

SUNDAYS RIVER VALLEY MUNICIPALITY

FINAL IDP 2014/2015



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ANNEXURE A

Organisational Structure

FOREWORD BY MAYOR



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

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

In line with the 2009 & 2014 governing party manifesto, Sundays River Valley Municipality's (SRVM) Council in cooperation with various development agencies is mandated to focus on five key priorities which are:

2009 Manifesto	2014 Manifesto
• Creation of decent work and sustainable livelihoods;	Economy and jobs
• Education;	Rural Development, Land Reform and Food Security
• Health;	Human Settlements and Basic Services
• Rural development, food security and land reform; and	Education and Training
• Fight against crime and corruption	Health
	Fighting corruption and crime

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

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

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

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

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

Together we can do more!

MBULELO WILLIAM KEBE

EXECUTIVE MAYOR

FORWORD BY MUNICIPAL MANAGER

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

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

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

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

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

LONWABO REGINALD NGOQO



MUNICIPAL MANAGER

MUNICIPAL VISION

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

Vision

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

Mission

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

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

Core values

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

EXECUTIVE SUMMARY:

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

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

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



and meeting their basic services. These are issues and challenges we face, and the IDP then provides a strategic tool through which the municipality's development agenda is addressed.

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

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

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

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

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

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

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

Advantages and Importance of IDP

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

Chapter One: Planning & Processes

1.1.1 IDP OVERVIEW

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

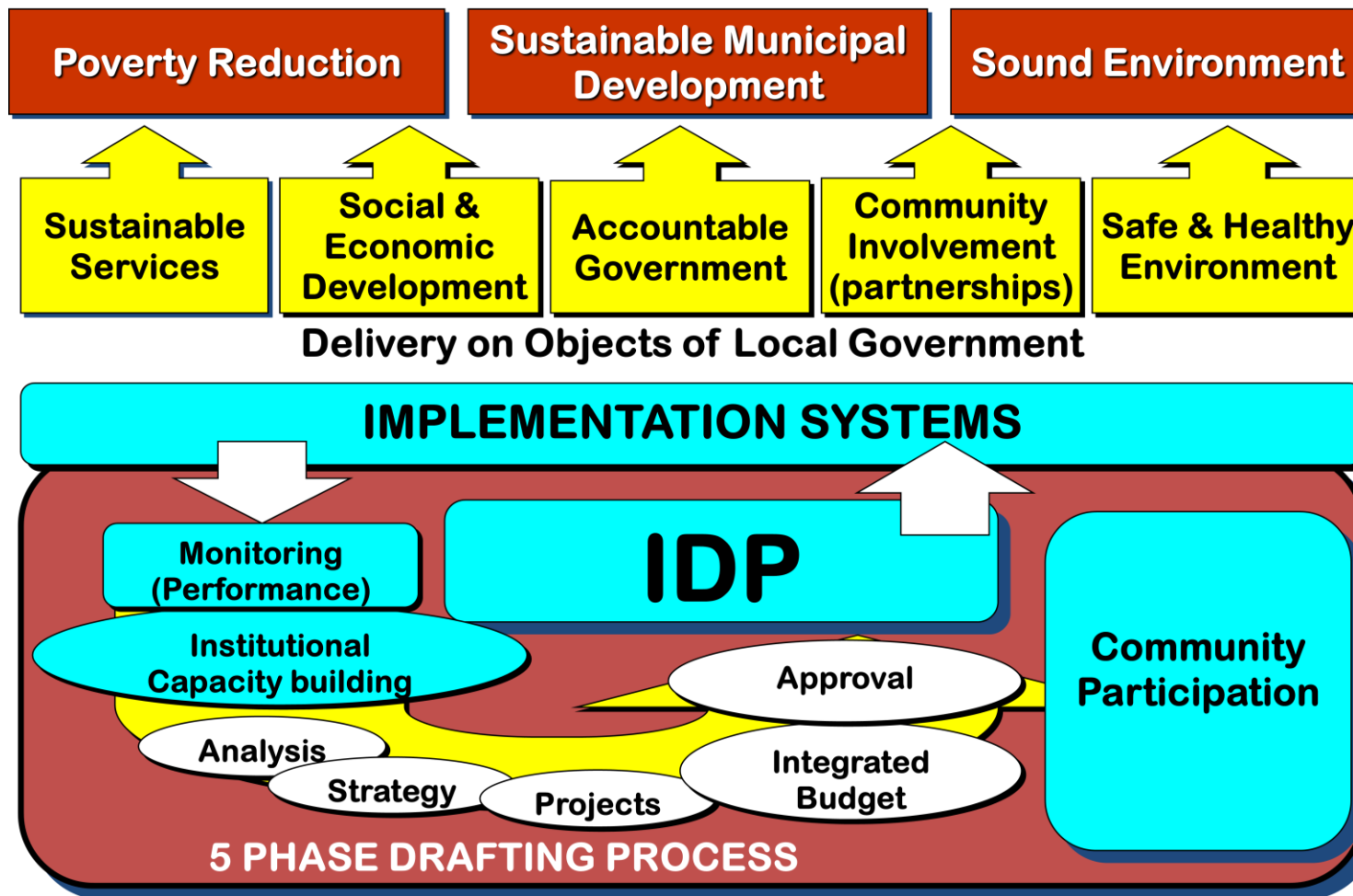
The IDP phases are:

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

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

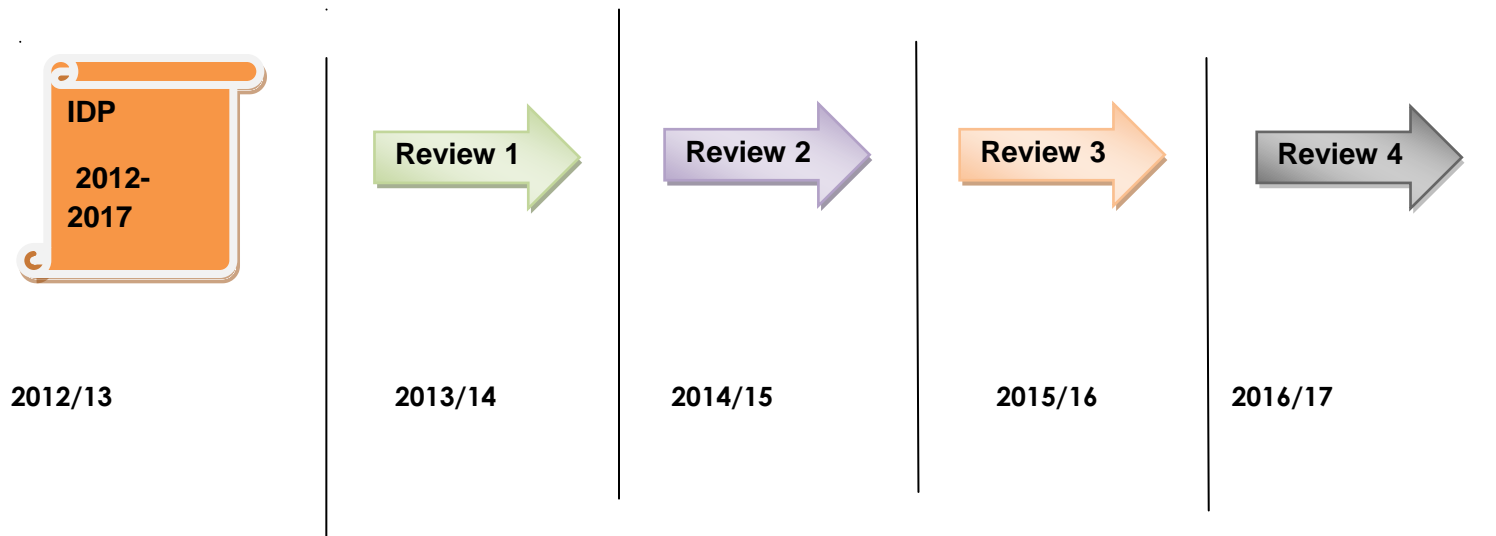
The ultimate aim of this process is to enhance participatory democracy.

Figure 1 IDP process, objectives and outcomes



1.1.2 ANNUAL REVIEW OF THE IDP

The Municipal Systems Act (Act 32 of 2000) requires municipalities in South Africa to review their IDP's on an annual basis in order to keep track and remain relevant to the ever changing needs and dynamics in communities. In relation to the illustration below of the evolution of IDP's over a 5 year period this process can be described as Review 2 of the IDP of the Sundays River Valley Municipality. The priorities and actions identified in this IDP review will inform the structure of the Sundays River Valley Municipality, the service delivery standards, all financial planning and budgeting as well as performance reporting by the municipality.



This second review of the IDP does not attempt to rewrite the first review that was done for 2013/14 but mostly focuses on assessing and reporting on the strategic objectives and targets set in the 5 year plan. That is why it is essential to read this IDP Review together with the 2012-2017 IDP as well as the 2013/14 IDP review because Sundays River Valley Municipality is still well on course in attaining its strategic objectives as set out in the aforementioned plan.

The purpose and objectives of the review is to:

- Reflect and report on the progress made in respect of the implementation of the 5 year IDP
- Evaluate the appropriateness of the strategies reflected in the 5 year plan and make the adjustments where necessary, especially where changing circumstances within the municipality or externally so demand
- Determine annual targets and action plans for the next financial year to keep track of the 5 year strategy
- Inform the annual budget of the municipality
- To re-affirm Council's strategic objectives and the medium term service delivery and development agenda
- To align the 5 year strategic plan with the longer term Integrated Strategic Development Framework (ISDF)
- To review the prioritisation of key programmes & projects in each ward through a comprehensive public participation process
- To ensure that all projects are directed to achieve the strategic objectives of Council
- To determine the impact of changing external and internal circumstances on the service delivery and development agenda of the municipality
- To address the recommendations reflected in the assessment letter from the MEC for Local Government in the Eastern Cape in respect of the previous IDP review

1.1.3 GUIDING PARAMETERS

In conjunction with the legislative context, there are National, Provincial, and District wide guiding policies and frameworks that exist, which the Sundays River Valley Municipality needs to take cognizance of. The guiding policies and frameworks of each sphere of government are invariably interlinked in their objective to attain sustainable development, the primary components of which are highlighted below.

THE EIGHT MILLENIUM DEVELOPMENT GOALS

The Millennium Development Goals and targets stem from the Millennium Declaration by 189 countries in the year 2000 to work towards economic and social development priorities which were subsequently termed Millennium Development Goals. South Africa is a signatory to that agreement. The MDG's have been embraced by government and are aligned with the Medium Term Strategic Framework, which outlines national government development priorities.

1. Eradicate extreme poverty
2. Achieve universal primary education
3. Promote gender equality and empower women

4. Reduce child mortality
5. Improve maternal health
6. Combat HIV/AIDS, malaria and other diseases
7. Ensure environmental sustainability
8. Develop a global partnership for development

12 GOVERNMENT OUTCOMES

IN 2010, the Ministry of the Monitoring and Evaluation formulated and presented 12 Outcomes that reflect government's delivery and implementation plans for the Medium Term Strategic Framework priorities up to 2014.

1. Improved quality of basic education.
2. A long and healthy life for all South Africans.
3. All people in South Africa are and feel safe.
4. Decent employment through inclusive economic growth.
5. A skilled and capable workforce to support an inclusive growth path.
6. An efficient, competitive and responsive economic infrastructure network.
7. Vibrant, equitable and sustainable rural communities with food security for all.
8. Sustainable human settlements and improved quality of household life.
9. A responsive, accountable, effective and efficient local government system.
10. Environmental assets and natural resources that are well protected and continually enhanced.
11. Create a better South Africa and contribute to a better and safer Africa and the world.
12. An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.

Of the 12 outcomes, outcome 9 holds reference to District and Local Municipalities as a mechanism to formalize 'a responsive, accountable, effective and efficient local government system'. In order to achieve this goal, Outcome 9 identifies 7 Critical outputs.

Output 1: Implement a differentiated approach to municipal financing, planning and support;

Output 2: Improve access to basic services;

Output 3: Implementation of the community work program;

Output 4: Actions supportive of the human settlement outcomes;

Output 5: deepen democracy through a refined Ward Committee model;

Output 6: Administrative and financial capability;

Output 7: Single window coordination.

NATIONAL POLICY DIRECTIVE – The National Spatial Development Perspective (NSDP)

The NSDP, as developed by the office of the Presidency, is an indicative tool for development planning in government. Furthermore, the spatial guidelines as contained within the NSDP are increasingly being recognized as tools to:

- Coordinate government action and alignment.
- Maximize overall social and economic impact of government development spending.
- Provide a rigorous base for interpreting strategic direction.

Although government is committed to economic growth, employment creation, sustainable service delivery, poverty alleviation and the eradication of historic inequalities, infrastructure investment and development spending must be applied in the most cost effective and sustainable manner. In terms of cost effectiveness and sustainability, the NSDP advocates that the varying spheres of government apply the following principles when making decisions on infrastructure investment and development spending.

▪ The National Development Plan

It was in 2012 when Cabinet agreed on the National Development Plan as a tool to eliminate poverty and reduce unemployment by the 2030. The NDP sets out firm proposals to solve the country's problems and to deepen the engagement of all South Africans in building the future. A focus on people's capabilities is at the centre of the plan. The capabilities include education, skills, decent accommodation, nutrition, safe communities, social security, transport and job opportunities.

The NDP highlights the need to strengthen the ability of local government to fulfill its developmental role. Integrated Development Plans need to be used strategically to focus attention on priorities in the NDP, such as spatial planning, infrastructure and basic services. The IDP should strive to achieve to focus on areas of the NDP that are in live with the municipality's priorities.

- **Provincial Growth and Development Plan**

The PGDP is designed to deal with the spread and incidence of poverty and unemployment in the Eastern Cape, as well as spatial inequality between regions. The Plan priorities interventions in three sectors, i.e. manufacturing, agriculture and tourism. It intends to redirect government plans and spending towards addressing fundamental problems within the economy.

1.1.4 IDP PARTICIPATION

Chapter 4 of the Municipal Systems Act requires municipalities to involve communities and stakeholders in the review process of the IDP. The Sundays River Valley Municipality will use all available means of communication within its disposal to inform the public. This will include loud-hailers, flyers, and advertisements in key local establishments, word-of-mouth, ward circulars and all other pertinent forms of communication. The process of the IDP review will be as transparent and inclusive as possible to accommodate all stakeholders. In an effort to ensure maximum engagement, the SRVM has scheduled a series of meetings for community and stakeholder engagement.

1.1.5 ACTION PROGRAMME FOR SRVM IDP AND BUDGET REVIEW PROCESS PLAN 2014/15

No.	Output	Action	Responsible Agent	Role Player	Date	Progress
1	Draft Process Plan	Prepare Draft IDP/Budget Process Plan	IDP Manager CFO	LED Unit	24 June '13	Done
2	Notice to community on process plan	Launch Review Process	IDP Manager	Mayor, Steering Committee	5 July '13	Done
3	Approved process plans	Table IDP/Budget Review Process Plan	Mayor	MM	August '13	Done and Approved
4	Appointment of Facilitators	Facilitate workshops on CBP	IDP Manager	Municipal Manager; Mayor	Aug – Oct '13	N/A Done Internally
5	Annual performance reports and AFS	Submission of annual audit report to AG	IDP Manager CFO	Municipal Manager; Mayor	31 Aug '13	Done in Oct
6	Situational analysis	Consultation on status quo information	IDP Manager	SteerCom; Sector Depts. Parastatals	Aug - Sep '13	Done
7	Steering Com Meeting	Internal Review of vision, priorities, strategies and current projects	IDP Manager	Steering Committee	9 - 13 Sept '13	Done
8	New Operating Medium-Term expenditure focus 2013/14	Provide HOD's with baseline for new operating Med-Term Expenditure focus	CFO	Steering Committee CDM	14 - 18 Oct '13	Done

9	Budget Input Forms	Prepare budget documents and input forms	CFO IDP Manager	Steering Committee; HODs	21 - 25 Oct '13	Done
10	IDP Development Strategies	Refine/Confirm IDP Development Strategies	IDP Manager	Heads of Departments (HODs)	28 Oct - 1 Nov '13	Done
11	IDP Rep Forum Meeting	IDP Rep Forum to consider Status Quo Information and projects	IDP Manager	CDM; IDP Rep Forum; Steering Committee	8 Nov '13	Only one done At CDM
12	Confirm Projects	Ward committees to consider existing projects and newly identified projects	IDP Manager; HOD	Ward Comm. IDP Steering Committee Private Sector	4 - 8 Nov '13	Done
13	Financial Alignment	Re Submit reviewed project template to Finance Department	IDP Manager HOD's	HODs	11 - 15 Nov '12	In progress
14	Budget committee meeting	Draft budget to budget committee	MM; CFO HOD's	Budget Committee	Dec '13	Done –Adjusted bud get.
15	Reviewed tariffs and charges	Review tariffs and charges	CFO	Financial Department	Nov '13	In progress
16	IDP Rep Forum Meeting	IDP Rep forum to consider 1stdraft IDP	IDP Manager; MM; and Mayor	IDP Steering Committee	Jan '14	27 May 2014

No.	Output	Action	Responsible Agent	Role Player		Date
17	Adjustment Budget	Submit Adjustment Budget	CFO	Council		Jan '14 Done
18	Annual report tabled	Mayor to table annual report to Council	Mayor	Exco; MM		31 Jan '14 Done in October
19	Draft Division of Revenue	Update CIP and MTEF based on draft DORA allocation	CFO IDP Manager	Steering Comm		Feb '14 In progress
20	Sector plans aligned	HODs review sector plans	IDP Manager	HODs		Feb '14 Outstanding
21	Draft IDP & Annual Budget	Mayor tables draft annual budget and IDP	Mayor	CFO		31 March '14 Done
22	IDP Assessments	Assessment of IDP by CoGTA	HODs IDP Manager	Municipal Man.		Not done
23	Oversight report	MPAC tables oversight report	Oversight committee	Council		31 March Done --April2014.
24	Advert for draft IDP and draft budget	Advertise for 21 days for public comments	IDP Manager CFO	Steering Committee		April '14 Done
25	Sending of Draft IDP/Budget	Send Draft IDP/Budget to ECLGTA; CDM; Provincial and National Treasury	IDP Manager; CFO	Steering Committee		April '14 Done
26	Budget/IDP Consultation	Commence Public consultation on budget & IDP	CFO & IDP Manager	Finance Dept; HOD's		April/May '14 Done
27	Final DORA allocations	Update IDP projects based on final DORA allocations	IDP Manager CFO	Steering Committee		April '14 Done
28	Preparation and editing of Final Draft	Compile Final Draft IDP Document	IDP Manager	Steering Committee		April '14 Done

29	Draft Budget Edited & budget policies edited	Edit draft document and consider comments received	CFO	Budget committee	May '14	Done
30	Final IDP and budget document approved by Council	Mayor tables final IDP & Budget doc to Council for adoption and approval	Council	Mayor; CFO; MM	30 May '14	29 May 2014
31	Publish IDP/Budget on Web site and newspaper	Send documents to relevant departments as per legislation	IDP Manager	Steering Committee; CDM; Courier Services	05 June '14	Due

1.1.6 Institutional Arrangement for the IDP process

Roles and Responsibility of External Stakeholders in the revision of the IDP.	
Stakeholder	Roles and Responsibilities
Communities and Civil Society Organisations	<p>The Municipality see the participation of Communities and civil society structures in the revision of the IDP and the Alignment of the Municipal budget as an opportunity to address community priorities. Here are some roles and responsibilities for community participation:</p> <ul style="list-style-type: none"> ✓ They present the interests of their respective groups in the planning process. ✓ Agree on developmental priorities. ✓ Participate in the IDP public Participation Structures like the Ward Committees and IDP Representative Forum. ✓ Give feed back to their constituencies about the agreed priorities. ✓ Ensuring alignment and monitor the IDP and Budget implementation.
District Municipality	<p>The roles and responsibilities of Cacadu District Municipality are legislatively the same as those of category B Municipalities. However, the Municipality defines the role of the District Municipality as Follow:</p> <ul style="list-style-type: none"> ✓ Development of a District IDP Framework; ✓ Have an oversight role; ✓ Horizontal alignment of B Municipal IDP's in the District. ✓ Vertically aligning District IDP's with Provincial and National Sector Departments. ✓ Facilitate Alignment Meetings and Workshops with Sector Departments. ✓ Providing B Municipalities with Administrative, Technical and Financial Support in the Development and Implementation of IDP's. ✓ Facilitate an annual district investor's conference.
Provincial and Sector Departments	<p>The Constitution makes reference to cooperative governance between all spheres of government. It has been a Municipal desire to foster alignment with Provincial and National Sector departments for the development of Sundays river Valley and its residents. The roles of the Province and National Sector</p>

Roles and Responsibility of External Stakeholders in the revision of the IDP.	
Stakeholder	Roles and Responsibilities
	<p>Departments is defined as follow:</p> <ul style="list-style-type: none"> ✓ Continuously updating Municipal Statistical Data; ✓ Provide timely comments on Municipal IDP's; ✓ Horizontal alignment of district IDP's with Provincial sector departments; ✓ Ensuring vertical alignment between provincial departments and National Sector Departments; ✓ Promotion of IGR¹ and Cooperative Governance; ✓ Aligning Provincial Budgets with Municipal priority issues; ✓ Attending District IDP Forum Meetings and Workshops; ✓ Providing Technical and Financial Support for to the District; and ✓ Monitoring and evaluating IDPs' and Budgets implementation progress.
Resource People (Advocates, Engineers, Consultants, NGO's etc).	<p>The Municipality is legally obliged to develop the IDP, in doing so it is expected to involve all sectors of the Community. Some members of the community are unable to participate due to their disability or literacy. Under these circumstances resourced people will be allowed to participate on their behalf, in the follow manner:</p> <ul style="list-style-type: none"> ✓ By provide technical Guidance to the IDP process; ✓ Facilitating Workshops; ✓ Conducting Specialised Studies and Feasibility Studies; ✓ Give support to unorganised groups; and ✓ Ensuring that the IDP is Aligned with Provincial and National Departments

According to the Municipal Structures Act and the Municipal Systems Act, both levels of the local sphere have to elaborate IDPs as a crucial part and tool of their management and delivery system. In order to avoid duplication of work, the two planning processes

¹ Intergovernmental Relations

should be closely interrelated. The design of this interrelation and distribution of responsibilities takes four imperatives into consideration:

1. The analysis and reprioritization of needs and problems requires a participatory process, involving local communities and stakeholders. The information on service gaps and on potentials has to be location-specific. Therefore the entire Municipal senior staff, Ward Councilors, chairpersons of Portfolio Committees, IDP Representative Forum has to be actively committed in the processes, identified in the preceding process plan.
2. If IDP is meant to contribute towards institutional transformation, as well as informing budgets and business plans, then it is imperative that we have a planning process and review planning documents.
3. Smooth co-ordination needs to be promoted between Departments, Community, Sector Departments, District, Provincial and National level
4. Translating these three imperatives into the phasing of the IDP processes may result in the following procedure:
 - The continuous consideration of comments received from various role-players in the IDP Process, including the ones received from the MEC, are considered.
 - Identification of assessment and participatory issues and the focus of the planning and extensive participation process.
 - Facilitation of Sector Alignment of provincial budgets will, as a rule, be at district level, while there may still be some locally specific issues, which need locally specific strategies. Local Municipalities are to be invited to Sector Alignment strategy workshops so as to jointly discuss the most appropriate problem-solving strategies. This needs to be closely monitored at local and district level.
 - Provincial and National specialists, as well as competent resource persons from civil society could be invited to join this process which will be facilitated by the District municipal officials with the assistance of the Office of the Premier. This is the arena where “people and places meet with sectors and subjects”.

- The District will have to play an important role in vertical co-ordination of reviewed programmes and projects.
- Consolidation of documentation into a draft and the adoption and approval of amendments feeding into the final IDP.
- 50% + 1 will constitute the quorum in all meetings except community meetings.

1.1.7 Amendment and adjustment to the 2014/15 IDP

The review process focussed on:

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

The process was influenced by:

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

The Reviewed IDP document 2014/15 reflects the following adjustments:

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

Table 1: Data sources

NAME OF DOCUMENT²	SOURCE	DATE
Service backlog study	SRVM Water Services Sector Plan	2011/12
Spatial Development Framework	Sundays River Valley Municipality	2013
Tourism Sector Plan	LTO minutes	2011
Finance and human resource Policies and by-laws	Sundays River Valley Municipality	2010/11 & 2012/13
Council Resolutions	Sundays River Valley Municipality	2011/12 & 2012/13
The Local Government Turnaround Strategy and municipal capacity assessment	CoGTA website	2011
PMS Policies {Planning phase}	SRVM	2012
SRVM Turn Around Plan	SRVM	2011/12
Audit Action Plan	SRVM	2012/13
SRVM Census Stats	Stats SA	2011/12
Small Towns Revitalisation Strategy	SRVM	2014
Infrastructure Master Plan	SRVM	2012/13
Water Safety Plan	SRVM	2014

2) Community Based Plans

- 3) Reformulation of Foreword by the Mayor
- 4) Updating of objectives, priorities, programmes, projects and strategies emanating from public participation processes and audit committee recommendations.
- 5) The reviewed institutional risk assessment
- 6) Performance management system as adopted
- 7) The entire budget section is updated and a revised budget summary for the next three years is inserted.
- 8) The five year financial plan is reviewed.
- 9) Alignment of priorities across the three spheres of government.
- 10) Reflections and Contextualization of the State of the Nation Address
- 11) Draft SDBIP
- 12) Comprehensive analysis of Roles and Responsibilities in the IDP Process.
- 13) Alignment to Millennium Development Goals
- 14) Key Performance Indicators updated in line with Local Government KPIs

1.1.8 Legislative Framework

The **Constitution of the Republic of South Africa** outlines the type of local government needed in the context of a developmental state. Sections 152 and 153 of the constitution prescribe that local government should be in charge of the development process and municipal planning and describe the following objects of local government:

- To ensure the sustainable provision of services;
- To provide democratic and accountable government for all communities;
- To promote social and economic development;
- To promote a safe and healthy environment;
- To give priority to the basic needs of communities; and
- To encourage involvement of communities and community organizations in matters of local government.

The **Municipal Systems Act (MSA) Act 32 of 2000** requires municipalities to develop Integrated Development Plans which should be single, inclusive and strategic in nature. The IDP of a municipality will guide development within the councils area of jurisdiction once

adopted and the IDP should also be reviewed annually. In addition the Act also stipulates the IDP process to be followed and the components to be included.

Section 34 of the Municipal Systems Act (32 of 2000) requires that a Municipal Council:

(a) Must review its integrated development plan –

(i) Annually in accordance with an assessment of its performance measurements in terms of section 4; and

(ii) To the extent that changing circumstances so demand; and

(b) May amend its integrated development plan in accordance with a prescribed process.

Section 21 (1) of the **Municipal Financial Management Act (MFMA) (Act 56 of 2003)** says that, the Mayor of a municipality must –

(a) Co-ordinate the processes for preparing the annual budget and for reviewing the municipality's integrated development plan and budget-related policies to ensure that the tabled budget and any revisions of the integrated development plan and budget-related policies are mutually consistent and credible;

(b) At least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for –

(i) The preparation, tabling and approval of the annual budget;

(ii) The annual review of –

- *the integrated development plan in terms of section 34 of the Municipal Systems Act; and*
- *the budget-related policies;*

(iii) The tabling and adoption of any amendments to the integrated development plan and the budget-related policies; and

(iv) Any consultative processes forming part of the processes referred to in sub-paragraphs (i), (ii) and (iii)

Section 21 (2) of the Municipal Finance Management Act **states** that, when preparing the annual budget, the Mayor of a municipality must:

(a) take into account the municipality's Integrated Development Plan;

(b) take all reasonable steps to ensure that the municipality revises the integrated development plan in terms of section 34 of the MSA, taking into account realistic revenue and expenditure projections for future years;

(c) take into account the national budget, the relevant provincial budget, the national government's fiscal and macro-economic policy, the annual Division of Revenue Act and any agreements reached in the Budget Forum;

1.1.9 MEC Comments on SRVM IDP

The MEC commented on the previous years' IDP. In reviewing the IDP for the period 2014/2015 the comments were considered and taken into account. This is particularly the case in the section dealing with Institutional Transformation and Development and Basic Infrastructure and Service Delivery where information had to be updated.

