

SUNDAYS RIVER VALLEY MUNICIPALITY

FINAL IDP 2013/2014



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FOREWORD BY MAYOR

The Municipal Systems Act 32 of 2000 under Section 25, the municipality is mandated to adopt a single, inclusive and strategic plan for the development of the municipality. The provision of services is underpinned within the principles of democracy, accountability, sustainability and public participation. This IDP document is a strategic tool designed to bring together and to harmonize development initiatives of various development agencies within Sundays River Valley local space. It guides all future development of the municipality by setting priorities, allocating resources, defining time frames and setting key performance indicators and performance targets. In line with the notion of developmental local government, SRVM is committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives. This document sets out the outcomes of the 2012/13 consultative IDP review process as amended through new information from relevant sources including the MEC assessments. Our responsibility and political mandate is to give effect to the provisions of the Constitution, which are:



- To promote the development of the local community
- To give priority to the basic needs of the local community
- To ensure that all members of the local community have access to at least a minimum level of basic municipal services (this takes precedence over others)
- To ensure sustainability of services, municipality and settlements

In line with the 2009 governing party manifesto, Sundays River Valley Municipality's (SRVM) Council in cooperation with various development agencies is mandated to focus on five key priorities which are:

- Creation of decent work and sustainable livelihoods;
- Education;
- Health;
- Rural development, food security and land reform; and
- Fight against crime and corruption

Equally important the SRVM IDP has adapted and aligned to the ten (10) national medium-term priorities from which eight (8) were endorsed by the Provincial Strategic Framework (PSF). SRVM has adopted the local government Key Performance Areas as its key priorities for the current five year period. As such the SRVM priorities are:

- Basic Service Delivery and Infrastructure Development
- Local Economic development
- Community development
- Good Governance and Public Participation
- Institutional Transformation and Organisational Development
- Municipal Financial Viability and Management

The municipal planning is structured in such a way that all its priorities express the following twelve (12) distinct priority outcomes which emerge from the manifesto and MTSF:

- Quality basic education
- A long and healthy life for all South Africans
- All people in South are and feel safe
- Decent employment through inclusive economic growth
- Skilled and capable workforce to support an inclusive growth path
- An efficient, competitive and responsive economic infrastructure network
- Vibrant, equitable, sustainable rural communities contributing towards food security for all
- Sustainable human settlements and improved quality of household life
- Responsive, accountable, and effective and efficient local government system
- Protect and enhance our environmental assets and natural resources (i.e. indalo or biodiversity)
- Create a better South Africa, a better Africa and a better world
- An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship

Council, within the second year of the new political leadership is proud to have maintained good working relations and stability within the Council. This is evidenced by the second qualified audit opinion for the first time after four years of disclaimers. SRVM Council will build on these successes and constantly seek to improve its ability to deliver services for a “better life for all”. The Eastern Cape Premier, in her State of the Province Address highlights the National Development Plan’s observation that “too few people work”. The SRVM is responding through resource mobilization drive through nineteen identified catalytic LED projects. The municipality will also roll out the small town revitalization programme and create employment opportunities through the R1 000 000 EPWP grant funding. Council has also prioritized the filling of critical position to ensure that service delivery is not comprised.

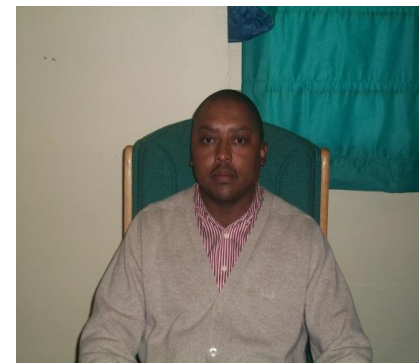
Together we can do more!

MBULELO WILLIAM KEBE
EXECUTIVE MAYOR



FORWORD BY MUNICIPAL MANAGER

As a management team we have moved in swiftly to ensure that basic services are not interrupted, that in addition to the policy framework being put into place that the municipality complies with the very basic things. This is an important methodology because we must be able to get the small basic things right in order to turn the municipality around. The Sundays River Valley Municipal area, whilst it has its fair share of challenges, should rather be seen as an opportunity and this is the outlook of the current management team.



At the beginning of the financial year, a lot of time and energy was spent in getting the municipality to comply with various legislation and Council adopted a long list of policies with which to tighten up the corporate governance management of the municipality. The revision of the turn-around strategy was used as instrument to manage the challenges.

Whilst the infrastructure backlog remains a problem which must be addressed, progress has been made in laying the basis for a gradual turnaround through partnerships and closer cooperation between provincial and national government which can be an important catalyst to many of the problems. The area still remains a growing tourism destination to be seen from the growing number of outdoor events the area hosts and we need to build on our marketing and promotion strategy, to not just attract visitors to the area, but also spread the benefits of tourism to all communities.

The relationship between financial management and viability remains a challenging factor and the focus for the next financial term will be on maintaining a balance between financial management and viability. The focus on financial viability will be on revenue enhancement including debt management. As we rightfully enjoy and take pride in our achievements, we know that we must extend the same extraordinary efforts to address our critically social and economic challenges.

We know that the resources that we have at our disposal belong to the people, if we do not use them wisely and sensibly, our contract with the people is eroded.

LONWABO REGINALD NGOQO
MUNICIPAL MANAGER

The following sets out the Integrated Development Planning of the Sundays River Valley Municipality which governs all planning as obligated by Section 153 of Act No. 108 of 1996 (The Constitution of the Republic of South Africa)

Revised Vision

“To be a united, responsive municipality that is prosperous and financially viable delivering professional and excellent services to its entire community”

Mission

Sundays River Valley Municipality will fulfill its mandate to its constituencies in a manner that is:

- Accountable;
- Subscribes to sustainable utilization of resources; and
- Operating in a democratic, non-racial, non-sexist and safe environment.

Core values

- Dignity
- Respect
- Trust
- Integrity
- Honesty
- Diligence
- Caring
- Transparency

EXECUTIVE SUMMARY:

The Sundays River Valley Municipality (SRVM) is one of the developing local municipalities within the Cacadu District Municipality (Western Region). It is located in the Eastern Cape approximately 80km north and east of the Nelson Mandela Bay Municipality.

The municipality boasts with its eco-tourism and agricultural potential. The Addo Elephant National Park (AENP) and citrus production are two important economic drivers in the SRVM. The AENP has given rise to a number of booming B &Bs and private lodges. Our close proximity to the Coega Industrial Development Zone has led to our Addo Tourism Development corridor and the Enon-Bersheba's 10 000 ha pristine communal land being increasingly sought after for tourism enterprise development and conservation opportunities. The

municipality recognises and supports the creation of wealth in local communities through private enterprises, community works programme and productive Public-Private Partnerships.

The SRVM's IDP vision, mission statement and values have been endorsed by Council as its directives. The municipality has developed IDP monitoring tools (institutional, departmental and individual score cards) to ensure proper linkages between SDBIP and IDP annual targets. The individual score cards are only made up to the second layer of management and these will be cascaded down to all employees in 2012/13 financial year. As a developmental local government, the SRVM is committed to working with local communities to find sustainable ways to meet their social, economic and material needs as well as to improve their quality of life. The White Paper on Local Government of 1998 alludes to the latter statement and further provides that, as a developmental local government, the SRVM must play a central role in representing communities, protecting their human rights and meeting their basic services. These are issues and challenges we face, and the IDP then provides a strategic tool through which the municipality's development agenda is addressed.

As a legislative requirement the municipality must draft an IDP over a five-year lifespan and assess and review it annually. The IDP then becomes a tool designed to bring together and to harmonize individual plans of the municipal departments. It draws together all the development objectives of a municipal council including Local Economic Development (LED), and enables the formulation of strategies to realise the objectives set in an integrated way. This means everyone is working towards the same goal.

The programmes and projects contained in the IDP must reflect clear timeframes and indicators. However, some capital programmes and projects will take 3-5 years to complete. A long term strategic plan beyond a five-year term is necessary to ensure sustainability of current and future implementation of programmes and projects (Growth and Development Strategy).



The annual assessment and review of the IDP responds to the changing needs of the community and stakeholders. In the assessment and review sessions, politicians and officials had an opportunity to listen to the challenges and priority issues of their constituencies. One mechanism used was the CBP workshops and the Mayor's Indaba to name but a few.

The municipality's development mandate as enshrined in the constitution cannot be achieved without the help from other sectors, for example sector departments and businesses, which can be achieved through partnerships and intergovernmental relations.

The following preliminary steps were followed in the formulation of IDP Review Processes of the SRVM:

- The adoption of District framework plan which then informed our process plan;
- The assessment of the current situation in the municipal area to understand our priority issues;
- The assessment of the needs of the community through ward plans and other tools;
- The determination of where the municipality is heading through vision, mission, objectives, and strategies;
- The prioritization of needs through project plans and the setting of goals to meet those needs.
- The inclusion of integrated management plans and programmes
- Strategic plans conducted by the municipality
- Monitoring and evaluation of IDP implementation

It is important to note that the IDP process is the single, inclusive planning process within which other processes must be located.

Advantages and Importance of IDP

- Through the IDP, the municipality is informed about the **problems** affecting its municipal area and, being guided by information on available resources, is able to develop and implement appropriate strategies and projects to address the problems.
- It helps the municipality to make more effective use of scarce resources. The municipality can focus on identified and **prioritised local needs** taking into consideration local resources.
- This enables the municipality to search for more effective solutions by **addressing causes**, rather than just allocating capital expenditure for dealing with symptoms.
- The IDP helps to speed up delivery by providing a tool which guides **where investment** should occur.
- It attracts all relevant **role-players** and offers decision-making mechanisms that will drive at realistic project proposals taking into consideration the limited resources.
- Where there is a clear municipal **development plan**, private investors and sector departments are more willing to invest their money.
- The IDP will strengthen democracy and institutional transformation through transparency and **inclusiveness**. It engages different socio-economic groups where people live and work.
- It facilitates the redistribution of resources in **a consultative process**.

1.1. Legal Framework of IDP

The MSA, 2000 states that the authority responsible for the management of the IDP process is to be either the executive committee or the executive mayor of the municipality. In cases where the municipality has neither, a committee of councillors is appointed by the municipal council for the task. Whoever is given this task must

- Manage the drafting of municipal IDP
- Assign the responsibilities for the drafting of the IDP to the municipal manager; and
- Submit the draft IDP to the municipal council for adoption by the Council

In terms of Chapter 5 of the Municipal Systems Act:

“A municipality must undertake developmentally-oriented planning so as to ensure that it-

a) strives to achieve the objects of local government set out in section 152 of the Constitution;

b) gives effect to its developmental duties as required by section 153 of the Constitution; and

c) together with other organs of state contribute to the progressive realisation of the fundamental rights contained in sections 24, 25, 26 27 and 29 of the Constitution.

ADOPTION OF THE INTEGRATED DEVELOPMENT PLANS

Chapter 5 Sect 25 of the Municipal Systems Act:

“Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality –

A newly elected municipal council may, within the prescribed period referred to in subsection (1), adopt the integrated development plan of its predecessor, but before taking a decision it must comply with section 29 (1)(b)(i) and (d):

Section 29 which state that:

1) The process followed by a municipality to draft its integrated development plan, including its consideration and adoption of the draft plan, including its consideration and adoption of the draft plan, must:

b) through appropriate mechanisms, processes and procedures established in terms of Chapter 4, allow for-

i) the local community to be consulted on its development needs and priorities;

d) be consistent with any other matters that may be prescribed by regulation.

CHAPTER ONE: INTRODUCTION

The IDP has 5 phases which are meant to produce a document that is underpinned by community participation, strategy driven, implementation orientated and integrated.

The IDP phases are:

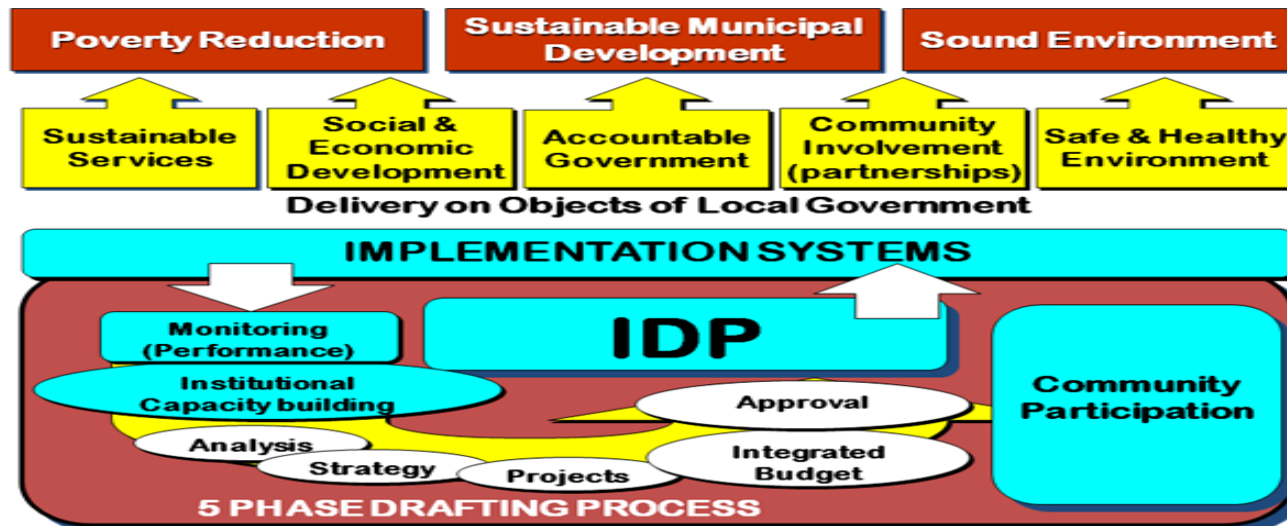
1. **Analysis:** Priority issues are identified by analysing the Community and Municipality.
2. **Strategic:** Setting a long term development strategy for development.
3. **Projects phase:** Implementation plan or short, medium and long term deliverables.
4. **Integration:** Alignment with budget, district, provincial and National policies, programmes and plans.
5. **Approval:** Council adopts the IDP as its strategic plan, to guide investment (Public and Private) and outcomes.

The IDP or revised IDP can only be approved after communities commented. Public participation is not a once off exercise but essential in all phases.

The ultimate aim of this process is to enhance participatory democracy.

Figure 1 below gives a schematic diagram that outlines the IDP process, objectives and outcomes.

Figure 1: IDP process, objectives and outcomes



1.1. Budget & IDP Process Plan for 2013/14:

Time Schedule of Key Deadlines

Output	Action	Responsible Agent	Role Players	Date
Draft Process Plan	Prepare Draft IDP/Budget Process Plan	IDP Manager CFO	LED Unit	13 /07/12
Situational analysis	Direct consultation with Sector Department and Parastatals; Consult on status quo information & Working relationships;	IDP Manager	Steering Committee Other Local Municipalities; Sector Depts. Parastatals	Aug-Sept
IDP Development Strategies	Refine/Confirm IDP Development Strategies	IDP Manager	Heads of Departments (HODs)	Nov 2012
IDP Rep Forum Meeting	IDP Rep Forum to consider Status Quo Information and projects	IDP Manager	CDM; IDP Rep Forum; IDP Steering Committee	Nov 2012
Public Consultations	Schedule advertised and consultations	IDP Manager Mayor	Ward com; HODs; Councillors; Public	
Adjustment Budget	Submit Adjustment Budget to Council	CFO	Council	
Updated SDBIP	Update SDBIP and performance plans	IDP Manager	HODs MM	Feb 2013
Annual report tabled	Mayor to table annual report to Council	Mayor	Exco; MM	
Project proposals	Budget input forms populated	HODs	Public;	Feb 2013
Oversight report	MPAC tables oversight report	Oversight committee	Council	27 March 2013
Advert for draft IDP and draft budget	Advertise for 21 days for public comments	IDP Manager CFO	Steering Committee	April 2013
Budget/IDP Consultation	Commence Public	CFO & IDP	Finance Dept;	May 2013

Output	Action	Responsible Agent	Role Players	Date
Municipal Strategic Planning	consultation on budget & IDP Strat plan with councillors and officials	Manager Municipal Manager	HOD's Councillors, officials and Unions	22-23 May 2013
Final IDP and budget document approved by Council (30 days before start of next fin. year)	Mayor tables final IDP & Budget doc to Council for adoption and approval	Council	Mayor; CFO; MM	30 May 2013
Publish IDP/Budget on Web site and newspaper	Send documents to relevant departments as per legislation	IDP Manager	Steering Committee; CDM; Courier Services	10 June 2013

1.2. Institutional Arrangement for the IDP process

ROLES AND RESPONSIBILITY OF EXTERNAL STAKEHOLDERS IN THE REVISION OF THE IDP.	
Stakeholder	Roles and Responsibilities
Communities and Civil Society Organisations	<p>The Municipality see the participation of Communities and civil society structures in the revision of the IDP and the Alignment of the Municipal budget as an opportunity to address community priorities. Here are some roles and responsibilities for community participation:</p> <ul style="list-style-type: none"> ✓ They present the interests of their respective groups in the planning process. ✓ Agree on developmental priorities. ✓ Participate in the IDP public Participation Structures like the Ward Committees and IDP Representative Forum. ✓ Give feed back to their constituencies about the agreed priorities. ✓ Ensuring alignment and monitor the IDP and Budget implementation.
District Municipality	<p>The roles and responsibilities of Cacadu District Municipality are legislatively the same as those of category B Municipalities. However, the Municipality defines the role of the District Municipality as Follow:</p> <ul style="list-style-type: none"> ✓ Development of a District IDP Framework; ✓ Have an oversight role; ✓ Horizontal alignment of B Municipal IDP's in the District.

ROLES AND RESPONSIBILITY OF EXTERNAL STAKEHOLDERS IN THE REVISION OF THE IDP.	
Stakeholder	Roles and Responsibilities
	<ul style="list-style-type: none"> ✓ Vertically aligning District IDP's with Provincial and National Sector Departments. ✓ Facilitate Alignment Meetings and Workshops with Sector Departments. ✓ Providing B Municipalities with Administrative, Technical and Financial Support in the Development and Implementation of IDP's. ✓ Facilitate an annual district investor's conference.
Provincial and Sector Departments	<p>The Constitution makes reference to cooperative governance between all spheres of government. It has been a Municipal desire to foster alignment with Provincial and National Sector departments for the development of Sundays river Valley and its residents. The roles of the Province and National Sector Departments is defined as follow:</p> <ul style="list-style-type: none"> ✓ Continuously updating Municipal Statistical Data; ✓ Provide timely comments on Municipal IDP's; ✓ Horizontal alignment of district IDP's with Provincial sector departments; ✓ Ensuring vertical alignment between provincial departments and National Sector Departments; ✓ Promotion of IGR¹ and Cooperative Governance; ✓ Aligning Provincial Budgets with Municipal priority issues; ✓ Attending District IDP Forum Meetings and Workshops; ✓ Providing Technical and Financial Support for to the District; and ✓ Monitoring and evaluating IDPs' and Budgets implementation progress.
Resource People (Advocates, Engineers, Consultants, NGO's etc).	<p>The Municipality is legally obliged to develop the IDP, in doing so it is expected to involve all sectors of the Community. Some members of the community are unable to participate due to their disability or literacy. Under these circumstances resourced people will be allowed to participate on their behalf, in the follow manner:</p> <ul style="list-style-type: none"> ✓ By provide technical Guidance to the IDP process; ✓ Facilitating Workshops; ✓ Conducting Specialised Studies and Feasibility Studies; ✓ Give support to unorganised groups; and ✓ Ensuring that the IDP is Aligned with Provincial and National Departments

¹ Intergovernmental Relations

ROLES AND RESPONSIBILITY OF EXTERNAL STAKEHOLDERS IN THE REVISION OF THE IDP.	
Stakeholder	Roles and Responsibilities

According to the Municipal Structures Act and the Municipal Systems Act, both levels of the local sphere have to elaborate IDPs as a crucial part and tool of their management and delivery system. In order to avoid duplication of work, the two planning processes should be closely interrelated. The design of this interrelation and distribution of responsibilities takes four imperatives into consideration:

1. The analysis and reprioritization of needs and problems requires a participatory process, involving local communities and stakeholders. The information on service gaps and on potentials has to be location-specific. Therefore the entire Municipal senior staff, Ward Councilors, chairpersons of Portfolio Committees, IDP Representative Forum has to be actively committed in the processes, identified in the preceding process plan.
2. If IDP is meant to contribute towards institutional transformation, as well as informing budgets and business plans, then it is imperative that we have a planning process and review planning documents.
3. Smooth co-ordination needs to be promoted between Departments, Community, Sector Departments, District, Provincial and National level
4. Translating these three imperatives into the phasing of the IDP processes may result in the following procedure:
 - The **continuous consideration of comments** received from various role-players in the IDP Process, including the ones received from the MEC, are considered.
 - **Identification of assessment and participatory issues** and the focus of the planning and extensive participation process.
 - **Facilitation of Sector Alignment of provincial budgets** will, as a rule, be at district level, while there may still be some locally specific issues, which need locally specific strategies. Local Municipalities are to be invited to Sector Alignment strategy

workshops so as to jointly discuss the most appropriate problem-solving strategies. This needs to be closely monitored at local and district level.

- **Provincial and National specialists**, as well as competent resource persons from civil society could be invited to join this process which will be facilitated by the District municipal officials with the assistance of the Office of the Premier. This is the arena where “people and places meet with sectors and subjects”.
- The District will have to play an important role in **vertical co-ordination** of reviewed programmes and projects.
- **Consolidation of documentation** into a draft and the adoption and approval of amendments feeding into the final IDP.
- 50% + 1 will constitute the quorum in all meetings except community meetings.

1.3. Amendment and adjustment to the 2013/14 IDP

The review process focussed on:

- Improving the **strategic nature** of the document, thereby ensuring effective use of available data, careful consideration of available resources, as well as exploring locally appropriate solutions to complex development issues.
- Increasing the usefulness of the document during **implementation** and monitoring.

The process was influenced by:

- Performance assessments reports
- An extensive data search to update the analysis chapter.
- Inputs from community based planning initiatives
- The need to align local priorities with priorities of other spheres of Government.
- Audit Outcomes

The Reviewed IDP document 2013/14 reflects the following adjustments:

- 1) Information and analysis were updated to include the following data sources:

Table 1: Data sources

NAME OF DOCUMENT ²	SOURCE	DATE
Service backlog study	SRVM Water Services Sector Plan	2011/12
Spatial Development Framework	Sundays River Valley Municipality	2013
Tourism Sector Plan	LTO minutes	2011
Finance and human resource Policies and by-laws	Sundays River Valley Municipality	2010/11 & 2012/13
Council Resolutions	Sundays River Valley Municipality	2011/12 & 2012/13
The Local Government Turnaround Strategy and municipal capacity assessment	CoGTA website	2011
PMS Policies {Planning phase}	SRVM	2012
SRVM Turn Around Plan	SRVM	2011/12
Audit Action Plan	SRVM	2012/13
SRVM Census Stats	Stats SA	2011/12

- 2) Community Based Plans
- 3) Reformulation of Foreword by the Mayor
- 4) Updating of objectives, priorities, programmes, projects and strategies emanating from public participation processes and audit committee recommendations.
-

- 5) The reviewed institutional risk assessment
- 6) Performance management system as adopted
- 7) The entire budget section is updated and a revised budget summary for the next three years is inserted.
- 8) The five year financial plan is reviewed.
- 9) Alignment of priorities across the three spheres of government.
- 10) Reflections and Contextualization of the State of the Nation Address – February 2013
- 11) SDBIP is under development but will be included in the final IDP 2013/14
- 12) Comprehensive analysis of Roles and Responsibilities in the IDP Process.
- 13) Alignment to Millennium Development Goals
- 14) Key Performance Indicators updated.

CHAPTER 2: SITUATION ANALYSIS

The analysis section is the cornerstone of the IDP. It provides an assessment of the existing level of development in the municipality. This session analyses the internal and external environmental trends and provides reliable information that may have a potential impact on the attainment of municipality’s mission and objectives. It focuses on the type of problems faced by the people of Sundays River Valley. The analysis considers people’s perceptions of their problems, but also facts and figures. The analysis is structured according to the five (5) key performance areas which are premised by the demographic profile. The section is structured as follows:

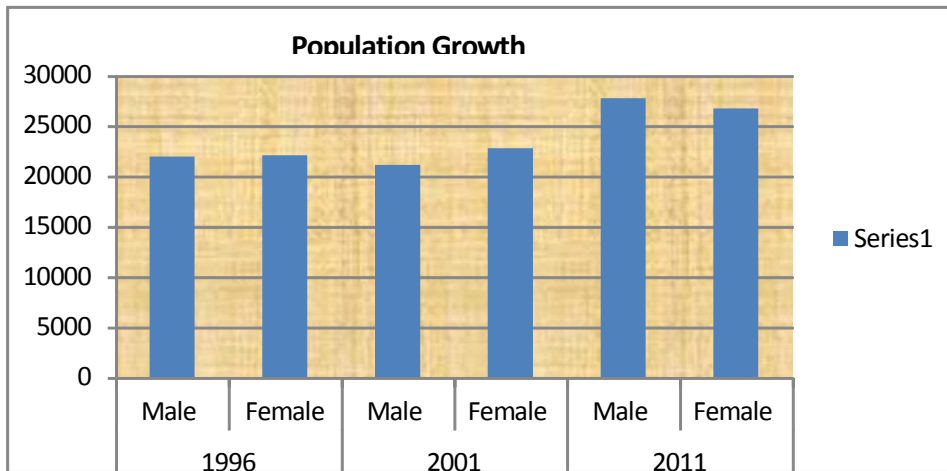
- Demographic Profile
- Basic services and Infrastructure
- Local Economic Development
- Institutional Transformation and Organisational Development
- Good Governance and Public Participation
- Financial Viability and Management

2.1. Demographic Profile

2.1.1. Population growth

Table 2: Distribution of population by Gender (Census 1996, 2001 & 2011)

1996			2001			2011		
Male	Female	Total	Male	Female	Total	Male	Female	Total
21949	22091	44040	21140	22772	43913	27761	26740	54503



According to Census 2011, the population of SRV was approximately 540 504 people of whom 72% are Black African, 21% Coloured and 6% White. Between the years of 1996 and 2001, the population showed a slight decrease of 0.29% (127 of the population). However during the years of 2001 and 2011, the population had increased by 19% (10590 of the population).

Table 3: Gender by Population group

	Black African	Coloured	Indian or Asian	White	Other	Grand Total
Male	19 969	5 849	44	1 570	329	27 761
Female	19 147	5 794	52	1 640	110	26 743
Grand Total	39 116	11 644	96	3 209	439	54 504

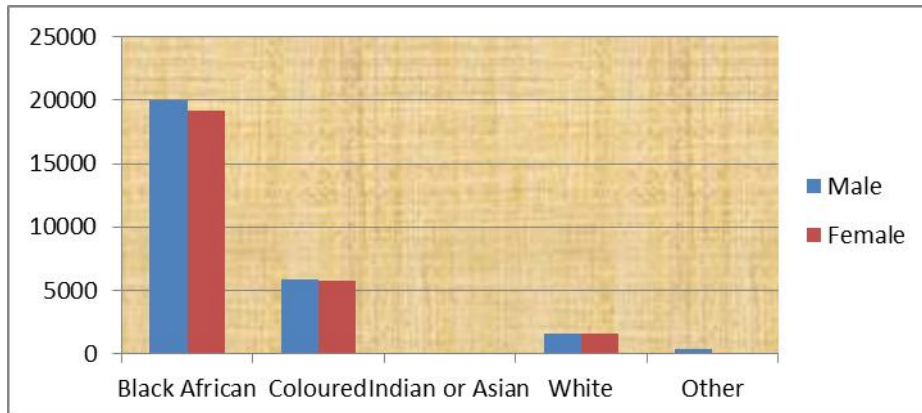
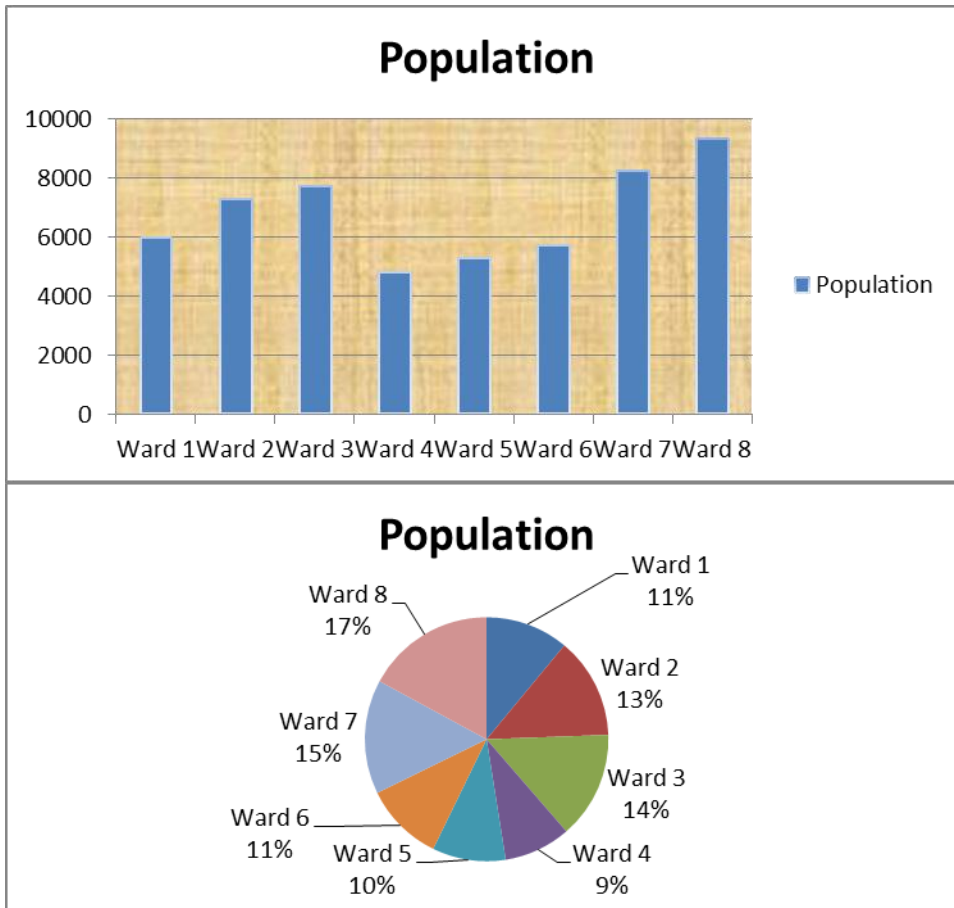


Table 4: Geography by Population group

	Black African	Coloured	Indian or Asian	White	Other	Grand Total
Ward 1	5 849	103	6	3	47	6 008
Ward 2	3 396	3 180	21	655	53	7 305
Ward 3	4 773	2 615	18	268	70	7 743
Ward 4	4 660	66	10	63	33	4 832
Ward 5	5 069	49	3	130	52	5 303
Ward 6	5 102	313	2	276	46	5 739
Ward 7	4 331	2 463	26	1 350	76	8 247
Ward 8	5 936	2 854	10	465	62	9 328
Grand Total	39 116	11 644	96	3 209	439	54 504



The above charts show Ward 8 as having the highest percentage of 17%, followed by Ward 7 which sits on 15% of the total population. The highest percentage of population in Ward 8 may be attributed to the influx of people during the season (citrus production). Ward 4 has the lowest population size of 9%.

Table 5: Age in completed years by Population group

Age Group	Black African	Coloured	Indian or Asian	White	Other	Grand Total
0 - 4	4 179	1 274	12	192	25	5 682
5 -10	3 903	1 389	15	220	13	5 540
11 - 17	4 134	1 583	6	317	7	6 047
18 - 35	13 416	3 545	33	593	314	17 901
36 - 45	5 694	1 613	13	457	45	7 822
46 - 55	3 792	1 216	11	581	21	5 620
56 - 65	2 229	637	4	416	7	3 293
66 - 75	1 184	258	1	226	6	1 675
76 - 85	399	101	-	176	2	678
86 - 100	175	25	1	31	-	232
101 - 120	9	5	-	-	-	14
Grand Total	39 116	11 644	96	3 209	439	54 504

Age Structure

The age structure depicted below suggests that Sundays River Valley Municipality has a population is relatively youthful. The age structure mapped in the pyramid below is very similar to that of South Africa as a whole, but with certain notable exceptions:

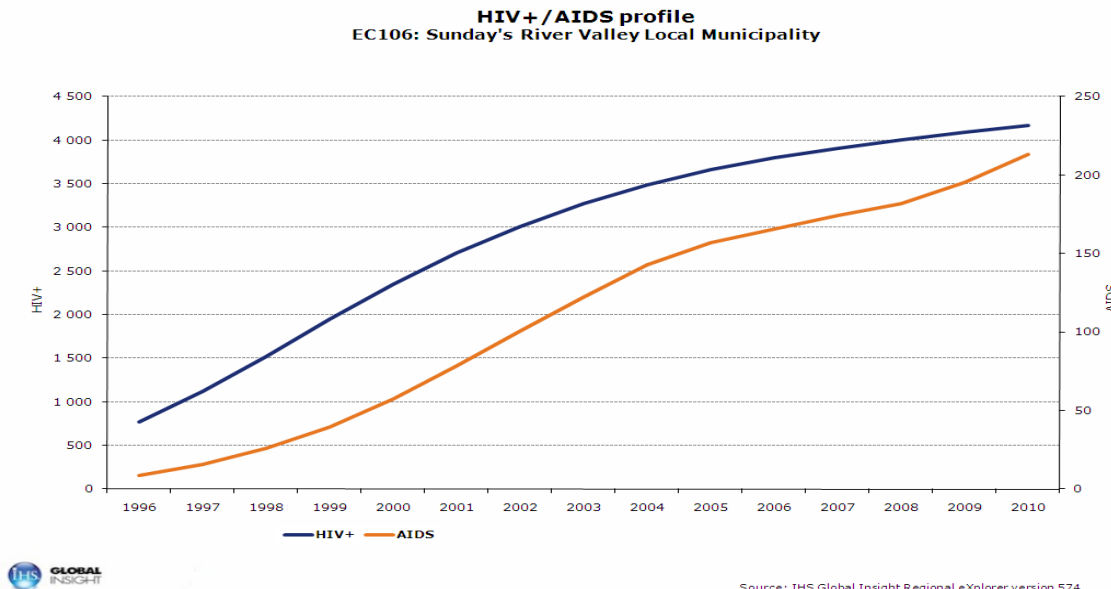
- A relative decrease of males aged 40 to 65, possibly indicating out migration
- A relative increase of men and women aged 25-35, possibly as a result of relatively rapid population growth in the late 1980's and low levels of out migration
- A relative decrease of boys and girls aged 5-20, possibly indicating that they are being raised and educated in areas with better education opportunities.

The youthful population suggests a need for prioritization of skills development and employment creation initiatives for youth.

2.1.2. HIV/Aids profile

HIV/AIDS pandemic has an impact on labour supply, through increased mortality and morbidity. This is compounded by loss of skills in key sectors of the labour market. The long period of illness associated with AIDS reduces labour productivity. One review reported that the annual costs associated with sickness and reduced productivity as a result of HIV/AIDS. These costs reduce competitiveness and profits. Government incomes also decline, as tax revenues fall, and governments are pressured to increase their spending, to deal with the rising prevalence of AIDS, thereby creating the potential for fiscal crises

The profile below indicates that the epidemic is reaching a plateau, with some 4 200 people or 9% of the population infected with HIV and some 200-300 AIDS sufferers.



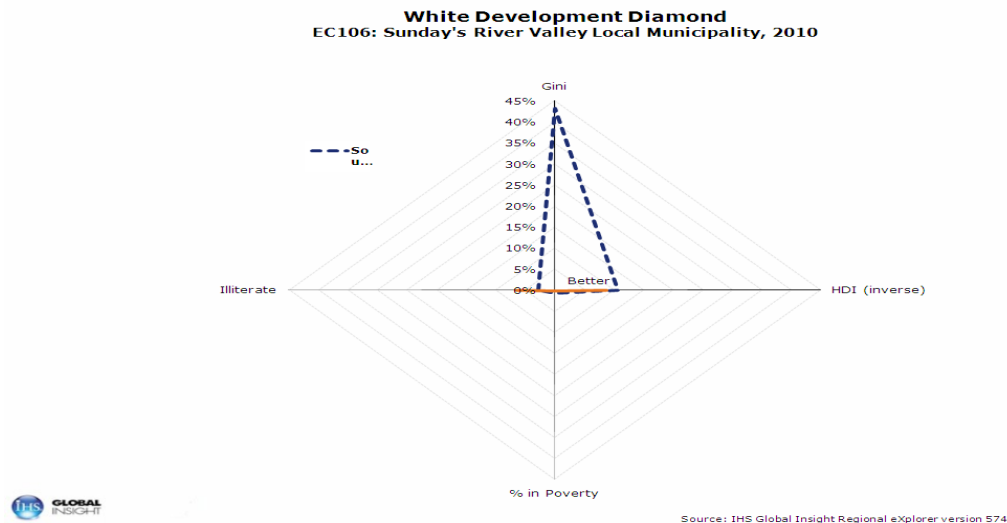
The profile above indicates that the epidemic is reaching a plateau, with some 4 200 people or 9% of the population infected with HIV and some 200-300 AIDS sufferers. The in-migration of job seekers during the citrus season may be viewed as one of the contributory factors for the spread of the virus. At the community based plan meeting held on the 3rd January 2012, ward committees expressed concern about the figure and opined

that the cases may be more. They further revealed other prevalent sicknesses in their communities such as tuberculosis, high blood pressure and arthritis.

