitenhage infill sites /In Situ- Roadworks (Human Settlements)	986,550	300,700	300,700	
20200278	Uitenhage Infill Sites / In Situ - Stormwater Reticulation	739,912	240,560	240,560	
20200279	Uitenhage Infill Sites / In Situ - Water Reticulation (Human Settlements)	657,700	582,607	582,607	
20200280	Uitenhage Infill Sites/ In Situ- Sewer Reticulation (Human Settlements)	822,125	511,190	511,190	
20210229	Construction of new greenhouse at Buxton Road Nursery			800,000	
20200338	Public Lighting	150,000	150,000	150,000	Project must be taken to Ward 44, as per
20210092	Public Lighting Refurbishment/Retro fit	100,000	142,196		Project must be taken to Ward 44, as per
	<b>Total Capital</b>	<b>4,906,287</b>	<b>2,927,253</b>	<b>3,335,057</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital and Operating</b>	<b>5,006,287</b>	<b>3,027,253</b>	<b>3,435,057</b>	
WARD 52					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20200125	REINFORCEMENT OF ELECTRICITY NETWORK-DESPATCH	5,000,000	3,253,800	2,500,000	
20200338	Public Lighting	50,000	50,000	50,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	28,500	40,525		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>5,078,500</b>	<b>3,344,325</b>	<b>2,550,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>5,178,500</b>	<b>3,444,325</b>	<b>2,650,000</b>	
WARD 53					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20080080	Cannonville/Colchester: Stormwater improvements	4,000,000	4,000,000		
20190171	PH - Upgrade and Development of Motherwell Cemetery	500,000	500,000	500,000	
20200277	Uitenhage infill sites /In Situ- Roadworks (Human Settlements)	986,550	300,700	300,700	
20200278	Uitenhage Infill Sites / In Situ - Stormwater Reticulation	739,912	240,560	240,560	
20200279	Uitenhage Infill Sites / In Situ - Water Reticulation (Human Settlements)	657,700	582,607	582,607	
20200280	Uitenhage Infill Sites/ In Situ- Sewer Reticulation (Human Settlements)	822,125	511,190	511,190	
20190236	1412 Construction of Coegakop Water Treatment Works(NON-MDRG)	160,000,000	25,000,000	5,000,000	NB: As per I&E Directorate
20210077	Colchester Development Augmentation - New Water Pipeline	3,000,000			NB: As per I&E Directorate
20170022	Undeclared Informal Electrification	1,900,000			NB: As per E&E Directorate
20200338	Public Lighting	100,000	100,000	100,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	100,000	142,196		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>172,806,287</b>	<b>31,377,253</b>	<b>7,235,057</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>172,906,287</b>	<b>31,477,253</b>	<b>7,335,057</b>	



WARD 54					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20210106	Upgrade & development of Public open spaces - Gwangwa park		1,170,000	1,170,000	
20170022	Undeclared Informal Electrification	6,000,000			
20200188	Electrification Formal Sites: Motherwell NU 31	308,380	734,000	3,455,000	NB: As per E&E Directorate
20200338	Public Lighting	400,000	400,000	400,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	100,000	142,196		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>6,808,380</b>	<b>2,446,196</b>	<b>5,025,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>6,908,380</b>	<b>2,546,196</b>	<b>5,125,000</b>	
WARD 55					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20190321	SRAC: Construction of Multi-Purpose Centre - Ward 55	1,000,000	4,000,000	5,000,000	
20210192	Ward 55 Councillors office- Installation of Fencing	350,000			
20170022	Undeclared Informal Electrification	4,000,000	2,000,000		NB: As per E&E Directorate
20200338	Public Lighting	250,000	250,000	250,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	150,000	213,294		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>5,750,000</b>	<b>6,463,294</b>	<b>5,250,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>5,850,000</b>	<b>6,563,294</b>	<b>5,350,000</b>	
WARD 56					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20090038	Stormwater Improvements Ikamvelihle	1,500,000	1,500,000	1,500,000	
20170022	Undeclared Informal Electrification	3,600,000	2,000,000		NB: As per E&E Directorate
20200338	Public Lighting	250,000	250,000	250,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	150,000	213,203		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>5,500,000</b>	<b>3,963,203</b>	<b>1,750,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>5,600,000</b>	<b>4,063,203</b>	<b>1,850,000</b>	
WARD 57					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20190157	SRAC: Motherwell library roof replacement	1,500,000			
20210237	Upgrade and Development of Public Open Spaces - Ingwe Park	1,500,000	1,900,000	2,000,000	
20170022	Undeclared Informal Electrification	2,500,000	4,000,000		NB: As per E&E Directorate
20200338	Public Lighting	250,000	250,000	250,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	150,000	213,294		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>5,900,000</b>	<b>6,363,294</b>	<b>2,250,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>6,000,000</b>	<b>6,463,294</b>	<b>2,350,000</b>	
WARD 58					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20200338	Public Lighting	250,000	250,000	250,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	150,000	213,294		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>400,000</b>	<b>463,294</b>	<b>250,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>500,000</b>	<b>563,294</b>	<b>350,000</b>	
WARD 59					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20200338	Public Lighting	250,000	250,000	250,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	150,000	213,294		NB: As per E&E Directorate
	<b>Total Capital</b>	<b>400,000</b>	<b>463,294</b>	<b>250,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>500,000</b>	<b>563,294</b>	<b>350,000</b>	

WARD 60					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
20162188	Wells Estate - Access Road	3,000,000	3,500,000	4,000,000	
20190151	SRAC: Wells Estate - Upgrade Infrastructure	1,200,000	2,000,000	1,000,000	
20190153	PH - Beach Development - Wells Estate	600,000	600,000	600,000	
20200064	Motherwell canal wetlands	1,000,000	1,000,000	1,000,000	
20200073	Upgrade Main Road through Swartkops	2,000,000	2,000,000	2,000,000	Project does not belong to the Ward, as
20200115	REINFORCEMENT OF ELECTRICITY NETWORK-WELLS	1,500,000	1,000,000	1,000,000	Project does not belong to the Ward, as
20210244	Sanitation:Security upgrade at Brickfields WWTW	500,000	500,000	1,000,000	
20210191	Ward 60 Councillors office- Installation of Fencing	750,000			Project does not belong to the Ward, as
20170022	Undeclared Informal Electrification	5,000,000	2,000,000		
20200338	Public Lighting	350,000	350,000	350,000	NB: As per E&E Directorate
20210092	Public Lighting Refurbishment/Retro fit	150,000	213,314		NB: As per E&E Directorate
20200207	Public cont - Reinforcement of electricity networks - Coega	20,000,000			NB: As per E&E Directorate
	<b>Total Capital</b>	<b>36,050,000</b>	<b>13,163,314</b>	<b>10,950,000</b>	
	<b>Projects on Operating Budget</b>				
	Ward Councilor's Discretionary Fund	100,000	100,000	100,000	
	<b>Total Capital &amp; Operating</b>	<b>36,150,000</b>	<b>13,263,314</b>	<b>11,050,000</b>	
<b>SUPPORT SERVICES</b>					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
<b>Electricity Network Expansion, Rehabilitation and Re-inforcement</b>					
20070209	Substation Fibre Optic Backbone	1,250,000	3,000,000	3,000,000	
20150028	Refurbishment of Power Transformers	10,296,200	12,778,400	3,680,000	
20200188	Electrification: New Connections to customers with Access to Electricity	319,696	107,747	361,200	
20170045	Distribution Substation Building Refurbishment Program	1,000,000		1,000,000	
20182549	Upgrade of Commercial Meters - Remote Metering	7,302,000			
20182550	Smart Pre-Payment Meters	10,942,700	10,942,700		
20182551	HV Transmission Line	20,000,000	20,000,000		
20200105	Low voltage reticulation improvement	1,250,000	1,400,000		
20200137	Procurement of Metering Products	3,000,000	2,000,000	2,000,000	
20210092	Public Lighting Refurbishment/Retro fit: Metro Wide AdHoc			648,150	
20200203	HV Line Refurbishment (66 & 132KV)	1,000,000	1,000,000	1,000,000	
20200205	MV and LV Line Refurbishment	3,000,000	3,000,000	2,500,000	
20200209	Public Contribution - Private Township Development	10,000,000			
20200287	150W LED Street lights on Major roads		4,347,820		
20200330	E&E HV Circuit breakers replacement at major substations	3,200,000	3,200,000		
20200339	E&E Miscellaneous Mains and Substations	10,000,000			
20210273	E&E - SSND 132kV power line commission and put on load	2,000,000			
		<b>84,560,596</b>	<b>61,776,667</b>	<b>14,189,350</b>	
<b>SUPPORT SERVICES</b>					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
<b>Water Network Expansion and Rehabilitation</b>					
20042883	Water Services: Older Dams Pipelines Augmentation	2,000,000	2,000,000	2,000,000	
20080094	Water Services: Rehabilitation of Dams	500,000	1,000,000	1,000,000	
20162356	Water Services: Advanced Meter Infrastructure	5,000,000	5,500,000	3,000,000	
20170045	Distribution Substation Building Refurbishment Program		1,000,000		
20182415	1412:Loerie Water Treatment Works:Rehab	2,500,000			
20190104	Connections and Water Meters (Human Settlements)	2,500,000	1,500,000	1,500,000	
20190159	WATER SERVICES: NOOITGEDAGT LOW LEVEL SCHEME: PHASE 3	3,000,000			
20190163	WATER SERVICES: PURCHASE OF VEHICLES	2,000,000	2,000,000	2,000,000	
20190235	WATER SERVICES: REHABILITATION OF PUMP STATIONS	5,000,000	6,000,000	7,000,000	
20190237	Water Services : Bulk Water Metering + Control	3,000,000	4,000,000	4,000,000	
20190238	Water Services : Upgrading of Churchill Water Treatment Work	2,000,000	3,000,000	40,000,000	
20190239	Water Services : Installation of zone Water Meters	1,750,000	4,000,000	4,000,000	
20190240	Water Services : Office Accommodation	2,000,000			
20190241	Water Services : Purchase of Telemetry Equipment	1,750,000	4,000,000	4,000,000	
20190243	Water Services : Jagtvlakte : Bulk Water Supply Pipeline	500,000	500,000	500,000	
20200008	WATER:INSTALLATION OF STANDPIPES AND ASSOCIATED WATER METERS	5,000,000	6,000,000	7,000,000	
20200089	RENEWAL OF WATER PIPELINES - CHURCHILL	5,000,000	4,000,000		
20200090	RENEWAL OF WATER PIPELINE - KABEGA		4,000,000		
20200094	RENEWAL OF WATER PIPELINE - WILLIAM MOFFAT	2,500,000			
20200143	WATER: PURCHASE AND INSTALLATION OF WATER METERS	45,000,000	25,000,000		
20200151	RENEWAL OF WATER PIPELINES		45,000,000		
20200153	NOOITGEDAGT:NEW PUMP SETS - M/WELL + STANFORD RD PUMP STATION	500,000	25,000,000	27,000,000	
20200318	Water: Purchase of Computer Equipment	250,000	250,000	250,000	
20200321	Water: Purchase of Furniture & Office Equipment.	250,000	1,000,000	100,000	
20210059	RENEWAL OF WATER PIPELINE - GOVAN MBEKI, IBHAYI	7,500,000	7,500,000		
20210060	RENEWAL OF WATER PIPELINE - IBHAYI	7,500,000	1,500,000		
20210061	RENEWAL OF WATER PIPELINE - DEAL PARTY	3,000,000			
20210245	Renewal of Water Pipelines, Valves & Hydrants in Walmer	1,000,000	500,000		
20210246	Renewal of Water Pipelines, Valves & Hydrants in Summerstrand	1,000,000	500,000		
20210247	Renewal of Water Pipelines, Valves & Hydrants in Central	1,000,000	500,000		
20210248	Renewal of Water Pipelines, Valves & Hydrants in Newton Park	1,000,000	500,000		
20210249	Renewal of Water Pipelines, Valves & Hydrants in Algoa Park	2,000,000	500,000		
20210250	Renewal of Water Pipelines, Valves & Hydrants in Gelvandale	1,000,000	500,000		
20210251	Renewal of Water Pipelines, Valves & Hydrants in Shauderville	1,000,000	500,000		
20210252	Renewal of Water Pipelines, Valves & Hydrants in New Brighton		500,000		
20210253	Renewal of Water Pipelines, Valves & Hydrants in Kwazakhele		500,000		

20210254	Renewal of Water Pipelines,Valves & Hydrants in Zwide		500,000		
20210255	Renewal of Water Pipelines,Valves & Hydrants in Bethelsdorp	5,000,000	2,500,000		
20210256	Renewal of Water Pipelines,Valves & Hydrants in Motherwell	7,500,000	5,000,000		
20210257	Renewal of Water Pipelines,Valves & Hydrants in Uitenhage	7,500,000	5,000,000		
20210258	Renewal of Water Pipelines,Valves & Hydrants in Bloemendal	5,000,000	5,000,000		
20210259	Renewal of Water Pipelines,Valves & Hydrants in Kwanobuhle	5,000,000	5,000,000		
20210260	Renewal of Water Pipelines,Valves & Hydrants in Despatch	5,000,000	5,000,000		
20210280	Renewal of Elandsjagt Water Treatment Works		2,000,000	2,000,000	
		<b>153,000,000</b>	<b>188,250,000</b>	<b>105,350,000</b>	
<b>SUPPORT SERVICES</b>					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
<b>Sanitation Network Expansion and Rehabilitation</b>					
19980348	Sanitation Services: Paapenkuis Main Sewers Augmentation		1,500,000	2,500,000	
20070144	Sanitation Services: Kwanobuhle WWTW : Upgrading	1,500,000			
20110066	1411: Bulk Sewer Joe Slovo Mandelville Allenridge Phase 2 Sub1	500,000	1,000,000	1,000,000	
20182418	1411: Augment Collector Sewer Walmer Heights & Mount Pleasant	4,000,000			
20182423	1411: Bucket Eradication Progr: Supply & Install Communal Ablut	3,000,000	1,000,000	1,000,000	
20182428	1411: Swartskops Low Level Collector Sewer Upgrade	1,000,000	20,000,000		
20182540	Fitzpatrick New Sewerage Pump Station	500,000	5,000,000	5,000,000	
20190249	Sanitation : Upgrade of Rocklands WWTW	250,000			
20190250	Sanitation : Jagtvlakte Bulk Sewer	500,000	2,500,000	2,500,000	
20190252	Sanitation : Improvements to Sewerage Systems	10,000,000	5,000,000		
20190253	Sanitation Services: Seaview Bulk Sewerage	500,000	500,000	1,000,000	
20190254	Sanitation: Rehabilitation of Sewer Pipes	2,000,000	2,000,000	2,000,000	
20190255	Sanitation : Sewer Protection for Collector Sewers	1,000,000	2,000,000	2,500,000	
20190256	Sanitation : Rehabilitation Of KwaZakhele Collector Sewer	2,000,000	15,000,000	15,000,000	
20190257	Sanitation : Rehabilitation of Pump Stations	7,000,000	10,000,000	10,000,000	
20190258	Sanitation : Sampling Station Equipment	3,000,000	500,000	500,000	
20190259	Sanitation: Purchase of Telemetry Equipment for Pump Station	1,000,000	2,500,000	2,500,000	
20190260	Sanitation : Motherwell North Bulk Sewerage	1,000,000	10,000,000	10,000,000	
20200158	UPGRADING OF MECHANICAL EQUIPMENT AT DRIFTSANDS WWTW	5,650,000	500,000	500,000	
20200159	RENEWAL OF MECHANICAL EQUIPMENT AT DRIFTSANDS WWTW	1,550,000	500,000	500,000	
20200160	CONSTRUCTION OF FLORIDA HEIGHTS BULK SEWER	500,000	10,000,000	10,000,000	
20200161	UPGRADE OF MELBROOKS BULK SEWER	500,000	10,000,000	15,000,000	
20200283	SANITATION: MAJOR WASTE WATER PROJECTS	5,000,000	60,000,000		
		<b>51,950,000</b>	<b>159,500,000</b>	<b>81,500,000</b>	
<b>SUPPORT SERVICES</b>					
Project ID	Project Description	2021/2022 Financial Year	2022/2023 Financial Year	2023/2024 Financial Year	Comments
<b>Plant &amp; Equipment</b>					
20120079	Replacement of Handheld Devices - Meter Reading	500,000	500,000		
20120080	Replacement of Vending POS Equipment	800,000	800,000	800,000	
20140015	Vehicles for Safety and Security (Security only)	1,000,000	1,000,000		
20150047	S&S: Purchase of plant and equipment - Fire	1,000,000	500,000		
20170131	PH - Air Pollution Monitoring Equipment	1,000,000	1,000,000		
20170144	Safety and Security - Furniture for Metro Police			800,000	
20170146	Law Enforcement Equipment for Metro Police	500,000	500,000	500,000	
20170154	Purchase of Firefighting Vehicle - Rescue Pump		5,000,000	5,000,000	
20170161	SECURITY: Purchase of Firearms		400,000		
20170163	Traffic - In-car Camera for Law Enforcement		500,000		
20182437	Purchase of servers and other IT Related Infrastructure	3,000,000	3,200,000	3,200,000	
20182532	Disaster Management: Furniture & Office Equipment		800,000		
20182533	Disaster Management: Equipment for the supply of Solar Energy		200,000		
20182535	Metro Police: Purchase of Firearms	500,000			
20190106	Small plant & equipment	2,000,000	2,500,000	4,000,000	
20190122	PURCHASE OF COMPUTER EQUIPMENT - TRAFFIC		300,000	200,000	
20190123	PURCHASE OF COMPUTER EQUIPMENT - FIRE & EMERGENCY		300,000		
20190124	PURCHASE OF COMPUTER EQUIPMENT - DISASTER MANAGEMENT	100,000	200,000		
20190125	PURCHASE OF COMPUTER EQUIPMENT - SECURITY SERVICES		400,000	400,000	
20190126	PURCHASE OF COMPUTER EQUIPMENT - METRO POLICE	200,000	300,000	500,000	
20190142	TRAFFIC: REPLACE GENERATORS AT TRAFFIC SERVICES BUILDINGS	1,000,000	1,000,000		
20190228	Purchase of Radios for Safety and Security Directorate			6,000,000	
20190230	DISASTER MANAGEMENT: CCTV & COMPUTER EQUIPMENT			2,000,000	
20190289	New Laboratory equipment - Scientific Services	3,000,000	3,000,000	2,500,000	
20190290	Replacement of Laboratory equipment - Scientific Services	3,000,000	2,000,000	2,500,000	
20190294	Aluta Continua Access Road - Joe Slovo - 41			1,000,000	
20200025	Disaster Recovery: Backup power and Renewable energy	2,000,000	1,000,000	1,000,000	
20200027	PH - Specialised Medical Equipment	125,000			
20200070	TRAFFIC CONTROL EQUIPMENT	2,000,000	2,000,000	4,000,000	
20200104	Radio and test equipment	400,000	430,000	500,000	
20200130	METRO POLICE : PURCHASE AND INSTALLATION OF SAFES	200,000			
20200134	TRAFFIC : REPLACEMENT OF AIR-CONDITIONERS AT TRAFFIC OFFICES	300,000			
20200144	Purchase of chairs and tables for Community Halls	500,000		1,000,000	
20200156	FISH WATER FLATS WWTW: RENEVAL OF MECHANICAL EQUIPMENT	11,000,000			
20200163	TRAFFIC: PURCHASE OF FURNITURE FOR TRAFFIC & LICENSING		200,000		
20200201	Supervisory Control - Equipment Upgrading	1,000,000	1,000,000	1,500,000	
20200262	Replacement of Old Laptops and Desktop PC's	500,000	500,000	500,000	
20200264	Purchase of Queue Management System		2,800,000	1,700,000	
20200319	Sanitation: Purchase of Small Plant & Equipment	500,000	500,000		
20210179	Procurement of Furniture for HRMS	800,000	1,000,000	1,000,000	

20210195	Traffic: Rehabilitation of DLTC Test Yards - Korsten	500,000			
20210196	Traffic: Rehabilitation of DLTC Test Yards - Uitenhage	500,000			
20210197	Traffic: Law Enforcement Equipment		400,000		
20210199	Purchase of Server for South End Fire Station		500,000		
20210200	Replacement of Standby Generators at South End Fire Station		1,000,000		
20210201	Traffic: Purchase of Electronic Information Signs on Trailer		1,000,000		
20210202	Lift to accommodate Disabled Persons at Sidwell Traffic Cent			1,000,000	
20210208	Replacement of Engine Bay doors at Fire Station		1,000,000		
20210219	PH: Purchase of computer equipment	400,000	400,000	400,000	
20210220	PH: Purchase of office furniture	600,000	600,000	600,000	
20210232	PH - Purchase of Secure Boat	800,000			
20210233	PH - Purchase of Plant and Equipment (bossie kapper; Ride on	300,000	200,000	200,000	
20210243	Sanitation: Purchase of Computer Equipment	250,000	250,000	250,000	
20210278	Traffic: Replacement Gates at Sidwell Traffic Centre	500,000			
20210284	EDTA: Purchase of forklifts	400,000			
		<b>41,175,000</b>	<b>39,180,000</b>	<b>43,050,000</b>	
<b>SUPPORT SERVICES</b>					
<b>Project ID</b>	<b>Project Description</b>	<b>2021/2022 Financial Year</b>	<b>2022/2023 Financial Year</b>	<b>2023/2024 Financial Year</b>	<b>Comments</b>
<b>Systems Enhancements</b>					
20170145	Disaster Recovery Center - Information Security	2,500,000	3,000,000	6,000,000	
20190069	IPTS -OMS APTMS Lite	278,700	1,000,000	1,100,000	
20190075	IPTS - Interim Ticket System		1,500,000		
20210277	IPTS - OMS APTMS Lite - Phase 2	500,000	4,000,000	2,000,000	
		<b>3,278,700</b>	<b>9,500,000</b>	<b>9,100,000</b>	
<b>SUPPORT SERVICES</b>					
<b>Project ID</b>	<b>Project Description</b>	<b>2021/2022 Financial Year</b>	<b>2022/2023 Financial Year</b>	<b>2023/2024 Financial Year</b>	<b>Comments</b>
<b>Vehicles Acquisition and Replacement for Provision of Service Delivery</b>					
20170141	Vehicles for Safety and Security - Disaster Management	1,500,000			
20170142	S&S: Purchase of Vehicles for Metro police	2,500,000			
20182515	Metro Police: Purchase of Trooper Carrier			5,000,000	
20190136	TRAFFIC: PURCHASE OF VEHICLES	2,500,000	3,500,000	1,500,000	
20190141	PURCHASE OF HYDRAULIC PLATFORM FOR FIRE & EMERGENCY SERVICES	15,000,000			
20190146	ACQUISITION OF MOTOR VEHICLES FOR METER READERS	850,000			
20190232	PURCHASE OF OFF-ROAD VEHICLES FOR FIRE & EMERGENCY SERVICES	3,000,000			
20190233	Fire: Purchase of Fire Appliance/ Engine	4,000,000			
20190244	Purchase of Vehicles for Sanitation Services	2,000,000	2,000,000	2,000,000	
20190307	PH - Procurement of Vehicles - Public health	5,017,100	3,300,000	3,300,000	
20200131	NEW/REPLACEMENT OF PLANT AND MOTOR VEHICLE	3,000,000	2,000,000		
20200319	Sanitation: Purchase of Small Plant & Equipment			500,000	
20210198	Traffic: Purchase of Tow Trucks		2,000,000		
20210212	Purchase of Rescue Water Boat for Fire & Emergency		500,000		
20210231	Non-Specialised Vehicles - Public Health	800,000	1,000,000		
		<b>40,167,100</b>	<b>14,300,000</b>	<b>12,300,000</b>	
<b>SUPPORT SERVICES</b>					
<b>Project ID</b>	<b>Project Description</b>	<b>2021/2022 Financial Year</b>	<b>2022/2023 Financial Year</b>	<b>2023/2024 Financial Year</b>	<b>Comments</b>
<b>Rehabilitation &amp; Upgrade of Municipal Buildings</b>					
20100060	S&S: Motherwell Fire Station - Rehab and Refurbishment	1,000,000			
20182526	Metro Police Upgrade of Metro Police Offices - Humewood		800,000		
20182557	Feather Market Centre Upgrade	3,000,000			
20182605	Construction of new offices at Supply Chain Management	2,741,950	21,710,650	4,274,430	
20190251	Sanitation Services : Office Accomodation	500,000	500,000	500,000	
20190262	Algoa House- Installation of fire/smoke detection system			550,000	
20190264	Air Conditioning of Municipal Buildings	1,500,000	1,000,000	1,000,000	
20190308	PH - Upgrading of Municipal Office and Ablution facilities	-	1,000,000	1,000,000	
20200022	DISASTER RECOVERY:BUILDING WORKS	2,000,000			
20200023	DISASTER RECOVERY: INSTALLATION OF AIR CONDITIONERS	4,000,000			
20200024	Lillian Diedericks Building: Replacement of Garage Doors	500,000			
20200053	Upgrading depots and offices (RDF and DFI)	1,500,000	2,000,000	2,500,000	
20200057	Rehabilitation of workshop buildings	1,000,000	1,000,000	1,000,000	
20200106	Electricity buildings improvement	2,500,000	1,200,000		
20200118	CONSTRUCTION OF DISASTER MANAGEMENT OFFICES IN DESPATCH	3,200,000	200,000		
20200138	TRAFFIC: REHABILITATION OF TRAFFIC & LICENSING BUILDINGS		500,000	1,000,000	
20200149	Motherwell NU 2 Hall: Supply & erecting of Betaview Fencing	1,500,000			
20200242	Colchester community Hall: Supply and installation of burgla	300,000			
20200250	Office Renovations-13th floor, Fidelity Building			250,000	
20200251	Upgrade to switchboard: 1st Floor, Fidelity Building	800,000		250,000	
20200252	Upgrade to HRMS Offices: 1st Floor, Fidelity Building	2,200,000			
20200253	Upgrade to HRMS Offices: 13th Floor, Fidelity Building	900,000		150,000	
20200257	Cuyler Depot:Erection of Dining room	150,000			
20200259	Burchell Depot: Supply and erection of fencing	2,500,000			
20200261	Upgrading of Walmer Gqebera Community Hall	300,000			
20210180	Lillian Diedericks Intercom system and Braille Buttons	175,000			
20210181	Lillian Diedericks Building-Evacuation System			1,500,000	



20200086	Rehabilitation of bridge structures	5,000,000	5,000,000	5,000,000	
20200213	IPTS-BUS RAPID TRANSIT	31,000,000	86,995,530	84,000,000	
20200218	IPTS- ROUTE STATIONS-NJOLI			26,838,930	
20200249	IPTS - Automated Bus Station Door System	500,000	1,500,000	2,000,000	
20200266	IPTS - Uitenhage CBD Depot			10,000,000	
20200268	IPTS - Construction of Njoli Depot			10,000,000	
20200269	IPTS - Construction of Western Suburbs Depot			10,000,000	
20200271	Prov of Kerbside Shelters along IPTS Trunk Routes & Feeders	10,000,000			
20200317	Sanitation: Coastal Water Discharge Permit & WULA -FWF WWWTW	200,000			
20210173	ROADS -TRAFFIC CALMING MEASURES - 2021	3,000,000	3,500,000	3,500,000	
20210176	Roads - Provision of Rudimentary Services	2,000,000	2,500,000	2,500,000	
20210174	Roads - Peri - urban: Rehabilitation of gravel roads	2,000,000	2,000,000	2,000,000	
20210214	ROADS-PURCHASE OF COMPUTER EQUIPMENT	500,000	500,000	500,000	
20210205	Replacement of Security Fence at Kwanobuhle Fire Station		1,000,000		
20210207	Resurfacing of Miramar Fire Station Training Ground		1,000,000		
20210210	Resurfacing of Drill Yard at Sidwell Fire Station		750,000		
20210271	Fire: Renewal of Hydraulic Platform		2,000,000		
		<b>236,104,600</b>	<b>286,332,730</b>	<b>346,926,130</b>	
	<b>Total Support Services</b>	<b>711,382,136</b>	<b>875,939,727</b>	<b>671,189,910</b>	
	<b>Total Capital Budget</b>	<b>1,407,559,290</b>	<b>1,343,064,030</b>	<b>1,033,589,800</b>	
	<b>Total Capital and Operating Budget</b>	<b>1,413,559,290</b>	<b>1,349,064,030</b>	<b>1,039,589,800</b>	

# **ANNEXURE “B”**

## **DRAFT 2021/22 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN**



**2021/22**

**DRAFT SERVICE DELIVERY  
AND BUDGET  
IMPLEMENTATION PLAN  
(SDBIP)**



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## **1. INTRODUCTION AND OVERVIEW**

The Service Delivery and Budget Implementation Plan (SDBIP) is a mechanism that ensures proper alignment between the Municipality's Integrated Development Plan (IDP) and the Budget. It is central to the monitoring and evaluation of the performance of the Municipality in implementing its IDP and its annual Budget.

The IDP is the Municipality's five-year principal strategic planning document. Importantly, it ensures close co-ordination and integration between programmes and activities, both internally and externally, with other spheres of government. The IDP therefore ultimately enhances integrated service delivery and development. The IDP priorities inform all planning and budgeting processes. The SDBIP consists of a one-year detailed performance plan, a three-year capital works plan, as well as financial projections of income and expenditure. It outlines Key Performance Indicators and Targets linked to Key Performance Areas derived from the IDP. Quarterly targets are identified in the SDBIP, and these are monitored and reported upon accordingly.

The SDBIP comprises two layers. The upper layer is the one that must be presented to the Executive Mayor for approval to Council for noting. The lower layer applies to directorates and forms the basis of their performance plans and agreements. This layer consists of additional indicators that support the indicators in the upper layer. The lower layer is the responsibility of Executive Directors and Directors, who develop it in consultation with their staff. The upper layer template and quarterly targets are reflected in the NMBM Scorecard.

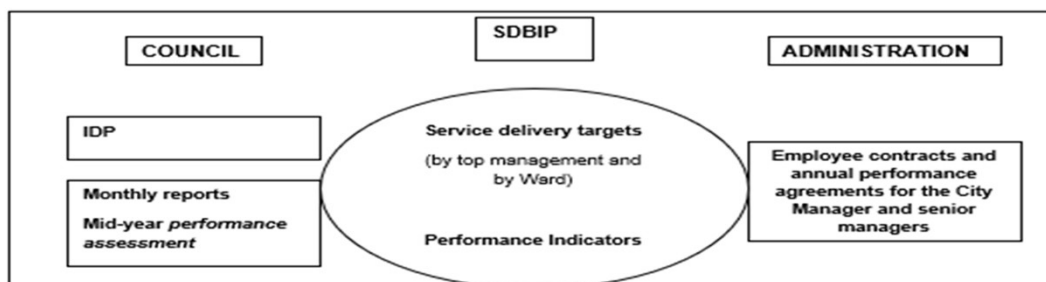
## **2. LEGISLATIVE FRAMEWORK**

The Local Government: Municipal Finance Management Act, 56 of 2003 (MFMA) require municipalities to develop SDBIPs annually. In terms of section 53(1)(c)(ii), the SDBIP is defined as a detailed plan approved by the Mayor of a municipality for implementing that municipality's delivery of municipal services and its annual budget. It must indicate the following:

- (a) projections for each month of:
  - (i) revenue to be collected by source; and
  - (ii) operational and capital expenditure by vote
- (b) service delivery targets and performance indicators for each quarter; and
- (c) other matters prescribed.

Within 28 days after the approval of the IDP and Budget, the Executive Mayor of NMBM is required to approve the SDBIP. Furthermore, within 14 days after such approval, the SDBIP is to be published.

### 3. SDBIP CYCLE



**FIGURE 1**

The SDBIP constitutes a contract between the Administration, Council and the Community. It ensures that everyone is moving in the same direction, as mapped in the IDP. It provides a focus on inputs, outputs and outcomes. It enables senior managers to monitor the performance of their sub-ordinates; the City Manager to monitor the performance of senior managers; the Executive Mayor to monitor the performance of the City Manager; the Council to monitor the performance of the administration; and the community to monitor the performance of the Council. Therefore, it is a management and implementation plan (not a policy proposal).