Chapter Two: Situational Analysis

2.1 Demographic Profile

2.1.1 Introduction

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

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

In order to properly plan for the development of the SRVM, it is critical to understand the needs of the Sunday's River Valley population, its relevant demographics as well as the anticipated trends in development for the 2014/15 financial year.

2.1.2 Description of the municipal area

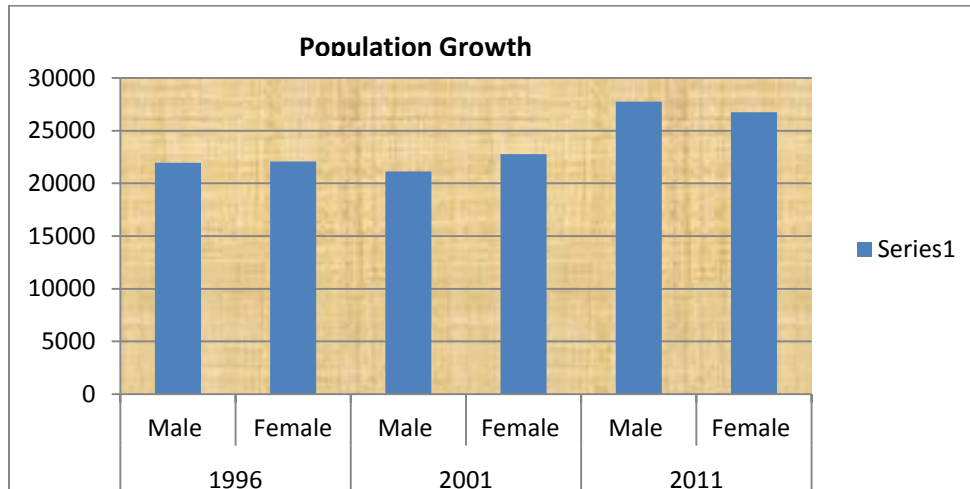
Sundays River Valley Municipality is in the Eastern Cape and is one of the nine local municipalities in the Cacadu District. It is a Category B municipality with a collective executive system combined with a ward participatory system established in terms of the Local Government Municipal Structures Act 117.

It is approximately 50km from Coega Industrial Zone in Nelson Mandela Bay Metro. The municipality can boast its ecotourism and agricultural potential. The Addo Elephant National Park and its citrus production are two important drivers in the Sundays River Valley Municipality. The valley is characterised by harsh climate conditions, with summer temperatures rising in excess of 40°C. Rainfall is spread over the year and is between 250-500mm per annum. The valley is characterised by wide, fertile flood plains and is associated with low-lying land and steep, less fertile soil. The area outside the Sundays River includes the Paterson area, the coastal belt, and the west of Alexandria.

2.1.3 Population Profile

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

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



According to Census 2011, the population of SRV was approximately 54 504 people of whom 72% are Black African, 21% Coloured and 6% White. Between the years of 1996 and 2001, the population showed a slight decrease of 0.29% (127 of the population). However during the years of 2001 and 2011, the population had increased by 19% (10590 of the population).

Table 3: Gender by Population group

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

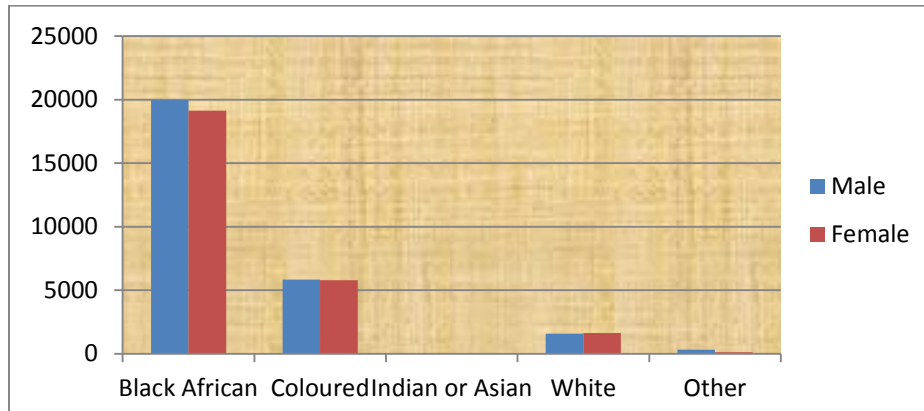
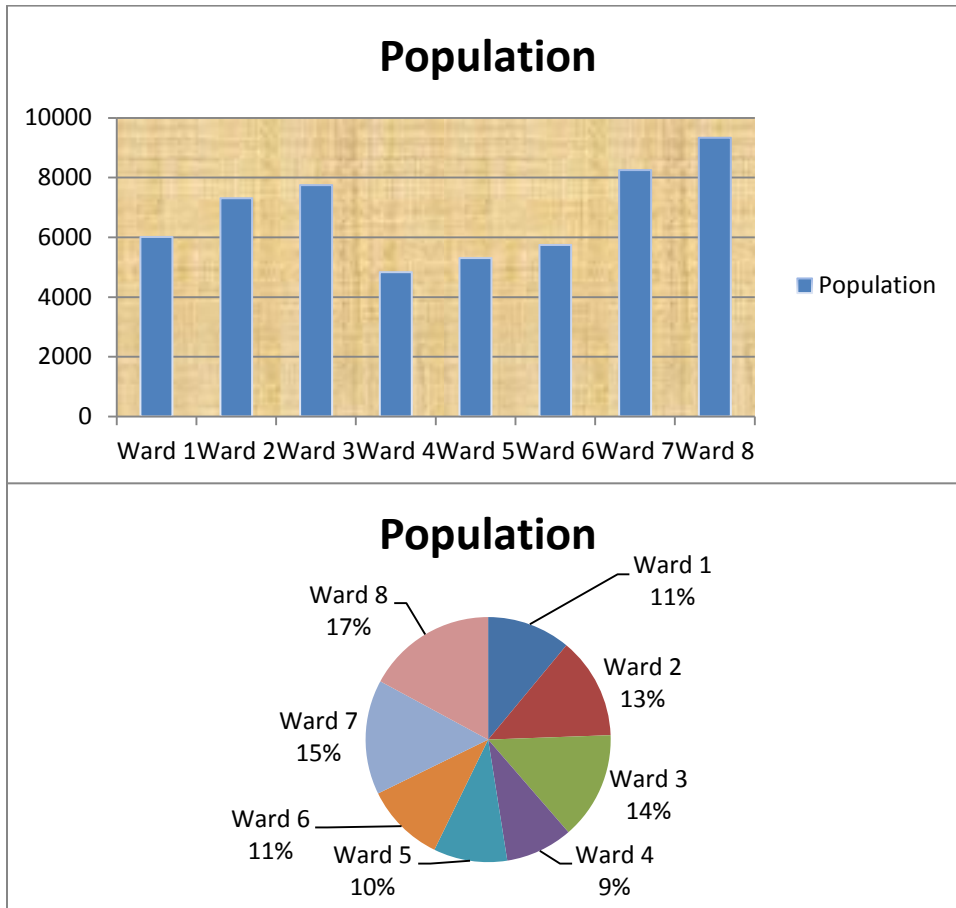


Table 4: Geography by Population group

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



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

Table 5: Age in completed years by Population group

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

Age Structure

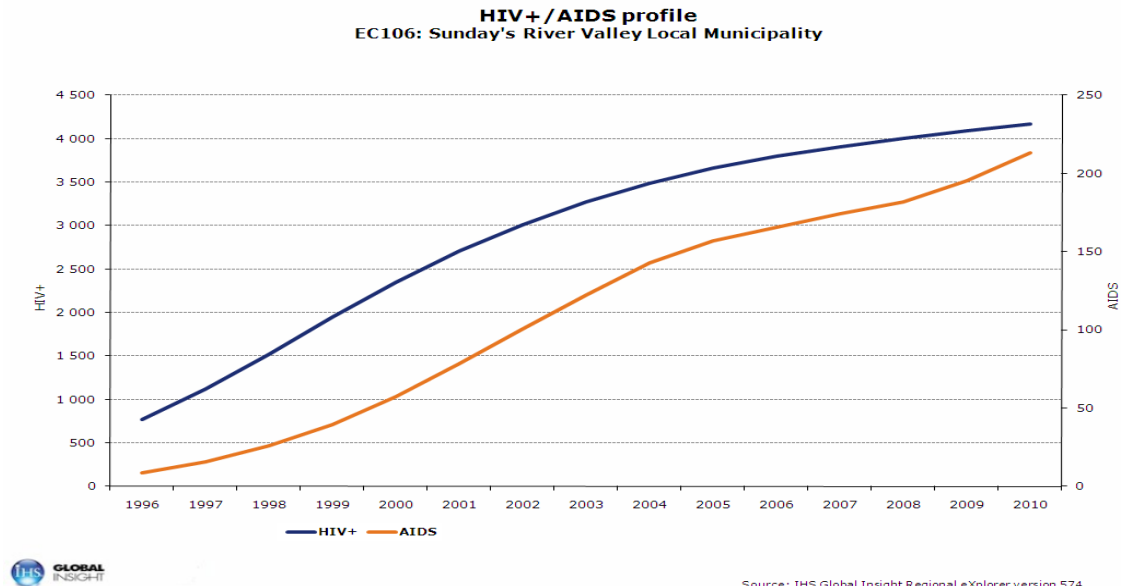
The age structure depicted below suggests that Sundays River Valley Municipality has a population that is relatively youthful. The age structure mapped in the pyramid below is very similar to that of South Africa as a whole, but with certain notable exceptions:

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

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

2.1.4 HIV/AIDS Profile

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



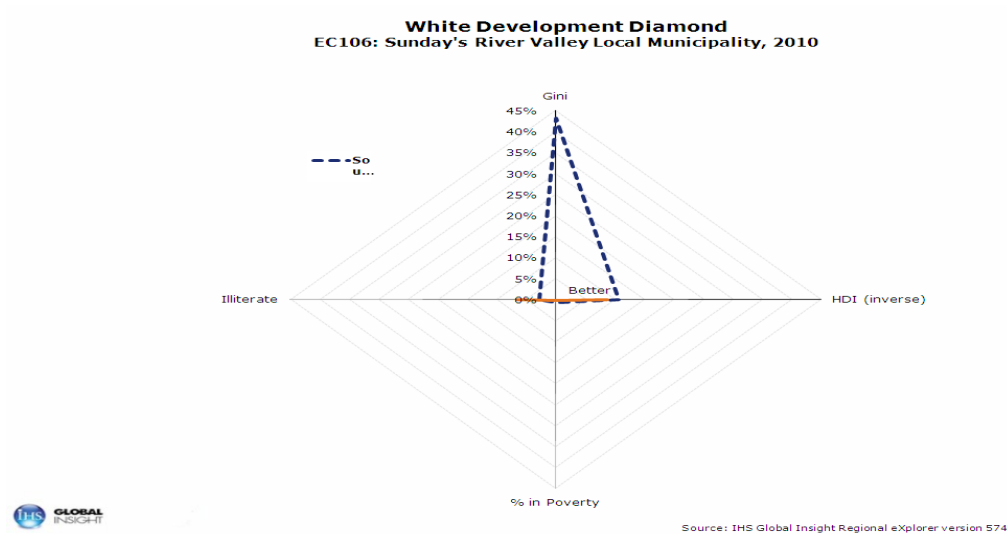
The profile above indicates that the epidemic is reaching a plateau, with some 4 200 people or 9% of the population infected with HIV and some 200-300 AIDS sufferers. The in-migration of job seekers during the citrus season may be viewed as one of the contributory factors for the spread of the virus.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

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

2.1.5. The Development Diamond

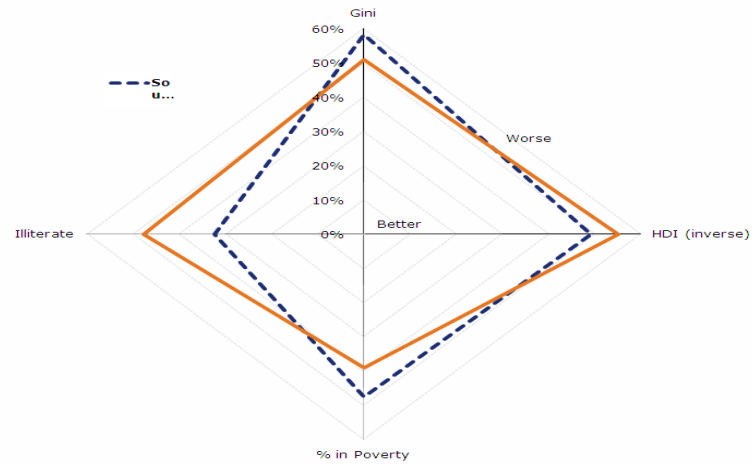
The Development Diamond measures the extent of inequality (Gini Coefficient), underdevelopment (the Human Development Index or HDI), Poverty and illiteracy. The Development Diamonds reflect the racially skewed ongoing effects of the Apartheid system that officially ended in 1994.

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



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

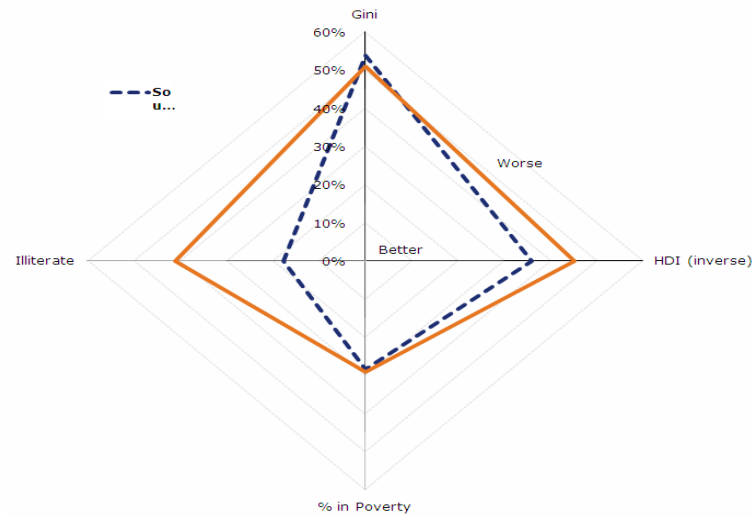
African Development Diamond
EC106: Sunday's River Valley Local Municipality, 2010



Source: IHS Global Insight Regional eExplorer version 574

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

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



Source: IHS Global Insight Regional eXplorer version 574

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

2.2. Infrastructure and Basic Services

2.2.1 Water

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



The following is the existing water service levels in SRVM:

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

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

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

Issues that need attention

- What is needed for SRVM to build the capacity to implement a plan that takes water to the people?
- Enter into Service Level Agreement with Lower Sundays River Water Association on water purchased.
- Need institutions to work closely building trust in a supportive way
- Achieve blue and green water qualifications and environmental compliance
- Need to have community involvement in planning process
- Need responsible consumers/stakeholders
- How best to use resources: internal such as people money and infrastructure and external "agencies" such as the cooperatives
- Improve our understanding of where water comes from and where it goes to, and the quantity and quality thereof.
- Demand and conservation management.

- Buy-in to the turn-around strategy
- Constant provision of clean and adequate water to all users
- Remote rural areas where water is cut must be provided water tanks (Rainwater harvesting)

In its strive towards continuous improvement of drinking water management practices, the Department of Water Affairs (DWA) Drinking Water Quality Regulation Unit is applying increasingly comprehensive criteria for Water Services Authorities to meet during the biannual assessment of water supply systems (catchment to consumer). At the top of the list of these criteria is the drawing up of a Water Safety and Security Plan (WSP) to ensure the practising of comprehensive, preventative drinking water quality management for the municipality

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

The primary purpose of the Water Safety Planning Process is to address the question: "what in the event of (incident) could go wrong (the risk) at which probability (the likelihood) that it will occur; what are the results (consequences) of the incident; what is in place to prevent 'the incident' from occurring (contingency measures) and if the incident does happen, how do we deal with it (emergency procedure)".

The aims of the Water Safety Plan (WSP) are:

- To protect (minimize contamination of) the resource from which water is abstracted,
- To treat water to the required level through the treatment processes, and
- To prevent contamination during, storage and distribution.

2.2.2 Sanitation

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

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

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

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

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

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

Table 6: Water Infrastructure

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

Source: SRVM WSDP 2011/12

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

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

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

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

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

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

Table 7: Service levels (Households)

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

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

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

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

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

Census 2011 provides the following statistics around population group of households by toilet facilities:

	None	Flush toilet (connected to sewerage system)	Flush toilet (with septic tank)	Chemical toilet	Pit toilet with ventilation (VIP)	Pit toilet without ventilation	Bucket toilet	Other	Grand Total
Black African	766	5,399	324	76	467	2,260	999	753	11,045
Coloured	192	1,698	128	9	60	313	54	83	2,536
Indian or Asian	0	21	2	0	0	0	1	1	25
White	0	662	297	0	0	5	6	2	972
Grand Total	958	7,780	751	85	527	2,578	1,060	839	14,578

2.2.3 Electricity

- (a) Census 2011 reveals that 75% of households have access to electricity. This is a reduction to 95% previously reported. This could be attributed to the increase in the number of households from 12050 to 14 578.
- (b) The supply of electricity by ESKOM is linked to approved housing developments and the submission of settlement design plans
- (c) 5% of households are without electricity; this includes those in un-demarcated informal areas.
- (d) All erven falling within the municipal supply have connections with a minimum of 40 ampere and those falling under Eskom have a minimum supply of 10 ampere.
- (e) Eskom services the biggest area in SRVM and the municipality only services Kirkwood, Aqua Park and Bergsig. The Municipality is licensed to serve the above mentioned areas and the total meter points is 1112.

The electricity network in Kirkwood was built in 1962. The network needs to be upgraded. SRVM needs to add more personnel in the electricity unit to address the excessive demand on maintenance. An electrical artisan was employed in the 2011/12 financial year and two learnership students were added to the electrical unit. Needs that arise from community consultations are street lights and high mast light. The high mast lights were attended to in the following areas.....An amount of R7 301 202.57 was budgeted for in 2013/14 with 1055 connections. There is no budget provision from Eskom for the current financial year.

	Electricity	Gas	Paraffin	Wood	Coal	Animal dung	Solar	Other	None	Grand Total
Black African	7,961	217	2,163	628	14	5	22	6	31	11,045
Coloured	1,894	57	292	266	1	5	4	0	17	2,536
Indian or Asian	23	2	0	0	0	0	0	0	0	25
White	823	135	1	10	0	0	0	0	3	972
Grand Total	10,701	411	2,457	904	15	9	26	6	51	14,578

STATSSA 2011

In terms of the electrification backlog, the Municipality assessed this to be around 1035 households, this is in urban areas. The breakdown per is as follows ³

Backlog (households)	Ward	Comment
40	1 – Moses Mabhida Area	
66	2 - 36 households in Aqua Park and 30 in Msengeni Area.	
50	3 – these are found in the Zuney Area	
269	4 – Paterson	
250	5 Nomathamsanqa and Noluthando Area	

³ The electrification backlog is done to respond to the MEC comments of last year.

360	6 – Molly Blackburn Area	
-	7	Information not readily available for this ward.
-	8 – Moreson Area	Included in the number for ward 4.

2.2.3.2 Alternative sources of energy

The Sundays River Valley Municipality does not have waterfalls within its geographic location.

It must also be noted that EIA's and investigations by private sector actors are being done along the coastal areas between Nanaga and Alexandria for the suitability of wind turbines. Also, solar-powered geysers are installed in some areas, the rollout for these has been hampered by poor workmanship and slow progress. This notwithstanding, the Municipality has all intentions of rectifying the situation.

2.2.4 Agricultural Infrastructure

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

2.2.5. Comprehensive Infrastructure Plans

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

The following section starts by providing

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

Table 8: Ward Profile Summary Access to basic Services

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

nt	6,500,000		6,500,000										
Sanitation Bulk	R -	R	-	R	-	R	-	R	-	R	-	R	-
Sanitation Treatment Works	R 17,000,000	R 3,000,000	R 14,000,000	R	-	R 944,000	-	R	-	R	-	R	-
	R 75,790,000	R 22,630,000	R 44,530,000	R 8,630,000	R	-	R	-	R	-	R	-	-
Roads: new	R 388,000,000	R 4,490,000	R 23,510,000	R	-	R 12,930,000	R 160,270,000	R 140,000,000	R 46,800,000	R	-	R	-
Roads: upgrading	R -	R	-	R	-	R 19,700,000	R	-	R	-	R	-	-
Taxi facilities	R -	R	-	R	-	R	-	R	-	R	-	R	-
Roads: maintenance	R -	R	-	R	-	R	-	R	-	R	-	R	-
	R 388,000,000	R 4,490,000	R 23,510,000	R	-	R 12,930,000	R 160,270,000	R 140,000,000	R 46,800,000	R	-	R	-
Electricity Backlogs	R -	R	-	R	-	R	-	R	-	R	-	R	-
Electricity Refurbishment	R -	R	-	R	-	R	-	R	-	R	-	R	-
Electricity Distribution	R -	R	-	R	-	R	-	R	-	R	-	R	-

Electricity Substations	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
	R 825,646,200	R 47,680,000	R 181,460,000	R 87,100,000	R 71,480,000	R 186,740,000	R 153,450,000	R 63,730,000	R	-

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

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

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

Table 9: Basic Service Delivery Measurement

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

<i>Below Minimum Service Level sub-total</i>		-	1	1	1	1	1	1	1	1
Total number of households	5	-	11	11	13	12	12	12	12	12
<u>Sanitation/sewerage:</u>										
Flush toilet (connected to sewerage)			2	4	7	8	8	8	8	8
Flush toilet (with septic tank)			0	1	-	0	0	0	0	0
Chemical toilet			0	0	0	-	-	-	-	-
Pit toilet (ventilated)			1	1	2	1	1	1	1	1
Other toilet provisions (>min.service level)										
<i>Minimum Service Level and Above sub-total</i>		-	4	5	9	9	9	9	9	9
Bucket toilet			5	3	1	0	0	0	0	0
Other toilet provisions (<min.service level)			1	1	1	3	3	3	3	3
No toilet provisions			1	2	2	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	7	6	3	3	3	3	3	3
Total number of households	5	-	11	11	13	12	12	12	12	12

<u>Energy:</u>										
Electricity (at least min.service level)			1	1	1	5	5	5	5	5
Electricity - prepaid (min.service level)			2	2	2	2	2	2	2	2
<i>Minimum Service Level and Above sub-total</i>		-	3	3	3	7	7	7	7	7
Electricity (<min.service level)										
Electricity - prepaid (< min. service level)										
Other energy sources										
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	3	3	3	7	7	7	7	7
<u>Refuse:</u>										
Removed at least once a week			4	4	7	4	4	4	4	4
<i>Minimum Service Level and Above sub-total</i>		-	4	4	7	4	4	4	4	4
Removed less frequently than once a week			-	-	-					
Using communal refuse dump			0	0	0	0	0	0	0	0
Using own refuse dump			4	4	4	4	4	4	4	4

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

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

Other										
Total revenue cost of free services provided (total social package)		-	2,678	20,134	21,205	-	-	-	-	-

References

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

2.2.6 Water and Reticulation Level

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

Table 10: Nature of water services at household level

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

Source: Cacadu District Municipality Backlog Study 2005

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

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

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

Table 11: Geographical areas facing below standard water supply

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

Source: Cacadu District Municipality Backlog Study 2005

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

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

Table 12: Bulk water supply requirements

SETTLEMENTS	UPGRADING BULK STORAGE			UPGRADING WASTE WATER TREATMENT			UPGRADING BULK PIPELINE INFRASTRUCTURE		
	Current	Required	Cost ⁴ 'Mil	Current (ML)	Required	Cost	Current (L / S)	Required	Cost
ADDO	4.0ML	6.9ML	R5.2	2.4	3.3	R1.5	37.0	52.5	R1.2
ENON/BERSHEBA	1.1ML	1.0ML	R 0	0.5	0.5	R0	9.4	7.1	R0.75
KIRKWOOD	5.1ML	7.8ML	R4.8	1.5	3.8	R3.0	59.7	59.3	0
PATERSON	1.3ML	2.5ML	R2.2	0.5	1.2	R1.2	21.2	18.8	R 7

Source: *Cacadu District Municipality Backlog Study 2005*

Table 13: Upgrading of raw water supply

SETTLEMENTS	UPGRADING RAW WATER SUPPLY				
	CURRENT	REQUIRED	MAX	SHORTFALL	COST
ADDO	14.8	52.5	37.0	15.5	R1 800 000
ENON/BERSHEBA	8.1	7.1	8.1	0	R3,200,00
KIRKWOOD	20.9	59.3	59.3	0	R3 100 000
PATERSON ⁵	4.5	18.8	17.3	1.5	R1 000 000

Source: *Cacadu District Municipality Backlog Study 2005*

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

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

Source: *Cacadu District Municipality Backlog Study 2005*

2.2.7 Sanitation & Reticulation Level

Table 15: Nature of current sanitation services at household level

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

Source: Cacadu District Municipality Backlog Study 2005

Table 16: Geographical areas facing below standard services

AREA	SUBURB	ERVEN	RATE STANDARD: 8
ADDO	Town	25	6
	Informal settlement	200	2
	Langbos	350	2
	Molly Blackburn	400	2
	Noluthando	800	2
ENON/BERSHEBA	Bersheba A	200	2
KIRKWOOD	Aqua Park	277	3
	Emsengeni	766	3
	Moses Mabida	1200	2
	Shacks	410	2
PATERSON	Kwazenzele B	800	4
	Kwazenzele B	400	2
	Moreson	300	4
	Old Town	120	6

Source: Cacadu District Municipality Backlog Study 2005

2.2.8 Roads and Storm-Water

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

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

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

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

AREA	LENGTH OF BULK ROADS(m)	LENGTH OF INTERNAL ROADS(m)	WIDTH BULK ROADS(m)	WIDTH INTERNAL ROADS(m)	AREA OF BULK ROADS (m ²)	AREA OF INTERNAL ROADS(m ²)	NO. OF SITES
GREATER KIRKWOOD AREA							
Moses Mabhida	2283.44	18402.01	6.1	3.4	13928.98	62566.83	1320
Emsengeni	2091.96	9073.97	6.1	3.4	12760.96	30851.5	808
Kirkwood Town	0	16023.79	6.1	5.5	0	88130.85	494
Aqua Park	1458.09	3336.43	6.1	3.4	8894.35	11343.86	414
Bersig	800.21	3160.51	6.1	3.4	4881.28	10745.73	261
Enon	1659.18	11487.77	6.1	3.4	10121	39058.42	781
SUBTOTAL	8292.88	61484.48			50586.57	242697.19	4078