2.1.3. The Development Diamond

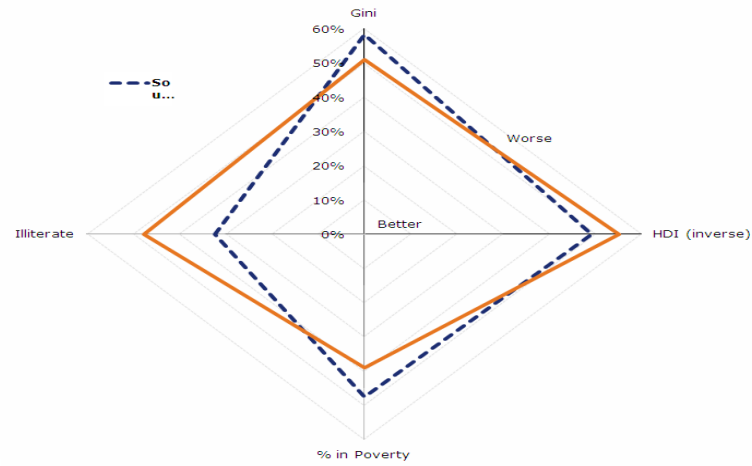
The Development Diamond measures the extent of inequality (Gini Coefficient), underdevelopment (the Human Development Index or HDI), Poverty and illiteracy. The Development Diamonds reflect the racially skewed ongoing effects of the Apartheid system that officially ended in 1994.

Whites experience almost no poverty, a high HDI, less than 5% illiteracy and relatively low inequality.



Africans experience high poverty (although lower than the national average), a low HDI, very high illiteracy and high inequality.

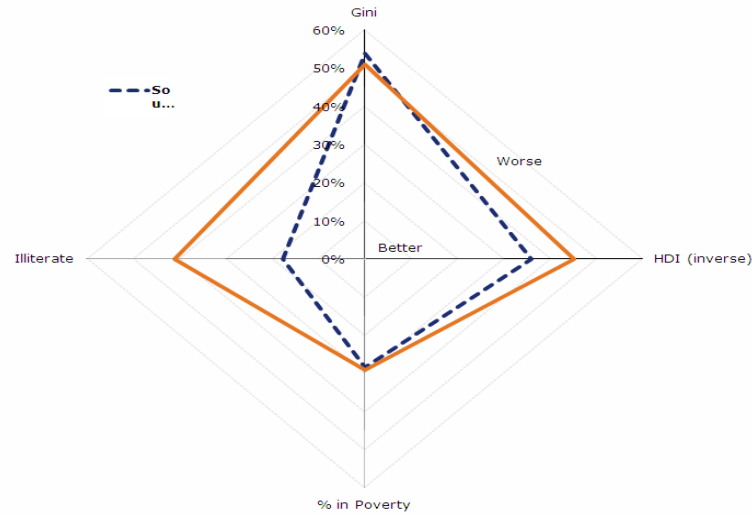
African Development Diamond
EC106: Sunday's River Valley Local Municipality, 2010



Source: IHS Global Insight Regional eXplorer version 574

Coloureds experience lower poverty and illiteracy, a higher HDI, less illiteracy and roughly the same level of inequality.

Coloured Development Diamond
 EC106: Sunday's River Valley Local Municipality, 2010



Source: IHS Global Insight Regional eXplorer version 574

- In the SRVM, the number of African in poverty is equal to the national average of 40%.
- SRVM has more illiterate number of African and historically disadvantaged individuals (HDI) that the national average.
- The inequality levels (measured by the Gini Coefficient) are better in SRVM as compared to the national statistics.

2.2. Infrastructure and Basic Services

2.2.1 Water

The water function according to the MDB definition is the establishment or procurement, operation, management, and regulation of a potable water system, including the services and infrastructure required for the regulation of water conservation, purification, reticulation and distribution. This section should be read in conjunction with the revised Water Services Development Plan 2011/12. The WSD outlines an assessment of the status of information and strategies on a WSA level. The following is an overview of the information discussed in the plan.



The following is the existing water service levels in SRVM:

- (a) 9,9% of the consumer units are served with communal standpipes with a distance smaller than 200m
- (b) 11,0% of the consumers/households make use of communal standpipes which are at a distance greater than 200m from their houses/shacks
- (c) 61,9% of the consumer are served with individual metered erf connections
- (d) 17,2% of consumer units are served with individual unmetered erf connection

The strategy of the Municipality is to ensure that every consumer in the area is provided with a metered erf connection. As indicated above water service level figures, approximately 11% of the consumers are below the RDP level of service in terms of water. The above commitment of the Municipality is documented in the project list contained in Chapter 4.

SRVM is both a water service authority and water services provider. The main role players are Lower Sundays River User Association and Department of Water Affairs. Kirkwood area has experienced a huge water shortage from 2009-2012 due to poor infrastructure plan that was not taken into cognisance during the implementation of housing projects. R2 million was set aside from MIG in 2011/12 to expedite the process of building additional storage dam. SRVM has entered into a service level agreement with Amatola Water Board to address water and sanitation challenges. The financial viability of the water services' programme depends on the outcomes of the service level agreement the municipality has with Amatola water Board and the value to be derived from the service delivery partnership agreement with local cooperatives on water conservation and management services. An application for R22m for the upgrading of Kirkwood Water Treatment works was submitted to DWA for funding through Regional Bulk Infrastructure Grant (RBIG).

Issues that need attention

- What is needed for SRVM to build the capacity to implement a plan that takes water to the people?
- Enter into Service Level Agreement with Lower Sundays River Water Association on water purchased.
- Need institutions to work closely building trust in a supportive way
- Achieve blue and green water qualifications and environmental compliance
- Need to have community involvement in planning process
- Need responsible consumers/stakeholders
- How best to use resources: internal such as people money and infrastructure and external "agencies" such as the cooperatives
- Improve our understanding of where water comes from and where it goes to, and the quantity and quality thereof.
- Demand and conservation management.
- Buy-in to the turn-around strategy
- Constant provision of clean and adequate water to all users
- Remote rural areas where water is cut must be provided water tanks (Rainwater harvesting)

The WSA does not have its own official “Water Service Level Policy” in place except for the “RDP minimum levels of service and the National Free basic level of service guidelines” to which it conforms to. From the WSA’s experience of the needs of the communities through the IDP process and WSP functions, it is clear that the minimum level of service regarding water is an individual metered yard connection.

2.2.2 Sanitation

The definition of this function according to MDB is the establishment or procurement, where appropriate, provision, operation, management and maintenance and regulation of a system, including infrastructure for the collection, removal and disposal or purification of human excreta and domestic waste water. The following is the current level of service regarding sanitation:

- (a) 2,2% of consumer units are served with buckets
- (b) 23,4% of consumer units are served with pit latrines
- (c) 0,2% of consumer units are served with septic tanks
- (d) 7,4% of consumer units are served with VIP’s
- (e) 66,9% of consumer units are served with waterborne sewer system

The objective of the municipality is to provide each consumer with an individual metered erf water connection, as well as a full flush sanitation system. In Paterson, although all households received flush toilets through the poverty eradication programme, the lack of enough water supplies forced the municipality to still render the bucket removal service. The fact that there is no official handover of completed units by Human Settlements affects the determination of the accurate number of backlogs that are there. For instance the figures mentioned above are based on a total of 8580 households as at 2010. The backlog may slightly be reduced to date. The slight reduction is influenced by the movement/relocation of people.

The municipality does not have a Grey Water Management plan in place as this is not a serious issue for the Municipality at this stage. As the areas which do not have full flush toilets are upgraded with time, the issue relating to grey water management will be totally eliminated.

The Municipality does not have a pit emptying and sludge disposal plan in place and deals with this in an ad hoc fashion as and when required. Currently there are a potential of 7,6% of the consumer units who have a formal sanitation systems that could require sludge disposal at some point in time. Some 23,4% use rudimentary/informal pit latrines that will not be sledged, but due to the large number of pits they pose a danger to ground water pollution. As these areas become upgraded to full flush toilets with time, the issue relating to sludge management will be eliminated.

The strategy of the Municipality is to ensure that every consumer in the area is provided with a full waterborne sewerage system. As indicated above, currently 2,2% of the consumers are served by buckets and 23,4% by pit latrines. This equates to 25,6% of the consumer units served by the WSA being below the RDP requirement. The above commitment of the Municipality through housing development and MIG projects is documented in the project list contained in Chapter 4 of this document. It was resolved from the LED review Strategy workshop held on the 24 February 2012 that that municipality should ring-fence funds for water and sanitation provision as this service impacts on human health and potential investment opportunities.

Table 6: Water Infrastructure

Water Infrastructure	Total
Total Number of Schemes	
Total bulk pipeline km.	24
Total Number reservoirs	14
Total Number pump stations	11
Total Number of Water Treatment Works	3
Total Number of Waste Water Treatment Works	4

Source: SRVM WSDP 2011/12

The WSA does not have its own official “Sanitation Service Level Policy” in place except for the “RDP minimum levels of service and the National Free basic level of service guidelines” to which it conforms to. From the WSA’s experience of the needs of the communities through the IDP process and WSP functions, it is clear that the minimum level of service for sanitation is full water borne system serving each consumer unit

The Municipality has made progress in the last few years to achieving its goals of providing each consumer unit with an individual metered erf connection and full flush sanitation system. However, a large backlog still exists due to the number of new consumers who have been added as result of the de densification of the existing areas and also due to the influx of people from the rural areas to the urban settlements where Government funded houses are being provided. All infrastructure projects are based on the above and get implemented according to the housing projects being identified by the Municipal Council.

The Municipality has been implementing all the bulk infrastructure components in a phased approach to allow for the above levels of service.

All operation and maintenance of sanitation infrastructure is being carried out in-house. One sewer jetting machine is available with which the Municipality clean the sewer on a priority basis. The strategy is to clean the sewer lines systematically, starting with the sewers that give the most problems first and then completing the rest of the network. It is also the intention of the municipality to create a database with as-built information of existing water and sanitation infrastructure. Consultants have implemented a Geographical Information System (GIS) for the Municipality, but the database is still lack much information about infrastructure attributes that are necessary for engineering investigations and from a service maintenance perspective.

Addo	<p>Raw water is supplied from the LSRWUA canal (Orange River water) to the Caesar's Dam. Raw water is pumped from the dam to the water treatment works (WTW) from where it is pumped to three storage reservoirs.</p> <p>Ceasars Dam WTW is currently underway.</p>	<p>The internal sewerage reticulation consists of fibre cement and PVC pipelines and drains to the Waste water treatment works.</p> <p>The WWTW is an oxidation pond system and it has insufficient capacity to meet Addo's future wastewater demand.</p> <p>The scheme is being upgraded at the moment. PSP's were appointed by the Municipality. The project is expected to be completed in August 2012.</p>
Enon-Bersheba	<p>Raw water is supplied from the LSRWUA canal (Orange River water) and pumped to a balancing dam next to the water treatment works (WTW).</p> <p>Raw water gravitates from the dam to the WTW from where it is pumped to two storage reservoirs. Enon – Bersheba has sufficient capacity to meet its current water demand. The project for the upgrade of the Enon Bersheba bulk water supply has augmented the capacity. A reservoir was built and commissioned in January 2012</p>	<p>The sewage reticulation network consists of fiber cement and PVC pipelines and drains to the Wastewater treatment works (WWTW).</p> <p>The WWTW is an oxidation pond system and it has insufficient capacity to meet Enon-Bersheba's future wastewater demand. A new project to increase the capacity of the treatment works is underway. The project is at implementation stage and EIA has been approved.</p> <p>Completion stage is set at August 2012</p>

Kirkwood	<p>Raw water is supplied from the LSRWUA canal (Orange River water) into three concrete balancing dams. Raw water is pumped from the dams to the water treatment works from where it is pumped to the storage reservoirs.</p> <p>The storage reservoir capacity can only last for two days. Hence the needs to be increased. To this end the municipality has applied for funding from RBIG to upgrade the ponds as well as the treatment works</p> <p>Kirkwood has insufficient capacity to meet its current water demand.</p>	<p>The sewage reticulation network consists of fiber cement and PVC pipelines and drains to the Wastewater treatment works (WWTW).</p> <p>Kirkwood is currently serviced by two separate WWTW, namely the Kirkwood and Moses Mabida WWTW. The Kirkwood WWTW has been phased out and in future all sewerage will be treated at the Moses Mabida WWTW.</p> <p>The Moses Mabida WWTW is a conventional activated sludge treatment works and the capacity of the works will be increased in phases to meet the current wastewater demand of the town and to ensure that the quality of the final effluent meet the required discharge standards.</p>
Paterson	<p>Raw water is abstracted from boreholes on the outskirts of town. Raw water is pumped from the boreholes to two storage reservoirs. The water is chlorinated before being distributed to consumers</p> <p>Phase 4 of the project is currently underway.</p>	<p>Most of the consumers in Paterson are serviced by septic tanks and pit latrines.</p>

Table 7: Service levels (Households)

Major Towns & Settlements	CDM Settlement Level	Census 2001			CDM 2005		Water			Sanitation				
		Population	Households	Population	Households	None or inadequate	Communal supply	Yard tap or house	Total	Non or inadequate		Wet installation	Full water borne	Total
Addo	1	11005	2729	23263	4151	0	1750	2401	4151	0	1750	25	2376	4151
Enon/Bersheba	1	1291	293	3165	791	0	0	791	791	0	200	0	591	791
Kirkwood	2	9548	2187	26265	5508	0	410	5098	5508	0	2654	0	2854	5508
Paterson	1	4402	1075	8310	1620	0	0	1620	1620	1100	400	120	0	1620
Rural		15218	4245	n/a	n/a	0	0	0	0	0	0	0	0	0
Total		41464	10529	61003	12070	0	2160	9910	12070	1100	5004	145	5821	12070

The Municipality has achieved tremendous success in responding to the eradication of water services backlogs. Although the tables below indicate that a big challenge exists in the upgrading of sanitation in the Municipality, water remains the first focus as the preferred level of service is dependent upon a sufficient supply of water. The provision of infrastructure should also be seen in relation to approved housing developments, as it becomes the vehicle for the provision of basic services.

The Kirkwood and Addo area sources water from Sundays River Water User Association.

The Paterson area requires a special mention as it has extensive problems with bulk water supply. Currently, water needs are obtained from boreholes and this remains largely inadequate. Currently all projects reliant on water e.g. housing, gardens, etc. are experiencing challenges due to water constraints. The Municipality has taken a number of steps to ensure that influential leaders such as Ministers are aware of the situation in order to unlock the required funding. The municipality has entered into a service level agreement with Amatola Water Board to implement the Paterson Bulk water project.

The assessment of our IDP by the Province has identified that we are silent about internal budget for infrastructure, capacity building and filling of critical vacant posts. The municipality is currently implementing a recovery plan and is not in the position to fund all its priorities. The position of the technical director was advertised and will be filled in due course. Due to financial constraints the municipality is procuring the services of experienced process controllers as coaches to capacitate the inexperienced municipal process controllers at WWTW.

2.2.3 Electricity

- (a) 95% of households with access to electricity
- (b) The supply of electricity by ESKOM is linked to approved housing developments and the submission of settlement design plans
- (c) 5% of households without electricity, including un demarcated informal area
- (d) All erven falling within the municipal supply have connections with a minimum of 40 ampere and those falling under Eskom have a minimum supply of 10 ampere.
- (e) Eskom services the biggest area in SRVM and the municipality only services Kirkwood, Aqua Park and Bergsig.

The electricity network in Kirkwood was built in 1962. The network needs to be upgraded. SRVM needs to add more personnel in the electricity unit to address the excessive demand on maintenance. An electrical artisan was employed in the 2011/12 financial year and a provision is made in the budget 2012/13 to employ additional staff. Needs that arise from community consultations are street lights and high mast light.

2.2.4 Agricultural Infrastructure

The municipality needs commonages that are fenced to be able to rent out to subsistence stock farmers. There is no pound in the municipal area and the situation poses a risk for road accidents. There are dipping tanks in all three nodal areas, however they all need to be upgraded. There is need for livestock handling facilities in all the dipping tanks. Certain pieces of land that belong to the municipality and the community (kk 113 and Enon-Bersheba Citrus farm) have got an irrigation system that is currently vandalised. Enon-Bersheba communal land has fenced grazing camps and natural dams which must be provided with water. The majority of people that are involved in agriculture are commercial and their infrastructure is in good condition. There is only one tractor that was donated by the Department of Rural Development and Agrarian Reform for the emerging farmers of Sundays River. The tractor cannot service the vast area of Sundays River as a result it is overused and constantly breaks down. Council has donated two other tractors for kk113 and Enon –Bersheba, but tractors are too small for effective utilisation.

2.2.5. Comprehensive Infrastructure Plans

Comprehensive Infrastructure Plans (CIPs), were developed by the District municipality in 2009. The purpose of the CIP is to develop a platform which will serve as a single process for all tiers of government with respect to infrastructure provision / service delivery. To date phase one of the CIP development has been completed. The tables that are reflected below reflect the anticipated monetary requirements to address infrastructural backlogs.

The following section starts by providing

- A comparison of backlog from available document vs. Actual
- Capital Budget Summary of monetary requirements to address the backlog
- A ward profile summary of access to basic services.

Table 8: Ward Profile Summary Access to basic Services

Intervention	TotalAmount	1-Mar-09	1-Mar-10	1-Mar-11	29-Feb-12	28-Feb-13	28-Feb-14	28-Feb-15	28-Feb-16
Housing	R 286,136,200	R 12,980,000	R 58,040,000	R 65,710,000	R 58,550,000	R 26,470,000	R 13,450,000	R 16,930,000	R -
Water Backlogs	R 19,180,000	R 1,010,000	R 14,680,000	R 3,490,000	R 3,200,000		R -	R -	R -
Water Refurbishment	R 8,540,000	R 3,130,000	R 5,410,000	R -	R -	R -	R -	R -	R -
Water Bulk	R 23,500,000	R 650,000	R 17,840,000	R 5,010,000	R 21,000,000	R -	R -	R -	R -
Water Treatment Works	R 24,500,000	R 2,790,000	R 17,450,000	R 4,260,000	R 7,000,000	R -	R -	R -	R -
	R 75,720,000	R 7,580,000	R 55,380,000	R 12,760,000	R -	R -	R -	R -	R -
Sanitation Backlogs	R 52,290,000	R 19,630,000	R 24,030,000	R 8,630,000	R 8,000,000	R -	R -	R -	R -
Sanitation Refurbishment	R 6,500,000	R -	R 6,500,000	R -	R -	R -	R -	R -	R -
Sanitation Bulk	R -	R -	R -	R -	R -	R -	R -	R -	R -
Sanitation Treatment Works	R 17,000,000	R 3,000,000	R 14,000,000	R -	R 944,000	R -	R -	R -	R -
	R -	R -	R -	R -	R -	R -	R -	R -	R -

	75,790,000	22,630,000	44,530,000	8,630,000									
Roads: new	R 388,000,000	R 4,490,000	R 23,510,000	R	-	R 12,930,000	R 160,270,000	R 140,000,000	R 46,800,000	R	-		
Roads: upgrading	R -	R	R -	R	-	R 19,700,000	R	R	R	R	-	R	-
Taxi facilities	R -	R	R -	R	-	R	R	R	R	R	-	R	-
Roads: maintenance	R -	R	R -	R	-	R	R	R	R	R	-	R	-
	R 388,000,000	R 4,490,000	R 23,510,000	R	-	R 12,930,000	R 160,270,000	R 140,000,000	R 46,800,000	R	-		
Electricity Backlogs	R -	R	R -	R	-	R	R	R	R	R	-	R	-
Electricity Refurbishment	R -	R	R -	R	-	R	R	R	R	R	-	R	-
Electricity Distribution	R -	R	R -	R	-	R	R	R	R	R	-	R	-
Electricity Substations	R -	R	R -	R	-	R	R	R	R	R	-	R	-
	R -	R	R -	R	-	R	R	R	R	R	-	R	-
	R 825,646,200	R 47,680,000	R 181,460,000	R 87,100,000	R 71,480,000	R 186,740,000	R 153,450,000	R 63,730,000	R	-			

DESCRIPTION OF BASIC SERVICE	WARD							TOTAL	
	1	2	3	4	5	6	7	No. Of h/holds	% of total h/holds
TOTAL NO. OF H/HOLDS	1343	1439	1553	1081	1440	1146	1224	9226	
Refuse Removal									
Weekly by municipality	1188	624	408	846	9	144	366	3585	38.86
Municipality other	21	12	24	18	0	6	45	126	1.37
Communal dumping	3	36	129	6	42	126	126	468	5.07
Own dump	84	567	1185	147	1008	795	450	4236	45.91
No disposal	108	144	123	180	561	282	216	1614	17.49
Access to electricity	1155	981	990	816	921	867	816	6546	70.95
Sanitation									
Flush toilets	39	573	411	72	390	657	276	2418	26.21
Flush septic tank	87	51	156	54	6	42	72	468	5.07
Chemical	9	3	6	12	3	3	120	156	1.69
VIP	30	90	183	48	96	93	366	906	9.82
Pitlatrines	1119	531	525	84	1086	342	297	3984	43.18
Bucket latrine	9	6	30	639	6	6	6	702	7.61
None	108	132	555	291	27	210	63	1386	15.02

Water									
Dwelling	60	357	264	90	3	114	249	1137	12.32
In yard	1029	522	504	765	1083	729	423	5055	54.79
Community stand <200 m	63	33	198	108	195	9	138	744	8.06
Community Stand >200m	69	12	303	162	321	69	113	1049	11.37
Borehole	0	12	87	21	0	15	18	153	1.66
Spring	0	0	12	0	0	3	3	18	0.20
Rain tank	66	141	285	3	0	120	147	762	8.26
Dam/stagnant water	3	126	186	24	0	231	78	648	7.02
River/stream	0	39	21	3	0	24	3	90	0.98
Water vendor	0	24	3	3	0	0	3	33	0.36
Other	108	114	18	15	15	42	30	342	3.71

The above table has not been updated with respect to the newly demarcated wards which are eight in total.

Table 9: Basic Service Delivery Measurement

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Household service targets (000)	1									
<u>Water:</u>										
Piped water inside dwelling			4	4	6	7	7	7	7	7
Piped water inside yard (but not in dwelling)			5	5	5	2	2	2	2	2
Using public tap (at least min.service level)	2		1	1	1	1	1	1	1	1
Other water supply (at least min.service level)	4		0	0	0	0	0	0	0	0
<i>Minimum Service Level and Above sub-total</i>		-	10	10	12	10	10	10	10	10
Using public tap (<min.service level)	3		1	1	1	1	1	1	1	1
Other water supply (<min.service level)	4									
No water supply										
<i>Below Minimum Service Level sub-total</i>		-	1	1	1	1	1	1	1	1
Total number of households	5	-	11	11	13	12	12	12	12	12
<u>Sanitation/sewerage:</u>										
Flush toilet (connected to sewerage)			2	4	7	8	8	8	8	8
Flush toilet (with septic tank)			0	1	-	0	0	0	0	0

Chemical toilet			0	0	0	-	-	-	-	-
Pit toilet (ventilated)			1	1	2	1	1	1	1	1
Other toilet provisions (>min.service level)										
<i>Minimum Service Level and Above sub-total</i>		-	4	5	9	9	9	9	9	9
Bucket toilet			5	3	1	0	0	0	0	0
Other toilet provisions (<min.service level)			1	1	1	3	3	3	3	3
No toilet provisions			1	2	2	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	7	6	3	3	3	3	3	3
Total number of households	5	-	11	11	13	12	12	12	12	12
<u>Energy:</u>										
Electricity (at least min.service level)			1	1	1	5	5	5	5	5
Electricity - prepaid (min.service level)			2	2	2	2	2	2	2	2
<i>Minimum Service Level and Above sub-total</i>		-	3	3	3	7	7	7	7	7
Electricity (<min.service level)										
Electricity - prepaid (< min. service level)										
Other energy sources										
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	3	3	3	7	7	7	7	7
<u>Refuse:</u>										
Removed at least once a week			4	4	7	4	4	4	4	4

<i>Minimum Service Level and Above sub-total</i>		-	4	4	7	4	4	4	4	4
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump			0	0	0	0	0	0	0	0
Using own refuse dump			4	4	4	4	4	4	4	4
Other rubbish disposal						0	0	0	0	0
No rubbish disposal			3	3	2	2	2	2	2	2
<i>Below Minimum Service Level sub-total</i>		-	8	8	7	6	6	6	6	6
Total number of households	5	-	11	11	13	10	10	10	10	10
<u>Households receiving Free Basic Service</u>	7									
Water (6 kilolitres per household per month)			11	11	13	11	11			
Sanitation (free minimum level service)			5	5	5					
Electricity/other energy (50kwh per household per month)			3	3	3					
Refuse (removed at least once a week)			5	5	5					
<u>Cost of Free Basic Services provided (R'000)</u>	8									
Water (6 kilolitres per household per month)										
Sanitation (free sanitation service)										
Electricity/other energy (50kwh per household per month)										
Refuse (removed once a week)										

Total cost of FBS provided (minimum social package)		-	-	-	-	-	-	-	-	-
Highest level of free service provided										
Property rates (R value threshold)			25,000	25,000	25,000					
Water (kilolitres per household per month)			6	6	6					
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)			28	29	32					
Electricity (kwh per household per month)			50	50	50					
Refuse (average litres per week)		Y								
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)				14,695	15,462					
Property rates (other exemptions, reductions and rebates)			192	1,021	1,080					
Water			948	2,342	2,476					
Sanitation			208	832	871					
Electricity/other energy			890	843	891					
Refuse			440	400	424					
Municipal Housing - rental rebates										
Housing - top structure subsidies	6									
Other										
Total revenue cost of free services provided (total social package)		-	2,678	20,134	21,205	-	-	-	-	-

References

- 1. Include services provided by another entity; e.g. Eskom*
- 2. Stand distance \leq 200m from dwelling*
- 3. Stand distance $>$ 200m from dwelling*
- 4. Borehole, spring, rain-water tank etc.*
- 5. Must agree to total number of households in municipal area*
- 6. Include value of subsidy provided by municipality above provincial subsidy level*
- 7. Show number of households receiving at least these levels of services completely free*
- 8. Must reflect the cost to the municipality of providing the Free Basic Service*
- 9. Reflect the cost to the municipality in terms of 'revenue foregone' of providing free services (note this will not equal 'Revenue Foregone' on SA1)*

2.3. Basic Infrastructure

2.3.1. Water and Reticulation Level

The data is provided by the Cacadu District Municipality and has been gleaned from the latest backlog study, which was conducted in September 2005. The data indicates the existing water reticulation levels and current deficiencies in the level of service, as well as the cost implications to rectify the current backlogs.

Table 10: Nature of water services at household level

TYPE OF SERVICE	NOTHING	STANDPIPE >200M	STANDPIPE < 200M	INDIVIDUAL CONNECTION UNMETERED	INDIVIDUAL CONNECTION METERED	YARD TANK	OTHERS
Consumer units	0	410	1750	1600	8310	0	0
% Of consumer units	0	3.3%	14.4%	13.25	68.8%	0	0
District average	0.17%	2.6%	4.9%	9.56%	74.96%	7.66%	0.02%

Source: *Cacadu District Municipality Backlog Study 2005*

The table offers a mirror (namely the District average rates) against which performance can be checked.

In a different configuration the following table indicates those geographical areas with “below standard” access to water.

According to the backlog study, the following areas have been identified as having insufficient services according to the national standards:

Table 11: Geographical areas facing below standard water supply

AREA	SUBURB	ERVEN	STANDARD: 5
ADDO	Informal settlement	200	3
	Langbos	350	3
	Molly Blackburn	400	3
	Noluthando	800	3
KIRKWOOD	Moses Mabida	1200	4
	Shacks	410	2
PATERSON	Kwazenzele B	400	4

Source: *Cacadu District Municipality Backlog Study 2005*

Behind the scenes a number of mechanisms enable delivery of water.

The following table looks into the limitations and requirements of these mechanisms:

Table 12: Bulk water supply requirements

SETTLEMENTS	UPGRADING BULK STORAGE			UPGRADING WASTE WATER TREATMENT			UPGRADING BULK PIPELINE INFRASTRUCTURE		
	Current	Required	Cost ³ 'Mil	Current (MI)	Required	Cost	Current (L / S)	Required	Cost
ADDO	4.0ML	6.9ML	R5.2	2.4	3.3	R1.5	37.0	52.5	R1.2
ENON/BERSHEBA	1.1ML	1.0ML	R 0	0.5	0.5	R0	9.4	7.1	R0.75
KIRKWOOD	5.1ML	7.8ML	R4.8	1.5	3.8	R3.0	59.7	59.3	0
PATERSON	1.3ML	2.5ML	R2.2	0.5	1.2	R1.2	21.2	18.8	R 7

Source: *Cacadu District Municipality Backlog Study 2005*

Table 13: Upgrading of raw water supply

SETTLEMENTS	UPGRADING RAW WATER SUPPLY				
	CURRENT	REQUIRED	MAX	SHORTFALL	COST
ADDO	14.8	52.5	37.0	15.5	R1 800 000
ENON/BERSHEBA	8.1	7.1	8.1	0	R3,200,00
KIRKWOOD	20.9	59.3	59.3	0	R3 100 000
PATERSON ⁴	4.5	18.8	17.3	1.5	R1 000 000

Source: *Cacadu District Municipality Backlog Study 2005*

Table 14: Summary of the investment cost for the required upgrade

NATURE OF SERVICE AREA	RETICULATION	RESERVOIR (STORAGE)	SOURCE T(RAW WATER SUPPLY)	WATER TREATMENT WORKS	BULK PIPELINE INFRASTRUCTURE
KIRKWOOD	825 600	4 842 923	3 070 551	0	0
ADDO	1 260 000	5 181 170	1 775 322	2 636 280	1 240 000
PATERSON	144 000	2 236 815	1 021 407	4 592 440	0

Source: *Cacadu District Municipality Backlog Study 2005*

2.3.2. Sanitation & Reticulation Level

Table 15: Nature of current sanitation services at household level

NATURE OF SERVICE	NOTHING	PIT	VIP	BUCKET	CONSER. TANK	SEPTIC TANK	SBS SYSTEM	FWS SYSTEM
Consumer units	0	3960	1043	1100	0	145	0	5822
% Of consumer units	0	32.8%	8.6%	9.1 %	0	0.12%	0	48.23%
District average	0.81%	5.36%	6.89%	10.83%	13.21%	7.38%	6.245	49.28%

Source: *Cacadu District Municipality Backlog Study 2005*

Table 16: Geographical areas facing below standard services

AREA	SUBURB	ERVEN	RATE STANDARD: 8
ADDO	Town	25	6
	Informal settlement	200	2
	Langbos	350	2
	Molly Blackburn	400	2
	Noluthando	800	2
ENON/BERSHEBA	Bersheba A	200	2
KIRKWOOD	Aqua Park	277	3
	Emsengeni	766	3
	Moses Mabida	1200	2
	Shacks	410	2
PATERSON	Kwazenzele B	800	4
	Kwazenzele B	400	2
	Moreson	300	4

	Old Town	120	6
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Source: Cacadu District Municipality Backlog Study 2005

2.3.3. Roads and Storm Water

The table below indicates the lengths of local distributor and internal roads in each area that require development under the project. Existing roads and stormwater infrastructure are in a very poor condition with most of the local distributor and internal roads having a gravel surface.

Roads that are surfaced are in such a poor condition that they cannot be successfully rehabilitated without a complete reconstruction.

The most critical issue common to all of the areas is the lack of proper stormwater management. Rudimentary stormwater infrastructure has been installed on some of the roads, while most overland flow is uncontrolled causing significant damage during high rainfall occurrences. The difference between pre and post development run-off are not catered for.

Table 17: The Lengths of local distributor and internal roads in each area

AREA	LENGTH OF BULK ROADS (m)	LENGTH OF INTERNAL ROADS (m)	WIDTH BULK ROADS (m)	WIDTH INTERNAL ROADS (m)	AREA OF BULK ROADS (m ²)	AREA OF INTERNAL ROADS (m ²)	NO. OF SITES
GREATER KIRKWOOD AREA							
Moses Mabhida	2283.44	18402.01	6.1	3.4	13928.98	62566.83	1320
Emsengeni	2091.96	9073.97	6.1	3.4	12760.96	30851.5	808
Kirkwood Town	0	16023.79	6.1	5.5	0	88130.85	494
Aqua Park	1458.09	3336.43	6.1	3.4	8894.35	11343.86	414
Bersig	800.21	3160.51	6.1	3.4	4881.28	10745.73	261

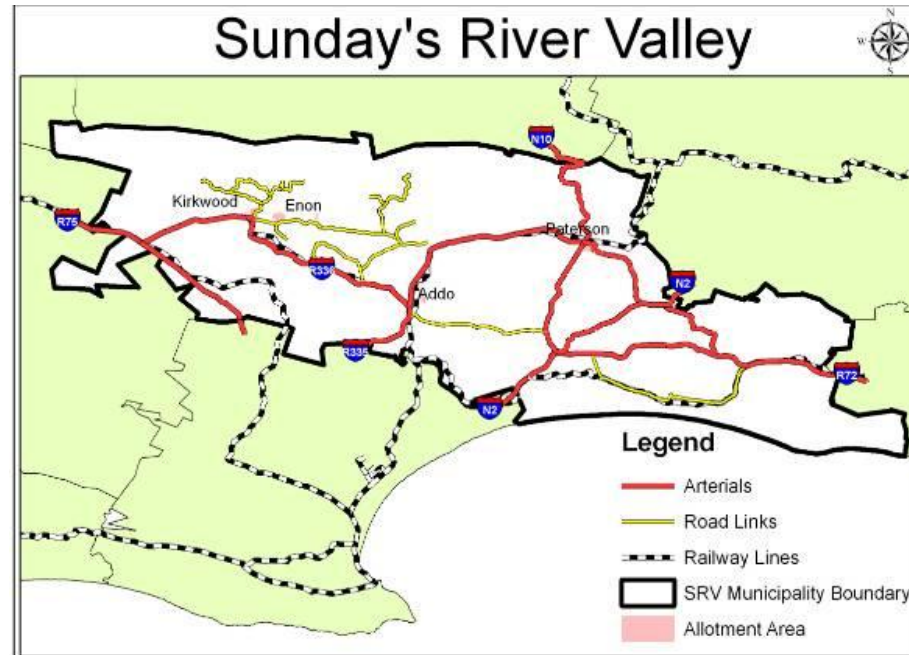
Enon	1659.18	11487.77	6.1	3.4	10121	39058.42	781
SUB TOTAL	8292.88	61484.48			50586.57	242697.19	4078
GREATER ADDO AREA							
Langbos	4228.34	35264.56	6.1	3.4	25792.87	119899.5	1600
Addo	0	5178.94	6.1	3.4	0	17608.4	234
Valencia	3071.07	17182.98	6.1	3.4	18733.53	58422.13	1581
SUB TOTAL	7299.41	57626.48			44526.4	195930.03	3415
GREATER PATERSON AREA							
Patterson	4037.98	20815.85	6.1	3.4	24631.68	70773.89	1479
SUB TOTAL	4037.98	20815.85			24631.68	70773.89	1479
TOTALS	19630.27	139926.81			119744.65	509401.11	8972

A number of projects that are listed in this regard are influenced by various factors:

- The key source of funding for infrastructure, namely the Municipal Infrastructure Grant (MIG), first and foremost needs to serve the eradication of backlogs in basic services.
- The expected standard of communities (namely tarred surfaces) reduces the possibility of generating sufficient funding for such projects.
- Although standards in low income and informal settlements are of a far lower standard and in desperate need of upgrading, the maintenance of existing networks in formally established, middle and higher income groups requires financial allocations, particularly in areas where tourism plays a prominent role.

The Municipality is participating in a District Transport Forum. SRVM boast of a rail line that was once used to transport citrus produce to markets but currently it is in serious need for refurbishment as some parts of the rail are no longer serviced and hence inaccessible. In line with the State of the Nation Address with respect to the rejuvenation of the railway transport network, SRVM sees this as an opportunity put forth its railway network for consideration. A new railway line linking Addo and Colchester will be ideal for tourism route development and commuter transport for recreational purposes along the sea. There is an urgent need for the refurbishment of these railway lines in order to cut costs and reduce pressure on roads [the bulky nature of citrus produce is mainly suited for rail transport more than road]. A weigh bridge is the solution to minimise overloading and get some revenue for the municipality.

The municipal area covers 3507.59 km² (6% of Cacadu's to area).It can be accessed through the N10 and N2 national roads as indicated in the following map.



2.4. Spatial Development Framework

The Spatial Development Framework was reviewed by service providers (Rural Urban Dynamics) that were procured by the National Department of Rural Development and Land Reform. An inception meeting was held on the 8 February 2012 and an SDF steering committee and Technical committee were set up. The revised SDF has addressed the gaps that were identified in the 2010/11 SDF. Public Consultations were held and the draft SDF was advertised for comments. Comments were effect in the draft SDF and the final SDF will be presented to Council on the 30 May 2013 together with IDP and budget. The IDP must be read in conjunction with the SDF as one planning document.

The Spatial Development Plan presents the following outcomes:

- Set out objectives, strategies and policies with respect to a desired spatial form for the Municipal area.
- Set out guidelines for Land Use Management

- Indicate desired patterns of land use within the Municipality
- Address spatial reconstruction in line with the principles of National Spatial development
- Provide strategic guidance with respect to location and nature of development
- Identify programmes and projects for development of land
- Interpret and implement the provisions of Land Use Planning Ordinance (LUPO) 15 in a much wider context.