### 4. PERFORMANCE REPORTING

To enhance performance assessment, accountability, monitoring and evaluation, reporting requirements are outlined below:

Frequency and nature of report	Mandate	Recipients
Monthly reporting on actual revenue targets and spending against budget no later than 10 working days after the end of each month	Section 71 of the MFMA	1. Executive Mayor 2. Provincial and National Treasury
Quarterly progress report	Section 41 (1) (e) of the Municipal Systems Act, Section 166 (2) (a) (v) and (vii) of the Municipal Management Finance Act (MFMA) and Regulation 7 of Municipal Planning and Performance Management Regulations (2001)	1. City Manager 2. Executive Mayor 3. Mayoral Committee 4. Audit Committee 5. Provincial and National Treasury
Mid-year Budget and Performance assessment (assessment report due by 25 January each year)	Section 72 of the MFMA Section 13 (2) (a) of Municipal Planning and Performance Management Regulations 2001.	1. City Manager 2. Executive Mayor 3. Mayoral Committee 4. Council 5. Audit Committee 6. Provincial and National Treasury 7. Provincial Government
Annual Report (to be tabled before Council by 31 January (draft and approved / published by 31 March each year)	Sections 121 and 127 of the MFMA, as read with Section 46 of the Municipal Systems Act and Section 6 of the Systems Amendment Act.	1. Executive Mayor 2. Mayoral Committee 3. Council 4. Audit Committee 5. Auditor General 6. Provincial and National Treasury 7. Provincial Government 8. Local Community

## **5. NMBM SCORECARD**

The NMBM Scorecard reflects the institutions performance targets and key performance indicators in line with the following key performance areas:

**KPA 1** : Basic Service delivery

**KPA 2** : Municipal institutional development and transformation

**KPA 3** : Local economic development

**KPA 4** : Municipal financial viability and management

**KPA 5** : Good governance and public participation

(see table 2 – 2021/22 SDBIP - PERFORMANCE SCORECARD)

**TABLE 2  
NELSON MANDELA BAY MUNICIPALITY  
DRAFT 2021/22 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) - INSTITUTIONAL PERFORMANCE SCORECARD**

IDP INDICATOR REF	NT REF /MSA REG REF	KEY PERFORMANCE AREA (KPA)	KPI NO	KEY PERFORMANCE INDICATOR	BASELINE (ANNUAL PERFORMANCE OF 2019/20 ESTIMATED)	2021/22 ANNUAL PERFORMANCE TARGET	TARGETS FOR 2021/22 SDBIP PER QUARTER (ACCUMULATIVE)				VOTE NUMBER/ PROJECT ID	DESCRIPTION	RESOURCES ALLOCATED FOR 2021/22 SDBIP PER QUARTER (ACCUMULATIVE)					LEAD DIRECTORATE/ OFFICE	
							1ST QUARTER PLANNED TARGET (1 JULY 2021 - 30 SEPTEMBER 2021)	2ND QUARTER PLANNED TARGET (1 JULY 2021 - 31 DECEMBER 2021)	3RD QUARTER PLANNED TARGET (1 JULY 2021 - 31 MARCH 2022)	4TH QUARTER PLANNED TARGET (1 JULY 2021 - 30 JUNE 2022)			1st Quarter Planned Budget as Table SA 25, 29 and 30	2nd Quarter Planned Budget as Table SA 25, 29 and 30	3rd Quarter Planned Budget as Table SA 25, 29 and 30	4th Quarter Planned Budget as Table SA 25, 29 and 30	TOTAL BUDGET ALLOCATED		
1	EE1.11	KPA 1: BASIC SERVICE DELIVERY	1	Number of dwellings provided with connections to the mains electricity supply by the municipality	124 (formal: state subsidised) 216 (formal: residential) 850 (informal)	1393	229	631	1083	1393	20200188 (CAPEX)	Informal Housing Electrification	R2,788,352	R6,668,688	R11,573,853	R14,598,704	R14,598,704	Electricity and Energy	
											19930233 (CAPEX)	Non Electrification Areas - Service Connections	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)		
1	EE1.13	KPA 1: BASIC SERVICE DELIVERY	2	Percentage of valid customer applications for new electricity connections processed in terms of municipal service standards	New KPI	30%	30%	30%	30%	30%	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Electricity and Energy	
2	EE2.11	KPA 1: BASIC SERVICE DELIVERY	3	Percentage of total residential electricity provision allocated as Free Basic Electricity (FBE)	6%	7%	N / A	N / A	N / A	7%	0620-8393 (OPEX)	Rebate	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Electricity and Energy	
3	EE3.11	KPA 1: BASIC SERVICE DELIVERY	4	Percentage of unplanned outages that are restored to supply within industry standard timeframes	98% within 24 hours (For the period 1 April 2020 - 30 June 2020)  Amended to:  The inclusion of this KPI in the SDBIP is regulated by National Treasury. Since the Municipality does not have an adequate system in place to record and track power outages, no target could be set which would comply with the audit criteria specified by the Auditor General.  NOTE: Key Performance Indicator / targets were amended in line with Council approved Adjustments Budget dated 27 February 2020 and Executive Mayoral Committee Resolution for Council to approve corresponding amendments to the 2019/20 SDBIP.	The inclusion of the KPI in the SDBIP is regulated by National Treasury. The monitoring and reporting system currently being used by the Municipality does not record and track power outages in the manner required by National Treasury. The setting of a target for the KPI is therefore not possible at this stage.					N / A	N / A	N / A	N / A	N / A	N / A	N / A	Electricity and Energy	
4	EE3.21	KPA 1: BASIC SERVICE DELIVERY	5	Percentage of planned maintenance performed	81.76%	95%	95%	95%	95%	95%	1603 - 1459 (OPEX)	Re-insulation and Earth Wire Replacement	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Electricity and Energy	
											1603 - 1466 (OPEX)	Substation Equipment	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)		
											1603 - 1473 (OPEX)	Undergrounds	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)		
7	EE4.12	KPA 1: BASIC SERVICE DELIVERY	6	Installed capacity of approved embedded generators on the municipal distribution network	4.1MW	4.1MW	N / A	N / A	N / A	4.1MW	No budget provision required	No budget provision required	N / A	N / A	N / A	No budget provision required	No budget provision required	Electricity and Energy	

**TABLE 2  
NELSON MANDELA BAY MUNICIPALITY  
DRAFT 2021/22 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) - INSTITUTIONAL PERFORMANCE SCORECARD**

IDP INDICATOR REF	NT REF /MSA REG REF	KEY PERFORMANCE AREA (KPA)	KPI NO	KEY PERFORMANCE INDICATOR	BASELINE (ANNUAL PERFORMANCE OF 2019/20 ESTIMATED)	2021/22 ANNUAL PERFORMANCE TARGET	TARGETS FOR 2021/22 SDBIP PER QUARTER (ACCUMULATIVE)				VOTE NUMBER/ PROJECT ID	DESCRIPTION	RESOURCES ALLOCATED FOR 2021/22 SDBIP PER QUARTER (ACCUMULATIVE)					LEAD DIRECTORATE/ OFFICE
							1ST QUARTER PLANNED TARGET (1 JULY 2021 - 30 SEPTEMBER 2021)	2ND QUARTER PLANNED TARGET (1 JULY 2021 - 31 DECEMBER 2021)	3RD QUARTER PLANNED TARGET (1 JULY 2021 - 31 MARCH 2022)	4TH QUARTER PLANNED TARGET (1 JULY 2021 - 30 JUNE 2022)			1st Quarter Planned Budget as Table SA 25, 29 and 30	2nd Quarter Planned Budget as Table SA 25, 29 and 30	3rd Quarter Planned Budget as Table SA 25, 29 and 30	4th Quarter Planned Budget as Table SA 25, 29 and 30	TOTAL BUDGET ALLOCATED	
9	ENV1.12	KPA 1: BASIC SERVICE DELIVERY	7	Percentage of AQ monitoring stations providing adequate data over a reporting year	20%	20%	N / A	N / A	N / A	20%	No budget provision required	No budget provision required	N / A	N / A	N / A	No budget provision required	No budget provision required	Public Health
13	ENV 3.11	KPA 1: BASIC SERVICE DELIVERY	8	Percentage of known informal settlements receiving basic refuse removal services	74%	100%	N / A	N / A	N / A	100%	No project specific budget allocated					Public Health		
15	ENV4.11	KPA 1: BASIC SERVICE DELIVERY	9	Percentage of biodiversity priority area within the municipality	62%	62%	N / A	N / A	N / A	62%	No budget provision required	No budget provision required	N / A	N / A	N / A	No budget provision required	No budget provision required	Public Health
16	ENV4.21	KPA 1: BASIC SERVICE DELIVERY	10	Percentage of biodiversity priority areas protected	8.64%	9%	N / A	N / A	N / A	9%	No budget provision required	No budget provision required	N / A	N / A	N / A	No budget provision required	No budget provision required	Public Health
17	ENV5.11	KPA 1: BASIC SERVICE DELIVERY	11	Percentage of coastline with protection measures in place	New KPI	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	Public Health / Sports, Recreation, Arts and Culture
17	ENV5.12	KPA 1: BASIC SERVICE DELIVERY	12	Number of coastal water samples taken for monitoring purposes	New KPI	150 samples	37 samples	74 samples	111 samples	150 samples	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	Public Health / Sports, Recreation, Arts and Culture
18	ENV5.21	KPA 1: BASIC SERVICE DELIVERY	13	Number of inland water samples tested for monitoring purposes	New KPI	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	Public Health / Sports, Recreation, Arts and Culture
21	FD 1.11	KPA 1: BASIC SERVICE DELIVERY	14	Percentage compliance with the required attendance time for structural firefighting incidents	64%	75%	75%	75%	75%	75%	No budget provision required	No budget provision required	No budget provision required	No budget provision required	No budget provision required	No budget provision required	No budget provision required	Safety and Security
27	GG2.31	KPA 1: BASIC SERVICE DELIVERY	15	Percentage of official complaints responded to through the municipal complaint management system	New KPI	75% (April 2022 – June 2022)	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	75% (April 2022 – June 2022)	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	City Manager

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NELSON MANDELA BAY MUNICIPALITY  
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							1ST QUARTER PLANNED TARGET (1 JULY 2021 - 30 SEPTEMBER 2021)	2ND QUARTER PLANNED TARGET (1 JULY 2021 - 31 DECEMBER 2021)	3RD QUARTER PLANNED TARGET (1 JULY 2021 - 31 MARCH 2022)	4TH QUARTER PLANNED TARGET (1 JULY 2021 - 30 JUNE 2022)			1st Quarter Planned Budget as Table SA 25, 29 and 30	2nd Quarter Planned Budget as Table SA 25, 29 and 30	3rd Quarter Planned Budget as Table SA 25, 29 and 30	4th Quarter Planned Budget as Table SA 25, 29 and 30	TOTAL BUDGET ALLOCATED	
32	HS1.11	KPA 1: BASIC SERVICE DELIVERY	16	Number of subsidised housing units constructed using various Human Settlements Programmes	0	356	87	212	285	356	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Human Settlements	
32	HS1.12	KPA 1: BASIC SERVICE DELIVERY	17	Number of serviced sites	0	1093	N/A	N/A	N/A	1093	20200188 (CAPEX)	Informal Housing Electrification	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	City Manager	
32	HS1.13	KPA 1: BASIC SERVICE DELIVERY	18	Hectares of land acquired for human settlements in Priority Housing Development Areas	New KPI	66 hectares	N/A	N/A	N/A	66 hectares	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Human Settlements	
33	HS1.22	KPA 1: BASIC SERVICE DELIVERY	19	Number of title deeds registered to beneficiaries	New KPI	250	N/A	N/A	N/A	250	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Human Settlements	
34	HS1.31	KPA 1: BASIC SERVICE DELIVERY	20	Number of informal settlements assessed (enumerated and classified)	0 (Count was completed in the 2017/18 financial year)	0 (Count was completed in the 2017/18 financial year)	N/A	N/A	N/A	0 (Count was completed in the 2017/18 financial year)	No budget provisional available	No budget provisional available	N / A	N / A	N / A	No budget provisional available	Human Settlements	
34	HS1.32	KPA 1: BASIC SERVICE DELIVERY	21	Number of informal settlements upgraded to Phase 2	New KPI	6 (01 July 2021 – 30 June 2022)	N/A	N/A	N/A	6 (01 July 2021 – 30 June 2022)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Human Settlements	
48	TR4.21	KPA 1: BASIC SERVICE DELIVERY	22	Percentage of municipal bus services 'on time'	80% (Cleary Park / Town Route)  Amended to:  The inclusion of this KPI in the SDBIP is regulated by National Treasury. Since the Municipality does not have an adequate system in place to track bus services, no target could be set which would comply with the audit criteria specified by the Auditor General.  NOTE: Key Performance Indicator / targets were amended in line with Council approved Adjustments Budget dated 27 February 2020 and Executive Mayoral Committee Resolution for Council to approve corresponding amendments to the 2019/20 SDBIP	80%	80%	80%	80%	80%	1703-5861 (OPEX)	Transport Operations: IPTS	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Infrastructure and Engineering	

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DRAFT 2021/22 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) - INSTITUTIONAL PERFORMANCE SCORECARD**

IDP INDICATOR REF	NT REF /MSA REG REF	KEY PERFORMANCE AREA (KPA)	KPI NO	KEY PERFORMANCE INDICATOR	BASELINE (ANNUAL PERFORMANCE OF 2019/20 ESTIMATED)	2021/22 ANNUAL PERFORMANCE TARGET	TARGETS FOR 2021/22 SDBIP PER QUARTER (ACCUMULATIVE)				VOTE NUMBER/ PROJECT ID	DESCRIPTION	RESOURCES ALLOCATED FOR 2021/22 SDBIP PER QUARTER (ACCUMULATIVE)					LEAD DIRECTORATE/ OFFICE
							1ST QUARTER PLANNED TARGET (1 JULY 2021 - 30 SEPTEMBER 2021)	2ND QUARTER PLANNED TARGET (1 JULY 2021 - 31 DECEMBER 2021)	3RD QUARTER PLANNED TARGET (1 JULY 2021 - 31 MARCH 2022)	4TH QUARTER PLANNED TARGET (1 JULY 2021 - 30 JUNE 2022)			1st Quarter Planned Budget as Table SA 25, 29 and 30	2nd Quarter Planned Budget as Table SA 25, 29 and 30	3rd Quarter Planned Budget as Table SA 25, 29 and 30	4th Quarter Planned Budget as Table SA 25, 29 and 30	TOTAL BUDGET ALLOCATED	
49	TR5.11	KPA 1: BASIC SERVICE DELIVERY	23	Number of scheduled public transport access points added	1 (Ward 5 - CBD)	2 (Ward 11 – Livingstone; Ward 7 – Cottrell)	N/A	N/A	N/A	2 (Ward 11 – Livingstone; Ward 7 – Cottrell)	20060229 (CAPEX)	IPTS - Work Package: Public Transport Facilities	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Infrastructure and Engineering
50	TR5.31	KPA 1: BASIC SERVICE DELIVERY	24	Percentage of scheduled municipal buses that are low entry	100%	37%	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	37%	No budget provision required	No budget provision required	N / A	N / A	N / A	No budget provision required	No budget provision required	Infrastructure and Engineering
51	TR6.11	KPA 1: BASIC SERVICE DELIVERY	25	Percentage of unsurfaced road graded	0%	0.9%	N/A	N/A	N/A	0.9%	20030084 (CAPEX)	Peri-Urban: Rehabilitation of gravel roads	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Infrastructure and Engineering
51	TR6.12	KPA 1: BASIC SERVICE DELIVERY	26	Percentage of surfaced municipal road lanes which has been resurfaced and resealed	0%	0.38%	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	0.38%	20200051  20200049 (CAPEX)	Resurfacing Tar roads  Resurfacing of Subsidised Roads	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Infrastructure and Engineering
51	TR6.13	KPA 1: BASIC SERVICE DELIVERY	27	KMs of new municipal road lanes built	New KPI	0km (Municipality deals with tarring of gravel roads and has no plans of building new municipal road lanes)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	0km (Municipality deals with tarring of gravel roads and has no plans of building new municipal road lanes)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Infrastructure and Engineering
52	TR 6.21	KPA 1: BASIC SERVICE DELIVERY	28	Percentage of reported pothole complaints resolved within standard municipal response time	New KPI	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Infrastructure and Engineering
53	WS1.11	KPA 1: BASIC SERVICE DELIVERY	29	Number of new sewer connections meeting minimum standards	1468 In line with Housing Programme	356 In line with Housing Programme	87 In line with Housing Programme	212 In line with Housing Programme	285 In line with Housing Programme	356 In line with Housing Programme	Various Project ID's - USDG HS Capital Budget for services (CAPEX)	Servicing of sites with water and sanitation services	Expenditure as per ISOs received from Human Settlements Directorate					Infrastructure and Engineering
54	WS2.11	KPA 1: BASIC SERVICE DELIVERY	30	Number of new water connections meeting minimum standards	1468 In line with Housing Programme	356 In line with Housing Programme	87 In line with Housing Programme	212 In line with Housing Programme	285 In line with Housing Programme	356 In line with Housing Programme	Various Project ID's - USDG HS Capital Budget for services (CAPEX)	Servicing of sites with water and sanitation services	Expenditure as per ISOs received from Human Settlements Directorate					Infrastructure and Engineering
55	WS3.11	KPA 1: BASIC SERVICE DELIVERY	31	Percentage of callouts responded to within 24 hours (sanitation/wastewater)	98%	98%	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	98%	No budget provision required	No budget provision required	N / A	N / A	N / A	No budget provision required	No budget provision required	Infrastructure and Engineering



**TABLE 2  
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56	WS3.21	KPA 1: BASIC SERVICE DELIVERY	32	Percentage of callouts responded to within 24 hours (water)	94%	98%	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	98%	No budget provision required	No budget provision required	N / A	N / A	N / A	No budget provision required	No budget provision required	Infrastructure and Engineering
58	WS4.11	KPA 1: BASIC SERVICE DELIVERY	33	Percentage of water treatment capacity unused	New KPI	100%	N/A	N/A	N/A	100%	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Infrastructure and Engineering
59	WS4.21	KPA 1: BASIC SERVICE DELIVERY	34	Percentage of industries with trade effluent inspected for compliance	33%	75%	N/A	N/A	N/A	75%	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Infrastructure and Engineering
60	WS4.31	KPA 1: BASIC SERVICE DELIVERY	35	Percentage of wastewater treatment capacity unused	New KPI	75%	N/A	N/A	N/A	75%	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Infrastructure and Engineering
62	WS5.21	KPA 1: BASIC SERVICE DELIVERY	36	Infrastructure leakage index	New KPI	35%	N/A	N/A	N/A	35%	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Infrastructure and Engineering
63	WS5.31	KPA 1: BASIC SERVICE DELIVERY	37	Percentage of total water connections metered	97%	97%	N/A	N/A	N/A	97%	No budget provision required	No budget provision required	N / A	N / A	N / A	No budget provision required	No budget provision required	Infrastructure and Engineering
24	GG1.22	KPA 2: MUNICIPAL TRANSFORMATION AND DEVELOPMENT	38	Percentage of vacant posts filled within 3 months	New KPI	20%	5%	10%	15%	20%	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Corporate Services
24	REG 10(e)	KPA 2: MUNICIPAL TRANSFORMATION AND DEVELOPMENT	39	Number of people from employment equity target groups employed in the three highest levels of management in compliance with the municipal approved employment equity plan	7 (7 of the 9 Section 56 Managers; 0 of 4 Strategic Skilled Level Managers)	6 (1 City Manager; 1 Section 56 Managers Executive Director: Infrastructure and Engineering 4 Strategic Skilled Level Managers)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	6 (1 City Manager; 1 Section 56 Managers Executive Director: Infrastructure and Engineering 4 Strategic Skilled Level Managers)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	City Manager

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35	HS2.21	KPA 3: LOCAL ECONOMIC DEVELOPMENT	40	Number of rateable residential properties in the subsidy housing market entering the municipal valuation roll	0	365	N/A	N/A	N/A	365	No budget provision required	No budget provision required	N / A	N / A	N / A	No budget provision required	No budget provision required	Budget and Treasury / Human Settlements
35	HS2.22	KPA 3: LOCAL ECONOMIC DEVELOPMENT	41	Average number of days taken to process residential building applications of 500 square meters or less	10.84 Days	30 days (legislative timeline)	30 days (legislative timeline)	30 days (legislative timeline)	30 days (legislative timeline)	30 days (legislative timeline)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Human Settlements
40	LED1.11	KPA 3: LOCAL ECONOMIC DEVELOPMENT	42	Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area	New KPI	65%	65%	65%	65%	65%	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	City Manager
40	N/A	KPA 3: LOCAL ECONOMIC DEVELOPMENT	43	% achievement of the Mandela Bay Development Agency's 2021/22 Key Performance Indicators as reflected in / annexed to MBDA's Business Plan	70%	80%	MBDA 2021/22 Business Plan with performance scorecard annexed in place  Performance monitoring meeting held with the Chief Executive Officer: MBDA / Board of Directors  MBDA 2021/22 First Quarter Performance Report submitted to the Economic Development, Tourism and Agriculture Standing Committee  MBDA 2020/21 Annual Performance Report submitted to the Economic Development, Tourism and Agriculture Standing Committee	Performance monitoring meeting held with the Chief Executive Officer: MBDA / Board of Directors  MBDA 2021/22 Second Quarter Performance Report submitted to the Economic Development, Tourism and Agriculture Standing Committee	Performance monitoring meeting held with the Chief Executive Officer: MBDA / Board of Directors	80%	Various Capital Project Votes  (CAPEX)	MBDA / Capital Projects Grant	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	City Manager
41	LED1.21 / REG 10(d)	KPA 3: LOCAL ECONOMIC DEVELOPMENT	44	Number of work opportunities created by the municipality through Public Employment Programmes (incl. EPWP, CWP and other related employment programmes)	6900  Amended to:  6523  (in line with verified information)	7073	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	7073	Targets are informed by various Capital and Operating Budget projects					City Manager		
41	LED 1.31	KPA 3: LOCAL ECONOMIC DEVELOPMENT	45	Number of individuals connected to apprenticeships and learnerships through municipal interventions	New KPI	30	10	15	20	30	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Corporate Services
43	LED 2.12	KPA 3: LOCAL ECONOMIC DEVELOPMENT	46	Percentage of the municipality's operating budget spent on indigent relief for free basic services	New KPI	5.62%	1.40%	2.80%	4.20%	5.62%	0025-2742 0552-2742 0358-8393 0620-8393 0466-8391 0622-8392 0446-8390 0453-8390  (OPEX)	Rebates	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	City Manager

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43	REG 10(b)	KPA 3: LOCAL ECONOMIC DEVELOPMENT	47	Percentage of households earning less than R3720 per month with access to free basic services	100%	100%	100%	100%	100%	100%	0025-2742 0552-2742 0358-8393 0620-8393 0466-8391 0622-8392 0446-8390 0453-8390  (OPEX)	Rebates	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Budget and Treasury
45	LED 3.11	KPA 3: LOCAL ECONOMIC DEVELOPMENT	48	Average time taken to finalise business license applications	New KPI	30 working days  (on receipt of zoning, building plans, fire safety)	30 working days  (on receipt of zoning certificate, building plans and fire safety approval)	30 working days  (on receipt of zoning certificate, building plans and fire safety approval)	30 working days  (on receipt of zoning certificate, building plans and fire safety approval)	30 working days  (on receipt of zoning certificate, building plans and fire safety approval)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Public Health
45	LED3.12	KPA 3: LOCAL ECONOMIC DEVELOPMENT	49	Average time taken to finalise informal trading permits	New KPI	14 days	14 days	14 days	14 days	14 days	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Economic Development, Tourism and Agriculture
45	LED 3.13	KPA 3: LOCAL ECONOMIC DEVELOPMENT	50	Average number of days taken to process building application of 500 square meters or more	New KPI	30 days	30 days	30 days	30 days	30 days	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Human Settlements
46	LED3.21	KPA 3: LOCAL ECONOMIC DEVELOPMENT	51	Percentage of revenue clearance certificates issued within 10 working days from the time of completed application received	New KPI	100%	100%	100%	100%	100%	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Budget and Treasury
47	LED3.31	KPA 3: LOCAL ECONOMIC DEVELOPMENT	52	Average number of days from the point of advertising to the letter of award per 80/20 procurement process	New KPI	90 days	90 days	90 days	90 days	90 days	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Budget and Treasury
19	REG 10(g)(iii)	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	53	Cost Coverage Ratio	3.79 Months	3 months	3 months	3 months	3 months	3 months	No budget provision required	No budget provision required	No budget provision required	No budget provision required	No budget provision required	No budget provision required	No budget provision required	Budget and Treasury
19	REG 10(g)(iii)	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	54	Outstanding service debtors to revenue Ratio	27.58%	30%	30%	30%	30%	30%	No budget provision required	No budget provision required	No budget provision required	No budget provision required	No budget provision required	No budget provision required	No budget provision required	Budget and Treasury

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19	REG 10(g)(i)	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	55	Debt Coverage ratio	41.16 times	50 times	50 times	50 times	50 times	50 times	No budget provision required	No budget provision required	No budget provision required	No budget provision required	No budget provision required	No budget provision required	Budget and Treasury	
20	N/A	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	56	% of the Municipality's Capital Budget actually spent	56.12%	95%	10%	30%	60%	95%	Various capital votes (CAPEX)	Various capital votes	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	City Manager	
20	N/A	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	57	% of Mandela Bay Development Agency's Capital Budget actually spent	New KPI	95%	10%	30%	60%	95%	Various Capital Project Votes (6700 - 7420) (CAPEX)	MBDA / Capital Projects Grant	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	City Manager	
23	REG 10(f)	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	58	% of the Municipality's budget actually spent on implementing its Workplace Skills Plan	0%	0.06%	0%	0%	0.04%	0.06%	0001-0375 (OPEX)	Training	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	City Manager	
24	GG 1.21	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	59	Staff vacancy rate	20%	10%	10%	10%	10%	10%	No budget provision required	No budget provision required	No budget provision required	No budget provision required	No budget provision required	No budget provision required	City Manager	
28	GG 3.12	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	60	Percentage of councillors who have declared their financial interests	61,6%	100%	N/A	N/A	N/A	100%	No budget provision required	No budget provision required	N / A	N / A	N / A	No budget provision required	City Manager	
30	GG 5.12	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	61	Quarterly salary bill of suspended officials	R3,435,435.00	R 4 million	R 1 million	R 1 million	R 1 million	R 4 million	No budget provision required	No budget provision required	No budget provision required	No budget provision required	No budget provision required	No budget provision required	City Manager	
43	LED2.11	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	62	Percentage of budgeted rates revenue collected	New KPI	85%	85%	85%	85%	85%	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	Budget and Treasury	
47	LED3.32	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	63	Percentage of municipal payments made to service providers who submitted complete forms within 30-days of invoice submission	New KPI	80%	80%	80%	80%	80%	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	To be confirmed (not yet available)	City Manager	

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25	GG 2.11	KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	64	Percentage of ward committees with 6 or more ward committee members (excluding the ward councillor)	0%	100%	100%	100%	100%	100%	No budget provision required	No budget provision required	No budget provision required	No budget provision required	No budget provision required	No budget provision required	Corporate Services	
25	GG 2.12	KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	65	Percentage of wards that have held at least one councillor-convened community meeting	0 per ward per quarter (No Councillor-convened community meetings were held)	100%	100%	100%	100%	100%	No budget provision required	No budget provision required	No budget provision required	No budget provision required	No budget provision required	No budget provision required	Corporate Services	
28	GG 3.11	KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	66	Number of repeat audit findings	50 by March 2020 (Reduced from the 87 2017/18 repeat audit findings issued by the Auditor General)	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	<i>To be confirmed (not yet available)</i>	No budget provision required	No budget provision required	No budget provision required	No budget provision required	No budget provision required	No budget provision required	City Manager	
29	GG 4.11	KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	67	Number of agenda items deferred to the next council meeting	28	30	10	15	20	30	No budget provision required	No budget provision required	No budget provision required	No budget provision required	No budget provision required	No budget provision required	Corporate Services	
30	GG 5.11	KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	68	Number of active suspensions longer than three months	2	0	0	0	0	0	No budget provision required	No budget provision required	No budget provision required	No budget provision required	No budget provision required	No budget provision required	City Manager	

6. KEY PERFORMANCE INDICATOR DEFINITIONS

IDP INDICATOR REF	NT REF / MSA REG REF	KEY PERFORMANCE AREA (KPA)	KPI NO	KEY PERFORMANCE INDICATOR	DEFINITIONS
1	EE1.11	KPA 1: BASIC SERVICE DELIVERY	1	Number of dwellings provided with connections to the mains electricity supply by the municipality	The indicator measures the number of new residential electricity connections to dwellings provided by the municipality. This indicator, which measures the city's progress in this area, will contribute to overall access to electricity for the municipality. Dwellings include all types and is not limited to those connected by INEP grants. New property developments that require electricity connections for residential units and informal developments will also be counted.
1	EE1.13	KPA 1: BASIC SERVICE DELIVERY	2	Percentage of valid customer applications for new electricity connections processed in terms of municipal service standards	This indicator measures the number of valid customer for new electricity connections processed within the municipal standard timeframes in relation to the total number of customer applications for new electricity connections. A 'valid customer application' for a new electricity connection refers to an application for which a quote has been supplied and payment made by the applicant, at which point the application becomes 'valid', regardless of whether it is commercial or residential. An electricity connection processed refers to the sequence of procedures between the point of payment for a valid application and obtaining a certificate of completion to obtain a final connection (end). The indicator measures the percentage of all valid applications where the time taken between the point of payment and the compliance fall within municipal standard timeframes, as differentiated the relevant facilities and categories of applications.
2	EE2.11	KPA 1: BASIC SERVICE DELIVERY	3	Percentage of total residential electricity provision allocated as Free Basic Electricity (FBE)	This indicator measures the reliance of municipal residents on Free Basic Electricity for affordable access to electricity by measuring how much of electricity provided by the municipality in MWh is subsidised through Free Basic Electricity. In other words, this indicator measures the extent of support provided by the municipality to its residents as a percentage of the overall total. This is inclusive of indigent households. FBE is an amount of electricity determined by municipal policy provided on a monthly basis for free with the aim of assisting poor households to meet basic needs. Depending on the municipal policy, FBE may not be targeted exclusively at poor households.
3	EE3.11	KPA 1: BASIC SERVICE DELIVERY	4	Percentage of unplanned outages that are restored to supply within industry standard timeframes	The indicator measures the percentage of unplanned or forced interruption that are restored to supply within industry standard timeframes, i.e. within the parameters set by Eskom. An unplanned or forced interruption is an interruption that: a) occurs when a component is taken out of service immediately, either automatically or as soon as switching operations can be performed, as a direct result of emergency conditions, or b) is caused by human error or by the improper operation of equipment.  This indicator is a distribution of MTTR( Mean Time to Restore), which is the average time it takes to restore supply once an interruption takes place.
4	EE3.21	KPA 1: BASIC SERVICE DELIVERY	5	Percentage of planned maintenance performed	The indicator measures the actual planned/preventative electrical maintenance effort (hrs) as a percentage of budgeted planned/preventative electrical maintenance effort (hrs). In addition, this is the measure of the actual executed maintenance jobs planned as a percentage of budgeted planned maintenance effort in scheduled 'jobs'. A 'job' is a planned maintenance task scheduled by the municipality.
7	EE4.12	KPA 1: BASIC SERVICE DELIVERY	6	Installed capacity of approved embedded generators on the municipal distribution network	The indicator measures the total capacity of the Small Scale Embedded Generation (SSEG) installations in the municipal distribution network. SMEGG refers to power generation under 1MW/1000kW, which are located on residential, commercial or industrial sites where electricity is also consumed. The municipality encouraging SSEG (small scale embedded generation) among its customer base is a sign that the municipality is evolving its business model as well as embracing the shift to cleaner green energy.
9	ENV1.12	KPA 1: BASIC SERVICE DELIVERY	7	Percentage of AQ monitoring stations providing adequate data over a reporting year	The indicator measures the proportion of Air Quality monitoring stations which are sufficiently functional to provide an accurate indication of air quality over a full reporting year in the municipal area. This is currently defined as providing at least 75% of a full year's worth of anticipated data. The presence of functional monitoring stations within a metropolitan area is essential to provide information on air quality throughout the metropolitan area. Faulty monitoring stations may result in certain areas not being fairly represented in the AQ data.

13	ENV 3.11	KPA 1: BASIC SERVICE DELIVERY	8	Percentage of known informal settlements receiving basic refuse removal services	The indicator measures the proportion of recognised informal settlements within the municipal area which are receiving at least a basic standard of service for refuse collection and cleaning services.
15	ENV4.11	KPA 1: BASIC SERVICE DELIVERY	9	Percentage of biodiversity priority area within the municipality	This indicator captures the proportion of "biodiversity priority area" land which has been identified through municipal planning processes as being of high biodiversity value, and is protected through some mechanism. It indicates the presence of available habitats across a municipal area important for maintaining ecological processes, expressed in ha. A decline over time indicates a loss of land supporting biodiversity and local ecosystems. Biodiversity priority areas, or areas of high biodiversity importance, are defined by SANBI (2016) as "Natural or semi-natural areas in the landscape or seascape that are important for conserving a representative sample of ecosystems and species, for maintaining ecological processes, or for the provision of ecosystem services."
16	ENV4.21	KPA 1: BASIC SERVICE DELIVERY	10	Percentage of biodiversity priority areas protected	The indicator measures the proportion of land identified through municipal strategic environmental assessments and EMFs (Environmental Management Frameworks) as biodiversity priority areas, which is protected through some mechanism. Mechanisms may include stewardship agreements, conventional protected areas, biodiversity agreements, among others.
17	ENV5.11	KPA 1: BASIC SERVICE DELIVERY	11	Percentage of coastline with protection measures in place	The percentage of coastline with protection measures in place within municipal area. Protection measures refer to measures for protecting the coastal environment from activities that may detrimentally affect it and are inclusive of periodic maintenance. Protection measures are divided into 4 main categories: <b>Hard</b> (options influence coastal processes to stop or reduce the rate of coastal erosion); <b>Soft</b> (aim to dissipate wave energy by mirroring natural forces and maintaining the natural topography of the coast); <b>Combined</b> (combining hard and soft solutions is sometimes necessary to improve efficiency of the options and provide an environmentally and economically acceptable coastal protection systems); <b>Innovative</b> (exploited advancements in specific areas of engineering associated with erosion control namely geotextiles and beach drainage) Protection measures are therefore inclusive of managed retreat too.
17	ENV5.12	KPA 1: BASIC SERVICE DELIVERY	12	Number of coastal water samples taken for monitoring purposes	The number of coastal and water samples taken for monitoring purposes in the municipality. "Water samples taken", in this instance, refers to samples that have been taken for water quality testing. This refers to the number of samples tested for all monitoring purposes, it does not refer to the number of itemised tests conducted per sample.
18	ENV5.21	KPA 1: BASIC SERVICE DELIVERY	13	Number of inland water samples tested for monitoring purposes	The number of inland and water samples taken for monitoring purposes in the municipality. "Water samples taken", in this instance, refers to samples that have been taken for water quality testing. This refers to the number of samples tested for all relevant monitoring purposes, it does not refer to the number of itemised tests conducted per sample.
21	FD 1.11	KPA 1: BASIC SERVICE DELIVERY	14	Percentage compliance with the required attendance time for structural firefighting incidents	The indicator measures the number of all incidents where the attendance time was 14 minutes or less as a percentage of all incidents. Structural fire incidents are defined as incidents of fire outbreaks in habitable formal structures (buildings that have approved building plans) and habitable informal structures (informal residential dwellings where no approved building plans exist). The indicator measures the percentage of times that these incidents receive a response within the 14 minute standard. This measure of the attendance time is the difference between the time of call (the time an official call or notice is received at the official call or reporting centre) and the arrival time (refers to the time captured for the first arriving firefighting response unit regardless from where dispatched or regardless of order of dispatch).
27	GG2.31	KPA 1: BASIC SERVICE DELIVERY	15	Percentage of official complaints responded to through the municipal complaint management system	This indicator measures the number of official complaints responded to as per the municipality defined norms and standards, as a percentage of the number of official complaints received. A complaint is any formal grievance, concern or issue registered with municipality as per its established systems and protocols. An official complaint, in this instance, should be formally logged within the Municipal Complaints Management System. "Norms and standards" refer to a municipality's agreed ability to respond promptly and appropriately to the complaints from the public, in line with protocols determined by the municipality, whether or not this is consistent with any external guidance or benchmarking. Note that resolution refers to an official municipal response to the complaint and does not provide for a determination of "satisfaction" with the municipal response on the part of the public.

