

BLUE CRANE ROUTE MUNICIPALITY (EC102)



INTERGRATED DEVELOPMENT PLAN (IDP) 2014/2015 REVIEW

Table of Contents

FOREWORD BY THE MAYOR	8
EXECUTIVE SUMMARY.....	9
STATEMENT BY THE MUNICIPAL MANAGER.....	9
CHAPTER 1: PLANNING CONTEXT	10
1.1 IDP OVERVIEW	10
1.2 GUIDING PRINCIPLES IN REVIEWING OF THE IDP	10
1.2.1 MEDIUM TERM STRATEGIC FRAMEWORK (MTSF):	10
1.2.2 THE 12 GOVERNMENT OUTCOMES APPROACH:.....	10
1.2.3 THE NATIONAL DEVELOPMENT PLAN (NDP)	11
1.2.4 THE FIVE - YEAR LOCAL GOVERNMENT STRATEGIC AGENDA (2009 2014) (CGTA).....	11
1.2.5 PROVINCIALSTRATEGIC FRAMEWORK (PSP).....	11
1.2.6 THE STATE OF THE NATION AND THE STATE OF THE PROVINCE ADDRESS.....	11
1.3 THE BCR LOCAL MUNICIPALITY APPROACH	12
1.4 THE IDP PROCESS PLAN	12
1.5 BLUE CRANE ROUTE LOCAL MUNICIPALITY IDP STRUCTURES	12
1.6 SCHEDULE OF IDP REVIEW MEETINGS.....	14
1.7 MEC COMMENTS RECEIVED BY THE BCRM ON THE ASSESSED 2014/15 IDP	14
CHAPTER 2: SITUATION ANALYSIS	16
2.1 LOCATION OF BLUE CRANE ROUTE WITHIN THE CONTEXT OF CACADU DISTRICT MUNICIPALITY	16
2.2 THE STUDY AREA: (BLUE CRANE ROUTE LM).....	17
2.2.1 SITUATIONAL AND GAP ANALYSIS	18
2.2.2 GEOGRAPHIC DESCRIPTION.....	18
2.2.3. DEMOGRAPHIC TRENDS.....	18
2.2.4. SOCIO ECONOMIC DIMENSION.....	20
2.2.5 PRIMARY HEALTH CARE SERVICES.....	24
2.2.6 INFRASTRUCTURE DEVELOPMENT DIMENSIONS.....	30
2.3 DISASTER MANAGEMENT, PUBLIC, SOCIAL, RECREATIONAL SERVICES AND AMENITIES ..	36
2.4 BROADENING ECONOMIC PARTICIPATION	65
2.5 DEVELOPING THE SKILLS BASE	65
2.6 RURAL ECONOMIC DEVELOPMENT INITIATIVE (REDI) – BENEFITS FOR BCR.....	65
CHAPTER 3: DEVELOPMENT STRATEGIES	69
3.1 STRATEGIC DIRECTION.....	69
3.2 COMMUNITY NEEDS.....	69
3.3 MUNICIPAL VISION.....	70
3.4. DEVELOPMENT OBJECTIVES & STRATEGIES.....	70
3.4.1 PRIORITY 1: ORGANISATIONAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT.....	71
3.4.2 PRIORITY 2: BASIC SERVICE DELIVERY	71

3.4.3	PRIORITY 3: LOCAL ECONOMIC DEVELOPMENT	72
3.4.4	PRIORITY 4: MUNICIPAL FINANCIALVIABILITY.....	73
3.4.5	PRIORITY 5: GOOD GOVERNANCE & PUBLIC PARTICIPATION	73
3.5	ISSUES CONSIDERED IN REVIEWING THE BLUE CRANE ROUTE IDP	74
3.6	SECTOR ALIGNMENT PROJECTS.....	74
	CHAPTER 4: INTEGRATION OF STRATEGIES AND SECTOR PLANS.....	85
4.1	THREE YEAR FINANCIAL PLAN	85
4.1.1	INTRODUCTION.....	85
4.1.2	FINANCIAL SYSTEM.....	86
4.2	BUDGET PROCESS	92
4.3	FINANCIAL PRINCIPLES AND POLICIES.....	106
4.3.1	TABLE – LIST OF ADOPTED POLICIES.....	106
4.4	OPERATING AND CAPITAL BUDGETS.....	110
4.4.1	TABLE A1 – BUDGET SUMMARY:	114
4.4.2 TABLE A2 – BUDGET FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE BY “STANDARD CLASSIFICATION”):	115
4.4.3	TABLE A3 – BUDGETED FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE BY MUNICIPAL VOTE):	116
4.4.4	TABLE A4 – BUDGETED FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE):.....	117
4.4.5	TABLE A5 – BUDGETED CAPITAL EXPENDITURE BY VOTE, STANDARD CLASSIFICATION AND FUNDING:	118
4.4.6	TABLE A6 – BUDGETED FINANCIAL POSITION	119
4.4.7	TABLE A7 – BUDGETED FINANCIAL POSITION	120
4.4.8	TABLE A8 – CASH BACK RESERVES/ACCUMULATED SURPLUS RECONCILIATION	121
4.4.9	TABLE A9 – ASSET MANAGEMENT	122
4.4.10	TABLE A10 – BASIC SERVICE DELIVERY MEASUREMENT	123
4.4.11	TABLE SA4 – RECONCILIATION OF IDP STRATEGIC OBJECTIVES AND BUDGET (REVENUE)	124
4.4.12 TABLE SA5 – RECONCILIATION OF IDP STRATEGIC OBJECTIVES AND BUDGET (OPERATING EXPENDITURE).....	125
4.4.13	TABLE SA6 – RECONCILIATION OF IDP STRATEGIC OBJECTIVES AND BUDGET (CAPITAL EXPENDITURE)	126
4.4.14	TABLE SA36 – DETAILED CAPITAL BUDGET	127
4.5	THE BCRM SPATIAL DEVELOPEMENT FRAMEWORK.....	128
4.5.1	INTRODUCTION	128
4.6	COMMUNICATION STRATEGY	132
4.6.1	BACKGROUND.....	132
4.6.2	INTRODUCTION.....	133
4.6.3	SCOPE AND CONTEXT	133
4.6.4	STRATEGIC EMPHASIS	134
4.6.5	COMMUNICATION OBJECTIVES	135

4.6.6	ACTION PLAN IDP PRIORITIES.....	142
4.7	BCRM WATER SERVICES DEVELOPMENT PLAN.....	149
4.8	LED/PROJECT INTERVENTION STRATEGY	152
4.9	BCRM RESPONSIBLE TOURISM SECTOR PLAN	160
4.10	BCRM COMMONAGE PROPOSAL	162
4.11	BCRM INTEGRATED WASTE MANAGEMENT PLAN	163
4.12	BCRM FIRE AND DISASTER MANAGEMENT PLAN.....	164
4.13	BCRM TRAFFIC SECTOR PLAN.....	165
4.14	BCRM HOUSING SECTOR PLAN	166
4.15	POVERTY REDUCTION / GENDER EQUITY PROGRAMME.....	167
4.16	INTEGRATED ENVIRONMENTAL PROGRAMME	168
4.17	INTEGRATED HIV/AIDS PROGRAMME	168
4.18	INTEGRATED LOCAL ECONOMIC DEVELOPMENT PROGRAMME.....	169
4.19	INTEGRATED INSTITUTIONAL PROGRAMME	169
4.20	INTEGRATED SECTOR PLANS.....	170
4.21	THE SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP).....	175
CHAPTER 5: PROJECT FORMULATION, IMPLEMENTATION AND PERFORMANCE MANAGEMENT		
.....		179
ANNEXURE A: BCRM ORGANOGRAM		181
ANNEXURE B: 2014/2015 IDP/BUDGET/SDBIP&PMS PROCESS AND ACTION PLAN ADOPTED BY COUNCIL ON 29 AUGUST 2013		201

ABBREVIATIONS AND ACRONYMS

AIDS	Acquired Immune Deficiency Syndrome
ASGISA	Accelerated and Shared Growth Initiative for South Africa
BCDA	Blue crane Development Agency
BCRM	Blue Crane Route Municipality
CDM	Cacadu District Municipality
CGTA	Cooperative Governance and Traditional Affairs
DEDEA	Department of Economic Development and Environmental Affairs
DFA	Development Facilitation Act
DLG&TA	Department of Local Government and Traditional Affairs
DOH	Department of Health
DOT	Department of Transport
DRPW	Department of Roads and Public Works
DSRAC	Department of Sport, Recreation, Arts and Culture
DWA	Department of Water
ECDC	Eastern Cape Development Corporation
ESKOM	Electricity Supply Commission
GAMAP	Generally Accepted Municipal Accounting Policies
GDS	Growth and Development Summit
GGP	Gross Geographic Product
HIV	Human Immunodeficiency Virus
IDEA	Individuals with Disabilities Education Act
IDC	Industrial Development Corporation
IDP	Integrated Development Plan
ITP	Integrated Transport Plan
JIPSA	Joint Initiative on Priority Skills Acquisition

KPA	Key Performance Areas
KPI	Key Performance Indicators
LED	Local Economic Development
MDG	Millennium Development Goals
MFMA	Municipal Finance Management Act
MHS	Municipal Health Services
MLL	Minimum Living Level
MTSF	Medium Term Strategic Framework
MSA	Municipal Systems act
NDP	National Development Plan
NEMA	National Environmental Management Act
NSDP	National Spatial Development Perspective
PGDP	Provincial Growth and Development Plan
PHC	Primary Health Care
PMS	Performance Management System
PSF	Provincial Strategic Framework
SDBIP	Service Delivery Budget Implementation Plan
SDF	Spatial Development Framework
SETA	Skills Education Training Authorities
SLA	Service Level Agreement
SMMEs	Small, Medium & Micro Enterprises
SONA	State of the Nation Address
SOPA	State of the Province Address
SPU	Special Programmes Unit
SWOT	Strengths, Weaknesses, Opportunities & Threats
TB	Tuberculosis

WC	Water Conservation
WDM	Water Demand Management
WESSA	Wildlife and Environment Society of South Africa
WWF- SA	World Wide Fund for Nature South Africa
WSA	Water Services Authority
WSDP	Water Services Development Plan
WSP	Water Services Provider

FOREWORD BY THE MAYOR

The current review of the 2014/15 Integrated Development Plan (IDP) is an important milestone as it is taking place during the third term of the current Municipal Council and also during the celebration of 20 years of Freedom in our country. It also takes place during the year of National Elections as the 7th May 2014 has been promulgated by the President of the Republic of South Africa. The 2013/14 IDP has seen various important projects being undertaken and these are inter-alia, the filling of critical vacancies, Opening of the Dr Rubusana Library, Aeroville Multi-Purpose Centre, the Mnandi Access Road, the commencement of the construction of the Somerset East Water Waste Treatment Works, the purchase of Graders for roads maintenance etc.

The 2014/15 IDP/BUDGET review process is a product of a wide consultative process which was conducted through the Ward Based Planning process. Ward based meetings and workshops were conducted across all wards of the Blue crane Municipality. The key feature of the 2014/15 IDP is Infrastructure Developments such as Upgrading of Gravel Roads at Somerset East, Pearston and Cookhouse, Upgrading of Sportsfields at all three towns, upgrading of Parks, upgrading of Pump Stations and job creation through Expanded Public Works Programmes.

It is hoped that through the implementation of these IDP Projects, the lives of the people of Blue Crane will change for the better.

Councillor N.M. Scott
MAYOR/SPEAKER
BLUECRANE ROUTE MUNICIPALITY

EXECUTIVE SUMMARY

STATEMENT BY THE MUNICIPAL MANAGER

The Blue Crane Route Municipality (BCRM) is committed to building its institutional capacity to discharge its constitutional responsibility and mandate of providing basic services to its community. In this regard, the Integrated Development Plan (IDP) review process is a strategic policy instrument to realise this noble objective.

During the review of the 2014/15 IDP, the BCRM embarked on the Ward Based Planning (WBP) Model in its engagement with local communities. At the heart of this Model is an attempt to locate municipal planning at the 'coal-face' of service delivery, which is a ward. All the communities in all wards of BCRM were consulted through ward meetings. A special word of gratitude goes to the officials of the Department of Local Government and Traditional Affairs (DLGTA) for the role played in the facilitation of such sessions.

The BCRM as part of its institutional response to the implementation of the IDP prioritised the filling of key vacancies. All senior management positions have been filled. The position of IDP/PMS Officer has been vacant for the past two years and the municipality is prioritising the filling of this position during the 2013/14 financial year. The municipality has reviewed the Performance Management System (PMS) Framework. The PMS Framework will be tabled to Council during May 2014 for adoption. All Senior Managers have signed Performance Agreement. It is the intention of the Municipality to cascade the implementation of performance management to other levels of employees.

The municipality is currently undertaking a review of its organisation structure (Organogram) and this shall be presented to Council during the current financial year for approval and adoption. The 2014/15 IDP seeks to build on the good infrastructure improvements of the 2013/14 financial year.

Thabiso Klaas

**MUNICIPAL MANAGER
BLUECRANE ROUTE MUNICIPALITY**

CHAPTER 1: PLANNING CONTEXT

1.1 IDP OVERVIEW

The Blue Crane Route Municipality Integrated Development Plan (IDP) has been prepared in accordance with Section 25 of the Systems Act which provides that, "Each municipal council must, within a prescribed period after the start of its elected term adopt, a single inclusive and strategic plan for the development of the municipality". Blue Crane Route (BCR) Local Municipality has reviewed its IDP accordingly. This is the strategic tool which addresses municipal issues, the plan also links and integrates plan of other spheres of government.

In addition, the Municipal Finance Management Act no 56 of 2003 stipulates that the budget and the IDP need to be aligned. The municipality developed and adopted a Process Plan in line with the district's Framework Plan to guide the review process.

1.2 GUIDING PRINCIPLES IN REVIEWING OF THE IDP

The guiding principles are national and provincial. In addition to these South Africa is signatory to the Millennium Declaration signed in 2000 to work towards achieving economic and social development priorities which were subsequently termed eight Millennium Development Goals which range from poverty and hunger eradication through to BCR Local Municipality has embraced the goals in its development Agenda. There are National and Provincial guiding policies and frameworks in place, which the Blue Crane Route Local Municipality needs to consider in the review of the IDP.

1.2.1 MEDIUM TERM STRATEGIC FRAMEWORK (MTSF):

The MTSF is a five year framework adopted by National Government to guide planning, resource allocation and performance. The MTSF will be reviewed in line with the new term of Government, 2014 2019. Central to the MTSF is the reduction of high levels of unemployment and poverty as well as other social and economic challenges. The BCR municipality as a sphere of government has aligned its development priorities to the ten MTSF priorities.

1.2.2 THE 12 GOVERNMENT OUTCOMES APPROACH:

The MTSF priorities were translated into 12 Outcomes against which performance of government departments would be measured. The outcomes range from improved quality of basic education, a responsive local government system through to an effective development oriented public service.

1.2.3 THE NATIONAL DEVELOPMENT PLAN (NDP)

The following are the strategies of the NDP, a government plan to deal with poverty and unemployment by 2030. The local government sphere of government is encouraged to align its priorities with NDP principles and strategies. The focus of the NDP is on job creation, infrastructure, human settlements transformation, improving education and training.

1.2.4 THE FIVE - YEAR LOCAL GOVERNMENT STRATEGIC AGENDA (2009 2014) (CGTA)

The Strategic Plan for the Department of Cooperative Governance and Traditional Affairs (CGTA) identified five strategic priorities for the period 2009 -2014: the national Cogta department will review its strategic agenda in line with new development trajectory for 2014 -19.

The BCR Local Municipality's priorities are aligned directly align to the five Key Performance Areas in the strategic agenda.

1.2.5 PROVINCIAL STRATEGIC FRAMEWORK (PSP)

Provincially, 2014 is the end of term for the Provincial Strategic Framework adopted eight priorities in response to the MTSF. The principles remain relevant and are in line with those of the National Development Plan. The Eastern Cape Province is currently developing a Provincial Development Plan as a long term growth plan of the Eastern Cape Province which seeks to deal with unemployment and poverty in the province.

1.2.6 THE STATE OF THE NATION AND THE STATE OF THE PROVINCE ADDRESS

The State of the Nation and the State of the Province address focused mainly on the implementation of the National Development Plan. Issues of renewable energy projects underway, infrastructure development, agro processing, and government commitment to grow the cooperative sector were also emphasised.

1.3 THE BCR LOCAL MUNICIPALITY APPROACH

The municipality embarked on a process of involving communities and other stakeholders during the review of the IDP. The review focused more on the refinement of current strategies in order to ensure that projects that are planned contribute to the achievement of the five year development priorities and that they have greater impact on service delivery.

The priority issues are determined through a combination of participatory community based processes and analysis of status quo information, facts and figures through desktop studies, and other research undertaken or commissioned by the municipality. The outcome is a holistic and informed outlook of how and where the municipality should allocate scarce resources. This helps to improve municipal planning and budget processes. The most important aspects is that there is consensus among stakeholders. Ideally, these priority issues become the focal point for determining appropriate development strategies that meet priority issues, the needs of communities and / or stakeholders. On the other hand, it is acknowledged that priority issues do not only emerge by analysing the status quo information, but also through public participation.

1.4 THE IDP PROCESS PLAN

The BCR Local Municipality adopted an IDP/Budget Process Plan and the District Framework Plan to guide the review process. The linkage of the IDP and budget has become a legislative requirement. In brief the IDP/Budget Schedule outlines the time frames of scheduled events/activities, co-ordinating structures involved in the process.

1.5 BLUE CRANE ROUTE LOCAL MUNICIPALITY IDP STRUCTURES

The following structures have guided the IDP process of the BCR municipality:

- Management / IDP Support Team
- IDP Steering Committee
- Alignment with Provincial Sector
Departments through Sector
Alignment Meetings
- IDP Representative Forum
- Council
- Ward Committees

The roles and responsibilities of the different role players

PERSON/STRUCTURE	ROLES & RESPONSIBILITIES
Mayor	<ul style="list-style-type: none"> • Manage the drafting of the IDP • Assign responsibilities in this regard to the Municipal Manager • Submit an IDP/Budget Schedule • Submit the IDP to the Council for adoption and approval • Chair the IDP Representative Forum
Municipal Manager	<p>The Municipal Manager had the following responsibilities, assigned to the Director: Infrastructure Services:</p> <ul style="list-style-type: none"> • Preparation of the IDP/Budget Schedule • Day-to-day management and co-ordination of the IDP process in terms of time, resources and people, and ensuring: <ul style="list-style-type: none"> ~ The involvement of all relevant role-players, especially officials ~ That time-frames are being adhered to ~ That the planning process is horizontally and vertically aligned and complies with national and provincial requirements ~ That conditions for participation are provided ~ That outcomes are documented ~ Chairing the IDP Steering Committee
IDP Steering Committee	<p>The Steering Committee comprised of a technical working team of dedicated officials to ensure a smooth planning process. The Municipal Manager was responsible for the process but often delegated functions to the officials that formed part of the Steering Committee. It must however be stated that the development and review of the IDP is a collective management effort and not the single responsibility of a particular manager.</p> <p>Chairperson: Mayor</p> <p>Members:</p> <p>Heads of Department</p> <p>Senior Officials</p> <p>The IDP Steering Committee was responsible for the following:</p> <ul style="list-style-type: none"> • Commission research studies • Consider and comment on: <ul style="list-style-type: none"> ~ Inputs from departments (internal) and provincial sector departments ~ Process, summarize and draft outputs • Make recommendations to the Representative Forum • Prepare, facilitate and minute meetings • Prepare and submit reports to the IDP Representative Forum and Mayoral Committee

<p>IDP Representative Forum</p>	<p>Participation took place through a number of related structures. The IDP Representative Forum which was used in the initial IDP was resuscitated for the purpose of review</p> <p>Chairperson:</p> <p>The Mayor or a nominee</p> <p>Membership:</p> <p>Invitations were submitted to the same members as the previous year, including the representatives of all structures in BCR municipality and Provincial Sector Departments.</p>
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1.6 SCHEDULE OF IDP REVIEW MEETINGS

The BCR municipality held a series of meetings and other planning processes throughout the IDP review process in line with the activities outlined in the IDP/Budget Process Plan

ACTIVITY	2013	2014
IDP - Budget Steering Committee	2013	
Council meeting to adopt BCR IDP Process Plan and Framework Plan	23 August 2013	
IDP - Budget Representative Forum	2013	
Strategic Planning		17 -18 March 2014
IDP – Budget Steering Committee		March 2014
IDP Representative Forum		28 March 2014
Council Approval of Draft IDP		31 March 2014
Council approval of Final Draft IDP		May 2014

1.7 MEC COMMENTS RECEIVED BY THE BCRM ON THE ASSESSED 2014/15 IDP

The BCRM IDP was assessed in July 2013 on its credibility. The six key performance areas were used as a guide for assessment. They are as follows:

- Basic service delivery
- Municipal transformation and organisation development
- Local economic development
- Municipal financial viability and management

- Good governance and public participation
- Spatial planning

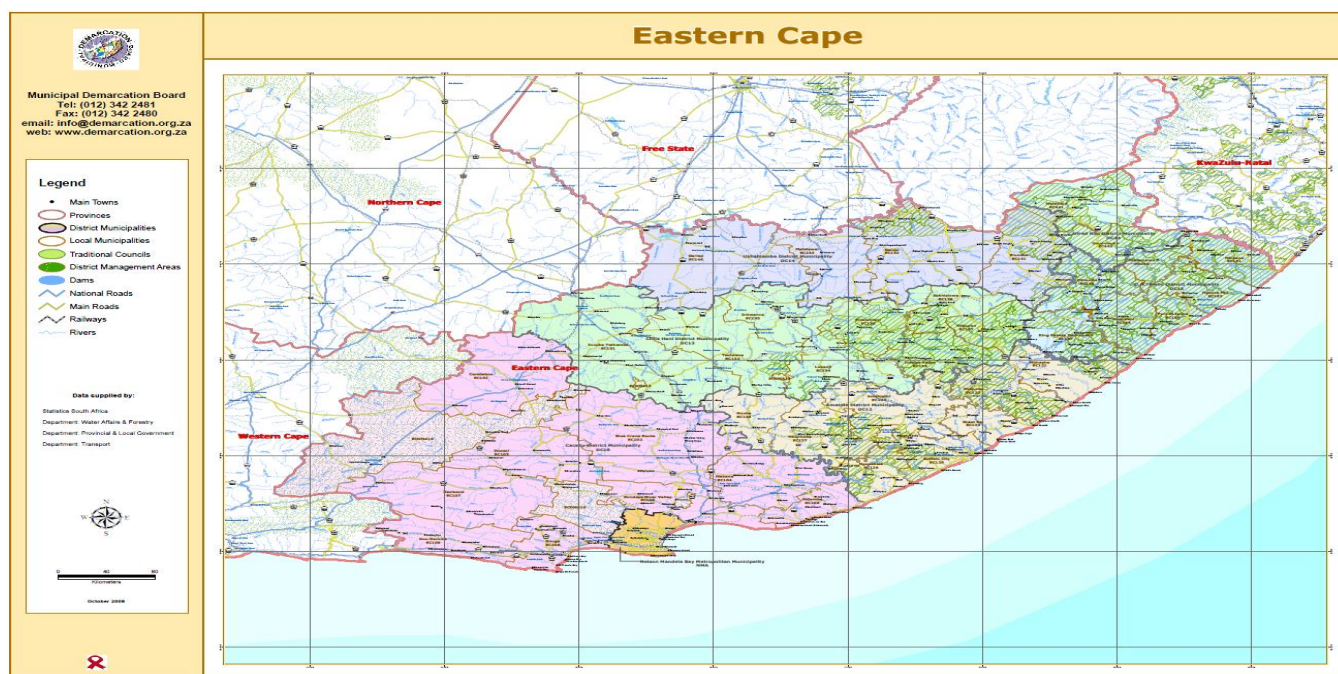
The municipality was rated and allocated a score on the basis of the six key focal areas. The ratings ranged from low, medium to high.

CHAPTER 2: SITUATION ANALYSIS

2.1 LOCATION OF BLUE CRANE ROUTE WITHIN THE CONTEXT OF CACADU DISTRICT MUNICIPALITY

The Cacadu District Municipality (CDM), is the largest (58 243 km²) of the six (6) District Municipalities in the Eastern Cape Province, as shown on Map no. 1 below.

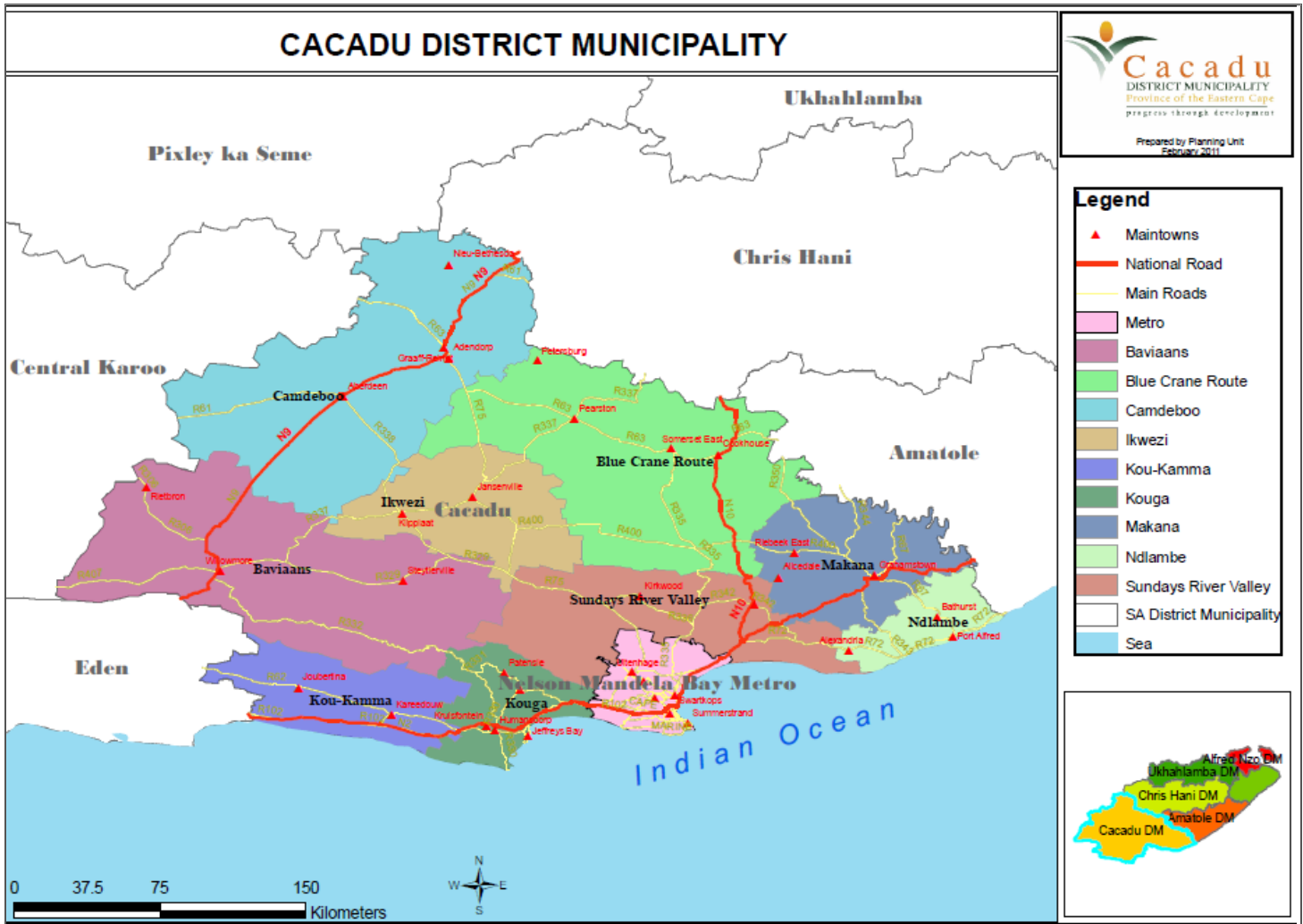
Map no. 1: Spatial Location of the Eastern Cape



Source: Municipal Demarcation Board, 2011

The District is situated in the western portion of the Province, bordering the Western Cape, Northern Cape and Chris Hani and Amathole District Municipalities in the Eastern Cape. Nine (9) local municipalities have been established within the jurisdiction of Cacadu DM, as reflected on Map no. 2 below.

MAP no. 2: Spatial Location of BCR in the Cacadu District Municipal Area



Source: Cacadu District Municipality

2.2 THE STUDY AREA: (BLUE CRANE ROUTE LM)

The Blue Crane Route Municipality falls within the jurisdiction of the Cacadu District Municipality. The Municipality's area is bordered on the North-east by Amathole District Municipality, North-West by Blue Crane Route, the South by Makana Municipalities and the South-west by Sunday River Valley. The physical address is at 26 Nojoli Street, Somerset East.

In 2011, the Blue Crane Route was delimited into six wards, as depicted in Map no. 3 below and the municipal area covers an area of 11 068.65km².

Eleven (11) councillors have been elected and the seat of the municipality is situated in Somerset East.

The Blue Crane Route area comprises of rural commercial farms with rural centres and Somerset East is the main urban town. Rural nodes and settlements include:

- Cookhouse
- Pearston

2.2.1 SITUATIONAL AND GAP ANALYSIS

This chapter includes an analysis of the demographic, socio-economic and infrastructure development dimensions. The statistical information was sourced from StatsSA 2001 to 2011. The district perspective is presented in order to provide a better understanding of the context within which the BCR municipality operates.

2.2.2 GEOGRAPHIC DESCRIPTION

The SDF is currently under review. The final IDP will be updated accordingly.

2.2.3. DEMOGRAPHIC TRENDS

Table 1: Population and extent of Area km² EC, CDM and BLM

StatsSA 2011	Province of the Eastern Cape	Cacadu District Municipality	Blue Crane Route Local Municipality
Total Population	6 562 053	450 584	36 002
Area km ²	168 966 km ²	58 243.3 km ²	11 068.56 km ²

Source: StatsSA 2011

As indicated by the statistical information above, Blue Crane Route accounts for 8% of the Cacadu District and 0.5% of the Provincial population. Geographically Blue Crane Route makes up 19% of the District municipality's landmass with a population density of 3.25 per km².

⇒ The following demographic trends were identified:

Table 2: Age distribution, Gender, Population Grouping and Head of Household

DEMOGRAPHICS	BLUE CRANE ROUTE AREA (STATSSA 2001)	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	GROWTH % p.a.
Blue Crane Route Total Population	35407	36002		0.17

Age distribution	35 005	36 003		
0-14	10 293	10517	29.2	0.2
15-64	22 485	22962	63.8	0.2
65+	2 227	2524	7.0	1.3
Gender	35 003	36 002		
Male	16806	17680	49.1	0.5
Female	18197	18322	50.9	0.1
Population Grouping	35 003	36 001		
Black	20861	21247	59.0	0.19
Coloured	11515	11888	33.0	0.32
White	2606	2453	6.8	-0.6
Indian/Asian	21	118	0.3	46.2
Other	0	295	0.8	
Head of Household: Gender	9 595	9 761		
Male	6 486	5 927	60.7	-0.9
Female	3 109	3 834	39.3	2.3

Source: StatsSA

The population has increased by 595 people over the past 10 years. This is reflective of a 0.17% compound average population growth rate from 2001 to 2011. There is parity in the sex ratio with 9.6 males for every 10 females.

StatsSA 2011 reflects that 29% of the population are young and under 15 year of age, which requires intergovernmental planning efforts to jointly focus on improved education and providing sport and recreation facilities. Sport in particular plays an important part in youth development and relevant role-players should form partnerships to promote sport initiatives and youth programmes in Blue Crane Route. The high number of children could also be an indication of a dependency on child support grants.

According to StatsSA a 7% increase has occurred, from 32% to 39%, in respect of female headed households between 2001 and 2011. The increase is relatively high considering that the population growth rate has been very low over a 10 year period and the male to female sex ratio has only risen marginally. This could be reflective of males migrating in search of employment opportunities outside of the municipal area or the occurrence of single mothers deciding to create a basis for their young with the option of marriage later in life.

A large segment (50.1% - StatsSA 2011) of the population speaks IsiXhosa, followed by 42.2% communicating in Afrikaans. Black South Africans account for 59% of the population, followed by 33% Coloured South Africans. Stats 2011 also indicates that 95.5% of the population were born in South Africa.

2.2.4. SOCIO ECONOMIC DIMENSION

SOCIO ECONOMIC ANALYSIS	BLUE CRANE ROUTE AREA (STATSSA 2001)	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	GROWTH % p.a.
Total Population				
No disability/Unspecified	32292	28152	87.85	-1.28
Sight	571	2294	7.16	30.18
Hearing	221	350	1.09	5.84
Communication	78	82	0.26	0.51
Physical / Walking	1118	465	1.45	-5.84
Intellectual / Remembering	133	265	0.83	9.92
Emotional / Self Care	298	438	1.37	4.70
Multiple disability	300	0	0.00	-10.00
Not applicable		3956		
	35 011	36 002		

Source: StatsSA

StatsSA indicates that there has been an overall decline of -1.28% p.a. in the number of population with disabilities. People with a sight disability have increased drastically by 5.6% from 1.6% in 2001 to 7.2 in 2011.

Table 4: Income Category

SOCIO ECONOMIC ANALYSIS	BLUE CRANE ROUTE AREA (STATSSA 2001)	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	GROWTH % p.a.
Total Population				
Income 15 to 65				
No Income	180	10 504	46.09	573.6
R1 – R400	3 454	1 254	5.50	-6.4
R401 – R800	1 557	1 198	5.26	-2.3
R801 - R1600	929	4 924	21.61	43.0
R1601 – R3200	794	1 582	6.94	9.9
R 3 201 - R 6 400	566	933	4.09	6.5
R 6 401 - R 12 800	239	763	3.35	21.9
R 12 801 - R 25 600	58	489	2.15	74.3
R 25 601 - R 51 200	27	101	0.44	27.4
R 51 201 - R 102 400	32	30	0.13	-0.6
R 102 401 - R 204 800	7	28	0.12	30.0
R 204 801 or more	3	12	0.05	30.0
Unspecified	0	973	4.27	
	7 846	22 791		

Source: StatsSA

StatsSA 2011 reflects that poverty levels are high with 46.1% of the population not receiving any income, and a further 10.8% earn less than R801 per month, therefore technically falling under the poverty line. This is exacerbated by the fact that 65.7% of the potential labour force are not working. The population lack buying power which makes it difficult to exploit local economic development

opportunities and the situation implies a high dependency on social grants. Interventions must be created and expedited to support poor communities.

The potential economic active labour force accounts for 60.2% of the total population which reinforces the need to boost the economy and stimulate job growth.

Table 5: Labour Status

SOCIO ECONOMIC ANALYSIS	BLUE CRANE ROUTE AREA (STATSSA 2001)	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	GROWTH % p.a.
Total Population				
Labour status 15 to 65				
Employed	7839	7434	34.3	-0.52
Unemployed	5355	3300	15.2	-3.84
Non economically active	9471	10935	50.5	1.55
	22665	21669		

Source: StatsSA

StatsSA indicates that 15.2% of the potential workforce is unemployed and a further 50.5% are not economically active in 2011. The remaining 34.3% of the labour force is employed. The overall dependency ratio is 56.8 persons per hundred population of working age. StatsSA 2011 also concludes that 1 953 of the youth in Blue Crane Route are unemployed.

Table 6: Education Levels 20 year +

SOCIO ECONOMIC ANALYSIS	BLUE CRANE ROUTE AREA (STATSSA 2001)	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	GROWTH % p.a.
Total Population				
Level of education 20 +				
No schooling	4 088	2 592	8.24	-3.7

Some primary	5 956	10 895	34.65	8.3
Complete primary	1 977	2 516	8.00	2.7
Some secondary	5 361	9 577	30.46	7.9
Std 10/Grade 12	2 437	4 420	14.06	8.1
Higher	1 075	1 392	4.43	2.9
Unspecified	0	49	0.16	

Source: StatsSA

Stats SA 2011 shows that 8.24% of the population over 20 years of age have not received any schooling. The figure is moderate and furthermore shows a decline or negative growth of -36.6% for the past decade (since 2001), when 4 088 or 19.6% of the population over 20 years had not undergone any schooling.

Schools profile					
	Number of schools	Location of schools			Comment
		Farms	Townships	Town	
	24	12	10	2	Pearston, Somerset East & Cookhouse
	0	0	0	0	
	0	0	0	0	
	5	0	4	1	Pearston, Somerset East and Cookhouse
	0	0	0	0	
	0	0	0	0	
	0	0	0	0	

Table 7: Crime Statistics for BCRM

CRIME STATISTICS	Somerset East	Cookhouse	Pearston	Total
Crime Category				
Assault with the intent to inflict grievous bodily harm	120	77	26	223
Stock theft	54	98	35	187
Burglary at residential premises	65	63	12	140
Malicious damage to property	40	33	12	85
Drug related crime	17	25	14	56
Theft out of, or from a motor vehicle	7	43	1	51
Burglary at non-residential premises	25	15	6	46
Shoplifting	33	0	0	33
All theft not mentioned	117	77	24	218
Other serious crimes not mentioned elsewhere	117	77	24	218

Crime statistics figures indicated on the table below are for the period April 2011 to March 2012. The list indicates crime in terms of prevalence from high to low. Assault, stock theft, burglary at residential premises and malicious damage to property appear to be the highest in all three towns. Stock theft in Cookhouse is very prominent. Somerset East and Cookhouse are dealing with high levels of crime in the burglary at residential premises category. On average the highest level of crime appears to be most prevalent in Cookhouse in all categories except in shoplifting.

2.2.5 PRIMARY HEALTH CARE SERVICES

The Camdeboo Sub-district has the following Primary Health Care service delivery platform within the BCRM area:

- 6 Fixed Clinics
- 0 Satellite Clinics
- 4 Mobile Units

Facility Name	Area with Centre	Referral Hospital	Clinic Supervisor	Staff Establishment
Gracey, Pearston	Blue Crane Route Municipal area with Somerset East as centre	Andries Vosloo Hospital in Somerset East	M MacPherson	2 PN 2 New PN's
Union			VV Dayi	1 PN 1 New PN
Aeroville			A Crafford	2 PN SE Mob 3 with new PN
Beatrice Ngwentie			VV Dayi	2 PN 1 New PN
Vera Bartford			VV Dayi	2 PN 1 New PN

1

Bongweni Cookhouse			A Crafford	1 New Operational Manager (1/05/2014) 3 PN 1 New PN 6 new specialty PN's 2 Cleaners 1 Data Capturer
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Governance:

- The Bhongweni Clinic Committee was established in June 2014. The Chairperson is Mr. S. Khakana contact nr 0729840535
- Aeroville has an inactive clinic committee. This committee has to be revived and trained.
- The suggestion came from the Councilors that the 3 Somerset East clinics be clustered together and that one clinic committee be elected to serve all three clinics, as the community of Somerset East can be served as a whole.
- **Despite several community meetings held and arranged with the ward counselors, counselor for health and other sectors, this clinic committee remains a challenge.**
- The Gracey clinic has a clinic committee that still has to be trained.
- Training of the Clinic Committees is the function of the Cacadu District Office: Mrs. N. Velezantsi. The training needs have been communicated and followed up at various occasions. Training will commence during May 2014, starting with a pilot training to be done at Bhongweni.

Outreaches:

- Door to door visits done
- Defaulter tracing done
- Ward based Primary Health Care was implemented with 4 teams at Bhongweni, Somerset East and Pearston.

Dental Services:

- Daily Dental Services at the AVH and outreach to surrounding clinics regularly.

Doctor Coverage:

Dr F. Moolman is permanently employed to serve all the BCRM Clinics daily.

Clinics (Primary Health Care)

Renovations to the clinics have been completed as follows:

CLINICS	WORK DONE
Vera Barford	<ul style="list-style-type: none"> • Interior and exterior painted • New fence erected • Renovated dispensary and new shelves put up • Cupboard tops and cupboards replaced • Blinds replaced • Paving around clinic done • Renovated EMS Quarters • Sign boards put up
Pearston: Gracey Clinic	<ul style="list-style-type: none"> • Interior and exterior painted • New fence erected • Renovated dispensary and new shelves put up • Cupboard tops and cupboards replaced • Air conditioner installed in dispensary and consulting rooms • Blinds replaced • Elbow taps to all consulting rooms installed • New tiles replaced on floors and broken tiles replaced • Paving around clinic done • Renovated EMS Quarters • Sign boards put up
Somerset East: Vera Barford	<ul style="list-style-type: none"> • Painted interior and exterior • New fence erected • Cupboard tops and cupboards replaced where needed • Air conditioners installed in dispensary and consulting rooms • Blinds replaced • Elbow taps to all consulting rooms installed • New vinyl placed on floors • Sign boards put up • Flag poles erected • Toilets replaced
Union Somerset East	<ul style="list-style-type: none"> • Painted interior and exterior • Washbasins and taps replaced • Blinds replaced • Elbow taps installed in consulting rooms • Floor tiles replaced • Sign boards put up
Beatrice Ngwentle	<ul style="list-style-type: none"> • Painted the interior and exterior • Ceiling repaired

NGO Partners

- Ukhamva and SEAD (Strategic Evaluation Advisory and Development Consulting) are in the process of starting to assist in improving access to ART and PMTCT as well as to strengthen TB management.
- Close working relationship exists with Hospice in rendering palliative care to patients in need.

Ward Based PHC Outreach Teams (WBOTs)

- The Clinics in Camdeboo have a severe shortage of Professional Nurses, resulting in 4 teams operating in BCRM area with the Professional Nurse from the fixed clinics and 4 CHW doing registration of households attached to following clinics:
 - Pearston
 - Somerset East
 - Cookhouse
- **Challenge:** The clinics are severely short staffed and the PN's acting as teamleaders are also operational in the clinics. The lack of dedicated team leaders is hampering the ward based outreach initiative.

Social Compact

Camdeboo has a strong Social Compact Team consisting of 14 members comprised of 9 municipal representatives, the PHC manager, matron of the Hospital, a school representative, a farming representative and head of the churches. This team is active in many decision making processes for example the Cuban Medical Study Programme. **Due to the extended geographical nature of the Sub-District it was decided that more Social Compact Teams are to be established to allow more comprehensive representation of all the Camdeboo communities.**

SKILLS DEVELOPMENT

CUBAN PROGRAMME

Four students have been selected to further their studies in Cuba for medicine. They are as follows:

- 1 African male from Somerset East, Lubabalo Lugogwana.
- 1 African female called Phelekwa Vaphi also from Somerset East.
- 1 Coloured male called Justin Coormeyer from Graaff-Reinet.
- 1 Coloured female, Gabriella Hector from Graaff-Reinet .

BURSARIES (NURSING)

- 8 Students have been awarded bursary to study the 4 year Diploma through LIIltha.
- 6 Students are from Blue Crane Municipality.
- 1 is from Aberdeen
- 1 is from Graaff- Reinet

Environmental Health

Achievements:

- Evaluations re compliance of Hazardous Substances done and reports were sent for issuing of licenses at the end of October 2013.

Challengers were:-

- High numbers of diarrhoea in communities especially caused by poor personal hygiene, water quality etc.

Pharmacy:

Achievements	Challenges
<ul style="list-style-type: none"> • RxSolution, the store and dispensing module, implemented in Andries Vorloo Hospital. 	<ul style="list-style-type: none"> • Lack of dedicated computers, printers and label printers for the implementation of RxSolution in the facilities not mentioned. • Presently the PHC facilities without this program do meet the PFMA requirements i.e. the paper trail from the depot to the patient
<ul style="list-style-type: none"> • Trained a staff member from each facility, in the RxSolution Store module 	
<ul style="list-style-type: none"> • All Health facilities have functional stock cards for management of medicines • The tracer stock out rate is 7.4% for period. This equates to 1.33 facilities over this period reporting out of stocks • The stock outs at PE Depot is now regularly reported by the depot allowing more effective ordering 	<ul style="list-style-type: none"> • The stock out rate at the PE Depot always remains a problem • Comprehensive supervision of PHC facilities would assist with monitoring of medicine availability. All PHC facilities do not have electronic connectivity therefore hindering effective communication, at times not even reaching facility level. Being such a vast SD, electronic connectivity is essential to access information quickly and easily. • Unable to do quarterly stock takes in all the clinics due to staff shortages

<ul style="list-style-type: none"> • Expiry rate is approximately 0.7% (Target < 3%) 	
<ul style="list-style-type: none"> • No major drugs are out of stock at present. Only those that are out of stock from the PE depot are out of stock. Pharmaceutical stock is managed through the pharmacy personnel at AVH supervised by the Sub-District Pharmacy. 	

Source: Province of the Eastern Cape Health

2.2.6 INFRASTRUCTURE DEVELOPMENT DIMENSIONS

⇒ **Water and sanitation**

- The Blue Crane Route Municipality is the Water Services Authority (WSA) and the Water Services Provider (WSP).

Table 9: Sanitation and Water Provision

BASIC SERVICE / INFRASTRUCTURE	BLUE CRANE ROUTE AREA (STATSSA 2001)	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	GROWTH % p.a.
Total number of households	9 595			
Sanitation	9 470	9 760		
Flush toilets	4439	7856	80.5	7.7
Flush septic tank	390	395	4.0	0.1
Chemical	244	25	0.3	-9.0

VIP	127	83	0.9	-3.5
Pit latrines without ventilation	752	327	3.4	-5.7
Bucket latrine	1921	277	2.8	-8.6
None	1597	617	6.3	-6.1
Other		180	1.8	
Water – Access to piped water	8 530	9 740		
Household	2289	5022	51.5	11.94
In yard	5027	3903	40.0	-2.24
Community stand <200 m	526	323	3.3	-3.86
Community Stand >200m	688	172	1.7	-7.50
No access to piped (tap) water		340	3.5	
Water – Source of water		9 760		
Water scheme operated by municipality or other WSP		7830	80.2	
Borehole	128	955	9.8	64.6
Spring	5	30	0.3	50.0
Rain tank	196	275	2.8	4.0
Dam/stagnant water	207	317	3.2	5.3
River/stream	201	53	0.5	-7.4
Water vendor	17	31	0.3	8.2
Water Tanker		132	1.4	-2.7
Other	180	137	1.4	

Source: StatsSA

The level of improvement of flush toilets shows a positive growth of 7.7% p.a. over a period of 10 years (2001 to 2011). The number of bucket latrines reflects a negative growth of -8.6%

p.a. over the same period which in effect means that bucket toilets have been reduced by 85.6% from 20.3% in 2001 to 2.8% in 2011. The standard and provision of sanitation and water shows a significant improved from 2001 to 2011.