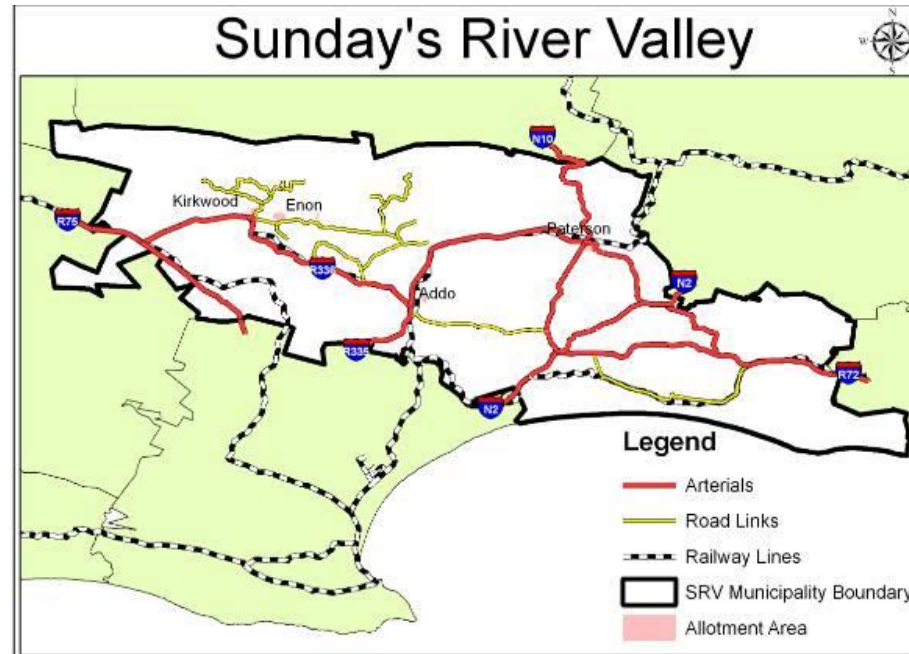
GREATERADDOAREA							
Langbos	4228.34	35264.56	6.1	3.4	25792.87	119899.5	1600
Addo	0	5178.94	6.1	3.4	0	17608.4	234
Valencia	3071.07	17182.98	6.1	3.4	18733.53	58422.13	1581
SUBTOTAL	7299.41	57626.48			44526.4	195930.03	3415
GREATER PATERSONAREA							
Patterson	4037.98	20815.85	6.1	3.4	24631.68	70773.89	1479
SUBTOTAL	4037.98	20815.85			24631.68	70773.89	1479
TOTALS	19630.27	139926.81			119744.65	509401.11	8972

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

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

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

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



2.2.9 Spatial Development Framework

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

The Spatial Development Plan presents the following outcomes:

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

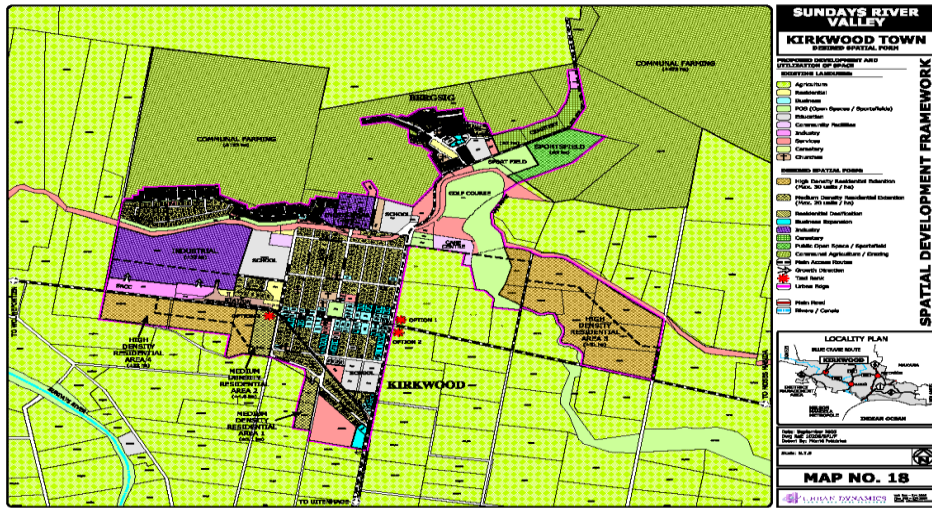
The Land Use Management policies and guidelines as outlined in the SRV SDF deals with the following land use sectors:

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

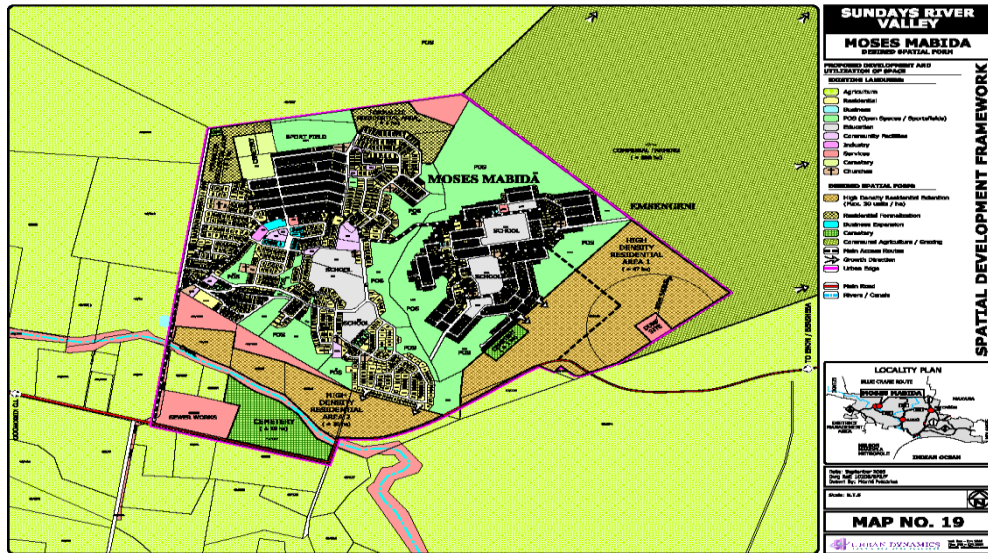
The SDF provides visual representation or maps of the desired spatial form of the Municipality which include:

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

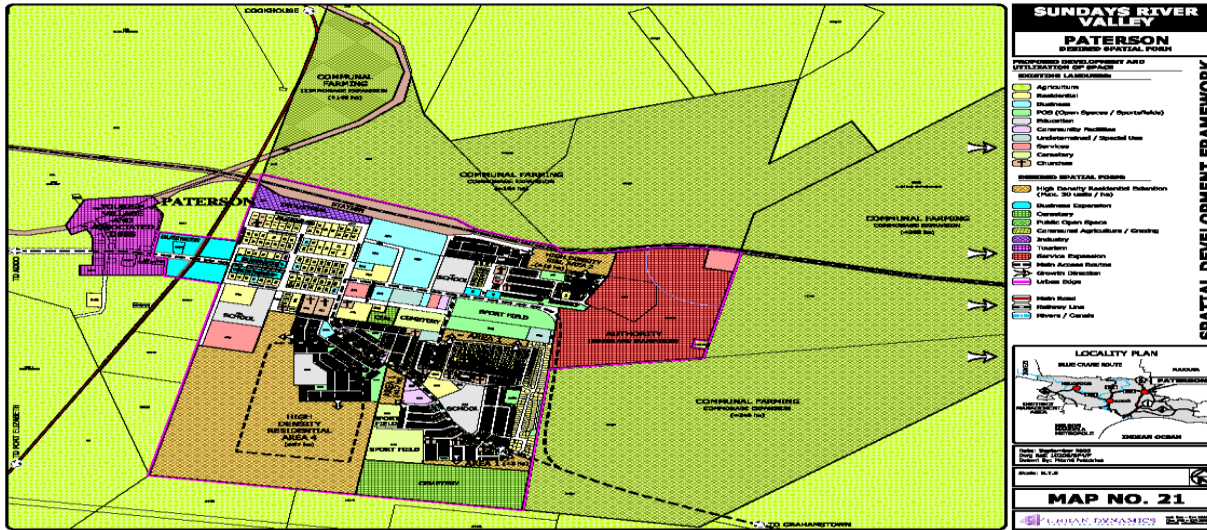
Kirkwood Spatial Form



Moses Mabida Spatial Form



Paterson Spatial Form



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

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

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

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

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

2.2.9.1.3 Communal Farming

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

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

2.2.9.1.4 Addo Cemetery

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

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

2.2.9.2 PATERSON AREA

2.2.9.2.2 Communal Farming

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

2.2.9.3 **KIRKWOOD AREA (Include Aqua Park and Bersig)**

(a) Area 2: Portion 83 of the Farm number 539, Uitenhage RD – Medium Density Residential

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

2.2.9.3.2 Industrial

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

2.2.9.4 MOSES MABIDA AREA (Including Emsengei)

2.2.9.4.2 High Density Residential

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

2.2.9.4.3 Communal Farming

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

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

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

Unfortunately, key challenges still need to be addressed:

- a. The Spatial Development Framework (SRV) indicates that a total of 82 ha⁶ are required for housing developments. This has since tripled but the revised SDF will be able to inform development officials the extent of the land required and specific location.
- b. The LED situation analysis highlights the challenge of the availability of affordable land. The cost of serviced land is estimated at R60 000 – R90 000 per ha. Access to agricultural land includes:
 - ❖ Commonage for livestock
 - ❖ Food security
 - ❖ Unlocking irrigation potential

Enon-Bersheba community owns+- 11000 ha of communal land which is ideal for eco-tourism and agricultural development opportunities. This community has established a legal entity known as Witrivier Communal Property Association for the management of the commonage on the community's behalf. Council has approved terms of reference for the development of business plans for Enon-Bersheba citrus as well as the municipal-owned 113 agricultural land. The municipality is supported by the National Department of Agriculture, Forestry and Fisheries and the Department of Rural Development and Agrarian Reform in such endeavours. Furthermore, lucrative economic prospects such as the public-private partnerships in the development of Enon-Bersheba communal land in the Eastern Cape exist.

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

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

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

Table 18: Land acquired

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

Communities have requested the following:

- ❖ The upgrading of cemeteries in Enon, Bersheba, Moses Mabida, Paterson, Langbos, West Bank and Valencia
- ❖ The provision of new cemeteries in Midtskraal, Dambrody and Bergsig

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

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

Table 19: Land Demand for Housing

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

Source: DHLG &TA & LM SDF

2.2.10 Housing Delivery

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

2.2.10.1 Housing Demand Profile

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

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

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

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

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

2.2.10.2 Land Requirement for Future Development

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

Total	27 952	3 179	9 595	9 595	3 269	
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Housing Sector Plan 2011-2016

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

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

2.2.10.3 Housing Status Quo

PROJECT	STATUS/COMMENT
Zuney 50	Completed
Moses Mabida 198	Old RDP houses needs rebuilding or Renovation
Moses Mabida 250	Needs Plastering and Ceiling
Emsengeni 766	Needs Plastering and Ceiling
Moses Mabida 750	Incomplete
Aqua Park 277	Needs Plastering and Ceiling
Valencia 958	Inprogress
Nomathamsanqa 369	Old RDP houses needs rebuilding or Renovation/partly complete
Nomathamsanqa 91	Old RDP needs Ceiling and plastering

Nomathamsanqa 801	Completed
Langboss 300	276 Approved
Paterson 155	Completed
Paterson 600	Needs Plastering and ceiling
Paterson 450	Need Plastering and ceiling
MoresonKwazenzele Mandela 269	Completed
Emanqindini 450	Needs Plastering and Ceiling
Paterson 500	New Project
Bersheba 500	New Project
Emsengeni Extension 1500	New Project

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

2.3 Community Services Function

2.3.1 Community Facilities

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

- **Greater Kirkwood/Upper Valley**

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

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

- **Lower Valley Addo**

The development of the Combo Courts through GIZ for the area of Nomathamsanqa as a legacy project of 2010 World Cup is now rolled out in 2013. Community facilities are limited to three primary schools and one secondary school (situated in Nomathamsanqa). Two clinics are in operation with a police station, library, 2 sports fields and 2 community halls. The provision of these facilities is not adequate. The facilities are over utilized and upgrading is needed. Sports facilities are limited to two sports fields in Nomathamsanqa and one sports field in Valencia. These facilities are currently undergoing upgrading and major maintenance.

- **Paterson and Zuney**

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

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

2.3.1.2 Audit on community facilities

Municipality and DSRAC conducted a facility audit of all community facilities. In addition, the upgrade of Sport fields and Parks commenced and the phase one of the project has been finalized and phase two is nearing completion with the exception of Nomathamsanqa. The Department is erecting a new park in Bergsig and the project will roll over to other areas e.g. Paterson, Addo and Moses Mabida.

2.3.2 Health Services

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

Health Care Infrastructure

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

Achievements

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

2.3.3. Education

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

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

School enrolment

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

Libraries

SRVM has three main libraries situated in Kirkwood, Addo and Paterson. Outlying areas and townships are served through four satellite libraries run by volunteers and mentored by library personnel. These satellite libraries are situated in Valleihof Retirement Home (Kirkwood), Enon, Moses Mabida, Valencia and Nomathamsanqa. In addition a mobile library service visits rural schools in the area around Kirkwood town, Malmaisson, Bersheba, Dunbrody, Selborne, Addo and Zuney.

2.3.4. Safety and Security

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

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

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

- Medium accident rate
- Municipal by-law with respect to stray animals and hawkers trading areas were promulgated but the level of enforcing them is very low. Peace Officers will attend to these challenges.
- The municipality intends soliciting proposals from potential partners for the development of a pound.

- Crime generally decrease in all areas but Paterson does not show any significant improvement

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

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

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

2.3.5. Disaster Management Plan

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

- Prevention or reducing the risk of disasters
- Mitigating the severity of consequences of disasters

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

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

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

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

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

2.3.6. Environmental Health Services (Municipal Health Services)

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

- Water quality monitor
- Communicable disease

- Waste Management
- Disposal of Dead.
- Food control
- Food premises licenses
- Health surveillance of premises

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

a) Waste Management

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

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

b) Water Quality Monitoring

- The SRVM has 3 Water Purification Plants and 2 area supplied with borehole water.
- Drinking water quality is being monitored on a monthly basis for bacteriological and chemical analysis.
- The results are reported to the Department of Water Affairs on a monthly basis.
- Rapid Response Unit assists the municipality with blue drop and green drop.
- SRVM has one river which is passing through Kirkwood town up to Addo areas.
- The Municipality discharge treated sewerage water in to the river as part of a natural water purification process.
- SRVM has a water canal which is fenced. However people, especially children vandalize the fence to get access to canal water for swimming. In return the canal is exposed to risks such as animals drowning.

2.3.7. Environment

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

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

The Environmental Management Plan (as required by the IDP) is limited to the involvement of the Municipality with the Cacadu District Municipality process. Waste management at the municipality's waste sites does not comply. EIA needs to be conducted by external auditors from DEAT in order to manage waste site effectively. Currently all three waste sites are not registered. Poor management of waste site has a detrimental effect on the environment. The necessary step need to be followed include among other: Proper management tools i.e. IWMP; fencing of sites; monitoring gates; waste recording; recycling; waste minimising; waste management awareness.

Key environmental legislation requires that the IDP is aligned with:

- The National Environmental Management (107 of 1998): The Municipality must provide services sustainably, encourage cooperative environmental governance and ensure that EIAs and Basic Assessments are implemented where required.
- The National Environmental Management: Biodiversity Act (10 of 2004): The Municipality should compile an alien plant management plan for municipal owned land, and must consider threatened ecosystems (the Endangered Albany Alluvial Vegetation as integrated into the Biodiversity Sector Plan & SDF), while aligning with the National Biodiversity Framework (NBF), 2009 (gazetted in terms of this Act). The NBF requires municipalities, with other lead agents (e.g. Eastern Cape Parks), to assist with establishing provincial stewardship programmes, including managing alien invasive plants.
- The National Water Act (36 of 1998): The Municipality should not undertake activities that cause pollution of water resources, ensure that township developments include a 1:100 flood line on proposed layout plans, and it gives effect to the purpose of the Act (i.e. water resource protection)
- The National Environmental Management: Integrated Coastal Management Act (24 of 2008): The Municipality should develop a coastal management programme. In the case of the SRVM, the majority of the coastline is designated as a formal Protected Area and managed by South African National, apart from a small stretch south of Springmount.

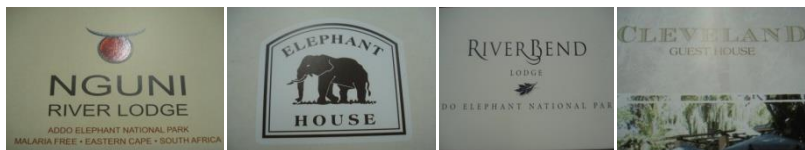
- The National Environmental Management: Waste Act (54 of 2008): The Municipality must integrate its waste management plans with its IDP to secure ecologically sustainable development.
- The National Forest Act (84 of 1998): The Municipality should not remove forest without an authorisation from the Department of Forestry.

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

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

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

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



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

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

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

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

Greater Addo Elephant National Park Project

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

Expansion plans for the Park are focused around the establishment of a 372 000 ha terrestrial zone in addition to a 120 000 ha marine reserve which would include the Bird and St Croix Islands group in Algoa Bay. These plans would see Addo becoming the third largest conservation area in South Africa after the Kgalagadi Transfrontier Park and Kruger National Park. The expansion includes opportunities not only for a core conservation area managed by the SANParks, but also makes provision for a private contractual area within the planning boundary. Driving the expansion are efforts to conserve representative examples of the varied landscapes and their associated biodiversity patterns and processes, while simultaneously promoting sustainable development and eco-tourism in the region.

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

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

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

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

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

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

People and Parks Project

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

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

The Biodiversity Sector Plan (BSP) for the SRVM represents the biodiversity informant for all multi-sectoral planning procedures, such as the Integrated Development Plan and Spatial Development Framework. It is intended to support land-use planning and decision-making in order to achieve the sustainable development agenda. The BSP is comprised of a relatively fine-scale Critical Biodiversity Areas (CBA) Map, mapped at a scale of 1:20 000 (Skowno and Holness, 2012) (Refer Figure 1). Associated with the CBA Map is a set of biodiversity-compatible land-use guidelines, including a series of land and water use management guidelines. The BSP also includes an explanatory handbook (with a biodiversity profile) and the various maps used to prepare the CBA Map (e.g. vegetation, rivers, wetlands and land cover)⁷.

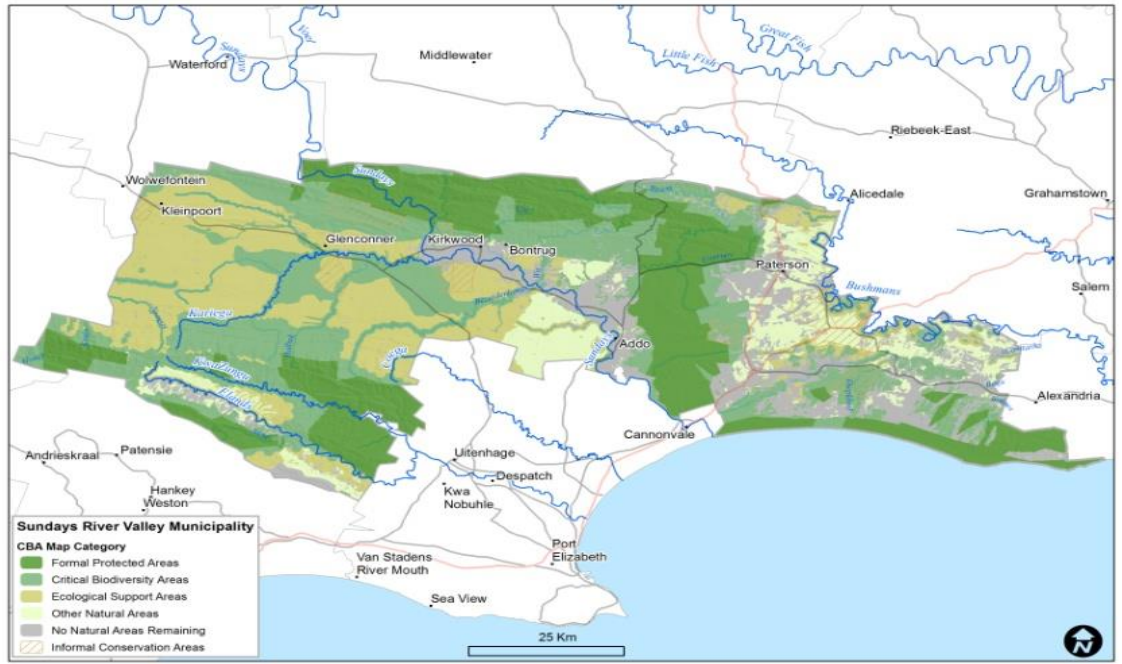
The CBA Map has refined the spatial accuracy of the Eastern Cape Biodiversity Conservation Plan's (ECBCP) CBA Map (Berliner and Desmet, 2007⁸), including the Subtropical Thicket Ecosystem Programme (STEP) Map (Cowling *et al.*, 2003⁹). In other words, it is a more accurate spatial representation of important biodiversity areas in the SRVM and therefore supersedes the aforementioned maps. The CBA Map divides the landscape into formal Protected Areas, Critical Biodiversity Areas, Ecological Support Areas, Other Natural Areas and No Natural Areas Remaining. The first three categories represent the biodiversity priority areas, which should be maintained in a natural to near-natural state, with low intensity developments possible. The remaining two categories are not considered biodiversity priority areas, and can be targeted for sustainable development. The land use guidelines are specified for Critical Biodiversity Areas and Ecological Support Areas, while the general land use management guidelines are specified for Critical Biodiversity Areas, Ecological Support Areas and Other Natural Areas.

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

⁷The production of the Biodiversity Sector Plan was funded by the French Global Environmental Facility and implemented by South African National Parks (Park Planning and Implementation: Conservation Services).

⁸Berliner, D. and Desmet, P. 2007. Eastern Cape Biodiversity Conservation Plan: Technical Report. Department of Water Affairs and Forestry Project No 2005-012, Pretoria. 1 August 2007.

⁹Cowling R.M., Lombard A.T., Rouget M., Kerley G.I.H., Wolf T., Sims-Castley R., Knight A., Vlok J.H.J., Pierce S.M., Boshoff A.F. and Wilson S.L. 2003. A conservation assessment for the Subtropical Thicket Biome. Terrestrial Ecology Research Unit Report No.43, University of Port Elizabeth.



2.4. Local Economic Development

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

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

The economy of the SRVM bears the typical characteristics of the rural area; with agriculture having a dominating role in the economy of the area. Although tourism is not formally regarded as a sector, its contribution to the area's economy is significant enough to take cognisance of.

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

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

The LED strategy reflects the economic development concepts listed below as a result of broad consultative process. These form part of the implementation plan.

FOCUS PROJECTS	COMMENT and STATUS OF PROJECT
Enon-Besheba land Asset (10 200ha)	<p>A draft business plan for six-pronged project has been completed and presented to various stakeholders (Municipal Council, Ministers Hanekom and Nkwinti, the Witrivier Communal Property Association and the Enon-Bersheba community). The six facets of this development programme are:</p> <ul style="list-style-type: none"> • 220 hectares of Citrus development that will be in three phases; supported by SRCC • 120 hectares of crop farming supported by Habata Farming • 14 hectares of food security programme supported by NMMU • 1000 hectares for livestock farming • Game Ranch with combination of Game and Nguni cattle supported by Shamwari Wildlife • A community College supported by NMMU <p>SRVM is embarking on funding mobilization for this lucrative programme</p>
Portion 307 of site kk113	<p>The development model designed incorporates individual emerging farmers participating in a commercial farming enterprises; provision of ten (10ha) irrigated sites for emerging farmers with 2 hectares being citrus. The land is owned by the municipality and will be made available for the programme subject to access to funding.</p>
Shamwari Agri-Village	<p>As part of Corporate Social Investment, the Shamwari Game Reserve is amenable to the establishment of an Agri-Village, primarily for its staff to benefit. The concept revolves around the establishment of a "staff village" with the main characteristics being the following;</p> <ul style="list-style-type: none"> • To a greater degree, the village will promote "green" applications in its energy sources. • Shamwari will avail most of its procured services to be established and sourced from this village and the surrounding region.
ERF 943	<p>Erf 943 is situated at the junction of the main road from Addo, turning towards Kirkwood; this site is "home" to the newly unveiled "heritage" mark for the Municipality.</p> <p>A combination of middle-income housing development and commercial site development will attract the necessary investment and enhance tourism in the area.</p> <p>To enhance the "heritage" aspect of the site, it is envisioned that the development concept may include a Museum, to capture the diverse historical narratives of the area, and a Tourism Information office. Included in the development will be commercial shops of varied offerings.</p> <p>The development model for this piece of land is envisioned to be a "partnership" between a private developer and the Municipality.</p>

Bio-energy solutions	The bio-energy sector is growing at a rapid pace throughout the globe, South African enterprises are providing more and more practical solutions to alternate energy; these applications must be evaluated for possible implementation in the region. Municipal waste and bio-mass are natural feed-stocks for such application. Smaller applications for industrial and commercial application must be considered for spatial heating and thermal power.
Bee-keeping	Research has revealed the rising demand for natural honey, the Sunday River Valley area with its rich Citrus environment, is an ideal place to invest in larger scale bee-keeping projects. This relatively low capital scale project, with established market opportunities, is ideal for "emergent" farmers to exploit. The placement of beehives could take place throughout the region, to take advantage of the various natural honey feedstock's.
Aqua-Culture	It is of great advantage that the Sundays River Valley municipal area stretches to the Indian Ocean, this allows the potential establishment of both fresh water and salt water aquaculture enterprises. The advantage to be exploited is the proximity of the area to the Coega harbour for exports, being the dominant market for most salt water aquaculture forms. Fresh water fish products could contribute to local food security.
Rail Revitalization	Rail infrastructure is already established, but significantly underutilized. Three focal areas of development are envisioned in carving the Developmental Strategy for the revitalization of the Rail Transport, and these are;
Infrastructure Development	The underlying regional development needs are directly linked to improved and expanded infrastructure provision. Energy: The current Eskom supply capacity will have to be dramatically improved to provide sufficient power requirements for expanding commercial and residential demand. Water: Existing water infrastructure requires maintenance and expansion into new development areas. Sewerage: Under-capacity of sewerage processing facilities is limiting provision of basic services and will not allow for economic expansion. Road: Road transport is an important sector of economic activity, especially in developing countries, where it plays an essential role in marketing agricultural products and providing access to health, education and agricultural inputs and extension services. Conversely, lack of accessibility or poor road conditions are barriers to agriculture, industry and trade, and may hinder the entire development effort.

Compost and pruning operation	A BEE company was established for the manufacture of compost for provision to SRCC farmers. The inclusion of pruning service is seen as a viable business.
Small towns revitalization	A Small Town revitalization Strategy to guide the revitalization of Kirkwood, Paterson and Addo towns was developed and presented to the EXCO on 19 March 2014 and to Council on 26 March 2014.

The Sundays River Valley Municipality (SRVLM), in conjunction with the Department of Local Government and Traditional Affairs embarked in a process to develop and review the Local Economic Development (LED) Strategy/ Plan for SRVLM. The need arose as a result of socio-economic climate changes over the past seven years, and, developments at a macro level with respect to provincial and national socio-economic planning. These relate to the advent of;

- Provincial Growth and Development Plan
- National Spatial Development Perspective
- National LED Guidelines
- New Growth Path and,
- Accelerated and Shared Growth Initiative for South Africa.

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

The Department of Local Government and Traditional Affairs allocated a three year LED support grant to the municipality to beef up the capacity of LED, and with this fund a post was activated from the municipal organogram namely Sector and Enterprise Development Practitioner who reports directly to the LED Manager. The LED Manager reports directly to the Municipal Manager. The municipality has also leverage administrative support to the IDP/LED Units by appointing a temporary Admin Assistant. The EPWP committee which comprised by LED Manager, Supply Chain Management Practitioner and PMU Manager is one mechanism to enhance the implementation of EPWP. The municipality for 2014/15 is entitled to receive MIG allocation and R1 million will be ring-fenced for EPWP. EPWP policy was adopted by council.

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

- The municipality has in the 2013/14 financial year budgeted for the development of the investment incentive strategy. Due to financial constraints the investment incentive strategy could not be developed. The SMME Development Strategy which seeks to enhance beneficiation of local enterprises in the procurement processes was developed.
- The District municipality has established a District Business Forum and two of our local business chamber representatives are serving in this forum. LED Forum was established and launched in October 2010 but its functionality is not as expected hence there is a drive to revitalize it in 2013/14.
- The Business Chamber and SMME forum were established and participate in all municipal programmes.
- There is an annual allocation for capacity building and training, the office also offers assistance with regards to business registrations
- The billing system of the municipality was found not in order in 2012; subsequent to that registered Cooperatives were assigned to fix water leakages and tempered electricity, milestone payments are made to individual members of Coops involved.
- The municipality has the following policies and by-laws that promote economic development:
 - Street trading by-law
 - Food control by-law
 - Animal control by-law
 - Co-operative Development policy
 - SMME Development policy
 - Informal Trading policy
 - Draft Commonage Management policy
 - Tourism Sector Plan
 - LED Strategy 2013
 - Spatial Development Framework
 - EPWP Policy
 - Supply Chain Management Policy
 - Small Town Revitalization Strategy 2014
 - Water Safety Plan 2014
- The municipality received an amount of R350 000 from DLGTA for Small Town Revitalization endeavors. Three areas were identified for the rollout of the Small Town Revitalization programme (i.e. Kirkwood, Addo and Paterson).

