



MAKANA

MUNICIPALITY | EASTERN CAPE

MASIPALA WASEMPUMAKOLONI

MUNISIPALITEIT | OOS-KAAP

...a great place to be

**INTEGRATED
DEVELOPMENT PLAN
2023-2024
SECOND EDITION**

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(II) ACRONYMS AND ABBREVIATIONS:

IDP	Integrated Development Plan
Agri	Agriculture
ASGISA	Accelerated and Shares Growth Initiative for South Africa
CBP	Community Based Planning
SBDM	Sarah Baartman District Municipality
CDW	Community Development Worker
CFO	Chief Financial Officer
Cllr	Councillor
EM	Executive Mayor
MM	Municipal Manager
CSS	Community and Social Services
DBSA	Development Bank South Africa
DEAET	Department of Economic Affairs, Environmental and Tourism
COGTA	Cooperative Governance and Traditional Affairs
DoSD	Department Of Social Development
DTIS	Department of Technical and Infrastructure Services
DWIS	Department of Water and Infrastructure Services
ECDC	Eastern Cape Development Corporation
EHS	Environmental Health Services
FM	Financial Management
MKH	Makhanda
HASTI	HIV and AIDS and Sexually Transmitted Infections
LSA	Local Service Area
Makana LM	Makana Local Municipality
MEC	Member of the Executive Council
MMC	Member of Mayoral Committee

MIG	Municipal Infrastructure Grant
MPCC	Multi-Purpose Community Centre
Muni	Municipality
NSDP	National Spatial Development Plan
PDP	Provincial Development Plan
PHP	People Housing Process
PMS	Performance Management System
Rep	Representative
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
WSDP	Water Service Development Plan
WTW	Water Treatment Works
WWTW	Waste Water Treatment Works
AFF	Asset Financing Fund
Opex	Operation expenditure
Capex	Capital Expenditure
MPAC	Municipal Public Account Committee
CIP	Comprehensive Infrastructure Plan

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(V) EXECUTIVE SUMMARY

Since the assumption of the new term of office of its political office bearers after the local government elections in November 2021, the Makana Municipality informed by the provisions in the Municipal Systems Act No. 32 of 2000, has embarked on developing a new five-year strategic plan namely; the Integrated Development Plan- 2022-2027(IDP). A process plan as a mechanism for reviewing the IDP annually was developed and approved by the previous Council however due timing of the election it was adjusted.

The Municipality has in developing this 1st edition of the 2022-2027 draft IDP, analysed the information on developments in Municipality for the period under review using the existing Integrated Development Plan. This new five-year IDP development process has enabled the Municipality to critically reflect on progress made on its five Development Priorities, objectives and strategies. These strategic objectives, strategies and projects have through an exhaustive internal and external consultation process been updated to reflect the new challenges facing the people of the Municipality. The process involved engaging internally engagement, strategic planning sessions Mayoral Lekgotla with the newly elected Mayoral Committee and Management. External engagement was held with sector departments and outreaches to Communities. Municipality has come with these development priorities:

- Basic Service Delivery and Infrastructure
- Community and Social Cohesion
- Financial Viability and Management
- Local Economic Development and Planning
- Institutional Capacity and Organisational Development
- Financial Viability and Management
- Good Governance and Public Participation

The new and updated objectives, strategies and projects derived from this process can be found in chapter 3 of this document. This IDP Review primarily reflects the situational analysis of the Municipality from the perspective of both the socio-economic conditions of the population as well as the institutional arrangements, infrastructure and organizational challenges of the municipality. The Makana Municipality had a population size of 86 068 people in 2016. The total population for the Sarah Baartman Municipality is estimated to increase to 98 356 by 2026, growing at an average annual rate of 0.39%. The growth rate of the municipal area is

greater to that of the district between 2016 and 2019 at (0.26%). Makana Municipality had 22 384 households in 2016, which is expected to rise to 26 323 by 2026.

With an average annual household growth rate of 0.52%. Makana's household growth is higher than that of Sarah Baartman District (0.37%)

MAKANA VISION AND MISSION STATEMENT

"Makana Municipality strives to ensure sustainable, affordable, equitable and quality services in a just, friendly, secure and healthy environment, which promotes social and economic growth for all". CORE

VALUES OF THE MUNICIPALITY: VALUE –BEHAVIOUR ♣ Honest – Corrupt Free ♣ Accountability - answerable for our actions ♣ Participation Democracy- Ensure Maximum involvement of all stakeholders in all our activities ♣ Transparency - open and communicate freely ♣ Quality - committed to a culture in which we continuously strive for excellence ♣ Professionalism - practice the highest standards applicable to our work and we embrace humanity, discipline and respect.

(V) OVERVIEW OF THE MUNICIPALITY

Makana Local Municipality (Makana) is a category B municipality, approximately halfway between East London and Port Elizabeth that forms part of the Seven Local Municipalities of the Sarah Baartman (formerly Cacadu) District Municipality, in the Eastern Cape Province. Makana's area is bordered in the north-east by Amathole District Municipality with the cities of Port Elizabeth 120km to the west and East London 180 km east, north-west by Blue Crane Route Local Municipality, in the south by Ndlambe Local Municipality and in the south-west by the Sundays River Valley Local Municipality. In 2011 the Municipality was delimited into fourteen wards.

TOWNS AND VILLAGES OF MAKANA MUNICIPALITY

Makhanda: (Formerly Grahamstown: Makana Local Municipality is one of the seven (7) local municipalities in the Sarah Baartman District in the Eastern Cape. The main seat of the Municipality is in Makhanda. The municipality covers of an area 1690 square kilometres with a population of 82 060 as per 2011 SA Statistics and 2016 SA customer survey indicate population growth increase of 2.1 % to 82 060 and municipality cover an area of 4 375.62 square kilometres and constitute 7.5 of Sarah Baartman District Municipality.

Ninety percent of the population lives in Makhanda. The importance of Makhanda as an economic Hub cannot be overemphasized. At the heart of Makana is the city of Makhanda, situated 55 kilometres from the coast.

Makhanda is famous as one of the leading cultural, educational and tourist centres and hosts the National Arts Festival in South Africa for the last 43 year which is the International Event and the 3rd largest festival in the world it help to enhance social cohesion to ensure nation building. In 2017 performers from more than 33 countries participated in the festival. The Festival was also attended by many ambassadors from foreign countries. The festival occurs in almost every University hall, School halls, public halls, churches as well as in the various townships throughout Makhanda. The Festival attracts thousands of visitors onto the City. It is crucial that the municipality is able to ensure a good road network as well as important water, sewerage and electricity provision.

Makhanda is also the primary location of Rhodes University and other prominent and internationally acclaimed primary and high schools/ colleges are found in Makhanda.

Rhodes University with a population of approximately 7 000 students is the largest ratepayer. The University hosts many strategic faculties. These faculties cover a wide area. The University therefore requires a very capable and workable Infrastructure.

Students and academics from all over the world are based on the campus. Makhanda is also the seat of the High Court in the Eastern Cape and host legal teams throughout the country, during high profile cases.

Alicedale: Owing its existence to the development of the railways, the station at Alicedale is a vital link between the Makana region and the main railway line between Port Elizabeth and Johannesburg, *however the station is no longer use*. There is a historical red face brick building that now houses the reception of the resort hotel- affectionately known as Bushman Sands (*Bushman River Sands Hotel*).

Salem: The Methodist Church founded Salem in the mid-1820s. It is famous for its many fine historical buildings and also for the historic negotiations between Richard Gush and the Xhosa people during the War of Hintsa, when the Xhosa agreed to leave the village in peace. The name is of biblical origin (Genesis 14:18) and, proclaimed the Sunday after their arrival by the Reverend Shaw, means 'peace'; the local application refers to a reconciliation between sects. A church built from mud blocks and thatch was consecrated in 1824, and replace by a stone structure in 1832. The church often served as a refuge for women and children during the Frontier Wars. Several Settler House built in the Georgian style, have been preserved. In December 2017 the Constitutional Court upheld a land claim lodged in respect of the Salem Commonage by descendants of the black community that previously occupied the land.

Riebeeck east: The Dutch Reformed Church established the village of Riebeeck East in 1830 on the farm Mooimeisiesfontein, the home of the famous Voortrekker leader Piet Retief. Riebeeck East is now in the midst of a game and sheep farming area and offers many attractions and hiking trails through the surrounding diverse and beautiful hills.

Retief's farm house is situated just east of the village, and has been declared a National Heritage Site. The nearest town is Makhanda which is 39km's to the east.

Seven Fountains: This farmers' community derived its name from seven springs located on different farms in the area. Set in a beautiful garden that is home to a 250 year old rose bush and a 130 year old orange tree, Seven Fountains Farm boasts century old buildings that have been converted to individually furnish double rooms and cottages.

Seven Fountains Farm is a beautiful facility that sits halfway between Makhanda and the Indian Ocean built in 1717 by a Dutch settler, Jan Frederick Potgieter and is the oldest farm in the Eastern Cape. 300 years after it was built, Seven Fountains Farm is open as a guesthouse, lunchroom and activity venues. The buildings are set in a beautiful garden and look over the veld up to the mountains and the Assegai River.

It was originally a resting place for ox-wagons in the 18th century and came to be known as Zuurplaats by early Dutch settlers to the area. In 1820, abandoned loan-farms were re-allocated to newly arrived British Settlers. They erected the first Methodist church there in 1834 and it is still in use today even though a newer and larger church was built in 1929. Today the village of Seven Fountains comprises shops, a clinic, sports club and police station which serve the local, mainly farming, population. Go game viewing at nearby Pumba Private Game Reserve, Visit historic graveyards dating back to 1820, Book accommodation at Wolfe Lodge for a restful weekend break or visit the Assegai Lodge which was built in 1717 by Dutch settler, Jan Frederick Potgieter and learn about this wonderful period home where a 250 year old rosebush and 130 year old orange tree still survive.

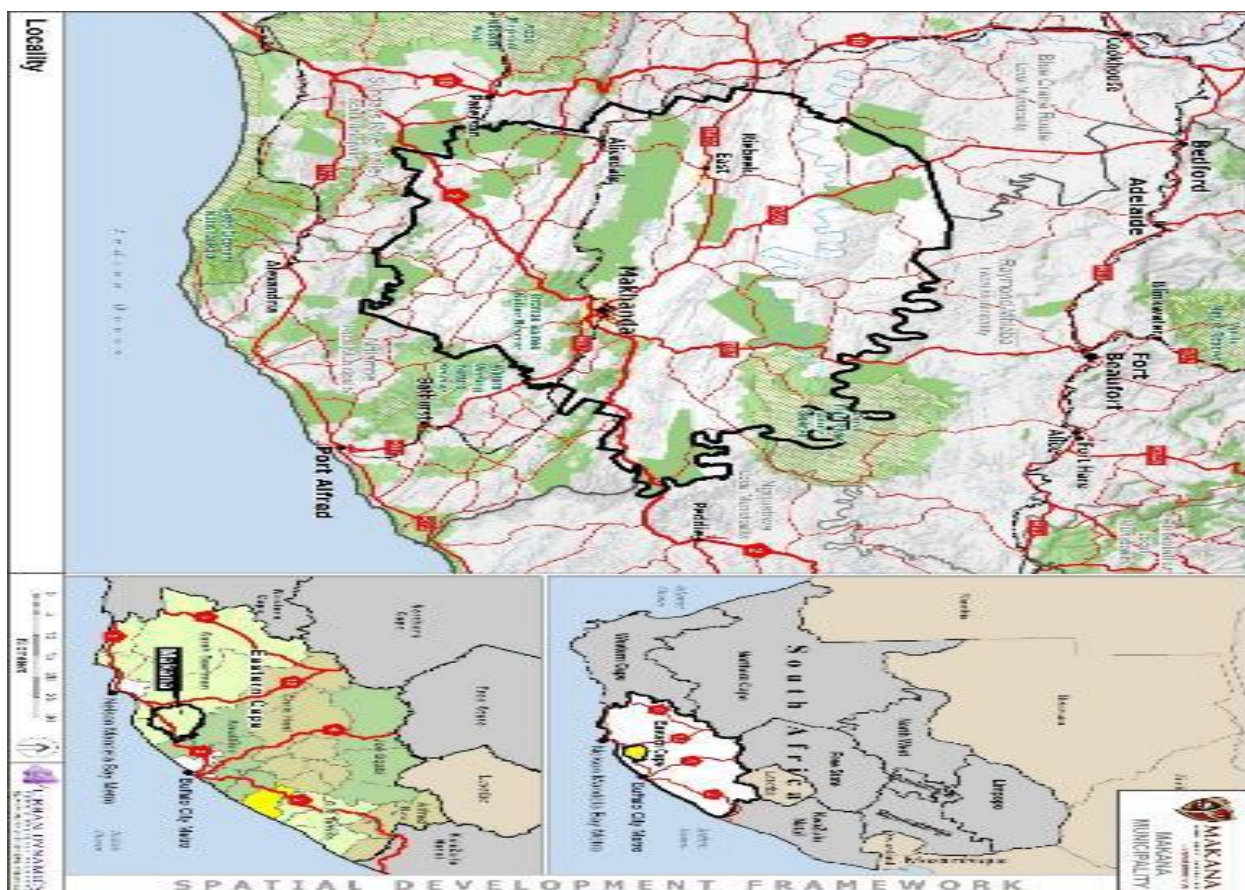
Fort Brown: Established as a military post in 1817, the gun tower and adjoining walls of the fort, overlooking the Great Fish River and central to a number of major game reserves, is a national monument. Hermanus Kraal was later renamed to Fort Brown after Lt Brown of the 75th Regiment who was in command during the war of 1835. Fort Brown consisted of a group of buildings surrounded by a high stone wall. At the corner was a tower of about 3.5 meters for mounting a gun. Under the floor there was a powder magazine and on the roof a cannon that could be swivelled round. After years of neglect this gun tower and a few walls are all that remained. It was declared a National Heritage Site in 1938.

Sidbury 1820: Established in 1820 after which settler Lieutenant Richard Daniel of the Royal Navy built Sidbury Park in the 1830's and also created the nearby village of Sidbury where war graves can still be found. Both are named after his native Sidbury in Devonshire. As part of fortifying the property, the barn was linked to the house by stone walls. Daniel was the first to import merino sheep into South Africa. He provided land and funds for the building of a church in the village, the church (named St Peter's after the church in Sidbury, Devonshire) was built 1841 and was one the first ten Anglican churches in South Africa. The church predates the establishment of the Diocese of Cape Town. The church is a heritage site recognised by the South African Heritage Resource Agency. In the 1890s, the community of Sidbury started a cricket club which continues to the present despite its small population.

Manley Flats: Manley Flats is located on top of a small hill in the beautiful Manley Flats Valley just 20 km from Makhanda. Manley Flats is a railroad siding and is located in the Sarah Baartman District Municipality, Eastern Cape, South Africa. The estimate terrain elevation above sea level is 421 metres.

Carlisle Bridge: Carlisle Bridge is a small farm area that is found 15.2 Km from Riebeeck East and 37 km to Makhanda

Makana geographic map: Map 1: Makana Municipality



CHAPTER ONE: PREPARATION AND INTEGRATED PLANNING PROCESS

BACKGROUND

Makana Local Municipality is undergoing its fifth and last review of the Five (5) Year Integrated Development Plan, since 2017

The Municipal Systems Act (No. 32) of 2000 requires that Local Government Structures prepare Integrated Development Plans (IDPs). The IDP serves as a tool for the facilitation and management of development within the areas of jurisdiction. In conforming to the Act's requirements Makana Municipality's Council has delegated the authority to the Municipal Manager to prepare the Integrated Development Plan (IDP).

The Municipality's commitment to developing a **"Great Place to be"** driven with specific emphasis of translating the Municipality's strategies into an Implementable Action Plan. The Municipality is committed in ensuring that, its revised **Developmental Priorities** in the IDP 2017-22 are achieved.

1.1 LEGAL FRAMEWORK

This document represents the fifth and last review of Makana Municipality's Integrated Development Plan (IDP) 2017 – 2022). IDP's are compiled in terms of the requirements of Chapter 5 of the Municipal Systems Act (MSA) (Act 32 of 2000), Section 25 of the MSA states inter-alia the following:

Each municipal council must, within a prescribed period after the start of its elected term, adopt a Single and Inclusive Strategic Plan for the development of the municipality which:

- a) links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;
- b) aligns the resources and capacity of the municipality with the implementation of the plan;
- c) forms the policy framework and general basis on which annual budgets must be based;
- d) complies with the provisions of the chapter; and
- e) be compatible with National and Provincial Development Plans and planning requirements binding on the municipality in terms of legislation".

The Annual Review and Amendments of Integrated Development Plan (IDP)

A municipal council:

- a) must review its IDP
 - (i) annually in accordance with an assessment of its performance measurements in terms of section 41 of the MSA,
 - (ii) according to the extent that changing circumstances so demand; and
- b) may amend its IDP in accordance with a prescribed

process.

The status of an Integrated Development Plan is concerned with Section 35 of the MSA (Municipal Systems Act) which states that an IDP adopted by municipal council: -

- a) is the ***Principal Strategic Planning Instrument*** which guides and informs all planning and development issues in the municipality;
- b) binds the municipality in the exercise of its executive authority, except to the extent of any inconsistency between a municipality's integrated development plan and National or Provincial legislation, in which case such legislation prevails; and
- c) binds all other person to the extent that those parts of the integrated development plan impose duties or affect the rights of those people who have been passed as a by-law.

Section 36 of the MSA states that a municipality must

- give effect to its Integrated Development Plan.
- conduct its affairs in a manner which is consistent with its Integrated Development Plan.

1.2 MAKANA'S INTEGRATED DEVELOPMENT PLAN

The IDP document will represent the strategic plan of Makana Local Municipality that will guide and inform all planning and allocation of resources for the next five-year period, 2022-2027. This plan (IDP) is informed by National and Provincial Government priorities.

1.3 MANDATE AND GUIDING PARAMETERS

The Local Government Municipal Systems Act, 2000, introduced the process of municipal planning for municipalities and regulates the development of Integrated Development Plans (IDPs). The plan is for 5years and must be reviewed annually.

The paradigm shift in developmental local government dictates that planning must become more 'outcomes-driven' and the priorities of government set the context for this to be realised. Accordingly, Government has formulated 12 Outcomes.

1.3.1 NATIONAL OUTCOMES

Table 1: National Outcomes:

Nat. Outcome	National outcomes	Nat. Outcome	National outcomes
NO1	Quality basic education	NO7	Vibrant, equitable, sustainable rural communities contributing towards food security for all
NO2	A long and healthy life for all South Africans	NO8	Sustainable human settlements and improved quality of household life
NO3	All people in SA are and feel safe	NO9	Responsive, accountable, effective, and efficient Local Government Systems
NO4	Decent employment through inclusive economic growth	NO10	Protect and enhance our environmental assets for a better world
NO5	Skilled and capable workforce to support an inclusive growth path	NO11	Create a better SA, a better Africa and a better world
NO6	An efficient, competitive and responsive economic infrastructure network	NO12	An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.

1.3.2 SUSTAINABLE DEVELOPMENT GOALS

The Millennium Development Goals (MDG) and targets stem from the Millennium Declaration by 189 Countries in 2000, to work towards achieving economic and social development priorities which were subsequently termed Millennium Development Goals. These came to an end in 2015. Seventeen (17) sustainable development goals have been put together for the next fifteen years to 2030. South Africa is signatory to that agreement.

The MDG's have been embraced by Government and are aligned with the Medium Term Strategic Framework (MTSF), which outlines National Government Development Priorities. Makana Local Municipality will consider the 17 sustainable development goals in its development agenda.

Ten (10) of which have been reshaped as provincial strategic priorities, as indicated below: - Each outcome has a number of measurable outputs with targets and in most cases the activities / results occur in a municipal space and involves all of the spheres of government.

1.3.3 NATIONAL DEVELOPMENT PLAN

The National Development Plan sets out firm proposals to solve the country's problems and to deepen the engagement of all South Africans from all walks of life in building the future. Focus on people's capabilities is at the centre of the plan. These include education, skills, decent accommodation, nutrition, safe communities, social security, transport, and job opportunities.

The National Development Plan's goal is to reduce poverty, inequality, and unemployment by 2030. The MTSF priorities which are regarded as Government's five-year implementation phase of the NDP are informed by the following intervention areas which have affect to municipality;

- Economy and Employment
- Economic Infrastructure
- Environmental Sustainability and Resilience
- Inclusive Rural Economy
- Human Settlements and Spatial Transformation
- Social Protection

The National Development Plan informs the fourteen (14) Medium Term Strategic Framework priorities and is regarded as the five-year Implementation Plan of the NDP.

1.3.4 PROVINCIAL DEVELOPMENT PLAN

The Eastern Cape Province, guided by the NDP has developed its own long-term vision, a "*Provincial Development Plan – Vision 2030*". The PDP principles in a nutshell include Social Economic and Spatial Justice; Gender Equality; Intergovernmental Equity; Citizens Participation; Ethics Promotion, Integrated Multi-agent Action; Public Good; Respects Evidence and Critical Deliberations and takes accountability seriously.

The PDP is aligned to the seven Provincial Strategic Priorities which are:

- Stimulating rural development, land reform and food security
- Better access to quality education
- Promote better healthcare for all our people.
- Intensifying the fight against crime
- Integrated human settlements and
- Strengthening the developmental state and good governance
- Transformation of the economy to create jobs and sustainable livelihoods.

The strategic priorities are aligned to the National Government's Medium Term Strategic Framework

1.3.5 SARAH BAARTMAN DEVELOPMENT PRIORITIES

TABLE 2: SBDM LONG TERM VISION STRATEGY

SARAH BAARTMAN LONG TERM VISION STRATEGY		
Economic Development	Human Development	Infrastructure
Energy	Mass Employment Programmes	Energy
Green Economy	Poverty Eradication Programme	Water
Agro-industry	Access to basic services	Irrigation and ago-logistics
Tourism	Skills and education	Transport
Creative industries		Bulk Infrastructure
Component supplies		WSA/WSP
Maritime		
Key Enabler and Interventions Programmes		
Institutional Transformation - Governance		
IDP Process alignment, consultation & incorporation		

TABLE 3: SBDM DEVELOPMENT PRIORITIES

DEVELOPMENT PRIORITIES 2017/22	DEVELOPMENT PRIORITIES 2022/27
Basic Service and Infrastructure Development	Basic Service and Infrastructure Development
Local Economic Development	Financial Viability and Management
Municipal Financial Viability and Management	Local Economic Development
Governance and Public Participation	Governance and Public Participation
Municipal Transformation and Organizational Development	Municipal Transformation and Organizational Development

1.3.6 DEVELOPMENT PRIORITIES FRAMEWORK ALIGNMENT

LIST OF GOVERNMENT PRIORITIES TO BE IMPLEMENTED IN DISTRICT/ METRO				
PILLAR NAME	NATIONAL/ PROVINCIAL MTSF PRIORITIES	EC PDP PRIORITIES	DISTRICT/ METRO PRIORITIES	MAKANA MUNICIPALITY
PILLAR 1: DEMOGRAPHIC CHANGE AND PEOPLE DEVELOPMENT	Priority 3: Education, Skills, and Health Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services Priority 6: Social Cohesion and Safer Communities	Goal (Impact Area) 4: Human Development <ul style="list-style-type: none"> • Increase access to Early childhood development. • Improved quality of primary and secondary education for improved educational outcomes. • Increase skills for development of the province. • Improved health profile and health outcomes in communities. • Improve the safety of the people in the Eastern Cape. • Promotion of Social Cohesion and moral regeneration. • Social Protection and Viable Communities. 	<ul style="list-style-type: none"> • Improve Service Delivery • Socio-economic upliftment 	<ul style="list-style-type: none"> • Basic Service Delivery and Infrastructure Development • Community and Social Cohesion
PILLAR 2: ECONOMIC POSITIONING	Priority 2: Economic Transformation and Job Creation	Goal (Impact Area) 1: Innovative and Inclusive Growing Economy <ul style="list-style-type: none"> • Stronger industry and enterprise support. 	<ul style="list-style-type: none"> • Job Creation • Local Economic Development 	<ul style="list-style-type: none"> • Local Economic Development and Planning

LIST OF GOVERNMENT PRIORITIES TO BE IMPLEMENTED IN DISTRICT/ METRO				
PILLAR NAME	NATIONAL/ PROVINCIAL MTSF PRIORITIES	EC PDP PRIORITIES	DISTRICT/ METRO PRIORITIES	MAKANA MUNICIPALITY
		<ul style="list-style-type: none"> • Rapid development of high-potential economic sectors. • Spatially balanced economic development, urban development, and small-town revitalization. • Digital transformation and development of the ICT sector. <p>Goal (Impact Area) 3: Rural Development and an Innovative and High-Value Agriculture Sector</p> <ul style="list-style-type: none"> • Sustainable community agriculture and diversified livelihoods. • Development of agricultural value chains. • Accelerate land reform and land rehabilitation programmes. 		
PILLAR 3: SPATIAL RESTRUCTURING AND ENVIRONMENTAL SUSTAINABILITY	Priority 5: Spatial Integration, Settlements and Local Government	<p>Goal (Impact Area) 2: An Enabling Infrastructure Network</p> <ul style="list-style-type: none"> • Develop sustainable and integrated settlements. <p>Goal (Impact Area) 5: Environmental Sustainability</p>	Spatial integration	Basic Service Delivery and Infrastructure Development

LIST OF GOVERNMENT PRIORITIES TO BE IMPLEMENTED IN DISTRICT/ METRO				
PILLAR NAME	NATIONAL/ PROVINCIAL MTSF PRIORITIES	EC PDP PRIORITIES	DISTRICT/ METRO PRIORITIES	MAKANA MUNICIPALITY
		<ul style="list-style-type: none"> Safeguarding ecosystems and existing natural resources. Respond to climate change and green technology innovations. Improvement of environmental governance. 		
PILLAR 4: INFRASTRUCTURE ENGINEERING	Priority 2: Economic Transformation and Job Creation Priority 5: Spatial Integration, Human Settlements and Local Government	Goal (Impact Area) 2: An Enabling Infrastructure Network <ul style="list-style-type: none"> Build resilient economic infrastructure that promotes economic activity. Universal access to basic infrastructure. Sustainable energy and electricity provision. Develop sustainable and integrated settlements. Improve infrastructure planning, delivery, operations and maintenance. 	Basic Service Delivery and Infrastructure Development	Basic Service Delivery and Infrastructure Development
PILLAR 5: INTEGRATED SERVICE PROVISIONING	Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services	Goal (Impact Area) 2: An Enabling Infrastructure Network <ul style="list-style-type: none"> Universal access to basic infrastructure. 	Basic Service Delivery and Infrastructure	<ul style="list-style-type: none"> Basic Service Delivery and Infrastructure Development

LIST OF GOVERNMENT PRIORITIES TO BE IMPLEMENTED IN DISTRICT/ METRO				
PILLAR NAME	NATIONAL/ PROVINCIAL MTSF PRIORITIES	EC PDP PRIORITIES	DISTRICT/ METRO PRIORITIES	MAKANA MUNICIPALITY
PILLAR 6: GOVERNANCE AND FINANCE	Priority 1: A Capable, Ethical and Developmental State Priority 7: A Better Africa and World	Goal (Impact Area) 6: Capable Democratic Institutions <ul style="list-style-type: none"> • Building the Capability of the State to deliver. • Transformed, Integrated and Innovative Service Delivery. • Instilling a culture of good corporate governance. • Build multi-agency partnerships. 	<ul style="list-style-type: none"> • Build Institutional Capacity & Financial Viability • Single window of co- ordination • Governance and Public Participation • Municipal Transformation and Organisational Development 	<ul style="list-style-type: none"> • Institutional Capacity and Organisation Development • Good Governance and Public Participation

1.3.7 Reflections from the State of the Nation and State of the Province

Reflections from the State of the Nation Address: 9 February 2023	Reflection from the State of the Province Address: 24 February 2023
<ul style="list-style-type: none"> • What we have achieved as a nation over the past year, despite our challenges, remind us that the promise of South Africa is alive. Our country has, for many months, endured a debilitating electricity shortage that has caused immense damage to our economy. Without a reliable supply of electricity, our efforts to grow an inclusive economy that creates jobs and reduces poverty will not succeed. Our most immediate task is to dramatically reduce the severity of load shedding in the coming months and ultimately end load shedding altogether. • We are concentrating on those issues that concern South Africans most: <ul style="list-style-type: none"> • Load-shedding- Unemployment- Poverty and the rising cost of living- Crime and corruption • Our most immediate priority is to restore energy security. We are declaring a national state of disaster to respond to the electricity crisis • As we take actions to restore the energy crisis, we are mindful of the risks that climate change poses to our society. Extreme weather events in the form of drought, floods and wildfires increasingly pose a risk to the health, well-being, and safety of people. • We see the commitment of social partners to achieve common goals and in partnerships to end gender-based violence and femicide and to respond to the effects of climate change. • Just as energy is essential for economic growth, so is a reliable water supply and an efficient transport and road infrastructure system • To address water security the Department of Water and Sanitation is leading the process of investing in major infrastructure projects across the country. 	<ul style="list-style-type: none"> • Sharing a story of good progress on the seven priorities of the Sixth Administration: creating inclusive economic growth opportunities; provision of quality healthcare and education; provision of basic services such as water, roads, electricity and building safer communities. • Investment attraction and job creation: Recorded growth in the Eastern Cape GDP in the first three quarters of 2022 and employment increased by 144 000 between Q3 of 2021 and Q3 of 2022. More must be done to unlock economic growth to increase employment. • In 2022 the Provincial Investment Conference attracted 11 new investors with a combined value of R 46 billion. As a province we must attract more investment and have established the Eastern Cape Economic Development Fund. • Continue to support the agricultural sector and provide the inputs its needs to thrive and grow. • Aquaculture is an agricultural sector we are focusing on to explore the vast ocean estuaries and rivers in our province. • Explore and exploit the growing demand for hemp and support to traditional farmers • Tourism plays a major role in our economy (5.7 million domestic tourist visited the Eastern Cape). We are committed to roll out infrastructure to improve access to tourist destinations. • Support will continue to be provided to grow our nascent film industry • As infrastructure is a lever for economic development, one of our most critical infrastructure asset in any economy is the road network which facilitates the movement of people and goods. • A part of the R 4 billion in road projects there will be upgrades to the, R 336 from Kirkwood to Addo, N2 from Grahamstown to Fish River, N2 from Gamtoos River to Van Stadens River in the Sarah Baartman District Municipality. • Road maintenance of rural roads will be supported with the purchase of 36 new items of yellow fleet plant machinery. • Bulk water projects have been completed in Makana, Graaff Reinet, Jansenville, Kliplaat, Misgund, Paterson and ADDO will be completed in the new financial year • A critical area to alleviate the electricity crisis in the province is to urgently increase the capacity

<ul style="list-style-type: none"> • Technical skills and project management capacity is being built to overcome the skills shortage • Further release of valuable spectrum to reduce the costs of data is being rolled out. • Support to traditional farmers for the cultivation of hemp and cannabis • Establishment of SME Fund to unlock potential of SMME's. • We will take steps to unlock the massive value of poor households by expediting the provision of title deeds for subsidised houses. • Enhanced support to create a safer South Africa • Government is implementing a few initiatives to address the failures of local government and improve basic service delivery 	<ul style="list-style-type: none"> • of the electricity grid • Efforts must be increased to reduce the level of crime in or province in particular the levels of gender-based violence and femicide
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1.3.8 THE PROVINCIAL BUDGET SPEECH

1.3.8.1 ECONOMIC OUTLOOK:

Our immediate task is to advance the interests of our people by responding to challenges of youth unemployment, infrastructure, and low performance of sectors of great potential as springboards of recovery and growth. This Budget is therefore prepared to set the Eastern Cape government on the right path to achieving our priorities and advancing the interest of the people.

Our economy as the province is affected by the global and national economic circumstances. Current growth forecasts for 2023 indicate that world economic growth will likely be lower to 2.9 per cent, particularly across several major economies including the United States and European Union with the projection of 1.4 and 0.7 per cent of growth in 2023, respectively. The prolonged war between Russia and Ukraine will further negatively affect global energy and food supplies, leading to higher prices.

Whilst the Country's economy grew by 2 per cent in 2022, it is still not enough to drive growth and create the much-needed employment opportunities. The real GDP growth for the 2023 medium term is estimated at 1.4 per cent. The province's growth is expected to be 1.7 per cent in 2022 with an average growth of 1.2 per cent over the medium-term. In line with the Provincial Development Plan, we must still reach about 5 per cent growth to make any meaningful impact to the economy.

1.3.8.2 FISCAL OUTLOOK

Madam Speaker, our fiscal position remains tight, owing to the constrained state of the economy and the resultant budget losses we experienced in the recent past. These conditions require us to continue with our balancing act in catering for our APEX priorities and sufficient resourcing for economic recovery, reconstruction, and relief efforts. It is in consideration of these motives that our budget for the 2023 Medium Term Expenditure Framework (MTEF) will be underpinned by the following principles:

- Resourcing economic development initiatives whilst protecting social services.
- Strengthening government capacity to implement infrastructure projects and deliver services; and encouraging good governance and transparency to realise value.

We are pleased that national government will not be implementing any budget cuts in the coming MTEF, which affords us some breathing space and a slight improvement in the provincial fiscus. It is a story of good progress that, for the first time since 2013, the Province has nominally gained R6 billion in its fiscus for 2023/24 and about R12.2 billion over the MTEF, albeit the losses we had experienced in the past outweigh the new gains.

All these positives give evidence that the government's fiscal consolidation strategy is yielding benefits in the current economic conditions. We therefore shall continue with that strategy. The strategy will include continued implementation of cost containment measures by prioritising funds on key service delivery areas rather than on non-core items, whilst also improving governance and oversight in the province.

We will continue to internalise within government, the implementation of the Zero-Based Budgeting and Expenditure Performance Review models as to align spending with strategic outcomes and service delivery priorities and eliminate inefficiencies on expenditure whilst strengthening allocative efficacy. The province's total fiscal envelop is R89. 6 billion, which is made up of Provincial Equitable Share (PES) allocations of R73. 2 billion, conditional grants of R14. 6 billion and R1for 2023-24 financial year. The rolled out in the 2023/24 financial year and it has a budget allocation of R1 billion and is targeting to benefit 40 100 unemployed youth.

1.3.8.3 EFFORT TO SUSTAIN ECONOMIC RECOVERY AND INSPIRE GROWTH

Investing in business: Eastern Cape Economic Development Fund (ECEDF) in 2023, with the aim of anchoring economic development objectives of the province. That Economic Development Fund has now been established and will be rolled out in the coming medium term, and Eastern Cape Development Corporation (ECDC) will be the implementing agent for this Fund.

Leveraging on investment to sustain growth and create jobs: Provincial Investment Conference held towards the end of last year demonstrated that the province has a compelling investment value proposition, as we announced 10 new investments totalling R46.8 billion.

The provincial entities, which are mandated to improve the economic standing of the Eastern Cape, will continue to drive these investment opportunities and projects, with Coega Development Agency (CDA), East London Economic Development Zone (ELIDZ), ECDC, Automotive Industry Development Centre (AIDC) and Eastern Cape Parks and Tourism Agency, leading the pack.

Economic infrastructure delivery: The recent SOPA Address by Honourable Premier reiterated our drive and commitment for delivery of economic infrastructure, as it is our lever to maximise job creation, economic growth and transformative development in the province. Considering the historic infrastructure backlogs in the Province, a deliberate, focused and urgent support is really needed from national government. We appreciate the number of big infrastructure projects that are currently being implemented by national government in the Province, as they are set to create much needed jobs, but also change the lives of our people for the better.

Strengthening Infrastructure Delivery: The delivery of the infrastructure, we want to entrench a collaborative approach that is underpinned by the District Development Model to explore areas of integration and linkages within the three sphere of government, with special focus on provincial projects, municipal projects, programmes and plans. The focus is to ensure that the infrastructure funds are utilised such that there is value created on the ground. These efforts consider the current disinvestment and under performance that we are observing in the infrastructure delivery space. To improve capacity in the space, the Province is also prioritizing to invest in the transversal and inter-sphere capacity building, particularly on planning and execution, focusing on contractors, professionals as well as oversight capacity to ensure that the Gross Capital Formation is not negatively affected

1.3.8.4 BUDGET STRATEGY AND SPENDING PLANS

Budget strategy and spending approach is guided by the Provincial Development Plan, the Provincial Medium Term Strategic Framework, Executive Council Lekgotla resolutions and the recent State of the Province Address.

- **R41.1 billion** will allocated to the Department of Basic Education to improve provincial education outcomes.
- Department of Health has been allocated an amount of **R28.1 billion** to continue with their efforts of improving the health status of the province. An additional amount of **R967.7 million** in 2023/24 financial year and R3 billion over the 2023/24 MTEF has been allocated for the compensation of employees and service backlogs, including antiretroviral therapy, TB, medicine and other goods and services.

- The Department of Social Development has, in this regard, has been allocated **R2.8 billion** to protect the social welfare of our people. Of that amount, **R15.7 million** is set aside for the rollout of social behavioral change programmes to assist with crime prevention. These programmes seek to address risky and harmful social behaviours. We have also allocated **R15.7 million** over the 2023/24 MTEF for 20 departmental Gender Based Violence initiatives, mainly for the provision of psychosocial and victim empowerment services.
- **R115.1 million** in 2023/24 is allocated to Community Safety to bring about social cohesion in our communities. These funds will be directed towards crime prevention mobilization across hotspot areas in province.
- It is believe that sport and recreational activities have a role to play in curtailing some of these violent behaviours. Provincial government has allocated **R993.3 million** to the Department of Sports, Recreation, Arts and Culture to develop, promote and transform the talents of especially the young people, including at school level.
- In this regard, we are allocating **R5.6 billion** to the department of Transport to, among other things, continue with the construction and resealing of provincial roads, including roads that connect to economic and social amenities.
- Province is beginning to take advantage of the comparative advantage it has on agriculture. This entails various food security programmes that will cater for both household and commercial side. The the 6th term of government administration has made investment to the value of **R799 million** in the past three years to support grain, red meat, and citrus producers, led by the Department of Rural Development and Agrarian Reform. Provincial government has allocating **R237.7 million** for 2023/24 and **R2.3 billion** over the medium term to DRDAR to continue with this support.
- The influx of people in the urban areas from rural areas is a major problem that is facing the province. This problem creates continuous demand for social housing units in the urban areas. There is a great need for improved spatial planning programme between Human Settlements, Rural Development and Agrarian Reform, Corporative Governance and Traditional Affairs and other affected institutions as part of the plan to avert this prolonging problem. To continue providing an integrated and sustainable human settlement to communities, however, we are allocating **R2.5 billion** to the Department of Human Settlements.

1.3.8.5 INVESTING ON OVERSIGHT, TRANSPARENCY, AND ACCOUNTABILITY

The provincial government is invest on oversight, transparency and accountability to eliminate inefficiencies in the system. Once again, appeal to Executive Authorities, to implement consequent management where transgressions have been committed, if we are to come out of current challenges.

Likewise, there has been progressive improvements on the number of municipalities that adopted unfunded budgets in the current municipal financial year which has reduced from nine to seven municipalities in 2022/23. We must support municipalities to improve their audit outcomes to unqualified status so we achieve more than eight that had improved audit outcomes during the 2021/22 financial year. One of our major challenges is having majority of our municipalities in financial distress, which affects their financial sustainability. Causes for 26 this is poor revenue collection and poor implementation of the Cost Containment measures.

Our poor performance in infrastructure delivery is largely seen at municipalities, against high levels of service delivery backlogs. We continue to underspend on infrastructure grants whilst our roads are dilapidating, provision of electricity is in crisis mode and water & sanitation challenges are at our doorstep. As a result, the Province continues to lose conditional grant funding due to this underspending and funds returned to the National Revenue Fund. Provincial government will however enhance measures to assist municipalities improve the situation, through the risk adjusted strategy.

We will work with them to identify additional revenue streams to improve revenue collection. I also wish to implore us to pay municipalities for the services that they render. A consolidated debt owed to municipalities by 31 December 2022 was R32.1 billion, with households accounting for R23.8 billion, R6.4 billion by the business and R1.5 billion by organs of state. Support and guidance is provided to Municipalities to improve procurement for infrastructure projects by implementing the Local Government Framework for Infrastructure Delivery and Procurement Management (LGFIDPM).

1.3.9 BACK TO BASICS (B2B)

Local government has been a primary site for the delivery of services in South Africa since 1994. Tremendous progress has been achieved in delivering water, electricity, sanitation and refuse removal at a local level. These rates of delivery are unprecedented in world-wide terms. It is therefore important to understand where we are, where we could be and what must still be done. Our goal is to improve the functioning of municipalities to better serve communities by getting the basics right through the Back-to-Basics Programme. The programme is about serving the people at the basic level through the five pillars:

- Good governance
- Public Participation: Putting people first
- Basic Services: Creating conditions for decent living
- Sound financial management
- Building Capable Institutions and Administrations

1.3.10 MAKANA's DEVELOPMENT PRIORITIES:

Makana Municipality has adopted the Local Government Strategic Agenda Priorities as the priorities that will achieve their respective visions. This is in line with aligning IDP and Budget for MSCOA (Municipal Standard Charter of Account) reporting and in response to the call to President and Premier to be visible and active champions of the National Development Plan with their offices being the catalytic agencies to drive implementation at Provincial and Municipal levels.

The five year IDP responds to the NDP, PDP, MTSF and Provincial Strategic Priorities by identifying the development priorities listed below for the Makana Local Municipality. The combination of community planning with inter-spheres strategic planning will culminate in local initiatives becoming central to provincial and national government programs that will manifest in credible IDPs which are reflective of a developmental state.

In order to ensure that Makana Municipality is empowered to deliver on a flow of priority services, this review process will endeavour to respond to the challenges being experienced at community level.

It will align priorities by eliminating poor integration between the municipality and the programs of various sector services in the IDP. The table below is the list of Propose Six Development Priorities

Table 4: Makana's Development Priorities

NUMBER	2022-2027 DEVELOPMENT PRIORITIES
Development Priority No. One:	Basic Service Delivery and Infrastructure Development
Development Priority No. Two:	Community and Social Development
Development Priority No. Three	Local Economic and Planning
Development Priority No. Four	Institutional Capacity and Organisation Development
Development Priority No. Five	Financial Viability and Management
Development Priority No. Six:	Good Governance and Public Participation

1.4 PROCESS PLAN (2023-2024 CYCLE)

Council formulated and adopted an IDP Process Plan August 2022 to serve as guide in preparation for the review of the Integrated Development Plan. In brief the IDP Process Plan outlines the time frames of scheduled events / activities, and co-ordinate structures involved in the processes.

The Integrated Development Planning (IDP) Process is a process through which Municipalities prepare **strategic development plans** for a five-year period.

An IDP is one of the key tools for Local Government to cope with its developmental role and seek to arrive at decisions on issues such as municipal budget, land management, promotion of local economic development and institutional transformation in a consultative manner.

1.11.1 OBJECTIVE OF THE IDP REVIEW PROCESS PLAN

Makana Municipality wants to continue to develop its IDP as an effective management tool for the municipality, this includes:

- Creating a greater level of focus and thereby improving on the strategic nature of the document.
Aligning this strategic document with the realities of the resources available i.e. financial and human,
- Alignment of the IDP with the activities of the SDBIP, Sector Departments and other service providers (vice versa) and
- Alignment of the IDP with the various sector plans.

1.11.2 APPROACH FOR REVIEW 2022-27 FIRST EDITION 203-24

- Strategic review of the refining of strategies of 2023-24
- Sector Alignment
- IDP –Budget Alignment
- Community Engagement (Public Participation)
- Review of status of the sector plans
- Compliance with MSCOA
- MEC Comments

1.11.3 INTEGRATED DEVELOPMENT PLAN (IDP) MEC ASSESSMENT REPORT 2021-22

The annual assessment of Integrated Development Plans by provincial government is important, as it is stipulated in Chapter 5 of the Local Government Municipal Systems Act 32, of 2000(MSA). Provincial assessments afford the provincial sphere of government an opportunity to exercise its monitoring and support role to municipalities as stipulated by the Constitution. Furthermore, it provides an indication of the ability and readiness of municipalities to deliver on the legislative and constitutional mandate.

1.11.3.1 Key Role Players

This report encapsulates MEC comments on behalf of Department of Co-operative Governance & Traditional Affairs), as provided by both Provincial and National departments on the reviewed Final Integrated Development Plan (IDP).

1.11.3.2 Assessment Methodology

In order to align with the Disaster Management Act Regulations and the Consolidated Covid-19 Direction on Health and Safety in the Workplace, Gazette No. 43400 of 04 June 2020, the Department conducted the IDP Assessment internally. KPA Leaders were appointed to manage the assessment teams comprised of CoGTA officials, sector departments and State Owned Enterprises. The KPA Leaders, supported by Cogta District IDP Coordinators, consolidated assessment findings and developed reports with action plans. The institutions/departments which took part in this year's assessment are as outlined below:

Table 8: Provincial Key Performance Areas

KPA 1	Spatial Considerations with these departments; 1) Eastern Cape Department of Cooperative Governance & Traditional Affairs; 2) Economic Development, Environmental Affairs and Tourism (DEDEAT); and 3) South African Police Services (SAPS)
KPA 2	Service Delivery and Infrastructure Planning with these sector departments and one State Owned Enterprise (SOE) respectively; 1) Roads; 2) Transport; 3) Economic Development, Environmental Affairs and Tourism (DEDEAT); 4) Safety and Liaison; 5) Energy; 6) Water & Sanitation; 7) Rural Development and Agrarian Reform; 8) Eskom; 9) and; 10) Municipal Infrastructure Support Agency (MISA).
KPA 3	Financial Planning and Budgets with these sector departments; 1) Eastern Cape Department of Cooperative Governance & Traditional Affairs; 2) Eastern Cape Provincial Treasury; 3) Energy; 4) Water & Sanitation
KPA 4	Local Economic Development (LED) with these sector departments; 1) Eastern Cape Department of Cooperative Governance & Traditional Affairs 2) DEDEAT; 3) Eastern Cape Rural Development Agency (ECRDA); 4) Eastern Cape Development Agency (ECDC) and Statistics South Africa (Stats SA).
KPA 5	Good Governance and Public Participation verified by Eastern Cape Department of Cooperative Governance & Traditional Affairs.
KPA 6	Institutional Arrangement verified by Eastern Cape Department of Cooperative Governance & Traditional Affairs.

1.11.3.3 Specific outcomes

The municipality has tabled, adopted and submitted its 2021-22 Reviewed Integrated Development Plan. The municipality has conformed to the Council Approved Process Plan.

The municipality has to ensure compliance with the core components of an IDP as prescribed by section 26 of Municipal Systems Act (MSA).

1.11.3.4 Overall rating

The ratings ranged from low, medium to high within the following context:

Table 9: Performance Rating

Level of Performance	Scores	Performance Description	Action required
Low	1 -33%	Poor	Immediate Intensive Intervention
Medium	34 – 66%	Satisfactory	Minimum support required
High	67 – 100%	Good	Benchmarking

Table 10: MEC 2021/22 Assessment Overall Result

Key Performance Areas	Rating 2020-21	Rating 2021-22	22/23
KPA1: Spatial Considerations	High	High	High
KPA2: Service Delivery and Infrastructure Planning	High	High	High
KPA 3: Financial Planning & Budgets	High	Medium	Medium
KPA 4: Local Economic Development	High	High	High
KPA 5: Good Governance and Public Participation	High	High	Medium
KPA 6: Institutional Arrangement	High	High	High
Overall Rating	High	High	High

1.11.4 ROLES AND RESPONSIBILITIES - INTERNAL AND EXTERNAL

Table 11: ROLES AND RESPONSIBILITIES

ROLE PLAYERS	ROLES AND RESPONSIBILITIES
Council	- Final decision making
	- Approval of the reviewed IDP document
Ward Councillor	- Linking the IDP process with their constituencies.
	- Organizing public participation at Ward level.
Mayor	- Assign responsibilities to the MM.
	- Submit the IDP Process Plan to Council for approval.
	- Chair the IDP Representative Forum. - Chair the IDP and IGR Forums
Municipal Manager	- Prepare IDP (Integrated Development Plan) process plan.
	- Ensures that timeframes are adhered to.
	- Decide on and monitor IDP process. - Overall management and co-ordination.
Chief Financial Officer	- Alignment of IDP and Budget
	- Input on the Development of SDBIP (<i>Service Delivery & Budget Implementation Plan</i>)
Mayoral Committee	- Helps to harness common understanding between political and administrative components before the IDP reports are considered at Council meeting.
	- Makes recommendations to the IDP Representative Forum.
IDP Manager	- Day to day management of the IDP process.
	- Co-ordinate technical or sector expertise.
	- Co-ordinate Sector plan inputs
	- Prepare draft progress reports.
	- Alignment of IDP and Budget
	- Plan stakeholder Engagement
	- Integration with Sector departments - Plan Public Participation Engagement
IDP Steering Committee (Using SMT)	- Assist and support the Municipal Manager and IDP Representative Forum. - Information “GAP” identification. - Oversee the alignment of the planning process internally with those of the Local Municipality areas. Mayoral Committee lead related this [rpcess
The District Council	- Co-ordination role with all Local Municipalities within the District. - Ensuring horizontal and vertical alignment of the IDPs of the Municipalities in the District Council area.