⇒ **Roads and storm water**

- The provision and maintenance of roads covers the functional areas of the Department of Roads and Transport and the Local Municipality.

Table 10: Road Infrastructure and Transport Modes

BASIC SERVICE / INFRASTRUCTURE	Municipal Roads	Dept of Roads
Transport Modes	StatsSA 2001	%
On foot	14348	41.0
By bicycle	177	0.5
By motorcycle	36	0.1
By car as a driver	848	2.4
By car as a passenger	1093	3.1
By minibus/taxi	979	2.8
By bus	195	0.6
By train	26	0.1
Other	41	0.1
Not applicable	17264	49.3
	35007	

⇒ **Electricity and energy**

- Blue Crane Route is the licensed distributor of electricity and buys in bulk for distribution within its approved area of supply. Services in the rural areas are rendered by the municipality.

Table 11: Energy for Lighting

BASIC SERVICE / INFRASTRUCTURE	BLUE CRANE ROUTE AREA (STATSSA 2001)	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	GROWTH % p.a.
Total number of households				
Energy (Access)	9 470	9 760		
Electricity	6 161	8 486	86.9	3.8
Gas	23	17	0.2	-2.6
Paraffin	2 135	306	3.1	-8.6
Candles	1 057	876	9.0	-1.7
Solar	34	36	0.4	0.6
Other	60	0	0.0	-10.0
None		39	0.4	

Source: StatsSA

Access to electricity has improved from 65.1% in 2001 to 86.9% in 2011. The dependency on paraffin and candles were reduced from 22.5% and 11.2% in 2001 to 3.1% and 9.0% in 2011.

⇒ **Solid waste management**

Table 12: Landfill site - Status quo Assessment

	Registration / permit status	Site suitability	Estimated lifespan	Infrastructure	Operation and Management

Source:

Table 13: Refuse Removal Services

BASIC SERVICE / INFRASTRUCTURE	BLUE CRANE ROUTE AREA (STATSSA 2001)	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	GROWTH % p.a.
Total number of				

households				
Refuse Removal	9 467	9 761	%	
How often by municipality?				
a) @ least once a week	6351	7842	80.3	2.35
b) Less often	28	51	0.5	8.21
How often is refuse bags provided				
Mode Disposal				
i) Communal dumping	59	78	0.8	3.22
ii) Own dump	2440	1444	14.8	-4.08
iii) No disposal	589	195	2.0	-6.69
Other	0	151	1.5	
No of Licensed Landfill sites		2		
No of un-licensed landfill sites		1		

Source: StatsSA

In 2011, 80.3% of households had access to a weekly refuse removal service as opposed to only 67.1% in 2001.

The overall improvement of service provision and development of bulk infrastructure should have a positive impact on economic growth and increase possibilities to attract new business opportunities. The municipality should focus on the maintenance and refurbishment of existing infrastructure.

⇒ **Human Settlement patterns**

Table 8: Dwelling type and Tenure status

BASIC SERVICE / INFRASTRUCTURE	BLUE CRANE ROUTE AREA (STATSSA 2001)	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	GROWTH % p.a.
Total number of households				
Dwelling Type	9 468	9 761		
House or brick structure on a separate stand, yard or farm	8 219	8 537	87.5	0.39
Mud/Traditional Dwelling	221	64	0.7	-7.10
Flat in block of flats	93	145	1.5	5.59
Town/cluster/semi-detached house (simplex: duplex: triplex)	70	541	5.5	67.29
House/Flat in back yard	92	127	0.2	3.80
Informal shack in yard	317	90	5.2	-7.16
Informal shack not in back yard e.g. in an informal settlement	409	196	1.3	-5.21
Room/flatlet not in back yard but on a shared property	32	7	0.9	-7.81
Caravan or tent	11	4	2.0	-6.36
Private ship/boat/Other	4	50	0.1	115.00
Tenure Status		9 760		
Occupied rent-free		1 760	18.03	
Rented		2 550	26.13	
Owned and fully paid off		4 489	45.99	
Owned but not yet paid off		611	6.26	

Other		350	3.59	
Not applicable		0		

Source: StatsSA

The number of traditional dwellings significantly decreased, by -71%, over the last ten years (2001 to 2011). There has also been a significant decline in both the number of informal shacks in the yard and those not in the back yard since 2001. This could imply that the potential for spontaneous development of informal settlements are limited and that the urban housing demand is more than likely determined by backlogs and population growth factors rather than pressure from urban influx. The high number of rent-free occupation could signify that there is a still a growing need to address the provision of housing for farm workers.

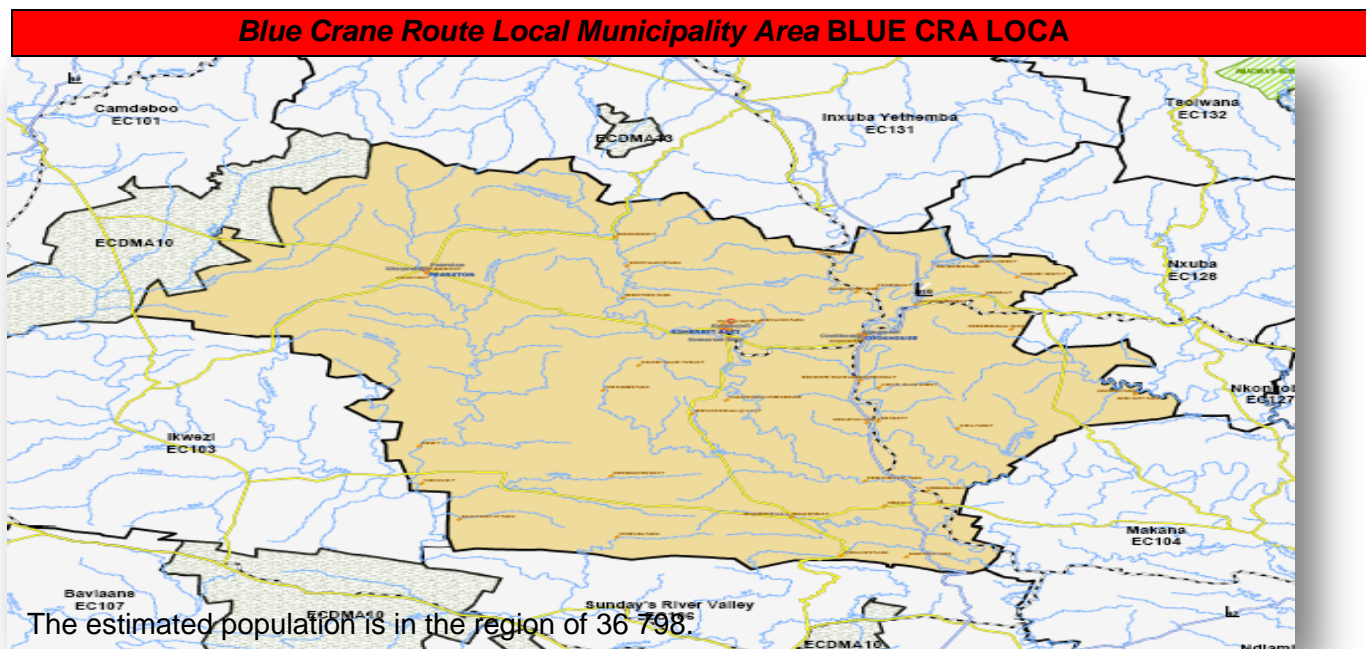
2.3 DISASTER MANAGEMENT, PUBLIC, SOCIAL, RECREATIONAL SERVICES AND AMENITIES

⇒ **Disaster Management and Fire Fighting**

Disaster management is the responsibility of Cacadu District Municipality. The BCR municipality has a responsibility to develop a disaster management plan based on the risks and vulnerabilities identified.

Fire Fighting

Local municipalities are responsible for fire services.



The most significant roads passing through the area are the;

- **N10, R61, R63, and R390,**

The approximate distance between the towns is;

- Somerset – East to Pearston : 50 Km.
- Somerset – East to Cookhouse : 25 Km.
- Cookhouse to Pearston : 25 Km.

Overview of Town Infrastructures

Cookhouse

Description	Yes	No
Low cost housing settlements	X	
Formal housing suburbs	X	
Central business district / area		X
Light industrial area		X
Heavy industry		X
Hospitals / clinics		X
Petrol stations	X	
Bulk fuel depots		X
Schools	X	
Large Shopping Centres		X
Railway lines	X	
National roads (e.g. N2)	X	
Airfields		X

Pearston

Description	Yes	No
-------------	-----	----

Low cost housing settlements	X	
Formal housing suburbs	X	
Central business district / area		X
Light industrial area		X
Heavy industry		X
Hospitals / clinics		X
Petrol stations	X	
Bulk fuel depots		X
Schools	X	
Large Shopping Centres		X
Railway lines		X
National roads (e.g. N2)	X	
Airfields		X

Somerset - East

Description	Yes	No
Low cost housing settlements	X	
Formal housing suburbs	X	
Central business district / area	X	
Light industrial area	X	
Heavy industry		X
Hospitals / clinics	X	
Petrol stations	X	
Bulk fuel depots		X
Schools	X	

Large Shopping Centres	X	
National roads (e.g. N2)	X	
Airfields	x	

The towns and villages of Somerset East, Cookhouse and Pearston were visited. Discussions were held with the District Disaster Management Officer, Municipal Officials and random members of the public. There were no Councillors available during the visits to the area.

ECONOMIC BASE

The economy of this Municipality is based, as are other Municipalities in this District, primarily on agriculture. In essence the activities that dominate are:

- Agriculture
- Cattle and Goat Farming
- Game Farming; and
- Tourism

POTENTIAL DISATER EVENTS

- Fire

There is no real effective fire service in The Blue Crane Route Municipal area of responsibility.

- Drought

Drought is a continuous threat in this area.

- Severe Wind Storms

High velocity winds are a regular occurrence in this region. Rain and hail storms are few and far between and are not regarded as threats.

- Epidemics

The game, cattle and goat industries in the area are exposed to Foot and Mouth and other animal diseases.

The poor living conditions of communities in this areas are conducive to the development of diseases such as Cholera and H.I.V.

- Hazmat – Road and Railway

Hazardous materials are transported to and through the area of The Blue Crane Route on a regular basis by both rail and road transportation.

AVAILABLE RESOURCES

There are a number of identified resources that can assist and be accessed with regard to assistance. The details of these contacts can be contained in Contingency Plans. Points of contact are:

- Appointed Disaster Management Officials
- Municipalities (District and Locals)
- National Departments
- Provincial Departments
- Organised Agriculture
- Organised Business

EMERGENCY RESPONSE SERVICES

The provision of Emergency Response Team rests with a number of entities in this Municipality. These include:

- Protection Services (Fire and Traffic) – Stationed at Somerset East but available for Cookhouse and Pearston
- S.A.P.S. – Stations in all three towns
- Health Services
 - Hospitals – At Somerset East only
 - Ambulance – Somerset East only
 - Clinics – At all three towns
 - Epidemic Outbreak Response Team
- Farmers Unions

PROPOSED LOCATION FOR THE J.O.C.

The proposed locations of a Joint Operations Centre can be located at:

- Somerset East – Blue Crane Route Municipal Offices
- Cookhouse – Blue Crane Route Municipal Satellite Offices in Cookhouse
- Pearston – Blue Crane Route Municipal Satellite Offices in Pearston

EMERGENCY EVACUATION CENTRE

In most cases of emergency or disaster the identification of an Emergency Evacuation Centre will be in most cases be a central location that can service the needs of large numbers of people. In addition it is advisable to identify a location where community members feel safe. These can be identified as:

- Town Halls
- Community Halls (including Farmers Halls)
- Churches
- Schools
- Sports Fields
- Hospital

IDENTIFIED VULNERABLE INFRASTRUCTURE

As in most Municipalities the following integral parts of the municipal infrastructure are vulnerable:

- Water reticulation and supply
- Sewerage treatment plants
- Electricity supply
- Storm water drainage
- Road infrastructure and bridges
- Railway infrastructure and bridges
- Communications

PREVENTATIVE MEASURES

- There are structures in place but they are fragmented and insufficient to effectively manage disaster incidents.

Table 14: Community Facilities and Public Amenities

COMMUNITY SERVICES AND FACILITIES	WARD /LOCATION	NAME	TOTAL IN BLUE CRANE ROUTE MUNICIPAL AREA
High Schools		High School	5
Primary schools		Primary School	12
Farm schools		Primary Rural and Primary (farm 160)	

Crèches (Government owned & Privately owned)			15
Libraries			5
Hospitals			
Clinics		St Clinic and	
Mobile clinics			
Community Halls			
Taxi Rank			
Police stations		Somerset East (urban) Police Station	

GVA has shown constant and steady growth and is currently at R14 billion

Table 15: Powers & Functions

POWERS AND FUNCTIONS	Blue Crane Route
Air pollution	
Building regulations	Yes
Child care facilities	
Electricity reticulation	No
Fire fighting	Yes
Local tourism	Yes
Municipal airports	Yes
Municipal planning	Yes
Municipal health services	No
Municipal public transport	Yes
Pontoons and ferries	Yes
Storm water	Yes
Trading regulations	Yes
Water (Potable)	Yes
Sanitation	Yes
Beaches and Amusement facilities	Yes

Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes
Cleansing	Yes
Control of public nuisance	Yes
Control of undertakings that sell liquor to the public	Yes
Facilities for the accommodation, care and burial of animals	Yes
Fencing and fences	Yes
Licensing of dogs	Yes
Licensing and control of undertakings that sell food to the public	Yes
Local amenities	Yes
Local sport facilities	Yes
Markets	Yes
Municipal abattoirs	Yes
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	Yes
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

Table 16 Good Governance issues

ISSUES	BLUE CRANE ROUTE	Comment
Staff Establishment	358	
Vacancies	19	

Organizational Structure		
Filled Positions	339	
Salary % of Total Budget	30.49%	
Free Basic Services (6k/ water, 50 KW Electricity)	√	
By-laws	√	
Internal Audit	√	
Audit Committees	√	
Revenue Collection	86.07%	
AFS	√	
Budget	√	
Audit Report	2012/13	Received a Qualified Audit opinion for second consecutive year
Audit		
MFMA Implementation (Compliance Cost)	No Committee	MPAC is established and the committee holds meetings quarterly
GAMAP / GRAP Compliance	Yes	
SCM Compliance	√	
Asset Register	Yes, in process to be updated	There are still issues with Infrastructure Assets which are currently being addressed.
MM	Yes	
CFO	Yes	
Job Evaluation	97%	
Information Management System	Yes	The municipality has budgeted in 2013/14 for the improvement of the information system
Delegations	√	
PMS	√	
Skills Development Plan	√	
Employment Equity Plan	No	
Assistance Plan	√	

Occupational Health & Safety	√	
Website/Communication Plan	√	
Customer Care Strategy (Batho Pele)	√	
Indigent Policy	√	
HIV/AIDS Plan	√	
Focus Groups - Good Gov. Survey	√	
Programme (Youth, Gender, Disability)	No	The municipality has appointed a special Programmes Officer to deal with three issues
Financial Delegations	√	
Procurement Framework	√	
Audit Committees	√	
Disaster Management Plan	No	Awaiting the outcome of the CDM Disaster Management Plan Review. Cacadu District Municipality has developed a Disaster Manager plan which is still a draft document. The district advised that the plan will be reviewed in 2013/14 due to change in risks. Once the plan is reviewed the BCR Disaster management Plan will be developed.
Project Management Unit	Yes	
Organisational Structure	√	
Fin. Maintenance Budget	√	
Capital Expenditure Budget	√	
Number of Wards	6	

Cacadu District Municipality in accordance with Legislation is the Planning Authority in the region for the integration of transportation planning activities. The provincial department of Transport and Public Works is the custodian of all District and major roads in the District. The National Roads are administered by the South African Roads Agency Limited (SANRAL). Local Municipalities are responsible for all internal and access roads.

Table 17: Length of Surfaced & Gravel Roads

Municipality	Gravel Length	Surfaced Length	Total Length
Blue Crane Route	1 127.1	154.7	1 281.8

Source: *Cacadu Database*

In 2007, the National Department of Transport compiled an assessment of the municipal road network throughout the entire country. It is of great concern to note that more than 20% of the surfaced road network is in a poor or very poor condition. It is a generally accepted norm that a good road network should not have more than 5% of the surfaced roads below a fair condition, which means that the provincial road network is in dire need of rehabilitation and maintenance.

Table 18: Condition Index: Surfaced Provincial Roads

Road Category	Condition	Length (km)	Percentage (%)
Surfaced Roads	Very Good	58.23	3.67%
	Good	219.0	13.79%
	Fair	988.55	62.26%
	Poor	322.04	20.28%
	Very Poor	0.0	-
Total		1 587.82	100%

Source: ECDRPW Road Asset Management System

Table 19: Condition Index: Gravel Provincial Roads

Road Category	Condition	Length (km)	Percentage (%)
Gravel Roads	Very Good	42.45	0.68%
	Good	717.69	11.54%
	Fair	3 000.66	48.26%
	Poor	1 863.86	29.98%
	Very Poor	592.62	9.53%
Total		6 217.28	100%

Source: ECDRPW Road Asset Management System

Table 20: Condition Index: Gravel Provincial Roads

Road Category	Condition	Length (km)	Percentage (%)
Gravel Roads	Very Good	42.45	0.68%
	Good	717.69	11.54%
	Fair	3 000.66	48.26%
	Poor	1 863.86	29.98%
	Very Poor	592.62	9.53%
Total		6 217.28	100%

Source: ECDRPW Road Asset Management System

NON-MOTORISED TRANSPORT

a) Animal-drawn transport

Animal-drawn carts are occasionally found in the rural areas, but no formal inventory of these vehicles has been made. These vehicles are not licensed and are not allowed on public roads, however, in certain areas, such as on the N2 and R67 near Grahamstown, owners ignore traffic rules and travel on the surfaced roadway, resulting in a major traffic safety problem.

b) Bicycle transport & facilities

There is generally no provision for bicycle travel within the BCR. Cyclists share the travelled way with motorized traffic. Cycling, however, is not a prevalent form of transport in the district, but is predominantly are creational sport activity.

c) Sidewalks and walkways

Visual assessments of the primary transport corridors in the BCR indicate a dire need for the provision of sidewalks and walkways. Given the limited income profile of the rural population, and the close proximity of residential townships to the business nodes in most of the towns, walking is one of the main transport modes in the BCR. Despite this, there is a distinct lack of suitable pedestrian facilities, and where sidewalks or walkways are present, these are often in a poor condition. The lack of verge maintenance along primary routes often results in pedestrians sharing the travelled way with motorized transport.

The length of sidewalks and walkways is as follows:

Length of sidewalks (km) - 17, 97

Length of walkways (km) - 6, 71

SCHOLAR TRANSPORT

The majority of scholars walk to school. In the urban areas, more than 80% walk, whilst this percentage is slightly lower in the rural areas, with a higher percentage using public transport (bus and taxi) than in the urban areas. This can probably be attributed to the fact that scholar transport contracts are in place in some of the rural areas.

Table 21: Modal Split for Scholars per School Type (Urban/Rural)

Mode	Percentage of Scholars per School Type	
	Urban (within town or township)	Rural
Walking	80.2	69.1
Car	5.6	0.2
Bus	5.9	14.5
Taxi	5.9	11.3
Bicycle	1.1	1.5
Other	1.4	3.4
Total	100.0	100.0

Source: *Integrated Transport Plan*

PUBLIC TRANSPORT

- Mini-bus Services

There are nine registered taxi associations in the BCR. The OLAS indicates a registered membership of 749 persons, who operate a total of 473 vehicles that have operating licenses and are operating legally. The only location where bakkie taxis were identified is in Port Alfred, but the extent of bakkie taxi utilization has not been quantified.

Table 22: Taxi Associations and Membership

Association name	Abbreviated name	Claimed numbers	Members with OL's	Vehicles
Norwich Long Distance Taxi association	NOLDTA (Somerset East)	238	58	102

Source: *Integrated Transport Plan*

Table 23: Taxi facilities in the BCR

Municipality	Formal	Informal	Stops
BCR	2	1	0

Source: *BCR Integrated Transport Plan*

- **Bus Services**

No subsidized bus services are provided within the Cacadu district. Bus services in the district are therefore limited to long distance bus operations on the main routes through the district, and one private operator who is based in Jansenville and own seven buses that run from Jansenville via Uitenhage to Port Elizabeth three times per week.

The routes, stops and schedule for the long distance buses that operate within the Cacadu are indicated in table below.

Long distance buses stop at the entrance to Cookhouse Caltex Garage off the N10. These informal facilities at the Subway service station are in a fair condition.

- **Somerset East**

Long distance buses stop at the taxi rank on the corner of Francis Street and Worcester Street. There is no shelter available.

Table 24: Long Distance Bus Operations

Operator	Route	Road	Stops
City to City / Translux	Durban / Cape Town	N2	Grahamstown, PE, Humansdorp, Storms River
	Cape Town / Durban	N2	Storms River, Humansdorp, PE, Grahamstown
	PE / Johannesburg	N2, R67	Grahamstown
	Johannesburg / PE	R67, N2	Grahamstown
	Johannesburg / Cape Town	N9(R57), R61	Graaff-Reinett, Aberdeen
	Cape Town / Johannesburg	R61, N9(R57)	Aberdeen, Graaff-Reinett
Greyhound	Durban / Cape Town	N2	Grahamstown, PE, Humansdorp, Storms River
	Cape Town, Durban	N2	Storms River, Humansdorp, PE, Grahamstown
	PE / Johannesburg	N2, R67	Grahamstown
	Johannesburg / PE	R67, N2	Grahamstown
Intercape	PE / Johannesburg	N2, N10	Cookhouse
	Johannesburg / PE	N10, N2	Cookhouse
	George / Johannesburg	N9(R57)	Willowmore, Aberdeen, Graaff-Reinett
	Johannesburg / George	N9(R57)	Graaff-Reinett, Aberdeen, Willowmore
	PE / Cape Town	N2	Humansdorp, Storms River
	Cape Town / PE	N2	Storms River, Humansdorp
SA Roadlink	Durban / Cape Town	N2	Grahamstown, PE, Humansdorp, Storms River
	Cape Town / Durban	N2	Storms River, Humansdorp, PE, Grahamstown
	PE / Johannesburg	N2, N10	Cookhouse
	Johannesburg / PE	N10, N2	Cookhouse
DMJ Tours	Umtata / Cape Town	R63, N9(R57), R61	Cookhouse, Somerset East, Pearston, Graaff-Reinett, Aberdeen
	Cape Town / Umtata	R61, N9(R57), R63	Aberdeen, Graaff-Reinett, Pearston, Somerset East, Cookhouse

Source: ITP data surveys 2010

- **Metered Taxi**

There are no metered taxis operating licences that have been issued within the BCR.

- Train Authorisation Systems

Load: Track warrant Lines: Cookhouse – Blaney

The following low axle load branch lines have been abandoned for a number of years already and a lack of maintenance has led to a serious decline in the line infrastructure, invasions of the reserves and vandalism of the building structures.

- Cookhouse – Somerset East

Services

Cookhouse – Fort Beaufort – Blaney branch line

Between Blaney and Fort Beaufort, eleven (11) wagon trains move in each direction at a frequency of 1,3 per day. Between Fort Beaufort and Cookhouse, the frequency drops to half this number. Only freight is transported.

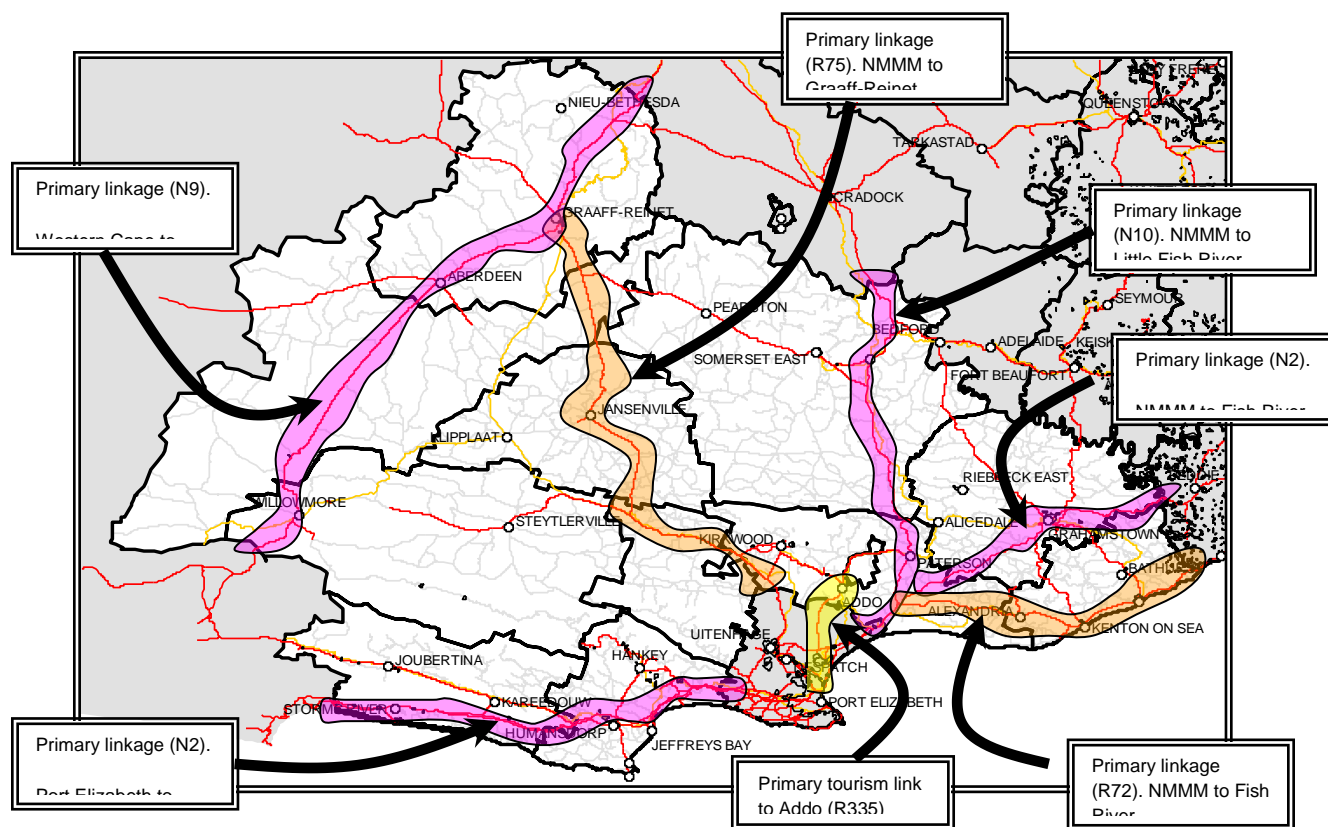
- Roads

The maintenance of roads throughout the entire Blue Crane Route Municipal Area (urban and rural) is problematic due to the lack of funding. Urgent attention and funding is needed to address this problem. The upgrading of gravel roads to surfaced standard (and with suitable storm water drainage) in residential areas is one of the key priorities.

The IDP recognises that its adopted strategy for the upgrading of gravel roads is predominantly on target, but that its objective and strategies for the facilitation of an efficient and effective public transport system are lacking.

Weightings can be assigned to each of these factors, from which an algorithm is then generated and prioritization can then be done. Prioritization can therefore be determined for various scenarios, depending on the focus/aim of the exercise.

Figure 5.12: Significant Primary Linkages



- Rail Infrastructure

The rail network that used to be a vibrant back-bone to the economy of the District has been neglected and is in a state of dilapidation resulting in the collapse of towns like Cookhouse (Blue Crane Route).

The ECDOT recently completed a 10 Year Rail Plan which included a status quo assessment of rail infrastructure in the Eastern Cape. The data in this section has been extracted from the status quo assessment.

Shosholozameyl, the long distance rail passenger service, which is part of the South African Rail Commuter Corporation, currently operates four scheduled services to and from the Eastern Cape, of which only two services traverse the Cacadu District.

The following services are provided on the branch lines in the BCR:

- **Cookhouse – Fort Beaufort – Blaney branch line**
Between Blamey and Fort Beaufort, 11 wagon trains move in each direction at a frequency of 1, 3 per day. Between Fort Beaufort and Cookhouse, the frequency drops to half this number. Only freight is being transported.

WATER RESOURCES

The acquisition and provision of water resources in the BCR is a challenge for Pearston. Pearston depends predominantly on ground water for human consumption and agricultural activity, which is one of the drivers of the economy in the area.

The low inland rainfall results in sporadic droughts consequently drying up supply boreholes to towns and villages. The water quality during these periods deteriorates to levels that are unsafe for human consumption. As a result of water being a scarce resource in Pearston, there are competing demands between servicing the community and servicing agricultural production.

Bulk services in the BCR are under pressure due to overloading and the lack of ongoing maintenance.

Table 25: Major Predominant Dams in BCR

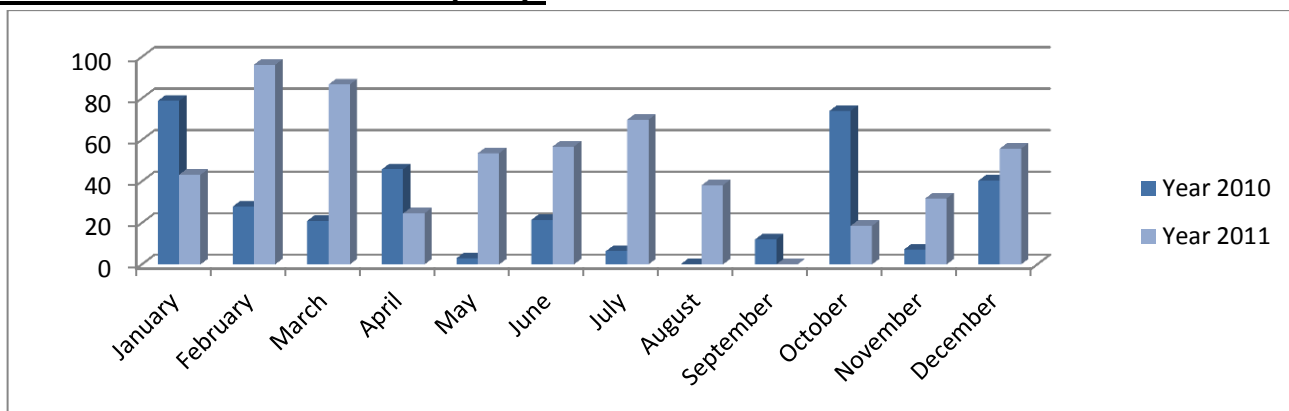
MAJOR DAM	MAJOR RIVER	MUNICIPALITY	USE
TRANSFER SCHEME • UITKYK SCHEME • GLEN MELVILLE DAM	ORANGE RIVER via FISH RIVER INTO SUNDAYS RIVER	BLUE CRANE SUNDAYS RIVER VALLEY MAKANA	DOMESTIC & IRRIGATION DOMESTIC & IRRIGATION

Source: Cacadu Database

The table overleaf illustrate the rainfall figures per town as captured and recorded by the South Weather Services during the 2007 to 2011 period.

Funding is required to successfully implement the proposed Rainwater Harvesting Project discussed above.

Blue Crane Route Local Municipality:



Source: South African Weather Service

Table 26: Funding Requirements for Rainwater Harvesting

LOCAL MUNICIPALITY	FUNDING REQUIRED
Blue Crane Route	R31,049,000

Source: South African Weather Service

WATER & SANITATION

The municipality has achieved marked improvements in both the provision of water and sanitation. The number of households with water on site is almost double the Eastern Cape provincial average.

Table 27: Access to water

Access to Water	Piped water inside dwelling	Piped inside yard	Piped tap water on community stand less than 200 m from dwelling	Piped distance 200 – 500	Piped on comm stand 500 – 1000	Piped stand on comm – distance-greater than 1000	No access to piped water
	%	%	%	%	%	%	%
Eastern Cape	32,8	16,6	18,6	6,3	2,2	1,3	22,2
Cacadu DC	51,0	35,0	7,8	1,6	0,5	0,3	3,8
Blue Crane	51,4	40,0	3,3	1,4	0,2	0,1	3,5

Source: Population Census 2011

Table 28: Access to Sanitation

Access to Sanitation	Flush toilet (connected to sewerage system)		Flush toilet (with septic tank)		Chemical toilet		Pit latrine with ventilation (VIP)		Pit latrine without ventilation		Bucket latrine		None	
Cacadu DC	63,8		9,9		0,8		3,3		9,0		5,0		4,8	
Blue Crane	80,5		4,0		0,3		0,9		3,4		2,8		6,3	

Source: Censu2011:

PROVISION OF HOUSING

The tables below indicate current and completed projects with respect to the BCR’s area of jurisdiction. Information was derived from the Housing Sector Plans of Local Municipalities for the period 2011 to 2016:

Table 29: Housing Delivery

Blue Crane Route Local Municipality

Major Towns & Settlements	Approved Projects			
	No. of Projects	Units Completed	Units under Construction	Total
Somerset East	4	1 679	169	1848
Cookhouse	2	669	155	824
Pearston	4	467	400	867
Total	10	2 815	724	3 539

Major issues pertaining to housing and settlement aspects include the following:

- The non-availability of the land to address current housing demand, available land is owned by private owners which are intensively used mainly for agriculture, SAN Parks and state land.
- The continued influx of migrants to the area in search of employment opportunities, some short term in the fishing and tourism industry and by farm workers after the fruit harvesting season is over which is the major concerns with regards to housing delivery.
- The isolated settlements and nodes classified as Rural Nodes that are located away from existing community services, often contain low population thresholds that cannot support the essential Community Facilities and are difficult and expensive to provide with bulk and internal services to a level equivalent to settlements in the bigger Urban Areas.
- There has been a rapid increase of informal settlements in and around small towns due to the changing pattern of labour utilisation on farms.

FREE BASIC SERVICES

Free basic services in the form of water, sanitation, electricity and refuse removal are generally provided throughout the BCRM. Attempts are made to update the indigent register annually, but has not happened in 2013/14 due to lack of funding. This ultimately results in questioning the credibility of the register and the associated credit control policy governing it. A review process of the register is scheduled for March 2014 to May 2014 and will be approved thereafter for implementation.

A summary of free basic services within the BCR is illustrated by the table below.

Table 30: Free basic energy & refuse removal status quo report

FREE BASIC ENERGY & REFUSE REMOVAL STATUS QUO REPORT						
February 2014						
Municipality	Total No. Of H/holds	Total No. Of Indigent H/holds	No. Of Indigent H/holds provided by Eskom	No. Of Indigent H/holds provided by Municipality	No. Of Indigent H/holds accessing Alternative Energy	No. Of Indigent H/holds accessing Refuse Removal
Blue Crane LM	8 558	4 220	0	4 220	0	4 220

Table 31: Eastern Cape free basic water and sanitation status quo report

FREE BASIC WATER AND SANITATION STATUS QUO REPORT				
February 2014				
Water Service Authority	Total No. of Households	Indigent Households	No. of Indigents Served with FBW	No. of Indigents served with Free Basic Sanitation
Blue Crane LM	8 558	4 220	4 220	4 220

As at 28 February a total of 4,220 households benefitted from Indigent assistance. Details are elaborated in the Three Year Financial plan section of the IDP.

ACCESS TO SOCIAL GRANTS

Due to the high unemployment, a significant portion of the population is dependent on social grants. Dependency on social grants is reflected by the table below (as provided by SASSA, 2009) which are categorised per SASSA's sub-regions.

The predominant type of grant is for child support followed by old age and permanent disability. There has been a gradual increase in social grant expenditure in the Cacadu District increasing

to R 59,736,423.00 in the 2009 financial year from R 59,068,286.00 in the 2007 financial year. The table below provides broad categories of information; it does not detail the grants per municipality.

SAFETY & SECURITY

- **Crime Statistics and Trend Analysis**

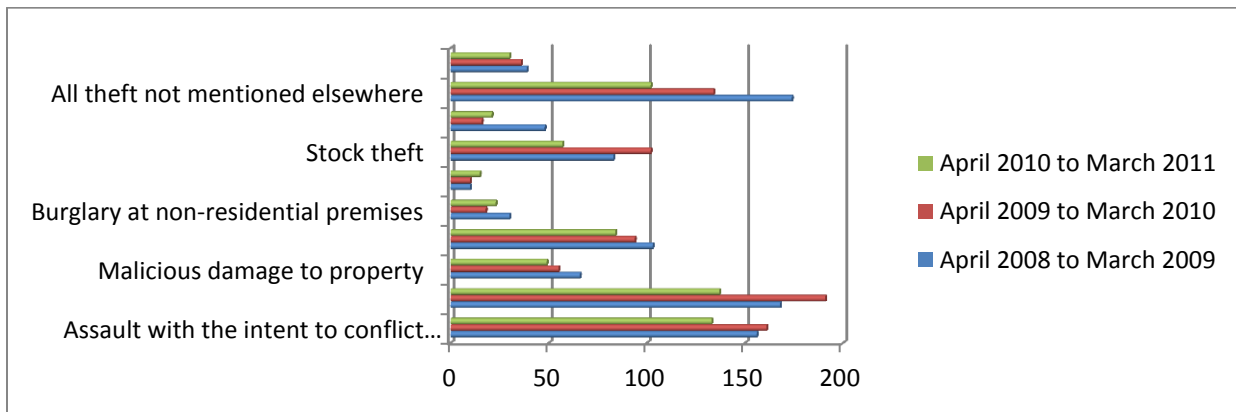
The following graphs represent the top 10 report crimes per town, per Local Municipality. The analysis will be written for each municipality below the graphs representing the towns or settlements. The analysis will identify the crime trend of the municipal area between the period of April 2008 to March 2011. The crimes listed below are totalled as follows in order to give an indication of the most prominent types of crime in the Cacadu District between April 2009 and March 2011.

Table 33: Crime Statistics per town and LM

Type of Reported Crime	Assault with the intent to inflict grievous bodily harm	Common Assault	Intentional damage to property	Intentional damage to non-residential premises	Burglary at residential premises	Theft out of or from a motor vehicle	Stock-theft	Drug related crime	All theft not mentioned	Shoplifting
BLUE CRANE ROUTE LOCAL MUNICIPALITY										
Somerset-East	161	191	55	18	94	10	102	16	134	36
Cookhouse	97	72	43	3	71	24	69	16	59	2
Pearston	20	28	12	4	21	1	47	18	16	0
Sub-Total:	278	291	110	25	186	35	218	50	209	38

Blue Crane Route Local Municipality: Crime Statistics per Town: April 2008 to March 2011:

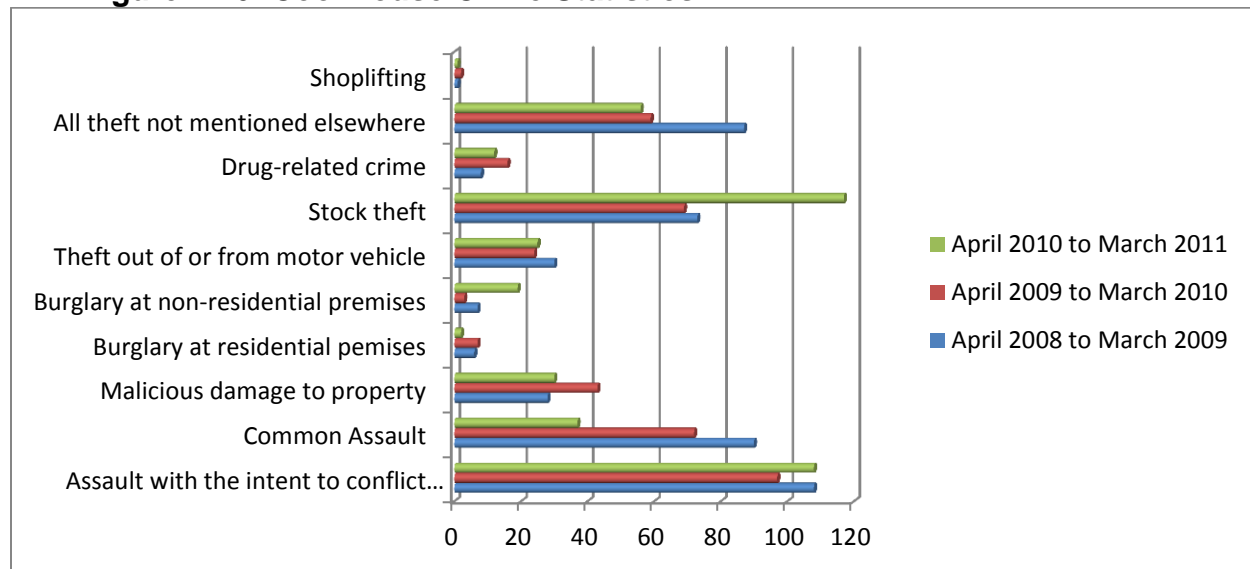
1. Figure 2.75: Somerset-East Crime Statistics



Source: SAPS, 2012

- Reported cases of Common Assault and Assault with the intent to inflict grievous bodily harm are indicated as being on the increase, in conjunction stock-theft and shop-lifting
- All theft not mentioned elsewhere remains high, but appears to be on the decrease along with Burglary at residential and non-residential premises

2. Figure 2.76: Cookhouse Crime Statistics

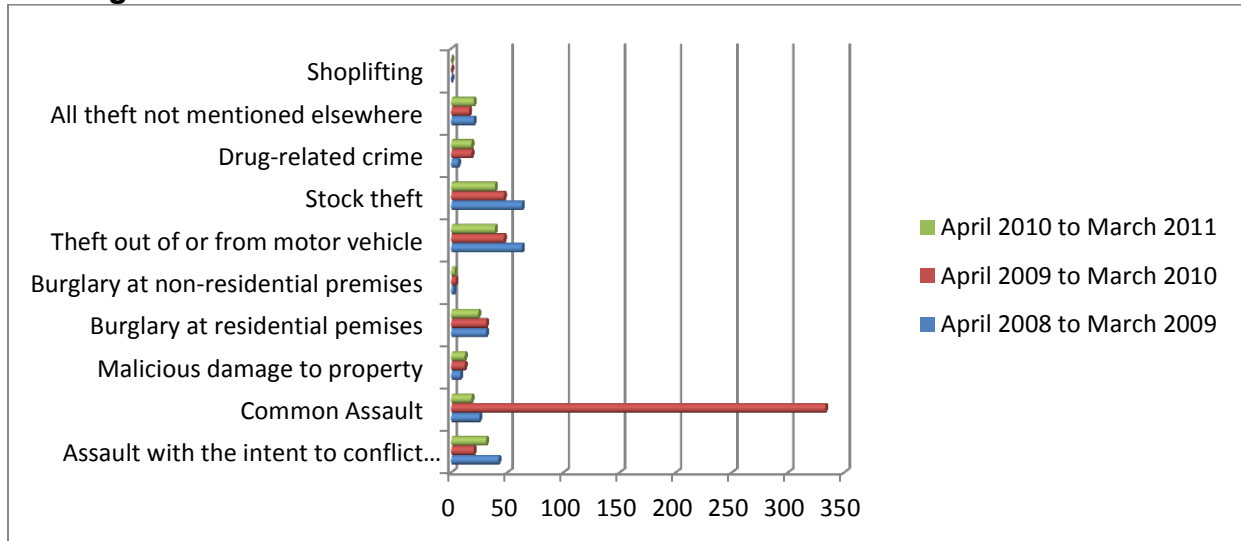


Source: SAPS, 2012

- Assault with the intent to inflict grievous bodily harm and Common Assault are documented as the most reported crimes in the study period. Both of these categories along with stock-theft and all theft not mentioned elsewhere demonstrate a marked decrease within the period of assessment

- Reported cases of malicious damage to property, Theft out of or from motor vehicle and Drug-related appear to be on the increase.

3. Figure 2.77: Pearston Crime Statistics



Source: SAPS, 2012

- Somerset-East area has the higher number of reported cases of crime in the Blue Crane Route municipal area, with common assault and assault with intent to conflict grievous bodily harm being the most reported, followed by burglary at residential premises. The municipality overall has low levels of crime that are on the decrease year-on-year.
- Crimes that are on the rise in the area include; stock theft, malicious damage to property and drug related crimes.
- The settlements of Cookhouse and Pearston crime levels are relatively low, reflect a relatively safe environment, this shows that there is a positive relationship between law enforcement and the community.

CONTACT OR VIOLENT CRIMES RECORDED IN APRIL 2008 TO MARCH 2011:

According to the Statistics released by the South African Police Services in September 2010, certain contact or violent crimes pose a more serious threat to communities than crime in general.

Contact or Violent Crimes such as Murder, Attempted Murder, Sexual Offences, Aggravated Robbery and Common Robbery are not ranked amongst the Top Ten Crimes committed in the

Cacadu District. These crimes do however present a distinct threat to society and are an indication of social and socio-economic circumstances.

These crimes are thus reflected and recorded overleaf per Town per Local Municipality for the period from April 2008 to March 2011.

The crimes listed in the following table are totalled in order to give an indication of the most prominent types of contact crime committed in the BCR municipality between April 2008 and March 2011.