2.4.1. Education

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

Table 20: Geography by Highest educational level

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

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

Findings

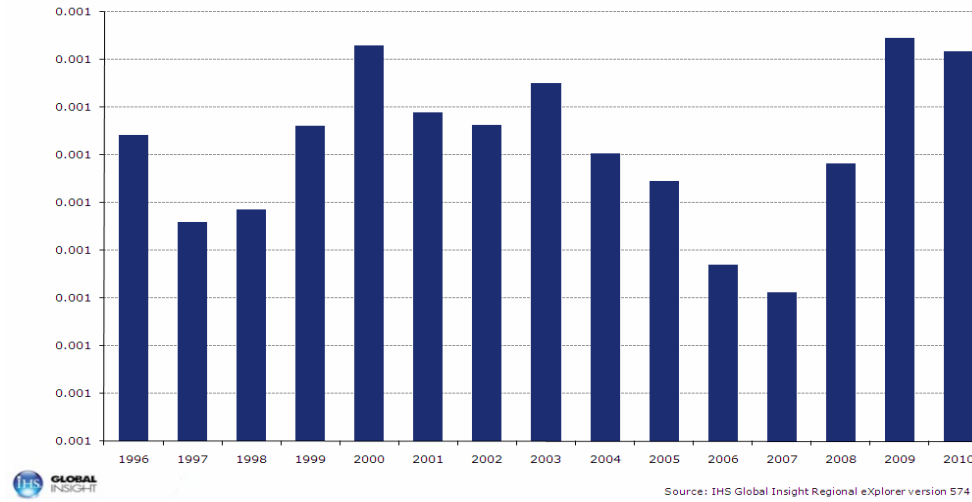
Less than 2% of the population in the SRVM area has higher education qualifications, which is a worrying factor if the municipality has to grow and transform itself beyond being a producer of primary products, that in most circumstances fetches less on the market due to market dynamics.

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

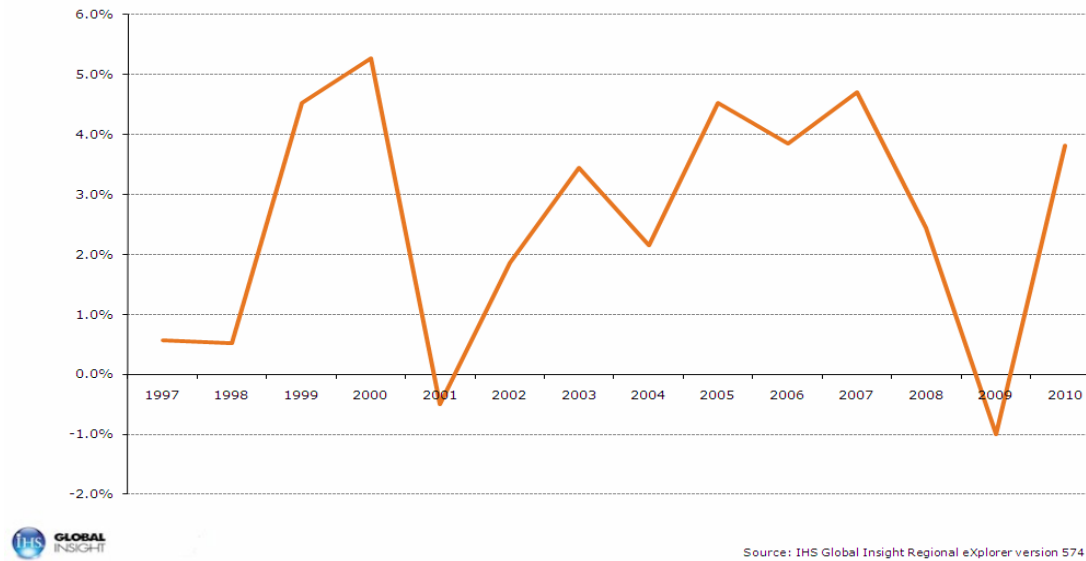
2.4.2. Income

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

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



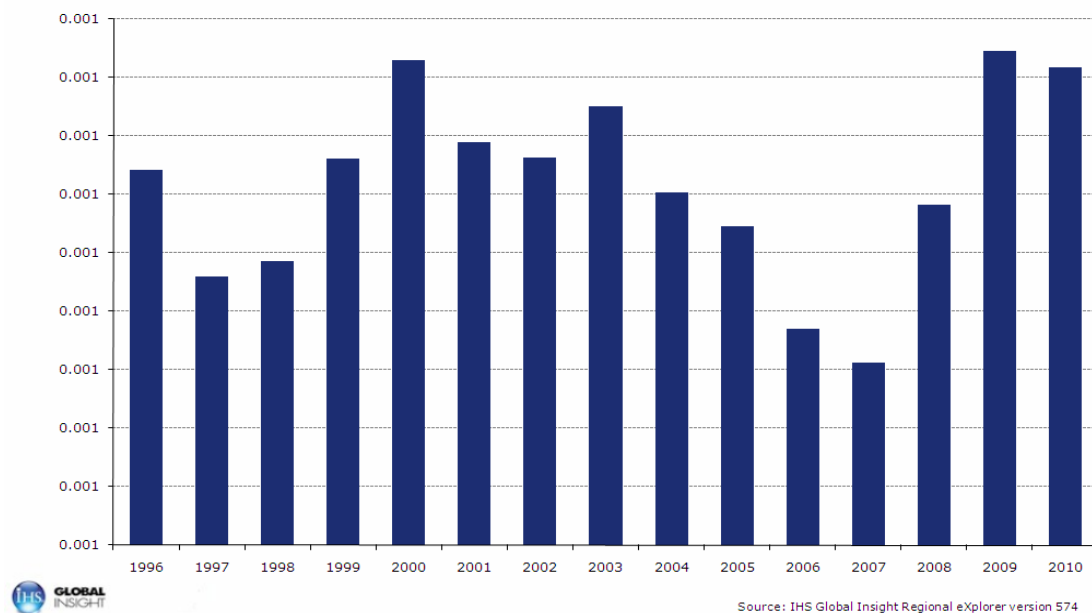
Growth in Annual total disposable income
EC106: Sunday's River Valley Local Municipality, Total



2.4.3. Index of Buying Power

Buying power is indicating rapid post recessionary growth.

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



2.4.4. Labour and Unemployment

Table 21: Labour Force: Geography by Official employment status

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

Ward 5	1 386	216	93	1 834	-	1 775	5 303
Ward 6	2 087	196	82	1 643	-	1 731	5 739
Ward 7	2 848	257	175	2 670	-	2 296	8 247
Ward 8	3 155	353	308	2 605	-	2 905	9 328
Grand Total	16 085	2 845	1 145	17 014	-	17 415	54 504

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

2.4.5. Type of Sector

Table 22: Labour Force: Geography by Type of sector

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

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

2.4.6. Dependency Ratio

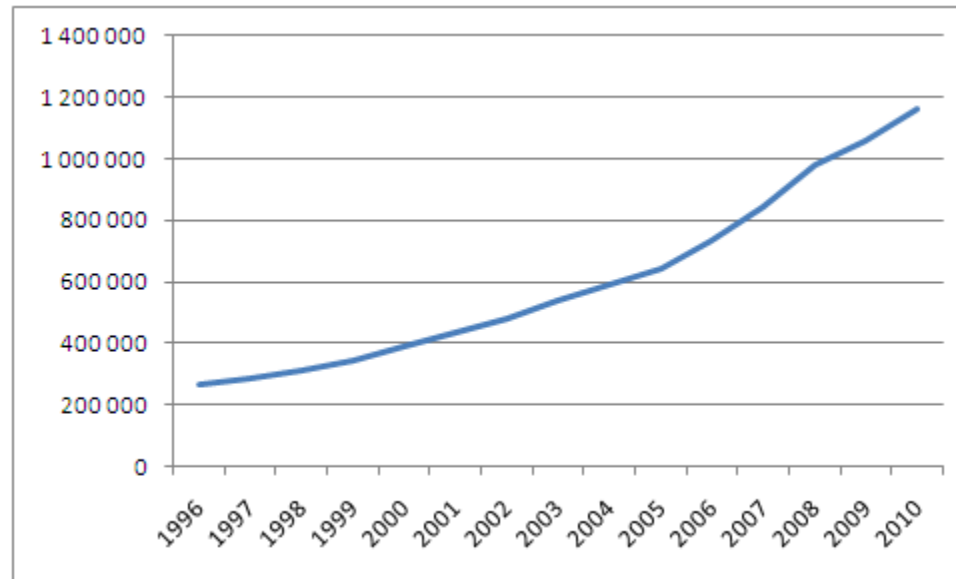
0-4			15-64			65+		
1996	2001	2011	1996	2001	2011	1996	2001	2011
13388	12469	14578	28107	28916	37089	2545	2529	2837

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

2.4.7. Economic Structure and Growth

2.4.7.1. GROSS DOMESTIC PRODUCT (GDP)

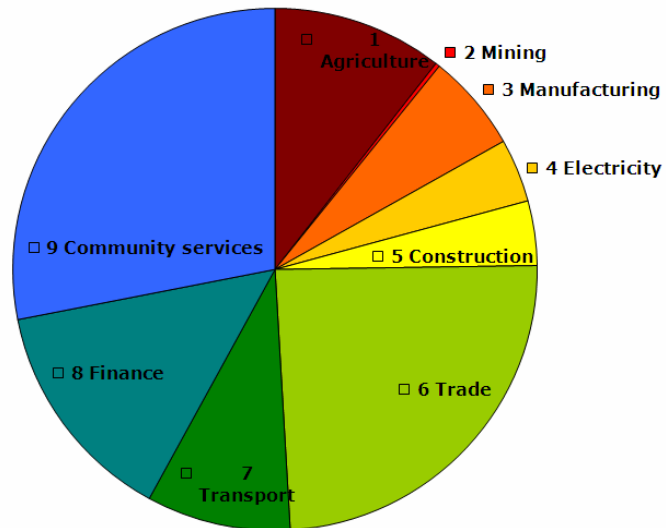
GDP in 2010 was estimated to be R 1 162 billion and has been steadily increasing.



2.4.7.2. SECTOR BREAKDOWN

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

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

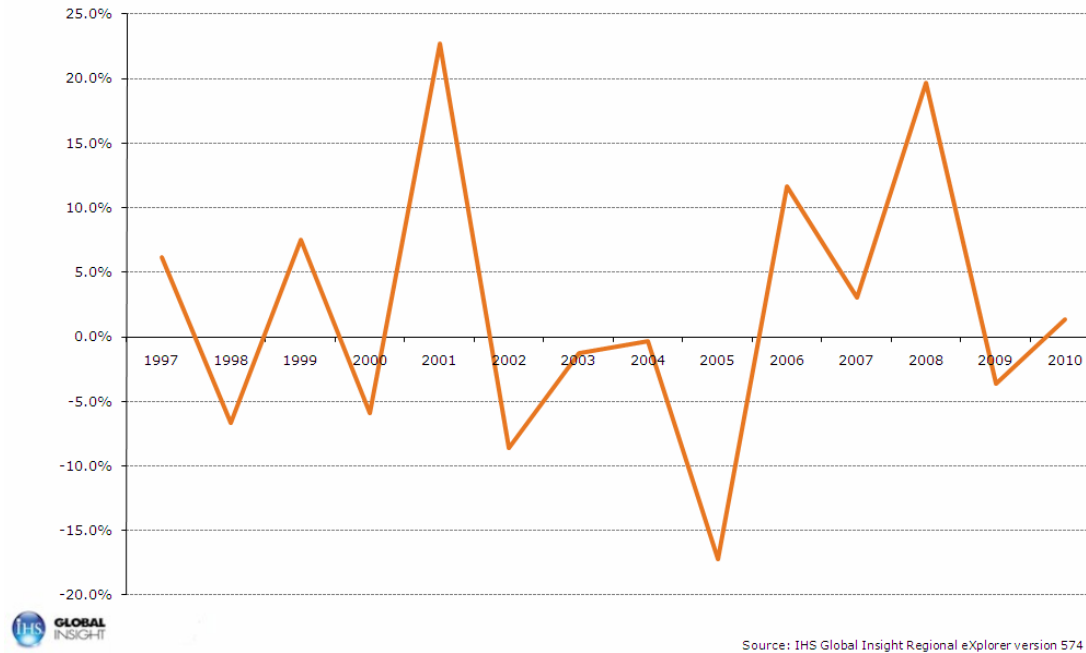


Source: IHS Global Insight Regional eXplorer version 574

2.4.7.3. GROWTH RATES OF KEY SECTORS

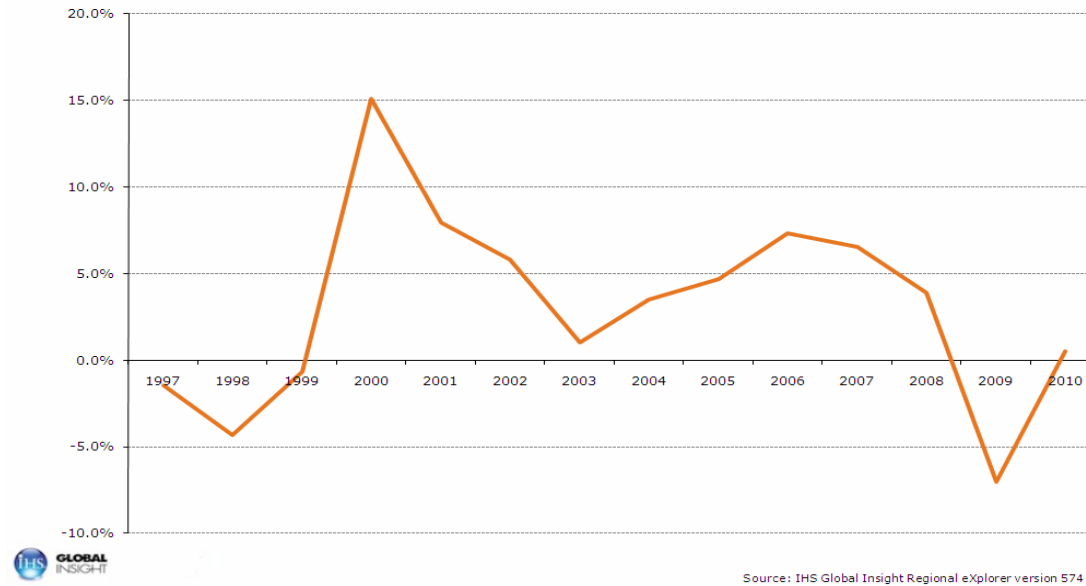
Agriculture as a key driving force in the economy indicates a strong “boom –bust” cycle.

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



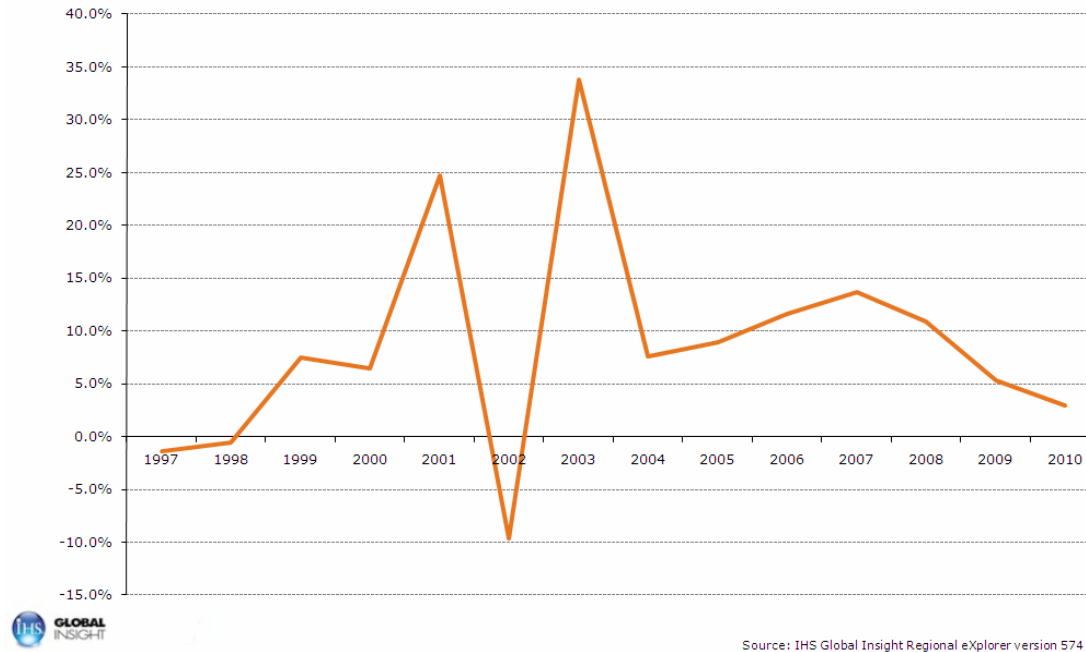
Manufacturing has been showing relatively weak growth over the past seven years and appears to have been hard hit by the recession.

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



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

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



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

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



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

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



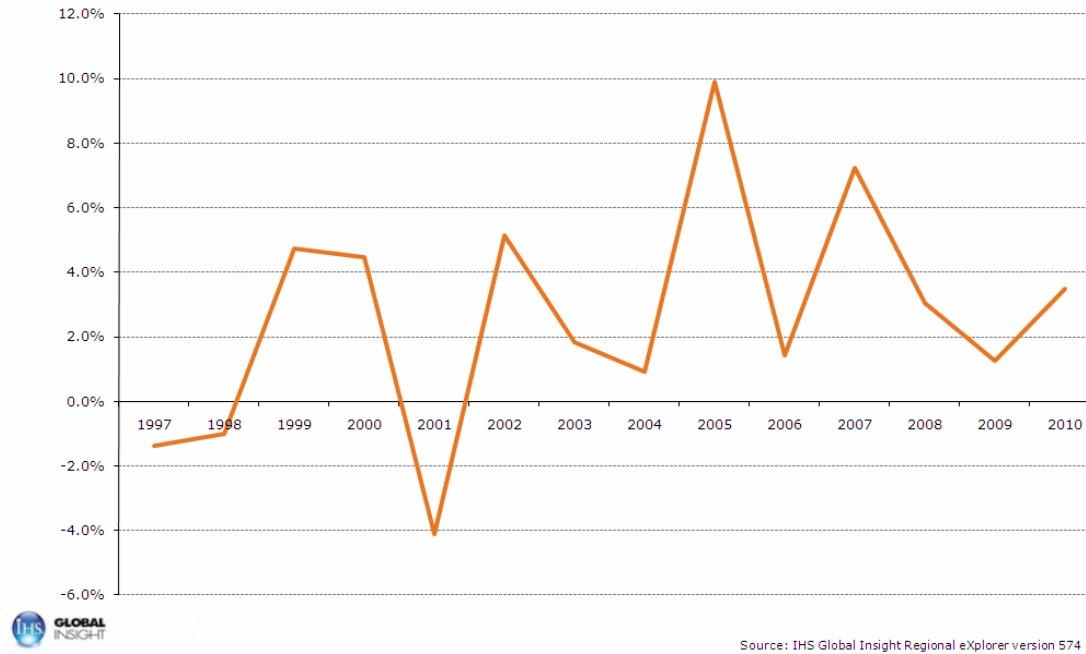
After a notable pre-recession property boom, finance is indicating positive growth once more.

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



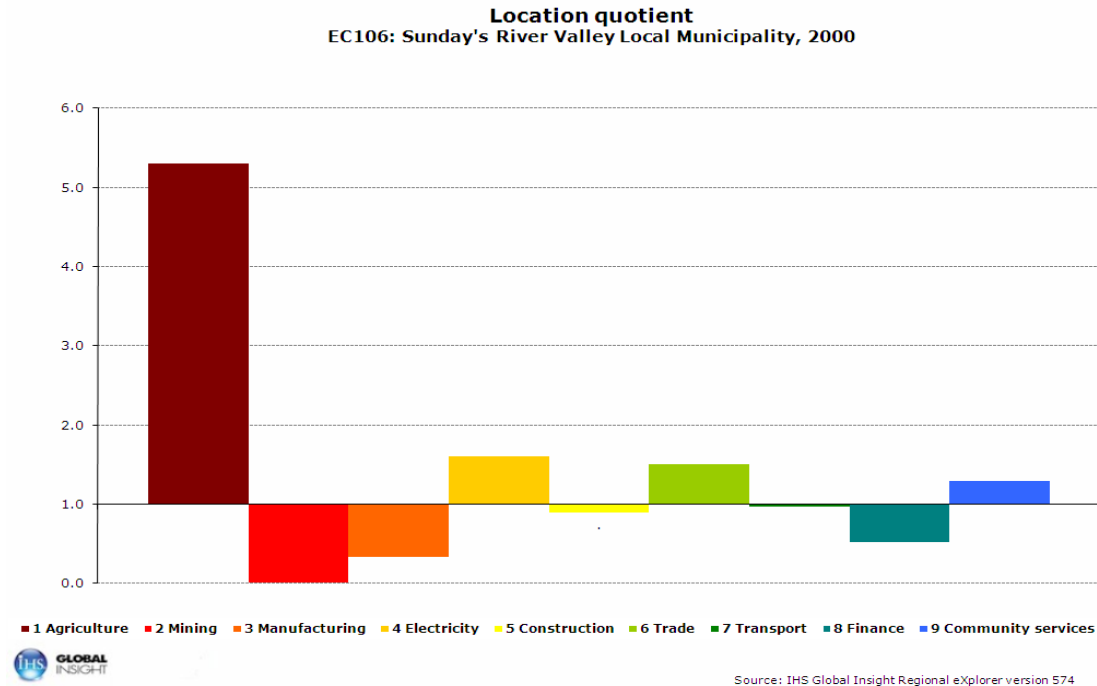
Community Services has shown consistently positive growth since 2002.

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

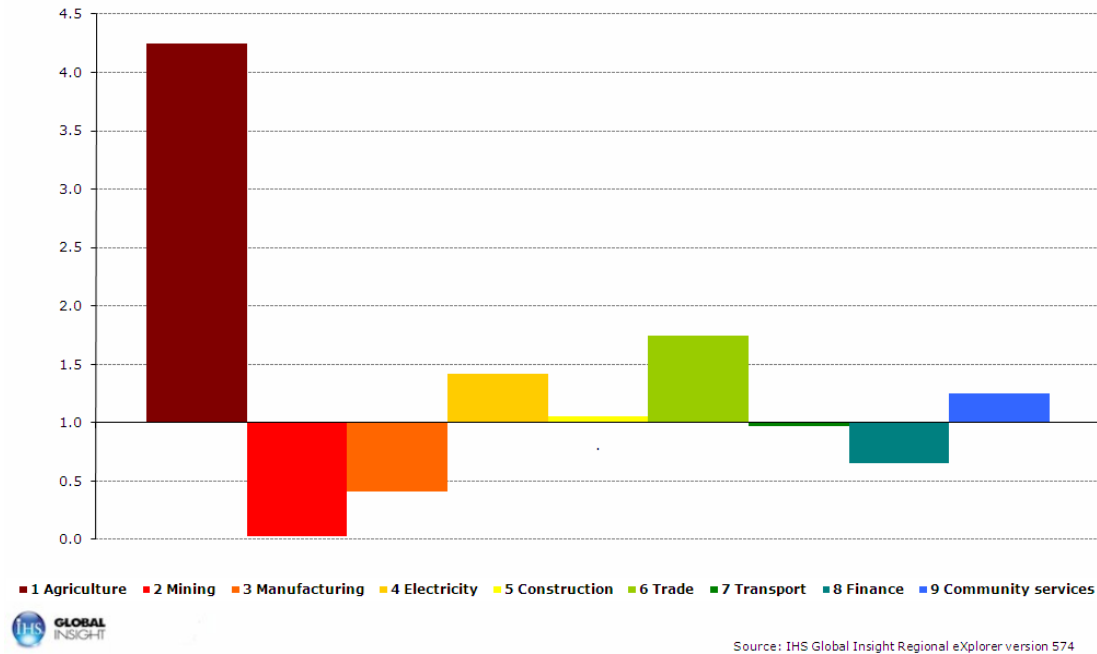


2.4.8. Location Quotient

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

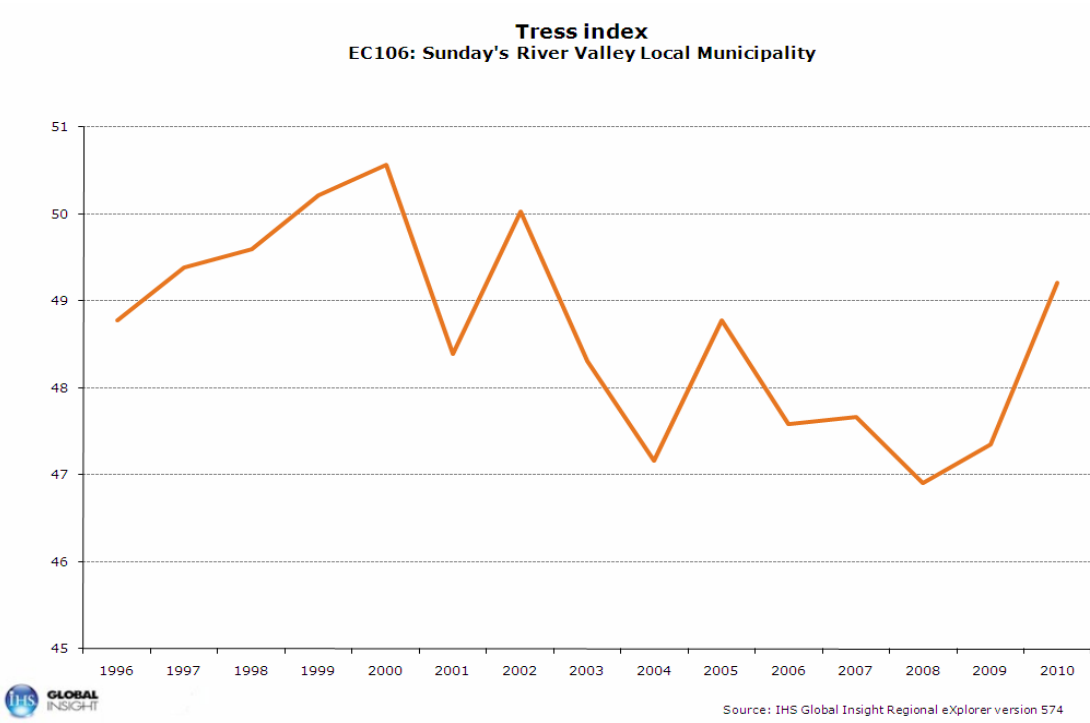


Location quotient
 EC106: Sunday's River Valley Local Municipality, 2010



2.4.9. Tress Index 1996 -2010

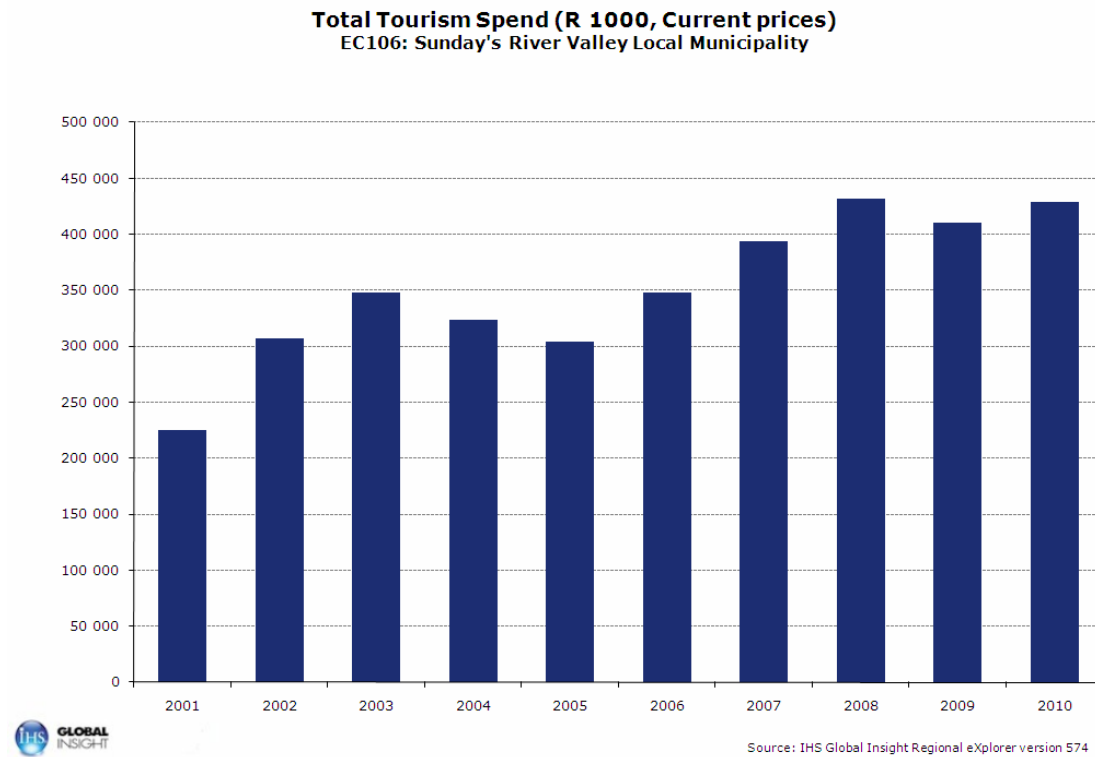
The Tress index indicates greater diversification of the economy.