ROLE PLAYERS	ROLES AND RESPONSIBILITIES
	<ul style="list-style-type: none"> - Facilitation of vertical alignment of IDPs with other spheres of Government and Sector Departments. - Provide events for joint strategy workshops with Local municipalities, Provincial and National Role Players and other subject matter specialist.
Ward Committees	<ul style="list-style-type: none"> - To be consulted on an individual or collective basis to establish community needs and reach consensus on IDP Projects/ Initiatives and Priorities.
IDP Representative Forum(use IGR Forum)	<ul style="list-style-type: none"> - Representing public interest and contributing knowledge and ideas.
Government Departments, Parastatals and NGO's	<ul style="list-style-type: none"> • Provide data and information. • Budget information • Alignment of budget with the IDP • Provide professional and technical support. • To assist in facilitating the Community Based Planning (CBP)
Planning Expert and Sarah Baartman District Municipality	<p>Methodology guidance and professional support in:</p> <ul style="list-style-type: none"> ▪ Strategic and Town Planning ▪ Sector Plan Inputs ▪ IDP Document preparation. ▪ Alignment with National, Provincial and SBDM

1.11.5 MECHNISIM FOR COMMUNITY AND STAKEHOLDERS' PARTICIPATION

Table 12: COMMUNITY AND STAKEHOLDER PARTICIPATION

PHASE	PARTICIPATION MECHANISMS
Analysis	Community Based Planning (Mayoral Imbizo and IDP/Budget Road Shows)
	IDP Representative Forum (Community Stakeholder engagement)
Strategies and Objectives	District Level Strategy workshops
	Strategic Planning Session
Project Proposals	IDP Representative Forum Meeting
	Internal IDP/ Budget Alignment
Integration	Internal IDP/ Budget Alignment
Approval	Mayoral Imbizo's Community Engagement on budget
	Opportunity for comments from residents and stakeholder organizations

1.11.6 MECHNISIM FOR ALIGNMENT

Table 13: MECHANISM FOR ALIGNMENT

SPHERE	DEVELOPMENT PLANNING INSTRUMENT	RESOURCE ALLOCATION	ANNUAL CYCLE	REVIEW CYCLE
National	Medium Term Strategic Framework (MTSF)	National Budget: Medium Term Expenditure Framework (3 years)	1 April – 31 March	July – Sept
Provincial	Provincial Growth and Development Strategies	Medium Term Expenditure Framework (3 years)	1 April – 31 March	July – Sept
Sector	Strategic Plans for sector departments	MTREF (3 years)	1 April – 31 March	July – Sept
Local Municipality	Integrated Development Plan	Municipal Budget (5-year plan)	1 July -30 June	Sept – Feb

1.11.7 TIME SCHEDULE OF KEY DEADLINES FOR 2022-23

Table 14: KEY DEADLINE SCHEDULE

CATEGORY	ACTIVITY	TIME FRAMES
IDP and Budget	Preparation of an IDP / Budget Timetable	August 2022
	Co-ordination role of the budget process through preparation and completion of the process plan	September 2022
	<ul style="list-style-type: none"> • Tabling of the Timelines to Council • Submission of the Timelines to Provincial Treasury • Beginning of Annual Report Preparation Process. • Submission of the Budget Checklist • Preparation of the budget related Policies • Review of IDP and Budget processes and develop improvements. 	October 2022

IDP/Budget	<ul style="list-style-type: none"> • Determine the funding/revenue projections for the next three years. • CFO to liaise with Council regarding the strategic objectives for service delivery and development for the next three years • The Executive Mayor to determine the strategic objectives for service delivery and development for the next three years (IDP reviews) • A budget workshop will be held to clarify budgetary requirements and discussing the budget tool. 	November 2022
Budget	<ul style="list-style-type: none"> • Preparation of the draft budget by the various departments. • Directors to meet with their HOD's and any relevant staff members to discuss draft capital / operational 	November 2022
	budget to ensure that anticipated expenditure meets parameters set out by National / Provincial Government.	
Budget	<ul style="list-style-type: none"> • Budget plans, capital / operational budget and all related items to have been consolidated (based on the budget inputs submitted by Departments). 	December 2022 - Jan 2023
Budget and PMS	<ul style="list-style-type: none"> • Mid-Year Budget and Performance Assessment 	January 2023
IDP	<ul style="list-style-type: none"> • Review IDP Document Key Performance Areas 	February 2023
IDP	<ul style="list-style-type: none"> • Review Directorate Strategies (Strategic Planning sessions) 	February 2023
IDP	<ul style="list-style-type: none"> • Review Institutional Strategies (Institutional Strategic Planning) 	February 2023
IDP/Budget	<ul style="list-style-type: none"> • Tabling of Draft IDP and Budget 2023-24 by Mayor to Council 	31 March 2023
IDP/Budget	<ul style="list-style-type: none"> • Advertising of Draft IDP/Budget 	April 2023
IDP/Budget	<ul style="list-style-type: none"> • Directorate engagement on Draft IDP and Budget (Directorate session) 	March/ April 2023

IDP/Budget	• Presentation of Draft IDP/ Budget priorities document to Senior Management team	April 2023
IDP/Budget	• Institutional Strategic Planning	April 2023
IDP/Budget	• IDP/Budget Road Show (Mayoral Imbizo)	April /May 2023
IDP/ Budget	• Presentation IDP/Budget priorities to SMT	May 2022
IDP/Budget	• Presentation Final Draft of IDP/Budget Steering Committee	April 2023
IDP/Budget	• Presentation of Draft IDP/Budget Document to IDP Representative Forum	May 2023
IDP/Budget	• Presentation of Final IDP/Budget Document to Council for approval	31 May 2023

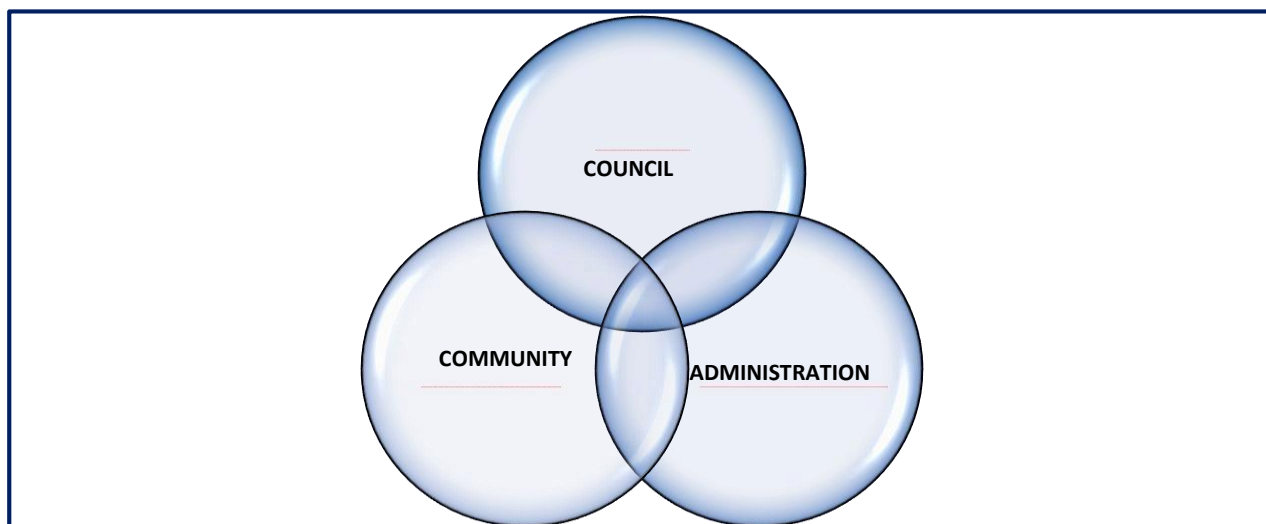
1.11.8 PUBLIC PARTICIPATION STRATEGY:

Our public participation strategy is based on the definition of a Municipality as contained in **Section 2 of the Municipal Systems Act** that states that a municipality consists of:

- The political structures of the municipality (Council).
- The administration of the municipality (Officials).
- The community of the municipality.

A municipality functions in its area in accordance with the political, statutory and other relationships between its political structures, political office bearers, administration and its community. This relationship can be depicted as follows:

Figure 1: Composition of a Municipality



Our public participation mechanisms comprise.

- * Sector engagements
- * Ward Public meetings
- * IDP Representative Forums
- * Ward Committee Meetings

The objective of the public participation process is to solicit inputs for the 2022-2027 IDP review. The Municipality established the following mechanisms to facilitate public participation.

1.11.9 STAKEHOLDER INPUT AND COMMUNITY BASED PLANNING:

The IDP is about determining the stakeholder and community needs as well as priorities which need to be addressed to contribute to the improvement of the quality of life of all residents within the Municipal area.

Various stakeholders and sector departments are involved during the drafting of an IDP development process, and this process comprises of 13 ward meetings and an IDP sector meetings.

The IDP public meetings are conducted to ensure that people are included in the planning and to assist the Municipality to achieve its long-term development objectives. It will also guide the ward in what it will do to take forward its own developmental programme with support from all role-players.

The Municipality has developed 14 Ward Development Plans through public meetings that were held in all 14 wards between 1st September and 31 December 2015, through Ward Based IDP Meetings.

The purpose of the Ward-Based IDP meetings was to include the ward priorities in the new IDP for 2017 -22. All wards have produced a ward development plan which informs the Municipality of the priorities of each ward. These Ward Plans are due for review.

Ward Development Plans include needs identification, and plans to address priorities, support needed from the Municipality and other stakeholders involved in the IDP process. The Municipality has also partnered and conducted different engagements that have been introduced in the province such as Provincial District assessment, SBDM IDP Representative Forums and District IDP Managers Forum. The IDP Representative contributes in finding solutions by reaching agreements with sector departments on enhancing service by addressing community issues that are specific- sector related. IDP priorities have been derived from the priorities from the wards, as have many elements of the plans, as well as IDP projects.

1.11.9.1. SECTOR ENGAGEMENTS:

In a bid to enhance the quality our public participation outcomes, we divided the Municipal area (Community Circle in figure above) into 14 sectors and have commenced with individual sector engagements with registered stakeholders in each sector.

Sector engagements take the form of on-going two-way dialogues between and amongst sector representatives and the Municipality and are proving to be very effective as they focus on issues as well as ways and means of resolving issues jointly. They also enable the Municipality to solicit more detailed inputs than it is possible to do in public meetings.

1.11.9.2 WARD PUBLIC MEETINGS

In terms of the approved Time Schedule of Key Deadlines, two series of Ward Public Meetings are convened as part of the IDP revision / budget process.

a) IDP MAYORAL IMBIZO

IDP Mayoral Imbizo are used as way engaging communities on their development priorities annually. In terms of the approved Time Schedule of Key Deadlines, the IDP Mayoral Imbizo where schedule to beheld as follow:

DATE	WARD	AREAS	VENUE	TIME	COMMENTS
07/03/2023	06 & 09	Ext 6, 26 sites, ext 4 & 5), pa	New indoor sport centre	17h30	Postponed due to weather(raining) and changes in load shading schedule
08/03/2023	07 & 10	Xolani,o,p,q,r,s,t ,u,v,w,x,y,z, lombo, lukwe, sofisa and archie informal settlement area	Tantyi hall	17h30	Done

08/03/2023	07 & 09	Hlalani location, ethuthwini, k,l	Foleys ground	17h30	Done-
14/03/2023	08 & 12	Sunnyside, cbd area, rhodes	City hall	17h30	Done
15/03/2023	10	A, b,c,d,e,wood street, raglan and victoria road, i,j,n,	Bb zondani hall	17h30	Done
16/03/2023	11	Ext 7, ethembeni,khay elitsha	Dlukulu clinic (tent	17h30	
16/03/2023	13 & 09	Vukani location	Open space rev lolwana street (tent)	17h30	Done
16/03/2023	13	Salem, farmerfield, garderns gate	Salem sports club	10:00	Done
16/03/2023	01	Kwanomzamo locatio	Alfred dike kota hall	10:00	Done
22/03/2023	14	Kwanonzwakazi location, transriviere and town	Town hall	10:00	Done

22/03/2023	03	Phumlani, mnandi and ext 10	Ebaleni ext 10	17h30	Done
22/03/2023	03	Ext 8 and 9, transit camp, phumlani and enkanini	Ext 9 community hall	17h30	Done
27/03/2023	04	Kingswood area, scotts farm and graeme college area	Recreation hall	17h30	Done
27/03/2023	05	Mary waters area, ghost town, lower and upper zolani sun city, hooggenoeg and vergenoeg	Oval tent 6	17h30	Done
28/03/2023	02 & 09	Ext 1 and 2, a – d and eluxolweni	Noluthando hall	17h30	Postponed due to poor attendance from the community

b) IDP/Budget Road Shows

IDP/Budget Road Shows are held annually to present proposed Draft IDP and Budget for the next financial year after they have been approved by Council.

DATE	WARD	AREAS	VENUE	TIME
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23/05/2023	02,03,05, 06, 09,11	<ul style="list-style-type: none"> All areas of ward 2, Ward 03 ext 10, Mnandi and Phumlanai, Zolani and Phaphamani, All areas of ward 05, all areas of ward 06, ward 9 d block, Extension 4 and Ext 5, and all areas of ward 11 	New indoor sport centre	17H00
24//05/2023	07, 09 & 10 & 13	<ul style="list-style-type: none"> All areas of ward 07, Hlalani, Vukani, Newtown, Ndancama, A and B street and all areas of Ward 10 	Foley's ground hall	11H00
24/05/2023	01, 03, 04 & 08	<ul style="list-style-type: none"> Ward 01 Hooggenoeg, ward 03 Phola park, all areas of ward 04 all areas of ward 08 	City hall	17H00

CHAPTER 2: SITUATION ANALYSIS:

2.1 SOCIO ECONOMIC PROFILE:

Makana Municipality is strategically situated between two of the province's largest industrial centres. Both coastal cities are served by well-equipped container ports and have major airports linking them to Cape Town, Durban and Johannesburg.

The Makana Local Municipality is a **Category B municipality (Area: 4 376km²)** located in the Eastern Cape Province on the South-Eastern seaboard and in the western part of the Eastern Cape Province. It is one of the seven municipalities in the Sarah Baartman District Municipality. With the cities of Port Elizabeth 120km to the West and East London 180km to the East.

Makana's area has nearly million hectares devoted to game. A range of public and private nature reserves span the area from the world famous Shamwari in the west to the magnificent Double Drift, Great Kei and Kwandwe Reserve in the east.

Makhanda, formerly Grahamstown was founded in 1812 and is entrenched in historical events, from the 1820 Settlers to a 100-year-old university. Makhanda is the hub of Makana Municipality and has more than 70 declare National Heritage Sites, one of which is the highest church spire in the country.

It is the seat of the High Court, the 104-year-old internationally recognised institution-Rhodes University, with a well established reputation for academic excellence and some prominent

and internationally acclaimed Primary/ High schools and Colleges. This small town hosts some of the oldest schools in the country.

Each year Makhandra comes alive with activity when the National Arts Festival comes to town. Visitors get the chance to see performances from national artists, experience the local markets, and get a taste of culture and indigenous cuisines.

The main economic sectors are Government, trade, finance and business services, manufacturing, agriculture, transport, construction and communication. The main Towns in Makana Local Municipality are Alicedale, Makhandra (formerly Grahamstown), Riebeeck East, and Sidbury.

2.1.1 DEMOGRAPHICS

2.1.1.1 Introduction

The demographic chapter provides an overview of the key demographic indicators that will inform municipal planning and budgeting. This chapter investigates the estimated population size and density thereof, the distribution of the population within the age cohorts, dependency ratios as well as the household size and density in the municipal area.

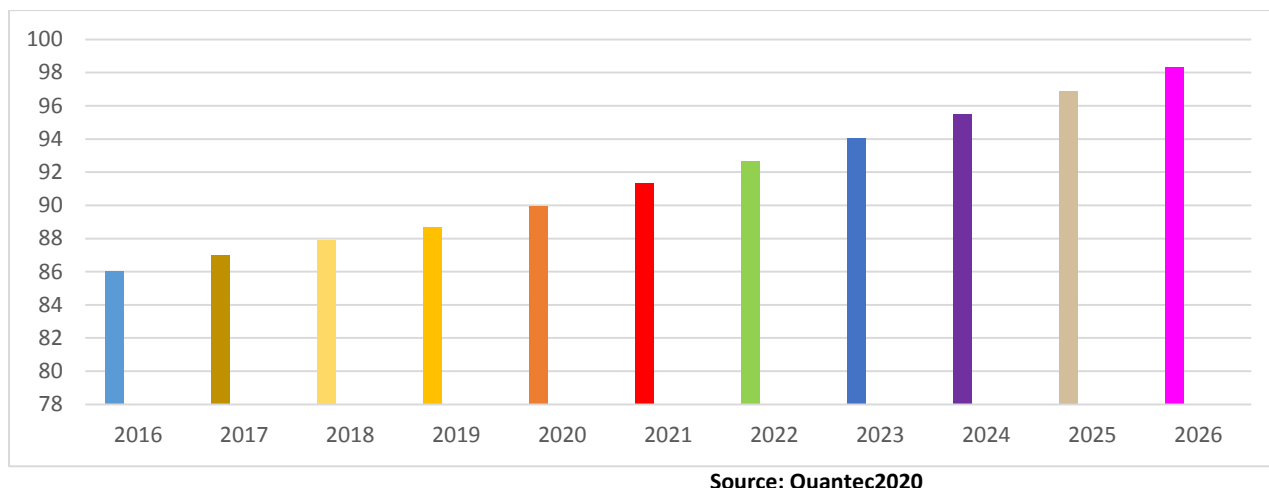


- **The municipal area is 4 375.6km²,**
- **Population span 20.9 people/km²**
- **with 24 104 households**

2.1.1.2 Total Population:

The population is the number of individuals who live within a specified area. The Makana Municipality had a population size of 86 068 people in 2016. The total population for the Sarah Baartman Municipality is estimated to increase to 98 356 by 2026, growing at an average annual rate of 0.39%.

Makana Population 2016-2026



2.1.1.3 Population projections

Based on the present age-gender structure and the present fertility, mortality, and migration rates, Makana's population is projected to grow at an average annual rate of 1.2% from 91 200 in 2021 to 96 600 in 2026.

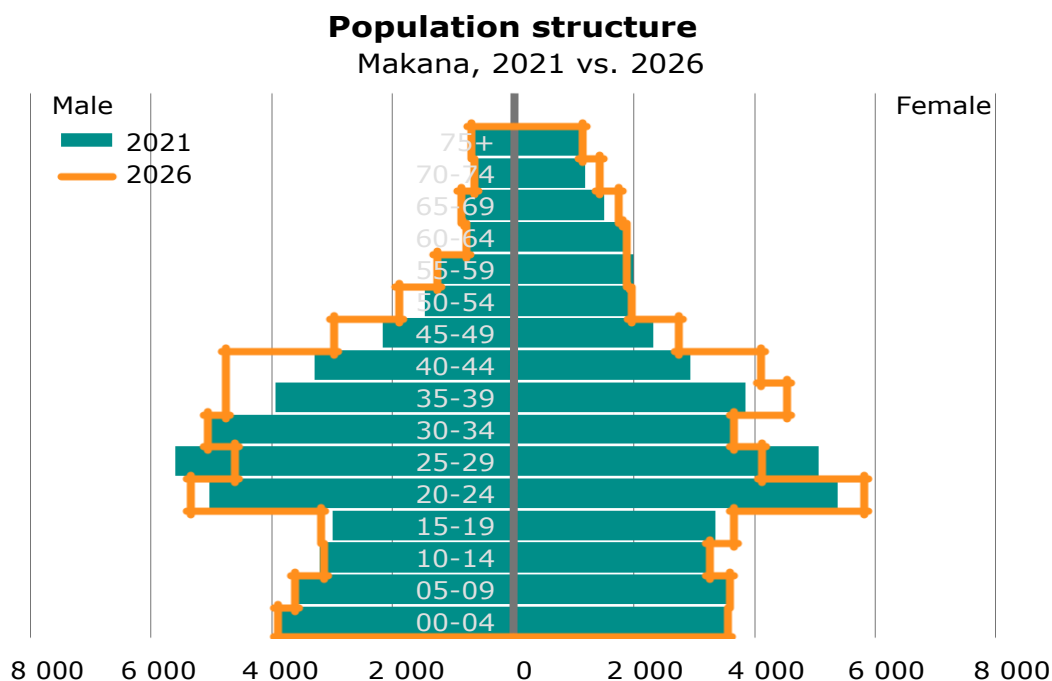
Table 2. Population projections - Makana, Sarah Baartman, eastern cape, and national total, 2021-2026 [numbers percentage]

Year	Makana	Sarah Baartman	Eastern Cape	National Total	Makana as % of District	Makana as % of Province	Makana as % of National
2021	91,200	536,000	7,400,000	60,300,000	17.0%	1.23%	0.15%
2022	92,100	543,000	7,470,000	61,100,000	17.0%	1.23%	0.15%
2023	93,100	549,000	7,550,000	61,900,000	17.0%	1.23%	0.15%
2024	94,200	556,000	7,630,000	62,700,000	16.9%	1.24%	0.15%
2025	95,400	563,000	7,710,000	63,500,000	17.0%	1.24%	0.15%
2026	96,600	570,000	7,780,000	64,300,000	17.0%	1.24%	0.15%
AVERAGE ANNUAL GROWTH							
2021-2026	1.17%	1.21%	1.02%	1.29%			

The population projection of Makana Local Municipality shows an estimated average annual growth rate of 1.2% between 2021 and 2026. The average annual growth rate in the population over the projection period for Sarah Baartman District Municipality, Eastern Cape Province and South Africa is 1.2%, 1.0% and 1.3% respectively. The Eastern Cape Province is estimated to have an average growth rate of 1.0% which is very similar than that of the Makana Local Municipality. The South Africa as a whole is estimated to have an average annual growth

rate of 1.3% which is very similar than that of Makana's projected growth rate.

CHART 2. POPULATION PYRAMID - MAKANA LOCAL MUNICIPALITY, 2021 VS. 2026 [PERCENTAGE]



The population pyramid reflects a projected change in the structure of the population from 2021 and 2026. The differences can be explained as follows:

- In 2021, there is a significantly larger share of young working age people between 20 and 34 (32.7%), compared to what is estimated in 2026 (29.6%). This age category of young working age population will decrease over time.
- The fertility rate in 2026 is estimated to be slightly higher compared to that experienced in 2021.
- The share of children between the ages of 0 to 14 years is projected to be significant smaller (21.8%) in 2026 when compared to 2021 (23.2%).

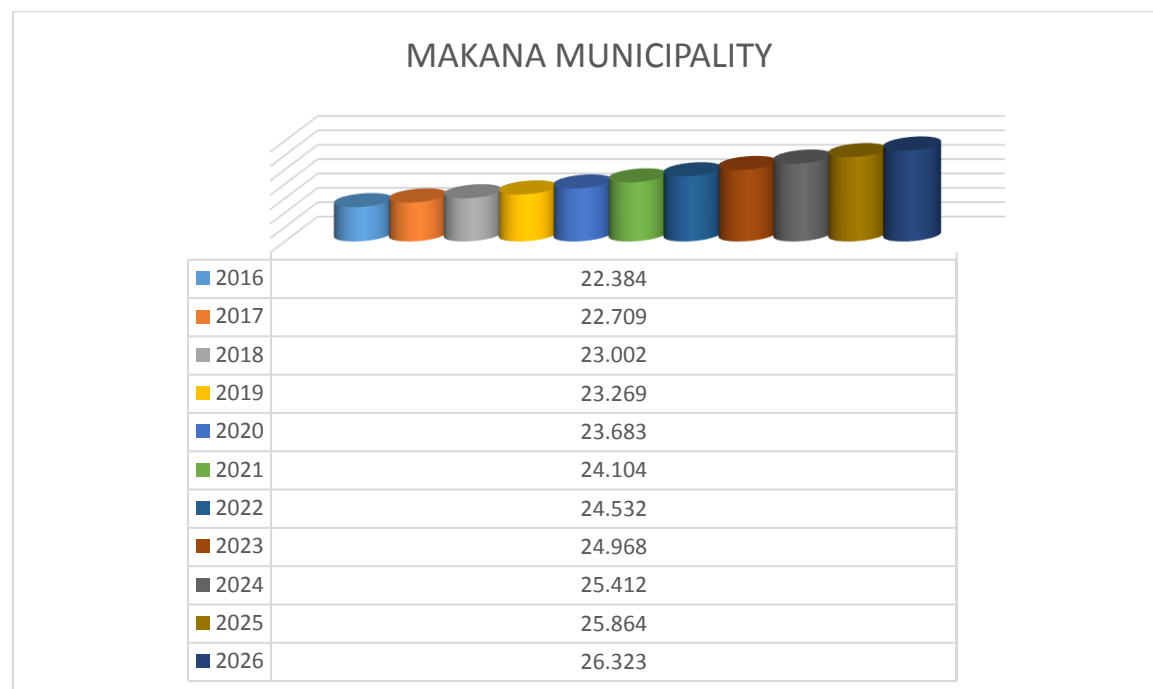
In 2021, the female population for the 20 to 34 years age group amounts to 15.6% of the total female population while the male population group for the same age amounts to 17.2% of the total male population. In 2026, the male working age population at 15.5% still exceeds that of the female population working age population at 14.1%, although both are at a lower level compared to 2021.

2.1.1.3 Households

A household is a group of people who live together, or a single person who lives alone. Makana Municipality had 22 384 households in 2016, which is expected to rise to 26 323 by

2026. With an average annual household growth rate of 0.52%. Makana's household growth is higher than that of Sarah Baartman District (0.37%).

Number of Households 2016-2026



Household sizes in Makana are larger than that of the Sarah Baartman District. In 2016 the average household size in Makana was 3.85 people. This is expected to marginally increase by 3.85 people in 2026.

Household Size 2016 - 2026	2016	2020	2026
Makana	3.85	3.85	3.85
Sarah Baartman	3.63	3.62	3.61

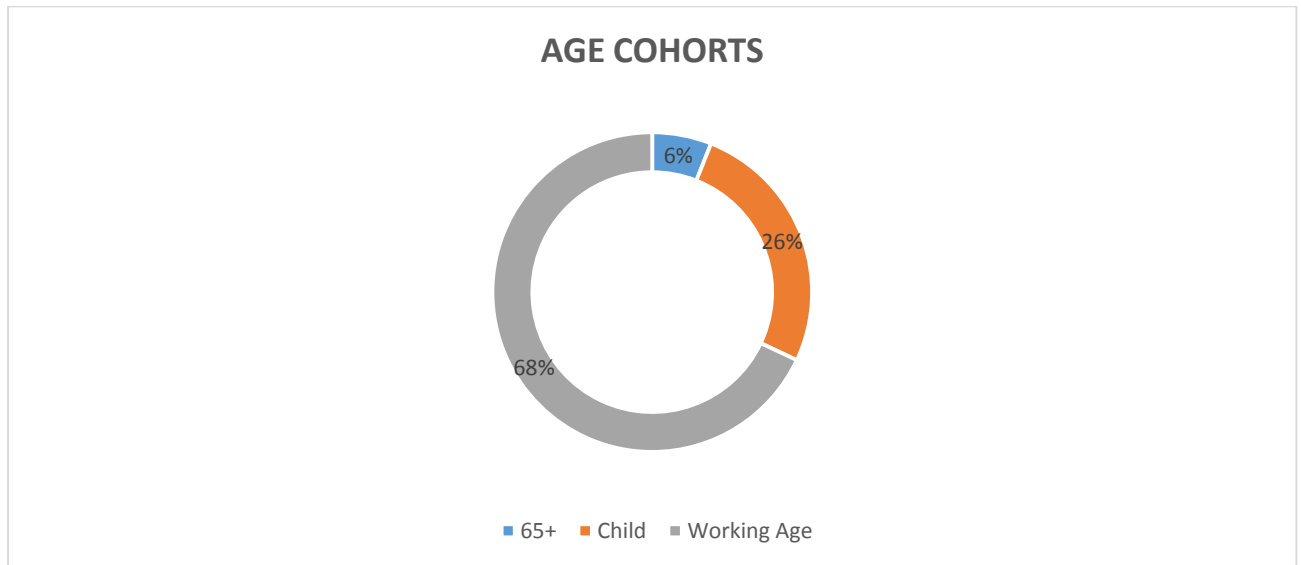
The composition of the households by population group consists of 79.2% which is ascribed to the African population group with the largest amount of households by population group. The Coloured population group had a total composition of 11.1% (ranking second). The White population group had a total composition of 9.0% of the total households. The smallest population group by households is the Asian population group with only 0.7% in 2021.

The growth in the number of African headed households was on average 1.16% per annum between 2011 and 2021, which translates in the number of households increasing by 2 010 in the period. Although the Asian population group is not the biggest in size, it was however the fastest growing population group between 2011 and 2021 at 1.57%. The average annual growth rate in the number of households for all the other population groups has increased with 0.89%.

2.1.1.4 Age Cohorts

Makana Municipality has a large child (25.9%) and working age (68%) population, while only 6.1 of the population is older than 65years.

Figure: Age Cohorts 2020



The dependency ratio is the ratio of dependents (people younger than 15 and older than 65) to the working age (15-64) population. The higher the ratio, the more financial burden there is on the working age population to support those who are not economically active.

2.1.1.5 Dependency Ratio 2016-2026	2016	2020	2026
Makana	46.4	46.8	46.8
Sarah Baartman	54.4	54.6	54.7

In 2020 the Makana Municipality had an estimated dependency ratio of 46.75% meaning that there are about 47 dependency for every 100 people of working age. The dependency ratio is expected to increase to 46.77% by 2026. The dependency ratio in Makana is lower compared to that of Sarah Baartman District. The Makana Municipality had an average population growth of 0.39% and a household growth of 0.52%. Household sizes are therefore increasing. This has implications for the demand of housing, as well as the types of housing that will be demanded in the future.

2.1.1.6 HEALTH

This section provides an overview of the key health indicators. The level of health of citizens can influence economic prosperity. Poor health negatively impacts labour productivity, increase the burden on healthcare facilities and reduces the quality of life of citizens.

This chapter will investigate the availability of healthcare infrastructure, HIV, child health outcomes and maternal health outcomes in the Makana municipality.

2.1.1.6.1 Healthcare Facilities

The table below indicates the number of healthcare facilities (private and public) in the municipality.

CATEGORY	NUMBER
National Central Hospital	0
Provincial Tertiary Hospital	0
Regional Hospital	0
District Hospital	1
Specialised Psychiatric Hospital	1
Specialised TB Hospital	1
Other Hospitals	0
Community Healthcare Centre [1]	1
Clinics	8
Other Primary Healthcare Centres [2]	4
Other Health Facilities [3]	4
Total	20

- Community healthcare centres include community day centres and midwife obstetric units
- Other primary healthcare centres include services such as environmental health services, mobile services and occupational health centres.
- Other health facilities include emergency medical station, frail care services, forensic pathology, laboratories, hospices, pharmacies, places of safety etc.

Source: Quantec2021

Settlers Hospital is the main health care facility in Makana area established in 1858. Settlers Hospital is located in Makana Sub-District, Makhanda within the Sarah Baartman Municipal District. It serves a population of 157998 (Makana /Ndlambe municipality).

- Settlers Hospital has 219 approved public beds, the hospital is currently functioning with 166 active/usable beds.
- Makana has 8 clinics under the department of health and other health facilities

All our primary health centres are opening from 08h00 to 16h30, 5 days a week except Joza clinic which opens seven days a week, including Saturday and Sunday. Professional nurses range bet (3-5) per clinic depending on the capacity of the clinic. Doctors visit clinics, some clinics once a week and others once in two weeks

Makana Municipality has two Ambulance Services i.e. EMS and Netcare. For those patients referred to either Port Elizabeth or East London there is transportation organised by the hospital and the ambulance service, on Monday, Wednesday and Friday to PE and Tuesday & Thursday to East London.

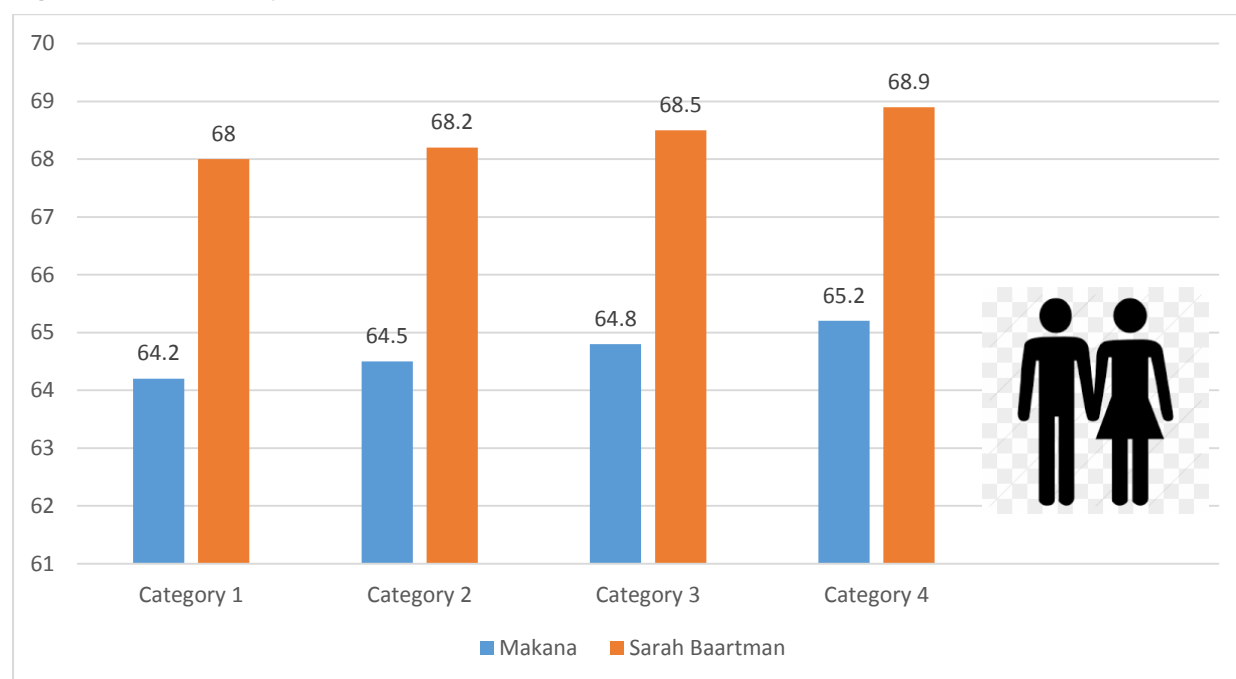
2.1.1.6.2 Common Diseases and Referral System

COMMON DISEASES:	REFERRAL SYSTEM:
<ul style="list-style-type: none"> • TB • HIV • Hypertension (High Blood pressure) • Diabetes • Arthritis • Asthma 	<ul style="list-style-type: none"> • Ward Based outreach Teams • Clinic • Community Health Centre • Hospital (District or TB hospital) • Port Elizabeth (Tertiary hospitals) – Specialist Clinics

2.1.1.6.3 Life Expectancy:

This is several years a new-born would live if prevailing patterns of age specific mortality rates at the time of birth were to stay the same throughout the child's life (DPME, 2017).

Figure: Life Expectancy



Quantec2021

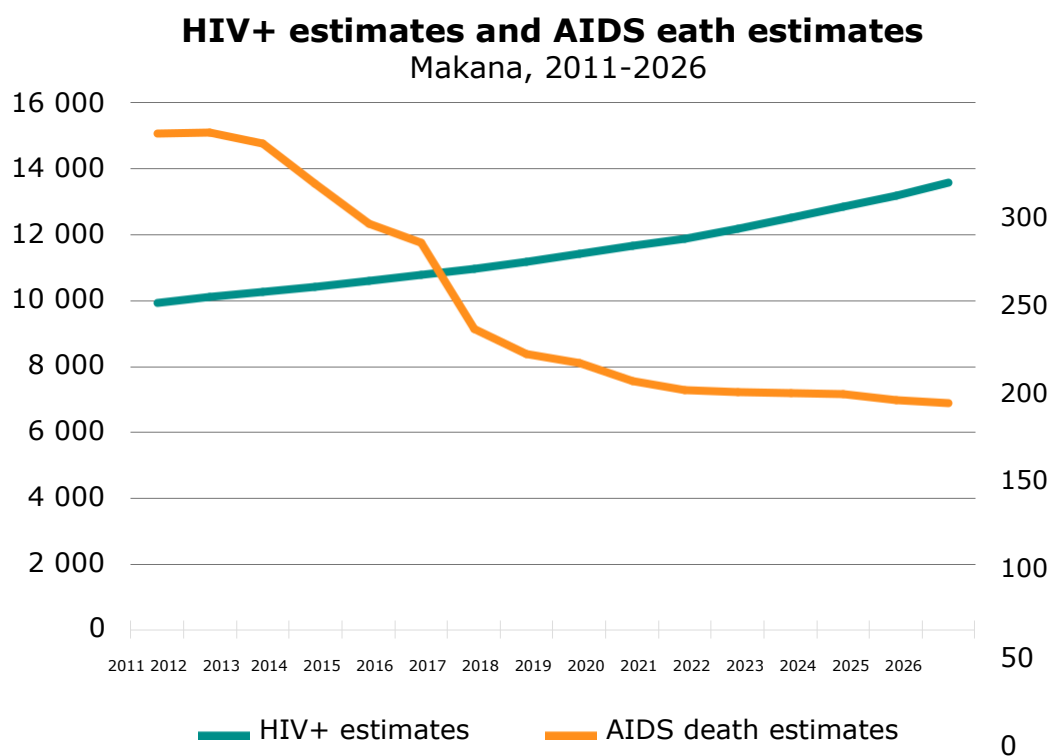
The life expectancy in Makana has increased from 64.2 to 65.2 between 2016 and 2019. Furthermore, Makana's life expectancy is less compared with that of the Sarah Baartman District.

2.1.1.7 Hiv+ and Aids estimates

HIV and AIDS can have a substantial impact on the growth of a particular population. However, there are many factors affecting the impact of the HIV virus on population progression: adult HIV prevalence rates; the speed at which the virus progresses; age distribution of the virus; the mother-to-child transmission; child treatment; adult treatment; and the percentage by

which the virus decreases total fertility. ARV treatment can also prolong the lifespan of people that are HIV+. In the absence of any treatment, people diagnosed with HIV live for approximately 10 years before reaching the final stage of the disease (called AIDS). When patients reach this stage, recovery is highly unlikely.

Charts. HIV Profile and Forecast 2011-26



Source: IHS Markit Regional eXplorer version 2257

2.1.2 ECONOMIC PROFILE

The Makana Local Municipality does not function in isolation from Sarah Baartman, Eastern Cape Province, South Africa, and the world and now, more than ever, it is crucial to have reliable information on its economy for effective planning. Information is needed that will empower the municipality to plan and implement policies that will encourage the social development and economic growth of the people and industries in the municipality respectively.

2.1.2.1 Gross domestic product by region (GDP-R)

GDP-R can be measured using either current or constant prices, where the current prices measure the economy in actual Rand, and constant prices measures the economy by removing the effect of inflation, and therefore captures the real growth in volumes, as if prices were fixed in a given base year.

Year	Makana	Sarah Baartman	Eastern Cape	National Total	Makana as % of District	Makana as % of Province	Makana as % of National
2011	4.6	25.8	255.4	3,327.0	17.8%	1.80%	0.14%
2012	5.1	28.9	283.4	3,566.4	17.7%	1.81%	0.14%
2013	5.5	31.5	305.7	3,868.6	17.4%	1.79%	0.14%
2014	5.9	33.8	326.3	4,133.9	17.4%	1.80%	0.14%
2015	6.4	36.6	352.9	4,420.8	17.4%	1.80%	0.14%
2016	6.7	38.9	373.2	4,759.6	17.3%	1.80%	0.14%
2017	7.2	41.7	400.4	5,078.2	17.3%	1.80%	0.14%
2018	7.6	43.5	420.2	5,348.6	17.4%	1.80%	0.14%
2019	7.8	44.8	436.0	5,613.7	17.5%	1.79%	0.14%
2020	7.7	44.0	426.6	5,556.9	17.6%	1.81%	0.14%
2021	8.5	48.5	473.5	6,225.4	17.6%	1.80%	0.14%

Source: IHS Markit Regional eXplorer version 2257

With a GDP of R 8.52 billion in 2021 (up from R 4.59 billion in 2011), the Makana Local Municipality contributed 17.57% to the Sarah Baartman District Municipality GDP of R 48.5 billion in 2021 increasing in the share of the Sarah Baartman from 17.84% in 2011. The Makana Local Municipality contributes 1.80% to the GDP of Eastern Cape Province and 0.14% the GDP of South Africa which had a total GDP of R 6.23 trillion in 2021 (as measured in nominal or current prices). It's contribution to the national economy stayed similar in importance from 2011 when it contributed 0.14% to South Africa, but it is lower than the peak of 0.14% in 2015.

In 2021, the Makana Local Municipality achieved an annual growth rate of 5.13% which is a significant lower GDP growth than the Eastern Cape Province's 5.79%, but is higher than that of South Africa, where the 2021 GDP growth rate was 4.91%. Contrary to the short-term growth rate of 2021, the longer-term average growth rate for Makana (0.85%) is very similar than that of South Africa (0.95%).

MAKANA	%	SARAH BAARTMAN	EASTERN CAPE	NATIONAL TOTAL
2011	1.3%	4.2%	3.3%	3.2%

2012	2.4%	2.2%	2.0%	2.4%
2013	1.5%	1.9%	1.4%	2.5%
2014	0.5%	1.1%	0.7%	1.4%
2015	1.1%	1.2%	1.0%	1.3%
2016	1.0%	0.2%	0.8%	0.7%
2017	1.2%	1.4%	0.5%	1.2%
2018	1.0%	1.7%	1.1%	1.5%
2019	0.4%	-0.2%	0.1%	0.3%
2020	-5.3%	-6.6%	-6.5%	-6.3%
2021	5.1%	4.9%	5.8%	4.9%
Average Annual				
Growth 2011-2021	0.85%	0.76%	0.65%	0.95%

2.1.2.2 Gross value added by region (GVA-R)

The Makana Local Municipality's economy is made up of various industries. The GVA-R variable provides a sector breakdown, where each sector is measured in terms of its *value added* produced in the local economy.

Sector	Makana	Sarah Baartman	Eastern Cape	National Total	Makana as % of District	Makana as % of Province	Makana as % of National
Agriculture	0.3	3.6	8.2	152.8	8.1%	3.6%	0.19%
Mining	0.0	0.3	0.7	474.9	0.4%	0.2%	0.00%
Manufacturing	0.4	3.8	55.1	729.8	9.4%	0.7%	0.05%
Electricity	0.1	0.7	9.2	171.7	19.4%	1.4%	0.07%
Construction	0.2	2.2	11.0	141.0	7.3%	1.5%	0.12%
Trade	1.1	8.6	75.8	751.3	13.1%	1.5%	0.15%
Transport	0.3	2.6	27.3	397.8	12.1%	1.2%	0.08%
Finance	1.9	8.4	93.4	1,320.5	22.1%	2.0%	0.14%
Community services	3.6	14.1	141.9	1,432.9	25.6%	2.5%	0.25%
Total Industries	7.6	44.3	422.6	5,572.6	17.7%	1.9%	0.14%

In 2021, the community services sector is the largest within Makana Local Municipality accounting for R 3.61 billion or 45.9% of the total GVA in the local municipality's economy. The sector that contributes the second most to the GVA of the Makana Local Municipality is the finance sector at 23.7%, followed by the trade sector with 14.4%. The sector that contributes the least to the economy of Makana Local Municipality is the mining sector with a contribution of R 1.29 million or 0.02% of the total GVA.

The community sector, which includes the government services, is generally a large contributor towards GVA. When looking at all the regions within the Sarah Baartman District Municipality, it is clear that the Makana contributes the most community services towards its own GVA, with 25.61%, relative to the other regions within Sarah Baartman District Municipality. The Makana contributed R 7.86 billion or 17.73% to the GVA of Sarah Baartman District Municipality. The region within Sarah Baartman District Municipality that contributes the most to the GVA of the Sarah Baartman District Municipality was the Sundays River Valley with a total of R 2.78 billion or 6.26%.

2.1.2.3 Historical economic growth

For the period 2021 and 2011, the GVA in the agriculture sector had the highest average annual growth rate in Makana at 2.00%. The industry with the second highest average annual growth rate is the finance sector averaging at 1.97% per year. The electricity sector had an average annual growth rate of -2.18%, while the construction sector had the lowest average annual growth of -2.42%. Overall a positive growth existed for all the industries in 2021 with an annual growth rate of 4.86% since 2020.

Table 13. Gross value added (GVA) by broad economic sector – 2011,2016 and 2021.

Sector	2011	2016	2021	Average annually
Agriculture	164.5	163.9	200.5	2.00%
Mining	2.5	1.9	2.6	0.02%
Manufacturing	264.6	267.7	265.6	0.04%
Electricity	67.7	60.2	54.3	-2.18%
Construction	165.3	179.5	129.4	-2.42%
Trade	776.4	841.3	770.9	-0.07%
Transport	264.3	302.7	281.8	0.64%
Finance	1,182.6	1,308.9	1,437.5	1.97%
Community services	2,455.8	2,594.6	2,720.3	1.03%
Total Industries	5,343.7	5,720.7	5,862.8	0.93%

Source: IHS Markit Regional eXplorer version 2257

The tertiary sector contributes the most to the Gross Value Added within the Makana Local Municipality at 88.0%. This is significantly higher than the national economy (70.0%). The secondary sector contributed a total of 8.3% (ranking second), while the primary sector contributed the least at 3.7%. The following is a breakdown of the Gross Value Added (GVA) by aggregated sector:

2.1.2.3.1 Primary Sector

The primary sector consists of two broad economic sectors namely the mining and the agricultural sector. The following chart represents the average growth rate in the GVA for both sectors in Makana Local Municipality from 2011 to 2021. Between 2011 and 2021, the agriculture sector experienced the highest growth in 2017 with an average growth rate of 17.2%. The mining sector reached its highest point of growth of 13.5% in 2021. The agricultural sector experienced the lowest growth for the period during 2016 at -11.5%, while the mining sector reaching its lowest point of growth in 2011 at -7.1%. Both the agriculture and mining sectors are generally characterised by volatility in growth over the period.

2.1.2.3.2 Secondary Sector

The secondary sector consists of three broad economic sectors namely the manufacturing, electricity and the construction sector. The following chart represents the average growth rates in the GVA for these sectors in Makana Local Municipality from 2011 to 2021.

Between 2011 and 2021, the manufacturing sector experienced the highest growth in 2021 with a growth rate of 11.3%. The construction sector reached its highest growth in 2013 at 5.3%. The manufacturing sector experienced its lowest growth in 2020 of -11.9%, while construction sector also had the lowest growth rate in 2020 and it experiences a negative growth rate of -19.0% which is higher growth rate than that of the manufacturing sector. The electricity sector experienced the highest growth in 2012 at 1.9%, while it recorded the lowest growth of -6.7% in 2020.

2.1.2.3.3 Tertiary Sector

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

The following chart represents the average growth rates in the GVA for these sectors in Makana Local Municipality from 2011 to 2021.

The trade sector experienced the highest growth in 2021 with a growth rate of 7.0%. It is evident for the transport sector that the highest growth rate also existed in 2021 at 6.5% which is lower than that of the manufacturing sector. The finance sector experienced the highest growth rate in 2021 when it grew by 4.4% and recorded the

lowest growth rate in 2020 at -1.6%. The Trade sector also had the lowest growth rate in 2020 at -13.0%. The community services sector, which largely consists of government, experienced its highest growth in 2021 with 3.7% and the lowest growth rate in 2020 with -1.7%.

2.1.2.4 Sector growth forecast

The GVA forecasts are based on forecasted growth rates derived from two sources: historical growth rate estimates and national level industry forecasts. The projections are therefore partly based on the notion that regions that have performed well in the recent past are likely to continue performing well (and vice versa) and partly on the notion that those regions that have prominent sectors that are forecast to grow rapidly in the national economy (e.g. finance and telecommunications) are likely to perform well (and vice versa). As the target year moves further from the base year (2010) so the emphasis moves from historical growth rates to national-level industry growth rates.

Sector	2021	2022	2023	2024	2025	2026	Average Annual growth
Agriculture	200.5	199.4	199.7	201.1	205.0	207.9	0.73%
Mining	2.6	2.6	2.3	2.3	2.2	2.2	-3.16%
Manufacturing	265.6	273.4	277.2	280.7	284.3	287.8	1.63%
Electricity	54.3	55.3	56.0	56.4	57.7	59.2	1.74%
Construction	129.4	133.8	138.5	142.1	145.6	149.4	2.92%
Trade	770.9	788.8	800.7	815.3	828.2	842.3	1.79%
Transport	281.8	286.3	290.3	295.3	301.6	309.1	1.87%
Finance	1,437.5	1,473.2	1,496.1	1,527.3	1,564.6	1,603.8	2.21%
Community services	2,720.3	2,738.9	2,723.9	2,737.8	2,770.7	2,813.4	0.68%
Total Industries	5,862.8	5,951.8	5,984.8	6,058.3	6,159.9	6,275.2	1.37%

The construction sector is expected to grow fastest at an average of 2.92% annually from R 129 million in Makana Local Municipality to R 149 million in 2026. The community services sector is estimated to be the largest sector within the Makana Local Municipality in 2026, with a total share of 44.8% of the total GVA (as measured in current prices), growing at an average annual rate of 0.7%. The sector that is estimated to grow the slowest is the mining sector with an average annual growth rate of -3.16%. The Primary sector is expected to grow at an average annual rate of 0.69%

between 2021 and 2026, with the Secondary sector growing at 2.02% on average annually. The Tertiary sector is expected to grow at an average annual rate of 1.34% for the same period.

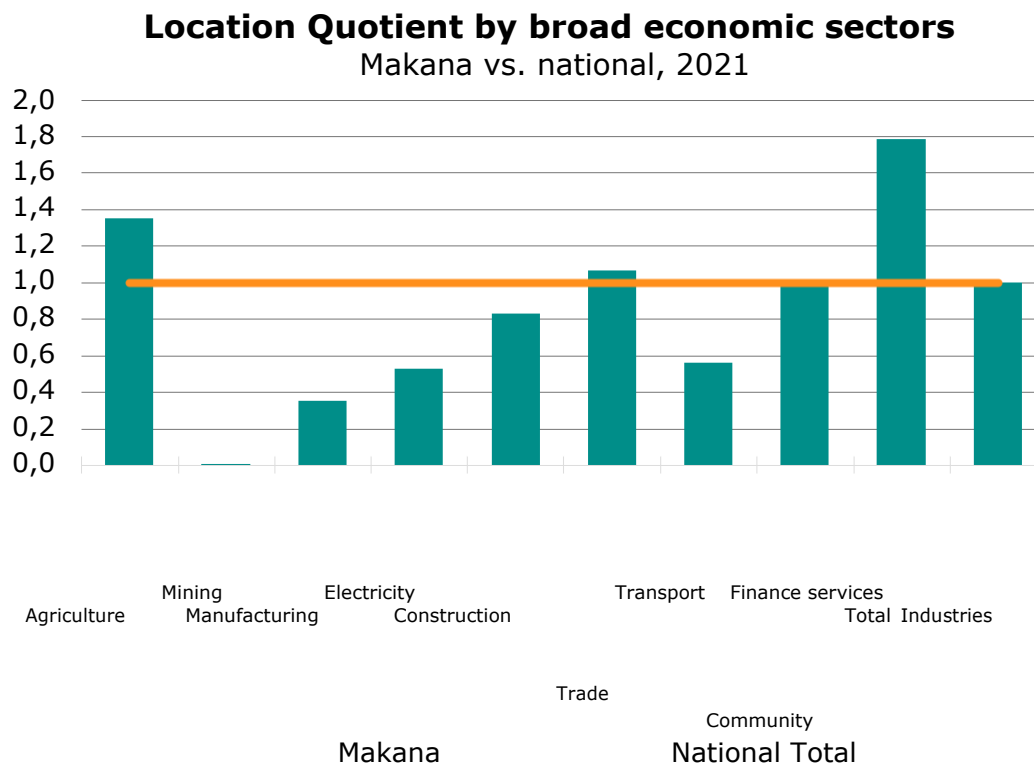
2.1.2.5 Tress index

The Tress index measures the degree of concentration of an area's economy on a sector basis. A Tress index value of 0 means that all economic sectors in the region contribute equally to GVA, whereas a Tress index of 100 means that only one economic sector makes up the whole GVA of the region. In 2021, Makana's Tress Index was estimated at 68.8 which are higher than the 52.3 of the district municipality and higher than the 52.3 of the province.

This implies that - on average - Makana Local Municipality is less diversified in terms of its economic activity spread than the province's economy. Makana Local Municipality has a concentrated community services sector.

2.1.2.6 Location quotient

A specific regional economy has a comparative advantage over other regional economies if it can more efficiently produce the same good. The location quotient is one way of measuring this comparative advantage. If the location quotient is larger than one for a specified sector within a region, then that region has a comparative advantage in that sector. This is because the share of that sector of the specified regional economy is greater than the same sector in the national economy. The location quotient is usually computed by taking the percentage share of the sector in the regional economy divided by the percentage share of that same sector in the national economy.



For 2021 Makana Local Municipality has a very large comparative advantage in the community services sector. The agriculture sector has a comparative advantage. The trade also has a comparative advantage when comparing it is to South Africa economy, although less prominent. The Municipality has a comparative disadvantage when it comes to the mining and manufacturing sector which has a large comparative disadvantage. In general, currently mining is a very concentrated economic sector. Unfortunately, the Makana Municipality area currently does not have a lot of mining activity.

2.1.2.7 Labour

The labour force of a country consists of everyone of working age (above a certain age and below retirement) that are participating as workers, i.e. people who are actively employed or seeking employment. This is also called the economically active population (EAP). People not included are students, retired people, stay-at-home parents, people in prisons or similar institutions, people employed in jobs or professions with unreported income, as well as discouraged workers who cannot find work.

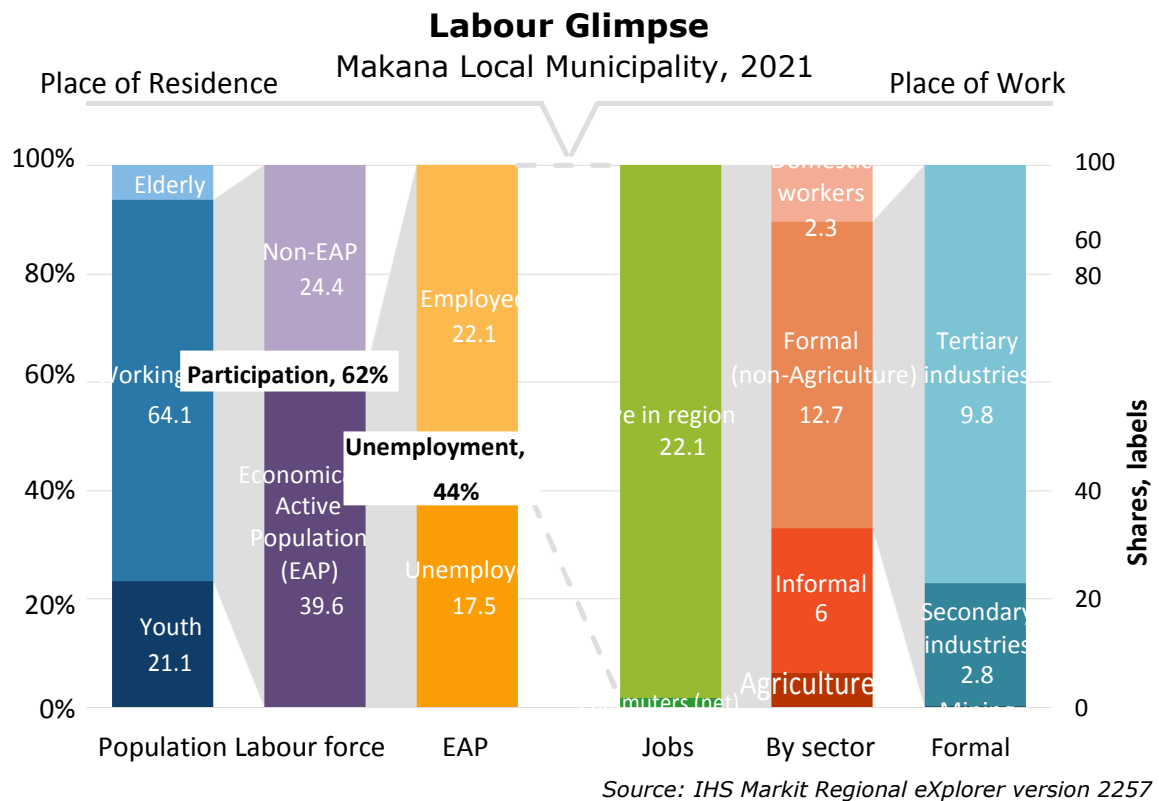
Table: Working age population in Makana, Sarah Baartman, Eastern Cape and National Total 2011 and 2021:

Year	Makana		Sarah Baartman		Eastern Cape		National Total	
	2011	2021	2011	2021	2011	2021	2011	2021
15-19	8,030	6,360	39,500	35,600	782,000	673,000	5,120,000	4,880,000
20-24	11,900	10,400	49,500	43,200	750,000	602,000	5,410,000	4,650,000
25-29	9,150	10,700	46,500	54,600	607,000	704,000	5,020,000	5,330,000
30-34	5,930	8,760	34,100	52,300	414,000	673,000	4,050,000	5,610,000
35-39	4,640	7,790	28,200	46,300	312,000	546,000	3,420,000	5,010,000
40-44	4,310	6,230	25,100	35,200	269,000	375,000	2,870,000	3,870,000
45-49	4,170	4,500	23,900	26,400	271,000	283,000	2,550,000	3,170,000
50-54	3,820	3,440	21,400	21,500	269,000	245,000	2,200,000	2,630,000
55-59	3,040	3,260	17,800	19,900	228,000	244,000	1,800,000	2,290,000
60-64	2,310	2,740	14,900	17,800	192,000	237,000	1,450,000	1,930,000
Total	57,300	64,100	301,000	353,000	4,090,000	4,580,000	33,900,000	39,400,000

The working age population in Makana in 2021 was 64 200, increasing at an average annual rate of 1.14% since 2011. For the same period the working age population for Sarah Baartman District Municipality increased at 1.61% annually, while that of Eastern Cape Province increased at 1.14% annually. South Africa's working age population has increased annually by 1.51% from 33.9 million in 2011 to 39.4 million in 2021.