Type of Reported Contact Crime	Murder	Attempted Murder	Sexual Offences	Aggravated Robbery	Common Robbery
BLUE CRANE ROUTE LOCAL MUNICIPALITY					
Somerset East	16	2	40	2	15
Cookhouse	12	1	21	3	6
Pearston	3	0	10	1	1
Sub-Total:	31	3	71	6	22

Source: SAPS, 2012

RESPONSE TO CRIME

The establishment of community police forums was legislated in the South African Police Service Act of 1995. The role of local government and crime prevention delivery at local level was further explored in the 1998 White Paper on Safety and Security. While the White Paper focussed mainly on municipal police services, it nevertheless points to the key role of local government *“in ensuring an environment less conducive to crime”*. It further encourages municipalities to develop crime prevention strategies, both to ensure crime prevention interventions, *“but also to align local resources and development objectives within a crime prevention framework. Crime and crime prevention should be seen as central to the planning and functions of all municipal department line functions”*. The White Paper acknowledges that the required resources and capacity may prove to be a constraint, but that local governments should attempt to provide a budget for this purpose, or leverage funding from other government spheres, the private sector and donors.

The White Paper presents several areas through which local government may play a role in crime prevention, ranging from working with the local police, the effective enforcement of by-laws, developing a crime prevention framework and allocating resources for its implementation, and generally mainstreaming crime prevention strategies in all development projects undertaken by the municipality. The role of community police forums and the need for local government to work closely with such forums are highlighted considering the crime rates per crime categories per Local Municipality as illustrated in the table hereafter.

FINANCIAL STANDING OF BCR MUNICIPALITY

To provide an indication of the size of the municipal budget operating expenditure and the revenue sources the summaries of the 2013/2014 budgets are detailed in the table below. The increase of Electricity Bulk Electricity Tariffs by Eskom and lesser amount of increase charged to consumers is creating a huge challenge for the sustainability of the municipality. Coupled with this the Equitable share grant only increases by 5% and other revenue by 5.4% whilst General Expenditure increases by 6% and Employee Costs by approximately 7% which has a serious impact on the finances of Municipalities which will result in operating losses on services accounts.

Table 34: Actual revenue and expenditure against budget revenue and expenditure

	REVENUE						EXPENDITURE					
	Operating Adjusted Budget Revenue	Actual Operating Revenue	% of Actual to Budgeted (Operating)	Capital Adjusted Budget Revenue	Actual Capital Revenue	% of Actual to Budgeted (Capital)	Operating Adjusted Budget Expenditure	Actual Operating Expenditure	% of Actual to Budgeted (Operating)	Capital Adjusted Budget Expenditure	Actual Capital Expenditure	% of Actual to Budgeted (Capital)
Blue Crane Route	160,663	150,949	94 %	33,780	26,808	79 %	180,894	160,899	89 %	37,332	26,876	72%

BCR relies heavily on conditional grant funding (MIG) to finance infrastructure projects and on equitable share of national revenues to finance operating expenditure.

Table 35: The equitable share of national revenues for BCR municipality in respect of the current financial year and outer years is detailed below.

	2013/2014	2014/2015	2015/2016	2016/2017
BLUE CRANE ROUTE	40,796	42,429	44,635	44,191

In spite of the generally acceptable collection rates in respect of property taxation and services charges the municipality struggles to produce funded budgets and to perform their legal mandates. As reflected earlier, the major challenge is that expenditure requirements are increasing at a higher rate than the tariff increase we pass on to our consumers. This results in the municipality having to find new revenue streams to increase the pool of revenue to deliver services to the communities. A revenue enhancement strategy is in the process of being drafted to facilitate this process.

ECONOMIC ANALYSIS

- **BCR economic analysis**

Local economic development is vital to the future development of the BCRM

- **Agriculture, the Economy and Social Impact:**

Agriculture dominates the district's economy, contributing 28% of all value added and amounting to 41% of formal employment.

Small-stock farming predominates in the dry Karoo interior. This is the centre of wool and mohair farming in the Eastern Cape. Karoo mutton is known for its high quality and is also exported. Cattle and dairy farming are dominant in the areas around Grahamstown, Cookhouse, Alexandria and Humansdorp. Stock production has seen a decline in the past decade, primarily as a result of game farm establishment and the expansion of the Addo National Elephant Park.

Game reserves are now a major industry within the district and contribute to the other prominent economic sector of the area, namely tourism.

The following opportunities exist in terms of renewable energy:

- The Eastern Cape Province has lower levels of solar radiation in comparison with other provinces in South Africa.
- Wind generation initiatives in the Cacadu District are fast growing with a large number of generation facilities under investigation.
- Opportunities in terms of energy generation from biomass and the manufacture of biofuel remained to be explored. However, it should be noted that large scale biomass production is dependent on agricultural infrastructure, sustainability and possible environmental impact.
- The Cacadu District in comparison to the eastern side of the Eastern Cape has very low hydro power generation capacity / potential, however, distinct potential exists in the Blue Crane Route region along the Fish River.

The importance of wind energy generation in the district has been confirmed by the announcement by the Department of Energy in terms of successful wind farm developments, as three of the eight approved wind farm developments are to be developed in the district, with an additional wind farm to be developed in Nelson Mandela Bay Municipality. The two largest energy generating wind farms, i.e. Cookhouse Wind Farm (135MW) and Jeffreys Bay (133.86MW) and are to be developed in the district.

Apiculture (Beekeeping) for honey and related value added products as well as the “pollination industry”

- There is a definite market and demand for increased honey production for both local markets, as well as export markets due to the high quality and “brand” of South African honey that already exist in countries which are high importers of honey, like Japan and Germany. Increased production sites could be established in BCR to act as outgrowers to existing honey processors with existing infrastructure in BCR.
- The existing training initiative which operates in conjunction with the Makana Meadery can be supported to provide training for new producers as per the above opportunity. An opportunity to exploit the production, harvesting and value adding of propolis for locally produced medicinal products on commercial scales should be investigated – a farmer between Cookhouse and Cradock (whose farm lies just outside BCR) harvests propolis from his hives, and is investigating the move of this enterprise closer to Grahamstown – this and the development of infrastructure for the production and post harvest processing

of propolis, could be the starting point for such a propolis research and medicinal production centre.

- Organised and properly managed pollination services are and will increasingly be a demand from commercial fruit farmers in BCR, as well as farmers in the rest of the Eastern Cape (with special reference to the focus on berry production in the Amathole District).

Exotic fruits (with specific reference to “arid commodities”, including pomegranate, fig and prickly pear)

- Based on the suitability for the production of exotic fruits in the Blue Crane Route geographical area, as well as the abundant water (compared to the rest of the BCR), the development of orchards in this area is proposed to supply local (BCR and South African) as well as export markets.
- Training and extension services could be provided by experienced producers and consultants from the Western Cape to farmers that are relatively new to exotic fruits in BCR (capacity has already been build in the Western Cape which can be transferred).
- There is potential for local economic development through entrepreneurial value adding and processing of exotic fruit in jams, preserves, sauces, dried fruit, etc. – cottage industries could over time develop into commercially sustainable businesses. In conjunction with other plans of developing the animal feed industry of BCR, there exists an opportunity to manufacture shelf stable animal feed pellets from the cyclodes of the prickly pear plant.

Pig (pork) industry

BCR. A brief overview of these sectors and related opportunities are included below.

- Citrus

Oranges are mainly produced in the Kirkwood area of the Sundays River Valley Municipality. Other areas in the Cacadu district are only marginally suited to citrus production under irrigation and include areas to the east of the Sundays River Valley, the northern parts of Camdeboo, south of Klipplaat in Ikwezi, the Aberdeen Plain west of Willowmore and in the Kou-Kamma Municipality around Kareedouw. Other marginally suitable soils also include limited areas of the

Blue Crane Route Municipality around Somerset East and Cookhouse and scattered areas of the Makana Municipality.

2.4 BROADENING ECONOMIC PARTICIPATION

Inequality and poverty are deeply entrenched with rural South Africa and represent a major constraint to development. However, the poor of the region also represent a major resource for economic progress. Broadening economic participation as part of a broader social development emphasis is thus a key pillar for rural regeneration. Key areas of action include:

- Promoting BBBEE, SMME and cooperative development.
- Maximising the opportunities for Extended Public Works Programme (EPWP) and Community Work programme opportunities.
- Improving grant accessibility.
- Establishing community-based beneficiation projects.
- Facilitating community and worker participation in share ownership.
- Promoting social development investments.

2.5 DEVELOPING THE SKILLS BASE

The skills base of the region is a key driver of both economic progress and poverty reduction. Most people have limited skills and limited educational attainment. This is both a major constraint to development but also represents a significant area of opportunity given the wide range of good educational institutions in the region. BCR is committed to a concerted approach to improving the skills profile of the region.

Developing rural broadband and mobile phone connectivity is a key rural development strategy globally.

- Improving rural transport infrastructure particularly roads.
- Identifying and delivering catalytic infrastructure that opens up new economic opportunities.

2.6 RURAL ECONOMIC DEVELOPMENT INITIATIVE (REDI) – BENEFITS FOR BCR

The district has experienced a period of sluggish economic and demographic growth. Major challenges have included a period of consistent agricultural decline, the large geographic extent and sparse population of the district, aggravated by migration to larger urban nodes, growing

inequality and poverty and municipal capacity. There are a number of objective factors that suggest that much stronger growth, than has occurred over the past decade, is possible.

In response to this latent growth potential, the Development Bank of Southern Africa initiated the Rural Economic Development Initiative. The Cacadu Rural Economic Development Initiative (REDI), one of three pilot sites in South Africa, is a partnership between Cacadu District Municipality, the Development Bank of Southern Africa (DBSA) and other major stakeholders in the region aimed at identifying and unlocking economic potential to realize the latent economic growth potential of the district. The idea is to build a strong strategic relationship between the municipality and local and regional stakeholders aimed at enhancing economic turn-around.

The first phase of the project was initiated in 2010 and is nearing the end, which will culminate in the development of a regional investment prospectus in 2012. Support from the Development Bank of Southern Africa for phase one includes a R7.8 million technical assistance grant and dedicated capacity in terms of a Process Facilitator (part-time) and Process Coordinator (full-time).

Areas of intervention include (a) agri-innovation primarily in the areas of agro-processing, aquaculture, natural fibre beneficiation; renewable energy and agri-tourism and (b) strategy and institutional development, culminating in the revision of the district's Economic Growth and Development Strategy coupled with the development of an investment prospectus and related investment strategies.

The REDI process has identified a number of catalytic factors that could accelerate economic growth in the District including renewable energy, fibre innovation, the potential for agro-processing in key niches, tourism development and growing the education sector.

REDI in Cacadu has identified a wide range of opportunities in the district in these and other sectors linked to innovation, product diversification and expanding the value chain in key sectors. At end of January 2012 Cacadu Phase one of the REDI programme indentified more than 50 catalytic development projects, provided assistance to package more than 35 of these projects and referred more than ten to various financial institutions for finance. If the projects referred are approved more than R400 million will be invested in the Cacadu District. In addition from this more than R15 million was crowded in, to co-fund some of the projects.

The deliverables emanating from CDM REDI phase one are as follows which could benefit BCR:

- Renewable Energy Rapid Assessment and Audit
- Provincial Renewable Energy Coordinating Forum
- Land Use and Location Policy for Renewable Energy Projects
- Implementation Study on the Generation of Hydro-electricity on mini/micro sites located within BCRM
- Preparation of a Project Plan for the Establishment of a Wind Research and Training Centre in BCRM
- Investigation into the Social Economy and Identification of Interventions to Address Poverty and Unemployment
- Development of a Municipal Services Finance Model for BCRM

REDI has also helped establish a much higher level of engagement between government, the private sector and other stakeholders. A number of strong development institutions and partnerships have emerged or have consolidated that are well-placed to support further development in the region.

These emerging opportunities, the stronger common vision and the increased level of networking and partnership formation now need to be consolidated in order to realize the potential through accelerated implementation, through a proposed second phase of the project. The second phase would continue to work with and grow a large portfolio of projects through a process of intensive regional stakeholder engagement with an emphasis on facilitating the implementation of major regional projects and up-scaling or extending successful pilots to other areas.

The primary sector focus of REDI in BCR will be on improving the performance of agriculture-related sectors (including priority sectors from phase one research, renewable energy, land restoration, agro-tourism and aquaculture).

The REDI team will also provide secondary support for tourism, education and business development that strengthen regional competitiveness and job creation.

In addition, the second phase will also continue to focus strongly on building a range of multi-stakeholder partnerships and networks at local, regional and provincial level that promote innovation, learning and collaboration.

In its second phase REDI will be consolidated as a strategic rural development “project clearing house” with core capacities related to:

- Facilitating multi-stakeholder networks to support rural economic development
- Project identification, conceptualisation, evaluation and packaging aligned to regional development strategy development
- Packaged projects transferred to CDA for implementation

A key REDI phase two task will be to develop a model of economic development project planning and implementation based on three core concepts that experience has shown increase the chances of project success, sustainability and impact:

- Multi-stakeholder multi-level partnership including working an inter-district, regional, provincial and national level
- Co-funding
- Strong project management arrangements

As part of this, a key role of a small REDI team will be to manage the compilation and bi-annual update of a portfolio of credible strategically relevant projects with strong institutional arrangements for implementation for submission to IDC, ECDC, DBSA, etc and investors for enterprise development and infrastructure investment.

CHAPTER 3: DEVELOPMENT STRATEGIES

3.1 STRATEGIC DIRECTION

In order for Blue Crane Route Municipality to achieve its goals of effective and efficient service delivery, the municipality needs to respond to challenges identified through the situation analysis exercise. These challenges range from institutional capacity, economic as well as maintenance of new and existing infrastructure. Some issues emanate from the community consultation processes.

This chapter provides an overview of the various objectives and related strategies to be that have been reviewed in order to respond to the development challenges within the municipality. Each of the development priorities are presented along with their objectives and strategies.

3.2 COMMUNITY NEEDS

The community participation and consultation processes highlighted a wide range of issues. Below are some of the issues raised:

- Upgrading and rectification of houses in Millenium Park
- Improve mechanism of communication with communities
- Enhance the capacity of Ward Committees
- The vacancy rate in the top management positions within the municipality is a concern for the communities since it directly impacts service delivery
- There is a need for a multi-purpose centre in Pearston
- Allocation of budget is skewed in of Somerset East
- Public ablution facilities are necessary in the city centre
- Potholes in some of the roads
- Unoccupied houses Vaalblok is omitted
- Shelter at the Pearston Taxi rank
- RDP houses not in good condition
- Verification of beneficiaries for the rain water harvesting project
- Location of the disaster management centre
- The status of the bulk water supply project refuse collection
- Cleanliness of the environment shortage of houses
- Clarity on Transnet land

3.3 MUNICIPAL VISION

The BCR municipality is “A municipality that strives to provide a better life for all its citizens”. The vision is aligned to the five development priorities and the national and provincial government strategic frameworks. The plans and budgets of the BCR are also designed /developed to achieve the vision.

The main purpose of a vision statement is to link the current situation with the future potential of an area. As such a vision statement plays a central role throughout the various processes of the IDP. It guides the prioritisation of needs, the setting of objectives and the implementation of various strategies and projects. The vision statement should be brief, inspiring, realistic, relevant and mobilising. It is important to reflect on the vision and mission of the municipality as a reminder of the direction the municipality should take in deciding on programmes on projects.

The vision and mission of BCRM is

<p><u>VISION</u></p> <p><i>“A Municipality that strives to provide a better life for all its citizens.”</i></p> <p><u>MISSION</u></p> <p><i>Through responsible local government, zero tolerance for corruption and creating an environment for upliftment and sustainable economic growth.”</i></p>
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3.4. DEVELOPMENT OBJECTIVES & STRATEGIES

Objectives and Strategies have been formulated to address the following 5 development priorities:

- ⇒ **PRIORITY 1:** ORGANISATIONAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT
- ⇒ **PRIORITY 2:** BASIC SERVICE DELIVERY
- ⇒ **PRIORITY 3:** LOCAL ECONOMIC DEVELOPMENT
- ⇒ **PRIORITY 4:** MUNICIPAL FINANCIAL VIABILITY
- ⇒ **PRIORITY 5:** GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The following issues were raised during the development of the five year IDP. The issues are still relevant for the present review.

3.4.1 PRIORITY 1: ORGANISATIONAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT

The following are the projects identified under this priority:

- Build Disaster Management Centre
- Policy Review
- Office Space
- Electronic System to Manage Leave (HR Strategy)
- Electronic Filing System (Deeds)
- Organogram (Occupational Health & Safety Officer)
- Administration (Reception Area)
- Community Development Officer (CDW)
- Employment Equity Plan
- Information Communication Technology (ICT) Strategy and Upgrading

3.4.2 PRIORITY 2: BASIC SERVICE DELIVERY

The following are the projects identified under this priority:

- Waste Management
- (Aurecon) Bulk Pipeline
- Ablution Facilities for CBD (Central Business District)
- Needs Register
- Burnt and Abandoned Houses
- Capital Discount Scheme
- Human Settlement Approach
- Informal Housing
- Development Nodes (Renovations)
- Multi-purpose Centre
- Housing (Land Availability)

- Roads Network (Gravel, Surfaced and Paved)
- Integrated Waste Management Plan (IWMP)
- Disposal Site and Land Availability for Waste Disposal Site (Pearston)
- Recycle Programme
- Cemetery
- Tree Felling
- Parks
- Sports
- Water Services Development (WSDP)
- Upgrading of Khalela Reservoir
- Replacement of AC Pipes
- Ablution Facilities (S.E. & Pearston)
- Sewer Pump
- Bucket System
- Transport Plan
- Rural Road Maintenance
- Backlogs of Boreholes
- Electricity Master Plan
- Electricity (Alternative Energy)
- Roads Network (Gravel, Surfaced and Paved)

3.4.3 PRIORITY 3: LOCAL ECONOMIC DEVELOPMENT

The following are the projects identified under this priority:

- Agriculture
- Boschberg Project
- Airport Strip
- School (Maths and Science)
- Denel (Artisan Centre)
- Alternative Energy (Wind, Turbine, Solar and Hydro)
- Wind Turbine Trust
- Boschberg – Establishing of a Fish Hatchery (Somerset East)

- Boschberg – Infrastructure (Somerset East)
- Artisan Training Centre (Somerset East)
- Aloe Project
- BCDA Link with CSDCF on Cookhouse Filling Station
- Tourism Hub (Camping Site, Caravan Grounds)
- Water / Renewable Energy Pipeline (Cookhouse)
- Installation of Solar Geysers in BCRM (Cookhouse, Pearston & Somerset East)
- Sports Car Manufacturing

3.4.4 PRIORITY 4: MUNICIPAL FINANCIAL VIABILITY

The following are the projects identified under this priority:

- Internal Audit
- Operation Clean Audit
- Indigent
- Income & Expenditure
- Infrastructure (Financial System)
- Fraud Prevention
- Policy Review
- Valuation Roll
- Cross-Departmental Projects

3.4.5 PRIORITY 5: GOOD GOVERNANCE & PUBLIC PARTICIPATION

The following are the projects identified under this priority:

- PMS (Performance Management System), Framework, Assessment & Reviews
- Devolve PMS down to other levels
- (IGR) Intergovernmental Relations Structure, programme induction & Schedule of meetings
- Communication Strategy and Branding
- Public Participation (Ward Committees, CDW's and Stakeholders)
- (SPU) Special Programmes Unit
- Internal Audit

3.5 ISSUES CONSIDERED IN REVIEWING THE BLUE CRANE ROUTE IDP

This is the first review of the Blue Crane Route Local Municipality (BRC LM) 2012 -17 IDP. Five development priorities for a five year period were agreed upon, indicative of what the municipality would want to achieve during the five year political term (2012-13– 2016-17). The IDP review deals with gaps identified, performance of the municipality in the previous financial year, on the basis of the performance outcomes the IDP is reviewed to address the gaps. The priorities identified in the five year IDP were reconfirmed based on an updated analysis of the situation and community needs. The review process was used as an opportunity for the municipality to refine strategies in line with the achievement of the goals set in the five year IDP. Targets and indicators in preparation for the annual implementation plan, the SDBIP were revised. The outcome is manifested in the budget and project list for the 2013/14 financial year as indicated below.

3.6 SECTOR ALIGNMENT PROJECTS

With the 2014/15 IDP Review, Sector Departments were requested to be part of the process by providing input on the programmes and projects that they have planned to implement in the local municipalities within the district. This is done to ensure alignment of programmes /projects by the Sector Departments and LMs. It is also to eliminate duplication of budgeting by the Sector Departments and LMs. The tables that follow provide details of the .projects/programmes planned by the various Departments in the district.

Sector alignment projects will be included in the Final Draft.

INTERGRATED DEVELOPMENT PLAN REVIEW 2014/2015

BLUE CRANE ROUTE MUNICIPALITY (EC102)

Project IDP Number	Project Description	Location	Total Cost (R000)	Source of Funding	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	General Comments
COMMUNITY SERVICES:										
COMP-2012/13-1	Disaster Management Centre - Fire Building	Ward 2	R4m	CDM / BCRM	-	R 4m	-	-	-	
COMP-2012/13-2	Oxygen Cylinders for School Awareness Programme	BCRM	Operational	BCRM	-	-	-	-	-	
COMP-2012/13-3	New Fire Vehicle for live saving equipment	BCRM	R350 000	BCRM	-	-	R350 000	-	-	
COMT-2012/13-1	Office Furniture / Equipment	BCRM	R227 000	BCRM	R32 000	R100 000	R45 000	R50 000	-	
COMT-2012/13-2	New Bakkie for Road marking	BCRM	R110 000	BCRM	-	-	R110 000	-	-	
COMT-2012/13-3	Street Names	BCRM	R55 000	BCRM	R15 000	R20 000	R20 000	-	-	
COMT-2012/13-4	Equipment	BCRM	R125 000	BCRM	-	R50 000	R50 000	R25 000	-	
COMCEM-2012/13-1	Cemetery Upgrading / Beautification	Ward 2	R755 000	BCRM EPWP	R225 000	R380 000	R150 000	-	-	
COMCEM-2012/13-2	Tractor for Cutting Grass	BCRM	R600 000	BCRM	-	-	-	R600 000	-	
COM-2012/13-2	Tree felling	BCRM	R450 000	BCRM OPEX EPWP	R450 000	R450 000	R450 000			
COM-2012/13-3 (2009) (MIG/EC1967/CF/09/14)	Upgrading of Sports Facilities	Wards 1,2, 3,4,5 & 6	R8.9m	EPWP MIG	R2.4m	R2.9m	R3m	R2.2m	-	For outer years
COMPO-2012/13-1 (2009/2) (MIG/EC1968/P/09/13)	Upgrading of Parks	BCRM	R2m	EPWP MIG	R500 000	R500 000	R600 000	R400 000	-	
COMR-2012/13-3	Waste Management	Ward 2	R1,35m	EPWP BCRM	R350 000	R300 000	R300 000	R400 000		

INTERGRATED DEVELOPMENT PLAN REVIEW 2014/2015

BLUE CRANE ROUTE MUNICIPALITY (EC102)

Project IDP Number	Project Description	Location	Total Cost (R000)	Source of Funding	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	General Comments
COM-2012/13-4	Speed Humps	BCRM	OPEX							Annually
COM-2012/13-5	Fencing of Khalela Dam / Reservoir	Somerset East	R23 000	EPWP BCRM	R23 000					
COM-2012/13-6	Beautification Project	BCRM	R5m	EPWP BCRM	R5m					
COM-2012/13-7	Dumping site	Ward 2								
COM-2012/13-8	Removal of reeds in Town	Ward 3								
COM-2012/13-9	TB Hospital	Ward 3								To be presented to the
COM-2012/13-10	Revitalisation of small towns	BCRM								To be discussed with the
COM-2012/13-11	Public swimming pool	BCRM								
COM-2012/13-12	Clinic	Ward 1 & 6								To be presented to the
COM-2012/13-13	Ambulance Station	Ward 1&6	R70 000	BCRM	R70 000					
COMC-2012/13-1	Computer Equipment	BCRM		BCRM	-		-	-	-	
COMC-2012/13-2	New Pounds	Wards 1,2, 4 & 6	R850 000	BCRM	-	R850 000		-	-	
COMR-2012/13-1	Spray Pump	BCRM	R16 000	BCRM	R16 000	-	-	-	-	
COMR-2012/13-2	Compactor	BCRM	R1,5m	BCRM / LOAN	-	R1,5m	-	-	-	
COMENV-2012/13-1	Oil Tester	BCRM	R30 000	BCRM	R30 000	-	-	-	-	
COML-2013/14-1	New Vehicle – Library Services	BCRM	R130,000	BCRM	R130,000					

INTERGRATED DEVELOPMENT PLAN REVIEW 2014/2015

BLUE CRANE ROUTE MUNICIPALITY (EC102)

Project IDP Number	Project Description	Location	Total Cost (R000)	Source of Funding	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	General Comments
COML-2012/13-1	New Aeroville Library with Furniture / Equipment	Ward 2	R1,73m	CDM	R1,73m	-	-	-	-	
COMB-2012/13-1	Furniture / Equipment	BCRM	R65 000	BCRM	R65 000	-	-	-	-	
COMR-2013/14-1	Trailers for Refuse removal	BCRM	R80 000	BCRM	R80 000					
COMP-2013/14-1	Office Furniture / Equipment for New Fire Station	Ward 2	R45,000	BCRM		R45 000				
COMP-2013/14-2	New Traffic Vehicles	BCRM	R280 000	BCRM		R140 000		R140 000		
COMENV-2013/14-1	Noise level meters	BCRM	R40 000	BCRM		R40 000				
COMCEM-2013/14-1	Wall fencing of Cemeteries	Ward 2,4	R100 000	BCRM		R100 000				
COM-2013/14-1	Greening Project	BCRM	R150 000	BCRM		R150 000				
TECHNICAL SERVICES										
TS-2012/13-1	Air Conditioners	BCRM	R200 000	BCRM	R50 000	R50 000	R50 000	R50 000	-	
TS-2012/13-2	Equipment	BCRM	R170 000	BCRM	R100 000	R70 000	-	-	-	
TS-2012/13-3	Computer Equipment	BCRM		BCRM	-		-	-	-	
TS-2012/13-4	Grader and Water Tanker	BCRM	R3m	BCRM / LOAN	-	R1,5m	-	R1,5m	-	
TSW-2012/13-1	Water Services Development Plan	BCRM	R950 000	BCRM OPEX	-	R400 000	R450 000	-	-	
TSW-2012/13-2	Khalela Reservoir (water supply) Fencing	Ward 5	R23 000	BCRM	R23 000	-	-	-	-	
TSW-2012/13-3	Replace AC Pipes	BCRM	To be costed							
TSW-2012/13-4	Upgrading of Pump Station	Wards 2,3,4 & 6	R800 000	BCRM	R150 000	R250 000	R200 000	R200 000	-	
TSS-2012/13-1	Bucket System		To be costed	MIG BCRM						
TSR-2012/13-1	Transport Plan		To be costed	CDM BCRM						
TSW-2012/13-5	Boreholes (Management)	Ward 4		OPEX						
TSE-2012/13-1	Electricity Master Plan	BCRM	To be costed	OPEX						
TSW-2012/13-6	Water Conservation Grant (WCWDM)	BCRM	R4.26m	BCRM / DWA	R2,5m	R1,76m				
TSW-2012/13-8	Cookhouse Bulk Pipeline (Phase 1)	Ward 1 & 6	R8m	MIG	R7m	R500 000				
TSR-2013/14-1	Upgrade Mnandi Access Road	Ward 3	R4m	MIG	R1m	R3m				

INTERGRATED DEVELOPMENT PLAN REVIEW 2014/2015

BLUE CRANE ROUTE MUNICIPALITY (EC102)

Project IDP Number	Project Description	Location	Total Cost (R000)	Source of Funding	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	General Comments
TSE-2012/13-3	Upgrading of Urban network	BCRM	R0,6m	NER		R600 000			-	
TSE-2012/13-4	Street lights	BCRM	R480 000	BCRM	R200 000	R150 000	R130 000			
TSE-2012/13-2	Electricity (Spoornet)	Wards1 & 6	To be costed	BCRM						
(2009-2) MIG/EC4075/W/09/11				EPWP						
TSW-2012/13-9	Repair all Water Leaks and Sewer Backlogs	BCRM	R600 000	EPWP BCRM WCWDM	R300 000	R300 000				
TSW-2012/13-10	Rain Water Harvesting	Ward 4	R80 000	EPWP BCRM	-	R80 000				
TSW-2012/13-12	Water care	BCRM	R850 000	BCRM	R70 000	R80 000	R150 000	R150 000		
TSW-2012/13-13 (161/09) (MIG/EC4086/W/09/12)	Besterhoek New Bulk Water	Ward 2	R3.5m	MIG			-	-	-	Project Complete
TSW-2012/13-14	Pearston Bulk pipeline	Ward 4	To be costed	MIG						Outer years
TSW-2012/13-15	Water Equipment	BCRM	R450 000	BCRM	R200 000	R100 000	R15 000	-	-	
TSS-2012/13-2	Sanitation									
TSS-2012/13-3	Bulk Sewer Pipeline	Ward 2 & 5	R15.3 m	ACIP	R9,5m	R5,8m	-	-	-	
TSS-2012/13-4 (Revised20) (MIG/EC0807/5/06/08)	Upgrade Sewer Plant	Ward 1 & 6	R7m	MIG	R3,4m	-	-	-	-	
TSW-2012/13-15	WWTW	Ward 2	R25,3m	MIG	R2m	R5,8m	R8,5m	R9m		
TSS-2012/13-5	Sewer Reticulation - Minor sewer lines	BCRM	R275 000	BCRM / EPWP	R50 000	R50 000	R75 000	R100 000	-	
TSS-2012/13-6	Septic Tanks	Ward 4 & 6	To be costed	MIG BCRM						
TSR-2012/13-2	Road to Bestershoek	Ward 5	To be costed	OPEX						
TSW-2013/14-1	New LDV for Water Services	BCRM	R151,000	BCRM	R151 000					
TSS-2013/14-1	Sanitation Tools & Equipment	BCRM	R220,000	BCRM	R50 000	R70 000	R50 000	R50 000		
TSB-2013/14-1	Extension of Traffic Building	BCRM	R300,000	BCRM			R300 000			
TSB-2013/14-2	Community Services Change Rooms	BCRM	R200,000	BCRM			R200 000			
SB-2013/14-3	Community Hall / Council Chamber Equipment	BCRM	R550,000	BCRM		R350,000	R100,000	R100,000		

INTERGRATED DEVELOPMENT PLAN REVIEW 2014/2015

BLUE CRANE ROUTE MUNICIPALITY (EC102)

Project IDP Number	Project Description	Location	Total Cost (R000)	Source of Funding	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	General Comments
TSW-2012/13-17	Water Tanks	BCRM	To be costed	OPEX						
TSR-2012/13-3	Mountain Road	Ward 5	To be costed	BCRM OPEX						
TSR-2012/13-5 (2009/2012)- MIG/EC4063/RST/10/13	Upgrading of gravel roads	BCRM	R22m	MIG EPWP	R3m	R3m	R3m	R2m	-	
TSS-2012/13-7	Public Toilets	BCRM	R240 000	BCRM	-	R90 000	R150 000	-	-	
TSS-2012/13-8	Construction of new Ablution Facility	BCRM	R200 000	EPWP BCRM						
TSS-2012/13-9	Waste Water Treatment - Office Facilities	BCRM	R800 000	EPWP BCRM	-		-	-	-	
TSE-2012/13-5	Electricity Connections (RDP Houses)	BCRM NER	R332 000	EPWP BCRM	R332 000	R100 000	-	-	-	
TSE-2012/13-6	Upgrading of Urban Network (Electricity)	BCRM	R1,05m	EPWP BCRM	R500 000	R150 000	R200 000	R200 000	-	
TSW-2012/13-18	Nelsig River - gabion development	Ward 4	To be costed							
TSR-2012/13-5	Side-Walks	BCRM	To be costed							
TSW-2012/13-19	Stormwater	BCRM	To be costed	MIG						
TSR-2012/13-6	Rural roads maintenance	BCRM	R8m	DPW						
FINANCIAL SERVICES										
FS-2012/13-1	Indigent	BCRM	R60 000	OPEX EPWP	R60 000	R60 000	R60 000	R60 000		Annually
FS-2012/13-2	Financial System	BCRM	R2m	BCRM FMG	-		R1m	R1m	-	
FS-2012/13-3	GRAP conversion	BCRM	R800 000	BCRM FMG MSIG	R800 000	R200 000				

INTERGRATED DEVELOPMENT PLAN REVIEW 2014/2015

BLUE CRANE ROUTE MUNICIPALITY (EC102)

Project IDP Number	Project Description	Location	Total Cost (R000)	Source of Funding	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	General Comments
TSW-2012/13-17	Water Tanks	BCRM	To be costed	OPEX						
TSR-2012/13-3	Mountain Road	Ward 5	To be costed	BCRM OPEX						
TSR-2012/13-5 (2009/2012)- MIG/EC4063/RST/10/13	Upgrading of gravel roads	BCRM	R22m	MIG EPWP	R3m	R3m	R3m	R2m	-	
TSS-2012/13-7	Public Toilets	BCRM	R240 000	BCRM	-	R90 000	R150 000	-	-	
TSS-2012/13-8	Construction of new Ablution Facility	BCRM	R200 000	EPWP BCRM						
TSS-2012/13-9	Waste Water Treatment - Office Facilities	BCRM	R800 000	EPWP BCRM	-		-	-	-	
TSE-2012/13-5	Electricity Connections (RDP Houses)	BCRM NER	R332 000	EPWP BCRM	R332 000	R100 000	-	-	-	
TSE-2012/13-6	Upgrading of Urban Network (Electricity)	BCRM	R1,05m	EPWP BCRM	R500 000	R150 000	R200 000	R200 000	-	
TSW-2012/13-18	Nelsig River - gabion development	Ward 4	To be costed							
TSR-2012/13-5	Side-Walks	BCRM	To be costed							
TSW-2012/13-19	Stormwater	BCRM	To be costed	MIG						
TSR-2012/13-6	Rural roads maintenance	BCRM	R8m	DPW						
FINANCIAL SERVICES										
FS-2012/13-1	Indigent	BCRM	R60 000	OPEX EPWP	R60 000	R60 000	R60 000	R60 000		Annually
FS-2012/13-2	Financial System	BCRM	R2m	BCRM FMG	-		R1m	R1m	-	
FS-2012/13-3	GRAP conversion	BCRM	R800 000	BCRM FMG MSIG	R800 000	R200 000				

INTERGRATED DEVELOPMENT PLAN REVIEW 2014/2015

BLUE CRANE ROUTE MUNICIPALITY (EC102)

Project IDP Number	Project Description	Location	Total Cost (R000)	Source of Funding	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	General Comments
CORB-2012/13-5	RDP House Numbering	BCRM	R105 000	EPWP BCRM	-	R100 000				
CORB-2012/13-6 (CORH10046) MIG/EC5077/CF/11/12	Construction of Multipurpose Centre in Aeroville	Ward 2	R312,9m	EPWP MIG	R1m	R2,6m				
CORH-2012/13-6	OCHSACT	BCRM	To be costed	BCRM						
COR-2012/13-2	W.S.P			BCRM						
CORH-2012/13-7	Transit area (informal houses)	Ward 1,3,5 & 6	To be costed	BCRM DOHS						Outer years
COR-2012/13-3	Satellite Police Station	Ward 2		SAPS						
CORH-2012/13-8	Installation of Geysers	BCRM	sponsored							
CORH-2012/13-9	Community Hall	Ward 3	To be costed							
CORH-2012/13-10	Accommodation (Disabled people)	Ward 3	To be identified							
CORH-2012/13-11	Title Deeds	BCRM	To be distributed							
COR-2012/13-4	Skilling & training of Youth	BCRM	OPEX							
CORH-2012/13-12	Business Registration	BCRM	OPEX							
CORH-2012/13-13	Housing in Vaal Block (surveying)	Ward 4	OPEX							
CORH-2012/13-14	Millennium Park Hall	Ward 4	To be costed							
COR-2012/13-5	Lilitha College	BCRM								To be submitted to
COR-2012/13-6	Transport Plan	BCRM	To be costed	CDM						
COR-2012/13-7	CDW	Ward 6								To discussed

INTERGRATED DEVELOPMENT PLAN REVIEW 2014/2015

BLUE CRANE ROUTE MUNICIPALITY (EC102)

Project IDP Number	Project Description	Location	Total Cost (R'000)	Source of Funding	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	General Comments
COR-2012/13-8	Vehicle	BCRM	R244 000	BCRM	-	-	-	R244 000	-	
COR-2012/13-9	Electronic Filing System	BCRM	R400 000	BCRM	-	-	R400 000	-	-	
COR-2012/13-10	ELECTRONIC Leave Management system	BCRM	R45 000	BCRM		-	-	-	-	
COR-2012/13-11	Computers / Office Furniture	BCRM	R128 500	BCRM	R73 500	R100 000	R100 000	R100 000	-	
BLUE CRANE DEVELOPMENT AGENCY(BCDA)										
BCDA-2012/13-1	Youth Program (Aloe/Strawberries)		R1.5m	Agriculture and Land Affairs						
BCDA-2012/13-2	Assisting emerging farmers			Agriculture and Land Affairs						
BCDA-2012/13-3	Vegetable production		R1m	Agriculture and Land Affairs						
BCDA-2012/13-8	Fruit Production			Commercial						
BCDA-BOS2012/13-1	Infrastructure		R30m	Private (Basholdings)						
BCDA-BOS2012/13-2	Residential		R4m	Cacadu & Economic Affairs						
BCDA-BOS2012/13-3	Tourism Hub	Boschberg	R25m	Private (Basholdings) EPWP						
BCDA-BOS2012/13-4	Caravan/Camping site		R5m	Private (Basholdings)						
BCDA-BOS2012/13-5	Wedding/conference centre		R5m	Private (Basholdings)						
BCDA-BOS2012/13-6	Reserve development		R2,5m	Department of Tourism/Parks						
BCDA-BOS2012/13-7	Community recreational development		R4m							
BCDA-BOS2012/13-8	Establishment of fish Hatchery		R1,5m	Private (Martin Davies)						

INTERGRATED DEVELOPMENT PLAN REVIEW 2014/2015

BLUE CRANE ROUTE MUNICIPALITY (EC102)

Project IDP Number	Project Description	Location	Total Cost (R'000)	Source of Funding	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	General Comments
BCDA-BOS2012/13-9	Installation of solar geysers in BCRM		R20m	Private (Basholdings)						
BCDA-BOS2012/13-10	BCDA Link with CSDCF on Cookhouse filling station		R7m	Private						
BCDA-BOS2012/13-11	Airport (Main & secondary runway)		R4m	Private (Basholdings)						
BCDA-BOS2012/13-12	Aviation Projects (SkyWake/Flying school/ECNAC)		R18m	National Treasury & Private						
BCDA-BOS2012/13-13	Development of Light Industrial Park		R2,2m	BCRM						
BCDA-BOS2012/13-14	Pearston CBD - Rejuvenation		R12m							
BCDA-BOS2012/13-15	Renewable Energy: Wind		R2,6b	Macquarie's & Old Mutual						
BCDA-BOS2012/13-16	Recycling (Dump site)		R9m	Total Waste Solution						
BCDA-BOS2012/13-17	Research/Training facility		R80m	?						
BCDA-BOS2012/13-18	Water/Renewable Energy Pipeline (cookhouse)		R70m	Private						
BCDA-BOS2012/13-19	Hydro		R80m	Private						
BCDA-BOS2012/13-20	Solar		R250m	BNM Fruiral						
BCDA-EDU2012/13-1	School (Maths and Science)		R2,5m	Merseta and Eskom						
BCDA-EDU2012/13-2	Lovedale College satellite campus		R28m	Department of Education						
BCDA-EDU2012/13-3	Denel (Artisan Centre)		R8m	Denel						
BCDA-HERC2012/13-1	Community Cultural Festival		R200 000	Media 24/Burger & BCRM						

INTERGRATED DEVELOPMENT PLAN REVIEW 2014/2015

BLUE CRANE ROUTE MUNICIPALITY (EC102)

Project IDP Number	Project Description	Location	Total Cost (R000)	Source of Funding	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	General Comments
BCDA-HERC2012/13-2	Christmas choir festival		R50 000	Media 24/Burge						
BCDA-HERC2012/13-3	Crafters		R100 000	CDM						
BCDA-2013/14-1	Tarring / paving of Road from Somerset East to Addo R335	BCRM		Rural Development						
BCDA-2013/14-2	Paving Road Pearston to Cradock R337	BCRM		Rural Development						
OFFICE OF MUNICIPAL MANAGER										
MM-2012/13-1	Performance Management Systems (PMS)	BCRM	R750 000	BCRM	R250 000	R250 000	R250 000			Annually
MM-2012/13-2	Communication Strategy	BCRM	To be costed	OPEX BCRM						Annually
MM-2012/13-4	Intergovernmental Relations (IGR)	BCRM	To be costed	OPEX BCRM						Annually
MM-2012/13-5	Public Participation	BCRM	R100 000	OPEX	R100 000	R100 000	R100 000			Annually
MM-2012/13-6	Disabled	BCRM	To be costed	BCRM						
MM-2012/13-7	Internal Audit	BCRM	R460 000	BCRM	R460 000	R480 000	R500 000			
MM-2012/13-8	Audit Committee	BCRM	R180 000	OPEX MIG	R60 000	R60 000	R60 000			
MM-2012/13-9	ICT Strategy	BCRM	R800 000	BCRM			R800 000			
MM-2012/13-10	Datacenter (for DRP) - Phase 1	BCRM	R400 000	BCRM			R400 000			
MM-2012/13-11	Office Furniture / Computer Equipment	BCRM	R340 000	BCRM	R40 000	R150 000	R75 000	R75 000		

CHAPTER 4: INTEGRATION OF STRATEGIES AND SECTOR PLANS

There are several sector plans and programmes that should be part of the Integrated Development Plan. The following strategies, sector plans and programmes together with a brief summary are reflected below:

4.1 THREE YEAR FINANCIAL PLAN

The financial plan is segmented into five (5) sections:

1. Introduction
2. Financial System
3. Budget Process
4. Financial Principles and Policies
5. Operating and Capital Budgets

4.1.1 INTRODUCTION

Over the past financial years via sound and strong financial management, Blue Crane Route Municipality has moved internally to a position of relative financial stability. There is also a high level of compliance with the MFMA and other legislation directly affecting financial management.

The Systems Act requires a municipality to include a financial plan, including a 3 year budget, in the annual Integrated Development Plan (IDP). In essence this financial plan is a medium term strategic framework on how the municipality plans to deliver services, within financial means.

The Blue Crane Route Municipality's (BCRM) Medium Term Revenue and Expenditure Framework (MTREF) materially complies with the latest budget regulations as well as the requirements of the National Treasury (MFMA Circulars 48, 51, 54, 55, 58, 59, 66, 67, 70 and 72). This plan has been prepared taking in consideration the priorities and direction established by municipality during the 2014/2015 budget deliberations.

The Council's strategic objective of service delivery includes the continuation of the acceptable levels of service as well as the improvement in those areas where it lacks acceptable levels.

The balancing act is to achieve these objectives with available financial resources, and to always consider the effect of tariff adjustments on the community at large, and specifically the poor. In addition, the municipality did not escape the effect of the global economic downturn, as well as the recently announced tariff increase by Eskom, and this makes the achievement of the service delivery objectives so much more difficult.

The financial principles and policies that the municipality has fundamentally adhered to for many years are identified and that will lead the BCRM's financial stability and sustainability into the coming years. These principles and policies will establish the basic framework for the responsible management of the municipality's financial resources.

Blue Crane Route Municipality is sharing an Audit Committee with sister municipalities within the Cacadu District Municipal area.

4.1.2 FINANCIAL SYSTEM

This financial plan provides an outline of the financial system, the municipal budget process, financial principles and policies, and the operating and capital budgets of the Blue Crane Route Municipality. Municipal finance must follow certain practices and conventions set out by the accounting profession and provincial government legislation. This includes the practice of GRAP accounting and the use of capital reserves and self-funding utilities. These terms are discussed below to provide readers of the Financial Plan with a general understanding of municipal finance and the roles and responsibilities of the parties involved.

The financial plan includes a budget projection for at least the next three (3) years in line with Section 26(h) of MSA and Treasury regulations.

4.1.2.1 BUDGET AND TREASURY OFFICE

The Blue Crane Route Municipality has an effective internal control system in place, but must still address certain gaps as raised by the Auditor General. The Budget and Treasury Office has the following objectives:

- Implementation of MFMA
- Implementation of the Property Rates Act
- Management of the Budget Process

- Performance of the Treasury Function
- Management of Municipal Revenue
- Establishment of a Supply Chain Management Unit
- Maintenance of Internal Financial Control
- Production of Financial Performance Reports
- To retain the Financial Viability of the Municipality
- To have a Clean Audit Report
- Internal Audit

The various posts within the Financial Services Department are reflected in the hierarchy (to be amended in May 2014) in Annexure A.

The ability of the municipality to deliver quality services is dependent on its staff and the ability to provide services to the Blue Crane Route population at a viable level. Failure by the municipality to invest in its staff to ensure that the capacity and skills exist to meet the challenges being faces by Blue Crane Route will ultimately mean a failure to deliver services.