2.4.10. Tourism

2.4.10.1. TOURISM SPEND

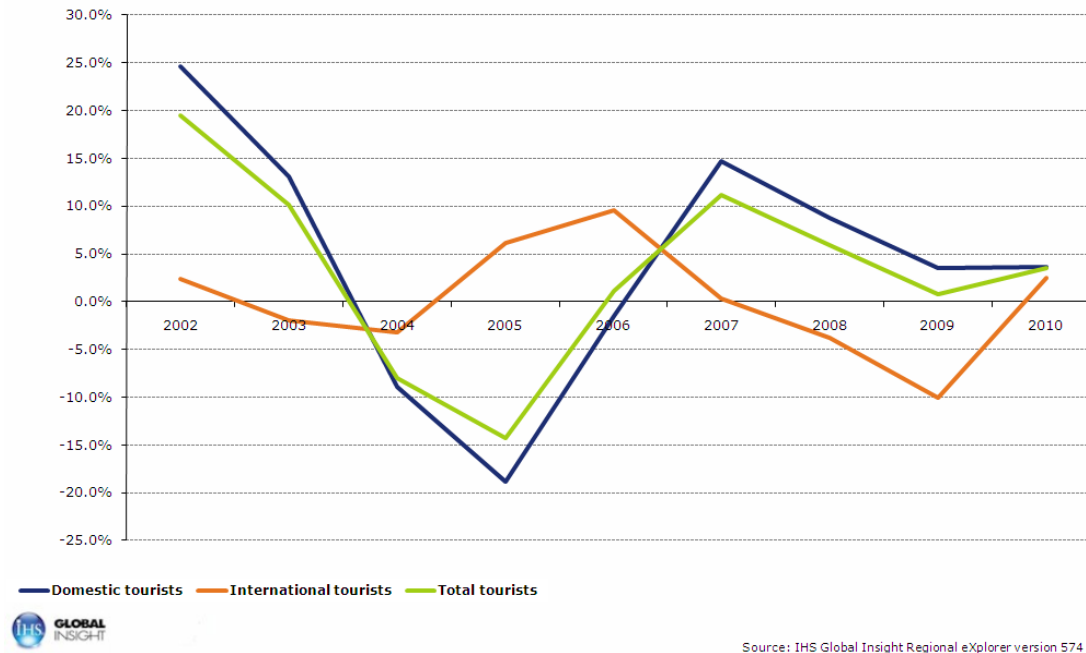
Tourism spend has shown rapid growth and has reached a plateau at R400 –R450 Million per annum



2.4.10.2. VISITOR NUMBERS

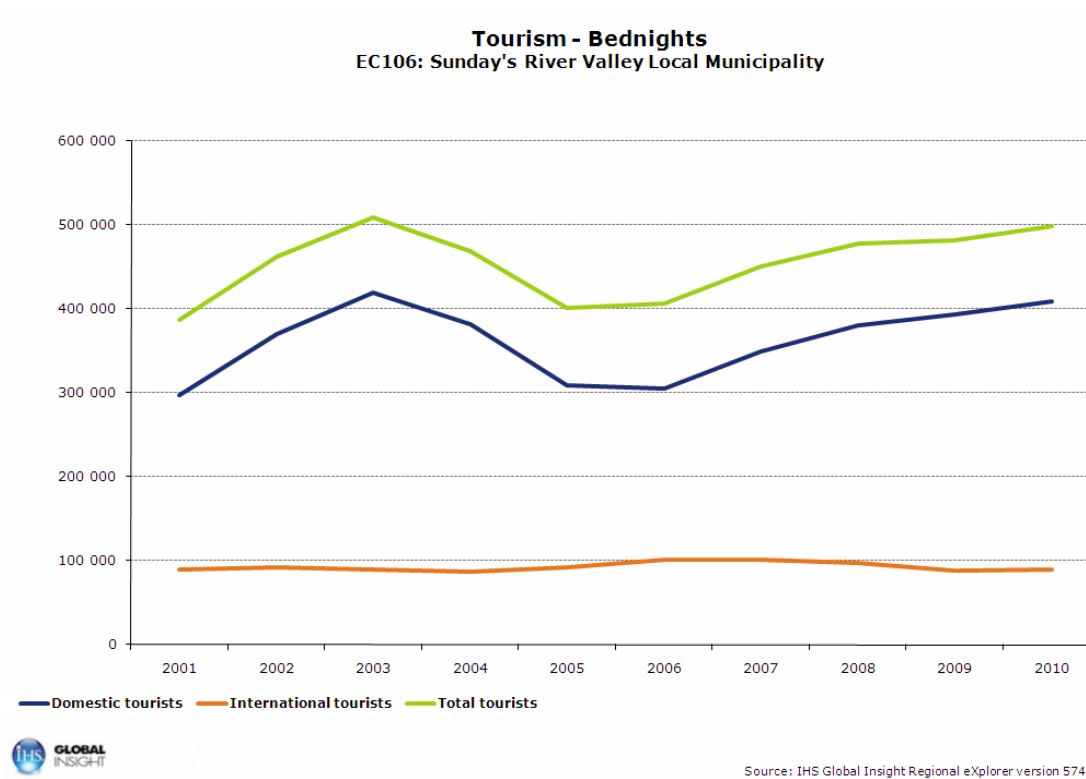
After a sharp decline, international tourism is rising again with domestic tourism remaining buoyant.

Growth in Tourism
EC106: Sunday's River Valley Local Municipality



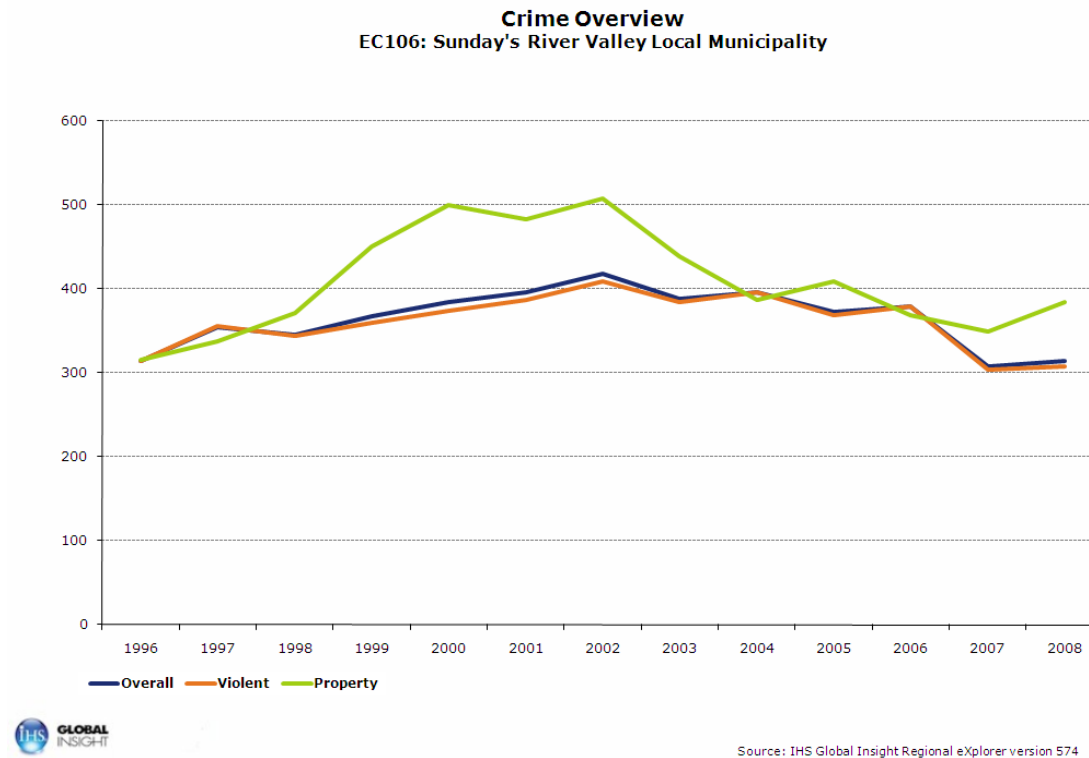
2.4.10.3. BED NIGHTS SOLD

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



2.4.11. Crime

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



2.5. GOOD GOVERNANCE AND PUBLIC PARTICIPATION

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

2.5.1 Ward Committees

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

2.5.2 Public Participation and Consultation

A public participation framework plan was work shopped and adopted by Council in March 2014. The plan included an implementation plan. The consultation process is done through Council Outreach Programmes, Mayoral Imbizo`s, Ward Committees, IDP formulation consultation and review process and IDP & Budget road shows. The post State of the Province Address (SOPA) was held in Paterson on the 27 March 2014. The purpose of the event was to engage stakeholders and communities of Cacadu District Municipalities on the State of the Province Address. The Institutional Social Development Officer was appointed and he liaises with communities on all development projects that are taking place in the wards.

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

- Multi-coded sporting events
- Links forged with other departments like correctional services with the aim of integrating the prison community with local communities

- There are arts and culture festivals that include a wide range of artistic disciplines (story-telling, visual arts and craft, speech and drama, poetry, dance and music)

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

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

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

2.5.3 Community Development Workers

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

2.5.4 Communication Strategy

The municipality has established a Communication Unit. A Communication Officer was employed in January 2012 and the position is located in the office of the Municipal Manager. The position is currently vacant because the official has resigned and joined another municipality. A Communication Strategy has been developed in conjunction with GCIS and Cacadu District Municipality. The strategy was workshopped and presented to EXCO and Council for adoption. The complaints from the public as well as concerns raised by public through the President's hot line are dealt with by the customer care. There are guidelines that were adopted by council on how to deal with all these complaints. Customer care service is now handed over to the finance and administration section except the presidential hotline.

2.5.5 Intergovernmental Relations

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

There is a functional IDP representative forum, Transport Forum and LED Forum. The special programmes officer and local stakeholders participated in the development of the district-wide youth, women and disable policies and these will be cascaded to local municipality through internal processes. The municipality would appreciate any assistance in the form of funds or deployment of officials to conduct these workshops. We participate in the Addo National Park Forum. The LED manager participates in the District Economic Development Forum and District support team. The Local Aids Council was established but is not functional since the HIV-Aids coordinator left the organization.¹⁰ The Mayor, Municipal Manager and CFO do attend Mayor's Forum, MM's Forum and CFO's Forum respectively. MuniMEC engagements are also attended by the Mayor and the Municipal Manager. Technical services attend PMIIIT quarterly meetings.

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

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

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

2.5.6 *Legal Matters*

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

2.5.7 *Audit*

Audit opinions:

During the past three financial years the municipality has received the following opinions from the Audit General:

2010/11 – Qualified audit opinion

2011/12 – Qualified audit opinion

¹⁰ The LAC will be revived by the new HIV/AIDS & wellness coordinator in the 2014/15 financial year.

2012/13 – Disclaimer audit opinion

The bases for disclaimer were as follows:

- Property, plant and equipment
- Investment property
- Irregular expenditure
- Commitments
- Operating expenses
- Other debtors
- Other financial liabilities
- Aggregation of immaterial uncorrected misstatements
- Prior year comparative information

The regression to a disclaimer opinion was mainly because of the position of the CFO which was vacant for 8 months during the 2012/13. The post was advertised twice before it could be filled with a suitable candidate, who also needed two months' notice before assuming his duties due to contractual obligations with his then previous employer

The post of the CFO is now filled. Measures are in place to move out of the disclaimer level, and progress is being made towards achieving a clean audit

MPAC:

The Municipal Public Accounts Committee has invited a representative from the Office of Auditor General and the Chairperson of the Audit Committee in their oversight committee meeting to advice on matters that need attention for Council to progress to an unqualified opinion. An audit implementation plan is in place and it is an annexure in the annual report 2011/12.

Audit Committee and Internal Audit Function:

The municipality has an effective audit committee of four members with expertise in various areas, namely, Accountancy, Tax, Audit, Governance, Law, Performance Management, Human Resources and Risk Management.

The audit committee operates within an Audit Committee Charter adopted by Council and is reviewed on an annual basis. The charter gives the audit committee the authority to direct activities of the Internal Audit Function. The Internal Audit function also operates within an approved Internal Audit Charter which gets approved by the Audit Committee and is adopted by Council.

The Audit Committee recommends an three year rolling Audit Strategy and an annual Internal Audit Plan, which gets adopted by the SRVM Council. As part of the strategy and annual internal audit plan, the Internal Audit function prioritizes the review of the IDP prior to its adoption and advise accordingly. Furthermore the implementation of the IDP is regularly reviewed on a quarterly basis to evaluate the progress made to achieve the municipal strategic goals. Quarterly reports on the evaluations made for the implementation of the IDP are presented to Audit Committee, EXCO and through to Council for oversight.

Audit Action Plan

The Auditor General raised various matters of emphasis for the financial year 2012/13 and can be summarized as follows:

- Restatement of corresponding figures
- Material losses
- Unaudited supplementary schedules

The report of the Auditor General with detailed findings is populated in an audit action plan template. The audit action plan is regularly followed up by Internal Audit to evaluate the progress made on action plans committed by management. The audit action plan is tabled at management, EXCO, Audit Committee and Council meetings.

2.5.8 Political Governance Structures

WARD

CLLR MW KEBE	-	WARD 1 (ANC) (MAYOR)
CLLR F ADAMS	-	WARD 2 (ANC)
CLLR J STEFANA	-	WARD 3 (ANC)

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

PR

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

Institutional Transformation and Development

2.6.1. Organizational structure

- The entire organizational structure was reviewed and approved by the previous Council on the 31 March 2014. As per Systems Act, an annual review of the organisational structure was reviewed and adopted by Council.
- The approved staff complement for the Municipality is 263.
- Due to financial constraints there are currently 155 filled positions which include 5 critical positions in Technical Services. The position of the Municipal Manager and Directors of Technical Services, Corporate Services, Community Services and Finance have been filled (all section 56 and 57 positions).
- The annual salary increase of the staff has impacted negatively on the budget so as to fill the vacancies. The total budget cost is amounting R26 514 756,72
- The implementation of Task Job Evaluation system has affected the job levels of our staff, and no review was done to put correct Task Job levels on the organisational structure. A new Task Job Evaluation guideline has been adopted by SALGA for implementation by municipalities under the guidance of the District Municipality.
- 19 positions that were temporal were converted to permanent positions in order to retain staff who were trained by the municipality.
- Each identified project in the IDP has been assigned to a specific department of the Municipality through development of SDBIP for each Head of Dept.

Staff Complement

Directorate	Position on Structure	Filled Positions	Vacant Funded
Municipal Manager	13	8	1
Corporate Services	28	18	3
Financial Services	37	26	0
Technical Services	76	58	5
Community Services	109	45	14
TOTAL	263	155	23

2.6.2. Internal Policies

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

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

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

2.6.3. Human Resource Management

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

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

- Development of integrated Human Resource Plan and monitoring of its implementation.
- Development, review and implementation of HR policies, procedures, guidelines and process flows.
- Development and implementation of Performance Management System which would be cascaded to lower levels of our staff;
- Promote transformation through implementation of Employment Equity Programmes.

- Facilitate the implementation of Organisational Development interventions through implementation of Task Job Evaluations, Job Descriptions and updated organizational structure.
- Ensure that the municipality has competent employees through continuous capacity development, training and organisational development initiatives.
- Facilitate and maintain provision of human resources, conditions of service, human resource information system and implementation of wellness programmes.
- Fully implement disciplinary grievance and dispute procedures.
- Handling crisis and difficult human relations situations.
- Providing the communication link between the workforce and the organisation management

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

Department	Post	Post level
Executive Council	1. Driver - Mayor	4
Budget and Treasury	2. Asset Management Practitioner	11
	3. Manager: Supply Chain	13
	4. Fleet controller clerk	7

Community Services	<p>5. Community hall, sport fields and playgrounds caretakers x 4</p> <p>6. Fire Fighters x3 (funding from CDM)</p> <p>7. Clerk – DLTC and Motor Vehicle registrations</p> <p>8. Examiner Drivers License Clerk Grade D</p> <p>9. Waste management practioner</p>	<p>5</p> <p>7</p> <p>6</p> <p>8</p> <p>11</p>
Municipal manager's office	10. HIV/AIDS and wellness coordinator	10
Technical Services	11. Senior Electrician	12

	12. 7 x Process Controllers (water)	5
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2.6.3.1 Employment Equity Plan

The Employment Equity Act (55 of 1998) addresses the legacy of our country regarding race, gender and disability. The Act advocates for improvement of the equity targets. It is intended to ensure that the workplace is free of discrimination and that employers take active steps to promote employment equity. Chapter 3 of the Act requires employers to take certain affirmative action measures to achieve Employment Equity. Furthermore, the Municipality is committed to ensure that the administration of the Sunday's River Valley is more broadly representative of the communities it serves and to create an organizational culture that is non-discriminatory. SRVM has an Employment Equity plan in place for the period of 2009-2014 and was submitted to Department of Labour on the 15th January 2014. The equity and training committee that has also been established monitors the implementation of the plan on a quarterly basis through meetings. The Head of departments (section 57 managers) shall play a vital role in the implementation of the plan through selection and placement strategies.

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

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

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

The summary of the Act is displayed in all council offices as required by law. Council has not complied with the Employment Equity Plan in terms of 2013/14 Annual targets due to cash flow challenges.

The Local Labour Forum is established to deal with employee relations and demands. The composition is comprised of four delegates per delegation between employer and employee parties. It meets on a quarterly basis.

2.6.3.2. Skills Development Plan

- The Skills Development Act of 1998 requires employers to plan and implement learning that will enable employees to acquire skills and qualifications that will enhance their performance, whilst also optimizing the organization's functioning.
- The Municipality is committed to implementing its IDP and the key to this is ensuring that further learning programs and skills development are informed by the Plan, which is regularly updated in compliance with the Act.
- The Workplace Skills Plan is submitted annually to LGSETA by 30 April as required.
- The Skills Development Plan is in place but was not implemented due to cash flow problems and the same plan will be used in 2014/15. The Equity and Training committee and Finance and Administration standing committee monitor the implementation of the plan on a quarterly basis through meetings.
- Education training and development policy needs to be reviewed.
- There were nine(9) employees who attended CPMD at University of Fort Hare funded by Finance Management Grant (FMG); two (5)finance Interns 1 Municipal manager, 1 Director: Technical Services, 2 finance officials.
- There are currently 11 WIL Learners on site for workplace training; the programme is funded by LGSETA.
- R49 000 mandatory grant was received from LGSETA in May 2014.

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

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

Accelerated Shared Growth Initiative in South Africa (ASGISA)

- ⊕ Education and skills development
- ⊕ Eliminating the second economy
- ⊕ Human resource training
- ⊕ Expanded Public Works Programme
- ⊕ Youth skills training

Joint Initiative on Priority Skills Acquisition JIPSA

- ⊕ Acquisition of intermediate artisan and technical skills for the ASGISA infrastructure development programme.
- ⊕ Development of ICT

- ⊕ Governance and institutional interventions
- ⊕ Skills problems identified in Project Consolidate
- ⊕ Deployment of graduates
- ⊕ Expenditure management

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

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

(information and communication technology) skills, which is a priority area for ASGISA.

- ⊕ The recruitment, retraining and employment of unemployed graduates.
- ⊕ Engineering and planning skills
- ⊕ Artisan and technical skills, especially in infrastructure development, housing and energy.
- ⊕ Management capacity in education and health
- ⊕ Mathematics, science, ICT and language competence in public schooling.

TRAINING IMPLEMENTATION PLAN JULY 2013 – JUNE 2014

VIP BASIC TRAINING

No. of CANDIDATE	DEPT.	COURSE	PROVIDER	ACCREDITATION	DATE	TOTAL

2	Corporate Services	VIP Basic Training	VIP	Non accredited course	August 2013	R6 817
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EXAMINER OF VEHICLES DIPLOMA

No. of CANDIDATE	DEPT.	COURSE	PROVIDER	ACCREDITATION	DATE	TOTAL
2	Community Services	Examiner of Vehicles	Gene Louw Traffic College	Non accredited course	September – December 2013. April – June 2014	R16 674

CODE 14 DRIVERS LICENSE

No of CANDIDATES	DEPT.	COURSE	PROVIDER	ACCREDITATION	DATE	TOTAL
3	Commun	Code 14	One Way	Non accredited	May –	R16 158

	ity Technica I Services	Drivers License	Driving School	course	June 2013	
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MUNICIPAL FINANCE MANAGEMENT PROGRAMME

No of CANDIDATES	DEPT.	COURSE	PROVIDER	ACCREDITATION	DATE	TOTAL
9	Finance, MM s office, Technical Sevices	MFMP	University of Fort Hare	CHE	June 2013 – June 2014	R336 944

DIPLOMA IN LOCAL GOVERNMENT LAW AND PUBLIC ADMIN

No of CANDIDATES	DEPT.	COURSE	PROVIDER	ACCREDITATION	DATE	TOTAL
4	Mayors	MFMP	University of	CHE	June	R100 000

	Office		Fort Hare		2013 – June 2014	
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2.6.4. Institutional Risk Assessment

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

The following table presents the risks that were identified in the Risk Assessment Register of the municipality.

Strategic objective	Risk description	Contributory factors	Potential consequences	Existing controls
Ensure administration of municipal assets	Poor asset management system	<ul style="list-style-type: none"> - No asset register - No physical verification of assets - No asset management personnel 	<ul style="list-style-type: none"> - Disclaimer on PPE 	none
SR8 - Institutional Transformation and Organizational Development	Poor performance environment	<ul style="list-style-type: none"> - Lack of capacity in the IDP unit - Low staff morale - Inadequate supervision and monitoring of performance - Poor implementation of audit action plans 	<ul style="list-style-type: none"> - Poor service delivery - Financial loss - Legal liability in terms of constitution 	<ul style="list-style-type: none"> Performance management system ("PMS") for directors only - Directive against overtime - Quarterly SDBIP reports - Section 71 and 72 reports - Retention policy

		<ul style="list-style-type: none"> - High vacancy rate - Lack of innovation (thinking out of the box) - Poor systems, policies and control - Inadequate performance monitoring systems 		<ul style="list-style-type: none"> - Monthly reports on vacancies to finance and admin steering committee - Local labour forum (LLF)
SR 4 - ALL	Ineffective leave administration	<ul style="list-style-type: none"> - Departments submitting incomplete leave records - Leave forms not authorized, and therefore cannot be filed - Staff not monitored on attendance 	<ul style="list-style-type: none"> - Unfavorable audit opinion - Incorrect leave provision on AFS 	Monthly leave reconciliations per department
SR17 - Good Governance and Public Participation	Disclaimer audit outcome	<ul style="list-style-type: none"> - Challenges with the financial system - Lack of/ and total disregard of financial management policies - No plan to address audit findings 	<ul style="list-style-type: none"> - Loss of reputation - Loss of investment - Reduced credit ratings 	<ul style="list-style-type: none"> Audit implementation plan - Audit and risk management support from Department of Local Government and Traditional Affairs ("DLGTA") - National Treasury support - Compliance register for finance.
SR7 - • Good Governance and Public Participation	Fraud, misappropriation and theft	<ul style="list-style-type: none"> - Abuse of SCM process - Poor systems, policies and internal controls - Abuse of management discretion - Lack of effective fraud reporting and resolution mechanisms Lack of supervision Lack of financial 	<ul style="list-style-type: none"> - Financial losses - Loss of reputation - Compromised delivery - Council may be put under administration - Value for money impaired 	<ul style="list-style-type: none"> Fraud prevention plan - SCM policy - National anti-corruption hotline ("NACH") - Council over-sight

		management controls and policies		
SR9 - • Institutional Transformation and Organizational Development	Inadequate information management	<ul style="list-style-type: none"> - Lack of effective records management processes - Lack of knowledge management processes and systems - Un-authorized access to and abuse of confidential information 	<ul style="list-style-type: none"> - Poor audit outcomes - Loss of reputation 	Filing system
SR4 - Municipal Financial Viability and Management	Non-optimal financial resourcing and application thereof	<ul style="list-style-type: none"> - Poor revenue collection - Improper billing (incl. meter tampering) - Uncertainty of budget forecasts - Inadequate supply chain management ("SCM") - Inadequate billing system - Insufficient information provided in billing documentation - Encashment of staff leave days 	<ul style="list-style-type: none"> - Impaired cash flows - Audit qualification - loss of reputation 	<ul style="list-style-type: none"> Debt collection policy - SCM policy - Leave policy - Directive against leave encashment - Pastel billing system - Customer care - Funded budget
SR5 - • Municipal Financial Viability and Management	Lack of reliable indigent records	<ul style="list-style-type: none"> - Out-dated indigent register- Lack of registration by relevant persons- Lack of outreach- Lack of ward profiles 	<ul style="list-style-type: none"> - Insufficient equitable share - Unclaimed subsidies 	Annual review- Indigent policy
SR10 - Institutional Transformation and Organizational Development	Failure to optimize on fleet investment	<ul style="list-style-type: none"> - Abuse of vehicles - Inadequate fleet management processes - Inadequate fleet maintenance - Aged fleet - Insufficient vehicle fleet - Non-optimal fleet 	<ul style="list-style-type: none"> - Impaired service delivery - Financial losses - Legal liability 	<ul style="list-style-type: none"> Fleet monitoring system (tracker) - Log books.

		financing structure		
SR3 - Basic Service Delivery and Infrastructure Development	Inadequate municipal services quality	<ul style="list-style-type: none"> - Insufficient infrastructure (bulk services) - Poor condition of bulk municipal infrastructure - Insufficient and inappropriate social facilities for communities - Inadequate fire and emergency handling - Inadequate quality management 	<ul style="list-style-type: none"> - Service delivery protests - Health risks - Diseases and outbreaks - Disasters 	<ul style="list-style-type: none"> Water service development plan; - Disaster management plan
SR 4 -ALL	Ineffective leave administration	Inadequate management and supervision of performance	<ul style="list-style-type: none"> - Audit qualification - Impaired organizational performance 	Monthly leave reconciliations per department

2.6.5 Municipal Powers and Functions

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

Function	Service Authority	Service Level Agreement (SLA)	Capacity
Air Pollution; Noise Pollution	District & SRVM	YES	SRVM has adequate staff and equipment to provide the service in the entire area and there are no backlogs; by-laws in place
Building Regulation	SRVM	N/A	2 Staff members perform the function and there are no backlogs; by-laws in place
Child Care Facilities	SRVM	NO	3 Staff members; External Service providers (Sinethemba) also utilised
Electricity Reticulation	SRVM	YES	Two staff members are able to monitor external service provider (Eskom) and service backlogs are estimated to be addressed in line with housing development; by-law in place

2.7 FINANCIAL VIABILITY AND MANAGEMENT

2.7.1. Key Issues for Financial Viability

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

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

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

2.7.2. Budget Expenditure Review

A. Revenue Management

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

B. Collection of Outstanding Debt

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

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

C. Under spending on Repairs and Maintenance

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

- Cash flow constraints
- Incorrect budget structure. The 2014/15 budget addresses this shortcoming

D. Spending on non-priorities

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

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

2.7.3. Financial Plan

The municipality has a three year budget projection in line with Section 26(h) of the MSA and other Treasury requirements. The budget for 2014/15 provides a three year strategy to try and restore the balance in terms of personnel costs, general expenses, repairs and maintenance and provision toward bad debt. The municipality has the following policies: Asset Management policy, Indigent Support policy, Rates policy, Credit control policy, Financial Management Policy, Bank & Investment policy, Write Off policy, Supply Chain Policy, and Tariff Policy. Although the determination of tariffs is in many instances politically orientated, it ought to be based on sound, transparent and objective principles at all times. It is important to identify the following user categories to be able to consider any forms of subsidization needs of communities:

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

The borrowing policy, funding and reserves and long-term financial plan are included in the financial management policy. Rates by-laws were approved by Council and gazette. The municipality is in the process of reviewing all by-laws. The municipal valuation roll was done in 2008/9 and a supplementary valuation was also conducted. The valuation roll has been reviewed in 2013/14 financial year and it will be implemented in 2014/15 financial year.