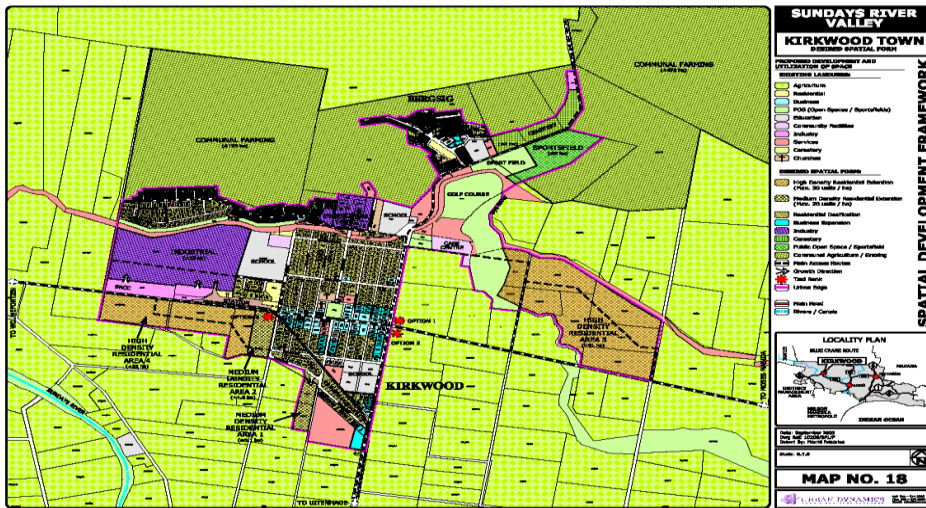
The Land Use Management policies and guidelines as outlined in the SRV SDF deals with the following land use sectors:

- Settlement Hierarchy and Nodal Development
- Conservation
- Tourism and Recreation
- Agriculture and Rural
- Urban Development

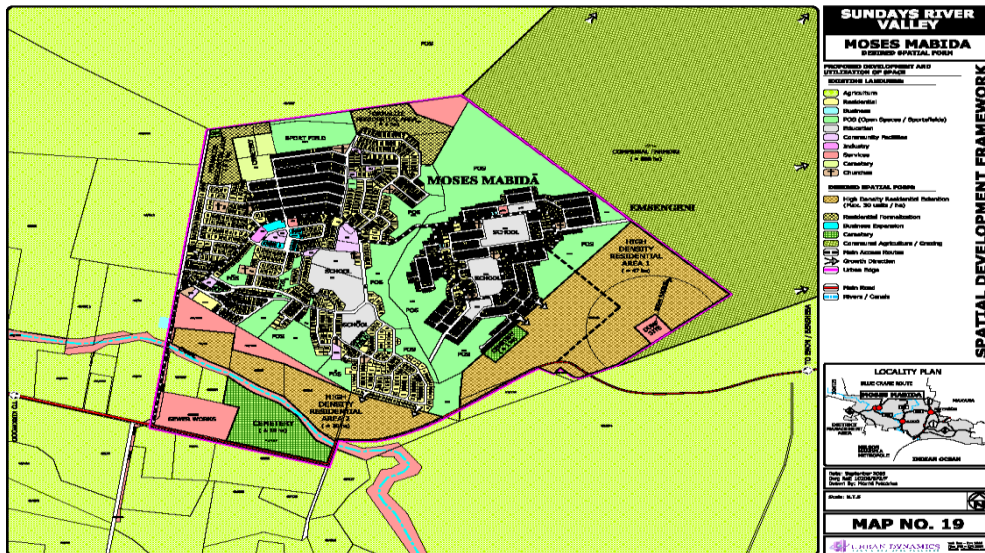
The SDF provides visual representation or maps of the desired spatial form of the Municipality which include:

- Public and private land development
- Desired and undesired utilisation of space
- Areas for strategic intervention
- Areas where priority spending is required

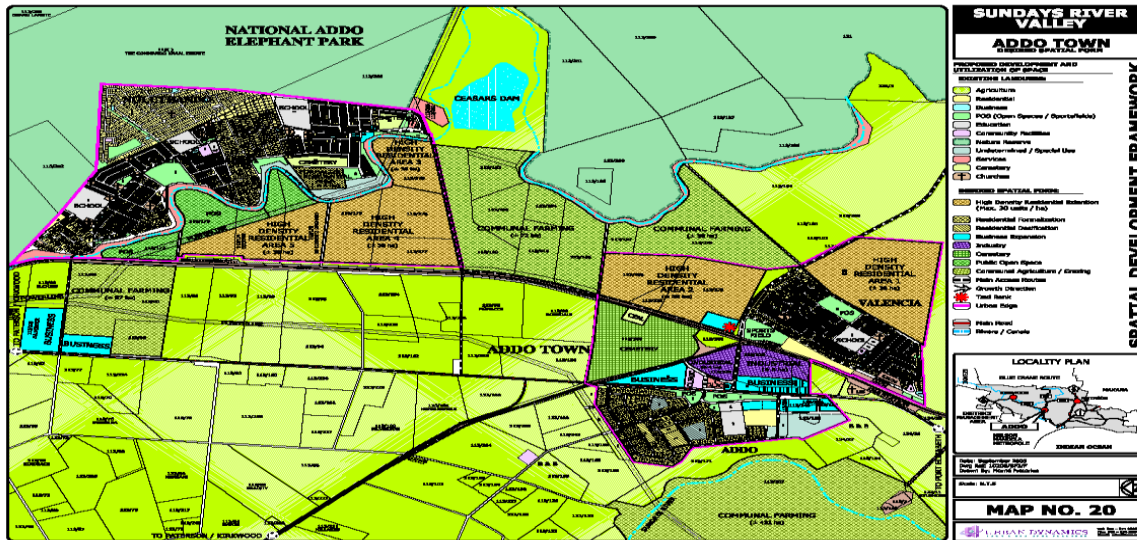
Kirkwood Spatial Form



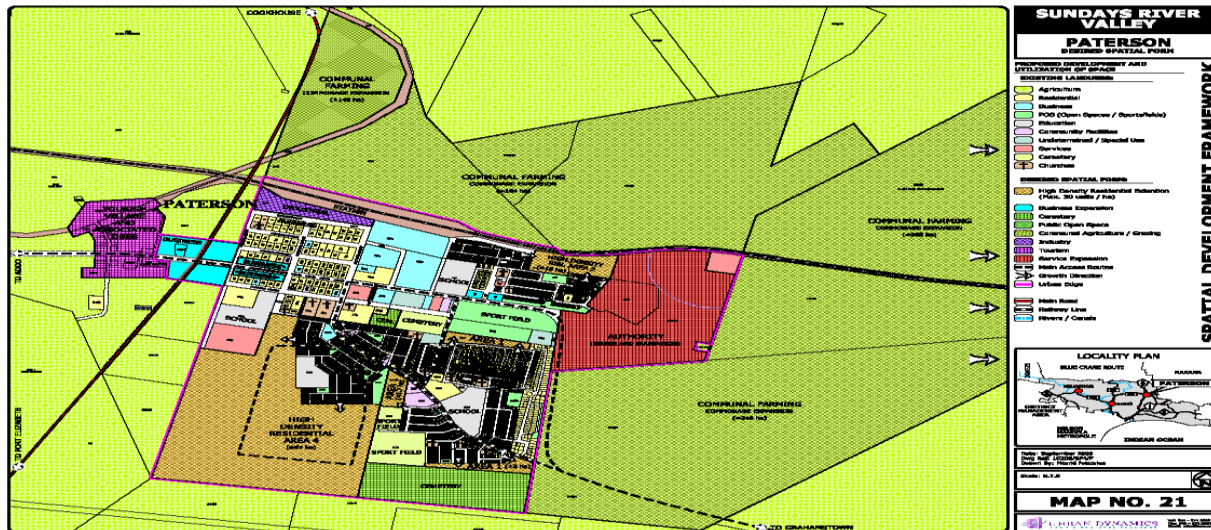
Moses Mabida Spatial Form



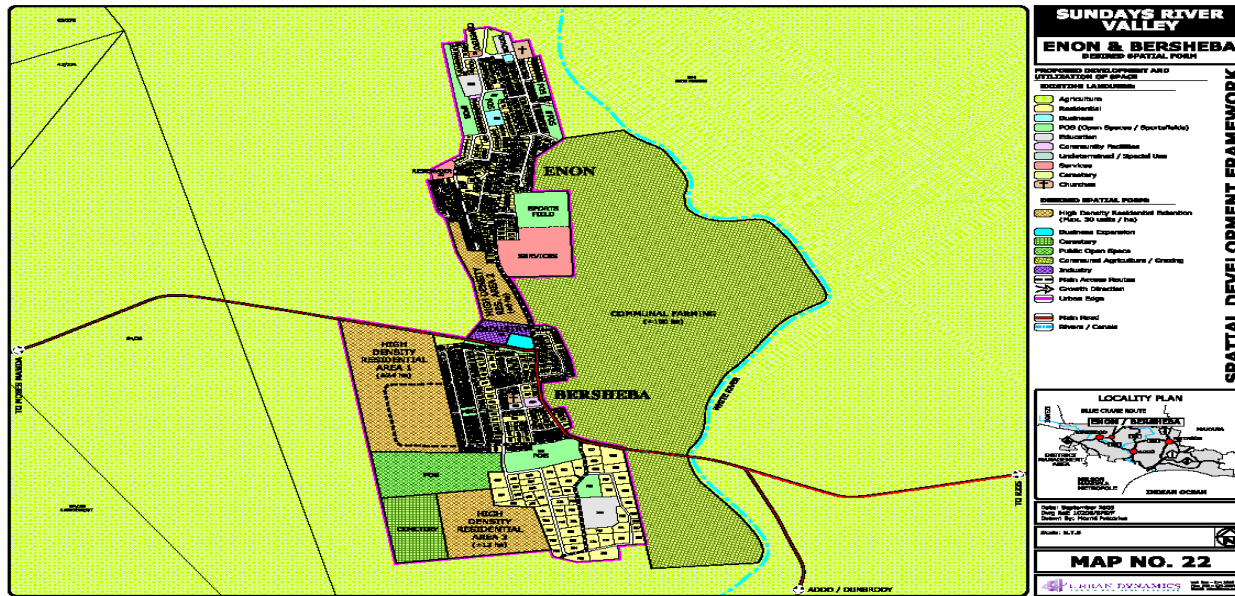
Addo Nomathamsanqa Spatial Form



Paterson Spatial Form



Enon Bersheba Spatial Form



The Department of Local Government and Traditional Affairs has on the 3rd March 2011 requested the municipality to submit vacant public land to for support to acquire for sustainable social and infrastructural development. The following list of lands and motivations was submitted:

2.4.1. Vacant Public and Private Land Required

2.4.1.1. ADDO AREA (Addo CBD, Valencia AND Nomathamsanqa)

(Note areas is accordingly to the Spatial Development Plan)

2.4.1.1.1. High Density Residential

(a) Area 3: Portion 179 of Farm Commando Kraal no 113 Uitenhage RD – Extension for Molly Black Burn housing project:

Motivation: No land for housing development and for 500 houses approved

- (b) Area 4 Portion 176,177 and 178 of Farm Commando Kraal no 113, Uitenhage RD-Phase two of housing project:

Motivation: No land for housing development for approved housing development.

- (c) Area 2 Portions 186,225 and 275 of Farm Commondo Kraal no 113, Uitenhage RD – High Density Residential, portion for Communal farming and portion for LED – Business Hub.

Motivation: The area is in the Addo Tourism corridor and is ideal for the Tourism Hub. Employment and Job creation fund is targeted for funding source.

2.4.1.1.2. Communal Farming

- (a) Area for Communal Farming: Portions 180, 181, 182,184, 185, 187 and 218 of farm Commando Kraal no 113, Uitenhage RD.

Motivation: Requests for land for commonages have been in our IDP for the past 10 years and land owners do not want to sell.

2.4.1.1.3. Addo Cemetery

- (a) Portion 306 of Farm Commando Kraal no 113, Uitenhage RD

Motivation: Cemeteries are full and community uses other wards which are almost full as well.

2.4.1.2. PATERSON AREA

2.4.1.2.1. Communal Farming

- (a) Portion 2, 6 and 7 of Farm number 113, Alexandra RD

2.4.1.3. KIRKWOOD AREA (Include Aqua Park and Bersig)

- (a) Area 2: Portion 83 of the Farm number 539, Uitenhage RD – Medium Density Residential
(b) Area 3: Portions 57, 58, 59, 60, 61, 170 and 211 farm Strathsomers Estate number 42, Uitenhage RD – High Density Residential together with Portions 17, 257, 270, 271, 280 and 313 of the farm Strathosmers Estate number 42, Uitenhage RD – (Part of the Emsengei 1500 housing project)

2.4.1.3.1. Industrial

(a) Portions 52 and 518 of the Farm Strathsomers Estate number 42, Uitenhage RD – Industrial.

2.4.1.4. MOSES MABIDA AREA (Including Emsengeni)

2.4.1.4.1. High Density Residential

(a) Area 2: Portions 22, 23, 24, 66 and 290 of the Farm Strathsomers Estate number 42, Uitenhage RD – High Density Residential.

2.4.1.4.2. Communal Farming

(a) Portion 274 of the farm Strathsomers Estate number 42, Uitenhage RD.

The issue of land cannot be separated from a range of other development challenges, for example housing developments and agricultural initiatives. With the completion of the land audit, the Municipality will be in a much better position to use and manage land in line with its strategic direction. To this effect, CDM and Port Elizabeth Land Reform office of the Department of Agriculture and Land Reform have conducted an Area Based Plan and Land availability audit in 2008 to identify appropriate land to implement:

- Decisions on the optimal placement of settlements in space based on concepts of sustainable development, i.e. how to determine where certain developments (e.g. housing) and support services should be placed regardless of the status of land ownership.
- The expansion of agricultural development within the District in conjunction with the Redistribution Programs as managed by the Department of Land Affairs (DLA), where portions of land with current or future potential are targeted as possible acquisitions in terms of land reform policy.

Unfortunately, key challenges still need to be addressed:

- a. The Spatial Development Framework (SRV) indicates that a total of 82 ha⁵ are required for housing developments. This has since tripled but the revised SDF will be able to inform development officials the extent of the land required and specific location.
- b. The LED situation analysis highlights the challenge of the availability of affordable land. The cost of serviced land is estimated at R60 000 – R90 000 per ha. Access to agricultural land includes:
 - ❖ Commonage for livestock

Land needs are based on a population growth of 3% per annum and a residential density of app. 30 units per ha.

- ❖ Food security
- ❖ Unlocking irrigation potential

Enon-Bersheba community owns+- 11000 ha of communal land which is ideal for eco-tourism and agricultural development opportunities. This community has established a legal entity known as Witrivier Communal Property Association for the management of the commonage on the community's behalf. Council has approved terms of reference for the development of business plans for Enon-Bersheba citrus as well as the municipal-owned kk113 agricultural land. The municipality is supported by the National Department of Agriculture, Forestry and Fisheries and the Department of Rural Development and Agrarian Reform in such endeavours. Furthermore, lucrative economic prospects such as the public-private partnerships in the development of Enon-Bersheba communal land in the Eastern Cape exist.

Communities are also requesting the upgrading or development of new cemeteries and the Municipality is finding it increasingly difficult to respond to requests due to limited availability of suitable land.

Of SRV's 39 unsettled land claims, only four are for financial compensation and the remaining 35 seek land for livestock (34) and conservation/game (District and Metro profile). These figures need to be compared with the ABP/LAA situational analysis report on restitution status which counts 53 claims. Out of 53, 34 are said to be gazetted, 11 non-compliant, 1 settled and 4 are validated. The slow pace of land reform has resulted in some frustration and impatience in certain wards. This is supported by the African Peer Review panel which suggested that South Africa has to be encouraged to relax market-based approach to land reform and look for more imaginative ways to speed up the land transfer to blacks.

Table 18: Land acquired

Program	Ha Distributed	% Distributed	Beneficiaries	Rand Value
PLAS	1,278	12	50	27,765,000
SLAG	1,410	25	162	2,016,000
Commonage	0	0	0	0
LRAD	1 719	5	384	32,205,850

Communities have requested the following:

- ❖ The upgrading of cemeteries in Enon, Bersheba, Moses Mabida, Paterson, Langbos, West Bank and Valencia

- ❖ The provision of new cemeteries in Midtskraal, Dambrody and Bergsig

A priority indicated by the SDF refers to policy development that ensures speedy planning and development processing.

Linked to this issue is the involvement of the Municipality in projects related to the Department of Land Affairs. The information has not changed since 2009/10 and it will be updated as soon as we receive relevant information. Of the 49%Ha LRAD distribution throughout the district, SRVM accounts for 5%Ha which translates to 1 719Ha, 384 beneficiaries and the land price value is R32,205,850 (DLA CAPEX 2007)

Table 19: Land Demand for Housing

Major Town & Settlements	Approved Projects				Housing demand (short/medium term) (SDF/IDP)	Additional land requirement (ha) (SDF/IDP)
	No. of Projects	Houses Completed	Houses under Construction	Total		
Addo	6	1532	802	2334	1710	30
Kirkwood	3	1543	0	1543	1480	33
Paterson	2	0	1050	1050	900	9
Total	11	3075	1852	4927	4090	72

Source: DHLG &TA & LM SDF

2.5. Housing Delivery

The SRVM Housing Sector Plan 2011 was reviewed and revised in accordance with the prescripts of the Blue Book for Municipal Housing Planning and the related National Treasury Planning dispensation. SRVM intends all its residents to have access to safe and affordable permanent residential structures with secure tenure, ensuring privacy and providing adequate protection against the bad elements. The vision of this HSP is to create integrated and sustainable communities.

2.5.1. Housing Demand Profile

The housing backlog in the Sunday River Municipality is estimated to be 5543 with the largest demand being in Wards 3 and Wards 4.

From the situation analysis' socio economic and demographic assessment, the following can be concluded:

- Around 1 749 households in Sundays River Valley presently live within traditional, rental, or informal structures and earn below R6 400.00 per month per household. Of these 1 556 households (or 88.9%) earn below R3 200.00 per month, representing the number of households that qualify for the full subsidy amount available from the Department of Human Settlement.
- The majority – being 8 000 households (or 81%) reside in brick structures, followed by 766 (7.8%) in traditional dwellings.
- Of the 4281 households that reside on farms / rural areas, it is estimated that at least 65% are low-income earners and therefore likely to be farm worker families. Based on this, it is estimated that there are approximately 2 782 farmworker families in the municipality. It is however not clear how many of these households live in inadequate shelter.
- The presence of 263 households presently residing in “informal” flats and / or rooms in backyards and 27 households that presently reside in informal settlements clearly indicate a demand for informal settlement upgrade or rental housing (in cases where occupants of shacks are using the shack as temporary accommodation as opposed to being homeless). However, a dot-count reflects a total of 744 informal structures counted in Addo, Kirkwood and Paterson.
- There appear to be no child headed households in Sundays River Valley.

The quantified housing demand based on information from the 2001 Census and 2007 Household Survey can be summarized as follows:

RURAL/FARMS	SOCIAL AND RENTAL	INFORMAL SETTLEMENT STRUCTURES	CHILD HEADED HOUSEHOLDS
2 782 (To be reviewed)	27	344 (744 – dot count)	0

2.5.2 Land Requirement for Future Development

Town	Population	Houses		Projects		Land Required
		Formal	Informal	Proposed	Approved	
Kirkwood	10 797		1 400	1 400		33 ha
Aqua Park		277	277	277	276	
Moses Mabida		250	1 300	1 300	250	
Emsengeni		766	766	766	766	
Valencia	10 287	666	1 575	1 575	666	12 ha
Nomathamsanqa		770	1 226	1 226	861	18 ha
Noluthando		0	801	801	-	-
Langbos		-	150	150	-	-
Paterson	4 468	-	-	-		-
Kwazenzele/Moreson		200	800	800	200	9 ha
Emanqindini			450	450	-	-
Enon/Bersheba	2 400	250	850	850	250	10 ha
Total	27 952	3 179	9 595	9 595	3 269	

Housing Sector Plan 2011-2016

The municipality has acquired former District Management Areas that require provision for housing and land.

- Rural settlements that exist do not require any additional land (With the exception of Kleinpoort and Glenconnor)
- Social and rental housing should ideally be accommodated on underutilised land parcels central to the urban areas, with good access to existing social and infrastructure facilities and serves.
- Feasibility assessments will be required to determine the potential for in-situ formalisation of informal settlements. This will in turn determine the need for land for relocation of structures from informal settlements.
- The alternatives for responding to the housing and care of child headed households will need to be investigated before a conclusion can be reached on land requirements.

2.5.3. Housing Status Quo

PROJECT	STATUS/COMMENT
Zuney 50	Completed
Moses Mabida 198	Old RDP houses needs rebuilding or Renovation
Moses Mabida 250	Needs Plastering and Ceiling
Emsengeni 766	Needs Plastering and Ceiling
Moses Mabida 750	Incomplete
Aqua Park 277	Needs Plastering and Ceiling
Valencia 958	Inprogress
Nomathamsanqa 369	Old RDP houses needs rebuilding or Renovation/partly complete
Nomathamsanqa 91	Old RDP needs Ceiling and plastering
Nomathamsanqa 801	Completed
Langboss 300	276 Approved
Paterson 155	Completed
Paterson 600	Needs Plastering and ceiling
Paterson 450	Need Plastering and ceiling
MoresonKwazenzele Mandela 269	Completed
Emanqindini 450	Needs Plastering and Ceiling
Paterson 500	New Project

Bersheba 500	New Project
Emsengeni Extension 1500	New Project

The developer status for housing resorts with the Department of Human Settlements. Housing is in terms of our functional and reporting requirements falls under the technical section. This allows proper coordination between the infrastructure requirements.

2.6 Community Services Function

2.6.1 Community Facilities

SRVM has a total of ten Community Halls, a total of eight cemeteries and a total of seven sports fields including three areas namely Kirkwood, Addo and Paterson and smaller settlement such as Enon-Bersheba and Zuney. A budget out of the MIG allocation is set aside for community facilities and the municipality has budgeted for repairs and maintenance for these facilities. The rural nature of the area requires provision of non-motorized transport such as bicycles for pupils.

- **Greater Kirkwood/Upper Valley**

The Greater Kirkwood area has seven schools of which three primary schools and one secondary school is situated in Moses Mabida. The Emsengeni residential extension made provision for the construction of additional schools.

Community facilities are mostly concentrated in Kirkwood, such as community halls, the hospital, main police station and sports fields. Facilities in Moses Mabida and Bergsig need to be upgraded – particularly, the cemetery site needs to be expanded. The Kuyasa Hall is currently utilised as a community gymnasium. In Cacadu, SRVM is the first to have a community gymnasium and Combo Courts in the province. At Enon-Bersheba there are 2 primary schools and two community halls and cemetery.

- **Lower Valley Addo**

The development of the Combo Courts through GIZ for the area of Nomathamsanqa as a legacy project of 2010 World Cup is now rolled out in 2013. Community facilities are limited to three primary schools and one secondary school (situated in Nomathamsanqa). Two clinics are in

operation with a police station, library, 2 sports fields and 2 community halls. The provision of these facilities is not adequate. The facilities are over utilized and upgrading is needed. Sports facilities are limited to two sports fields in Nomathamsanqa and one sports field in Valencia. These facilities are currently undergoing upgrading and major maintenance.

- **Paterson and Zuney**

Education and community facilities are limited to three primary schools, a secondary school, clinic, police station, two community halls, a library and two sports fields. The Sundays River Valley IDP process identified a number of these facilities for upgrading and expansion. The expansion of the existing cemetery site in Paterson has been prioritised.

Tender for Sport fields and recreational playgrounds has been advertised and the consultants have been appointed to do the drawings and designs as part of phase 1. The municipality is in a process of appointing contractors to do the actual construction. The construction of these facilities will be in three phases.

2.6.2 Health Services

The Sunday's River Valley is demarcated under Kouga Health Sub-district Authority together with Kouga Local Municipality and Kou-kamma Local Municipality. Primary Health Care Service has since provincialised on the 01 January 2011. The process addressed the fragmented levels of service.

Health Care Infrastructure

SET CLINIC		Satellite			Mobiles	
CDM	LM	CDM	LM	CDM	CDM	LM
1	3	1	0	1	3	0
Addo Town Nomathamsanqa	Moses Mabida Bergsig Kirkwood	Addo Town		Paterson		

	Town					
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Achievements

- Sundays Valley Hospital has been accredited as an ARV site and it is a baby friendly hospital.
- The Kirkwood Clinic has relocated to Sundays Valley Hospital.

2.6.3. Education

The functional area is not the competency of the Sundays River Valley Municipality; however SRVM plays a role of lobbying for the required services by the community. Through IGR structures an integrated approach to development is facilitated. The municipality cannot plan a new housing development without understanding the need and plans of education, for example a new housing development may need a school and a reserved site where such school could be built. Developments issues that emanated from IDP community consultation are not different from the ones identified in 2011/12 are reflected below:

- Skills training centres are needed in the municipal area
- Learner transport is very critical especially for remote rural areas such as Zuney
- Back to school campaign has to be revived and support for needy children prioritised
- Renovation of all schools is required in the Sunday's River Valley, including provision of retention and retraining of teachers;
- Education support services are needed for children with learning disabilities;
- It is required to introduce skills development for Municipal staff, the community, and especially emerging farmers. Emerging farmers mentorship programme is started and facilitated by the District
- The improvement of ABET learning centres is required;
- General access to farm schools is problematic and restricts learners from attending school on a regular basis. The Zuney school is hard by this problem;
- Crèches are needed in Aqua Park, Dunbrody, Midtskraal and West Bank. The Sakhuxolo preschool has since its establishment been sending several correspondences to the Department of Social development complaining about non-recognition of the number of learners despite proofs. That has impacted on the allocation of grants and supervisors suffer consequences. The municipality has in the past tried to intervene but to no avail.
- Langbos has Multipurpose Centre which include a crèche.
- Through Municipal involvement a crèche for Aqua Park is temporary housed at Aqua Park municipal hall.

- School Governing Councils are important institutions that should play a role in municipal planning activities and in ensuring that the quality of education is upheld. These engagements will take place through IGR structures.

School enrolment (to be updated)

School type	Total Number	Total Number	Principal Deputy	HOD	PL1
Primary Schools	15	4198	18	11	93
Secondary	5	2133	7	8	53

2.6.4. Safety and Security

The Integrated Community Police Forum with Traffic services are conducting meetings on a regularly basis to discuss issues of road safety and community safety at large. Regular road blocks are being conducted in major routes N9; R75; R72;

Rapid Response Unit is deployed at SRVM to assist the municipality on blue drop and green drop requirements. It also assists in developing a water charter. There are various committees that are established which deal with among others, safe and secure environment. To name a few one may include water committee, housing committee, community police forum and transport forum.

With respect to general safety the municipality still experiences challenges around:

- Medium accident rate
- Municipal by-law with respect to stray animals and hawkers trading areas were promulgated but the level of enforcing them is very low. Peace Officers will attend to these challenges.
- The municipality intends soliciting proposals from potential partners for the development of a pound.
- Crime generally decrease in all areas but Paterson does not show any significant improvement

Although the rate of crime decreased over a period of 6 years (March 2004 to April 2010), there are however specific categories of crime that the community police forums and the police must work on. These stats are not current.They are:

CATEGORY	ADDO		PATERSON		KIRKWOOD		
	2004	2010	2004	2010	2004	2010	
Total sexual crimes	39	58	9	19	67	77	
Assault with intent to inflict grievous bodily harm	230	191	84	90	489	287	
Burglary at residential premises	198	150	40	47	239	167	
Murder	16	13	2	4	10	19	
Stock theft	47	41	45	17	66	26	
Drug related crime	13	46	5	12	105	88	

Enon-Bersheba community in conjunction with the community police forum has requested that the unused mobile clinic at Bersheba be used as satellite police station. The police also support the call and an application to that effect was forwarded to the municipality and approved.

2.6.5. Disaster Management Plan

The Act defines disaster management to mean a continuous and integrated multi-sectorial, multi-disciplinary process of planning and implementation of measures aimed at:

- Prevention or reducing the risk of disasters
- Mitigating the severity of consequences of disasters
- Emergency preparedness
- A rapid and effective response to disasters
- Post-disaster recovery and rehabilitation
- All Local Authorities and the District Municipalities are required, in terms of legislation, to prepare disaster management plans as outlined in the Bill
- Various District Municipalities have embarked on this process on a regional level, including the local municipalities

The Disaster Management Plan is in place and was adopted by Council. In line with the Act, the following are priorities with respect to SRVM disaster management plan:

- Disaster prevention/risk reduction Disaster mitigation priorities and the promotion of sustainable livelihoods
- Disaster preparedness
- Disaster response and relief
- Post disaster recovery, rehabilitation and reconstruction
- Establishment of effective management of the function
- Strategies to ensure the involvement of the community and volunteers
- The Emergency Centre in Paterson is required

Funding was received from the District to employ two additional fire officers. There is chief fire officer in fire division and the section is coordinated by the Chief Safety Officer.

This section has been elaborated under Integrated programmes/Plans section where the issues of programme, strategies and risks are narrated. Three more additional staff members will be seconded/transferred to Sundays River Valley Municipality. A budget of R250 000 is set aside for any disaster management activity which includes purchasing of mattresses, blankets as part of immediate relief to victims of disasters.

2.6.6. Environmental Health Services (Municipal Health Services)

The Municipality is responsible for Municipal Health services which mainly focus on:

- Water quality monitor
- Communicable disease
- Waste Management
- Disposal of Dead.
- Food control
- Food premises licenses
- Health surveillance of premises

The municipality receives environmental health subsidy from the District and two environmental health officers are employed. Emanating from complaints about poor quality of water, Council has resolved that the budget for environmental health, especially water quality monitoring be ring fenced. The above focus areas are elaborated herein under:

a) Waste Management

The municipality has a fully integrated waste management service which is executed by the department of community services and technical services. Refuse is collected two days per week in business areas and once for residential areas per week. In Lower Valley which include Addo, Valencia, Nomthamsanqa, Paterson, KwaZenzele, Moreson and Enon-Bersheba (Upper Valley). Waste is collected by local Co-operatives who have signed a month-month contract with the municipality until the formal tender has been formalized.

There are four landfill sites in the Sundays River Valley Municipal area of jurisdiction, with only three that are fully operational. None of the landfill sites are currently registered, and there is a challenge in terms of the management of the sites. Council has approved a call for proposals from potential service providers to manage its land fill sites and undertake job creation initiatives including recycling. The land fill sites are fenced and technical services staff and community development workers guard against illegal dumping and report.

b) Water Quality Monitoring

- The SRVM has 3 Water Purification Plants and 1 area supplied with borehole water.
- Drinking water quality is being monitored on a monthly basis for bacteriological analysis and quarterly for chemical analysis.
- The results are reported to the Department of Water Affairs on a monthly basis.
- Rapid Response Unit assists the municipality with blue drop and green drop.
- SRVM has one river which is passing through Kirkwood town up to Addo areas.
- The Municipality discharge treated sewerage water in to the river as part of a natural water purification process.
- SRVM has a water canal which is fenced. However people, especially children vandalise the fence to get access to canal water for swimming. In return the canal is exposed to risks such as animals drowning.

2.6.7. Environment

The Spatial Development Framework provides a detailed analysis of the topography, vegetation and geology of the area. Of particular interest to the IDP we include the sections relating to recreation, tourism and conservation, considering their high relevance to the local economic development framework.

The Municipality has engaged with these sectors via participation in partnerships such as the Mayibuy'indlovu Development Program and the Addo Elephant National Park. Learners visit the park for environmental education programmes, and also involved in Water Week Celebrations, Harbour Day, Marine Week, National Science Week, Women' Day, Youth Day and South African National Parks Week.

The Environmental Management Plan (as required by the IDP) is limited to the involvement of the Municipality with the Cacadu District Municipality process. Waste management at the municipality's waste sites does not comply. EIA needs to be conducted by external auditors from DEAT in order to manage waste site effectively. Currently all three waste sites are not registered. Poor management of waste site has a

detrimental effect on the environment. The necessary step need to be followed include among other: Proper management tools i.e. IWMP; fencing of sites; monitoring gates; waste recording; recycling; waste minimising; waste management awareness.

Key environmental legislation requires that the IDP is aligned with:

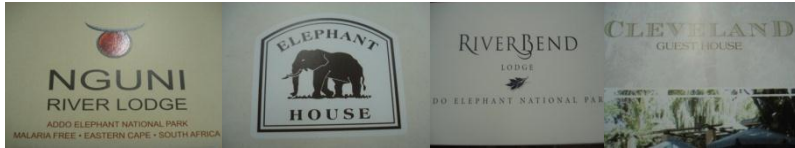
- The National Environmental Management (107 of 1998): The Municipality must provide services sustainably, encourage cooperative environmental governance and ensure that EIAs and Basic Assessments are implemented where required.
- The National Environmental Management: Biodiversity Act (10 of 2004): The Municipality should compile an alien plant management plan for municipal owned land, and must consider threatened ecosystems (the Endangered Albany Alluvial Vegetation as integrated into the Biodiversity Sector Plan & SDF), while aligning with the National Biodiversity Framework (NBF), 2009 (gazetted in terms of this Act). The NBF requires municipalities, with other lead agents (e.g. Eastern Cape Parks), to assist with establishing provincial stewardship programmes, including managing alien invasive plants.
- The National Water Act (36 of 1998): The Municipality should not undertake activities that cause pollution of water resources, ensure that township developments include a 1:100 flood line on proposed layout plans, and it gives effect to the purpose of the Act (i.e. water resource protection)
- The National Environmental Management: Integrated Coastal Management Act (24 of 2008): The Municipality should develop a coastal management programme. In the case of the SRVM, the majority of the coastline is designated as a formal Protected Area and managed by South African National, apart from a small stretch south of Springmount.
- The National Environmental Management: Waste Act (54 of 2008): The Municipality must integrate its waste management plans with its IDP to secure ecologically sustainable development.
- The National Forest Act (84 of 1998): The Municipality should not remove forest without an authorisation from the Department of Forestry.

Numerous policy documents require the consideration of biodiversity in municipal planning for sustainable development, e.g. The National Spatial Development Perspective (2003), The National Strategy for Sustainable Development (2006), and The National Framework for Sustainable Development (2008), while the Provincial Spatial Development Framework requires the integration of important biodiversity areas, such as Critical Biodiversity Areas. The IDP is therefore required to be aligned with national and provincial programmes and strategies in terms of the Local Government: Municipal Systems Act (32 of 2000). Importantly, the Constitution (108 of 1996) necessitates ecologically sustainable development, as stated in the environmental clause of the Bill of Rights.

The recreation and tourism potential of the SRV area is fairly well developed with tremendous potential for further expansion and improvement. Recently, the area has gained a strong reputation as a tourism destination due to the development of conservation and eco-tourism in the area, with specific reference to the Greater Addo Park initiatives. A number of tourism and conservation initiatives are currently underway with a large increase in eco-tourism and game farm orientated activities.

The expansions of the Addo Elephant National Park or the Greater Addo Initiatives are playing a major role in tourism and development in the area. This strength will continue and expand in the future with an emphasis on the eco-tourism and gaming industries. The Sunday's River Municipality is currently playing an important role with respect to these initiatives.

Accommodation in the form of bed and breakfast establishments and guesthouses outside game farms on the Addo Park boundary are secondary uses which show an increase in popularity and growth. A number of guidelines in support of the growing tourism industry with respect to Land Use Management are included in this Spatial Development Framework. Existing initiatives by the Municipality in preparing a Tourism Plan and Local Economic Development Plan should further enhance the tourism potential of the area.



A number of provincial, local and private reserves and nature areas exist within the study area. The STEP and Greater Addo Park project are further contributing to the conservation potential of the area.

The following nature and conservation areas are dominant in the study area:

- Addo Elephant National Park including Kuzuko Game Reserve, Woody Cape Nature Reserve, Alexandria Coast Reserve, Alexandria State Forest, San Soucie, Boschhoek, Boxwood and Congos Kraal
- Inthaba Lodge
- Goodhope Reserve
- Voetpads kloof Citruslandgoed
- Scotia Safaris
- Shamwari Game Reserve
- Amakhala Game Reserve

It is of significance to note that planning domain of the Greater Addo Park initiative includes the towns of Paterson, Addo and Kirkwood.

Greater Addo Elephant National Park Project

The spatial and economic impact of the Greater Addo Park within the study area is of critical importance, specifically regarding future planning and development and the integration of park activities and settlement patterns within the Sunday's River Valley Municipal area.

Expansion plans for the Park are focused around the establishment of a 372 000 ha terrestrial zone in addition to a 120 000 ha marine reserve which would include the Bird and St Croix Islands group in Algoa Bay. These plans would see Addo becoming the third largest conservation area in South Africa after the Kgalagadi Transfrontier Park and Kruger National Park. The expansion includes opportunities not only for a core

conservation area managed by the SANParks, but also makes provision for a private contractual area within the planning boundary. Driving the expansion are efforts to conserve representative examples of the varied landscapes and their associated biodiversity patterns and processes, while simultaneously promoting sustainable development and eco-tourism in the region.

Critical to the expansion of Addo is the identification of a key area within a greater planning domain, loosely related to the proposed 'Greater Addo' boundary, which would conserve the unique features of the area. The dynamic conservation plan developed by the consultants for the region will allow SANParks to make informed decisions around which area should be prioritised for such conservation efforts.

It is the vision of SANParks that a critical core conservation area will be established that would be in excess of 250 000 ha and would be able to support viable free ranging populations of the 'Big 5' tourist draw cards. However, the Park will offer much more than just the lure of the 'Big 5' in a malaria free environment. With the proposed inclusion of a marine protected area, species such as the southern right whale and great white shark are guaranteed to ultimately make the park a 'Big 7' destination. Furthermore, with the emphasis on the conservation of biodiversity, a complete wildlife experience is possible across a series of landscapes unrivalled in beauty, all within a single conservation area. At the moment the bulk tourism activities are restricted to the main elephant camp, which is only some 13 500 ha.

At the moment Addo receives about 115 000 visitors each year, of which 50% are foreign, and this figure is on the increase. A number of new developments are on the horizon to cater for a range of visitor aspirations from the first-time visitor or wildlife generalist, to the specialist, with the prime objective being to accommodate tourists for a longer period in the Park.