4.1.2.2 INFORMATION AND COMMUNICATION TECHNOLOGY

The ICT Software used by Blue Crane Route Municipality is summarised in the Table below:

Company	Programme / Software	Application / Operating
Bytes Technology	SAMRAS	Application System interfacing with the following below:
		<p>Consolidated Billing</p> <ul style="list-style-type: none"> • Receipting • Accounts • Debt Collection • General Ledger • Cashbook
		<p>Consolidated Expenditure</p> <ul style="list-style-type: none"> • Creditors

		<ul style="list-style-type: none"> • Stores • Assets • Supply Chain Management • General Ledger • Main Ledger • Trail Balance <p>Payroll</p> <ul style="list-style-type: none"> • Payroll • Cash Focus • Third Parties • SARS • Human Resource <ul style="list-style-type: none"> ○ Leave ○ Equity
Bytes Technology	SAMRAS	Caseware
Itron	Vending	Pre-paid Electricity
Deeds Office website	Title Deeds	Extracting Title Deed information electronically
ABSA Bank	Internet Banking CashFocus	Electronic payment <ul style="list-style-type: none"> • Creditors, Salaries
Synapsis	Cemetery Register	Cemetery Register
TGIS	GIS	Mapping areas, size of erven, etc
SITA	eNatis	Motor Vehicle Registration
Microsoft	MS Office 2010	Word; Excel; PowerPoint; Adobe; Publisher
Nuance	PDF Converter Professional	PDF
Eset	Antivirus Protection	Internet and point security
SARS	Easy File	PAYE – IRP5's
Pastel	SAGE Evolution	Fixed Asset Register

4.1.2.3 VALUATION ROLL

In terms of Section 49(1)(a)(i) of the Local Government Municipal Property Rates Act 2004 (Act 6 of 2004), the General Valuation Roll for the Financial years July 2012 – June 2016 was made open for public inspection at the Municipal Offices, from 30th May 2012 to 30 June 2012.

Any owner of property or other person who so desired were given the opportunity to lodge an objection with the Municipal Manager in respect of any matter reflected in, or omitted from the valuation roll within the abovementioned period. Attention was specifically drawn to the fact that, in terms of Section 50(2) of the Act an objection had to be in relation to a specific individual property and not against the valuation roll as such. No objections were received thereon.

Supplementary valuations have been conducted during 2012/2013 and 2013/2014 financial years and the latest Supplementary Valuation Roll will be implemented by the end June 2014.

The Valuation Rolls are available on the municipal website www.bcrm.gov.za.

All residential houses receive a R15, 000 rebate in line with the Municipal Property Rates Act.

4.1.2.4 SUPPLY CHAIN MANAGEMENT UNIT

The Blue Crane Route Municipality has a Supply Chain Management Unit as reflected in the Financial Services Organogram.

The Supply Chain Management (SCM) is up and running within the BCRM and strict control measure are in place according to the MFMA, SCM Regulations, MFMA Circulars and the BCRM SCM Policy.

There are nine (9) posts within the Supply Chain Management Unit; they have been filled except for the Chief: Supply Chain Management; Accountant: Asset & Liability Management and Asset clerk that are still vacant.

The following three (3) Bid Committees have been established and has the relevant meetings when tenders/bids, etc. are placed as per MFMA and Supply Chain Regulations:

- 1) Specification Bid Committee
- 2) Evaluation Bid Committee

3) Adjudication Bid Committee

The Supply Chain Management Policy that was adopted and implemented by the Cacadu District Municipality (CDM) has been adopted by the Blue Crane Route Municipality(BCRM) after the relevant changes was made to comply with the Blue Crane Route Municipality's requirements, keeping the SCM regulations in mind. The policy is reviewed annually.

The municipality appointed a person during the 2012/2013 financial year within the Disposal/Risk Management/Contracts section of the Supply Chain Management Unit. The municipality has a Risk Management Register in place and risks identified are addressed accordingly.

PROCUREMENT TURNOVER RATE

The turnover rate in previous years has proven to be unnecessarily long and resulted in projects being delayed. Poor planning also contributes to this and awards are often delayed due to preferred service providers not being registered on our SCM database. We advertise annually to invite service providers to register on our SCM database and the current ones to update their details. We now have a full complement of senior managers and more middle managers as well so that means that the bid committees are adequately skilled and filled. This will facilitate tenders moving faster through the bid committees and shortening the procurement turnover rate. A table to highlight past turnover rates and improvements made in 2013/14 is being populated and was not ready at the time the IDP was finalised.

4.1.2.5 AUDIT OUTCOMES

The following table reflects the four (4) year audit outcomes for the preceding financial years.

2012/2013	2011/2012	2010/2011	2009/2010
<u>Qualified Audit Report received - Consolidated</u>	<u>Qualified Audit Report received - Consolidated</u>	<u>Unqualified Audit Report received - Consolidated</u>	<u>Qualified Audit Report received - Consolidated</u>
Property, plant and equipment	Property, plant and equipment	Emphasis of Matter: Restatement of	Property, plant and equipment

		corresponding figures	
Investment property	Investment property	Emphasis of Matter: Provision for environmental rehabilitation – Landfill sites	Investment property
Provision of environmental rehabilitation	Provision for Landfill site	Emphasis of Matter: Irregular expenditure	Change in accounting policy – conversion to GRAP
Irregular expenditure	Irregular expenditure		Financial instruments disclosure
Budget information disclosure	Contingent liabilities disclosure		Prior period errors and changes in accounting policy disclosures
Distribution losses	Distribution losses		Cash and cash equivalents disclosures
Unauthorised expenditure (prior year disclosure)	Unauthorised expenditure		
Basis of preparation			Minimum lease payments disclosures
Aggregation of immaterial uncorrected misstatements	Aggregation of immaterial uncorrected misstatements		Contingent liabilities disclosure

Source: Office of Auditor-General Reports

An action plan was drawn up on the audit outcomes and the municipality is currently in the implementation phase to ensure that the shortfalls are addressed and that all relevant procedures have been put in place.

4.1.2.6 DOCUMENT & RECORDS MANAGEMENT (FILING) AND THE AUDIT FILE

The Auditor General highlighted deficiencies in our document and records management and we are currently addressing the findings to improve the current systems. In future we will need to establish an electronic archiving process for ease of referencing.

The Audit file has been prepared in similar formats for the past few years to the satisfaction to the Auditor General, but we will be implementing the National Treasury guidelines for Audit File preparation and improves the lead sheet links and working papers. The audit file will be presented by the Chief Accountants to the CFO and then to the MM prior to submission to the Internal Audit, Audit Committee and Auditor General.

4.1.2.7 CREDITORS TURNOVER RATE

Most creditors are paid within 30 days from receipt of invoice, with minimal disputes spilling beyond the 30 day period. We have regularised the payment process by dedicating Thursdays for payment dates as well as the 25th and month end for certain service providers that stipulate these cut-off dates. The actual creditors turnover rate is yet to be calculated.

4.2 BUDGET PROCESS

The municipality's budget must be seen within the context of the policies and financial priorities of the National, Provincial and District Government. In essence, the spheres of Government are partners in meeting the service delivery challenges faced in Blue Crane Route. The municipality alone however, cannot meet these challenges. It requires support from the other spheres of Government through the direct allocation of resources as well as the achievement of their policies.

4.2.1 NATIONAL CONTEXT

South Africa has achieved considerable success in achieving macroeconomic stability; however, the economy is still plagued with high levels of unemployment and poverty.

The following table shows the allocations to BCRM as set out in the National Budget, Division of Revenue Bill in the MTREF period; and the Provincial allocations:

LOCAL GOVERNMENT MTEF ALLOCATIONS 2014/15 - 2016/17			
	2014/15	2015/16	2016/17
EC102 BLUE CRANE ROUTE	R thousands	R thousands	R thousands
Direct transfers			
Equitable share	42 429	44 635	44 191
Infrastructure	15 891	14 075	14 513
Municipal Infrastructure Grant	15 891	14 075	14 513
Capacity building and other current transfers	3 534	2 617	2 718
Local government financial management grant	1 600	1 650	1 700
Municipal systems improvement grant	934	967	1 018
Expanded public works programme integrated grant for municipalities	1 000		
Sub total direct transfers	61 854	61 327	61 422
Indirect transfers			
Infrastructure transfers	-	-	-
Integrated national electrification programme (Eskom) grant	-	-	-
Capacity building and other current transfers	-	-	-
Sub total indirect transfers	-	-	-
Total	61 854	61 327	61 422
Transfers from Provincial Departments			
Municipal Allocations from Provincial Departments	2 309	2 307	-
<i>of which:</i>			
Local Government and Traditional Affairs	112	110	-
Local Economic Development (LED) Capacity	112	110	
Department of Sport, Recreation, Arts and Culture	2 197	2 197	-
Library Subsidy	2 197	2 197	-
Total: Transfers from Provincial Departments	2 309	2 307	-

Source: DoRA

Each year, National Treasury issues a circular to municipalities advising them of the budget parameters within which municipalities should work when preparing their budgets.

The actual CPI inflation for 2012 was 5.7% and is estimated at 5.9% for 2013. The headline CPI forecast for 2014/2015 is 5.6%, 2015/2016 is 5.4%, 2016/2017 and is 5.4%. However these figures can change very fast due to external factors as recently experienced.

These growth parameters apply to tariff increases for property rates, user and other charges raised by municipalities and municipal entities, to ensure that all spheres of government support the national macroeconomic policies, unless it can be shown that external factors impact otherwise. Unfortunately, as explained earlier on, the effect of the Eskom tariff adjustments *inter alia* forces the municipality to increase tariffs by much more than the CPI forecast.

There are no proposed material amendments to the budget related policies.

Basic services are provided to a large degree to all towns in the municipal boundaries, and there is a continuing effort in extending services.

The budget is cash funded, while at the same time, extending within financial means, service delivery and free basic services.

We need to recognise the funding role of the National and Provincial Government, with contribution from these spheres of governments through grants and subsidies being **29%** of total budget.

National, Provincial, District and local priorities for service delivery must be aligned and this is to a large degree achieved through the IDP process, whereby communities give input into service needs and which is being incorporated into the IDP. The different spheres of government then allocate resources to these requirements, but we must emphasis again that it is only to the extent that resources are available. Our infrastructure development objectives are clearly to have services to acceptable levels to all.

While we recognise the need for the extension of services through infrastructure development, we must also recognise the need for the maintenance of these infrastructures and to this end we provide in the capital program for replacement of some of our ageing vehicles and equipment. However, to provide for the capital is probably not that problematic, but to find the funds to maintain our infrastructure and other assets properly in the operating budget, without overburdening our consumers and ratepayers, is the big concern. It is common knowledge that the first place where funds are cut when other expenditure items increase to such an extent that a reduction in expenditure is necessary, is on maintenance votes. In this budget our maintenance expenditure equates to **2%** of operating expenditure, which is below the national treasury minimum of 5% and the pressure on this type of expenditure is increasing every year.

The BCRM has done all in their power to address service delivery requirements within our financial means and would like to thank our community for their inputs into the IDP process, the

Councillors for their continued hard work and support as well as the Municipal Manager and his staff for all their efforts.

4.2.2 OVERVIEW OF IDP

IDPs are required to be undertaken by all District and Local Municipalities. The IDP's set out the development vision for the municipality and allies this to dedicated projects to be undertaken over the life span of the IDP (5 years). IDPs are constructed to a five year plan but are required to be reviewed periodically.

The IDP process aims to on a continuing basis address service delivery needs by identifying new needs or areas of improvement. It is however, also a known fact that the needs identified by far exceeds the resources, and in particular financial resources, available. The Budget is informed by the IDP and the SDBIP is the implementing tool of the IDP and Budget.

The Tables SA4, SA5 and SA6 that reflects under Section 5, Operating and Capital Budget, point 5.1.11 clearly reflects the linkage between the IDP, SDBIP and Budget.

4.2.3 OVERVIEW OF BUDGET ASSUMPTIONS

Budgets are prepared in an environment of uncertainty, to prepare meaningful budgets assumptions need to be made about internal and external factors that could influence the budget.

In January 2010, Cabinet adopted 12 outcomes within which to frame public service delivery priorities and targets. Cabinet ministers have signed performance agreements linked to these outcomes. More detailed delivery agreements have since been developed to extend targets and responsibilities to national and provincial departments, agencies and municipalities.

Blue Crane Route Municipality is expected to take the 12 outcomes into consideration when reviewing the IDP and developing the annual budget for the 2014/2015 MTREF.

Hereunder follows the 12 outcomes:

- 1) Improve the quality of basic education
- 2) Improve health and life expectancy
- 3) All people in South Africa protected and feel safe
- 4) Decent employment through inclusive economic growth
- 5) A skilled and capable workforce to support inclusive growth
- 6) An efficient, competitive and responsive economic infrastructure network
- 7) Vibrant, equitable and sustainable rural communities and food security
- 8) Sustainable human settlements and improved quality of household life
- 9) A response and, accountable, effective and efficient local government system
- 10) Protection and enhancement of environmental assets and natural resources
- 11) A better South Africa and safer Africa and world
- 12) A development-orientated public service and inclusive citizenship

4.2.4 EXTERNAL FACTORS

There is no real growth in the municipal area, with the number of people, as well as the number of households, remaining fairly consistent.

Job opportunities are limited, and the National budget identified employment creation as a priority and suggests that municipal capital and maintenance projects should seek to assist in this manner, by implementing labour intensive projects within financial means.

4.2.5 GENERAL INFLATION OUTLOOK AND ITS IMPACT ON THE MUNICIPAL ACTIVITIES

General inflation (CPI) is estimated 6.2% for the 2014/2015 financial year. This of course lends to expectations that municipal tariffs should increase by more or less the same percentage, which is set at 6%.

Description	MTREF Budget 2014/2015	MTREF Budget 2015/2016	MTREF Budget 2016/2017
General Inflation	6.2%	5.9%	5.5%

Source: MFMA Circular 70 & 72

4.2.6 INTEREST RATES FOR BORROWING AND INVESTMENTS OF FUNDS

The following assumptions are built into the MTREF:

Description	MTREF Budget 2014/2015	MTREF Budget 2015/2016	MTREF Budget 2016/2017
Average Interest Rate – New Borrowing	10.7%	11.2%	11.7%
Average Interest Rate - Investments	6.5%	7%	7.5%

Source: 2014/2015 MTREF Budget

4.2.7 RATES, TARIFFS CHARGES AND TIMING FOR REVENUE COLLECTION

The Blue Crane Route Municipality bill the consumers on a monthly bases for services rendered as per norms and standards of revenue management.

The following table shows the assumed average percentage increases built into the MTREF for rates, tariffs and charges:

Description	MTREF Budget 2013/2014	MTREF Budget 2014/2015	MTREF Budget 2015/2016
Rates	6%	5.4%	5.4%
Water	6%	5.4%	5.4%
Sewerage	6%	5.4%	5.4%
Sanitation	6%	5.4%	5.4%
Refuse	6%	5.4%	5.4%
Electricity – monthly consumption tariff	7.39%	5.4%	5.4%

Source: 2014/2015 MTREF Budget

In general terms, the timing rates, tariffs and charges are based on the following:

Description	Comments
Rates and annual charges	Annual and monthly billing July. Interim billing throughout the year as required. Revenue foregone recognized in July
Consumption	Monthly billing. Ongoing prepayment meters. Seasonal fluctuations
Service Charges	Generally steady state throughout the financial year with seasonal fluctuations

4.2.8 COLLECTION RATES FOR EACH REVENUE SOURCE AND CUSTOMER TYPE

Furthermore, its policy on indigent support and social rebates means that many households who would normally struggle to pay their accounts receive free or subsidised basic services thereby keeping them free of the burden of municipal debt.

Nevertheless, there will always be an element of the total amount billed that will remain uncollected. The municipality is the same as any other business in this regard. Adequate provision has to be made in the budget for any bad debts based on assumptions on collection rates.

The ability of the municipality to deliver quality services is dependent on its staff and the ability to provide services to the Blue Crane Route population at a viable level. Failure by the municipality to invest in its staff to ensure that the capacity and skills exist to meet the challenges being faces by Blue Crane Route will ultimately mean a failure to deliver services.

The average collection rate from July 2013 to February 2014 for all municipal debtors accounts including rates are currently **86.07%**. When excluding rates, the average collection rate for the same period increases to **89.14%**

4.2.9 TRENDS IN POPULATION AND HOUSEHOLDS (GROWTH, DECLINE, STABLE)

When the 2011 census were held by South African Statistics it was counted that the total population within the Blue Crane Route Municipal (BCRM) area (11, 068.56km²) are 36, 002. Within the Cacadu District Municipal (CDM) area the BCRM accounts for 8% of the CDM and 0.5% of the Eastern Province population. Geographically BCRM makes up 19% of the CDM landmass with a population density of 3.25 people per km².

There are a total of **9,761** households within the BCRM area.

4.2.10 CHANGING DEMAND CHARACTERISTICS (DEMAND FOR SERVICES)

Blue Crane Route has to respond to changing demand for services that can occur through a number of reasons such as population migration, changing demographic profile, technologic changes, and major infrastructure development.

The introduction of wireless technology in Blue Crane Route has made the internet available to many more people making on-line interaction with the municipality possible, including the payment of municipal accounts. The selling of prepaid electricity by all outside vendors assisted

consumers to purchase prepaid electricity after hours and over weekends by means of the Service Provider, Itron's Third Party Vendor System.

The growth of formal housing in prior years has impacted on the demand for services and challenges the municipality in how service are delivered.

4.2.11 TRENDS IN DEMAND FOR FREE (SUBSIDIZED) BASIC SERVICES

Blue Crane Route's criteria for supporting free or subsidised basic services are set out in the Indigent Support Policy. The Government allocates revenue via the Division of Revenue Act (DoRA) in the form of the Equitable Share Grant with the primary aim of assisting municipalities with the costs of providing free or subsidised basic services.

INDIGENT STEERING COMMITTEE

The Indigent Steering Committee (ISC) was establish in 2012, but remained dormant since the approval of the Indigent register in June 2012. The Eastern Cape Department of Local Government & Traditional Affairs (ECLGTA) convened a workshop in February 2014 with the Indigent Steering Committee and presented the draft ISC Terms of Reference and Indigent Policy. The Finance Committee has since approved the Terms of Reference and ISC will now convene on a monthly basis with the development of an updated Indigent Register as its first task due to commence in April 2014.

INDIGENT REGISTER AND FREE BASIC SERVICES EXPENDITURE / BUDGET

There are currently 4,220 indigent households out of 9,761 households. This is a 43% of households benefitting from the Indigent Policy assistance. The following table depicts the budgeted funding for the 2014/15 financial year to fund the Indigent beneficiaries:

BUDGET FOR INDIGENT ASSISTANCE 2013/14 AND 2014/15 FINANCIAL YEARS

VOTE DESCRIPTION	ACTUAL EXPENSE 2012/13	ADJUSTED BUDGET 2013/14	DRAFT BUDGET 2014/15
INDIGENTS – FREE BASIC REFUSE	3 125 506	3 680 000	3 886 080
INDIGENTS – FREE BASIC WATER	2 770 903	3 200 000	3 379 200
INDIGENTS – FREE BASIC ELECTRICITY	1 483 469	1 740 000	1 837 440
INDIGENTS – FREE BASIC SEWERAGE	2 059 317	2 400 000	2 534 400
TOTAL	9 439 195	11 020 000	11 637 120

FREE BASIC SERVICES UNIT

The municipality does not have a fully-fledged Free Basic Services Unit that focuses solely on Indigent support. This is largely attributable to the small size of the municipality and the amount of work required maintaining the Free Basic Services function. We however have staff in place that exercise the various functions of free basic services as part of their daily tasks and this is executed by various levels of staff to ensure segregation of duties. We have Credit Negotiators that assist in filling and collecting the Indigent application forms; Senior Debtors Clerks perform the checking and verification; and the Accountant: Revenue that assesses the applications for the CFO's recommendation to the Indigent Committee for approval and /or non-approval.

4.2.12 IMPACT OF NATIONAL, PROVINCIAL AND LOCAL POLICIES

Blue Crane Route sees itself as working in partnership with national, provincial and district municipality spheres of Government in meeting the priority services needs of the people.

4.2.13 REVENUE ENHANCEMENT STRATEGY

The municipality is in the process of drafting a Revenue Enhancement Strategy in conjunction with a service provider that successfully secured the funding from ECLGTA. The draft revenue enhancement strategy was delivered in January 2014 and refinement and consultation is planned for April 2014 in order to be approved by May 2014. Implementation will then be immediate and also factored into the 2014/15 MTEF Budget cycle. Targets will be derived once the strategy is approved and included in the IDP, Budget and SDBIP.

4.2.14 ANNUAL FINANCIAL STATEMENTS PROCESS AND PREPARATION PLAN

Every year an Annual Financial Statements (AFS) process and preparation plan is prepared which sets out the roles and responsibilities of the various staff and service providers in order to ensure timeous submission of AFS to the Auditor General. In addition to this, an Audit Action plan is prepared every year after the audit report is received and this action plan sets out the planned mechanisms that Management plans to implement to address all the audit findings of the previous year. Both these documents have been prepared and are now in implementation phase. The bulk of the AFS process plan occurs from June to September each year, whilst the Audit Action plan is implemented throughout the year and is amended usually in December and approved in January.

4.2.15 SALARY BUDGET OF THE MUNICIPALITY

National Treasury guidelines require municipalities to contain their staff expenditure under 35% of their Operational Budget. Blue Crane Route Municipality has achieved this target throughout the years, but it must be noted that there are critical vacancies that have never been budgeted for and it exposes and / or restricts progress of the municipality in certain aspects. Below is a table indicating past trends and future projections of the Salary Bill percentage:

Description	Actual 2012/2013	Adjusted Budget 2013/2014	Draft Budget 2014/2015
Operational Budget	160,614,000	195,524,000	198,210,000
Salary Bill	48,736,000	55,866,000	60,435,000
Percentage	30.34%	28.57%	30.49%

4.2.16 ABILITY OF THE MUNICIPALITY TO SPEND AND DELIVER ON THE PROGRAMMES

The following table shows the trend of spending against the budget for the capital programme since 2010/2011:

Description	MTREF Budget 2010/2011	MTREF Budget 2011/2012	MTREF Budget 2012/2013
Capital Budget (adjusted)	26,660,940	24,238,000	37,331,970
Actual spending	20,081,010	19,707,213	26,876,185
Percentage	75.5%	81.3%	72%

Source: 2014/2015 MTREF Budget

Spending is monitored closely throughout the year and the Managers must ensure that capital schemes are supported by robust planning. The municipality is continually reviewing its capital planning processes.

4.2.17 FUNDING COMPLIANCE

The budget is cash funded which is first indicator of a credible budget.

Funding levels are unacceptable at just below two (2) months cash – resources, which is an indication of these economic times, and is insufficient to cover all requirements of the funding and reserves policy.

There is an increase in tariffs above CPI forecast, mainly as a result of the effect of the electricity increases. Other increases set at about 6%, is in order not to reduce maintenance programs, but even these programs are affected negatively due to the increase in bulk charges and the cap on an increase in electricity tariffs set by NERSA.

4.2.18 OVERVIEW OF BUDGET FUNDING

Sections 18 and 19 of the MFMA include the following requirements:

- An annual budget may only be funded from:
 - realistically anticipated revenues to be collected;
 - cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and
 - borrowed funds, but only for the capital budget referred to in section 17(2).

Revenue projections must be realistic taking into account:

- projected revenue for the current year based on collection levels to date; and

- actual revenue collected in previous financial years.

A municipality may spend money on a capital project only if the sources of funding have been considered, are available and have not been committed for other purposes.

Achievement of this requirement in totality effectively means that a Council has “balanced” its budget by ensuring that budgeted outflows will be offset by a combination of planned inflows.

4.2.19 A CREDIBLE BUDGET

Amongst other things, a credible budget is a budget that:

- Funds only activities consistent with the revised IDP and vice versa ensuring the IDP is realistically achievable given the financial constraints of the municipality;
- Is achievable in terms of agreed service delivery and performance targets;
- Contains revenue and expenditure projections that are consistent with current and on past performance and supported by documented evidence of future assumptions;
- Does not jeopardise the financial viability of the municipality (ensures that the financial position is maintained with generally accepted prudential limits and that obligations can be met in the short, medium and long term; and
- Provides managers with appropriate levels of delegation sufficient to meet their financial management responsibilities.

A budget sets out certain service delivery levels and associated financial implications. Therefore the community should realistically expect to receive these promised service delivery levels and understand the associated financial implications. Major under spending due to under collection of revenue or poor planning is a clear example of a budget that is not credible and unrealistic.

Furthermore, budgets tabled for consultation at least 90 days prior to the start of the budget year should already be credible and fairly close to the final approved budget.

4.2.20 LONG TERM FINANCIAL PLANNING

The municipality’s financial position is sound and this budget further ensures that it stays sound. Long term borrowing is limited and the cash position is strong.

The municipality plans to continue exercising strict financial management and ensuring cash flow meets the requirements.

Due to the fact that the majority of capital expenditure from own sources be funded by way of own cash, the municipality must ensure that the principle of “the user pays for the use of assets” be applied in its long term financial strategy. It is for this reason that the municipality provided for cash-backed reserves, which consist of Employee Benefits provisions, the cost of replacing the existing valuation roll and contributions to the Capital Replacement Reserve with the idea being a contribution at least equal to the depreciation charges on those assets being used. The latter is the most difficult to achieve now that we have re-valued our assets to current replacement cost.

4.2.21 SOURCES OF FUNDING

Interest earned from investments is applied to the income and expenditure account to help fund the operating budget. The following tables summarises the budgeted interest over the MTREF:

Description	MTREF Budget 2013/2014	MTREF Budget 2014/2015	MTREF Budget 2015/2016
Loan Interest paid	9.7%	10.7%	11.2%
Investment Interest received	5.5%	6.5%	7%

Source: 2014/2015 MTREF Budget

4.2.22 SALES OF ASSETS

The municipality is in the process of reviewing its land and asset holdings as part of its long term financial strategy. Major asset sales are therefore, excluded from the MTREF at this stage.

4.2.23 BORROWING

The MFMA prescribes the conditions within municipalities may borrow through either short or long term debt

The Act stipulates that short term debt can be used to meet immediate cash flow needs but that it must be fully repaid within the financial year in which it was incurred. Long term debt can only be incurred for capital expenditure or to re-finance existing long term debt. Proposals to incur long term debt must go through a public consultation process.

The cash flow projections will determine the likely need to borrow short term. It is not projected that any short term borrowing will be required over the MTREF period.

The ratios as set out in the Cash and Management Investment Policy are used to establish prudential levels of borrowing in terms of affordability and the overall indebtedness of the municipality.

Based on the measures of affordability, the municipality has made no budgeted provisions for new borrowing for capital expenditure over the MTREF.

4.2.24 EXPENDITURE ON ALLOCATIONS AND GRANT PROGRAMMES

National and Provincial Government provide funding to assist the municipality to achieve its developmental and service delivery goals. In addition, the Constitution requires all spheres of government to assist each other to achieve goals set at National or Provincial level. Local economic development and employment opportunities are high on the agenda of the national government, and the municipality, again within financial means, as well as revenue from government grants, aims to assist as far as possible in achieving these goals.

4.2.25 ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY

The municipality makes annual grants to the Blue Crane Development Agency (Entity) and the Local Tourism Office.

4.3 FINANCIAL PRINCIPLES AND POLICIES

The Blue Crane Route Municipality have implemented the prescribed statutory policies and they are reviewed on an annually basis. The Financial Policies and By-Laws of the Blue Crane Route Municipality are to provide sound, secure and fraud free management of financial services.

The detailed adopted Policies and By-Laws are not included in this budget documentation. However they are available at the Council offices, for viewing as well as on the website. See underneath the Table reflecting a short description of each policy and By-Law that was adopted by Council:

4.3.1 TABLE – LIST OF ADOPTED POLICIES

	Policy Name	Short Description of Policy
1	Asset Management Policy	The Asset Management Policy provides direction for the management, accounting and control of Property, Plant & Equipment (Fixed Assets) owned or controlled by municipality.
2	Budget Policy	The aim of the policy is to set out the budgeting principles, which the municipality will follow in preparing each annual budget, as well as the responsibilities of the Chief Financial Officer in compiling such budget.
3	Cash Management and Payment of Creditors Policy	The objective of this policy is to ensure that the Municipality has a sound cash management and payment system.
4	Cash Receipt and Banking Policy	The objectives of this policy are – to ensure that the Municipality's bank account(s) are effectively managed and accounted for; and to ensure that receipts of revenue are adequately safeguarded and accounted for.
5	Cost Estimation Policy	The Municipality needs to have an appropriate methodology of cost estimation in order to ensure that – The cost of producing and supplying goods and services to consumers is accurately determined in order to ensure that consumer charges and tariffs reflect the cost involved in their supply; The Municipality is able to quantify savings and /or losses that it may bring about; Expenditure budgets are realistic; When it executes work for third parties the cost incurred is recovered; and; The cost of inter-departmental service provision is accurately determined and charged out.

6	Credit Control and Debt Collection ex Revenue By-Law	The purpose is to ensure that credit control and debt collection forms an integral part of the financial system of the local authority, and to ensure that the same procedure be followed for each individual case.
7	Financial Framework Policy	The financial framework policy of the Blue Crane Route Municipality is to provide a sound financial base and the resources necessary to sustain a satisfactory level of municipal services to the citizens within the Blue Crane Route Municipal area.
8	Investment Policy	This policy deals with the investment of the Municipality's money not needed for the immediate purposes of the Municipality.
9	Rates Policy	To determine or provide criteria for the determination of categories of properties for the purpose of levying different rates and categories of properties, for the purpose of granting exemptions, rebates and reductions
10	Rates By-Law	Section 229(1) of the Constitution authorizes a municipality to impose rates on property and surcharges on fees for services provided by or on behalf of the municipality. In terms of section 3 of the Act, a municipal council must adopt a policy consistent with the Act on the levying of rates on rateable property in the municipality. In terms of section 6(1) of the Act, a municipality must adopt by-laws to give effect to the implementation of its rates policy. In terms of section 6(2) of the Act, by-laws adopted in terms of section 6(1) thereof may differentiate between different categories of properties as well as different categories of owners of properties liable for the payment of rates.
11	Risk Management Policy	The objectives of this policy are – To provide a framework for the effective identification, measurement, avoidance/management, and reporting, of the Municipality's risks; To define and assign risk management roles and responsibilities within the Municipality; and; To define a reporting framework which ensures regular communication of risk management information to the Council, portfolio committees, the audit committee and senior management and officials engaged in risk management activities.
12	Roles and Responsibilities and the Delegation of Powers Policy	In this policy, the specific roles and areas of responsibility of each political office-bearer, political structure and the Municipal Manager are defined to ensure: good relationships between these bodies and persons; appropriate lines of accountability and reporting for these bodies and persons; the minimisation and prevention of unnecessary overlapping of responsibilities and duplication of powers between these bodies and persons; that disputes that may arise between these bodies and persons are resolved amicably and timely; and dynamic and productive interaction between these bodies and persons,

		other Councillors and officials of the Municipality.
13	Standing Rules and Order	
14	Tariff ex Revenue By-Law	The object of this by-law is to ensure that – Tariffs are determined in order to facilitate and ensure sustainable and affordable services.
15	Rewards, Gifts and Favours Policy	To set out in clear terms the rules that apply to offers of a reward, gift or favours from persons having or proposing to have a contractual relationship with the municipality and the responsibilities of councillors and staff members in this regard. The Code of Conduct and Rewards, Gifts and Favours Policy is aimed at ensuring that councillors and staff members conduct themselves so that their good faith and integrity should not be open to question.
16	Recruitment Policy	To apply consistent, transparent, procedurally and substantively fair recruitment and selection procedures; To give effect to fair recruitment and selection processes; To ensure that the recruitment process complies with the relevant legislations; To provide an effective system to be used by line management and Corporate Services Department in filling vacant positions; To provide guidelines for the systematic process through which line managers can request the approval and filling of vacancies; To ensure that all candidates are selected objectively and on merit; To attract and retain the interests of suitable candidates and to project a positive image of the municipality to outsiders.
17	Supply Chain Management Policy	The primary goal of BCRM’s supply chain management system is – To ensure that the Municipality obtains the best value for money possible when it contracts for the supply of goods and services and the execution of work. The secondary objectives of the supply chain management system are – To promote local economic development by giving preference to local service providers and contractors; To promote Black economic empowerment by facilitating access by historically disadvantaged individuals to acquisitions and disposals; To combat corruption in procurement; To promote accountability for procurement decisions and contract management.
18	Fraud Prevention Policy	The objective of this policy is to facilitate the development of controls which will aid in the detection and prevention of fraud against BCRM. It is the intent of BCRM to promote consistent organizational behavior by providing guidelines and assigning responsibility for the development of controls and conduct of investigations.
19	Indigent Policy	The objective of this policy will be to ensure the following: The provision of basic services to the community in a sustainable manner within the financial and administrative

		capacity of the Council; The financial sustainability of free basic services through the determination of appropriate tariffs that contribute to such sustainability through cross subsidization; Establishment of a framework for the identification and management of indigent households including a socio-economic analysis where necessary and an exit strategy; The provision of procedures and guidelines for the subsidization of basic charges and the provision of free basic energy to indigent households; and Co-operative governance with other spheres of government.
20	Accounting Policies	The basic objective of Accounting Standards is to remove variations in the treatment of several accounting aspects and to bring about standardization in the presentation. They intent to harmonize the diverse accounting policies followed in the preparation of financial statements by different reporting enterprises so as to facilitate intra-firm and inter-firm comparison.
21	Capital Infrastructure Investment Policy	This policy sets out the process and methodology for capital infrastructure investment regardless of the funding source.
22	Fruitless Wasteful Expenditure Policy	To prevent and detect unauthorised, irregular, fruitless and wasteful expenditure, and to see to that this policy implement effective, efficient and transparent processes of financial and risk management.
23	Borrowing Policy	The purpose of this policy is to ensure that borrowing forms part of the financial management procedures of the Municipality and to ensure that prudent borrowing procedures are consistently applied in a prudent and accountable manner.
24	Funding and Reserve Policy	This policy sets out the assumptions and methodology for estimating the following:- (a) Projected billings, collections and all direct revenues; (b) The provision for revenue that will not be collected; (c) The funds the Municipality can expect to receive from investments; (d) The proceeds the Municipality can expect to receive from the transfer or disposal (sale) of both its fixed and movable assets; (e) The Municipality's borrowing requirements; and (f) The funds to be set aside in reserves.
25	Long-Term Financial Planning Policy	The Policy on Long-Term Financial Planning is aimed at ensuring that the Municipality has sufficient and cost-effective funding in order to achieve its long term objectives through the implementation of the medium term operating and capital budgets.
26	EPWP Policy	The objective of this Policy document is to provide a framework within which the Municipality and its departments implement the EPWP. This policy document

is aimed at providing an enabling environment for the Municipality to increase the implementation of EPWP, through the re-orientation of its line budgets and channeling a substantial amount of the overall annual budget allocation and human resources towards the implementation of EPWP.

Source: Adopted Policies - Council Resolutions

The Blue Crane Route Municipality has adopted and is implementing the EPWP Policy which seeks to promote initiatives focusing on job creation for the local community.

The Blue Crane Route Municipality does not have a financial recovery plan in place as the municipality is not experiencing a cash flow problem based on the municipality running a sound financial system.

The Blue Crane Route Municipality has a GRAP compliant Asset Register in place, but has still received qualifications in the Audit Report based on challenges with full GRAP implementation. We are in the process to address the problems that was experienced with the Fixed Asset Register by implementing Pastel software from SAGE Evolution. and also addressing the audit findings on Valuations and existence of Assets.

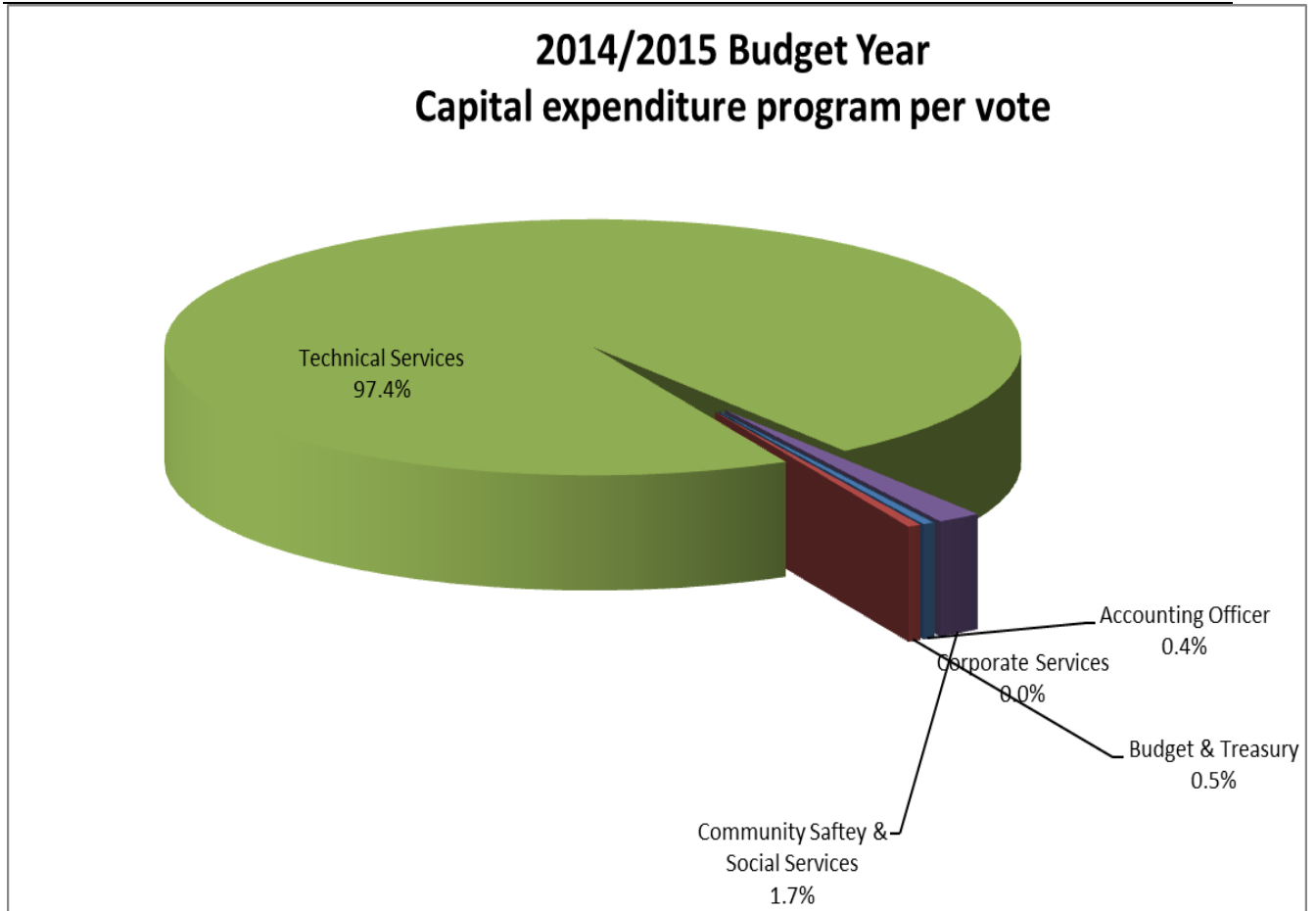
4.4 OPERATING AND CAPITAL BUDGETS

The projected forecasted expenditure and revenue for the three (3) relevant years are reflected in the following Tables A1 to A10, as well as Tables SA4 to SA6, that reflects that the consolidated IDP strategic objectives, and budget for revenue, operating and capital expenditure, are linked with the Consolidated MTREF Budget.

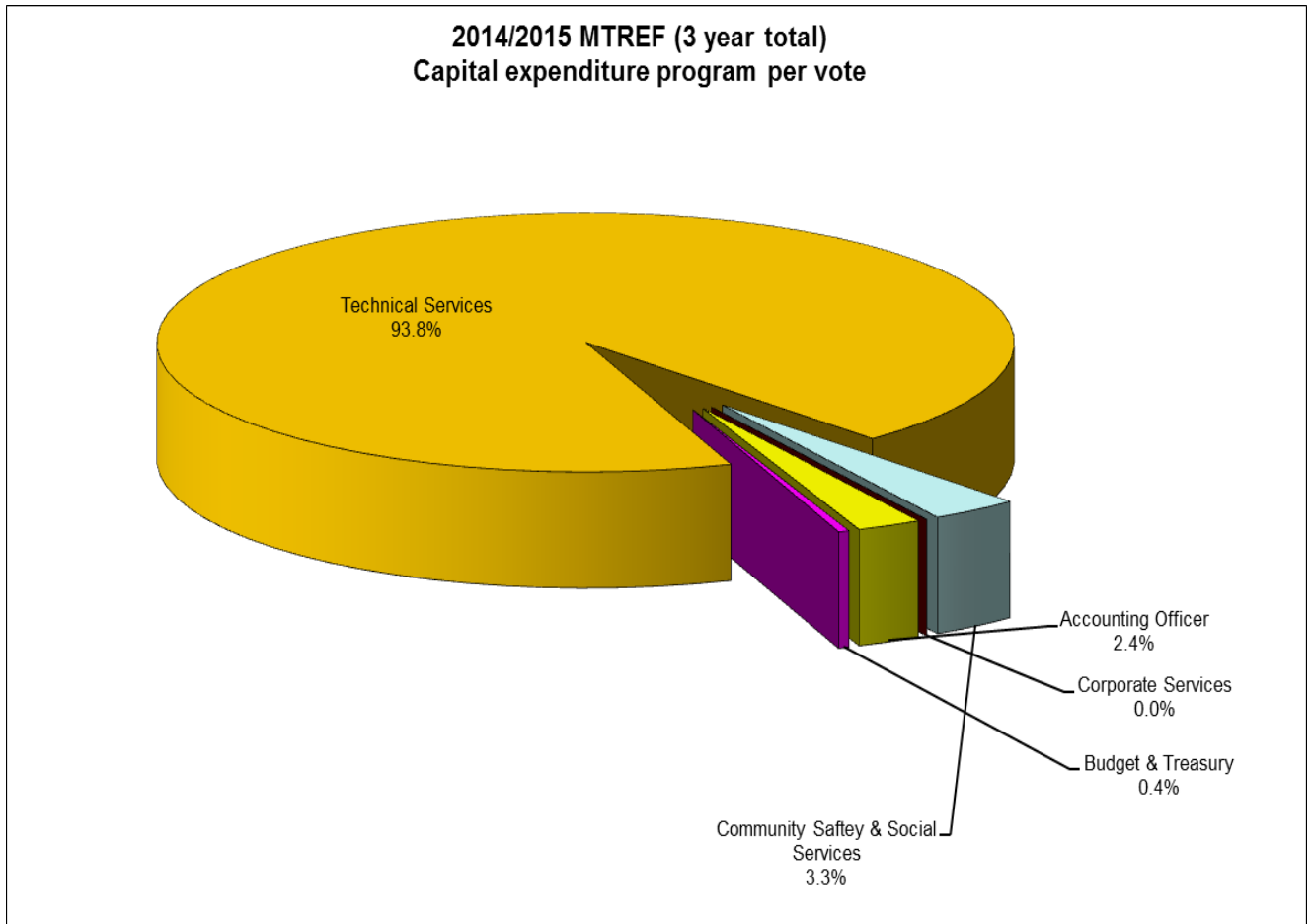
Table SA36 reflects the consolidated detailed capital budget.