32	HS1.11	KPA 1: BASIC SERVICE DELIVERY	16	Number of subsidised housing units constructed using various Human Settlements Programmes	The indicator seeks to track an annual performance output for subsidised housing units constructed within the municipal area. A subsidised house is a housing unit built and completed by the Municipality as part of the national housing programme using the Human Settlements Development Grant. It does not refer to housing units delivered by the provincial government. The intention is to provide adequate housing and improved quality living environments, for those who are unable to afford same.
32	HS1.12	KPA 1: BASIC SERVICE DELIVERY	17	Number of serviced sites	The indicator measures the number of new sites to which the municipality has provided a minimum service level for the three basic services in terms of infrastructure provision (e.g. water, sanitation and electricity). Waste removal is a recurring service that is not based on infrastructure provision to a site and is therefore excluded. A basic level service for the core services of water, electricity and sanitation is a prerequisite for 'adequate housing'.
32	HS1.13	KPA 1: BASIC SERVICE DELIVERY	18	Hectares of land acquired for human settlements in Priority Housing Development Areas	This indicator measures the hectares of land acquired for human settlements within PHDAs by the municipality. PHDAs are defined as areas announced by the Minister of Human Settlements in terms of Section 7 (3) of the Housing Development Agency Act, 2008 read with section 3.2 of the Housing Act. These are areas intended to advance Human Settlements Spatial Transformation and Consolidation by ensuring that the delivery of housing is used to restructure and revitalise towns and cities, strengthen the livelihood prospects of households and overcome apartheid spatial patterns by fostering integrated urban forms. PHDAs are underpinned by the principles of the National Development Plan (NDP) and the Integrated Urban Development Framework (IUDF). Emphasis is placed on synchronising national housing programmes in PHDAs. Therefore, this refers to land acquired in an agreement between at least two parties for which transfer documents have been registered at the Title Deeds Office. The land is understood to have been acquired with the intention of advancing human settlements development within the PHDAs, subject to the subsequent completion of any outstanding planning and approval processes.
33	HS1.22	KPA 1: BASIC SERVICE DELIVERY	19	Number of title deeds registered to beneficiaries	This Indicator measures the number of title deeds registered to beneficiaries within a municipality during the period under assessment. A title deed is a document that proves legal ownership of a property in South Africa. This refers to title deeds registered to beneficiaries of human settlements programmes within the municipal area.
34	HS1.31	KPA 1: BASIC SERVICE DELIVERY	20	Number of informal settlements assessed (enumerated and classified)	The indicator measures the number of designated informal settlements within the municipal area enumerated and classified according to the NUSP (National Upgrading Support Programme) categorisation, or equivalent. Enumeration includes the collection of household level data of informal settlement residents, as well as the levels and status of services in the settlement. By classifying informal settlements according to the UISP the settlements are comprehensively appraised, enumerated and marked for intervention in the form of upgrade or relocation. This classification is an important pre-requisite for incremental security of tenure on a tenure spectrum. Settlements for which only a dwelling count is available should not be included. Settlements need to have been enumerated and classified according to the NUSP classification, or equivalent, in the financial year in order to be counted.
34	HS1.32	KPA 1: BASIC SERVICE DELIVERY	21	Number of informal settlements upgraded to Phase 2	This indicator measures the number of informal settlements upgraded to Phase 2, in terms of the Housing Code. Phase 2: Project Initiation. "...Upgraded to Phase 2" is achieved when all the milestones as per Upgrading Informal Settlements Phase 2 have been implemented within an informal settlement. This is inclusive of the following: acquisition of land where required; undertaking of a clear socio-economic and demographic profile/survey of the settlement; establishing an agreement between the community and municipality; installation of interim services to provide basic water and sanitation services to households on an interim basis; conducting of pre-planning studies to determine detailed geotechnical conditions and the undertaking of an environmental impact assessment to support planning processes and enrolment of the project/land with the National Home Builders Registration Council.
48	TR4.21	KPA 1: BASIC SERVICE DELIVERY	22	Percentage of municipal bus services 'on time'	The indicator measures the percentage of all scheduled municipal bus service arrivals on-time, per year. The scheduled municipal bus service on-time performance indicator indicates the reliability of the service, and directly impacts on the productivity and thus earnings potential of the commuter.
49	TR1.12	KPA 1: BASIC SERVICE DELIVERY	23	Number of scheduled public transport access points added	<i>To be populated</i>



50	TR5.21	KPA 1: BASIC SERVICE DELIVERY	24	Percentage of scheduled municipal buses that are low entry	The indicator measures the total number of operational municipal buses that have low entry access, as a percentage of the total number of buses in the municipally-contracted fleet. The indicator tracks the percentage of the municipal fleet that are accessible for low-entry. Providing universally accessible public transport services integrated with universally accessible NMT paths is an important contributor to public transport access. Upgrading buses for universal accessibility is an important step towards improving travel activity by persons who have a disability.
51	TR6.11	KPA 1: BASIC SERVICE DELIVERY	25	Percentage of unsurfaced road graded	The indicator measures the length of unsurfaced road which has been graded as a percentage of overall unsurfaced road network. Unsurfaced road refers to a road that is not tarred.
51	TR6.12	KPA 1: BASIC SERVICE DELIVERY	26	Percentage of surfaced municipal road lanes which has been resurfaced and resealed	The indicator measures the distance of surfaced municipal road lanes which has been resurfaced. This refers to Municipal roads which have been damaged in a form of potholes or cracks resulting in them to be resurfaced or resealed
51	TR6.13	KPA 1: BASIC SERVICE DELIVERY	27	KMs of new municipal road lanes built	<i>To be populated</i>
52	TR 6.21	KPA 1: BASIC SERVICE DELIVERY	28	Percentage of reported pothole complaints resolved within standard municipal response time	<i>To be populated</i>
53	WS1.11	KPA 1: BASIC SERVICE DELIVERY	29	Number of new sewer connections meeting minimum standards	The indicator measures the total number of new sewer connections (defined as connections to a flush toilet connected to the sewerage system or a septic tank or a VIP toilet) made as part of state-subsidised human settlements development. This is inclusive of new sewer connections to communal facilities that meet basic sanitation standards. Through these connections the Municipality is addressing to eradicate the historic backlogs and improve one of the primary needs which is basic sanitation.
54	WS2.11	KPA 1: BASIC SERVICE DELIVERY	30	Number of new water connections meeting minimum standards	The indicator measures the total number of new water connections meeting minimum standards (supply of water is piped (tap) water inside dwelling/institution, piped (tap) water inside yard, and/or community stand: <200 m) as part of state-subsidised human settlements development. This is inclusive of new water connections to communal facilities that meet minimum standards.
55	WS3.11	KPA 1: BASIC SERVICE DELIVERY	31	Percentage of callouts responded to within 24 hours (sanitation/wastewater)	The indicator measures the percentage complaints/callouts (outages logged with the municipality) responded to within 24 hours (sanitation/wastewater). Responded to means that someone is on site and has initiated a process of resolving the matter within 24 hours. This does not mean the complaint/callout was resolved, only that the matter was logged, appraised and responded to within 24 hours of notification.

56	WS3.21	KPA 1: BASIC SERVICE DELIVERY	32	Percentage of callouts responded to within 24 hours (water)	The indicator measures the percentage complaints/callouts (outages) responded to within 24 hours (water). Responded to means that someone is on site and has initiated a process of resolving the matter within 24 hours. This does not mean the complaint/callout was resolved, only that the matter was logged, appraised and responded to within 24 hours of notification.
58	WS4.11	KPA 1: BASIC SERVICE DELIVERY	33	Percentage of water treatment capacity unused	<i>To be populated</i>
59	WS4.21	KPA 1: BASIC SERVICE DELIVERY	34	Percentage of industries with trade effluent inspected for compliance	<i>To be populated</i>
60	WS4.31	KPA 1: BASIC SERVICE DELIVERY	35	Percentage of wastewater treatment capacity unused	<i>To be populated</i>
62	WS5.21	KPA 1: BASIC SERVICE DELIVERY	36	Infrastructure leakage index	<i>To be populated</i>
63	WS5.31	KPA 1: BASIC SERVICE DELIVERY	37	Percentage of total water connections metered	The indicator measures the number connections whereby a meter has been installed as opposed to the total number of connections that exist in the Municipality.
24	GG1.22	KPA 2: MUNICIPAL TRANSFORMATION AND DEVELOPMENT	38	Percentage of vacant posts filled within 3 months	The percentage for which an appointment decision has been made within three months of the authority to proceed with filling the post. "Vacant posts" in this instance, refers to all budgeted posts on the municipal organogram for which a recruitment process has been initiated. A position is considered "filled" when a recruitment decision is made and an offer of appointment formally accepted by a recruit, regardless of the start date. Authority to proceed with filling "post" refers to the point at which the relevant official authorises the filling of a vacancy in terms of relevant municipal policies and procedures. This refers to an individual post and does not apply to bulk recruitments.
		KPA 2: MUNICIPAL TRANSFORMATION AND DEVELOPMENT	39	Number of people from employment equity target groups employed in the three highest levels of management in compliance with the municipal approved employment equity plan	The indicator measures the number of positions filled from employment equity target groups in the three highest levels of management (City Manager, Section 56 Managers and Strategic Skilled Level Managers) in compliance with the Municipality's approved Employment Equity Plan. Employment equity requires the institution to engage in proactive employment practices to increase the representation of certain under represented groups; promote the constitutional right of equality and the exercise of true democracy; eliminate unfair discrimination in employment; ensure the implementation of employment equity to redress the effects of discrimination; achieve a diverse workforce broadly representative of our people.

35	HS2.21	KPA 3: LOCAL ECONOMIC DEVELOPMENT	40	Number of rateable residential properties in the subsidy housing market entering the municipal valuation roll	The indicator is designed to track the creation of formalised, rateable, residential properties subsidised by the state in a metro. A rateable residential property receives services (water, electricity, sanitation, waste removal, etc.) from the metro and in return the metro collects revenue.
35	HS2.22	KPA 3: LOCAL ECONOMIC DEVELOPMENT	41	Average number of days taken to process residential building applications of 500 square meters or less	The indicator measures the number of days a residential building plan application to the municipality takes to be processed, from the date of submission of all required information to the date of communication of the initial adjudication results of that application, on average, per application. A 'residential building plan' refers to building plans of 500 square meters or less, as this is a commonly applied distinction for residential properties. Measures of the time taken to process appeals of the initial decision are not included within the measurement.
40	LED1.11	KPA 3: LOCAL ECONOMIC DEVELOPMENT	42	Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area	This indicator measures the value of municipal operating expenditure that has been spent on payments to contracted organisations with a physical address within the municipal area as a percentage of the total operating expenditure on payments to all contracted organisations. Contracted services are inclusive of consultancy services, and refer to services rendered by any entity outside of the municipality secured through a public procurement process.
40	N/A	KPA 3: LOCAL ECONOMIC DEVELOPMENT	43	% achievement of the Mandela Bay Development Agency's 2021/22 Key Performance Indicators as reflected in / annexed to MBDA's Business Plan	The indicator measures Mandela Bay Development Agency's achievement against the key projects outlined in the Mandela Bay Development Agency's business plan as approved by Council.
41	LED1.21	KPA 3: LOCAL ECONOMIC DEVELOPMENT	44	Number of work opportunities created by the municipality through Public Employment Programmes (incl. EPWP, CWP and other related employment programmes)	The indicator measures how successful the Municipality is in creating job opportunities in conjunction with the private sector. The indicator calculates the sum of the number of individuals receiving short-term work opportunities through the Municipality's Expanded Public Works Programme, Community Works Programme and other related infrastructure initiatives.
42	LED 1.31	KPA 3: LOCAL ECONOMIC DEVELOPMENT	45	Number of individuals connected to apprenticeships and learnerships through municipal interventions	The number of individuals connected to apprenticeships and learnerships through municipal interventions. Municipal interventions refer to any project, programme or initiative intended to facilitate or implement change among the target population. Apprenticeships and learnerships, in this instance, refer specifically to structured learning processes for gaining theoretical knowledge and practical skills in the workplace leading to a qualification recognised in terms of the National Qualifications Authority.
43	LED 2.12	KPA 3: LOCAL ECONOMIC DEVELOPMENT	46	Percentage of the municipality's operating budget spent on indigent relief for free basic services	The indicator measures the percentage of the operating budget spent on free basic services (water, sewerage, electricity, refuse removal, rates) and is indicative of the portion of the budget spent on poverty alleviation. By providing free basic services to those who qualify in terms of the Municipality's policy requirements in the Municipality caters for the basic needs of poor households.
43	Reg 10(b)	KPA 3: LOCAL ECONOMIC DEVELOPMENT	47	Percentage of households earning less than R3560 per month with access to free basic services	The indicator measures the capability of the municipality to provide free basic services to low income households who qualify in terms of the Municipality's policy requirements. The intention of the Key Performance Indicator is to measure the extent of those who should receive free services and are actually assisted by the municipality against all of those households who qualify to receive free basic services.
45	LED3.11	KPA 3: LOCAL ECONOMIC DEVELOPMENT	48	Average time taken to finalise business license applications	The indicator measures the average number of working days a business owner can expect to wait from the date of submission of a complete business licence application to the date of outcome of licensing decision from the municipality. Business license applications refer to those businesses registering to operate and do business within the municipal area. A 'complete application' refers to the point at which all of the required administrative information has been supplied, allowing the municipality to proceed with the processing. A 'finalised' application refers to an application where the municipality has taken a decision to approve or deny the application. An application is considered finalised at the point of the decision, regardless of the time between the decision and the communication of the application outcome.

45	LED 3.12	KPA 3: LOCAL ECONOMIC DEVELOPMENT	49	Average time taken to finalise informal trading permits	The indicator measures the average amount of time (taken in days) to finalise informal trading permits within a municipality from the point of complete application to the point of adjudication. An informal trading permit is a permission provided by the municipality to small scale businesses with limited trading intentions to operate under certain conditions.
45	LED 3.13	KPA 3: LOCAL ECONOMIC DEVELOPMENT	50	Average number of days taken to process building application of 500 square meters or more	The indicator measures the number of days a building plan application to the metro takes to be processed, from the date of submission of all required information to the date of communication of the initial adjudication results of that application, on average, per application. The indicator excludes time taken to process appeals of the initial decision.
46	LED3.21	KPA 3: LOCAL ECONOMIC DEVELOPMENT	51	Percentage of revenue clearance certificates issued within 10 working days from the time of completed application received	This Indicator measures the percentage of revenue clearance certificates issued by the municipality within 10 working days of a completed submission. A revenue clearance certificate is issued by the relevant local municipality, and reflects all of the debts collected on the property, including rates. The purpose of this document is to prove that all the outstanding debt on the property has been paid by the seller. A completed submission refers to the point in time when all necessary information has been supplied in relation to the certificate. The 10 days, in this instance, refers to 10 working days, not days of the week
47	LED3.31	KPA 3: LOCAL ECONOMIC DEVELOPMENT	52	Average number of days from the point of advertising to the letter of award per 80/20 procurement process	The average number of days from the point of advertising to the letter of award per 80/20 procurement process. An 80/20 procurement process refers to public procurement as per the terms of the Preferential Procurement Regulations in terms of the Preferential Procurement Policy Framework Act for bids where an 80/20 Broad-Based Black Economic Empowerment (B-BBEE) thresholds of between R30 000 and R50 million applies. This would apply to tenders awarded within the financial year, and where disputes to the outcome of the tender process were not raised. This does not apply to requests for quotations.
19	(g)(iii)	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	53	Cost Coverage Ratio	The indicator measures the extent to which the available cash and investments are adequate to cover monthly payments.
19	(g)(ii)	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	54	Outstanding service debtors to revenue Ratio	The indicator measures the extent to which the Municipality has been successful in collecting revenue from its debtors.
19	(g)(i)	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	55	Debt Coverage ratio	The indicator seeks to provide assurance that sufficient revenue will be generated to repay liabilities.
20		KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	57	% of the Municipality's Capital Budget actually spent	The indicator measures the Municipality's ability to spend its budget on the acquisition or upgrade of fixed assets.
20		KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	58	% of Mandela Bay Development Agency's Capital Budget actually spent	The indicator measures the Mandela Bay Development Agency's ability to spend its budget on the acquisition or upgrade of fixed assets.
23		KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	59	% of the Municipality's budget actually spent on implementing its Workplace Skills Plan	The indicator measures the amount spent on training initiatives in the Municipality through the implementation of its Workplace Skills Plan. The indicator sets the standard to ensure that all staff undergo training initiatives as required for the performance of their duties.

24	GG 1.21	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	60	Staff vacancy rate	The indicator measures the number of unfilled posts in the municipal organisational structure as a percentage of the total number of posts in the municipality's organisational structure. This indicator gives an indication of the municipality's progress towards building capable local government by calculating the number of unfilled posts in the municipal organisational structure as a percentage of the total number of posts in the municipality's organisational structure. It shows the extent to which the required staff complement the organisational structure.
28	GG 3.12	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	61	Percentage of councillors who have declared their financial interests	The indicator measures the percentage of all councillors that have declared their financial interests for the financial year being reported against.
30	GG 5.12	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	62	Quarterly salary bill of suspended officials	The indicator measures the sum of the salary bill for all officials suspended from work or employment for the municipality for misconduct during the reporting period. Tracking the salary bill of suspended officials provides an indicator of the extent to which enduring suspensions are costing the municipality money without the benefit of service. Reporting against this Indicator will include both the salary bill of suspensions not longer than three months and the salary bill of suspensions exceeding three months.
43	LED2.11	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	63	Percentage of budgeted rates revenue collected	This indicator measures the R-value of the rates revenue as a percentage of the total rates revenue operating budget. Municipal property rates are an amount levied on the market value of immovable property (that is, land and buildings). Revenue, in this instance, refers to income collected by the municipality in R-value within the designated financial period. The operating rates revenue budget refers to the amount of the municipal operational budget which was targeted within the municipal budget as approved by Council for the financial year.
47	LED3.32	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	64	Percentage of municipal payments made to service providers who submitted complete forms within 30-days of invoice submission	This indicator measures the percentage of municipal payments made to service providers within 30-days of complete invoice submission. The indicator measures the number of payments made on the basis of invoice submissions to the municipality within the accepted standard of 30 days or less. This measures 30 calendar days from the time of submission of an accurate invoice.
25	GG 2.11	KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	65	Percentage of ward committees with 6 or more ward committee members (excluding the ward councillor)	The indicator measures the percentage of ward committees that had 6 or more members, excluding the ward councillor, as a proportion of the total number of wards at the last day of the reporting period. This indicator demonstrates the extent to which ward committees are active in terms of filled representation, which is a proxy indicator for the level of community engagement in the public participation system via a formal structure such as the ward committee.
25	GG 2.12	KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	66	Percentage of wards that have held at least one councillor-convened community meeting	The indicator measures the number of community meetings that ward councillors convened per Ward in the municipality. Community meetings refers to any public meeting for which public notice is given, held in the councillor's ward, and at which the ward councillor convenes the meeting.
28	GG 3.11	KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	67	Number of repeat audit findings	The indicator indicates the annual findings by the Auditor General on compliance matters and whether municipalities are complying with the financial legislation and regulations. "Repeat" findings refer to those findings which have persisted from one year of reporting to the next.
29	GG 4.11	KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	68	Number of agenda items deferred to the next council meeting	The indicator measures the number of agenda items that have been deferred to the next council meeting because the council has failed to reach a quorum or withheld decisions on those items. Where multiple council meetings have been held, this is the sum total of those items deferred. This does not refer to agenda items referred to other structures, only items for which no decision or action is taken.

30	GG 5.11	KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	69	Number of active suspensions longer than three months	The indicator refers to the total number of active suspensions at the time of reporting that were initiated more than three months prior and had not yet been resolved. Tracking the suspensions lasting more than three months provides an indication of the processing efficiency in cases of alleged misconduct.
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7. DEFINITIONS OF CONCEPTS	
CONCEPT	DEFINITION
<b>Ablution facilities</b>	Ablution facilities are the proposed public toilets provided in informal settlements as an interim form of sanitation before the residents are moved to Metro houses.
<b>Affordable housing</b>	Affordable housing refers to housing units that are affordable by a certain section of society whose income is below the median household income.
<b>Baseline indicators</b>	It provides quantitative and/or qualitative levels of performance as at the beginning of the monitoring period that the institution aims to improve on.
<b>Business Incubator Programme</b>	A program designed to support the successful development of entrepreneurial companies through an array of business support resources and services, developed and orchestrated by incubator management and offered both in the incubator and through its network of contacts. Successful completion of a business incubation program increases the likelihood that a start-up company will stay in business for the long term.
<b>Co-operative</b>	An autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically controlled enterprise.
<b>Densification</b>	A term used by in urban planning and urban design to refer to the number of people inhabiting a given urbanized area. As such it is to be distinguished from other measures of population density. Densification can be measured through the following: <ul style="list-style-type: none"> <li>- Floor area ratio: Total building floor area divided by the area of the land buildings are built on.</li> <li>- Residential density: Number of dwelling units in a given area.</li> <li>- Population density: Number of people in a given area.</li> <li>- Employment density: Number of jobs in a given area.</li> </ul> <p>The points listed above will inform the densification study and the land planners and designers will be able to understand how different Cities function.</p>
<b>Electricity losses</b>	Technical Losses are natural losses which are caused by power dissipation in an electrical power system i.e. transmission line underground cables, transformers, etc. Non-Technical Energy Losses are caused by actions external to the network and consist primarily out of electricity theft, errors in the billing and metering system, non-issuance of bills and unknown electrical connections.
<b>Evaluation</b>	An assessment of a planned, ongoing or completed intervention to determine its relevance, efficiency, effectiveness, impact and sustainability. It includes the assessment of progress to determine the extent to which objectives have been met, what outputs, outcomes and inputs have been produced, and at what cost.
<b>Financial Viability: Cost Coverage Ratio</b>	$A = \frac{B + C}{D}$ Where - "A" represents cost coverage "B" represents all available cash at a particular time "C" represents investments "D" represents monthly fixed operating expenditure.
<b>Financial Viability: Debt Coverage Ratio</b>	$A = \frac{B - C}{D}$ Where - "A" represents debt coverage "B" represents total operating revenue received "C" represents operating grants "D" represents debt service payments (i.e. interest + redemption) due within the financial year.
<b>Financial Viability: Outstanding Service Debtors to Revenue</b>	$A = \frac{B}{C}$ Where - "A" represents outstanding service debtors to revenue "B" represents total outstanding service debtors "C" represents annual revenue actually received for services.
<b>Free basic services</b>	Free basic services are Municipal services provided at no charge, by the Government, to poor households. These services are provided by the municipality and includes a minimum amount of electricity, water and sanitation that is sufficient to cater for the basic needs of the identified household.
<b>Full-Time Equivalent Job</b>	Is an equivalent of a paid work opportunity created for one person on an EPWP project for one year; one person year is equivalent to 230 person days of work.
<b>Gap housing</b>	Sector of housing not covered by subsidy, but also for which people cannot easily obtain credit from lending institutions/banks.
<b>Greenfield</b>	A Greenfield area is an unoccupied green piece of land, which is cleared, pegged and serviced with water and sanitation, where after families are relocated from stressed areas (flood plains, power line servitudes) and unserviceable land, to such Greenfield sites.
<b>Household</b>	A Household is defined as a group of persons who live together and provide themselves jointly with food and/other essentials for living, or a single person who lives alone.
<b>Households (total number)</b>	The total number of households refers to all households living within the spatial jurisdiction of the Municipality (whether within or outside its physical development boundary).
<b>Households within the urban edge</b>	Households within the urban edge imply households living within the boundaries of the urban edge, irrespective whether they formally or informally acquired their sites. An urban edge being an imaginary boundary beyond which physical development will not be approved. There may be no pegged, surveyed or serviced sites in such areas. All dwellings in such areas may be regarded as informal (and may include households living on farms).

7. DEFINITIONS OF CONCEPTS	
CONCEPT	DEFINITION
<b>Housing Unit</b>	A Housing Unit is a formal dwelling which refers to a structure built according to approved plans, i.e. house on a separate stand, flat or apartment, townhouse, room in backyard, rooms or flatlet elsewhere.
<b>Impact indicators</b>	Indicators that measure the marked effect or influence of achieving specific outcomes.
<b>Incubation programmes</b>	Assistance to new and / or start-up companies by providing services such as management training and office space.
<b>Informal settlements</b>	The term used to describe housing that has been built illegally, without the consent of the proper planning authorities.
<b>Input indicators</b>	An indicator that measures equipment, resources, economy and efficiency. <ul style="list-style-type: none"> <li>• Budget projection</li> <li>• % Capital Budget spent to provide water</li> <li>• Unit costs for delivering water to a single household</li> <li>• Amount of time/money/number of people it took the Municipality to deliver water to a single household.</li> </ul>
<b>In situ</b>	An in situ area is an informal settlement, which is a piece of land already inhabited by families. These families are temporarily repositioned; the piece of land is then cleared and serviced with water and sanitation, where after these families are relocated to specific sites on this in situ land.
<b>Institutional performance review cycle</b>	12 continuous months' period : 1 July to 30 June of the following year.
<b>Integrated Development Planning</b>	It is the Municipality's principal people-driven strategic developmental planning document. Importantly, it ensures close co-ordination and integration between projects, programmes and activities, both internally (between clusters and directorates) and externally (with other spheres of government).
<b>Key Performance Areas (KPA's)</b>	Critical function/domain that is crucial to achievement of organisational goals.
<b>Key Performance Indicators (KPI's)</b>	Measures (qualitative and quantitative) that tell a person whether he/she is making progress towards achieving his/her objectives.
<b>Output indicators</b>	Indicators that measure results. They are usually expressed in quantitative terms (i.e. number / %) <ul style="list-style-type: none"> <li>• Number of households connected.</li> </ul>
<b>Outcome indicators</b>	Indicators that measure the impact of reaching the target. <ul style="list-style-type: none"> <li>Percentage of households with access to water.</li> </ul>
<b>Mixed-use development</b>	A type of urban development that blends residential, commercial, cultural, institutional and/or entertainment uses into one space, where those functions are to some degree physically and functionally integrated, and that provides for community needs.
<b>Monitoring</b>	A continuous function that involves collecting and analysing data on implementation processes, strategies and results.
<b>Municipal services</b>	Refer to the basic services that the residents of a town/city expect their town/city government to provide, in exchange for the rates and taxes they pay. Basic town/city services include water, sanitation (both sewer and refuse), roads and transportation, and primary health care.
<b>Non-revenue water (unaccounted for water)</b>	Portion of water that cannot be accounted for.
<b>Non-Section 56</b>	All other employees who do not fall within the definition of Section 56 employees.
<b>Peri-urban</b>	The area existing between the urban edge and the boundary of the municipality. It is characterized by non-urban development, limited servicing, environmental and agricultural use.
<b>Performance Management</b>	A strategic approach through which the performance objectives of the Municipality are identified, defined, translated into business plans and cascaded into individual scorecards allowing for regular planning, monitoring, evaluating and reviewing and reporting of performance at both organizational and individual levels, effectively responding to inadequate performance and recognizing outstanding performance.
<b>Performance Management System (PMS)</b>	A Municipality's Performance Management System entails a framework that describes and represents how the Municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different role-players. The method used by the Nelson Mandela Bay Municipality is the balanced scorecard method that takes into account financial, internal business, customer and learning and growth perspectives.
<b>Performance Plan</b>	Plan of agreed key performance areas, objectives, key performance indicators and targets covering a specific financial year.



7. DEFINITIONS OF CONCEPTS	
CONCEPT	DEFINITION
<b>Performance targets</b>	Quantifiable levels of the indicators that the organization wants to achieve at a given point in time.
<b>Precinct Plan</b>	A document which defines the desired development goal of a precinct and recommends a range of projects / activities required to facilitate the implementation thereof.
<b>Relays</b>	Protection devices inside switchgear that operate during fault conditions to prevent damage to the switchgear.
<b>Review</b>	A comprehensive assessment of the economy, efficiency, effectiveness and impact in so far as the key performance indicators and performance targets set by the Municipality are concerned.
<b>SANS 241</b>	The standard can be accessed at <a href="https://www.sabs.co.za/webstore/SetaPDF/Demos/Encryptor/genpreview.php?stdsid=1400024664&amp;pid=11440">https://www.sabs.co.za/webstore/SetaPDF/Demos/Encryptor/genpreview.php?stdsid=1400024664&amp;pid=11440</a>
<b>Scarce Skills</b>	In terms of the Nelson Mandela Bay Municipal Scarce Skills Strategy, it refers to those occupations in which there is a scarcity of qualified and experienced people, currently or anticipated in the future, e.g. engineers, doctors, etc.
<b>Section 56 employees</b>	A person appointed as the municipal manager of a municipality, and a person appointed as a manager directly accountable to the municipal manager, subject to a performance agreement concluded annually.
<b>SMMEs</b>	Refers to Small Medium Micro Enterprises who receives support from the Municipality. These are non-subsiary, independent firms which employ fewer than a given number of employees.
<b>Stewardship</b>	Process of engaging private land owners who have extensive areas of land within biodiversity corridors of the Municipality, with the intention of setting their land aside for biodiversity conservation.
<b>Street Islands</b>	Flower beddings on the middle and side of streets in non-residential areas.
<b>Subsidised House</b>	A subsidised house is a housing unit built and completed by the Municipality as part of the national housing programme using the Human Settlements Development Grant. It does not refer to housing units delivered by the provincial government.
<b>Switchgear</b>	Includes circuit breakers, isolators, voltage transformers. This equipment is forms a major part of the electrical grid. Failure to maintain this infrastructure results in major outages.
<b>Unit residential transaction</b>	Refers to a real estate transaction, which is the process whereby rights in a unit of property is transferred between two or more parties.
<b>Urban Edge</b>	The area accepted by the Municipality as being the limit of urban development in accordance with its planning policies. An urban edge is an imaginary boundary beyond which physical development will not be approved. There may be no pegged, surveyed or serviced sites in such areas. All dwellings in such areas may be regarded as informal (and may include households living on farms).
<b>Water Demand Management (WDM)</b>	Process whereby the water service is managed. Among others, WDM meets current and future water requirements, leak detection and repairs as well as the financial viability of the service.
<b>Water Losses</b>	Water losses are the sum of the real and apparent losses and are calculated from the difference between the total system input and the authorised consumption.
<b>Work Opportunity</b>	Refers to each incident where paid work is created for a single individual of an EPWP project for the period of time.

## **8. REVENUE AND EXPENDITURE PROJECTIONS**

Revenue and expenditure projections make provision for monthly income and expenditure projections. The actual revenue targets and spending against the budget will be reported upon monthly in terms of Section 71 of the MFMA, as well as in terms of the quarterly targets, as reflected in the SDBIP scorecard. This also provides an opportunity for the regular monitoring of revenue and expenditure patterns to ensure the early detection of any deviations, so that interventions or corrective measures may be introduced.