3 Year financial Plan

Expenditure	2014/15	2015/16	2016/17
Employee cost	35 424	35 837	36 277
Remuneration of councillors	5 231	5 566	5 922
Bad debt	11 846	12 545	13 235
Depreciation	17 500	17 500	17 500
Repairs and maintenance	4 038	4 276	4 511
Interest expense	1 038	1 100	1 160
Bulk purchases	14 178	15 320	16 555
Contracted services	2 809	2 934	3 057
Grants & subsidies paid	8 800	9 319	9 832
General expenditure	32 477	33 117	33 952

Income	2014/15	2015/16	2016/17
Property rates	14 623	15 485	16 337
Service charges	39 646	42 258	44 955
Rent of facilities	134	142	150
Interest: debtors	213	226	238
Interest: investments	1 706	1 807	1 906
Fines	2 805	2 970	3 134
Licenses & permits	1 284	1 360	1 435
Income agency services	1 343	1 422	1 500
Grants : operating	54 456	71 522	86 643
Grants: capital	24 147	25 069	26 037
Other revenue	7 081	7 499	7 912

2.7.4. Financial Strategies

A. Revenue Enhancement Strategy

A comprehensive revenue enhancement strategy is undertaken and it includes:

- Cleaning of the debtor database to ensure that all consumers are levied for all services received at the correct tariff for such service.
- Reviewing and formalising an indigent policy for the municipality.
- Ensuring that all consumers that qualify in respect of such approved indigent policy are registered.
- Implementing credit control measures to significantly improve payment levels and ensure that consumers that can pay do so.

- Reviewing Council's tariff policy in respect of the subsidy of free basic services and to ensure that the actual cost of services is recovered through the respective tariffs.
- Restructuring of the operational budget to ensure that the budget is cash funded and that it reflects actual payment levels in respect of bad debt provision.
- Investigating distribution losses in respect of electricity and water to ensure that electricity and water purchased is billed
- Appointment of a debt collection agency to assist in collecting outstanding debt

B. Asset Management Strategy

The municipality completed GRAP 17 implementation during 2010/11 financial year and has now a comprehensive database of all assets within the organisation. Review and unbundling of infrastructure assets. An asset management practitioner will be appointed during 2014/15 to head a fully-fledged asset management section. Asset management policy was adopted by council which clearly identifies roles & responsibilities of all as well as identifying the need to have an asset maintenance plan. Technical Department is currently busy with preparing a comprehensive infrastructure master plan to ensure all assets are maintained.

C. Supply Chain Management Strategy

Sundays River Valley municipality has a centralised system of supply chain. The supply chain unit is headed by a Supply chain practitioner. Procurement clerks have been appointed. All bid committee are functional. The supply chain management policy has been reviewed. SCM manager will be appointed in 2014/15 financial year so as to head the SCM unit and minimise non-compliance within the section.

2.7.5. Introduction-Change In Accounting Policy

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

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

Basis used to prepare the municipality's annual financial statements

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

2.7.6. Summarized Financial Statements

It is the responsibility of the accounting officer to make sure that the annual financial statements are prepared based on the prescribed format and submitted to Auditor General on time as prescribed by the MFMA. The internal Audit and an audit committee is functional. The Financial Statements listed below relate to the last 2 years of audited financial information viz. 2011/2012 and 2012/2013 financial years.

SUNDAYS RIVER VALLEY MUNICIPALITY		
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013		
	2013	2012
	R	R
ASSETS		
Current assets		
Cash and cash equivalents	1 120 289	1 646 913
Trade Receivables from exchange transactions	24 781 543	17 644 558
Trade Receivables from non- exchange transactions	12 840 839	10 439 951
Inventories	158 005	158 006
Investments	6 195 609	576 499
Current portion of receivables	3 674	3 497
VAT receivable	-	3 785 808
Non-current assets		
Non-current receivables	48 696	52 370
Property, plant and equipment	340 730 326	320 062 876
Intangible assets	982 932	1 198 201
Investment properties	42 174 306	42 174 306
Total assets	429 036 219	396 544 784

LIABILITIES		
Current liabilities		
Trade and other payables from exchange transactions	22 730 504	17 288 400
Consumer deposits	262 178	256 970
VAT payable	1 895 242	-
Current provisions	15 823 206	14 927 553
Other financial liabilities	2 609 713	2 659 338
Current portion of unspent conditional grants and receipts	1 612 574	987 702
Current portion of borrowings	2 659 338	2 659 338
Current portion of finance lease liability	960 859	1 353 599
Non-current liabilities		
Retirement benefit obligation	3 612 000	3 310 000
Other financial liabilities	6 888 143	6 401 773
Non-current finance lease liability	767 737	1 575 249
Non-current provisions	507 751	507 751
Total liabilities	57 669 907	49 268 335
Net assets	371 366 312	347 276 449
NET ASSETS		
Accumulated surplus / (deficit)	371 366 312	347 276 449
Total net assets	371 366 312	347 276 449

Table 24: Income statement as at 30 June

SUNDAYS RIVER VALLEY MUNICIPALITY						
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDING 30 JUNE 2013						
					2013	2012
					R	R
Revenue						
Property rates					13 051	12 266
Property rates - penalties imposed and collection charges						
Service charges					38 645	35 712
Rental of facilities and equipment					115	142
Interest earned - external investments					288	1 525
Interest earned - outstanding receivables					-	-
Fines					1 907	1 582
Licences and permits					1 327	1 327
Agency fees					1 577	1 509
Government grants and subsidies					66 671	61 132
Other income					2 436	3 542
Total revenue					126 017	118 738
Expenses						
Employee related costs					31 949	28 007
Remuneration of councillors					4 930	3 800
Bad debts impairment					11 176	10 892
Depreciation and amortisation expense					267	17 388
Repairs and maintenance					4 393	2 045
Finance costs					2 720	2 404
Bulk purchases					13 724	11 834

Grants and subsidies expensed			11 200	8 102
General expenses			22 185	15 880
Total expenses			102 543	100 353
Gain / (loss) on sale of assets				-
Profit / (loss) on fair value adjustment				
Actual surplus / (deficit)				
Surplus / (deficit) for the period			23 474	18 385

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

SUNDAY'S RIVER VALLEY MUNICIPALITY						
CASH FLOW STATEMENT						
AS AT 30 JUNE 2013						
					2013	2012
					R	R
CASH GENERATED BY OPERATIONS					29 003	55 120
Interest income					288	1 525
Finance costs					(2 720)	(2 404)
					26 571	54 241
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of fixed assets					(2 719)	(53 463)
Proceeds from sale of fixed assets						

Total expenditure	102 542 972	100 353 102
% increase/decrease over previous years	2.18	12.06
Surplus/(Deficit)	23 474 456	18 384 824
Budgeted expenditure	122 723 225	102 449 222
% increase/decrease over previous years	19.79	25.99
Salaries and Wages	31 948 858	28 007 104
% of income	0.25	0.24
% of expenditure	0.31	0.28
% of increase/decrease over previous years	14.07	13.21
Councilors Allowances	4 930 220	3 800 291
% of income	0.04	0.03
% of expenditure	0.05	0.04
% of increase/decrease over previous years	29.73	31.21
Repairs and Maintenance	4 392 733	2 044 520
% of income	0.03	0.02
% of expenditure	0.04	0.02
% of increase/decrease over previous years	214.854	-0.27
General Expenses	22 184 826	15 880 307
% of income	17.60	13.37
% of expenditure	21.63	15.82
% of increase/decrease over previous years	39.7	28.51

Total income versus Total expenditure

Income

The main reason for the increase in income for the 2012/13 year was due to increase in property rates and service charges.

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

REVENUE	2012/13 ACTUAL	2012/13 BUDGET	% REALISED	2011/12 ACTUAL	2011/12 BUDGET	% REALISED
PROPERTY RATES	051 13	16 023	81%	266 12	14 700	83%
SERVICE CHARGES	645 38	36 697	105%	712 35	281	96%
INTEREST: DEBTORS	288	2 244	13%	1 525	1 860	82%
LICENSES & PERMITS	1 327	1 122	118%	1 327	1 107	120%
FINES	1 907	1 068	179%	1 582	1 011	157%
AGENCY FEES	1 577	1 173	134%	1 509		
GOVERNMENT GRANTS	671 66	83 438	80%	132 61	71 187	86%
OTHER INCOME	2 550	4 713	54%	3 290	5 668 125	58%

Expenditure

Salaries and wages represent 25.18% of total expenditure and an increase of 3% over the previous year. The councilor's allowance represents 4% of total expenditure.

Repairs and maintenance expenditures decreased with 100% from the previous year. Repairs and maintenance represents only 4% of the total expenditure. The municipality has to keep its repairs and maintenance expenditure between 10-15% of the budgeted expenditure.

General expenditures have increased by 39.7% as compared to the previous year and represents 21.63% of total expenditure.

2.7.7. Income

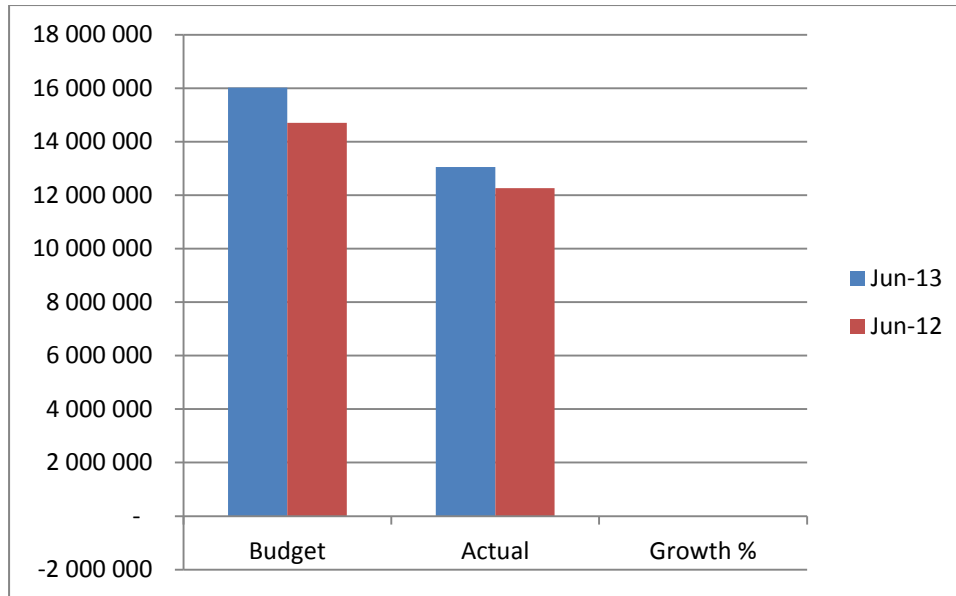
Introduction

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

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

j) RATES

	Jun-13	Jun-12
Budget	16 022 692	14 700 000
Actual	13 050 933	12 266 026
Growth %	6.40%	-1%



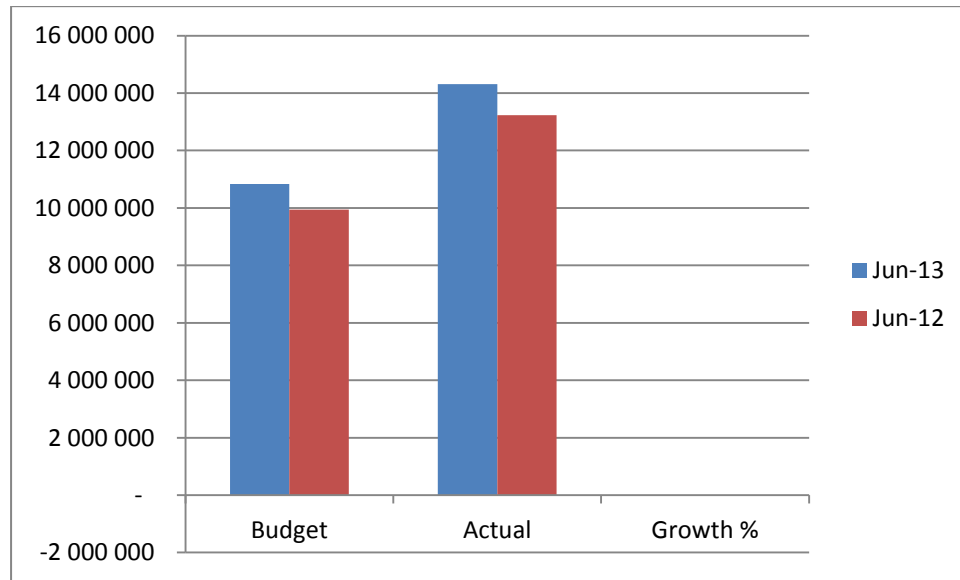
Water Service Authority (WSA)

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

ii) WATER

	Jun-13	Jun-12
Budget	10 831 313	9 937 000

Actual	14 313	13 226
	401	539
Growth %	8%	-6%



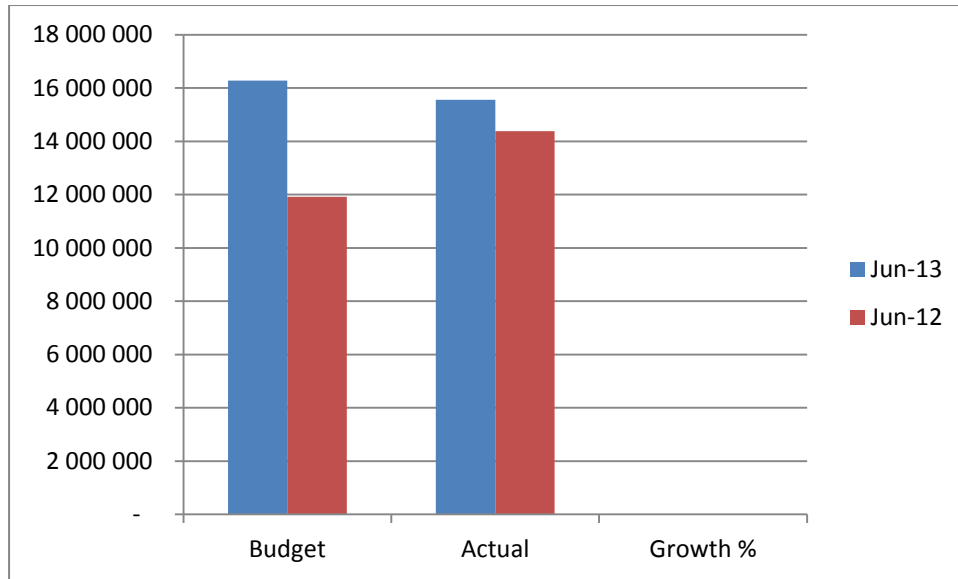
Regional Energy Distribution (RED): Zone 3

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

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

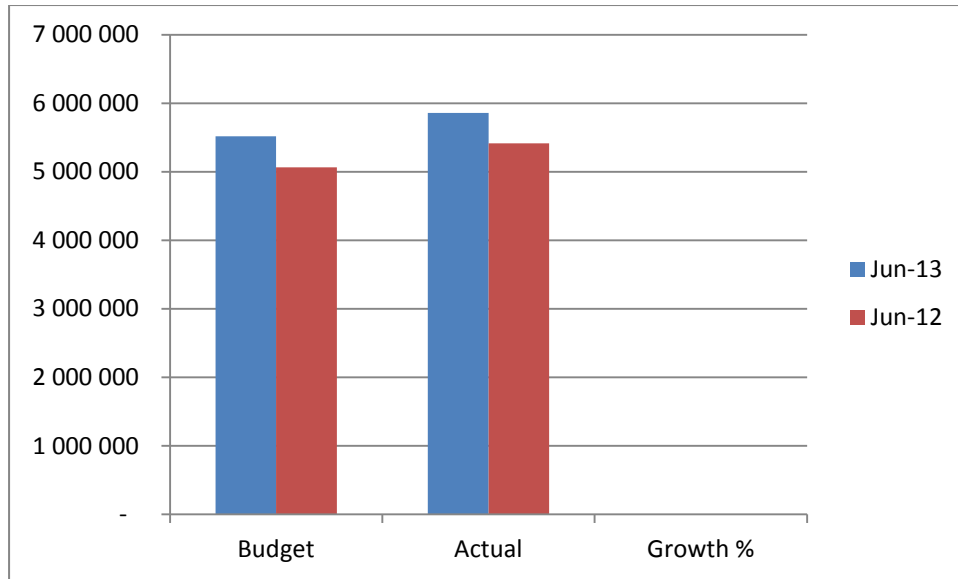
iii) *ELECTRICITY*

	Jun-13	Jun-12
Budget	16 276 204	11 918 000
Actual	15 555 693	14 374 790
Growth %	8.21%	12.72%



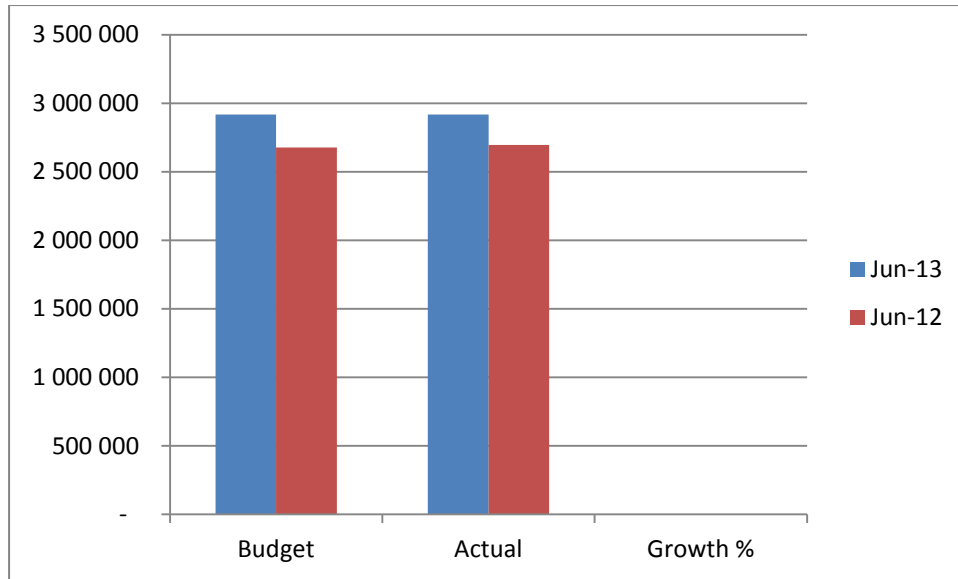
iv) REFUSE

	Jun-13	Jun-12
Budget	5 517 945	5 062 000
Actual	5 859 762	5 415 328
Growth %	8.21%	53.40%



vi) **SANITATION**

	Jun-13	Jun-12
Budget	2 918 257	2 677 000
Actual	2 916 354	2 695 297
Growth %	8.20%	63.03%



vij) GRANTS

a) Equitably Share

	2012/13	2011/12
Budget	36 314 000	31 999 000
Actual	36 314 214	31 990 999
Growth %	13.51%	24%

Council's equitable share allocation was increased by 13.51% from R31 999 000 to R36 314 000 and remains council's major source of income. The following demographic data (from the 2001 Census statistics) was used for calculating council's equitable share and MIG allocations:

Free Basic Services

Free Basic Services is regulated by Council's Indigent Policy. It pivots on an income threshold of R1 260 and has two distinct categories, namely:

Category A- Income less than R1 260 -100% subsidy

Category B- Income from R1 260 to R2 520 -50% subsidy

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

The following services are subsidized:

Water (6KL)

Sanitation

Electricity (50Kwh)

Refuse

Rates (Limited to RDP value)

2.7.8. Capital Expenditure

Table 27: Capital expenditure – audited results

Asset	2012/2013 actual	2012/2013 budget	% spent	2011/2012 actual	2011/2012 budget	% spent
Buildings	25 500	-	-	-423 377	40 000	864.54%
Infrastructure	20 182 038	22 476 050	89.79%	50 925 955	10 775 000	73.42%
Office equipment	242 035	998 000	24.25%	473 284	3 278 000	460.78%
Community	0	911 000	0.00%	-	-	-
Lease assets	217 877	-	-	2 267 395	-	-

Infrastructures are financed solely out of grants.

2.7.9. Financial Profile

Table 28: Revenue management and Liquidity

Revenue Management	2012/2013	2011/12
Net debtors to annual income	29.85%	23.65%
Debtors collection Period	265.03	207.17
Bad debt provisions	68.57%	74.69%
Liquidity	2012/2013	2011/12
Current ratio	0.98:1	0.91:1
Acid test ratio	0.98:1	0.91:1

2.7.9.1. Revenue management

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

2.7.9.2. Financial structure/liquidity

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

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

Borrowing Management

	2012/2013	2011/12
Debt ratio	0.13:1	0.12:1
Solvency Ratio	7.44:1	8.05:1
total debt/total income	0.46:1	0.41:1
Interest as a percentage of total expenditure	3%	2%
Capital charges to operating expenditure	20.15%	53.06%

GOVERNMENT GRANTS AND SUBSIDIES ALLOCATIONS

	PREV YR	PREVIOUS YR	Current Year	Budgeted Year +1	Budgeted Year +1
SUPPORTING TABLE 5	2012/13	2013/14	2014/15	2015/16	2016/17
	Adj Budget	Adj Budget	Budgeted	Budgeted	Budgeted
GOVERNMENT GRANTS AND SUBSIDIES-ALLOCATIONS					
National Government					
1. Equitable Share	36 314 214	36 237 214	43 433 993	52 117 000	56 170 000
2. Special Contribution Councilors Remuneration	1 993 000	2 511 000	2 917 007	3 049 000	3 188 000
3. Municipal Systems Improvement Grant	800 000	890 000	934 000	967 000	1 018 000
4. Municipal Infrastructure Grant	23 659 000	23 346 000	24 147 000	25 069 000	26 037 000
5. Finance Management Grant	1 500 000	1 650 000	1 800 000	1 950 000	2 100 000
6. Regional bulk infrastructure Grant	17 000 000	6 466 000	-	-	-
7. Integrated National Electrification Programme Grant		444 000	-	8 159 000	8 767 000
8. EPWP	1 000 000	1 000 000	2 200 000		
9. Disaster Fund	232 500	2 396 000	-	-	-
10.Eskom	-	-	-	2 000 000	2 000 000
Total Grants and Subsidies-National Government	82 498 714	74 940 214	75 432 000	93 311 000	99 280 000
Provincial Government					

Health	-	-	-	-	-
LIBRARIES	1 157 000	1 157 000	1 157 000	1 157 000	1 157 000
IDP	-	-	-	-	-
LED	87 990	350 000	350 000	350 000	350 000
Total Grants and Subsidies-Provincial Government	1 244 990	1 507 000	1 507 000	1 507 000	1 507 000
District Municipality					
1. Environmental Services	967 940	990 103	1 089 113	1 198 025	1 317 827
2. fire	-	375 000	375 000	375 000	375 000
3. Library extention	719 412		1 000 000		
Total Grants and Subsidies-District Municipalities	1 687 352	1 365 103	2 464 113	1 573 025	1 692 827
Total Government Grants and Subsidies	85 431 056	77 812 317	79 403 113	96 391 025	102 479 827
Other Grants:					
1. IDC - Enon/Bersheba development forum		1 500 000			
2. DWAF					10 000 000
Sub Total -Other Grant		1 500 000			10 000 000
TOTAL GRANT ALLOCATION	85 431 056	79 312 317	79 403 113	96 391 025	112 479 827

2.8 HIV/AIDS

Primary health and a large number of related issues is a competence of the Provincial department of Health. The Cacadu District Municipality also has a big role to play in municipal health. Through cooperation and collaboration with the District and other external actors, the Sundays River Valley Municipality is gearing itself up for initiatives aimed at combating the spread of HIV and AIDS related illnesses. The municipality has, through the office of the Municipal Manager, operationalized a 'HIV/AIDS and wellness unit' to respond to the scourge of HIV/AIDS.

A comprehensive HIV/Aids Strategy needs to be developed to address the challenges of the evolving epidemic of HIV, AIDS and tuberculosis in the Sundays River Valley Municipal Area. This strategy will be regarded as Councils commitment and determination to face HIV/Aids and TB, not only as medical and health problems, but also to address them as cultural, social and economic issues which affect all sectors of our society and every family in our community.

HIV/Aids is a public health concern that the municipality should at least monitor and proactively contribute to its reduction in and around its communities. In the last two decades, HIV and AIDS has been a priority concern for the world over. Its deadly effects are felt across all racial lines and social strata. The HI-virus has primarily affected the 'economically active' age group of the South African population. This situation prevails, despite the fact that for the past 20 years both the information and the technology has been available to prevent new infections and improve the health and well-being of those living with HIV and AIDS.

While the role of local government in responding to HIV and AIDS is forever being crafted and reviewed by policy formulators, an indirect role or responsibility can be gleaned from the constitutional responsibilities (of Local government) and from a number of legislative and policy frameworks including the Constitution, the National AIDS Strategy, the National Integrated Plan, The Municipal Systems Act, and the White Paper on Local Government (IDP policy framework).

The Sundays River Valley Municipality recognizes that local government is in a strong position to provide political leadership and vision regarding HIV and AIDS, and can consequently develop partnerships with local stakeholders and communities which should be clearly articulated in the IDP. The IDP process holds the promise of facilitating and embedding integrated and collaborative local-level response to HIV/AIDS.

Sundays River Valley Municipality will endeavor to establish a Local Aids Council (LAC) which will be the backbone of the municipality's response to the HIV/AIDS pandemic. The Municipality has, on the 22nd and 23rd of May hosted an induction in preparation of the establishment of the Local Aids Council. The induction was a success. It had broad participation and attracted the likes of local organization such as I ACT, Local Education Forum, Love Life, Isipho and SANCO, also in attendance was the department of Health and local development workers. The municipality commitment to the fight against HIV/AIDS has also seen a portion of its budget going to this unit. The HIV/AIDS and wellness Unit will work in conjunction with the Special Programmes and the IDP Unit in an effort of maximizing coordination. The general approach of the

HIV/AIDS Unit to responding to the HI-virus and its effect on the community is that of Prevention, Awareness, Treatment, Education and Advocacy.

CHAPTER 3: Strategic context

3.1 Introduction

This section of the IDP comes immediately after the analysis section (chapter 2) and it details how the Municipality will achieve the targeted results taking into account its situation, needs and prospects. The strategies to be canvassed out assist the Municipality to be able to advance towards its targeted vision.

3.2 Vision:

To be a United, Responsive Municipality that is Prosperous and Financially viable, delivering professional and excellent services to its entire community.