The following charts be noted:

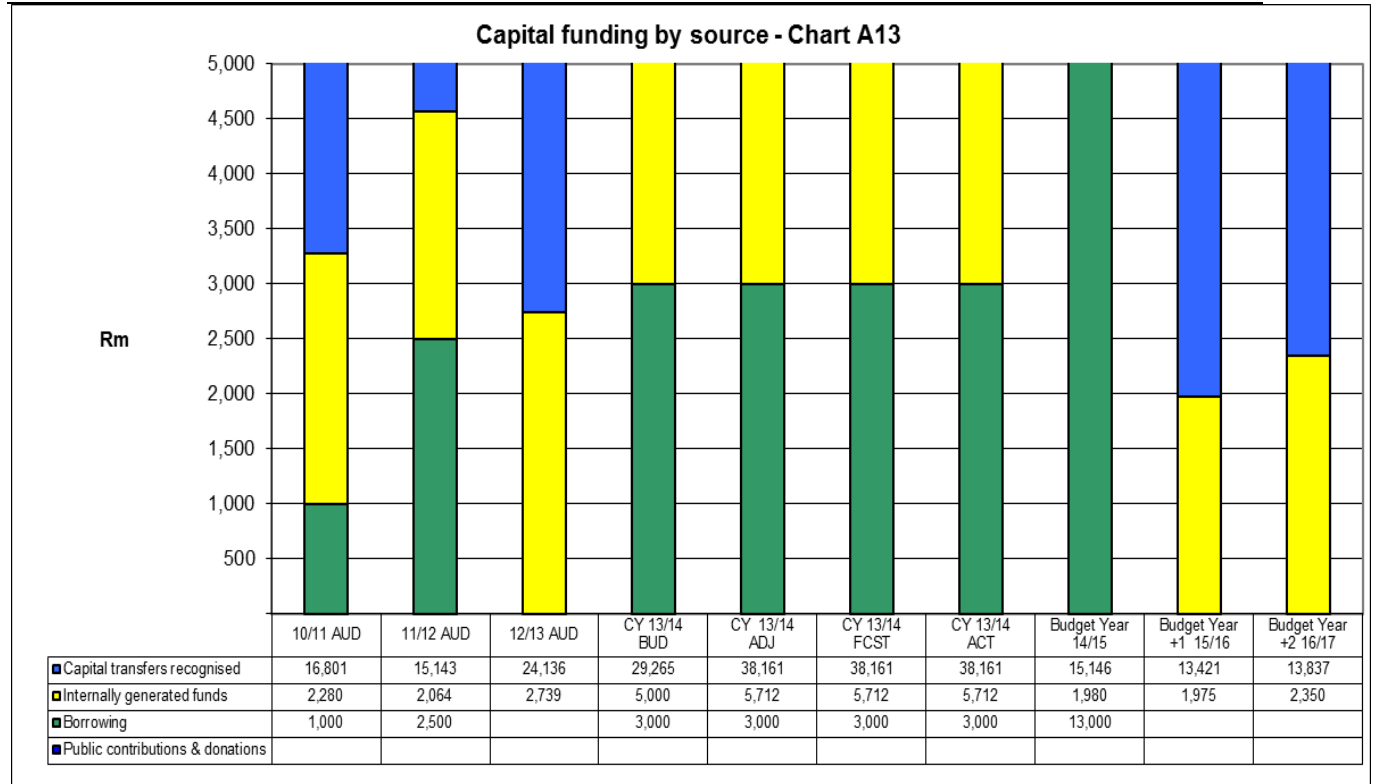
- 2014/2015 Budget Year Capital Expenditure Program per Vote
- 2014/2015 – 2015/2016 MTREF (3year total) Capital expenditure program per vote
- 2014/2015 – 2016/2017 Capital funding by source



Source: Draft 2014/2015 MTREF Budget



Source: Draft 2014/2015 MTREF Budget



Source: Draft 2014/2015 MTREF Budget

4.4.1 TABLE A1 – BUDGET SUMMARY:

EC102 Blue Crane Route - Table A1 Budget Summary

Description	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousands										
Financial Performance										
Property rates	5,947	7,557	8,117	8,594	8,564	8,564	8,564	9,080	9,571	10,087
Service charges	61,592	68,634	77,431	93,898	100,137	100,137	100,137	106,447	112,195	118,254
Investment revenue	1,645	1,419	1,619	1,200	1,400	1,400	1,400	1,478	1,400	1,400
Transfers recognised - operational	40,046	44,709	51,172	49,087	51,237	51,237	51,237	50,061	51,031	50,760
Other own revenue	10,233	7,262	12,677	6,105	10,318	10,318	10,318	6,503	6,135	6,460
Total Revenue (excluding capital transfers and contributions)	119,463	129,580	151,016	158,884	171,655	171,655	171,655	173,570	180,331	186,961
Employee costs	42,887	46,973	48,736	55,693	55,866	55,866	55,866	60,435	63,338	66,760
Remuneration of councillors	2,191	2,452	2,739	2,932	3,002	3,002	3,002	3,215	3,389	3,572
Depreciation & asset impairment	27,402	14,456	16,136	20,477	20,477	20,477	20,477	21,624	22,792	24,023
Finance charges	2,399	1,975	2,194	285	1,205	1,205	1,205	1,281	1,202	1,117
Materials and bulk purchases	32,802	41,377	49,121	56,063	58,872	58,872	58,872	59,920	64,156	66,566
Transfers and grants	813	3,196	3,404	2,325	5,100	5,100	5,100	2,711	369	389
Other expenditure	30,626	34,922	38,284	42,452	51,002	51,002	51,002	49,024	50,956	51,704
Total Expenditure	139,121	145,353	160,614	180,227	195,524	195,524	195,524	198,210	206,201	214,129
Surplus/(Deficit)	(19,658)	(15,773)	(9,598)	(21,343)	(23,869)	(23,869)	(23,869)	(24,641)	(25,870)	(27,169)
Transfers recognised - capital	16,801	15,143	26,808	26,265	35,161	35,161	35,161	15,146	13,421	13,837
Contributions recognised - capital & contributed a	-	-	-	3,000	3,000	3,000	3,000	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(2,857)	(631)	17,210	7,922	14,293	14,293	14,293	(9,494)	(12,449)	(13,331)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(2,857)	(631)	17,210	7,922	14,293	14,293	14,293	(9,494)	(12,449)	(13,331)
Capital expenditure & funds sources										
Capital expenditure	20,081	19,707	26,875	37,265	46,873	46,873	46,873	30,126	15,396	16,187
Transfers recognised - capital	16,801	15,143	24,136	29,265	38,161	38,161	38,161	15,146	13,421	13,837
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	1,000	2,500	-	3,000	3,000	3,000	3,000	13,000	-	-
Internally generated funds	2,280	2,064	2,739	5,000	5,712	5,712	5,712	1,980	1,975	2,350
Total sources of capital funds	20,081	19,707	26,875	37,265	46,873	46,873	46,873	30,126	15,396	16,187
Financial position										
Total current assets	37,391	34,495	43,213	31,367	36,840	36,840	36,840	29,603	31,162	31,802
Total non current assets	356,502	370,073	384,624	373,487	395,652	395,652	395,652	409,154	382,969	368,389
Total current liabilities	21,173	20,784	28,583	24,764	34,414	34,414	34,414	18,800	20,300	21,050
Total non current liabilities	16,740	35,210	33,470	20,200	18,000	18,000	18,000	49,373	35,696	34,336
Community wealth/Equity	355,980	348,575	365,785	359,890	380,078	380,078	380,078	370,584	358,135	344,804
Cash flows										
Net cash from (used) operating	21,336	13,914	34,945	36,001	31,388	31,388	31,388	17,707	13,635	14,065
Net cash from (used) investing	(18,035)	(18,610)	(26,839)	(34,265)	(43,873)	(43,873)	(43,873)	(30,023)	(15,288)	(16,073)
Net cash from (used) financing	(308)	1,438	(1,469)	2,500	2,500	2,500	2,500	12,250	(1,000)	(1,500)
Cash/cash equivalents at the year end	23,106	19,847	26,485	33,802	16,500	16,500	16,500	16,434	13,780	10,272
Cash backing/surplus reconciliation										
Cash and investments available	23,106	19,848	26,485	16,500	16,500	16,500	16,500	11,000	11,500	11,500
Application of cash and investments	(23,398)	(12,862)	(5,170)	(15,674)	(25,848)	(25,848)	(25,848)	(25,764)	(26,873)	(28,671)
Balance - surplus (shortfall)	46,504	32,710	31,655	32,174	42,349	42,349	42,349	36,764	38,373	40,171
Asset management										
Asset register summary (WDV)	356,479	370,052	384,606	373,487	395,652	395,652	396,139	396,139	382,957	368,380
Depreciation & asset impairment	27,402	14,456	16,136	20,477	20,477	20,477	21,624	21,624	22,792	24,023
Renewal of Existing Assets	-	-	-	2,270	459	459	459	1,350	700	4,059
Repairs and Maintenance	2,905	3,042	3,147	3,877	3,737	3,737	3,727	3,727	3,929	4,142
Free services										
Cost of Free Basic Services provided	447	474	5,902	13,816	13,816	13,816	12,842	12,842	13,535	14,266
Revenue cost of free services provided	7,765	9,784	13,215	10,071	10,071	10,071	12,288	12,288	12,951	13,651
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	0	0	0	0
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

Source: Draft 2014/2015 MTREF Budget

4.4.2 TABLE A2 – BUDGET FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE BY “STANDARD CLASSIFICATION”):

EC102 Blue Crane Route - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Revenue - Standard	1									
Governance and administration		21,394	22,858	32,246	21,235	23,822	23,822	23,198	24,205	25,141
Executive and council		1,501	1,676	6,971	6,531	7,029	7,029	6,855	7,198	7,338
Budget and treasury office		18,518	18,151	17,457	14,696	15,406	15,406	15,974	16,625	17,407
Corporate services		1,375	3,031	7,818	8	1,387	1,387	369	382	396
Community and public safety		4,873	3,487	6,436	8,215	12,677	12,677	5,137	5,295	5,463
Community and social services		264	690	3,699	2,536	6,661	6,661	2,520	2,538	2,556
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		2,053	1,833	1,922	4,844	5,181	5,181	1,734	1,828	1,926
Housing		-	-	-	-	-	-	-	-	-
Health		2,556	964	815	835	836	836	882	930	980
Economic and environmental services		17,218	16,297	18,484	21,364	27,275	27,275	17,918	14,154	14,596
Planning and development		196	279	4,281	573	627	627	952	-	-
Road transport		17,022	16,018	14,203	20,792	26,648	26,648	16,966	14,154	14,596
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		92,779	102,080	120,658	137,334	146,043	146,043	142,463	150,099	155,598
Electricity		58,023	63,374	72,558	81,084	86,867	86,867	91,566	96,493	100,924
Water		15,108	17,080	18,347	21,618	22,269	22,269	20,698	21,802	22,372
Waste water management		9,453	10,621	18,245	19,305	21,505	21,505	14,096	14,844	15,084
Waste management		10,194	11,005	11,507	15,327	15,402	15,402	16,103	16,960	17,218
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	136,264	144,722	177,824	188,149	209,817	209,817	188,716	193,753	200,798
Expenditure - Standard										
Governance and administration		36,279	38,652	44,839	44,598	48,204	48,204	45,897	48,368	50,849
Executive and council		7,682	8,771	9,715	9,712	9,967	9,967	9,920	10,455	11,020
Budget and treasury office		17,337	18,628	20,384	22,641	23,861	23,861	22,791	24,019	25,184
Corporate services		11,260	11,253	14,741	12,246	14,375	14,375	13,185	13,894	14,645
Community and public safety		8,403	7,561	9,062	11,676	11,399	11,399	14,313	15,095	15,903
Community and social services		4,145	4,459	5,190	6,977	6,473	6,473	9,245	9,742	10,268
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		1,949	2,293	3,131	3,772	4,011	4,011	4,070	4,296	4,528
Housing		-	-	-	-	-	-	-	-	-
Health		2,309	809	741	927	915	915	998	1,058	1,107
Economic and environmental services		19,562	16,914	19,333	21,563	24,289	24,289	23,092	20,825	20,084
Planning and development		1,324	4,807	4,827	3,981	6,874	6,874	5,112	1,349	1,422
Road transport		18,237	12,107	14,506	17,582	17,415	17,415	17,981	19,476	18,662
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		74,878	82,226	87,380	102,390	111,632	111,632	114,908	121,914	127,293
Electricity		45,272	53,042	59,418	65,897	72,344	72,344	75,453	80,489	83,763
Water		12,018	11,462	10,368	15,196	15,750	15,750	15,715	16,558	17,452
Waste water management		5,904	5,120	4,840	7,475	7,725	7,725	8,344	8,786	9,260
Waste management		11,684	12,602	12,754	13,823	15,813	15,813	15,397	16,081	16,818
Other	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	139,121	145,353	160,614	180,227	195,524	195,524	198,210	206,201	214,129
Surplus/(Deficit) for the year		(2,857)	(631)	17,210	7,922	14,293	14,293	(9,494)	(12,449)	(13,331)

Source: Draft 2014/2015 MTREF Budget

4.4.3 TABLE A3 – BUDGETED FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE BY MUNICIPAL VOTE):

EC102 Blue Crane Route - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Revenue by Vote	1									
Vote 1 - MAYORAL EXECUTIVE		-	-	-	-	2	2	-	-	-
Vote 2 - MUNICIPAL COUNCIL		759	795	6,211	6,414	6,814	6,814	6,855	7,198	7,338
Vote 3 - ACCOUNTING OFFICER		938	1,159	5,041	690	840	840	952	-	-
Vote 4 - BUDGET & TREASURY		18,518	18,151	17,457	14,696	15,406	15,406	15,974	16,625	17,407
Vote 5 - TECHNICAL SERVICES		100,393	109,364	130,606	142,799	158,466	158,466	143,678	147,658	153,355
Vote 6 - COMMUNITY SAFETY & SOCIAL SERVICE		15,067	14,491	17,943	23,542	28,079	28,079	21,240	22,256	22,681
Vote 7 - CORPORATE SERVICES		589	762	565	8	210	210	16	17	18
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	136,264	144,722	177,824	188,149	209,817	209,817	188,716	193,753	200,798
Expenditure by Vote to be appropriated	1									
Vote 1 - MAYORAL EXECUTIVE		232	242	258	284	280	280	304	320	338
Vote 2 - MUNICIPAL COUNCIL		3,465	3,796	4,489	4,678	5,126	5,126	5,279	5,564	5,864
Vote 3 - ACCOUNTING OFFICER		5,309	9,540	9,795	8,731	11,433	11,433	9,449	5,920	6,240
Vote 4 - BUDGET & TREASURY		17,337	18,628	20,384	22,640	23,863	23,863	22,791	24,019	25,184
Vote 5 - TECHNICAL SERVICES		86,140	87,209	97,252	112,004	121,350	121,350	124,468	132,660	136,885
Vote 6 - COMMUNITY SAFETY & SOCIAL SERVICE		20,086	20,163	21,816	25,499	27,212	27,212	29,710	31,175	32,721
Vote 7 - CORPORATE SERVICES		6,552	5,775	6,620	6,391	6,259	6,259	6,209	6,544	6,897
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	139,121	145,353	160,614	180,227	195,524	195,524	198,210	206,201	214,129
Surplus/(Deficit) for the year	2	(2,857)	(631)	17,210	7,922	14,293	14,293	(9,494)	(12,449)	(13,331)

Source: Draft 2014/2015 MTREF Budget

4.4.4 TABLE A4 – BUDGETED FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE):

EC102 Blue Crane Route - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Revenue By Source											
Property rates	2	5,947	7,557	8,117	8,594	8,564	8,564	8,564	9,080	9,571	10,087
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	45,881	52,630	61,634	69,169	75,116	75,116	75,116	80,025	84,347	88,901
Service charges - water revenue	2	7,861	7,893	7,969	11,183	11,400	11,400	11,400	12,038	12,688	13,374
Service charges - sanitation revenue	2	3,328	3,482	3,377	5,771	5,771	5,771	5,771	6,094	6,423	6,770
Service charges - refuse revenue	2	4,237	4,422	4,229	7,775	7,850	7,850	7,850	8,290	8,737	9,209
Service charges - other		284	206	223		-	-	-			
Rental of facilities and equipment		84	158	86	342	371	371	371	54	57	61
Interest earned - external investments		1,645	1,419	1,619	1,200	1,400	1,400	1,400	1,478	1,400	1,400
Interest earned - outstanding debtors		2,480	2,075	2,196	2,110	2,200	2,200	2,200	2,423	2,554	2,692
Dividends received						-	-	-			
Fines		105	140	76	106	90	90	90	95	100	106
Licences and permits		1,153	832	741	844	844	844	844	613	646	681
Agency services		737	584	614	633	633	633	633	668	705	743
Transfers recognised - operational		40,046	44,709	51,172	49,087	51,237	51,237	51,237	50,061	51,031	50,760
Other revenue	2	5,673	2,457	8,933	2,025	2,080	2,080	2,080	2,549	1,967	2,067
Gains on disposal of PPE			1,016	30	45	4,100	4,100	4,100	100	105	111
Total Revenue (excluding capital transfers and contributions)		119,463	129,580	151,016	158,884	171,655	171,655	171,655	173,570	180,331	186,961
Expenditure By Type											
Employee related costs	2	42,887	46,973	48,736	55,693	55,866	55,866	55,866	60,435	63,338	66,760
Remuneration of councillors		2,191	2,452	2,739	2,932	3,002	3,002	3,002	3,215	3,389	3,572
Debt impairment	3	10,482	10,189	8,598	6,674	6,674	6,674	6,674	6,270	6,607	6,954
Depreciation & asset impairment	2	27,402	14,456	16,136	20,477	20,477	20,477	20,477	21,624	22,792	24,023
Finance charges		2,399	1,975	2,194	285	1,205	1,205	1,205	1,281	1,202	1,117
Bulk purchases	2	32,802	41,377	49,121	51,806	57,850	57,850	57,850	59,920	64,156	66,566
Other materials	8				4,257	1,022	1,022	1,022			
Contracted services		-	-	-	-	-	-	-	-	-	-
Transfers and grants		813	3,196	3,404	2,325	5,100	5,100	5,100	2,711	369	389
Other expenditure	4, 5	20,144	24,733	29,687	35,779	44,328	44,328	44,328	42,754	44,349	44,750
Loss on disposal of PPE											
Total Expenditure		139,121	145,353	160,614	180,227	195,524	195,524	195,524	198,210	206,201	214,129
Surplus/(Deficit)		(19,658)	(15,773)	(9,598)	(21,343)	(23,869)	(23,869)	(23,869)	(24,641)	(25,870)	(27,169)
Transfers recognised - capital		16,801	15,143	26,808	26,265	35,161	35,161	35,161	15,146	13,421	13,837
Contributions recognised - capital	6	-	-	-	-	-	-	-	-	-	-
Contributed assets					3,000	3,000	3,000	3,000			
Surplus/(Deficit) after capital transfers & contributions		(2,857)	(631)	17,210	7,922	14,293	14,293	14,293	(9,494)	(12,449)	(13,331)
Taxation											
Surplus/(Deficit) after taxation		(2,857)	(631)	17,210	7,922	14,293	14,293	14,293	(9,494)	(12,449)	(13,331)
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		(2,857)	(631)	17,210	7,922	14,293	14,293	14,293	(9,494)	(12,449)	(13,331)
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		(2,857)	(631)	17,210	7,922	14,293	14,293	14,293	(9,494)	(12,449)	(13,331)

Source: Draft 2014/2015 MTREF Budget

4.4.5 TABLE A5 – BUDGETED CAPITAL EXPENDITURE BY VOTE, STANDARD CLASSIFICATION AND FUNDING:

EC102 Blue Crane Route - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework			
					Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15
Capital expenditure - Vote												
Multi-year expenditure, to be appropriated	2											
Vote 1 - MAYORAL EXECUTIVE		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL COUNCIL		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - ACCOUNTING OFFICER		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - BUDGET & TREASURY		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - COMMUNITY SAFETY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure, to be appropriated	2											
Vote 1 - MAYORAL EXECUTIVE		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL COUNCIL		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - ACCOUNTING OFFICER		117	72	3,702	150	150	150	150	125	875	500	
Vote 4 - BUDGET & TREASURY		217	315	118	350	331	331	331	150	50	50	
Vote 5 - TECHNICAL SERVICES		18,446	18,277	20,928	33,185	43,291	43,291	43,291	29,351	14,071	14,487	
Vote 6 - COMMUNITY SAFETY & SOCIAL SERVICES		1,301	737	2,061	3,480	3,002	3,002	3,002	500	400	1,150	
Vote 7 - CORPORATE SERVICES		-	307	66	100	100	100	100	-	-	-	
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	
Capital single-year expenditure sub-total		20,081	19,707	26,875	37,265	46,873	46,873	46,873	30,126	15,396	16,187	
Total Capital Expenditure - Vote		20,081	19,707	26,875	37,265	46,873	46,873	46,873	30,126	15,396	16,187	
Capital Expenditure - Standard												
Governance and administration		334	844	543	600	1,531	1,531	1,531	375	925	950	
Executive and council		117	72	247	150	150	150	150	125	875	500	
Budget and treasury office		217	315	118	350	331	331	331	150	50	50	
Corporate services		-	457	178	100	1,050	1,050	1,050	100	-	400	
Community and public safety		564	481	3,254	11,705	14,796	14,796	14,796	3,800	2,800	3,650	
Community and social services		402	51	2,656	1,330	580	580	580	150	150	600	
Sport and recreation		-	16	488	6,025	9,601	9,601	9,601	3,600	2,600	3,000	
Public safety		162	414	110	4,310	4,575	4,575	4,575	50	50	50	
Housing		-	-	-	-	-	-	-	-	-	-	
Health		-	-	40	40	40	40	40	-	-	-	
Economic and environmental services		4,529	6,719	6,305	7,560	8,916	8,916	8,916	3,000	2,000	3,000	
Planning and development		309	-	3,455	-	-	-	-	-	-	-	
Road transport		4,220	6,524	2,826	7,560	8,916	8,916	8,916	3,000	2,000	3,000	
Environmental protection		-	195	23	-	-	-	-	-	-	-	
Trading services		14,654	11,664	16,774	16,850	21,630	21,630	21,630	22,401	9,571	8,187	
Electricity		3,614	1,792	568	1,000	1,809	1,809	1,809	380	300	250	
Water		9,450	9,420	7,148	2,296	3,817	3,817	3,817	200	150	50	
Waste water management		509	390	8,694	11,754	14,204	14,204	14,204	21,621	8,921	7,787	
Waste management		1,081	61	364	1,800	1,800	1,800	1,800	200	200	100	
Other		-	-	-	550	-	-	-	550	100	400	
Total Capital Expenditure - Standard	3	20,081	19,707	26,875	37,265	46,873	46,873	46,873	30,126	15,396	16,187	
Funded by:												
National Government		13,916	12,250	10,843	18,949	24,906	24,906	24,906	15,146	13,421	13,837	
Provincial Government		2,856	2,893	12,080	7,316	9,900	9,900	9,900	-	-	-	
District Municipality		-	-	1,213	3,000	3,356	3,356	3,356	-	-	-	
Other transfers and grants		29	-	-	-	-	-	-	-	-	-	
Transfers recognised - capital	4	16,801	15,143	24,136	29,265	38,161	38,161	38,161	15,146	13,421	13,837	
Public contributions & donations	5	-	-	-	-	-	-	-	-	-	-	
Borrowing	6	1,000	2,500	-	3,000	3,000	3,000	3,000	13,000	-	-	
Internally generated funds		2,280	2,064	2,739	5,000	5,712	5,712	5,712	1,980	1,975	2,350	
Total Capital Funding	7	20,081	19,707	26,875	37,265	46,873	46,873	46,873	30,126	15,396	16,187	

Source: Draft 2014/2015 MTREF Budget

4.4.6 TABLE A6 – BUDGETED FINANCIAL POSITION

EC102 Blue Crane Route - Table A6 Budgeted Financial Position

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
ASSETS											
Current assets											
Cash		1,015	1,207	2,121	1,500	1,500	1,500	1,500	6,000	6,500	6,500
Call investment deposits	1	22,091	18,641	24,364	15,000	15,000	15,000	15,000	5,000	5,000	5,000
Consumer debtors	1	9,032	10,204	13,344	11,667	14,639	14,639	14,639	15,000	16,000	16,600
Other debtors		4,309	2,786	1,869	1,500	4,000	4,000	4,000	2,000	2,000	2,000
Current portion of long-term receivables		3	4	3		-	-	-	3	2	2
Inventory	2	942	1,653	1,513	1,700	1,700	1,700	1,700	1,600	1,600	1,700
Total current assets		37,391	34,495	43,213	31,367	36,840	36,840	36,840	29,603	31,162	31,802
Non current assets											
Long-term receivables		24	21	18	-	-	-	-	15	12	9
Investments					-	-	-	-			
Investment property		25,911	20,190	24,017	25,911	24,017	24,017	24,017	25,000	25,000	26,000
Investment in Associate											
Property, plant and equipment	3	330,568	349,862	360,588	347,576	371,635	371,635	371,635	384,139	357,957	342,380
Agricultural											
Biological											
Intangible		0									
Other non-current assets											
Total non current assets		356,502	370,073	384,624	373,487	395,652	395,652	395,652	409,154	382,969	368,389
TOTAL ASSETS		393,894	404,568	427,837	404,854	432,492	432,492	432,492	438,757	414,131	400,190
LIABILITIES											
Current liabilities											
Bank overdraft	1										
Borrowing	4	1,234	1,845	1,364	500	1,000	1,000	1,000	350	500	800
Consumer deposits		1,584	1,713	1,895	1,764	1,914	1,914	1,914	1,950	2,000	2,050
Trade and other payables	4	18,356	17,225	25,324	19,500	12,500	12,500	12,500	14,000	15,200	15,400
Provisions					3,000	19,000	19,000	19,000	2,500	2,600	2,800
Total current liabilities		21,173	20,784	28,583	24,764	34,414	34,414	34,414	18,800	20,300	21,050
Non current liabilities											
Borrowing		1,696	2,810	1,887	5,200	4,500	4,500	4,500	17,873	3,696	2,336
Provisions		15,044	32,400	31,583	15,000	13,500	13,500	13,500	31,500	32,000	32,000
Total non current liabilities		16,740	35,210	33,470	20,200	18,000	18,000	18,000	49,373	35,696	34,336
TOTAL LIABILITIES		37,914	55,993	62,053	44,964	52,414	52,414	52,414	68,173	55,996	55,386
NET ASSETS	5	355,980	348,575	365,785	359,890	380,078	380,078	380,078	370,584	358,135	344,804
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		355,980	348,575	365,785	359,890	380,078	380,078	380,078	370,584	358,135	344,804
Reserves	4	-	-	-	-	-	-	-	-	-	-
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	5	355,980	348,575	365,785	359,890	380,078	380,078	380,078	370,584	358,135	344,804

Source: Draft 2014/2015 MTREF Budget

4.4.7 TABLE A7 – BUDGETED FINANCIAL POSITION

EC102 Blue Crane Route - Table A7 Budgeted Cash Flows

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		73,964	85,115	80,478	92,307	94,765	94,765	94,765	115,660	121,188	127,736
Government - operating	1	36,033	30,747	63,763	49,087	51,237	51,237	51,237	50,061	51,031	50,760
Government - capital	1	16,801	26,808	21,049	26,265	35,161	35,161	35,161	15,146	13,421	13,837
Interest		1,645	1,419	1,619	1,200	1,400	1,400	1,400	1,478	1,400	1,400
Dividends						-	-	-			
Payments											
Suppliers and employees		(104,707)	(128,083)	(131,683)	(132,574)	(150,891)	(150,891)	(150,891)	(164,257)	(173,053)	(179,352)
Finance charges		(2,399)	(2,092)	(281)	(285)	(285)	(285)	(285)	(381)	(352)	(317)
Transfers and Grants	1					-	-	-			
NET CASH FROM/(USED) OPERATING ACTIVITIES		21,336	13,914	34,945	36,001	31,388	31,388	31,388	17,707	13,635	14,065
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			1,035	30		-	-	-	100	105	111
Decrease (Increase) in non-current debtors		2,046	1	4		-	-	-	3	3	3
Decrease (increase) other non-current receivables						-	-	-			
Decrease (increase) in non-current investments						-	-	-			
Payments											
Capital assets		(20,081)	(19,646)	(26,874)	(34,265)	(43,873)	(43,873)	(43,873)	(30,126)	(15,396)	(16,187)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(18,035)	(18,610)	(26,839)	(34,265)	(43,873)	(43,873)	(43,873)	(30,023)	(15,288)	(16,073)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans						-	-	-			
Borrowing long term/refinancing		813	2,500		3,000	3,000	3,000	3,000	13,000		
Increase (decrease) in consumer deposits						-	-	-			
Payments											
Repayment of borrowing		(1,120)	(1,062)	(1,469)	(500)	(500)	(500)	(500)	(750)	(1,000)	(1,500)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(308)	1,438	(1,469)	2,500	2,500	2,500	2,500	12,250	(1,000)	(1,500)
NET INCREASE/ (DECREASE) IN CASH HELD		2,994	(3,258)	6,637	4,235	(9,985)	(9,985)	(9,985)	(66)	(2,653)	(3,508)
Cash/cash equivalents at the year begin:	2	20,112	23,106	19,847	29,567	26,485	26,485	26,485	16,500	16,434	13,780
Cash/cash equivalents at the year end:	2	23,106	19,847	26,485	33,802	16,500	16,500	16,500	16,434	13,780	10,272

Source: Draft 2014/2015 MTREF Budget

4.4.8 TABLE A8 – CASH BACK RESERVES/ACCUMULATED SURPLUS RECONCILIATION

EC102 Blue Crane Route - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Cash and investments available											
Cash/cash equivalents at the year end	1	23,106	19,847	26,485	33,802	16,500	16,500	16,500	16,434	13,780	10,272
Other current investments > 90 days		-	1	1	(17,302)	1	1	1	(5,434)	(2,280)	1,228
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		23,106	19,848	26,485	16,500	16,500	16,500	16,500	11,000	11,500	11,500
Application of cash and investments											
Unspent conditional transfers		3,539	1,243	7,717	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	465	351	3,249	4,803	(5,371)	(5,371)	(5,371)	(4,140)	(4,081)	(4,648)
Other provisions		(27,402)	(14,456)	(16,136)	(20,477)	(20,477)	(20,477)	(20,477)	(21,624)	(22,792)	(24,023)
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		(23,398)	(12,862)	(5,170)	(15,674)	(25,848)	(25,848)	(25,848)	(25,764)	(26,873)	(28,671)
Surplus(shortfall)		46,504	32,710	31,655	32,174	42,349	42,349	42,349	36,764	38,373	40,171

Source: Draft 2014/2015 MTREF Budget

4.4.9 TABLE A9 – ASSET MANAGEMENT

EC102 Blue Crane Route - Table A9 Asset Management

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	20,081	19,707	26,875	34,995	46,414	46,414	28,776	14,696	12,129
Infrastructure - Road transport		4,220	3,239	6,220	5,990	7,346	7,346	3,000	2,000	3,000
Infrastructure - Electricity		3,614	473	568	1,000	1,700	1,700	230	150	100
Infrastructure - Water		9,450	9,420	6,998	1,966	3,737	3,737	-	-	-
Infrastructure - Sanitation		509	390	8,694	11,684	14,134	14,134	21,571	8,871	4,229
Infrastructure - Other		32	61	298	200	200	200	200	200	100
Infrastructure		17,825	13,584	22,778	20,840	27,117	27,117	25,001	11,221	7,429
Community		-	95	3,017	10,505	14,174	14,174	3,150	2,350	3,000
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		2,256	6,029	1,081	3,650	5,123	5,123	625	725	900
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	400	800
Total Renewal of Existing Assets	2	-	-	-	2,270	459	459	1,350	700	4,059
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	150	150	150
Infrastructure - Water		-	-	-	-	-	-	200	150	50
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	3,559
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	350	300	3,759
Community		-	-	-	350	350	350	600	400	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	1,920	109	109	400	-	300
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	4,220	3,239	6,220	5,990	7,346	7,346	3,000	2,000	3,000
Infrastructure - Road transport		4,220	3,239	6,220	5,990	7,346	7,346	3,000	2,000	3,000
Infrastructure - Electricity		3,614	473	568	1,000	1,700	1,700	380	300	250
Infrastructure - Water		9,450	9,420	6,998	1,966	3,737	3,737	200	150	50
Infrastructure - Sanitation		509	390	8,694	11,684	14,134	14,134	21,571	8,871	7,787
Infrastructure - Other		32	61	298	200	200	200	200	200	100
Infrastructure		17,825	13,584	22,778	20,840	27,117	27,117	25,357	11,521	11,187
Community		-	95	3,017	10,855	14,524	14,524	3,750	2,750	3,000
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		2,256	6,029	1,081	5,570	5,232	5,232	1,025	725	1,200
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	400	800
TOTAL CAPITAL EXPENDITURE - Asset class	2	20,081	19,707	26,875	37,265	46,873	46,873	30,126	15,396	16,187
ASSET REGISTER SUMMARY - PPE (WDV)										
Infrastructure - Road transport	5				67,437	68,793	68,793			
Infrastructure - Electricity					68,736	69,545	69,545			
Infrastructure - Water					40,881	42,403	42,403			
Infrastructure - Sanitation					62,912	65,362	65,362			
Infrastructure - Other		283,443	302,266	295,234	52,873	52,873	52,873	296,139	282,957	269,880
Infrastructure		283,443	302,266	295,234	292,839	298,975	298,975	296,139	282,957	269,880
Community					14,884	32,426	32,426	35,000	36,000	34,000
Heritage assets										
Investment properties		25,911	20,190	24,017	25,911	24,017	24,017	25,000	25,000	26,000
Other assets		47,125	47,596	65,355	39,853	40,234	40,234	40,000	39,000	38,500
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		0	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	356,479	370,052	384,606	373,487	395,652	395,652	396,139	382,957	368,380
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		27,402	14,456	16,136	20,477	20,477	20,477	21,624	22,792	24,023
Repairs and Maintenance by Asset Class	3	2,905	3,042	3,147	3,877	3,737	3,737	3,727	3,929	4,142
Infrastructure - Road transport		511	427	576	580	580	580	613	646	681
Infrastructure - Electricity		520	572	777	844	844	844	754	795	838
Infrastructure - Water		230	396	234	369	320	320	337	355	375
Infrastructure - Sanitation		264	29	30	60	30	30	32	33	35
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		1,525	1,424	1,617	1,854	1,774	1,774	1,736	1,830	1,928
Community		-	-	157	-	-	-	50	53	56
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6, 7	1,380	1,617	1,372	2,024	1,963	1,963	1,942	2,047	2,158
TOTAL EXPENDITURE OTHER ITEMS		30,307	17,498	19,283	24,354	24,214	24,214	25,351	26,721	28,164
Renewal of Existing Assets as % of total capex		0.0%	0.0%	0.0%	6.1%	1.0%	1.0%	4.5%	4.5%	25.1%
Renewal of Existing Assets as % of deprecn"		0.0%	0.0%	0.0%	11.1%	2.2%	2.2%	6.2%	3.1%	16.9%
R&M as a % of PPE		0.9%	0.9%	0.9%	1.1%	1.0%	1.0%	1.0%	1.1%	1.2%
Renewal and R&M as a % of PPE		1.0%	1.0%	1.0%	2.0%	1.0%	1.0%	1.0%	1.0%	2.0%

Source: Draft 2014/2015 MTREF Budget

4.4.10 TABLE A10 – BASIC SERVICE DELIVERY MEASUREMENT

EC102 Blue Crane Route - Table A10 Basic service delivery measurement

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Household service targets	1									
Water:										
Piped water inside dwelling		5,026	5,026	5,026	7,166	7,166	7,166	5,026	5,026	5,026
Piped water inside yard (but not in dwelling)	2	3,904	3,904	3,904				3,904	3,904	3,904
Using public tap (at least min.service level)	4									
Other water supply (at least min.service level)	2									
<i>Minimum Service Level and Above sub-total</i>		8,930	8,930	8,930	7,166	7,166	7,166	8,930	8,930	8,930
Using public tap (< min.service level)	3									
Other water supply (< min.service level)	4									
No water supply										
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	8,930	8,930	8,930	7,166	7,166	7,166	8,930	8,930	8,930
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		5,800	5,800	5,852	9,136	9,136	9,136	5,852	5,852	5,852
Flush toilet (with septic tank)		561	561	561				561	561	561
Chemical toilet										
Pit toilet (ventilated)										
Other toilet provisions (> min.service level)										
<i>Minimum Service Level and Above sub-total</i>		6,361	6,361	6,413	9,136	9,136	9,136	6,413	6,413	6,413
Bucket toilet		369	369	369				369	369	369
Other toilet provisions (< min.service level)										
No toilet provisions										
<i>Below Minimum Service Level sub-total</i>		369	369	369	-	-	-	369	369	369
Total number of households	5	6,730	6,730	6,782	9,136	9,136	9,136	6,782	6,782	6,782
Energy:										
Electricity (at least min.service level)		730	730	730	750	750	750	730	730	730
Electricity - prepaid (min.service level)		7,732	7,732	7,732	6,696	6,696	6,696	7,732	7,732	7,732
<i>Minimum Service Level and Above sub-total</i>		8,462	8,462	8,462	7,446	7,446	7,446	8,462	8,462	8,462
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	8,462	8,462	8,462	7,446	7,446	7,446	8,462	8,462	8,462
Refuse:										
Removed at least once a week		7,838	7,838	7,838	7,361	7,361	7,361	7,838	7,838	7,838
<i>Minimum Service Level and Above sub-total</i>		7,838	7,838	7,838	7,361	7,361	7,361	7,838	7,838	7,838
Removed less frequently than once a week										
Using communal refuse dump										
Using own refuse dump										
Other rubbish disposal										
No rubbish disposal										
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	7,838	7,838	7,838	7,361	7,361	7,361	7,838	7,838	7,838
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		2,000	2,000	2,494	3,790	3,790	3,790	4,220	4,220	4,220
Sanitation (free minimum level service)		2,000	2,000	2,585	3,070	3,070	3,070	4,220	4,220	4,220
Electricity/other energy (50kwh per household per month)		2,000	2,000	3,380	3,400	3,400	3,400	4,220	4,220	4,220
Refuse (removed at least once a week)		2,000	2,000	2,740	3,220	3,220	3,220	4,220	4,220	4,220
Cost of Free Basic Services provided (R'000)	8									
Water (6 kilolitres per household per month)		147	156	1,272	5,170	5,170	5,170	3,460	3,647	3,844
Sanitation (free sanitation service)		111	118	1,231	1,380	1,380	1,380	2,415	2,546	2,683
Electricity/other energy (50kwh per household per month)		74	78	3,130	2,736	2,736	2,736	1,681	1,772	1,868
Refuse (removed once a week)		115	122	269	4,530	4,530	4,530	5,285	5,570	5,871
Total cost of FBS provided (minimum social package)		447	474	5,902	13,816	13,816	13,816	12,842	13,535	14,266
Highest level of free service provided										
Property rates (R value threshold)		15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)		55	60	35	37	37	37	39	41	43
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50	50
Refuse (average litres per week)		100	100	100	100	100	100	100	100	100
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)										
Property rates (other exemptions, reductions and rebates)		642	733	580	615	615	615	651	686	723
Water		2,063	2,260	2,771	3,567	3,567	3,567	3,379	3,562	3,754
Sanitation		1,472	1,647	2,059	1,357	1,357	1,357	2,534	2,671	2,816
Electricity/other energy		1,091	1,171	1,483	1,427	1,427	1,427	1,837	1,937	2,041
Refuse		2,205	2,495	3,126	3,104	3,104	3,104	3,886	4,096	4,317
Municipal Housing - rental rebates										
Housing - top structure subsidies	6	292	1,478	3,195						
Other										
Total revenue cost of free services provided (total social package)		7,765	9,784	13,215	10,071	10,071	10,071	12,288	12,951	13,651

Source: Draft 2014/2015 MTREF Budget

4.4.11 TABLE SA4 – RECONCILIATION OF IDP STRATEGIC OBJECTIVES AND BUDGET (REVENUE)

EC102 Blue Crane Route - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17	
Infrastructure	Provision of Electricity, Water, sanitation, Roads & Stormwater, and maintaining infrastructure of the city			100,393	109,364	130,606	142,799	158,466	158,466	143,678	147,658	153,355	
Community Services	Effective cleansing, waste removal; working with partners such as SAPS to address crime; effective enforcement of health and safety regulations.			15,067	14,491	17,943	23,542	28,079	28,079	21,240	22,256	22,681	
Local Economic Development	Marketing of the BCRM, promote investment in BCRM in agriculture, tourism, SMME development, alternative energy.			759	809	5,041	690	627	627	952	-	-	
Financial Management	Implement fully compliant GRAP annual financial statements, updating indegent register, revenue enhancement strategies for financial sustainability, operational efficiency.			18,518	18,151	17,457	14,696	15,406	15,406	15,974	16,625	17,407	
Governance & Institutional Transformation	Oversee implementation of council policies, performance management, safekeeping council records, sound administrative principals, create a culture of service delivery and improve public participation.			1,526	1,908	6,776	6,422	7,239	7,239	6,871	7,214	7,356	
Allocations to other priorities			2										
Total Revenue (excluding capital transfers and contributions)				1	136,264	144,722	177,824	188,149	209,817	209,817	188,716	193,753	200,798

Source: Draft 2014/2015 MTREF Budget

4.4.12 TABLE SA5 – RECONCILIATION OF IDP STRATEGIC OBJECTIVES AND BUDGET (OPERATING EXPENDITURE)

EC102 Blue Crane Route - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17	
Infrastructure	Provision of Electricity, Water, sanitation, Roads & Stormwater, and maintaining			86,140	87,209	97,252	112,004	121,350	121,350	124,468	132,660	136,885	
Community Services	Effective cleansing, waste removal; working with partners such as SAPS to			20,086	20,163	21,816	25,499	27,212	27,212	29,710	31,175	32,721	
Local Economic Development	Marketing of the BCRM, promote investment in BCRM in agriculture, tourism, SMME			2,389	5,810	6,383	4,098	6,874	6,874	4,663	876	923	
Financial Management	Implement fully compliant GRAP annual financial statements, updating indigent			17,337	18,628	20,384	22,640	23,863	23,863	22,791	24,019	25,184	
Governance & Institutional Transformation	Oversee implementation of council policies, performance management, safekeeping			13,168	13,543	14,779	15,986	16,225	16,225	16,579	17,472	18,416	
Allocations to other priorities													
Total Expenditure				1	139,121	145,353	160,614	180,227	195,524	195,524	198,210	206,201	214,129

Source: Draft 2014/2015 MTREF Budget

4.4.13 TABLE SA6 – RECONCILIATION OF IDP STRATEGIC OBJECTIVES AND BUDGET (CAPITAL EXPENDITURE)

EC102 Blue Crane Route - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Infrastructure	Provision of Electricity , Water, sanitation, Roads & Stormwater, and maintaining	A		18,446	18,277	20,928	33,185	43,291	43,291	29,351	14,071	14,487
Community Services	Effective cleansing, waste removal; working with partners such as SAPS to	B		1,301	737	2,061	3,480	3,002	3,002	500	400	1,150
Local Economic Development	Marketing of the BCRM, promote investment in BCRM in agriculture, tourism, SMME	C		-	-	3,455	-	-	-	-	-	-
Financial Management	Implement fully compliant GRAP annual financial statements, updating indegent	D		217	315	118	350	331	331	150	50	50
Governance & Institutional Transformation	Oversee implementation of council policies, performance management, safekeeping	E		117	379	313	250	250	250	125	875	500
Allocations to other priorities			3									
Total Capital Expenditure			1	20,081	19,707	26,875	37,265	46,873	46,873	30,126	15,396	16,187

Source: Draft 2014/2015 MTREF Budget

4.4.14 TABLE SA36 – DETAILED CAPITAL BUDGET

EC102 Blue Crane Route - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2014/15 Medium Term Revenue & Expenditure Framework			Project information	
										Audited Outcome 2012/13	Current Year 2013/14 Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17	Ward location	New or renewal
Parent municipality:																
<i>List all capital projects grouped by Municipal Vote</i>																
Accounting Officer		Office furniture/computer equipment			Yes	Other Assets	Computers - hardware/equipment					125	75	100		New
Accounting Officer		Datacentre (For DRP)			Yes	Other	Computers - hardware/equipment						400			New
Accounting Officer		ICT Strategy			Yes	Intangibles	Computers - software & programming						400			New
Budget Planning & Implementation		Office furniture/computer equipment			Yes	Other Assets	Computers - hardware/equipment					100	50	50		New
Budget Planning & Implementation		Motorised bicycles			Yes	Other Assets	Plant & equipment					50				New
Technical Services: Electricity		Elect Connection: RDP Houses			Yes	Infrastructure - Electricity	Housing development					30				New
Technical Services: Electricity		Streetlights			Yes	Infrastructure - Electricity	Street Lighting					200	150	100		New
Technical Services: Electricity		Upgrading and strengthening of Urban Network			Yes	Infrastructure - Electricity	Transmission & Reticulation					150	150	150		Renewal
Technical Services: Water		Water Equipment/Pumpstations			Yes	Infrastructure - Water	Transmission & Reticulation					200	150	50		Renewal
Technical Services: Sewerage		Tools and equipment			Yes	Other Assets	Plant & equipment					50	50			New
Technical Services: MIG/Sewerage		Somerset East Waste Water Treatment Works			Yes	Infrastructure - Sanitation	Sewerage purification					21,496	8,771	4,229		New
Technical Services: Sewerage		Sewer Reticulation			Yes	Infrastructure - Sanitation	Transmission & Reticulation					75	100			New
Technical Services: Buildings		Upgrade/Extension Municipal Buildings			Yes	Other Assets	Buildings					400		300		Renewal
Technical Services: Buildings		Community Hall Equipment/Airconditioners			Yes	Other Assets	Furniture and other office equipment					150	100	100		New
Technical Services: MIG		Upgrade Sewer Plant: Cookhouse			Yes	Infrastructure - Sanitation	Sewerage purification							3,559		Renewal
Technical Services: MIG		Upgrade of Parks			Yes	Community	Parks & gardens					600	400			Renewal
Technical Services: MIG		Sport Facilities			Yes	Community	Sports/fields & stadia					3,000	2,200	3,000		New
Technical Services: MIG		Upgrade Gravel Roads			Yes	Infrastructure - Road transport	Roads, Pavements & Bridges					3,000	2,000	3,000		New
Community, Safety & Social: Refuse		Waste Management			Yes	Other	Waste Management					200	200	100		New
Community, Safety & Social: Traffic		Office Furniture/Equipment			Yes	Community	Fire, safety & emergency					50	50	50		New
Community, Safety & Social: Parks, Cemeteries		Tractor for cutting grass			Yes	Community	Plant & equipment							600		New
Community, Safety & Social: Parks, Cemeteries		Green Project			Yes	Community	Parks & gardens						150			New
Community, Safety & Social: Parks, Cemeteries		New Aeroville Cemetery			Yes	Community	Cemeteries					150				New
Corporate Services: Administration		Electronic Filing System			Yes	Intangibles	Computers - software & programming							400		New
Corporate Services: Administration		Computers/office equipment			Yes	Other	Computers - hardware/equipment					100				New
Parent Capital expenditure	1											30,126	15,396	16,187		
Entities:																
<i>List all capital projects grouped by Entity</i>																
Entity A																
Water project A																
Entity B																
Electricity project B																
Entity Capital expenditure												-	-	-		
Total Capital expenditure												-	-	-		
												30,126	15,396	16,187		

Source: Draft 2014/2015 MTREF Budget

4.5 THE BCRM SPATIAL DEVELOPEMENT FRAMEWORK

4.5.1 INTRODUCTION

The BCR SDF has been reviewed. The final draft was tabled to Council on 31 May 2013.