**NMA Nelson Mandela Bay - Supporting Table SA26 Consolidated budgeted monthly revenue and expenditure (municipal vote)**

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Revenue by Vote</b>																
Vote 1 - Budget & Treasury		2,739,131	148,724	97,023	8,678	19,043	215,023	(977)	5,023	278,985	4,023	1,023	19,384	3,535,081	3,746,858	3,961,475
Vote 2 - Public Health		43,281	42,005	32,389	42,846	47,299	47,220	35,303	23,248	121,576	23,433	23,443	18,813	500,856	530,824	565,657
Vote 3 - Human Settlements		20,000	30,000	20,000	33,589	39,000	80,000	20,000		53,000			905	296,494	264,668	273,422
Vote 4 - Economic Development, Tourism & Agriculture		22,839	15,479	9,979	7,479	8,374	15,574	7,479	8,479	50,179	479	479	11,548	158,368	172,204	184,701
Vote 5 - Corporate Services		895	895	895	442	895	895	895	895	3,395	895	2,895	505	14,394	12,608	12,872
Vote 6 - Infrastructure & Engineering Unit - Rate & General		67,500	63,439	19,918	5,095	73,000	60,000	20,000	10,000	55,500	4,579		26	379,058	452,596	460,881
Vote 7 - Metro Water Service		269,690	167,212	144,693	154,693	150,684	220,755	140,649	130,739	177,254	135,737	136,612	140,688	1,969,307	1,999,257	2,113,403
Vote 8 - Sanitation - Metro		281,656	81,614	222,612	75,675	90,142	143,685	73,637	63,617	73,639	63,696	73,679	74,883	1,318,534	1,460,407	1,599,107
Vote 9 - Electricity & Energy		448,328	433,241	400,003	404,777	368,778	412,976	385,415	375,649	370,058	372,288	384,105	385,804	4,741,422	5,380,866	6,139,975
Vote 10 - Executive & Council		263	993	993	993	2,693	493	493	493	493	493	493	227	9,120	2,095	2,193
Vote 11 - Safety & Security		71,650	41,089	25,650	34,650	82,550	105,650	20,400	32,332	170,650	35,650	27,650	28,530	676,452	711,805	651,006
Vote 12 - Mandela Bay Stadium		3,000	5,000	5,000		7,600	4,500	10,500	4,500	4,500	4,500	4,000	36	53,136	56,225	59,717
Vote 13 - Special Projects and Programmes		2,000	-			1,100	1,500	1,500	1,500	2,000	1,500	500	40	11,640	12,228	12,908
Vote 14 - Recreational & Cultural Services		4,000	3,500	5,000		400	-	-	-	6,000	1,000	2,000	83	21,983	22,359	22,778
Vote 15 - [NAME OF VOTE 15]																
<b>Total Revenue by Vote</b>		<b>3,974,233</b>	<b>1,033,192</b>	<b>984,154</b>	<b>768,919</b>	<b>891,557</b>	<b>1,308,271</b>	<b>715,294</b>	<b>656,475</b>	<b>1,367,227</b>	<b>648,271</b>	<b>656,879</b>	<b>681,372</b>	<b>13,685,844</b>	<b>14,824,999</b>	<b>16,060,094</b>
<b>Expenditure by Vote to be appropriated</b>																
Vote 1 - Budget & Treasury		97,300	104,300	105,300	107,300	109,300	106,291	113,300	115,300	119,300	117,300	117,300	116,927	1,329,218	1,367,445	1,405,421
Vote 2 - Public Health		49,873	55,900	64,900	55,900	70,900	61,900	65,900	64,900	64,900	64,934	73,900	72,961	766,868	807,295	860,832
Vote 3 - Human Settlements		16,500	16,500	21,000	19,000	23,000	21,000	21,000	21,000	25,500	25,500	21,000	20,110	251,110	267,395	287,539
Vote 4 - Economic Development, Tourism & Agriculture		8,449	12,324	17,324	17,570	17,324	14,324	9,329	17,324	6,027	24,324	14,894	2,746	161,962	171,671	175,800
Vote 5 - Corporate Services		33,500	38,100	36,500	35,500	45,500	40,500	40,500	44,500	40,500	47,500	46,500	42,246	491,346	529,578	568,853
Vote 6 - Infrastructure & Engineering Unit - Rate & General		78,900	75,900	84,900	79,900	89,900	82,900	84,900	84,900	93,900	90,900	89,900	98,280	1,035,180	1,087,970	1,163,276
Vote 7 - Metro Water Service		84,850	73,200	88,200	80,200	92,900	84,734	79,800	82,200	87,200	76,200	82,200	81,348	993,032	1,058,081	1,124,847
Vote 8 - Sanitation - Metro		66,038	59,000	67,254	54,000	73,337	54,000	68,392	72,438	72,756	61,000	72,906	69,557	790,678	883,020	978,741
Vote 9 - Electricity & Energy		580,856	590,605	411,321	413,778	428,179	409,197	403,214	393,418	407,470	396,483	408,302	561,760	5,404,583	6,265,783	7,280,377
Vote 10 - Executive & Council		25,100	22,100	25,612	24,600	34,600	29,600	28,600	31,988	37,100	28,272	29,600	34,951	352,123	366,395	392,717
Vote 11 - Safety & Security		87,900	88,967	81,900	89,900	105,200	88,900	88,900	88,900	94,833	91,900	98,900	100,076	1,106,276	1,176,629	1,267,373
Vote 12 - Mandela Bay Stadium		12,200	13,200	11,200	15,200	15,200	15,200	15,200	17,200	18,200	19,200	24,136	191,336	201,522	213,226	
Vote 13 - Special Projects and Programmes		1,000	434	1,000	1,000	1,000	1,000	-	1,000	1,000	1,000	1,000	2,206	11,640	12,228	12,908
Vote 14 - Recreational & Cultural Services		31,200	27,200	33,200	38,200	38,200	38,200	36,200	46,200	45,200	43,200	38,200	36,426	451,626	488,389	526,757
Vote 15 - [NAME OF VOTE 15]																
<b>Total Expenditure by Vote</b>		<b>1,173,666</b>	<b>1,177,730</b>	<b>1,049,611</b>	<b>1,032,048</b>	<b>1,144,540</b>	<b>1,047,747</b>	<b>1,055,235</b>	<b>1,079,268</b>	<b>1,112,887</b>	<b>1,086,713</b>	<b>1,113,802</b>	<b>1,263,730</b>	<b>13,336,978</b>	<b>14,683,402</b>	<b>16,258,667</b>
<b>Surplus/(Deficit) before assoc.</b>		<b>2,800,567</b>	<b>(144,539)</b>	<b>(65,457)</b>	<b>(263,129)</b>	<b>(252,984)</b>	<b>260,525</b>	<b>(339,941)</b>	<b>(422,793)</b>	<b>254,341</b>	<b>(438,442)</b>	<b>(456,922)</b>	<b>(582,358)</b>	<b>348,866</b>	<b>141,597</b>	<b>(198,573)</b>
<b>Taxation</b>																
<b>Attributable to minorities</b>																
<b>Share of surplus/ (deficit) of associate</b>																
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>2,800,567</b>	<b>(144,539)</b>	<b>(65,457)</b>	<b>(263,129)</b>	<b>(252,984)</b>	<b>260,525</b>	<b>(339,941)</b>	<b>(422,793)</b>	<b>254,341</b>	<b>(438,442)</b>	<b>(456,922)</b>	<b>(582,358)</b>	<b>348,866</b>	<b>141,597</b>	<b>(198,573)</b>

**NMA Nelson Mandela Bay - Supporting Table SA28 Consolidated budgeted monthly capital expenditure (municipal vote)**

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	
Multi-year expenditure to be appropriated	1																
Vote 1 - Budget & Treasury				693		346						903	799	2,742	24,511	5,974	
Vote 2 - Public Health							500	150	1,230	150			500	6,800	12,700	11,950	
Vote 3 - Human Settlements		1,734	2,801	6,936	8,253	9,119	6,319	2,751	7,436	10,186	8,703	13,704	13,454	91,195	79,847	114,087	
Vote 4 - Economic Development, Tourism & Agriculture		3,166	3,166	3,541	3,166	3,166	3,541	3,166	3,166	3,541	3,166	3,166	3,166	24,149	60,097	66,977	
Vote 5 - Corporate Services		250	2,625	1,225	1,750	1,650	2,250	865	2,300	350	1,400	335	400	15,400	4,200	8,500	
Vote 6 - Infrastructure & Engineering Unit - Rate & General		4,890	8,703	12,429	19,129	21,136	17,305	14,843	34,538	36,838	36,511	43,243	46,068	295,632	261,437	295,376	
Vote 7 - Metro Water Service		11,433	15,334	15,235	35,636	21,563	22,305	22,960	48,865	27,770	49,675	28,070	45,365	344,210	226,040	96,500	
Vote 8 - Sanitation - Metro		3,000	5,500	5,500	7,130	8,580	6,930	5,690	13,150	13,029	15,070	18,240	19,460	121,279	188,000	99,000	
Vote 9 - Electricity & Energy		4,960	7,427	10,978	10,205	11,755	12,350	14,305	15,030	18,685	18,305	12,600	62,132	198,732	154,731	91,417	
Vote 10 - Executive & Council																	
Vote 11 - Safety & Security								500	700	700	700	700	900	4,200	8,800	14,300	
Vote 12 - Mandela Bay Stadium																	
Vote 13 - Special Projects and Programmes																	
Vote 14 - Recreational & Cultural Services		1,000		3,100	3,900	2,400	1,500	5,300	1,800	3,600	2,200	2,400	4,000	31,200	64,500	43,500	
Vote 15 - [NAME OF VOTE 15]																	
<b>Capital multi-year expenditure sub-total</b>	<b>2</b>	<b>30,432</b>	<b>45,356</b>	<b>59,636</b>	<b>89,168</b>	<b>81,455</b>	<b>72,999</b>	<b>70,529</b>	<b>128,215</b>	<b>114,848</b>	<b>135,729</b>	<b>125,891</b>	<b>217,228</b>	<b>1,171,486</b>	<b>1,091,743</b>	<b>854,400</b>	
Single-year expenditure to be appropriated																	
Vote 1 - Budget & Treasury				750				800		150	850		100	2,650	1,800	1,300	
Vote 2 - Public Health					500	4,500			6,100		2,025	12,033	2,400	27,558	28,200	22,700	
Vote 3 - Human Settlements												66,849		66,849	69,240	35,000	
Vote 4 - Economic Development, Tourism & Agriculture										900				900			
Vote 5 - Corporate Services		2,050	750	3,200	1,850	5,605	1,700	1,000	1,600	200	400			18,355	13,200	11,100	
Vote 6 - Infrastructure & Engineering Unit - Rate & General			600	3,250	2,550	2,225	4,500		5,350	6,825	6,550	6,000	41,300	79,150	114,146	115,650	
Vote 7 - Metro Water Service		195	203	210	218	725	233	240	1,448	2,055	1,263	1,830	8,883	17,500	24,750	18,350	
Vote 8 - Sanitation - Metro										1,250	1,500	250	9,450	12,450	3,750	3,750	
Vote 9 - Electricity & Energy				370		950	250	400	780	650	1,750	1,250	3,750	10,150	15,726	2,500	
Vote 10 - Executive & Council																	
Vote 11 - Safety & Security									300	400	1,650	1,450	31,000	34,800	20,400	11,700	
Vote 12 - Mandela Bay Stadium																	
Vote 13 - Special Projects and Programmes																	
Vote 14 - Recreational & Cultural Services					750	500	250	250		50		1,000	900	3,700	1,000	500	
Vote 15 - [NAME OF VOTE 15]																	
<b>Capital single-year expenditure sub-total</b>	<b>2</b>	<b>2,245</b>	<b>1,553</b>	<b>7,780</b>	<b>5,868</b>	<b>14,505</b>	<b>6,933</b>	<b>2,690</b>	<b>15,578</b>	<b>12,480</b>	<b>15,988</b>	<b>90,662</b>	<b>97,783</b>	<b>274,062</b>	<b>292,211</b>	<b>222,550</b>	
<b>Total Capital Expenditure</b>	<b>2</b>	<b>32,677</b>	<b>46,908</b>	<b>67,416</b>	<b>95,036</b>	<b>95,960</b>	<b>79,932</b>	<b>73,219</b>	<b>143,792</b>	<b>127,328</b>	<b>151,717</b>	<b>216,553</b>	<b>315,011</b>	<b>1,445,548</b>	<b>1,383,954</b>	<b>1,076,950</b>	

**9. CAPITAL WORKS PLAN**

**DRAFT CAPITAL BUDGET BY PROJECT PROGRAMMES  
FOR 2021/22 - 2023/24**

Human Settlements (1191)

		Funding Source 2021/22	2021/22 Draft Capital Budget	2022/23 Draft Capital Budget	2023/24 Draft Capital Budget
	<b>Programme: Services for Housing Delivery (10074)</b>		<b>91,194,660</b>	<b>79,847,400</b>	<b>112,587,110</b>
20120030	Kwanobuhle Area 11 - Roadworks		-	-	2,075,320
20170079	Kwanobuhle Area 11 - Stormwater		-	-	830,130
20170081	Kwanobuhle Area 11 - Water Reticulation		-	-	1,245,190
20170083	Kwanobuhle Area 11 - Sewer Reticulation		-	-	4,150,630
20190096	Kwanobuhle Area 11 - Parks				
20120031	Kwazakhele: Ekhumphumleni - Roadworks	ISUP	10,529,780	-	-
20182298	Kwazakhele: Ekhumphumleni - Stormwater	ISUP	3,948,670	-	-
20170191	Kwazakhele: Ekhumphumleni - Water Reticulation	ISUP	3,948,670	-	-
20170192	Kwazakhele: Ekhumphumleni - Sewer Reticulation	ISUP	7,897,330	-	-
20120033	Jagvlagte (Chatty 11-14) - Roadworks		-	10,223,800	10,223,800
20170091	Jagvlagte (Chatty 11-14) - Stormwater		-	4,811,200	4,811,200
20170093	Jagvlagte (Chatty 11-14) - Water Reticulation		-	4,209,800	4,209,800
20170096	Jagvlagte (Chatty 11-14) - Sewer Reticulation		-	3,608,400	3,608,400
20190097	Jagvlagte (Chatty 11-14) - Parks				
20120043	Seaview Housing - Roadworks		-	-	5,262,250
20170097	Seaview Housing - Stormwater		-	-	2,631,130
20170099	Seaview Housing - Water Reticulation		-	-	3,016,190
20170101	Seaview Housing - Sewer Reticulation		-	-	7,028,870
20120047	Walmer Development - Roadworks	ISUP	5,784,000	6,674,800	6,674,800
20170108	Walmer Development - Stormwater	ISUP	4,000,000	2,500,000	2,500,000
20170109	Walmer Development - Water Reticulation	ISUP	6,389,500	3,007,000	3,007,000
20170110	Walmer Development - Sewer Reticulation	ISUP	9,865,500	7,818,200	7,818,200
20130040	Nkatha Seyisi - Roadworks	ISUP	3,498,710	-	-
20170084	Nkatha/Seyisi - Stormwater	ISUP	1,999,260	-	-
20170086	Nkatha/Seyisi - Water Reticulation	ISUP	1,499,450	-	-
20170088	Nkatha/Seyisi - Sewer Reticulation	ISUP	2,998,890	-	-
20130057	Kleinskool Kliprand - Roadworks		-	-	1,500,000
20170095	Kleinskool Kliprand - Stormwater		-	-	1,000,000
20170098	Kleinskool Kliprand - Water Reticulation		-	-	1,500,000
20170100	Kleinskool Kliprand - Sewer Reticulation		-	-	4,000,000
20200277	Uitenhage Infill Sites/ In Situ - Roadworks	ISUP	3,946,200	1,202,800	1,202,800
20200278	Uitenhage Infill Sites/ In Situ - Stormwater	ISUP	2,959,650	962,240	962,240
20200279	Uitenhage Infill Sites/ In Situ - Water Reticulation	ISUP	2,630,800	2,330,430	2,330,430
20200280	Uitenhage Infill Sites/ In Situ - Sewer Reticulation	ISUP	3,288,500	2,044,760	2,044,760
20210148	Mandela Village 71 Sites - Sewer Reticulation	USDG	2,000,000	-	-
20120059	Malabar Ext 6 Phase 2 - Roadworks		-	2,232,180	2,232,180
20170067	Malabar Ext 6 Phase 2 - Stormwater		-	744,060	744,060
20170068	Malabar Ext 6 Phase 2 - Water Reticulation		-	2,904,960	2,904,960
20170071	Malabar Ext 6 Phase 2 - Sewer Reticulation		-	9,000,000	9,000,000
20190099	Malabar Ext 6 Phase 2 - Parks		-	-	-
20130054	Bethelsdorp Ext 32, 34 & 36 - Roadworks		-	4,224,840	4,224,840
20170090	Bethelsdorp Ext 32, 34, & 36 - Stormwater		-	3,307,700	3,307,700
20170092	Bethelsdorp Ext 32, 34 & 36 - Water Reticulation		-	2,781,480	2,781,480
20170094	Bethelsdorp Ext 32, 34, & 36 - Sewer Reticulation		-	3,758,750	3,758,750
20110092	Missionvale - Roadworks	USDG	6,905,850	-	-
20190003	Missionvale - Stormwater	USDG	2,959,650	-	-
20190004	Missionvale - Water Reticulation	USDG	986,550	-	-
20190005	Missionvale - Sewer Reticulation	USDG	657,700	-	-
20190104	Connections and Water Meters	USDG	2,500,000	1,500,000	1,500,000
	<b>Programme: Investment Property (10036)</b>		<b>66,849,190</b>	<b>69,239,680</b>	<b>35,000,000</b>
20200281	Land Acquisition	USDG	66,849,190	69,239,680	35,000,000
	<b>Total</b>		<b>158,043,850</b>	<b>149,087,080</b>	<b>149,087,110</b>

Infrastructure & Engineering Unit - Rate and General (0384)					
		Funding Source 2021/22	2021/22 Draft Capital Budget	2022/23 Draft Capital Budget	2023/24 Draft Capital Budget
	<b>Programme: Resurfacing of Major Roads (10018)</b>		<b>31,000,000</b>	<b>26,000,000</b>	<b>26,000,000</b>
20200051	Resurfacing tar roads		31,000,000	26,000,000	26,000,000
	<b>Programme: Rehabilitation of Minor Tar Roads (10019)</b>		<b>10,000,000</b>	<b>10,000,000</b>	<b>10,000,000</b>
20200054	Rehabilitation of Roads		10,000,000	10,000,000	10,000,000
	<b>Programme: Rehabilitation of Minor Concrete Roads (10020)</b>		<b>1,200,000</b>	<b>1,200,000</b>	<b>1,200,000</b>
20200050	Rehabilitate concrete roads- Northern Areas		1,200,000	1,200,000	1,200,000
	<b>Programme: Buildings, Depots Upgrading &amp; Additions (10009)</b>		<b>2,500,000</b>	<b>3,000,000</b>	<b>3,500,000</b>
20200053	Upgrading of depots and offices		1,500,000	2,000,000	2,500,000
20200057	Rehabilitation of Workshop Buildings		1,000,000	1,000,000	1,000,000
	<b>Programme: Tarring of Gravel Roads (10023)</b>		<b>85,454,600</b>	<b>74,937,200</b>	<b>84,937,200</b>
20210174	Roads - Peri - urban: Rehabilitation of gravel roads		2,000,000	2,000,000	2,000,000
20050286	Tarring of Gravel Roads		83,454,600	72,937,200	82,937,200
	<b>Programme: Stormwater Improvements (10026)</b>		<b>52,000,000</b>	<b>68,500,000</b>	<b>44,500,000</b>
20200064	Mothenwell Canal Wetlands		1,000,000	1,000,000	1,000,000
20200063	Stormwater Improvements		3,000,000	3,000,000	3,000,000
20030475	New Brighton/Kwazakhele: Bulk Stormwater		3,000,000	3,000,000	3,000,000
20200062	Flood Risk improvement (All other rivers)		500,000	500,000	500,000
20060237	Zwide Bulk Stormwater		6,000,000	20,000,000	10,000,000
20060241	Blue Horizon Bay Bulk Stormwater		500,000	500,000	500,000
20200061	Ground water improvements metro wide		2,000,000	2,000,000	2,000,000
20080080	Cannonville/Colchester: Stormwater improvements		4,000,000	4,000,000	-
20080081	Greenbushes: Stormwater Improvements		500,000	500,000	500,000
20090038	Stormwater Improvements: Ikarvelithle		1,500,000	1,500,000	1,500,000
20200060	Rehabilitation of Stormwater Ponds		3,000,000	3,000,000	3,000,000
20200059	Reconstruction of stormwater system - Uitenhage		2,000,000	2,000,000	2,000,000
20210176	Roads - Provision of Rudimentary Services		2,000,000	2,500,000	2,500,000
20200058	Reconstruction of open canals Metro wide		3,000,000	5,000,000	5,000,000
20190297	Stormwater Improvements - Stokwe Street, ward 17		10,000,000	10,000,000	5,000,000
20190300	Stormwater Improvements - Simnka Street, ward 17		10,000,000	10,000,000	5,000,000
	<b>Programme: Traffic and Signage Improvements (10031)</b>		<b>9,350,000</b>	<b>9,850,000</b>	<b>11,850,000</b>
20200065	New Traffic signals for roads intersections		2,000,000	2,000,000	2,000,000
20200068	TM24 Guidance Signs		350,000	350,000	350,000
20200070	Traffic Control Equipment		2,000,000	2,000,000	4,000,000
20210173	Road Traffic Calming Measures - 2021		3,000,000	3,500,000	3,500,000
20200069	Public Transport Facilities		2,000,000	2,000,000	2,000,000
	<b>Programme: Construction of Major Roads (10027)</b>		<b>10,000,000</b>	<b>10,000,000</b>	<b>10,000,000</b>
20170126	John Tallant Link Road		10,000,000	10,000,000	10,000,000
	<b>Programme: Rehabilitation of Major Roads (10028)</b>		<b>6,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>
20200073	Upgrade Main Road through Swartkops		2,000,000	2,000,000	2,000,000
20200075	Rehabilitation of William Moffett Expressway		2,500,000	3,000,000	3,000,000
20182556	Acquisition of Properties - Standford Road		1,500,000	-	-
	<b>Infrastructure &amp; Engineering Unit - Rate and General (0384) Continued</b>				
		Funding Source 2021/22	2021/22 Draft Capital Budget	2022/23 Draft Capital Budget	2023/24 Draft Capital Budget
	<b>Programme: Improvements to Minor Roads (10022)</b>		<b>10,000,000</b>	<b>11,000,000</b>	<b>8,000,000</b>
20200083	Rehabilitation of Verges and Sidewalks -Northern Areas		2,000,000	2,500,000	3,000,000
20162188	Wells Estate - Access Road		3,000,000	3,500,000	4,000,000
20190294	Aluta Continua Access Road - Joe Slovo 41		5,000,000	5,000,000	1,000,000
	<b>Programme: Improvements to Major Roads (10029)</b>		<b>10,000,000</b>	<b>10,000,000</b>	<b>10,000,000</b>
20200077	Road Upgrades to increase Capacity		10,000,000	10,000,000	10,000,000
	<b>Programme: Management Systems (10024)</b>		<b>500,000</b>	<b>500,000</b>	<b>500,000</b>
20210214	Roads: Purchase of Computer and Equipment		500,000	500,000	500,000
	<b>Programme: Rehabilitation of Bridge Structures (10030)</b>		<b>8,500,000</b>	<b>9,500,000</b>	<b>10,000,000</b>
20200086	Rehabilitation of Bridge Structures		5,000,000	5,000,000	5,000,000
20200078	Intersection improvements		2,000,000	2,500,000	3,000,000
20200082	Construction of Footbridges		1,000,000	1,000,000	1,000,000
20162191	Construction of Joe Slovo Bridge - Ward 41		500,000	1,000,000	1,000,000
	<b>Programme: Non-Motorised Transport Facilities (10032)</b>		<b>10,300,000</b>	<b>10,300,000</b>	<b>10,300,000</b>
20200076	Facilities for the Disabled		300,000	300,000	300,000
20060020	Provision of Sidewalks		10,000,000	10,000,000	10,000,000
	<b>Programme: Specialised Equipment (10081)</b>		<b>6,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>
20190289	New Laboratory equipment - Scientific Services		3,000,000	3,000,000	2,500,000
20190290	Replacement of Laboratory Equipment - Scientific Services		3,000,000	2,000,000	2,500,000
	<b>Programme: Furniture and Equipment (10073)</b>		<b>2,000,000</b>	<b>2,500,000</b>	<b>4,000,000</b>
20190106	Small Plant & Equipment		2,000,000	2,500,000	4,000,000
	<b>Programme: IPTS Work Packages (10034)</b>		<b>119,977,020</b>	<b>118,295,530</b>	<b>166,238,930</b>
20060229	IPTS - Work Package: Public Transport Facilities		5,598,320	-	-
20190226	IPTS-Rehabilitation /Surfacing of IPTS Routes		22,000,000	13,000,000	13,000,000
20200033	IPTS-Mobile Apps		500,000	-	-
20200035	IPTS- Installation CCTV Equipment and Fibre for IPTS roll-out		2,000,000	2,000,000	2,000,000
20200213	IPTS-Bus Rapid Transit		31,000,000	86,995,530	84,000,000
20200037	IPTS-Supply and Installation of traffic loops and signals		100,000	300,000	300,000
20200038	IPTS - Construction of bus Ambayments in IPTS Routes		15,000,000	-	-
20200249	IPTS-Automated Bus Station Door System		500,000	1,500,000	2,000,000
20200271	Prov of Kerbside Shelters along IPTS Trunk Routes & Feeders		10,000,000	-	-
20200272	IPTS -Construction of Sidewalks along IPTS trunk and feeders		15,000,000	-	-
20210096	IPTS - Improvement of Entrance at Cleary Park Taxi Rank		3,000,000	-	-
20200341	IPTS -Reconstruct Old Uitenhage Road		7,000,000	-	-
20200342	IPTS-Reconstruction of Concrete V Channel/Old Uitenhage Road		2,000,000	-	-
20210093	IPTS - Widening of section in William Stammert Drive		3,000,000	-	-
20200268	IPTS-Construction of Njoli depot		-	-	10,000,000
20200269	IPTS-Construction of Western Suburbs Depot		-	-	10,000,000
20190069	IPTS -OMS APTMS Lite Phase 1		278,700	1,000,000	1,100,000
20200266	IPTS-Uitenhage CBD Depot		-	-	10,000,000
20190070	IPTS - Procurement of a transport modelling software package		1,500,000	-	-

20200218	IPTS-Route Stations-Njoli				-	-	26.838.930		
20190054	IPTS - The Development of Cleary Park Depot and Terminal				1,000,000	3,000,000			
20210277	IPTS -OMS APTMS Lite Phase 2				500,000	4,000,000	2,000,000		
20190075	IPTS - Interim Ticket System				-	1,500,000			
20190175	IPTS - Automated Fare Collection (AFC) System				-	5,000,000	5,000,000		
					<b>total</b>	<b>374,781,620</b>	<b>375,582,730</b>	<b>411,026,130</b>	
<b>Sanitation - Metro (1411)</b>									
					<b>Funding Source 2021/22</b>	<b>2021/22 Draft Capital Budget</b>	<b>2022/23 Draft Capital Budget</b>	<b>2023/24 Draft Capital Budget</b>	
						<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	
						<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	
						<b>3,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	
						<b>3,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	
						<b>2,000,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	
						<b>2,000,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	
						<b>13,000,000</b>	<b>5,500,000</b>	<b>500,000</b>	
						<b>10,000,000</b>	<b>5,000,000</b>	<b>-</b>	
						<b>3,000,000</b>	<b>500,000</b>	<b>500,000</b>	
						<b>2,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	
						<b>2,000,000</b>	<b>15,000,000</b>	<b>15,000,000</b>	
						<b>33,500,000</b>	<b>63,000,000</b>	<b>44,500,000</b>	
						<b>-</b>	<b>1,500,000</b>	<b>2,500,000</b>	
						<b>500,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	
						<b>22,000,000</b>	<b>500,000</b>	<b>-</b>	
						<b>4,000,000</b>	<b>-</b>	<b>-</b>	
						<b>2,000,000</b>	<b>5,000,000</b>	<b>-</b>	
						<b>1,000,000</b>	<b>20,000,000</b>	<b>-</b>	
						<b>500,000</b>	<b>2,500,000</b>	<b>2,500,000</b>	
						<b>500,000</b>	<b>500,000</b>	<b>1,000,000</b>	
						<b>1,000,000</b>	<b>2,000,000</b>	<b>2,500,000</b>	
						<b>500,000</b>	<b>10,000,000</b>	<b>10,000,000</b>	
						<b>500,000</b>	<b>10,000,000</b>	<b>15,000,000</b>	
						<b>1,000,000</b>	<b>10,000,000</b>	<b>10,000,000</b>	
						<b>7,000,000</b>	<b>10,000,000</b>	<b>10,000,000</b>	
						<b>7,000,000</b>	<b>10,000,000</b>	<b>10,000,000</b>	
						<b>500,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	
						<b>250,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	
						<b>22,500,000</b>	<b>65,500,000</b>	<b>1,000,000</b>	
						<b>500,000</b>	<b>500,000</b>	<b>1,000,000</b>	
						<b>6,000,000</b>	<b>-</b>	<b>-</b>	
						<b>5,000,000</b>	<b>60,000,000</b>	<b>-</b>	
						<b>11,000,000</b>	<b>5,000,000</b>	<b>-</b>	
						<b>45,728,850</b>	<b>19,000,000</b>	<b>18,000,000</b>	
						<b>1,500,000</b>	<b>-</b>	<b>-</b>	
						<b>500,000</b>	<b>1,000,000</b>	<b>2,000,000</b>	
						<b>1,000,000</b>	<b>12,000,000</b>	<b>15,000,000</b>	
						<b>200,000</b>	<b>-</b>	<b>-</b>	
						<b>10,000,000</b>	<b>5,000,000</b>	<b>-</b>	
						<b>5,000,000</b>	<b>-</b>	<b>-</b>	
						<b>11,500,000</b>	<b>-</b>	<b>-</b>	
						<b>328,850</b>	<b>-</b>	<b>-</b>	
						<b>5,650,000</b>	<b>500,000</b>	<b>500,000</b>	
						<b>1,550,000</b>	<b>500,000</b>	<b>500,000</b>	
						<b>9,000,000</b>	<b>-</b>	<b>-</b>	
						<b>1,750,000</b>	<b>3,250,000</b>	<b>3,250,000</b>	
						<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	
						<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	
						<b>1,000,000</b>	<b>2,500,000</b>	<b>2,500,000</b>	
						<b>2,000,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	
						<b>2,000,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	
						<b>total</b>	<b>133,728,850</b>	<b>191,750,000</b>	<b>102,750,000</b>
<b>Metro Water Service (1412)</b>									
						<b>2,000,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	
						<b>2,000,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	
						<b>3,000,000</b>	<b>-</b>	<b>-</b>	
						<b>3,000,000</b>	<b>-</b>	<b>-</b>	
						<b>500,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	
						<b>500,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	
						<b>10,250,000</b>	<b>9,500,000</b>	<b>48,000,000</b>	
						<b>1,000,000</b>	<b>2,000,000</b>	<b>3,000,000</b>	
						<b>2,500,000</b>	<b>-</b>	<b>-</b>	
						<b>-</b>	<b>2,000,000</b>	<b>2,000,000</b>	
						<b>3,000,000</b>	<b>-</b>	<b>-</b>	
						<b>2,000,000</b>	<b>3,000,000</b>	<b>40,000,000</b>	
						<b>1,750,000</b>	<b>2,500,000</b>	<b>3,000,000</b>	
						<b>18,459,720</b>	<b>51,040,280</b>	<b>27,000,000</b>	
						<b>16,959,720</b>	<b>26,040,280</b>	<b>-</b>	
						<b>500,000</b>	<b>25,000,000</b>	<b>27,000,000</b>	
						<b>1,000,000</b>	<b>-</b>	<b>-</b>	
						<b>48,500,000</b>	<b>38,500,000</b>	<b>3,500,000</b>	
						<b>1,000,000</b>	<b>500,000</b>	<b>-</b>	
						<b>1,000,000</b>	<b>500,000</b>	<b>-</b>	
						<b>1,000,000</b>	<b>500,000</b>	<b>-</b>	
						<b>1,000,000</b>	<b>500,000</b>	<b>-</b>	
						<b>2,000,000</b>	<b>500,000</b>	<b>-</b>	
						<b>1,000,000</b>	<b>500,000</b>	<b>-</b>	
						<b>1,000,000</b>	<b>500,000</b>	<b>-</b>	
						<b>1,000,000</b>	<b>500,000</b>	<b>-</b>	
						<b>-</b>	<b>500,000</b>	<b>-</b>	
						<b>-</b>	<b>500,000</b>	<b>-</b>	
						<b>-</b>	<b>500,000</b>	<b>-</b>	
						<b>5,000,000</b>	<b>2,500,000</b>	<b>-</b>	
						<b>7,500,000</b>	<b>5,000,000</b>	<b>-</b>	
						<b>7,500,000</b>	<b>5,000,000</b>	<b>-</b>	
						<b>5,000,000</b>	<b>5,000,000</b>	<b>-</b>	
						<b>5,000,000</b>	<b>5,000,000</b>	<b>-</b>	
						<b>5,000,000</b>	<b>5,000,000</b>	<b>-</b>	
						<b>5,000,000</b>	<b>5,000,000</b>	<b>-</b>	
						<b>5,000,000</b>	<b>5,000,000</b>	<b>3,000,000</b>	
						<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	
						<b>54,000,000</b>	<b>69,500,000</b>	<b>2,000,000</b>	
						<b>5,000,000</b>	<b>4,000,000</b>	<b>-</b>	
						<b>5,000,000</b>	<b>4,000,000</b>	<b>-</b>	
						<b>-</b>	<b>4,000,000</b>	<b>-</b>	
						<b>4,000,000</b>	<b>-</b>	<b>-</b>	
						<b>2,500,000</b>	<b>-</b>	<b>-</b>	
						<b>-</b>	<b>45,000,000</b>	<b>-</b>	
						<b>15,000,000</b>	<b>-</b>	<b>-</b>	
						<b>2,500,000</b>	<b>1,500,000</b>	<b>-</b>	
						<b>7,500,000</b>	<b>7,500,000</b>	<b>-</b>	
						<b>7,500,000</b>	<b>1,500,000</b>	<b>-</b>	
						<b>3,000,000</b>	<b>-</b>	<b>-</b>	
						<b>2,000,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	
						<b>161,000,000</b>	<b>29,000,000</b>	<b>5,000,000</b>	
						<b>160,000,000</b>	<b>25,000,000</b>	<b>5,000,000</b>	
						<b>1,000,000</b>	<b>-</b>	<b>-</b>	
						<b>-</b>	<b>4,000,000</b>	<b>-</b>	
						<b>2,000,000</b>	<b>-</b>	<b>-</b>	
						<b>2,000,000</b>	<b>-</b>	<b>-</b>	
						<b>2,250,000</b>	<b>5,250,000</b>	<b>4,350,000</b>	
						<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	