The graph below combines all the facets of the labour force in the Makana Local Municipality into one compact view. The chart is divided into "place of residence" on the left, which is measured from the population side, and "place of work" on the right, which is measured from the business side.

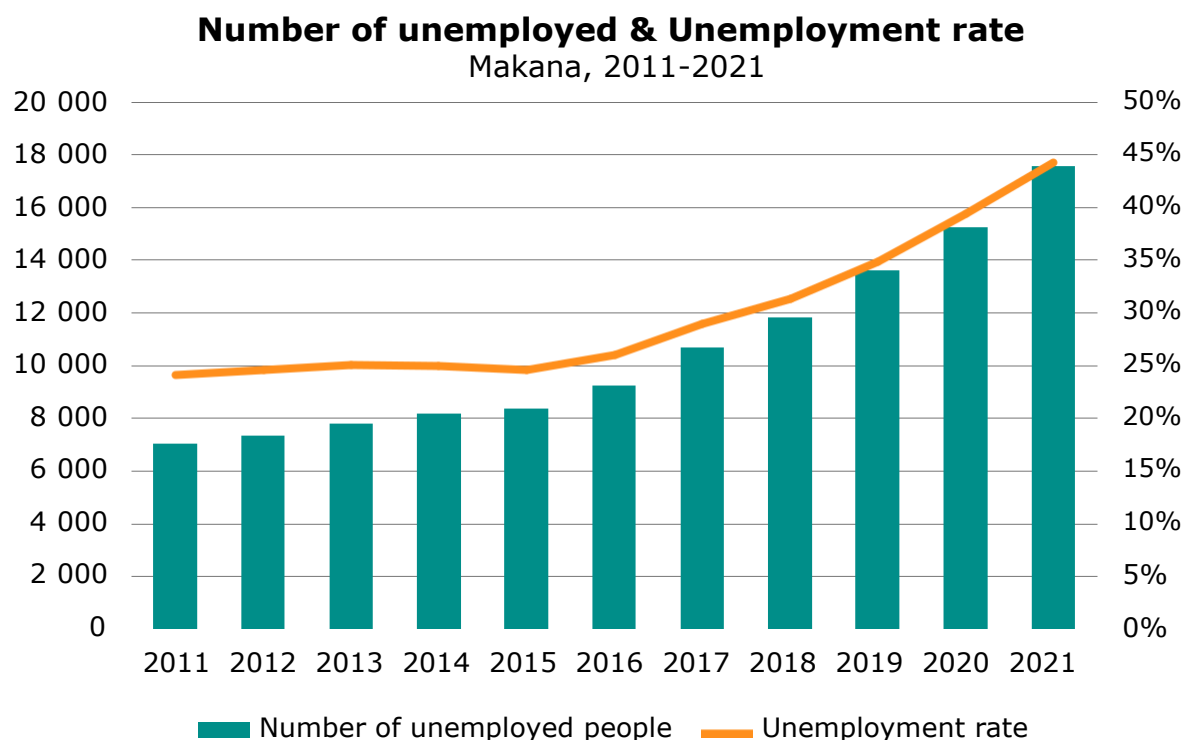
CHART 17. LABOUR GLIMPSE - MAKANA LOCAL MUNICIPALITY, 2021



Reading the chart from the left-most bar, breaking down the total population of the Makana Local Municipality (91 200) into working age and non-working age, the number of people that are of working age is about 64 200. As per definition, those that are of age 0 - 19 (youth) or age 65 and up (pensioners) are part of the non-working age population. Out of the working age group, 61.8% are participating in the labour force, meaning 39 600 residents of the local municipality forms currently part of the economically active population (EAP). Comparing this with the non-economically active population (NEAP) of the local municipality: fulltime students at tertiary institutions, disabled people, and those choosing not to work, sum to 24 500 people. Out of the economically active population, there are 17 500 that are unemployed, or when expressed as a percentage, an unemployment rate of 44.2%. Up to here all the statistics are measured at the place of residence. On the far right we have the formal non-Agriculture jobs in Makana, broken down by the primary (mining), secondary and tertiary industries. Most of the formal employment lies in the Tertiary industry, with 9 840 jobs.

When including the informal, agricultural and domestic workers, we have a total number of 22 500 jobs in the area. Formal jobs make up 56.7% of all jobs in the Makana Local Municipality.

The difference between the employment measured at the place of work, and the people employed living in the area can be explained by the net commuters that commute every day into the local municipality.



When comparing unemployment rates among regions within Sarah Baartman District Municipality, Makana Local Municipality has indicated the highest unemployment rate of 44.2%, which has increased from 24.1% in 2011. It can be seen that the Sundays River Valley Local Municipality had the lowest unemployment rate of 20.4% in 2021, this increased from 10.4% in 2011.

2.1.2.7.1 Economic active population (EAP)

The economically active population (EAP) is defined as the number of people (between the age of 15 and 65) who are able and willing to work, and who are actively looking for work. It includes both employed and unemployed people. People, who recently have not taken any active steps to find employment, are not included in the measure. These people may (or may not) consider themselves unemployed.

Regardless, they are counted as discouraged work seekers, and thus form part of the non-economically active population.

Year	Makana	Sarah Baartman	Eastern Cape	National Total	Makana as % of District	Makana as % of Province	Makana as % of National
2011	29,200	169,000	1,730,000	18,300,000	17.2%	1.69%	0.16%
2012	29,800	173,000	1,760,000	18,700,000	17.2%	1.69%	0.16%
2013	31,000	180,000	1,830,000	19,300,000	17.2%	1.70%	0.16%
2014	32,700	190,000	1,920,000	20,100,000	17.2%	1.70%	0.16%
2015	34,000	198,000	2,000,000	20,800,000	17.2%	1.70%	0.16%
2016	35,400	206,000	2,090,000	21,500,000	17.2%	1.70%	0.17%
2017	36,900	213,000	2,180,000	22,000,000	17.3%	1.69%	0.17%
2018	37,700	218,000	2,240,000	22,300,000	17.2%	1.68%	0.17%
2019	39,000	225,000	2,330,000	22,700,000	17.3%	1.68%	0.17%
2020	38,700	223,000	2,330,000	22,100,000	17.4%	1.66%	0.18%
2021	39,700	227,000	2,400,000	22,200,000	17.5%	1.65%	0.18%
Average Annual growth							
2011-2021	3.12%	2.97%	3.35%	1.96%			

Makana Local Municipality's EAP was 39 600 in 2021, which is 43.48% of its total population of 91 200, and roughly 17.48% of the total EAP of the Sarah Baartman District Municipality. From 2011 to 2021, the average annual increase in the EAP in the Makana Local Municipality was 3.12%, which is 0.145 percentage points higher than the growth in the EAP of Sarah Baartman's for the same period.

2.1.3. Income and Expenditure

In a growing economy among which production factors are increasing, most of the household incomes are spent on purchasing goods and services. Therefore, the measuring of the income and expenditure of households is a major indicator of several economic trends. It is also a good marker of growth as well as consumer tendencies.

2.1.3.1 Number of households by income category

The number of households is grouped according to predefined income categories or brackets, where income is calculated as the sum of all household gross disposable income: payments in kind, gifts, homemade goods sold, old age pensions, income from informal sector activities, subsistence income, etc.). Note that income tax is included in the income distribution.

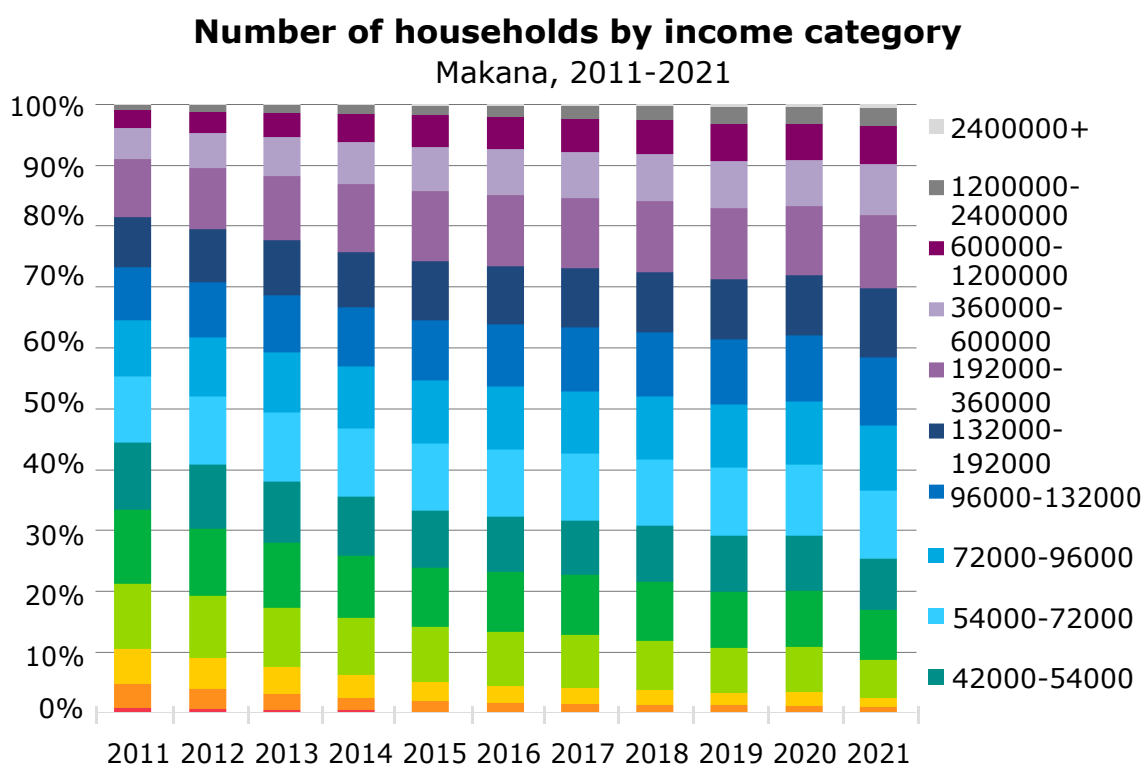
Income categories start at R0 - R2,400 per annum and go up to R2,400,000+ per annum. A household is either a group of people who live together and provide themselves jointly with food and/or other essentials for living, or it is a single person living on his/her own. These income brackets do not take into account inflation creep: over time, movement of households "up" the brackets is natural, even if they are not earning any more in real terms.

TABLE: Households by income category - Makana, Sarah Baartman, eastern cape and NATIONAL TOTAL,
2021

Year	Makana	Sarah Baartman	Eastern Cape	National Total	Makana as % of District	Makana as % of Province	Makana as % of National
0-2400	1	7	135	1,250	17.6%	0.89%	0.10%
2400-6000	23	150	2,410	20,600	15.0%	0.94%	0.11%
6000-12000	188	1,110	20,700	167,000	16.9%	0.91%	0.11%
12000-18000	341	1,980	36,700	290,000	17.2%	0.93%	0.12%
18000-30000	1,490	9,100	159,000	1,200,000	16.4%	0.93%	0.12%
30000-42000	1,910	12,100	198,000	1,430,000	15.8%	0.97%	0.13%
42000-54000	1,960	12,400	191,000	1,370,000	15.8%	1.03%	0.14%
54000-72000	2,640	17,300	241,000	1,820,000	15.2%	1.10%	0.15%
72000-96000	2,500	17,000	213,000	1,710,000	14.7%	1.17%	0.15%
96000-132000	2,630	17,000	199,000	1,740,000	15.5%	1.32%	0.15%
132000-192000	2,670	16,200	183,000	1,720,000	16.4%	1.46%	0.16%
192000-360000	2,800	17,400	183,000	1,950,000	16.1%	1.53%	0.14%
360000-600000	1,950	12,200	120,000	1,440,000	16.0%	1.62%	0.14%
600000-1200000	1,460	9,700	83,700	1,140,000	15.1%	1.75%	0.13%
1200000-2400000	715	4,950	38,500	536,000	14.4%	1.86%	0.13%
2400000+	137	1,040	6,990	102,000	13.2%	1.96%	0.13%
Total	23,400	150,000	1,880,000	16,600,000	15.6%	1.25%	0.14%

It was estimated that in 2021 8.72% of all the households in the Makana Local Municipality, were living on R30,000 or less per annum. In comparison with 2011's 21.18%, the number is about half. The 192000-360000 income category has the highest number of households with a total number of 2 800, followed by the 132000-192000 income category with 2 670 households. Only 1.2 households fall within the 0-2400 income category.

CHART:. Households by income bracket - Makana Local Municipality, 2011-2021 [percentage]



Source: IHS Markit Regional eXplorer version 2257

For the period 2011 to 2021 the number of households earning more than R30,000 per annum has increased from 78.82% to 91.28%.

2.1.4 Development

Indicators of development, like the Human Development Index (HDI), Gini Coefficient (income inequality), poverty and the poverty gap, and education, are used to estimate the level of development of a given region in South Africa relative to the rest of the country.

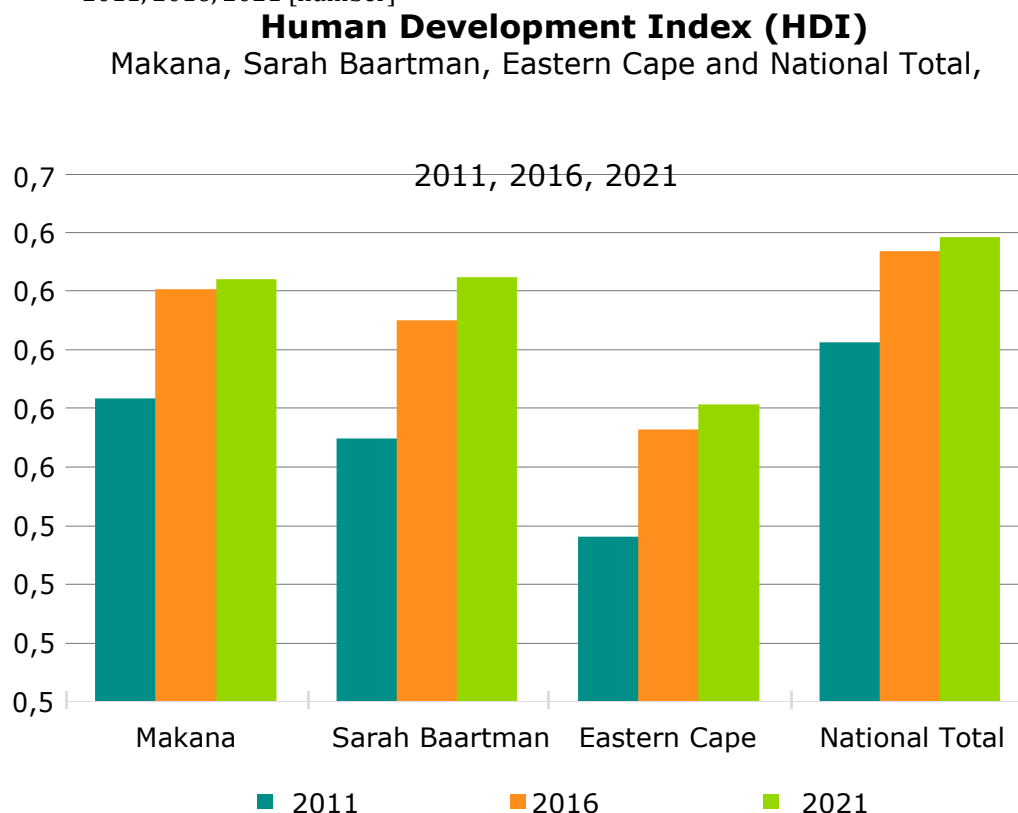
Another indicator that is widely used is the number (or percentage) of people living in poverty. Poverty is defined as the deprivation of those things that determine the quality of life, including food, clothing, shelter and safe drinking water. More than that, other "intangibles" is also included such as the opportunity to learn, and the privilege to enjoy the respect of fellow citizens. Curbing poverty and alleviating the effects thereof should be a premise in the compilation of all policies that aspire towards a better life for all.

2.1.4.1 Human development Index (HDI)

HDI is the combination of three basic dimensions of human development: A long and healthy life, knowledge and a decent standard of living. A long and healthy life is typically measured using life expectancy at birth. Knowledge is normally based on adult literacy and / or the combination of enrolment in primary, secondary and tertiary schools.

In order to gauge a decent standard of living, we make use of GDP per capita. On a technical note, the HDI can have a maximum value of 1, indicating a very high level of human development, while the minimum value is 0, indicating no human development.

CHART 30. Human development index (hdi) - Makana, Sarah Baartman, Eastern Cape and National total, 2011, 2016, 2021 [number]



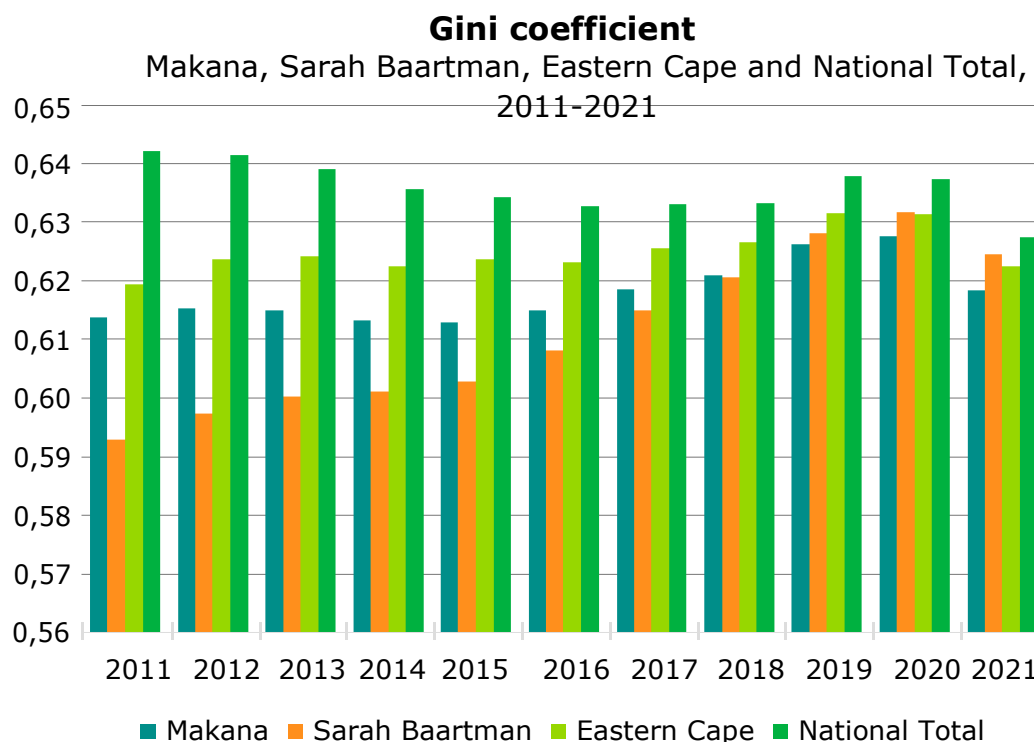
Source: IHS Markit Regional eXplorer version 2257

In 2021 Makana Local Municipality had an HDI of 0.624 compared to the Sarah Baartman with a HDI of 0.625, 0.581 of Eastern Cape and 0.639 of National Total as a whole. Seeing that South Africa recorded a higher HDI in 2021 when compared to Makana Local Municipality which translates to worse human development for Makana Local Municipality compared to South Africa. South Africa's HDI increased at an average annual growth rate of 0.58% and this increase is lower than that of Makana Local Municipality (0.68%).

2.1.4.2 Gini coefficient

If the Gini coefficient is equal to zero, income is distributed in a perfectly equal manner, in other words there is no variance between the high- and low-income earners within the population. In contrast, if the Gini coefficient equals 1, income is completely inequitable, i.e. one individual in the population is earning all the income and the rest has no income. Generally, this coefficient lies in the range between 0.25 and 0.70.

CHART. Gini coefficient - Makana, Sarah Baartman, eastern cape and national total, 2011-2021



Source: IHS Markit Regional eXplorer version 2257

In 2021, the Gini coefficient in Makana Local Municipality was at 0.618, which reflects a marginal increase in the number over the ten-year period from 2011 to 2021. The Sarah Baartman District Municipality and the Eastern Cape Province, both had a more unequal spread of income amongst their residents (at 0.624 and 0.622 respectively) when compared to Makana Local Municipality.

TABLE 28. Gini coefficient by population group - makana, 2011, 2021 [number]

2011	0.54	0.45	0.52
2021	0.58	0.42	0.55
Average Annual growth			
2011-2021	0.56%	-0.71%	0.62%

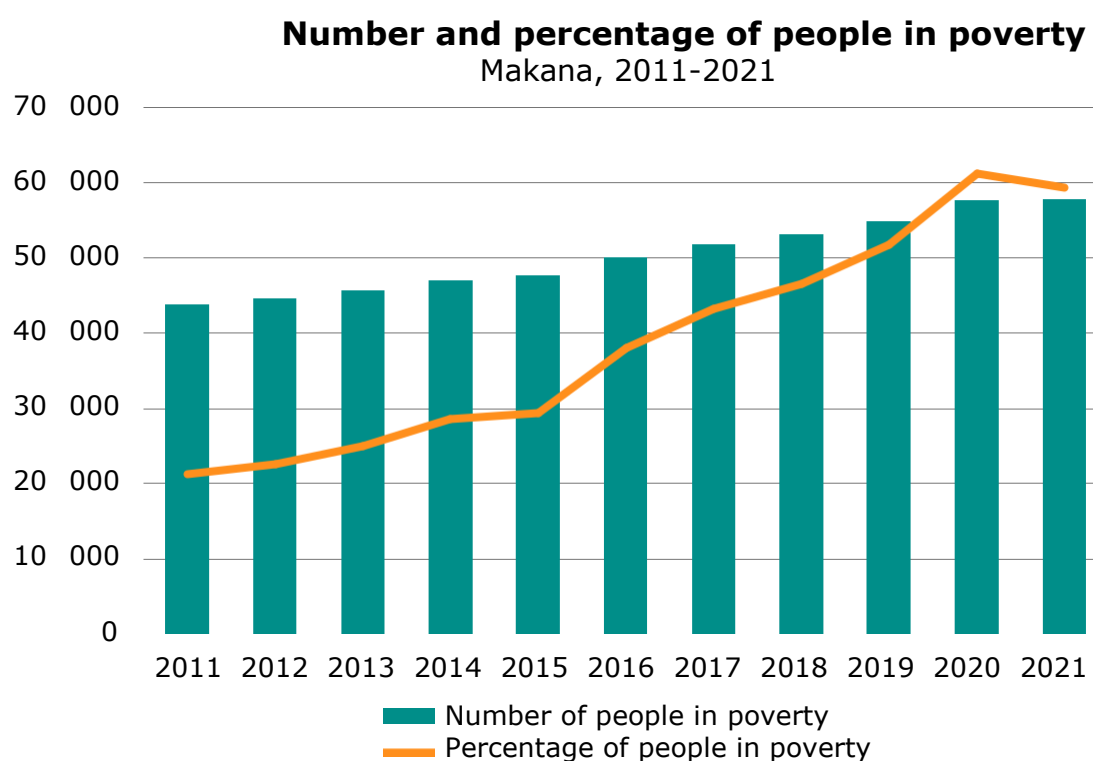
Source: IHS Markit Regional eXplorer version 2257

When segmenting the Makana Local Municipality into population groups, it can be seen that the Gini coefficient for the Coloured population group increased the most amongst the population groups with an average annual growth rate of 0.62%. The Gini coefficient for the White population group decreased the most with an average annual growth rate of -0.71%.

2.1.4.3 Poverty

The upper poverty line is defined by StatsSA as the level of consumption at which individuals are able to purchase both sufficient food and non-food items without sacrificing one for the other. This variable measures the number of individuals living below that particular level of consumption for the given area and is balanced directly to the official upper poverty rate as measured by StatsSA.

CHART 34. Number and percentage of people living in poverty - Makana Local Municipality, 2011-2021



In 2021, there were 57 700 people living in poverty, using the upper poverty line definition, across Makana Local Municipality - this is 31.73% higher than the 43 800 in 2011. The percentage of people living in poverty has increased from 53.46% in 2011 to 63.24% in 2021, which indicates a increase of -9.78 percentage points.

TABLE. Percentage of people living in poverty by population group - Makana, 2011-2021 [PERCENTAGE]

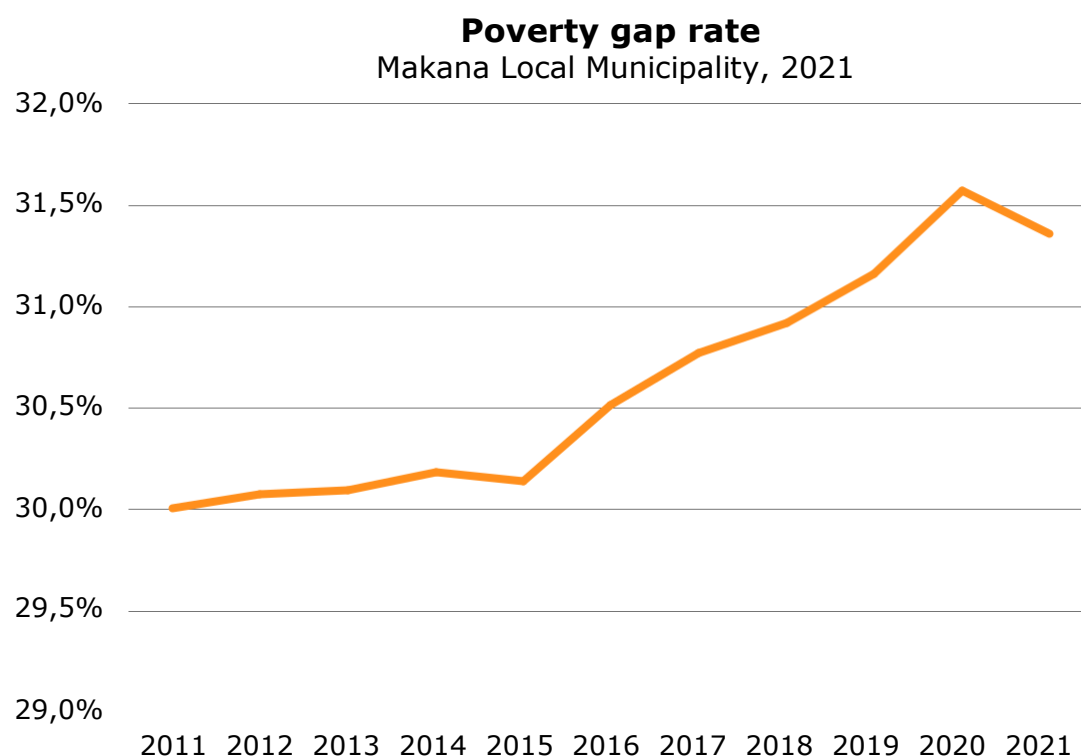
	African	White	Coloured
2011	61.9%	1.6%	38.9%
2012	62.1%	1.5%	40.0%
2013	62.6%	1.5%	40.9%
2014	63.4%	1.5%	42.2%
2015	63.5%	1.5%	42.4%
2016	65.9%	1.9%	43.9%
2017	67.2%	2.1%	44.8%
2018	68.2%	2.4%	44.7%
2019	69.6%	2.9%	45.0%
2020	72.0%	3.9%	47.0%
2021	71.6%	4.0%	45.0%

Source: IHS Markit Regional eXplorer version 2257

In 2021, the population group with the highest percentage of people living in poverty was the African population group with a total of 71.6% people living in poverty, using the upper poverty line definition. The proportion of the White population group, living in poverty, decreased by –

6.13 percentage points, as can be seen by the changes 1.59% in 2011 to 4.01% in 2021. In 2021 44.98% of the Coloured population group lived in poverty, as compared to the 38.85% in 2011.

TABLE 30. Poverty gap rate by population group - Makana Local Municipality, 2011-2021



Source: IHS Markit Regional eXplorer version 2257

In 2021, the poverty gap rate was 31.4% and in 2011 the poverty gap rate was 30.0%, the poverty gap rate increased from 2011 to 2021, which means that there were no improvements in terms of the depth of the poverty within Makana Local Municipality

2.1.4.3.1 Food Security Survey In Makana

TYPE	OPTION	P*	RATINGS
A: Short-term policy action	The 'one garden one household' model and ECD/school growing schemes should be promoted as a strategy and supported with relevant information and assistance from Dept of Rural Development (DRDAR) and Dept of Social Development (DSD) to help stakeholders apply formally for funding and grants .	22	38
B: Short-term implementation action	The Makana Municipality should work with civil society and religious organisations to ensure that all indigents are registered correctly via the indigent register and to ensure this register is updated and fit for purpose	19	37
C: Medium- term policy action	A consultation should be conducted to look at how to establish a food bank system with civil society partners and food security stakeholders or a 'clean up in exchange for food scheme', or other innovative ways to leverage civil society and private sector actors in developing such schemes.	19	37

D: Short-term implementation action	A service delivery agreement should be established to ensure that potable water is delivered to community kitchens by the municipality according to established agreements in a timely way	20	36
E: Short-term policy action	A multi-stakeholder committee or panel should be established that works with and reports to the municipality to help address food security concerns over time	19	36
F: Short-term policy action	The Makana Municipality should make a commitment in line with the Makana Open Government Partnership Local process to allow the public and civil society to monitor progress in specific areas relating to food security that are adopted through the IDP process and within district development plans	18	34
G: Medium-term action	The Makana Municipality should look at ways to support local small-scale farmers to set up local markets to sell goods implementation collectively as co-operatives from all organisations to help them develop viable business models	19	32
H: Medium-term implementation action	Dump-sites should be well-managed to reduce pollution, promote recycling, composting and environmental protection.	17	31
I: Long-term policy action	A municipal integrated food security plan should be developed in consultation with DRDAR and civil society that tackles spatial transformation in line with the national Integrated Urban Development Framework (IUDF) and the District Development Model (DDM) and the National Food and Nutrition Security Policy. It should be synchronised with measures set out in the Integrated Development Plan (IDP) to address the triple challenges of poverty, unemployment and inequality.	16	31
J: Medium-term implementation action	Community stakeholders should be engaged around the availability of suitable plots of land for growing vegetables, that is both accessible, fenced and has access to water.	18	30
K: Short-term implementation action	The Makana Municipality should support civil society to work with community kitchens by empowering them as NPO's to run their own operations and to work in co-operatives	17	29
L: Short-term implementation action	Indigent households should be encouraged to install water tanks for rain-water harvesting with a solar geyser to reduce living costs	16	27
M: Short-term implementation action	A multi-year implementation plan to dig boreholes for water to enable food growing in key areas of need should be developed in consultation with stakeholders	17	24
N: Long-term implementation action	The Makana Municipality should work with DRDAR, civil society, DSD and other stakeholders to ensure an enabling environment exists for small-scale farmers (vegetable and livestock) to make use of available land through appropriate training, resourcing and networking.	17	22
O: Medium-term policy action	An additional spatial planning framework or map may need to be developed to allocate suitable land for local food growing initiatives (MT) (PA) - Medium-term action	10	13
P: Added Participants	Training initiatives - Interested parties can apply for subsidized/supported training in vegetable and livestock production- including ways to market home produce effectively.	3	6

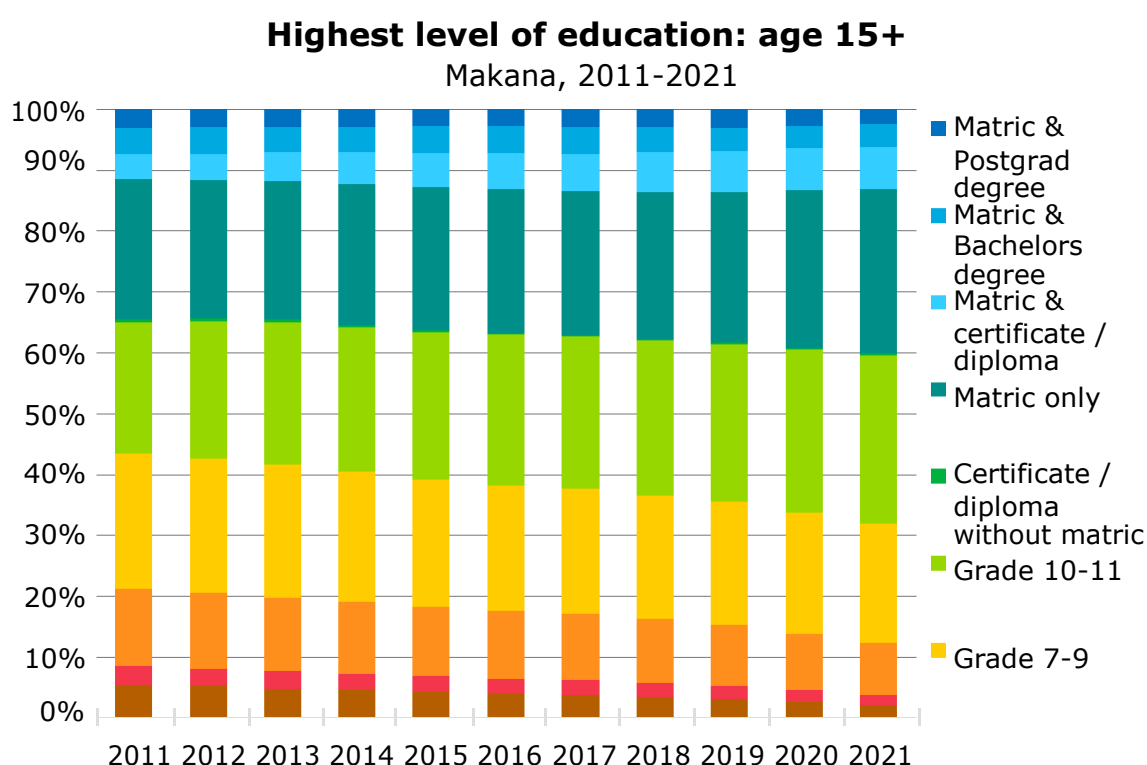
Key:	Short term	Medium term	Long term	Added by participants
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P* = Participations

2.1.4.4 Education

Educating is important to the economic growth in a country and the development of its industries, providing a trained workforce and skilled professionals required. The education measure represents the highest level of education of an individual, using the 15 years and older age category. (According to the United Nations definition of education, one is an adult when 15 years or older. IHS uses this cut-off point to allow for cross-country comparisons. Furthermore, the age of 15 is also the legal age at which children may leave school in South Africa).

CHART 37. Highest level of education: age 15+ - Makana Local Municipality, 2011-2021



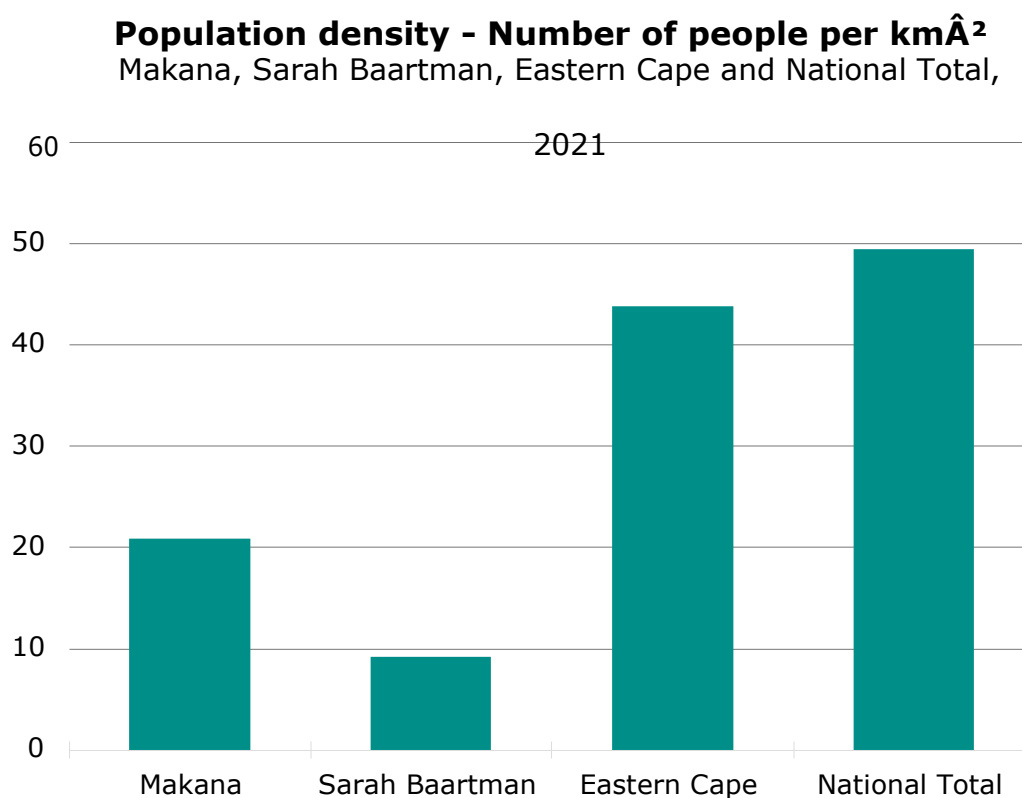
Source: IHS Markit Regional eXplorer version 2257

Within Makana Local Municipality, the number of people without any schooling decreased from 2011 to 2021 with an average annual rate of -7.57%, while the number of people within the 'matric only' category, increased from 12,600 to 17,200. The number of people with 'matric and a certificate/diploma' increased with an average annual rate of 7.11%, with the number of people with a 'matric and a Bachelor's' degree increasing with an average annual rate of 0.04%. Overall improvement in the level of education is visible with an increase in the number of people with 'matric' or higher education.

2.1.4.5 Population density

Population density measures the concentration of people in a region. To calculate this, the population of a region is divided by the area size of that region. The output is presented as the number of people per square kilometre.

CHART:. Population density - Makana, Sarah Baartman, eastern cape and national total, 2021
[number of people per km]



Source: IHS Markit Regional eXplorer version 2257

In 2021, with an average of 20.8 people per square kilometre, Makana Local Municipality had a higher population density than Sarah Baartman (9.21 people per square kilometre). Compared to Eastern Cape Province (43.8 per square kilometre) it can be seen that there are less people living per square kilometre in Makana Local Municipality than in Eastern Cape Province.

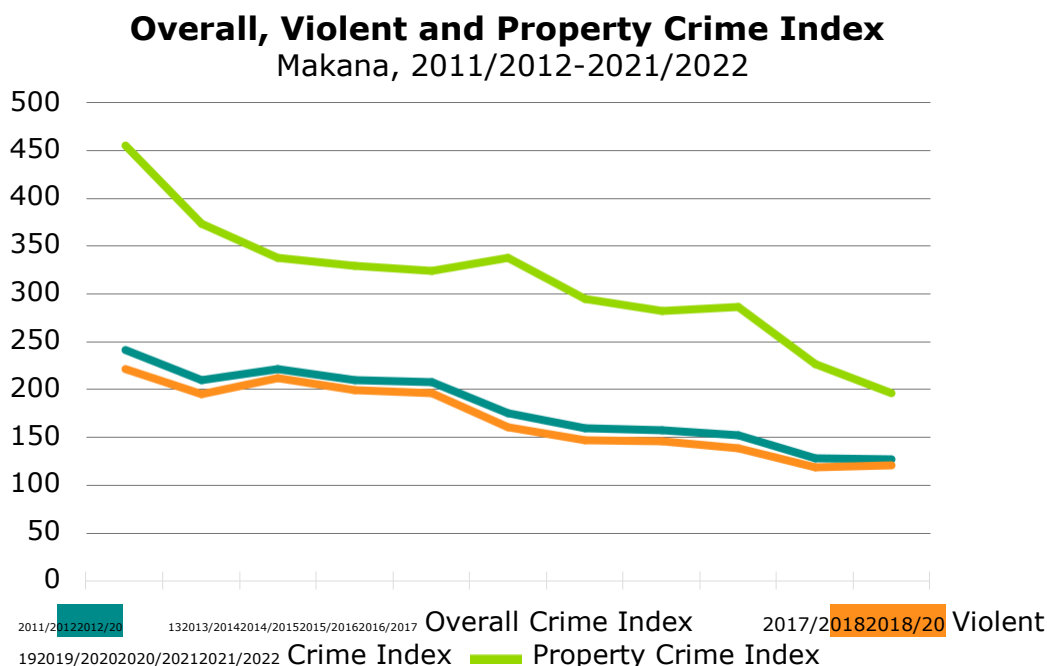
2.1.4.6 Crime

The state of crime in South Africa has been the topic of many media articles and papers in the past years, and although many would acknowledge that the country has a crime problem, very little research has been done on the relative level of crime. The media often tend to focus on more negative or sensational information, while the progress made in combating crime is neglected.

2.1.4.6.1 Overall crime index

The crime index is a composite, weighted index which measures crime. The higher the index number, the higher the level of crime for that specific year in a particular region. The index is best used by looking at the change over time or comparing the crime levels across regions.

CHART 43: The crime index - Calendar years (weighted avg / 100,000 people) - Makana Local Municipality, 2011/2012-2021/2022 [index value]



For the period 2011/2012 to 2021/2022 overall crime has decrease at an average annual rate of 6.22% within the Makana Local Municipality.

Violent crime decreased by 5.91% since 2011/2012, while property crimes decreased by 8.05% between the 2011/2012 and 2021/2022 financial years.

2.1.4 BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

2.1.4.1 Household Infrastructure

Drawing on the household infrastructure data of a region is of essential value in economic planning and social development. Assessing household infrastructure involves the measurement of five indicators:

- Access to dwelling units.
- Access to proper sanitation
- Access to running water.
- Access to refuse removal.
- Access to electricity

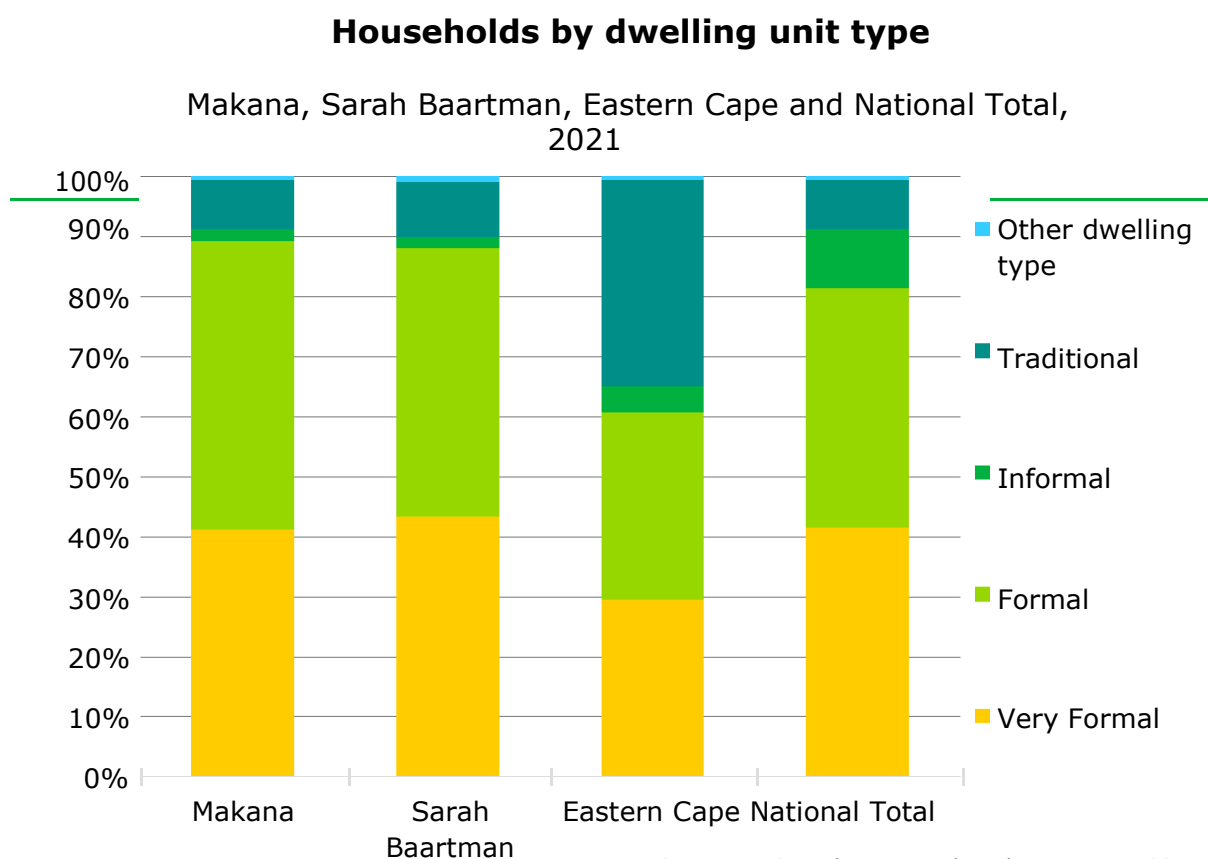
A household is considered "serviced" if it has access to all four of these basic services. If not, the household is part of the backlog. The way access to a given service is defined (and how to accurately measure that specific Definition over time) gives rise to some distinct problems. IHS has therefore developed a unique model to capture the number of households and their level of access to the four basic services. A household is defined as a group of persons who live together and provide themselves jointly with food and/or other essentials for living, or a single person who lives alone. The next few sections offer an overview of the household infrastructure of the Makana Local Municipality between 2021 and 2011.

2.1.4.1.1 Household dwelling type

Using the StatsSA definition of a household and a dwelling unit, households can be categorized according to type of dwelling. The categories are:

- **Very formal dwellings** - structures built according to approved plans, e.g. houses on a separate stand, flats or apartments, townhouses, rooms in backyards that also have running water and flush toilets within the dwelling. .
- **Formal dwellings** - structures built according to approved plans, i.e. house on a separate stand, flat or apartment, townhouse, room in backyard, rooms or flatlet elsewhere etc, but without running water or without a flush toilet within the dwelling.
- **Informal dwellings** - shacks or shanties in informal settlements, serviced stands, or proclaimed townships, as well as shacks in the backyards of other dwelling types.
- **Traditional dwellings** - structures made of clay, mud, reeds, or other locally available material.
- **Other dwelling units** - tents, ships, caravans, etc.

CHART . Households by dwelling unit type - Makana, Sarah Baartman, eastern cape and national total, 2021 [percentage]



Makana Local Municipality had a total number of 9 620 (41.19% of total households) very formal dwelling units, a total of 11 200 (48.08% of total households) formal dwelling units and a total number of 454 (1.94% of total households) informal dwelling units.

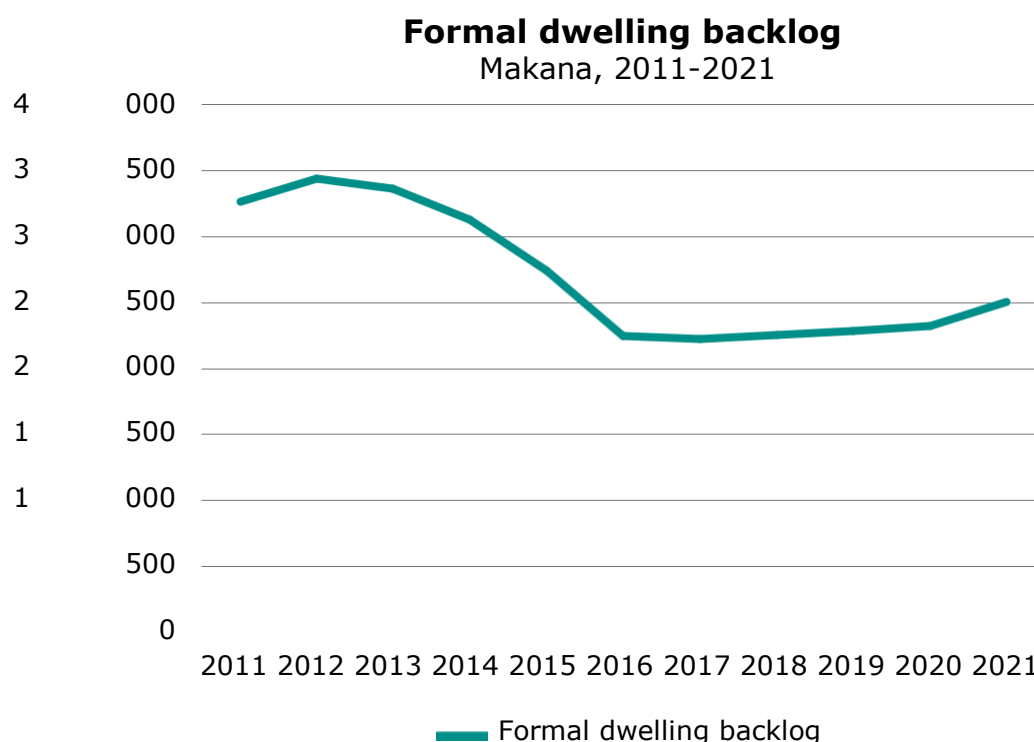
TABLE 35. Households by dwelling unit type - Makana and the rest of Sarah Baartman, 2021 [number]

	Very Formal	Formal	Informal	Traditional	Other dwelling type	Total
Makana	9,622	11,230	454	1,916	137	23,359
Dr Beyers Naude	10,538	11,926	135	762	91	23,453
Blue Crane Route	4,701	5,777	43	295	29	10,846
Ndlambe	5,563	13,833	433	2,027	143	22,000
Sundays River	4,696	12,184	251	2,409	101	19,641
Valley	21,747	8,775	1,171	6,297	699	38,690
Kouga	9,021	4,251	193	424	122	14,010
Total	65,889	67,977	2,681	14,130	1,321	151,999
Sarah Baartman	65,889	67,977	2,681	14,130	1,321	151,999

Source: IHS Markit Regional eXplorer version 2257

The region within the Sarah Baartman District Municipality with the highest number of very formal dwelling units is Kouga Local Municipality with 21 800 or a share of 33.01% of the total very formal dwelling units within Sarah Baartman. The region with the lowest number of very formal dwelling units is Sundays River Valley Local Municipality with a total of 4 700 or a share of 7.13% of the total very formal dwelling units within Sarah Baartman.