Not the least of these includes a new entrance gate and camp being planned near the Sunday's River and the N2 national road. Accommodation will range from the standard SANParks camps/camping sites and bush camps accessible to non 4x4 traffic, to sophisticated, "up-market" camps operated by concessionaires. Any developments will take place in designated zones to minimize the impact on sensitive environments.

The Park expansion also has opportunities for local communities to derive benefits from the Park. Developments and a number entered into sector are being run by a private tour operator, Bukani Tours.

The plans for expansion have also seen the creation of a suite of broader based forums and focus groups that include representation from local communities, business, tourism and industry.

People and Parks Project

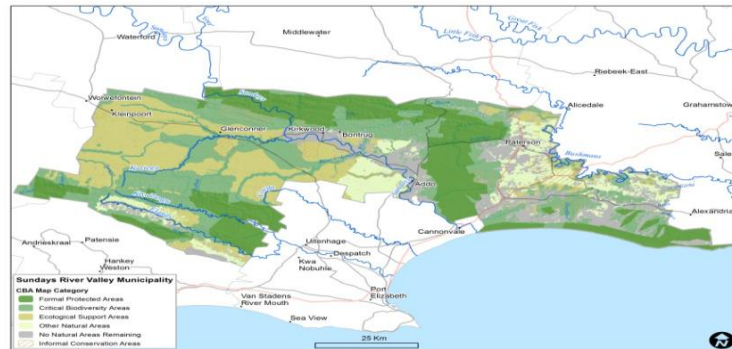
This project is supported by **Resource Africa**; it educates people about the parks and the Tangible and intangible benefits from the parks, Also about the seasons that the traditional healers can be allowed to dig their roots. Resource Africa auditioned traditional groups around SRV and the group from Paterson took the first place they going to be awarded by the equipment.

The Biodiversity Sector Plan for the Sundays River Valley Municipality (2012)

The Biodiversity Sector Plan (BSP) for the SRVM represents the biodiversity informant for all multi-sectoral planning procedures, such as the Integrated Development Plan and Spatial Development Framework. It is intended to support land-use planning and decision-making in order to achieve the sustainable development agenda. The BSP is comprised of a relatively fine-scale Critical Biodiversity Areas (CBA) Map, mapped at a scale of 1:20 000 (Skowno and Holness, 2012) (Refer Figure 1). Associated with the CBA Map is a set of biodiversity-compatible land-use guidelines, including a series of land and water use management guidelines. The BSP also includes an explanatory handbook (with a biodiversity profile) and the various maps used to prepare the CBA Map (e.g. vegetation, rivers, wetlands and land cover)⁶.

The CBA Map has refined the spatial accuracy of the Eastern Cape Biodiversity Conservation Plan's (ECBCP) CBA Map (Berliner and Desmet, 2007⁷), including the Subtropical Thicket Ecosystem Programme (STEP) Map (Cowling *et al.*, 2003⁸). In other words, it is a more accurate spatial representation of important biodiversity areas in the SRVM and therefore supersedes the aforementioned maps. The CBA Map divides the landscape into formal Protected Areas, Critical Biodiversity Areas, Ecological Support Areas, Other Natural Areas and No Natural Areas Remaining. The first three categories represent the biodiversity priority areas, which should be maintained in a natural to near-natural state, with low intensity developments possible. The remaining two categories are not considered biodiversity priority areas, and can be targeted for sustainable development. The land use guidelines are specified for Critical Biodiversity Areas and Ecological Support Areas, while the general land use management guidelines are specified for Critical Biodiversity Areas, Ecological Support Areas and Other Natural Areas.

Figure 1: The new, relatively fine-scale Critical Biodiversity Areas (CBA) Map for the Municipality (1:20 000) (Skowno and Holness, 2012).



⁶ The production of the Biodiversity Sector Plan was funded by the French Global Environmental Facility and implemented by South African National Parks (Park Planning and Implementation: Conservation Services).

⁷ Berliner, D. and Desmet, P. 2007. Eastern Cape Biodiversity Conservation Plan: Technical Report. Department of Water Affairs and Forestry Project No 2005-012, Pretoria. 1 August 2007.

⁸ Cowling R.M., Lombard A.T., Rouget M., Kerley G.I.H., Wolf T., Sims-Castley R., Knight A., Vlok J.H.J., Pierce S.M., Boshoff A.F. and Wilson S.L. 2003. A conservation assessment for the Subtropical Thicket Biome. Terrestrial Ecology Research Unit Report No.43, University of Port Elizabeth.

2.7. Local Economic Development

The analysis of the economic profile and trends in Sundays River Valley Local Municipality (SRVLM) forms the basis of identifying comparative and competitive advantages and economic potential opportunities that may be exploited by municipality to the benefit of local residents. The rationale for successful economic revitalization of SRVLM lies in some of the following salient features:

- Proximity of SRVLM to the Nelson Mandela Bay Metro
- Proximity of local business to the Coega harbour
- Land availability for new development
- Established local commercial farming and tourism infrastructure
- Relocation of District municipality and other Provincial Government Departments' offices to Kirkwood
- Established road and rail infrastructure
- Natural resources as portrayed by the local landscape and warm climate that sustains the key agriculture and tourism sectors
- Latent potential to an expanding economy

Social economic profiling of the municipality is provided under figure 2.1 Demographics in Chapter 2 of the document.

The municipality undertook a process to review the LED Strategy in 2011 – 2013, and the document has been tabled to Council for final approval on the 27 March 2013. The process to develop the LED Strategy was driven by the LED Forum which is representative of all LED stakeholders in the area, and the working team which culminates from this broader structure; called LED Task Team championed the sourcing of information from relevant stakeholders.

The strategy that has been developed takes into cognizance the entire relevant legislative and policy framework recognizable as essential criteria for developing an LED Strategy namely: National Provincial District and Municipal IDP. It also recognizes the grounding principles that act as a guide on how the LED Strategy should look like.

It has been a fortunate exercise to develop the LED Strategy because the process ran concurrently with the review of the Spatial Development Framework, where you find congruency in the spaces that are earmarked for economic development. Both documents clearly flag out areas of potential and thereof an LED master plan will be developed which seek to enhance major development precincts.

The process to approve the document delayed due to lack of up to date statistics, and the Council was very hesitant to adopt a document that does not reflect the actuals. Eventually, Census 2011 results were released and all available data has been included in the document.

The Department of Local Government and Traditional Affairs allocated a three year LED support grant to the municipality to beef up the capacity of LED, and with this fund a post was activated from the municipal organogram namely Sector and Enterprise Development Practitioner who reports directly to the LED Manager. The LED Manager reports directly to the Municipal Manager. The municipality has also leverage administrative support to the IDP/LED Units by appointing a temporary Admin Assistant. The EPWP committee which comprised by LED Manager,

Supply Chain Management Practitioner and PMU Manager is one mechanism to enhance the implementation of EPWP. The municipality for 2013/14 is entitled to receive R23,9 million from MIG and R1 million is ring-fenced for EPWP. EPWP policy was adopted by council.

An environment for Public Participation is sectorally based where you find different fora for every sector identifiable in the valley except for Agriculture which is still in the process of being established.

- The municipality has in the 2013/14 financial year budgeted for the development of the investment incentive strategy and is currently developing an SMME Development Strategy which seeks to enhance beneficiation of local enterprises in the procurement processes.
- The LED Forum was established and launched in October 2010 but its functionality is not as expected hence there is a drive to revitalize it in 2013/14. The Business Chamber and SMME forum were established and participates in all municipal programmes.
- There is an annual allocation for capacity building and training, the office also offers assistance with regards to business registrations with The municipality is developing a SMME Development Strategy,
- The billing system of the municipality was found not in order in 2012; subsequent to that registered Cooperatives were assigned to fix water leakages and tempered electricity, milestone payments are made to individual members of Coops involved.
- The municipality has the following policies and by-laws that promote economic development:
 - Street trading by-law
 - Food control by-law
 - Animal control by-law
 - Co-operative Development policy
 - Draft SMME Development policy
 - Draft Informal Trading policy
 - Draft Commonage Management policy
 - Tourism Sector Plan
 - LED Strategy 2004
 - Spatial Development Framework
 - EPWP Policy
 - Supply Chain Management Policy
- The municipality received an amount of R350 000 from DLGTA for Small Town Revitalization endeavors. Three areas were identified for the rollout of the Small Town Revitalization programme (i.e. Kirkwood, Addo and Paterson).

2.7.1. Education

Improvement in educational attainment is showing rapid and sustained progress. Key dimension that directly influences the potential employability of community members is their educational background and level of skills that they possess. The level of education and skills within a region impacts on many factors, including: the productive efficiency of investments (e.g. health and capital), employment potential, the gender gap and productivity and income levels. Education is therefore acknowledged as being inextricably linked to the economic development of an area and to a growing middle class.

Table 20: Geography by Highest educational level

	Grade 0 - Grade 2 / Sub B	Grade 3 / Std 1/ABET 1Kha Ri Gude;SA NLI - Grade 7 / Std 5/ ABET 3	Grade 8 / Std 6 / Form 1	Grade 9 / Std 7 / Form 2/ ABET 4	Grade 10 / Std 8 / Form 3	Grade 11 / Std 9 / Form 4	Grade 12 / Std 10 / Form 5	NTC I / N1/ NIC/ V Level 2 - NTC III /N3/ NIC/ V Level 4	N4 / NTC 4 - N6 / NTC 6	Certifi cate with less than Grade 12 / Std 10 - Diplom a with Grade 12 / Std 10	Higher Diplom a - Post Higher Diplom a Maste rs; Doctor al Diplom a	Bach elors Degre e - Bach elors Degre e and Post gradu ate Diplo ma	Honou rs degre e - Higher Degre e Maste rs / PhD	No scho oling	Grand Total
Ward 1	649	1 330	441	460	577	614	674	6	12	69	19	9	9	521	5 390
Ward 2	746	1 706	502	434	625	469	913	18	13	86	32	40	21	411	6 016
Ward 3	847	2 278	775	534	543	519	547	8	6	56	53	33	9	555	6 764
Ward 4	574	1 234	388	317	369	450	447	4	2	58	4	11	3	440	4 300
Ward 5	575	1 542	456	335	378	508	408	8	4	41	7	2	3	283	4 551
Ward 6	690	1 744	530	360	445	427	493	9	4	38	39	16	17	374	5 185
Ward 7	684	1 893	631	436	524	360	1 008	23	25	108	123	103	40	405	6 364
Ward 8	1 075	2 509	912	729	816	686	903	8	5	71	46	61	17	480	8 318
Grand Total	5 840	14 235	4 636	3 606	4 277	4 032	5 394	83	71	525	324	275	120	3 471	46 888

The above table illustrates that at least 36% of the population within the Sundays River Valley Municipal area have Grade 3/ Std 1 education. This category is followed closely by 15% of the population who only have Grade 0 – Grade 2/Sub B. This therefore proves that our community is still illiterate.

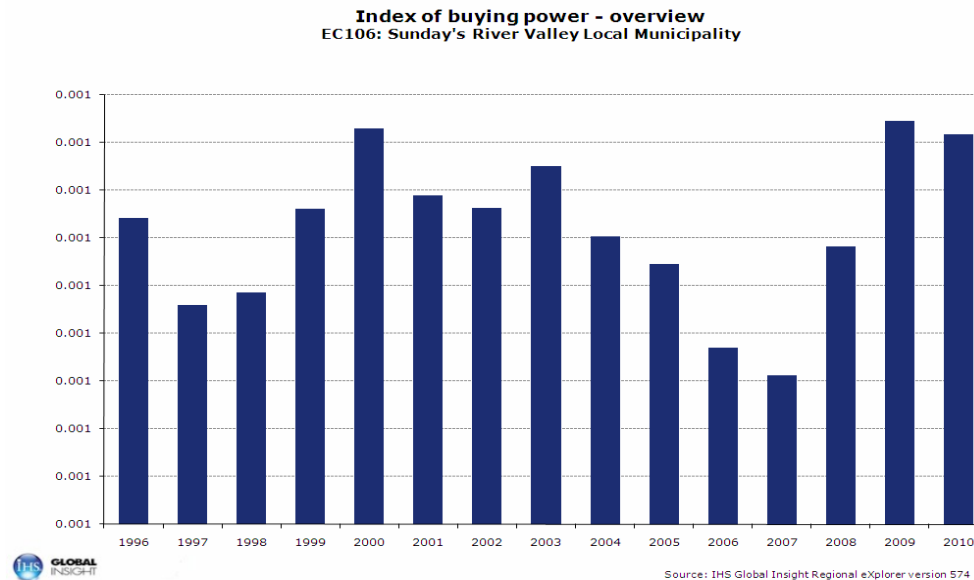
Findings

Less than 2% of the population in the SRVM area has higher education qualifications, which is a worrying factor if the municipality has to grow and transform itself beyond being a producer of primary products, that in most circumstances fetches less on the market due to market dynamics.

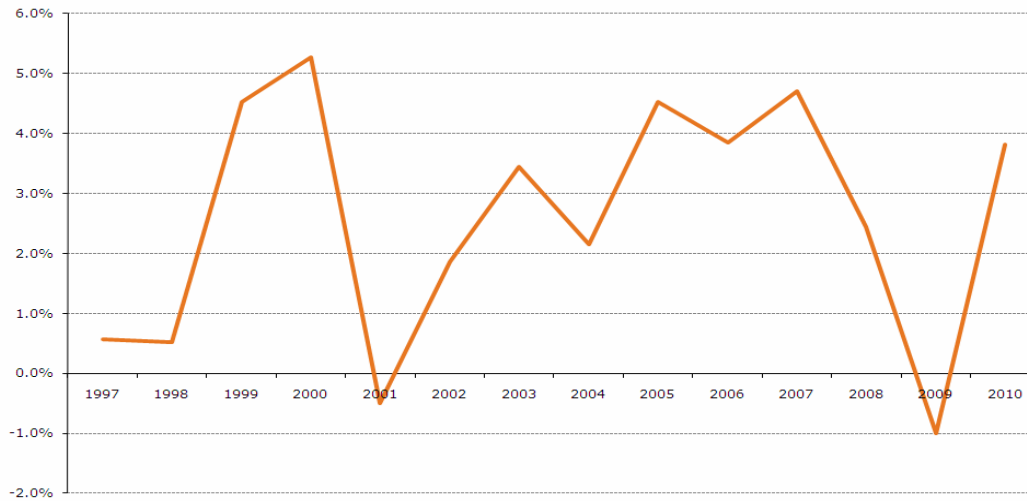
This could be attributed to schools surrounding the area and the adult education system provided by government to older people. Although the illiteracy rate is on a steady decline, the number is still higher than the national average of 32% and warranting remedial action as it has a negative effect on development.

2.7.2. Income

Household income is showing a steady and sustained increase, with disposable income showing strong growth after the 2008 recession



Growth in Annual total disposable income
EC106: Sunday's River Valley Local Municipality, Total

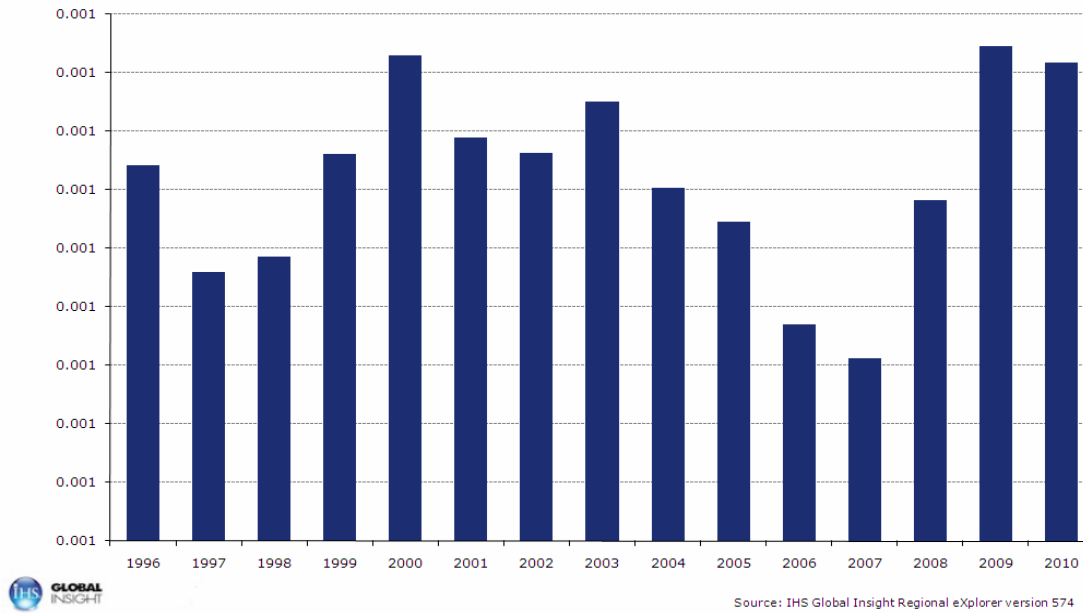


Source: IHS Global Insight Regional eXplorer version 574

2.7.3. Index of Buying Power

Buying power is indicating rapid post recessionary growth.

Index of buying power - overview
EC106: Sunday's River Valley Local Municipality



2.7.4. Labour and Unemployment

Table 21: Labour Force: Geography by Official employment status

	Employed	Unemployed	Discouraged work-seeker	Other not economically active	Age less than 15 years	Not applicable	Grand Total
Ward 1	1 233	537	145	2 179	-	1 913	6 008
Ward 2	1 778	319	98	2 635	-	2 475	7 305
Ward 3	2 397	273	82	2 329	-	2 662	7 743
Ward 4	1 201	693	161	1 119	-	1 658	4 832
Ward 5	1 386	216	93	1 834	-	1 775	5 303

Ward 6	2 087	196	82	1 643	-	1 731	5 739
Ward 7	2 848	257	175	2 670	-	2 296	8 247
Ward 8	3 155	353	308	2 605	-	2 905	9 328
Grand Total	16 085	2 845	1 145	17 014	-	17 415	54 504

The table shows ward 4 as having the high rate of unemployment followed closely by ward 1. The table also indicates a huge number of people under the not applicable column. This then triggers a question that why so many people are categorized as not applicable. Could these be the people who work only during season (citrus production)? A question still remains.

2.7.5. Type of Sector

Table 22: Labour Force: Geography by Type of sector

	In the formal sector	In the informal sector	Private household	Do not know	Unspecified	Not applicable	Grand Total
Ward 1	905	197	141	13	-	4 753	6 008
Ward 2	1 280	271	169	85	-	5 500	7 305
Ward 3	1 539	487	357	51	-	5 309	7 743
Ward 4	908	108	199	21	-	3 596	4 832
Ward 5	1 054	151	53	161	-	3 884	5 303
Ward 6	1 538	280	205	95	-	3 621	5 739
Ward 7	2 202	382	276	80	-	5 306	8 247
Ward 8	2 451	367	322	47	-	6 140	9 328
Grand Total	11 877	2 242	1 722	553	-	38 109	54 504

The above table indicates that Ward 3 has the highest number of people employed in the informal sector. Attention is also put to the highest number of people in all the wards who fall under the not applicable sector. This therefore stimulates a need to do a thorough research in this regard.

2.7.6. Dependency Ratio

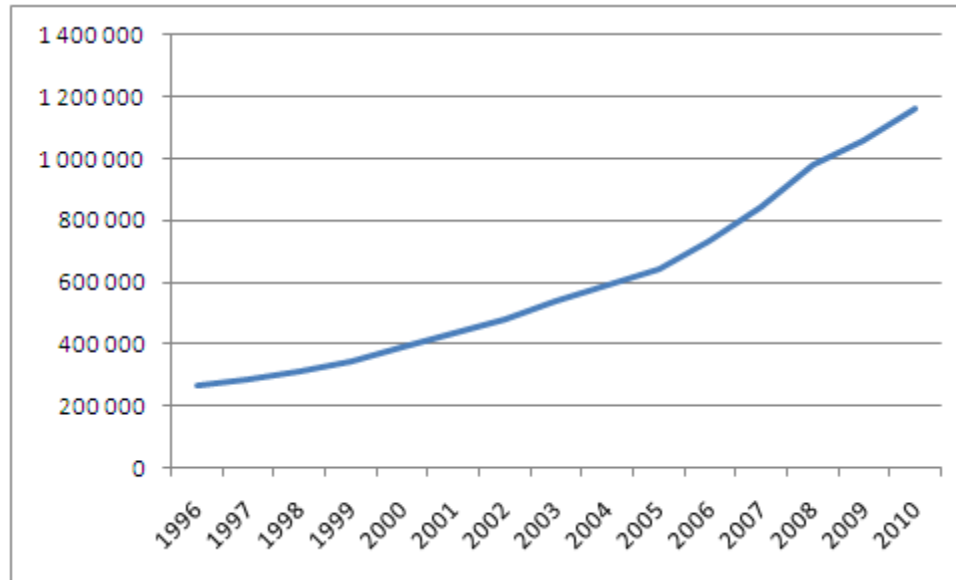
0-4			15-64			65+		
1996	2001	2011	1996	2001	2011	1996	2001	2011
13388	12469	14578	28107	28916	37089	2545	2529	2837

The above table indicates a child dependency ratio of 47.6% and the elderly dependency ratio of 9% during 1996. The dependency ratio of both child and elderly shows a decline during the year 2001 of 51.9%. During the year 2011, dependency ratio of both the child and elderly sits on 47.0%.

2.7.7. Economic Structure and Growth

2.7.7.1. GROSS DOMESTIC PRODUCT (GDP)

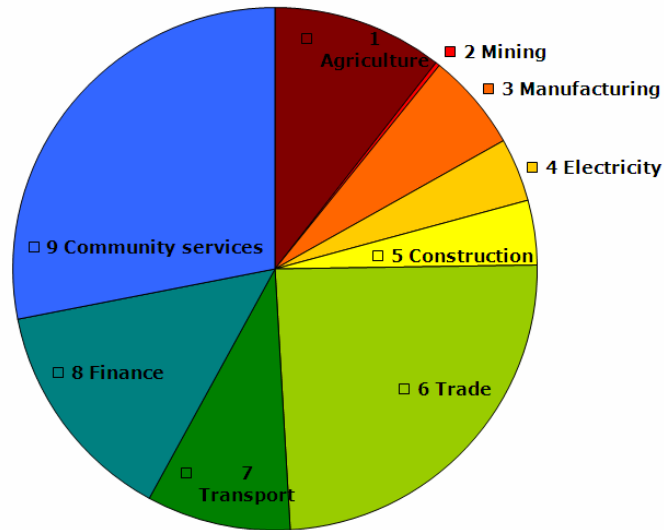
GDP in 2010 was estimated to be R 1 162 billion and has been steadily increasing.



2.7.7.2. SECTOR BREAKDOWN

The leading sectors in SRV in regard to Gross Value Added are Community Services, Trade (which includes tourism), Finance (which includes Real Estate), agriculture, transport and construction.

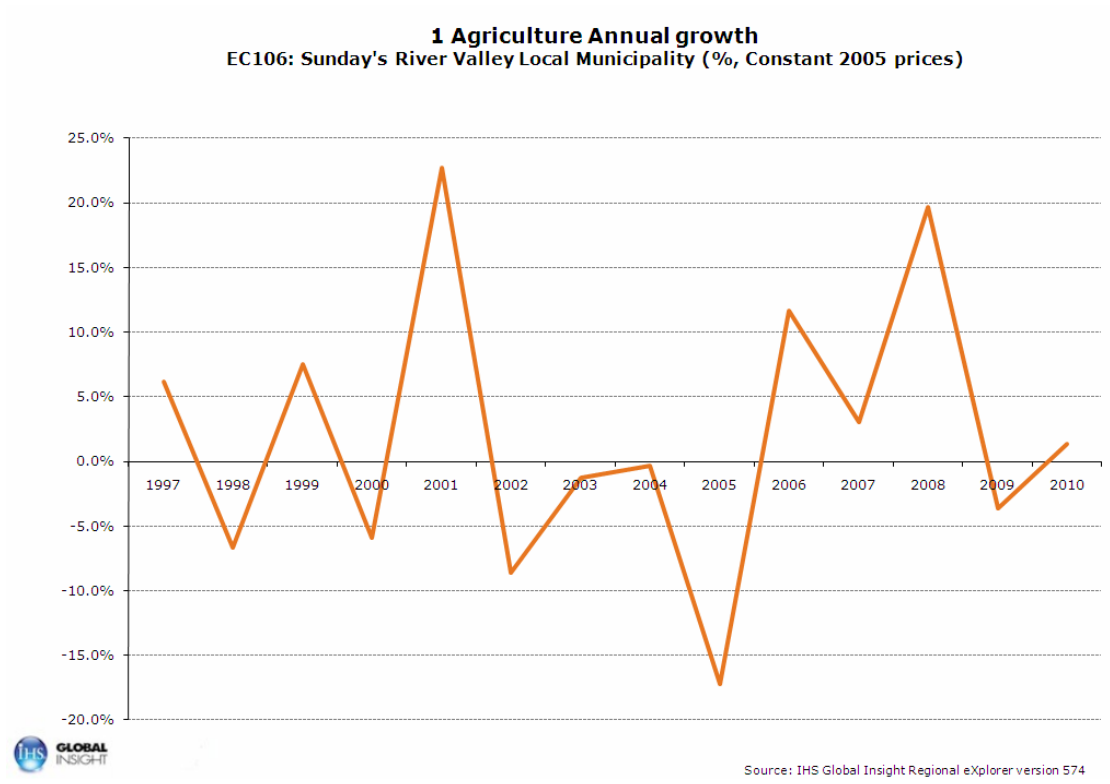
GVA-R Sectoral composition
EC106: Sunday's River Valley Local Municipality, 2010



Source: IHS Global Insight Regional eXplorer version 574

2.7.7.3. GROWTH RATES OF KEY SECTORS

Agriculture as a key driving force in the economy indicates a strong “boom –bust” cycle.



Manufacturing has been showing relatively weak growth over the past seven years and appears to have been hard hit by the recession.

3 Manufacturing Annual growth
EC106: Sunday's River Valley Local Municipality (% , Constant 2005 prices)



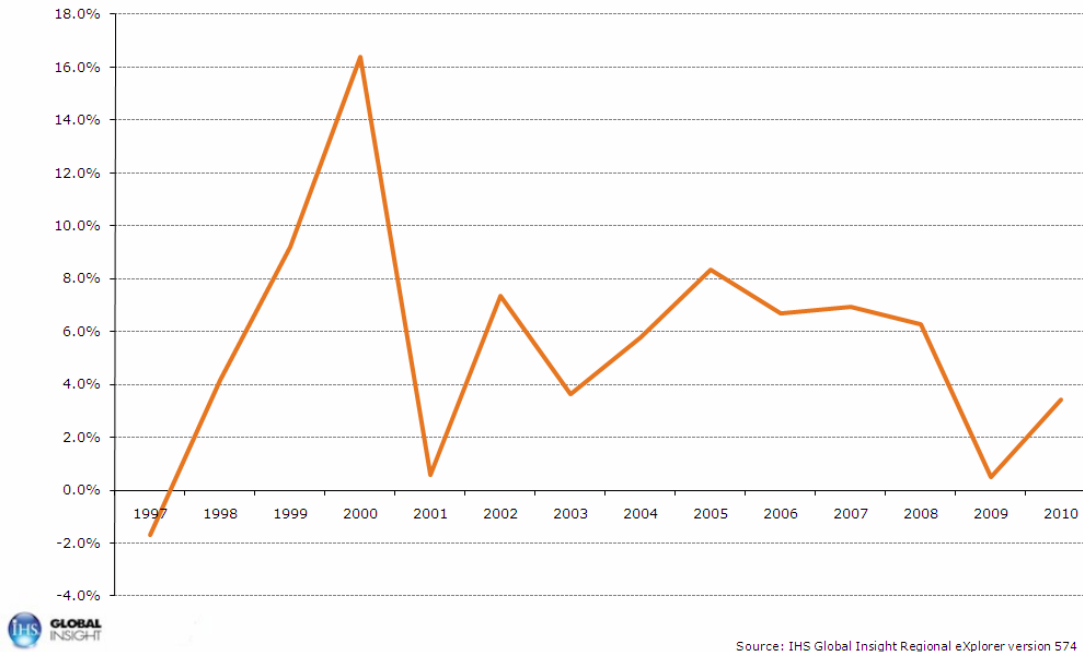
Construction growth has been highly cyclical with a progressive decline over the past four years.

5 Construction Annual growth
EC106: Sunday's River Valley Local Municipality (% , Constant 2005 prices)



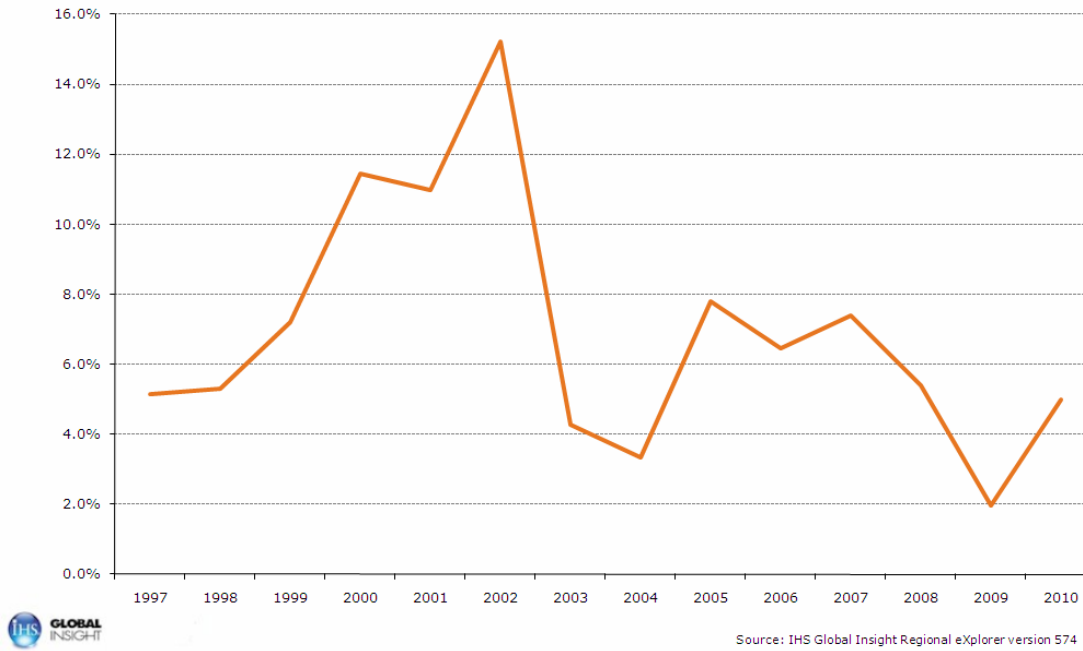
Trade has shown consistently positive growth since 2011 and appears to have recovered rapidly after the recession.

6 Trade Annual growth
EC106: Sunday's River Valley Local Municipality (% , Constant 2005 prices)



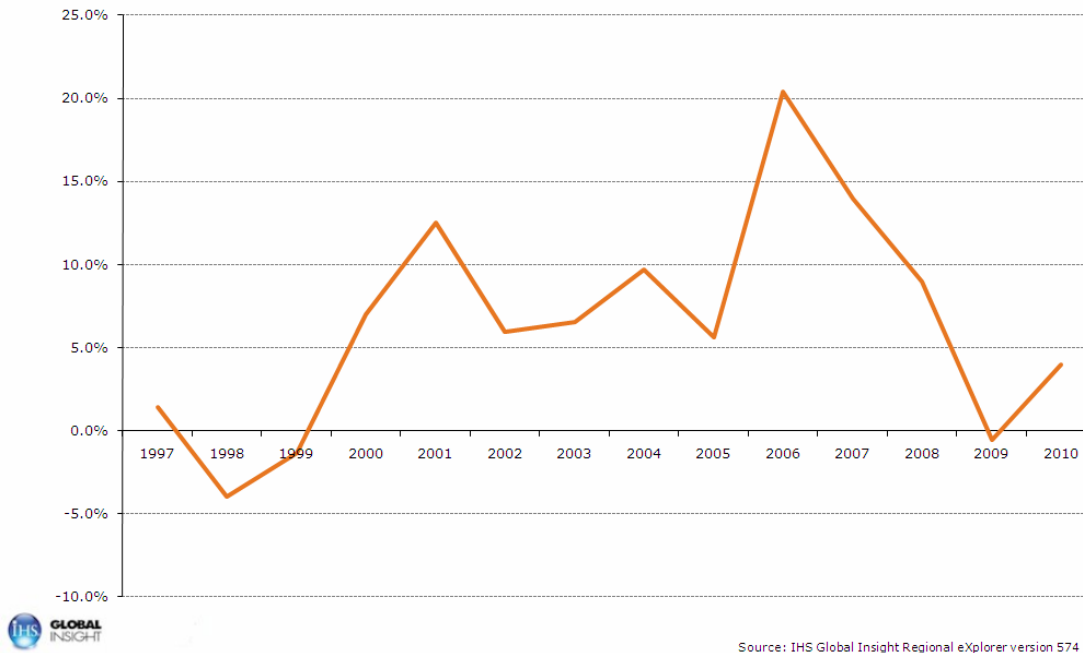
Transport has shown consistently positive growth and rapid recovery after the recession.

7 Transport Annual growth
EC106: Sunday's River Valley Local Municipality (% , Constant 2005 prices)



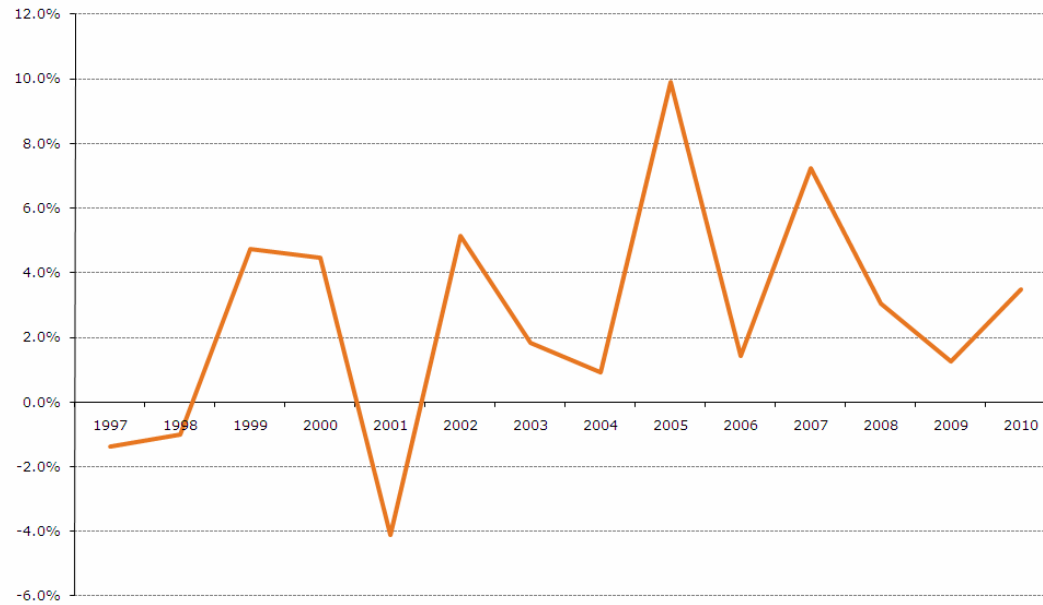
After a notable pre-recession property boom, finance is indicating positive growth once more.

8 Finance Annual growth
EC106: Sunday's River Valley Local Municipality (% , Constant 2005 prices)



Community Services has shown consistently positive if fluctuating growth since 2002.