20200321	Water: Purchase of Furniture & Equipment			250,000	1,000,000	100,000
20190241	Water Services: Purchase of Telemetry Equipment			1,750,000	4,000,000	4,000,000
	<b>Programme: Distribution Pipe Lines - New, Augmentation &amp; Upgrade (10071)</b>			<b>3,000,000</b>	<b>4,000,000</b>	<b>4,000,000</b>
20190237	Water Services: Bulk Water Metering - Control			3,000,000	4,000,000	4,000,000
	<b>Programme: Distribution Pipe Lines - Rehabilitation &amp; Refurbishment (10072)</b>			<b>56,750,000</b>	<b>41,000,000</b>	<b>18,000,000</b>
20200143	Water: Purchase and Installation of Water Meters			45,000,000	25,000,000	-
20200008	Water: Installation of Standpipes and Associated Water Meters			5,000,000	6,000,000	7,000,000
20190235	Water Services: Rehabilitation of Water Pump Stations			5,000,000	6,000,000	7,000,000
20190239	Water Services: Installation of Zone Water Meters			1,750,000	4,000,000	4,000,000
	<b>Total</b>			<b>361,709,720</b>	<b>250,790,280</b>	<b>114,850,000</b>
	<b>Electricity &amp; Energy (1477)</b>					
		<b>Funding Source 2021/22</b>	<b>2021/22 Draft Capital Budget</b>	<b>2022/23 Draft Capital Budget</b>	<b>2023/24 Draft Capital Budget</b>	
	<b>Programme: Customer Requirements (10003)</b>		<b>74,244,700</b>	<b>46,942,700</b>	-	
20200209	Public contribution -Private Township Development		10,000,000	-	-	
20200339	E&E Miscellaneous Mains and Substations		10,000,000	-	-	
20182550	Smart Pre-Payment Meters		10,942,700	10,942,700	-	
20182549	Upgrade of Commercial Meters - Remote Metering		7,302,000	-	-	
20170022	Undeclared informal Electrification		36,000,000	36,000,000	-	
	<b>Programme: Network Reinforcements (10005)</b>		<b>69,446,200</b>	<b>47,482,200</b>	<b>45,430,000</b>	
20200207	Reinforcement of Electricity Network - Coega		20,000,000	-	-	
20200128	Reinforcement of Electricity Network - Western		2,000,000	1,500,000	1,500,000	
20150028	Refurbishment of Power Transformers		10,296,200	12,778,400	3,680,000	
20200113	Reinforcement of Electricity Network-North		2,000,000	1,000,000	1,000,000	
20200126	Reinforcement of Electricity Network-South		3,000,000	3,500,000	6,500,000	
20200125	Reinforcement of Electricity Network- Despatch		5,000,000	3,253,800	2,500,000	
20200123	Reinforcement of Electricity Network- Mount Road		3,000,000	4,500,000	6,750,000	
20200120	Reinforcement of Electricity Network - Uitenhage		2,000,000	2,000,000	1,500,000	
20200117	Reinforcement of Electricity Network- Korstian		1,500,000	2,000,000	3,000,000	
20200115	Reinforcement of Electricity Network -Wells Estate		1,500,000	1,000,000	1,000,000	
20200119	Reinforcement of Electricity Network - Newton Park		500,000	1,000,000	2,500,000	
20200330	E&E - HV Circuit breakers replacement at major substations		3,200,000	3,200,000	-	
20200332	E&E - Chelsea MV upgrade		1,000,000	1,000,000	8,000,000	
20200333	E&E - Deal Party 22kV Upgrade		-	850,000	-	
20200334	E&E - Kragga Kamma MV Upgrade		1,200,000	-	-	
20200337	E&E - Mabandla MV Upgrade		1,000,000	3,500,000	3,000,000	
20210272	E&E Chelsea- 132kv Power line refurbishment		3,000,000	-	-	
20200205	MV and LV Line Refurbishment		3,000,000	3,000,000	2,500,000	
20200137	Procurement of Metering Products		3,000,000	2,000,000	2,000,000	
20210273	E&E - 132kv Power line commission		2,000,000	-	-	
20200105	Low Voltage Reticulation Improvement		1,250,000	1,400,000	-	
	<b>Programme: Radio Communication Systems (10006)</b>		<b>400,000</b>	<b>430,000</b>	<b>500,000</b>	
20200104	Radio and Test Equipment		400,000	430,000	500,000	
	<b>Programme: Technical Control Systems (10007)</b>		<b>3,250,000</b>	<b>5,000,000</b>	<b>5,500,000</b>	
20070209	Substation Fibre Optic Backbone		1,250,000	3,000,000	3,000,000	
20200201	Supervisory Control - Equipment Upgrade		1,000,000	1,000,000	1,500,000	
20170045	Distribution Substation Building Refurbishment Programme		1,000,000	1,000,000	1,000,000	
	<b>Programme: Buildings, Depots Upgrading &amp; Additions (10009)</b>		<b>-</b>	<b>8,695,650</b>	<b>-</b>	
20200285	Installation of 500KWp Solar system at Munelek Building		-	4,347,825	-	
20200287	Installation of 150W LED Street lights on Major roads		-	4,347,825	-	
	<b>Programme: Vehicles and Plant (10010)</b>		<b>3,000,000</b>	<b>2,000,000</b>	<b>-</b>	
20200131	New/Replacement of Plant and Motor Vehicles		3,000,000	2,000,000	-	
	<b>Programme: Line Refurbishment (10015)</b>		<b>25,000,000</b>	<b>25,000,000</b>	<b>5,000,000</b>	
20200203	HV Line Refurbishment (66 & 132kV)		1,000,000	1,000,000	1,000,000	
20182551	HV Transmission Line		20,000,000	20,000,000	-	
20210095	Gas Turbine Refurbishment		4,000,000	4,000,000	4,000,000	
	<b>Programme: Furniture and Equipment (10073)</b>		<b>2,500,000</b>	<b>1,200,000</b>	<b>-</b>	
20200106	Electricity Buildings Improvements		2,500,000	1,200,000	-	
	<b>Programme: Informal Housing Electrification (10012)</b>		<b>14,598,700</b>	<b>14,544,780</b>	<b>26,839,200</b>	
20200188	E&E-Electrification of State Subsidised Houses		14,598,700	14,544,780	26,839,200	
	<b>Programme: Street Lighting (10017)</b>		<b>16,442,500</b>	<b>19,161,000</b>	<b>10,648,150</b>	
20210092	Public Lighting Refurbishment /Retro Fit		6,442,500	9,161,000	648,150	
20200338	E&E - Public Lighting		10,000,000	10,000,000	10,000,000	
	<b>Total</b>		<b>208,882,100</b>	<b>170,456,330</b>	<b>93,917,350</b>	
	<b>Public Health (1193)</b>					
		<b>Funding Source 2021/22</b>	<b>2021/22 Draft Capital Budget</b>	<b>2022/23 Draft Capital Budget</b>	<b>2023/24 Draft Capital Budget</b>	
	<b>Programme: Rehabilitation and Upgrading of Halls and Buildings (10038)</b>		<b>3,400,000</b>	<b>3,200,000</b>	<b>2,200,000</b>	
20190308	Upgrading of Municipal Office and Ablution facilities		-	1,000,000	1,000,000	
20190298	Occupational Health and Wellness Center - Walmer		200,000	-	-	
20210230	Infrastructure and Facilities for Male Initiation		500,000	500,000	500,000	
20210281	Construction of Animal Control Facility		1,000,000	1,000,000	-	
20210218	Construction of Settlers Park office building		1,000,000	-	-	
20190283	Upgrade of Uitenhage Dog Pound		700,000	700,000	700,000	
	<b>Programme: Upgrade and Rehabilitation of Beaches (10052)</b>		<b>1,200,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	
20190148	Beach Development - Summerstrand		600,000	600,000	600,000	
20210224	Beach Development - New Brighton		600,000	600,000	600,000	
20190153	Beach Development - Wells Estate		600,000	600,000	600,000	
	<b>Programme: Greening and Development of Gateways and Public Open Spaces (10053)</b>		<b>16,900,000</b>	<b>19,700,000</b>	<b>19,200,000</b>	
20150039	Upgrade of Public Toilets		-	2,000,000	2,000,000	
20210222	Upgrade of Victoria Quay public toilets		1,000,000	-	-	
20210223	Upgrade of Highfield Road ablution facilities		1,000,000	-	-	
20210234	Upgrade and Development of Public Open Spaces - Zokwana Park		1,800,000	600,000	1,700,000	
20210235	Upgrade and Development of Public Open Spaces - Nomjila Park		1,800,000	800,000	1,200,000	
20210236	Upgrade & Development of Public Open Spaces - Boulonnias Park		1,900,000	1,500,000	1,500,000	
20210237	Upgrade and Development of Public Open Spaces - Ngwe Park		1,500,000	1,900,000	2,000,000	
20210238	Upgrade and Development of Public open spaces - St Nicholas Park		1,200,000	1,500,000	1,900,000	
20210239	Upgrade and Development of Public open spaces - Spreeu Park		1,600,000	1,500,000	1,200,000	
20210240	Upgrade and Development of Public Open Spaces - Bramble Park		1,700,000	1,900,000	1,200,000	
20210241	Upgrade and Development of Public open spaces - Molly Blackburn Park		2,000,000	3,000,000	1,200,000	
20210242	Upgrade and Development of Public open spaces - Mqolomba Park		700,000	-	-	
20210104	Upgrade & Development of Public Open Spaces - Masagwana Park		-	1,160,000	1,160,000	
20210105	Upgrade & Development of Public Open Spaces - MPC Park		-	1,170,000	1,170,000	
20210106	Upgrade & Development of Public Open Spaces - Gwangwa Park		-	1,170,000	1,170,000	
20190195	Upgrading of Uitenhage Depot into Wellness Centre		200,000	-	-	
20190198	Construction of Ablution Facility - Peter Gibbs Nursery		500,000	1,000,000	1,000,000	
20210229	Construction of new greenhouse at Buxton Road Nursery		-	500,000	-	
20210228	Construction of new greenhouse at Peter Gibbs Nursery		-	-	800,000	
	<b>Programme: Cemetery Development and Upgrading (10054)</b>		<b>3,815,400</b>	<b>7,500,000</b>	<b>2,750,000</b>	
20190156	Upgrade and Development of Forest Hill Cemetery		250,000	250,000	500,000	
20190162	Upgrade and Development of Bloemendal Cemetery		500,000	500,000	500,000	
20190168	Upgrade and Development of Matanzima Cemetery		500,000	500,000	250,000	
20190170	Upgrade and Development of Gerald Smith Cemetery		250,000	250,000	500,000	
20190171	Upgrade and Development of Motherwell Cemetery		500,000	500,000	500,000	
20210227	Upgrade and Development of Kabah Cemetery		500,000	500,000	500,000	
20190273	Fencing of Gqebera Cemetery		1,315,400	-	-	
20210282	Fencing of North End Cemetery		-	5,000,000	-	
	<b>Programme: Furniture and Equipment (10073)</b>		<b>2,425,900</b>	<b>2,200,000</b>	<b>2,200,000</b>	
20210219	PH: Purchase of Computer Equipment		400,000	400,000	400,000	
20200027	Specialised Medical Equipment		125,000	-	-	
20210233	PH: Purchase of Plant and Equipment		300,000	200,000	200,000	
20210220	PH: Purchase of Office Furniture		600,000	600,000	600,000	
20170131	Air Pollution Monitoring Equipment		1,000,000	1,000,000	1,000,000	
	<b>Programme: Specialised Vehicles (1011)</b>		<b>5,017,100</b>	<b>3,300,000</b>	<b>3,300,000</b>	
20190307	Procurement of Specialised Vehicles - Public Health		5,017,100	3,300,000	3,300,000	



Programme: Vehicles and Plant (10010)			1,600,000	1,000,000	1,000,000
20210232	Purchase of Secure Boat		800,000	-	-
20210231	Non Specialised Vehicles - Public Health		800,000	1,000,000	1,000,000
Programme: Refuse, Tip Sites, Recycle Stations and Equipment (10055)			-	2,000,000	2,000,000
20190313	PH: Purchase of Waste Containers		-	2,000,000	2,000,000
		total	34,357,500	40,900,000	34,650,000
Safety & Security (1195)					
		Funding Source 2021/22	2021/22 Draft Capital Budget	2022/23 Draft Capital Budget	2023/24 Draft Capital Budget
Programme: Rehabilitation and Upgrading of Halls and Buildings (10038)			4,700,000	6,700,000	4,100,000
20100060	S&S: Motherwell Fire Station - Rehab and Refurbishment	CRR	1,000,000	-	-
20182526	Metro Police: Upgrade of Metro Police Offices - Humewood		-	800,000	-
20200118	Construction of Disaster Management Offices - Despatch	LEVIES	3,200,000	200,000	-
20200138	Traffic: Rehabilitation of Traffic & Licensing Buildings		-	500,000	1,000,000
20210202	Lift to accommodate Disabled Persons: Sidwell Traffic Centre		-	-	1,000,000
20210203	Construction of Security Guard House: Sidwell Traffic Centre		-	200,000	300,000
20210204	Upgrade of Kwanobuhle Fire Station		-	-	1,000,000
20210205	Replacement of Security Fence at Kwanobuhle Fire Station		-	1,000,000	-
20210206	Replacement of Roof at Govan Mbeki Fire Station		-	-	800,000
20210207	Resurfacing of Miramar Fire Station Training Ground		-	1,000,000	-
20210208	Replacement of Engine Bay doors at Fire Station		-	1,000,000	-
20210209	Replacement of collapsed wall at Sidwell Fire Station		-	750,000	-
20210210	Resurfacing of Drill Yard at Sidwell Fire Station		-	750,000	-
20210278	Traffic: Replacement Gates at Sidwell Traffic Centre	LEVIES	500,000	-	-
20210211	Replacement/Covering of Main Roof at Sidwell Fire Station		-	500,000	-
Programme: Specialised Vehicles (1011)			22,000,000	-	-
20190141	Purchase of Hydraulic Platform for Fire & Emergency Services	LEVIES	15,000,000	-	-
20190232	Purchase of Off-Road Vehicles for Fire & Emergency Services	CRR	3,000,000	-	-
20190233	Fire: Purchase of Fire Appliance/Engine	CRR	4,000,000	-	-
Programme: Vehicles and Plant (10010)			7,500,000	6,500,000	6,500,000
20140015	Vehicles for Safety and Security (Security Only)	LEVIES	1,000,000	1,000,000	-
20170141	Vehicles for Safety and Security - Disaster Management	LEVIES	1,500,000	-	-
20170142	S&S: Purchase of Vehicles for Metro Police	LEVIES	2,500,000	-	-
20182515	Metro Police: Purchase of Trooper Carrier		-	-	5,000,000
20210198	Traffic: Purchase of Tow Trucks		-	2,000,000	-
20190136	Traffic: Purchase of Vehicles	LEVIES	2,500,000	3,500,000	1,500,000
Programme: Safety and Security Equipment (10057)			3,000,000	11,400,000	13,500,000
20150047	S&S: Purchase of Plant and Equipment - Fire	CRR	1,000,000	500,000	-
20170146	Law Enforcement Equipment for Metro Police	LEVIES	500,000	500,000	500,000
20170154	Purchase of Firefighting Vehicle - Rescue Pump		-	5,000,000	5,000,000
20170163	Traffic: In-car Camera for Law Enforcement		-	500,000	-
20170161	Security: Purchase of Firearms		-	400,000	-
20182535	Metro Police: Purchase of Firearms	LEVIES	500,000	-	-
20190142	Replacement of Generators at Traffic Services Buildings	LEVIES	1,000,000	1,000,000	-
20190228	Purchase of Radios for Safety and Security Directorate		-	-	6,000,000
20210201	Traffic: Purchase of Electronic Information Signs on Trailer		-	1,000,000	-
20210212	Purchase of Rescue Water Boat for Fire & Emergency		-	500,000	-
20210271	Fire: Renewal of Hydraulic Platform		-	2,000,000	-
20190230	Disaster Management: CCTV & Computer Equipment		-	-	2,000,000
Programme: Furniture and Equipment (10073)			1,800,000	4,600,000	1,900,000
20170144	Safety and Security - Furniture for Metro Police		-	-	800,000
20182532	Disaster Management: Furniture & Office Equipment		-	800,000	-
20182533	Disaster Management: Equipment for supply of Solar Energy		-	200,000	-
20190122	Purchase of Computer Equipment - Traffic		-	300,000	200,000
20190123	Purchase of Computer Equipment - Fire & Emergency		-	300,000	-
20190124	Purchase of Computer Equipment - Disaster Management	LEVIES	100,000	200,000	-
20190125	Purchase of Computer Equipment - Security Services		-	400,000	400,000
20190126	Purchase of Computer Equipment - Metro Police	LEVIES	200,000	300,000	500,000
20200130	Metro Police: Purchase and Installation of Safes	LEVIES	200,000	-	-
20200134	Traffic: Replacement of Air-conditioners at Traffic Offices	LEVIES	300,000	-	-
20200163	Purchase of Furniture for Traffic & Licensing		-	200,000	-
20210195	Traffic: Rehabilitation of DLTC Test Yards - Korsten	LEVIES	500,000	-	-
20210196	Traffic: Rehabilitation of DLTC Test Yards - Uitenhage	LEVIES	500,000	-	-
20210197	Traffic: Law Enforcement Equipment		-	400,000	-
20210199	Purchase of Server for South End Fire Station		-	500,000	-
20210200	Replacement of Standby Generators at South End Fire Station		-	1,000,000	-
		total	39,000,000	29,200,000	26,000,000
Corporate Services (1197)					
		Funding Source 2021/22	2021/22 Draft Capital Budget	2022/23 Draft Capital Budget	2023/24 Draft Capital Budget
Programme: Upgrading of Computer Systems and Software Enhancement (10037)			13,500,000	7,200,000	10,200,000
20170145	Disaster Recovery Center - Information Security	CRR	2,500,000	3,000,000	6,000,000
20182437	Purchase of servers and other IT Related Infrastructure	LEVIES	3,000,000	3,200,000	3,200,000
20200022	Disaster Recovery: Building Works	CRR	2,000,000	-	-
20200023	Disaster Recovery: Installation Of Air Conditioners	CRR	4,000,000	-	-
20200025	Disaster Recovery: Backup power and Renewable energy	CRR	2,000,000	1,000,000	1,000,000
Programme: Rehabilitation and Upgrading of Halls and Buildings (10038)			20,255,000	10,200,000	9,400,000
20182557	Upgrade of Feather Market Centre	LEVIES	3,000,000	-	-
20190262	Algoa House- Installation of fire/smoke detection system		-	-	550,000
20190264	Air Conditioning of Municipal Buildings	LEVIES	1,500,000	1,000,000	1,000,000
20190268	Erection of Ward 34 Councillors office	LEVIES	500,000	200,000	500,000
20190269	Upgrade of Ward 51 Councillor Office	LEVIES	450,000	-	-
20200024	Lillian Diedericks Building: Replacement of Garage Doors	LEVIES	500,000	-	-
20200144	Purchase of chairs and tables for Community Halls	LEVIES	500,000	-	1,000,000
20200149	Motherwell NU 2 Hall: Installation of Betaview Fencing	LEVIES	1,500,000	-	-
20200242	Colchester Community Hall: Installation of burglar bars	LEVIES	300,000	-	-
20200250	Office Renovations-13th Floor, Fidelity Building		-	-	250,000
20200251	Upgrade to switchboard: 1st Floor, Fidelity Building	LEVIES	800,000	-	250,000
20200252	Upgrade to HRMS Offices: 1st Floor, Fidelity Building	LEVIES	2,200,000	-	-
20200253	Upgrade to HRMS Offices: 13th Floor, Fidelity Building	LEVIES	900,000	-	150,000
20200257	Cuyler Depot: Erection of Dining room	LEVIES	150,000	-	-
20200259	Burchell Depot: Supply and erection of fencing	LEVIES	2,500,000	-	-
20200261	Upgrading of Walmer Gqeberha Community Hall	LEVIES	300,000	-	-
20210179	Procurement of Furniture for HRMS	LEVIES	800,000	1,000,000	1,000,000
20210180	Lillian Diedericks: Intercom system and Braille Buttons	LEVIES	175,000	-	-
20210181	Lillian Diedericks Building: Evacuation System		-	-	1,500,000
20210182	Fidelity Building: Evacuation System		-	-	1,100,000
20210183	Noninzi Luzpho Building (Plenihaus): Evacuation System		-	-	450,000
20210184	City Hall: Evacuation System		-	-	450,000
20210185	Uitenhage Town Hall: Evacuation System		-	-	250,000
20210186	Aerodrome: Installation of Fencing		-	8,000,000	-
20210187	Ward 22 Councillors office- Installation of Fencing	LEVIES	550,000	-	-
20210188	Ward 23 Councillors office- Installation of Fencing	LEVIES	700,000	-	-
20210189	Ward 18 Councillors office- Installation of Fencing	LEVIES	550,000	-	-
20210190	Ward 24 Councillors office- Installation of Fencing	LEVIES	750,000	-	-
20210191	Ward 60 Councillors office- Installation of Fencing	LEVIES	750,000	-	-
20210192	Ward 55 Councillors office- Installation of Fencing	LEVIES	350,000	-	-
20210194	Mfanasekhaya Gqobose Building: Evacuation System		-	-	950,000
20210261	Mfanasekhaya Gqobose: Intercom system and Braille Buttons	LEVIES	105,000	-	-
20210262	City Hall: Intercom system and Braille Buttons	LEVIES	25,000	-	-
20210263	Algoa House: Intercom system and Braille Buttons	LEVIES	25,000	-	-

20210264	Feather Market Centre: Intercom system and Braille Buttons	LEVIES	25,000	-	-
20210265	Fidelity Building: Intercom system and Braille Buttons	LEVIES	105,000	-	-
20210267	The Campanile: Intercom system and Braille Buttons	LEVIES	25,000	-	-
20210268	Uitenhage Town Hall: Intercom system and Braille Buttons	LEVIES	25,000	-	-
20210269	Noninzi Luzipho: Intercom system and Braille Buttons	LEVIES	35,000	-	-
20210270	Mfanasekhaya Gqobose: Replacement of garage doors	LEVIES	160,000	-	-
	<b>Total</b>		<b>33,755,000</b>	<b>17,400,000</b>	<b>19,600,000</b>
<b>Budget &amp; Treasury (1198)</b>					
		<b>Funding Source 2021/22</b>	<b>2021/22 Draft Capital Budget</b>	<b>2022/23 Draft Capital Budget</b>	<b>2023/24 Draft Capital Budget</b>
	<b>Programme: Vehicles &amp; Plant (10010)</b>		<b>850,000</b>	<b>-</b>	<b>-</b>
20190146	Acquisition of Motor Vehicles for Meter Readers	LEVIES	850,000	-	-
	<b>Programme: Rehabilitation and Upgrading of Halls and Buildings (10038)</b>		<b>3,241,950</b>	<b>25,010,650</b>	<b>6,474,430</b>
20182605	Construction of new offices at Supply Chain Management	CRR	2,741,950	21,710,650	4,274,430
20200262	Replacement of Old Laptops and Desktop PCs	LEVIES	500,000	500,000	500,000
20200264	Procurement of Queue Management Systems		-	2,800,000	1,700,000
	<b>Programme: Furniture and Equipment (10073)</b>		<b>1,300,000</b>	<b>1,300,000</b>	<b>800,000</b>
20120079	Replacement Handheld Devices - Meter Reading	LEVIES	500,000	500,000	-
20120080	Replacement of Vending POS Equipment	LEVIES	800,000	800,000	800,000
	<b>Total</b>		<b>5,391,950</b>	<b>26,310,650</b>	<b>7,274,430</b>
<b>Economic Development, Tourism &amp; Agriculture (1196)</b>					
		<b>Funding Source 2021/22</b>	<b>2021/22 Draft Capital Budget</b>	<b>2022/23 Draft Capital Budget</b>	<b>2023/24 Draft Capital Budget</b>
	<b>Programme: Buildings, Depots Upgrading &amp; Additions (10009)</b>		<b>23,008,700</b>	<b>26,086,960</b>	<b>30,434,780</b>
20190169	EDTA: Njoli Square Redevelopment	NDPG	20,608,700	26,086,960	30,434,780
20190087	EDTA: Uitenhage Fresh Produce Market	LEVIES	1,500,000	-	-
20210283	EDTA: Fencing of Uitenhage Fresh Produce Market	LEVIES	500,000	-	-
20210284	EDTA: Purchase of Forklifts	LEVIES	400,000	-	-
	<b>Total</b>		<b>23,008,700</b>	<b>26,086,960</b>	<b>30,434,780</b>
<b>Recreational &amp; Cultural Services (1194)</b>					
		<b>Funding Source 2021/22</b>	<b>2021/22 Draft Capital Budget</b>	<b>2022/23 Draft Capital Budget</b>	<b>2023/24 Draft Capital Budget</b>
	<b>Programme: Rehabilitation and Upgrading of Halls and Buildings (10038)</b>		<b>13,000,000</b>	<b>24,000,000</b>	<b>29,000,000</b>
20182617	Construction of Multi-Purpose Centre: Ward 17 (New Brighton)	LEVIES	1,000,000	5,000,000	7,000,000
20182618	Construction of Multi-Purpose Centre: Ward 34 (Bethelsdorp)	LEVIES	1,000,000	5,000,000	7,000,000
20182619	Construction of Multi-Purpose Centre: Ward 42 (Kwanobuhle)	LEVIES	5,000,000	5,000,000	5,000,000
20190320	Construction of Multi-Purpose Centre: Ward 21 (Kwazakhele)	LEVIES	5,000,000	5,000,000	5,000,000
20190321	Construction of Multi-Purpose Centre: Ward 55 (Motherwell)	LEVIES	1,000,000	4,000,000	5,000,000
	<b>Programme: Upgrade/New Libraries</b>		<b>7,200,000</b>	<b>24,500,000</b>	<b>2,500,000</b>
20060113	Upgrade and Restoration of Libraries - Main Library	LEVIES	3,500,000	15,000,000	-
20200225	Re-Construction of Kwanobuhle Library	LEVIES	1,000,000	9,500,000	2,500,000
20190157	SRAC: Motherwell library roof replacement	LEVIES	1,500,000	-	-
20210213	SRAC: Zwile library roof replacement	LEVIES	700,000	-	-
20190160	SRAC: Chatty library roof replacement	LEVIES	1,000,000	-	-
	<b>Programme: Upgrading and Development of Sport and Recreation Facilities (10058)</b>		<b>14,700,000</b>	<b>17,000,000</b>	<b>12,500,000</b>
20200228	Upgrade of Walmer change rooms	LEVIES	8,000,000	1,000,000	-
20210217	Construction of new lifeguard house at Sardinia bay	LEVIES	3,000,000	1,000,000	1,000,000
20190151	Wells Estate Beach - Upgrade of Infrastructure	LEVIES	1,200,000	2,000,000	1,000,000
20200237	Replacement of cork floor - Uitenhage indoor center	LEVIES	1,000,000	1,000,000	-
20200233	Rehabilitation of Main Pavillion - Uitenhage sportsfields	LEVIES	1,000,000	3,000,000	2,000,000
20190154	Happy Valley - Upgrade of Infrastructure	LEVIES	500,000	1,000,000	500,000
20162174	Rehabilitation of Red Location Precinct Buildings		-	8,000,000	8,000,000
	<b>Total</b>		<b>34,900,000</b>	<b>65,500,000</b>	<b>44,000,000</b>
	<b>Total</b>		<b>1,407,559,290</b>	<b>1,343,064,030</b>	<b>1,033,589,800</b>

**ANNEXURE “C”**  
**INTERGOVERNMENTAL**  
**PIPELINE MATRIX**

## 2021/22 INTERGOVERNMENTAL PROJECT PIPELINE

Priority	Project Description	Municipal	Grant	Provincial	National	PRASA	Transnet	SANRAL	ESKOM	ACSA	PPP	Total
<b>INTEGRATION ZONE 1: PRIORITY INTEGRATION ZONE ONE (PE CBD/lbhayi/ Motherwell)</b>												
	<b>1.1 Focus Area 1: Heart of the Bay</b>	<b>R 131,210,000</b>	<b>R 113,360,000</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 244,570,000</b>
	1.1.1. Vuyusili Mini Node: Fleming St/North Union St Upgrade	R 3,000,000										R 3,000,000
	1.1.2. Vuyusili Mini Square Upgrade; Baakens Connection (Pedestrian Bridge)	R 10,850,000										R 10,850,000
	1.1.3. St Peters Upgrade	R 3,900,000										R 3,900,000
	1.1.4. Port Elizabeth Library: Rehabilitation, Upgrade and	R 102,960,000										R 102,960,000
	1.1.5 Feathermark Centre: Upgrading and renovation											R -
	1.1.6 Extension of Opera House		R 113,360,000									R 113,360,000
	1.1.7. Govan Mbeki Avenue (GMA) Precinct Planning	R 500,000										R -
	1.1.8 GMA Precinct Development	R 10,000,000										R -
	1.1.9 Donkin Edge (Mermaids Precinct) Redevelopment											R -
	1.1.10 Council Chamber	R 40,000,000										
	<b>1.2 Focus Area 2: Baakens River Valley</b>	<b>R 40,300,000</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 40,300,000</b>
	1.2.1. South End Mixed Use	R 300,000										R 300,000
Other	1.2.2. Baakens Parkway	R 38,000,000										R 38,000,000
	1.2.3. Baakens Zipline	R 2,000,000										R 2,000,000
	<b>1.3 Focus Area 3: St Georges Park</b>	<b>R 700,000</b>										<b>R 700,000</b>
	<b>1.4 Focus Area 4: The Port</b>	<b>R -</b>	<b>R 100,000,000</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 8,000,000</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 108,000,000</b>
R	1.4.1 Manganese Terminal						R 8,000,000					R 8,000,000
	1.4.2 W&S Bulk Services		R 100,000,000									R 100,000,000
	1.4.3 Port of PE Waterfront (Transnet)											R -
	1.4.4 Tank Farm Relocation and Decommissioning of Tank Farm (Transnet)											R -
	1.4.5 Automotive Terminal Port of PE (Transnet)											R -
	1.4.6 PECT Berth Deepening (Transnet)											R -
	<b>1.5 Focus Area 5: Mount Croix</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>
	1.5.1 Mount Croix Social Housing Project											R -
	<b>1.6 Focus Area 6: Bayworld/ Happy Valley/ Telkom Park Precinct</b>	<b>R 40,800,000</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 40,800,000</b>
	1.6.1 Bayworld	R 25,000,000										R 25,000,000
	1.6.2 Happy Valley	R 5,800,000										R 5,800,000
	1.6.3 Telkom Park	R 10,000,000										R 10,000,000
												R -
	<b>3.0 lbhayi/ Njoli Precinct</b>	<b>R 172,798,365</b>	<b>R 544,047,020</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 125,400,000</b>	<b>R 842,245,385</b>
	3.1 Njoli PrecinctPlan		R 558,900									R 558,900
	3.2 Njoli Square Redevelopment / Implementation		R 152,648,120	R -	R -	R -	R -	R -	R -	R -	R 121,400,000	R 210,048,120
	3.2.1 Daku Road Upgrade		R 57,000,000									R 57,000,000
	3.2.2 UNCEDO Long Distance Terminal		R 3,360,000									R 3,360,000
	3.2.3 Informal Trading Facilities		R 13,245,120									R 13,245,120
	3.2.4 Commuter Taxi Rank Upgrade		R 13,104,000									R 13,104,000
	3.2.5 Livestock Market		R 185,000									R 185,000
	3.2.6 Events Space		R 84,000									R 84,000
	3.2.7 Urban Landscaping		R 1,120,000									R 1,120,000
	3.2.8 Private Sector Investment		R 550,000								R 121,400,000	R 121,950,000
	3.3 New Brighton (Red Location) Precinct Planning		R 650,000									R 650,000
	3.4 New Brighton Cultural Precinct Development	R 15,000,000										R 15,000,000
	3.5 Mende Bottle Store Renovation	R 47,798,365										R 47,798,365
	3.7 Red Location housing Development	R 110,000,000	R 386,657,000									R 496,657,000
	3.7.1 Infill Residential Development		R 386,657,000									R 386,657,000
	3.7.2 Single Mens Hostel	R 110,000,000										R 110,000,000
	3.8 Commercial Road Upgrade											R -
	3.9 Road Infrastructure		R 3,500,000									R 3,500,000