CHART 46. Formal dwelling backlog - number of households not living in a formal dwelling - Makana local municipality, 2011-2021 [number of households]



Source: IHS Markit Regional eXplorer version 2257

When looking at the formal dwelling unit backlog (number of households not living in a formal dwelling) over time, in 2011 the number of households not living in a formal dwelling were 3

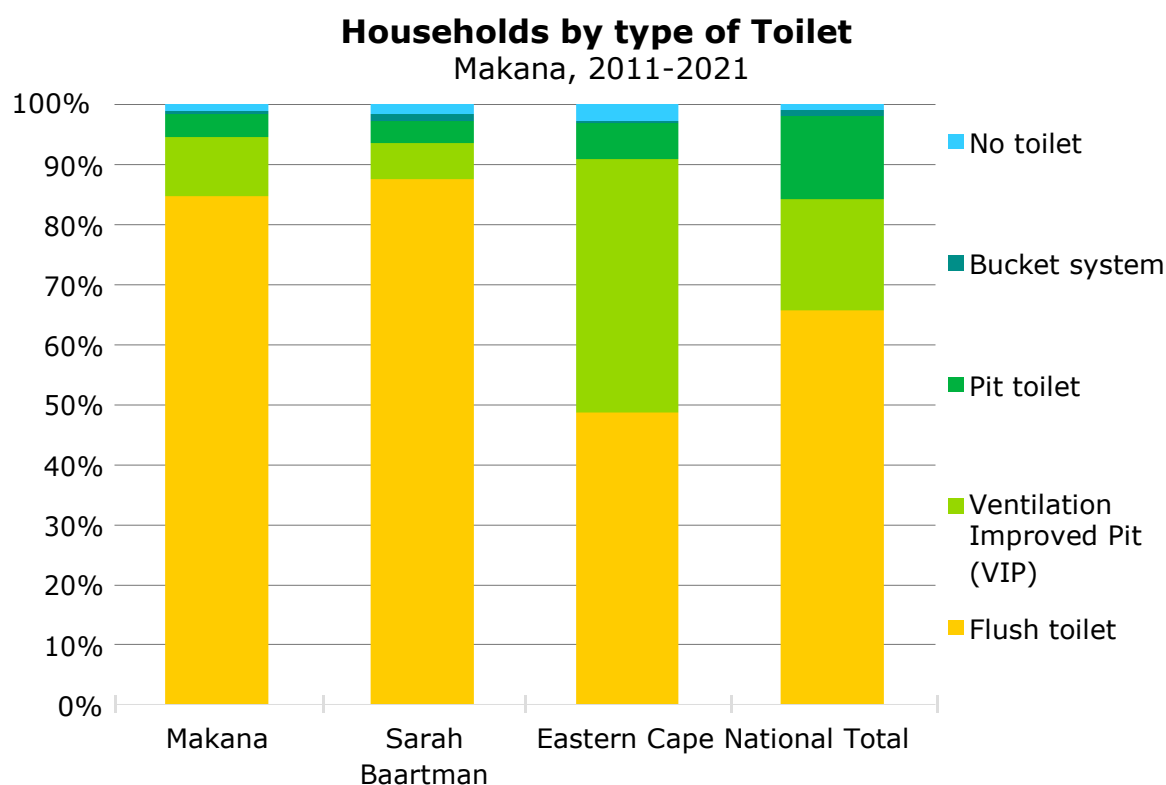
270 within Makana Local Municipality. From 2011 this number decreased annually at -2.62% to in 2021.

2.1.4.1.2 Household access to proper sanitation

Sanitation can be divided into specific types of sanitation to which a household has access. We use the following categories:

- **No toilet** - No access to any of the toilet systems explained below.
- **Bucket system** - A top structure with a seat over a bucket.
- **Pit toilet** - A top structure over a pit.
 - **Ventilation improved pit** - A pit toilet but with a fly screen and vented by a pipe. Depending on soil conditions, the pit may be lined.
 - **Flush toilet** - Waste is flushed into an enclosed tank, thus preventing the waste to flow into the surrounding environment.

CHART . Households by type of sanitation - Makana, Sarah Baartman, Eastern Cape and national total, 2021 [percentage]



Makana Local Municipality had a total number of 19 800 flush toilets (84.65% of total households), 2 330 Ventilation Improved Pit (VIP) (9.98% of total households) and 893 (3.82%) of total household's pit toilets.

TABLE 36. Households by type of sanitation - Makana Local Municipality and the rest of Sarah Baartman, 2021 [number]

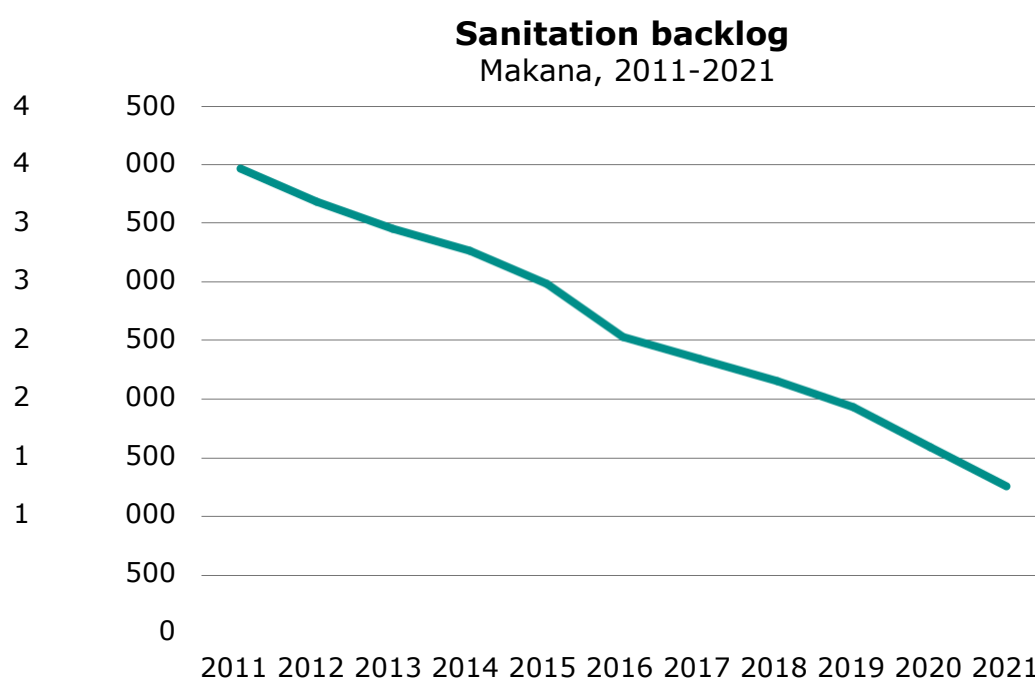
	Flush toilet	Ventilation Improved Pit (VIP)	Pit toilet	Bucket system	No toilet	Total
Makana	19,773	2,332	893	107	253	23,359
Dr Beyers Naude	21,559	1,023	498	88	285	23,453
Blue Crane Route	9,969	365	185	93	234	10,846
Ndlambe	17,685	2,358	1,568	43	346	22,000
Sundays River						
Valley	16,162	1,322	1,451	332	374	19,641
Kouga	35,570	979	474	952	715	38,690
Kou-Kamma	12,327	840	427	74	342	14,010
Total						
Sarah Baartman	133,045	9,220	5,497	1,688	2,550	151,999

Source: IHS Markit Regional eXplorer version 2257

The region within Sarah Baartman with the highest number of flush toilets is Kouga Local Municipality with 35 600 or a share of 26.73% of the flush toilets within Sarah Baartman. The region with the lowest number of flush toilets is Blue Crane Route Local Municipality with a total of 9 970 or a share of 7.49% of the total flush toilets within Sarah Baartman District Municipality.

CHART 48. SANITATION BACKLOG - MAKANA LOCAL MUNICIPALITY, 2011-2021 [NUMBER OF

HOUSEHOLDS WITHOUT HYGIENIC TOILETS]



Source: IHS Markit Regional eXplorer version 2257

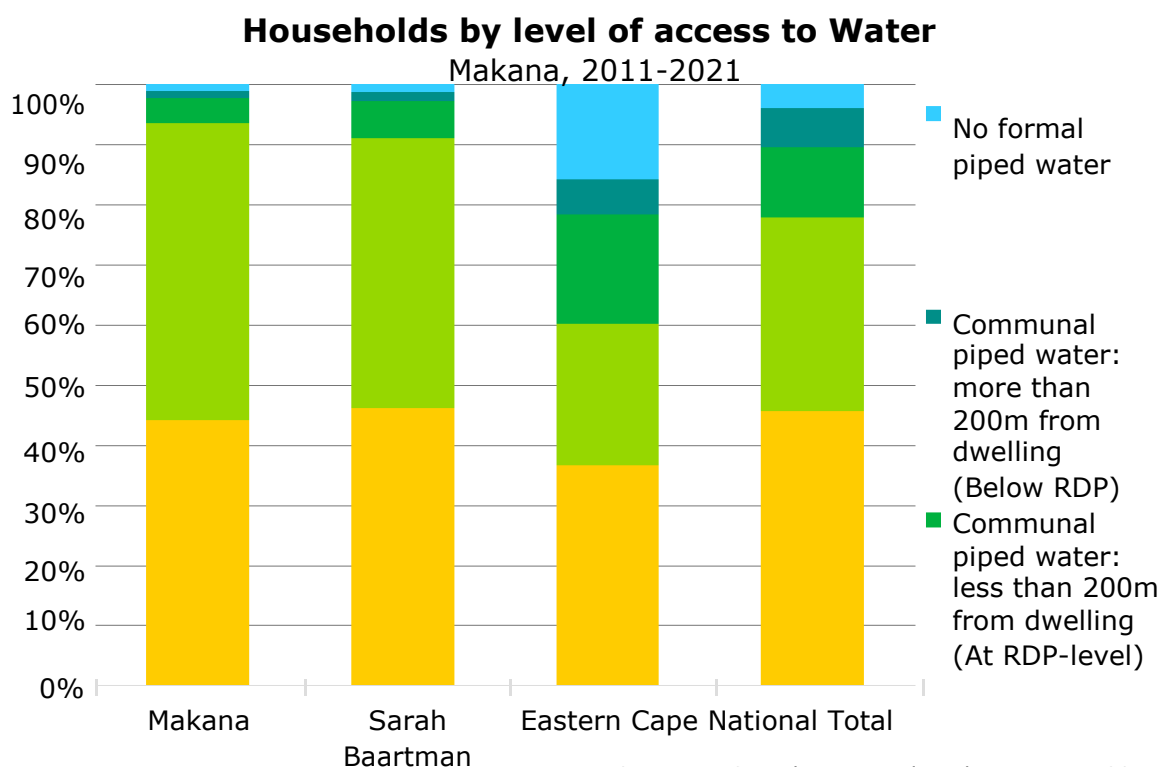
When looking at the sanitation backlog (number of households without hygienic toilets) over time, it can be seen that in 2011 the number of Households without any hygienic toilets in

Makana Local Municipality was 3 970, this decreased annually at a rate of -10.89% to 1 250 in 2021.

2.1.4.1.3 Households access to running water.

A household is categorised according to its main access to water, as follows: Regional/local water scheme, Borehole and spring, Water tank, Dam/pool/stagnant water, River/stream and other main access to water methods. No formal piped water includes households that obtain water via water carriers and tankers, rainwater, boreholes, dams, rivers and springs.

CHART. Households by type of water access - Makana, Sarah Baartman, Eastern Cape and National total, 2021 [percentage]



Makana Local Municipality had a total number of 10 300 (or 44.14%) households with piped water inside the dwelling, a total of 11 500 (49.40%) households had piped water inside the yard and a total number of 261 (1.12%) households had no formal piped water.

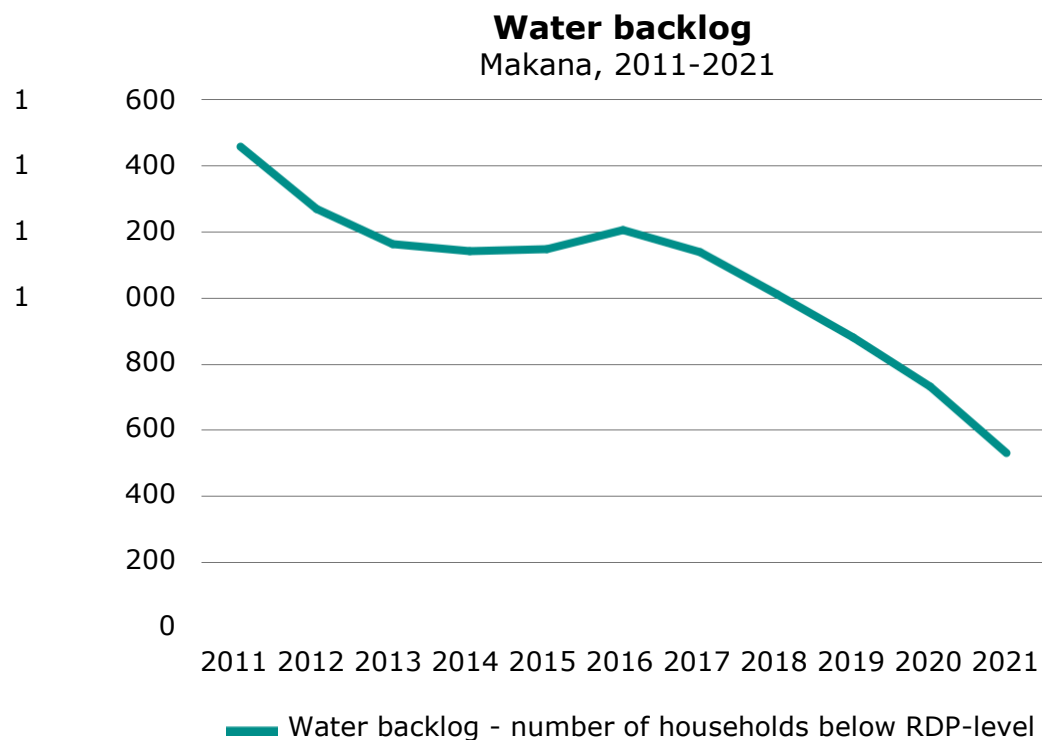
TABLE . Households by type of water access - Makana and the rest of Sarah Baartman, 2021 [number]

	Piped water inside dwelling	Piped water in yard	Communal piped water: less than 200m from dwelling (At RDP-level)	Communal piped water: more than 200m from dwelling (Below RDP)	No formal piped water	Total
Makana	10,310	11,539	978	272	261	23,359
Dr Beyers Naude	11,230	11,521	267	200	236	23,453
Blue Crane			351	87	173	10,846
Route	4,569	5,666	860	248	241	22,000
Ndlambe	6,289	14,363	1,371	506	485	19,641
Sundays River	6,171	11,107	5,218	961	204	38,690
Valley	21,308	10,999	152	21	422	14,010
Kouga	10,252	3,163	9,198	2,294	2,021	151,999
Total						
Sarah Baartman	70,129	68,357				

Source: IHS Markit Regional eXplorer version 2257

The region within the Sarah Baartman District Municipality with the highest number of households that have piped water inside the dwelling is the Kouga Local Municipality with 21 300 or 30.38% of the households. The region with the lowest number of households that have piped water inside the dwelling is the Blue Crane Route Local Municipality with a total of 4 570 or 6.51% of the households.

CHART 50. Water backlog - Makana Local Municipality, 2011-2021 [number of households below RDP-level]



Source: IHS Markit Regional eXplorer version 2257

When looking at the water backlog (number of households below RDP-level) over time, it can be seen that in 2011 the number of households below the RDP-level were 1 460 within Makana Local Municipality, this decreased annually at -9.59% per annum to 532 in 2021.

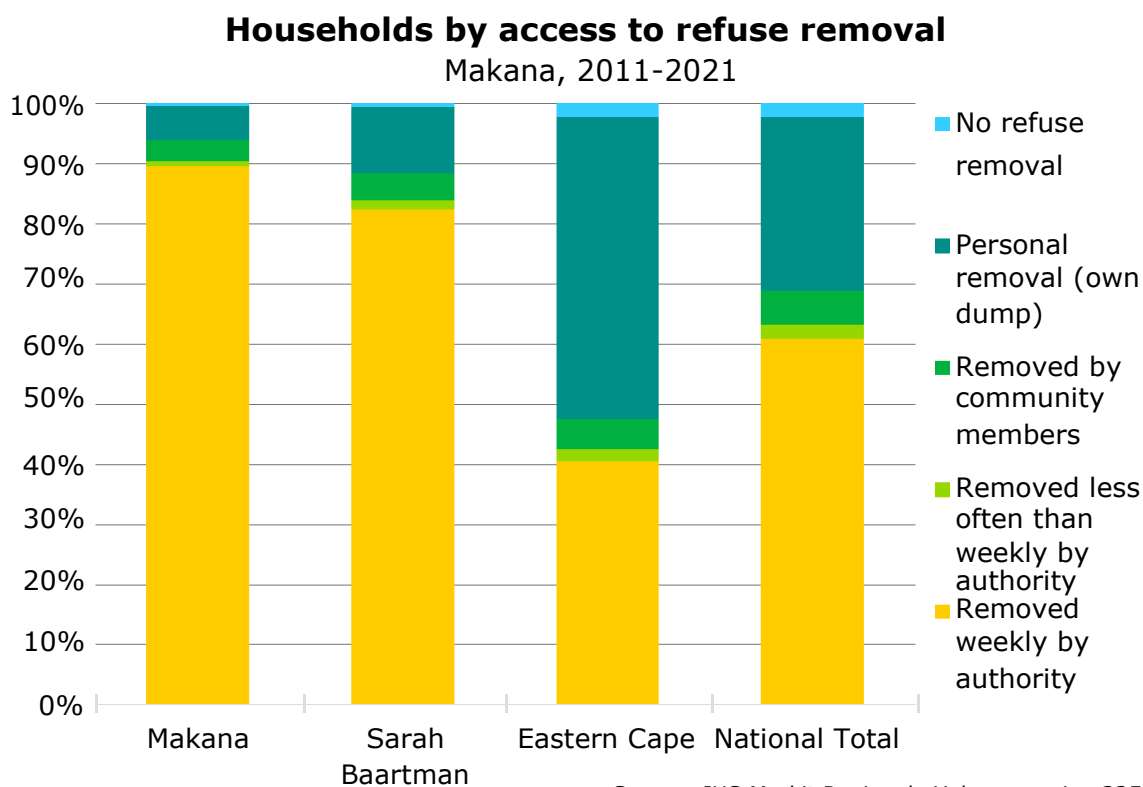
2.1.4.1.4: Access to refuse removal.

A distinction is made between formal and informal refuse removal. When refuse is removed by the local authorities, it is referred to as formal refuse removal. Informal refuse removal is where either the household or the community disposes of the waste, or where there is no refuse removal at all. A further breakdown is used in terms of the frequency by which the refuse is taken away, thus leading to the following categories:

- Removed weekly by authority.
- Removed less often than weekly by authority

- Removed by community members
- Personal removal / (own dump)
- No refuse removal

CHART : Households by refuse disposal - Makana, Sarah Baartman, Eastern Cape and National total, 2021
[percentage]



Makana Local Municipality had a total number of 20 900 (89.61%) households which had their refuse removed weekly by the authority, a total of 178 (0.76%) households had their refuse removed less often than weekly by the authority and a total number of 1 310 (5.62%) households which had to remove their refuse personally (own dump).

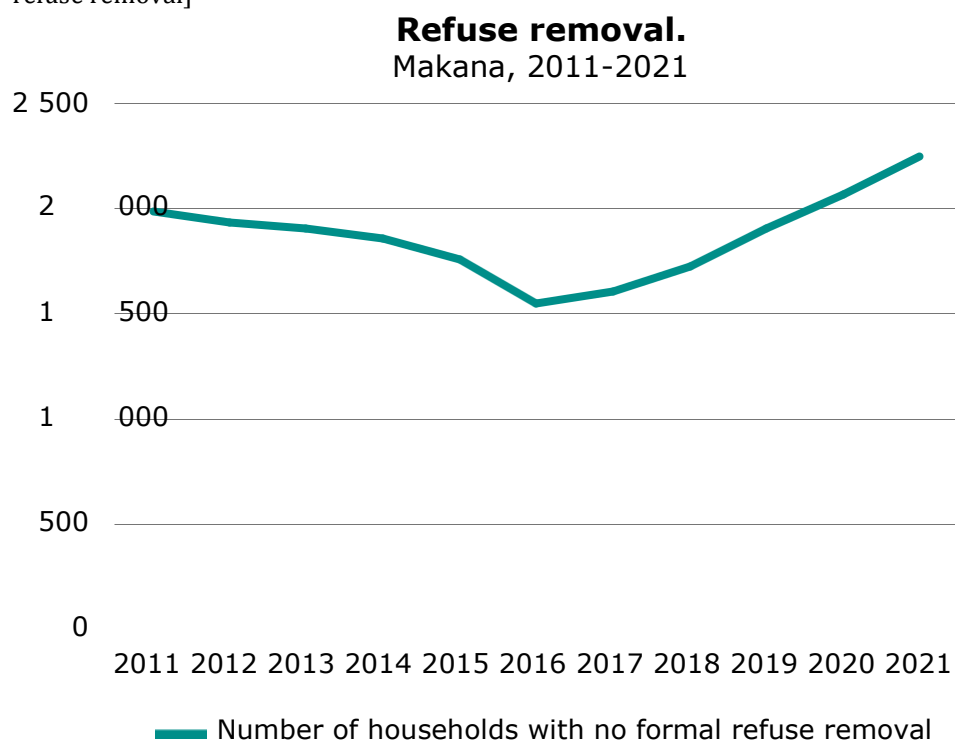
TABLE . Households by refuse disposal - Makana and the rest of Sarah Baartman, 2021 [number]

	Removed weekly by authority	Removed less often than weekly by authority	Removed by community members	Personal removal (own dump)	No refuse removal	Total
Makana	20,933	178	822	1,313	113	23,359
Dr Beyers Naude	19,105	268	1,270	2,728	83	23,453
Blue Crane	8,765	51	333	1,642	56	10,846
Route Ndlambe	18,446	449	679	2,264	162	22,000
Sundays River	13,794	433	703	4,582	129	19,641
Valley	33,738	382	2,041	2,366	163	38,690
Kouga	10,302	580	935	2,088	105	14,010
Total Sarah Baartman	125,082	2,341	6,784	16,982	810	151,999

Source: IHS Markit Regional eXplorer version 2257

The region within Sarah Baartman with the highest number of households where the refuse is removed weekly by the authority is Kouga Local Municipality with 33 700 or a share of 26.97% of the households where the refuse is removed weekly by the authority within Sarah Baartman. The region with the lowest number of households where the refuse is removed weekly by the authority is Blue Crane Route Local Municipality with a total of 8 760 or a share of 7.01% of the total households where the refuse is removed weekly by the authority within the district municipality.

CHART: Refuse removal – Makana Local Municipality, 2011-2021 [number of households with no formal refuse removal]



Source: IHS Markit Regional eXplorer version 2257

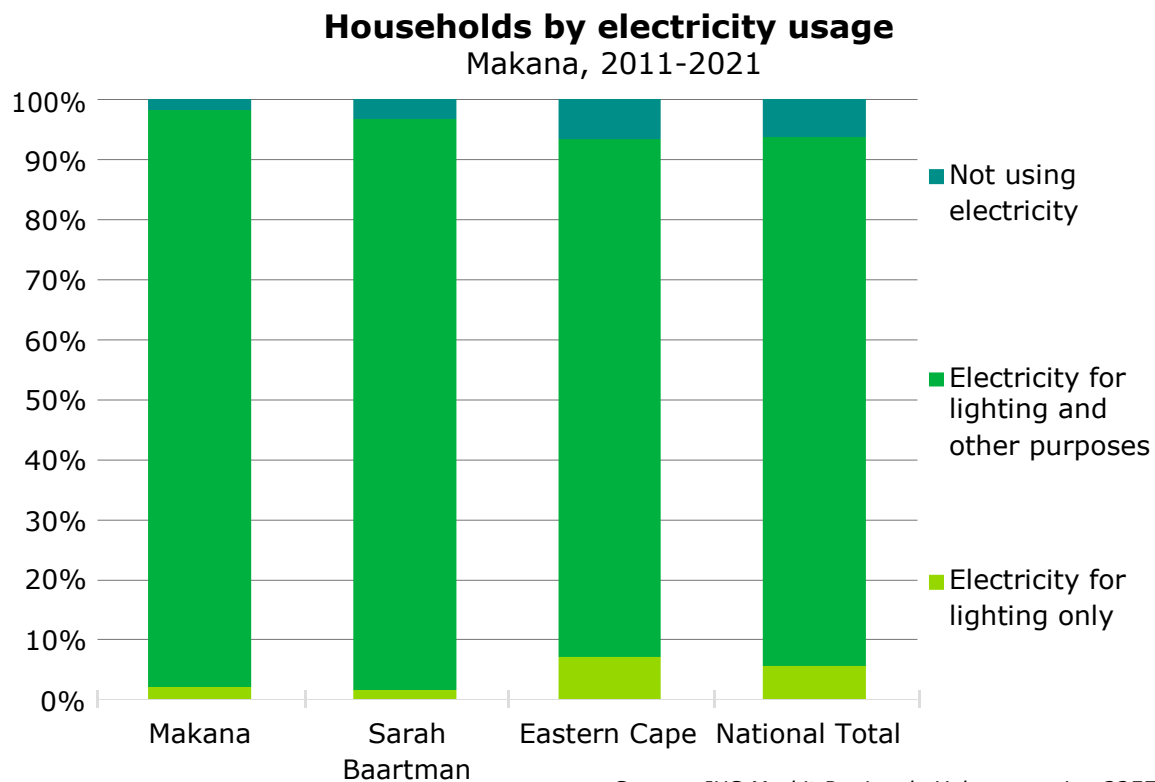
When looking at the number of households with no formal refuse removal, it can be seen that in 2011 the households with no formal refuse removal in Makana Local Municipality was 1 980, this increased annually at 1.26% per annum to 2 250 in 2021.

The total number of households within Makana Local Municipality increased at an average annual rate of 0.90% from 2011 to 2021, which is higher than the annual increase of 1.51% in the number of households in South Africa.

2.1.4.1.5 Access to electricity

Households are distributed into 3 electricity usage categories: Households using electricity for cooking, Households using electricity for heating, households using electricity for lighting. Household using solar power are included as part of households with an electrical connection. This time series categorises households in a region according to their access to electricity (electrical connection).

CHART 51. Households by type of electrical connection - Makana, Sarah Baartman, Eastern Cape and national total, 2021 [percentage]



Makana Local Municipality had a total number of 467 (2.00%) households with electricity for lighting only, a total of 22 500 (96.16%) households had electricity for lighting and other purposes and a total number of 430 (1.84%) households did not use electricity.

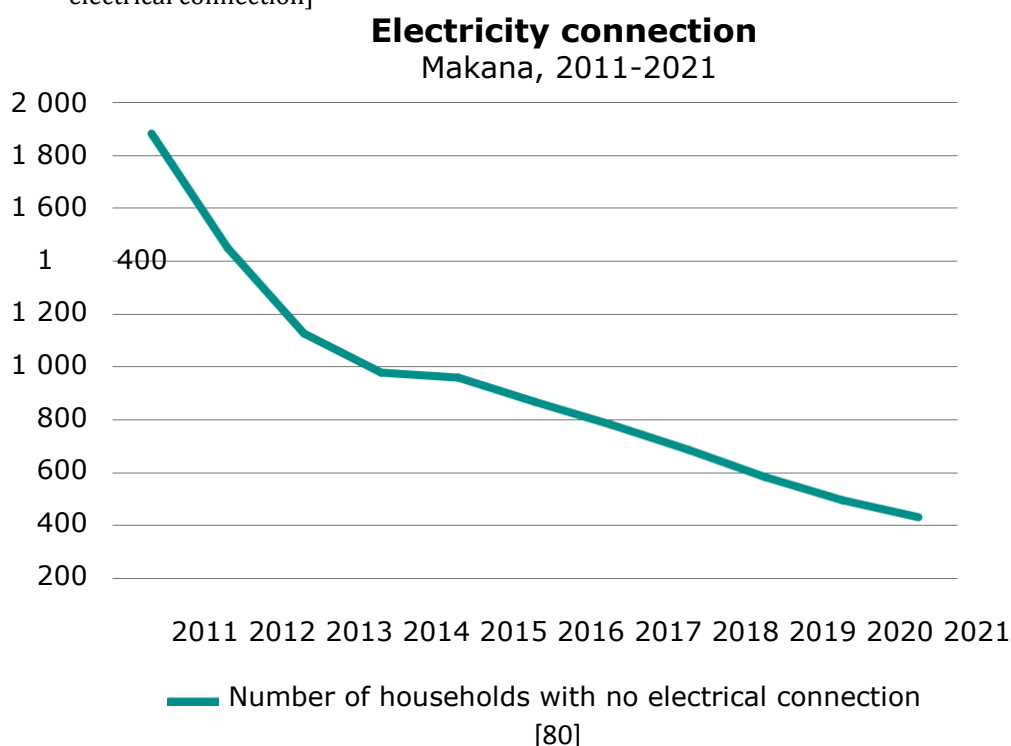
TABLE 38. Households by type of electrical connection - Makana and the rest of Sarah Baartman, 2021 [number]

	Electricity for lighting only	Electricity for lighting and other purposes	Not using electricity	Total
Makana	467	22,462	430	23,359
Dr Beyers Naude	526	22,486	441	23,453
Blue Crane Route	149	10,344	353	10,846
Ndlambe	401	20,773	827	22,000
Sundays River Valley	347	18,294	1,000	19,641
Kouga	373	36,768	1,549	38,690
Kou-Kamma	144	13,422	444	14,010
Total				
Sarah Baartman	2,406	144,549	5,043	151,999

Source: IHS Markit Regional eXplorer version 2257

The region within Sarah Baartman with the highest number of households with electricity for lighting and other purposes is Kouga Local Municipality with 36 800 or a share of 25.44% of the households with electricity for lighting and other purposes within Sarah Baartman District Municipality. The region with the lowest number of households with electricity for lighting and other purposes is Blue Crane Route Local Municipality with a total of 10 300 or a share of 7.16% of the total households with electricity for lighting and other purposes within Sarah Baartman District Municipality.

CHART:. Electricity connection - Makana Local Municipality, 2011-2021 [number of households with no electrical connection]



When looking at the number of households with no electrical connection over time, it can be seen that in 2011 the households without an electrical connection in Makana Local Municipality was 1 880, this decreased annually at -13.74% per annum to 430 in 2021.

2.1.6 Environmental and land management

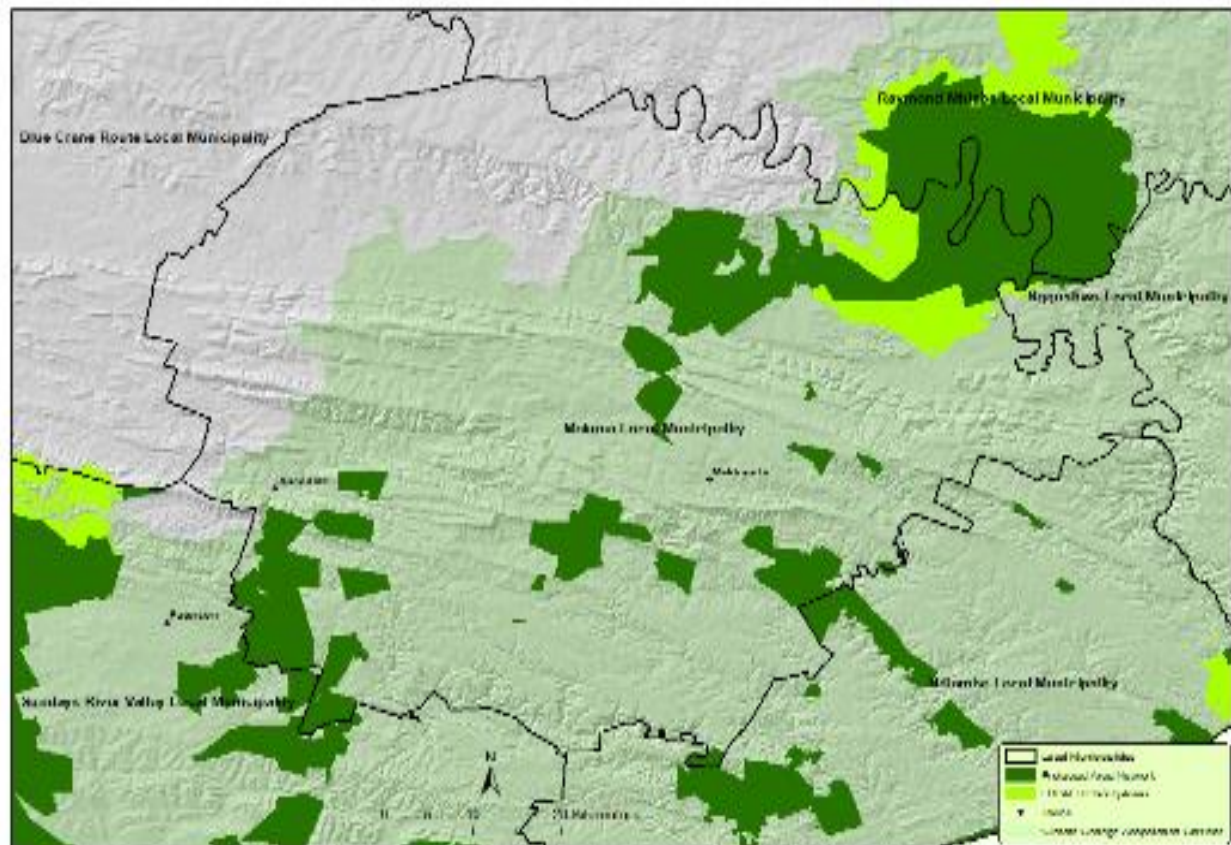
This Environmental profile provides an overview of the environmental characteristics of the Makana area. Development associated with primary activities such as mining and agriculture, as well as tertiary activity such as tourism is often based on an area's physical attributes. The environmental profile will thus feed into the developmental potential that can be based on Makana's inherent physical characteristics. The environmental characteristics of Makana are discussed under the following sub-sections.

2.1.6.1 Climate:

The Southern portion of the municipality has the highest rainfall. The majority of the municipality is classified as semi-arid. Makana lies in a subtropical climatic zone, meaning that the area is characterized by warm summers and cool winters and fairly evenly distributed rainfall throughout the year.

The Makhanda area experiences moderate weather conditions. Rain falls throughout the year with mean precipitation averaging 680mm. Summer temperatures (January) vary from an average maximum of 26°C to a minimum of 15°C. In winter (July) temperatures vary from an average maximum of 18°C to an average minimum of 4°C. The prevailing wind direction is from the west and southwest. ***Eastern Cape Climate Change Response Strategy (DEDEAT, 2011).***

Climate Change Corridor in Makana LM



In Alicedale, rainfall is approximately 555mm per year. Temperatures in Alicedale range from 40°C to 15°C in summer and 18°C to -8°C in the winter months. Rainfall in Riebeeck East area is approximately 865mm per year, with identical average winter and summer temperatures to those experienced Makhanda.

2.1.6.2 Climate Change:

Climate change is defined as a change of climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability over comparable time periods. **(United Nations Framework Convention on Climate Change)**

The manifestation of climate change in the Eastern Cape is expected to be:

- High temperature increases towards the North -West Interior with lowest increases along the coast.
 - A drying trend towards the South and South -West.

- Increased precipitation more likely towards the east of the Province.
- Sea level rise scenario's ranging from 2m to 6,5m depending on exposure.
- Risk assessment, adaptation and mitigation measures addressed in SBDM

2.1.6.3 Geology and Soil

From a municipal wide perspective there are no unfavourable geotechnical conditions that will prevent development or require specific safety considerations. The necessary on-site investigations should be undertaken to ensure that the site-specific circumstances are suitable for the intended development.

2.1.6.4 Topography

The eastern part of the municipality can be classified as lowlands, with contours generally lying below 300m above sea level. The western part of the locality in which Alicedale is situated can be classified as being of a moderate elevation, lying between 300m and 600m above sea level.

The central part of the municipality that contains Makhanda and Riebeek East has the highest elevation of between 600m and 900m above sea level. Makhanda is situated in a valley that cuts into a plateau.

The highest point on the plateau is 770m above sea level and the lowest point in the valley is 490m above sea level. Alicedale is located about 360m above sea level in a flood plain created by the confluence of the Bushman's River and the New Year's river. Riebeek East is located 630m above sea level.

2.1.6.5 Topography and slope

Most of the land in Makana has a slope of either between 3-8° or between 8-20 °

2.1.6.5.1 Hydrology

The major water related driver in the municipal area is the Orange-Fish-Sundays Water Supply system which ensures continuous sustainable water supply for economic activity and is essential for community's well-being and socio-economic prosperity in the area. The whole municipality is classified as a primary catchment area, with a mean quaternary runoff of between 12m³ and 40m³.

Surface water is largely provided by dams and reservoirs that are linked to perennial and non-perennial rivers. Ground water is provided by boreholes and springs that are evenly distributed throughout the municipality.

In terms of water sources in the towns it is found that:

- Makhanda's water is from local dams and sources transferred from the Orange River.
- There is adequate supply to cater for the 8.6M/m³ but there is also a need for more groundwater development.
- Riebeeck East's water is sourced from local boreholes. It also has adequate supplies of water to cater for the 0.0285 M/m³ that it uses.
- A planned water scheme for Riebeeck East is an increase in storage capacity in the form of tanks and a reservoir.
- Alicedale's water is sourced from a local New Year dam.

With regards to the quality of water resources in the area, the State of Sarah Baartman District Environment report of 2005 states that water quality is 'good, or even natural (e.g. the New Year's Dam and Bushman's River sites) even though it is naturally saline and not suitable for certain uses

2.1.6.5.2 Land and Soil Types

Land capacity is determined by the collective effects of soil, topography, hydrology and climate features. It indicates the most intensive long-term and sustainable use of land for rain-fed agriculture and at the same time highlights the permanent limitations associated with different land use classes.

Table below shows the classifications with which land is classified.

It also shows different land usages that go in line with the different levels of land capability. This shows the nature of agricultural activity that can be feasibly undertaken throughout the municipality.

Land use option per land capability class

Classes	Forest	Veld	Pasture	Limited	Moderate	Intensive	Very Intensive
I	X	x	X	X	X	x	
II	X	X	X	X	X	X	
III	X	X	X	X	X		
IV	X	X	X	X			
V	X	X	X				

VI	X	X					
VII	X	X					
VIII	X						

Land capacity in Makana

Land capability class	Area (ha)	Percentage
1	0.00	0.00%
2	0.00	0.00%
3	0.00	0.00%
4	31789.20	7.27%
5	20456.20	4.68%
6	300661.00	68.71%
7	46331.70	10.59%
8	38072.30	8.70%

Most of the land (68.71%) in Makana is classified under class 6. This means that the majority of land in Makana is only suitable for grazing of animals and non-arable.

Based on the results presented, the Makana Area Based Plan (2008) states that land in the Makana area has suitable potential for:

- Large areas of irrigation, should water be available
- Rain-fed cropping of wheat, chicory, pecan nuts and aloe
- Irrigation-fed cropping of stone fruit, olives, cotton, vegetable, sugar beet and oranges
- Livestock including game farming and ostrich farming

Soils in the Makana area are generally shallow and weakly developed, with depths typically not exceeding 600mm. This is because the municipality's geology is based on Beaufort group sandstones and shale's which dominate the landscape. The shallow and weakly developed soils limit the types of crops that may be planted throughout the municipality as this affects root development, nutrient retention and moisture drainage.

There are some rich alluvial and colluvial soils close to rivers, which support intensive agricultural cultivation. Topsoil textures vary from loamy sand to sandy clay loam.

2.1.6.5.3 Land use Management

- As indicated in Section 26(e) of the Municipal Systems Act, the SDF is required to “include the provisions of basic guidelines for a Land Use Management System (LUMS) for the municipality”.
- Land-use changes such as the rezoning of a property from residential to commercial use.
- ‘Green fields’ land development, i.e. the development of previously undeveloped land;
- Subdivision and consolidation of land parcels
- Regularization and upgrading process of informal settlements, and
- The facilitation of land development through the more active participation of the municipality in the land development process, especially through public-private partnerships

2.1.6.5.3.1 Planning Schemes/Mechanisms:

The Planning Schemes are the statutory mechanisms whereby land may be developed, managed and regulated. Municipality is using Avvio as its GIS to manage application and zoning of land.

2.1.6.5.3.2 Land Use management needs:

The current land use management mechanisms in Makana are unable to address the needs of the residents. The following shortcomings have been identified:

- Ineffective zoning records, specifically for the former Western District Council Area
- The public does not have easy access to information regarding land
- No database of the registered municipal land,
- No credible land audit,

In response to this shortcoming Makana municipality has conducted a land audit in 2016/17 internally which was more identification of land though GPS, however, the Municipality is planning to conduct a full scale land audit in 2022-2023 financial year. Secondly these shortcomings are resulting in the growing tendency of illegal occupation of open spaces. The Municipality as a law enforcer is in the process of developing a policy on land invasion.

A full set of general guidelines for Land Use Applications are contained in the SDF and for this reason will not be elaborated upon in the IDP.

2.1.6.5.3.3 Land Reform Programme:

The Department of Rural Development and Land Affairs has compiled an Area Based Plan, for the Sarah Baartman District area as a whole. An Area Based Plan is essentially a sector plan that seeks to address land related issues at a municipal level and is intended to form part of the Integrated Development Plan (IDP), informing the Spatial Development Framework (SDF) and Land Use Management System (LUMS).

Fundamentally the Plan seeks to integrate Land Reform into the municipal planning process wherein identified projects are supported during and post implementation phases to ensure sustainability. Also to develop an implementation tool for pro-active land acquisition to facilitate acquisition of land at scale by DRD & LR to meet the 2014 target of transferring 30% of white owned land into the hands of the black farming class.

The Land Reform Programme is anchored on three key programmes, namely:

1. Restitution,
2. Redistribution and
3. Tenure reform.

These were developed to promote land acquisition, restore land rights lost through dispossession and achieve tenure upgrade respectively. There is one area in Makana which is known of outstanding claims which is different farms is Salem.

Land Reform Targets

Land area	Total exclusion	Remaining land (White owned)	30% Target	Land Redistribution 1994-2008	Remaining Target	% Achieved
437561	159089	278472	83541	13113	70428	18.62%

Land Demand

Settlement	Level	Housing Demand	Land Identified by SDF	Units optimal density	Over/under provision
Riebeeck East	1	450	9.93	298	-152
Alicedale	1	450	37.07	1 112	662
Makhanda	3	12 000	792.34	23 770	11 770
Total	N/A	12 900	839.34	25 180	12 280

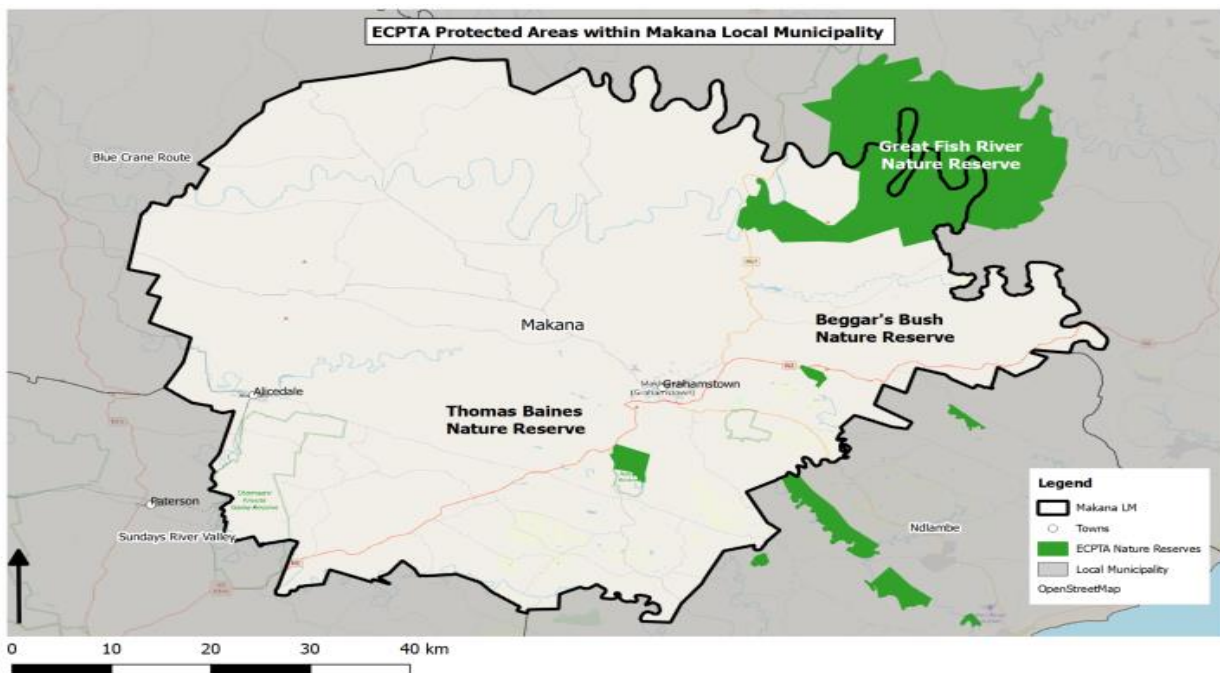
2.1.6.5.4 Vegetation and Biodiversity

The vegetation in an area represents an integration of climate, soil and a number of other biological factors. Physical factors including geomorphology and geology also act as variables that determine vegetation types and biodiversity. Makana has richly diverse and unique vegetation, comprising of ten vegetation types, representing six of the seven major Southern African biomes namely:

1. forest,
2. grassland,
3. succulent Karoo,
4. fynbos,
5. savannah grasslands and
6. thicket vegetation.

Makana municipality is situated in the Albany Centre of Endemism and has 27 endemic plant species of which 17 (62%) are cited as being vulnerable and 5 (32%) are cited as being endangered. Significant portions of land in the Makana municipality is classified as “Critical Biodiversity” area.

ECPTA Protected Areas within Makana Local Municipality



This means that they are to be managed for biodiversity and conservation, with only limited development in the form of small scale tourism amenities recommended. Critical Biodiversity areas also have guidelines on the form an agriculture that may take place.

The biodiversity of the thicket within Makana is threatened by several factors, including:

- Urbanization
- Transformation of land for agricultural purposes
- Overgrazing by livestock
- Habitat loss through preparation of cultivated land for products such as cash crops
- Overpopulation of alien species introduced through agriculture and game reserves
- Unsustainable resource use
- Collection of plant species for medicinal and ornamental uses
- Land degradation due to the use of irrigation in areas with poor soils

2.1.6.5.5 Protected Area

The Eastern Cape Parks and Tourism Agency (ECPTA) is the management authority as per the National Environmental Management: Protected Areas Act (No 57 of 2003) of various provincial protected areas.

Protected areas under the management of the ECPTA within the Makana Local Municipality are the Beggars Bush Nature Reserve, Thomas Baines Nature Reserve and Great Fish River Nature Reserve (see figure underneath). Protected Area Management Plans have been developed for all these protected areas by the ECPTA.

2.1.6.5.5.1 Thomas Baines Nature Reserve Complex

Thomas Baines Nature Reserve Complex is a name coined to refer to a series of nature reserves situated within the Makana and Ndlambe Local Municipalities. The Reserve complex consists of Kaap River, Thomas Baines, Beggars Bush and Cycad Nature Reserves. Beggars Bush and Thomas Baines Nature Reserves are located within the Makana Local Municipality, whereas Kaap River and Cycad Nature Reserves are located within Ndlambe Local Municipality.

Thomas Baines Nature Reserve was originally established as a municipal nature reserve in 1961 and was declared a Provincial Nature Reserve in 1980 in terms of the Cape Nature Conservation Ordinance No 19 of 1974. Beggar's Bush State Forests were proclaimed as State Forest in 1929 respectively and is governed by the National Forests Act.

Thomas Baines Nature Reserve (TBNR) is situated in the south-eastern section of the Eastern Cape approximately 13km south-west of Grahamstown.

TBNR is about 1000 hectares and comprises several farms bordering and incorporating Howison's Poort Reservoir and Settler's Dam. These are both important water supplies for Makhanda. Beggars Bush is located approximately 30km south-east of Grahamstown and 65km from TBNR

Four biomes extend across the reserve complex namely: Albany Thicket, Fynbos, Forest and Savanna biome (Mucina and Rutherford, 2006). Table below summarises the biomes found within each of the reserves as well as the area estimates of the vegetation types found within the reserve complex.

Overview of biomes and vegetation types.

Biome Type	Vegetation Type	Threat Status	Conservation Status	Area in ha within the Nature Reserve
Thomas Baines Nature Reserve				
Thicket	Kowie Thicket	Least Threatened	Poorly Protected	286.5
Savanna	Bisho Thornveld	Least Threatened	Poorly Protected	614.7
Fynbos	Suurberg Shale Fynbos	Least Threatened	Well protected	83.3
Fynbos	Suurberg Quartzite Fynbos	Least Threatened	Moderately Protected	55.4
Forest	Southern Mist belt Forest	Least Threatened	Poorly Protected	unknown
Beggars Bush Nature Reserve				
Thicket	Kowie Thicket	Least Threatened	Poorly Protected	15.3
Forest	Southern Mist belt Forest	Least Threatened	Poorly Protected	114.03
Fynbos	Suurberg Quartzite Fynbos	Least Threatened	Moderately Protected	154.29

Historically present, but now absent faunal species include elephant, black rhinoceros, hippo, leopard, Burchell's zebra, red hartebeest, oribi, Cape buffalo, kudu, bushbuck, eland, springbok, klipspringer, steenbok and mountain reedbuck.

Key larger mammal species currently present in the TBNRC cluster include bush pig, blue duiker, common duiker, grysbok and bushbuck. The reserve has about 17 freshwater fish – including the endemic Eastern Cape Rocky.

This Reserve Complex (which includes Beggars Bush and Thomas Baines Nature Reserves) contributes to the South African Aichi biodiversity targets particularly aichi target 11 of the Strategic Goal C. It contributes to the target for the following vegetation types (as per Mucina and Rutherford, 2006):

- Bisho Thornveld
- Suurberg quartzite fynbos
- Suurberg Shale fynbos
- Kowie Thicket

Although unquantified, the reserve complex contributes to carbon sequestration. The reserve complex secures several rare and endangered species. The reserve complex serves as the critical water source for the Makana Municipality.

Issues affecting ECPTA Protected Areas within the Municipality are as follow:

- Poaching
- Pollution in rivers (solid waste issue)
- Alien and Invasive species

Opportunities in addition to those identified in the Management Plans attached are as follow:

- Tourism Potential (specifically around conservation and heritage)
- Hiking trails

Desirable Planning Outcome and Priorities:

- Protection of strategic catchment areas (especially the two catchment areas feeding the two dams (inside Thomas Baines, figure that depicts the area of concern in blue as per the Zones of Influence that has been developed for Thomas Baines Nature Reserve by the ECPTA),
- road network near protected areas to be maintained
- appropriate zoning on land adjacent to ECPTA protected areas.
- investment in removing alien and invasive species
- investment in eco-tourism opportunities
- preventing pollution in watercourses (rivers and wetlands)

- supporting conservation initiatives and programmes

2.1.7 TOURISM

Tourism can be defined as the non-commercial organisation plus operation of vacations and visits to a place of interest. Whether you visit a relative or friend, travel for business purposes, go on holiday or on medical and religious trips - these are all included in tourism.

2.1.7.1 Trips by Purpose of trip

As defined by the United Nations World Tourism Organisation (UN WTO), a trip refers to travel, by a person from the time they leave their usual residence until they return to that residence. This is usually referred to as a round trip. IHS likes to narrow this definition down to overnight trips only, and only those made by adult visitors (over 18 years). Also note that the number of "person" trips are measured, not household or "party trips".

The main purpose for an overnight trip is grouped into these categories:

- Leisure / Holiday
- Business
- Visits to friends and relatives
- Other (Medical, Religious, etc.)

TABLE:. Number of trips by purpose of trips - Makana Local Municipality, 2011-2021
[number percentage]

	Leisure / Holiday	Business	Visits to friends and relatives	Other (Medical, Religious, etc)	Total
2011	27,300	6,280	64,200	5,060	103,000
2012	24,900	6,350	58,900	4,800	95,000
2013	21,900	6,050	54,900	4,500	87,300
2014	20,700	5,830	54,000	4,830	85,400
2015	19,000	5,720	53,300	4,710	82,700
2016	18,500	6,010	53,300	4,800	82,600
2017	17,600	5,740	52,300	4,820	80,500
2018	17,500	5,380	51,100	4,620	78,700
2019	17,600	4,540	48,900	4,230	75,300
2020	11,500	2,930	31,000	3,500	49,000
2021	7,390	2,300	32,700	3,480	45,900
Average Annual growth					
2011-2021	-12.27%	-9.55%	-6.53%	-3.67%	-7.76%

Source: IHS Markit Regional Explorer version 2257

In Makana Local Municipality, the Other (Medical, Religious, etc), relative to the other tourism, recorded the highest average annual growth rate from 2011 (5 060) to 2021 (3 480) at -3.67%. Visits to friends and relatives recorded the highest number of visits in 2021 at 32 700, with an average annual growth rate of -6.53%. The tourism type that recorded the lowest growth was Leisure / Holiday tourism with an average annual growth rate of -12.27% from 2011 (27 300) to 2021 (7 390).

8.3 TOURISM SPENDING

2.1.7.2 Tourism Spending

In their Tourism Satellite Account, StatsSA defines tourism spending as all expenditure by visitors for their trip to the particular region. This excludes capital expenditure as well as the shopping expenditure of traders (called shuttle trade). The amounts are presented in current prices, meaning that inflation has not been taken into account. It is important to note that this type of spending differs from the concept of contribution to GDP. Tourism spending merely represents a nominal spend of trips made to each region.