3.3 Mission:

Sundays River Valley Municipality will fulfill its Mandate to its Constituencies in a manner that is Accountable; Subscribes to Sustainable Utilization of Resources; and operating in a Democratic, Non-Racial, Non-Sexist and Safe Environment.

3.4 Core Values

Dignity	Honesty
Respect	Diligence
Trust	Caring
Integrity	Transparency

3.5 STRATEGIC DIRECTIONS

The Sundays River Valley Municipality is a category B municipality with a Collective Executive System made up of a ward participatory system established in terms of the Local Government: Municipal Structures Act 117. It is one of the nine local municipalities under Cacadu District Municipality. The municipality takes its legislative mandate from the provisions of Section 152 of the South African Constitution which is as follows:

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

To give effect to the above mandate, the municipality has approved the following priority areas:

- Provision of Infrastructure and Basic Services.
- Local Economic Development.
- Community Services.
- Institutional Transformation and Development.
- Good Governance and Public Participation.
- Financial Viability and Management.

3.6 SWOT ANALYSIS

STRENGTHS	WEAKNESSES
Dedicated Leadership Stable Council	Internal Capacity Internal Finances
OPPORTUNITIES	THREATS
Strategic Partnerships Economic Development Social Cohesion	Unstable Communities Lack of Funding

3.7 The Sundays River Municipal Management Charter

Municipal management charter according to the SDBIP addresses the following priority areas to ensure financial viability and sustainability of the Sundays River Valley Municipality:

- Implementation of a credible budget.
- Effective budget monitoring.
- Maintain and implement an effective credit control policy.
- Increase revenue collection with at least 20% to 70%.
- Review Supply Chain management policy and ensure regular reporting on Supply Chain matters.
- Effective monitoring of creditors.
- Effective and up to date billing system.
- Provision of clean, adequate drinking water to all.
- Unqualified audit opinion.

- Develop a credible IDP.
- Fixing of roads in the municipal area.
- Good governance.
- Improved liquidity of the institution and reduction of the debt book (restore the financial viability).

3.8 Community Priorities

Sundays River Valley Municipality engaged in to an intensive community consultation that was done at a ward level in line with the community based planning approach. The municipality employed the community based planning approach to stimulate participatory governance by awarding community members a fair opportunity to deliberate on issues affecting them in their respective wards. Furthermore, this approach was implemented to inevitably include the local community in decision-making, planning and generally allowing them to play an active part in their own development.

A reflection of the outcomes of these meetings demonstrated below.

WARD PRIORITIES AND DESIRED OUTCOMES 2014/15

Ward 1: Cllr Kebe, MW

Ward	PRIORITIES	DESIRED OUTCOMES
1	<ul style="list-style-type: none"> • Speed bumps Erection • Safety & Security • Fencing of Bhongolwethu • Old tar road be removed • Water, toilets, refuse collection • Upgrading of existing RDP Houses • Geysers, Water tanks • ABET • Library • FET Colleges • Bursaries • Park • Old Aged Home • Support groups for HIV/Aids • Soup Kitchen 	<ul style="list-style-type: none"> • Improved safety and security • Access to employment / income generating projects • Access to better education and training /skills services • All RDP Houses upgraded / rectified • Clean environmental practices • Improving services at clinic

	<ul style="list-style-type: none"> • Inspection of Spaza shops 	<ul style="list-style-type: none"> • Reduced risk of HIV/Aids • Improved nutrition • Updated skills data, indigent register, housing subsidy beneficiaries • Improved transport services
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Ward 2: Cllr Adams, F

WARD	WARD PRIORITIES	DESIRED OUTCOMES
2	<ul style="list-style-type: none"> • Tarring and paving of main road • Upgrading and new housing development (roof tiles) • Constant supply of water • Water leakages • Servicing of high mast lights • Solar geysers • Refuse collection /refuse bins • Dumping site is health risk • Build Clinic • School in Emsengeni 	<ul style="list-style-type: none"> • Food security • Safe and secure environment • Access to quality basic services • Maintenance and upgrading of infrastructure • Clean environmental practices • Improved health

	<ul style="list-style-type: none"> • Playing park • Library • Employment opportunities • Renovation of old house in Bergsig 	<ul style="list-style-type: none"> • services • Updated skills data, indigent register, housing subsidy beneficiaries • Improved transport services • Empowerment programme for vulnerable groups
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Ward 3: Cllr Kula-Stefana, J

WARD	WARD PRIORITIES	DESIRED OUTCOMES
3	<ul style="list-style-type: none"> • New street lights • High mast lights in Makhala area • Tarring of the main gravel road, Barkly Bridge Road, Jakar Road and Crouse Street • Water Supply • Removal of illegal dumping • Soccer field and netball field • Playground for kids • Upgrading of a library • Upgrading of a Creche • Community Hall, fencing hall planting of grass and fixing leaking pipes • Greenfield streets lights • Transnet to take of own property??? • Street naming Greenfield and Emakhaleni 	<ul style="list-style-type: none"> • Facilities for various sporting codes • Access to information • Access to land for livestock and crop production • Improved access to recreation facilities • Fair labour standard and decent work • Secure tenure and living conditions • Land conditions • Land access • Access to basic services

Ward 4: Cllr Manene, I

WARD	WARD PRIORITIES	DESIRED OUTCOMES
4	<ul style="list-style-type: none"> • Soup kitchen (Municipal Support) • Data verification: skills availability, unemployment, beneficiary, job creation. • Upgrading of pre- 1994 – housing title deeds & maintenance • Income generating project / employment opportunities • Improved skills & tertiary education , learnerships/bursaries SETA – programmes contributions • Local preference on learnerships& internship programmes /local decentralized advertisements • Improved access to information (cooperatives workshops) • Constant water supply of clean water • Total elimination of bucket system • Inspection of sewerage system blockages • Emanqindini underground water pipes to be upgraded (many burst pipes) • Effective and efficient use of water • Proper drainage system storm water (cement all) • Electricity sub-stations & transformers upgrading • Black outs notifications (prior) • Free basic electricity not everyone receives • Manage drug abuse, teenage pregnancy and HIV/Aids • Access to land: Church sites & municipal commonage for livestock 	<ul style="list-style-type: none"> • Food security • Fight against HIV/AIDS • Agri – village • Income / employment generating projects • Access to learnership and internship programmes • Fair labour standards and decent works • Secure tenure and living conditions • Land access • Access to basic services

Ward 5: Cllr Qhusheka, Z

Ward 6: Cllr Rune, SH

WARD	WARD PRIORITIES	DESIRED OUTCOMES
5 & 6	<ul style="list-style-type: none"> • Building of RDP houses • Upgrading and tarring of roads especially in Nomathamsanqa and Langbos • Erection of high-mast lights • Electrification of existing houses • Housing rectification especially in the Ntakazilali area on top of the canal. • Identification of land for the building of a shopping centre • Improvement in police patrols • Improvement in response time of ambulance services • Illegal dumping sites to be attended to • Refuse waste to be collected timeously to stop illegal dumping • Water condition is appalling and needs urgent attention • Sewage system in Noluthando area to be attended to promptly • Land for cemeteries and livestock • Open water canal adjacent Nomathamsanqa and Langbos • Hospital condition to be improved • Recreational youth programmes 	<ul style="list-style-type: none"> • Safety and security • Better standard of living • Infrastructure development • Provision of basic municipal services • RDP houses upgraded/rectified • Economic development of the ward • Improved health services • Skills development • Clean environment

Ward 7: Cllr Wagenaar, I

WARD	WARD PRIORITIES	DESIRED OUTCOMES
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7	<ul style="list-style-type: none"> • Houses, Emergency housing for victims of evictions • Access to land for food production • Crèches /Trained Educators • Access to health care, home visits old and disabled • Mobile clinic 2 times a week • No privacy relations • Safety on basic services • Subsidies on basic services • Fair labour practices • Water tanks; Electricity • Transport and bus shelter (Rocla) • Skills development and employment • Access municipal sport services • ATM Autobanks; Community hall 	<ul style="list-style-type: none"> • Fair labour standard and decent work • Secure tenure and living conditions • Land access • Access to basic services • Support from Sector Departments and the municipality
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Ward 8: Cllr Snoek, BC

WARD	WARD PRIORITIES	DESIRED OUTCOMES
8	<ul style="list-style-type: none"> • Income generating project /Sustainable Employment opportunities • Improved Skills and Education • Upgrading housing infrastructure and eliminate informal settlement • Title deeds • Consistent supply and access to clean water • Improved sanitation infrastructure • High mast lights / housing electrification • Clean and safe Environment (Big rubbish Bins recycling) or refuse removal twice a week 	<ul style="list-style-type: none"> • Food security • Fight against HIV/AIDS • Agri-village (Dunbrody) • Income /employment generating projects • Access to learnership and internship programme • Fair labour standards and decent work

	<ul style="list-style-type: none"> • Eliminate illegal dumping • Control sewer overspill • Control vandalism • Control stock theft /general • Subsistence abuse • Community Centre (library, indoor gymnasium, career guidance, shopping centre) 	<ul style="list-style-type: none"> • Secure tenure and living conditions • Land access • Access to basic services • Support from sector departments and the municipality • Clean environment • Consistent supply of clean water • Effective and efficient • CPA Administration • Funding for identified development projects
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3.9 Alignment of National plans and Provincial plans with those of SRVM.

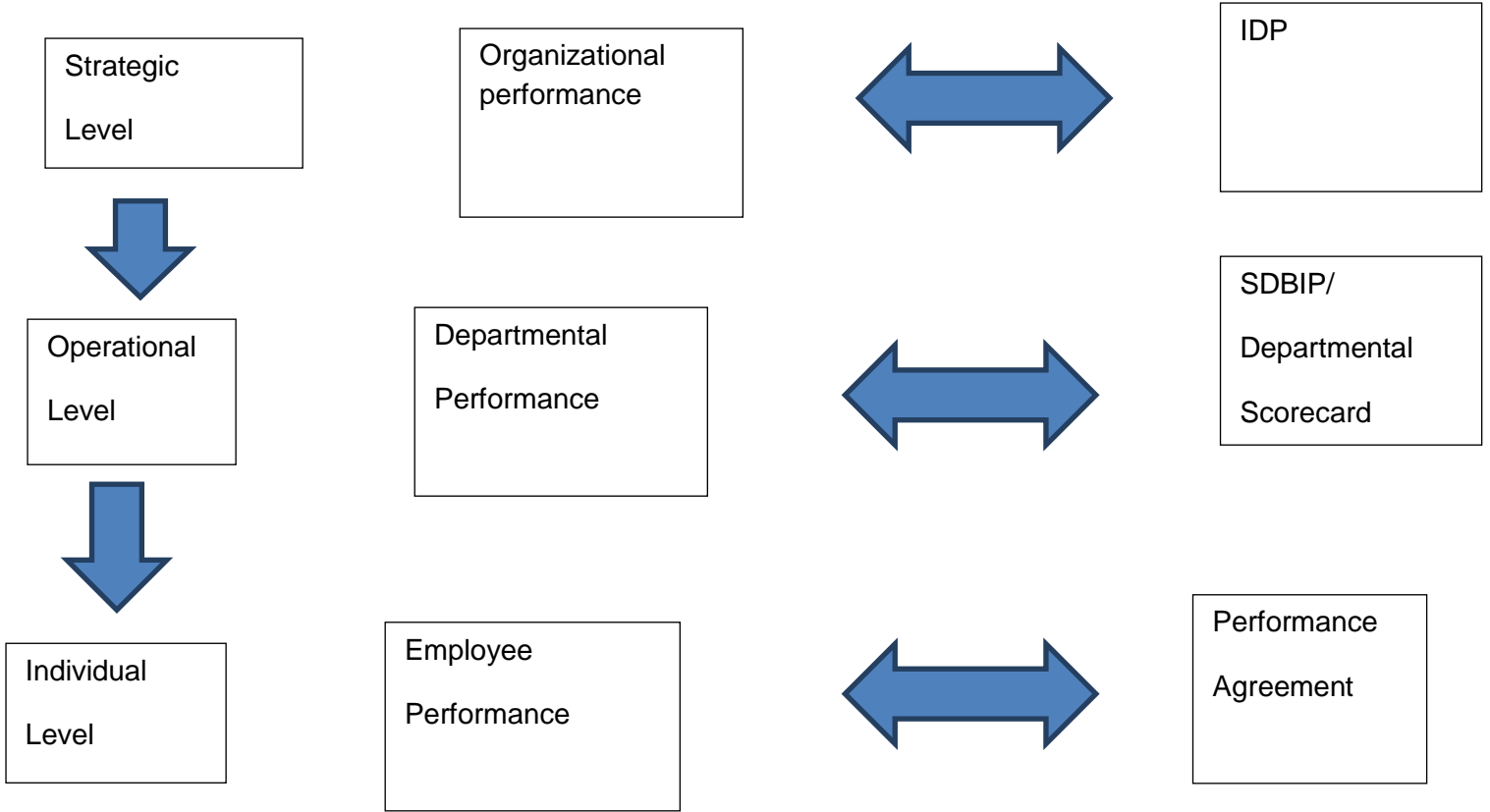
National Development Plan	Government Outcome	Provincial Growth and Development Strategy – EC.	SRVM – Strategy
Economic growth	Outcome 4: Decent employment through inclusive economic growth Outcome 11: Output 3: Implementing the Community Work Programme;	Systematic eradication of poverty through a holistic, integrated and multi-dimensional approach to pro-poor programming.	1.Promote employment opportunities through EPWP and CWP 2. Create credible institutional framework for investors and new business entrants to exploit business opportunities.
Rural development	Outcome 7: Vibrant, equitable, sustainable rural communities contributing towards food security for all	Agrarian transformation and strengthening of household food security.	Initiate poverty alleviation and food security programs by availing municipal resources and support (including municipal infrastructure).
Economic growth	Outcome 4: Decent employment through inclusive economic growth	Consolidation, development and diversification of the manufacturing base and tourism potential.	Facilitate effective branding and marketing of products/services identified in the Tourism Sector Plan.
Expand infrastructure	Outcome 11: Output2: Improving access to basic services;	Infrastructure development	To provide and invest in the economic infrastructure development in all wards by 2017.
Building a capable state	Outcome 5: Skilled capable workforce to support an inclusive growth path	Public sector and institutional transformation.	Development of Skills Plan and Implementation Strategy

Chapter 4: Performance Management

4.1 The nature of performance management

Performance management, as a system and tool of municipal governance, is a legislative imperative. Performance Management System in SRVM is intended to manage and monitor service delivery progress against the identified strategic objectives and priorities in the IDP. It is a system through which the municipality sets targets, monitors, assesses and reviews the organisational and individual's employee's performance, based on municipality's priorities, objectives and measures derived from the municipal integrated development plan. A Performance Management System enables the municipality to conduct a proper planning, measuring, monitoring, reviewing and reporting on its performance.

Sundays River Valley Municipality recognizes that there are three separate points of focus when one looks at performance management. In no particular order, one can look at organizational performance (strategic level), secondly the focus could be on the performance of policies or programs (operational level) and lastly one can look at the performance of individuals (individual level). The illustration bellows reflects this.



From the above illustration it is apparent that performance management includes both individual and organizational performance in an integrated set of planning and review procedures which cascade down through the organization to provide a link between each individual and the overall strategy of the organization. The main reason behind performance management in local government is the fulfillment of the twin tasks of improving external accountability while also increasing internal efficiency.

4.2 The management of performance at SRVM

Sundays River Valley Municipality has for some time been without a person dedicated to the role of looking after the performance management system with all its demands and intricacies. This situation has since changed. From February 2014 SRVM has engaged a person skilled in performance management systems. As such, the municipality has seen attempts to bring its KPI's within the 'SMART' principle. The 2014/15 financial year also has plans to cascade the PMS reporting tool to lower managerial levels.

SRVM is particularly mindful of the importance of performance, and its reporting for purposes of identifying prospective problems in implementation and also of the need to be accountable for such performance. The strides taken thus far are modest but nonetheless significant in such a crucial area of municipal governance.

The municipality has reviewed and adopted its performance management policies for 2013/14 financial year. Council has adopted the performance plans of s57 Managers and were subsequently forwarded to relevant departments together with the performance agreements. The alignment of the IDP, SDBIP key performance indicators was done in the 3rd quarter and subsequently sent to Council where the proposed amendments to the SDBIP were approved and subsequently effected.

The performance management policy is up for reviewal in the coming financial year. Also, the performance agreements of section 57 Managers for the financial year 2014/2015 will be sent for adoption in June 2014.

The municipality uses an electronic system that requires Directorates to populate performance information in their discharge. The electronic system with the information fed into it makes it easier to access such information, and to consequently compile the quarterly and annual performance reports mandated by legislation. It also allows management to assess the strides taken to achieve the objectives as set. With the myriad responsibilities of local government, management is aware that it takes continuous attention, dedication and in particular stamina from management to keep focusing on performance management in order to keep it alive in the organization.

4.3 Objectives, Strategies and Key Performance Indicators

The following draft Service Delivery and Budget Implementation Plan depicts the objectives, strategies and KPIs as amended.

DRAFT SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)

KPA: INSTITUTIONAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT

Priority Issue	Objective	Strategy	Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
Performance management System	An effective performance management system compliant with Chapter 6 of MSA	Implementation of performance management framework	PMS Development	Number of signed performance agreements	R50k	All	4 signed performance agreements	5	Development and signing of performance agreements	N/A	N/A	N/A

Priority Issue	Objective	Strategy	Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
Performance management System	An effective performance management system compliant with Chapter 6 of MSA	Development of performance agreements	Quarterly performance reviews	No of individual performance reviews conducted	Operational	All	5 individual quarterly reviews conducted	5 individual quarterly reviews conducted	5 Quarterly assessments/reviews uploaded in performance tool	5 Quarterly assessments/reviews uploaded in performance tool	5 Quarterly assessments/reviews uploaded in performance tool	5 Quarterly assessments/reviews uploaded in performance tool
Performance management System	An effective performance management system compliant with Chapter 6 of MSA	Institutional performance mechanism	Annual Performance Report	Timely and compliant reporting on municipal performance	Operational	All	Reporting timeframes not met	Performance report; Annual report; Oversight Report in compliance with legislation	Municipal performance report	Annual Report tabled to Council	Oversight report on annual report submitted to council	Oversight report made public

Priority Issue	Objective	Strategy	Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
Performance management System	An effective system compliant with Chapter 6 of MSA	Institutional performance mechanism	SDBIP Development	Timely approval of SDBIP	Operational	All	SDBIP approved in time	SDBIP approved by Mayor within 28 days after the budget approval	Approved SDBIP aligned to IDP/Budget and Performance agreements	N/A	Consideration of SDBIP review based on adjustment budget; Mid-year performance report	N/A
IDP	Annual review and or development of IDP/Budget	Enhancing systems for integrated planning and implementation	IDP Review	IDP Processes including Council approval	R50k	All		Process plan illustrating all phases of IDP developed	Launch review process & process plan adoption	Situation Analysis & stakeholder engagement on IDP priorities & strategies	Formulation of programmes, project proposals and budgets and approval of draft IDP	Alignment with sector department programmes through IDP Rep Forum and approval of IDP

Priority Issue	Objective	Strategy	Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
Community Based Plans		Community based plan	Community Based Planning	# of ward plans reviewed	R 50 000		8 Ward plans	8 reviewed CBPs	CBP Review programme developed	4 ward plans reviewed	8ward plans reviewed	Ward priorities incorporated in the IDP
		Monitor implementation of IDP through SDBIP	SDBIP implementation	% of municipality's capital budget in capital projects identified in the IDP	Operational	All	100% budget spent	100% budget spent	15%budget spent	45% budget spent	60% budget spent	100% budget spent

Priority Issue	Objective	Strategy	Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
Institutional Transformation	To ensure Municipality approve organogram	Review of organizational structure	Review of the organizational structure	Approved organizational structure aligned to IDP and Budget	R 2 000	N A	Approved 31 st March	Reviewed organogram	NA	NA	NA	Commence of the annual review
				Vacancy rate is reduced to 35% of total salary budget				Vacancy rate reduced to 35%	50% reduced vacancy rate	45% reduced vacancy rate	40% vacancy rate	35% vacancy rate

				Critical post filled and reduced to 10% of total structure		Operational		5 posts filled	At least one critical vacancy filled per quarter	At least one critical vacancy filled per quarter	At least one critical vacancy filled per quarter	At least one critical vacancy filled per quarter
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	To ensure employment equity targets are reduced	Review of equity targets	Review of Employment Equity targets	2% of staff constitute disabled people and 50% women represented at middle management Equity plan reviewed	R 2 000		Target of 2% for disabled persons achieved. The target for 50% representation for women at middle management has not been achieved.	100% equity target	100% equity target achieved	100% equity target achieved	100% equity target achieved	100% equity target achieved
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	Leave management & Administration improved to comply with legislation	Leave is captured and monitored weekly	Effective leave management and administration	All Leave applications processed monthly	R 10 000	N/A	Ineffective capturing and management of leave	All leave captured and recorded	Quarterly reconciliations	2 nd quarterly reconciliation	3 rd quarterly reconciliation	4 th quarter reconciliation
	To promote sound labour relations at workplace	LLF Meetings	Sound Labour Relations	Number of LLF meetings held.	R 10 000	N/A	Fully constituted	6 meetings	At least one meeting held	At least one meeting held	At least one meeting held	At least one meeting held
				Number of labour disputes resolved timeously				Grievance and disputes are resolved timeously	Grievance and disputes are resolved timeously	Grievance and disputes are resolved timeously	Grievance and disputes are resolved timeously	Grievance and disputes are resolved timeously

	To ensure safekeeping Council records and documents	To ensure that the Metrofili is implemented and complies with Archives Act.	Effective safe records keeping and administration	Backup register is updated	R 50 000		Ineffective record keeping – system is place .	4 Quarterly report	Quarterly reports	Quarterly report	Quarterly report	Quarterly report

	Capacity building and empowerment program to ensure skills enhancement of staff	Development of Skills Plan	Workplace skills plan	Workplace Skills Plan submitted to Seta by 30 April annually 50% of staff is trained annually	R 450 000	NA	Plan submitted.	At least 50% of staff trained	20 people trained as per skills plan	20 people trained per quarter	20 people trained per quarter	20 people trained per quarter
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	To ensure effective implementation of HR systems, procedures & policies	HR Plan is reviewed	Reviewed HR policies and plan	Number of HR policies reviewed	R 2 000	N A	HR plan is available but has not been reviewed	HR plan and policies to be reviewed by Dec 2014	Planning and consultation	Draft HR plan is developed	Reviewal of HR Plan	Approval of the HR plan
Good governance	to ensure effective public participation of ward committee	to develop a schedule of meetings for ward committees	effective ward committees systems	a number of ward committee meetings that are convened in terms of the schedule	R320 000	all	Ward committees established and functional	6 ward committee meetings held	At least one meeting held	At least one meeting held	At least one meeting held	At least one meeting held
	to ensure compliance meetings	all council meetings scheduled	effective functioning of	number of meetings are								

KPA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Development Priority	Objective	Strategy	Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
Council oversight	To enhance Council oversight	Monitoring section 79 and 80 committees	MPAC Oversight	No of MPAC meetings held	R 20 000	All	4 Meetings	4 meetings	At least one meeting held	Second meeting	third meeting	fourth meeting
		Council Resolutions register	Council resolutions	% of Council resolutions implemented	Operational	All	less than 100%	100% implementation of Council resolutions	40%	70%	90%	100%
Community Development Workers	To ensure involvement of citizens & communities in local governance	Public participation strategy and vulnerable groups mainstreaming	CDW reports	Number of reports submitted by CDWs	Operational	6 wards		4 reports	1st report	2nd report	3rd report	4th report

Development Priority	Objective	Strategy	Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
Public Participation	Representation, participation and inclusion of the vulnerable groups in the municipal agenda, workforce and relevant decision-making structures	Implementation of vulnerable groups mainstreaming policy	Development and participation of vulnerable groups	Number of vulnerable groups initiatives	R 175 000		All	Participation of vulnerable groups in at least 8 initiatives	2 initiatives	4 initiatives	6 initiatives	8 initiatives
Communications	To ensure effective communication and enhanced municipal image	Communication strategy	Communication and customer care	Number of internal and external publications & level of satisfaction with municipal service	R 50 000		All	Respond positively to all complaints	1 newsletter and complaints register report	1 newsletter and complaints register report	1 newsletter and complaints register report	1 newsletter and complaints register report

Development Priority	Objective	Strategy	Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
INTERGOVERNMENTAL RELATIONS (IGR)	To continuously cooperate in the provision of service delivery initiatives	IGR Terms of Reference.	Intergovernmental Governmental Relations	No of Service level agreements signed/arranged	Operational		Cooperation agreements between local service providers	4 SLAs signed or arranged	1st SLA	2nd SLA	3rd SLA	4th SLA
		IGR Terms of Reference.	Intergovernmental Governmental Relations	No of Council public participation programmes conducted	R 30 000	All	2 Outreach programmes	4 Outreach programmes	1st outreach	2nd outreach	3rd outreach	4th outreach
CUSTOMER CARE	To continuously ensure good customer care for srvm's stakeholders	Attend to customer complaints.	Customer Care Spreadsheet and Work Instruction Orders	Number of complaints captured and responded to	Operational			All complaints recorded and responded to in time	Complaints register report	Complaints register report	Complaints register report	Complaints register report

Development Priority	Objective	Strategy	Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
Internal Audit	Elimination of fruitless and wasteful and wasteful, unauthorized and irregular expenditure	Implementation and adherence to financial management policies	Audit	% reduction of non-compliance audit findings	Operational			Eliminate 50%	15%	25%	40%	20%
Clean Audit	To ensure all findings by the Auditors are addressed effectively	Audit implementation plan	Operation Clean Audit	% of progress on audit action plan from both AG and Internal Audit	Operational	All	Disclaimer	100% implementation of audit action plan (unqualified audit)	10%	20%	50%	20%
Audit Committee	Establishment of audit committee to give effect to section 166 of	Implementation of Section 166 (MFMA) requirements	Audit committee reports	Functional audit committee established	Operational	All	Audit committee established	Quarterly reports to Council	1st Report	2nd Report	3rd Report	4th Report

Development Priority	Objective	Strategy	Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
	MFMA											
Risk Management	To institutionalize risk management	Risk management	Risk register	# of risks identified and addressed as communicated by internal audit	Operational			All risks identified and addressed	All risks communicated by internal audit addressed	All risks communicated by internal audit addressed	All risks communicated by internal audit addressed	All risks communicated by internal audit addressed
HIV/AIDS and Wellness	To establish a culture of good health standards for all the employees of SRVM	Develop a wellness plan	Wellness programme	Plan supported by municipal management	R 100 000	All	No plan	Implementation plan developed and 60% of programmes implemented	Planning	Draft Plan with indicative programme	Implementation of 40% of programmes	Implementation of 60% of programmes within the plan

Development Priority	Objective	Strategy	Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
HIV/AIDS and Wellness	To intensify HIV and Aids Education and Awareness in SRVM	Develop an HIV/AIDS Plan	HIV/AIDS Programme	Plan approved by Council		All	No plan	Implementation plan developed and 60% of programmes implemented	Draft plan submitted to Council	Implementation of 40% of programmes in the plan	Implementation of 60% of programmes in the plan	Implementation of 70% of programmes in the plan

KPA: LOCAL ECONOMIC DEVELOPMENT

Priority Issue	Objective	Strategy	Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
Employment	To facilitate employment creation	Promote employment opportunities through various interventions	Extended Public Works Program and other interventions	Number of jobs created through municipality's LED initiatives including capital projects	Operational (Tech budget)	All		200	Consolidated employment data base (50 jobs)	Consolidated employment data base (100 jobs)	Consolidated employment data base (150 jobs)	Consolidated employment data base (200 jobs)