Priority	Project Description	Municipal	Grant	Provincial	National	PRASA	Transnet	SANRAL	ESKOM	ACSA	PPP	Total
R 1	3.10 Waste Beneficiation Park		R 33,000								R 4,000,000	R 4,033,000
	3.11 PEPKO 3 and COSAS 2 Living Memorial Zwide (SRAC)[NEW]		R 37,500,000									R 37,500,000
												R -
	<b>Sub-total Integration Zone 1</b>	<b>R 385,808,365</b>	<b>R 757,407,020</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 8,000,000</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 125,400,000</b>	<b>R 1,276,615,385</b>
<b>INTEGRATION ZONE 2 (I22): PRIORITY INTEGRATION ZONE TWO (Korsten/ Standford/ Uitenhage)</b>												
	<b>5.0 Cleary Park Modal Precinct</b>	<b>R -</b>	<b>R 175,412,196</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 175,412,196</b>
	5.1 Cleary Park Precinct Planning		R 850,000									R 850,000
	5.2 Cleary Park Bus Depot		R 70,240,573									R 70,240,573
	5.2.1 Detail Design											R -
	5.2.2 Land Use Approval											R -
	5.2.3 Environmental Authorization											R -
	5.3 Precinct Development											R -
	5.4 Standford Road Corridor (IPTS)		R 57,821,623									R 57,821,623
	5.5 Northern Areas Living Memorial (SRAC) [NEW]		R 46,500,000									R 46,500,000
												R -
	<b>6.0 Uitenhage Central Precinct</b>	<b>R 38,000,000</b>	<b>R 887,763,796</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 169,392,321</b>	<b>R 1,095,156,117</b>
	6.1 Development of a Precinct Plan for Uitenhage Central Precinct		R 850,000									R 850,000
	6.2 Railway Sheds Upgrade	R 38,000,000										R 38,000,000
	6.3 Unblocking Land Development	R -										R -
	6.4 Redevelopment of Sport Facilities											R -
	6.5 Social (Rental Housing) - John Street										R 169,392,321	R 169,392,321
	6.6 Uitenhage IPTS Infrastructure and Facilities		R 131,938,901									R 131,938,901
	6.7 Standford Road Extension		R 754,974,895									R 754,974,895
												R -
												R -
	<b>7 Zanemvula Precinct</b>	<b>R 21,500,000</b>	<b>R 636,950,400</b>	<b>R 236,164,326</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 633,150,000</b>	<b>R 1,527,764,726</b>
	7.1 Precinct Planning		R 788,000									R 788,000
	7.2 Chatty Link Road	R 6,000,000	R 11,000,000									R 17,000,000
	7.3 Bloemendal Arterial	R 10,000,000	R 65,000,000									R 75,000,000
	7.4 Development Implementation	R -	R 555,482,400	R 236,164,326	R -	R -	R -	R -	R -	R -	R 633,150,000	R 1,424,796,726
	Project 7.4.1: Community Health Care Centre			R 10,400,000								R 10,400,000
	Project 7.4.2: Police Station			R 29,120,000								R 29,120,000
	Project 7.4.3: Community Hall		R 19,136,000									R 19,136,000
	Project 7.4.3: Education Facilities	R -	R -	R 88,982,712								R 88,982,712
	7.4.3.1 Secondary School			R 40,768,000								R 40,768,000
	7.4.3.2 Primary School			R 37,200,800								R 37,200,800
	7.4.3.3 Creche/ECD (big)			R 11,013,912								R 11,013,912
	Project 7.4.4: Trading Facilities									R 159,300,000		R 159,300,000
	Project 7.4.5: Residential Development (Phase 1) (Integrated Mixed Residential)		R 141,916,320							R 157,950,000		R 299,866,320
	Project 7.4.6: Community Health Care Centre			R 10,400,000								R 10,400,000
	Project 7.4.7: Taxi Rank		R 5,569,200									R 5,569,200
	Project 7.4.8: Community Library		R 11,648,000									R 11,648,000
	Project 7.4.9: Education Facilities	R -	R -	R 46,093,614								R 46,093,614
	Project 7.4.9.1 Primary school			R 37,200,800								R 37,200,800
	Project 7.4.9.2 Two Creche/ECD (small)			R 10,736,559								R 10,736,559
	Project 7.4.10: Residential Development (Phase 2)		R 213,950,880							R 243,243,000		R 457,193,880
	Project 7.4.11: Community Health Clinic			R 10,400,000								R 10,400,000
	Project 7.4.12: Community Hall		R 19,136,000									R 19,136,000
	Project 7.4.13: Education Facilities	R -	R -	R 40,768,000								R 40,768,000
	7.4.13.1 Secondary School			R 40,768,000								R 40,768,000
	Project 7.4.14: Residential Development (Phase 3)		R 144,126,000							R 72,657,000		R 216,783,000
	Project 7.5: Recreational Facilities	R 5,500,000	R 4,680,000									R 10,180,000
	Project 7.5.1: Open Space Development											R -
	7.5.2 Zanemvula Sport Fields	R 5,500,000	R 4,680,000									R 10,180,000

Priority	Project Description	Municipal	Grant	Provincial	National	PRASA	Transnet	SANRAL	ESKOM	ACSA	PPP	Total
	<b>8. Jachtvlakte Precinct</b>	<b>R 7,000,000</b>	<b>R 8,335,095,970</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 7,061,688,000</b>	<b>R 15,403,783,970</b>
	8.1 Jachtvlakte (JVT) Ph 1 Infrastructure Installation		R 306,247,655									R 306,247,655
	8.2 JVT Ph 1 Integrated Residential Development		R 866,250,000								R 371,250,000	R 1,237,500,000
	8.3 Kwanobuhle Estate (KE) Ph 1 Township Establishment										R 44,000,000	R 44,000,000
	8.4 KE Ph 1 Infrastructure Installation										R 593,538,000	R 593,538,000
	8.5 KE Ph 1 Integrated Residential Development		R 629,200,000								R 605,000,000	R 1,234,200,000
	8.6 Logistics Park Phase 2 (Precinct B)	R 2,000,000	R 208,000,000									R 210,000,000
	8.7 Chatty JVT Collector Sewer		R 200,000,000									R 200,000,000
	8.8 Kelvin Jones WWTW Augmentation		R 500,000,000									R 500,000,000
	8.9 Chatty JVT Bulk Water		R 100,000,000									R 100,000,000
	8.10 JVT Ph 2 Township Establishment	R 5,000,000										R 5,000,000
	8.11 JVT Ph2 Infrastructure Development		R 496,582,315									R 496,582,315
	8.12 JVT Ph 2 Integrated Residential Development		R 2,223,000,000									R 2,223,000,000
	8.13 KE Ph 2 Infrastructure Installation		R 2,805,816,000								R 2,697,900,000	R 5,503,716,000
	8.14 KE Ph 2 Integrated Residential Development										R 2,750,000,000	R 2,750,000,000
	<b>Schauder Korsten Master Plan (SKM)</b>	<b>R 45,300,000</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 45,300,000</b>
	SKM 1.1 Planning	R 300,000										R 300,000
	SKM 1.2 Sport Fields and Library	R 20,000,000										R 20,000,000
	Moore Dyke Sports Complex Upgrade	R 25,000,000										R 25,000,000
												R -
	<b>Sub-total Integration Zone 2</b>	<b>R 111,800,000</b>	<b>R 10,035,222,362</b>	<b>R 236,164,326</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 7,864,230,321</b>	<b>R 18,247,417,009</b>
	<b>SUB-TOTAL INTEGRATION ZONES</b>	<b>R 497,608,365</b>	<b>R 10,792,629,382</b>	<b>R 236,164,326</b>	<b>R -</b>	<b>R -</b>	<b>R 8,000,000</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 7,989,630,321</b>	<b>R 19,524,032,394</b>
<b>GROWTH AREA 1 (GA1): N2 NODAL DEVELOPMENT AREA</b>												
	2.1 Bay West Precinct Development (Phase 1)	R -	R -								R 10,000,000,000	R 10,000,000,000
	2.2 Redhouse Chelsea Arterial	R 74,318,800	R -					R 160,954,433			R 102,255,527	R 337,528,760
	2.3 Utopia Precinct	R -	R 522,218,750								R 15,000,000	R 537,218,750
	2.4 N2 North Precinct		R 1,253,324,179									R 1,253,324,179
	2.5 Greenbushes Bulk Water Main	R -	R 50,000,000									R 50,000,000
	2.6 Western Arterial											R -
	2.6.1 Western Arterial / N2 Interchange.	Refer City Wide										R -
	2.6.2 Western Arterial - N2 to Cape Road (R101)	Refer City Wide										R -
	2.6.3 Western arterial - Cape Road (R101) to Stanford Road.	Refer City Wide										R -
	2.7 Lorraine/ Driftsands Collector Sewer	R -	R 300,000,000									R 300,000,000
	2.8 Informal Settlement Development (Gro-Gro)	R -	R 840,000,000									R 840,000,000
	2.9 Baywest Precinct Development (Phase 2)	R -	R -								R 12,000,000,000	R 12,000,000,000
												R -
	<b>Sub-total Growth Area 1</b>	<b>R 74,318,800</b>	<b>R 2,965,542,929</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 160,954,433</b>	<b>R -</b>	<b>R -</b>	<b>R 22,117,255,527</b>	<b>R 25,318,071,689</b>
<b>GROWTH AREA 2 (GA2): FAIRVIEW DEVELOPMENT AREA</b>												
	Residential Development - Fairview Links Social Housing Complete											R -
	Residential Development: Willowdene Social Housing Complete											R -
	Bulk Services: Willow Road Watermain	R 50,000,000										R 50,000,000
	Integrated Public Transport: Fairview Links Ext											R -
	Glen Hurd Drive Upgrade/ Extension	R 15,496,000										
	Glen Hurd Drive Extension Phase 2 (Bridge Extension)	R 180,000,000										
	Bulk Services: Sewer Augmentation	R 30,000,000	R 30,000,000									R 60,000,000
												R -
	<b>Sub-total Growth Area 2</b>	<b>R 275,496,000</b>	<b>R 30,000,000</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 110,000,000</b>

Priority	Project Description	Municipal	Grant	Provincial	National	PRASA	Transnet	SANRAL	ESKOM	ACSA	PPP	Total
<b>GROWTH AREA 3 (GA3): WALMER/ SUMMERSTRAND DEVELOPMENT AREAS</b>												
	<b>Focus Area: Walmer</b>											
	Upgrading of Fountain Road (Walmer Qgeberha)	R 26,812,045	R 52,000									R 26,864,045
R 1	Western Structure Route				R 1,319,800							R 1,319,800
	IPTS Phase 1C Implementation - Infrastructure and service		R 132,103,103									R 132,103,103
	Walmer Enterprise Village Revival	To be determined										R -
	Walmer Heights Bulk Sewer		R 34,000,000									R 34,000,000
	Upgrading of ablutions (Walmer Sport Centre)	R 12,500,000										R 12,500,000
	Walmer Erf 11305											R -
	Walmer Arlington		R 43,000,000									R 43,000,000
	Walmer Golf Course											R -
	ACSA Airport Development											R -
												R -
	<b>Focus Area: Summerstrand</b>											R -
	Summerstrand Extension 14											R -
	Summerstrand Erven 2962/2963											R -
	Summerstrand: Erf 1450											R -
	Summerstrand Extension (Erf 1256)											R -
												R -
												R -
												R -
	<b>Sub-total Growth Area 3</b>	<b>R 39,312,045</b>	<b>R 209,155,103</b>	<b>R -</b>	<b>R 1,319,800</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 249,786,948</b>
<b>GROWTH AREA 4 (GA4): MOTHERWELL/ WELLS ESTATE</b>												
	<b>4.0 Motherwell Precinct Planning (Incl Rail Corridor)</b>											
	4.1 Motherwell Precinct Planning	R 850,000										R 850,000
	4.2 Motherwell Rail Corridor					R 1,768,000,000						R 1,768,000,000
	4.3 Integrated Public Transport	TBC										R -
	4.4 Economic Development											R -
	4.5 Integrated Housing Development		R 402,123,280									R 402,123,280
	4.6 Multiple Sport Field Upgrading	R 20,000,000										R 20,000,000
	4.7 Amanzi Reservoir and Pipeline		R 75,000,000									R 75,000,000
	4.8 Motherwell North Collector Sewer		R 450,000,000									R 450,000,000
												R -
	<b>Sub-total Growth Area 4</b>	<b>R 20,850,000</b>	<b>R 927,123,280</b>	<b>R -</b>	<b>R -</b>	<b>R 1,768,000,000</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 2,715,973,280</b>
	<b>SUB-TOTAL GROWTH AREAS</b>	<b>R 409,976,845</b>	<b>R 4,131,821,312</b>	<b>R -</b>	<b>R 1,319,800</b>	<b>R 1,768,000,000</b>	<b>R -</b>	<b>R 160,954,433</b>	<b>R -</b>	<b>R -</b>	<b>R 22,117,255,527</b>	<b>R 28,589,327,917</b>
<b>MARGINALISED AREAS: INFORMAL SETTLEMENTS IN-SITU DEVELOPMENT</b>												
	Uitenhage (Erf 818-863)		R 9,825,000									R 9,825,000
	Uitenhage (Erf 29669)		R 1,800,000									R 1,800,000
	Uitenhage (Erf 7927)		R 1,050,000									R 1,050,000
	Mandelaville		R 9,075,000									R 9,075,000
	Ekuphumleni		R 14,325,000									R 14,325,000
	Kalipa		R 1,950,000									R 1,950,000
	Kuyga Phase 3		R 33,750,000									R 33,750,000
	Singaphi		R 3,375,000									R 3,375,000
	Walmer Qgeberha Developments		R 262,500,000									R 262,500,000
	Kleinskool Kliprand		R 11,250,000									R 11,250,000
	Nkatha Sevisi		R 5,400,000									R 5,400,000
	Raymond Mhlabi (Buyambo)		R 3,600,000									R 3,600,000
	Tyinira Endlovini		R -									R -
	Uitenhage (Erf 12931)		R 2,250,000									R 2,250,000
	McCarthy Land (Erf 6480 , Afghanistan)		R 22,500,000									R 22,500,000
	Afghanistan (Erf 6480)		R -									R -
	Uitenhage (Erf 3179)		R 3,150,000									R 3,150,000
	MK Silvertown 2 Qaqawuli (Phase 1)		R 20,625,000									R 20,625,000
	MK Silvertown 2 Qaqawuli (Phase 2)		R 36,825,000									R 36,825,000
	Lorraine Informal Settlement (Land Acquisition)		R 18,410,801									R 18,410,801
	Seaview Land Acquisition		R 35,196,462									R 35,196,462

Priority	Project Description	Municipal	Grant	Provincial	National	PRASA	Transnet	SANRAL	ESKOM	ACSA	PPP	Total
	Walmer Gqeberha Land Acquisition (See Walmer Arlington)		R 40,340,137									R 40,340,137
	Hunters Retreat Land Acquisition		R 39,174,320									R 39,174,320
	Land Acquisition: Bloemendal		R 25,000,000									R 25,000,000
	Land Acquisition: Parsons Vley		R 50,000,000									R 50,000,000
	<b>Sub-total Marginalised Areas</b>	<b>R -</b>	<b>R 651,371,720</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 651,371,720</b>
<b>MARGINALISED AREAS: OTHER</b>												
	Algoa Park IRDP Project		R 579,985,500									R 579,985,500
	Florida Heights IRDP	R 67,629,296		R 571,664,109							R 358,665,281	R 997,958,686
	Helenvale / Malabar	R 4,000,000	R 23,800,000									R 27,800,000
	Bethelsdorp Bulk W&S Connection		R 30,000,000									R 30,000,000
	Gelvandale Sport Upgrading	R 20,000,000										R 20,000,000
												R -
	<b>Sub-total Other Marginalised Areas</b>	<b>R 91,629,296</b>	<b>R 633,785,500</b>	<b>R 571,664,109</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 358,665,281</b>	<b>R 1,655,744,186</b>
	<b>SUB-TOTAL MARGINALISED AREAS</b>	<b>R 91,629,296</b>	<b>R 1,285,157,220</b>	<b>R 571,664,109</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 358,665,281</b>	<b>R 2,307,115,906</b>
<b>ECONOMIC DEVELOPMENT NODES</b>												
	PE Station Upgrade											R -
	Freedom Statue (Tower of Light)		R 300,000,000									R 300,000,000
												R -
	<b>SUB-TOTAL ECONOMIC NODES</b>	<b>R -</b>	<b>R 300,000,000</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 300,000,000</b>
<b>OTHER METRO PROJECTS</b>												
	Florida Heights IRDP		R 118,030,859	R 154,477,938							R 685,659,093	R 958,167,890
	Telkom Park/ Bayworld Precinct Development	R 30,000,000	R 200,000,000									R 230,000,000
	<i>Mqolomba Park Sports and Cultural Precinct (Kwanobuhle) (Cost to be determined)</i>											R -
												R -
	<b>Sub-total Other Metro Projects</b>	<b>R 30,000,000</b>	<b>R 318,030,859</b>	<b>R 154,477,938</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 685,659,093</b>	<b>R 1,188,167,890</b>
<b>CITY-WIDE PROJECTS</b>												
R 1	2.6 Western Arterial											
	2.6.1 Western Arterial / N2 Interchange.	R 112,500,000	R -	R -				R 112,500,000				R 225,000,000
	2.6.2 Western Arterial - N2 to Cape Road (R101)	R 114,000,000	R -	R -				R 76,000,000				R 190,000,000
	2.6.3 Western arterial - Cape Road (R101) to Stanford Road.	R 132,000,000	R -	R 528,000,000								R 660,000,000
	Road Upgrade R335							R 400,000,000				R 400,000,000
	Road Upgrade R75 (Re-surfacing & maintenance)							R 70,000,000				R 70,000,000
	Road Upgrade R75 (Re-surfacing & maintenance)							R 200,000,000				R 200,000,000
	Ironman: Roads Upgrade	R 80,000,000										R 80,000,000
												R -
	<b>Sub-total City Wide Projects</b>	<b>R 438,500,000</b>	<b>R -</b>	<b>R 528,000,000</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 858,500,000</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 1,825,000,000</b>
<b>OTHER CATALYTIC PROJECTS (INTER-GOVERNMENTAL)</b>												
	Nooitgedaacht Phase 3				R 350,000,000							R 350,000,000
	Bore hole Water Exploration				R 200,000,000							R 200,000,000
	Western Desalination				R 1,500,000,000							R 1,500,000,000
	Coega Wastewater treatment Works				R 1,500,000,000							R 1,500,000,000
	Coega Return Effluent				R 600,000,000							R 600,000,000
	Non-Revenue Water				R 1,400,000,000							R 1,400,000,000
	ACSA - Nelson Mandela Bay Airport								R 1,200,000,000			R 1,200,000,000
	Fishwater Flats Upgrade				R 1,300,000,000							R 1,300,000,000
	Swartkops Low Level Sewer	R 400,000,000										R 400,000,000
	Aquaculture Development (CDC)										R -	R -
	Oliphantskop High Hazardous Waste Site (CDC)										R -	R -
	CCGT Power Station at Nqgura (CDC)				R -						R -	R -
	Oil Refinery (CDC)										R -	R -
	Port of PE Waterfront (Transnet) (Link to 1.4)											R -



Priority	Project Description	Municipal	Grant	Provincial	National	PRASA	Transnet	SANRAL	ESKOM	ACSA	PPP	Total
	Tank Farm Relocation (Transnet) (Link to Project 1.4.3)											R -
	Decommissioning of Tank Farm (Transnet) (Link to Project 1.4.4)											R -
	PE Manganese Terminal Relocation (Transnet) (Link to Project 1.4.1)											R -
	Coega Manganese Terminal (Transnet)						R -					R -
	Automotive Terminal Port of PE (Transnet) (Link to Project 1.4.5)											R -
	PECT Berth Deepening (Transnet) (Link to Project 1.4.6)											R -
	Manganese Rail Corridor and Terminal (Transnet)						R -					R -
	Boat Building and Repair (Transnet)						R -					R -
	COEGA Bulk Liquid Tank Farm (Transnet)						R -					R -
	Addo MPA (Transnet)						R -					R -
	Ngqura Intermodal Facility for Rail Optimization and Hinterland Connectivity (Transnet)						R -					R -
	Ports of Mandela Bay Integration (Transnet)						R -					R -
	Kimberly - De Aar Rail Upgrade (Transnet)						R -					R -
	North End Coastal Development (Transnet)						R -					R -
	Thyspunt Nuclear Plant (Eskom)								R -			R -
	Renewable Energy (DOE)				R -							R -
	Electrical Infrastructure (Distribution) (ESKOM/ Transnet)						R -		R -			R -
	Non-motorized Transport Network Linkage (ALL)	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
	Regional Conventional and non-Conventional Gas (DEDEAT)			R -								R -
												R -
	<b>Sub-total Other Catalytic Projects</b>	R -	R 400,000,000	R -	R 6,850,000,000	R -	R -	R -	R -	R 1,200,000,000	R -	R 8,450,000,000
	<b>SUB-TOTAL CITY WIDE PROJECTS</b>	R 468,500,000	R 718,030,859	R 682,477,938	R 6,850,000,000	R -	R -	R 858,500,000	R -	R 1,200,000,000	R 685,659,093	R 11,463,167,890
<b>TOTAL</b>		R 1,467,714,505	R 17,227,638,773	R 1,490,306,373	R 6,851,319,800	R 1,768,000,000	R 8,000,000	R 1,019,454,433	R -	R 1,200,000,000	R 31,151,210,222	R 62,183,644,107

**ANNEXURE “D”**  
**MFMA CIRCULAR 88 AND**  
**ADDENDA**



# Municipal Circular on Rationalisation Planning and Reporting Requirements for the 2018/19 MTREF

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## 1 Introduction

This circular provides guidance and assistance to metropolitan municipalities on the preparation of statutory planning and reporting documents required for the 2018/19 Medium Term Revenue and Expenditure Framework (MTREF). It is for the attention of all municipalities, but only applies to metropolitan municipalities. It should be read in conjunction with the MFMA Circular No. 13 issued on 31 January 2005 and MFMA Circular No. 63 issued on 26 September 2012.

The circular aims to support the alignment of planning and reporting instruments for a prescribed set of municipal performance indicators. The Municipal Systems Act (MSA) and the MFMA require alignment between planning and reporting instruments such as the Integrated Development Plan (IDP), the Service Delivery and Budget Implementation Plan (SDBIP) and the Annual Report. However, there has been some confusion as to the results level that indicators in the SDBIP occupy, particularly in component **3. Quarterly projections of service delivery targets and performance indicators for each vote**. This is particularly in relation to the goals and objectives set out over the medium term in the IDP, and how they are measured. This circular aims to clarify this matter by prescribing municipal performance indicators for metropolitan municipalities. In providing guidance and conceptual clarity and alignment between the IDP, SDBIP and the performance part of the Annual Report, this MFMA Circular has conceptual benefit for all municipalities. However, the prescribed performance indicators will be applicable to only metropolitan municipalities from the 2018/19 financial year onwards.

The content of this circular has been informed by a performance reporting reform initiative undertaken by National Treasury, in collaboration with the Department of Cooperative Governance, the Department of Planning, Monitoring and Evaluation, Statistics South Africa and in consultation with the Auditor-General of South Africa, amongst others. The intention of this reform is to rationalise the reporting requirements of metropolitan municipalities. It was identified early on in this reform initiative that rationalising the reporting requirements of metropolitan municipalities necessitates clarification and resolution of inconsistencies in the statutory requirements of the IDP, SDBIP and the performance part of the Annual Report.

### **Why metropolitan municipalities?**

Eight metropolitan municipalities account for nearly half of South Africa's population and serve as hubs for economic activity and employment. They command substantial budgets, have developed advanced bureaucracies and administrative systems and possess capacities that are not yet found elsewhere across local government. Metros were therefore identified as the appropriate category in which to initiate planning and reporting reforms because they provide a strategic foothold for broader expansion across local government.

## 2 Rationalisation of planning and reporting requirements

National Treasury initiated a process to review, rationalise and streamline the reporting arrangements of metropolitan municipalities at the end of 2013. This initiative was undertaken in response to the following issues arising from metro reporting on performance information, particularly within the built environment:

- There are too many indicators that national departments expect metropolitan municipalities to report upon and they are not sufficiently strategic;
- There is duplication, fragmentation and insufficient coordination of how this performance information is managed and reporting resulting in an inefficient use of resources; and

- Indicators at the output and outcome level are generally undeveloped and insufficient attention has been paid to the relationship between outputs and outcomes in crafting and selecting performance indicators.

Central to this reporting initiative was the intrinsic linkage to planning, and the inescapable reality that reports are a response to plans, of which the inter-relationship necessitates consideration of the implications for both.

## 2.1 The National Treasury initiated process

As part of the National Treasury process the Cities Support Programme (CSP) collated the reporting requirements for all metropolitan municipalities and identified 2 572 indicators, requiring 18 467 data elements to be reported upon annually. These indicators were then catalogued and analysed according to their location on the results-chain, consistent with the provisions of the *Framework for Managing Programme Performance Information* (FMPPI) (National Treasury, 2007). This analysis confirmed that the current distribution of indicators is concentrated at the lower end of the results-chain, without sufficient attention and consideration given to higher-level indicators, particularly those at output and outcome level where there is a key logical linkage required to ensure the realisation of government policy and strategic intentions.

The reporting reform process then entailed over two years of consultations and engagements aimed at addressing the fragmentation, duplication and lack of coordination across the state to produce a rationalised set of indicators for metropolitan planning and reporting. It required intensively and repeatedly engaging stakeholders from municipalities, sector departments, centre of government departments and other state institutions (e.g. StatsSA, AGSA, etc) in bilateral and multilateral forums to solicit comment as well as obtain written submission and input on multiple iterations of these indicators. Central to the process of developing indicators was the very practical consideration of the feasibility, availability and practicality of data collection in relation to performance indicators and their comprising data elements across the state.

The new set of indicators for metropolitan municipalities has therefore integrated different sets of indicators, namely those of the various sector departments, the Integrated Urban Development Framework (IUDF), Cities Support Programme (CSP), New Urban Agenda, SDG and the Back to Basics Programme for local government. This process concluded with agreement amongst relevant sector departments, transversal departments and metros on the indicators to be implemented in the 2018/19 financial year and the indicators to be refined for introduction in the following financial year.

## 2.2 Conceptual framework for performance reporting

The FMPPI (National Treasury, 2007) provides a conceptual framework for performance reporting across three spheres of government and supplies the conceptual foundation for the current results-based approach.

### 2.2.1 Key concepts and implications for reporting

Understanding “Impact” as “the results of achieving specific outcomes, such as reducing poverty or creating jobs” (National Treasury, 2007), this results area refers to inter-sectoral, compounded, long term changes in outcomes. As an indicator set at impact level, these are covered by established and widely recognised international metrics of development, poverty, inequality and employment, including complex measures such as the Human Development Index, Gini Coefficient, etc. While these are seen as useful as long-term metrics of development progress, the value of these indicators for annual planning, monitoring and reporting cycles is limited for short-term performance tracking.

At the level of “Outcome”, or “the medium-term results for specific beneficiaries” (National Treasury, 2007), the reporting reforms initiative has sought to measure performance indicators in relation to city transformation (in particular space), as well as to reflect the constitutionally vested powers and functions of metropolitan municipalities.

One subset of “Outcomes” is understood in terms of metropolitan functions, which when delivered directly and logically contribute to direct outcomes that are measurable. This is consistent with the FMPPI’s definition that outcomes “are the consequence of achieving specific outputs” (National Treasury, 2007) as outputs are products or services which should directly contribute to a change in more immediate, functional outcomes.

In relation to city transformation, a second subset of “Outcomes” are understood in terms of how functional outcomes integrate and produce complex results of their own. These indicators apply a distinct transformational, and usually spatial lens in terms of how outcomes are spread in the city. By their very nature they reflect a complex confluence and interplay of functional outcomes with some effects reflecting only over the medium-term. However, the integrated, city transformational outcomes are not necessarily mutually exclusive from functional outcomes as there may be points of mutual overlap and confluence, particularly as it relates to the transportation and housing functions which increasingly entail integration of functional planning and associated outcomes.

At the results-level of “Output” an emphasis has been placed on the functional link between the “final products, goods or services produced for delivery” (National Treasury, 2007), particularly as it relates to the achievement of outcomes. Although previously explicit, this process has sought to strengthen the functional linkage between outputs and outcomes while selecting only output indicators which provide a useful indication of progress toward the intended outcome. In the process of consultation, this has also led to the inclusion of “efficiency” indicators which speak to the time and resourcing associated with the delivery of specific products, goods and services.

Given the problem statement and the strategic focus of the initiative, the process has not embarked upon the development of indicators for “Activities” or “Inputs”. As previous analysis has shown, the planning and reporting system tends to reflect a disproportionate amount of these measures which are often removed and with only tenuous linkages to results.

## **2.3 Agreement on a set of outcomes, outputs and indicators**

### **2.3.1 City Transformation Outcomes**

In line with the above conceptual clarifications, the reporting reform process identified a common set of city transformational outcomes viewed through a spatial lens. These included:

- Targeted investments in integration zones;
- Reduction in urban sprawl;
- New housing options with social diversity; and
- Affordable and efficient public transport services.

As part of the preliminary consultations on reporting reforms, outcome indicators were developed and proposed in relation to these transformational outcome areas. Given the realities of the data and the lens through which it was viewed, the Built Environment Performance Plan (BEPP) was identified as the most appropriate planning instrument through which these indicators should find expression. A separate process preceding this circular has been implemented to support the institutionalisation and application of set of city transformational indicators.

Refer to the BEPP guidelines and revised framework for more details at the following link:  
<http://mfma.treasury.gov.za/Documents/Forms/AllItems.aspx?RootFolder=%2fDocuments%2f02%2e%20Built%20Environment%20Performance%20Plans%2f2017%2d18&FolderCID=&View=%7b84CA1A01%2dEF8A%2d4DE0%2d8DC4%2d47D223CB5867%7d>

### 2.3.2 Functional Performance Indicators (Outcomes and Outputs level)

Central to the work of the reporting reforms project has been the focus upon the following municipal functions which have informed the development of a set of indicators:

- Water and sanitation;
- Electricity and energy;
- Housing and community facilities;
- Roads and transport;
- Environment and waste management;
- Fire and emergency services and
- Governance.

In each case the functions were organised around a set of framing outcomes. The outcomes are generic, non-prescriptive (in terms of municipalities replicating their formulation in planning documentation) and provide the common organising and logical frame through which both outcome indicators and outputs indicators should be understood. Refer to **Appendix A** for this breakdown of the outcomes and how they relate to both outcome indicators and output indicators.

Each indicator was developed applying a set of principles and criteria considering their strategic value and importance, as well as practical realities related to data availability and systems. This was heavily consulted upon and allowed for practical considerations, at times at odds with technical preferences, to inform indicator selection and readiness in order to ensure that indicators could actually be planned for and reported on.

## 2.4 Readiness of indicators

The process of indicator consultation has led to the evolution of a tier classification system in terms of readiness for tracking indicators. To indicate whether the indicator is well-defined, with a set of methodologies and pre-existing datasets available to begin reporting on these indicators, a tier classification has been introduced. Applying a similar version of indicator readiness classification used for the Sustainable Development Goals (SDG) by the United Nations (UN, 2016), the following tiers have been developed and applied for this exercise:

**Table 1: Indicator readiness tier classification system**

<b>Tier 1</b>	Indicator conceptually clear, established methodology and standards available and data regularly produced.
<b>Tier 2</b>	Indicator conceptually clear, established methodologies and some standards but there is variability in interpretation and systems available to support. Data are not yet regularly produced across all stakeholders.
<b>Tier 3</b>	Indicator for which there is agreed conceptual value, but not yet a common established methodology and standards for data to be produced.
<b>Tier 4</b>	Indicator for which there is an identified need, but not yet conceptual agreement between stakeholders and this is a placeholder for a future indicator.

On the basis of this tier classification system it is determined whether an indicator is ready for implementation as a requirement of planning and reporting. In agreement with stakeholders, all Tier 1 and Tier 2 indicators have been identified for introduction by metropolitan municipalities in the 2018/19 planning and reporting cycle. All Tier 3 and Tier 4 indicators



require further work and development prior to introduction, but the intention is to progress them up the tiers over time. Metropolitan municipalities able to report on these indicators (or some variation of them) are encouraged to begin doing so even before they become prescribed.

## 2.5 Streamlining reporting responsibilities

Poor resourcing, limited capability and other challenges contribute to inefficiencies in the planning and reporting system at odds with the data needs for results-based performance management. For instance, while municipal level data on household service access is sought, it is neither cost-effective nor realistic for municipalities to undertake the surveys or establish comprehensive systems for sourcing, collating and reporting this data for their entire population. For those that have, there are differences in how and what methodologies they employ, rendering some measures incomparable. Some national departments and state entities have vested and specialised functions which are better placed in this regard. For instance, Statistics South Africa undertakes an Annual General Household Survey of the population representative at metropolitan municipal level which provides common, comparable measures of household service access which can be a standardised basis for comparison across metros. This process has therefore introduced the idea that the responsibility for performance indicators should be extended beyond that which can be supplied by the municipality alone.

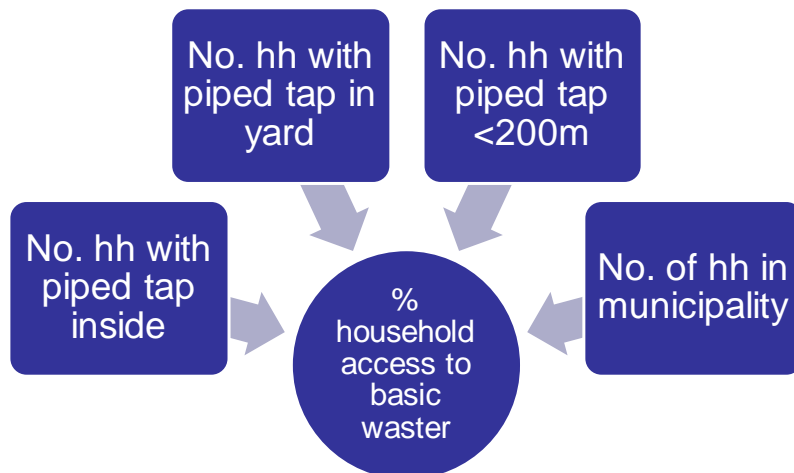
As a result, all indicators developed as part of this process distinguish between reporting responsibilities that are:

- Exclusively the responsibility of the **municipality**;
- Exclusively the responsibility of a **national** department or state entity to source and provide data to the municipality; and
- **Shared** between the municipality and a national department or state entity, where the measure is a composite of multiple data elements and sources.

The implication of this is that performance indicators for reporting need not be sourced, collated, managed and stored by the municipality. However, all the indicators should find expression at the appropriate level within statutory planning and reporting documents.

## 2.6 Indicator architecture

All indicators are made up of one or more data elements. Data elements are the most basic unit of measure that indicators are built upon. An example of the four data elements that inform the indicator of *Percentage of households with access to a basic water supply* is provided below to illustrate this:





### Figure 1: Example of an indicator with four data elements (abbreviated example)

Data elements are therefore the building block of all indicators and this process has ensured that all indicators are adequately defined at this level. Refer to **Appendix B** of the document for more details to see how this finds expression in the Technical Indicator Description for each indicator.

## 2.7 Internalisation of a regulated set of indicators

The indicators crafted and produced through the reporting reform process are intended to serve as a common standard and basis for regulation, beginning with metropolitan municipalities. However, it is recognised that metros have their own systems and methodologies in place for their indicators. There is therefore a degree of interpretation involved between how the data elements of a commonly defined indicator are sourced and supplied in one municipality compared to another. The Technical Indicator Descriptions are therefore expected to be common points of departure for these indicators, which should then be applied to the respective metro systems and sources via a **standard operating procedure** for the sourcing, collection, collation, storing and managing of data on the side of the municipality.