TABLE 43. Total tourism spending - Makana, Sarah Baartman, Eastern Cape and National total, 2011-2021 [r billions, current prices]

	Makana	Sarah Baartman	Eastern Cape	National Total
2011	0.3	2.6	15.2	205.8
2012	0.3	3.1	17.6	229.8
2013	0.4	3.3	19.3	253.3
2014	0.4	3.6	20.8	275.4
2015	0.4	3.3	19.0	253.9
2016	0.4	3.6	20.7	277.6
2017	0.4	3.0	18.9	264.0
2018	0.4	3.3	20.6	291.1
2019	0.5	4.6	28.8	406.2
2020	0.2	1.6	9.0	131.1
2021	0.4	3.7	19.6	296.5
Average Annual growth				
2011-2021	1.32%	3.48%	2.60%	3.72%

Source: IHS Markit Regional eXplorer version 2257

Makana Local Municipality had a total tourism spending of R 391 million in 2021 with an average annual growth rate of 1.3% since 2011 (R 343 million). Sarah Baartman District Municipality had a total tourism spending of R 3.72 billion in 2021 and an average annual growth rate of 3.5% over the period. Total spending in Eastern Cape Province increased from R 15.2 billion in 2011 to R

19.6 billion in 2021 at an average annual rate of 2.6%. South Africa as whole had an average annual rate of 3.7% and increased from R 206 billion in 2011 to R 297 billion in 2021.

2.1.7.3 Tourism spend per resident Capital.

Another interesting topic to look at is tourism spending per resident capita. To calculate this, the total amount of tourism spending in the region is divided by the number of residents living within that region. This gives a relative indication of how important tourism is for a particular area.

TABLE: Tourism spend per resident capita - Makana Local Municipality and the rest of Sarah Baartman, 2011,2016 and 2021 [r thousands]

	2011	2016	2021
Makana	R 4,192	R 4,467	R 4,292
Dr Beyers Naude	R 3,981	R 5,373	R 6,408
Blue Crane Route	R 2,142	R 2,705	R 2,619
Ndlambe	R 11,157	R 15,235	R 12,069
Sundays River Valley	R 3,497	R 4,684	R 5,835
Kouga	R 8,209	R 9,697	R 8,085
Kou-Kamma	R 4,603	R 5,926	R 7,317

Source: IHS Markit Regional eXplorer version 2257

In 2021, Makana Local Municipality had a tourism spend per capita of R 4,290 and an average annual growth rate of 0.24%, Makana Local Municipality ranked sixth amongst all the regions within Sarah Baartman in terms of tourism spend per capita. The region within Sarah Baartman District Municipality that ranked first in terms of tourism spend per capita is Ndlambe Local Municipality with a total per capita spending of R 12,100 which reflects an average annual increase of 0.79% from 2011. The local municipality that ranked lowest in terms of tourism spend per capita is Blue Crane e with a total of R 2,620 which reflects an increase at an average annual rate of 2.03% from 2011.

2.2 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

Section 66 of the Local Government: The Municipal Systems Act (Act No 32 of 2000) requires a Municipal Manager, within a policy framework determined by the Municipal Council and subject to any applicable legislation, to establish a mechanism to regularly evaluate the staff establishment of a Municipality and, if necessary, review the staff establishment.

(Amendments require the approval of both parties). Makana has developed a Code of Conduct for both employees and councillors in line with legislation.

All employees are bound by the Code of Conduct and must sign on the first day of starting work. Councillors must sign when they are sworn in as well as the Standing Rules of Council. Councillors are bound by the Standing Rules of Council. Both these Code of Conducts are developed in line with the requirements of the Municipal Systems Act.

Institutional structures, both political and administrative, are clearly outlined in the governance framework. The framework clearly outlines the roles and responsibilities of the council structures as well as reporting.

Political structures include: The Municipal Council which comprises 27 Councillors, 14 of whom are Ward Councillors and 13 are Proportional Representation (PR) Councillors.

The Office of the Speaker: The Speaker is the Chairperson of the Municipal Council; the Executive Mayor and Executive Mayoral Committee and Portfolio Committees who oversee operations in all the Municipal Directorate.

2.2.1 The Administration is divided in 6 Directorates Namely:

DIRECTORATE		OFFICE
01.	The Municipal Manager's Office	City Hall, Church Square, Makhanda
02.	Corporate and Shared Services	City Hall, Church Square, Makhanda
03.	Public Safety and Community Services	Church Square, Makhanda
04.	Budget and Treasury Office	86 High Street, Makhanda
05.	Engineering, Infrastructure and Technical Services	High Street, Makhanda
06.	Local Economic Development and Planning	High Street, Makhanda
SATELLITE OFFICES		
01.	Riebeeck East	63 Morgan Street Riebeeck East 580
02.	Alicedale	1003 Main Alicedale 6135

There are several community structures established by the municipality, including Ward Committees, IDP Representative Forums, Sector Engagement Forums, Ward-room Forums, and Business Sector Forums.

2.2.2 Power and Functions:

Section 156, read together with Schedules 4B and 5B of the Constitution defines the functions of a municipality. Section 84 of the Municipal Structures Act regulates the division of these functions between the District and Local Municipality.

The Makana LM currently has 31 different functions, based on the Municipal Systems Act, No 32 of 2000 and Act 117 of 1998.s.

Table 64: Powers and Functions:

No.	POWERS AND FUNCTION	No.	POWERS AND FUNCTION
1.	Firefighting DM function	15.	Local amenities
2.	Municipal airports	16.	Municipal parks and recreation
3.	Trading regulations	17.	Municipal Roads
4.	Sanitation	18.	Noise pollution
5.	Building regulations	19.	Pound
6.	Electricity reticulation	20.	Public places
7.	Local tourism	21.	Refuse removal, refuse dumps and solid waste disposal
8.	Municipal planning	22.	Control of undertakings that sell liquor to the public
9..	Stormwater	23.	Fencing and fences
10.	Water (potable)	24.	Street trading
11.	Cemeteries, funeral parlours and crematoria	25.	Street lighting
12.	Billboards and the display of advertisements in public places	26.	Traffic and parking
13.	Facilities for the accommodation, care and burial of animals	27.	Control of public nuisance
14.	Local sport facilities	28.	Licensing of dogs

No.	POWERS AND FUNCTION	No.	POWERS AND FUNCTION
29.	Cleansing	31.	Licensing and control of undertakings that sell food to the public
30.	Air Pollution		

2.2.3 Organisational Structure:

The municipality annually undertakes a comprehensive organisational development exercise for the entire institution. The objective was to ensure alignment of current and future organisational needs. In the 2021-2022 financial year, Council approved the current organizational structure.

Figure 5: Organizational Structure



Directorate	Department
Municipal Manager's Office	Risk Management
	Internal Audit
	Executive support
	Strategic Planning and Monitoring
	Information Technology and Communication
	Land & Estate
	Legal Services
Corporate and Share Services	Human Resources
	Administration
	Council support
	Records Management
	Alicedale Unit
	Customer care unit
	Riebeek East Unit

Directorate	Department
	Fleet
	Corporate Operations
Budget and Treasury Services	Budget
	Revenue Management
	Expenditure Management
	Supply Chain Management
	Compliance and Reporting
	Fleet and Asset Management
Public Safety and Community Services	Fire and rescue services
	Environmental management
	Library services
	Waste Management
	Traffic control and road worthy
	Disaster management
Engineering and Technical Services	Water and sanitation
	Roads and storm water
	Electricity
	Housing
	PMU
Local Economic Development and Planning	SMME development
	Rural Development
	Tourism
	Trade and investment
	Heritage development
	Agriculture
	Spatial Development Framework

2.2.3.1 STAFFING AND ESTABLISHMENT, CRITICAL POSITION AND VACANCY RATE

Table 65: Vacancy Rate Schedule

Total positions of the entity (incl. non-funded positions)	Total vacant non-funded positions	Total Vacant Positions as per Organogram
1050	130	720

MUNICIPAL MANAGER AND SECTION 57 MANAGERS

	Approved Positions (e.g., MM-S57 etc.)	Number of Approved and Budgeted posts.	Filled Posts	Vacant Posts
1	Municipal Manager	1	Yes	0
2	Director Corporate & Shared Services	1	Yes	0
3	Chief Financial Officer	1	Yes	0
4	Director Local Economic Development	1	Yes	0
5	Director Technical & Infrastructure	1	Yes	0
6	Director Community & Public Safety	1	Yes	0
Total		6	6	0

MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT INDICATORS

	Indicator Name	Total Number of People (planned for) During the Year Under Review	Achievement Level during the Year Under Review	Achievement Percentage During the Year Under Review	Comments on the Gap
1	Vacancy rate for all approved and budgeted posts	25	25	100%	None
	Percentage of appointment in strategic positions (Municipal Manager and Section 57 Managers)	6	4	66%	Two directors were appointed during One resignation and a suspension was 2021/2022 financial year
3	Percentage of Section 57 Managers including Municipal Managers who attended at least one skills development training course within the financial year	6	3	100%	No Gap
4	Percentage of Managers in Technical	6	6	100%	No Gap

	Indicator Name	Total Number of People (planned for) During the Year Under Review	Achievement Level during the Year Under Review	Achievement Percentage During the Year Under Review	Comments on the Gap
	Services with a professional qualification				
6	Percentage of staff that have undergone a skills audit (including competency profiles) within the current five year term	724	0	0%	Process will be addressed as one of the outcomes of the Organisational development process of the Municipality.
7	Percentage of councillors who attended skills development training within the current five year term	27	27	100%	Training was hampered by a severe lack of funds.
10	Percentage of staff complement with disability	3	0.4	0.06%	N/A
11	Percentage of female employees	205	205	100%	No Gap
12	Percentage of employees that are aged 35 or younger	57	44	77%	N/A

Makana Municipality's vacancy rate is at 13.7%

2.2.3.2 Filling of Senior Managers Position and Vacant Posts

OFFICE	POSITION	NAME
EXECUTIVE MAYOR	Strategic Manager	Vacant
	SPU Manager	Mr. V. Wali
SPEAKERS OFFICE	Manager in the Office of the Speaker	Ms. N. Santi
MUNICIPAL MANAGER'S OFFICE		
	MUNICIPAL MANAGER : Mr M. Mene	
	Risk and Compliance Manager	Mrs. N. Kosi
	Strategic Planning & Monitoring	Mr. M. Pasiya
	Manager Internal Audit	Ms GC Gqweta
	Manager ICT	Mr T Matshuisa
	PMU Manager	Vacant
	Manager: Support Services	Mr L. Ngandi
	Legal Manager	Mrs. N Mbanjwa
CORPORATE AND SHARED SERVICES		
	DIRECTOR : Mr. X. Kalashe	
	Manager Administration	Ms. P. Liwani
	Human Resources Manager	Ms P. Qezu
	Records Manager	Ms. N Xintolo
	Manager Organisational Development	Vacant - On hold
	Unit Manager Alicedale	Vacant – on Hold
	Unit Manger Riebeeck East	Ms N. Kulati
	Unit Fleet Management	Mr. G. Goliath
FINANCE DIRECTORATE		
	CHIEF FINANCIAL OFFICER: Vacant	
	Manager Expenditure	Mr. M. Crouse
	Manager Revenue & Data Control	Ms. C. Mani
	Manager Supply Chain	Mr. P. Bidla
	Manager Budget & Reporting	Vacant
LOCAL ECONOMIC DEVELOPMENT		
	DIRECTOR: Ms Ntomboxo Eddie	

	Manager Agriculture	On Hold
	Manager Tourism, Heritage , SMME, Trade & Investment	Vacant
	Manager Planning & Estate	Ms S. Jonas
	2 x Town Planner	Mr. Mazani Agcobile & 1 x Vacant
ENGINEERING AND TECHNICAL SERVICES		
	DIRECTOR: Ms. A. Gidana	
	Deputy Director	On Hold
ELECTRICAL DEPARTMENT	Town Electrical Engineer	Mr. M. Radu
WATER & SEWERAGE	Manager	Mr G Maduna
ENERGY DEPARTMENT	Deputy Director	Mr. M.J. Siteto
ROADS & STORMWATER	Manager	Ms. A. Tembani
PUBLIC SAFETY & COMMUNITY SERVICES		
	DIRECTOR: Mr. K. Makgoka	
FIRE & RESCUE SERVICES	Manager	Mr. Welkom
LIBRARY SERVICES	Manager	Ms. P. Vubela
TRAFFIC SERVICES	Manager	Mr. Hanekom
PARKS DEPARTMENT	Manager	Vacant
ENVIRONMENTAL MANAGEMENT	Manager	Mr. N. Nongwe
CLEANSING	Manager	Vacant
OPERATIONS MANAGER	Manager	Mr. P. Simaile

2.2.3.3 Labour Relationship

Makana Local Municipality acknowledges that the primary goal of employer-employee relations is to create a productive, engaged workforce and to eliminate the perception that organized labour and management have a perpetually adversarial relationship. A number of industrial relations objectives can help both labour unions and employer attain those goals. Fundamental to labour-management goals is a clear understanding of the Labour Relations Act.

Makana LM has a formal recognised agreement with the South African Municipal Workers Union (SAMWU) and Independent Municipal Allied Trade Union (IMATU) and South African Local Government Association (SALGA). In 2017 Salaries and wage adjustments affecting the organised labour have been satisfactorily concluded for three years. Makana LM has a disciplinary and grievance procedure in place to settle and resolve any internal matters.

An Industrial Relations Officer position has been filled with the aim of improving employer-employee relations. The following committees are functional in order to enhance constructive consultation:

Local Labour Forum (LLF), Employment Equity, Training & Development as well as Health and Safety.

As part of improving labour relationship, the municipality established a wellness section to pursue employee wellness initiatives and within this effort, has implemented emotional and physical programmes that serves to create awareness and share information on available assistance for all related wellness outreach programme. The initiative has also offered elected community members as peer educators so that participants are able to interact meaningfully with affected persons, both within the workplace and in the broader community.

Occupational safety and health (OSH), also known as workplace health or occupational safety, is a multidisciplinary field concerned with the safety, health, and welfare of Makana local municipality employees. In order to foster a safe and healthy work environment, occupational safety and health programs are implemented. As part of OSH, all members of the general public who may be affected by the occupational environment are also protected.

Makana is responsible for providing a safe work environment and protecting employees from occupational health hazards. Failing to identify safety hazards in the workplace is one of the main reasons for workplace accidents, injuries, and illness.

Makana local municipality employers must recognize these hazards and eliminate them or provide workers with appropriate protective equipment to ensure workers' safety. Learn about many workplace hazards by reading on. We shall identify and assess occupational health hazards:

- Information about workplace hazards and potential hazards is collected and reviewed.
- To identify hazards in the workplace, assessments are conducted initial and periodicals.

- Makana local municipality identifies underlying hazards in order to prevent workplace accidents, injuries, and illnesses.
- Identify trends in injuries and illnesses by grouping similar workplace incidents together.
- Once hazards become identified, determine the severity and likelihood of incidents resulting from these hazards.
- Makana shall also consider hazards in non-routine and emergency situations.

2.2.3.4 Work Skills Plan and Training Development:

Workplace Skills Plan is developed annually by the Skills Development Facilitator. This is a product of numerous processes that ranges from identifying the employee current, gaps or future skills. The Workplace Skills Plan is approved by Council with a specific budget and an Implementation Report is submitted to the Local Government SETA on the 30 March to recover a portion of monies spent on implementing the plan.

Makana LM offers various annual in-service training/ internship opportunities to promote the development of skills in specific areas in order to encourage growth and exposure for the youth.

Targeted training and employment are also used to affirm previously disadvantaged categories, with a special training initiative to address the gender imbalances in the workforce. There has been a particular focus on developing women as water treatment works operators over the past five years, this trend will continue in the future.

The municipality has developed a critical and scarcity policy to ensure that the municipality is attracting and retain skilled personnel, especially for service delivery functions.

2.2.3.5 Scarce and Critical Skills

There are a number of skills that are considered to be scarce in the local government sector – that is there is a skills shortage of these skills due to a number of possible reasons. The Department of Labour¹ defines scarcity of skills as “the inability to find suitably qualified and experienced people to fill occupational vacancies either at an absolute level of scarcity or at a relative level of scarcity.” The Department of Labour defines absolute scarcity² as where suitably qualified people are not available in the labour market under certain contexts. These contexts where scarcities might arise include where there is either:

- “A new or emerging occupation” where there are few people in a country with the requisite skills [or]
- Sectors and even the national economy are unable to implement planned growth strategies because productivity, service delivery and quality problems are directly attributable to a lack of skilled people [or] Replacement demand would reflect an absolute scarcity where there are no people enrolled or engaged in the process of acquiring skills that need to be replaced.
- Since MLM is further faced with the problem of attracting and retaining scarce and critical skills, a Staff Retention Policy and Strategy was reviewed to address this problem. This is especially true for technical fields sought after in the competitive labour market.

Below is a list of absolute scarce skills for the Makana Local Municipality at present:

- Water Quality Technician
- Waste Materials Plant Operator
- Urban Regional Planner
- Accountant General
- Construction Project Manager
- Civil Engineering Technologist
- Electrical Engineer
- Electrical Engineer Technologist
- Disaster Management Manager
- Architect
- Safety, Health, Environment and Quality (SHE&Q)
- Advance Geographic Information System

2.2.3.6 THE HUMAN RESOURCE PLANNING PROCESS

The Human resources Plan is a document sets the basis for an HR Plan for the Makana Local Municipality (MLM). It also outlines the way forward in terms of HR issues involved. HR planning is a process that ensures the department obtains the quality and quantity of staff it requires. The HR Plan enable the department to anticipate and manage surpluses (the supply side) and shortages of staff (the demand side), as well as ensuring that the department develops a multi-skilled, representative, flexible and diverse work force. Managers are assisted in identifying current and future HR issues and needs to address service delivery improvement through HR Planning forming the basis for all other key HR decisions e.g., who to recruit, retain, develop, and promote.

The HR Plan must be seen as an implementation plan that will facilitate the achievement of the Department's Strategic and Operational objectives. The Directorates should monitor, evaluate, and report on its implementation.

2.2.3.7 SERVICE DELIVERY MODEL

One of the key success factors for service delivery is the strategic management of a competent and diverse workforce. The optimal utilization and development of departmental human capital, as well as the achievement of employment equity is one of its primary goals. This calls on every department employee to play an active role in pursuing this goal.

2.2.3.8 WORK FORCE NUMBERS AND GAPS

The municipality has 1050 positions in its staff establishment, according to the approved structure. This includes only **(714)** budgeted and **136 vacant posts (23% vacancy rate)** and 578 filled posts **(80% filled posts)**. The Makana has a vacancy rate of more than **44%** due to most posts not being funded. Of the total number of funded vacancies 714 are filled and currently all posts are deemed unfunded due to lack of funding attached to the vacant posts. A contract and intern program with 13 employees and 6 senior management/directors, plus 27 councillors.

2.2.3.9 HUMAN RESOURCE STRATEGIES

The department will use affirmative action (AA) as a tool to achieve employment equity and will do everything possible to develop the potential of each employee regardless of whether s/he comes from a disadvantaged background. Special emphasis will however be placed on developing the skills of designated groups, especially women. Targeting women for management/leadership positions will be enhanced through targeted recruitment and capacity building programs aimed at raising women's skills to compete with men for senior management positions.

MLM's other area of concern is its continual failure to meet the 2% target for employing people with disabilities. One of the greatest barriers to the employment of people with disabilities is not physical access to business premises (although that remains a major issue); it's attitude. The reason for our failure to meet the target is non-disclosure from the employees which is associated with stigma. The employee is marginalised, fear, ignorance, and stereotypes contribute to people with disabilities being unfairly discriminated against. Even the best and most progressive affirmative action policy within an organisation will not be successful without first addressing institutional prejudices and unconscious bias against employing people with disabilities.

Any strategies aimed at addressing issues of disability inclusion and diversity must necessarily include all stakeholders who impact on the culture and functioning of a workplace i.e., Councillors, Management, supervisors, employees and service providers or suppliers as well as regulators or government authorities.

The department is embarking on a comprehensive programme to recruit and retain people with disabilities. In addition, it will encourage those already employed to disclose their status. The Makana LM has developed a Disability Strategy with the view to addressing the challenges pertaining to disability and to achieve the set target of 2% by December 2023. and beyond. This strategy seeks to expedite the employment of people with disabilities in key positions and across all occupational levels in the department.

2.2.3.10 EXCESS STAFF

Because the MLM still has 1050 establishments, an organisational review is under review. A recruitment strategy will be developed which will complement the strategic session in line with service delivery model.

2.2.3.11 BUDGET ANALYSIS AND GAPS

The fiscus has been severely strained by the unanticipated and on-going global financial crunch related to the loadshedding. The MLM's budget allocation has changed significantly from the current financial year due to the overall increase in debtors.

Regarding the filling of vacant posts, there were no additional funds allocated for non-funded vacant posts. Recruitment and advertisements were prioritized for critical positions. Additional funding will have to be sourced. The MLM intends to get additional funds through the adjusted estimate process and other sources will be eyed for recruitment in the year. The department is severely strained by lack of financial resources to fill vacant posts in the current financial year.

In the next financial year the MLM needed a Compensation of Employees budget **of R198 485 000 million** to cater for the current warm bodies. In addition, it needed a further estimated **R10 million** to fund job evaluation outcomes.

2.2.3.12 KEY HUMAN RESSION AREAS

- a) The Recruitment, Selection and Retention of critical and scarce skills
- b) Enhancement of internal capacity building programmes targeting specific skills needed in the directorates.
- c) Enhancement of Performance Management Systems for both individuals and organizational performance.
- d) Targeted Organizational Development (OD) interventions (e.g., job descriptions (JD's) and Job Evaluation (JE) of all mandatory posts.
- e) Implementation of an Employment Equity (EE) programme with clearly defined EE targets focusing on women and people with disabilities.
- f) Succession Planning and Career Management for existing employees linked to the retention of existing employees.

2.2.3.13 LIMITATIONS

- Budget will be limited.
- Organizational and structural changes.
- Departments have difficulty attracting and retaining scarce and critical skills.
- High staff turnover due to lack of a Retention Strategy and policy.
- COVID 19 general challenge.

2.2.3.14 Performance management:

It is noted that the municipality has revised its Performance Management System and was last reviewed and approved by Council on the 28th May 2021. PMS is not implemented across municipality. Performance evaluations are only done at senior management level.

Makana does not actively manage performance outcomes in relation to development, managing poor performance and recognition of performance. There is a lack of consequence for poor performance and transgression of policies and procedures within the municipality.

This has created a culture of non-performance which has a negative impact on service delivery, financial management sustainability and the audit outcome.

Some of the root causes that have been identified to have led to performance management related issues include: The non-availability of a champion to oversee the implementation of The Performance Management System within the municipality; and the lack of segregation of duties between the IDP/PMS Manager and the relevant personnel responsible for Performance

Management within the municipality as organisational performance management fall within the IDP/PMS function. This weakens the control environment and the effective implementation of the performance management system (PMS) within the municipality. Municipality has been getting disclaimer audit opinion since 2018 -19 and 2019 -20, however for 2020-21 was able get qualified audit opinion.

The municipality will therefore undertake a process of performance review of all municipal employees and implement measures to address poor or non-performance. The human resource's function has not undertaken any workshops on performance management for all departments and/or employees within the municipality, specifically regarding target setting which requires performance targets to be specific, in clearly identifying the nature and required level of performance.

Evidence also suggests that thirty-three percent (33%) of the indicators were not well defined, specific or time-bound according to the SMART principle and hence it is critical that the human resource function takes the role of work shopping all stakeholders on performance management. The human resource function in the municipality requires support in the development and implementation of a good practice framework and/ or guidelines to ensure that the performance management framework illustrates how key performance indicators (KPIs) should be cascaded from the strategic level to the lowest level in the municipality.

The Municipality is in the process of cascading Performance Management to all employees it has started the in 2021-22 financial year up to Middle Management level. Performance Assessment are only conducted at moment at the Senior manage level once the PMS has fully implemented at Middle Management level, quarterly assessment will be done as well to this level as they are only done only at senior management for now.

2.2.3.15 Institutional Policies and Procedures

Institutional Policies and Procedures

NO	POLICY TITLE	DIRECTORATE	LAST REVIEW
1	Telephone Use	Corporate and Shared Services	25-July-2018
2	Use of Municipal halls	Corporate and Shared Services	25-July-2018
3	Report Writing	Corporate and Shared Services	11-Jun-15

NO	POLICY TITLE	DIRECTORATE	LAST REVIEW
4	Records Management	Corporate and Shared Services	27-Jun-2017
5	Communication	Corporate and Shared Services	24-Jun-16
6	Termination of Employment	Corporate and Shared Services	25-July-2018
7	Employee Wellness programme	Corporate and Shared Services	25-July-2018
8	Internship	Corporate and Shared Services	25-July-2018
9	Leave of absence and procedure	Corporate and Shared Services	25-July-2018
10	Overtime and procedure	Corporate and Shared Services	25-July-2018
11	Recruitment and Selection	Corporate and Shared Services	25-July-2018
12	Retention	Corporate and Shared Services	25-July-2018
13	Study Assistance	Corporate and Shared Services	25-July-2018
14	Training and Development	Corporate and Shared Services	25-July-2018
15	Transport allowance	Corporate and Shared Services	25-July-2018
16	Fleet Management	Corporate and Shared Services	24-Jun-16
17	Subsistence & Travel	Corporate and Shared Services	25-July-2018
18	Placement, Promotion, Demotion and Transfer Policy	Corporate and Shared Services	25-July-2018
19	Dress Code Policy	Corporate and Shared Services	25-July-2018
20	Municipal Residents Policy	LED and Planning	30-May-2018
21	Land Disposal Policy	LED and Planning	24-Jun-16
22	ICT Policy Framework	Municipal Manager's Office	11-Jun-2020
23	Information & Technology Change Management Policy	Municipal Manager's Office	11-Jun-15
24	IT Use Policy	Municipal Manager's Office	11-Jun-15
25	Change Control Policy and Procedure	Municipal Manager's Office	24-Jun-16
26	Fraud Prevention	Municipal Manager's Office	02-Nov-16
27	Risk Management Policy	Municipal Manager's Office	02-Nov-16

NO	POLICY TITLE	DIRECTORATE	LAST REVIEW
28	International Relations	Municipal Manager's Office	New
29	IGR Framework	Municipal Manager's Office	New
30	Catering	Municipal Manager's Office	Last review 2014
31	Performance Management Policy	Municipal Manager's Office	28 May 2021
32	Property Rates	Budget and Treasury	30-May-18
33	Property Rates by-law	Budget and Treasury	26-May-16
34	Assistance to the poor & Indigent	Budget and Treasury	30-May-18
35	Cash Management and Investment	Budget and Treasury	30-May-18
36	Funding Reserves	Budget and Treasury	11-Jun-15
37	Tariff	Budget and Treasury	30-May-18
38	Expenditure	Budget and Treasury	24-Jun-16
39	Budget	Budget and Treasury	30-May-18
40	Asset Management	Budget and Treasury	30-May-18
41	Supply Chain Management	Budget and Treasury	30-May-18
42	Petty cash	Budget and Treasury	24-Jun-16
43	Grant in Aid in Lieu of Rates	Budget and Treasury	26-May-16
44	Credit Control and Debt Collection	Budget and Treasury	30-May-18
45	Credit Control and Revenue Management by-law	Budget and Treasury	26-May-16
46	Provision of Debt Write off – Doubtful debt	Budget and Treasury	30-May-18
47	Inventory Management	Budget and Treasury	24-Jun-16
48	Virement	Budget and Treasury	30-May-18
49	HIV/AIDS	Mayor's Office	
50	Grants and Donations	Mayor's Office	30-May-18

2.3 GOOD GOVERNANCE AND PUBLIC PARTICIPATION:

Makana Municipality is a Category B Municipality (local municipality) with an Executive Mayoral Committee System combined with a Ward Participatory System, as defined under Chapter 1 of the ***Local Government: Municipal Structures Act No. 117 of 1998***. The Political and Administrative seat is situated in Makhandha.

2.3.1 Political Structures Overview

Section 53 of the Municipal Systems Act (Act 32 of 2000), stipulates inter alia that the respective roles and areas of responsibilities of each political structures and each Political Office Bearer of the Municipality and the Municipal Manager must be defined. ***Makana Municipality has Fourteen (14) wards and 27 Councillors.***

Makana Municipal Council consists of 14 ward councilors and 13 proportionally elected councilors. Political parties are represented through elected councilors from the ANC (14= 10 Ward Councillors 3 PR), DA (5 = 2 Wards and 3 PR), and EFF (2 PR Councillors), Individual (1) and Makana Community Forum (5 PR)

Makana Local Municipality was established in terms of Section 12 of the Local Government Municipal Structures Act (Act No. 177 of 1998). *Council has of twenty seven (27) Councillors (including the Mayor), 13 of whom are proportional councillors.*

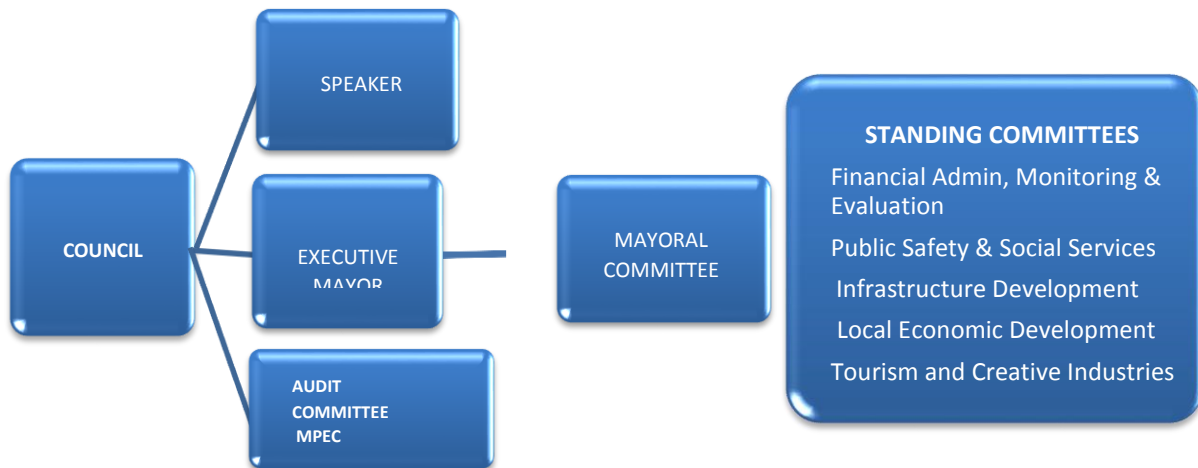
The municipality operates in an Executive Mayoral Committee system with an Executive Mayor and five Portfolio Chairpersons being members of the Mayoral Committee. The Council plays an oversight role in terms of the delegations and the Mayor and council provides political guidance over the financial matters of the Municipality.

There is a fully functional Audit Committee attached to the municipality that provides opinions and recommendations on financial processes and performance and provides comments to the Oversight Committee on the Annual Report.

The Municipal Public Accounts Committee is comprised of non-executive councillors, with the specific purpose of providing the Council with comments and recommendations on the Annual

Report. The Oversight Committee report will be published separately in accordance with MFMA guidance.

Outline of the Political Structures:



2.3.1.1 Mayoral Committee:

EXECUTIVE MAYOR:	YANDISWA VARA
MAYORAL COMMITTEE MEMBERS	
Chairperson of Social Development Committee	Cllr Vayo Thandolwethu Innocent
Chairperson of Corporate Services	Cllr Xonxa Mphumzi Rumsell
Chairperson of Finance	Cllr. Hoyi ZaneKhaya Andile
Chairperson of Infrastructure Development Committee	Cllr. Mene Gcobisa Brenda
Chairperson of Local Economic Development Committee	Cllr. Nkwentsha Mzobanzi

2.3.1.2 Speaker and Council:

SPEAKER:	CLR MATYUMZA MTUTUZELI
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2.3.1.2.1 Councillors

NO	ORG	WARD	SURNAME & NAME
1	EFF	PR	Buwa Noluthando
2	EFF	PR	Booyesen Mzamo
3	MCF	PR	Matebese Thandisizwe
4	ANC	10	Cetu Zodwa Alfreda
5	DA	08	Clark Carolynn
6	DA	04	Embling Geoffrey Keith Wynstan
7	ANC	03	Hoyi Zanekhaya Andile
8	DA	PR	Jackson Brian
9	ANC	06	Jezi Vuyani Nelson
10	MCF	PR	Geelbooi Milo Mibanisile
11	DA	PR	Madyo Xolani Gladman
12	MCF	PR	Mashiane Kungeka gaynor
13	ANC	07	Masinda lunga
14	ANC	13	Matina Wandisile
15	ANC	PR	Matyumza Mtutuzel (speaker)
16	ANC	05	Mene Gcobisa Brenda
17	MCF	PR	Mantla Zonwabele
18	IND	14	Nesi Vuyani
19	ANC	12	Nkwentsha Mzobanzi
20	ANC	01	Peter Phumelele
21	DA	PR	Sizani Luvuyo
22	ANC	PR	Vara Yandiswa (executive mayor)
23	ANC	PR	Vayo Thandolwethu Innocent
24	MCF	PR	Sixaba Wongezile Lungisa
25	ANC	02	Xonxa Mphumzi Rumsell
26	ANC	09	Yaka Thozamile Sylvester
27	ANC	11	Zono Sakhiwo

2.3.2 Council Committees:

Governance and oversight within the municipality must be strengthened for improved decision making and service delivery. A meeting schedule for all Council and Committee meetings is compiled and approved by Council for a financial year. With a few exceptions, meeting dates are adhered to and well attended by Councillors and Officials.

A Control and Monitoring Sheet was developed which sets clear timelines for among others the compilation and distribution of agendas, the finalization of minutes and the date the minutes and action sheets should be distributed to Directors and Managers for implementation. This has contributed to the timeous implementation of council resolutions and committee decisions within the municipality.

Adherence to the scheduled dates of Council and Committee meetings is critical. There is a need for an improvement on the monitoring of the implementation of council resolutions. The implementation and enforcement of a code of conduct for councillors is critical. The system of delegations has been reviewed. The political component of the municipality should however also be addressed.

Adequate personnel is available to provide administrative services for Council and Committee meetings. The personnel however lack experience but are receiving regular in-service training.

The late submission of agenda items and/ or relevant reports for the meetings is being addressed with Directors and Managers.

The culture of poor or non-performance and the perception that transgressions are an accepted norm within the municipality should be addressed. This would assist in improving service delivery, financial management and the audit outcomes.

The municipality has developed a Communication and a Public Participation Strategies, and as thus Communication both internally and externally on continued basis is enhanced.

2.3.2.1 Section 80 Committees:

- Financial Admin, Monitoring & Evaluation
- Social Services Development
- Infrastructure Development
- Local Economic Development
- Tourism and Culture Industries

2.3.2.2 Ward Committees and Community Development Workers (CDW)

Makana Municipality has 13 Ward committees in place the 14th ward is the Rhodes University area and Grahamstown Foundation (Monument) and the matter is the subject of an IEC probe. Issues pertinent to IDP are referred from these structures and other fora like IDP Representative Forum which they are part of and through the Ward Councillor to the IDP unit for attention.

There is Community Development Worker (CDW) based in each ward and acts as an ex-officio member in the Ward Committee. Ward Committees meet monthly and regular constituency meetings are held, to keep the communities informed about Municipal affairs, progress with project implementation and also to receive public input on matters of general concern.

2.3.3 Community Based Planning

Community-Based Planning Workshops were held for 13 wards and a comprehensive CBP Report containing extensive data for each Ward which was a final outcome was compiled. This in turn informed the Municipality and Sector Departments as to the Development Needs & Priorities of the communities and assisted them in their project planning & design for the forthcoming fiscal and outer years. Community Consultation & Participation is taken further by regular Ward Meetings held by Ward Councillors and their Ward Committees, as well as the Mayoral Imbizo and other events.

2.3.4 Inter- Governmental Relations

The Honourable Mayor established an Inter-Governmental Relations Forum and the forum reviewed the local IGR Strategy, to ensure its efficient and effective functioning and also clarifying the aims & objectives, as well as the roles and responsibilities of the IGR and its various stakeholders. This structure also serves to co-ordinate the planning of projects and implementation of programmes stemming from the IDP process, Ward-based Plans, etc. The meetings of the IGR Forum are chaired by the Executive Mayor and convened on a quarterly basis with all Local Government Departments being represented by Senior-Decision makers.

2.3.5 National Intergovernmental Structures

As an active member of the South African Local Government Association, Makana Municipality plays an active role when National Planning Proposals are discussed.

2.3.6 Provincial Intergovernmental Structures

The Municipal Manager attends all meetings of the Provincial Muni-MEC and similar structures with all resolutions taken at that level being worked into the Makana Council agenda. The value in this interaction is in ensuring that the needs of the local community are considered when the implementation of Government Projects is discussed.

2.3.7 District Intergovernmental Structures:

The Makana Municipality regularly interacts with the other Municipalities in the District as the Government has created platforms for such deliberations, such as the Sarah Baartman District Municipal Managers Forum. This ensures that information related to new initiatives in the district is effectively relayed to the Makana Municipality's senior management.

2.3.8 Audit and Committee:

In compliance with Section 166(2) of the MFMA, Council has an Audit and Risk Committee which is an independent body advising the Municipal Council, the political office-bearers, the accounting officer and the management staff of the municipality, on matters relating to:

- Internal control.
- Risk management.
- Accounting policies.
- Adequacy, reliability and accuracy of financial reporting and information.
- Annual financial statements
- Performance management.
- Governance
- Compliance with MFMA, DoRA and other applicable legislation.
- Issues raised by the Auditor-General and Internal Audit; and
- Monitoring and evaluation of the Internal Audit Unit.

The Audit and Risk Committee Terms of Reference is reviewed by Council annually to ensure compliance with legislation and governance best practices.

The Audit and Risk Committee meets on a quarterly basis and detail regarding their recommendations to Council can be found in the Internal Audit reports.

Ref No.	Name	Capacity
01	Prof. Winston Plaatjes	Chairperson
02	Mr. Wayne Manthe	Member
03	Mr. Bulelwa Mahlakahlaka	Member
04	Vacant	Member

Other Parties in Attendance are:

Makana Municipality: The Municipal Manager, Director of Budget & Treasury, Chief Financial officer, Director of LED, Director Technical & Engineering Services, Director of Corporate Services and Director Public Safety and Community Services.

Internal auditor, Provincial Treasury and Auditor-General representatives, IDP/PMS Manager and the MPAC Chairperson attend as ex-officio.

2.3.9 Internal Audit Unit:

The Municipality has an in-house Internal Audit Unit in place that is in the Office of The Municipal Manager, headed by an Internal Audit Manager. The staff component consists of Internal Audit Manager, Senior Internal Auditor, Internal Audit Intern and two vacant positions of Internal Auditors. Risk based and statutory audits as required by section 165 of the Municipal Finance Management Act are performed each year including Ad – Hoc requests from time to time, the unit is guided by International Auditing Standards, Audit Charter and Framework.

2.3.10 Risk Management:

A Risk Management Framework is in existence and there is a risk-based audit plan but the implementation remains a challenge. In addition, the risk-based audit plan needs to be reviewed and updated considering the current challenges at the municipality. Risk management is not fully embedded in the culture and internal control processes of the municipality. Strategic risk register has been developed and reports produced on the implementation of corrective action quarterly.

SUMMARY OF STRATEGIC INSTITUTIONAL RISKS:

RISK CATEGORY	DESCRIPTION
No financial sustainability (not a going concern)	1. Low collection rate. 2. Incorrect billing. 3. Non-payment and poor debt account management. 4. Unfunded budget. 5. Not cash backed. 6. Poor relations with service provider. 7. Poor relations with residents. 8. Poor governance leading to non-payment. 9. High payroll costs. 10. Poor implementation of revenue management strategy. 11. Inaccuracy of the indigent register.
Inadequate and ageing water infrastructure including plants	1. Ageing infrastructure. 2. Lack of preventative and scheduled maintenance of existing water reticulation system. 3. Poor implementation of maintenance plans. 4. Inadequate funding for maintenance. 5. No regular maintenance of bulk water treatment plants. 6. Non implementation of WSDP. 7. Poor spending on conditional grants. 8. Vandalism of the infrastructure. 8. Inadequate funding to replace ageing infrastructure. 9. Delays in procurement process.
Ageing road and Stormwater Infrastructure	1. Lack of maintenance, no maintenance plans. 2. Insufficient funds. 3. Lack of resources such as plant and equipment. 4. Low staff morale. 5. Inadequate maintenance of storm water infrastructure. 6. No capital budget allocation. Lack of skills. Increased traffic volumes.
Unstable and poor reliability of supply of electricity	1. No maintenance plans. 2. Ageing infrastructure. 3. Lack of funding for maintenance. 4. Vandalism/Theft. 5. Non-compliance on calibrations of testing equipment. 6. Non-existence on mandatory trainings. 7. Delays in SCM processes for emergency situations.

RISK CATEGORY	DESCRIPTION
Solid waste management	1. Lack of protective wear. 2. Inadequate vehicles for refuse collection. 3. Management and maintenance of the municipal tip. 4. Illegal dumping by the communities. 5. Refuse bags not availed. Staff shortages.
Performance targets not fully achieved	1. Setting of unrealistic targets. 2. Poor planning. 3. Poor management of leave 4. Low staff morale. 6. Shortage of skills/expertise in some areas of responsibility. 7. PMS not cascaded down to other levels of management. 8. Nonalignment of budget to the IDP and SDBIP. Lack of urgency. Unfunded budget. Management responsibility to motivate their staff. Lack of consequence management. The IDP and SDBIP not prioritised. Too many crises occurring. Quarterly reviews not performed.
None-compliance with laws and statutory regulations	1. Lack of understanding of relevant legislations. 2. Poor compliance management and oversight. 3. Lack of implementation of MFMA calendar. 4. Lack of consequence management. Lack of institutionalised process of managing compliance.
Business continuity compromised	1. Delays in the Procurement processes of the electronic systems. 2. Lack of Prioritisation of e-governance. 3. Lack of ICT Governance. (Capacity (Financial/Human) constraints. 4. Lack of business security. 5. Logs are not reviewed regularly. 6. Segregation of duties. Poor ICT infrastructure). 7. Inadequate records management (Poor archiving, lack of disaster recovery plan for records, limited fire proof storage space for personal records, no building plans storage in place, poor financial record keeping. 8. There is not enough storage space). 9. No backups connected.
Poor contract management	1. Poor planning. 2. Poor management of SMME expectations. 3. Fraudulent activities. 4. Lack of urgency. 5. Projects not properly quantified. 6. Milestones not achieved. 7. Noncompliance with Basic Conditions of Employment Act (employment contracts)
Poor planning of infrastructure development	1. Population growth. 2. Lack of Master Plans. 3. Lack of funding. 4. No updated SDF.

RISK CATEGORY	DESCRIPTION
Sewer spillages and inadequate wastewater treatment plants	1. Inadequate capacity of the sewer system. 2. Ageing infrastructure. 3. Insufficient qualified staff. 4. Low staff morale. Inadequate maintenance. 5. No maintenance plans (for the reticulation system and plants) 6. Vandalism of plants. 7. No maintenance budget. 8. Staff shortages in critical positions. 9. Illegal settlements. 10. Use of bucket system in informal areas.
Ineffective disaster management (natural disasters)	1. No Fire Disaster Plans. 2. Not enough vehicles. Capacity constraints. Lack of experience. Limited fire proof storage space. No capital budget. Poor financial budget. Disaster management is a district function.

2.3.11 Information Communication and Technology

Information Communication Technology (ICT) section is responsible for the following functions: Planning, Network, Data, Security and Support. Makana Municipality's ICT Environment supports about 150 users. The municipality has the following offices namely:

- I. City Hall
- II. Finance Building
- III. Engineering Building
- IV. Alicedale Office
- V. Riebeeck East Office
- VI. Electricity
- VII. Stores
- VIII. Housing
- IX. Parks
- X. Fire
- XI. Traffic
- XII. Local Economic Development
- XIII. Cleansing
- XIV. Environmental Health

In the current financial year, the municipality has managed to appoint an ICT Manager to provide the strategic direction for the unit, however there are still vacant critical positions not yet filled as per the organogram. So far the municipality has managed to procure a server which runs on Microsoft Windows server 2019.

The server is installed to facilitate network connectivity, domain control functions, active directory and password management for all those who have access to computers.

Access control unit has been installed to access the server room. Fire detection and suppression system, water detection system, sensors have also been installed. Munsoft and Payday Financial systems are installed in the Finance building server room and accessible only to authorized personnel. A system generated report can be extracted from both systems as and when required.

The ICT Master Plan has been developed but not yet approved, the document details and all ICT activities to be performed in ensuring that ICT is enabling the institution to realize its goals and objectives in an efficient manner, the municipality has also adopted ICT governance framework.

The ICT Governance Institute (ITGI) defines ICT governance as “the leadership organisational structure and process that ensure that the enterprise’s ICT sustains and extends the enterprise’s strategies and objectives. ICT governance exists to inform and align decision making for ICT Planning, Policy and Operations in order to meet business objectives, ascertain that risks are managed appropriately and verify that resources are being used responsibly and strategically.

Disaster Recovery Plan: The overall objective of the plan is to facilitate the recovery of the ICT environment in the event of a disaster to enable the municipality to resume its normal operations and service delivery in an acceptable period of time.

2.3.12 Record Management:

The municipality does not have proper record keeping and no record management system is in place to ensure that documents are filed and stored correctly.

The municipality currently has a manual system of record keeping and document management and the system is characterised by poor record keeping and ineffective document management as well as the loss of documents amongst others.

An electronic document management system was installed in the municipality but has not been functional. Staff should be trained on the electronic document system. The record keeping function within the municipality needs to be reviewed and improved including document security for the protection and management of information.

2.3.13 Public and Stakeholder Participation

The municipality has a stakeholder register which is used as a data base for contacting stakeholders when there is consultative forums to be organised. This data base includes government departments and NGO/CBO.

The challenge at the moment is lack of cooperation amongst important stakeholders. Other challenges include mobilisation of communities due to geographics, where they reside (lack of access to rural areas and private farms) and language barriers.

2.3.15 STAKEHOLDER REGISTER: NGO/CBO's

ORGANISATION	TEL. NO.	CELL. NO.	FAX.	EMAIL ADDRESS	CONTACT PERSON	DESIGNATION
SECTOR DEPARTMENTS						
DEPT. OF CORRECTIONS	046 622 7007		046 622 8815	Motseki.Maliehe@dcs.gov.za	Mr. M Madiya	Manager
DOJ & CD	046 622 7303	082 7077 757			Mr. H. Dingaan	P.C.I
DRDAR	046 603 5400			Nontsikelelo.Katshaza@drdar.gov.za	Mrs. N. Katshaza	Manager
EDUCATION DEPT.	046 603 3200/ 16/ 97/	060 5303 733 / 072 3456 069	046 603 3287/ 086 759 7242	Size.Betela@ecdoe.gov.za	Mr S. Betela	Manager
HEALTH DEPT.	046 622 4901		046 622 6225	Mohamed.docrats@echealth.gov.za	Dr M Docrats	Manager
Home Affairs	046 603 2805/8			Xolile.sibejele@dha.gov.za	Mr X. Sibejele	Manager
Labour Dept	046 622 2104		046 622 5327	Zanele.papu@labour.gov.za	Ms Z. Papu	Regional Manager
Magistrate Court	046 622 7303				Mr Amsterdam	Chief Magistrate
SAPS	046 603 9111			Ecght.comm@saps.gov.za		
SBDM	041 508 7111	079 582 2265	041 508 7138	mbendle@cacadu.gov.za	Mr M. Bendle	Development Planner IDP
Social Development	046 636 1484 046 602 3300			Sindy.adam@ecdsd.gov.za	Mrs S. Adam	Area Manager
SRAC	046 603 4238			Vuyiseka.mokenke@ecdsrac.gov.za	Ms V. Mokenke	Director
COMMUNITY ORGANISATIONS						
APD	046 622 5847		046 622 4918	p.cimi@am.org.za	Mr P. Cimi	Chairperson
UMGA CORP.	046 622 4803			rhuman@imagnet.co.za	Mr. R. Human	Director
Child Welfare	046 636 1355		046 636 1366	Childwelfare.ght@igen.co.za	Mrs Thompson	Director

ORGANISATION	TEL. NO.	CELL. NO.	FAX.	EMAIL ADDRESS	CONTACT PERSON	DESIGNATION
ECARP	046 622 5429		046 622 2617	lali@ecarp.org.za/ admin@ecarp.org.za	Ms L. Naidoo	Manager
FAMSA	046 622 2580			famsa@imagnet.co.za		
Hospice	046 622 9661		046 622 9676	director@grahamstownhospice.org.za	Mr D. Ehrke	Manager
Legal Resources Centre	046 622 9230		046 622 3933	Cameron@lrc.co.za	Mr C. McConnachie	Manager
NAFCOC	046 636 2852	082 891 0432	046 636 2852	adam@insight.co.za	Mr A. Adam	Chairperson
PSAM	046 603 8358		046 603 7578	Psam-admin@ru.ac.za l.shilangu@ru.ac.za	Mr. L. Shilangu	Training Coordinator
RADIO GRAHAMSTOWN	046 622 8899		046 603 7578	Radiograhamstown@gmail.com	Pamela Zondani	Manager
ST RAPHAEL CNTR	046 622 8831	082 966 2555	046 622 8831		Nomaxabiso	Manager
UMTHATHI PROJECT	046 622 4450		0866 656 013	directorofoperations@umthathi.co.za		Manager
	046 637 0012			info@umthathi.co.za		
Kowie Catchment Campaign	046 622 2547	083 228 0046		Ljfoster1@gmail.com		Manager
SCHOOLS						
DSG	046 603 4300		046 603 2363	office@dsgschool.com	Mr Jannie de Villiers	Headmaster
SAC	046 603 2300	083 295 5378	046 603 2381	contact@sacschool.com	Mr	Headmaster
BUSINESSES						
JENNY GOPAL	046 622 5822			j-gon@intekom.co.za	Dr. J. Gon	Optometrist
DR DAVIES	046 622 6205			trevor@drdavies.co.za	Dr. T. Davies	Optometrist

2.3.17 Sectorial Public Participation Forums

SECTOR	FORUM
LED and Rural Development	LED Mayoral Forum
Public Safety and Community Services	<ul style="list-style-type: none">• Road and Transport Forum• Environmental Management Forum• Community Safety Forum
Special Program Offices	<ul style="list-style-type: none">• Youth Forum
	<ul style="list-style-type: none">• Women Forum
	<ul style="list-style-type: none">• Women's Forum
	<ul style="list-style-type: none">• People with disability
	<ul style="list-style-type: none">• HIV/AIDS Local Council
Infrastructure development	<ul style="list-style-type: none">• DWIF

2.3.18 Communication and Customer Care

2.3.18.1 Communication: Municipality has an established Communications Unit under the office of the municipal manager with staff component consisting of

- manager media and communication (vacant)
- media and communication officer (filled)
- assistant media and communication (filled).

The municipality has a communication strategy that was last reviewed on 04 April 2018 that is used to guide all communication activities. Key functions of the unit is to ensure sound internal and external communication by providing communication support to all directorates through available communication mediums.

2.3.18.2 Customer care and petitions: the municipality has established a customer unit under Corporate and Shared Services Directorate with one delegated staff personnel and switchboard operator. The unit deals with receiving distribution and maintenance of the record, however, *the unit is not fully function due to lack of resources.*

The municipality has developed and adopted a customer care policy and mobisam customer care system in conjunction with Rhodes University to manage its complaints. Makana has also developed and adopted a Petition Public Participation Policy in 2016, this policy requires the Municipality to

establish a **Petitions Committee** to consider and dispose petitions, and matters incidental thereto, create mechanisms for communicating with petitioners and provide feedback to petitioners and provide for the resolution of disputes that may arise from petitions.

Petitions Committee still to be established by the new Council will composed as follows:

- a) The Speaker as a Chair of the Petitions Committee
- b) A representative from the Office of the Executive Mayor
- c) The Portfolio Councillor, Technical/Community Services
- d) A senior official from DTIS and DCSS
- e) 5 Councillors not serving in MPAC
- f) Office of the Speaker to provide Secretarial services
- g) Representative from the Office of the Municipal Manager

2.3.19 Anti- Corruption

2.3.19.1 Fraud and Anti-Corruption Strategy

Makana Municipality had developed and adopted a Fraud Prevention Policy Framework and Fraud Prevention Plan in draft form. All members of the Bid Committees are required to disclose their interests before every meeting and the membership of all Bid Committees is revised annually. No Councillors are allowed to be part of the Bid Committees. *Municipality has got Whistleblower policy which was adopted by Council in the April 2020-21 financial year*

2.3.20 By-Laws

No new by-laws were enacted during the period of review but several of Makana Local Municipality's policies were reviewed. Traffic assists currently with by-law enforcement. A number of by-laws need to be revised and developed. *Municipality does not have dedicated unit that will assist in enforcement of bylaws discussion underway. On e new by-laws was gazetted 7 July 2022 on Fire other are under with assistance of COGTA Provincial department*

2.3.21 Website

During the year under review, the Makana Website was regularly updated as the appointment of a skilled IT Manager ensured the availability of sufficiently skilled human resources.