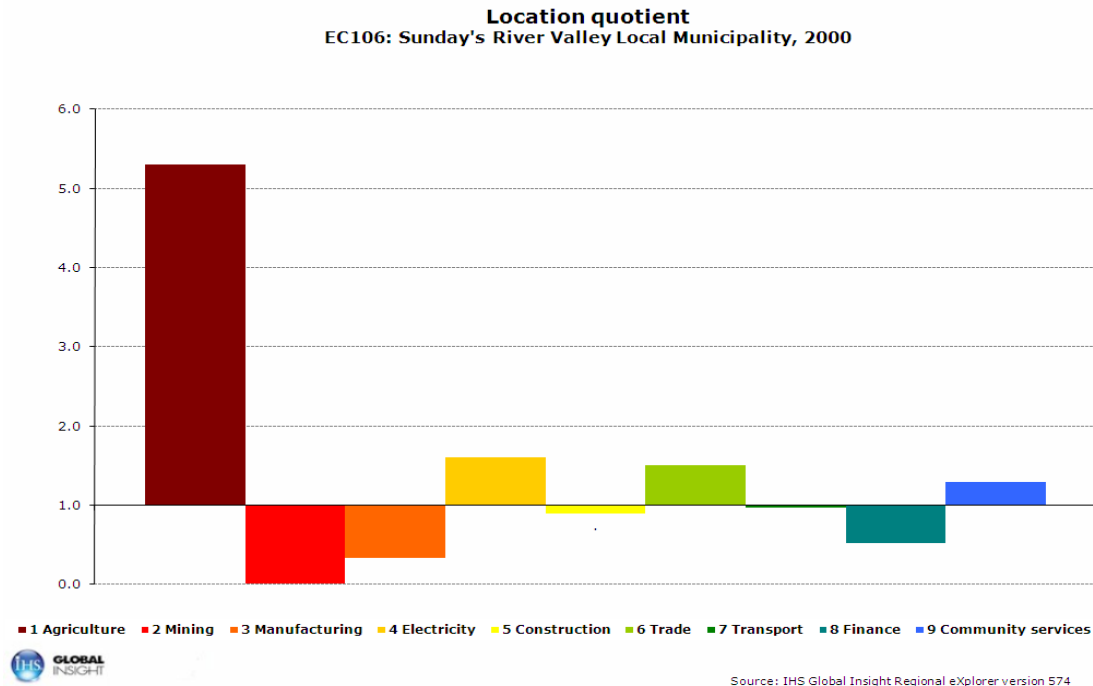
9 Community services Annual growth
EC106: Sunday's River Valley Local Municipality (% , Constant 2005 prices)



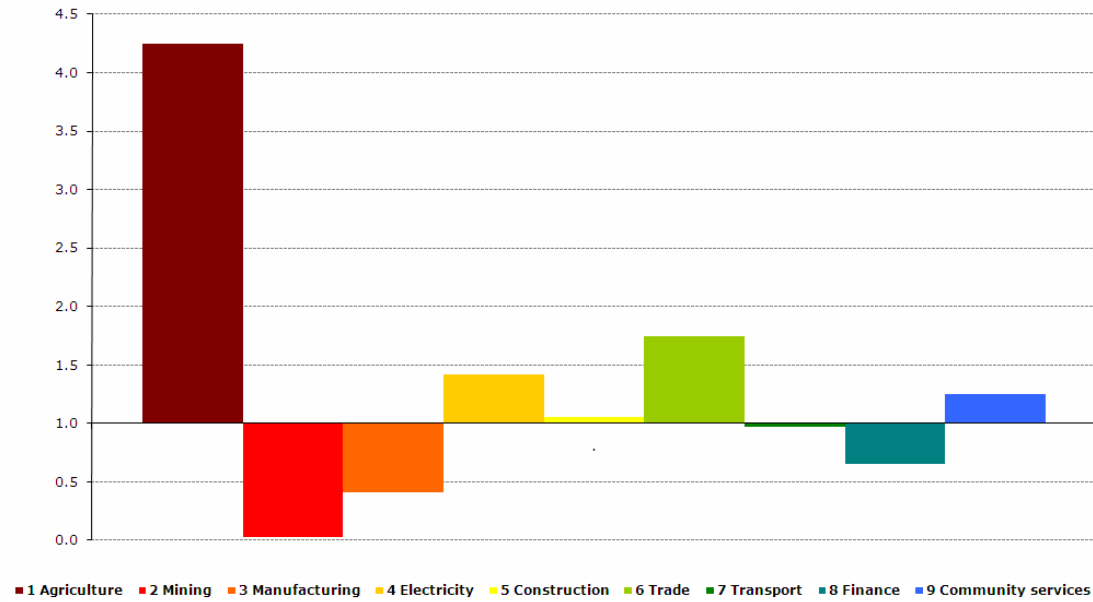
Source: IHS Global Insight Regional eXplorer version 574

2.7.8. Location Quotient

SRV has strong specialization agriculture when compared with rest of South Africa but this is declining in favour of trade and community services.



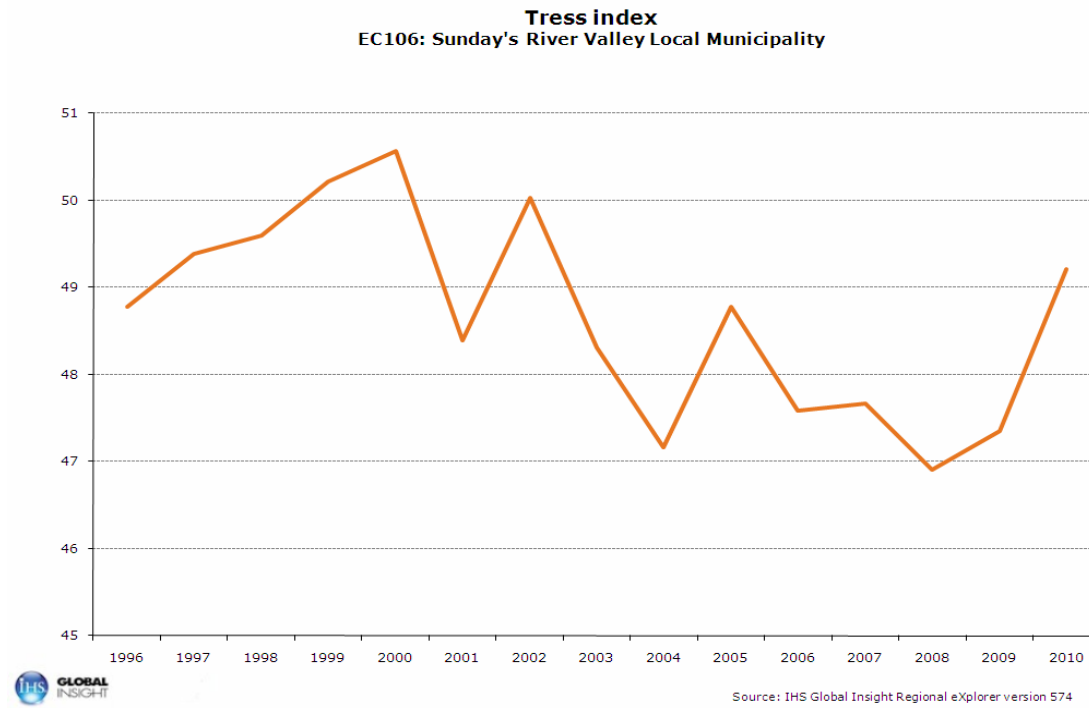
Location quotient
 EC106: Sunday's River Valley Local Municipality, 2010



Source: IHS Global Insight Regional eXplorer version 574

2.7.9. Tress Index 1996 -2010

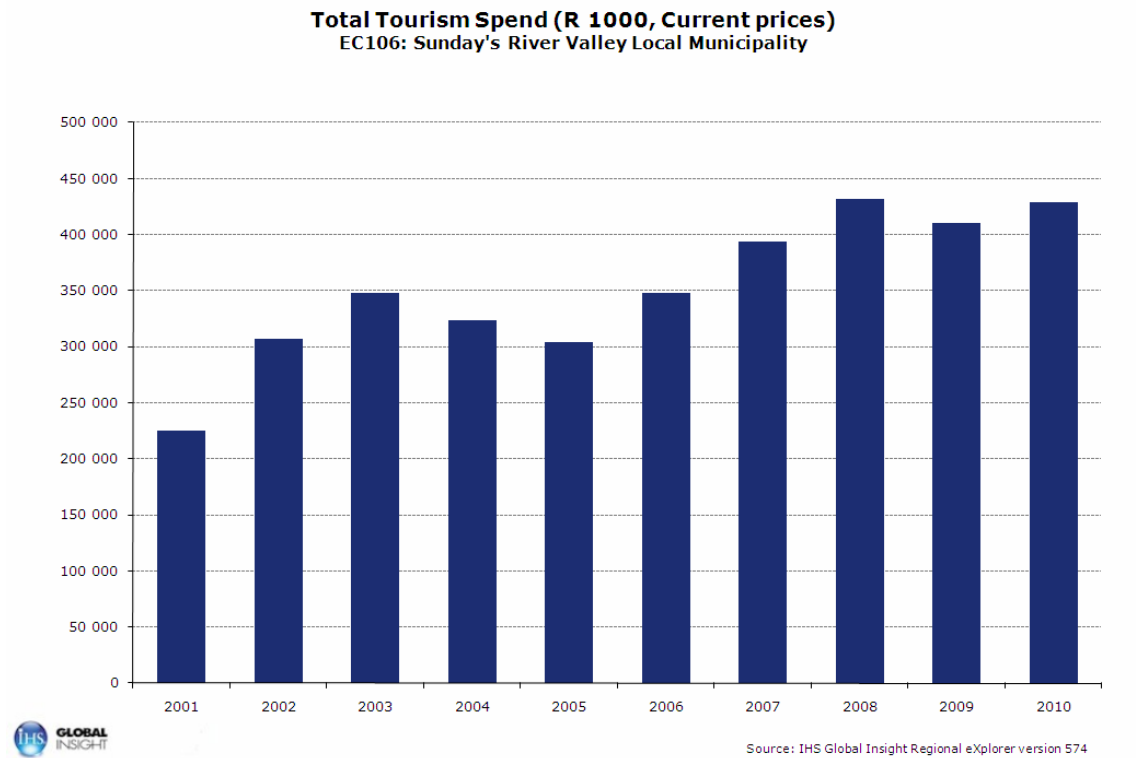
The Tress index indicates greater diversification of the economy.



2.7.10. Tourism

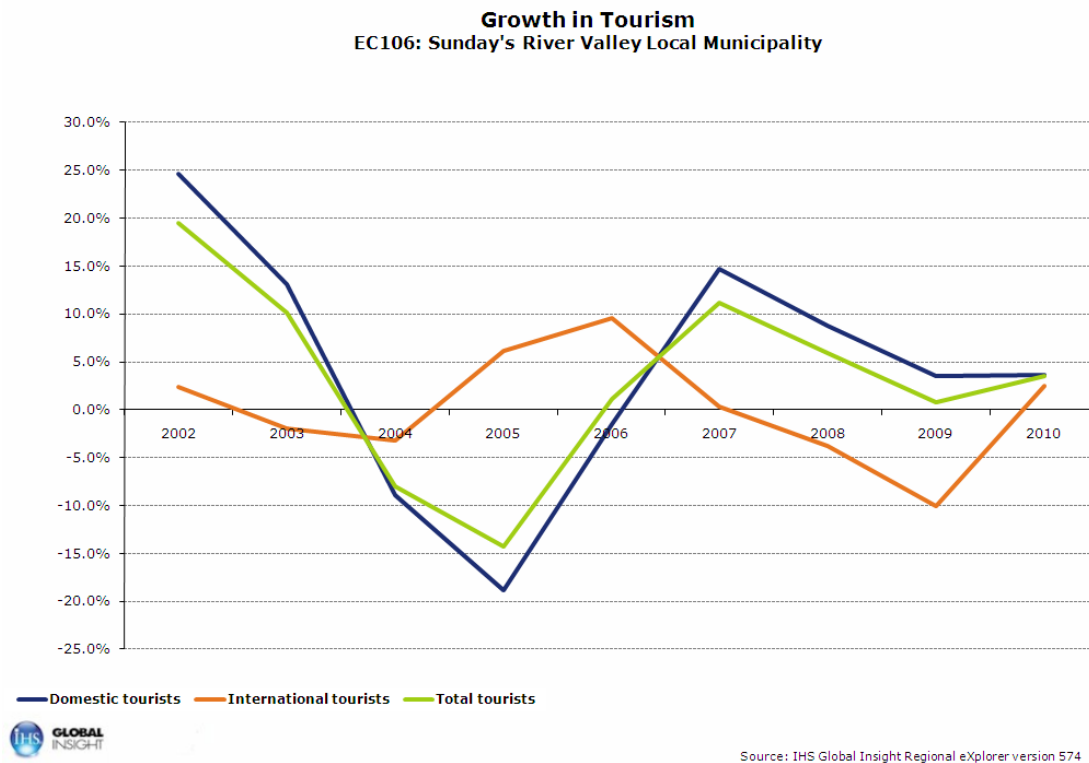
2.7.10.1. TOURISM SPEND

Tourism spend has shown rapid growth and has reached a plateau at R400 –R450 Million per annum



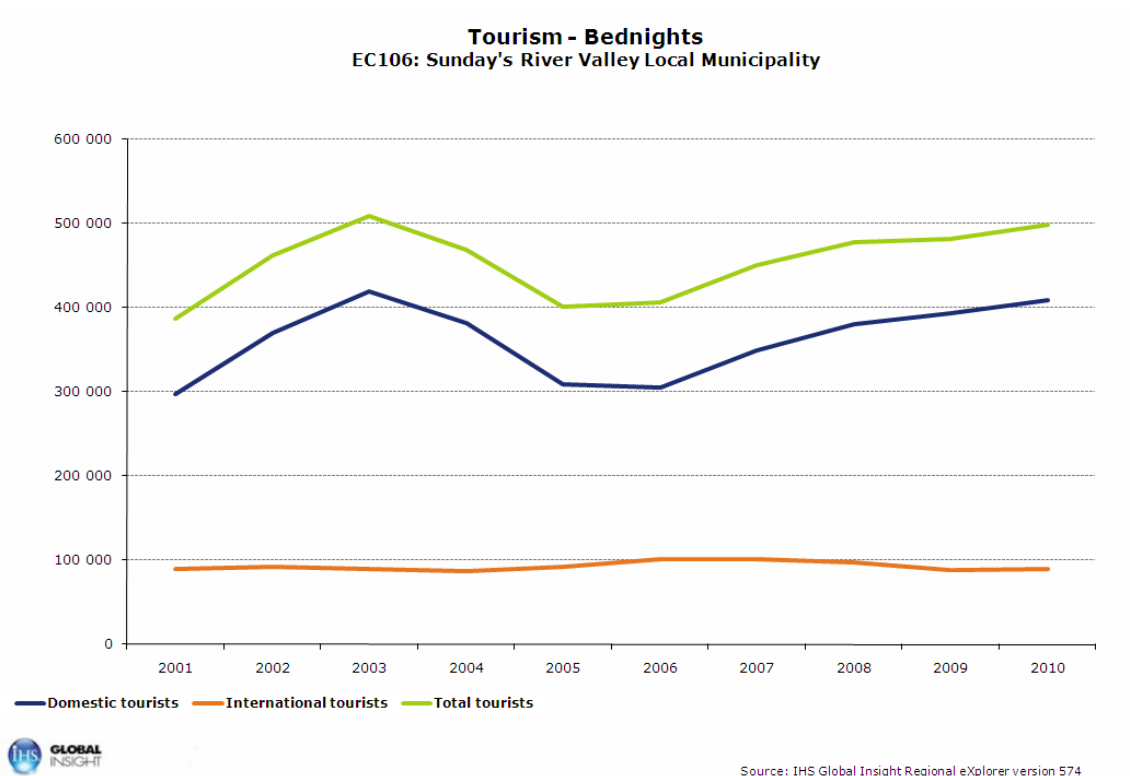
2.7.10.2. VISITOR NUMBERS

After a sharp decline, international tourism is rising again with domestic tourism remaining buoyant.



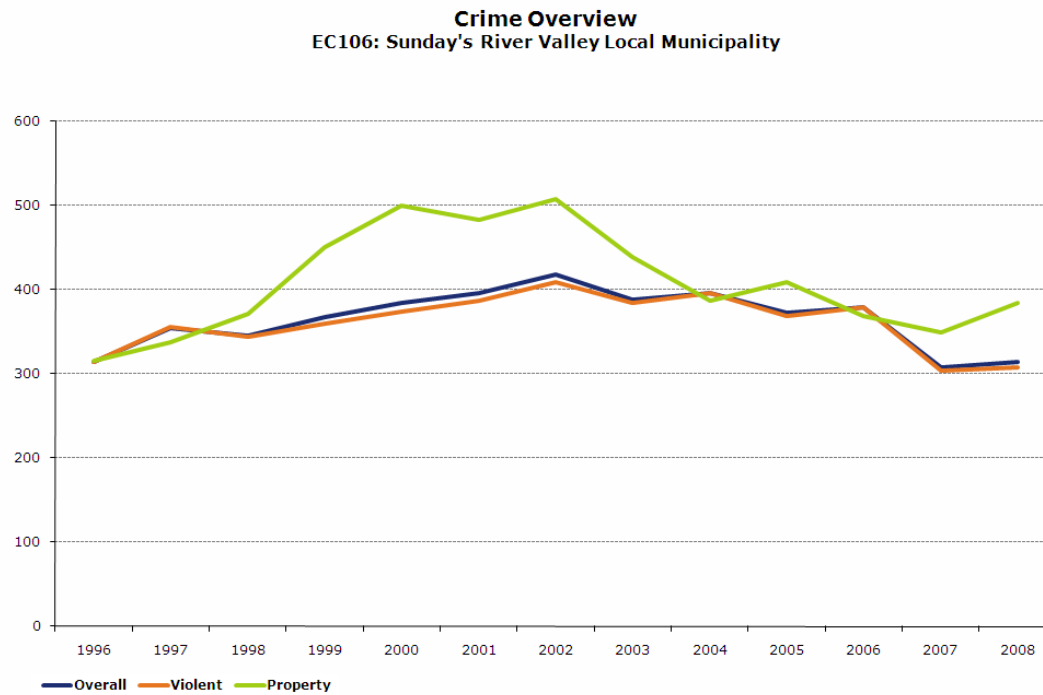
2.7.10.3. BED NIGHTS SOLD

Bed nights sold to foreign tourists are staying relatively constant at about 100 000 per annum whilst bednights sold to domestic tourists are edging past the 400 000 mark.



2.7.11. Crime

Both Violent Crime and Property Crime are showing positive downward trends, although are still at relatively high levels by international standards.



Source: IHS Global Insight Regional eXplorer version 574

2.8. GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The Municipality is in the process of improving its communication and access to information by all sectors of the community.

2.8.1. Ward Committees

The Municipality has eight (8) Ward Committees that were established as per the number of demarcated Municipal wards. The Municipality has adopted a Constitution for the ward committee that complies with the terms of reference for the establishment of the ward. New Ward committee members were inaugurated on 5 December 2011 and received training on 6 and 7 December 2011. All members received further training by Kgolo Institute on 25-26 March 2013. The ward committee meetings are scheduled such that the ward inputs are able to find express in standing committees and council meetings agendas. To compensate for out of pocket expenses members receive a stipend of R500 per scheduled meeting. The Municipality is committed to ensure that it has a fully functional ward committee system. SRVM area does not have traditional leaders except the representation of traditional healers in some ward committees.

2.8.2. Public Participation and Consultation

A public participation framework plan was work shopped and adopted by Council. The plan included an implementation plan. The consultation process is done through Council Outreach Programmes, Mayoral Imbizo's, Ward Committees, IDP formulation consultation and review process and IDP & Budget road shows. The Institutional Social Development Officer was appointed and he liaises with communities on all development projects taking place in the wards.

The Special Programmes Unit is responsible for public participation; however the municipality still needs to employ an official that will specifically deal with public participation. There is a readily available stakeholders' register that specifies the contact details of stakeholder representatives. To promote social cohesion within the communities the following activities are honored:

- Multi-coded sporting events
- Links forged with other departments like correctional services with the aim of integrating the prison community with local communities
- There are arts and culture festivals that include a wide range of artistic disciplines (story-telling, visual arts and craft, speech and drama, poetry, dance and music)

The municipality is experiencing some challenges in the implementation of its public participation strategy

- . No dedicated person in the unit, the special programmes' officer is multi-tasked
- No proper coordination of activities identified in the public participation plan
- Funding constraints

Despite the challenges alluded to above, the municipality is committed to public participation through IDP/Budget consultation, established forums and ward committee system.

2.8.3. Community Development Workers

A memorandum of understanding was signed between the municipality and the department of local government and traditional affairs in respect of CDWs responsibilities. The CDWs report monthly to the municipality and quarterly round tables are held. The challenge is that the round tables are not sitting as planned due to poor attendance by CDWs. The department has however engaged the CDWs and the round table was set on the 5th March 2013 in Cacadu District.

2.8.4. Communication Strategy

The municipality has established a Communication Unit. A Communication Officer was employed in January 2012 and the position is located in the office of the Municipal Manager. A Communication Strategy has been developed in conjunction with GCIS and Cacadu District Municipality. The strategy went to EXCO and is awaiting a workshop before it is adopted. The complaints from the public as well as concerns raised by public through the President's hot line are dealt with by the customer care. There are guidelines that were adopted by council on how to deal with all these complaints. Customer care services is now handed over to the finance and administration section except the presidential hotline.

2.8.5. Intergovernmental Relations

An IGR Structure was launched by the MEC for Local Government on the 13th of April 2013. The Terms of Reference for the IGR were approved by Council.

There is a functional IDP representative forum, Transport Forum and LED Forum. The special programmes officer and local stakeholders participated in the development of the district-wide youth, women and disable policies and these will be cascaded to local municipality through internal processes. The municipality would appreciate any assistance in the form of funds or deployment of officials to conduct these workshops. We participate in the Addo National Park Forum. The LED manager participates in the District Economic Development Forum and District support team. The Local Aids Council was established but is not functional since the HIV-Aids coordinator left the organization. The Mayor, Municipal

Manager and CFO do attend Mayor's Forum, MM's Forum and CFO's Forum respectively. MuniMEC engagements are also attended by the Mayor and the Municipal Manager. Technical services attend PMIIT quarterly meetings.

Some sector departments do attend IDP representative forum meetings but the attendees at local level are not given decision-making powers (not strategic managers) as a result their presence is often not effective.

Assistance is required in the development of IGR policy framework for a local municipality.

SRVM participates in the initiatives for inter-municipal planning around the Performance Management Systems. The District has established a district PMS forum. SRVM receives support from the District in respect to the use of their e-PMS tool.

2.8.6. Legal Matters

The Municipality does not have a legal unit and has outsourced legal services during 2009/10 to four service providers.

2.8.7. Audit

The municipality received a qualified audit opinion after three years of disclaimers and the basis for such was among others:

- Leave forms not completed
- Prior year comparative information that could not be reconciled with 2011/12 financial year
- Irregular and fruitless expenditure
- Unregistered landfill sites

The Municipal Public Accounts Committee invites representative from the Office of Auditor General and the Chairperson of the Audit Committee in their oversight committee meeting to advice on matters that need attention for Council to progress to an unqualified opinion. Council received two consecutive qualifications after four years of disclaimers. An audit implementation plan is in place and it is an annexure in the annual report 2011/12.

2.8.8. Political Governance Structures

WARD

CLLR MW KEBE	-	WARD 1 (ANC) (MAYOR)
CLLR F ADAMS	-	WARD 2 (ANC)

CLLR J STEFANA	-	WARD 3 (ANC)
CLLR I MANENE	-	WARD 4 (INDEPEND)
CLLR Z QUSHEKA	-	WARD 5 (ANC)
CLLR S H RUNE	-	WARD 6 (ANC)
CLLR I WAGENAAR	-	WARD 7 (DA)
CLLR B C SNOEK	-	WARD 8 (ANC)

PR

CLLR K SMITH	-	(DA)
CLLR J S DELPORT	-	(DA)
CLLR BAM FINNIS	-	(ANC)
CLLR T R GROOTBOOM	-	(ANC)
CLLR P R BLOU	-	(ANC)
CLLR E JAGERS	-	(ANC)
CLLR Z A LOSE	-	(ANC)
CLLR N G HAWU	-	(ANC)

2.8.9. Public Accountability

Ward committees

Ward 1

Name of representative	Capacity/ entity representing
Msondezi Andries	Development
Linda Qasha	Health
Hilda Williams	Co - operative
Msimelelo Mazungula	Youth - League
J. Mokweni	Sport
Bongiwe Tyhali	SAPS
G Mazungula	Education
N. Nqakula	CO- operative
Thandeka Somke	

Ward 2

Name of representative	Capacity/ entity representing
Stamboel Winston (M)	Sport and Recreation
Momo Vuyani (M)	Disabled
Nkebe Butana (M)	Culture
Plaatjies Martha (F)	Education
Rooibaart Luvu (M)	Sport and Recreation

Gumenge Jane (F)	Women
Jones Gregory (M)	Municipal Affairs
Ludick Jannie (M)	Health
Elsabie Adams (F)	Safety and Security
Gila Ntombosindiso (F)	Religious

Ward 3

Name of representative	Capacity/ entity representing
Mqonsisi Gunya	Business
Pin-Pin Sokhiya	Sport and Recreation
Noluthando Koba	
Mqonsisi Gunya	
T Tatu	
Xolisa Ngqandu	Sport and Recreation
Pat Van Rooy (M)	Agricultural Association
Mkhulili Saki	Council of Church

Ward 4

Name of representative	Capacity/ entity representing
Sicelo Vayo	
Zolile Ndika	
Ntombizodwa Dike	
Nophelo Nqwelo	
Elaine Gallant	
Fred Pikoli	
Sydney Zondani	
Nomathemba Dlala	
W. Ngxovu	

WARD 5

Name of representative	Capacity/ entity representing
Mzimasi Nodonti	Health
Thozama Dlala	Disabled
Nontuthuzelo C. Mbuyazwe	Health
Lindelwa C. Xhayimpi	Community
Andile Thomas	Sport
Nkululeko Brikwa	
Welcome Tyhali	Unemployment Forum
Riet Peni	Disabled

T Buzo	Taxi Industry
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WARD 6

Name of representative	Capacity/ entity representing
Maureen N. Dayimani	Traditional Healers
Julia Mabele	Old Aged group Noncedo Club
Zolile Sajini	Committee of Langbos
Khaya Conini	Councillor Church
Buntu Cikolo	Molly Residents
Mzimkhuly W. Thys	Sunland Community
Vuyelwa E. Hanabe	Alternative
Mabhulwana N. Handile	Alternative
Ncumisa Niwa	
Mandisa Toni	

WARD 7

Name of representative	Capacity/ entity representing
Elsie kamen	Youth
Kuri Hlantlalala	Community
M Nyiki	

Ronichia Sauli	
George Martins	

WARD 8

Name of representative	Capacity/ entity representing
Mangcaka	
Ziyanda Nyanti	
Zoleka Matomela	
Mr. Koeberg	
Mr. Ruiters	
Sibonile Sibaca	
Mitha Kivido	
Vukile Peter	
S.C. Moni	

2.9. Institutional Transformation and Development

2.9.1. Organizational structure

- The entire organizational structure was reviewed in May 2011 and approved by the previous Council. As per Systems Act there will be annual review of the organisational structure by end November 2013.
- The approved staff complement for the Municipality is 263.
- Due to financial constraints there are currently 167 filled positions which include 12 critical positions in finance. The position of the Municipal Manager and two Directors of Technical & Corporate Services have been filled. The annual salary increase of the staff has impacted negatively on the budget so as to fill the vacancies.
- The implementation of Task Job Evaluation system has affected the job levels of our staff, and no review was done to put correct Task Job levels on the organisational structure. A new Task Job Evaluation guideline has been adopted by SALGA for implementation by municipalities under the guidance of the District Municipality.
- 19 positions that were temporal were converted to permanent positions in order to retain staff who were trained by the municipality.
- Each identified project in the IDP has been assigned to a specific department of the Municipality through development of SDBIP for each Head of Dept.

Staff Complement

Directorate	Position on Structure	Filled Positions	Vacant Funded
Municipal Manager	13	8	1
Corporate Services	28	18	3
Financial Services	37	25	1
Technical Services	76	58	5
Community Services	109	45	14
TOTAL	263	154	24

2.9.2. Internal Policies

An essential requirement for rendering services is that political office bearers and public managers should work jointly in formulating policies of an institution. Public managers are tasked with the responsibility of formulating policies, implementing policies and analysis and evaluating the impact these policies have on general welfare of the people.

The Municipality has over the past years adopted a plethora of policies with the primary objective of running a clean administration on the principles of good cooperative government. In addition, the policies are intended to be reviewed on annual basis to test their relevance and compliance with the strategic objectives of Council. The following policies and plans have been reviewed (some developed) and approved in terms of the turnaround plan of Council:

- Delegation of authority
- Standing rules and orders
- Education and development policy
- Telecommunication policy
- Staff retention
- Telecommunications
- Staff transfer
- Health and safety policy
- HR Plan
- Fraud Prevention policy
- Training and Retention policy

2.9.3. Human Resource Management

The human resource plan therefore takes into account the strategic priorities of the Municipality and has through the consultation process identified key strategies to close the gap between demand and supply of human resources.

This can be done through the implementation of the following HR Planning Strategic Objectives:

- Development of integrated Human Resource Plan and monitoring of its implementation.
- Development, review and implementation of HR policies, procedures, guidelines and process flows.
- Development and implementation of Performance Management System which would be cascaded to lower levels of our staff;
- Promote transformation through implementation of Employment Equity Programmes.
- Facilitate the implementation of Organisational Development interventions through implementation of Task Job Evaluations, Job Descriptions and updated organizational structure.
- Ensure that the municipality has competent employees through continuous capacity development, training and organisational development initiatives.
- Facilitate and maintain provision of human resources, conditions of service, human resource information system and implementation of wellness programmes.
- Fully implement disciplinary grievance and dispute procedures.
- Handling crisis and difficult human relations situations.
- Proving the communication link between the workforce and the organisation management

Below is the list of new budgeted posts for the year 2013/2014. The Organogram is attached as **Annexure A**, and it shows staff compliment per functional area.

Department	Post	Post level
Executive Council	1. Driver - Mayor	
Budget and Treasury	2. Asset Management Practitioner	12
	3. Manager Supply Chain 4. Fleet Control Clerk	7
Community Services	5. Community hall, sport fields and playgrounds caretakers x 4 6. Fire Fighters x 3 (funding from CDM) 7. HIV, AIDS and Wellness Co-ordinator 8. Clerk – DLTC and Motor Vehicle registrations 9. Examiner DLTC Grade D	5
Technical Services	10. Senior Electrician	
	11. 7 x Process Controllers (water)	

2.9.3.1 Employment Equity Plan

The Employment Equity Act (55 of 1998) addresses the legacy of our country regarding race, gender and disability. The Act advocates for improvement of the equity targets. It is intended to ensure that the workplace is free of discrimination and that employers take active steps to promote employment equity. Chapter 3 of the Act requires employers to take certain affirmative action measures to achieve Employment Equity. Furthermore, the Municipality is committed to ensure that the administration of the Sunday's River Valley is more broadly representative of the communities it serves and to create an organizational culture that is non-discriminatory. SRVM has an Employment Equity plan in place for the

period of 2009-2014 and was submitted to Department of Labour on the 15th January 2013. The equity and training committee that has also been established shall monitor the implementation of the plan on a quarterly basis through meetings. The Head of departments (section 57 managers) shall play a vital role in the implementation of the plan through selection and placement strategies.

The human resources section provides quarterly update to relevant stakeholders on current status, including:

- Local labour forum,
- Finance & administration standing committee,
- Council of the municipality
- Management meetings,
- Department of labour
- dplg,
- Recruitment & selection panels

The implementation will also include monitoring, evaluating, reviewing and renewing the plan and reporting on progress.

The summary of the act is displayed in all council offices as required by law. Council has complied with the Employment Equity Plan in terms of 2010/11 Annual targets and 2011/12 targets are still due. At top management there's a requirement for an African female and Coloured female but there are no applications received from the Coloured female target group.

2.9.3.2. Skills Development Plan

- The Skills Development Act of 1998 requires employers to plan and implement learning that will enable employees to acquire skills and qualifications that will enhance their performance, whilst also optimizing the organization's functioning.
- The Municipality is committed to implementing its IDP and the key to this is ensuring that further learning programs and skills development are informed by the Plan, which is regularly updated in compliance with the Act.
- The Workplace Skills Plan is submitted annually to LGSETA by 30 June as required.
- The Skills Development Plan is in place and the Equity and Training committee and Finance and Administration standing committee monitor the implementation of the plan on a quarterly basis through meetings.
- Education and training development plan is in place and 39 staff members were trained during 2012/13 financial year.
- There are ten(10) employees currently attending CPMD at University of Fort Hare funded by Finance Management Grant (FMG); two (2)finance employees currently attend Local Government Accounting Certificate funded by LGSETA; Four (4)Process Controllers attending superintendents training funded by DWA
- R198 000 mandatory grant was received from LGSETA in phases in 2013.

There is no proper implementation of the Workplace Skills Plan due to cashflow problem, however management took a resolution to ring-fence training funds for 2013/2014.

The municipality had concentrated its efforts to training that is more technical in nature. However, it is acknowledged that to achieve diversity in the workplace, the municipality needs to consolidate its training interventions with goals that have been set in respect of Employment Equity Plan. Cash-flow problems that the municipality is experiencing, has affected negatively on training of staff.

Our skills development focus is informed by the underlying government programme and the critical skills shortages identified through the District EGDS.

Accelerated Shared Growth Initiative in South Africa (ASGISA)

- ⊕ Education and skills development
- ⊕ Eliminating the second economy
- ⊕ Human resource training
- ⊕ Expanded Public Works Programme
- ⊕ Youth skills training
- ⊕ Governance and institutional interventions
- ⊕ Skills problems identified in Project Consolidate
- ⊕ Deployment of graduates
- ⊕ Expenditure management

ASGISA mandated DPLG to consider the following in respect of municipalities:

- ⊕ To improve the capacity of local government to support local economic development
- ⊕ Intervention in the EPWP
- ⊕ New elements of EPWP: Early Childhood Development component, home-based care

Joint Initiative on Priority Skills Acquisition JIPSA

- ⊕ Acquisition of intermediate artisan and technical skills for the ASGISA infrastructure development programme.
- ⊕ Development of ICT (information and communication technology) skills, which is a priority area for ASGISA.
- ⊕ The recruitment, retraining and employment of unemployed graduates.
- ⊕ Engineering and planning skills
- ⊕ Artisan and technical skills, especially in infrastructure development, housing and energy.
- ⊕ Management capacity in education and health
- ⊕ Mathematics, science, ICT and language competence in public schooling.

TRAINING IMPLEMENTATION PLAN JULY 2012 – JUNE 2013

PROJECT MANAGEMENT

No. of CANDIDATE	DEPT.	COURSE	PROVIDER	ACCREDITATION	DATE	TOTAL
3	MM, IDP, Technical	Project Management	NMMU	CHE	July 2013	R15 000

REFUSE REMOVAL

No. of CANDIDATE	DEPT.	COURSE	PROVIDER	ACCREDITATION	DATE	TOTAL
14	Community	Refuse Removal	Masana Brainstorm	Services Seta	August 2013	R28 000

CODE 14 DRIVERS LICENSE

No. of CANDIDATE	DEPT.	COURSE	PROVIDER	ACCREDITATION	DATE	TOTAL
1	Community	Code 14 Drivers License	PE Traffic College		November 2013	R4500

ASSET MANAGEMENT

No. of CANDIDATE	DEPT.	COURSE	PROVIDER	ACCREDITATION	DATE	TOTAL
5	Finance	Asset Mgt	Rantsane & Mario	Services Seta	January	R30 000

			Training Solutions		2013	
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EDL

No CANDIDATE	of	DEPT.	COURSE	PROVIDER	ACCREDITATION	DATE	TOTAL
2		Community Services	Examiner Drivers Licence	PE Traffic College		Jan – June 2013	R21 000

MFMA - COUNCILLORS

No CANDIDATE	of	DEPT.	COURSE	PROVIDER	ACCREDITATION	DATE	TOTAL
14		Speaker Services	MFMA	CB Willemse	LGSETA	February 2013	R28 500

2.9.4. Institutional Risk Assessment

Risk management is a continuous, proactive and systematic process, affected by the municipality's executive authority, accounting officer, management and other personnel, applied in strategic planning and across the municipality, designed to identify potential events that may affect the municipality, and manage risks to be in its risk tolerance, to provide reasonable assurance regarding the achievement of municipal objectives. Sundays River Valley Municipality needs to take risk management seriously, given the fact that it comes out of administration. It is critical that we have an internal risk management official and not rely on external service providers who would do an assessment once a year with no internal and regular monitoring and evaluation process. The Chief Internal Audit has been tasked with the responsibility to facilitate risk management for the municipality.

The following table presents top ten risks that were identified in the Risk Assessment Register of the municipality. These risks are integrated in the performance plans of the section 57 Managers.

Office of the Municipal Manager – Top Risks

#	Ref Num	Risk Description	Potential consequences (on the organisation)	Inherent Risk Rating	Coordinator
1	MM1	Poor systems, policies and internal controls	- Loss of resources	16	Director: Corporate Services
2	MM4	Inadequate management and supervision of performance	- Poor service delivery	16	IDP Manager
3	MM5	High vacancy rate and inadequate structural resourcing	- Poor service delivery	16	Director: Corporate Services
4	MM8	Inadequate education of communities on government matters	- Service Delivery concerns	16	Social Development Facilitator, Communications & Customer Care Officer
5	MM11	Inadequate HR capacity and skills to enable local economic development ("LED")	- Poor service delivery	16	Director: Corporate Services
6	MM13	Failure to effectively resolve customer/ consumer complaints and concerns	- Service delivery concerns - Loss of reputation	16	Communication & Customer Care Officer
7	MM14	Inadequate financial resources	- Unfunded mandates - Service delivery concerns - Poor Service delivery	16	CFO

Corporate Services – Top Risks

#	Ref Num	Risk Description	Potential consequences (on the organisation)	Inherent Risk Rating	Residual Risk Rating	Coordinator
1	CS13	Inadequate technology planning	- Impaired business performance	16	16	Director: Corporate Services

#	Ref Num	Risk Description	Potential consequences (on the organisation)	Inherent Risk Rating	Residual Risk Rating	Coordinator
2	CS14	Inadequate ICT infrastructure	- Impaired business performance	16	16	Director: Corporate Services
3	CS19	Out-dated HR policies	- Non-compliance with legislation	16	16	Human Resources Officer
4	CS5	Inappropriate user access profiles	- Unauthorised activity on ICT systems	16	11	Information Technology Officer
5	CS9	Unauthorised access to and abuse of confidential information	- Loss of reputation - Legal liability	16	11	Information Technology Officer
6	CS7	Ineffective leave administration	- Loss of financial resources - Impaired organisational performance	16	8	Human Resources Officer
7	CS10	Lack of operational plans to guide organisational performance	- Non coordinated performance	16	8	Director: Corporate Services
8	CS15	Inadequate disaster recovery management	- Impaired business continuity	16	8	Information Technology Officer
9	CS20	Inadequate physical security arrangements	- Loss of resources - Adverse safety impacts	12	12	Director: Corporate Services

Budget and Treasury – Top Risks

#	Ref Num	Risk Description	Potential consequences (on the organisation)	Inherent Risk Rating	Residual Risk Rating	Coordinator
1	BT1	Improper billing (incl. meter tampering)	- Loss of income	16	11	CFO
2	BT10	Insufficient funding resources	- Impaired service delivery	16	8	CFO
3	BT15	Inaccurate financial data and reporting	- Qualified audit outcome - Poor management decisions	16	8	CFO
4	BT2	Inadequate supply chain management ("SCM")	- Fruitless, wasteful and irregular expenditure	16	5	CFO
5	BT5	Out-dated indigent register	- Insufficient equitable share and unclaimed subsidies	16	5	CFO
6	BT12	Non-payment for municipal services by customers	- Loss of income	16	5	CFO

Technical Services – Top Risks

	Ref Num	Risk Description	Potential consequences (on the organisation)	Inherent Risk Rating	Residual Risk Rating	Coordinator
1	TS7	Insufficient infrastructure for bulk services	- Poor service delivery	16	16	Director: Technical Services
2	TS8	Poor archive system (storage and security)	- Loss of critical information	16	16	Director: Technical Services

	Ref Num	Risk Description	Potential consequences (on the organisation)	Inherent Risk Rating	Residual Risk Rating	Coordinator
3	TS3	Failure to respond to natural disasters	- Disruption of services - Human safety and health impact	16	11	Director: Technical Services
4	TS9	Ageing bulk infrastructure	Health hazards	16	11	Director: Technical Services
5	TS5	Poor quality water	- Failure to secure blue drop and green drop status - Adverse health and safety outcomes	16	8	Director: Technical Services
6	TS4	Injury on duty (employees)	- Liability - Death and injury	12	12	Director: Technical Services

Community Services – Top Risks

	Ref Num	Risk Description	Potential consequences (on the organisation)	Inherent Risk Rating	Residual Risk Rating	Coordinator
1	Com2	Lack of cemetery space	- Contamination of ground water - Inability to provide service - Poor service delivery	16	16	Director: Community Services
2	Com8	Inadequate land for spatial planning	- Inability to develop new areas	16	16	Director: Community Services

	Ref Num	Risk Description	Potential consequences (on the organisation)	Inherent Risk Rating	Residual Risk Rating	Coordinator
3	Com5	Inadequate waste removal and management (e.g. due to depletion of refuse bag stock)	- Disease outbreaks - Legal liability	16	11	Waste Officer & Environmental Health Practitioner
4	Com7	Inability to respond appropriately to emergencies (accidents, fires, flooding)	- Loss of lives - Loss of reputation - Damage to infrastructure - Loss of tourism	16	11	Chief Fire Officer
5	Com10	Inability to collect revenue from traffic fines (due to under-resourcing)	- Loss of income	16	11	Chief Traffic Officer
6	Com11	Fraud and corruption (e.g. licensing)	- Unsafe drivers - Financial losses - Loss of reputation	16	11	Chief Traffic Officer

2.9.5 Municipal Powers and Functions

The Constitution (Chapter 7, section 152(1) and (2) as well as Section 153 (a) and (b) obliges and outlines the functions and services that are to be performed by local government. The Sundays River Valley Municipality (SRVM) obtains these functions through either allocation by legislative framework, Authorization by Minister of Provincial and Local Government or adjustment by the Provincial MEC for local government. The underlying table specifies some out of a number of functions that SRVM performs.