Priority Issue	Objective	Strategy	Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
LED Strategy	Development and review of LED Strategy	Implementation of LED Strategy	LED support, investment and study	LED strategy implementation plan developed and resourced	R 100 000	All	LED Strategy and implementation plan developed	Substantial Stakeholder buy-in	Stakeholder buy-in and or resources mobilised	Stakeholder buy-in and or resources mobilised	Stakeholder buy-in and or resources mobilised	Stakeholder buy-in and or resources mobilised
Small Town revitalization	To provide and invest in the economic infrastructure development in all wards by 2017	Implementation of an integrated small town revitalization strategy	Small Town revitalization	No of areas supported through the main pillars of integrated small town revitalization strategy	R 350	All	Grant funding for business plan development	Ward 2,3&4	Business plan and Feasibility study	Business plan and Feasibility study	Tender processes	Implementation of the plan
LED Fora	To ensure LED platforms are functional	LED Strategy implementation	LED Forum	No and impact of various LED platform meetings held	R 50 000	All		Quarterly forum meetings	first meeting and impact assessment	first meeting and impact assessment	first meeting and impact assessment	first meeting and impact assessment

Priority Issue	Objective	Strategy	Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
SMME development	Strengthen institutional capacity of SMMEs and increase the number of viable businesses	SMME Development Strategy	SMME Development	Number of SMMEs capacitated and benefitting from local procurement of services	R 100 000		SMME strategy in place	10 SMMEs	2 SMMEs	4 SMMEs	8 SMMEs	10 SMMEs
Tourism	Branding and marketing of the municipal area	Tourism development strategy	Local Tourism Organization	Tourism strategy implementation Plan developed	R 50 000	All	Local Tourism strategy in place	Private sector taking responsibility for tourism development in the municipal area	Wild life festival spin-offs	Branding and marketing initiatives undertaken	Branding and marketing initiatives undertaken	Branding and marketing initiatives undertaken

Priority Issue	Objective	Strategy	Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
Investment	To promote business enabling environment including investment promotion	Red tape reduction strategy	Red tape reduction	Red tape reduction programme planned	Operational	All	Application to be a pilot site	Red tape strategy approved by Council	Planning	Draft strategy	Public consultation on draft strategy	Submission to Council
		5-year investment retention and attraction strategy	Investment retention and attraction strategy	5-year investment and retention strategy developed	Operational	All	No investment retention and attraction plan/strategy	5-year investment and retention strategy approved by Council	Planning	Draft strategy	Public consultation on draft strategy	Submission to Council

KPA: COMMUNITY SERVICES

Priority Issue	Objective	Strategy	Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
Waste Management	Communities have sufficient and affordable solid waste disposal options to encourage clean and healthy environment	Reliable refuse removal services	Clean up campaign	# of clean-up campaigns conducted per ward				Total of 4 clean-up campaigns	1 clean-up campaign in Valencia	1 clean up campaign in Paterson	1 clean up campaign in Moses Mabida	1 clean campaign in Nomathas anqa

Environmental health	To ensure provision of water quality monitoring and food control	Regular water and food quality sampling	Water awareness campaign	% improve ment in water quality samples				4 water awarene ss campai gn ,targetin g high risk areas Total of 144 water samples collecte d	1 water awareness campaign 36 water samples taken	1 water awareness campaign 36 water samples taken	1 water awareness campaign 36 water samples taken	1 water awareness campaign 36 water samples taken
		Food Hygiene monitori ng	Food handling business inspection and licensing	# of food-selling premises with business licences and COA				Total of 100 food handling premises inspecte d and issued with business license and COA	25 food handling premises inspected and issued with business licensed and issued with COA	25 food handling premises inspected and issued with business licensed and issued with COA	25 food handling premises inspected and issued with business licensed and issued with COA	25 food handling premises inspected and issued with business licensed and issued with COA

Fire and Disaster Management	To ensure the provision of effective and efficient fire and disaster management services throughout the SRVM	Establishment of a satellite Fire station in Addo & Paterson	Renovation and refurbishment of current library Paterson	# Two Established Satellite Stations in Addo & Paterson				Two satellite stations operational	Finalize drawing, specifications and advertisement	Appointment of contractors	50% construction	100% construction and operational
			Cleaning of fire hydrants	# of fire hydrants inspected to ensure serviceability				100% of fire hydrants inspected and cleaned	25% of fire hydrants inspected and cleaned	25% of fire hydrants inspected and cleaned	25% of fire hydrants inspected and cleaned	25% of fire hydrants inspected and cleaned
			Standardization of Fire Hydrants in the SRV	# Of hydrants Standardized Fire Hydrants				100 % of fire hydrants standardized	25% of fire hydrants standardized	25% of fire hydrants standardized	25% of fire hydrants standardized	25% of fire hydrants standardized

		Establishment of functional Disaster Management Forums	Disaster management plan	Existence and effectiveness of the disaster management forum				Total of 4 disaster management and activities	1 disaster management meeting and activity/out reach	1 disaster management meeting and activity/out reach	1 disaster management meeting and activity/out reach	1 disaster management meeting and activity/out reach
Traffic Services	Implement the required traffic management measures to enhance safety on roads	Establishment of a satellite Traffic station in Addo & Paterson	Renovation and refurbishment of current library Paterson	# Two Established Satellite Traffic Stations in Addo & Paterson				Two satellite stations operational	Finalise drawing, specification and advertisement	Appointment of contractors	50% construction	100% construction and operational

		Education campaign to encourage preventive road safety awareness	Road safety Campaign	Number of traffic campaigns conducted with schools and similar institutions				Total of 4 traffic awareness campaign conducted	1 road safety campaign conducted	1 road safety campaign conducted	1 road safety campaign conducted	1 road safety campaign conducted
				Number of road worthy inspections conducted				Total of 1248 vehicle tested at roadworthy station	312 vehicles tested	312 vehicles tested	312 vehicles tested	312 vehicles tested

Recreational and sport facilities and Public amenities	Communities of SRVM with specific reference to youth have access to suitable and affordable recreational and sport facilities and public amenities.	Development and upgrading of recreational and sport facilities	Sports and Recreational facilities	# of sport fields developed and upgraded # of recreational parks developed and upgraded				4 sports field developed and upgraded (Phase 2) 2 sports field developed and upgraded (phase1) A total of two (2) recreational parks developed and upgraded	Finalise appointment of consultants			
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		Maintenance of community halls and cemeteries	Upgrade of Aqua park ,Bersherba and Nomathamsaqa	# of community halls upgraded				A total of community halls upgraded	Finalize specification and advertisement	Appoint contractor and upgraded 1 community hall	Appoint contractor and upgraded 1 community hall	Appoint contractor and upgraded 1 community hall
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Library and Information services	Enhance access to information services and knowledge resources for the public through provision of libraries and information resources	Functional libraries with computerized system	Upgrade of Moses Mabida library	Accessibility of library services to all communities				1 library upgraded and developed	Finalized specification, adverts and drawings / designs	Appoint a contractor	50% complete	100% completed and operational
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KPA: FINANCIAL VIABILITY AND MANAGEMENT

Development Priority	Objective	Strategy	Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
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Development Priority	Objective	Strategy	Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
Expenditure management	To ensure a sustainable cash flow	Budget management	Cash management	No of reconciliations made		All wards	Noncompliance with section 65 (2) of the MFMA	12 reconciliations of creditors	3 recons	6 recons	9 recons	12 recons
Debt management	To ensure debt is managed sustainably	Credit control Policy	Credit control	% of Debt recovery	Operational	All wards	50%	76% revenue collection	54% collected billed accounts	60%	70%	76%
Revenue management	To ensure accurate billing	Billing reconciliations	Billing	No of reconciliations made		All wards	Incorrect billing or Debtors not billed	12 Months reconciliations	3 months reconciliation	6 months reconciliation	9 months reconciliation	12 months reconciliation
Revenue management	To ensure accurate billing	Data cleansing	Billing	Customer accounts issued on time within 10 working days of the new month		All wards	Customers receive accounts within 10 working days	100% of accounts issued on time	100% of accounts issued on time	100% of accounts issued on time	100% of accounts issued on time	100% of accounts issued on time
Cash flow	To ensure a sustainable cash flow	Budget management	Cash management	Positive cash balance		All wards	Creditors age analysis	To improve creditors	100 days	90 days	70 days	60 days

Development Priority	Objective	Strategy	Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
				maintained			at 120 days	age analysis to 80 days				
Clean Audit	To ensure timely implementation of audit action plans	Audit action plan	Operation clean audit	% of progress on audit action plan from both AG and internal audit		All wards		100% implementation of audit action plan	15% implementation as committed on each audit	25% implementation as committed on each audit	40% implementation as committed on each audit	20% implementation as committed on each audit
Risk Management	To institutionalize risk management	Risk management	Risk register	# of top risks identified and addressed as communicated by internal audit				All top risks identified addressed	All risks communicated by internal audit addressed	All risks communicated by internal audit addressed	All risks communicated by internal audit addressed	All risks communicated by internal audit addressed

Development Priority	Objective	Strategy	Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
Supply Chain	To ensure proper procurement of goods and services in terms of chapter 11 of the MFMA	SCM Policy	Deviation register management	Reduced number of deviations		All wards	Unauthorized expenditure	An updated deviation register	An updated deviation register	An updated deviation register	An updated deviation register	An updated deviation register
			Supplier data base management	Monthly Updated and credible supplier data base report				Updated and credible supplier data base	Quarterly review reports	Quarterly review reports	Quarterly review reports	Quarterly review reports
			Contract management	Updated contract management register				Updated register	3 monthly updated register	3 monthly updated register	3 monthly updated register	3 monthly updated register

Development Priority	Objective	Strategy	Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
			Demand management and acquisition	Timely procurement of goods and services				All procurement of goods and services less than R30k procured within 21 days	3 Monthly procurement registers	3 Monthly procurement registers	3 Monthly procurement registers	3 Monthly procurement registers
Financial management systems	To produce financial reports that meet the requirements of National treasury department	National treasury guidelines	Financial reporting	Timely and compliant reporting				12 monthly reports, 4 quarterly reports, annual reports as prescribed	3 monthly reports, 1 quarterly report	3 monthly reports, 1 quarterly report	3 monthly reports, 1 quarterly report	3 monthly reports, 1 quarterly report, annual report as prescribed
			Disclosure items	No of AFS plan				Non submission of supporting documents	AFS Plan implemented	AFS Plan implemented	AFS Plan implemented	AFS Plan evaluation report
	To ensure compliant reporting in respect of all grants	Conditions of grants	Compliant grant reporting	% achievement of the grant activity				100 % expenditure on the grant	25%	50%	75%	100%

Development Priority	Objective	Strategy	Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
				plan								
				Financial viability as expressed in different ratio								
Asset register	Asset Management	Asset verification and asset unbundling	Updated asset register	% of assets updated				Asset register not submitted to AG	Do asset verification & Asset unbundling (25%)	Reconcile Verification and GL against AR (50%)	Calculation of Depreciation (75%).	Update of asset register with new assets (100%)

KPA: INFRASTRUCTURE AND BASIC SERVICES

Priority Issue	Objective	Strategy	IDP Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
Water	Ensure access & a continuous supply of good	Provision of bulk water supply.	Kirkwood bulk water supply.	Compilation of the Feasibility study.			R800,000.00	R20,000,000.00	Commencement of the Procurement	Appointment of Contractor	0%	25%

Priority Issue	Objective	Strategy	IDP Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
Sanitation	quality water & Sanitation to each user by 2014.								nt Stage			
			Langbos bulk water supply	% progress in project implementation			0	R15,000,000.00	Finalize Land approval from Rural Development	Commencement of the Procurement Stage	Appointment of Contractor	25%
		Improvement of Blue drop water quality in line with the National Water Act.	Blue drop register.	Compilation of the Blue drop Register.			5%	50%	50%	50%	50%	50%
		Compliance with green drop i.t.o. National Water Act	Green drop	Improvement in Green Drop Score			48%	55%	48%	48%	48%	55%
	Maintain and upgrade water and sanitation infrastructure	Molly Blackburn bulk water supply	% progress in project implementation			0	R15,000,000.00	Finalize land approval from Rural Development	Commencement of the Procurement	Appointment of Contractor	25%	

Priority Issue	Objective	Strategy	IDP Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
										Stage		
			Installation of elevated Tank in Valencia	% of construction completed			0	Completion of Elevated Storage	Source Funding	Source Funding	Procurement Stage	Appointment of Contractor
Water Conservation & Demand Management		Implement water conservation and demand management		Maintenance Register of pumps and meters of all pump stations show decrease in water losses	R2,000,000.00		411/s	191,s	411/s	411/s	411/s	191,s
Farm area services	Ensure farm workers and dwellers have improved livelihoods and health	Farm workers and dwellers have improved livelihoods and health through access to clean water and sanitation, roads, and		Number of livelihood services provided to farm workers and dwellers	Operational	All	Water provision by the municipality	Access to clean water	Water cart & mobilize sector departments	Water cart & mobilize sector departments	Water cart & mobilize sector departments	Water cart & mobilize sector departments

Priority Issue	Objective	Strategy	IDP Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
		electricity.										
Free Basic and household Services	To ensure that poor households access free basic services and that each household has access to a set of basic Household Services	To improve access to free basic and household services	Facilitate access to free basic services	% household earning less than R1 100 per month with access to free basic services			11529	529	100	100	199	130
			Facilitate access to basic household services	% household with basic level of water, sanitation, electricity and solid waste removal			11529	425	100	100	100	125
Water conservation	Improved efficiency in municipal water usage	Monitor losses through local cooperatives services and other means	Fixing water leakages	% Reduction in water losses	R1mil	All	4 Co-ops	8 Co-ops	Training	Procurement of Co-ops (SLA)	R1mil	All
Storm	Increase in control	Use of paving as alternative	Storm water	Decrease in the number	O&M budget	All	4 th Quarter	Reduced number of		Number of Storm-	O&M budget	All

Priority Issue	Objective	Strategy	IDP Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
water	of Storm water runoff	method of storm water control	maintenance	of flooding incident in road reservoir.	for roads & Repairs & Maintenance		13/14 report	flooding incidence's Roads reserve forum	Number of Storm-water drains cleaned	water drains cleaned	for roads & Repairs & Maintenance	
Roads	SRVM Community has access to good quality roads built according to applicable standards	Lobby funding for the upgrade and maintenance of surfaced and gravel roads.	Upgrading of gravel roads	Km of gravel roads upgraded.	R14 mil	Velencia	R2,2 per annum	2,2km	Appointment of Contractor	Site establishment	1km	2,2km
		Decrease number of potholes		Visible decrease in number of patch potholes.	O&M budget for roads & Repairs & Maintenance	All	4 th Quarter 13/14 report	4 Progress reports submitted to Roads forum	1 Progress reports submitted to Roads forum	2 Progress reports submitted to Roads forum	O&M budget for roads & Repairs & Maintenance	All
Electricity	Upgrade electricity network for future development	Access to a reliable supply and connection of street and high mast lights	Area and community lighting	Response time at fixing non-functional lightning & electricity supply	O&M 13/14 budget	All	4 th Quarter 13/14 report	4 Progress reports submitted to standing committee	1 Progress reports submitted to standing committee	2 Progress reports submitted to standing committee	O&M 14/15 budget	All

Priority Issue	Objective	Strategy	IDP Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
										e		
		Upgrading and maintenance of electricity substations	Area and community lighting	Number of new high mast lights constructed and reduced electrification complaints	R17 600 000	4 wards	Nil	Appointment of Service Provider	Operational plan	Participation with respective wards	R400 000	4 wards
Land	Ensure the availability of land as well as the sustainable utilization thereof for household and economic	Access to land for human settlements	Land acquisition	Increased hectares available for human settlements	Nil	Nil	Nil	Submission of Land requirements to land affairs	Submission of Land requirements to land affairs	Submission of Land requirements to land affairs	Submission of Land requirements to land affairs	Submission of Land requirements to land affairs
		Access to land for local economic development initiatives		Number of development opportunities created from municipal owned	Operational	All	TBD	All applications processed	Applications received processed	Applications received processed	Applications received processed	Applications received processed

Priority Issue	Objective	Strategy	IDP Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
	c development initiatives within the principles of spatial planning and land use management			land								
		Farm workers and dwellers have access to land and secure tenure		Increased access to land and reduced unlawful evictions	Nil	All	Dunbrody & Langbos attended to.	Increase d access to land and reduced unlawful evictions	Reports to Standing committee	Reports to Standing committee	Reports to Standing committee	Resolved land and unlawful evictions
		Compilation of a GRAPP compliment Asset Register	Asset Management	GRAPP Compliment Asset Register			Non Compliance Asset Register	GRAPP Compliance Asset Register	GRAPP Compliance Asset Register	GRAPP Compliance Asset Register	GRAPP Compliance Asset Register	GRAPP Compliance Asset Register
Housing	People who qualify have access to housing	Human Settlement development	Number of housing units handed over to residents in the current financial year	Operational	All	Houses illegally occupied	Houses handed over to rightful beneficiaries	Updated beneficiary registers	Updated beneficiary registers	Updated beneficiary registers	Updated beneficiary registers	

Priority Issue	Objective	Strategy	IDP Project	KPI	Budget	Ward	Baseline	Annual Target	QTR 1	QTR 2	QTR 3	QTR 4
Town planning	Effective Town Planning administration within SRVM jurisdiction	Approval of Reviewed SDF		Decrease number of unauthorized land use cases to none	Nil	All	Son-op St	None	Actions taken against unauthorized land use within 7days	Actions taken against unauthorized land use within 7days	Actions taken against unauthorized land use within 7days	Actions taken against unauthorized land use within 7days
Building Control		Timeous approval of building plans Control of illegal building operations		Building plans applications to be processed within 10 weeks	Nil	All	10 weeks	10 weeks	Reports submitted to the Engineering standing Committee	Reports submitted to the Engineering standing Committee	Reports submitted to the Engineering standing Committee	Reports submitted to the Engineering standing Committee

Chapter 5 – INTERNAL AND EXTERNAL PROJECT BREAKDOWN

5.1 Funded and budgeted projects as reflected in the IDP 2014/2015. The projects are listed as per the Key Performance Areas of focus of the Sundays River Valley Municipality.

Institutional Transformation				
#	Strategy	Project	KPI	Budget
1	To develop a schedule of meetings for ward committees	a number of ward committee are convened in terms of the schedule	number of ward committee meetings that are convened in terms of the schedule	R320 000
2	HR plan is reviewed	Reviewed HR plan and policies	# of HR policies reviewed	R2000
	Development of skills plan		Workplan skills plan submitted to SETA by 30 April annually and 50% of staff trained annually	R450 000
3.	Metrofile is implemented and complies with Archive Act.	Effective safe record keeping and administration.	Back up register is updated.	R 50 000

4.	LLF Meetings	Sound labour relations	Number of LLF meetings held and the number of disputes resolved timeously.	R10 000
5.	Leave is captured and monitored weekly.	Effective leave management and administration.	All Leave applications processed monthly.	R10 000
6.	Review of equity targets	Reviewal of employment equity targets	2% of staff constitutes disabled people and 50% women represented at middle management.	R2000
			Equity plan reviewed.	
7.	Review of organizational structure	Review of organizational structure	Approved organizational structure aligned to IDP and Budget	R2000
			Vacancy rate is reduced to 35% of total salary budget	
			Critical post filled and reduced to 10% of total structure	
8.	Community based plan.	Community based planning	# of ward plans reviewed	R50 000
9.	Enhancing systems for	IDP Review	IDP Processes	R50 000

	integrated planning and implementation		including Council approval	
Good governance and public participation				
#	Strategy	Project	KPI	Budget
10	Monitoring section 79 and 80 committees	MPAC Oversight	No of MPAC meetings held	R20 000
11.	Implementation of vulnerable groups mainstreaming policy	Development and participation of vulnerable groups	Number of vulnerable group initiatives	R175 000
12.	Communication strategy.	Communication and customer care.	Number of internal and external publications & level of satisfaction with municipal service	R50 000
13.	IGR Terms of Reference.	Intergovernmental relations	No of Council public participation programmes conducted	R30 000.
	Develop an HIV/AIDS Plan.	HIV/AIDS Programme	Plan approved by Council	R100 000
		Wellness Programme	Plan supported by municipal management	
Local Economic Development				
#	Strategy	Project	KPI	Budget
14.	Implementation of LED Strategy.	LED support, investment and study.	LED strategy implementation plan developed and resourced.	R100 000
15.	Implementation of an integrated small town revitalization strategy	Small town revitalization	No of areas supported through the main	R350 000

			pillars of integrated small town revitalization strategy	
16.	LED Strategy implementation.	LED forum	No and impact of various LED platform meetings held.	R50 000.
17.	SMME Development Strategy	SMME Development	Number of SMMEs capacitated and benefitting from local procurement of services.	R100 000.
18.	Tourism development strategy	Local Tourism Organization	Tourism strategy implementation Plan developed.	R50 000.
Community Services				
#	Strategy	Project	KPI	Budget
19.	Reliable refuse removal services.	Refuse collection and provision of refuse bags		R1 500 000
20.	Development and upgrading of recreational and sport facilities.	Rehabilitation of sports fields	# of sport fields developed and upgraded	R3 500 000
21.	Reliable refuse removal services	Illegal Dumping Sites(Clean up)	# of Clean-up campaigns conducted	R160 000

5.2 The following projects are identified in the IDP but are without any specified budget.

Institutional Transformation				
#	Strategy	Project	KPI	Budget
1.	All council meetings are convened as schedule	Effective functioning of council structures	# of meetings convened	-
2.	Monitor implementation of IDP through SDBIP.	SDBIP implementation.	% of municipality's capital budget in capital projects identified in the IDP	-
3.	Institutional performance mechanism	SDBIP development	Timely approval of SDBIP.	-
4.	Institutional performance mechanism	Annual Performance Report	Timely and compliant reporting on municipal performance.	-
5.	Development of performance agreements.	Quarterly performance reviews.	No of individual performance reviews conducted.	
Good governance				
#	Strategy	Project	KPI	Budget
6.	Council Resolutions register	Council resolutions	% of Council resolutions implemented.	-

7.	Public participation strategy and vulnerable groups mainstreaming.	CDW Reports	Number of reports submitted by CDWs.	-
8.	IGR Terms of Reference.	Intergovernmental Governmental Relations.	No of Service level agreements signed/arranged	-
9.	Attend to customer complaints.	Customer Care Spread-sheet and Work Instruction Orders.	Number of complaints captured and responded to.	-
10.	Implementation and adherence to financial management policies	Audit	% reduction of non-compliance audit findings.	-
11.	Audit implementation plan	Operation clean audit	% of progress on audit action plan from both AG and Internal Audit	-
12.	Implementation of Section 166 (MFMA) requirements	Audit committee reports	Functional audit committee established.	-
13.	Risk management	Risk register	# of risks identified and addressed as communicated by internal audit.	-
Local Economic Development				
#	Strategy	Project	KPI	Budget
14	Promote employment opportunities through various interventions	Extended Public Works Program and other interventions.	Number of jobs created through municipality's LED initiatives including capital projects	-

15.	Red tape reduction strategy.	Red tape reduction	Red tape reduction programme planned.	-
16.	5-year investment retention and attraction strategy.	Investment retention and attraction strategy.	5-year investment and retention strategy developed.	-
Infrastructure Development and Basic Services				
#	Strategy	Project	KPI	Budget
17	Access to land for Human Settlements	Transfer of Transnet properties to the Municipality	Areas identified for transfer	

5.3 The following projects are identified in the MIG Budget for the year.

Project No.	Project name (list of projects which will be implemented for the 2013/14 FY July 13 - June 14 including the PMU admin fees)	Project Category (e.g. water/ sanitation /road etc)	Status (Registration, design & tender, adjudication, construction etc.)	Source of Funding	Actual Project Budget	2014/15
207052	Upgrading of Addo Waste Water Treatment Works (Phase 3) Implementation stage	Sanitation	Construction	MIG	19 371 100.00	2 067 950
195045	Upgrading of Gravel Roads (Phase 2 Valencia storm water)	Roads	Tender for construction	MIG	18 005 320.80	14 000 000
EC2013082	Upgrading of Paterson Waste Water Treatment Works (phase 1)	Sanitation	Construction	MIG	16 105 342.42	1 000 000
195664	Rehabilitation of Sportsfields (Phase 3)	Sporting Facilities	Construction	MIG	14 729 399.41	3 500 000
197468	Rehabilitation of Parks & Playgrounds (Phase 2)	Recreational Parks	Construction	MIG	2 500 000.00	625 000
207934	Addo: Community Lighting	Area Lighting	Tender for planning	MIG	1 540 000.00	440 000
207937	Paterson: Community Lighting	Area Lighting	Tender for planning	MIG	1 320 000.00	440 000
207470	Enon & Bersheba Community Lighting	Area Lighting	Tender for planning	MIG	660 000.00	440 000
207862	Kirkwood: Community Lighting	Area Lighting	Tender for planning	MIG	1 100 000.00	440 000
NA	PMU 5%	Administration	NA	MIG	1 167 300.00	1 208 050
Total					R 88 038 462.63	24 161 000

5.4 The following projects emanate from sector departments

Number	Department	Project Name	Project Location	Budget
1.	Department of Environmental Affairs	Youth jobs in waste	SRVM – all wards.	R51 000.
2.	Human Settlements	SRVM – Addo 801.	SRVM – ward 5 & 6.	tbd
		SRVM Enon-Bersheba.	SRVM – ward 8.	tbd
		SRVM – Langbos	SRVM – ward 6.	tbd
		SRVM – Moses Mabhida – rectification.	SRVM – ward 1.	tbd
		SRVM – Bergsig.	SRVM – ward 2.	tbd
3.	Department of Social Development.	Siyahluma gardens.	SRVM	R750 000.
4	Department of Rural Development and Land Reform	Santa Clara Farm	Ward 3	tbd

5.5 The following projects appear from the IDP of Cacadu District Municipality for the benefit of the Sundays River Valley Municipality.

Number	Project Name	Project Location	Budget
1.	Addo Central Working for Water	Ward 8	R6 611 814.98.
2.	Addo Central Bio Control	Ward 8	R1 578 987.97.
3.	Addo WoL	Ward 8	R2 975 751.53.
4.	Addo Working for Land Spekboom	Ward 8	R5 306 354.64.
5.	Addo North West Working for Water.	Ward 2	R4 219 042.97.
6.	Addo North West Bio Control.	Ward 2	R2 301 414.44.
7.	Addo Nursery	Ward 8	R770 792.00.
8.	Training Centre.	Ward 8	R46 250.00.
9.	CDM relocation to SRVM	Ward 2	Tbd
10.	Emergency Centre	Ward 4	Tbd

5.6 Monitoring and evaluation

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

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

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

Monitoring, evaluation and review mechanisms should be implemented as an on-going or cyclical activity and should be built into the annual planning and budgeting cycle. The Performance Management System of the Municipality must fulfil this role. Importantly in this regard is to emphasize that one of the salient features of performance management systems in the public sector is to generate information on 'how effectively and efficiently services are delivered' by public organizations. In this connection, the information comes about as a result of the monitoring of actions and performance of the organization, also programmes and services geared towards the delivery of services are keenly observed since it is the achievement of stated aims that accountability will be realized.

The implication is therefore that such information will be used in the future planning, budgeting and monitoring of performance. Furthermore, one interprets from the literature that stakeholders like the general public and Parliamentarians (at provincial and national level) are in a good position to exercise effective control as a result of such information as they are able to assess progress and potential opportunities for improvement.

Monitoring

Monitoring is a continuous activity to measure indicators with regard to the short term outputs or outputs of the planning process. Amongst other things, it will provide project information to management, in order to keep the project on track with the right results being achieved on time and within budget. Monitoring includes systematically collecting and using information about each project to enable management to proceed as it should. The performance information is primarily generated by the performance management system used by the municipality. Section 42 of the Municipal Systems Act obligates the municipality to involve the community in developing the performance management system. The same section places a duty on the municipality to allow the community to play a role also in the setting of key performance indicators and targets for the municipality.

Evaluation

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

Review

Review is making adjustments and revision based on monitoring or evaluation information. The results of monitoring provide adjustments and corrective actions that are fed back into the planning process, to re-inform project planning, design and implementation. These results re-inform the development priorities, goals and strategies. The impact of your projects will also begin to change your area. The Municipal Regulations on performance state that the mechanisms, systems and processes for review of performance must at least identify the strengths, weaknesses, opportunities and threats of the municipality in meeting the key performance indicators and performance targets set by it

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