2.4 BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

The Makana local municipality is both, the **Water Service Authority and Water Service Provider** and is also responsible to provide all the **other local government services such as municipal roads, storm water management, electricity and waste collection and disposal etc.**

There is a total of 6085 poor (indigent) households on the Municipality's indigent register who are provided with indigent support in terms of the Municipality's Indigent Policy monthly.

The Municipality is granted an equitable share which is received from government in terms of the Division of Revenue Act (DORA), for the provision of *Free Basic Services* to households who cannot afford to pay for their services.

National policy requires that poor households should receive 50 kWh of free basic electricity, 60kl of free basic water, free basic sanitation and free weekly refuse removal.

2.4.1 WATER AND SANITATION PROVISION

In terms of the Water Services Act (Act no. 108 of 1997) and declaration of the powers and functions by the Minister of Water Affairs and Forestry in 2004, Makana Municipality is acting as both Water Services Authority and Water Services Provider.

The Authority function means that the Municipality is responsible for regulation, water quality, ensuring access and monitoring and evaluation. The Provider function means that the Municipality is responsible for access, provision, operations and maintenance of all water needs.

The National Department of Water and Sanitation (DWS) is responsible for policy formulation, capacity building and support, where it is needed, regulation and enforcement of legislation. The National Department of Corporate Governance and Traditional Affairs (COGTA) is responsible for funding of some capital projects for water services, through Municipal Infrastructure Grant (MIG). The Municipality has the responsibility of implementing water services projects and maintenance thereof. Water deliveries are made by water truck to rural areas, mainly on request by the Community.

2.4.1.1. Water Bulk Water Infrastructure Resources:

The Howiesonspoort Dam is located in the Palmiet River Catchment (upstream of the Kariega River now part of the Thomas Baine Nature Reserve). This was constructed in 1031 with an estimated capacity of $883 \times 10^3 \text{m}^3$ and surface area of 16.3ha. The estimated 1:50 year yields including the Settlers Dam is $2450 \times 10^3 \text{m}^3$ of which $2200 \times 10^3 \text{m}^3$ is for domestic supply (the remainder for irrigation and other uses.) According to the DWS, the registered permit volume is $500 \times 10^3 \text{m}^3$ per annum (p.a.). Raw water is pumped from the Howiesonspoort pump station situated slightly downstream and South West of the dam wall, directly to the Waainek WTW.

2.4.1.1.1 Settlers Dam

The Settlers Dam is located in the Kariega River catchment further south, it supplies the Albany Coastal catchment area. The dam was constructed in 1962 with an estimated capacity of $4020 \times 10^3 \text{m}^3$, making it the biggest in the Makana region. The surface area of the dam is 82.2ha.

The registered volume permit from the DWS is $1000 \times 10^3 \text{m}^3$ p.a. to increase capacity the dam wall was raised by 2.3m in 1981. Raw water in this dam is pumped directly into the Howiesonspoort Dam thus augmenting the Howiesonspoort in time of low water availability.

2.4.1.1.2 Jameson Dam:

The Jameson Dam is located in the Nuwejaarsspruit River on the Slaaikraal farm. It is also referred to sometimes as the Slaaikraal Jameson dam for this reason. This dam was constructed in 1906 with an estimated reservoir capacity of $575 \times 10^3 \text{m}^3$. The surface area of the dam is 15.5ha.

The estimated total yield is $460 \times 10^3 \text{m}^3$ although no exact figures are available, to confirm what portion is earmarked for irrigation or other uses.

The registered volume permit from the DWA is $150 \times 10^3 \text{m}^3$ p.a. Raw water from this dam gravitates to the downstream Milner Dam from where it gravitates towards the Town filter storage tank in Makhanda via a 200mmØ main. From there it is pumped to the Waainek WTW via a 150mmØ steel.

2.4.1.1.3 Milner Dam:

The Milner Dam is located downstream of the Jameson Dam in the Nuwejaars River, also on the Slaaikraal farm. This dam was constructed in 1898 making it the oldest functional dam in the Makana region. The estimated reservoir capacity of $255 \times 10^3 \text{ m}^3$ with the surface area of 7.7ha. The estimated total yield is $190 \times 10^3 \text{ m}^3$. The registered volume permit from the DWA is $150 \times 10^3 \text{ m}^3$ p.a., which is the same as Jameson Dam. According to the Stewart Scott report, the dam's full supply level is approximately 626.4 msl?.

Thus the hydraulic grade difference between Milner Dam and Town Filter Storage is approximately 15.9m (Town Filter Storage is at 610.5 msl). Based on a gravity main length of 6380m (exact distance to be confirmed) indicates a much lower figure of 15-20l/s. Since the incoming flow is not measured, this cannot be confirmed.

2.4.1.1.4 Service Reservoirs

One 2.5ML service reservoir and an elevated storage tank are located on the precinct of the works. The elevated water tank is approximately 8 m^3 and 10m height, this supplies the Waainek WTW and two houses with potable water. This tank is manufactured from fabricated steel panels which is in a very poor condition due to corrosion. The tank is leaking, and the non-return valve is also not working and needs to be replaced. The inside of the tank also needs to be repaired; the Makana Municipality is currently in the planning stages to have the elevated storage tank repaired.

The 2.5ML high level reservoir acts as the main distribution reservoir for the industrial and higher lying residential areas. This reservoir is still in good condition with no problems reported. During failures or other interruptions, the potable water supply to the higher lying areas becomes problematic as this reservoir tends to run dry since it feeds water to the downstream reservoir as well.

To ensure that sufficient potable water storage is available for the higher lying areas, it is proposed that the existing 10ML raw water storage dam on the eastern side of the WTW be converted in a clear water storage reservoir. This will be achieved by installing a floating HDPE roof cover to this reservoir.

2.4.1.1.5 Waainek Water Purification Works (PLANT)

The WTW is located next to the N2 highway west of Makhanda. Access to the treatment works is directly from the N2. The current processes involved to treat the water includes flocculation, sedimentation, filtration and disinfection.

Waainek Water Treatment Works is supplied with raw water from 4 sources, the Howiesonspoort and Settlers dams in the Kariega River catchment, and the Jameson and Milner dams in the Slaaikraal catchment

The existing Waainek Water Treatment Works has a capacity of 8 MI/d and designed to operate over a 24 hour period. The works comprises a 16MI raw water storage dam. There is an additional 6MI raw water storage constructed above the works from which raw water is gravitated to the inlet works. Total raw water storage represents 60 hours of the works capacity. The works is supplied either directly from the Howiesonspoort pumping main or from the raw water storage reservoirs.

2.4.1.1.6 Raw Water Inlet

Water from both the Howiesonspoort and Town Filter Storage tanks are pumped to the WTW. The system is designed so that raw water from Howiesonspoort PS directly enters the WTW with a bypass weir to supply water to the lower lying raw water storage reservoir.

The Town Filter supply pumps directly to the lower raw water storage dam. A bypass system is in place to divert water directly to the inlet works.

2.4.1.1.7 Raw Water Storage Reservoirs

The WTW has two raw water storage reservoirs, one a 16ML on the west of the WTW and a newer storage reservoir on the east of approximately 10ML. the 16ML lower lying reservoir has recently been relined and is in a good condition.

The exact construction date of the new upper reservoir is unknown although it can be confirmed that the lining still appears to be in a relatively good condition. It has deteriorated to some extent due on the edges due to little or no maintenance and on some sections of the liner it could be noticed that vegetation has penetrated the liner (which needs to be repaired).

2.4.1.1.8 James Kleynhans Water Treatment Works

James Kleynhans water treatment works supply mostly Makhanda east, Water Treatment Works is supplied with raw water from the Glen Melville Dam, owned and operated by DWS. Water from the Orange River is released into the upper reaches of the Fish River as part of the Orange-Fish-Sundays scheme. Water abstracted from the Fish River is stored in the off-channel Glen Melville dam. Water from the dam gravitates to the James Kleynhans WTW.

Currently, Makhanda's allocation of water from the Glen Melville dam is 3000 Ml/annum (average daily abstraction of 8.22 Ml/d). The James Kleynhans Water Treatment Works has a capacity of 10 Ml/d and designed to operate over a 24 hour period. Elements within the works require upgrading, as the existing required capacity is 12.96 Ml/d (2.96 Ml/d shortfall).

Capital funding has been secured for the bulk water supply (James Kleynhans) from the Department of Water and Sanitation. An amount of R30 million has been budgeted for the 2022/2023 financial year. The project is implemented by Amatola Water Board and a contractor for Phase 2 of the project was appointed in January 2020 and is due to be completed in July 2022. The project is divided into three phases and will be completed in December 2022.

Phase One: Entailed the augmentation of the James Kleynhans WTW and included the optimization of the existing Water Treatment Works, covering the following:

- Inlet works
- Valve refurbishments
- Electrical supply
- Water supply pumps
- Sludge ponds

This phase was completed in September 2019.

Phases Two (2): This phase entails the construction of new additional 10 mega liters a day per Water Treatment Works which will double the treatment capacity of the current WTW. After some delays, the project was awarded in January 2020 and will be completed in July 2023.

Phase Three (3): This phase entails the upgrading/refurbishment of the existing 350mm-diameter Pumping Mainline to Botha's Hill reservoir and upgrading/refurbishment of the electrical work. The

project, once completed, will increase the output capacity of James Kleynhans Water Treatment works from 10MI to 20MI/day. This will ensure that supply meets demand.

2.4.1.1.9 Refurbishment of Riebeeck East Water Treatment Works (WTW's)

The raw water supply is abstracted from the 4 boreholes and that were recently refurbishment and newly drilled and equipped. The current water supply is still not enough as groundwater is hard to quantify especially with the current draught therefore less rain and less recharge of groundwater. Water is supplied to the residents for 3 hours in the morning and in the evening. This is so to rather have a sustainable supply and therefore prolong it. Recently a project at a value of R5m for both Alicedale and Riebeeck East was completed, this was to augment the raw water supply as the Treatment works capacity was previously increased from 0.5MI/day to 1MI.

2.4.1.1.10 Refurbishment of Alicedale Water Treatment Works (WTW's):

“Alicedale is the small town situated in between a variety of game reserves and hunting lodges. It has one major industry, namely a large Mohair factory. The existing water treatment works was previously refurbished and meet DWS standards. Unfortunately, with the ongoing draught, raw water supply has been a problem as the New Years Dam is low and below abstraction point. The average daily peak water demand for Alicedale is 1MI/day and this is not possible in the absence of adequate raw water supply. As it stands, raw water supply is reliant on 4 boreholes that are supplying only 0.7MI/day when operated at optimum. Unfortunately, with less recharge of these boreholes due to draught, the boreholes are operated below optimum so to prolong water supply in the area. As such, water is only supplied to Alicedale residents for 3 days a week with the plan to make it every second day.

2.4.1.1.11 Seven fountains Water Provision:

Municipality is providing 30 000 liters of raw water storage capacity for the community of Seven Fountains as compare in the previous year of 10 000 liters by means of Jojo tanks. All existing pipework was fixed and expanded to accommodate the additional storage tanks, including individual tank isolating valves. The is currently a project to explore more groundwater development through ECCOGTA Drought Emergency fund at a value of R2.2m for both Seven Fountain and

Manley Flats. The preliminary results are not looking good as the newly 2 drilled boreholes are giving low yield of no more than 1l/s. However, this alleviates the water supply to the area by providing an additional 20000kl which still makes it hard for the municipality not to ration water. Once the project is completed, the residents will get water for 3 hours in the morning and in the evening.

2.4.1.1.12 Fort Brown Water Provision:

The municipality is currently supplying water through water carting to strategically positioned Jojo tanks across the community. These tanks are filled twice a week and this is to happen until the abstraction point for raw water supply is secured as it has been difficult to use the current with it being on the flood zone as it done directly from the Orange Fish River. A floating pump will be installed, so as to enable proper pumping capacity of raw water, so that the package plant can function effectively.

2.4.1.2 SANITATION BULK INFRASTRUCTURE RESOURCES (WWTW)

The Makhanda sewerage network is divided into two distinct drainage areas namely North and South which drains to the Mayfield Wastewater Treatment Works (WWTW) and the Belmont Valley WWTW respectively.

2.4.1.2.1 Belmont Valley WWTW:

The Belmont Valley Wastewater Treatment Works (WWTW) is a 5.4MI biological filter plant currently being operated at an average inflow of between 7 and 8MI/d. The plant is servicing the entire CBD and Western side and 60% of the Eastern side.

The Belmont Valley WWTW is currently not meeting the set discharge standards and needs to be upgraded. The WWTW is currently running at 150% of its capacity. The upgrade will unlock development in the area, as currently all housing projects have been put on hold as the WWTW is overloaded and overflowing, thus polluting water resources in the area and downstream.

2.4.1.2.2 Mayfield WWTW:

The Mayfield WWTW has an existing hydraulic capacity of 2.5 Ml/day and currently treats flows from the areas known as Mayfield, Makanaskop, Kings Flats, Transit Camp and Extensions 6 and 7. The augmentation of the Mayfield Wastewater Treatment Works (WWTW) are necessary and critical, as the spillages contaminate water courses and pollutes the natural environment. However, the Municipality has not managed to source funding for the required upgrade.

2.4.1.2.3 Alicedale WWTW:

Alicedale WWTW has a design capacity of 0.85Ml/d but operating at a capacity of 0.1Ml/d. The plant is servicing the areas of Nomzamo, Mandela and Transriviere.

2.4.1.2.4 Currently Challenges on Provision of drinking water:

Municipality is currently providing water based on rotation approach due to Insufficient supply to meet the demand, leak on the discharge line which affected pumping from Howiesonspoort dam to Waainek Water Treatment Works and Inconsistent supply esp. for consumers on the high lying areas, due to excessive consumption on the low-lying areas.

The city is supplied with water from two systems, commonly referred to as the Makhanda East and the Makhanda West water systems. Makhanda East is supplied with water from the Glen Melville dam which receives from the Orange-Fish water scheme. The James Kleynhans Water Treatment Works (JKWTW) treats 10Ml/day which is pumped to the town's primary reservoir, Botha's Hill, at the edge of town and supplies largely the Eastern side of Makhanda (70% of the town's population). A project, funded by the Department of Water and Sanitation (DWS), is currently underway to increase the water supply capacity at JKWTW to 20Ml/d to meet the present and growing demands of Makhanda. and project I said to completed in June 2023.

Makhanda West is supplied with water from the Waainek Water Treatment Works, which obtains its water supply from the Howiesonspoort and Settler's dams. Waainek WTW's optimum production is about 7Ml/d, and predominantly supplies the western side of town. There exists an East to West linkage of a 300mm pipe diameter between the two systems. Makhanda town has a demand of 18Ml/d of water supply, so it has been severely water stressed for a while.

Contingency plan: As it is expected that provision of basic water is maintained, following is the contingency plan that has been put in place, for minimum water supply that can be provided:

- Production for JKWTW has been optimised.
- The reservoirs of a total capacity of 29MI/d are filled to about 70%, so as to provide sufficient head for equitable distribution. However, there is a persistent over consumption from the low lying areas, leaving the consumers on the high lying areas continuously stranded, even on the Water ON days.
- Water carting is taking place, in order to provide water into the areas that are mostly constrained, as a result of topographical location, and throughout the towns, and to the indigent who may not have sufficient storage capacity, in between Water ON days. Schedule for water carting is provided, on daily basis, whilst normal supply has not been restored.

2.4.2 ELECTRICITY INFRASTRUCTURE:

Makana is currently the service provider for the distribution of electricity only in the old Makhanda (CPA) municipal area, while the new urban settlements, Makhanda East, Riebeeck East, rural farm areas are serviced by Eskom. Alicedale is supplied by both the Municipality and Eskom. Electricity Department ensures that its customers get good supply of quality service in compliance with the quality criteria prescribed by the national Electricity Regulator. The Department has the responsibility of refurbishing electrical infrastructure and connecting customers who are not on the grid. The Department is also responsible for project implementation as well as day-to-day operations and maintenance. Municipality has a supplier agreement with ESKOM to purchase electricity for the areas supplied by the municipality. Both Makana Local Municipality and Eskom has licence with NERSA.

Level and standard of services	<ul style="list-style-type: none"> ❑ Customers are provided with a bulk 11 kilovolts of electricity. Some of this electricity is provided from solar energy. ❑ The Municipality provides streetlights in accordance to the standards as outlined in the National Energy Regulator of South Africa (Nersa)
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	<p>guidelines. It also provides high masts which are funded by the Municipal infrastructure grant (MIG).</p> <p><input type="checkbox"/> Medium and low voltage electricity is distributed according to consumer requirements.</p>
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Access to minimum electricity standards is defined as an electricity connection at the dwelling. National policy also requires that poor households should receive 50kWh of free basic electricity per month. The Maintenance Plan is in place but not fully adhered to, due to staff shortages. Budgetary constraints hinder the effective operation and maintenance as the infrastructure is aging and needs upgrading.

The Municipality is looking at innovative alternative energy and sourcing methods to implement sustainable solutions. There is a draft policy which sets out the criteria, which will enable the evaluation of renewable energy generation infrastructure to be developed in a manner that will limit the potential negative impacts thereof.

Municipality has one alternative power wind farm established that is managed by service provider Innowind at Waainek and the southern portion of the municipality has been identified as having potential for the development of wind energy generation infrastructure.

Wind farms as part of an alternative energy solution a:

- Distribution Agreement (DA) for the Waainek Wind farm Project (Alternative Energy) was signed and construction was completed. The project is earmarked to have R400 million economic spinoffs over 20 years;
- R30 million was received for the refurbishment of ageing electricity infrastructure, mainly substations; and
- R2, 2 million was spent for 13/14 for Thomas Baines Power line as an alternative power supply.

There are 5 wards (3, 10, 11, 13 and 14) comprising most households with no access to electricity. There has however been an overall reduction in the number of persons without access to electricity.

All indigent households and households who are prepared to install a 20 AMP Circuit Breaker get their first 50 Kwh free. Therefore, there are no backlogs in respect of service provision to existing formal households, within the Municipal area of supply.

There is a direct correlation between electricity backlogs and housing backlogs. The planning for the new proposed areas are in place. There are areas within the Municipal and ESKOM supply area where existing services need to be upgraded.

There is also a need for enhanced maintenance of street lighting. This is coupled with the need for development within the Municipal area necessitates upgrading of the electrical service infrastructure.

The high-level challenges are as follows:

- Makana's electricity and energy services are divided into two in terms of supply i.e. Makhanda West (eRhini) is supplied and managed by Eskom and Makhanda East (CBD and town areas) is supplied and managed by Makana Municipality;
- The Electricity and Energy Department is not compliant due to it not having GMR2.1 accredited personnel to approve the work done by electricians.
- Ageing electricity network cables between distribution substations to secure firm electricity supply and lack of an upgrade plan for the transformers. This could result in a possible disruption to the Wind farm Project (Waainek Wind farm).
- Major substation (66/11 KV): Waainek Substation - Old infrastructure, needs transformers and control panels. Supplies Rhodes University, Prisons, Military Base and Industrial Area. Summit Substation – poor soil condition (clay) causing major cracks to the foundation and poor drainage.
- Distribution substations require new isolators to the breakers (60% of the 153 substations need urgent attention). In addition, security is required at the substations.
- Inadequate resources such vehicles, ladders, materials, testing equipment, safety clothing, designing software, etc.; and
- Insufficient staff training in particular trade tests for electricians and authorisation of electricity staff.

- Cable theft

Given the above, the electricity and energy solutions to meet the challenges of supplying a reliable electricity supply, which must be prioritised and considered, going forward, are as follows:

- Development of a master plan to identify issues that need to be addressed.
- Installation of a new 10MVA transformer at Makhanda sub-station.
- Installation of a new 66KV circuit breaker at Summit sub-station.
- Refurbishment of 2x15 MVA transformers and drainage system at Summit sub-station.
- Installation of ripple control system at Sugar Loaf sub-station.
- Electrification of Ethembeni infill area comprising of 330 housing units.
- Electrification of Mayfield Phase 2 comprising of 1320 housing units.
- Substation upgrade at Waainek sub-stations; and
- 66Kv line upgrade from Makhanda sub-station to Sugar Loaf sub-station

2.4.3 ROADS AND TRANSPORT:

The roads network, within Makana jurisdiction, are under the custodianship of Makana Local Municipality, in case of access roads and streets, Provincial Department of Transport, in case of District/ Roads and . Each authority is responsible for provision and maintenance of roads infrastructure under relevant custodianship.

The SBDM has developed a Roads Maintenance Plan and is busy developing a Roads and Storm Water Master Plan, through Roads Asset Management System (RAMS) programme.

Makana Municipality's roads system is categorised as follows, with the varying ownership and responsibilities of these making the management of this function difficult for Makana:

- municipal roads.
- provincial roads (Department of Roads and Public Works)
- undefined access roads.

- rural surfaced and gravel roads;
- national roads (SANRAL)

2.4.3.1 Road Infrastructure and Transport Modes:

BASIC SERVICE / INFRASTRUCTURE	MUNICIPAL ROADS
Total length of Roads	757.4Km
Gravel	588Km
Tarred	169km
Man-made house access	N/A
Transport Modes Stats' 2001	74 539
On foot	25 674
By bicycle	435
By motorcycle	173
By car as a driver	2 957
By car as a passenger	3 324
By minibus/taxi	4 386
By bus	573
By train	88
Donkeys	
Other	220
Not applicable	36 709

A large contingent of the population in 2001 was travelling by foot. Unfortunately, the 2011/16 Stats' does not give a comparison. Makhanda is situated on the N2, which links it to East London/ Bisho and Port Elizabeth. The R400 links Makhanda to Riebeeck East and the N10.

- The MR476 links Makhanda and Alicedale.
- The R343 links Makhanda and Salem to Kenton-on-Sea and Alexandria.
- The R350 links Makhanda to Bedford.
- The R344 links Makhanda to Adelaide.

- The R67 links Makhanda to Port Alfred in the South and Fort Beaufort to the North. The municipality is using Road Asset Management System, to identified road needs, upgrading and maintenance to check length and status, which is managed by SBDM

2.4.3.2 Condition of unpaved roads

Condition	Very Good	Good	Fair	Poor	Very Poor	Total (km)
Paved Roads	2%	22%	66%	10%	0%	160.3
Unpaved Roads	0%	0%	0%	59%	41%	114.1

2.4.3.3 Paved Network Needs (km)

Local Municipality	Rehabilitation	Special Maintenance	Periodic Maintenance	Total
Km	9.0	59.6	56.3	125.0
Cost	45 866 675	229 408 190	56 728 877	332 003 738

2.4.3.4 Road Condition Index:

Traffic Management Plan Study Area - Surfaced Roads

Municipal			Provincial	
Condition	Length (km)	Percentage (%)	Length (km)	Percentage (%)
Very Good	0.00	0.00%	0.00	0.00%
Good	2.90	12.27%	0.95	10.50%
Fair	12.91	54.69%	4.93	54.26%
Poor	7.37	31.22%	2.99	32.93%
Very poor	0.14	0.60%	0.00	0.00%
No Details	0.29	1.22%	0.21	2.32%
Totals	24.08	100.00%	9.08	100.00%

Due to budgetary constraints, lack of maintenance has led to many roads being in a poor condition. Based on the condition assessments only 12.27% of the surfaced municipal roads in the TMP area are in good condition. Such a situation hampers the expansion and development of the transport, agricultural and tourism sectors.

In addition, poor road conditions create a poor investment climate and stifles growth in the area. It is noted that SANRAL has recently assisted the municipality by surfacing portions of Beaufort Street from the N2 in the Southwest to the R67 in the Northeast.

2.4.3.5 RAIL

No functional rail service. The intention is to look at the feasibility of changing the train station to a bus station /depot.

2.4.3.6 AIRSTRIPS:

There is a municipal airstrip just outside of Makhanda, adjacent to the Army Base, however, the airfield is not in compliance civil aviation regulations and the licensing conditions. The Main challenges are, Run way has potholes, doesn't have lights for landing, parameter fencing is vandalised, socks are damaged and stray animals are roaming around the field. Municipality has engage SBDM development agency to assist to make the airfield viable

2.4.3.7 NONE- MOTORISED TRANSPORT:

2.4.3.7.1 Animal drawn transport:

Donkeys are found in Makana area more especial in Makhanda Township. These vehicles are not licensed and are not allowed on public roads, however, in certain areas, such as on the N2 and R67 near Grahamstown *and* CBD, owners ignore traffic rules and travel on the surface roadway, results in a major traffic safety problem.

2.4.3.7.2 Bicycle Transport & Facilities:

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

2.4.3.7.3 Sidewalks and Walkways:

An assessment of the primary transport corridors in the Municipality indicates a dire need for the provision of sidewalks and walkways. Given the limited resources and proximity of residential townships to the business node, walking is one of the main transport modes in the Municipality.

Despite this, there is a lack of suitable pedestrian facilities, and where sidewalks or walkways are present, these are often in a poor condition. The lack of verge maintenance along primary routes often results in pedestrians sharing the travelled way with motorised transport.

Pedestrian infrastructure is required in Makana, for new roads currently built and future one's sidewalks and walkways are considered.

2.4.3.8. Road and Stormwater Critical Challenges:

Makana has insufficient roads infrastructure with maintenance carried out as and when required, which is also evident during community-based planning, where concerns are always raised about potholes, corrugated gravel roads and stormwater drains.

The high-level challenges in the main are as follows:

- Dilapidated roads and stormwater Makana has Provincial acclaimed roads within its boundary especially in the Makhanda CBD, suburbs and rural areas. These roads, including municipal roads, where the condition has deteriorated substantially have become unaffordable for the municipality to maintain; and
- Municipal funds are insufficient ensure that maintenance of the roads and storm water infrastructure which is urgently required.
- Makana's rural areas are fast becoming a safety hazard and are becoming inaccessible, due to a lack of maintenance and upgrading due to a lack of funds, equipment, and human resources.

The roads and storm water operating challenges are as follows:

- Deteriorating condition of the roads causing damage to public vehicles and litigation claims;
- Budgetary constraints resulting into poor or no maintenance.

- Lack of relevant of resources intoe.g. machinery and human resources resulting in Incomplete work.
- storm water flooding which could cause death, damage to peoples' properties and possible claims; and
- Deteriorating municipal buildings making them inhabitable with the possibility of causing staff to be sick, resulting in possible litigation or charges being laid by the Department of Labour.

The roads and storm water solutions, identified during the assessment, to meet the challenges are as follows:

- Provincial/ district roads maintenance plan have a signed Service Level Agreement with province/ district on the maintenance plan;
- Introduce a Pavement Management System (PMS)
- Acquisition of machinery for maintenance of roads and storm water Infrastructure.
- Training of artisans and improving the skills and knowledge of the staff.

2.4.4 HIGH LEVEL CRITICAL CHALLENGES

CHALLENGES	PROPOSED INTERVENTION
Insufficient water supply to meet the demand	Completion of JK WTW Upgrades - 20ML/d
Wastewater Treatment Works not functional and operating above capacity, leading to health hazards and litigation.	Intensify efforts to source funding for capital upgrading of the plants.
Non-existence of master plans leading to poor planning	MISA is funding Water and Sanitation Master Plans. Applications made to COGTA/DBSA for Electricity as well as Roads and Stormwater Master Plan.
Poor state of Municipal Roads and drainage system, as they are mainly beyond maintenance	Funding to be sourced for internal roads. Funding for MIG and DoT is focusing of rehabilitation of Taxi Routes.

Insufficient Electrical Supply capacity	Funding for upgrading and refurbishment required
Theft and vandalism during load shedding	Strict measures in place in buying of copper.
Delays in the roll out	Strict measures in place in buying of copper.
High water losses due age and dilapidated infrastructure	Development and implementation of WC WDM strategies
Lack/Slow training and development programme, due to funding constraints	Skills Development Plan needs to be funded and implemented, esp for Statutory Training
Resources not responsive to the Operational business	Balancing of resources to enhance improved and timeous responsiveness to the Community
Inadequate resourcing for Satellite Offices	Proper resourcing of satellite offices in line with the Service Delivery Model
Lack of adequate and appropriate fleet	Exploration of cost-effective fleet acquisition methods

2.4.1.2.5 Risk Identification and Remedial Mitigation

Risk description	Root cause	Consequences	Proposed mitigation
Decaying infrastructure	<ul style="list-style-type: none"> Age of the infrastructure Planning overlooked future expansion Limited maintenance 	<ul style="list-style-type: none"> 1. Reputational Damage. Community protest. Litigations. Loss of revenue Inability to attract investors. Health risk to the community. 	<ul style="list-style-type: none"> Investment on Upgrades and Refurbishment Alignment of development with demand Structured asset care management

Poor execution of capital projects	<ul style="list-style-type: none"> • Absence of master planning • Uncertainties on funding allocations • Poor Performance of Service Providers and fraudulent activities • Limited project management capacity 	<ul style="list-style-type: none"> • Withholding of conditional grants and equitable share allocations. • Prolonged project delivery trends. • Incomplete projects. • Cost escalations 1. Litigations. 	<ul style="list-style-type: none"> • Investment on Infrastructure Master plan inclusive of Conditional Assessments and Asset Care Management • Bankable business plan, informed by master plan • Enforcement of contractual provisions • Alignment of capacity, with project book
Effects of drought and loadshedding	<ul style="list-style-type: none"> • Climate Change • Unreliable Rainfall patterns • Fiscal Shrinkage and Poor Revenue Generation • Limited to no expansion and maintenance for critical infrastructure 	<ul style="list-style-type: none"> • Reputational Damage. • Community protest. • Excessive overtime. • Litigations. • Loss of revenue • Inability to attract investors. • Health risk to the community and contamination of downstream watercourses. 	<ol style="list-style-type: none"> 1. Explore alternative technological strategies for water and power. 2. Alignment of input costs to tariff charges 3. Investment on capital upgrades and refurbishments

2.5 HUMAN SETTLEMENT MANAGEMENT:

Housing is a concurrent National and Provincial competency in terms of Part A of Schedule 4, of the Constitution.

Section 10 of the Housing Act, 1997 (Act 107 of 1997), sets out the responsibilities of municipalities in relation to the provision of housing.

Housing is included in this section as a basic service because there is a direct correlation between the provision of basic services and housing, which makes it a complex function that relies on high levels of cooperation between the Municipality, the Provincial and National Departments responsible for Housing.

2.5.1 Roles and Responsibilities in Relation to Housing Provision

2.5.1.1. Municipality:

- Ensure that the IDP addresses the right to adequate housing on a progressive basis;

- Set housing delivery goals in respect of the Municipal area;
- Plan, co-ordinate, promote and facilitate housing development the Municipal area;
- Identify and designate land for housing development
- Plan and manage land use and development (township establishment subdivision, consolidation, rezoning etc.);
- Provision of bulk engineering services;
- Provision of services in respect of water, sanitation, electricity, roads, storm water drainage etc.;
- Maintenance of a housing database.

2.5.1.2 Provincial Department Human Settlement:

- Develop Provincial Housing Policies;
- Co- ordinate housing development in the Province;
- Prepare and maintain a multi-year plan in respect of each National and Provincial Housing Programme to access finance from the National Housing Fund
- Fund the erection of top structures;
- Fund the purchase of land in the event that the Municipality has no land available;

- Capacity development of municipalities to enable them to perform obligations in terms of housing delivery;
- Appointment of developers/ contractors.

2.5.1.3 National Department Human Settlement:

- Develop National Housing policy as well as norms and standards.
- Set National housing delivery goals.
- Monitor performance in terms of housing delivery.
- Assist provinces to develop the administrative capacity required for effective exercise of their powers and performance of their duties in respect of housing development.
- Promote consultation and communication on matters regarding housing development;
- Administer the National Housing Fund and allocation of funding to Provinces.

2.5.2 Housing and Settlement Analysis:

2.5.2.1 Heritage:

The heritage resource of the municipality is significant and contributes to the economy of the municipality and needs to be conserved in terms of the provisions of the National Heritage Resources Act (Act 25 of 1999 - NHRA). The Act introduced an integrated system for the identification, protection and management of heritage resources nationally, provincially and at municipal level.

The Act prescribes land use planning and management to give attention to, and respond to, heritage considerations both at site and landscape levels. Of particular significance is the obligation placed on the municipality to undertake the preparation of a comprehensive heritage inventory in terms of Section 30(5) of the National Heritage Resources Act, 1999 (Act 25 of 1999). Makana Municipality has not prepared such an inventory.

It is also important to note that the heritage resource of the municipality does not only comprise of conservation worthy buildings and urban precincts, but also includes physical and cultural landscapes.

2.5.2.2 Urban and Rural Settlements areas

Urban and Rural Settlement Areas

No	Settlements	Approximate population distribution
1	Makhanda	80%
2	Riebeeck East	5%
3	Alicedale	10%
4	Seven Fountains	4%
5	Fort Brown	
6	Salem	Surrounding land is the subject of a substantial land claim, which may result in the need to expand the settlement
7	Sidbury	Entirely surrounded. It has become the administrative centre for game farming and no longer performs a true human settlement function

Settlements and Nodes

Settlement Type	Settlement Name	Settlement Function	General Description
<i>District Centre</i>	<i>Makhanda</i>	District-level administrative centre. Major District service centre for commercial and social goods and services. Education centre Industrial centre for value-adding processes and local-based manufacturing. Residential development covering full range of economic bands. Tourism	Makhanda fulfils a regional and district function within the Makana Municipality, the Sarah Baartman District Municipality and the Province. The District and Provincial functions include the Rhodes University, Eastern Cape High Court, hosting of the National Arts Festival and others. Accommodate ± 83.7 % of the municipal population in a well-defined urban environment. Fulfil a key economic function within the district with trade and government

			administration being the core contributors. Rich cultural heritage and resources.
Local Centre	Alicedale	Local-scale administrative centre. Local-scale service centre for commercial and social goods and services. Residential development covering limited range of economic bands (Middle-income – Low-income). Potential for value-adding agro-industrial processes. Potential for event-related tourism events.	Small rural centre with a population of $\pm 1\ 932$ Railway station and Bushman Sands Country Estate. Key economic and important structuring elements. Rural services function.
Sub-Local Centre	Seven Fountains Fort Brown Riebeek East	Minor administrative functions. Minor service centre for social goods and services. Focused support of local economic initiatives agriculture based.	Seven Fountains and Fort Brown are small rural settlements with potential to be developed as agri-villages. Seven Fountains mainly established based on accommodating workers from the surrounding rural area. Fort Brown was originally a military out-post with the possibility of developing the outspan as a rural agri-village. The Riebeek East village is situated within the farming and game reserve area with a population of ± 753
Rural Settlements	Salem Sidbury Committee's Drift	Primarily residential and livelihood subsistence function. Some provision of limited social goods and services.	These small rural settlements provide a less important services function to the rural area. Opportunity for small services function and tourism / rural support.

2.5.2.2 Informal Dwellings

The five wards with the highest number of informal dwellings are (From highest to lowest)

Ward 3
Ward 14
Ward 11
Ward 13
Ward 9

There has been a reduction in the number of informal dwellings from 2001; informal dwellings are concentrated in Makhanda and in Alicedale.

Informal Dwellings:

Informal Dwelling (Not Backyard Shacks)	No. of persons (2001)		No. of persons (2011)		Change	
Wards / Areas	Numeric	%	Numeric	%	Numeric	% change
Ward 1	46	2.93	28	1.96	-18	-39.13
Ward 2	76	4.85	4	0.28	-72	-94.74
Ward 3	27	1.72	396	27.65	369	1366.67
Ward 4	664	42.35	16	1.12	-648	-97.59
Ward 5	57	3.64	11	0.77	-46	-80.70
Ward 6	209	13.33	6	0.42	-203	-97.13
Ward 7	3	0.19	63	4.40	60	2000.00
Ward 8	12	0.77	15	1.05	3	25.00
Ward 9	-	29.27	127	8.87	-	
Ward 10	459	0.57	103	7.19	-356	-77.56
Ward 11	9	0.38	220	15.36	211	2344.44
Ward 12	6	-	1	0.07	5	-83.33
Ward 13	-	-	189	13.20	-	-
Ward 14	-		253	17.67	-	-
Makana – EC104	1568	100	1432	100	-136	-8.67

Source: StatsSA2001

2.5.2.3 Backyard Shacks:

The five wards with the highest number of persons living in backyard shacks are (From highest to lowest)

Ward 10
Ward 5

Ward 3
Ward 7
Ward 14

2.5.2.4 Dwelling Types and Tenure Status:

Dwelling Types and Tenure Status

BASIC SERVICE / INFRASTRUCTURE	MAKANA AREA (STA SA 2001)	MAKANA AREA (STATS SA 2011)	%	GROWTH % p.a.
Total number of households	18 009	21 388		
Dwelling Type	17 815	21 387		
Brick house in yard	10293	15822	74.0	5.4
Mud/Traditional Dwelling	3112	780	3.6	-7.5
Apartment in block of flats	761	647	3.0	-1.5
Town/cluster/semi-detached (simplex: duplex: triplex)	264	872	4.1	-2.4
House/Flat in back yard	882	810	3.8	-0.8
Informal shack in yard	785	722	3.4	-0.8
Informal shack not in back yard	1598	1431	6.7	-1.0
Room/flat not in back yard but shared property	66	117	0.5	7.7
Other (ship/caravan)	54	186	0.9	24.4
		21 388		
Rented		5 685	26.6	
Owned but not yet paid off		1 701	8.0	
Rent-free		4 130	19.3	
Owned and fully paid off		8 629	40.3	
Other		1 243	5.8	

Source: Stats' 2011

to 2011). There has also been a slight decline in both the number of informal shacks in the yard and those not in the back yard since 2001. This implies that there is still a demand for urban housing development.

2.5.2.5 Rhodes University Campus:

The Rhodes University Campus is the largest single ownership footprint within the Makhanda urban footprint. Rhodes University is currently undertaking a review of their long term spatial planning. For the purpose of this review information was sourced from older Rhodes University Spatial Planning. Extracts thereof are set out below.

	PROJECTED GROWTH OF STUDENT NUMBERS					
Current Number	6954	2009	2010	2014	2019	2023
		2%	7093	7678	8477	9176
		4%	7232	8461	10294	12042
		8%	6510	10218	15013	20425
PROJECTED GROWTH OF RESIDENCES						
Current Number	6954	2009	2010	2014	2019	2023
		2%	2	8	18	26
		4%	3	18	39	60
		8%	7	38	95	158

2.5.2.6 Housing Demand:

The total estimated housing demand resulting from population growth (Based on the current growth rate) is 4430 additional households by 2030. This demand equates to a land requirement of approximately 220 ha across the entire municipality. Most of this demand would be accommodated in Makhanda.

Based on the Census 2011 figure, the housing demand associated with the eradication of informal dwellings would be 723 households, backyard shacks 1432 households and growing need for provision good quality rental accommodation for the upper end of the low income market, with the primary objective of urban restructuring, creating sustainable human settlements.

The associated land demand is 36ha and 72ha respectively. Officials speculate that there may be considerable duplication in the backlog figures for Makhanda and estimate that the figure should be in the region of 7000 to 8000 households and can be more when it included social housing demand.

If the informal dwelling and backyard shacks figures are deducted from this approximately 6000 households or persons are accommodated elsewhere or in formal dwellings in the established urban areas of the municipality; the settlement planning priority is therefore to provide adequate shelter to those households accommodated in informal settlements and in backyard shacks.

Social Housing Programme: There is an increasing need for affordable rental units which provide secure tenure to households which prefer the mobility provided by rental accommodation. Social housing provides good quality rental accommodation for the upper end of the low-income market (R1500 - R7500), with the primary objective of urban restructuring, creating sustainable human settlements.

The programme provides for grant funding to establish, capacitate and capitalize social housing institutions which may develop, hold and administer affordable rental units within identified restructuring zones.

Housing Backlogs:

	Makhanda	Alicedale	Riebeeck East	Rural Areas (Seven Fountains & Fort Brown)	TOTAL
<i>Estimated Housing Demand 2018 (Town Planning Report & IDP 2018)</i>	12 800	948	456	417	14 621
<i>Estimated Housing Demand 2028 (@ 1.12 % population growth / annum)</i>					16 154
Current Projects :					
• Mayfield North	2 763				9 558
• East Commonage	3 585				
• Provincial Project	2 200				
• Etembeni	300				
• Phola Park / Glebe (Erf 4103)	300				
• Infill Areas	410				
• Alicedale		338			912
• Fort Brown				341	
• Seven Fountains				233	
Total Current Projects (2018)					10 470
Current Shortfall (2018)					4 151
Additional Households (2028) (@1.12 % population growth / annum)					2 838
Estimated Housing Demand including Shortfall (2028) (@1.12 % population growth / annum)					6 989
Estimated Land Requirements @ 40 units / ha					172 ha

****The Municipality cannot provide housing on private land – Names of towns indicate town of origin of applicant.***

2.5.2.7 Housing Sector Plan

Makana Municipality reviewed its Housing Sector Plan in 2012. Currently the municipality has some capacity to deal with housing administration and development and Makana Council is committed to establish a fully-fledged department to manage the Human Settlement Development. The following table is a status quo of the housing projects:

Table 50: Housing Projects:

Running projects:					
Project name	No. of subsidy	Status	No. of units Completed	No. of units to be built	Budget Requirement
Fingo Village 577(2)	3577 (237)	Blocked	237	0	R5.3m
Fingo Village 577 (3)	577 (340)	Planning	0	340	R38m
Eluxolweni 176 (15)	8 176	Blocked	158		R3,9m
Transit Camp (421)	4 440	Running	38 Incomplete		R1,7m
Transit Camp 440	1 19	Planning	19		R1,9m
Mayfield 2200 Ph. 2, Stage 1 (1200)	a1200	Planning	1200	1200	
Mayfield 2200 (1200)	P 1200	Installation services running	R157 m	0	R0m
Planning projects:					
Project name	No. of Subsidy	Status	Approved Budget	No of units completed	Budget Required
Fort Brown	188	Planning	R0 m	0	R4,4 m
Seven Fountains	229	Planning	R0 m	0	R5,3 m
Alicedale 316	316	Planning	R0 m	0	R5,3 m
Ethembeni 2000	3330	Planning			
Alicedale16	27	Construction	R0 m	0	R5,3 m
Upper Mnandi	14	Planning	R0 m	0	R0,976 m
Lower Mnandi	40	Planning	R0 m	0	R2,7 m
Xolani	34	Planning	R0 m	0	R2,3 m
Zolani	167	Planning	R0 m	0	R11,6 m
N Street	27	Planning	R0 m	0	R1,8 m
J Street	31	Planning	R0 m	0	R2,1 m
K Street	31	Planning	R0 m	0	R2,1 m
Planning projects (serviced sites)					
Project Name	No Subsidies	Status	Approved budget	No units completed	Budget required
25 Sites	25	Construction	R0 m	0	
Newtown/Kwa Ndancama	33	Planning	R0 m	0	
Phumlani 250	250	Planning	R0 m	0	R2,1 m
Glebe Mission 28	28	Planning	R0 m	0	R2,1 m
Erf 4103	28	Planning	R0 m	0	R2,1 m

Rectification projects		Informal project areas				
Project Name	No of Subsidies	Project name	No of Subsidies	Status	Approved Budget	Completed
Alicedale 221	221	Phaphamani	No information			
Scott’s farm	90	Polar Park				
Ghost town	189	Upper Zolani				
Vukani location		J,N, Xolani, Up and lower Mnandi, Extension 9 and Farmer field				
Disaster project:						
Makana Disaster	161	Not started	R20 m			Information not available

2.6 COMMUNITY AND SOCIAL DEVELOPMENT

2.6.1 Community Facilities:

2.6.1.1 Community Halls:

There are 8 community/ town halls in the Makana area which are utilised by the community. Some of these facilities are in need of repairs, maintenance and security.

2.6.1.2 Libraries:

There are 8 libraries in Makana managed by the Municipality in terms of a Service Level Agreement with the Province. These libraries are situated in ward 1; 7; 8; 10; 14 and a mobile library that services ward 5.

2.6.1.3 Sport and Recreation Facilities:

☐ Makhanda- Rhini:

- Indoor Sports Centre (New Facility functional)
- Mickey Yili Rugby Fields (2 x Playing fields) - In need of refurbishment especially lighting and stands
- Millennium Cricket Stadium (1 x field with turf wicket and Practice nets) need refurbishment
- Dlepu Stadium (2 x soccer fields) In need of refurbishment especially lighting, ablutions and Pavilion

- Foley's Ground (soccer field with tennis court and basketball court) need repair and maintenance
- The Oval - Lavender Valley Sports grounds (2 x rugby fields and Basketball court) in need of refurbishment, levelling of fields, ablutions and lighting
- Egazini Rugby field- Need upgraded
- Extension 5 Satellite Soccer ground (3 x Soccer fields)

☐ **Alicedale:**

- Transriviere (1 x Rugby Field plus two netball courts) Need refurbishment
- KwaNozwakazi (1 x Soccer Field and Netball court) Need refurbishment

☐ **Riebeeck East:**

- KwaNomzamo (1 x Rugby field and netball court) Budget for Sporting grounds is valued at R 2,062,620, all-inclusive and Capital Program at R 406,000.
- There are two Golf Courses in the Municipal Area, both privately run, one in Makhanda and the other in Alicedale.

2.6.1.4 Cemeteries:

☐ **Makhanda:**

- Mayfield Cemetery (currently in use and has capacity for another 12 Years at the current rate of burials)
- *Waainek Cemetery (currently full only reserved graves are available)*
- Lavender Valley (Currently not in use other than for reserved graves) Grahamstown Historical Cemetery (currently not in use other than for Reserved graves)
- Extension 1 Cemetery (currently not in use)
 - Kings Flats Cemetery (currently not in use other than for reserved graves)
 - Kwa Dinga Cemetery (currently not in use)

☐ **Alicedale:**

- Kwa Nonzwakazi (currently at full capacity)
- Transriviere (currently in use and has capacity for a further 5 years at current rate of burials)

- Town Cemetery (currently in use and has capacity for a further 5 years at current rate of burials)

☐ **Riebeeck East:**

- KwaNomzamo (currently in use and has capacity for a further 5 years at current rate of burials)
- Town Cemetery (currently in use and has capacity for a further 5 years at current rate of burials)

Outlying;

☐ **Districts:**

Several farm cemeteries that are not registered (status of cemetery and available space for burials still being investigated)

2.6.1.5 Public Amenities:

COMMUNITY SERVICES AND FACILITIES	WARD	NAME	TOTAL IN MAKANA MUNICIPAL AREA
Taxi Rank	8	Ncedo Taxi Association and Border Alliance	2
Post office	7 & 8	Market Square, High Street & Joza	3
Pension pay points	3; 4; 5; 7; 8; 9; 10	Recreation; B.B. Zondani SASSA Building, Banks,	2
Cemetery	1; 3; 4; 9 & 11	Albany Old Cemetery. Ndancama; Waainek; Ext 7 Mayfield & Thatha	6
Church/Place of Worship	1; 2; 3; 4; 6; 7; 8; 9; 10;11; 12,13; 14	Methodist; Anglican. Presbyterian; Zion; Adventist; Pentecostal	Numerous

COMMUNITY SERVICES AND FACILITIES	WARD	NAME	TOTAL IN MAKANA MUNICIPAL AREA
Banking Facilities	8	NED BANK, ABSA, FNB, STANDARD BANK, CAPITEC and GBS	5
Parks & Recreation	1,3,6	Pumlani Park, Lavender Valley, Memorial Park	3

2.6.1.6. Health and Care Facilities:

Settlers Hospital is the main health care facility in Makana area established in 1858. Settlers Hospital is located in Makana Sub-District, Makhanda within the Sarah Baartman Municipal District. It serves a population of 157998 (Makana /Ndlambe municipality).

Settlers Hospital has 219 approved public beds, the hospital is currently functioning with 166 active/usable beds. Makana has 8 clinics under the department of health and other health facilities

2.6.1.6.1. Other Health Facilities:

Nos.	CLINICS	CENTER
1.	Clinic	Anglo African Street Clinic
2.	Clinic	Joza Clinic
3.	Clinic	Kwa-Nonzwakazi Clinic
4.	Clinic	Middle Terrace Clinic
5.	Clinic	NG Dlukulu Clinic
6.	Clinic	Raglan Road Clinic
7.	Clinic	Raymond Mhlaba Clinic
8	Clinic	Virginia Shumane Clinic

OTHER FACILITIES	
Community Health Centre	Settlers Day Hospital
Condom Distr Site	Makana Condom Distribution Site
Condom Distr Site	Makana Primary Condom Distribution Site
District Hospital	Hospital

EHS LG Service	Makana Local Municipality - LG EHS
EHS Prov Service	Makana Health sub-District - Prov EHS
EMS Station	Alicedale EMS Station
EMS Station	Grahamstown EMS Station
Mobile Service	Grahamstown Mobile 1
Mobile Service	Grahamstown Mobile 2
Mobile Service	Grahamstown Mobile 3
Non-Medical Site	Rhodes University Non-Medical Site
Specialised Psychiatric Hospital	Fort England Hospital
Specialised TB Hospital	Temba TB Hospital

All our primary health centres are opening from 08h00 to 16h30, 5 days a week except Joza clinic which opens seven days a week, including Saturday and Sunday. Professional nurses range bet (3-5) per clinic depending on the capacity of the clinic. Doctors visit clinics, some clinics once a week and others once in two weeks. Makana Municipality has two Ambulance Services i.e. EMS and Netcare. For those patients referred to either Port Elizabeth or East London there is transportation organised by the hospital and the ambulance service; on Monday, Wednesday and Friday to PE and Tuesday & Thursday to East London.

COMMON DISEASES:	REFERRAL SYSTEM:
<ul style="list-style-type: none"> • TB • HIV • Hypertension (High Blood pressure) • Diabetes • Arthritis • Asthma 	<ul style="list-style-type: none"> • Ward Based outreach Teams • Clinic • Community Health Centre • Hospital (District or TB hospital) • Port Elizabeth (Tertiary hospitals) <p>– Specialist Clinics</p>

2.6.2 Traffic and Law Enforcement

Makana municipality operates a traffic service (7 posts). Makana delivers an agency service for licensing (NATIS) on behalf of the Provincial Department. Three Peace Officers have been appointed to enforce by-laws.

2.6.3 Community Safety:

The South African Police Service Act as amended, made provision for the establishment of municipal police services and community police forums. In Makana a cluster ward approach was undertaken to establish Community Police Forums, in total five have been established. During the Community based planning, a concern was raised around the effectiveness of these forums and the lack of visibility of the SAPS.

The SAPS Crime Research Statistics show that crime levels are high in Makhanda. Contact crimes against a person and burglary at residential premises are most prevalent.

Police Stations in Makana Area

NAME	WARD
Makhanda CBD Area	8
1x Riebeeck East	1
1x Alicedale	14
1x Fort Brown	1
1x (Extension 6 New Police station)	6
Seven Fountain	14
Committees Drift	1
Joza Police Station	6

2.6.4 Fire Services and Disaster Management

Makana Municipality has 24-hour fulltime fire service with Chief Fire Officer appointed as manager fire services. Municipality has signed a corporate agreement with Sarah Baartman District Municipality to perform the function on agency bases. Also the Municipality has co-operative agreement with all other six (6) Sarah Baartman District Municipalities.

The aim of the Disaster Management Act, No. 57 of 2002, and the Disaster Management Framework, is to minimise the effects of hazards on local communities by ensuring coordinated efforts to manage risks. This plan has been designed around the identified risks, highlighted during the Risk Assessment process and its was revised and approved by Council 30 June 2021

A Disaster Management Plan outlines the key institutions and programming components relative to deal effectively with disaster management and emergency responses. Partnerships have been established with Provincial Government, District and Non-governmental organisations with a responsibility or capacity to render Disaster Management Services. In terms of Makana Disaster Management Plan the following are the result of risk assessment conducted that the municipality is prone to:

- Tornado
- Floods
- Fires(Veld and Forest Fires)
- Epidemics
- Accidents

Furthermore, the plan contains contingency plans for every risk identified. The most common disaster that occurs in the area is floods and protracted drought. Tornadoes are common and have caused extensive damage to homes in Alicedale and the Makhanda area.

2.6.4.1 Disaster Incident:

Makana Municipality was affected by a disaster on the 8th October 2008 where 161 houses were severely damaged in Makhanda and 22 houses in Alicedale. An amount of R101 000.00 was approved by Provincial Government and the project was to be coordinated by them. The project has been delayed to date.