Function	Service Authority	Service Level Agreement (SLA)	Capacity
Air Pollution; Noise Pollution	District & SRVM	YES	SRVM has adequate staff and equipment to provide the service in the entire area and there are no backlogs; by-laws in place
Building Regulation	SRVM	N/A	2 Staff members perform the function and there are no backlogs; by-laws in place
Child Care Facilities	SRVM	NO	3 Staff members; External Service providers (Sinethemba) also utilised
Electricity Reticulation	SRVM	YES	Two staff members are able to monitor external service provider (Eskom) and service backlogs are estimated to be addressed in line with housing development; by-law in place
Fire Fighting	SRVM	YES	9 Staff members allocated; by-laws in place financial challenge
Local Tourism	District & SRVM	YES	Inadequate staff within the municipality but that is complemented by very efficient local tourism forum. LTO in process of being registered as an NPO. LTO constitution in place.
Municipal Planning	SRVM	NO	4 Staff members perform the task; Rezoning applications are timorously attended to and land use development applications are properly administered . This includes managing the SDF review process by external consultants and the integration of the SRV Biodiversity Sector Plan.
Storm Water Management	SRM	N/A	20 Staff members perform the functions in urban are only. Backlogs will be addressed within 2 years
Trading Regulation; Street trading	SRVM	N/A	By-law in place
Potable Water	SRVM	N/A	5 Staff members perform the function adequately despite the fact that there are 5 vacancies. There are no backlogs

Sanitation	SRVM	N/A	Function performed by SRVM as per section 84(3) of Municipal Structure Act. Backlogs estimated to be addressed within 4 years. 17 staff members can adequately perform the functions. 6 vacancies will be filled as and when required.
Beaches & Amusement Facilities	SRVM	N/A	3 Staff members perform the functions and by-laws are in place

2.9.6. Performance Management System (PMS)

The Performance Management System of all Local Authorities is guided by the Government: Municipal Systems Act, and the Local Government: Municipal Planning and Performance Management Regulations, Structures Act and Municipal Finance Management Act. Chapter 3 of the Regulations outlines the nature of a Performance Management System, the adoption of a Performance Management System, the setting up of key performance indicators and general key performance indicators, the review of key performance indicators, the setting up of a performance target and monitoring measurement and reviewing performance.

The municipality has reviewed and adopted its performance management policies for 2012/13 financial year. Council has adopted the performance plans of s57 Managers and were subsequently forwarded to relevant departments together with the performance agreements. There is still a challenge of the alignment of the IDP, SDBIP and Budget. However the municipality is addressing this challenge with the formulation of 2013/14 IDP and SDBIP.

2.9.6.1. Objectives of Performance Management System

The objectives of a Performance Management System are listed below:

- To clarify goals and priorities of the Municipality
- To monitor, support and improve processes
- To improve service delivery
- To provide early warning signals
- To enable learning and improvement
- To ensure accountability and transparency
- To ensure legislative compliance
- To promote community participation in local governance

- To instill a culture of performance amongst employees

Our IDP enables the Municipality to achieve its planning process and also ensures performance management in terms of the implementation, monitoring and evaluation. It is of paramount importance that the Municipality to periodically review its organisation and employee' performance through submission of quarterly, mid-term and annual reports to Council for consideration.

2.9.6.2. Definition of PMS Related Concepts

TERMINOLOGY	EXPLANATION
Performance Management System (PMS)	<p>A strategic approach that provides a set of tools and techniques to regularly plan, monitor, measure, and review performance at both centralize and employee levels.</p> <p>Performance management is a system that is used to make sure that all parts work together to achieve set goals and targets. The approach is based on integrated balanced scorecard method that takes into account financial, internal business, customer and learning and growth perspectives.</p>
Key Performance Areas (KPAs)	Key areas of responsibility of individual employees
Objective	Statement about what outcomes the Municipality wishes to achieve
Key Performance Indicators (KPIs)	Measures (qualitative and quantitative) that tell a person whether he/she is making progress towards achieving the Municipality's objectives.
Input indicators	An indicator that measures equipment, resources, economy, effectiveness, efficiency and equity
Output indicators	An indicator that measures results
Outcome indicators	An indicator that measures the impact of reaching the target
Key Performance Elements (KPEs)	Components of a Key Performance Area.

TERMINOLOGY	EXPLANATION
Baseline indicators	Baseline indicators inform employees what the <i>status quo</i> is at the beginning of the year
Performance targets	Planned level of performance or milestones an employee or Municipality sets for itself in respect of each indicator identified
Target dates	The deadline applied to the performance target
Performance plan	Plan of agreed Key Performance Areas, Objectives, Key Performance Indicators and Targets covering a period of twelve months and assessed quarterly.
Annual performance review cycle	Continuous period of 12 months: 1 July to 30 June
Review	Within an evaluation cycle, four (4) performance reviews/assessments will take place, which means an assessment of employees, directorates and the Municipality to monitor progress, resolve problems and adjust performance outputs, as part of the performance cycle.
Section 57	Person appointed in terms of Section 57 of the Municipal Systems Act (Act 32 of 2000) (This includes the Municipal Manager and all Directors reporting directly to the MM and who operate in terms of a performance agreement.
Non-Section 57	All employees not directly reporting to the Municipal Manager and who operate in terms of a performance plan.

2.9.6.3. Relationship between IDP, PMS and Budget

The relationship is measured in terms of the key performance areas, which means programme for example, provision of electricity, water and road infrastructure. Indicators, that is number of households connected, which leads to targets for example 15 000 household connected in a given particular year. The overall realisation of the IDP is the Budget as a tool to implement the plan. The step below are undertaken to implement Performance Management System.

Step 1: Planning for performance

Performance management involves the setting of key performance areas, indicators, targets and objectives for the Municipality. There is a particular sequence on how to approach the process for example setting benchmarks for performance management.

Key Performance Areas

It must be noted that, Key Performance Areas are derived and transferred directly from the IDP to the SDBIP, which form the basis for a Performance Management System for example provision of water, electricity, refuse collection etc.

Objectives

The objectives should be specific, outcome, impact-orientated and should not be general statements, for example to ensure that all households in municipal demarcated areas have access to portable water.

Key Performance Indicators

The SMART principle should apply with regards to Key Performance Indicators, which states that each indicator must be:

Specific: Each KPI must be clear and concise.

Measurable: A KPI should not be vague and general, but measurable, e.g. 'number', '%' or targets.

Achievable/Attainable: A KPI should be within reach.

Realistic: Can it be done taking into account constraints?

Time bound: Can it be achieved within a certain timeframe?

Performance Targets

Performance targets should be realistic and measurable and should correspond to available resources.

Integration between 'organisational' and 'employee' performance management

The organizational scorecard emanates from the upper layer of the municipality's institutional SDBIP. The targets are filtered through to the various departments, which forms the basis for Section 57 performance contracts. In terms of the high level SDBIP, the KPIs are further filtered down to divisions and or units. The process is then cascaded down in the same manner to all levels.

SRVM has only managed to cascade its SDBIP to middle managers and intends to roll it out to all employees in 2012/13 financial year.

Step 2: Monitoring Performance

Monitoring as a management tool is the observation or verification of project activities to check if they are happening according to planning and whether resources are being used efficiently and effectively. A continuous flow of information it is therefore a key to enhance decision making, which among other things requires data collection and comparisons to be made. Monitoring produces results to be used for evaluation.

Step 3: Measuring Performance

To measure performance over the year, quarterly targets are added to the performance scorecard template.

Step 4: Performance Evaluation

Evaluation is a careful and systematic retrospective assessment of the design, implementation and results of activities. The aim of evaluation is to determine the value of the fulfillment of objectives, efficiency, effectiveness, impact and sustainability.

Step 5: Performance Reporting

At a managerial/subordinate level, performance should be monitored daily. Organisational performance is reported quarterly, bi-annually and annually. In addition to formal reporting, the political leadership also reports to communities regularly through outreach programmes and ward committee meetings.

2.9.6.4. Reporting mandates and recipients are reflected below:

Frequency and nature of report	Mandate	Recipients
Quarterly progress report	Section 41 (1) (e) of the Systems Act, Section 166 (2) (a) (v) and (vii) of the Municipal Management Finance Act (MFMA) and Regulation 7 of the Municipal Planning and Performance Management Regulations.	Municipal Manager Executive Mayor Mayoral Committee Audit Committee
Mid-year performance assessment (assessment and report due by 25 January each year)	Section 72 of the MFMA. Section 13 (2) (a) of the Municipal Planning and Performance Management Regulations 2001.	Municipal Manager Executive Mayor Mayoral Committee Council Audit Committee National Treasury 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 Systems Act and Section 6 of the Systems Amendment Act.	Executive Mayor Mayoral Committee Council Audit Committee Auditor-General National Treasury Provincial Government Local Community

2.10. Financial Viability And Management

2.10.1. Key Issues for Financial Viability

The 2011 Local Government Budgets and Expenditure Review for 2006/07 to 2012/13 summarises five core issues of financial management. These are:

- 1) Revenue management
- 2) Collect outstanding debt
- 3) Under pricing of services
- 4) Under spending on repairs and maintenance
- 5) Spending on non-priorities

The following reflection is the analysis of the Sundays River Valley Municipality with respect to these key issues.

2.10.2. Budget Expenditure Review

A. Revenue Management

- To improve the integrity of billing of billing information the municipality is undertaking a process of debtors' cleansing which includes the balancing of the valuation roll to the debtors system
- Water leaks are a major problem and only Kirkwood has regular meter readings.
- The ability to collect is influenced by lack of correct addresses in some instances

B. Collection of Outstanding Debt

There are high levels of debt to suggest deficient efforts to collect billed revenues due to:

- Payment levels that are under 50%
- Incorrect accounts which makes it difficult to disconnect
- Insufficient capacity/staff
- Electricity is not supplied everywhere. Water can only be restricted with limited effect
- Large number of indigents not registered, however a robust drive to register indigents is now underway

C. Under spending on Repairs and Maintenance

The medium to long-term consequences of under-spending on repairs and maintenance shortens the useful life of assets and thus necessitates earlier replacement. SRVM underspends on repairs and maintenance due to:

- Cash flow constraints
- Incorrect budget structure. The 2013/14 budget addresses this shortcoming

D. Spending on non-priorities

SRVM prioritises cost items that have a direct impact on communities, however few exceptions are noticed with respect to:

- Expenditure not budgeted for
- Cost associated with long standing staff suspensions and legal costs
- The absence of procurement plan to manage cash throughout the year

2.10.3. Financial Plan

The municipality has a three year budget projection in line with Section 26(h) of the MSA and other Treasury requirements. The budget for 2013/14 provides a three year strategy to try and restore the balance in terms of personnel costs, general expenses, repairs and maintenance and provision toward bad debt. The municipality has the following policies: Asset Management policy, Indigent Support policy, Rates policy, Credit control policy, Financial Management Policy, Bank & Investment policy, Write Off policy, Supply Chain Policy, and Tariff Policy. Although the determination of tariffs is in many instances politically orientated, it ought to be based on sound, transparent and objective principles at all times. It is important to identify the following user categories to be able to consider any forms of subsidization needs of communities:

- Users who are unable to make any contribution towards the consumption of municipal services and who are fully subsidized in terms of basic package of municipal services.
- Users who are able to afford a partial contribution and who are partially subsidized only
- Users who can afford the cost of the services in total

The borrowing policy, funding and reserves and long-term financial plan are included in the financial management policy. Rates by-laws were approved by Council and gazette. The municipality is in the process of reviewing all by-laws. The municipal valuation roll was done in 2009 and a supplementary valuation was also conducted. The valuation roll is due for review only in 2013.

3 Year financial Plan

Expenditure	2013/14	2014/15	2015/16
Employee cost	37 436 367	39 683 336	42 218 699
Remuneration of councillors	5 165 691	5 478 343	5 809 928
Bad debt	10 847 152	10 914 924	10 988 188
Depreciation	17 500 000	17 500 000	17 500 000
Repairs and maintenance	7 176 968	7 737 525	8 155 245
Interest expense	1 184 879	1 248 862	1 316 301
Bulk purchases	13 120 087	13 795 819	14 540 793
Contracted services	2 558 938	2 745 907	2 943 786
Grants & subsidies paid	6 976 960	7 447 766	7 951 209
General expenditure	31 727 287	27 775 986	29 322 750

Income	2013/14	2014/15	2015/16
Property rates	17 304 507	18 688 868	20 183 977
Service charges	39 619 219	42 803 639	46 227 931
Rent of facilities	126 755	137 275	148 666
Interest: debtors	2 152 407	2 370 646	2 560 298
Interest: investments	201 096	217 184	234 558
Fines	1 153 261	1 245 522	1 345 164
Licenses & permits	1 153 261	1 245 522	1 345 164
Income agency services	1 266 926	1 368 280	1 477 743

Income	2013/14	2014/15	2015/16
Grants : operating	49 108 403	52 814 723	61 940 270
Grants: capital	29 088 700	22 952 950	24 297 200
Other revenue	3 232 130	3 490 701	3 770 080

2.10.4. Financial Strategies

A. Revenue Enhancement Strategy

A comprehensive revenue enhancement strategy is undertaken and it includes:

- Cleaning of the debtor database to ensure that all consumers are levied for all services received at the correct tariff for such service.
- Reviewing and formalising an indigent policy for the municipality.
- Ensuring that all consumers that qualify in respect of such approved indigent policy are registered.
- Implementing credit control measures to significantly improve payment levels and ensure that consumers that can pay do so.
- Reviewing Council's tariff policy in respect of the subsidy of free basic services and to ensure that the actual cost of services is recovered through the respective tariffs.
- Restructuring of the operational budget to ensure that the budget is cash funded and that it reflects actual payment levels in respect of bad debt provision.
- Investigating distribution losses in respect of electricity and water to ensure that electricity and water purchased is billed
- Appointment of a debt collection agency to assist in collecting outstanding debt

B. Asset Management Strategy

The municipality completed GRAP 17 implementation during 2010/11 financial year and has now a comprehensive database of all assets within the organisation. An asset management practitioner will be appointed during 2013/14 to head a fully fledged asset management section. Asset management policy was adopted by council which clearly identifies roles & responsibilities of all as well as identifying the need to have an asset maintenance plan. Technical Department is currently busy with preparing a comprehensive infrastructure master plan to ensure all assets are maintained.

C. Supply Chain Management Strategy

Sundays River Valley municipality has a centralised system of supply chain. The supply chain unit is headed by a Supply chain practitioner. Procurement clerks have been appointed. All bid committee are functional. The supply chain management policy has been reviewed.

2.10.5. Introduction-Change In Accounting Policy

Accounting policy is the specific principles, bases, conventions, rules and practices applied by the municipality in preparing and presenting financial statements.

The 2012/2013 annual financial statements were prepared in accordance with Generally Recognized Accounting Practice Standards, National Treasury formats.

Basis used to prepare the municipality’s annual financial statements

- Accrual basis of accounting
- Standards of GRAP approved by the Accounting Standards Board.
- Assets, liabilities, revenue and expenses have not been offset except when offsetting is required or permitted
- On the basis of a going concern

2.10.6. Summarized Financial Statements

It is the responsibility of the accounting officer to make sure that the annual financial statements are prepared based on the prescribed format and submitted to Auditor General on time as prescribed by the MFMA. The internal Audit function was co-sourced to Mazars and an audit committee is functional. The Financial Statements listed below relate to the last 2 years of audited financial information viz. 2010/2011 and 2011/2012 financial years.

Table 23: Summarized Financial Statements

SUNDAYS RIVER VALLEY MUNICIPALITY			
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012			
		2012	2011
		R	R
	ASSETS		
	Current assets		
	Cash and cash equivalents		236 336

	-		16 378 820
	27 603 431	10 783 082	31 388 601
Inventories		158 006	216 815
Investments		1 725 694	528 949
Current portion of receivables		3 497	3 168
VAT receivable		3 346 717	4 981 129
Non-current assets			
Non-current receivables		52 370	56 028
Property, plant and equipment		318 957 938	310 080 250
Intangible assets		1 198 201	1 448 261
Investment properties		42 174 306	42 174 306
Total assets		406 442 333	407 492 662
LIABILITIES			
Current liabilities			
Trade and other payables from exchange transactions		16 028 561	36 178 638
Consumer deposits		256 970	210 910
VAT payable		-	757 359
Current provisions		8 958 910	6 693 918
Bank overdraft		435 752	391 025
Current portion of unspent conditional grants and receipts		1 333 434	1 739 158

	Current portion of borrowings	2 659 338	3 795 517
	Current portion of finance lease liability	883 498	1 603 797
	Non-current liabilities		
	Non-current unspent conditional grants and receipts	-	-
	Non-current borrowings	5 755 920	6 075 094
	Non-current finance lease liability	632 729	1 145 604
	Non-current provisions	2 881 000	7 664 919
	Total liabilities	39 826 113	62 255 938
	Net assets	366 616 220	345 236 724
	NET ASSETS		
	Accumulated surplus / (deficit)	366 616 220	345 236 724
	Total net assets	366 616 220	345 236 724

Table 24: Income statement as at 30 June

SUNDAYS RIVER VALLEY MUNICIPALITY		
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDING 30 JUNE 2012		
	2012	2011
	R	R

Revenue		
Property rates	14 509 502	10 656 326
Property rates - penalties imposed and collection charges		
Service charges	35 938 723	31 955 304
Rental of facilities and equipment	142 342	66 415
Interest earned - external investments	164 865	286 863
Interest earned - outstanding receivables	1 388 155	5 144 596
Fines	1 582 138	1 454 328
Licences and permits	3 046 944	2 650 420
Government grants and subsidies	61 131 936	59 470 407
Other income	3 147 619	2 602 788
Total revenue	121 052 225	114 287 447
Expenses		
Employee related costs	28 123 104	24 738 358
Remuneration of councillors	3 800 291	2 896 259

Bad debts impairment	10 892 131	12 962 790
Depreciation and amortisation expense	17 388 350	17 098 687
Repairs and maintenance	2 209 750	2 810 175
Finance costs	2 225 614	1 575 116
Bulk purchases	11 834 347	9 180 763
Grants and subsidies expensed	8 101 762	5 929 825
General expenses	15 234 008	12 357 414
Total expenses	99 809 358	89 549 387
Gain / (loss) on sale of assets	394 622	-
Profit / (loss) on fair value adjustment	(373 993)	(346 292)
Actual surplus / (deficit)	116 000	(34 094)
Surplus / (deficit) for the period	21 379 496	24 357 675

Table 25: Cash flow statement for the respective years 1 July-30 June

SUNDAY'S RIVER VALLEY MUNICIPALITY			
CASH FLOW STATEMENT			
AS AT 30 JUNE 2012			
		2012	2011
		R	R
	CASH GENERATED BY OPERATIONS	29 914 157	14 286 730
	Interest income	1 553 021	5 431 459
	Finance costs	(2 225 614)	(1 330 194)
		29 241 564	18 387 995
	CASH FLOWS FROM INVESTING ACTIVITIES		
	Purchase of fixed assets	(26 330 021)	(25 245 922)
	Proceeds from sale of fixed assets	692 666	-
	Other		
	Net cash flows from investing activities	(25 637 355)	(25 245 922)
	CASH FLOWS FROM FINANCING ACTIVITIES		
	Increase / (Decrease) borrowings and finance lease liability	(2 688 527)	6 485 584
	Other		

	Net cash flows from financing activities	2 688 527	6 485 584
	Net increase / (decrease) in net cash and cash equivalents	(915 682)	(372 343)
	Net cash and cash equivalents at beginning of period	374 258	746 601
	Net cash and cash equivalents at end of period	1 289 940	374 258

Financial Analysis-Selected Financial Indicators

The selected trends and financial ratios relating to Sundays River Valley Municipality for the period under review are listed below. These provide a platform to analyze the current financial situation of the municipality. The trends and ratios have been divided into the following categories;

- Income and Expenditure
- Revenue management/Liquidity
- Borrowing management

Table 26: Income and Expenditure

	2012	2011
	R	R
Total Income	121 052 225	114 287 447
% increase/decrease over previous years	5.92	24.93
Total expenditure	99 809 358	89 549 387
% increase/decrease over previous years	11.46	-0.65
Surplus/(Deficit)	21 379 496	24 357 675
Budgeted expenditure	102 449 222	81 328 752

% increase/decrease over previous years	25.97	23.12
Salaries and Wages	28 123 104	24 738 358
% of income	23.23	21.65
% of expenditure	28.18	27.63
% of increase/decrease over previous years	13.68	2.48
Councilors Allowances	3 800 291	2 896 259
% of income	3.14	2.53
% of expenditure	3.81	3.23
% of increase/decrease over previous years	31.21	5.51
Repairs and Maintenance	2 209 750	2 810 175
% of income	1.83	2.46
% of expenditure	2.21	3.14
% of increase/decrease over previous years	-21.37	3.69
General Expenses	15 234 008	12 357 414
% of income	12.58	10.81
% of expenditure	15.26	13.80
% of increase/decrease over previous years	23.28	2.29

Total income versus Total expenditure

Income

The main reason for the increase in income for the 2011/12 year was due to increase in property rates and service charges.

The following table indicates how the actual income was realized in comparison to the budget provided for the past two financial years:

REVENUE	2011/12 ACTUAL	2011/12 BUDGET	% REALISED	2010/11 ACTUAL	2010/11 BUDGET	% REALISED
PROPERTY RATES	14 509 502	14 700 000	99%	10 656 326	13 034 586	81.75
SERVICE CHARGES	35 938 723	37 280 958	96%	31 955 304	29 282 337	109.13
INTEREST: DEBTORS	1 388 155	1 859 992	75%	5 144 596	3 849 446	133.65
LICENSES & PERMITS	3 046 944	1 107 379	275%	2 650 420	2 292 974	115.59
FINES	1 582 138	1 010 780	157%	1 454 328	410 878	353.96
GOVERNMENT GRANTS	61 131 936	71 187 151	86%	59 470 407	45 602 379	130.41
OTHER INCOME	3 147 619	5 668 125	56%	2 602 788	1 105 612	235.42

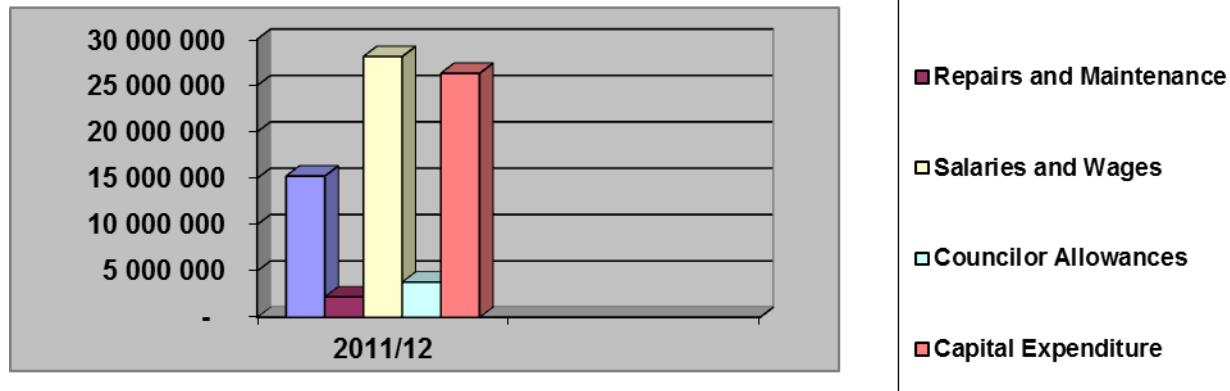
Expenditure

Salaries and wages represent 28.18% of total expenditure and an increase of 13.68% over the previous year. The councilor's allowance represents 3.81% of total expenditure.

Repairs and maintenance expenditures decreased with 21.37% from the previous year. The municipality recovered from a section 139(1)(b) intervention which was recalled during December 2011. Repairs and maintenance represents only 2.21% of the total expenditure. The municipality has to keep its repairs and maintenance expenditure between 10-15% of the budgeted expenditure.

General expenditures have increased by 23.28% as compared to the previous year and represents 15.26% of total expenditure.

Expenditure by Major Type



2.10.7. Income

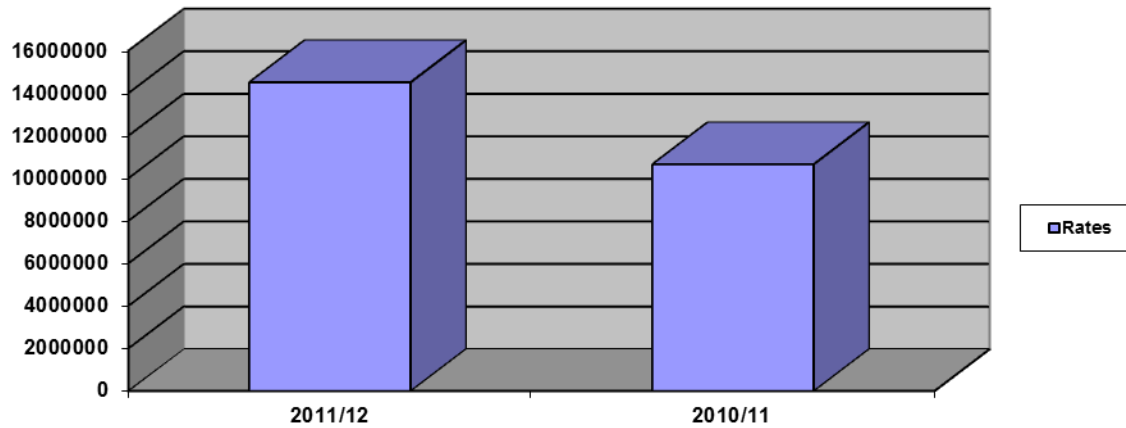
Introduction

Realistic anticipated income is guided by a tariff structure that is fair, equitable and economical. Income is supplemented from various source but directed to spending on basic service. Income balance is determined by the need to break-even with mandatory and involuntary spending in the pursuit of legislative requirements and the purpose of existence

The following describes the various types of income with their annual growth indicators.

i) RATES

	2011/12	2010/11
Budget	14 700 000	13 034 586
Actual	14 509 502	10 656 326
Growth %	36.15%	21.08%

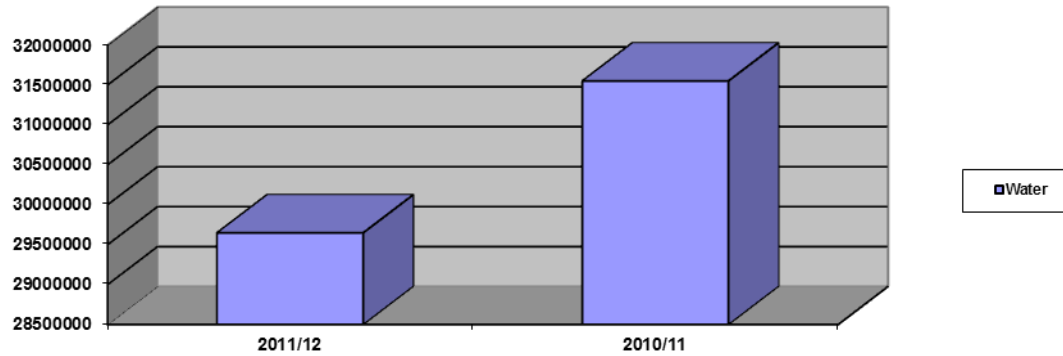


Water Service Authority (WSA)

The municipality, through a unique situation for this district, was empowered as a WSA in 2005. This authority allows us to make all decisions related to water, sanitation and related matter. The option of being a Water Services Provider (WSP) was also taken. A section 78 process was undertaken by the Cacadu District Council and it was decided that the Municipality will not make use of an external services provider in this regard

ii) WATER

	2011/12	2010/11
Budget	50 615 818	21 068 181
Actual	29 648 645	31 550 931
Growth %	-6%	133.2%



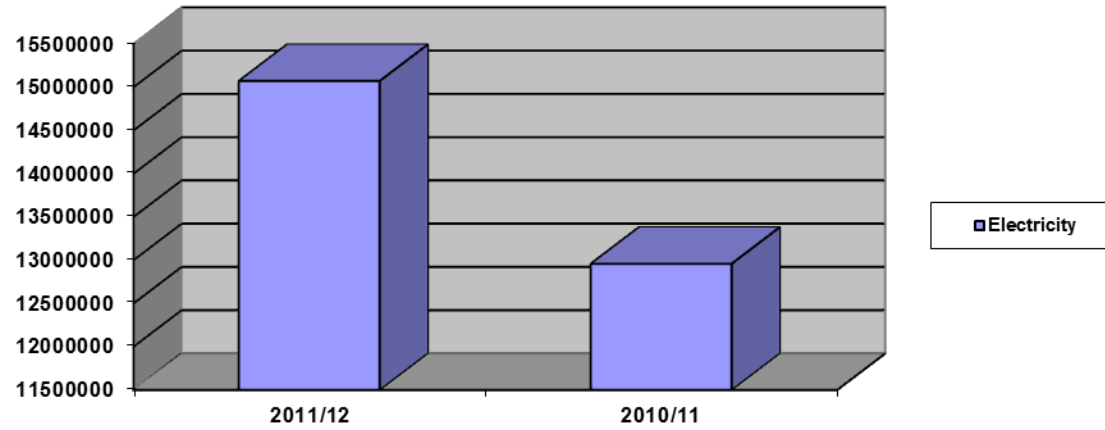
Regional Energy Distribution (RED): Zone 3

REDS is part of government initial to rationalize the Energy Distribution Industry. The Municipality forms part of the REDS 3. This will have a noticeable impact on the income and the management responsibilities of the municipality.

This is so as electricity is a major source of income. The service area is shared with Eskom. The future uncertainty is what we have to watch. No new area were developed whose billing and income was the property of the municipality.

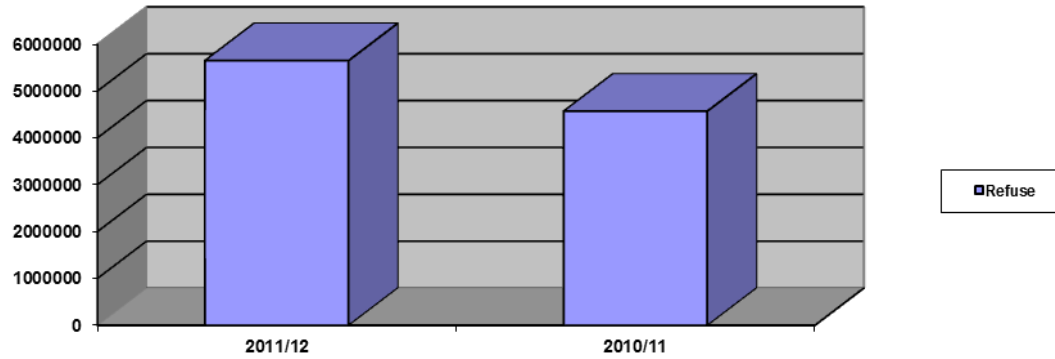
iii) ELECTRICITY

	2011/12	2010/11
Budget	17 608 813	12 259 134
Actual	15 072 617	12 958 647
Growth %	16.31%	31.15%



iv) REFUSE

	2011/12	2010/11
Budget	9 249 572	7 195 004
Actual	5 648 721	4 570 306
Growth %	23.60%	14.64%



vi) SANITATION

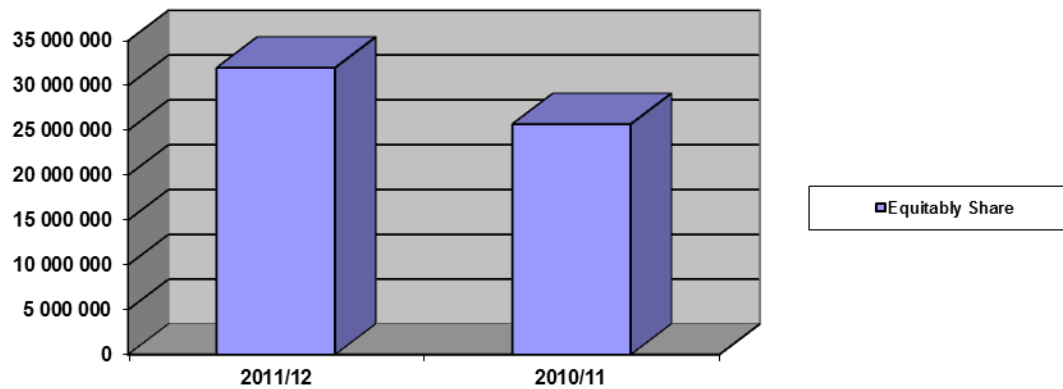
	2011/2012	2010/11
Budget	4 618 763	14 032 862
Actual	10 239 209	10 016 921
Growth %	2.2%	-19.57%

vii) GRANTS

a) Equitably Share

	2011/112	2010/11
Budget	32 105 000	25 710 000
Actual	31 991 000	25 709 689

Growth %	24.04%	27.07%
----------	--------	--------



Council's equitable share allocation was increased by 24.04% from R25 709 689 to R31 991 000 and remains council's major source of income. The following demographic data (from the 2001 Census statistics) was used for calculating council's equitable share and MIG allocations:

Free Basic Services

Free Basic Services is regulated by Council's Indigent Policy. It pivots on an income threshold of R1 100 and has two distinct categories, namely:

Category A- Income less than R1100 -100% subsidy

Category B- Income from R1101 to R2200 -50% subsidy

Every household receive 6 kiloliters of water free irrespective of income level as part of the free basic water system.

The following services are subsidized:

Water (6KL)

Sanitation

Electricity (50Kwh)

Refuse

Rates (Limited to RDP value)

2.10.8. Capital Expenditure

Table 27: Capital expenditure – audited results

Asset	2011/2011 actual	2011/2012 budget	% spent	2010/2011 actual	2010/2011 budget	% spent
Buildings	353 699	-	0.00%	345 814	40 000	864.54%
Sewerage	7 500 164	9 030 829	83.05%	7 911 238	10 775 000	73.42%
Water	16 063 358	25 528 292	62.92%	15 104 318	3 278 000	460.78%
Roads	861 398	969 679	88.83%			
Other assets	473 284	1 133 550	41.75%	704 060	405 003	173.84%
Lease assets	1 053 119	2 830 000	37.21%			

Infrastructures are financed solely out of grants.

2.10.9. Financial Profile

Table 28: Revenue management and Liquidity

Revenue Management	2011/12	2010/11
Net debtors to annual income	22.8%	14.33%
Days debtors outstanding	605	543
Bad debt provisions	68.57%	74.69%
Liquidity	2011/2012	2010/11
Current ratio	1.44:1	1.13:1
Acid test ratio	1.44:1	1.13:1

2.10.9.1. Revenue management

The municipality has experienced extreme difficulty in collection which can be seen in the days debtors outstanding which have also increased from 543 days to 605 days. Provision for bad debts decreased from 74.69% to 68.57%. The municipality is recovering from a section 139(1)(b) intervention which ended during December 2011.

2.10.9.2. Financial structure/liquidity

The liquidity of the municipality has improved which can be seen from the above ratio. The municipality's current assets exceed the current liabilities. The acceptable ratios should be current ratio 2:1 and acid test ratio 1:1.