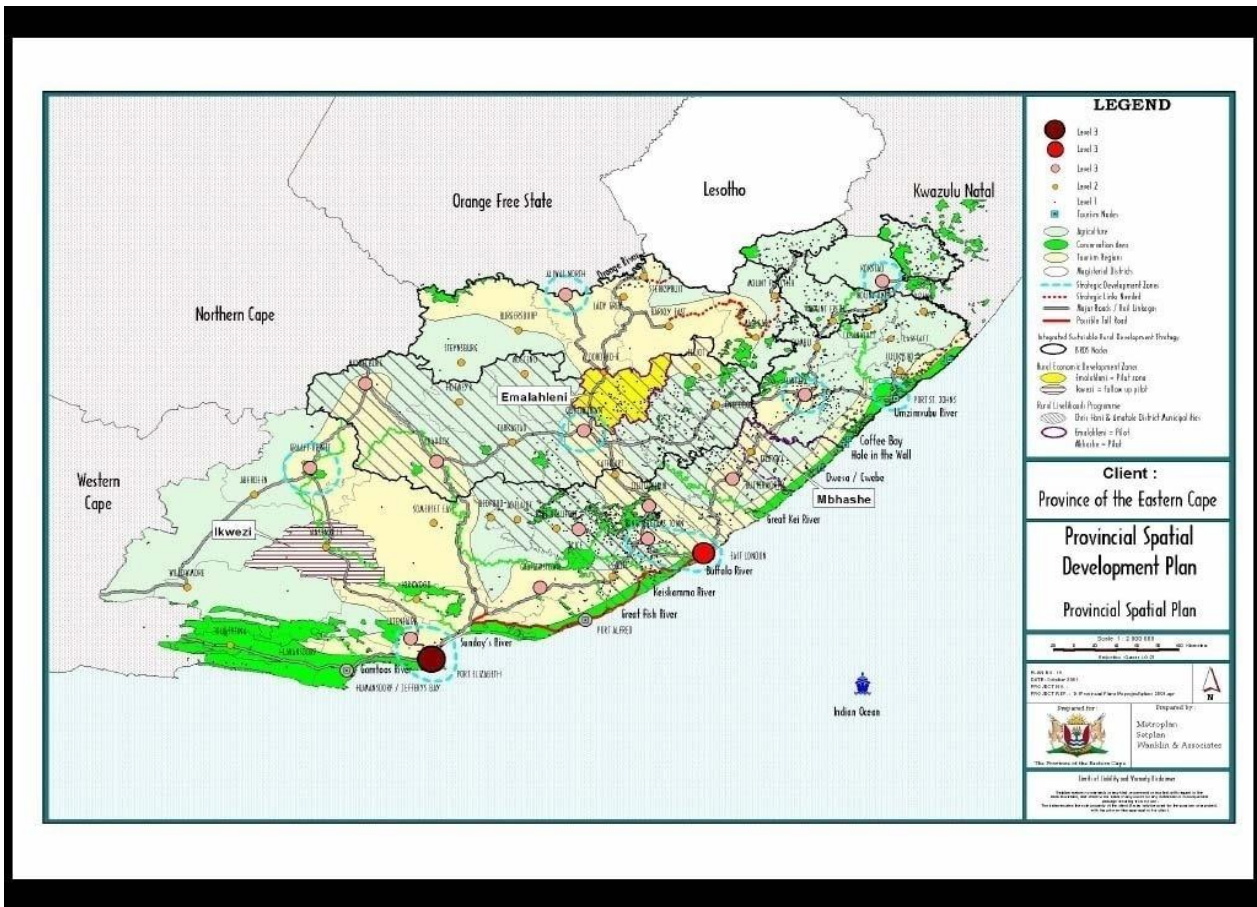
The Spatial Development Framework for the Blue Crane Route Municipal Area indicates and informs the following:

- ⇒ Status quo analysis of the Blue Crane Route Municipal Area
- ⇒ Vision and objectives for desired spatial form
- ⇒ Policies and guidelines with respect to land use management
- ⇒ Desired spatial form
- ⇒ Capital investment framework

The settlement patterns of Blue Crane Route Municipal Area is characterised by three prominent urban settlements, namely Somerset East, Pearston and Cookhouse. Somerset East is the administrative centre of the Blue Crane Route Municipal Area and it is situated at the foot of the Boschberg Mountains. The agricultural sector employs the highest percentage of people therefore it plays a fairly big economic role. There is however still a high level of unemployment in Blue Crane Route Municipal Area.

The main aim of the Spatial Development Framework is to formulate spatially based policy guidelines whereby changes, needs and growth in the region can be managed to the benefit of the whole community. The Spatial Development Framework further guides and informs all decisions of the Municipality relating to use, development and planning of land.

The Blue Crane Route Municipal area is dominated by commercial farms and three prominent urban areas. These are Somerset East, Cookhouse and Pearston. The service area of the study area (municipal area) is approximately 9836, 35km².



The land use profile and settlement dynamics within the study area are important indicators reflecting the status quo and possible future patterns. Given the nature of the study area i.e. largely rural with urban components, high potential agricultural valley, mountainous natural area and conservation areas. The study area comprise of a number of settlements:

- ⇒ Somerset East, including Aeroville, Mhandi Old Location, New Brighton, Westview and Clevedon
- ⇒ Pearston, including Nelsig and Khanyiso
- ⇒ Cookhouse, including Bhongweni and Newtown
- ⇒ The department of Water Affairs
- ⇒ Uitkeer established to construct and maintain the Orange Fish River Scheme.

❑ HISTORIC BUDGET AND PROVISIONAL FUTURE PROVISION

The table below reveals the BCR LM's provision for maintenance of Water, Sewerage and Roads & Stormwater infrastructure, including provisional budget amounts for the next three financial years.

This table also demonstrates the year on year increase in budget amounts and the average budget per annum.

Item Description	Current Budget 2008/2009	Estimated Budget 2009/2010	Estimated Budget 2010/2011	Estimated Budget 2012/2013
Water – Repair & Maintenance				
Total for Infrastructure R&M items	R 263 740.00	R 381 000.00	R 407 670.00	R 436 208.00
Budget Increase (yr/yr)	69%	44%	7%	7%
Historic Moving Average R&M Budget per annum	R 155 003.00	R 200 202.00	R 234 780.00	R 263 555.00
Increase in moving average amount	31%	29%	17%	12%
Sanitation – Repair & Maintenance				
Total for Infrastructure R&M items	R 69 564.00	R 151 000.00	R 161 570.00	R 172 880.00
Budget Increase (yr/yr)	25%	117%	7%	7%
Historic Moving Average R&M Budget per annum	R 68 499.00	R 84 999.00	R 97 761.00	R 108 492.00
Increase in moving average amount	1%	24%	15%	11%
Roads & Storm water – Repair & Maintenance				
Total for Infrastructure R&M items	R 261 095.00	R 808 587.00	R 808 587.00	R 808 587.00
Budget Increase (yr/yr)	192%	210%	0%	0%
Historic Moving Average R&M Budget per annum	R 130 167.00	R 265 851.00	R 356 307.00	R 420 918.00
Increase in moving average amount	50%	104%	34%	18%
Moving Average Total Budget for Repair and Maintenance over past 4 years	R 353 669.00	+/- R 550 000	+/- R 690 000	+/- R 793 000

With reference to the information contained in the complete BCR SDF Review 2010, the following conclusions can be drawn:

- ⇒ Somerset East has the strongest GVA and the largest population within the BCR Municipal area followed by Cookhouse and Pearston;

- ⇒ Based on the GVA and the population size, Somerset East has the highest potential to support services via revenue generation;
- ⇒ It would appear that the income generated via service revenue in Somerset East is used to support services in Cookhouse and Pearston;
- ⇒ Cookhouse is currently limited in terms of population expansion due to electricity constraints;
- ⇒ Based on the information contained in sections on infrastructure; investment should focus in Somerset East and Pearston, relative to GVA and potential for population expansion and revenue received for provided services;
- ⇒ The challenge is to identify specific areas within prioritised towns for infrastructure investment with consideration of limited financial and human resources;
- ⇒ Infrastructure expenditure in Cookhouse should focus on the maintenance of existing infrastructure and provision of basic services;
- ⇒ Strong emphasis needs to be placed on the elimination of the 12 year infrastructure maintenance backlog and the implementation of an annual maintenance plan.

❑ PROPOSED PRINCIPLES FOR PROJECT PRIORITIZATION

It is proposed that project prioritization be based on the following principles:

- ⇒ Somerset East is the primary revenue generating town within the BCR LM, subsequently infrastructure that supports this area as an economic hub should be prioritized;
- ⇒ Infrastructure that supports the economic growth and quality of life of the inhabitants of Pearston should be considered;
- ⇒ Any infrastructure investment that would encourage the expansion of the population of Cookhouse should be discouraged;

- ⇒ Every effort needs to be placed into resolving the maintenance backlog of all existing services.

4.6 COMMUNICATION STRATEGY

4.6.1 BACKGROUND

Blue Crane Route Municipality (BCRM) falls within jurisdiction of the Cacadu District Municipality and is situated in the western half of the Eastern Cape, approximately 180 KM north of Nelson Mandela Bay. This municipality is nine thousand four hundred and seventy square kilometres (9470 km²) and comprises of Somerset East, Cookhouse and Pearston. Blue Crane Route Municipality is bordered by the Makana Municipality to the southeast, the Sundays River Valley Municipality to the southwest, Ikwezi Municipality to the west and Amatole District Municipality and Chris Hani District Municipality to the east. BCRM has six wards with literate, semi-literate and illiterate citizens, speaking three languages, namely, IsiXhosa, Afrikaans and English.

Vision

A municipality that strives to provide a better life for all its citizens, through responsible local governance, .Zero tolerance for corruption, and creating an environment for upliftment and sustainable economic growth

Mission

To provide affordable, quality services, alleviate poverty and facilitate social and economic development of the area through integrated development planning, cooperative governance, skills development and sustainable utilisation of resources.

Values

Honesty- Zero tolerance for ill-discipline and misconduct and corruption

Efficiency- Strive for performance excellence through effectiveness and efficiency

Integrity- To conduct business in a consistent and unbiased manner

Transparency- Keeping stakeholders informed and involved

Respectfulness- Mutual respect within workplace and community

4.6.2 INTRODUCTION

This strategy seeks to achieve effective and efficient communication between the municipality and its key stakeholders. The strategy will ensure that the municipality employs planned communication; and communicates clear messages to its stakeholders, both internally and externally.

The strategy also attempts to strategically align to the national communication framework of government and the priorities of government.

4.6.3 SCOPE AND CONTEXT

This document seeks to spell out the strategic objectives and key activities that communications will be pursuing within the context of the 2011 – 2014 Medium Term Strategic Framework, which stipulates ten National Strategic Medium Term Priorities to guide all spheres of government with the allocation of resources, amongst other things. The ten strategic priorities of the national government are as follows:

- Increasing growth and transformation of the economy to create decent work and sustainable livelihoods;
- Building economic and social infrastructure;
- Development and implementation of a rural development strategy linked to land and agrarian reform and food security;
- Strengthening the skills and human resource base;
- Intensifying the fight against crime and corruption;
- Building cohesive, caring and sustainable communities;
- Pursuing African advancement and enhanced international cooperation;
- Sustainable resource management and use; and
- Building a developmental state including improvement of public services and strengthening democratic institutions.

The Medium Term Strategic Framework promotes the strengthening of the capacity of all spheres of government in order 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; and
- Strengthen democratic institutions.

The strategy is informed and guided by several policy documents, particularly those that have a direct bearing on communication, public participation, integration and coordination. Amongst these are:

- The Constitution of the Republic of South Africa Act 108 of 1996.
- The National Framework for Government, 2009 issued by Government Communication and Information System (GCIS).
- Municipal Systems Act 32 of 2000, which obligates municipalities to ensure public participation of communities and stakeholders and provide rights for citizens in terms of developmental communication.
- Promotion of Access to Information, Act 2 of 2000, which deals with how communities can gain access to information.
- The Municipal Structures Act 117 of 1998.
- Intergovernmental Relations Framework Act of 2005.
- The Local Government Five-Year Strategic Agenda (Hieman, 2011).

4.6.4 STRATEGIC EMPHASIS

The following are seven outputs linked to outcome 9 of the local government strategic priorities and national outcomes, that seek to achieve a “Responsive, accountable, Effective and efficient local government system”.

- 1) Implement a differentiated approach to municipal financing, planning and support
- 2) Improve access to basic services
- 3) Implementation of the community Work Programme
- 4) Actions supportive of the human settlement outcome
- 5) Deepen democracy through a redefined Ward Committee Model
- 6) Administrative and financial capability

7) Single window of coordination

4.6.5 COMMUNICATION OBJECTIVES

The communication objective seeks to improve the way the stakeholders perceive the municipality and support municipal priorities.

- Establish and maintain a strong relationship** with key stakeholders of the municipality (both internally and externally)
- Encourage stakeholder's participation in municipal programs**
- Build a good relationship with the media**
- Manage the reputation** of Blue Crane Route Municipality
- Strengthen the **corporate identity** of the municipality by applying the consistent use of branding.
- Encourage two-way communication** between the municipality and its stakeholders

Communication Environment

Communication environment is the way stakeholders perceive the organisation and how they view the organisation. Below there are some perceptions of BCRM stakeholders:

- Government is perceived as only being interested in the votes of the communities during election times.
- BCRM is not doing enough in support of Local Economic Development.
- BCRM is perceived as not delivering effectively on basic services
- Lack of relationship between the municipality and Local Newspaper (Somerset budget)
- Some people write bad things about the municipality in a form of "letters to editor" in local newspaper.

Communication Challenges

Following are the challenges that face the Blue Crane Route Municipality communications

- Absence of community radio station.
- Lack of relationship between the municipality and the SomersetBudget (localnewspaper).

- Limited communication capacity at the BCRM due to resource constraints resulting of not having a full communications unit.
- Calendars of events and activities are not shared amongst the local municipalities, district municipality and government department. This results in wastage of resources and duplication of events.
- Silo operation amongst the internal departments within Blue Crane Route Municipality.
- No reporting on municipal success by the media
- No reliable tool of communication for internal staff

Messages and Themes

The five year key message of government is “**Working together we can do more**”. The core message of the Blue Crane Route Municipality, aligned to that of government, is:

Tolerance, trust, tenacity

The themes of the Blue Crane Route Municipality are aligned to that of government core message and are as follow:

- Working together to achieve adequate and sustainable infrastructure for communities;
- Working together we can have a successful, effective and efficient municipality;
- Working together we can have informed communities;
- Working together towards the creation of a caring society;
- Working together we can create more jobs;
- Working together fighting crime and corruption;

Messengers

The messengers that enforce the key message of the Blue Crane Route Municipality are both internal and external stakeholders, and are the following:

- Mayor and councillors
- Municipal Manager
- Heads of Departments
- Communications officer
- Ward committees

- Community Development Workers

Communication Channels

Internal

- Notice Boards
- Internal E-mails
- Meetings
- Briefings

External

- Website
- BCRM Facebook Page
- Media Releases
- Newsletter (Quarterly publication)
- Public participation events
- Leaflet/bronchus
- Bulk SMS's
- CDWS
- Ward Committees
- National Media (both print and electronic media)

Channel	Distribution Point	Distributors
Newsletter	Libraries Post Office Municipal Offices	Councillors CDWs Ward committees Municipal officials
Leaflet/brochures	Libraries Post Office Municipal Offices Events	Councillors CDWs Ward committees Municipal officials

Stakeholder Segmentation

There are multiple and diverse audiences vying for the attention of the Blue Crane Route Municipality. These audiences differ in respect of language preferences, location within the local

municipality, sophistication, interests, access to various media and relationship with the municipality. The segmentation below provides focus for the Blue Crane Route Municipality in terms tailoring messages, communication channels and tools in order to ensure that stakeholders receive communication that is relevant to them. This approach also ensures that resources are strategically allocated. The following emerged as stakeholders of the Blue Crane Route Municipality:

Internal

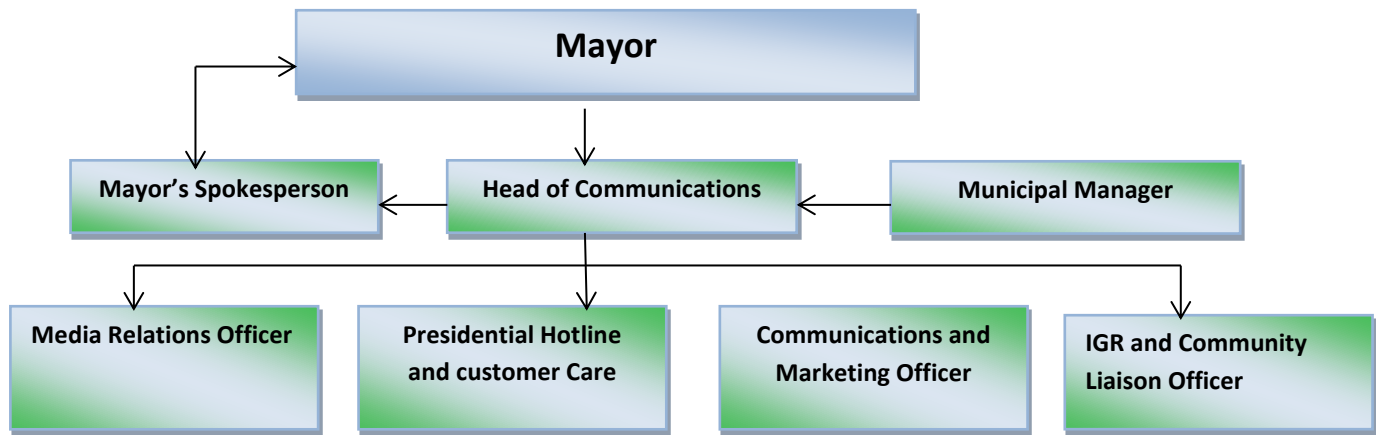
- ❖ BCRM Councillors
- ❖ Municipal officials
- ❖ Blue Crane Development Agency
- ❖ Unions
- ❖ Organised Labour

External

- ❖ Communities
- ❖ Media
- ❖ Business sector
- ❖ Community Based Organisation (NGOs, Schools, churches etc.).
- ❖ Opinion leaders (i.e. school principals, doctors, traditional healers etc.)
- ❖ Local Government Department
- ❖ Provincial Government Department
- ❖ Government Communication and Information System (GCIS)
- ❖ South African Local Government Association (SALGA)

Recommended Communication Structure

The recommended structure of the communications unit, according to the local government communication system, should encompass the following:



Action Plan

Communication events	Communication Action	Target Audience	Channel	Time Frame	Budget
16 Days of Activism	Public participation	BCRM Residence	Event	November to December	M.M to advise
World Aids Day	Public participation	BCRM Residence and Community paper	Event; Community paper	01 December	
Update Facebook Page/Website	Write and manage content	Community and relevant stakeholders	Facebook/website	On-going	N/A
Newsletter	Capture targeted messages and news stories for stakeholders,	Relevant stakeholders	Distribution points	Quarterly	MM to advise

INTERGRATED DEVELOPMENT PLAN REVIEW 2014/2015

BLUE CRANE ROUTE MUNICIPALITY (EC102)

	guided by priorities of the municipality				
Profiling Mayor and Councillors	Writ and edit content	Residents	Leaflet	January 2012	
Back to School	Public participation	Schools, Teachers, Learners, parents	Community paper, media statements	January 2012	
State of the Nation and state of the Province Address	Public participation programmes	Communities and media houses	Media and press releases	February 2012	
BCRM website	Assist in website development by ICT	BCRM community and other stakeholders	Website	On-going	
Human Rights day	Public participation	Community and other stakeholders	Communities, media, High school debates	Mrach 2012	
Freedom Day	Public participation	Community media and other stakeholderd	Community, High school debates, media	April 2012	
Child protection	Public participation	Community, media	Community, media	May to June 2012	
Youth Month	Public participation	Community, high school debate and the media	Community and the media	June 2012	
Mandela Month	Public	Community,	Community,	July 2012	

INTERGRATED DEVELOPMENT PLAN REVIEW 2014/2015

BLUE CRANE ROUTE MUNICIPALITY (EC102)

	participation	schools, and the media	Schools and media		
Woman's day celebrations	Public participation	community and media	community and media	August 2012	
Heritage Celebrations	Public Participation	Community and media	Community and media	September 2012	

4.6.6 ACTION PLAN IDP PRIORITIES

4.6.6.1 COMMUNITY SERVICES

MTAS/IDP priority	Key communication project	Communication activity	Messenger	Target audience	Channel	Time frame	Cost
Community Services	Tree Felling	Ward Meetings	Officials Ward Councilor Ward Committee Service Provider	Somerset East	Ward Meetings Somerset Budget Posters Notices in Municipal Accounts	January 2012	R650 000
Community Services	Upgrading of children parks	Ward Meetings	Officials Ward Councilor Ward Committee Service Provider	Cookhouse Aeroville Pearston	Media Posters	January-March 2012	R220 000
		Launch	Mayor				
Community Services	Street Names	Ward Meetings	Officials Ward Councilor Ward Committee	Mnandi Old Location Pearston	Ward Meetings Somerset Budget Posters Notices in Municipal Accounts	First week of December 2011	R100 000 Left to complete the project

INTERGRATED DEVELOPMENT PLAN REVIEW 2014/2015

BLUE CRANE ROUTE MUNICIPALITY (EC102)

Community Services	Water Quality Monitoring	Ward Meetings	Technical and Community Services Officials Water Superintendents	BCRM	Awareness Campaigns Somerset Budget Ward Meetings	Continuous	R30 000
Community Services	Road Traffic Safety Awareness Campaign	Ward Committees Schools	Portfolio Councilor Traffic Officer	BCRM	Ward Committees Public Awareness Educational talks (Schools	Continuous	Funded by the Department of Transport

4.6.6.2 INFRASTRUCTURE

MTAS/IDP priority	Key communication project	Communication activity	Messenger	Target audience	Channel	Time frame	Cost
Water and sanitation	Cookhouse bulk pipe	Public meetings Media briefing/release	Councillors cdw's relevant officials mayor	Community	Local media	End oct 2012	R10 000 00
	Bestershoek rising main	Notices to be attached to statements		Somerset east community	Letter Aphanaphaya(UW FM)	End nov	R 200.00
Roads and stormwater							

INTERGRATED DEVELOPMENT PLAN REVIEW 2014/2015

BLUE CRANE ROUTE MUNICIPALITY (EC102)

Electricity							
Buldings	Aerovilemulti purposecentre	Quarterly newsletter	Cdw Ward councilor Ward committes Officials	Community of Aeroville BCRM	Newsletter	End June	R30 000 .00
All IDP priorities	Municipal successes	Leaflet/Road shows	Mayor MM IDP officer Cdw Ward councilor Ward committees Officials	BCRM	Leaflet PPP IDP road shows	End June	R8 000.00

4.6.6.3 CORPORATE SERVICES

MTAS/IDP priority	Key communication project	Communication activity	Messenger	Target audience	Channel	Time frame	Cost
Human Settlements	Construction of 93 Houses (Pearston, Cookhouse and Aeroville)	Stakeholder Engagement Media Engagement Community Outreach	Portfolio Councillor CDW's Ward Councillor Ward	Approved Beneficiaries	Local Printing Media Cacadu News	July 2011 until March 2012	Budgeted

INTERGRATED DEVELOPMENT PLAN REVIEW 2014/2015

BLUE CRANE ROUTE MUNICIPALITY (EC102)

			Committee Manager Corporate Service				
Human Settlements	Transfer of houses to beneficiaries R7500 capital discount scheme	Stakeholders Engagement Media Engagement Community Outreach	Portfolio Councillor CDW's Ward Councillor Ward Committee Manager Corporate Service	Beneficiaries of R7500 capital discount scheme	Local Printing Media Cacadu News Loud hailing	July 2011 until June 2012	Budgeted
Transfer of Transnet Land	Report progress on Transfer of Transnet Land in Cookhouse to BCRM	Stakeholder Engagement Media Engagement Community Outreach	Portfolio Councillor CDW's Ward Councillor Ward Committee Manager Corporate Service	Informal Dwellers of Transnet Land	Local Printing Media Cacadu News Loud hailing	November 2011 and January 2012	Budgeted

INTERGRATED DEVELOPMENT PLAN REVIEW 2014/2015

BLUE CRANE ROUTE MUNICIPALITY (EC102)

Acquire Land for Development	Acquire land for extension of cemeteries in Bongweni and Mnandi	Stakeholder Engagement Media Engagement Community Outreach	Portfolio Councillor CDW's Ward Councillor Ward Committee Manager Corporate Service	Residents of Cookhouse and Somerset East	Local Media Leaflets/ Pamphlets	Printing	November 2011 until June 2012	Budgeted
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4.6.6.4 FINANCE

MTAS/IDP priority	Key communication Project	Communication activity	Messenger	Target audience	Channel	Time frame	Cost
Needs Analysis for IDP	Identification of key priorities, projects.	To organize face-to-face meetings. Steering Committees meetings	Mayor: BCRM	Councillors Staff members Community members Business Sector etc.	Develop invitations, Media and loud hailing for public meetings	Dec--March 2012	R5000
Final draft Budget & IDP	Finalization of the budget and	To organize face-to-face meetings.	Mayor: BCRM	Councillors Staff	Develop invitations, Media and loud	April 2012	

INTERGRATED DEVELOPMENT PLAN REVIEW 2014/2015

BLUE CRANE ROUTE MUNICIPALITY (EC102)

Alignment	consultation.	Steering Committees meetings		members Community members Business Sector etc.	hailing for public meetings		
Review of the Indigent Register	Indigent Register Update(Masakhane)	Raise awareness Appoint field workers for door-to-door collection of data	Ward Councillors	Community Members	Community meetings Ward Committees	March 2012	R25 000

4.6.6.5 LOCAL ECONOMIC DEVELOPMENT

MTAS/IDP priority	Key communication project	Communication activity	Messenger	Target audience	Channel	Time frame	Cost
SPU	Mayors cup	Stakeholder engagement Media engagement	Councilor Mncedi Mali SPU Officer- Mr. Mjekula	Youth	Radio Print Media (local) Cacadu News	February – April	Budgeted
LED (SMME's)	Cooperative registration	Stakeholder engagement Community Outreach Communication research Media engagement	Ms. BathabileNdoni Ms. Bongosi Tito	Potential SMME's Informal traders NPO's	Print Media (local) Loud hailing Notice Boards Letters	January – March 2012	Not budgeted

INTERGRATED DEVELOPMENT PLAN REVIEW 2014/2015

BLUE CRANE ROUTE MUNICIPALITY (EC102)

LED	Misty Mountain	Stakeholder engagement	Ms. B Ndoni	Youth, women and disabled	Meetings (beneficiaries) Municipal Website	January – March	Not budgeted
LED	Boschberg Development	Media engagement Stakeholder engagement	Mr. Chris Wilken (BCDA)	Potential operators	Radio Television Print Media Municipal Website	Ongoing	Budgeted (Private)
LED	Tourism Hub	Media engagement Stakeholder engagement Brand Positioning plan	Mr. C Wilken	Crafters Product owners Activity entities	Print media Social networks Municipal website	Ongoing	Budgeted (Private)
LED	Annual Biltong Festival	Media engagement Stakeholder engagement Brand positioning	Ms. M Liddell	Stall holders Artists Festival goers Business Accommodation owners	Print Media Social Networks Municipal website	October – July	Budgeted

4.6.6.6 MONITORING AND EVALUATING PROCESS

Through the following methods, the implementation of the communication strategy will be monitored and evaluated from time to time to determine effectiveness.

- ❖ Monitoring media coverage including volume and nature of coverage.
- ❖ Tracking the effectiveness of our publications.
- ❖ Evaluating of public participation in events.
- ❖ Monitoring website and social media usage.
- ❖ Speed up the dissemination of information to stakeholders.

4.6.6.7 CONCLUSION

The dynamic nature of local government has created an increase in the focus of involving the community in the municipal affairs. This serves purpose of deepening democracy in our municipalities. The municipality should its review communication strategy timeously to check whether they serve the purpose of the municipality to interact with the community. The Blue Crane Route Municipality is committed to ensuring that the community it serves become actively involved in the programmes of the municipality in accordance with the principles preserved in our country's constitution. This strategy is developed to help with the establishment of communication process both internally and externally.

4.7 BCRM WATER SERVICES DEVELOPMENT PLAN

Building on the achievements of the Water Services Authority Capacity Building Business Plan (WSA BP), the purpose of this Business Plan is to provide the Blue Crane Route Municipality with a tool whereby it can monitor and manage the realisation of its Water Service Authority role, with a specific focus on the effective and efficient implementation of its selected Water Services Provider (WSP) options.

In order to achieve the above, this Business Plan will outline:

- ❑ The challenges and priorities emanating from the Blue Crane Route Municipality's Water Services Development Plan (2006 Review)

- The challenges and priorities emanating from the Blue Crane Route Municipality's Water Services Authority Capacity Building Plan process and what still remains to be done in so far as this process is concerned
- The challenges and priorities of Blue Crane Route Municipality managing and implementing its WSP mandate
- What Blue Crane Route Municipality will need to do in order to progressively overcome the above challenges and priorities
- What resources will need to be applied in order to do the above
- How progress in terms of achieving the above will be measured

Ultimately, the aim of the Business Plan will be to ensure that the residents living in the Blue Crane Route Municipality's area of jurisdiction are provided with water services in a manner that is in line with Section 11(1) of the Water Services Act (No.10 of 1997), namely, water services which are:

- Efficient
- Affordable
- Economical
- Sustainable

Emanating from the Consolidated WSA Capacity Building Business Plan for all the WSAs in the Cacadu District, the Cacadu District Municipality has appointed service providers to prepare WSDPs for all the WSAs in the Cacadu District, including the Blue Crane Route Municipality. This exercise is under way and, at the time of compiling this Water Services Business Plan, is said to be well advanced.

Since the responsibility for water services had previously not resided with Blue Crane Route Municipality, (other than in the urban TLC-controlled urban areas) it did not possess all of the necessary structures, systems and resources to ensure its effective implementation.

The Department of Water Affairs and Forestry (DWAF) had therefore initiated a programme to assist district municipalities to develop the required WSA capacity. The compilation a WSA Capacity Building Business Plan was thus commissioned. In the case of the Cacadu District Municipality, a combined business plan was prepared in order to serve the needs of each of the local municipalities within the District. :

The intention of the Business Plan was to:

- Identify the status quo of existing WSA capacity;
- Identify gaps and problems that need to be addressed in order for the municipalities to efficiently and effectively fulfil their WSA responsibilities;
- Set out the objectives formulated by the municipalities to address the WSA capacity gaps identified;
- Set out the strategies developed by the municipalities to achieve these objectives
- Prepare the municipality's Implementation Plan, including actions, programmes and projects to give effect to the strategies developed to achieve the objectives
- Provide an overall budget

There are, in essence, two alternative structures which can be utilized to fulfil the WSA function:

Option 1: Diversified WSA Management Structure: A structure, in which the various WSA functions are performed by various officials in several different departments and in which officials would seldom, if ever, be dedicated entirely to the WSA function (this is the status quo in most municipalities).

- As this option can in theory, be established without employing large numbers of additional staff, it could be expected to be more economical and cost effective.
- On the other hand, it tends to be less focused and efficient because the officials concerned are not dedicated to the WSA function and the lines of authority, and thus the lines of accountability, remain blurred.
- The Water Services Manager will need to depend upon officials in other departments, over whom he/she has no authority, to perform vital WSA functions.

- ❑ Alternatively, the Municipal Manager, being the only official who has overriding authority over all departments, could be designated as “Water Services Manager”.

Option 2: WSA Management Unit: A structure which is self-contained and separate (ring-fenced), from the other municipal line departments and which is dedicated entirely to the WSA function.

- ❑ This structure retains clear lines of authority and is dedicated to the WSA function. However it is likely to entail the employment of additional staff and is accordingly, likely to be more expensive

4.8 LED/PROJECT INTERVENTION STRATEGY

The overall objective of the BCRM LED strategy is to stimulate economic growth and development, improve basic living conditions and reduce unemployment by harnessing the economic potential in the Blue Crane Route Municipality through integrated and coordinated economic planning.

The LED strategy identifies opportunities to boost economic growth and development through an assessment of the *status quo*, existing challenges to development and an analysis of the latent economic potential of the BCRM. It provides clear implementation and monitoring guidelines within an appropriate institutional model and thereby provides the BCRM with strategic guidelines and clear objectives for economic development that can be used to plan and implement LED activities in future.

In all the projects mentioned in this document the following has been completed:

- Business plans/ EIA's / Rezoning/ surveys etc

A) Alignment to government Policies:

Development in the BCRM cannot be a standalone function of the BCDA; therefore all projects and planning are aligned to Government policy.

Linking to BCRM Planning Framework:

1- Integrated Development Plan (IDP).

BCDA alignment:

The BCDA participates in all the planning exercises of the BCRM in terms of drafting and regular reviewing of the BCRM IDP. All the BCDA plans are included in the BCRM IDP and all the newly identified plans are annually included in the IDP.

2- All BCDA projects comply with the BCRM Spatial Development Plan.

Linking to CACADU Planning Framework:

- 1- CACADU IDP (district Municipality).
- 2- CACADU Spatial Development Plan.
- 3- CACADU Economic Growth and Development Strategy (EGDS).

Linking to Province Planning Framework:

- 1- Provincial Growth and Development Plan (PGDP).
- 2- Spatial Development Plan: Eastern Cape Province.

Linking to National Planning Framework:

The Province of the Eastern Cape processes the following applicable plans:

- National Framework for Local Economic Development in S.A.
- National Spatial Development Perspective.
- Accelerated & Growth Initiative for S.A.

IPAP (2) & Etc

All BCDA projects are aligned to IPAP(2)

IPAP 2 emphasizes government's commitment to Tourism niche/Aerospace/ Agricultural and to rural development as critical development objectives.

The BCDA can therefore deliver to our government and our country both of these objectives in one local municipality located in the Eastern Cape hinterland.

National Government buy in and support is crucial to the success of these project going forward.

B) LED Implementation Strategies:

TOURISM SECTOR:

Strategy - BCRM as a Tourism Destination:

It is widely acknowledged that the BCRM region tourism development is struggling because of the fact that the BCRM towns are not located on any of the main routes. The R10 main road runs past Cookhouse and the R63 bypasses Pearston. There is no alternative then, but to market and develop the BCRM towns as destinations. The BCDA Tourism development section will concentrate all their efforts into destination development.

The objective to grow market share and lengthen periods of stay through product development, strategic marketing and positioning implies that the emphasis must be placed on a mass of activities, attracting overnight stays and increasing average length of stay. This means offering a concentrated and diversified experience that builds upon and reinforces the culture and environment of the Somerset East area. It also implies positioning the Somerset East area together with other destination/product itineraries.

No destination or business can be everything to all tourists. Destinations and businesses must make a series of hard decisions about where best to allocate their limited resources to achieve the best or optimal results. No two destinations are the same and, therefore, the choices made and the paths taken to sustainability will vary from destination to destination. Determining the best path to take involves understanding the unique situation facing each destination, its competitive situation, opportunities, strengths and weaknesses.

Promoting a destination needs ample product (Product ranges from an outdoor activity to specific events) to attract people to the area. We need to increase the number of people visiting our towns to be able to develop product. Product in terms of diverse activities is the main attraction for visitors. The more products available, the more people will be attracted, and in conjunction with establishing product, comes the establishing of good quality accommodation and restaurants. If the area has sufficient activities to keep tourists in our towns and encourage them to stay overnight, the next development will be the need for specific tourism related businesses; and this affords an opportunity to promote Black Economic Empowerment initiatives.

Focus areas for a Destination development plan:

A general plan to support this important issue needs to be formulated. The following important issues need to be incorporated:

- ❖ Activity creation
- ❖ Overnight facilities for tour groups
- ❖ Events development
- ❖ Quality country living

The Boschberg location and the regions strengths are excellently situated to accommodate these actions. It is therefore of the utmost importance for the BCRM region to develop Boschberg as a key Tourisms activity hub. Projects:

NAME	CAPEX	SOURCE	JOBS	
			Perm	Temp
Boschberg	R80m	Commercial/ Government	350	550
Tarring of road to ADDO	R65m	Government		250

BUSINESS SECTOR:

Strategy – (Developing the Aerospace & Industrial Sectors)

One of the approved projects undertaken by the BCDA comprises the construction of a Civil Aviation Authority (CAA) approved and licensed commercial airport. The new airport is situated on the old Somerset East airfield site. This project was identified by the BCDA as a critically strategic infrastructure project and reflected in the IDP of the BCRM. The investigation undertaken by the BCDA revealed that the old Somerset Airfield was unsuitable for commercial aviation. As there was no existing regional airport to accommodate air based tourism in the area an opportunity was identified to establish a commercial airport to operate as a developmental economic and social catalyst for the region.

This project was specifically designed to serve as an economic growth catalyst and a development node that can exploit the growing regional investment and tourism opportunities in this unique area. Somerset East is situated only sixty kilometers from the Addo Elephant Park and the project offers an ideal business nucleus project to many small downstream entrepreneurial businesses such as tour operators and other support services.

The airport will give Somerset East and the region a substantial competitive advantage over neighbouring municipal precincts. A light industrial park has been planned and is to be established within the airport precinct. This park will enable private business to establish their enterprises on erven purchased from the municipality. The project has been spatially designed to develop a light industrial park within the airport precinct.

- The project has the long term potential to create in excess of 1000 jobs.
- Opportunities will be created for specialised and scarce skills training.
- Job creation
- Training of pilots.

Projects:

NAME	CAPEX	SOURCE	JOBS	
			Perm	Temp
Light Industrial park	R2 -5m	Government	150	150
Tarring of runway	R8m	Government	35	40
Developing SkyWake	R8 - 18m	Commercial/ Govern	20	
Cookhouse Petro Port	R12m	Commercial	20	85
Paving projects Pearston/ S. East & Cookhouse	R2m each	Government	15 each	
SMME Business & resource development centre				

AGRICULTURAL SECTOR:

Strategy – (Emerging farmers & development of high value crops)

The other important issue is the assistance of newly established emerging farmers. The BCDA will not get involved with the id of potential farmers or the purchasing of land but will assist with establishment of these farmers. The Blue Crane Development Agency was mandated to investigate the potential to produce high value crops. The area is known for its well established extensive agricultural potential. The reason for high value crops is to create employment and to add value to produce and there for establish industries. Various studies have been conducted over the past years since 2004.

From these studies it was clear that a wide range of crops could be established. From these studies it is clear that the water is of good quality and more than sufficient to grow these crops. The water comes from the Gariiep dam and since 1974 there is permanent water available for irrigation purposes. The studies also confirmed that the soils are of exceptional good quality and leans it to all the different crops. Research was done on the climate over the past 20 years and

it is also clear that the climate suits all the crops. Because of the climate fruit ripens 10- 14 days earlier in our region than in any other area.

By implementing the production of high value crops the economy will be stimulated. Employment will be created and the high jobless problem will be addressed. Value can be added to produce which will create industries, skills will be developed and the entire community will be uplifted.

Projects:

NAME	CAPEX	SOURCE	JOBS	
			Perm	Temp
Pearston Vegetables	R2,5m	Government	35	
Cookhouse Vegetables	R2,5m	Government	35	

RENEWABLE ENERGY SECTOR:

Strategy – (Developing Wind/ Hydro & Solar Energy in the region)

Introduction:

Due to the shortage and unavailability of electricity the BCDA was mandated and tasked by its parent Municipality, Blue Crane Route Municipality, to investigate and explore option on renewable energy. A study was done by the University of Stellenbosch (Centre for Renewable Energy) on all the options and available sites in the area. Various commercial operations are already being implemented or are in the process of negotiations with the BCDA.

Projects:

NAME	CAPEX	SOURCE	JOBS	
			Perm	Temp
Hydro	R75m	Commercial	15	110
Wind	R5,5b	Commercial	100	900
Solar	R120m	Commercial	35	120
Solar factory – Pearston	R3,5m + R4m	Government/ Commercial	65	

General Sector:

Strategy – (Developing education in the region)

People are poor in the region; they have no finance to send children to be educated in the larger cities.

Projects:

NAME	CAPEX	SOURCE	JOBS	
			Perm	Temp
Establishing a satellite of Lovedale + Denel artisans training	R35m	Government	25	60

C) INTERVENTION STRATEGY

Government grant funding is urgently required In order to unlock these projects.

The BCDA has secured a world class and internationally approved Flying Academy to contractually commit to utilizing the Somerset East Airfield providing the new main runway is tarred. Equally important is the requirement for funding the bulk services of the Somerset East Light Industrial Park.

The tarring of the runway together with the installation of these bulk services will enable this catalytic project to kick start the proposed new Aerospace and advanced manufacturing industry in Somerset East. These projects together with the many downstream opportunities that will be created are designed to create a substantial number of jobs over the shorter to medium term.

We will greatly appreciate it if the Honourable Minister/Premier/MEC could engage the respective MECs and Ministers, particularly those that will not find time to come to the Blue Crane Region, to provide strategic advice on matters raised relating to each MEC & Minister

The focus areas are:

<i>Ministry</i>	<i>Focus Area of Interest to Blue Crane & Surrounds</i>
<p><i>Minister G. Nkwinti (Rural Development and Land Reform)</i></p> <p><i>DLGTA</i></p> <p><i>MEC Qoboshiyane</i></p> <p><i>MEC for Public Works</i></p>	<p>Co-ordinator of Small Town Revitalization – CRDP Programme.</p> <ul style="list-style-type: none"> • Sugarbeet / Biofuel : Empowering rural farmer workers and communities to use land in economically sustainable manner. <ul style="list-style-type: none"> ○ Value chain analysis and commercial exploitation opportunities. <p>Tarring of road between Addo & Somerset East</p>
<p><i>Minister R. Davies (Trade & Industry)</i></p> <p><i>MEC Jonas - DEDEA</i></p> <p><i>MEC Marawu - DPW</i></p> <p><i>MEC Qoboshiyane</i></p>	<p>Development of light manufacturing industrial zone</p> <ul style="list-style-type: none"> • Light Aerospace manufacturing (SkyWake) • Renewable energy component manufacturing <p>Development of Airfield</p> <ul style="list-style-type: none"> • Runway

<p><i>Minister B. Molewa – Department of Energy</i></p> <p><i>MEC Jonas- DEDEA</i></p> <p><i>MEC Qoboshiyane</i></p>	<p>Community owned (through municipality and agency) energy generation initiative using water canal for hydro-energy generation.</p> <ul style="list-style-type: none"> • Licence for hydro-energy generation and provision of technical support by the department to the municipality and agency.
<p><i>Minister T. Nxesi- Department of Public Works</i></p> <p><i>Premier of EC</i></p> <p><i>MEC Marawu - DPW</i></p>	<p>Make available of buildings owned by public works for technical skills development purposes:</p> <ul style="list-style-type: none"> • Lovedale FET College focused on Agriculture Development • Denel Artisan Skills Training
<p><i>Minister B. Nzimande- Department of Higher Education</i></p> <p><i>Premier of EC</i></p> <p><i>MEC Jonas & Makupula</i></p>	<p>Approval of Lovedale FET satellite establishment at Blue Crane Municipality.</p>
<p><i>Minister E. Patel- Department of Economic Affairs</i></p> <p><i>Premier of EC</i></p> <p><i>MEC Jonas- DEDEA</i></p> <p><i>Minister Nkwinti- DRDLA</i></p> <p><i>DLGTA</i></p> <p><i>MEC Qoboshiyane</i></p>	<p>Provision of technical support from the department on due diligence studies on:</p> <ul style="list-style-type: none"> • Declaration of the Karroo corridor as SAs renewable corridor and exploring of all value add chain associated with each renewable energy platform. Renewable energy opportunities include: <ul style="list-style-type: none"> ○ Wind energy farm (Blue Crane & Nxuba Municipalities); ○ Solar farm (Ikwezi, Blue Crane and Camdeboo Local Municipalities); ○ Biofuel (Inxuba Yethemba) ○ Hydro-energy (Blue Crane) • Information regarding Shale Gas Exploration in the Karroo and all up-downstream value add opportunities. • Economic zone-tourism hub funding

We do not expect that all the Ministers and MEC's listed above will be available simultaneously to attend this important meeting which we plan to form part of the ANC's Centenary Celebrations to communicate a message to the electorate that despite the ANC will hold its elective conference it has not forgotten about the economic development of its people, particularly the black majority.

Thanking you in anticipation for your kind consideration in this regard and we will extend the invitation to the relevant provincial political heads to form part of this meeting.

4.9 BCRM RESPONSIBLE TOURISM SECTOR PLAN

This section sets out the strategic direction for tourism within the BCRM, derived from an analysis of the situational analysis, policies, strategic guidelines and discussion with key stakeholders concerned with tourism development. In order to assess the best strategic direction to grow tourism in the BCRM, the following issues are examined:

- Product strengths and Unique Selling Points (USP)
- Market segmentation and target markets
- Proposed strategic direction

In terms of the current market, the situational analysis for the BCRM showed the following:

- 74% of the visitors to the area are domestic tourists.
- The primary reason for international tourists to come to the area (26% of tourists) is for hunting and to visit natural attractions, and these visitors are primarily from Europe.
- In line with the trends within the province as a whole, the majority of tourists to the BCRM are from within the province (56%). This is followed by Gauteng and the Western Cape.

The RTSP plan is therefore based on the following five (5) focus areas, which are used as reference points to identify specific projects and actions for implementation:

- Focus Area 1: Tourism Product Development
- Focus Area 2: Tourism Marketing
- Focus Area 3: Tourism Infrastructure
- Focus Area 4: Human Resource Development
- Focus Area 5: Creating an Enabling Environment

The three main results of the development of the BCRM LED strategy are:

- Development of the LED strategy, including a situational analysis report and a development framework report

- LED training for LED practitioners and other relevant stakeholders involved in local economic development
- Development of an appropriate institutional model for the implementation and monitoring and evaluation of the BCRM LED strategy

The objectives for the Blue Crane Route Local Economic Development Strategy are as follows:

1. Grow the local economy to achieve a 3% year-on-year growth rate from 2009 – 2013 and a 5% year-on-year growth rate from 2014.
2. Investor confidence in BCRM will be promoted through the provision of sound infrastructure and reliable services by 2012.
3. SMMEs will be promoted and supported to increase employment opportunities in BCRM by 2012.
4. Growth of the agricultural sector will be encouraged through diversification and value adding to primary products.
5. Increase tourism numbers to BCRM by 10% annually.

The economic vision and objectives guide the formulation of strategic development pillars. Six main pillars have been identified that will stimulate local economic development in Blue Crane Route Municipality, namely:

- Good governance & service delivery
- Alternative sources of energy
- Enterprise Development
- Agricultural Development
- Tourism Development
- Investment in Human Capital

Unique selling points identified

- Along primary linkage route (N10) linking coastal areas to hinterland areas of the province
- Situated between N10 and R75 linking Graaf – Reinetadn Camdeboo National Park
- Situated in close proximity to Port Elizabeth
- Sunny dry climate

- Clear skies at night
- Cultural and historical heritage and sites well maintained
- Number of escarpment ridges, high peaks
- Fossil bearing gology Boshberg mountain with critically endangered species.