Makana was again in October 2012 affected by floods where most of its road's infrastructure were damaged. In October 2012, The Premier of the Province of the Eastern Cape had, in consultation with other MEC's declared a provincial state of disaster in terms Section 41 of Disaster Management Act (Act 57 of 2002)

After the occurrence of the October 2012 disaster incident, the Provincial Disaster Management Centre had, in terms of section 35 of the Disaster Management Act 57 of 2002, initiated efforts to assess the magnitude and severity of the disaster and informed the National Disaster Management Centre of the cost of the damages for provision of emergency relief.

The National Treasury had through the National Disaster Management allocated an amount R43.5m for emergency projects which was divided among the Nelson Mandela Bay Municipality and five other municipalities in the Sarah Baartman District Municipality. Makana Municipality was allocated R 2 400 567 for the following projects.

1. Repairs to electrical infrastructure at Old town filters, Evans Poort and Market feeders – R2 400 567 and
2. Repair pump station (replace sewer pump) at Lingelihle – R387 236,

The above-mentioned projects were completed between January and May of 2013. There were about 128 informal houses that were damaged by floods. Makana Municipality made an urgent application for temporary housing structures to the Department of Human Settlement.

On the 23rd of November 2012 the Department of Human settlement together with the municipality assessed the damage caused by the floods and 39 temporal housing structure where approved.

Subsequent to that, Makana Municipality allocated an amount R8 7224 000 for reconstruction and rehabilitation. The above-mentioned amount was intended for the re-gravel, reconstruction of municipal roads, storm water pipe, channels, slabs and pedestrian bridges that were affected during the October 2012 flooding, this included Alicedale.

The Provincial Disaster Management Centre established a Project Management Steering Committee to monitor the funds allocated for response and recovery of the flood incidents which engulfed the province during the period.

2.6.4.2 Priority Risk Identified:

TOP RISKS	
No	Risk
1.	Landslide/Subsidence
2.	Heat wave
3.	Severe Storm
4.	Road Incident
5.	Animal Epidemic Diseases
6.	Criminal Activities
7.	Critical Infrastructure
8.	Illegal/Uncontrolled Solid Waste Disposal
9.	Climate Change Rainfall

2.6.5 Community Policies and Bylaws:

Type	Title	Status
Policy	Speed Hump	Final *
Policy	Environmental	Final
Policy	Paupers Burial (To be developed before the financial year end)	To be revised
By-law	Animals, Birds and Poultry	Final
By-law	Dumping and Accumulation of Water	To be revised
By-law	Liquor and Trading Hours	To be revised
By-law	Parking	To be revised
By-law	Refuse Removal	To be revised
By-law	Street Collections	* To be revised

2.6.6 Challenges and Development Priorities:

The Directorate of Public Safety and Community Services is one of the biggest departments within the municipality and is made up of about 40% of the staff employed by the municipality.

The Directorate is responsible for the provision of parks, recreational and sporting facilities, cleansing and environmental health services, library services, environmental management, traffic services, and fire and emergency services.

The challenges facing the Public Safety and Community Services Directorate are as follows:

- Lack of human capacity to implement the by-laws. The by-laws are not updated, and some are not approved, which could result in possible litigation as regards to billing and collection of monies levied for services
- Implementation of unfunded and underfunded mandates, example firefighting which is a district function. Engagements with the Sarah Baartman District Municipality are taking place in this regard.
- Lack of resources e.g. no fire stations in outlying areas and therefore the inability to respond to fires on time especially in areas like Alicedale and Riebeeck East;
- There also need for Fire station in the Makhanda East
- Establishment of libraries in the new areas not done due to a lack of funding.
- Inadequate customer complaint handling processes. At present all complaints are referred to the Fire Services and therefore there is a need to establish a centralised responsive customer care unit/ centre to deal with customer care complaints and emergencies; and
- Vehicles are old and unreliable and impact negatively on service delivery; and
- Eradication of illegal dumping sites, fencing of legal dumping sites, improvement of street cleaning, the provision of the cleaning services in all areas of Makana and monitoring of cleaning staff.
- Improve and Increase visibility of Police, Resuscitate Community Policing Forums and establish Community Safety Forum
- The municipality should prioritise, update, approve and enforce the by-laws.
- The billing of refuse and an audit of all refuse removals to ensure that consumers are being billed correctly for refuse removed should be undertaken.

- Amongst others undertake the acquisition of vehicles and equipment, cleanliness of the town, identify and cost unfunded and underfunded mandates which are the competency of the district and other departments and engage these institutions to address the matter.
- Dysfunctional municipal store with no tools of trade , PPE, cleaning material and oil and fuel.
- All landfill sites and cemeteries airspace is depleting
- Aged fleet and ageing personnel to render expected service delivery
- Lack of key /skilled personnel especially in middle management level (Parks and Cleansing)
- Lack of capital budget for public amenities/ dilapidated facilities(Pound, recreational facilities/ sportsfields)
- Court orders on landfill site and illegal dumping
- Control of stray animals

Short Term and Remedial Action

- Aged fleet and ageing personnel to render expected service delivery
- Lack of key /skilled personnel especially in middle management level(Parks and Cleansing)
- Lack of capital budget for public amenities/ dilapidated facilities(Pound, recreational facilities/ sportsfields)
- Court orders on landfill site and illegal dumping
- Illegal dumping and stray animals

Medium to Long term and remedial action:

- Lease/ purchase new municipal fleet that is fit for purpose
- Close and decommission ALL landfill sites and establish one engineered landfill site in Grahamstown and turn satellite areas landfill sites into transfer stations
- Finalise the investigation and design for new landfill and apply for funding / budget

2.7 LOCAL ECONOMIC DEVELOPMENT AND RURAL DEVELOPMENT:

The purpose of the Strategy is to:

- Provide guidance and direction to Makana's LED Directorate for the effective and sustainable achievement of the local economic development objectives;
- Contribute to the implementation of economic plans from the overall planning of the municipality as detailed in the Integrated Development Plan (IDP);
- Stimulate economic growth in Makana;
- Address the socio-economic challenges of the community resulting from unemployment;
- Increase the tax base of the municipality; and
- Build up the administrative and economic capacity of Makana in order to improve its economic future and the quality of life for all.

2.7.1 Makana Local Economic Development Strategy:

In the context of a slow economic climate, unemployment is on the increase, resulting in the shrinking of the municipal revenue tax base. Against this backdrop the Makana LED Strategy needs to both find innovative ways to grow the local economy to address the growing socio-economic challenges of marginalised communities, and – in the interest of sustainable service delivery – increase the municipal tax base. Both these issues can only be addressed by growing the levels of sustainable employment in areas that need it the most.

The focus of this LED Strategy is not to provide communities with social support or intermittent relief from poverty, but to enable the prospect of sustainable poverty alleviation. Sustainable poverty alleviation requires providing unemployed people with opportunities that provide individuals with a sustainable source of income.

2.7.2 Overview of the core elements of the LED Strategy

The focal point of the LED Strategy is the three Strategic Objectives, the 10 Key Performance Areas and the 23 Strategic Initiatives

2.7.2.1 Strategic Objectives 1: Promoting Economic Growth

Economic growth is achieved by identifying and focusing on projects and initiatives that increase the capacity of the economy to promote a positive change in the level of production and provision of goods and services, and ultimately provide additional work opportunity for local communities.

Local stakeholder cohesion will promote the prospect of successfully identifying the projects and initiatives that will promote economic growth in the region.

2.7.2.2 Strategic Objective 2: Promoting the Generation of Sustainable Work

Opportunities

Sustainable work means achieving living and working conditions that support people throughout an extended working life. This should ensure that people have a reliable source of income and assist people to stay in charge of their own lives for as long as possible so that they can meaningfully contribute to society and the local economy. Promoting sustainable work opportunity is the responsibility of all local stakeholders, both the municipality and local community. Local stakeholder cohesion will improve the prospect of generating sustainable work opportunity.

2.7.2.3 Strategic Objective 3: Promoting an enabling environment

An enabling municipal environment requires a set of interrelated conditions that together should provide, facilitate and support the prospect of development in the Makana municipal area. It is within the municipality's responsibility and power to provide this enabling environment.

2.7.3 Key Performance Areas and Strategic Initiatives

The nine Key Performance Areas in the LED Strategy are:

1. Promoting stakeholder collaboration and other networks for unlocking opportunities for economic growth,
2. Promoting Makana as a creative city,
3. Promoting stakeholder networks for unlocking work opportunities,
4. Capacity building for employment or self-employment in order to maximise local procurement opportunities,
5. Encouraging a vibrant township economy,
6. Promote business growth through a conducive policy environment,
7. Enforcement of by-laws,
8. Ensuring the reduction of red tape, and
9. Ensuring that infrastructure is in place to promote the local economy.

Details on the Strategic Initiatives are provided in the Implementation Framework for the LED Strategy. The following information is provided for each Strategic Initiative: Objective, Outcome, Activities, Timeframe, Champion, External stakeholders and Potential Funding source.

2.7.4 LED strategy alignment to national frameworks and priorities

The LED Strategy is aligned with key national frameworks and priorities to ensure that it promotes the broader socio-economic transformation objectives of the government. The alignment of the LED Strategy to the outcomes in the Medium Term Strategic Framework (MTSF), the New Growth Path (NGP) and the Policy Pillars of The National Framework for LED.

This alignment is important in view of the following statements in the National Framework for LED: “Municipalities are encouraged to share these and to incorporate them into their IDP and LED strategies.

Seen as objectives, the pillars reflect the aims of much of government’s socio-economic policy agenda as well as the views of stakeholders during the process of consultation. By including these objectives in their IDPs and LED strategies, municipalities will align LED to national policy objectives and at the same time will set in motion process to strengthen their local economies in line with the vision of the Framework”.

Table: LED Strategy alignment to strategic national documents

National outcomes in the MTSF	New Growth Path Framework	Pillars: National Framework for LED, 2017-2022	Strategic Objectives of the LED Strategy	Key Performance Areas of the LED Strategy
Outcome 6: An efficient, competitive and responsive economic infrastructure network Outcome 7: Vibrant, equitable, sustainable rural communities contributing towards food security for all	Jobs Driver 3: Seizing the potential of new economies Jobs Driver 4: Investing in social capital	Pillar 1: Building diverse and innovation driven local economies Pillar 6: Strengthening local innovation systems	Strategic Objectives 1: Promoting economic growth	Key Performance Area 1.1: Promoting stakeholder collaboration and other networks for unlocking opportunities for economic growth
				Key Performance Area 1.2: Promoting Makana as a creative city
Outcome 4: Decent employment through inclusive economic growth Outcome 8: Sustainable human settlements and improved quality of household life	Jobs Driver 1: Infrastructure for employment and development Jobs Driver 2: Improving job creation in economic sectors Jobs Driver 3: Seizing the potential of new economies	Pillar 1: Building diverse and innovation-driven local economies Pillar 2: Developing inclusive economies Pillar 3: Developing learning and skilful economies	Strategic Objective 2: Promoting the generation of work opportunities	Key Performance Area 2.1: Promoting stakeholder networks for unlocking work opportunities
				Key Performance Area 2.2: Capacity building for employment or self-employment in order to maximise local procurement opportunities
				Key Performance Area 2.3: Encouraging a vibrant township economy

National outcomes in the MTSF	New Growth Path Framework	Pillars: National Framework for LED, 2017-2022	Strategic Objectives of the LED Strategy	Key Performance Areas of the LED Strategy
	Jobs Driver 4: Investing in social capital	Pillar 4: Enterprise development and support		
Outcome 6: An efficient, competitive and responsive economic infrastructure network	Jobs Driver 1: Infrastructure for employment and Jobs Driver 5: Spatial development	Pillar 5: Economic and governance infrastructure	Strategic Objective 3: Promoting an enabling environment	Key Performance Area 3.1: Promote business growth through a conducive policy environment
				Key Performance Area 3.2: Enforcement of by-laws
				Key Performance Area 3.3: Ensuring the reduction of red tape
				Key Performance Area 3.4: Ensuring that infrastructure is in place to promote the local economy

2.7.5 SWOT Analysis of Local Economic Development in Makana

A SWOT analysis is undertaken with participants attending a workshop to identify the Strengths, Weaknesses, Opportunities and Threats with the aim of developing an LED Strategy. The participants were asked to focus their analysis according to following themes: Agriculture, Land, Tourism, SMMEs, Trade and Investment and Township Economy. Issues identified in the SDF SWOT analysis were incorporated with that of the analysis undertaken by the participants at the workshop

2.7.5.1 Agriculture in Makana

Strengths	Weaknesses
Historic farms: existing and established farms	Lease contracts (tariffs)
NDP provides guidelines for enhancing agriculture for economic development	Limited policies for land reform on a local level – disconnect between LED and Land Reform
Market access	Public transport
Established policies and administrative framework	Limited access to agricultural land for emerging farmers
Established road and rail network supporting accessibility to the area	Business friendly guidelines on local level don't exist
Back-yard gardens	Agricultural programmes – low visibility
Climatic conditions favourable for agriculture, wildlife and ecotourism	Value adding on products and services
Large sections of the Municipality are currently utilised for game farming and conservation areas, ± 50 % of the area	Low success rate of LED projects
	Poor communication and integration between departments in the municipality – working in silos
	Inadequate communication between the municipality and other spheres of government, lack of clarity on who takes responsibility
	Strong and diverse agricultural sector
	Ageing infrastructure development
	Inadequate maintenance of infrastructure
	Delays in approvals
	Large sections of the Municipality are currently utilised for game farming and conservation areas, ± 50 %
	Low agricultural potential and non-arable land (Department of Agriculture Land Capability Index) north of Seven Fountains and Sidbury, including low large stock unit grazing capacity
	Limited opportunity for crop production

	The absence of a Municipal Environmental Management Plan can have a long-term impact on conservation and biodiversity management.
Opportunities	Threats
Fair trade	Ageing infrastructure
Diversification of the sector aqua culture (Rhodes initiative)	Poor state of the local roads
Extension and development of the airport to enhance exports	Inadequate service delivery
Employment of high tech agri processes (intensive farming)	Inadequate policies for driving development
High value crops (berries and tunnel farming)	Negative spin-off (housing backlog) on agricultural land and farms
Skills development for empowerment	Safety on farms
Availability of public land	Climate change
Partnership between higher education institutions and industry – renew partnership	Vandalism
	High cost of land
	Labour unrest

2.7.5.2 Land

Strengths	Weaknesses
Availability of land	Don't know what land is catered for – need for a land audit
Legislative compliance (building control and town planning, by-laws in place)	Execution of policy (non-communication between departments)
Rhodes University	Acting up on programmes that we have
High Court	Allocation inequality
Private schools	Heritage buildings are not well monitored
Municipality owns the majority of the land in the East	Who gets the lands in terms of allocation
Opportunities	Threats
Subsidy housing for human settlements	East area: businesses are dominated by foreigners (township economy)
Tourism sector is based on heritage (much of CBD)	Businesses are not formalised
	Only one type of housing subsidy (gap market is not addressed)

	No data on institutional demands on land
	Urban structure is typical of former segregated planning with poorly developed business and support infrastructure in Makhanda East.
Potential to speed up the process of legislative compliance to address irregularities	Capacity: in the municipality, finances (equipment)
Generate revenue: for selling, leasing land	Land grabbing / land invasion (due to weaknesses) especially for residential purposes
Development of land on the Eastern side	Doing business in residential areas not zoned for business
Land available in East for township economy	Local people not benefitting (as informal traders) – therefore increasing the indigent population
Partner with Rhodes University in relation to research capacity	Shops (informal traders) are not monitored resulting in them spreading & over-use of municipal services
Partner with Rhodes University to create other faculties on the eastern side & student accommodation	Gap housing market – so they take over RDP houses (while they could qualify for other housing subsidies)
Monitor informal traders to generate revenue	If we don't monitor the heritage buildings, they demolish the cultural houses
Tighten up on RDP houses	Lose the heritage advantage if you don't act to protect it
Highly urbanised population indicates options for more cost-effective service delivery and social services provision	Red tape and over-burdened regulatory framework
	Although the Census indicates $\pm 2\ 200$ households residing in informal structures in Makhanda, the Municipality estimates a subsidised housing demand of 12 800, current projects addressing $\pm 10\ 470$ units. Population growth between 2001 and 2018 estimated at 1.12 % per annum with an estimated population in 2028 at 102 258 or an additional 2 838 households

	Population growth significantly higher than the Eastern Cape and Sarah Baartman DM, confirming in migration
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2.7.5.3 Tourism

Strengths	Weaknesses
Thriving creative industry	Lack of participation of PDIs in the main stream tourism economy
East of accessibility due to strategic location on the N2	Township tourism development is stagnant
Vast heritage resources	
Opportunities	Threats
Airport development	Aging infrastructure
Production of crafts using kaolin	Lack of cleanliness
National arts Festival	Lack of inner-city development
Creative City	

2.7.5.4 SMMEs, trade and investment:

Strengths	Weaknesses
Host to a world-renowned NAF	Lack of inward investment due to infrastructure issues
Host to some of the country's best schools	Limited market opportunities for SMMEs
Enabling environment for business growth	Unorganised business sector, particularly SMMEs
The Municipality is accessible through the N2 National Road, halfway between King Williams Town and Port Elizabeth	Lack of well-defined investment opportunities
Monthly average household income in the Makana Municipality is the highest in the SBDM and significantly higher than the Provincial average	
Opportunities	Threats
Renewable energy	Issues relating to the cleanliness of the city
Clay mining	Dilapidated infrastructure
Airport development	Agriculture and mining are very low GDP contributors. Low employment GDP contributors

	are transport and communication, construction and manufacturing
Levels of education and education profile is slightly better than the SBDM and the Eastern Cape with 15.3 % completing secondary education in comparison to 11.5 % in the Eastern Cape	Unemployment is estimated at 45.5 % which is slightly higher than the Provincial average (44.6 %) and significantly higher than the unemployment rate in the SBDM (38.7 %)
Although lower than the Provincial average (12.7 %), the poverty headcount in Makana is 2.2 % and the intensity of poverty is 41.6 %	

2.7.5.5 Township Economy:

Strengths	Weaknesses
The biggest economy of the town	Private homes converted into businesses
Massive buying power	Cost of converting residential site to business site (R1500+)
Vacant land	Distance & cost of travel from township to CBD
Entrepreneurs – examples of business success	No concept document on township economy
Opportunities for small businesses	Insufficient data for decision making, e.g. type of businesses, reasons for success,
Successful businesses have passion for business	Lack of relationship between municipality and assumption development centre & other entities involved in the township (e.g. Liquor Board & NPOs, Umthathi)
The biggest economy of the town	Enforcement of by-laws
Massive buying power	Lack of cooperation and collaboration between municipality and local businesses
Vacant land	Failure of small local businesses due to competition in the township
Entrepreneurs – examples of business success	Lack of small business success to compete in the township economy
Opportunities for small businesses	Fragmentation of the business sector

Successful businesses have passion for business	Dependence of small businesses on financial support to start businesses (opportunists who are not entrepreneurs)
The biggest economy of the town	Insufficient training for small business development
Massive buying power	Poor identification of beneficiaries for training in entrepreneurs (use the Get2Test)
Vacant land	Unregulated and unethical business practices
Entrepreneurs – examples of business success	More effective communication of by-laws (e.g. about business premises)
Opportunities for small businesses	Outdated by-laws that need to be strengthened
Successful businesses have passion for business	Informal traders who don't abide by the by-laws
	Lack of financial literacy among small businesses, reducing the potential impact of these businesses to the local economy
	Lack of capacity to enforce the by-laws
Opportunities	Threats
Analyse models for township economy (use the research capacity of the university & other experts)	Informal sector act outside the legislative requirements resulting in loss of revenue to the municipalities
Ensuring that the money remains in the local economy	Pull of the 2 major centres (leakage of money)
Monitoring, data collection and control mechanisms	Growth of unemployment due to poor township economic growth
Opportunity to tidy up legislation	Global and national economic decline
Analyse the business model – to learn lessons about the reason for success and competitiveness	Social problems emanating from low economic growth, e.g. illegal drug trade
Opportunities	Threats
Consider free rezoning for greater revenue (e.g. for municipal services) – then punitive measures if they don't pay for services: but must still be process & requirements	Counterfeit goods
Creating one business forum – “LED forum with a business focus” – separate	Shrinking municipal tax base

business forum that is linked to the LED Forum [LED responsibility is to initiate the forum]	
Revised regulations / policies to address issues specifically for the township economy	Illegal activities surrounding informal traders
Improved communication relating to business activities in the township economy	
Ensuring compliance by business owners	

CHAPTER THREE: SPATIAL DEVELOPMENT FRAMEWORK (SDF)

A Spatial Development Framework (SDF) is an important Municipal Policy instrument provided for in legislation, but it should not be seen as merely fulfilling policy requirements and legal compliance. Makana Local Municipality's SDF was adopted by council in 31 January 2020

3.8.1 Objective of the SDF

The SDF should:

- Give effect to the development principles contained in Chapter 2, Section 7 of SPLUMA
- Spatial representation of a five-year spatial development plan for the spatial form of the municipality
- Include a longer term spatial development vision statement for the municipal area which indicates a desired spatial growth and development pattern
- Identify current and future significant structuring and restructuring elements, including development corridors, activity spines and economic nodes where public and private investment will be prioritised and facilitated
- Include estimates of the demand for housing and the planned location and density of future housing developments
- Identify and provide requirements of engineering infrastructure and services provision
- Include a strategic assessment of the environmental pressures and opportunities
- Identify the designation of areas in which-
 - More detailed local plans must be developed
 - Shortened land use development procedures may be applicable
- Determine a capital expenditure framework for the municipality's development programmes

- Include an implementation plan comprising of Sectoral requirements, including budgets and resources for implementation
- Necessary amendments to a land use scheme
- Specification of institutional arrangements necessary for implementation

3.8.2 Legal Status of the SDF

The Makana SDF is prepared within the context and principles of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) and Regulations (MSA) and Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013) and Regulations (SPLUMA)

3.8.3 Spatial Plan Alignment

The alignment of the SDF to the Provincial Growth and Development Plan (PGDP) and the Draft Provincial Spatial Development Framework (PSDF) is regarded as essential to create a Province wide relationship between the PGDP, PSDF, Government Sector programmes and projects and the initiatives of parastatals, entities and agencies.

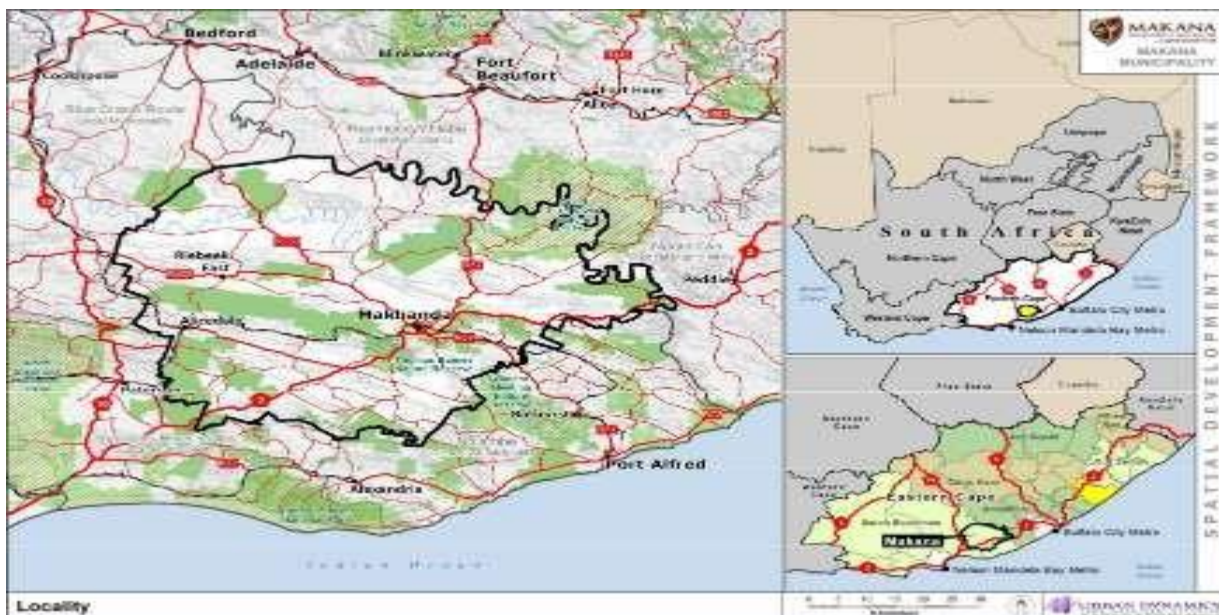
The District SDF needs to be of a strategic and regional coordinating nature referring to local SDFs, which are more detailed and reflect the situation on the ground according to community needs, community development codes, livelihood zones and development requirements.



3.8.4 The Municipal area comprises:

Makana Municipal area approximately 4 375 km² with an estimated population of 80 390 (Stats SA Census 2011). Makhandla is the economic hub of the district and plays a key role as a district service centre within the Eastern Cape, between East London and Port Elizabeth.

The study area is generally dominated by commercial farming activities, game farms and conservation areas. Land ownership patterns are predominantly private ownership.



3.8.5 Policy Context & Vision Directives

The spatial vision, principles and goals are guided by and should be aligned with various National, Provincial and Local informants. Specific reference is made to national guidelines and legislation for spatial development, i.e. Spatial Planning & Land Use Management Act (SPLUMA), National Development Plan (NDP), Provincial Growth and Development Plan (PGDP), Provincial Spatial Development Framework (PSDF), Makana Integrated Development Plan (IDP) and various sector plans.

3.8.5.1 Spatial Planning & Land Use Management Act (SPLUMA)

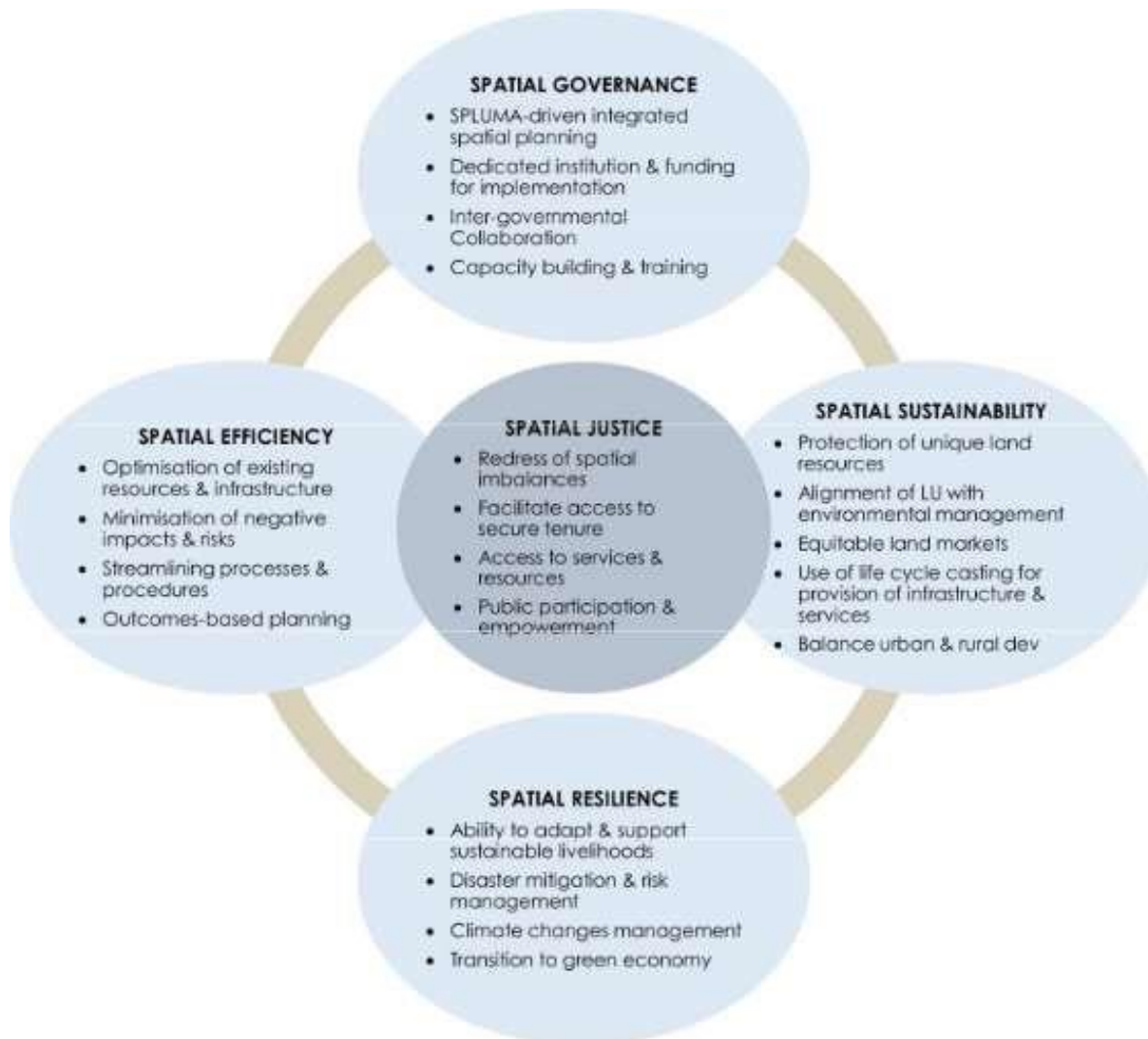
SPLUMA provides an important set of overarching guidelines through the development principles contained in Chapter 2 of the Act.

The objectives of SPLUMA:

- Provide for a uniform, effective and comprehensive system of spatial planning.
- Ensure that the system of spatial planning and land use management promotes social and economic inclusion.
- Provide for development principles and norms and standards.
- Provide for the sustainable and efficient use of land.

- Provide for cooperative government and intergovernmental relations.
- Redress the imbalances of the past and to ensure that there is equity in the application of spatial development planning and land use management systems.

3.8.5.2. Development Principles of SPLUMA:

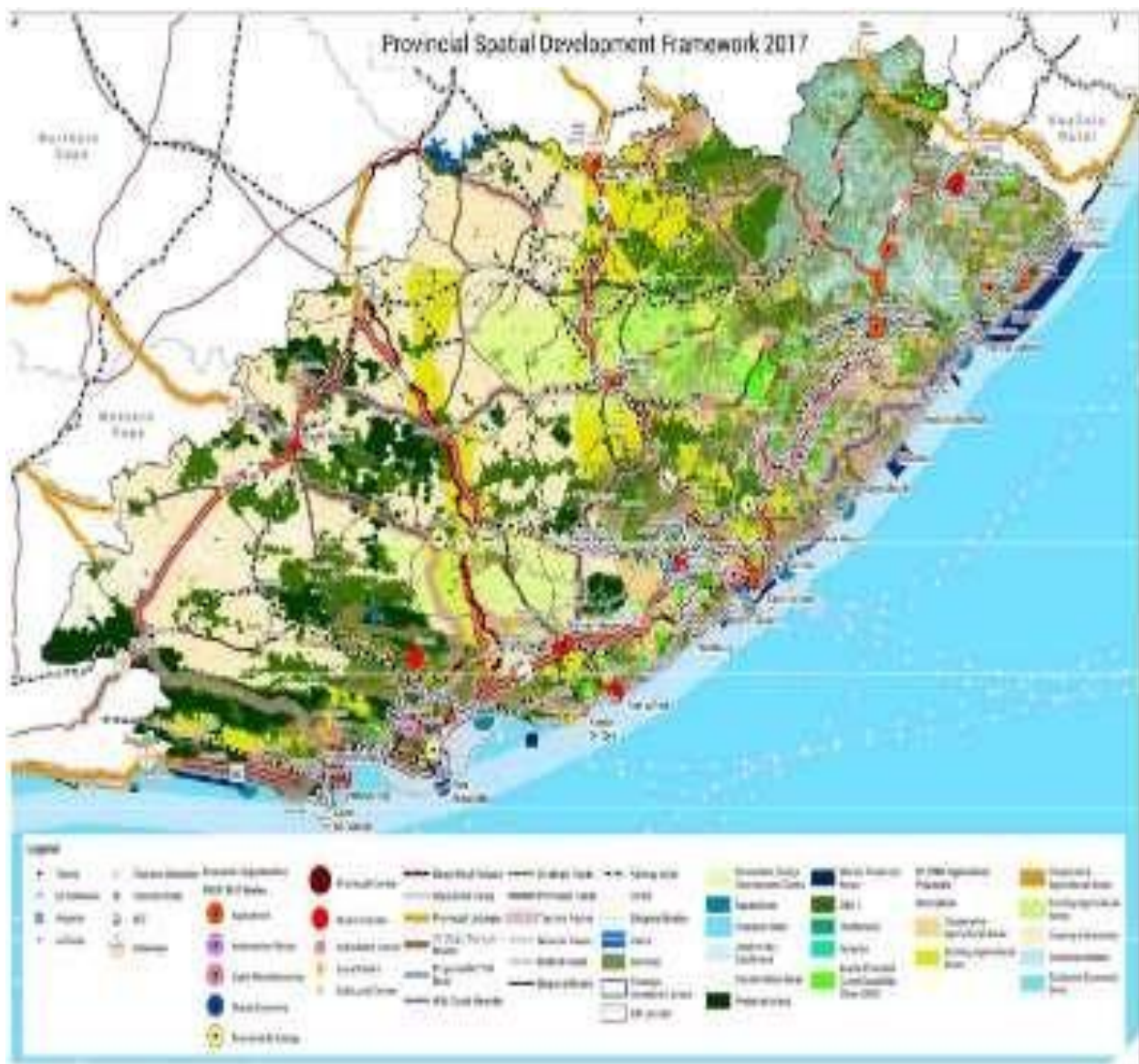


3.8.5.3 Provincial Spatial Development Framework (PSDF)

The Eastern Cape Province recently embarked on the revision of the Provincial Spatial Development Framework in terms of SPLUMA. The Draft PSDF (2017) has not been approved, but for the purposes of the Makana SDF, the philosophy and approach, as outlined in the PSDF, it is adopted.

The PSDF provides a spatial development vision for the province:

The future spatial perspective of the province over the next 15 to 20 years could be conceptualized in the context of the Provincial Growth and Development Plan vision of a “poverty free Eastern Cape”. Understanding that such a vision would be founded upon a concept of a “modern, ecologically sustainable economy based in agriculture, tourism and industry”, it is believed the future spatial perspective would comprise a spatial development framework of managed urban and rural human settlements clustered in urban (settlement) regions and corridors, alongside productive agricultural precincts, managed ecological natural resource areas and connected to a network of strategic transportation corridors, open to the global, national and provincial economy.



3.8.5.4 Local Policy Directives

Makana Municipality Vision and & Mission and Integrated Development plan 2017-22

Development Priorities:

We shall strive to ensure sustainable, affordable, equitable and quality services in a just, friendly, secure and healthy environment, which promotes social and economic growth for all.

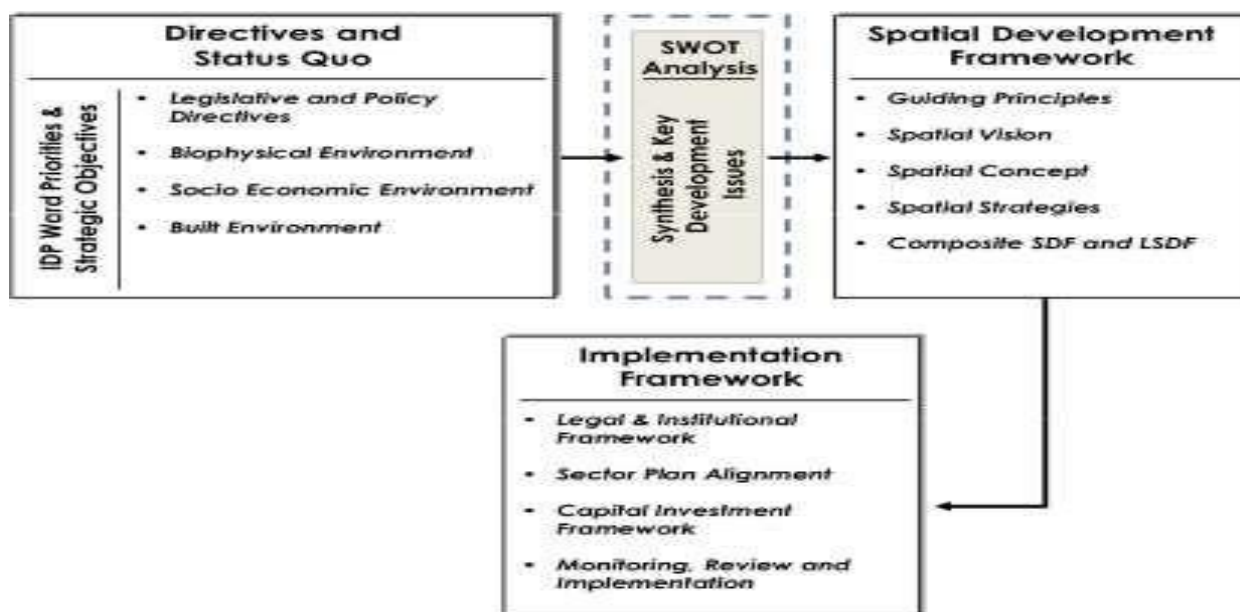
Development Priorities

In support of the Municipal vision, the Municipality identified the following development priorities, goals and strategic objectives.

1. Basic Service Delivery and Infrastructure Development
2. Community and Social Development
3. Local Economic Development and Rural Development
4. Institutional Development and Financial Management
5. Good Governance and Public Participation
6. Human Settlement Management

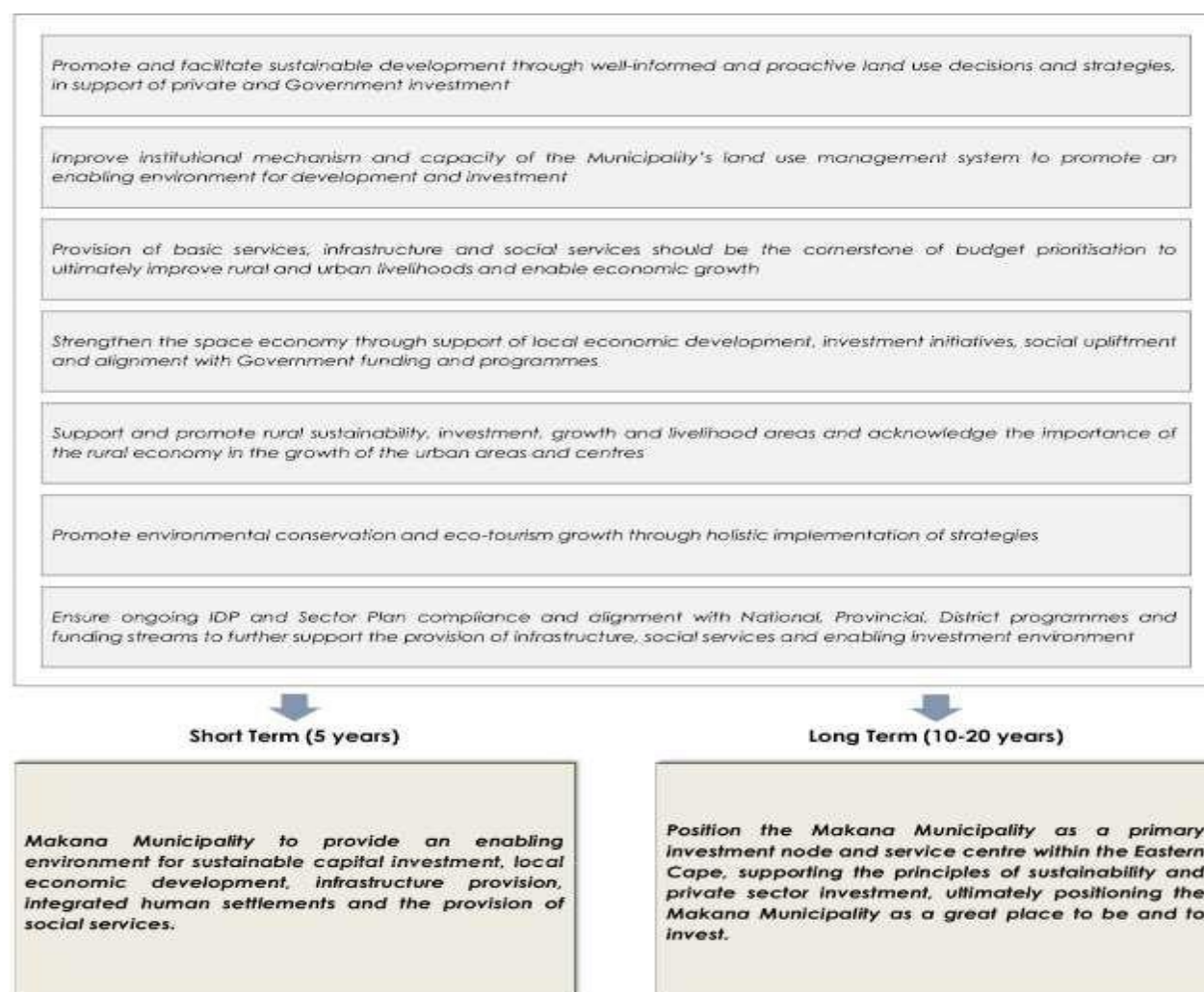
3.8.6 Spatial Analysis & Synthesis

The spatial analysis of the study area represents an overall spatial picture of the Municipality, the current situation, patterns and trends within the Municipality and quantify specific needs and capacities. The information is focused on key developmental sectors and based on the key issues identified. The spatial analysis follows on from the informants (National, District and Local), SBDM and Makana IDP alignment and key issues. Spatial analysis will lay the foundation for the SDF and development proposals and policy. Synthesis & Key Development Issues based on the status quo assessment, the following opportunities and constraints relevant to the study area have been identified.



3.8.7. Spatial Vision

The spatial vision for the Makana Municipality is underpinned by the following principles:





3.8.8 Spatial Strategies:

3.8.8.1 Development Objectives & Spatial Implications

In order to achieve the spatial vision and implement the spatial concept for the greater Makana on an urban and rural level, the following development objectives and spatial implications will guide the spatial strategies for the individual urban areas and rural hinterland. The development priorities are aligned with the Makana IDP 2017-22.

SDF Strategic Theme	Development Objectives and Spatial Implications
Basic Service Delivery and Infrastructure Development	To provide basic services and infrastructure to all the communities within the Makana Municipality.
	To manage the provision of bulk water supply, sewer treatment, road maintenance, and electricity supply based on existing strategies and programmes.
	To implement and manage a well-functioning Project Management Office (PMO) to co-ordinate all Sector Plans and programmes, including National, Provincial and District initiatives and priorities.
	To prepare a comprehensive Infrastructure Master Plan (water, sewerage, electricity, and waste management).
	To prepare a transportation management plan.

	To identify areas for future development, confirm the urban edge and identify areas for intensification and high densities to inform infrastructure provision and long term bulk planning
	To refine Development Levy Policy and Calculator through a By-law.
	To develop a Municipal Transport Master Plan.

SDF Strategic Theme	Development Objectives and Spatial Implications
Development Priority : Community and Social Development	To assess social facilities and identify areas of highest need.
	To provide social facilities based on CSIR standards, within walking distances and accessible to the target communities.
	Ensure that all new development (green fields) confirm to CSIR community facility thresholds.

SDF Strategic Theme	Development Objectives and Spatial Implications
Development Priority : Local Economic Development and Rural Development	To promote opportunities for small business, SMME investment and informal trade
	To create a conducive environment within the land use management system, stimulating investment and economic growth.
	To identify specific precincts or economic investment areas, i.e, Makana CBD, City Hall Precinct, African Street Precinct, Industrial Area Development, etc.
	To develop an Investment and Incentive Strategy for developers, investors and PPP's.
	To ensure land availability for industrial and mixed-use investment and development.
	To revise the Municipal Local Economic Development strategy and ensure alignment with IDP and SDF priorities and objectives.
	To support and implement the principles of the Eastern Cape Biodiversity Sector Plan (under review).
	To promote growth and expansion of existing eco-tourism industry and game farm / hunting industry.
	To compile an environmental management plan for the Makana Municipality.
	To explore the possibilities and secondary industries to the game farming and eco-tourism industry for possible mixed use and industrial development within Makhanda.
	To prepare a tourism strategy and implementation master plan.
	To confirm nodal functions of rural villages and sustainability of further investment within the rural area.
	To confirm and plan for human settlement needs and demand in a sustainable manner.
	To ensure infrastructure maintenance and district linkages.
	To implement and align with the Provincial Rural Development Plan and the Sarah Baartman
	DM Rural Development Plan proposals, strategies, and initiatives.
	To support the sustainable land reform programmes and projects.

SDF Strategic Theme	Development Objectives and Spatial Implications
	To support and priorities' farm worker accommodation and rural livelihood areas.
	To explore options of PPP with farming and eco-tourism industry.
Development Priority: Institutional Development and Financial Management	To ensure implementation of the Makana Spatial Planning & Land Use Management by -laws. Approved by Council in March 2016
	To update and maintain SPLUMA land use management system, i.e. Spatial Development Frameworks, Land Use Scheme, Municipal Planning Tribunal, Appeal Authority, and ongoing policy formulation. The Municipal is part of District Planning Tribunal as approve by Council 31st March 2021 to approved category q1 applications
	To improve and expand institutional capacity of the planning office, with specific reference to land use management control and GIS. The Municipality is using GIS OVVIO System
	To actively participate in District and Provincial planning, land use management and institutional platforms.
	The Director LED and Planning is the authorised official designated by Council to approved category 2 application
	The Municipality has three professional town planners register with SACPLAN
Development Priority: Good Governance and Public Participation	To implement and manage a well-functioning Project Management Office (PMO) to co- ordinate all Sector Plans and programmes, including National, Provincial and District initiatives and priorities.
	To ensure SPLUMA implementation and SDF revision aligned with local and district IDP initiatives, on an annual basis.
	To implement mechanisms and support structures to expedite land use change applications.
	To ensure a well-functioning MPT, AO and Appeals Authority
	To identify and formulate policies and procedures that would support the land use management function.
	To align organisational structures of planning functions with National directives.
	.To ensure compliance of IDP vision and Sector Plan alignment with National guidelines and requirements.
	To fast track and prioritise land development applications and building plan process.
Development Priority: Human Settlement Management	To implement the core principles of SPLUMA, the National Development Plan and the Provincial Spatial Development Framework.
	To promote the function of Makhanda as a primary node in the district and within the province.
	To prioritise nodal and corridor development as a catalyst for investment and development.
	To strengthen the Makhanda CBD through the promotion of higher densities and mixed use

SDF Strategic Theme	Development Objectives and Spatial Implications
	To improve linkages between Makhanda East and Makhanda West through corridor development and urban regeneration.
	To acknowledge the importance of key economic role players, i.e. Rhodes University, private schools, business sector, arts, culture and heritage, eco-tourism and the game farming industries
	To confirm the urban edge and consider interaction between urban agriculture, communal grazing and future expansion and development areas
	To include revision of Capital Expenditure Framework as part of the IDP / SDF review cycle.
	To align urban development and urban investment with Municipal IDP infrastructure investment programmes, especially water, sanitation, electricity, and roads
	To align transportation development strategy with urban form to alleviate traffic issues and improve ease of trade.
	To identify key structuring elements and investment partners to stimulate development and investment
	To proactively plan for human settlement development and investment for subsidised, medium and high-income residential typologies.
	To identify specific precincts for urban regeneration and intervention to stimulate economic development and investment.

SDF Strategic Theme	
	To assess the nodal functionality and importance of rural nodes, i.e. Alicedale, Riebeek East, Seven Fountains, Fort Brown and Salem.
	To align subsidised human settlement project with SDF implementation.
	To confirm and implement accurate housing demand database.
	To ensure flexible SDF land use guidelines to promote development and investment, within specific parameters.
	To develop and implement an Aesthetic and Heritage Management By-law.
	To implement a Land Release Strategy to stimulate economic development.

3.8.8.2 Structuring Elements

Structuring elements are spatial tools and concepts required to achieve specific development objectives. Management and implementation intensity of these structuring elements are tools for redevelopment and development implementation. Structuring elements should operate at a variety of levels and scales on an urban and rural level.

The following structuring elements are relevant to the study area, informing the Spatial Development Framework:

- Nodes and Settlements
- Access, Corridors and Movement Routes
- Conservation, Open Space and Heritage
- Infill and Densification
- Urban Edge and Containment
- Industrial Development and Mining
- Tourism
- Infrastructure
- Economic Catalyst and Special Development Zones

3.8.8.2.1 Nodes & Settlements Objective

The identification and classification of nodes and settlements within the Municipal operational context is important and a mechanism to identify areas where higher intensity land uses, and activities should be supported and promoted. Nodal development and containment improves efficiency as it provides easy access to services and provides thresholds for a variety of uses and transport services. Nodal classification reflects the different levels of investment, promotion and support the strengthening of inter linking corridors and networks. Nodal development should represent service delivery to the rural areas and smaller rural settlements generally support the rural population, economy and agriculture.

Movement Routes Objective: Movement routes and corridors represent linkages between nodes and activity areas and provide critical support for economic development, rural sustainability and growth. Accessibility to nodes and rural activity further supports the agricultural industry and eco-tourism opportunities with direct and indirect support of nodal growth.

Makhanda Nodes Objective: To strengthen existing and proposed mixed nodes and improve service delivery, stimulate economic growth within a demarcated area, providing services and job creation opportunities to surrounding urban areas.

Access & Corridors Objective: To strengthen main movement corridors and access to ensure integration between Makhanda East and Makhanda West and improve accessibility through mixed use development along main access routes and mobility corridors, specifically relating to internal access roads and pedestrian linkages within the Makhanda CBD and the east / west corridor between the identified CBD's and gateway nodes.



3.8.8.2.2 Conservation Open Space, & Heritage Objective

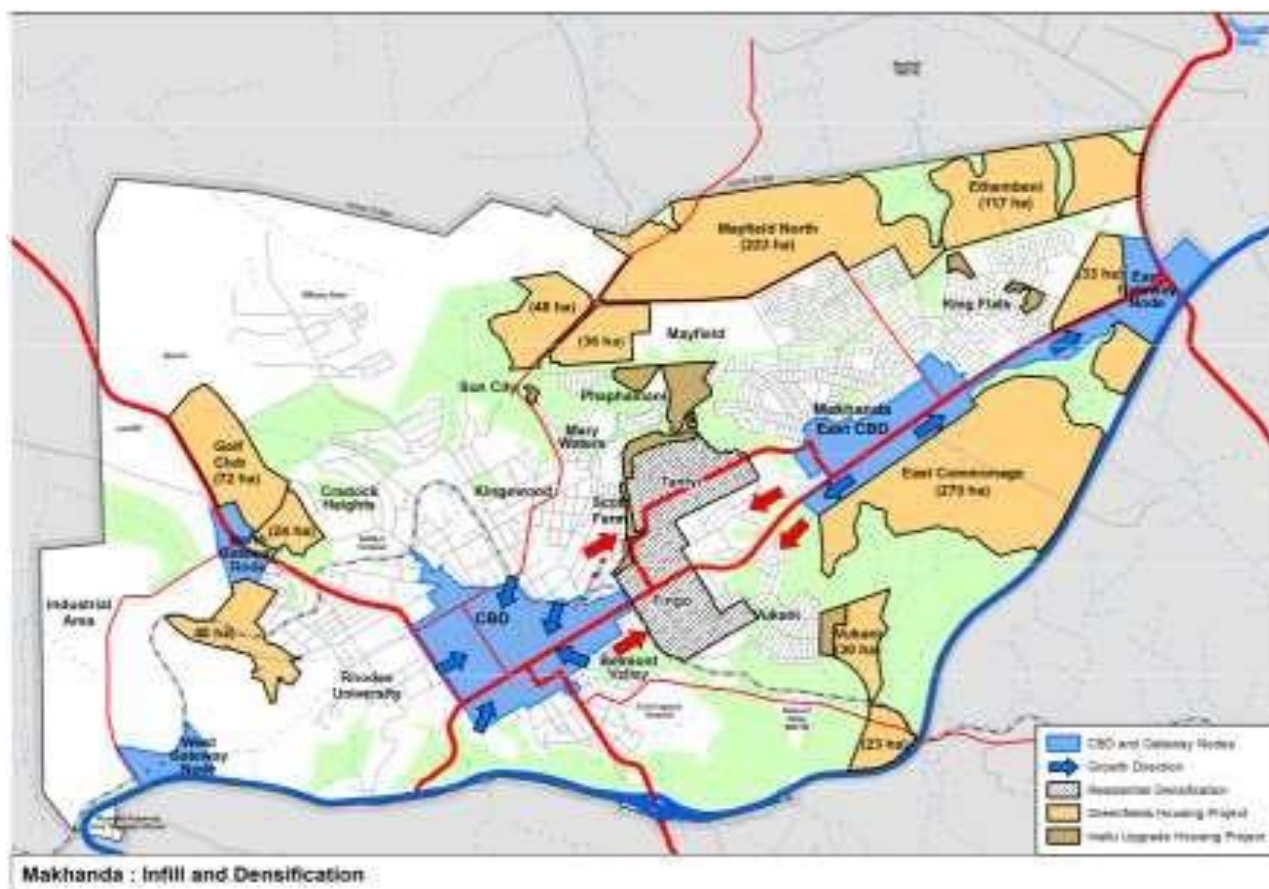
Conservation of the natural and built environment through protection of heritage resources, maintenance of the existing open space system and compliance with environmental legislation and guidelines.