The total debt to total assets has decreased from 0.15:1 in 2010/11 to 0.10:1 in 2011/12. The decrease is the result of a decrease in trade creditors from R36 178 636 to R16 028 561. The ratio of capital charges to operating expenditure decreased from 61.4% to 27.08% due to decrease in infrastructure assets work-in-progress additions funded by grants.

Borrowing Management

	2011/2012	2010/11
Total debt to total asset ratio	0.10:1	0.15:1
Total debt/Total income	0.33:1	0.54:1
Time-interest-earned ratio	10.6	16.5
Capital charges to operating expenditure	26.34%	26.87%

GOVERNMENT GRANTS AND SUBSIDIES ALLOCATIONS

SUPPORTING TABLE 5 GOVERNMENT GRANTS AND SUBSIDIES-ALLOCATIONS	PREV YR	PREVIOUS YR	Current Year	Budgeted Year +1	Budgeted Year +1
	2011/12	2012/13	2013/14	2014/15	2015/16
	Adjustment	adj Budgeted	Budgeted	Budgeted	Budgeted
	R'000	R'000	R'000	R'000	R'000
National Government					
1. Equitable Share	30 979 000	34 321 000	37 893 000	43 417 000	52 127 000
2. Special Contribution Councilors Remuneration	1 126 000	1 993 000	2 511 000	2 920 000	3 032 000
3. Municipal Systems Improvement Grant	790 000	800 000	890 000	934 000	967 000
4. Municipal Infrastructure Grant	19 504 000	23 659 000	23 346 000	24 161 000	25 576 000
5. Finance Management Grant	1 500 000	1 500 000	1 650 000	1 800 000	1 950 000
6. Regional bulk infrastructure Grant	16 000 000	17 000 000	6 466 000	0	0
7. Integrated National Electrification Programme Grant			444 000	0	0
8. EPWP		1 000 000	1 000 000	0	0
9. Disaster Fund		232 500	0	0	0
Total Grants and Subsidies-National Government	69 899 000	80 505 500	74 200 000	73 232 000	83 652 000
Provincial Government					
Health	0	0	0	0	0
LIBRARIES		1 157 000	1 157 000	1 157 000	1 157 000

IDP	0	0	0	0	0
LED		87 990	350 000	342 000	341 000
Total Grants and Subsidies-Provincial Government	0	1 244 990	1 507 000	1 499 000	1 498 000
District Municipality					
1. Environmental Services	913 151	967 940	990 103	1 036 673	1 087 470
2. fire	375 000	0	0	0	0
3. Library extention		719 412			
Total Grants and Subsidies-District Municipalities	1 288 151	1 687 352	990 103	1 036 673	1 087 470
Total Government Grants and Subsidies	0		76 697 103		
Other Grants:	0				
1. IDC - Enon/Bersheba development forum			1 500 000		
Sub Total -Other Grant	0		1 500 000		
TOTAL GRANT ALLOCATION	71 187 151	83 437 842	78 197 103	75 767 673	86 237 470

2.11. MEC Comments for IDP 2011/2012

The Department of Local Government and Traditional Affairs have developed an IDP analysis and assessment framework to guide the crafting, improvement and analyses of a credible IDP.

Sundays River has been rated as follows with respect to the six KPAs

KPA	Rating 2008/9	Rating 2009/10	Rating 2010/11	Rating 2011/12
Spatial Development Framework (KPA 1)	Low	High	Low	High
Service Delivery (KPA 2)	Low	Medium	Medium	Medium
Financial viability (KPA 3)	Low	High	Low	Low
Local Economic Development (KPA 4)	High	High	Medium	High
Good Governance and Public Participation (KPA 5)	Low	Low	Low	Medium
Institutional Arrangements (KPA 6)	Low	Low	Low	Medium

The Sundays River Valley Municipality has made an action plan template where the heads of departments respond as to how they are going to address the gaps in the IDP. The gaps were incorporated in the relevant sections of the IDP. The following is a brief summary of major gaps identified.

Spatial Consideration

Most of the gaps were as a result of the SDF not reviewed. These are actions taken address the spatial component:

- SDF was updated in 2011 and the Council standing committee has approved it as a first draft having realized that the intensive review must take into consideration the new demarcation and the master plan.
- Rural Urban Dynamics is currently doing a comprehensive review of the SDF
- Maps are included in the IDP
- The IDP must not be read in isolation to the SDF and the disaster management plan where the environmental tools are discussed. However the environment section in the IDP has been reviewed so that it talks specifically to the municipal role in environmental issues. Some of the gaps will be addressed in the process of the second draft of the SDF.
- The IDP talks to the principles of the NSDP

Service Delivery and Infrastructure Planning

80% of questions asked were in respect of the WSDP. Since the WSDP was not adopted in 2010/11 financial year, all the service delivery information presented was regarded as non-responsive.

- A holistic and comprehensive (all sectors) infrastructure delivery plan is developed through an implementation agreement between SRVM and the Amatola Water Board. The comprehensive plan is part of the process of the development of the development master plan.
- The WSDP 2011/12 was adopted by Council on the 28 March 2012
- Infrastructure backlogs are identified through the WSDP
- The CIP that was initiated by DPLG is included in the IDP though it has not been further developed.
- The WSDP was reviewed in 2010/11 and was presented is standing committee and is going to Council within this financial year
- The agreement between SRVM and Amatola Water Board provides that Amatola solicit funding for water infrastructure. Finance has made provision through revenue raising strategies to raise additional revenue from water high water users. A business plan was submitted for EPWP funding.
- Land for housing development is identified in the SDF and Land Audit and Area based Plan but there is no funding to acquire the identified properties.

Financial Plan

- The municipality has the following policies: Asset Management policy, Indigent Support policy, Rates policy, Credit control policy, financial management policy, Bank & Investment policy, Write Off policy, Supply chain Policy, tariff policy.
- Five core issues of financial management are summarised in the relevant section

- The extent of own revenue and grant usage for infrastructure investment was for 2010/11 – 3% own revenue & 97% grant funding and for 2011/12 - 7% own revenue & 93% grant funding
- Own revenue and grant for 2012/13 is included in the financial viability section.
- Major observations made in relation to operating and capital expenditure are made under ratios on relevant sections
- The municipality has developed an action plan on audit findings for 2010/11. Regular Internal audit steering committee meetings are held to evaluate progress on audit findings
- 3 year financial plan is included
- Debt collection was only 33% during the 2009/10 financial year and has since then increased to 50%. It was also found that tariffs were not cost reflective and were adjusted during 2010/11 and 2011/12 budget to ensure that costs are recovered for services rendered.
- The turnaround strategy focused heavily on capacitating the finance department
- There is a section on IDP and Budget alignment in the IDP and all the review processes were conducted as one process.
- The valuation roll was done in 2009 and a supplementary was also conducted. The next valuation is due in 2012/13
- The KPIs under 2.12 form the baseline for the draft SDBIP. PMS policy including performance agreements and SDBIP are under review.

LED

- LED strategy is under review with the assistance of the Department of Local Government and Traditional Affairs
- The situation analysis was updated through LED Forum participatory workshop held on the 24 November 2012
- EPWP committee was established and is championed by the PMU officer

Good Governance and Public Participation

- Communication unit was established
- Communication strategy was developed through the assistance of CDM and GCIS
- IGR establishment meeting held on 15 March 2012
- Audit opinion was a qualification and audit action plan was developed and included in the annual report
- Municipal public Accounts committee is in place.
- Public participation implementation plan is in place

Institutional Transformation

- Communication officer deals with complaints and complaints handling procedures were approved by Council
- There is a complaints register
- HR policies that were adopted are named
- Objectives of HR Plan briefly summarised

- A draft training implementation plan for 2012/13 is indicated

NB: Other issues identified in the assessment report are addressed under relevant sections in the IDP document.

CHAPTER 3: STRATEGIC DIRECTION

An IDP is a municipal strategic plan, a strategy must have a long term vision, objectives, indicators, targets and must be realistic (implementable). In this section of the IDP we shall outline the strategic approach in dealing with the issues above. The outcome of this process is to contribute to wellbeing of the Sundays River Valley community.

As an institution SRV Municipality realised that, to achieve growth and the development we must embrace the principles of sustainable development as adopted in the world forum on sustainable development in 1992. The principle focus on the following:

1. **People:** Development must be focused on human development. This means that the people must lead a long, healthy life, be equipped with knowledge and skills and earn a decent income to have a decent life.
2. **Economy:** Economic growth becomes an important variable in the sustainability equation. Growing the local economy will enable the Municipality to provide services on a sustainable manner especially to the poor.
3. **Environment:** the living generation should ensure that they don't deplete natural resources. The living should reserve and conserve resources for future generations and care for biodiversity and the ecosystem.

Another United Nations Driven initiative in promoting human development for the eradication of poverty and all its manifestations is the Millennium development goals. Every government is expected to make a contribution in realising these goals by 2014. The diagram below highlights the major features the Millennium Development Goals:

Figure: Millennium Development Goals



The government adopted the following policies as South Africa's contribution to the Millennium Goals:

- a. **ASGI-SA** (Accelerated Shares Growth Initiative of South Africa): The focus is growing the economy by 6 percent, halving unemployment and halving poverty by 2014.
- b. **JIPSA (Joint Initiative of Priority Skills Acquisition)**: The focus is more on skills development, especially critical skills (Engineering and Science) that contribute to economic growth.
- c. **Local Government Developmental Agenda**: the department of local government and housing set a developmental agenda for municipalities. This was meant to inform Local Economic Development, Institutional Viability, Infrastructure and Basic Service delivery and Good Governance.
- d. **NSDP (National Spatial Development Perspective)**: The government of the day realised the legacy and disparities of apartheid. Development is bias towards the cities living the people from the rural areas vulnerable and poor. The focus of this initiative is to make focused and strategic investments, investments should be made in growth nodes and on people because skills are mobile.

3.1. Strategic Objectives And Key Performance Indicators

INTEGRATED DEVELOPMENT PLAN

The following table forms the basis for the development of the final SDBIP and serves as a draft SDBIP.

KPA: INFRASTRUCTURE AND BASIC SERVICES					
Priority Issue	Objective	Strategy	IDP Project	KPI	Budget
Water	Ensure access & a continuous supply of good quality water & Sanitation to each user by 2014	Provision of bulk water supply	Kirkwood bulk water supply	% progress in project implementation	
			Langbos bulk water supply	% progress in project implementation	R800 000
		Improvement of blue drop water quality i.t.o. National Water Act	Blue drop register		Operational
Sanitation		Compliance with green drop i.t.o. National Water Act	Green drop	Improvement in Green Drop Score	Operational
		Maintain and upgrade water and sanitation infrastructure	Langbos sewerage pumpstation and outfall	% progress in project implementation	R800 000
			Upgrading of Addo WWTW	% of upgrading completed	R5 700 000
			Upgrading of Ceazars Dam WWTW	% of upgrading completed	
			Upgrading of Paterson waste Water Treatment works	% of upgrading completed	R750 000
Water Conservation & Demand Management		Implement water conservation and demand management		Maintenance Register of pumps and meters of all pump stations show decrease in	Operational

KPA: INFRASTRUCTURE AND BASIC SERVICES					
Priority Issue	Objective	Strategy	IDP Project	KPI	Budget
				water losses	
Farm area services	Ensure farm workers and dwellers have improved livelihoods and health	Farm workers and dwellers have improved livelihoods and health through access to clean water and sanitation, roads, and electricity		Number of livelihood services provided to farm workers and dwellers	Operational
Free Basic and household Services	To ensure that poor household s access free basic free basic services and that each household has access to a set of basic Household Services	Improve access to free basic and household services	Facilitate access to free basic services	% household earning less than R1 100 per month with access to free basic services	Operational
			Facilitate access to basic household services	% household with basic level of water, sanitation, electricity and solid waste removal	Operational
Water conservation	Improved efficiency in municipal water usage	Monitor losses through local cooperatives services and other means	Fixing water leakages	% reduction in water losses	
Storm water	Increase in control of Storm water run off		Storm water maintenance	Decrease in the number of flooding incident in road reservoir	
Roads	SRVM Community has access to good quality roads built according to applicable standards	Lobby funding for the upgrade and maintenance of surfaced and gravel roads.	Upgrading of gravel roads	Km of gravel roads upgraded	R10 500 000

KPA: INFRASTRUCTURE AND BASIC SERVICES					
Priority Issue	Objective	Strategy	IDP Project	KPI	Budget
		Decrease number of potholes	Potholes repair	Visible decrease in number of patch potholes	
Electricity	Upgrade electricity network for future development	Access to a reliable supply and connection of street and high mast lights	Area and community lighting	Response time at fixing non- functional lightning & electricity supply	Operational
		Upgrading and maintenance of electricity substations	Area and community lighting	Number of new high mast lights constructed and reduced electrification complaints	R400 000
Land	Ensure the availability of land as well as the sustainable utilization thereof for household and economic development initiatives within the principles of spatial planning and land use management	Access to land for human settlements	Operational	Increased hectares available for human settlements	Operational
		Access to land for local economic development initiatives	Operational	Number of development opportunities created from municipal owned land	Operational
		Farm workers and dwellers have access to land and secure tenure	Operational	Increased access to land and reduced unlawful evictions	Operational

KPA: INFRASTRUCTURE AND BASIC SERVICES					
Priority Issue	Objective	Strategy	IDP Project	KPI	Budget
Housing		People who qualify have access to housing	Human Settlement development	Number of housing units handed over to residents in the current financial year	Operational
Town planning	Effective Town Planning administration within SRVM jurisdiction	Control of illegal building operations	Operational	Decrease number of unauthorized land use cases to none	Operational
Building Control		Timeous approval of building plans	Operational	Land use applications to be process within 10 weeks	Operational

KPA: COMMUNITY SERVICES					
Priority Issue	Objective	Strategy	Project	KPI	Budget
Waste Management	Communities have sufficient and affordable solid waste disposal options to encourage clean and healthy environment	Reliable refuse removal services	Clean up campaign	# of cleanup campaign conducted per ward	R120 000
		Upgrading and maintenance of dumping sites		Fenced and regular compaction of sites	Operational
Environmental health	To ensure provision of water quality monitoring and food control	Regular water and food quality sampling	Water awareness campaign	% improvement in water quality samples and food quality	R80 000

KPA: COMMUNITY SERVICES					
Priority Issue	Objective	Strategy	Project	KPI	Budget
			Food awereness campaign	samples taken	
		Inspection and licensing of food premises	Food handling business licensing	# of food-selling premises with business licences and COA registers, or similar documents	R40 000
Fire and Disaster Management	To ensure the provision of effective and efficient fire and disaster management services throughout the SRVM	Education Campaigns to encourage preventative fire and safety awareness	Fire awareness campaign	# of fire awareness campaigns conducted in all wards	R60 000
			Cleaning of fire hydrants	# of fire hydrants inspected to ensure serviceability	Operational
		Establishment of functional Disaster Management Forums	Disaster management plan	Existence and effectiveness of the disaster management forum	R 50 000
		Effective disaster management plan and risk control	Disaster awareness campaign	# of disaster awareness campaign conducted per ward	R60 000
Traffic Services	To ensure the provision of effective and efficient traffic services throughout the SRVM	Enhance revenue through improved collection of traffic fines	Revenue Enhancement	% improvement in traffic revenue	To be determined once the service provider is on site however 30% per fine will be budgeted

KPA: COMMUNITY SERVICES					
Priority Issue	Objective	Strategy	Project	KPI	Budget
		Improve road signage and markings in accordance with regulations and by-laws		Rate at which the road/traffic signage maintenance schedule is implemented across all wards	Operational
		Education campaign to encourage preventative road safety awareness	Road safety Campaign	Number of traffic campaigns conducted with schools and similar institutions	R 40 000
Recreational and sport facilities and Public amenities	Communities of SRVM with specific reference to youth have access to suitable and affordable recreational and sport facilities and public amenities.	Development and upgrading of recreational and sport facilities	Sports and Recreational facilities	# of sport fields developed and upgraded	R3 500 000
		Maintenance of community halls and cemeteries	Upgrade of Aqua park ,bersheba and nomathamsaqa	# of community halls upgraded	R100 000
Library and Information services	Enhance access to information services and knowledge resources for the public through provision of libraries and information resources	Functional libraries with computerized system	Upgrade of Moses mabida library	Accessibility of library services to all communities	R1M

KPA: INSTTUTIONAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT					
PRIORITY ISSUE	OBJECTIVE	STRATEGY	PROJECT	KPI	Budget
Policies and by-laws	To develop and review policies and by-laws	Develop manual on policies and by-laws	Reviewal of policies and by-laws -	Number of reviewed policies and by-laws and existence of manual on policies and by-laws	Opex
Performance management System	To improve effectiveness in municipal governance	Development of performance agreements	Quarterly performance assessments	Quarterly performance assessments on MM and all Directors	Opex
		Cascade PMS to lower levels	Development of performance plans	# supervisors and middle managers with performance plans	Opex
Capacity development and empowerment	To enhance skills capacity of staff to deliver	Development of Skills Plan and implementation strategy	Audit of skills competency of staff	% of the municipality's budget actually spent on implementing the workplace skills plan	Opex
Employment Equity	To ensure that the municipality has employment equity plan and that targets are met	Establishment of Equity Committee	Review of equity plan and policy	Number of people from employment equity target group in 3 highest levels of management structure	Opex
IDP	Vibrant institution that is	Enhancing systems for	IDP Review	% achievement of	R50 000

KPA: INSTTUTIONAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT					
PRIORITY ISSUE	OBJECTIVE	STRATEGY	PROJECT	KPI	Budget
	able to deliver the strategic objectives stated in the IDP within the available resource base	integrated planning and implementation		municipal objectives in the SDBIP	
		Monitor implementation of IDP through SDBIP	Service delivery and Budget Implementation Plan	% of municipality's capital budget in capital projects identified in the IDP and; Timeous quarterly reports that are based on SDBIP and IDP objectives and strategies	Opex
			Increased oversight function of the MPAC	% MPAC resolutions implemented on annual report 2012/13	Opex
Community Based Plans		Review and implementation of community based plan projects	Community Based Planning	# of ward plans reviewed and # of projects supported	R100 000
Human Resources Management	To ensure alignment of Organisational structure	Review of Organisational structure to be aligned to	Workstudy assessment on job	Quality of workstudy	Operational

KPA: INSTTUTIONAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT					
PRIORITY ISSUE	OBJECTIVE	STRATEGY	PROJECT	KPI	Budget
	to IDP	IDP	descriptions	assessment and existence of reviewed organisational structure	
Human resources management	To promote sound labour relations environment	Ensure quarterly consultative meetings with labour	Consultative meetings	Labour disputes reduced	Operational
Archive management	To ensure proper filing of information and archives of municipality	Develop proper register of records of correspondence	Archive register and system developed	Archiving systems effectiveness and efficiency	Operational

KPA: LOCAL ECONOMIC DEVELOPMENT					
PRIORITY ISSUE	OBJECTIVE	STRATEGY	PROJECT	KPI	Budget
Employment	To facilitate employment creation	Promote employment opportunities through Extended Public Works Programme and Community Works Programme.	Expanded Public Works Programme	# of jobs created through municipality's LED initiatives including capital projects	R1 000 000
Investments	To mobilize resources for unfunded projects.	Create credible institutional framework for investors and new business entrants to exploit business opportunities	Development of bankable business plans	No. of proposals developed, strategies reviewed and research initiatives undertaken.	R250 000
Development institutions			Enon-Bersheba Development Forum	Existence of office facilities in Kirkwood for Enon-Bersheba Development forum	R1 500 000
SMME Development	G3:02. To create 10 linkages for SMMEs to widen market access per	Create credible institutional framework for investors and new	Facilitate Small business Expo. Training and business plan	# of awareness campaigns, Workshops, meetings and or seminars conducted.	R150 000

KPA: LOCAL ECONOMIC DEVELOPMENT					
PRIORITY ISSUE	OBJECTIVE	STRATEGY	PROJECT	KPI	Budget
	annum	business entrants to exploit business opportunities	development.		
Food security	To ensure sustainable community programs are implemented in all wards by 2014.	Initiate poverty alleviation and food security programs by availing municipal resources and support (including municipal infrastructure).	Provision of agricultural implements and inputs	Resources availed by municipality for poverty alleviation (i.e. Fix 3 tractors and transfer to beneficiaries).	R30 000
Tourism	To ensure the municipal area is branded and marketed	Facilitate effective branding and marketing of products/services identified in the Tourism Sector Plan.	Promote tourism destination.	Budget spent on branding and marketing (LTO).	R50 000
SMME Empowerment	To strengthen institutional capacity of SMMEs and increase the number of viable businesses	Develop and implement SMME strategy	SMME support.	Number of SMMEs benefiting/capacitated	R200 000
Small Town Revitalisation	To provide and invest in the economic infrastructure development in all wards by 2017.	Implementation of an Integrated Small Town Revitalisation Strategy	Small Town Revitalisation	No. of areas of supported through the main pillars of the integrated small town revitalization strategy.	R350 000

KPA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION					
DEVELOPMENT PRIORITY	OBJECTIVE	STRATEGY	PROJECT	KPI	Budget
Well-functioning council	To establish a well-functioning council system	Improve standards for good governance in terms of transparency, accountability, good working relationships and implementation of resolutions	Facilitate an effective and efficient council system	Improved efficiency and effectiveness of council system with increased rates of implementation of Council resolutions	
Public Participation	To ensure involvement of citizens & communities in local governance	Citizens are informed of government services and programmes	Public participation in local government	Number of public engagement from office of the Mayor and Speaker	
Communications	To ensure access of information between srvm's internal and external stakeholders	Develop and implement a communication action plan	Newsletter	Number of newsletters developed per annum	R100 000
			Radio Slots and Press Releases	Number of radio slots and press releases	R30 000
			Design and purchase branding material	Number of branding material designed and purchased	R20 000
INTERGOVERNMENTAL RELATIONS (IGR)	To continuously cooperate in the provision of service delivery initiatives	Promote intergovernmental relations.	Quarterly IGR meetings	Level and quality of participation by IGR rep forum members in IGR meetings	R40 000

KPA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION					
DEVELOPMENT PRIORITY	OBJECTIVE	STRATEGY	PROJECT	KPI	Budget
CUSTOMER CARE	To continuously ensure good customer care for srvm's stakeholders	Attend to customer complaints.	Customer Care Spreadsheet and Work Instruction Orders	Number of complaints captured and responded to	Nil
SPU:- Disabled, youth, women, aged, children	To ensure that vulnerable groups participate in all government programs	Facilitate targeted beneficitation and participation for vulnerable groups in local government programmes/activities	Cooperatives development	Number of beneficiaries/participants and support programs targetd for vulnerable groups	
Internal Audit	Elimination of fruitless and wasteful, unauthorized and irregular expenditure	Implement and adherence to financial management policies	Audit	% reduction of none compliance audit findings	Operational

KPA: FINANCIAL VIABILITY AND MANAGEMENT					
DEVELOPMENT PRIORITY	OBJECTIVE	STRATEGY	PROJECT	KPI	Budget
Debt management	To ensure debt is managed sustainably		Operational	Debt coverage	Operational
Revenue management	To ensure that outstanding debt is minimized and billing is accurate	Ensure there is an effective revenue collection/generation by maintaining an effective and up to date billing system	Operational	Outstanding service debtors to revenue	Operational

KPA: FINANCIAL VIABILITY AND MANAGEMENT					
DEVELOPMENT PRIORITY	OBJECTIVE	STRATEGY	PROJECT	KPI	Budget
Cash flow	To ensure a sustainable cash flow	Monthly fixed operating expenditure	Operational	Available cash at a particular time	Operational
Internal Audit	To ensure that the audit action plan is implemented annually	Development and review of audit charter and audit action plan	Operational	Clean audit	Operational
Risk Management	To institutionalize risk management	Annual review of risk register	Operational	# of top risks identified and addressed	Operational
Supply Chain	To ensure proper procurement of goods and services in terms of chapter 11 of the MFMA	Ensure compliance to all supply chain management regulation and legislation	Operational	Reduced number of deviations	Operational
Financial management systems	To produce financial reports that meet the requirements of National treasury department	Financial reports are compliant to legislation and are timely	Operational	# of reports that meet legal requirements at the right time	Operational
	To ensure compliant reporting in respect of all grants	Grants are spent as per the conditions of the grant	Operational	Amount spent on grants and its impact on service delivery	Operational

KPA: FINANCIAL VIABILITY AND MANAGEMENT					
DEVELOPMENT PRIORITY	OBJECTIVE	STRATEGY	PROJECT	KPI	Budget
			Operational	Financial viability as expressed in different ratio	Operational

3.2. SRVM Community Priorities for 2013/14

The following priority issues that were identified through various community consultation and municipal strategic sessions were identified. These priorities form part of the municipal turnaround strategy. The issues that emanated from public consultations are reflected below:

Issues Emanating from Public Consultations and CBPs

Ward	Area	Issues
1	Moses Mabida and Msengeni	<ul style="list-style-type: none"> • Fixing of Water Leaks • Fixing of Street Lights • Require Municipal Grader to level all roads. • The water issue is a crisis – there is a need for clean water • Cleaning of the halls and the terminus. • Prioritise cooperatives and smme's . • Kuyasa hall to be changed into a skills development sight. • Sports fields must be improved • Need for communal land • Require jojo tanks and solar geysers • Need for youth empowerment programmes • Houses that were built and left unfinished • Require black plastic bags for refuse • The construction of roads must be speeded up. • The foreigners that use RDP houses as spaza shops must be stopped • Houses given to other people that do not belong to them

Ward	Area	Issues
	& Grootvlei	
4	Paterson	<ul style="list-style-type: none"> • Paterson mining project • Shamwari agri-village • Street naming • Access to church site • Road paving (Shamwari-Grahamstown road) • Commonage for stock farmers • Area lighting • Maintenance of the reservoir • Upgrading of sportfield
5	Nomathamsanqa	<ul style="list-style-type: none"> • Land for small farmers & commonage • Renovation of sportfield • Account on funded R6million main road project that was stopped • SASSA local offices needed due to grant problems • Poor water quality • Water canal closure • Street naming
6		<ul style="list-style-type: none"> • All the above including: • Langbos housing • Multi-purpose centre
7	Kirkwood; Kleinpoort & Glenconnor	<ul style="list-style-type: none"> • Housing • Roads & road signs • Bus stops • Water provision • Township development • Cemeteries • Housing and electricity • Access to water supply
8	Enon-Bersheba	<ul style="list-style-type: none"> • To be read in conjunction with 2012 research report by IDP Manager • Citrus and vegetable production • CPA registration and capacitation • Area lighting

Ward	Area	Issues
	Moreson Dunbrody & surroundings	<ul style="list-style-type: none"> • Clinic building • Institutional structure for development • Roads in bad state • Picnic site and play grounds for children • Water for Green fields • Stock water at grazing caps • Tourism and heritage development initiatives • Stock improvement • Upgrading of sport fields • See issues under ward 4 • Read in conjunction with Area based plan and include: <ul style="list-style-type: none"> • Agri-village • Evictions and tenure security • Livelihood services

3.3. Alignment of IDP Priorities across the three spheres of Government

a) LED and PGDP 2014 targets

Provincial Growth and Development Strategy	Sundays River Valley Municipality (to be revised to consider adopted LED Strategy 2012)
- To maintain an economic growth rate between 5% and 8% per annum	- To grow the local economy and achieve an annual growth rate of between 5% and 8% annually
- To reduce the current plus 56% unemployment rate to half by 2014	- To create sustainable jobs thereby reducing existing unemployment from 44% to 24% by 2014

- To reduce the number of households living below the poverty line and people suffering from poverty by between 60% and 80%	- To reduce number of households living in poverty from 54.6% to 34,6% by 2014
- To establish food self-sufficiency in the Province by 2014	- To develop and maintain monthly access to social development services and household food security among the previously disadvantaged communities through sustainable urban agricultural projects by 2014
- To ensure universal primary education (UPE) by 2014 with all children proceeding to the first exit point in a secondary education	- To provide support in order to meet this target
- To improve the literacy in the Province by 50% by 2014	- To reduce the rate of illiteracy by 5% every year.
- To eliminate gender disparity in education and employment by 2014	- To reduce inequalities in education and employment by 2014
- To reduce by two-thirds the under-five mortality rate by 2014	- To reduce by two-thirds the under-five mortality rate by 2014
- To halt and reverse the spread of HIV and AIDS by 2014	- To develop practise of excellence in the delivery of primary care including dealing with the HIV/AIDS pandemic 2014
- To provide clean water to all in the Province by 2014; and	- To provide and maintain appropriate, affordable and sustainable clean water to all SRVM residential dwellings by 2014
- To eliminate sanitation problems by 2014	- To provide and maintain appropriate, affordable and sustainable waterborne sewerage to all SRVM residents by 2014

The strategy framework for PGDP is divided into six objectives as illustrated below

Key Objectives

- Systematic poverty eradication through a holistic, integrated and multi-dimensional approach to probe poor planning.
- Transformation of agrarian economy and strengthening of household food security.
- Consolidation, development and diversification of manufacturing and tourism sectors

Foundation Objectives

- Infrastructure development and eradication of service backlogs
- Human resources development and promoting of skills level
- Public sector and institutional transformation through capacity improvement

b) 5 Year Local Government Strategic Agenda

KEY PERFORMANCE AREAS

- Municipal Transformation and Organizational Development
- Basic Service Delivery
- Local Economic Development
- Municipal Financial Viability and Management
- Good Governance and Public Participation

c) CoGTA Flagship Projects

The municipality does receive assistance from the Department of local government in some of the areas identified below and the municipality would like to be prioritized as the the first implementation destination of these projects.

- Business Adopt- a-Municipality
- Clean Cities and Towns
- Ward Based Cooperatives Projects
- National Municipal Revenue Enhancement Programme
- Operation Clean Audit

d) LOCAL GOVERNMENT TURN AROUND STRATEGY (LGTAS) AND MTAS

The five strategic objectives of the LGTAS

- *Ensure that municipalities **meet basic needs** of communities.* This implies that an environment is created, support provided and systems built to accelerate quality service delivery within the context of each municipality's conditions and needs;
- *Build **clean, responsive and accountable** local government.* Make sure that systems and structures and procedures are developed and enforced to deal with corruption, maladministration and ensure that municipalities communicate and account more to communities;

- *Improve **functionality, performance and professionalism** in municipalities.* Ensure that the core administrative and institutional systems are in place and are operational to improve performance;
- *Improve **national and provincial policy, support and oversight to local government.**;* and
- *Strengthen **partnerships** between local government, communities and civil society.* Ensure that communities and other development partners are mobilized to partner with municipalities in service delivery and development.

Critical areas of LGTAS and MTAS

LGTAS	Municipal Turn Around Strategy (MTAS)
<ul style="list-style-type: none"> • Governance and Leadership; • Strategic Planning; • Financial Management and Viability; • Capacity Building and Skills Development; • Infrastructure Support; and • Local Economic Development 	<ul style="list-style-type: none"> • Municipal transformation and institutional development • Financial viability and management • Good Governance • Basic Service Delivery and Infrastructure: Community Services • Basic Service Delivery and Infrastructure: Technical Services • Local Economic Development

Some of the main post-2011 priorities of the LGTAS include the following. These are part of *Vision 2014*:

- i. Infrastructure backlogs should be reduced significantly;
- ii. All citizens must have access to affordable universal basic services;
- iii. Formalisation of all informal settlements;
- iv. Clean cities, through the management of waste in such a way that it creates employment and wealth; and
- v. A single election for national, provincial and local government (key benefits include: single manifesto, one financial year, single public service, common 5 yr medium term planning, aligned human resource and budgeting frameworks).

e) OUTCOME 9

COGTA has adopted a differentiated approach to assess poor service delivery in local government. An outcomes approach with specific reference to **Outcome 9** focuses on **responsive, accountable, efficient and effective local government**. The municipality must report on the implementation of outcome 9.

Priority Issue	Outputs/Actions	SRVM Response
A differentiated approach to municipal financing, planning and support.	<ul style="list-style-type: none"> -Survey and bench marking profile of critical posts. -Integrate planning, spatial, financial and support areas into a single policy framework. 	<ul style="list-style-type: none"> No of vacant critical posts to be filled. SDF review in conjunction with the development of a master plan
Improved access to basic services	<ul style="list-style-type: none"> -Improved access to basic water -Improved access to basic sanitation. -Improved access to basic Refuse removal. -Improved access to Basic electricity. -Established mechanism (Special Purpose Vehicle; Business-adopt-a-community). 	<ul style="list-style-type: none"> -Awareness programme -Develop business plan for upgrading of electricity infrastructure
The Community Work Programme (CWP)	-CWP in two wards per LM	-No. of jobs to be created through MIG & EPWP.

	<ul style="list-style-type: none"> -Job creation through functional cooperatives 	<ul style="list-style-type: none"> - No of jobs created through Ward Based Cooperative Programme.
<p>Initiatives supportive of the Human Settlements Outcome</p>	<ul style="list-style-type: none"> -Facilitate policy framework to ensure densification. -Establishment of human settlements committees. -Review land use planning and management. -Audit land ownership. 	<ul style="list-style-type: none"> -Develop housing sector plan; Department to conduct research on feasibility and need. -Develop a master plan -Develop a master plan
<p>Deepen democracy through a refined Ward Committee System</p>	<ul style="list-style-type: none"> -Legislative framework for ward committees and community participation. -Support measures to ensure functional ward committees by 2014 (target 90%) 	

<p>Improved municipal financial and administrative capabilities</p>	<ul style="list-style-type: none"> -Improved audit outcomes. (100% by 2014) -Reduced municipal debt. -Reduced overspending on OPEX. (8% baseline/target 4% for 2014). -Reduced under spending on CAPEX. -Reduced number of municipalities spending less than 5% on repairs and maintenance. -Improved Human Resource management and Administrative 	<ul style="list-style-type: none"> -monitoring the implementation of audit action plans. -Quality quarterly reports submitted timeously to provincial COGTA -Implement revenue enhancement strategy -Implemented monthly reports on budget monitoring -Implement revenue enhancement strategy -same -drafting of maintenance plan
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	Practices.	
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a) Municipal Capacity Assessment Report

The capacity of municipalities is assessed against the 5 KPA’s of the 5 Year Local Government Strategic Agenda.

Key Performance Area	What outcomes are assessed?	How SRVM intends to address challenges identified
Institutional Transformation and Organisational Development	<ul style="list-style-type: none"> -The functionality of PMS -Adequate Staffing -Development of Human Resource Plans -Effective recruitment and retention strategies 	<ul style="list-style-type: none"> -Review PMS policy and include incentive for non-section 57 managers -Fill critical vacancies and appoint interns -Implement the plan
Basic Service Delivery	<ul style="list-style-type: none"> -Setting of annual targets -Implementation of Water and Sanitation projects -Implementation of electricity projects -Implementation of Road Construction and Maintenance projects -Implementation of Waste Management projects 	<ul style="list-style-type: none"> -Set baseline and targets in SDBIP -Regular Water quality monitoring -Funding for infrastructure maintenance -Fill critical vacant posts -Refuse collection to be frequent and create employment for ward based corporative -Awareness raising among indigents

	<ul style="list-style-type: none"> -Provision of free basic services -Effective monitoring and Evaluation 	<ul style="list-style-type: none"> -Update indigent register
Local Economic Development	<ul style="list-style-type: none"> -Properly instituted LED programme -Required expertise in LED -Implementation of LED Strategy -Establishment of resourceful partnerships for LED activities 	<ul style="list-style-type: none"> -Functional LED Forum -Review LED strategy and link it to socio-economic profile -Develop marketing and communication strategy -Functional Local Tourism Organisation
Financial Management and viability	<ul style="list-style-type: none"> -Effective revenue enhancement -Effective budget management (set and control budget) -High quality Annual financial statements -Ensuring value for money investment through supply chain management -Effective implementation of property rate policy -Well populated financial department with experienced officials -Effective anti-corruption strategy 	<ul style="list-style-type: none"> -Address non metered (water) line losses and electricity theft through ward based community cooperatives -Tabling of budget to be accompanied by proposed amendments to the IDP -Timeous submission of section 71 & 72 reports -Implement audit action plan -Ensure financial systems are secure -Implement fraud prevention plan
Good Governance and Public Participation	<ul style="list-style-type: none"> -Effective oversight by the political leadership 	<ul style="list-style-type: none"> -Adhere to roles and responsibilities as contained in this IDP document

	<ul style="list-style-type: none"> -Fully functional ward committees -Effective integration of CDW's program in municipal activities -Awareness of public opinion and care needs of the community -Effective public participation mechanisms -Functional IGR mechanism 	<ul style="list-style-type: none"> -Adhere to selection criteria -CDW reports through Special Programs Office -Conduct customer satisfaction surveys and develop mechanism to deal with petitions. -Keep an updated data base of municipal IGR for a -Launch IGR fora
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f) MILLENIUM DEVELOPMENT GOALS (MDG)

The municipality is responding in various ways to the 2015 target of MDGs. The responses are fully captured in the implementation plans of all departments.

MDG	SRVM's Response and KPI
<i>Eradicate poverty and hunger</i>	No of jobs created through municipal programs
<i>Universal Primary Education</i>	Proportion of pupils starting grade 1 who reach grade 5
<i>Promote gender equality</i>	Proportion of women participating in all municipal programmes
Reduce infant mortality	Proportion of 1 year-old children immunized against measles
Improve material health	
Combat HIV/AIDS, Malaria and other diseases	Proportion of tuberculosis cases detected and cured under DOTS
Ensure environmental sustainability	Ensure environmental sustainability principles in all plans

Develop a Global Partnership for Development	Localise the partnerships; No. Of partnership agreements signed.
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h) MEDIUM TERM STRATEGIC FRAMEWORK (MTSF)

INTRODUCTION AND BACKGROUND

In July 2009 the Minister of Planning formulated and distributed a Medium Term Strategic Framework (MTSF) to guide Government Programs in the Electoral Mandate Period between 2009 and 2014.