4.10 BCRM COMMONAGE PROPOSAL

This proposal is a follow-on action that builds upon the preparatory work done during the project *Commonage Management in the Blue Crane Route Municipality*. This project compiled a commonage management policy for the Blue Crane Route municipality. Non-regulated usage of the commonage by persons who are not indigent continues to stand as an obstacle to the implementation of that policy.

OVERALL OBJECTIVES

- Relieve pressure for commonage from emergent commercial and semi-commercial stockowners by facilitating their acquisition of grazing land in their own name(s).
- Identify and quantify the residual uses and rights, mainly non-grazing, that benefit the poorest households and how these can be best be realised with respect to the commonage
- Facilitate the expanded usage of the commonage by user groups whose interests may range from cultural practises, entrepreneurship and leisure activities.

SPECIFIC OBJECTIVE

- Provide an alternative and appropriate working model or precedent for the resolution of conflicts over municipal commonage and the more systematic and sustainable utilisation thereof.

TARGET GROUPS AND FINAL BENEFICIARIES

TARGET GROUPS

1. Blue Crane Route Municipality (BCRM)
2. Blue Crane Route Development Agency (BCRDA)
3. Established commercial stock farmers in Blue Crane Route Municipality

4. Emerging commercial and semi-commercial stock farmers in Blue Crane Route Municipality
5. Urban households with small numbers of large and small livestock in need of grazing, as distinct from the category above, e.g. one or two cows or goats in milk.
6. Marginal households dependent on the commonage for part of their sustenance
7. National Department of Land Affairs in the Eastern Cape (NDLA) and provincial Department of Agriculture (PDA).

❑ FINAL BENEFICIARIES

1. Emerging commercial and semi-commercial stock farmers in Blue Crane Route Municipality
2. The general public of Blue Crane Route Municipality
3. Those sectors of the community with a direct interest in a properly managed natural environment, in particular, households with genuine needs for grazing by a small number of livestock, as well as the most marginal households who may be critically dependent on the commonage for their sustenance.

4.11 BCRM INTEGRATED WASTE MANAGEMENT PLAN

As required by the National Waste Management Strategy (NWMS) and the IDP process, all municipalities are obliged to compile an IWMP. An **IWMP** is a plan which has been compiled to provide the most cost-effective and technically and environmentally acceptable solutions to the total waste management of the organisation. It addresses the Status Quo, analyse the needs, and offer solutions to ensure responsible waste management. As such it addresses waste generation, waste minimisation and re-use, collection of all waste, disposal infrastructure (disposal facility requirements) and disposal according to environmentally sound practises and within the requirements of relevant legislation and regulations.

The IWMP was compiled in November 2008 and it gives the general background of the area as located at the western half of the Eastern Cape approximately 150 km north of Nelson Mandela Bay Metro. BCRM is comprised of Somerset East, Pearston and Cookhouse and recommendations contained in this document covers this whole area.

NEEDS ANALYSIS

The following needs were identified in the entire BCRM:

- The municipality does not have any waste minimization strategies in place and they need to be developed and implemented.
- The municipality needs to look into creating long term job opportunities by involving private contractors in waste collection.
- Municipal bylaws need to be updated to include measures that will address waste minimization, recycling and penalties for deviations.
- Authorization of landfill sites and compliance with minimum requirements for landfill sites.

The following **projects** have been identified for the implementation phase of this plan:

- Development of a new regional landfill site for Cookhouse and Somerset East.
- Closure and rehabilitation of the existing Cookhouse and Somerset East sites
- Upgrading and permitting of the Pearston landfill site.
- Establishment and authorization of waste transfer station in Cookhouse

The above mentioned projects are registered with MIG for funding for the implementation phase. At this stage no funds are available yet due to prior commitments if the MIG.

4.12 BCRM FIRE AND DISASTER MANAGEMENT PLAN

Based on the Risk and Vulnerabilities identified for BCR, the municipality needs to develop a plan to Disasters come in various forms, from man caused such as wild bush fires, infectious disease spread, industrial accidents to natural disasters such as flooding, landslides etc. The need to strategically manage and ensure the after effects of such incidents is kept minimal and those affected treated with care is important.

NEEDS ANALYSIS

- The BCRM does not have a Fire Building where the normal day to day operation can be done including the necessary training for officers.
- The vacant positions as per the Organogram must be filled in order to comply with services delivery.

OBJECTIVES / GOALS

Capital Budget

Old Market building was identified and with the help of external funding the building will be revamped.

Salary / Staff Budget

1 Senior Fire Man Post Level T10 External Funding Cacadu District Municipality
3 Fire Fighters Post Level T9 2 Will Be External Funding Cacadu District Municipality

Operation Budget

Protective Clothing R60 000.00 (R45 000 will be provided by an external funding. CDM)

The following projects will be implemented when this building is in full operation:

- A J.O.C. will be established
- Fire safety at school and industrial areas
- Fire Drills
- Hot line or Service line which will link to Departments standby personals 24/7

4.13 BCRM TRAFFIC SECTOR PLAN

The current Organogram of the BRCM Traffic is out date and do not make provision for the needs of the Community of BRCM Area, resulting that the entire BCRM Area to be under served. We have currently one officer on patrol with the necessary back that one deserved in a law enforcement environment. We have three towns in our area, linked by the R63 secondary road which is a dangerous route due to the wild life in this area and we also have the N10 where fatal accidents happen. Law enforcement is currently lacking in all these routes including the suburbs.

NEEDS ANALYSIS

- The Organogram must be re-evaluated in order to comply with the service demand
- Currently the traffic Dept. is just one section, it need to be split in to three section; namely Law Enforcement, Drivers Licence and Administration including VTS
- We need 2 officers on patrol in one patrol vehicle on the N10 route every day and 1 officer in each of the three towns.
- 2 Examiner of Drivers Licence Officer to meet the current demand and 1 VTS Officer

- 3 General workers: 2 of them focusing on the painting of road marks and replacing of damaged road signs and the third the cleaning of the building.
- Most of all a Bigger Operational building
- Patrol Vehicles

OBJECTIVES / GOALS

Capital Budget

There is currently a New Building Plan but no funding is available.

Salary / Staff Budget

1 Superintendent	Level T2 on the New Grading
1 General Worker	Level T10 on the New Grading

The following projects will be implemented when this building is in full operation:

- Administration will be separated from Law enforcement
- Law enforcement can be monitored
- Road traffic safety will be presented in all it 8 categories
- Examiners will have sufficient space to communicate with the applicants

4.14 BCRM HOUSING SECTOR PLAN

Metroplan and regional planners conducted a comprehensive situation analysis during the period of August 2007 – February 2008. The purpose of the analysis was to identify key issues faced by the Municipality. The Blue Crane Route Municipality (BCRM) has a population of 36 177 and the current backlog is 4 000. There are five permanent housing clerks that are responsible for the administration. The proposed organogram has to date not yet been populated, this which consists of a Manager, Project Manager, two Building Inspectors and Administration clerks in various categories e.g. Housing Consumer Educators and Housing Rental Officers. At the moment Municipality is focused on rectification projects on pre and post 1994.

The Blue Crane Route Municipality is currently faced with the electricity shortages as soon as these shortages are met the Municipality aims on focusing on the establishment of a township consisting of 3 000 units. There are plans to apply for pathway for disabled individuals. The

housing programme in the BCRM is largely focused on lower income households of a R0 – R1,500 income bracket (RDP houses) and the upper class households of R15,000 and above income bracket with sites from R2,500 upwards these falling under the Blue Crane Route Agency. There is a lack of accommodation of individuals in the R7, 000 – R15, 000 income bracket and the rural areas.

There is a need to buy land in Cookhouse and in Somerset East. The BCRM Municipality special development framework further gives attention to main urban nodes Cookhouse, Somerset East and Pearston and special development areas of Uitkeer and special rural nodes of Golden Valley and Middleton.

There are many housing projects identified there is a need of 100 hectares of land to meet this demand. All formal sites have access to water and only new and unmet informal settlements currently do not have access. A greater section of Somerset East and Cookhouse receive water from surface run off in the catchment areas, springs, boreholes for water. According to Metroplan it is perceived Somerset East will have a water shortfall. The Blue Crane Route Municipality (BCRM) becoming obliged to compare the long term threats and the projected water shortages verses housing provision. Contingency plans must be put in place for the reorientation of housing provision to meet the projected shortages in the township establishment.

The following Draft Policies are also being developed in Blue Crane Route Municipality:

- Draft Disabled Policy
- Draft Women Policy
- Draft Youth Policy

4.15 POVERTY REDUCTION / GENDER EQUITY PROGRAMME

Minimum Living Level

The estimated number of households living below the Minimum Living Level and the Dependency Ratio provides a clear guideline and indicator of level of poverty in the region. Data is only available for Somerset East at present. According to IDEA PIMSS (2000) approximately 73,1% of the households in Somerset East live below the minimum living level. This represents approximately 4,753 households and indicates a very high level of poverty. The dependency

ratio is approximately 1,78 which means that every working individual in BCRM must support 1.78 non-working individuals. The ratio has increased in Somerset East by 0, 31 between 1990 and 2000. This means that each person earning an income now has a greater proportion of people dependent on his/her income.

Approximately 52% of the population in BCRM is female with 48% being male. This gender spread should thus be reflected in all positions of employment but that is often not the case. BCRM is in the process of compiling a Gender Equity Programme to ensure that gender equity is maintained amongst its staff. At present there is no significant gender inequality amongst higher level staff and management within BCRM however efforts are made to improve gender equity amongst general workers of BCRM (i.e. street cleaners, etc.).

4.16 INTEGRATED ENVIRONMENTAL PROGRAMME

The following range of issues has been identified in BCRM:

- There is a general lack of environmental conservation and enforcing of environmental bylaws.
- The current environmental assets are also not being adequately used to create jobs for e.g. in the tourism sector.

4.17 INTEGRATED HIV/AIDS PROGRAMME

The BCRM will mainstream HIV/AIDS into IDP to ensure that the Integrated Development Plan cycle of public consultation, needs analysis, project identification, review and evaluation is effectively used, to integrate socio-economic development factors linked with reducing HIV/AIDS prevalence and impact, into the Municipal core business. The BCRM embarked in the development HIV/AIDS Plan and identified six key priorities that are needed for the intervention to reduce prevalence and impact of HIV/AIDS:

- Prevention
- Treatment, Care and Support
- Care and Support of orphans and Vulnerable Children
- Monitoring and Evaluation and Action research
- Human rights and access to justice
- Mainstreaming HIV/AIDS into Municipal IDP

4.18 INTEGRATED LOCAL ECONOMIC DEVELOPMENT PROGRAMME

BCRM has identified Local Economic Development (LED) as a key factor in the development of the BCRM economy and all of its communities. LED has been identified as a priority because of vast number of opportunities in tourism, agriculture and investment the municipality is currently not adequately exploiting. While this is a positive step forward, the LED structures in place and BCRM organogram do not reflect the importance of LED.

Currently the LED Officer is also the IDP Officer of BCR (i.e. fulfils two functions) and this individual reports directly to the Municipal Manager. There is therefore no dedicated LED unit within the BCRM; The Blue Crane Development Agency was established to provide this type of support to BCRM. BCRM and BCDA negotiated the roles and responsibilities of both parties and have signed a service level agreement in that regard. In addition to the LED/IDP Officer and BCDA there is a functional IDP Forum in BCR, which also acts as a LED Forum. Meetings happen on an ad hoc basis when the need arises. BCRM hosted three (3) LED Learners 2008, but these learners are not employed by the BCRM permanently. The BCRM completed an LED Strategy in June 2008 and which is now being implemented.

4.19 INTEGRATED INSTITUTIONAL PROGRAMME

BCRM has experienced past difficulties in the form of various institutional threats and weaknesses. The most notable of these being issues related to infrastructure, skills and productivity. The municipality however also has a range of opportunities and strengths, most notably strong political leadership and stability, the existence of a development agency and all of the investment opportunities.

A workplace Skills Development Plan for BCRM is in place; however this document is outdated and should be reviewed. The BCRM currently does not have a Human Resource Development and Retention Strategy, but this has been identified as a project that should be undertaken. The BCRM has a supply chain management plan and an indigent policy; however the indigent policy is in the process of being reviewed at present. Currently the municipality is providing free basic services to indigent people only. We strive to provide the indigent with 6kl of water, 50Kwh electricity, 100% free sanitation and refuse. The municipality also provide free basic rates up to R15 000(valuation of house) to all households. The municipality utilise the equitable share allocation to subsidize these services. With respect to performance management systems, the BCRM has performance agreements in place with the Municipal Manager and Departmental

Managers. There are no performance agreements in place with other staff members of the municipality, but progress has been made to cascade these to middle management and lower levels.

4.20 INTEGRATED SECTOR PLANS

The following integrated sector plans are discussed in this section:

- ⇒ Health
- ⇒ Tourism
- ⇒ Safety and security
- ⇒ Transport – including the Integrated Transport Plan
- ⇒ Water and Sanitation
- ⇒ Housing
- ⇒ Infrastructure

4.20.1 HEALTH

Despite all the HIV and AIDS prevention programmes that are available in the BCRM clinics, the statistics have not shown much improvement in terms of impact but instead there is more HIV positive people in the January to March 2011 quarter. Those clients that are eligible for ART are now started on ART treatment in the clinics in Pearston, Cookhouse and Vera Barford Clinic. The nurses are undergoing NIMART training so that all clinics can initiate treatment.

4.20.2 TOURISM

BCRM has identified tourism as an important catalyst for local economic development and the existing SDF recognises the untapped tourism potential of BCR. The Responsible Tourism Sector Plan was completed in 2009.

4.20.3 SAFETY AND SECURITY

Safety and security falls under the ambit of protection services within the Community Services Department.

4.20.4 HOUSING

It is the responsibility of local municipalities to provide accessible and adequate housing to its communities. The BCRM has had difficulties in received funding for the building of new houses because of the moratorium placed on housing subsidies in 2006. The Department of Housing has allocated an amount of approximately R 44 272 000 to address these backlogs. The housing project has started in the 2007/08 book year, but no funds will be physically allocated to the municipality.

4.20.5 WATER AND SANITATION

It is the responsibility of every municipality to have a Water Services Development Plan (WSDP). The purpose of this plan is to identify the current level of service, targets, consumer profiles, infrastructure, demand and institutional management as well as finances and affordability. An extract from the Executive Summary of the draft WSDP is provided below.

The WSDP indicates the following water and sanitation backlogs in BCR:

Table D1: Water and Sanitation Backlogs in BCR

Water Works Service Area	Water Needs to RDP Level		Sanitation Needs to RDP Level	
	Technical	Management	Technical	Management
Reticulation	30%	30%	30%	30%
Bulk	30%	30%	30%	30%

The WSDP indicated the following with regards to supply at higher service levels than RDP standards require:

Table D2: Supply at higher service levels than RDP Standards required

	Basic RDP	High RDP >	Urban
LM-Water services	%	98%	98%
LM-Sanitation services	%	80.3%	80.3%

The BCRM's objective is to supply each consumer with an individual metered water erf connection and a full water borne sanitation system, if technically and financially feasible. From the above, it is clear that the LOS provided by the WSA is "higher" than the minimum required by the National RDP Standards. The water and sanitation related projects listed in the IDP and WSDP are therefore geared to achieve this goal.

Table D3: Water Resource Profile of BCR

COOKHOUSE	The water is supplied to the town from the Orange River canal and by Hougham Abrahams Irrigation Board.
PEARSTON	The town is supplied from four boreholes located within and around Pearston Town.
SOMERSET EAST	The town is supplied from the Gariiep canal, Bosberg/Bestershoek Dam, Springs and six boreholes.

The amount of bulk water presently abstracted from current BCRM sources is approximately 2,642.7 ML/year, whilst the available water resources can provide approximately 5,663.9 ML/year. In the next five years there will be a shortfall in the water supply to Somerset East Town of approximately 82 ML/year. The total physical losses are estimated at 74 ML/year for the entire BCRM.

Consumers' needs on the delivery of water services are not restricted to what level of service they receive, but include the quality of service rendered. If consumers are satisfied with the quality of service, they are more likely to be prepared to pay for the services they receive. From the information provided, it appears as if the water and sanitation service in BCR is good, with all complaints being attended to within 24 hours and all major visible leaks/blockages being

attended to in 48 hours. The current resources available to attend to the consumer side of the water/sanitation service on a demand basis are good, which relates to an acceptable level of service in this regard.

The WSA has noted the importance of Education and Awareness programmes relating to water and sanitation (e.g. pollution awareness programmes). Currently there is no water or sanitation related health or hygiene problems being experienced in the BCRM and there are therefore no formal health and hygiene programmes in place.

Currently there are limited water conservation and demand management interventions being implemented by the WSA. In order for the WSA to comply with the requirements, the following are measures to be taken by the WSA/WSP to incorporate WC/WDM into their sanitation service delivery programme and will form part of their overall WC/WDM strategy.

- All plumbing or drainage fittings are to be SABS or GASWIC
- Replace all beta valves in toilet cisterns with siphon box type flush mechanisms
- Ensure all cisterns have an external overflow
- Limit the size of the cisterns to 6 litres
- Retro fit all existing toilets with dual flush mechanism
- Develop an assisting the poor programme (ATTP) to repair leaking plumbing and drainage on formally disadvantaged consumer's erven
- The above measures should also be incorporated into the By Laws
- Applicable educational strategies in terms consumer maintenance and usage of the sanitation should also be developed and included in the Information Campaign

In its current format, the WSP is not only responsible for the water and sanitation service, but all the other services provided by the Municipality such as roads, storm water and refuse collection etc. With the current water and sanitation networks the effective management is near its limit in terms of available resource, namely financial and manpower. The following is a list of Problems and Gaps being experienced by the Officials providing the WSP function:

- Limited financial resources to conduct the required operation and maintenance functions to comply with the function.
- Limited human resources to conduct the required operation and maintenance functions to comply with the function.

- Additional training needs to be conducted to ensure the required level of competency exists with all staff members to execute all the functions as per the required specification to ensure it will meet the future quality control plan.
- The existing tariff structure does not allow for the required O&M functions to be conducted which is resulting in asset stripping.
- Due to the function not being “ring-fenced” the staffs attention and dedication is not solely committed to the WSP function.
- Not all the procedures, manuals and plans are in place to measure the actual performance of the WSP against the agreed upon benchmarks or levels of service.
- The WSP is not complying with the OHS Act in any way, which is of major concern to all involved

With respect to the financial profile of BCRM all the capital related water and sewerage infrastructural projects that are being implemented by the WSA to achieve the Municipalities objective of providing every consumer with water and sanitation services are mainly funded through the government MIG programme. The funds required to conduct the operation and maintenance of the water and sanitation is supposed to be generated via the payment for services rendered to the consumer which is based on a Tariff system. Currently, the funds generated in this fashion do not cater for the full scope of routine and repetitive maintenance that is required on the networks, nor for and refurbishments and replacements. Once the full scope of the routine and repetitive maintenance functions have been determined by the Maintenance Plan, the Tariff structure is to be adjusted to accommodate for this.

The emphasis of BCR water and sanitation projects is on the eradication of the sanitation backlog within the Municipality. It must be highlighted that if the condition of the existing infrastructure is not determined accurately in the short term and a “maintenance backlog” determined, the continued lack of maintenance and poor operational techniques being carried out, could lead to severe asset stripping and ultimately catastrophic failure. One of the greatest challenges is to ensure that projects are just not new capital type projects as in the past, but also rehabilitation / replacement type projects as well. At present, the majority of the projects are sanitation capital projects mostly funded by the MIG and DHLG’s low income housing programmes.

Another challenge facing the Municipality is obtaining funds for the implementation of operational and maintenance type projects. Currently, there are limited funding programmes that cater for these types of projects and it is expected that these type projects need to be funded by the water and sanitation tariff structure. As indicated in the previous sections, the tariff charged for the water service, is the main source of revenue for the operational and maintenance type projects. Based on the proposed operational and maintenance plans to be developed, these findings should inform what tariff increases are necessary to conduct these functions efficiently and effectively.

4.21 THE SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP)

The SDBIP aligns the Performance Management System (as required under the Municipal Systems Act) with the operating and capital budgets and the projects. Thus the strategic direction mapped out in the IDP is matched with the financial resources and delivery of services as specified in the PMS. The requirement for a SDBIP is stated in the Municipal Finance Management Act (Act No 56 of 2003), Section 69.3(a) and is the responsibility of the Municipal Manager.

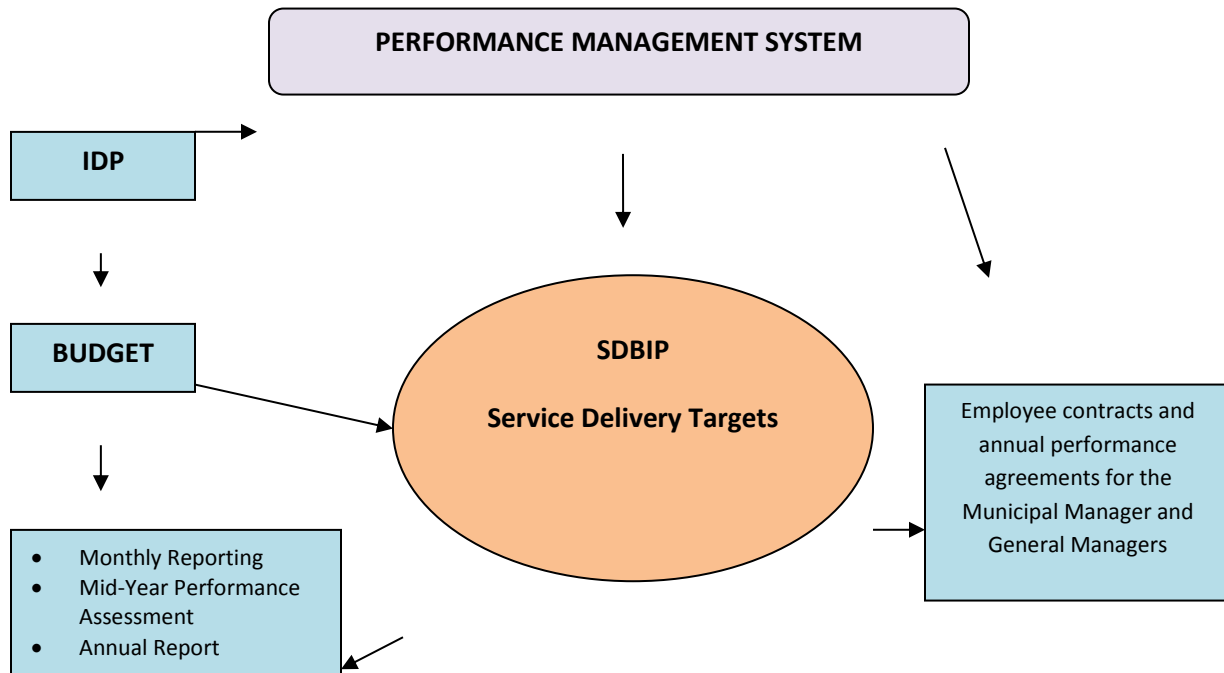
The SDBIP gives expression to the developmental and service objectives of the municipality, in quantifiable terms. It includes key service delivery targets and performance indicators for each quarter of the financial year. Each target is aligned to a Priority Area identified in the IDP and the responsibility is placed directly to a municipal department and/or senior manager, enhancing accountability and transparency of local government towards effective service delivery.

The SDBIP is an operational tool that enables key stakeholders in local government to monitor municipal performance. The Municipal Manager may use the SDBIP to monitor the performance of senior managers, while the Mayor may use it as a basis for monitoring the Municipal Manager. Ultimately the top layer of the SDBIP should be a published document available to the community to enable broader monitoring of the municipal performance towards service delivery outputs and outcomes identified in the SDBIP.

The SDBIP allows the budget to be implemented fully as it identifies:

- The Strategic Imperative – Through links with the IDP
- The Financial Imperative – Through links with the budget

- The Performance Imperative – Through links with the PMS.



The National Treasury Circular 13 describes in detail the approach to SDBIP's. Basically there is a high level SDBIP for the purpose of high level monitoring by stakeholders, backed by full detail all the way to the individual employee. Starting from top (the Municipal Manager) all staff operates under key performance indicators (KPIs) within the identified key performance areas (KPA's). In effect, the SDBIP becomes the implementation tool for the budget and the basis for non-financial monitoring.

At the highest level, every vote could be aligned to an IDP strategy and some KPIs. These then form the basis of future monthly and in-year reporting.

According to National Treasury MFMA Circular No. 13, the top layer of the SDBIP, required for publishing, is expected to include the following five necessary components:

- (a) Monthly projects of revenue to be collected for each source.
- (b) Monthly projects of expenditure (operating and capital) and revenue for each vote.

- (c) Quarterly projections of service delivery targets and performance indicators.
- (d) Ward information for expenditure and service delivery.
- (e) Detailed Capital Works Plan broken down by ward over three years.

4.21.1 SDBIP UTILITY AND SERVICE DELIVERY TARGETS

Whereas the IDP is the product of consultation to identify community needs and formulate municipal development objectives, the SDBIP provides a tangible municipal response to the broader BCRM community that clearly identifies what the municipality measurably seeks to achieve and how much money it plans to spend in order to do so. Reported progress on the SDBIP should also inform the annual review of the IDP. The SDBIP and IDP are therefore complimentary documents, and their credibility is determined by the extent to which they reflect the realities and issues faced by citizens of BCRM on the ground. If one document is not effectively utilized or representative of the interests of all BCRM citizens, it will impair the annual revision of the other.

The SDBIP is required to include quarterly and annual targets for key service delivery areas identified in the IDP, as well as financial allocations towards the achievement of these targets. Measurable service delivery targets derived from the IDP are expressed in terms of clear performance indicators in the BCRM SDBIP.

It is envisioned that the community and various municipal stakeholders will become familiar with the SDBIP, monitor the achievement of these targets and support municipal performance. Municipal stakeholders will find the SDBIP useful when reviewing quarterly reports and comparing actual progress made on the reported indicators. Communities are encouraged to become informed as well as make use of the SDBIP during the annual IDP consultative process. The SDBIP serves as a key mechanism by which the citizens of BCRM can monitor the progress made in service delivery. The SDBIP is most useful as an implementation and monitoring tool when it is reported on and utilized for evidence-based decision-making towards the formulation of new development objectives in the future.

The BCR SDBIP is currently being reviewed to ensure that realistic and achievable performance targets are set in line with the budget and institutional capacity constraints

have been considered in the process. A draft SDBIP will be incorporated in the final IDP.

CHAPTER 5: PROJECT FORMULATION, IMPLEMENTATION AND PERFORMANCE MANAGEMENT

Performance Management in Local Government begins essentially with the need to ensure the realization of the IDP and the continued improvement in the standards of performance through the following:

- Increased accountability and transparency.
- Provision of a platform for learning and development.
- Facilitation of decision making through the clarification of goals and priorities.
- Provision of early warning signals highlighting underperformance.
- Continual assessment of the performance of the Municipality so as to assess areas requiring improvement.
- Creation of a culture of performance of the Municipality amongst all officials.

The function of performance management and its use by officials thereof is regulated by the following legislation:

- The Municipal Systems Act (32/2000).
- The Municipal Planning and Performance Management Regulations (2001).
- The Municipal Finance Management Act (56/2003).
- The Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers (2006).

Legislation states that key performance indicators and targets must be formulated and delegated to posts within the municipality. These indicators pin-point areas of focus for each financial year as developed through the process of public participation. Essentially they are derived both from the projects listed in chapter six and also from needs identified in the Institutional plan. In addition to the indicators developed through the IDP process, the Municipal Planning and Performance Management Regulations also stipulate a set of national KPIs which must also be included where applicable.

Performance management is essentially a mechanism to measure the implementation of the IDP. As such, it can be applied to any level within the municipality. Through ensuring accountability at all levels, the following results should be attained:

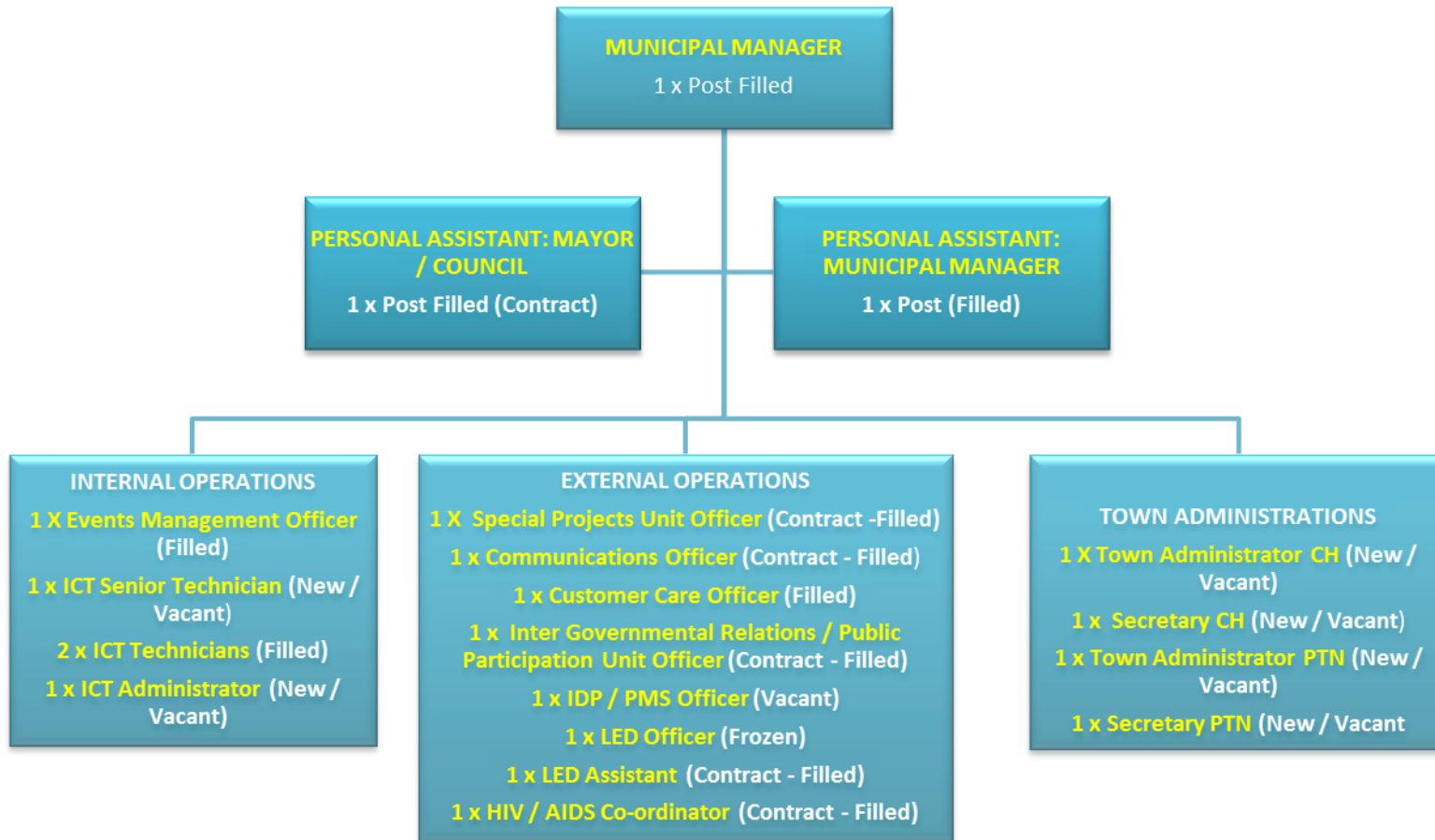
- Meeting of strategic objectives
- Improvement of the overall municipal performance
- Improved service delivery
- Getting value for money
- Meeting the needs of people
- Creating a performance culture
- Achieving organisational transformation

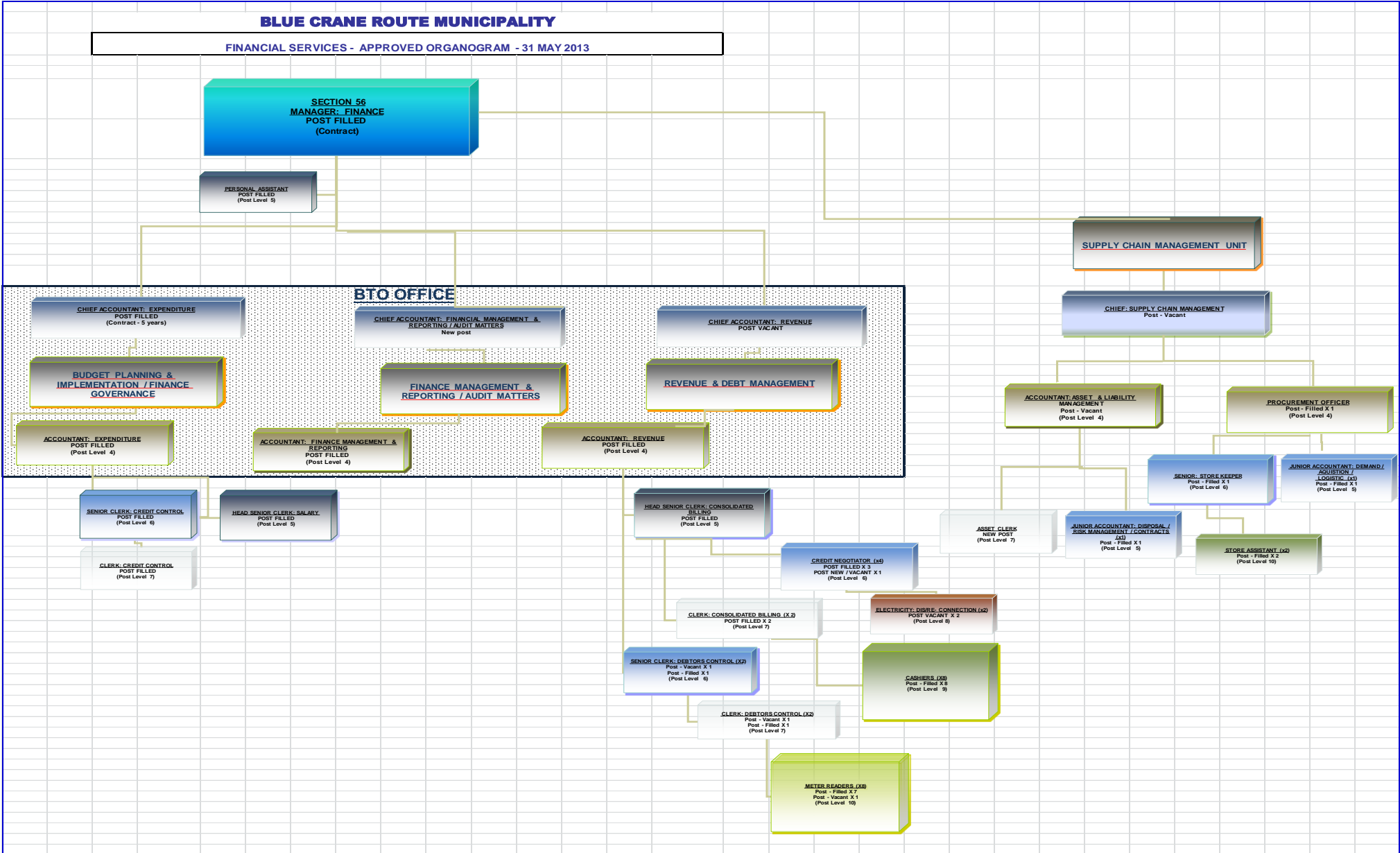
Once approved, the IDP is married with the budget in a document called the Service Delivery and Budget Implementation Plan (SDBIP) which provides a workable management tool from which to operate under and monitor progress. The utilization of the SDBIP is how institutional performance management is monitored. The SDBIP is then transformed into a personalized performance management system for each and every official through the delegation of activities included in the SDBIP, and as agreed in individual performance plans. As every activity of Blue Crane Route is attached to an official who is responsible for its conclusion, one can see that institutional performance is inseparable from Individual performance. For Blue Crane Route to succeed in its objectives, it depends on the performance of each employee.

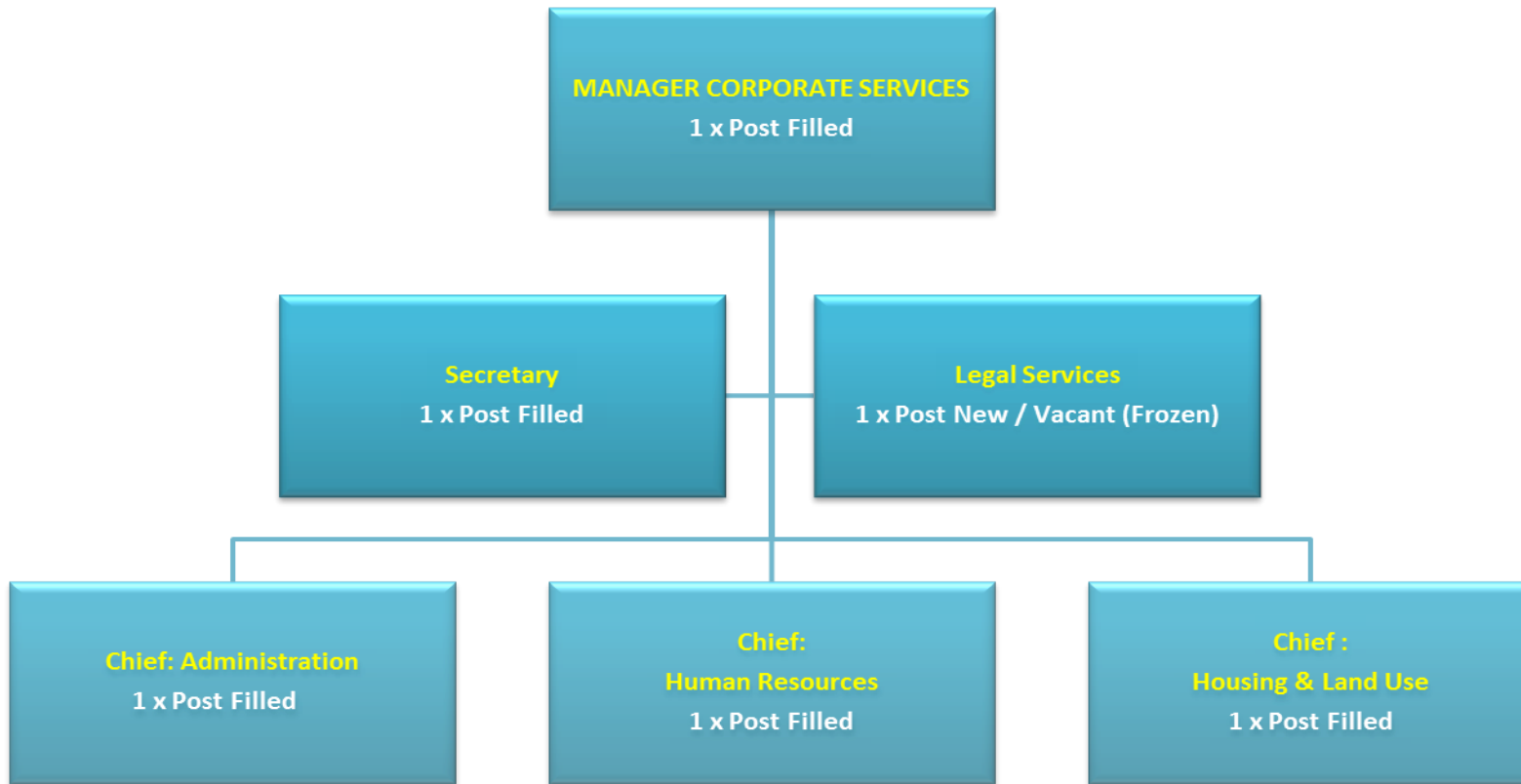
Through a system of quarterly reviews, performance of each individual is monitored to ensure that progress remains in line with what was originally planned in the IDP. The final result is fed back to the community via the annual report.

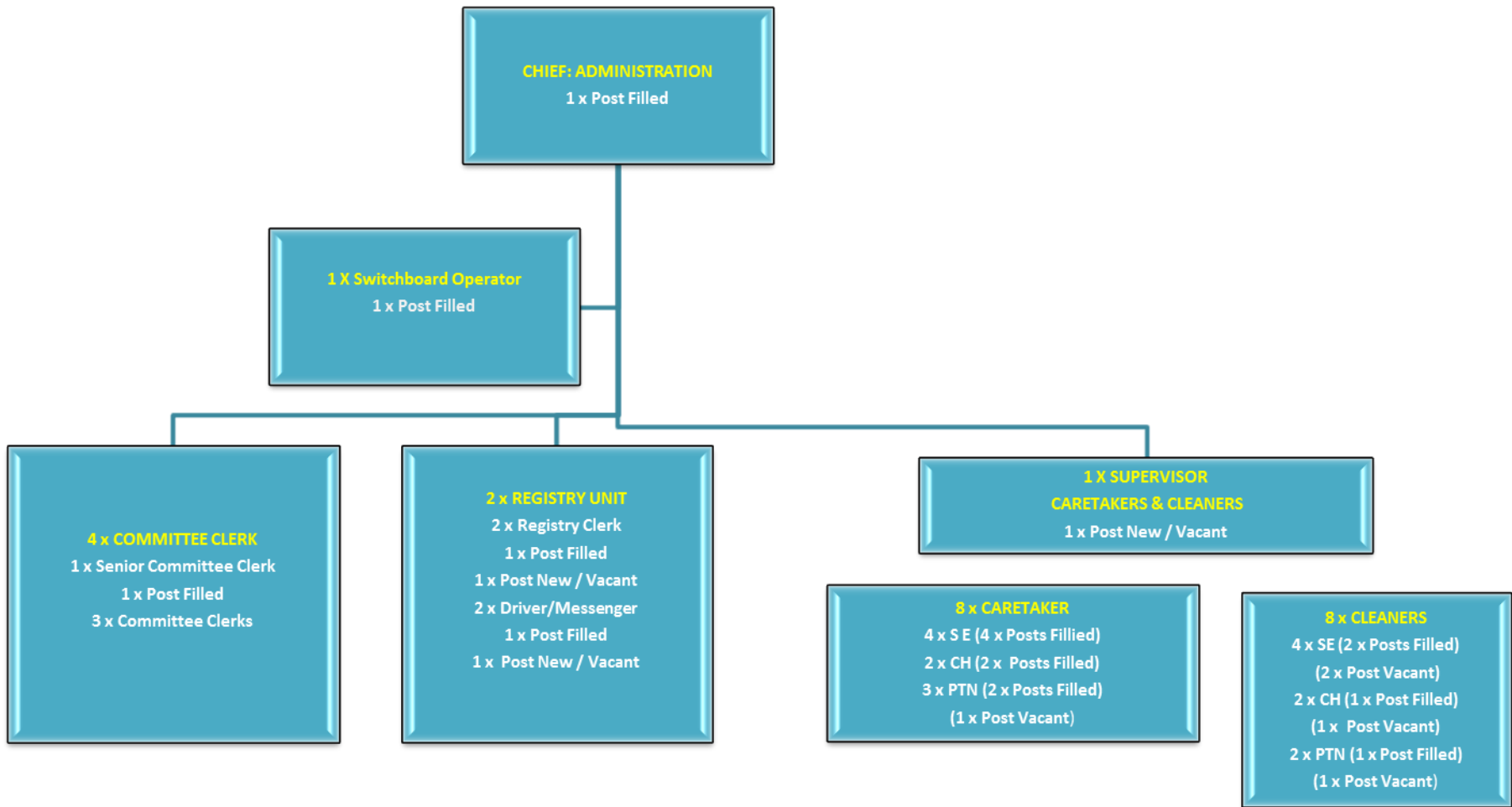
The municipality's PMS needs to be re-looked at. The municipality plans to cascade performance management and review to all levels. The main challenge is that the institution does not have skilled and experienced human resource capacity to manage the PMS.