## 2.8 Complement own indicators

There is a real risk that the introduction of a set of prescribed indicators gives way to forms of malicious compliance and the discarding of innovative, cost-effective and dynamic data collection systems, methods and indicators. That is not the intention of this initiative but it has the potential to be an unintended consequence if not acknowledged and resisted. Metropolitan municipalities are reminded that it is at their own discretion to set and select indicators in addition to those that are prescribed via this process and that they should apply themselves in consideration of their preferred set of pre-existing indicators in relation to the prescribed set of indicators accompanying this circular.

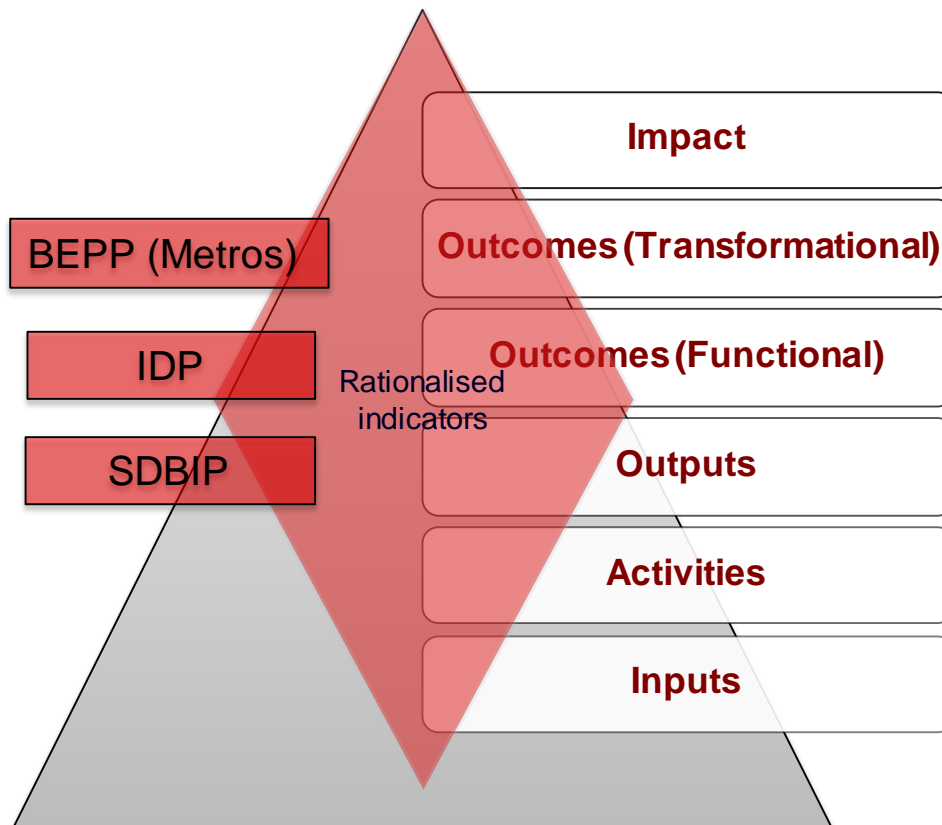
## 3 Clarifying Component 3 of the SDBIP

References to the SDBIP as a “layered plan” with a “top-layer dealing with consolidated service delivery targets and in-year deadlines” (MFMA Circular No. 13, 2005) has blurred the lines between what is expected of performance indicator planning and in which planning documents. There is a need to provide clarification of the levels at which performance indicator planning sits against the results-chain level most appropriately corresponding to the planning instruments available.

Reference to the SDBIP in the context of this circular therefore refers to component 3 exclusively, and more specifically the “top-layer” only. Component 3 of the SDBIP is understood as a distinct document separate from the IDP with a different purview and focus as it relates to output indicators **within the control and responsibility of the municipality** exclusively. All references to the SDBIP in this circular are actually referring to the templates for planning and reporting provided as **appendix C and D** to this document.

### 3.1 The statutory planning context

The MSA and MFMA provide the legal framework around which municipal planning must occur. The Spatial Planning and Land Use Management Act of 2013, in combination with the DoRA, has given impetus to the introduction of the BEPP as an additional planning instrument for metropolitan municipalities with a distinct spatial imperative for the built environment. Figure 2 illustrates how these planning instruments relate to the results-chain and the targeted spread of indicators.



**Figure 2: Performance indicators on the results-chain as the focus of the reporting reforms work**

From the above it is clear that each planning instrument is intended to correspond to a distinct results-chain level and that this should guide and inform the selection and application of indicators in these planning documents. Also apparent is that the emphasis of the rationalised set of indicators is to ensure a leaner, more streamlined and strategic set of indicators is prioritised and tracked, particularly between the output and outcome levels.

Importantly, the nature of city transformation sought at the level of the BEPP does not allow for a clear-cut or distinct conceptual alignment between this level and that of the functional outcome level expressed in the IDP. The alignment and logical functional linkage is however sought between the IDP, SDBIP and the performance part in the Annual Report, recognising the critical importance of the mechanisms operating between the product or service delivery and the result sought by the municipality.

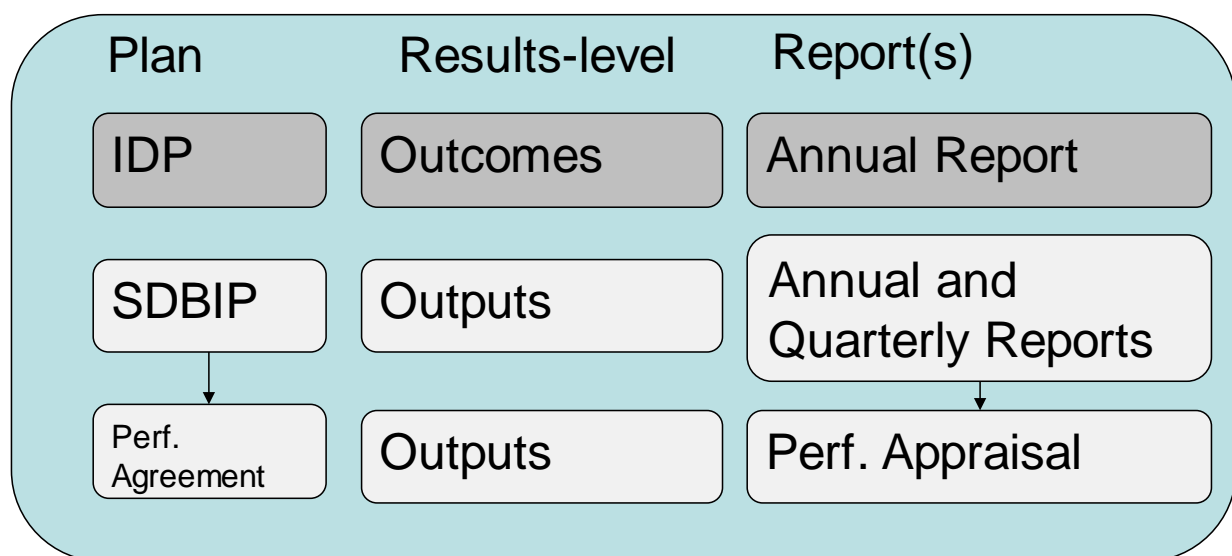
**A note on the BEPPs**

*Spatial planning and land use management is primarily a municipal function in terms of SPLUMA and the precedent-setting ruling of the Constitutional Court (2010). The BEPPs and its related Guidelines do not usurp the municipal function of spatial planning and land use management. They seek to work collaboratively with metropolitan municipalities to share good practice, within the context of efforts by the national government to introduce a more enabling policy and regulatory environment to achieve more compact cities. The planning alignment and reform advocated by the BEPPs and its related Guidelines (and its inherent approach, tools and instruments) are part of package of reforms complemented by national regulatory, fiscal, monitoring and reporting reforms.*

### 3.2 Clarifying the IDP and SDBIP interface

Component 3 of MFMA Circular No. 13 has been widely interpreted by municipalities. As a result, many municipalities have blurred the lines between selecting outcome and output indicators in their IDPs and SDBIPs and reporting on them in their quarterly and annual reports. **In line with the original intention of the SDBIPs, this circular seeks to clarify that the SDBIP should only be concerned with performance information that speaks to “products or services” directly produced or delivered within the control of the municipality, otherwise known as outputs.** The targets set for these indicators should therefore be informed by the resourcing allocation derived from the prioritisation and strategic direction set out in the IDP. Similarly, the IDP should be concerned primarily with the outcomes and set targets in relation to these over the medium term.

The following is intended to provide conceptual clarity with regards to the planning and reporting instruments appropriate for the respective results-chain levels.



**Figure 3: Planning and Reporting instruments and their results-level**

In Figure 3 there is an important relationship between the Outcomes (Functional) and the Outputs (Functional) reflected in the SDBIP. The indicators were crafted at outcome and output level with a common conceptual frame and it is expected that both of these would find expression in terms of annual reporting so that this logical linkage can be made.

## 4 Phased Implementation

The underlying approach to these indicators is one of incremental introduction. There is a recognition that not all of the indicators are comprised of data elements for which there is a common understanding of the methods for collecting the data, let alone the systems to regularly source, collect, collate and report on this information. As a result, an incremental approach to implementation has been pursued applying the readiness tiers set out in Table 1 as a basis for identifying which indicators are ready for implementation. It is noted that in aggregate there are currently 157 indicators (e.g. outcome (city transformational), outcome (functional), output, compliance and questions) at various levels of readiness.

#### 4.1 Indicators ready for introduction in 2018/19

From Table 2 it is clear that only 88 of the 122 indicators are placed at Tier 1 and Tier 2 and will be prescribed for the 2018/19 planning and reporting cycle, with 16 city transformational indicators already introduced via the BEPPs.

**Table 2: Readiness level of the indicators**

Readiness	No. of indicators
Tier 1	60 +16 <sup>1</sup>
Tier 2	28
Tier 3	30
Tier 4	4
Total	122 + 16

The other 34 indicators at Tier 3 and 4 are still subject to change and will not be prescribed for the 2018/19 cycle. However, municipalities that are able to begin reporting on these indicators, particularly at output level, are encouraged to do so.

When considering the spread of the 88 indicators to be introduced in the 2018/19 planning and reporting cycle, 62 of these indicators (and their constituent data elements) were identified as the sourcing, collection, collation and reporting responsibility of metropolitan municipalities solely. For 12 of these indicators, the responsibility is shared between the municipality and a national stakeholder or entity in terms of supplying some of the data elements. In 14 instances the indicator and its constituent data elements are the sole responsibilities of national departments or entities responsible for reporting data for the metropolitan municipalities.

#### 4.2 Indicators to be introduced from 2019/20 onwards

The 34 indicators at Tier 3 and Tier 4 are not prescribed to metropolitan municipalities as there is not yet agreement on their formulation and description. These indicators will require further definitional and technical work in consultation with national sector departments and municipalities prior to introduction. It is anticipated that as these indicators are better defined that some of them will be graduated from Tier 3 to Tier 2 in the course of the 2018/19 financial year. Metros should anticipate putting systems in place to ensure the regular availability of data.

#### 4.3 Additional governance information required

As part of the effort to streamline reporting requests in collaboration with the Department of Cooperative Governance, additional governance information is required that sits outside of the performance indicators. This includes data in relation to 17 indicators and 4 questions that are included within the prescribed package for reporting. These indicators are not covered by the performance indicators or their data elements.

#### 4.4 Implications for future roll-out

The performance reporting reform initiative has been targeted at metropolitan municipalities and indicators have been crafted specifically in relation to the powers and functions vested in them. However, the challenges facing metropolitan municipalities extend across local government more generally. As part of a pilot process, a sub-set of these indicators will be introduced to intermediary cities that opt to apply for a re-structured municipal infrastructure grant to test the reporting reform outside of the metropolitan context.

<sup>1</sup> Refers to the 16 transformational outcome indicators already introduced via the BEPPs.

The new set of indicators for metropolitan municipalities should be seen as a build-up to the review of the current general key performance indicators for local government as mandated by the 2001 Regulations done in terms of Chapter 6, section 43 of the Municipal Systems Act<sup>2</sup>. A new set of indicators to replace the current general key performance indicators will take a differentiated approach to the powers and functions of each municipal category. The new set of indicators for metropolitan municipalities is thus the 1st phase of the development of a new set of general key performance indicators for local government.

As part of broader reporting reform, the intention is to incrementally phase out current sectoral reporting processes in favour of an integrated, collaborative and co-ordinated approach. The intention is to end duplicative and uncoordinated sectoral reporting requirements by the start of the 2019/20 financial year, based on the success of this approach. **Please note that all current reporting requirements remain until informed otherwise.**

## 5 Methodology

### 5.1 Timing and methodology for preparation of performance indicators and targets

Section 21(1)(b) of the MFMA requires that at least 10 months before the start of the budget year, table in council a schedule for -

- (i) the preparation, tabling and approval of the annual budget;
- (ii) the annual review of -
  - (aa) the integrated development plan in terms of section 34 of the Municipal Systems Act; and
  - (bb) the budget-related policies;
- (iii) the tabling and adoption of any amendments to the integrated development plan and the budget-related policies; and
- (iv) any consultative processes forming part of the processes referred to in subparagraphs (i), (ii) and (iii).

This is the legal requirement but it illustrates that the timing and annual review of the IDP is central to informing the indicator planning process. It is expected that as part of the annual preparations and review of the IDP that performance data for the latest available outcome indicators will be included, along with target setting over the medium-term horizon (on a 3-year basis, not annually). Setting a medium-term target, and not an annual target, for outcome indicators is intended to limit perverse incentives arising from accountability arrangements which may give rise to low target-setting or seek to revise down on an annual basis what were originally more ambitious medium-term outcome results.

Section 69(3)(a) of the MFMA requires the accounting officer to submit a draft SDBIP to the mayor no later than 14 days after the approval of the budget and drafts of the performance agreement as required in terms of the section 57 (1)(b) of the Municipal Systems Act. The mayor must subsequently approve the SDBIP no later than 28 days after the approval of the budget in accordance with section 53(1)(c)(ii) of the MFMA.

In addition, Regulation 14 (3) of the Municipal Budget and Reporting Regulations (MBRR) states that:

<sup>2</sup> Section 43 of the Municipal Systems Act provides that the Minister may prescribe general key performance indicators for local government by regulation and review, and adjust those general key performance indicators when necessary.

Outcome indicators **should**:

- Be included in the IDP with baseline data for the most recent year for which data is available.
- Include a medium-term target for both the end of the electoral term (5<sup>th</sup> year) and the outer year of the MTREF (3<sup>rd</sup> year shifting out).
- Be reported upon for the latest year for which data is available in the Annual Report.

Outcome indicators **should not**:

- Form the basis of an annual performance appraisal of the municipality.
- Have public annual or quarterly targets.
- Be expressed in the SDBIP.
- Be included in annual performance agreements of municipal managers or senior management.

Output indicators **should**:

- Be included in the SDBIP with baseline data for the preceding financial year.
- Include annual targets and be split into quarterly projections as appropriate.
- Be reported on an annual basis and quarterly as appropriate.
- Be reflected in the annual performance agreements of municipal managers or senior management.

For effective planning and implementation of the annual budget, the draft municipal service delivery and budget implementation plan may form part of the budget documentation and be tabled in the municipal council if so recommended by the budget steering committee.

Again, while this is the legal requirement the sequencing and expectation is clearly that municipal planning in the form of the IDP should be giving strategic direction and setting medium-term performance targets, while resource considerations should inform the target-setting and tracking of performance indicators over the short term via the SDBIP and associated reporting.

### 5.1.1 Introducing the performance indicators and setting targets at outcome level

Outcome level indicators are intended for introduction in the annual review of the IDP. It is anticipated that all of the prescribed 51 outcome (functional) level indicators for introduction in the 2018/19 planning and reporting cycle should find expression in relation to the respective IDP objectives set by the municipality. Where baseline data is already available, a target for the horizon of the MTREF should be set for these indicators (2020/21) with performance tracked in relation to this target, as well as the last municipal year of the electoral term (2021/22). It should be stressed that these indicators should be tracked annually to monitor trends, but accountability should rest with achievement of the target set for the medium-term horizon in the IDP. It is also acknowledged that setting targets in some instances is inherently problematic (e.g. Road traffic fatalities per 100 000 population) but that against trend data this may provide context.

### 5.1.2 Introducing performance indicators and setting targets at the output level

Output level indicators are intended for introduction in Component 3 of the SDBIP in the 2018/19 planning and reporting cycle. The 37 prescribed output level indicators should find expression in the SDBIP in relation to their respective sectors or in relation to the institutional location of those functions (e.g. Department of Sanitation, etc). In each instance baseline data should be compiled with target setting on a quarterly basis unless specified otherwise. Output level technical indicator definitions would then specify whether annual reporting should be cumulative (aggregated over four quarters), averaged or non-cumulative (snapshot in time) for an annual target.

Output level indicators are within the control of municipal officials and so it is expected that there is a direct accountability linkage between output level indicators in the SDBIP and the performance agreements for senior managers.



## 5.2 Planning templates

The following planning template is intended for illustration purposes to assist in the introduction of these indicators. The SDBIP planning template (**Appendix C**) should be read in conjunction with the recommendations for the planning template for outcome indicators to be included in the IDP.

Municipal name:

SDBIP: 2018-19

Sector	Ref No.	Performance Indicator (Output level only)	Baseline (Annual Performance of 2017/18 estimated)	Annual target for 2018/19	Target for 2018/19 SDBIP per Quarter			
					1st Quarter Planned Target	2nd Quarter Planned Target	3rd Quarter Planned Target	4th Quarter Planned Target
			1	2	3	4	5	6
<b>National Prescribed Indicators:</b>								
		List of prescribed National Indicators issued by NT		-	-	-	-	-
				-	-	-	-	-
				-	-	-	-	-

**Figure 4: Example of the SDBIP planning template for performance indicators (Outputs)**

Note that it is proposed that the SDBIP make provision for indicators that are prescribed by: national government (as in the case of the 37 mentioned output indicators); provincial government (currently on a province by province basis); and set by the municipality itself.

## 5.3 Reporting templates

The SDBIP reporting template is informed by the planning template. However, the objective of this template is to standardise performance reporting as far as possible. The following reporting template is intended for illustration purposes to assist in the introduction of these indicators. The SDBIP reporting template is provided in more detail (**Appendix D**).

Municipal name:

SDBIP Reporting Template: 2018-19

Sector	Ref No.	Performance Indicator (Output level only)	Baseline (Annual Performance of 2017/18 estimated)	Annual target for 2018/19	1st Quarter Planned output as per SDBIP	1st Quarter Actual output	1st Quarter Actual Expenditure Actual output
			1	2	3	4	5
<b>National Prescribed Indicators:</b>							
		List of prescribed National Indicators issued by NT		-	-	-	-
				-	-	-	-

**Figure 5: Example of the SDBIP reporting template for performance indicators (Outputs)**

All references to the SDBIP in this circular are referring to the templates for planning and reporting provided as **appendices C and D** to this document.

Figure 5 above (see also appendix D) effectively replaces Diagram 5 of Component 3 of the MFMA Circular No. 13. This provides a template for annual reporting which should be included in Chapter 3: Service Delivery Performance (Performance Report Part 1) in the Annual Report as per MFMA Circular No. 63.<sup>3</sup>

#### 5.4 Development of standard operating procedures

In the case of each prescribed indicator, municipalities are encouraged to develop a **standard operating procedure** to ensure they have clarified and standardised the process for the sourcing, collection, collation and reporting of each of these indicators according to their identified frequency of reporting. The Technical Indicator Descriptions provide considerable detail which then needs to be set out in an explicit and repeatable process within the respective context of each individual municipality.

#### 5.5 Link to mSCOA

mSCOA is not only a financial classification system or standard at a transactional level across all 257 municipalities, but also a business reform that affects every part of the operations of a municipality. It facilitates seamless alignment/ integration between the information used across the planning, budgeting, reporting and the accountability cycle. All of these are key ingredients or a precondition to improve services delivery. If municipal IT Systems are set up correctly, municipalities should now be able to track their performance between annual and quarterly targets set as part of their planning processes (IDP and SDBIP) in relation to the cost associated with these services from a budgeting and reporting perspective. This objective has been at the heart of the Mid-year Budget and Performance engagements with the non-delegated municipalities over the last ten years.

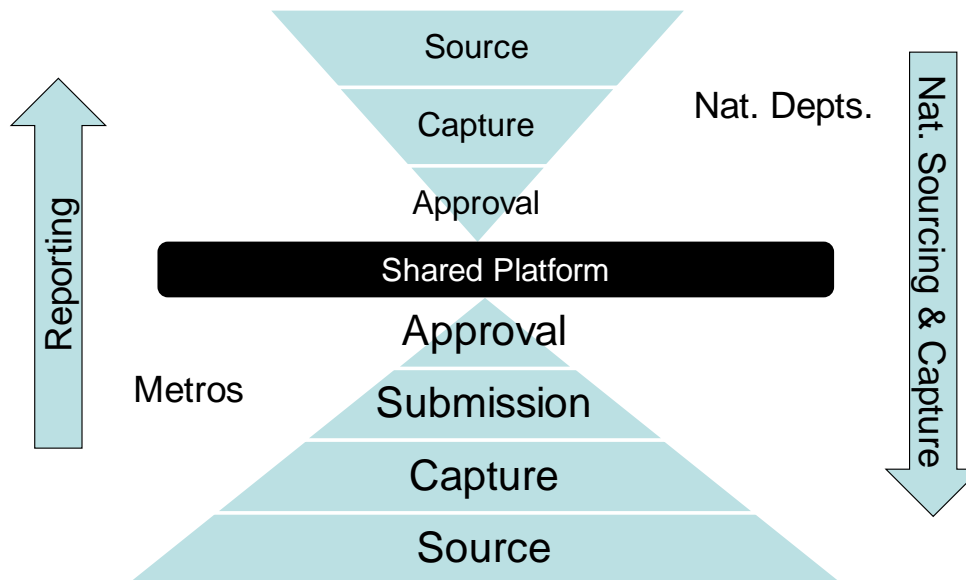
### 6 A shared reporting platform

National government, led by the Department of Planning, Monitoring and Evaluation, the Department of Cooperative Governance and National Treasury will establish and manage a shared performance reporting platform for metros and national departments.

Intrinsic to the notion of reporting reforms is the practical means through which a streamlined set of indicators could be more efficiently, sourced, captured, collated, approved, shared and reported upon. Figure 6 below provides a conceptual overview of a shared reporting platform and the place it will occupy between metropolitan municipalities and national government.

<sup>3</sup> Note that according to MFMA Circular No. 63 that Governance is covered in Chapter 2 of the Annual Report. This section of Governance sector indicators included in the appendices to this circular may therefore be presented in Chapter 2 prior to Chapter 3: Service Delivery Performance.





**Figure 6: Data inputs for a shared platform**

The shared platform system will allow for the input of each of the data elements making up an indicator and directly contribute to a reduction in the reporting burden and associated costs of data management while simultaneously contributing to more standardised, comparable and strategic information about performance results across metropolitan municipalities.

The shared platform is intended to include, but not limited to, the following functionality:

- Acting as a single, shared repository for storing and accessing all data elements and indicators;
- Allowing organisation-specific user permissions for assigning the capture, approval and submission rights of indicator data elements;
- Automating the sharing of data sourced on a national scale across metros (e.g. Statistics South Africa, Deeds Office, etc) via one point of capture and approval;
- Streamlining regulated indicator reporting (e.g. SDBIP and Annual Reports);
- Providing an overview and dashboard of captured and approve data prior to reporting submission;
- Providing sector-based reporting on outcomes;
- Providing comparative reporting across metros; and
- Allowing customisable performance indicator reporting based on user needs.

A pilot of the shared reporting platform will be tested as part of the roll-out of the prescribed set of indicators.

## 7 Way forward

Subsequent to this circular, a joint Cabinet Memorandum will be developed by the Department of Planning, Monitoring and Evaluation, National Treasury and the Department of Cooperative Governance to brief executive leadership on the performance reporting reforms introduced in metropolitan municipalities. This will inform intended revisions to the Local Government: Municipal Planning and Performance Management Regulations of 2001 which will be undertaken in the 2018/19 financial year.

## 8 Conclusion

This document has provided guidance to metropolitan municipalities as it relates a common set of performance indicators that will be applied for the 2018/19 planning and reporting cycle. It explains the process and provisions that informed the selection and application of these indicators and summarises a heavily consultative process with affected stakeholders. In the

process, it has sought to provide further conceptual clarity and close the gaps between the existing planning requirements their application in the distinct planning instruments.

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30 November 2017

## Appendix A – Overview of all prescribed indicators

Available from <http://mfma.treasury.gov.za>

## Appendix B – Technical Indicator Descriptions for all prescribed indicators

Available from <http://mfma.treasury.gov.za>

## Appendix C – New SDBIP Planning Template in Excel

Available from <http://mfma.treasury.gov.za>

## Appendix D – New SDBIP Reporting Template in Excel

Available from <http://mfma.treasury.gov.za>



## Rationalisation of Planning and Reporting Requirements for the 2020/21 MTREF: Addendum

This circular provides an update to metropolitan municipalities (Metros) on the preparation of statutory planning and reporting documents required for the 2020/21 Medium Term Revenue and Expenditure Framework (MTREF).

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### 1 Introduction

The MFMA Circular No. 88 (C88) issued on 30 November 2017 provided guidance to metropolitan municipalities on a common set of performance indicators to be applied in the 2018/19 planning, budgeting and reporting cycle.

As the Metros began implementing C88, certain challenges were identified. The National Treasury provided guidance on how to manage these challenges by way of two Frequently Asked Questions (FAQs), dated 10 April 2018 and 21 May 2018 published on the website of the National Treasury. June 2019 marked the end of the first year in implementing C88. The Auditor General (AG) intended to assess compliance with implementation of C88. Therefore, the National Treasury issued a letter on 16 August 2019 to all metros to provide further guidance. In that letter, 30 indicators were identified where Metros will unlikely be able to report in full due to acknowledged data challenges.

The intention to update the Indicators listed in Appendix A and the Technical Indicator Descriptions (TIDs) included in Appendix B before the end of 2019 was also communicated. These updates will apply to the 2020/21 planning, budgeting and reporting cycle.

This document represents the 1<sup>st</sup> addendum to C88. It is intended to produce an updated list of indicators and TIDs to guide the preparation of statutory planning and reporting documents required for the 2020/21 MTREF. While it is for the attention of all municipalities, it is currently

only applicable to the metropolitan municipalities. The Addendum must be read in conjunction with the original C88. However, note that the accompanying updates to **appendices A and B will replace the original appendices A and B** issued in 2017. Appendices A and B are supported by two new appendices E and F. Appendix E sets out the changes made to each of the affected C88 indicators. Appendix F sets out the TIDs for all Tier 1 and 2 indicators in MSWord format. Appendices C and D remain as per their original 2017 issue.

This Addendum does not introduce significant changes nor does it introduce new indicators in terms of appendices A and B. The purpose of this addendum is to confirm some of the changes that will allow for improved implementation of the core set of indicators.

There is an intention to undertake a more detailed review and in-depth technical design that could result in a more comprehensive C88 update by the end of 2020. It is also anticipated that this update would extend the application of the indicators to other categories of municipalities. Details will be confirmed during the course of the 2020 consultative process.

## **2 Summary of the updated Indicators and TIDs**

Below is a summary of the key issues that were considered as part of the review:

- As per the original issue of C88, most indicators at Tier 1 and Tier 2 and their TIDs have not been altered.
- In cases where comments have been received and stakeholders have motivated for greater consultation on the indicator formulation, clarity on definitions or identified inconsistencies in the TIDs, these indicators have been updated but remain at Tier 1 or Tier 2 readiness.
- In instances where the implementation of C88 identified challenges in the sourcing and supply of data, particularly from national role-players to metropolitan municipalities, these indicators have been moved down from Tier 1 or 2 readiness levels to Tier 3 or Tier 4, indicating these indicators are not yet ready for reporting. The assessment also highlighted that the 16 City Transformational Indicators (BEPP Indicators) require more detailed technical work and therefore will be moved to Tier 3 and 4.
- Indicators originally set at readiness level Tier 3 or 4 remain unchanged (as per the original issue of C88). These indicators are not yet prescribed indicators but metropolitan municipalities should begin putting systems in place to supply the data required for these indicators.

It is necessary that metropolitan municipalities scrutinise these TIDs taking note of the changes to the indicator definitions and adjusting their own Standard Operating Procedures (SOPs) where necessary.



**Table 1: Categories of C88 indicator updates and implications**

Category of C88 update	Number	Implications
No change to Tier 1 and 2	53	Indicator remains the same, apply as per original issue.
Changes to the indicator, but still Tier 1 or 2	25	Municipalities should scrutinise the changes to the indicator in the TID and amend SOPs where appropriate.
Changes to the indicator: moving from Tier 1 & 2 to Tier 3 or 4	26	Municipalities should note that there are data availability challenges and these indicators are not yet ready for C88 reporting. This includes the 16 BEPP indicators.
No change to Tier 3 and 4 status	34	Municipalities should continue to treat these indicators as Tier 3 and 4, no change in status.

Appendix A is an updated complete list of all indicators. The complete TIDs for each indicator is available in Appendix B.

### 3 Internalisation of this prescribed set of indicators

The indicators contained in C88 of 30 November 2017 are intended to serve as a common standard and provide the basis for regulation, beginning with metropolitan municipalities. However, the sourcing and supply of the data elements for the commonly identified indicators can differ from one municipality to another. The TIDs provide a common point of departure for these indicators, but metros are reminded of the importance of developing metro-specific **standard operating procedures** that describe the sourcing, collection, collation, storing and managing of data on the part of the municipality.

Metropolitan municipalities are reminded that it is at their own discretion to set and select indicators in addition to those prescribed via this process. Pre-existing indicators should also be considered in relation to the prescribed set of indicators accompanying this circular.

Municipalities are also reminded of the provisions of Section 3 of C88 which addresses the statutory planning context and the implications of these indicators for planning. In addition, Section 5 notes the timing and methodology for the preparation of performance indicators and targets - highlighting the distinction between target setting at outcome level and target setting at output level.

### 4 Clarification of need for internal verification of data

This reporting reform process is intended to support the alignment between planning, budgeting and reporting for a prescribed set of municipal performance indicators. As such, the focus should be on generating performance information on both a quarterly and annual basis that is of value in the decision making, planning, in-year monitoring and accountability processes of metros and other government partners.

Given the focus on reporting for performance monitoring and improvement, it is expected that the data inputs contained in the quarterly and annual C88 reports would be subject to internal quality assurance processes. There is therefore no requirement that data be subjected to auditing by the Auditor General prior to reporting in terms of the C88 process.

However, it is acknowledged that the C88 Annual Report submitted to the National Treasury by Metros prior to the auditing of performance information by the Auditor General may differ

from the C88 information contained in the Annual Performance Report after the audit by the Auditor General. Therefore, Metros will be afforded an opportunity to submit a 2<sup>nd</sup> final version of the C88 Annual Report for record purposes one month after the completion of the audit by the Auditor General.

**Table 2: Reporting timeframes for submission of C88 reports to National Treasury**

Report Title	Due Date to NT C88 Reporting
Q1 C88 Report (July 2020 – Sept 2020)	31 October 2020
Q2 C88 Report (October 2020 – December 2020)	31 January 2021
Q3 C88 Report (January 2021 – March 2021)	30 April 2021
Q4 C88 Report (April 2021 – June 2021)	31 August 2021
Annual C88 Report Unverified (July 2020 – June 2021)	31 August 2021
Annual C88 Report Verified (July 2020 – June 2021)	31 January 2022

## 5 Conclusion

This document is an Addendum to the MFMA Circular No. 88 dated 30 November 2017 and must be read in conjunction with the original circular. This Addendum provides guidance to metropolitan municipalities on the common set of performance indicators to be applied for the 2020/21 planning, budgeting and reporting cycle. Changes are reflected in the updates to appendices A, B, E and F.

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04 December 2019

## **Appendix A – Overview of all prescribed indicators**

Available from <http://mfma.treasury.gov.za>

## **Appendix B – Technical Indicator Descriptions for all prescribed indicators in MS Excel**

Available from <http://mfma.treasury.gov.za>

## **Appendix E – Overview of changes to all prescribed indicators**

Available from <http://mfma.treasury.gov.za>

## **Appendix F – Technical Indicator Descriptions extracted for all Tier 1 and 2 indicators in MS Word**

Available from <http://mfma.treasury.gov.za>



# Rationalisation of Planning, Budgeting and Reporting Requirements for the 2021/22 MTREF: Addendum 2

This circular provides an update to all municipalities on the preparation of statutory planning and reporting documents required for the 2021/22 Medium Term Revenue and Expenditure Framework (MTREF). It is for the attention of all municipalities and **for the first time applies to all categories of municipalities.**

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## 1 Introduction

The Municipal Finance Management Act (MFMA) Circular No. 88 of November 2017 provided guidance to metropolitan municipalities on a common set of performance indicators applied from the 2018/19 planning and reporting cycle onwards. The 1<sup>st</sup> addendum to Circular No. 88 of 4 December 2019 provided further guidance and clarity to metropolitan municipalities on the preparation of statutory planning and reporting documents required for the 2020/21 Medium Term Revenue and Expenditure Framework (MTREF). Both were for the attention of all municipalities, while the indicators only applied to metropolitan municipalities.

Experience since the 2018/19 implementation of the original circular has shown that the ongoing planning, budgeting and reporting reforms process is complex and requires sufficient time and change management for incremental roll-out, growth and institutionalisation. Addendum 2 introduces a significant shift in the reforms in four respects: 1) it more closely integrates and guides planning, budgeting and reporting reforms; 2) it significantly expands and revises the set of MFMA Circular No. 88 indicators applicable to metropolitan municipalities; 3) it expands the application of the reforms and the indicators to differential

categories of municipalities and levels of readiness, for application in 2021/22 MTREF cycle going forward; and 4) it introduces evaluations in the context of these reforms.