The MTSF is intent on guiding planning and resource allocation across all the spheres of government through the identification of ten (10) National Strategic Medium Term Priorities. National, Provincial and Local spheres of government are expected to adapt their planning in line with the Strategic Priorities.

The **ten Strategic Priorities** are conceptualized and summarized as follows:

1. *Speeding up growth and transforming the economy to create decent work and sustainable livelihoods:*

The primary objective of this priority is to respond appropriately, promptly and effectively to economic opportunities to ensure that growth in decent employment and income security are reinforced and investment sustained to expand economic capacity and improve competitiveness.

2. *Massive program to build economic and social infrastructure:*

Continued infrastructure investment program aimed at expanding and improving social and economic infrastructure, transportation, energy, water, sanitation and information and communication infrastructure to increase access to quality and reliable public services and to support economic activities while also considering environmental sustainability and pursuing maximum employment impact.

Within 12 months of the distribution of the MTSF, government will finalise an integrated infrastructure development strategy. This strategy identifies thirteen (13) key areas, of which the following hold relevance to the CDM and its nine local municipalities:

2.1 *Creatively accessing resources* from various sources to continue with the economic and social infrastructure program in a manner that supports growth and employment creation; and the involvement of the private sector in financing projects;

2.2 Continue with the program to build, revamp and maintain electricity infrastructure, including generation, distribution and reticulation to ensure sufficiency and sustainability of supply and *development of alternative energy sources*;

- 2.3 Continuing the program to build and maintain *water infrastructure* to improve reticulation, prevent wastage and *ensure reliable and safe supply for human consumption*, industrial activity and agriculture;
 - 2.4 Implementing formal programs for the development and provision of *suitably located low-cost and affordable housing*;
 - 2.5 In line with the concept of human settlements, and proceeding from the premise that housing provision should promote the building of integrated and sustainable communities, taking active steps to ensure that *human settlement formation does not perpetuate apartheid spatial planning and deprive of the poor from economic opportunities and social and cultural amenities* – critical in this regard will be the Land Use management Bill for immediate implementation;
 - 2.6 Finalising and implementing the program to *ensure universal access to electricity, water and sanitation by 2014* by not only *expanding infrastructure but modifying and repairing ageing or inappropriate infrastructure in order to reduce wastage, contamination of natural systems and service disruptions*;
 - 2.7 Developing physical infrastructure in *rural* areas: To address the specific development needs of different rural localities, government will invest in agricultural infrastructure and production services in association with land redistribution and restitution and social infrastructure such as schools, health, water, energy as well as sports and other recreational infrastructure;
 - 2.8 Even while new investments are being undertaken, government will ensure *proper and appropriate investment in and an ongoing program for the maintenance of existing infrastructure*;
 - 2.9 Improving provincial and *local government capacity to plan for and maintain infrastructure* to ensure continued efficient delivery of economic and social services;
 - 2.10 Continuing *programs to provide and maintain* health, education, library, sporting, recreation and other social infrastructure.
3. *Comprehensive rural development strategy linked to land and agrarian reform and food security:*
- The overall objective of this strategy is to develop and implement a comprehensive strategy of rural development that transcends the false dichotomy between rural and urban and that will meet the needs to improving the quality of life of rural households, and exploiting the varied economic potential that each area enjoys. Key to this strategy is the determination of rural areas. The elements of this strategy include:
- 3.1 *Aggressive implementation of land reform policies*;
 - 3.2 *Stimulate agricultural production with a view to contributing to food security*;
 - 3.3 *The enhancement of rural livelihoods and rural food security*;

- 3.4 Improve service delivery to ensure quality of life – increased investment in the delivery of services to *rural areas, including education, health, housing, water, sanitation and energy* – using, where appropriate, alternative technologies to overcome physical and other impediments;
- 3.5 Implement a development program for rural transport – the formulation of a Rural Transport Program that will aim at promoting rural transport infrastructure and services through co-ordinated rural nodes and linkages;
- 3.6 Skills development – financial resources will be committed to develop and run training programs to support rural economies. A database of all farmers and households provided with agricultural support of different kinds will be kept and will receive training and mentoring opportunities;
- 3.7 Revitalisation of rural towns – Spatially targeted grants will be provided for the revitalization and development of rural towns to serve as service centres for rural economies. This will involve the development of hard and soft infrastructure, including institutional networks for marketing, storage, advisory services, finance and improved agro-logistics;
- 3.8 Explore and support non-farm economic activities – initiatives need to be devised to support other forms of rural potential, including tourism, light manufacturing and cultural work;
- 3.9 Institutional capacity development – achieving better development outcomes in rural areas will require improved alignment of the efforts of rural local government, nation and provincial departments and other public agencies.

4. *Strengthen the skills and human resource base:*

This strategy recognizes the importance of skills and education to enable every member of society to realize his / her potential and participate in social and economic life – and thus contribute to the reduction of inequality – the objective is to focus skills and education systems towards the delivery of quality outcomes.

5. *Improve the health profile of all South Africans:*

A central goal of the MTSF is to improve access to health services and achieve better clinical and patient outcomes from the public health system. There is a clear drive towards reducing inequalities in the health system, improving the quality of care and public facilities boost human resources and extend the fight against HIV and AIDS, TB and other communicable diseases. Life-style awareness and real causes of ill-health and mortality are essential to this target.

6. *Intensify the fight against crime and corruption:*

Government is determined to curb the levels of crime and corruption in the country. Critical in this regard is the involvement of individuals and communities in the fight against crime.

7. *Build cohesive, caring and sustainable communities:*

Social cohesion is broadly defined as that which gives members of a society the capacity to cooperate in ways that create the possibility for positive change. It is an element required to achieve development success. Inequalities of conditions such as wealth, income, education, health and opportunity are limiting the potential for success of the broader South African community. Within the MTSF period, government aims to meet their target of:

- Halving poverty and unemployment by 2014;
- Strengthen human capabilities;
- Promote shared values and social solidarity;
- Strive to reduce overall inequality.

8. *Pursuing African advancement and enhanced international cooperation:*

The main goal of our government for the medium term is to ensure that South Africa's foreign relations contribute to the creation of an environment conducive for economic growth and development, especially in Africa and other developing countries.

9. *Sustainable Resource Management and Use:*

South Africa, like the rest of the world, is vulnerable to the impacts of climate change, biodiversity loss and diminishing water resources. To fulfill its obligations to both current and future generations, South Africa ratified the United Nations Framework on Climate Change in August 1997 and acceded to the Kyoto Protocol in March 2002. SRVM service delivery the main objective of government is to encourage sustainable resource management and use by focusing on various interventions including:

- The pursuance of renewable energy alternatives and promotion of energy efficiency;
- Adopting waste reduction practices by encouraging the re-use of waste outputs as productive inputs;
- Enforcing zero tolerance to illegal and unsustainable exploitation of resources;
- Improving air and atmospheric quality for health and well-being of citizens;
- Supporting local and sustainable food production;
- Sustainable water use and preserving quality of drinking water;
- Enhancing biodiversity and the preservation of natural habitats.

10. *Building a developmental state including improvement of public services and strengthening democratic institutions:*

The MTSF promotes the further strengthening of the capacity of all spheres of government to:

- Improve the delivery and quality of public services;
- Promote a culture of transparent, honest and compassionate public service;
- Build partnerships with society for equitable development;
- Strengthen democratic institutions.

3.4. SWOT ANALYSIS – Emanating from Strategic Session and New Council Induction 2011			
3.4.1. FINANCE			
Strengths	Weaknesses	Opportunities	Threats
Reviewed structure	Salary scales low	Salary scale review	High turnover
Filled vacancies	non-market related salaries	Attract new staff	Inability to attract and retain
Experienced and trained staff(some)	Demotivation of staff		Difficult recruitment
	Resistance to change	Change Management Programme	Resistance to Change
	Non-cascading of performance assessment	Motivated and trained staff	
Indigent Committee (effectiveness)	Lack of teamwork	Unified staff	
	Lack of proper job descriptions		
	Low number of indigents	Increased Equitable share	
	Low revenue base to service infrastructure needs		
New Financial System	Staff resisting new system	Clean Audit	Resistance to Change
	Lack of housing beneficiaries	Update billing system- more revenue	Inability to meet service delivery standards

	Non-payment for services		Dissatisfied Community
	Lack of political support on revenue enhancement	Increase in revenue collection	Inability to meet service delivery standards
		Cooperatives to assist in revenue Mngt	
		Effective indigent committee	
Cooperatives as a Alternative DM		Job opportunities	Lack of monitoring and sustainability
		Improved Service Delivery	
		Stabilized staff costs	
	No contract management	Service Level Agreements	Breach of contracts and poor performance
		Build internal contract mngt capacity	
Improved budget framework	Lack of internal capacity-dependent on consultants		
Excellent policies	Inaccurate Billing System	Improved Revenue	Inability to meet service delivery standards
	Little support by Councillors on services payment	Improved Revenue	Inability to meet service delivery standards
Improved debt collection	Inability of Financial system to deal with certain transactions	Improved Revenue	Inability to meet service delivery standards

Tariff alignment and acceptance		Improved Revenue	Inability to meet service delivery standards
	Long outstanding creditors		Qualification and Judgements
Improved relations with debtors		Improved Revenue	
External Technical support DBSA/DWA		Improved Performance & Skills Transfer	Sustainability of skill and improvement
Appointment of debt collection company	Lack of aggression in Credit Control	Improved Revenue	Inability to meet service delivery standards
3.4.2. CORPORATE SERVICES			
Strengths	Weaknesses	Opportunity	Threats
Permanent Placement	High staff turnover and inability to attract skills	review of salary structure	
Completed Organisational Design	Financial constraints for training	leverage external funding	poor skills
Replacement of resigned posts	incomplete job evaluation	review of salary structure	high turnover
	lack of office space	innovation on EPWP implementation	high turnover

Employee Wellness programmes conducted e.g. firefighting, debt counseling, alcoholics anonymous, safety committee established		Improved performance and motivation	Poor performance and demotivated staff
all policies reviewed and adopted		Clean audit	Qualification
	Poor registry and document management system	New document management system	Disclaimer
70 staff trained to date		Skills enhancement and motivated staff	
Funding for upgrading of library		More funding for books and technical support	
Ward committees trained		Satisfied communities	Dissatisfied communities
Approved Rules, Delegation and HR policies		Informed staff and councillors	Negative audit opinion
	New procedure manuals	Developing new manuals	negative audit opinion
	Inadequate staff at HR	create more positions	poor skills

3.4.3. Technical Services			
Strengths	Weaknesses	Opportunity	Threats
Some critical posts have been filled		Enhanced service delivery	Overstretched staff
Training of technical staff		Enhanced service delivery	
WSDP in place, under review	Change management		
	Poor planning before implementation of housing projects	Review preplanning processes	Service delivery protests
EPWP innovation		Cost saving and more service delivery	Contractor conflict
No market related salaries	Salary scales - (cuts across)		High staff turnover
WSDP in place		Ability to leverage funding	
	Ageing infrastructure		
	technical incapacity		
	inadequate maintenance budget		
MIG funding increased as a result of good spending			
Water Service Capacity Building		Enhanced service delivery	

Plan project funded			
Good relations with external stakeholders		leveraging of funding	
	Poor road conditions	Partnership with DRPW and fund leveraging	Civil litigation on damages
MOU signed with Amatola Water Board		Enhanced service delivery in water	
		leveraging of funding	
Lack of enforcement on building regulations		By-Law review and Building Plan Checklist	Civil litigation on damages
	No master plan on Land use management	SDF review and Land Use plan	
		Revenue on Land disposal (long term lease)	Poor land planning and invasions
	Poor infrastructure (electrical)	Leverage funding and technical resources	Crime
	Poor infrastructure (water and sanitation)	Leverage funding and technical resources	Service Delivery Protests

3.4.4. Community Services			
Strengths	Weaknesses	Opportunities	Threats
Appointment of staff	Job evaluation	salary review	High staff turnover
Staff trained	change management	change management programme	
	Lack of security and access control - DLTC	Installation of security measures	fraud and corruption in licensing
Testing Grounds established	Low income for Traffic fines	Revenue Enhancement	fraud and corruption in licensing
SLA between CDM and SRVM (Fire services)		Enhance Disaster Management Plan	Civil litigation due to disasters
SLA between CDM and SRVM (Environmental Health services)	Vastness of the area to perform function of the environmental health	Improve staff compliment	High staff turnover
SLA between CDM and SRVM (Libraries and DSRAC services)	Budgetary limitation	source funding from CDM	Inability to execute mandate
	Lack of office accommodation		High staff turnover
	Expensive vehicle lease contract	Preparation for a cost effective solution	Pressure on revenue base
Temporary job creation opportunities		Job creation and improved service delivery	

	Weak internal controls	update risk mitigation measures	fraud and corruption in licensing
	low revenue in traffic management	implement revenue enhancement plan	running traffic at a loss
3.4.5. Local Economic Development			
Strengths	Weaknesses	Opportunities	Threats
Kirkwood Hawkers Facility established		SMME opportunities	White elephants
Paterson Micro Craft Centre established	Lack of funding	SMME opportunities	
Developed funding proposals for LED Strategy		Leverage funding	
Cooperatives established		Job creation	More expectations than supply
Existence of LED Strategy		Leverage funding and strategy review	
Existing institutional mechanisms		leverage funding	
		Stakeholders relations	
Draft LED policies in place		opportunity to review	
	Lack of adequate staff	opportunity for strategic alliances	Poor LED delivery

	Lack of adequate funding		Poor LED delivery
	Lack of LED baseline information	opportunity for partnership	
		opportunity to leverage funding	poor planning and interventions
	No investment strategy	potential investors	no investment in the area

CHAPTER FOUR: IMPLEMENTATION FRAMEWORK – PROJECTS TEMPLATES

4.1. Project Templates

4.1.1. PROVISION OF INFRASTRUCTURE AND BASIC SERVICES

4.1.1.1. Land

No.	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2013/2014 Budget			Medium Term Expenditure Framework (R'000)			
						R'000	Funding Source	Funding Status	2014/15	2015/16	2016/17	Beyond 2017
1.	N/A											

4.1.1.2. Water

No.	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2013/2014 Budget			Medium Term Expenditure Framework (R'000)			
						R'000	Funding Source	Funding Status	2014/15	2015/16	2016/17	Beyond 2017
1.	Upgrading of Paterson Waste Water Treatment Works		PMU	Construction Stage	16105342,42	15,000	MIG		750000	0	0	

4.1.1.3. Electricity

No.	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2013/2014 Budget			Medium Term Expenditure Framework (R'000)			
						R'000	Funding Source	Funding Status	2014/15	2015/16	2016/17	Beyond 2017
1.	Addo: Community Lighting			Planning	1 540 000.00	100	MIG		TBD	TBD	TBD	O&M
2.	Paterson: Community Lighting			Planning	1 320 000.00	100	MIG		TBD	TBD	TBD	O&M
3.	Enon & Bersheba Community Lighting			Planning	660 000.00	100	MIG		TBD	TBD	TBD	O&M

No.	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2013/2014 Budget			Medium Term Expenditure Framework (R'000)			
						R'000	Funding Source	Funding Status	2014/15	2015/16	2016/17	Beyond 2017
4.	Kirkwood: Community Lighting			Planning	1 100 000.00	100	MIG		TBD	TBD	TBD	O&M

4.1.1.4. Roads and Storm Water

No.	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2013/2014 Budget			Medium Term Expenditure Framework (R'000)			
						R'000	Funding Source	Funding Status	2014/15	2015/16	2016/17	Beyond 2017
1.	Upgrading of Gravel Roads			Planning	18,005,320.8	10,003,700.00	MIG		11,000	11,000	TDB	TBD
2.	Zuurberg Somerset Corridor	8	SRVM/ Blue Crane	Inter-municipal planning phase		150 000	DRDLR					

4.1.1.5. Refuse Removal

No.	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2013/2014 Budget			Medium Term Expenditure Framework (R'000)			
						R'000	Funding Source	Funding Status	2014/15	2015/16	2016/17	Beyond 2017
1.	Clean up campaign	5,6 & 2	Waste									

4.1.1.6. Housing

No.	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2013/2014 Budget			Medium Term Expenditure Framework (R'000)			
						R'000	Funding Source	Funding Status	2014/15	2015/16	2016/17	Beyond 2017
1.	Moses Mabida 96		DoHs		8 600 000	0	DoHs					
2.	Bersig Kirkwood 187		DoHs		2 200 000	2 200	DoHs					
3.	Zuney 50		DoHs	Complete	600 000	0	DoHs					
4.	Langbos 300		DoHs	Planning	1 100 000	6 750	DoHs					

No.	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2013/2014 Budget			Medium Term Expenditure Framework (R'000)			
						R'000	Funding Source	Funding Status	2014/15	2015/16	2016/17	Beyond 2017
5.	Addo Noluthando		DoHs		8 250 000	6394 050	DoHs					
6.	Enon Bersheba 450		DoHs	Construction	18,990,650	0	DoHs					
7.	Addo Valencia		DoHs	Complete	400 000		DoHs					
8.	Paterson 269			Construction	3,388,300							

4.1.1.7. Sanitation

No.	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2013/2014 Budget			Medium Term Expenditure Framework (R'000)			
						R'000	Funding Source	Funding Status	2014/15	2015/16	2016/17	Beyond 2017
1.	Upgrading of Addo Waste Water Treatment Works		PMU	Construction	19 371 100.00	5 700	MIG		TBD	TBD	TBD	O&M
2.	Upgrading of Paterson Waste Water Treatment Works		PMU	Planning	16105342,42	1 000	MIG		TBD	TBD	TBD	O&M
3.	Langbos Sewerage Pumpstation & Outfall		PMU	Planning	5862000	800	MIG		TBD	TBD	TBD	O&M

4.1.2. COMMUNITY SERVICES

4.1.2.1. Social Infrastructure

No.	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2013/2014 Budget			Medium Term Expenditure Framework (R'000)			
						R'000	Funding Source	Funding Status	2014/15	2015/16	2016/17	Beyond 2017
1.	Rehabilitation of Sportsfields				14 729 399.41	3 500	MIG					
2.	Rehabilitation of Parks & Playgrounds				2 500 000	625	MIG					

4.1.2.2. Environmental Health and Waste Management Services

No.	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2013/2014 Budget			Medium Term Expenditure Framework (R'000)			
						R'000	Funding Source	Funding Status	2014/15	2015/16	2016/17	Beyond 2017
1.	Water awareness campaign in schools	All	Environment		R60 000		CDM, DWA					
2.	Food hygiene awareness	All	Environment		R80 000		SRVM, CDM					

4.1.2.3. Library Services

No.	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2013/2014 Budget			Medium Term Expenditure Framework (R'000)			
						R'000	Funding Source	Funding Status	2014/15	2015/16	2016/17	Beyond 2017
1.	Moses Mabida Library upgrading	2	Library services		R1 million		DSRAC					

4.1.2.4. Traffic Services

No.	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2013/2014 Budget			Medium Term Expenditure Framework (R'000)			
						R'000	Funding Source	Funding Status	2014/15	2015/16	2016/17	Beyond 2017
1.	Law Enforcement building	2	Traffic services		R7 million		SRVM					
2.	Upgrading of roadworthy centre	7	Traffic services		R1,5 million		SRVM					

4.1.2.5. Fire and Disaster Services

No.	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2013/2014 Budget			Medium Term Expenditure Framework (R'000)			
						R'000	Funding Source	Funding Status	2014/15	2015/16	2016/17	Beyond 2017
1.	Fire awareness campaign	All	Fire and Disaster		R75 000		SRVM, CDM					
2.	Cleaning of Fire hydrants	All	Fire and Disaster				CDM					

4.1.3. LOCAL ECONOMIC DEVELOPMENT

4.1.3.1. Tourism Development

No.	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2013/2014 Budget			Medium Term Expenditure Framework (R'000)			
						R'000	Funding Source	Funding Status	2014/15	2015/16	2016/17	Beyond 2017
1.	Addo Tourism Corridor	3,5 & 6	LED/LTO	Business plan drafted								
2.	Branding and Marketing of the area by Local Tourism Association	All	LTO		R50 000	50	SRVM					
3.	Shamwari Agri-Village	4	LED	Concept document								
4.	Addo Agri-Village	3,5 & 6	LED	Concept document								
5.	Small Town Revitalization	1,3 & 4	LED		R350 000	350	DLGTA					

4.1.3.2. Agriculture Development

No.	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2013/2014 Budget			Medium Term Expenditure Framework (R'000)			
						R'000	Funding Source	Funding Status	2014/15	2015/16	2016/17	Beyond 2017
1.	Enon Bersheba Development	8	LED/ Sure Agri	Business plan	R1,5 million		IDC					
2.	KK113	3	LED/ Sure Agri	Due diligence								
3.	Agro-processing Plant	All	LED	Concept Note								
4.	Bee-Keeping	5 & 6	LED	Business plan								
5.	Aqua Culture	8	LED	Awaiting funding	R750 000		Social Dev					
6.	Bio Energy Solutions	8	LED/Sure Agri	Concept note								

4.1.3.3. SMME Support and Co-operative Development

No.	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2013/2014 Budget			Medium Term Expenditure Framework (R'000)			
						R'000	Funding Source	Funding Status	2014/15	2015/16	2016/17	Beyond 2017
1.	Research Development Investment Incentive strategy / policy	All	LED		R200 000		SRVM					
2.	Facilitate Small business Expo.Training and business plan development.	All	LED		R150 000		SRVM					
3.	Provision of agricultural implements and inputs	All	LED		R30 000		SRVM					
4.	Provide SMME mobile support.	All	LED		R200 000		SRVM					

4.1.3.4. LED Infrastructure Development

No.	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2013/2014 Budget			Medium Term Expenditure Framework (R'000)			
						R'000	Funding Source	Funding Status	2014/15	2015/16	2016/17	Beyond 2017
1.	Government Precincts	2	LED				CDM / Private					
2.	Kleinpoort Township Establishment	7	LED	Application submitted.	3 500 000		DRDLR					
3.	Access Road from N2 to Paterson	4	LED	Due diligence done.			Dept of Roads and Transport					
4.	Erf 2279 Nomathamsanqa	5 & 6	LED	Concept note								
5.	Rail Revitalization	All	LED	Concept note								
6.	Bulk Infrastructure	All	LED	Concept note								
7.	Erf 943 Addo	3, 5&6	LED	Concept note								
8.	Erf 588 (Swimming pool in Kirkwood)	2	LED									

4.1.4. Governance and Public Participation

4.1.4.1. Corporate Services

No.	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2013/2014 Budget			Medium Term Expenditure Framework (R'000)			
						R'000	Funding Source	Funding Status	2014/15	2015/16	2016/17	Beyond 2017
1.												

4.1.4.2. Communications and Customer Care

No.	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2013/2014 Budget			Medium Term Expenditure Framework (R'000)			
						R'000	Funding Source	Funding Status	2014/15	2015/16	2016/17	Beyond 2017
1.	Newsletters	All	Comm		R200 000	100						
2.	Radio Slots and Press	All	Comm		R50 000	30						

	Releases											
3.	Branding Material	All	Comm		R100 000	20						
4.	IGR	All	Comm		R60 000	40						

4.1.4.3. Special Programmes

No.	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2013/2014 Budget			Medium Term Expenditure Framework (R'000)			
						R'000	Funding Source	Funding Status	2014/15	2015/16	2016/17	Beyond 2017
1.	Sport facilitation for disabled	All			R30 000							
2.	Advancement of Women development programme	All			R30 000							
3.	Youth Development programmes	All			R50 000							
4.	Heritage Council	All			R20 000							
5.	Transport facilitation	All			R30 000							
6.	Age in Motion	All			R30 000							
7.	Education promotion	All			R25 000							
8.	Skills development facilitation	All			R30 000							
9.	Commemoration of National Events and HIV/AIDS	All			R100 000							
10.	Business Strategy Development Plan	All			R30 000							
11.	Policy development	All			R100 000							
12.	Co-operative Development	All			R55 000							

4.1.5. Institutional Transformation and Organizational Development

4.1.5.1. IDP/PMS

No.	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2013/2014 Budget			Medium Term Expenditure Framework (R'000)			
						R'000	Funding Source	Funding Status	2014/15	2015/16	2016/17	Beyond 2017
1.	Community Based Plans	All	IDP		R100 000							
2.	PMS Development	All	IDP		R50 000							
3.	IDP Reivew	All	IDP		R100 000							
4.	Research	All	IDP		R50 000							

4.1.5.2. Policy Development

No.	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2013/2014 Budget			Medium Term Expenditure Framework (R'000)			
						R'000	Funding Source	Funding Status	2014/15	2015/16	2016/17	Beyond 2017
1.												

4.1.6. FINANCIAL VIABILITY AND MANAGEMENT

4.1.6.1. Finance

No.	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2013/2014 Budget			Medium Term Expenditure Framework (R'000)			
						R'000	Funding Source	Funding Status	2014/15	2015/16	2016/17	Beyond 2017
1.												

4.1.7. SPATIAL PLANNING AND DEVELOPMENT

4.1.7.1. Spatial Planning

No.	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2013/2014 Budget			Medium Term Expenditure Framework (R'000)			
						R'000	Funding Source	Funding Status	2014/15	2015/16	2016/17	Beyond 2017
1.												

4.2. Capital Project

Project No.	Project name (list of projects which will be implemented for the 2013/14 FY July 13 - June 14 including the PMU admin fees)	Project Category (e.g. water/sanitation/road etc)	Status (Registration, design & tender, adjudication, construction etc.)	Source of Funding	Actual Project Budget	Possible Budget for 2013/14	2014/15	2015/16
207052	Upgrading of Addo Waste Water Treatment Works	Sanitation	Construction	MIG	19 371 100.00	5 700 000.00	2 612 303.00	3 000 000.00
195045	Upgrading of Gravel Roads	Roads	Construction	MIG	18 005 320.80	10 003 700.00	3 500 000.00	4 000 000.00
NYA	Upgrading of Paterson Waste Water Treatment Works	Sanitation	Planning	MIG	16 105 342.42	750 000.00	5 118 447.47	5 550 000.00
NYA	Langbos Sewerage Pumpstation & Outfall	Sanitation	Planning	MIG	5 862 000.00	600 000.00	2 631 000.00	2 656 000.00
NYA	Langbos Bulk Water Supply	Water	Planning	MIG	5 678 000.00	600 000.00	2 539 000.00	2 539 000.00
195664	Rehabilitation of Sportsfields	Sporting Facilities	Construction	MIG	14 729 399.41	3 500 000.00	5 614 700.00	5 614 700.00
197468	Rehabilitation of Parks & Playgrounds	Recreational Parks	Tender	MIG	2 500 000.00	625 000.00	937 500.00	937 500.00
207934	Addo: Community Lighting	Area Lighting	Identification	MIG	1 540 000.00	100 000.00		

207937	Paterson: Community Lighting	Area Lighting	Identification	MIG	1 320 000.00	100 000.00		
207470	Enon & Bersheba Community Lighting	Area Lighting	Identification	MIG	660 000.00	100 000.00		
207862	Kirkwood: Community Lighting	Area Lighting	Identification	MIG	1 100 000.00	100 000.00		
NYA	PMU Admin Fees	Administration	On going	MIG	1 167 300.00	1 167 300.00	1 208 050.00	1 278 800.00
Total					R 88 038 462.63	R 23 346 000.00	R 24 161 000.47	R 25 576 000.00

4.3. Integrated Programmes / Sector Plans

Status of Sector Plans / Integrated Programmes

No.	Plan / Programmes	Availability	Comment
1	Spatial Development Framework Plan	Yes	Detailed. 1 st draft approved in 2011
2	3 Year Financial Plan	Yes	Incorporated in IDP
3	SDBIP	Yes	Quarterly reports sent to Council
4	5 year Action Programme	Yes	Project templates in IDP
5	Disaster Management Plan	Yes	Detailed. Approved in 2007
6	Land Use Management System	No	
7	Integrated Waste Management Plan	Yes	Need funding for implementation of recommendations
8	Water Services Development Plan	Yes	2011/12
9	Integrated Transport Plan	Yes	New project incorporated
10	Housing Sector Plan 11/12	Yes	Reviewed and adopted by council
11	LED Plan 2012	Yes	Reviewed and adopted by Council

12	Tourism Plan	Yes	Approved and LTO established
13	Comprehensive Infrastructure Plan	Yes	Need review
14	Energy Master Plan	No	To be done by REDS
15	Area Based Plan	Yes	ABP and Land availability Audit done
16	IDP Process Plan	Yes	Approved by Council
17	Community Based Plans	Yes	CBP draft 2011/12 completed. CBP needs funding to implement CBP projects
18	Draft Communication Strategy	Yes	Unit established and communication and customer care official appointed

As enshrined by the Constitution the Council regards the principle of Co-operative Governance as fundamental since it implies that the three spheres of spheres of government, govern co-operatively while planning and implementing jointly in an ongoing communicative bargaining and negotiation process. The Legislative and policy prescripts do not explicitly pronounce on the nature of collaboration or involvement that should take place between sector departments and Municipalities in their planning processes. However, the Intergovernmental Relations Framework Act does emphasise the significance of the three spheres of government working cooperatively.

The Municipal engagement with Sector Departments is largely influenced by the consideration of the immediate impact the sector have on the quality and standard of lives of communities living in respective localities as expressed through our planning and service delivery processes. Sector guidelines because affect a number of issues in our selection of solutions including the following:

- **What TYPE** development to promote e.g. primary health care
- **Where** the development is **LOCATED** e.g. land use planning as informed by principle of NSDP
- **Who** the **TARGET GROUP** is e.g. female headed household or emerging farmers
- **How** the **SUPPORT MEASURES** is provided e.g. Partnership or community participation

Another important issue with regarding the alignment of Sector Plans and Municipal plans is to strike a balance between meeting the legal requirements for planning and ensuring that municipal planning **is led by local priorities**.

The discussions on these programmes do not include elaborate information that is available in the IDP guide packs.

Purpose of the Action Programme

The purpose of the action programme is to ensure a close link between Integrated Development Planning and Municipal Management by providing an overview of the major activities and projects in the Municipality which result from the IDP. The action programme further establishes a basis for monitoring of progress by indicating timeframes for implementation of identified projects.

The action programme and performance management system are closely linked and interrelated.

Project implementation

Project implementation is reflected over a 5 year period. It is important to note that a number of projects and activities will be implemented in more than one financial year, which necessitates project performance and implementation revision on an on-going basis. This will be done as part of the annual Integrated Development Plan and budget review process.

4.4. The Risk Profile of The Sundays River Valley Municipality

Risk Prioritisation Table for Sunday's River Valley Local Municipality					Relative Risk Priorities Table for Sunday's River Valley Local Municipality				
Hazard	Exposure	Severity	Probability	Actions Needed	Hazard	Total Risk	Total Risk Manageability	Relative Risk Priority	Actions Needed
Drought	Occasional	Moderate	Normal	Preparedness Planning	Drought	Tolerable	Modest	Safe	Preparedness Planning
Wind	Seldom	Extreme	Unlikely	Preparedness Planning	Wind	Safe	Modest	Safe	Preparedness Planning
Rabies	Seldom	Insignificant	Unlikely	Preparedness Planning	Rabies	Safe	Modest	Safe	Preparedness Planning
African Horse Sickness	Seldom	Moderate	Unlikely	Preparedness Planning	African Horse Sickness	Safe	Poor	Safe	Preparedness Planning
Avian Influenza	Seldom	Insignificant	Unlikely	Preparedness Planning	Avian Influenza	Safe	Modest	Safe	Preparedness Planning
Swine Fever	Occasional	Moderate	Likely	Preparedness Planning	Swine Fever	Tolerable	High	Safe	Preparedness Planning
Air Pollution	Seldom	Moderate	Normal	Preparedness Planning	Air Pollution	Safe	Modest	Safe	Preparedness Planning
Water Pollution	Occasional	Moderate	Unlikely	Preparedness Planning	Water Pollution	Safe	Modest	Safe	Preparedness Planning
Fires	Continuous	Moderate	Normal	Preparedness Planning	Fires	Tolerable	High	Safe	Preparedness Planning

CATEGORY	DESCRIPTION
Drought	
Fires	Domestic Veld Forest Industrial
Strong winds	Tornadoes Gale force
Health	Epidemics
Accidents	Industrial
	Road
	Rail
	Air
	Sea
Environmental Pollution	Hazardous material spill/waste - land
	Hazardous material spill/waster - marine
	Hazardous material spill/waste – air nuclear (very low risk)
	Hazardous material spill/ waste –rivers

	Hazardous material spill/ waste –water supply
	Deforestation
	Water pollution
Natural Hazards	Swine fever
	Avian flue
	Rabies
	African Horse sickness

The table below describes hazards which are considered to pose the highest risk and which have been identified as most probable to occur in the area of the Sundays River Valley Municipality.

CATEGORY	DESCRIPTION	PRINCIPAL TANGIBLE VULNERABLE ELEMENTS	PRINCIPAL FACTORS CONTRIBUTING TO VULNERABILITY
Floods	<p>Flash floods</p> <p>River floods</p> <p>Coastal floods</p>	<p>Any individuals, households, communities located in the flood plains, the flooded area or at sea; Anything else sited in flood plains on slopes or in low lying areas: mud structures; structures without foundations or with shallow foundations, or of weak resistance; Roads and bridges; dams; railway lines; underground or basement buildings and structures; sewerage; water and power supply; machinery and electronics; industrial equipment and factories; farming equipment and crops; food stocks; cultural artefacts; fishing boats and other maritime industries; Confined or penned livestock and animals</p>	<p>Poverty;</p> <p>lack of access to land;</p> <p>location of settlements on floodplains, on slopes and in low lying areas;</p> <p>lack of storm water drainage;</p> <p>lack of access to proper housing; lack of awareness to flooding hazard; lack of early warning systems; reduction of absorptive capacity of land (erosion, deforestation, concrete);</p> <p>high risk infrastructural elements; unprotected food stocks, crops and livestock;</p> <p>poor housekeeping and cleaning of storm water systems and choked up river beds;</p> <p>deforestation and soil erosion;</p> <p>global warming.</p>

Fires	Domestic	<p>Individuals, households and communities living in informal structures built with highly flammable material;</p> <p>property equipment and infrastructure in the vicinity; animals and livestock</p>	<p>poverty;</p> <p>lack of access to land and proper housing;</p> <p>lack of access to electricity or alternative fuels and lighting;</p> <p>lack of access to communication, water and emergency services;</p> <p>close proximity of adjacent structures;</p> <p>lack of awareness and access to information;</p> <p>poor social development; alcohol abuse;</p>
	Veld Forest	<p>Settlements, developments and infrastructure located on the urban fringe and in close proximity to forests;</p> <p>crops and livestock;</p> <p>farming machinery and equipment;</p> <p>raw materials (wood)</p>	<p>poverty; lack of access to land and proper housing; highly flammable structures;</p> <p>inadequate building regulations for formal structures; inadequate enforcement of the building of fire breaks;</p> <p>inadequate control over 'controlled' burning of veld; lack of awareness and access to information;</p> <p>early warning systems;</p> <p>global warming</p>

<p>Health</p>	<p>Epidemics:</p> <p>HIV/Aids</p> <p>Cholera</p> <p>Tuberculosis</p> <p>Influenza</p> <p>Bubonic Plague</p>	<p>Individuals, households and communities living in crowded, poor social and environmental conditions</p>	<p>Poverty;</p> <p>lack of access to land;</p> <p>inadequate housing, building standards and regulations;</p> <p>lack of awareness, lack of access to information and early warnings</p> <p>poverty;</p> <p>overcrowding; poor nutrition;</p> <p>lack of access to basic services: clean water, sanitation, transport, clinics/ health services and refuse removal; lack of awareness and information; lack of early warnings;</p> <p>poor social development;</p> <p>drug resistant diseases</p>

CHAPTER 5: MONITORING, EVALUATION AND REVIEW

Introduction

The IDP is not stagnant and represents an ever-changing policy and strategy that must grow and evolve with the Local Municipality and its people. The IDP stipulates definite objectives, projects, indicators and programmes that must be achieved within the planning period.

Monitoring, evaluation and review make up a system to assess the performance of the municipality. Monitoring and evaluation are critical to:

- Ensure the implementation of plans
- Measure their development impact
- Ensure the efficient use of resources
- Measure Council's success

Monitoring, evaluation and review mechanisms should be implemented as an ongoing or cyclical activity and should be built into the annual planning and budgeting cycle. The Performance Management System of the Municipality must fulfil this role.

Existing monitoring, evaluation and review mechanisms employed by the different departments in the Local Authority may have to be significantly adjusted.

Monitoring

Monitoring is a continuous activity to measure indicators with regard to the short term outputs or outputs of the planning process. Amongst other things, it will provide project information to management, in order to keep the project on track with the right results being achieved on time and within budget. Monitoring includes systematically collecting and using information about each project to enable management to proceed as it should and that the beneficiaries are satisfied.

Evaluation

Evaluation is a less frequent activity, which is designed to measure whether, and to what degree the development objectives are being achieved through the implementation of the Integrated Development Plan. It will measure the medium term impact and outcomes of the planning process. This provides the information required to reappraise the development objectives and indicators and whether the strategies and policies still hold good and whether they need to be amended or adjusted, and why.

Review

Review is making adjustments and revision based on monitoring or evaluation information. The results of monitoring provide adjustments and corrective actions that are fed back into your planning process, to re-inform project planning, design and implementation. These results re-inform the development priorities, goals and strategies. The impact of your projects will also begin to change your area.

CONTACT DETAILS

Sundays River Valley Municipality

Physical address:

23 Middle Street,

Kirkwood,

6120

Postal Address:

P.O.BOX 47

KIRKWOOD

6120

Telephone 042-230-7700/7772

Fax: 042-230-0069/1799

Email: tembiled@srvm.gov.za

Website: www.srvm.gov.za