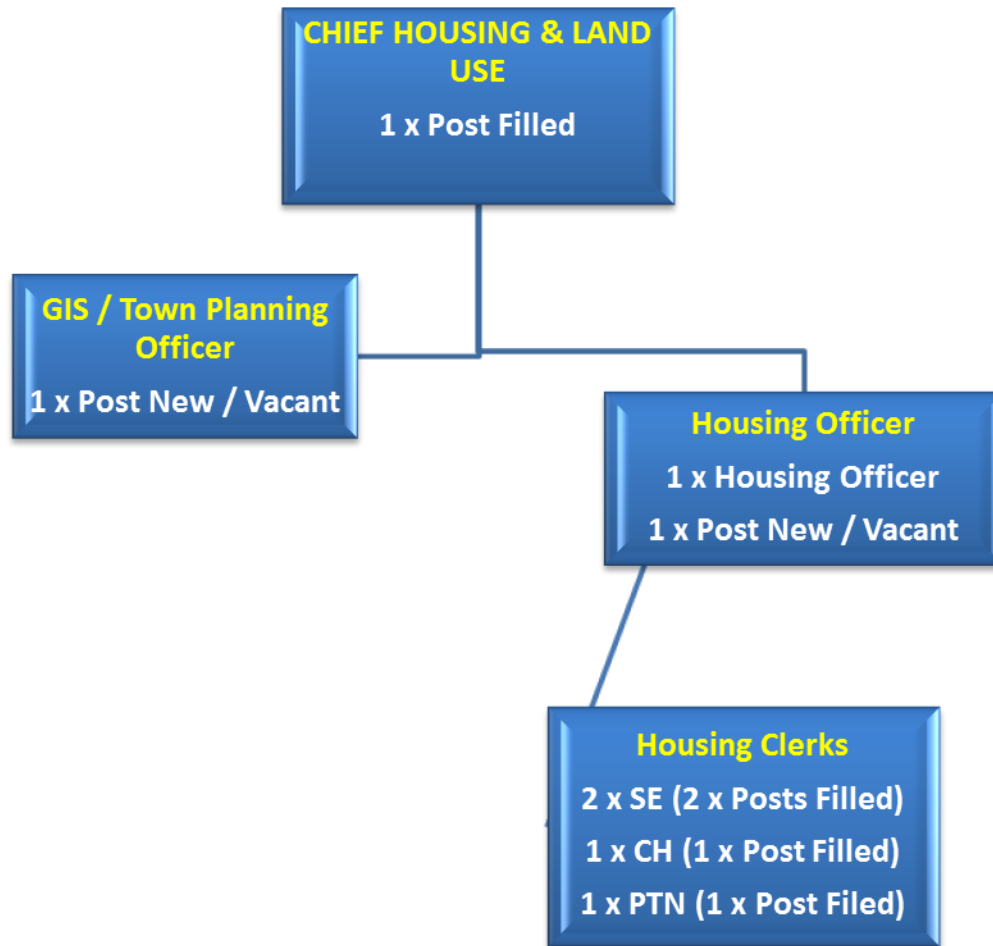
ANNEXURE A: BCRM ORGANOGRAM

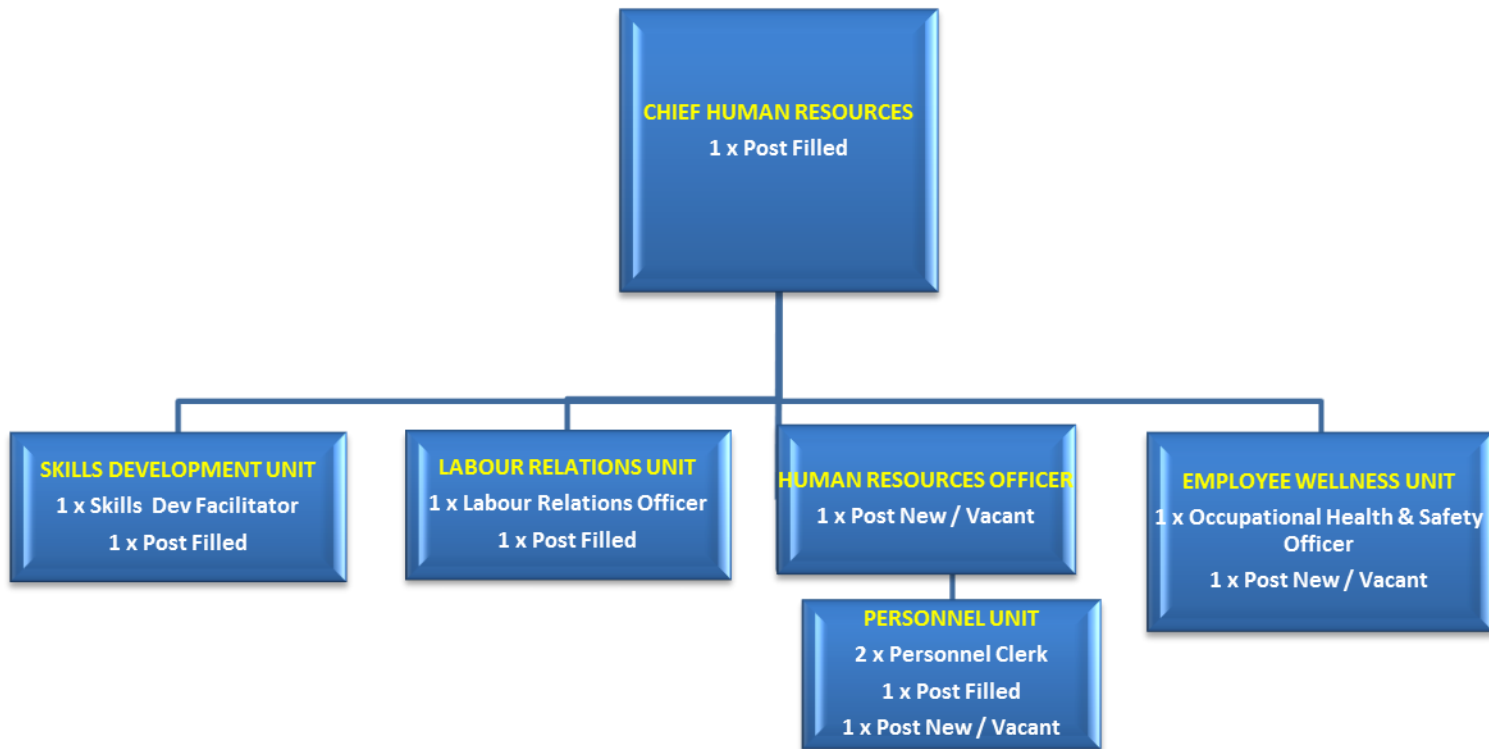


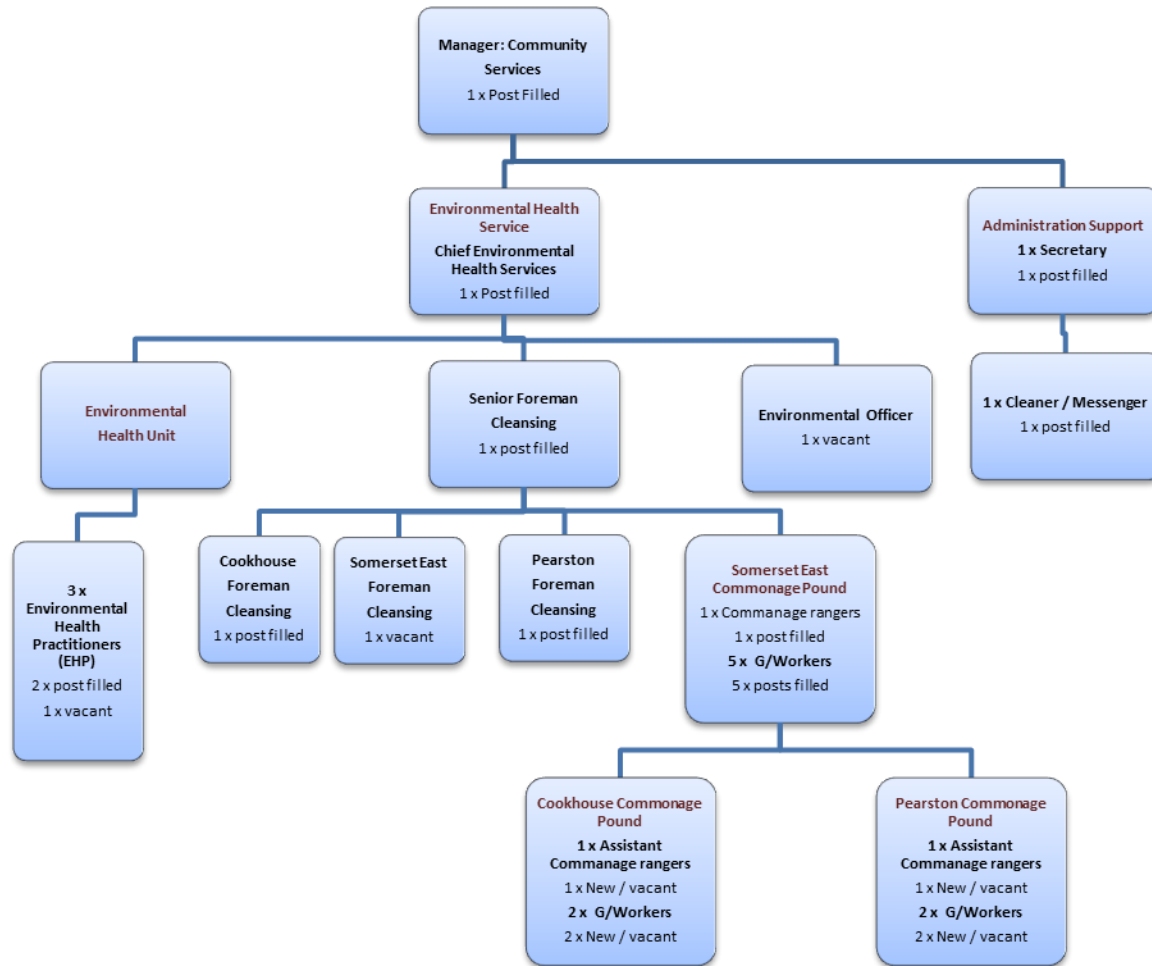


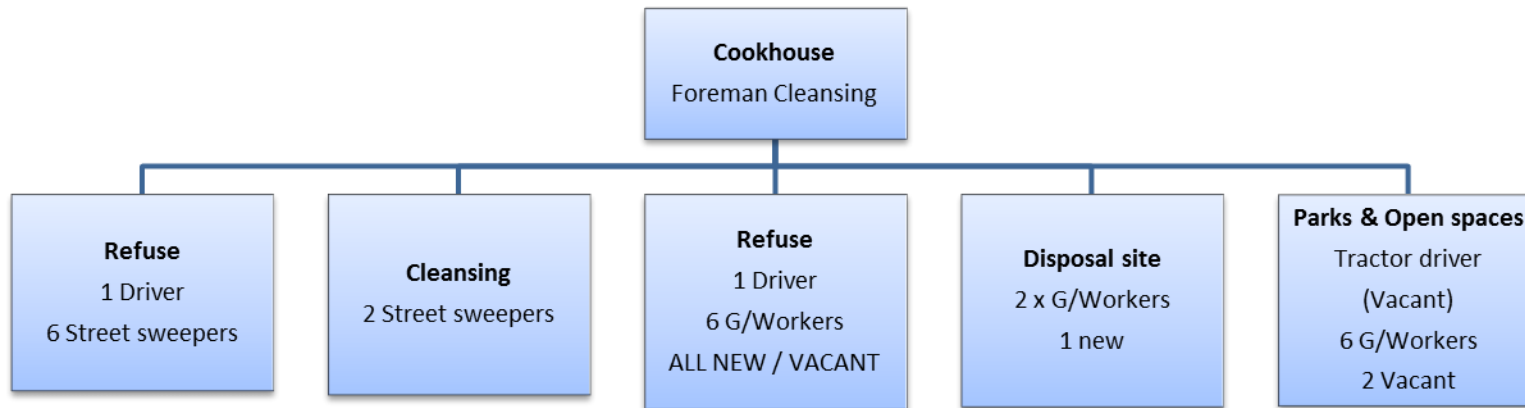


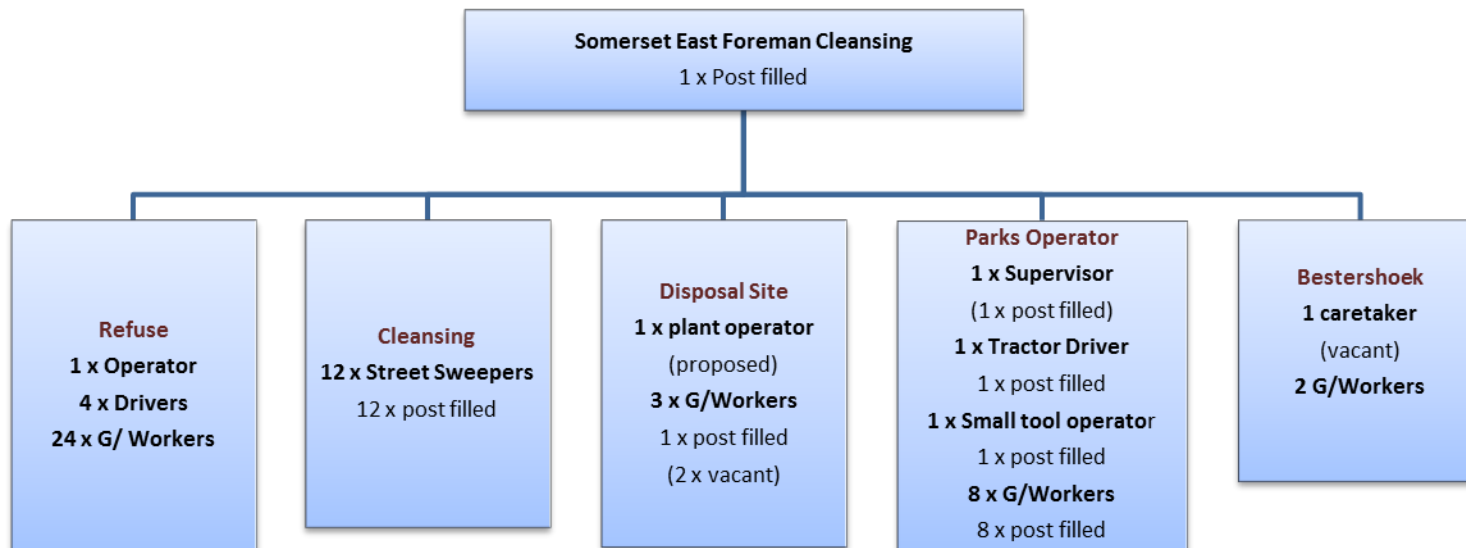


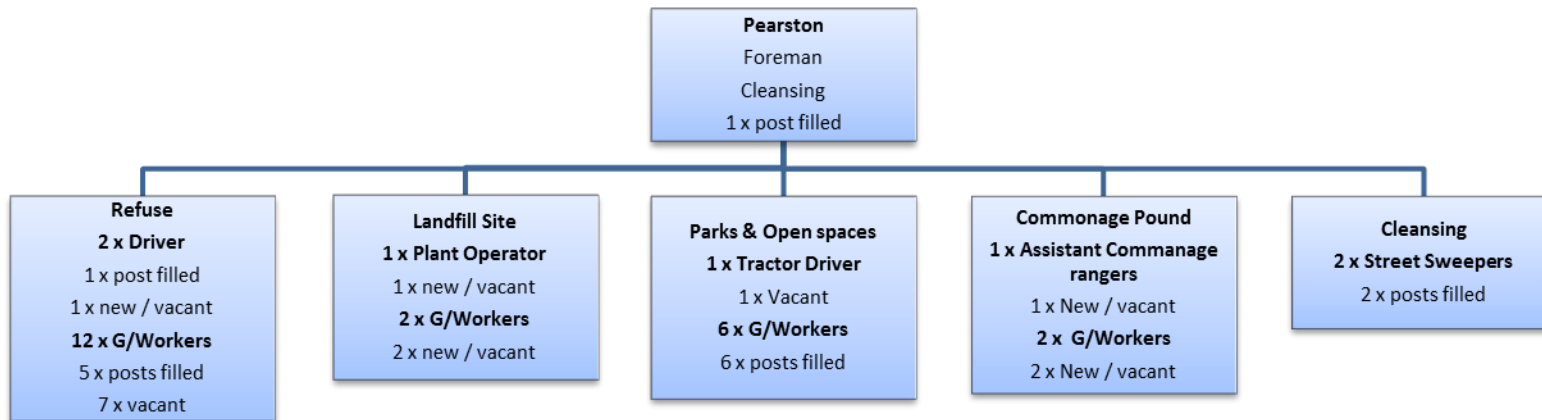


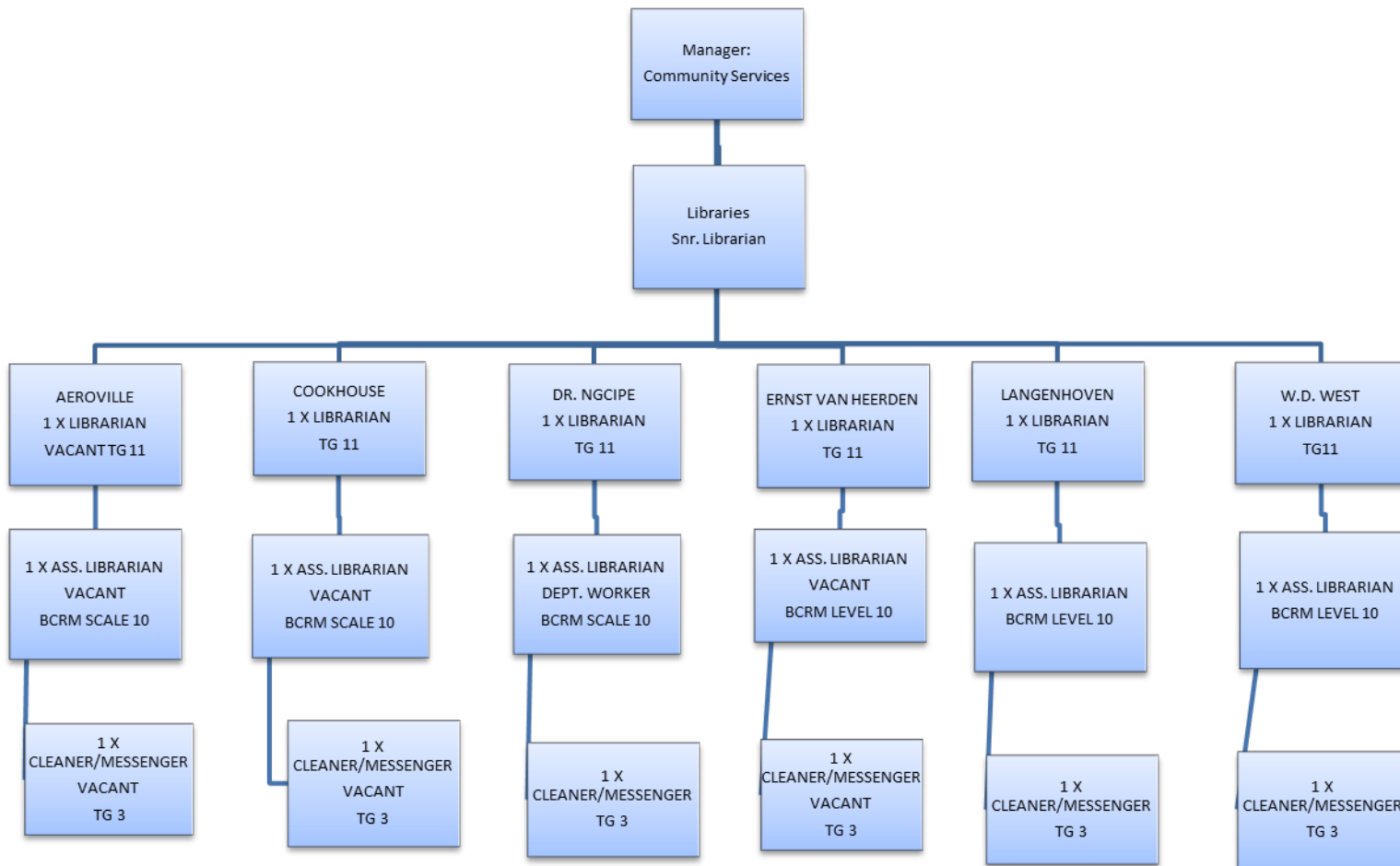


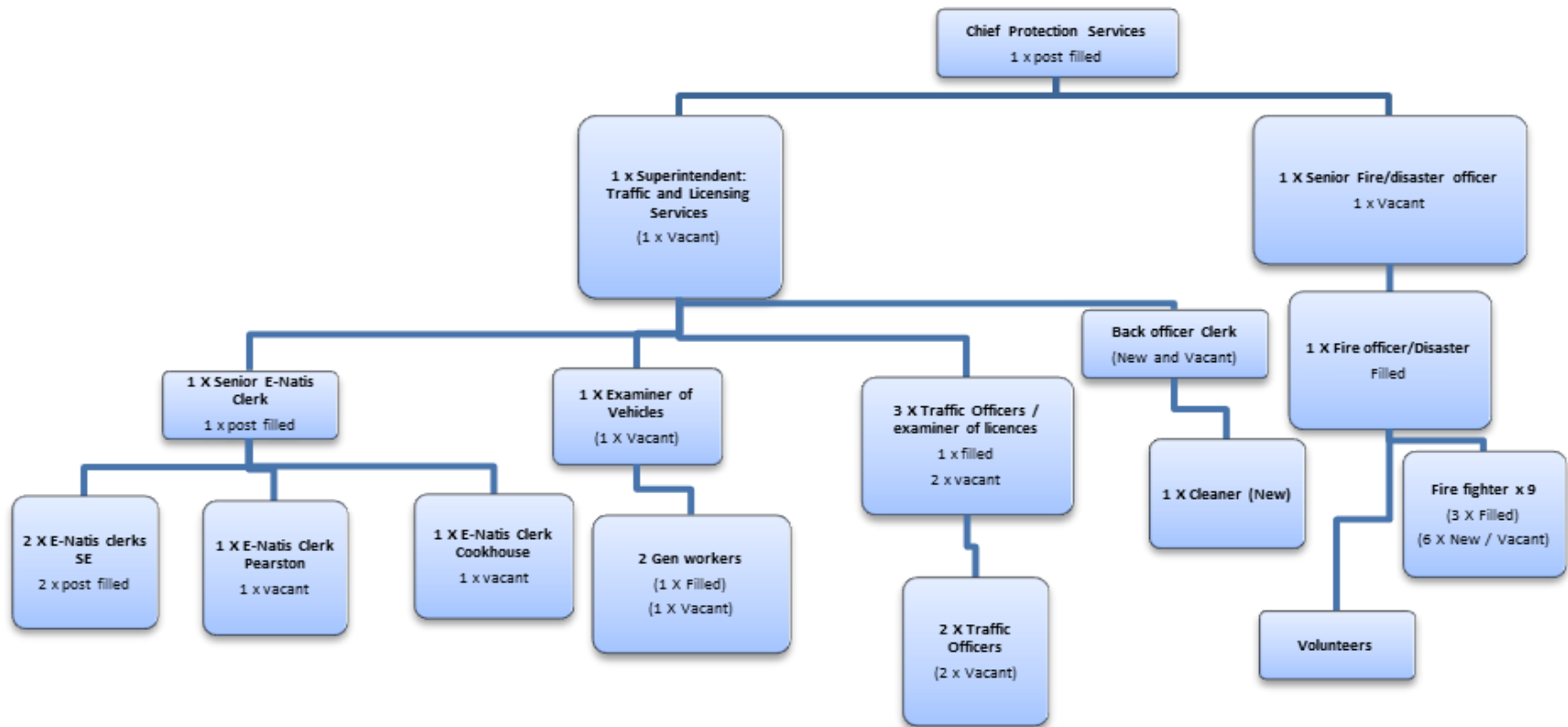


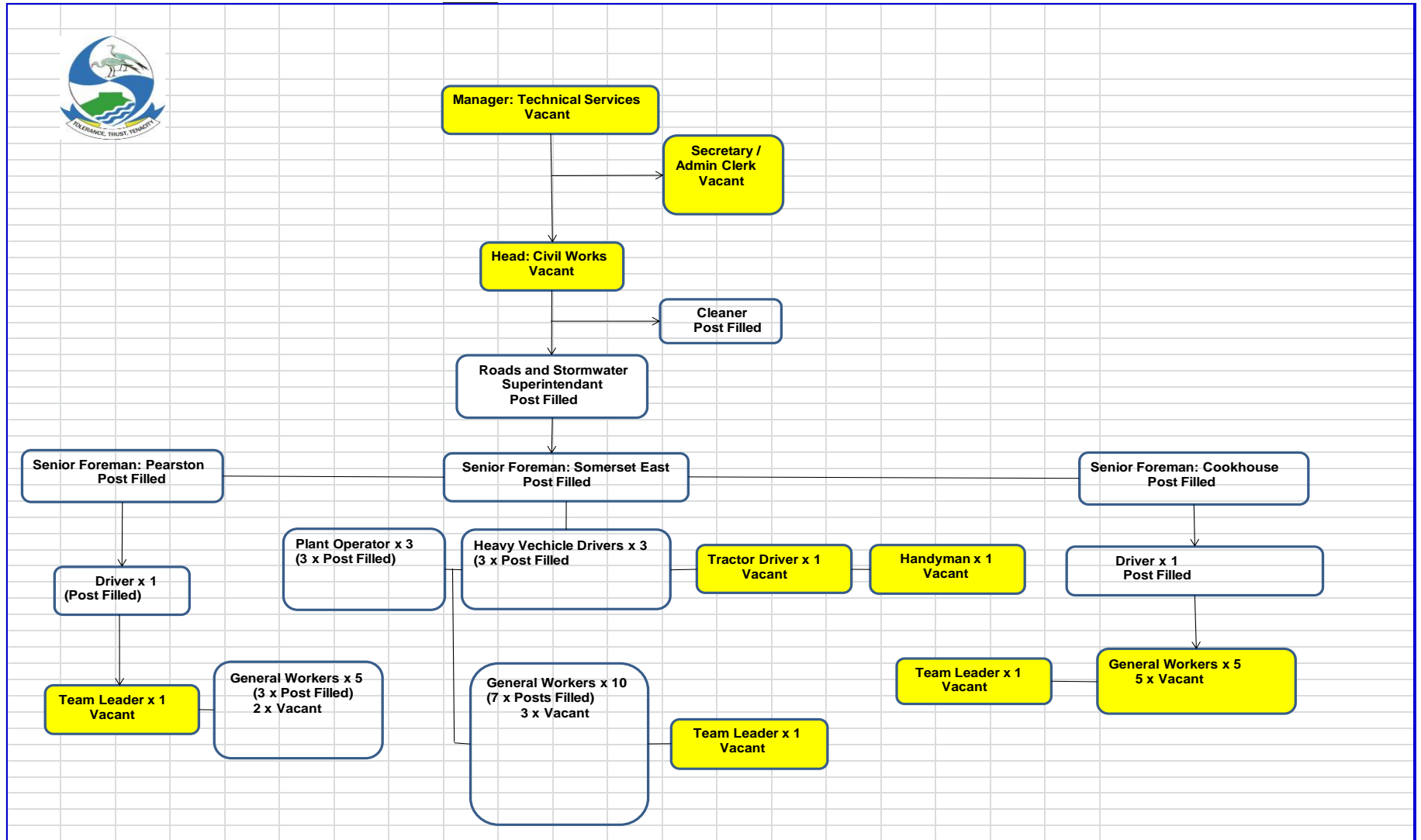


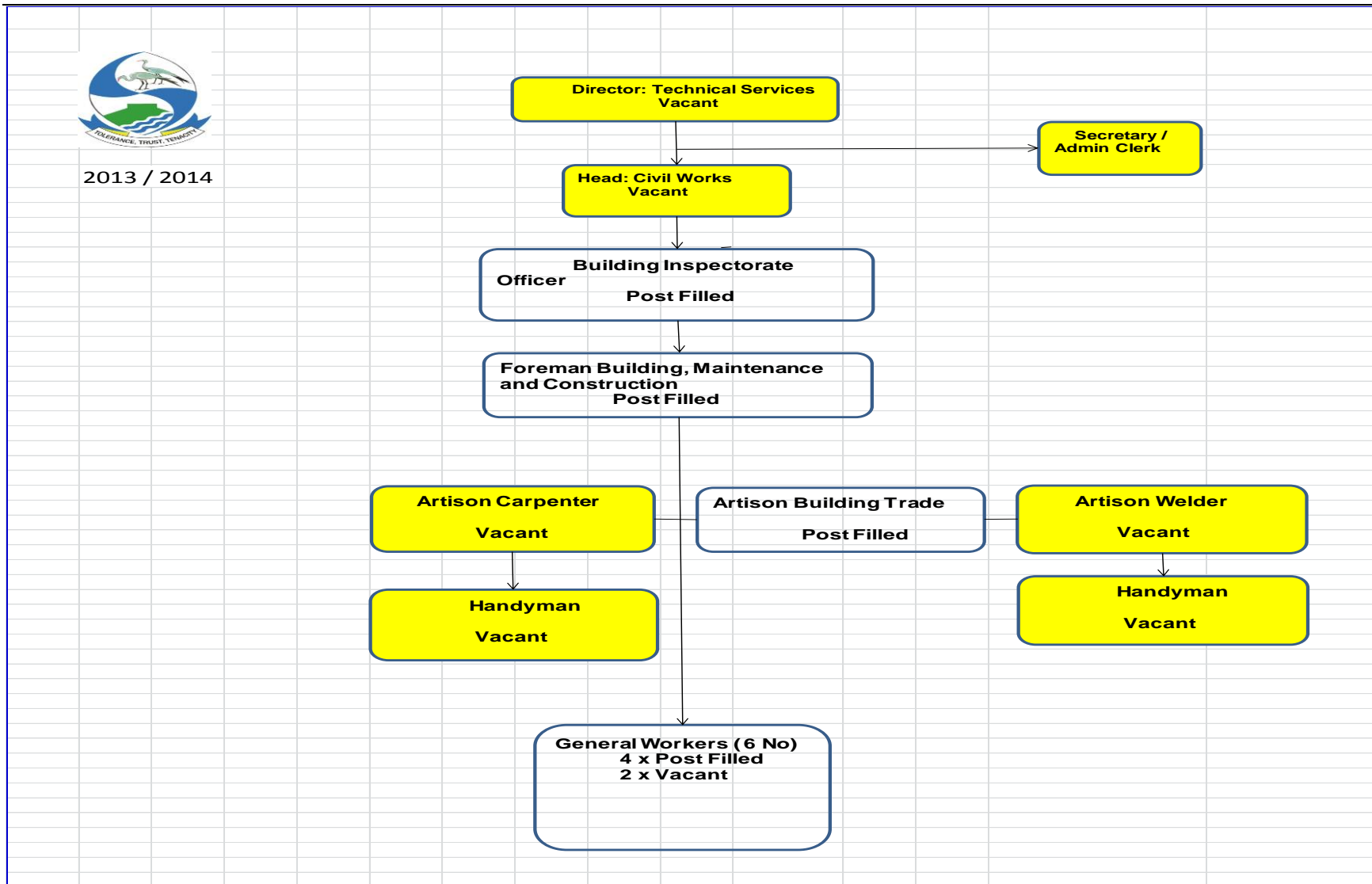






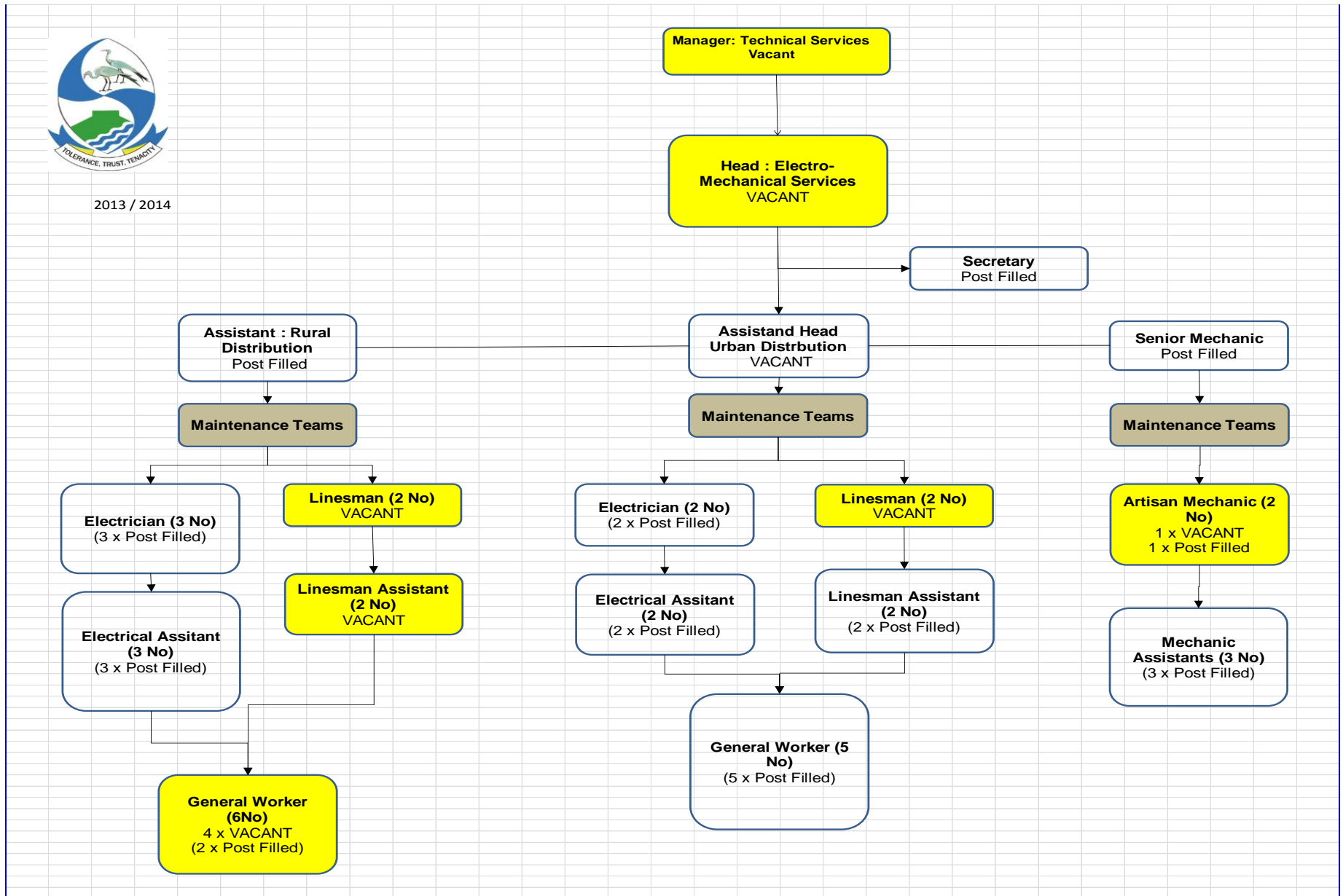








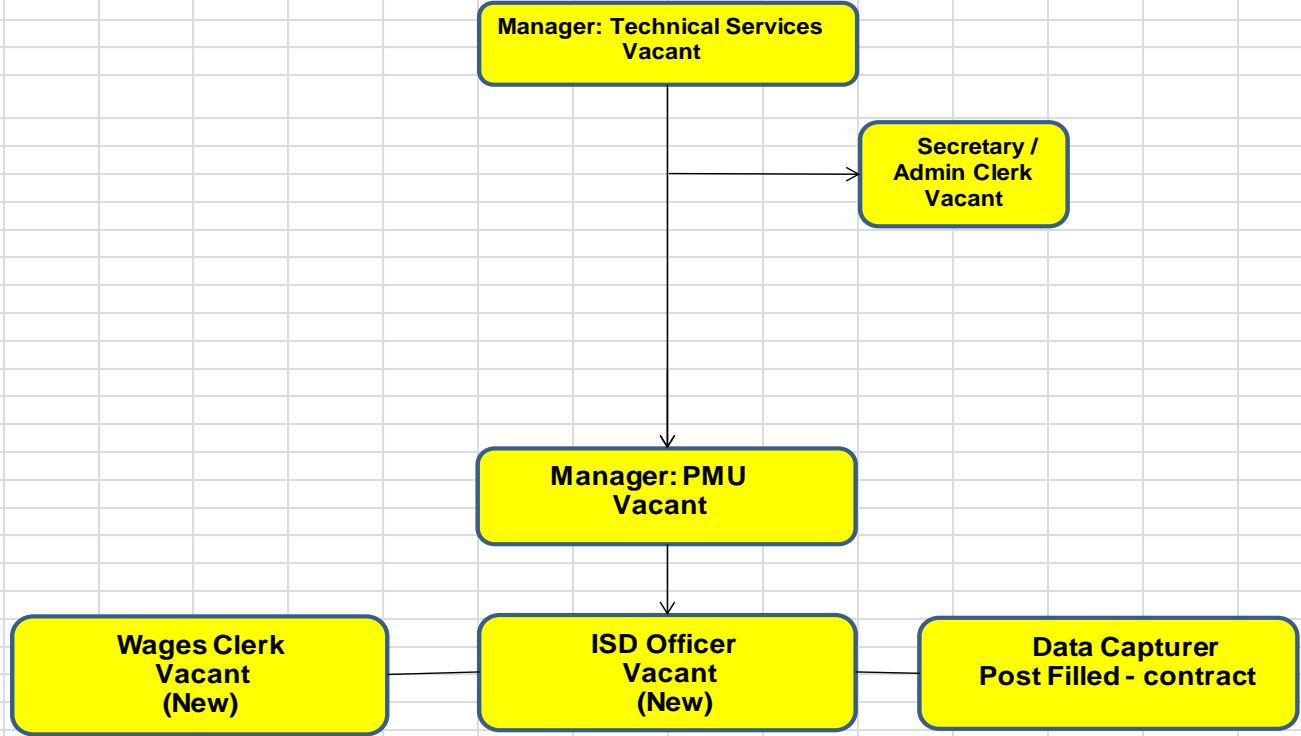
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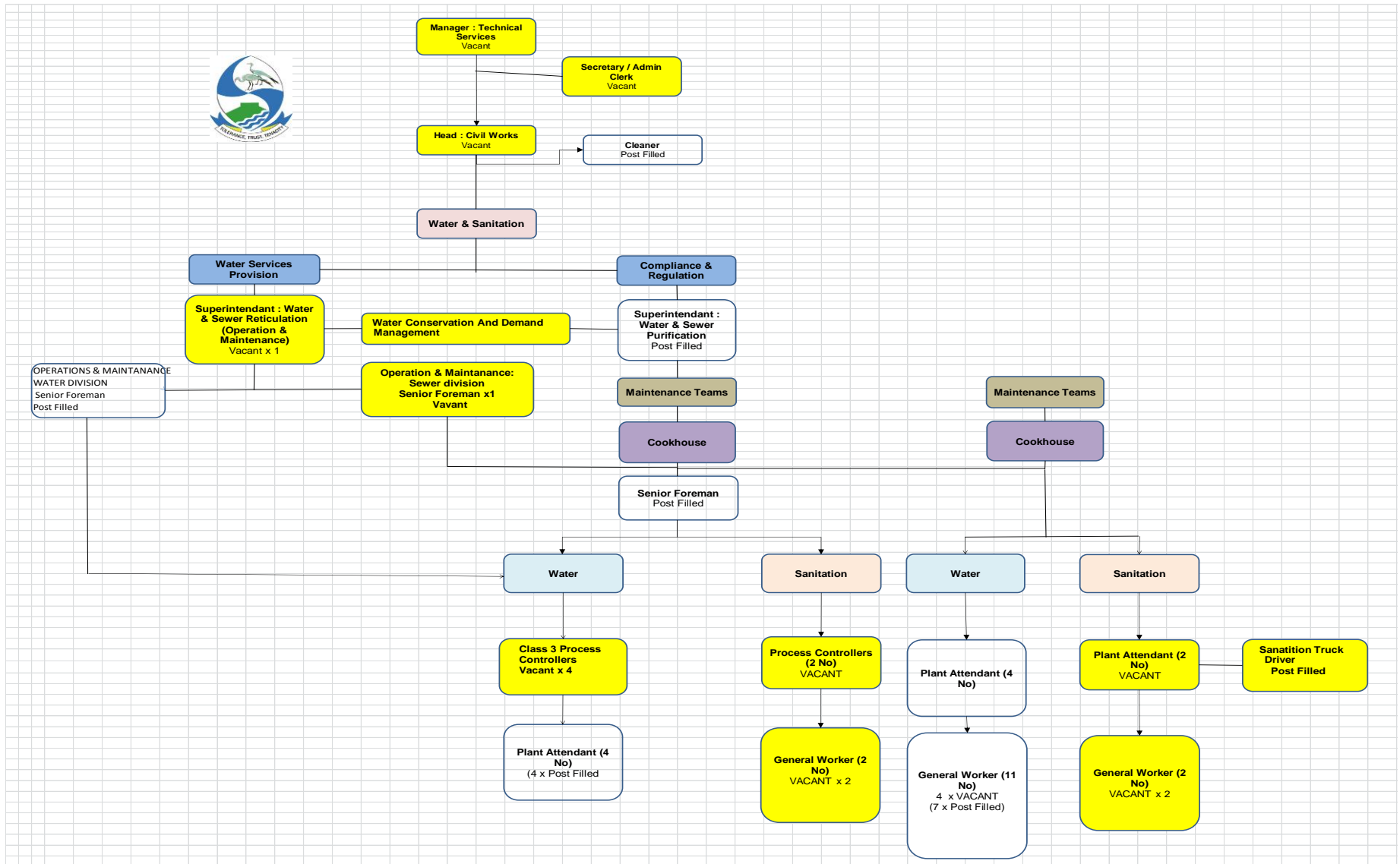




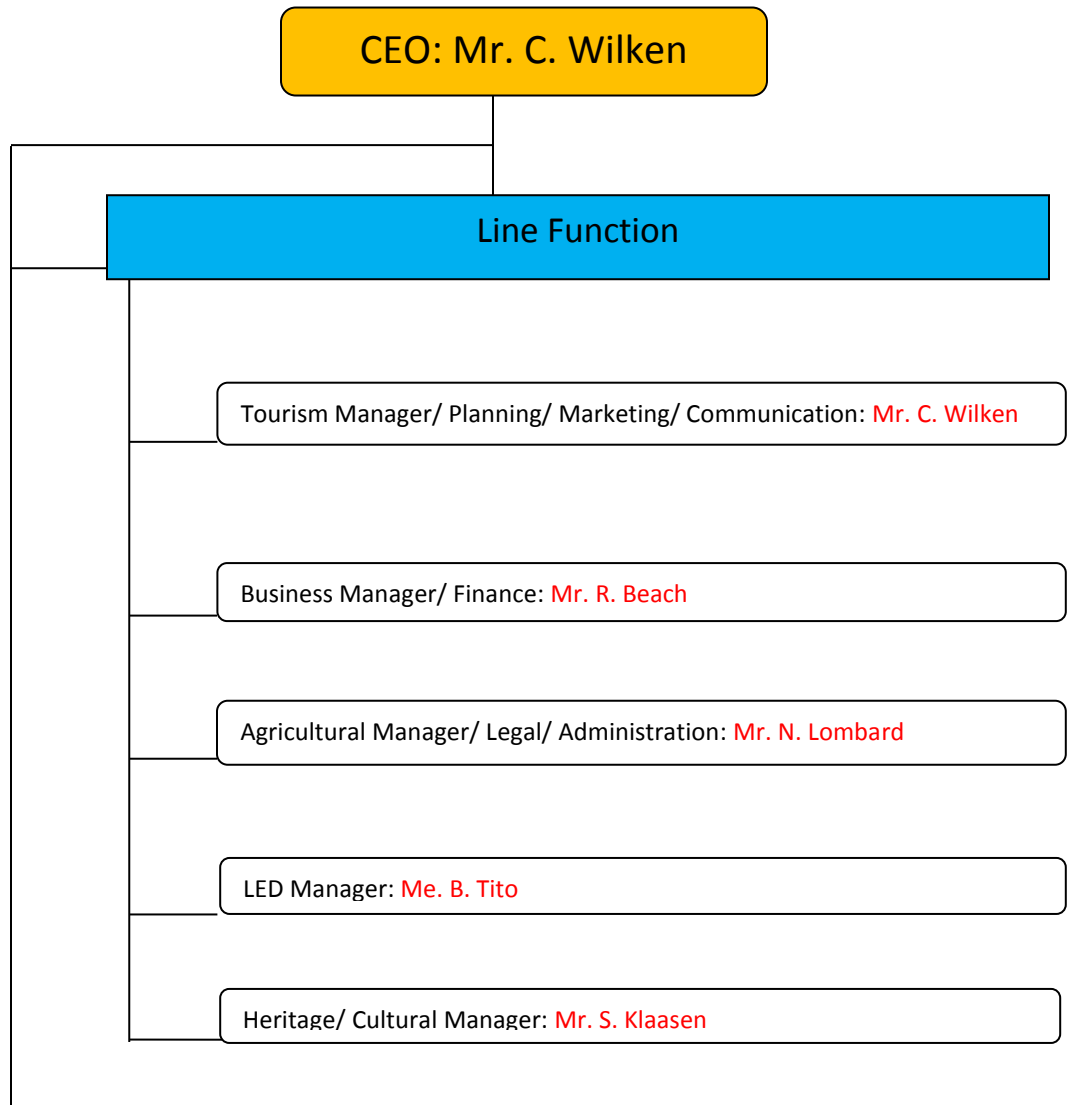
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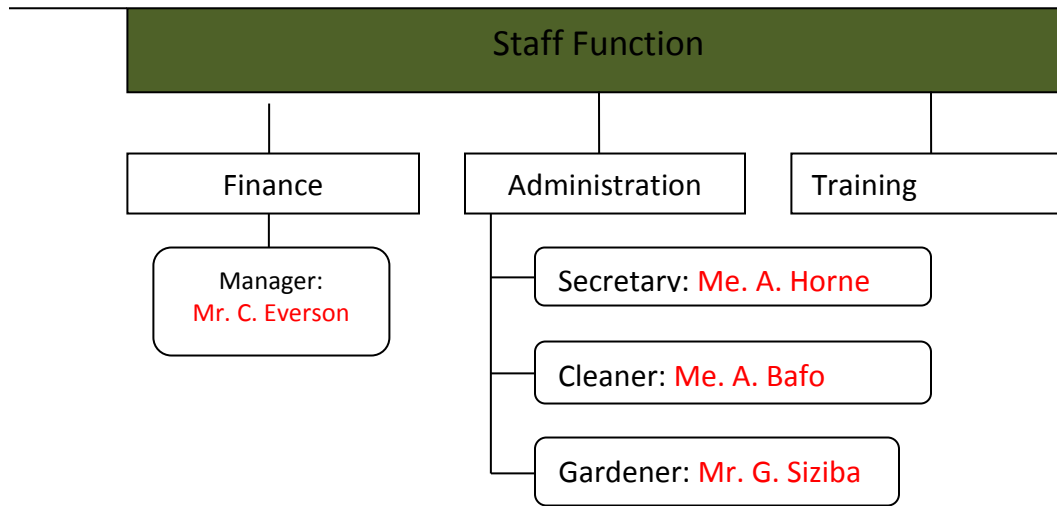
All post in the PMU section are contract positions





CDA: Organogram-2012





**ANNEXURE B: 2014/2015 IDP/BUDGET/SDBIP&PMS PROCESS AND
ACTION PLAN ADOPTED BY COUNCIL ON 29 AUGUST 2013**



**BLUE CRANE ROUTE
MUNICIPALITY(EC102)**

**2014/2015 IDP, Budget, SDBIP
and PMS**

Process / Action Plan

ADOPTED ON 29 AUGUST 2013