Improved planning by itself will not result in the intended spatial, economic and social transformation. Strengthening the linkages across a holistic cycle of planning, budgeting, reporting and evaluation is much more likely to. Intergovernmental spatial planning and intergovernmental budgeting via an intergovernmental programme and project pipeline is a good starting point in this regard, as the interdependencies bring with them complexity, but also a mutual reinforcement that strengthens with the endurance of commitments over time and space. Therefore, as the urban spatial perspective in the budgeting process moves from introduction to refinement and establishment/institutionalization; as budget information is requested, collated and analysed in a way that promotes the allocation of funding against plans that contributes directly to the spatial transformation of our cities, the increase in the planning and budgeting horizons from 3 to 5, 10, 15 and 20 years carries with them greater promise and certainty of progress. But in order to do this, it will require the simultaneous improvement of the longer-term municipal planning frameworks such as Municipal Spatial Development Frameworks (MSDFs), City Development Strategies (CDSs) and longer-term sector strategies; any legislative, policy or regulatory changes; and the development of a spatial budgeting mix linked to infrastructure asset management and spatial plans of the cities.

Improved budgeting/fiscal/financial reforms such as the introduction of the Municipal Standard Chart of Accounts (*mSCOA*), the policy framework for development charges, the municipal borrowing framework and long-term financial models and strategies will not by themselves result in spatial, economic and social transformation in cities. Neither would reporting reforms by itself result in spatial, economic and social transformation, or evaluations for that matter. If all reforms, and particularly planning, budgeting/fiscal/financial and reporting reforms are strategically aligned, then the likelihood of achieving spatial, economic and social transformation in cities will be greatly increased.

MFMA Circular 88 on Rationalising Planning and Reporting Requirement, first issued on 30 November 2017 and the subsequent update Addenda in 2019, generally focused on the implementation of reporting reforms. This Addendum update issued on 17 December 2020 includes the work to date on planning and budgeting reforms to be factored into municipal planning, budgeting and reporting for the 2021/22 MTREF. The reforms will continue being incrementally implemented in the 2022/23 - 2025-26 MTREF, and apply on a differentiated basis per municipal category, first in metropolitan municipalities, and then to intermediate city municipalities, districts and all remaining municipalities.

## **2 Planning and budgeting reforms and guidance**

Planning reforms were started in the 2014/15 MTREF through the introduction of Built Environment Performance Plans (BEPPs) as a requirement of the annual Division of Revenue Act (DORA). The planning reform programme is a collaborative initiative between the Departments of Cooperative Governance (DCoG); Agriculture, Land Reform and Rural Development (DALRRD then Rural Development and Land Reform); Department of Planning, Monitoring and Evaluation (DPME); and National Treasury (NT) Cities Support Programme (CSP) that focuses on the eight metropolitan municipalities. Once reforms are tried and tested, they are then differentially applicable to the next category of municipalities, that is intermediate city municipalities and the remaining local municipalities.

### **A tool for reforming planning, budgeting and reporting**

For the time of its existence the Built Environment Performance Plans (BEPPs) were an additional planning instrument in the municipal planning system that spanned budgeting and reporting. It was an instrument of change for a limited time period, not a permanent addition to

the range of municipal planning instruments, and it thus ceases to exist in the 2021/22 MTREF and further. However, the lessons learnt from the BEPPs and other planning reforms will continue by being introduced into the existing municipal planning, budgeting and reporting instruments, processes, content and practice. In summary, the lessons learnt are: -

1. Outcomes-Led Planning (OLP) and spatial targeting should be the key approach for all relevant metropolitan plans such as the Growth and Development Strategy/City Development Strategy (GDS/CDS); MSDF; longer term sector strategies; City Infrastructure Delivery Management System (CIDMS); Long Term Financial Model and Strategy (LTF Model and Strategy), and last but not least the IDP. There is a need to move away from compliance-driven planning to integrated, results-based planning;
2. Strategy-Led Budgeting (SLB) ensures that scarce financial resources are aligned to the key priority outcomes in the municipality; and
3. Using spatial targeting to Influence and incorporate the relevant provincial, national and state-owned enterprise plans and budgets into municipal spatially targeted areas enables all of government to focus on contributing to outcomes and impact.

### **Institutionalisation of planning, budgeting and reporting reforms**

All metros made commitments to institutionalising their BEPPs and planning, budgeting and reporting reforms during the Annual Assessment of BEPPs and City Plans in 2020. These commitments will be monitored in the 2021/22 MTREF plans and budgets – key content and process from the planning reforms that should be in the 2021/22 IDP are the Intergovernmental Programme Pipeline and Catalytic Land Development Programmes (previously Annexure 2 and 1 of the BEPPs respectively) that should be brought into the IDP.

Translating the lessons learnt into practical activities and outputs requires that we focus on the following going forward until it is successfully institutionalised: -

- a) Planning Approach: The planning approach is outcomes-led, using predetermined outcomes that can be measure the performance of the built environment, to inform the planning process. Transit-oriented development and spatial targeting are key planning concepts that drive the outcomes-led approach and inform the budgeting process;
- b) Planning Content: The planning content is the substance of the plan and the related key outputs of the plan e.g. Catalytic Land Development Programmes; the Intergovernmental Programme Pipeline; budgeting that is led by the planning strategy and outcomes; and results on the performance of the built environment;
- c) Planning Practice: Planning practice is about the professional agency of planners and related built environment practitioners, municipal financial practitioners including monitoring and reporting practitioners; and
- d) Planning Process: The planning process is the collective activities that constitute the Built Environment Value Chain (BEVC), a standardised, logical set of interactive and iterative activities that should result in a well performing built environment that produces the outcome of a compact city that is more inclusive, productive, resilient and sustainable and thus better governed. The process includes intergovernmental planning and budgeting, that is across the spheres of government and including the communities/households and the private sector investment in the built environment.

The planning reforms are being worked into oversight, monitoring and evaluation processes by setting out the criteria in Table 1 to assess the extent to which longer-term frameworks and strategies as well as the IDP incorporates planning reforms. Note that this criteria is an addition to criteria set by the relevant sector departments to assess the plans, and has been tested during 2020 in the process of the independent assessment of city plans.

Support will be provided to all stakeholders in order that the planning reforms outlined above are successfully implemented and institutionalised. The BEPPs Guidelines will be turned into a toolkit for outcomes-led planning and spatial targeting to provide technical guidance for both



longer-term and term-of-office planning. Existing and new knowledge products provide another form of support, as does technical support from the Cities Support Programme. Work has started on bringing professional institutes on board to promote continuing professional development for municipal finance, planning and engineering officials. Specialist capacity building and training institutions such as Municipal Institute of Learning (MILE) and the Tshwane Leadership and Management Academy are being engaged to do training and capacity building. Tertiary education institutions are being approached to factor in the planning reforms into curriculum development.

**Table 1: Criteria to assess incorporation of planning, budgeting and reporting reforms in city plans**

Criteria	Focus of assessment
1. Theory of Change for City Transformation <sup>1</sup>	<ul style="list-style-type: none"> <li>Evidence of a clear TOC to address city transformation in line with national policy directives – SPLUMA &amp; IUDF</li> <li>Evidence of alignment with TOC in all plans and budget</li> </ul>
2. Outcomes-Led Planning and Spatial Targeting <sup>2</sup>	<ul style="list-style-type: none"> <li>Have outcome statements been used to directly influence planning?</li> <li>Has the circle been closed by adopting the Circular 88 indicators?</li> <li>Are the spatially targeted areas clearly evident from frameworks through to strategies and implementation plans?</li> </ul>
3. Strategy-Led Budgeting <sup>3</sup>	<ul style="list-style-type: none"> <li>Is there a longer-term financing strategy to resource the CIDMS?</li> <li>Is the budget spatialized?</li> <li>Has <i>m</i>SCOA been implemented?</li> </ul>
4. Alignment of Public Infrastructure Investment in spatially targeted areas in metros (Annexure 2 and Part C of BEPPs) – process and outputs <sup>4</sup>	<ul style="list-style-type: none"> <li>Has the city managed to get intergovernmental stakeholders to disclose their Programmes and related Budgets?</li> <li>Is the evidence that here is a move from disclosure to joint planning?</li> <li>What is the extent of alignment of intergovernmental planning and budgeting?</li> </ul>
5. Adoption of spatial planning, prioritisation and budgeting tools <sup>5</sup>	<ul style="list-style-type: none"> <li>Does the city have a process or system/tool in place to filter programmes and projects submitted for approval?</li> <li>What criteria does the city use to approve projects for funding and Implementation?</li> <li>Does the city distinguish between priority programmes and projects?</li> <li>Do priority programmes and projects have a greater weighting than others?</li> </ul>
6. Does the city have longer term frameworks and strategies in comparison to the term-of-Office plan (IDP) or 5-year plans?	<ul style="list-style-type: none"> <li>Does the city have a SDF and/or CDS/GDS?</li> <li>Are there longer-term sector strategies for Human Settlements, Public Transport, Economic Development, Climate Resilience, Financial Sustainability, Infrastructure Asset Management</li> </ul>

### New metropolitan specific IDP Guideline and Assessment Framework

The new metropolitan specific IDP Guideline and complementary metropolitan specific IDP Assessment Framework incorporate the lessons learnt from the BEPPs and planning, budgeting and reporting reforms. These will come into effect for the 2022/23 MTREF once signed by the Minister of Cooperative Governance. The IDP has been confirmed as the term-of-office plan by DCoG.

### Longer-Term Intergovernmental Planning and Budgeting

Having institutionalised many of the planning, budgeting and reporting reforms in the IDP for the term-of-office planning, attention is now focused on reforming longer-term planning - while this work is ongoing into 2021 there are clear indications already as outlined below. It is noted that besides the National Development Plan (NDP), longer term planning is not common

practice in government - national sector departments are required to produce 5 year Strategic and Performance Plans aligned to the Medium Term Strategic Framework (MTSF) with the process for the Annual Performance Plan (APP) being focused on annual plans in the context of 3 year rolling plans and budgets and M&E focused on annual performance. While the annual local government planning and budgeting process includes “all of government stakeholders” (provincial, national and SOE), very few of the provincial, national and SOE processes includes municipalities. This situation makes joint planning a very challenging activity unless reforms for national, provincial and SOE planning are implemented as soon as possible. Some strides have been made with particular departments or functions over the last few years as evidenced in Annexure 2 of the BEPPs on the Intergovernmental Programme and Project Pipeline.

### **Municipal Spatial Development Frameworks and City Development Strategies/Growth and Development Strategies**

Metropolitan municipalities on the other hand have a tradition of planning for the longer term with metropolitan spatial development frameworks (MSDFs) always based on at least a 10-year time horizon. Furthermore, metropolitan municipalities worked together with the SACN many years ago to develop their GDS/CDS e.g. Joburg 2040 and Tshwane 2055. While the GDS/CDS is not a legislative requirement, it has been established as good practice and critical to informing the term-of-office planning.

### **City Infrastructure Delivery Management System and Longer-Term Financial Model and Strategy**

All metropolitan municipalities have started implementing the CIDMS and related Framework for Infrastructure Delivery and Procurement Management (FIDPM) and the complementary LTF Model and Strategy, which if correctly implemented should span a 40-year time horizon. DCoG has agreed that the CIDMS replaces any guidelines that it has issued on infrastructure asset management since the CIDMS is based on the full life-cycle management of infrastructure assets and makes the important and direct link of the MSDF informing the spatial location of infrastructure development. There is a customised, less complicated Local Government IDMS to be used by intermediate city municipalities and other local municipalities together with the LTF Model and Strategy.

### **National Treasury Infrastructure Guidelines**

National Treasury has clarified that the various infrastructure guidelines it has issued serves the functions as set out in Table 2.

### **Longer-Term Sector Strategies**

In addition to MSDFs, CDS/GDS CIDMS and LTF Model and Strategy another trend in some metropolitan municipalities is the development of longer-term sector strategies such as Human Settlement/Housing Strategy, Economic Development Strategy, etc. The MSDF Guideline (2017) requires all sector strategies to be integrated and informed by the spatial strategy [SPLUMA s21 (m)].



**Table 2: National Treasury Infrastructure Guidelines**

Guideline	Purpose
Annual guideline on Budget Facility for Infrastructure	Criteria for accessing the Budget Facility for Infrastructure for very high value infrastructure projects
Annual Guideline for Capital Planning	Guidance to national sector departments on large infrastructure projects
PPP Framework	Guidance on how to design a PPP
Local Government Capital Asset Management Guide (2008)	Accounting treatment if infrastructure assets

### **Spatial Targeting and City Transformation Indicators (Integrated Outcome Indicators)**

The city of Johannesburg has clearly adopted spatial targeting into their MSDF since 2014/15 with the Corridors of Freedom, deprived areas, etc. In 2016 the City of Cape Town incorporated their spatial targeting from the BEPPs into their MSDF. Other metropolitan municipalities can now follow the example of the cities of Cape Town and Johannesburg and work their spatially targeted areas into their MSDFs and/or other longer-term plans/frameworks/strategies. After two years of grappling with reporting on the integrated outcome indicators via the BEPPs, the challenges with reporting on these indicators annually are now well-established. The discontinuation of the BEPPs necessitates finding the relevant longer-term plan in which the integrated outcome indicators would best be placed. This issue will be resolved after further consultation with DALRRD and cities during 2021, but it is clear that the integrated outcome indicators are not well suited to the IDP and annual performance reporting.

### **Capital Expenditure Framework (CEF) and Capital Investment Framework (CIF)**

Many metropolitan municipalities have used their BEPPs as the MSDF requirement for a Capital Expenditure/Investment Framework (CEF/CIF) since there has been no specification from the DALRRD – the good practice established by some metropolitan municipalities can be adopted by other metropolitan municipalities until such time as DALRRD provides clarity. Section (4)(e) of the MSA Municipal Planning and Performance Management Regulations (2001) requires that the SDF must set out a capital investment framework. At the same time SPLUMA section 21 (n) requires that a MSDF must determine a capital expenditure framework for the municipality's development programmes depicted spatially. And the MSDF Guideline 2017 requires the municipality to develop a capital investment framework that articulates how the spatial proposals are to be achieved sequentially with attention to what key interventions need to take place, where they need to occur and by whom. This difference between the requirements of the MSA Regulations, the MSDF Guideline and the SPLUMA requires urgent clarification from DCoG and DALRRD.

Note that some intermediate city municipalities have adopted the Guide to Preparing a Capital Expenditure Framework issued by DCoG – this guide was designed specifically for intermediate city municipalities and does not apply to metropolitan municipalities.

### **District Development Model (DDM) One Plan**

DCoG has agreed that the following metropolitan longer-term plans/frameworks/strategies will be used to contribute to the District Development Model (DDM) One Plan (which itself is a longer-term plan): -

- Economic Recovery Plan;
- CDS/GDS;
- MSDF;
- CIDMS and LTF Model and Strategy; and
- longer-term sector strategies.

The One Plan and other longer-term plans mentioned above will be used to inform the term-of-office IDP.

All the above planning provisions are indicative of greater coherence and integration across the different planning and budgeting instruments and their respective horizons. These planning developments take on more significance in relation to developments in the reporting reforms.

### **3 Expanding and revising the indicator set**

The sector and municipal consultations informing this update to MFMA Circular No. 88 have prompted significant expansions and revisions to the indicator set. These expansions and revisions distinguish between: - 1) Further conceptual clarification and increase in the 'compliance' indicators; 2) addition of 'new' sectors to the indicators set; and 3) Further expansion and revision of the existing indicators.

#### **3.1 Clarifying and expanding 'compliance' indicators**

The original circular introduced 17 compliance indicators and 4 questions for metropolitan municipalities to report on quarterly. As these indicators were deemed to be for 'compliance' purposes, they were formulated as a singular data elements set without Technical Indicator Descriptions (TIDs). Municipalities were not expected to set targets for these indicators, only to monitor and report on them quarterly in relation to basic legislative compliance and for capacity consideration.

With the benefit of implementation, stakeholders identified the need and value of TIDs for these types of indicators to include a rationale, definition and conceptual clarity. Furthermore, it became apparent that otherwise useful monitoring data and information generated by municipalities did not always fit well within the Output and Outcome results level distinctions, with their attendant short and medium-term accountability requirements in relation to performance targets. Examples of such indicators include the 'Number of protests reported' and the 'Number of registered engineers employed in approved posts' which are very useful indicators, but not necessarily appropriate for performance monitoring and reporting.

Compliance indicators, or lower order results indicators, are therefore considered to be indicators that convey important information about the municipality's legislative and administrative compliance, capacity and staffing, and/or context. They are indicators made up of a single data element for reporting and exist only for monitoring purposes, as opposed to performance monitoring and reporting. Compliance indicators do not have performance targets and their TIDs are shorter and simpler, conveying only the rationale, definition, calculation, frequency of reporting and notes on accumulation.

Across all sectors there has been merit in the introduction of compliance indicators. This has led to the introduction of 74 additional compliance indicators. An additional set of 21 open-ended questions have also been added to allow for open-text submissions, although these do not constitute indicators. Please refer to the update of Appendix A for more information.

#### **3.2 Introducing new sector indicators**

MFMA Circular No. 88 introduced indicators informed by metropolitan municipality powers and functions for each of the following sectors: Energy and Electricity; Environment and Waste; Fire and Emergency Services; Good Governance; Housing and Community Facilities; Transport and Roads; Water and Sanitation; and what was called City Transformation (Integrated outcome indicators). As part of this update, the additional sectors of Financial Management and Economic Development were identified and consultations with sector

partners and departments were undertaken. Climate Change indicators were also proposed as a sector focus at the integrated outcome level.

Only the Economic Development indicator consultations were concluded and a complete set of indicators finalised. For the Financial Management sector, the consultations to rationalise and revise existing reporting remain on-going and will only be finalised in the 2021/22 financial year. As a result, this update reinforces existing financial indicator reporting in relation to MFMA Circular No. 71. This includes the 32 indicators suitable for municipalities and municipal entities issued in terms of Section 216(1)(c) of the Constitution and Section 2 of the MFMA. All existing reporting arrangements remain in place currently and there are no separate or additional MFMA Circular No. 88 financial management indicator reporting requirements at this time.

Although the Climate Change indicator consultations were undertaken with the intention to introduce them at the integrated outcome level along with updated City Transformation indicators, consultation on the appropriate planning and reporting mechanisms for integrated outcome indicators remains ongoing. As a result, there are not any integrated outcome indicators included within this update, as these indicators will be linked to a metropolitan longer-term plan/strategy/framework in the future, possibly the MSDF and/or the CDS/GDS.

### 3.3 Expansion and revision of indicators

Two years of experience of metropolitan municipality reporting of MFMA Circular No. 88 has informed the consultations with sector departments and municipalities. Concurrent consultations undertaken by the Department of Cooperative Governance (DCoG) have further informed revisions and an update to the MFMA Circular No. 88 indicators. This has led to significant expansion, revision and replacement of the existing indicator set.

With the addition of the Economic Development sector and additional Compliance indicators, as well as the removal of indicators for City Transformation at the Integrated Outcome level, there has been a net increase of over 65 per cent in terms of the total indicator set. Please refer to the overview in Table 3 below as well as the details in Appendix E.

Among the existing indicators, nearly  $\frac{1}{4}$  were altered or revised for further definitional clarity and refinement on the back of metro reporting experience. The alterations to these indicators are captured in detail in Appendix E.

**Table 3: Changes in MFMA Circular No. 88 indicators from 2019 to 2020 updates**

	2019	2020	NET
<b>City Trans./ Int. Outcome</b>	16	--	-16
<b>Economic Development</b>	--	25	+25
<b>Electricity and Energy</b>	18	21	+3
<b>Environment and Waste</b>	19	24	+5
<b>Fire and Disaster</b>	5	3	-2
<b>Governance</b>	22	22	--
<b>Housing and Co. Fac.</b>	19	22	+3
<b>Transport and Roads</b>	21	20	-1
<b>Water and Sanitation</b>	18	25	+7
<b>Lower ord./Compliance</b>	17	91	+74
	<b>155</b>	<b>253</b>	<b>+98</b>

Table 1 illustrates the maximum number of indicators per category, inclusive of all levels of readiness, based on the updated indicator set. Because these indicators apply on a differentiated basis per municipal category, with the full indicator set originally designed for

metropolitan municipalities, the expanded set of compliance indicators does not apply to metros in their entirety. These were expanded with a view to integrating the Back-2-Basics (B2B) reporting and as a result only 73 of the 91 compliance indicators apply in the case of metropolitan municipalities,<sup>1</sup> meaning that metropolitan municipalities have a total of 235 indicators that apply in practice.

It is important to emphasise that with the application of the reform across other categories of municipalities as a singular, differentially applied set of indicators for all of local government that the maximum number of indicators (253) does not apply in any one case. Among the differentially applied indicators are those that require 'National' or 'Shared' reporting outside the exclusive responsibilities of municipalities, as well as indicators at Tier 3 or 4 levels of readiness, which do not yet apply. As a result, in most cases municipalities are not responsible for reporting on more than half of the proposed indicators in practice at this time.<sup>2</sup>

### 3.4 Rationalisation of reporting in practice

With this update to MFMA Circular No. 88 a number of existing reporting requirements are expected to be integrated into the reporting process and practices, and thereby fall away as parallel reports. This includes the following reporting which is now considered integrated within the MFMA Circular No. 88 quarterly and annual reporting provisions:

- Back-2-Basics (B2B) monthly reporting to DCoG;
- Urban Settlements Development Grant (USDG) Performance Matrix reporting;
- BEPPs reporting of the City Transformation indicators; and
- Additional Service Delivery Information reporting to National Treasury.

## 4 Rolling out the reform to other categories of municipalities

The Department of Cooperative Governance (DCoG) has further advanced the development and application of the MFMA Circular No. 88 indicator set to intermediate cities, districts and local municipalities. With a view to eventually regulating the reform, a broader set of municipal and sector consultations were undertaken in terms of the provisions of Section 43 of the Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA) which provides for the Minister of Cooperative Governance and Traditional Affairs, after consultation with MECs for local government and organised local government representing local government nationally, to prescribe and regulate key performance indicators to local government.

It is therefore the intention of the Department of Cooperative Governance (DCoG) that the introduction of the MFMA Circular No. 88 indicators across local government serves as a pilot process towards eventual issuing a Regulation. The pilot of the MFMA Circular No. 88 indicators is intended to replace the Local Government: Planning and Performance Management Regulations of 2001, potentially targeted for November 2022.

Unlike the original circular (2017), this Addendum update applies **to all categories of municipalities**. It expands the scope of indicators applicable to the other categories of municipalities beyond metros (8)<sup>3</sup> including:

- Intermediate (or secondary) Cities (39);
- District Municipalities (44); and
- Local Municipalities (166).

<sup>1</sup> For instance, 82 compliance indicators apply for intermediate cities; 75 for district municipalities and 74 for local municipalities.

<sup>2</sup> Metropolitan municipalities have the maximum reporting load with 105 Tier 1 and 2 indicators, 73 applicable compliance indicators and 14 applicable compliance questions per annual reporting cycle, inclusive of National and Shared indicators.

<sup>3</sup> References the number of municipalities that are considered within each category.

Each MFMA Circular No. 88 indicator will be differentially applied per category of municipality and in terms of the four-tier readiness system. Only Tier 1 and Tier 2 indicators will apply to all municipalities from 2021/22 financial year onwards for the purposes of piloting.

**Table 4: Extract from a TID specifying the categories of municipality an indicator applies and its level of readiness**

Reporting responsibility	Applies to Municipal Category		Readiness
Municipality	Metro	Yes	Tier 2
	Intermediate City	Yes	Tier 3
	District	No	N/A
	Local	Yes	Tier 3

In Table 4 above, the indicator would apply to metropolitan municipalities, intermediate cities and local municipalities, but not districts. However, it would only be ready for planning and reporting in metropolitan municipalities for the 2021/22 financial year and would not yet be prescribed to intermediate cities and local municipalities.

#### 4.1 Special pilot provisions for rollout across local government

In order to get the process of planning and reporting on the indicators going, to test the indicators and for municipalities to get the related planning and reporting processes and systems in place, a staggered pilot process will follow for the rest of local government. This is informed by audit considerations and in consultation with the Auditor-General of South Africa (AGSA) to support municipalities to adopt the reform without the risk of receiving audit findings as part of the pilot process.

The existing MFMA Circular No. 88 guidance to give expression to outcome indicators in the IDP (and annual IDP update) and output indicators in the SDBIPs will continue to apply to metropolitan municipalities only.

Due to the pilot process in the 2021/22 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 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 Tier 1 and 2 levels of readiness.

For this pilot process, the applicable indicators as included in the Annexures will be monitored and reported on, on a quarterly and annual basis, to the DCoG and the provincial departments of Cooperative Governance and Traditional Affairs (COGTAs). No reporting in the MSA section 46 statutory annual performance report (APR) will be required.

Municipalities will continue to plan and report on the KPIs adopted in the indicators tables of the IDP and SDBIP in the section 46 APR as required for 2021/22.

This “parallel” pilot process will allow and encourage municipalities to plan, implement and report on the MFMA Circular No. 88 indicators, without limiting their statutory performance planning and reporting in fear of audit findings before they have not adequately institutionalized the process. e.g. It will further avoid the situation where municipalities replace or remove existing indicators on a function (e.g. with regard to water) in the official IDP and SDBIP, and only include the related MFMA Circular No. 88 indicators with no performance



reporting on the function in the statutory section 46 Annual Performance Report due to the pilot process.

Practically, piloting for all categories of municipality (except metros) means the following as it relates to municipal planning:

- Tier 1 and Tier 2 outcome, output and compliance indicators applicable to the municipality to be included in a dedicated Annexure to the IDP and SDBIP which clearly indicates the indicator;
- Baselines should be established for Tier 1 and Tier 2 outcome, output and compliance indicators and reflected in the IDP reviews/updates from 2021/22 onwards;
- Targets for outcome indicators should be set with a five-year horizon for local government (2025/26);
- Targets for output indicators should be set on an annual basis (2021/22, with potential quarterly targets depending on the frequency of the indicator); and
- NO targets should be set for compliance indicators as these are tracked for monitoring purposes only.

Practically, piloting for all categories of municipality (except metros) means the following as it relates to municipal reporting:

- Quarterly and annual reports will be submitted to Provincial COGTAs and DCoG for all Tier 1 and Tier 2 output and compliance indicators (quarterly and/or annual) and outcome indicators (annual only); and
- During pilot, NO reporting through the Section 46 Annual Performance Report (APR) will be required.

Municipalities can expect the Department of Cooperative Governance (DCoG) to fulfill the following roles and responsibilities as it relates to the introduction of these indicators:

- Coordinate the planning and reporting reform with the other centre of government departments and provide policy direction across municipal categories;
- Develop and issue the relevant planning and reporting templates, guidance notes and updates;
- Receive data from municipalities, and consolidated provincial reports from provincial CoGTA departments analyse and compare data from across municipal contexts and provide feedback;
- Facilitate the development of an ICT system for centralised transmission of data in line with plans for the District Development Model; and
- Issue extracts of the applicable Tier 1 and Tier 2 indicators and their summary definitions for all categories of municipality for ease of reference.

Municipalities can expect Provincial CoGTA departments to fulfil the following roles and responsibilities:

- Provide technical support for piloting and reporting by municipalities to provincial COGTA's and national DCoG;
- Utilise the DCoG guidance documentation and reporting templates;
- Host forums, briefings and platforms to support the uptake and rollout of the indicators;
- Establish a reporting process, follow-up with municipalities, analyse and develop a consolidated provincial report to the DCoG, and provide feedback to municipalities;
- Escalate Frequently Asked Questions to the DCoG and distribute/share/communicate FAQ's by DCoG in the provinces; and
- Provide feedback and suggestions to strengthen the reform rollout.

It is anticipated that the pilot rollout outside of established statutory planning and reporting requirements will provide valuable experience and insight to inform further updates ahead of eventual regulatory reform.

## 5 Evaluations

MFMA Circular No. 88 drew on the conceptual framing of a suite of policies set out in terms of the *Policy Framework for Government-wide Monitoring and Evaluation* (GWMES) (Presidency, 2007) to advance planning and reporting reforms. In particular, it built on the policy foundations of the *Framework for Managing Programme Performance Information* (FMPPI) (National Treasury, 2007) as well as the *South African Statistics Quality Assessment Framework* (StatsSA, 2010) (SASQAF) to specify results areas for municipal performance indicators and to distinguish between the different data terrains available to state actors for planning, monitoring and reporting purposes.

**Figure 1: Three data terrains of the Government-Wide Monitoring and Evaluation System and their policy frameworks**

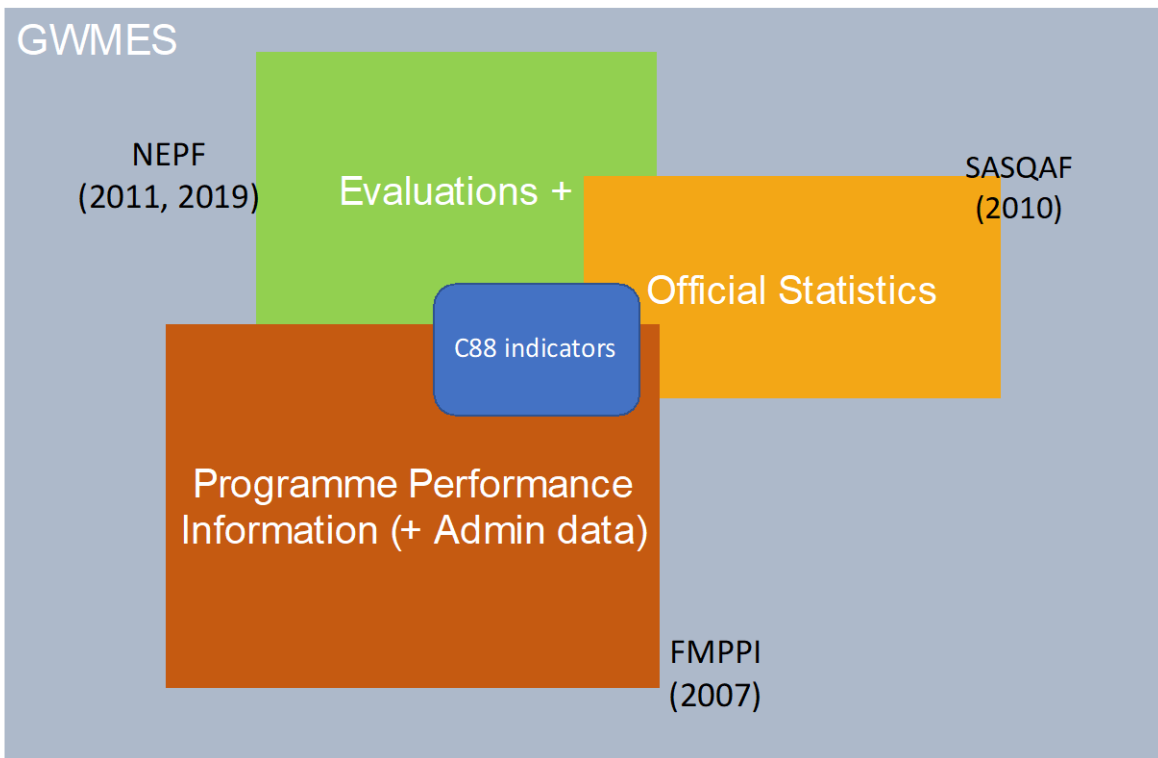


Figure 1 illustrates the three respective data terrains with their accompanying policy frameworks and situates the MFMA Circular No. 88 outcome, output and compliance indicators in relation to the data terrains they draw on. To date, all of the MFMA Circular No. 88 indicators have been developed and formulated with a view to locating them within either one of two data terrains set out in the *GWMES*: Programme Performance Information; or Official Statistics. However, the *Policy Framework for Government-Wide Monitoring and Evaluation* (GWME) provides for a third data terrain better suited to systematically and comprehensively answering ‘How’ and ‘Why?’ questions raised in relation to the achievement of outcomes: Evaluations. This update to MFMA Circular No. 88 reinforces the complementary function of evaluations in relation to planning, budgeting and reporting. It emphasizes that evaluations are the correct means of determining the achievement of outcomes, and that MFMA Circular No. 88 should not be misunderstood to suggest reporting on a set of performance indicators is sufficient to claim achievement of an outcome. Ultimately, municipalities that are able to coordinate and integrate their planning, budgeting, and reporting with periodic evaluation exercises will be in a much better position to advance evidence-based decision-making for improved developmental outcomes.

## 5.1 Institutionalising evaluation in the local government sphere

The 2019 National Evaluation Policy Framework (NEPF) has clarified the objective of ensuring local government successfully institutionalizes the practice of evaluation, as it is critical to the realization of the outcomes, of the National Development Plan (NDP). Further, the District Development Model provides an opportunity to advance this vital strategic function through better coordinated intergovernmental planning and budgeting. This occurs at a time when the MFMA Circular No. 88 reforms are advancing a differentiated, standardized and comparable set of indicators for all of local government. There are apparent synergies and common reform objectives related to evidence-based decision-making and cost-effectiveness of public sector strategies in this regard.

The NEPF sets out clearly the roles for the Department of Planning, Monitoring and Evaluation (DPME) along with DCoG and Provincial CoGTAs as it relates to evaluation. DPME has developed a three-phase approach to evaluation rollout and there is merit in recognizing how the outcomes areas and indicators that are monitored in relation to them provide ripe opportunities for the identification of objects of evaluation and to better understand what outcomes and impacts municipalities are directly contributing to in practice. This is all the more important when it comes to the realization of spatial transformation and associated integrated outcomes.

The MFMA Circular No. 88 addendum consultations have reinforced the potential value and timing of evaluations as an available data terrain and in relation to the overarching reforms. This addendum update seeks to confirm that planning, budgeting and reporting reforms should be seen within a broader cycle intended to make use of evidence to inform policy for better performance, accountability, knowledge generation and decision-making.

## 6 Conclusion

This Addendum and its appendices are an update to the MFMA Circular No. 88 dated 30 November 2017, the original circular, as well as the Addendum dated 4 December 2019 – this Addendum must be read together the original circular and the 2019 update and the relevant appendices. This Addendum provides guidance to all categories of municipalities.

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