The protection of Agricultural land, wetlands, ecological corridors, heritage resources and scenic landscapes are key building blocks for rural sustainability and growth in the district. Conservation of critical biodiversity areas are prioritised on National and Provincial level and should inform all rural land use decision making.

3.8.8.2.3 Economic Catalyst & Priority Growth Areas Objective

Areas for special growth should be based on agreed principles and direct budget allocation and future priority spending. Development of the rural hinterland should concentrate on competitive advantages, with specific reference to the provision of support infrastructure for the agriculture, tourism and rural settlement support. This should include strengthening of land reform.

3.8.8.2.4 Infill & Intensification Objective



3.8.8.2.5 Human Settlement Development & the Urban Edge Objective

Delineation of the urban edge is a mechanism to contain urban sprawl and ensure more compact and efficient urban structure. The urban edge further ensures more efficient service delivery and sustainable community development with accessible social services, job opportunities and service centres. Urban growth and urban expansion should be based on the principles of densification within the urban edge and future urban development should not be permitted outside the urban edge as demarcated. The Human Settlement Development Strategy comprises of:

3.8.8.2.5.1 Major catalytic projects or PPP initiatives: Greenfield housing projects

Priority Ref	Area	Settlement or Node	Makhanda Demand for Housing + Support *	No of Dwellings + Support * for other
G1	Makhanda East	Mayfield North Ph 2b	1139	
G2	Alicedale	Alicedale		339
G3	Fort Brown	Fort Brown		340
G4	Seven Fountains	Seven Fountains		229
G5	Makhanda East	Mayfield North Ext Ph 3 FLISP	720	

G6	Makhanda East	Mayfield North Ext Ph 4	5000	
G7	Riebeck East	Riebeck East		450
G8	Makhanda East	East Commonage ph 1	2525	
G9	Makhanda East	Ethembeni	1269	
G10	Makhanda East	East Commonage ph 2	2525	
G11	Makhanda East	East Commonage ph 3	2524	
G12	Makhanda East	Vukani Extension	600	
Total			16302	1358

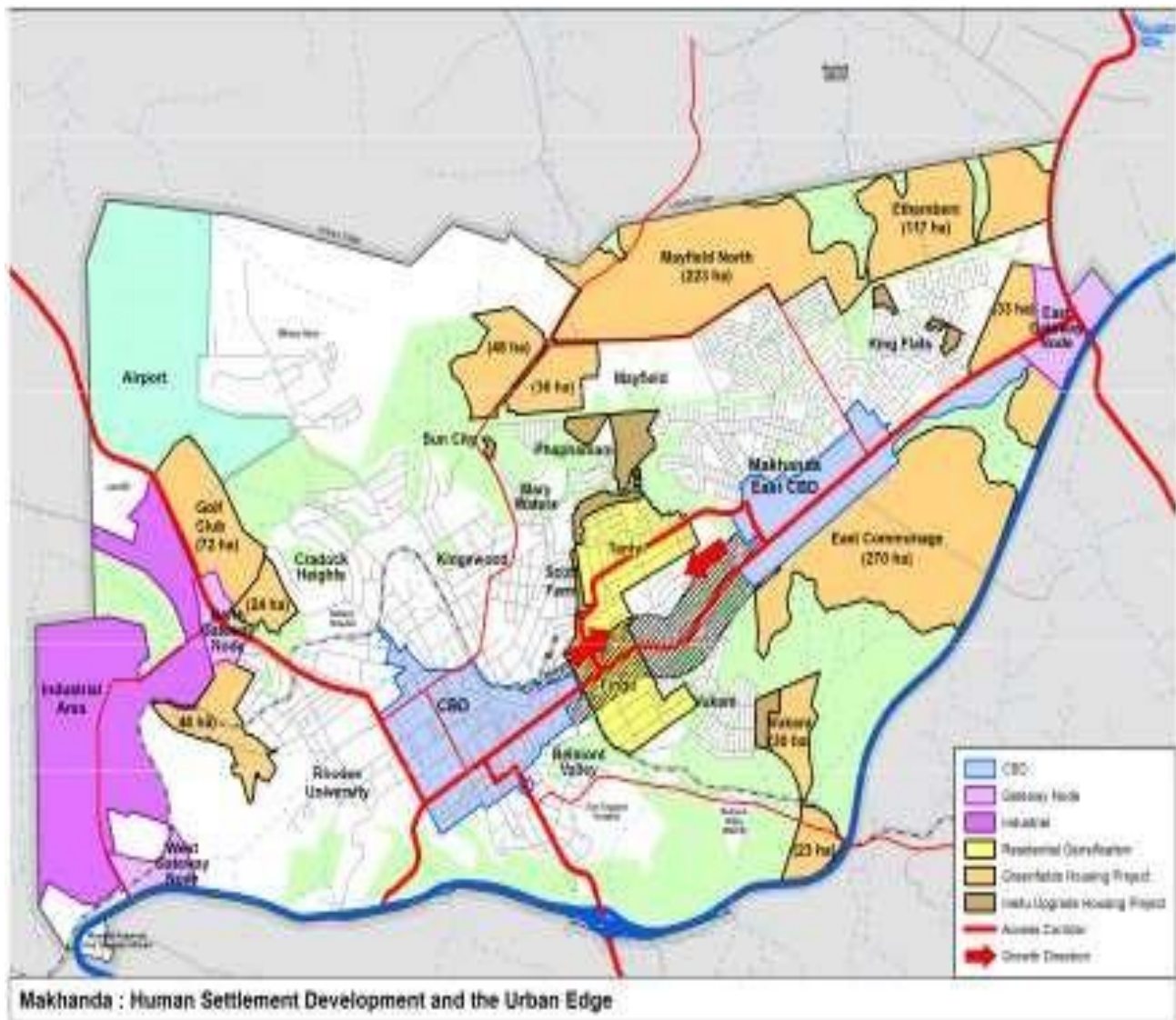
3.8.8.2.5.2 Department of Human Settlements in-situ upgrading projects

Priority Ref	Area	Settlement or Node	Demand for Housing + Support *
	Makhanda East	Enkanini & Mayfield North	incl above
I1	Makhanda East	Sun City	200
I2	Makhanda East	Phaphamani	506
I3	Makhanda East	Infill Sites	203
I4	Makhanda East	Vukani	100
Total		6	1009

3.8.8.2.5.2 Major Private Sector Projects:

Priority Ref	Area	Settlement or Node	New Development Demand
P1	Makhanda East	Eastern Gateway Node (MU)	25
P2	Makhanda West	Cradock heights Ext 2 (res)	200
P3	Makhanda West	Western Gateway Node (MU)	25
P4	Makhanda West	Old Golf course (Res/MU)	750
P5	Makhanda West	Northern Gateway (Mu)	25
P6	Makhanda West	Industrial Rhodes Expansion	300
Total			1325

Figure Human Settlement Development:



3.8.8.2.6 Industrial & Manufacturing Objective:

To strengthen the opportunities for industrial development and expansion of the manufacturing sector in the greater Makhanda area. It is acknowledged that expansion of the manufacturing sector is critical for sustainable employment creation and economic growth. Expansion on the industrial area and opportunities for light manufacturing in the Gateway nodes should provide opportunities for investment.

2.8.8.2.7 Social Services Objective

To provide social and public facilities that is adequately maintained and provided within walking distance of the general population within the town.

3.8.8.2.8 Infrastructure Objective

To ensure the provision of water, sanitation, electricity, roads, water, conservation, IT and refuse removal infrastructure acceptable norms and standards to ensure sustainable community development and support for future growth, expansion and job creation and local economic development.

3.8.8.2.9 Special Development Zones (SDZ) Objective

To identify specific areas that require urgent intervention or can contribute significantly towards development investment, economic growth and possible public private partnerships. The Special Development Zones (SDZs) further include areas in need of urban regeneration, corridor development and green fields' areas to address the residential shortages in especially the subsidised housing market.

☐ **Makhanda Central Business District**

Gateway Node:

- Between Nompondo Street and east towards the indoor sports centre, West along the R67 as indicated.
- East Gateway north of the R67 / N2 intersection.
- West Gateway along the N2 industrial area access.
- North Gateway west of Cradock Heights.

Strategic Land Release: A number of strategic land portions have been identified for land release or public private partnership investment. This initiative will further unlock economic development opportunities increase the Municipal rates base.

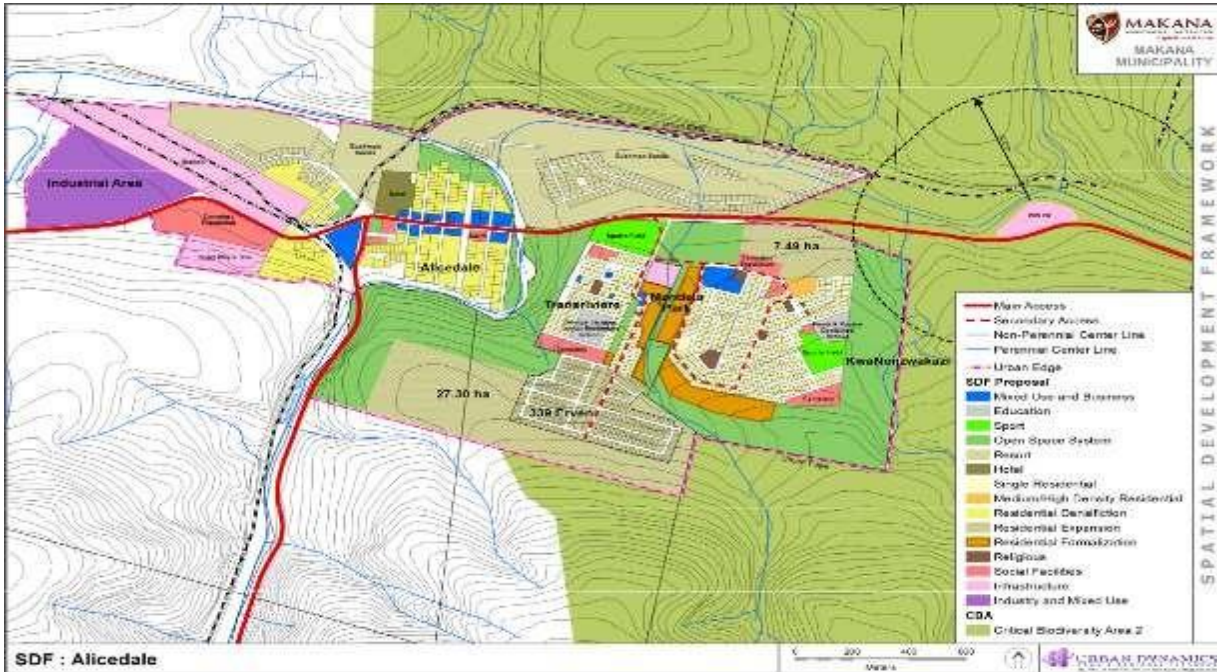
☐ **Makhanda Composite LSDF: Alicedale**

☐ **Objectives:**

- To strengthen the existing Alicedale business and mixed use component along the Main Street and to strengthen the Transriviere / kwa Nonzwakazi urban structure by allocating land for mixed use and services purposes.
- To strengthen existing accessibility corridors with emphasis on integration of Alicedale, Transriviere, Mandela Park and kwa Nonzwakazi residential areas through road upgrades and pedestrianisation.
- To delineate an urban edge as a mechanism to contain urban sprawl and ensure more compact and efficient urban structure.

- To identify land to address housing demand and shortages and ensure upgrade and formalisation of informal areas in the Mandela Park area.
- To provide social and public facilities that is adequately maintained and provided within walking distance of the general population within the town.

Alicedale Composite LSDF:



Makhanda Composite LSDF: Riebeek East

To provide strategies for development of the 3 sub-local centres within the Makana Municipality, i.e. Riebeek East, Seven Fountains and Fort Brown and to ensure sustainable development of these nodes, within the principles of service delivery and rural support.

Riebeek East Composite LSDF:



Makhanda Composite LSDF: Seven Fountains

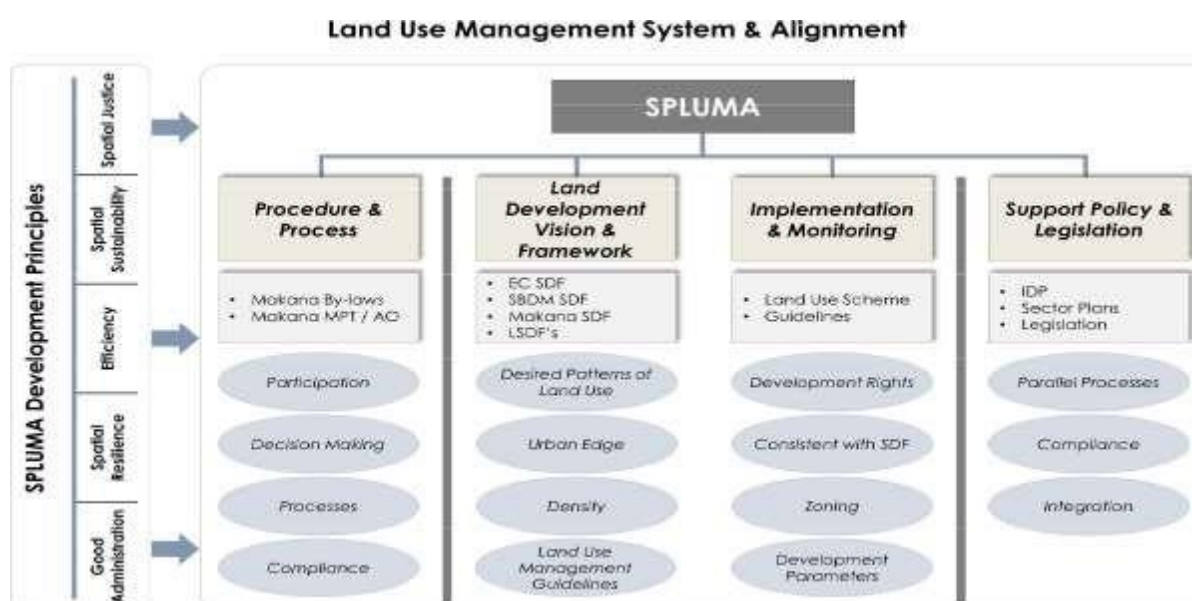
Objectives:

- Upgrade and formalise the existing Seven Fountains community on the Municipal owned farm portions, i.e. 13, 18 & 28 of Farm Seven Fountain No. 477
- Carefully consider future expansion based on limited infrastructure and expansion options, i.e. private land ownership.
- Consider re-design of the layout plan to increase densities and more sustainable use of infrastructure.

□ Makhanda Composite LSDF: Fort Brown

- Acknowledge the demand for rural housing development in the Fort Brown area, in support of existing social facilities (taps, school, community hall).
- Future development to take place on Fletcher's Outspan based on the principles of rural or agri-village design with minimum site sizes of 500 m².
- Scale and expansion of the Fort Brown node to be carefully assessed based on beneficiary demand and existing projects by private land owners to accommodate farmworkers.
- Scale of the Fort Brown development to be based on availability of infrastructure and services
- The Implementation Framework for the Makana SDF provides the vehicle for SDF implementation through projects, budgets, priorities and institutional arrangements to ensure implementation, monitoring and review.

3.8.8.2.10 Package of Plans & Land Use Management System



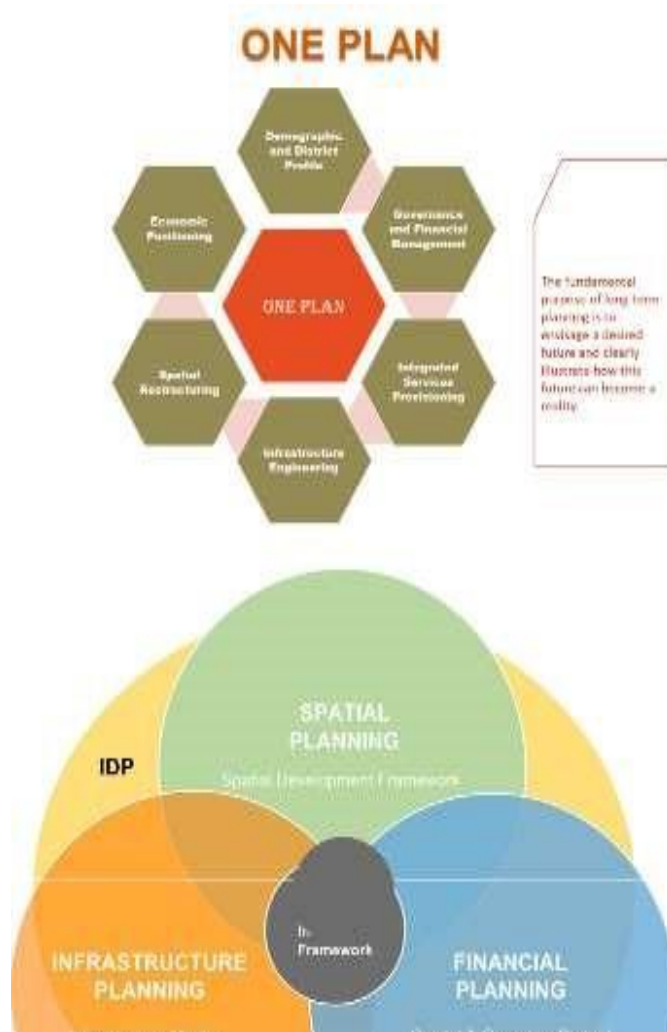
3.8.8.2.11 Guiding Principles for Decision Making

- Decision making within the Land Use Management System (rezoning, subdivision, departure, consent use, etc.) should be based on the following guiding principles:
- Promotion and support of the IDP and long term development vision.
- Support the key principles for development and development management as per the SDF.
- Support the SDF Conceptual Framework and Spatial Development Framework proposals, objectives and goals.
- Adhere to legislative requirements relevant to all forms of development, with specific reference to, but not limited to, environmental conservation, heritage, infrastructure, municipal powers and functions, National and Provincial Government legislation, guidelines and policy.
- Due cognisance to the principles of sustainability, equality, efficiency and integration as outlined in SPLUMA.
- Impact of development on the general welfare, safety, amenity and living environment of development on its and/ or surrounding land uses and inhabitants.
- Adequate participation of the affected community and interested and affected parties.
- Economic sustainability, long term advantages and economic growth prospects.

3.8.8.3. District Integrated Planning Model Recognising Integrated Urban Development Framework (UDF) approach to long term planning and crafting urban-rural Linkages

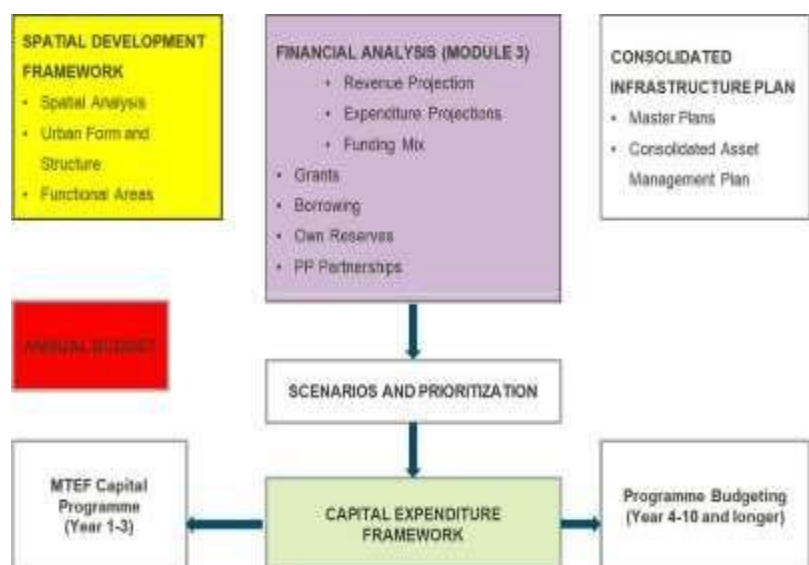
A district coordinated Service Delivery Model will be implemented on district Municipal Level (Sarah Baartman District Municipality) as part of the National initiative to improve service and infrastructure delivery.

Implementation and alignment of the Makana Capital Expenditure Framework (CEF) with budgets requirements, programmes and priorities will be significantly improved through district integrated planning.



3.8.8.4 Capital Expenditure Framework (CEF)

A Capital Expenditure Framework is a consolidated, high-level view of infrastructure investment needs in a municipality over the long term (10 years) that considers not only infrastructure needs but also how these needs can be financed and what impact the required investment in infrastructure will have on the financial viability of the municipality going forward.



The CEF articulates how the spatial proposals are to be achieved sequentially, with attention to projects, timeframes, budgets and funding. Planning inputs are based on the spatial planning proposals, Municipal, Provincial and National Government financial planning and capital budgets and the Municipality's Infrastructure Master Plans and infrastructure programme rollout.

3.8.8.5 CEF Alignment & Process

The figure below captures the integration and alignment of the key components of the CEF, namely the spatial element with the Technical Assessment element with the Financial Alignment element to produce the CEF.

3.8.8.6 Project Focus & Prioritisation

Project Focus:

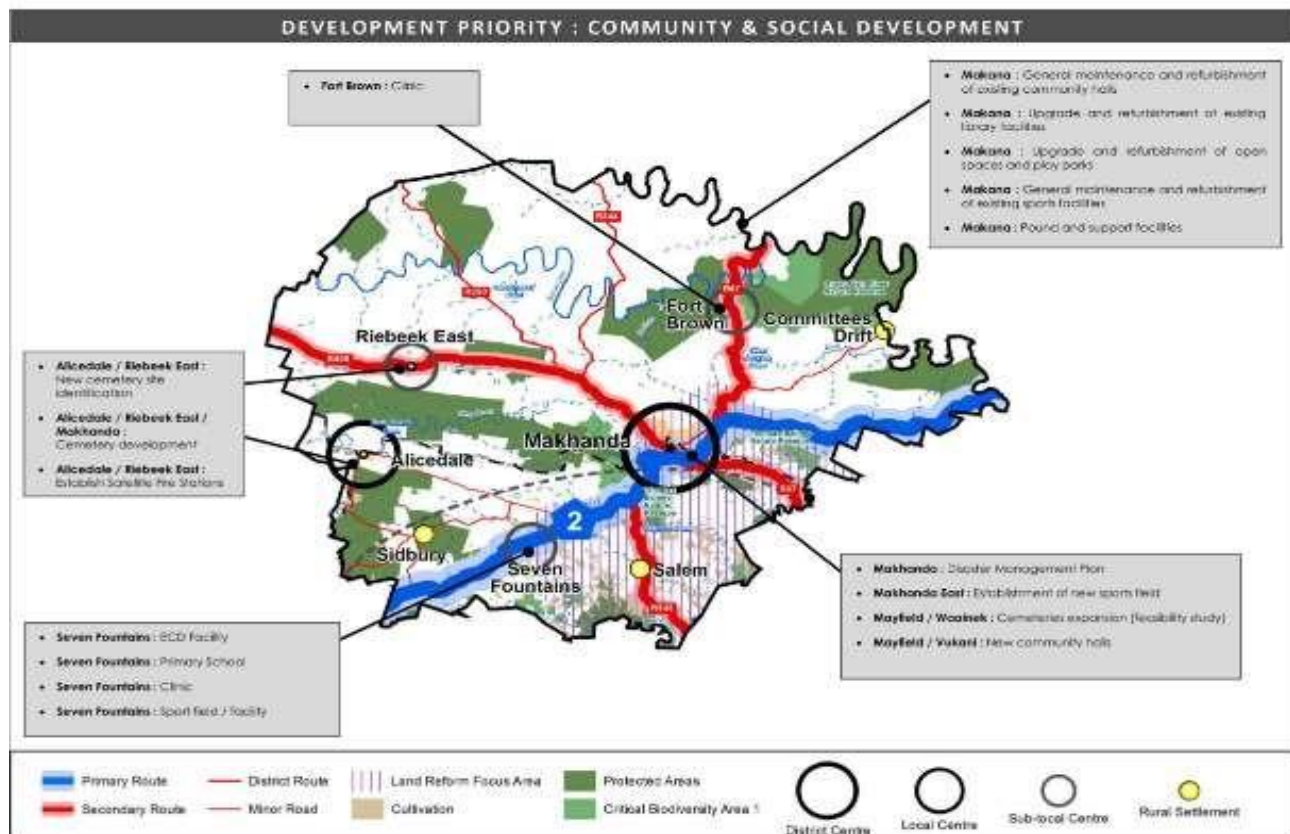
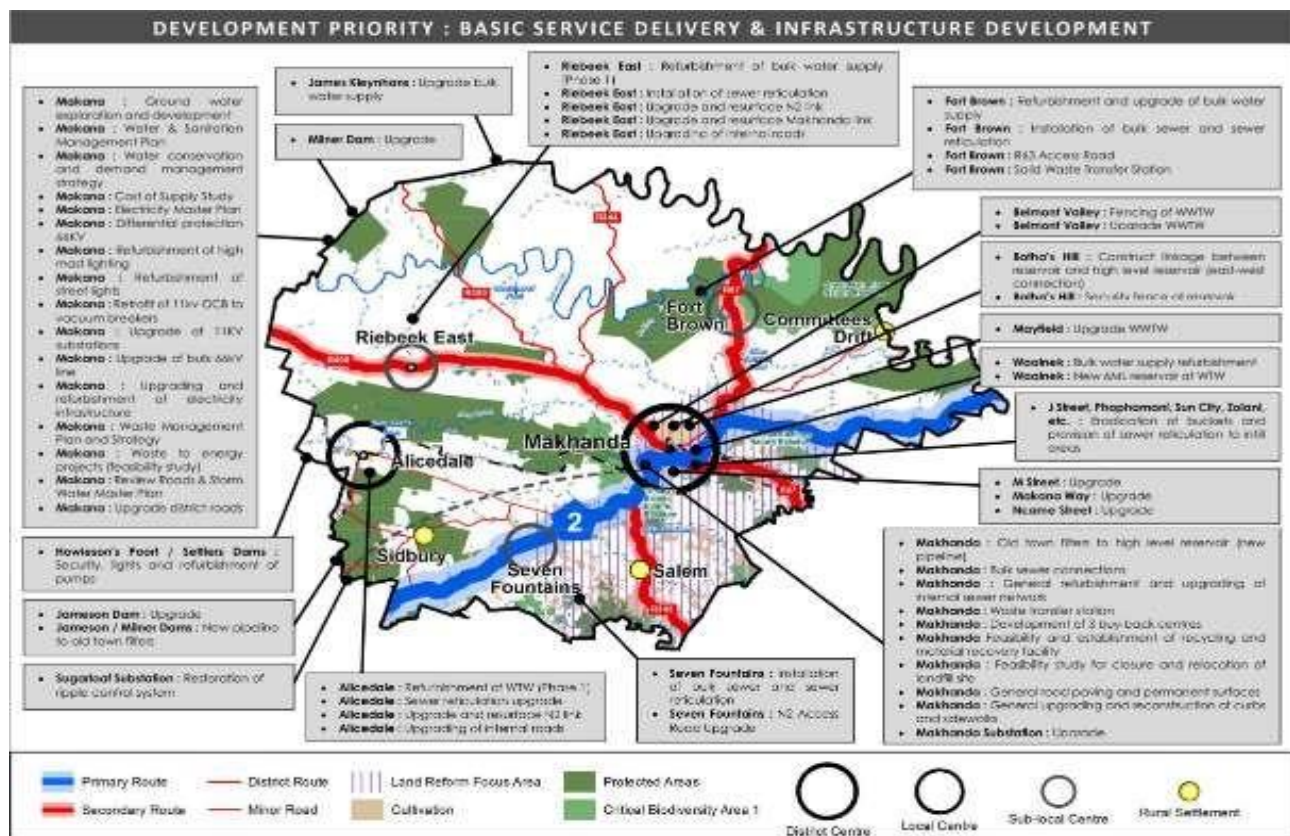
Given various budgetary constraints, the need for sustainable development and other issues likely to affect the implementation of identified projects, the implementation strategy should be focused on the following principles:

- Focus on projects that promote the optimal use of existing infrastructure and services and also enable the local municipality to make better returns from existing and newly built infrastructure
- Upgrading engineering services and infrastructure capacity is critical to accommodate the needs of new property developments
- Focus on projects that will stimulate the objectives and priorities
- Acknowledge existing IDP programmes and initiatives
- Acknowledge community prioritisation through ward prioritisation
- Focus on District and Provincial Programme Alignment
- Prioritise projects that could better unlock or trigger more investment into the area.
- Focus on projects that require low capital budget but have a high impact (quick wins)
- Focus on projects that utilize and harness local initiatives

3.8.8.7. Priority Investment Projects & Program

Investment planning and participation should focus on getting the basics in place to facilitate growth and investment and realigning the spatial vision. Projects for immediate implementation within a 2 year budget cycle are indicated on the diagram.

Implementation Programme:



Implementation Program reflects projects, programmes and strategies for implementation over a short-, medium- and long-term period. The implementation program is aligned to the Makana IDP development priorities and key performance areas, i.e.:

- Basic Service Delivery and Infrastructure Development
- Community and Social Development
- Local Economic Development and Rural Development
- Institutional Development and Financial Management
- Good Governance and Public Participation
- Human Settlement Management

CHAPTER FOUR: MUNICIPAL DEVELOPMENT STRATEGIC AGENDA

This Chapter outlines Makana strategic Intent and Key Performance Areas (KPA's) for the next financial year. It aims to respond to some key issues and challenges highlighted in Chapter Two and National policy imperatives outlined in the Chapter One.

4.1 Municipal Development Priorities for 2022-27

Number of Priority	Development Priority
Development Priority No. One:	Basic Service Delivery and Infrastructure Development
Development Priority No. Two	Community and Social Development
Development Priority No. Three:	Local Economic Development and Planning
Development Priority No. Four:	Institutional Capacity and Organisational Development
Development Priority No. Five	Financial Viability and Management
Development Priority No. Six	Good Governance and Public Participation

4.2 Strategic Review outcomes

4.2.1 Socio Economic Review

Strengths / Opportunities	Weaknesses / Threats
<ul style="list-style-type: none"> • Estimated Census 2011 population of 80 390 and estimated Quantec 2018 (Urban Econ) population of 91 473 with 23 918 households at a household size of 3.8. • Population growth between 2001 and 2018 estimated at 1.12 % per annum with an estimated population in 2028 at 102 258 or an additional 2 838 households. • Highly urbanised population indicates options for more cost effective service delivery and social services provision. • Levels of education and education profile is slightly better than the SBDM and the Eastern Cape with 15.3 % completing secondary education in comparison to 11.5 % in the Eastern Cape. • Monthly average household income in the Makana Municipality is the highest in the SBDM and significantly higher than the Provincial average. • The Municipality contributes ± 19 % of the District GDP at R 3 689 million or 1.7 % of the Provincial GDP. • General government, finance and business, trade and manufacturing are the biggest sector contributors to the GDP. • Tourism and ecotourism play a significant part in the economic structure of the Municipality and opportunities for further expansion and economic growth within Makhandla. 	<ul style="list-style-type: none"> • Increase in population will increase pressure on the provision of infrastructure, services and land for future urban development. • Current backlogs in services and amenity provision will be further exacerbated by continuous population growth rate at 1.12 % per annum. • Population growth significantly higher than the Eastern Cape and Sarah Baartman DM, confirming in migration. • Majority of population growth to be expected in Makhandla with possible decline in rural population. • Although lower than the Provincial average (12.7 %), the poverty headcount in Makana is 2.2 % and the intensity of poverty is 41.6 %. • Unemployment is estimated at 45.5 % which is slightly higher than the Provincial average (44.6 %) and significantly higher than the unemployment rate in the SBDM (38.7 %). • Agriculture and mining are very low GDP contributors. • Low employment GDP contributors are transport and communication, construction and manufacturing. • Quarrying, mining only extracted in raw format with no processing and value adding. • Industrial and manufacturing sectors contribute only 17 % to the GDP with opportunities for growth and expansion.

4.2.2 Service Delivery Challenges Overview

Strengths / Opportunities	Weaknesses / Threats
<p>⇒ <u>Makhanda</u></p> <ul style="list-style-type: none"> • The nodes and settlement structure of the Makana Municipality is well-defined with Makhanda as a District Centre, Alicedale as a Local Centre and Seven Fountains, Fort Brown and Riebeek East as Sub-Local Centres. • The Municipality is accessible through the N2 National Road, halfway between King Williams Town and Port Elizabeth. • Based on the CSIR Social Services Provision Thresholds, social facilities and amenities are well-provided for in the District, mostly within accessibility thresholds, with specific reference to district policing service, health and education. • The urban structure of Makhanda is well-defined with vast higher density residential areas in Makhanda East, the Rhodes University to the west and CBD. • The urban structure is clearly defined with residential densities above 25 units per hectare in Makhanda East and lower residential densities in Makhanda West. • Residential densities in Makhanda East are $\pm 4\,725$ people per km^2 in comparison with $\pm 1\,430$ people per km^2 in Makhanda West. • The CBD is well-defined between Cradock, African, Burton and Market Streets with strong accessibility corridors within the greater Makhanda. • The provision of social services in Makhanda is well-established with the provision of community halls, libraries, sports facilities, cemeteries, health care, education and safety and security within the CSIR threshold. • Large tracts of land south of Makhanda is owned by the Municipality and north of the town by the State, providing opportunities for possible future residential expansion. 	<p>⇒ <u>Makhanda</u></p> <ul style="list-style-type: none"> • The rural population, although relatively low, is dependent on the larger District Centres, i.e. Makhanda and Alicedale for day-to-day services and support. • Poorly developed small rural settlements, i.e. Committee's Drift, Fort Brown, Riebeek East, Seven Fountains and Salem. • Urban structure is typical of former segregated planning with poorly developed business and support infrastructure in Makhanda East. • Sections of Makhanda are characterised by informal structures with specific reference to Phaphamani, Ethembeni, Vukani and infill areas. • Although the Census indicates $\pm 2\,200$ households residing in informal structures in Makhanda, the Municipality estimates a subsidised housing demand of 12 800, current projects addressing $\pm 10\,470$ units. • Housing demand for Makhanda is estimated to increase to 6 989 units in 2028, requiring additional development areas of 174 ha. • Maintenance and upkeep of community facilities (sport fields, community halls, and cemeteries) are lacking in all urban areas within the Makana Municipality. • Maintenance of service delivery infrastructure (roads, stormwater, sewer, and water) • Housing implementation is seriously affected by financial constraints and legislative requirements for layout

Strengths / Opportunities	Weaknesses / Threats
<ul style="list-style-type: none"> • The open space system is well-defined, although not well maintained. • Various redevelopment precincts have been identified that provide opportunity for economic growth, mixed use intensification and urban renewal. These include the CBD, City Hall, Beaufort Street / Raglan Road, African Street and Makanaskop. • Subsidised housing initiatives are currently being implemented on large sections of the commonage (Mayfield North, East Commonage and Ethembeni) and various infill portions to accommodate informal structures. • Makhanda and the greater Makana Municipality have significant heritage resources. 	<p>plan formalisation, survey and infrastructure provision.</p> <ul style="list-style-type: none"> • Future residential expansion may experience challenges with land ownership, land capability, services availability and urban sprawl. • A Heritage Resources Management Plan and Inventory has not been prepared by the Municipality and maintenance of heritage resources lacking in general. • The provisions of the National Heritage Resources is not complied with.
<p>⇒ <u>Alicedale</u></p> <ul style="list-style-type: none"> • Alicedale fulfils a strong local rural function with a population of ± 3 873. • Large sections around kwa Nonzwakazi, Transriviere and east of the Commonage is state owned. • Provision of community facilities are adequate. 	<p>⇒ <u>Alicedale</u></p> <ul style="list-style-type: none"> • An estimated subsidised housing demand of ± 948 of which 338 are part of an existing project. • Business and commercial component very restricted with residents generally dependent on Makhanda for institutional and commercial support. • A number of informal structures between Transriviere and kwa Nonzwakazi. • Maintenance and operational issues with community facilities to be addressed.
<p>⇒ <u>Riebeek East</u></p> <ul style="list-style-type: none"> • Riebeek East has a very small population with opportunities for future growth and a stronger rural function. 	<ul style="list-style-type: none"> • Lack of water resources • Lack of housing • Lack land
<p>⇒ <u>Rural Settlements</u></p> <ul style="list-style-type: none"> • The Fort Brown and Seven Fountains rural settlements have been identified and prioritised for development and provision of services, social infrastructure and housing for the surrounding rural population. 	<p>⇒ <u>Rural Settlements</u></p> <ul style="list-style-type: none"> • High cost of provision of bulk infrastructure and lack of funding for layout formalisation and service provision.

Strengths / Opportunities	Weaknesses / Threats
<p>⇒ Infrastructure</p> <ul style="list-style-type: none"> 91.6% of the population has access to piped water (inside dwelling and inside yard) with a further 10 % with access to communal stand pipes. Highest level of services are in Makhandla. 89% of the population has access to flush toilet sanitation system. 	<p>⇒ Infrastructure</p> <ul style="list-style-type: none"> Ageing infrastructure, poor maintenance and possible lack of bulk supply in future. 19.7 % of the population has only access to pit and bucket toilets and 3.9 % with no access to sanitation services. General inadequate wastewater treatment works capacity, collector mains and pump stations.
<p>⇒ Electricity</p> <ul style="list-style-type: none"> 94.7 % of the population has access to electricity for cooking and for lighting purposes. High levels of adequate refuse removal and disposal at ± 90 % of the population. 	<p>⇒ Electricity</p> <ul style="list-style-type: none"> ± 19 % of the population relies on gas, paraffin and other sources for cooking purposes. Ageing electricity network, cables, substations and support infrastructure and personnel identified as key constraints.
<p>⇒ Roads & Transport</p> <ul style="list-style-type: none"> A Traffic Management Strategy is currently being developed as part of the Makana SDF review. 	<ul style="list-style-type: none"> Poor roads

4.2.3 High level of critical Challenges

The Municipality is still challenged with the following areas:

- **Basic Service Infrastructure and Community Services:** (water and electricity outages; poor infrastructure operations, project management and water quality; dilapidated roads, housing backlogs and spatial development planning; illegal dumping; lack of tools of trade)
- **Good Governance & Public Participation:** (non-effective performance management; lack of compliance with prescripts; lack in the monitoring of implementation of council resolution; lack of enforcement of by-laws, effective communication)
- **Institutional and Capacity Development:** (skills and capacity gaps; Job description and evaluation; recruitment and placement for the vacant budget position, non-effective performance management system, high overtime spending)

and effective management of satellites office) Regular Maintenance of basic service infrastructure and municipal properties

- **Financial Viability and Management** (Inadequate revenue collected resulting in rising levels of unpaid creditors litigation by creditors and overreliance on grant funding; declining Audit Outcomes – the Municipality has had 3 disclaimers in a row from the Auditor General, inadequate internal controls and non-adherence to policies and procedures; revenue collection

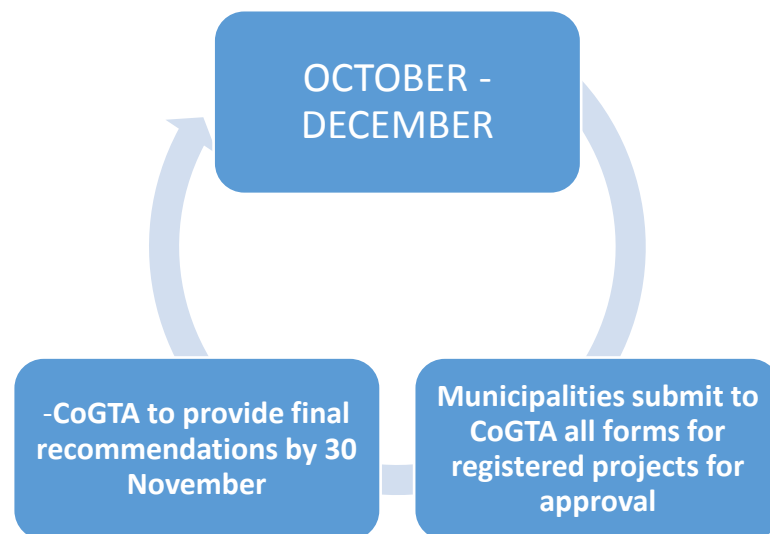
Given the above and the urgency to ensure service delivery to communities and financial viability, Municipality has come- up with a development approach that will guide 2022-2027 Municipality Strategic Agenda Integrated Development Plan as critical Goals for Makana Municipality Development:

- **Sustainable and reliable basic service infrastructure and community services** this will include acceleration of upgrading and refurbishment, regular maintenance of basic service infrastructure and municipal properties through development of maintenance plans, management lease agreement of the Municipal properties and ensure safe, healthy, and secure living environment.
- **Promoting and stimulate economic growth**, this include review of local Economic development strategy and plans(i.e) tourism plan and promote investment through facilitate economic growth and to support SMME, Tourism and Heritage development to stimulate economic growth and improved stakeholder collaboration to unlock opportunities for economic growth
- **An effective productive administration capable for sustainable service delivery**, this will involve to ensure efficient and effective organisational support by a competent and skilled workforce
- **Ensure effective financial accountability and management system**. This will involve Improve audit outcome outlook and ensure financial viability (i.e implement and monitor audit action plan, revenue enhancement, financial controls and effective management of lease Agreements)
- **Ensure accountability and transparency**, this will included enhance stakeholder engagement to improve service delivery (i.e lobby funding for water and sewer bulk infrastructure, public, private partnership be formed)

4.2.4 RISK ADJUSTED STRATEGY for SERVICE DELIVERY

4.2.4.1 PLANNING

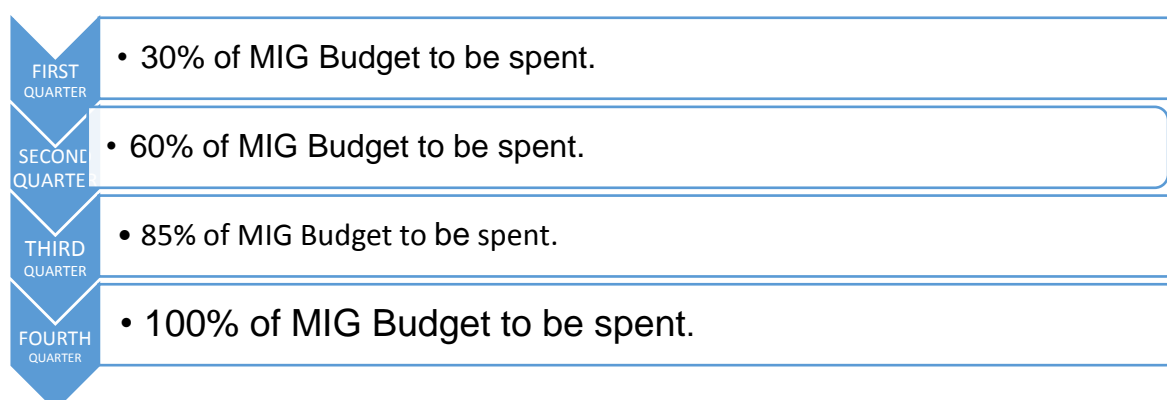
- In October Municipality submit to CoGTA all forms for registered projects for approval
- CoGTA to provide final recommendations by 30 November.



- All planning documents are finalised to be ready for peak procurement season in February.
- Municipalities to submit Project Implementation Plans by 15 January this must include two outer years.
- To receive first tranche in July all municipalities should have followed the planning process until January – 30 April Dora



4.2.4.2 EXPENDITURE MANAGEMENT



4.3.2 DEVELOPMENT PRIORITIES IMPLEMENTATION FRAMEWORK:

4.3.2.1 Priority No One: Basic Service Delivery and Infrastructure Development

DEVELOPMENT PRIORITY(KPA)	STRATEGIC GOALS	STRATEGY OBJECTIVE	PERFRMANCE INDICATOR
Basic Service Delivery and Infrastructure Development	Review and development of Infrastructure Developments Plans	Ensure Infrastructure development Planning are in place	Ground water exploration
			Review water & sanitation management plan
			Review of water services development plan
			Development Water conservation and demand management strategy
			Development electricity master plan

			Development strategy for alternative basic services for rural areas (water and sewer facilities)
			Review roads & storm water master plan
			Infrastructure Asset development Planning are in place
	Mainstreaming and improve basic service delivery across Municipality	Improve access to service delivery provision on water, sanitation and electricity	Provision of basic services to informal areas and rural settlements (using EPWP-CWP Program)
			Quick resolution to outages to ensure continuity of service provision of water, sewer and electricity
			Regular repair and maintenance water, sanitation, and electricity infrastructure
			Investigate blocking of water streams to the dams by commercial farmers
	Provision of water, sanitation and electricity service to all Makana Municipality communities	Upgrading, refurbishment and secure of Bulk Infrastructure development	Upgrading and refurbishment of Wastewater Treatment Works
			Upgrading and refurbishment of Water Treatment Works
			Water conservation & Demand Management(replacement of asbestos and installation Smart meters)
			Upgrade and refurbishment of sewer/water and electricity bulk network infrastructure
			Installation and upgrading of new water, sanitation and electricity infrastructure for new development
			Electrification of infill area and Rural areas
			Secure water, sewer electricity bulk infrastructure
			Provide an additional electricity supply and alternative energy generation initiatives
			Provision and regular maintenance of-street lights and High mast
Basic Service Delivery and Infrastructure Development	To provide safe & sustainable roads network	Upgrading and rehabilitation of roads	Regular maintenance of roads and stormwater network
			Resurfaced, resealed, paving and maintenance gravelling of roads
			Refurbishment, rehabilitation, and upgrade of Municipal roads
			General upgrading and reconstruction of curbs and sidewalks
			Provision of access bridge
			Maintenance of Storm water and gutter clearing and maintenance

	Ensure equitable access to housing development	Facilitate Houses Development	New, outstanding, ratification of RDP and social housing development
			Upgrading Informal Human settlement
			Development of affordable housing opportunities-Provision of affordable service sites
			Reconstruction of collapsed RDP Houses (Disaster/Poor workmanship)

4.3.2.2 Priority No Two: Community and Social Cohesion

DEVELOPMENT PRIORITY(KPA)	STRATEGIC GOALS	STRATEGYKEY OBJECTIVE	PERFORMANCE INDICATOR
Community and Social Development	Provision of a safe, healthy and secure living environment	Review community and social service developments plans and infrastructure Development	Review of Integrated Waste Management Plan and Strategy
			Decommission, close, rehabilitation and management of landfill sites.
			Establishment of new landfill sites
		Clean and Beautified the City	Recycle initiatives to address Illegal dumping and clean city
			Establishment of waste material recovery facilities
			Establishment of Illegal dumping unit
			Improve refuse collection strategies
			Provision of new waste management fleet
			Eradicate and revamp illegal dumping sites
			Compliance and enforcement of environment by -laws
			Environmental education, awareness and Community engagement
			Control of stray animal- Livestock control
			Notice Boards to discourage littering at problem areas.
			Development waste management communication plan

		Ensure conservation management (Park and open space)	Implement alien eradication programme (greater Makana)
			Environmental Management Plan
			Open Space Management Strategy
		Provision and upgrading traffic law enforcement resource	Provision of more resources to enhance revenue
			Refurbishment of Traffic law offices
			Installation road safety signages
		Upgrading, refurbishment, Security and Provision of Community facilities	Refurbishment Sport recreation facilities
			Repair and maintenance of Sport facilities, playgrounds, community halls and outside gyms area
			Provision of new cemeteries
			Provision of Mobile Library facilities
			Improve access to library services and use of Wi-Fi Technology
			Provision Fire and Disaster management Resources
			Investigation and design for new cemetery and extension
	Enhance Social Cohesion	Support Education development initiatives	Improve transportation of student from rural areas to township schools
			Repair and Maintenance of Schools
		Enhance Safety and Security initiative	Improve safety and security of our communities
		Provision health facilities	Provision of primary health facility and provision of emergency service in outside Makhanda area
		Control and clearing of illegal dumping	Establishment Municipal Pound

4.3.2.3 Priority No Three: Local Economic Development and Planning

DEVELOPMENT PRIORITY(KPA)	STRATEGIC GOALS	STRATEGY OBJECTIVES	PERFORMANCE INDICATOR
Local Economic Development and Planning	Improved stakeholder collaboration to unlock opportunities for economic growth	Review development Local Economic Development Plans	Review of LED Strategy
		Implementation of Local Economic Development Strategy Framework	Stakeholder Networking Engagements
			Stakeholder collaboration for a technology incubation centre
			Creation of Job Opportunities
	Promoting and enabling environment	Ensuring the reduction of red tape	Develop a red-tape reduction strategy
		Facilitation of investment opportunities	Local Investment conference
		Promoting the generation of work opportunities	Develop precinct plans to unlock land for economic opportunities
			Develop informal trading policy
			Develop trading hubs in Makhanda East
			Rejuvenation of old projects and establishing new ones under skilled mentorship projects
		Support SMME and Community Development initiatives	SMME support programmes including capacity programmes
			Resuscitate and support community Development initiatives across the Municipality including rural areas
			Aftercare support by the sector department
			SMME Construction Development Strategy

			SMME Incubation Projects (Rhode Incubation and Joza Incubation)
			Establishment of Service Centre (visit by SEDA/ DTI and Department of Small Business (Arranged services).
			Capacity building for employment or self-employment (Entrepreneurship and SMME development)
			Support of Local Industrial Projects (Masonry / Clay Development and Furniture)
			Support SMME that participating in National Arts Festival
		Support Tourism and Heritage development	Support Tourism and Heritage development programmes
			Transformation of Tourism and Heritage development sector
			Tourism and Heritage Plan
		Support Agriculture and Rural development initiatives	Develop small scale communal farms
			Review Commonage Management Policy & Plan
			Alicedale / Riebeek East: Develop rural development plans
			East Commonage: Feasibility study for mixed land use development
			Assistance in scooping/excavate dams for stock farming
			Refurbishment Windmill for the Stock owners
			Commercial farmers blocking waters streams to dams.

	To plan, promote investment and facilitate economic growth	Spatial Planning and Development	Review of Spatial development Framework
			Unlock land for Human settlement
			Conduct Land Audit
			Formalisation of Informal settlement
			Ensure land-Use Management
			Management of Building Plans
			Management lease Agreements

4.3.2.4 Priority No Four: Institutional Capacity and Organisational Development

DEVELOPMENT PRIORITY(KPA)	STRATEGIC GOALS	STRATEGY OBJECTIVES	PERFORMANCE INDICATOR
Institutional Capacity and Organisational Development	Ensure efficient and effective organisational support by a competent and skilled workforce	Effective Management of Organisational Design and policy development	Organisational structure review annually-(Relevant, realistic, affordable underpinned by service delivery and fit for purpose)
			Implementation of Job evaluation
			Review Institutional Policy
			Review Service Delivery Business Model for Alicedale and Riebeeck East
		Effective and efficient Human Resources Development and management programme	Review Human Resources Plan
			Effective recruitment and selection in ensuring attracting of suitable candidate
			Training and development of staff and capacity of councillor's
			Adherence to HR Policies and Procedures: (Leave, overtime management and Productivity)
			Effective stakeholder engagement

		Employees Wellness	Employees wellness programs (Health & safety programs)
	To create an efficient, effective, and accountable administration	Improve organisational culture to enhance productivity	Cascading of individual Performance Management System all employees
			Rewards system linked to high performance
		Professionalisation of service delivery provision	Adopt performance standard for service delivery
			Development of Standard Operational Procedures (SOP) for all business process across municipality
Institutional Capacity and Organisational Development	To create an efficient, effective and accountable administration	Review Records Management System	Review processes, procedures, and capacitation. Review of filling System
			Establishment of offsite storage facility for back-up
			Resuscitate electronic record Management system
		Enhance customer care management	Centralisation of Customer care management that is link to performance standards
		Ensure maintenance of Municipal Buildings and Community halls	Repair and maintenance of Municipal Building and Community Halls

4.3.2.5 Priority No Five: Financial Viability and Management

DEVELOPMENT PRIORITY(KPA)	STRATEGIC GOALS	STRATEGY OBJECTIVE	PERFORMANCE INDICATOR
<i>Financial Viability and Management</i>	Ensure sound financial sustainability and adhere to statutory prescriptions	Enhance revenue collection and management (FRP)	Compilation, updated General and Supplementary valuation roll of all registered properties
			Ensure accurate billing applicable availability charges/ consumers tariffs are levied on each property

			Revenue collection: -sector department engagement and other stakeholder.
			Lobby Grant Funding for unfunded Projects
			Provision and increase of households with access to free basic service and maintain indigent register
		Ensure Budget Management: Cost containment (FRP)	Funded Budgeting to tight control over expenses to ensure that the total amount of expenditures does not exceed the budgeted amount.
			Reduce unauthorised expenditure less than 30% of Budget
		Enhance Expenditure Management (FRP)	Eliminate Fruitless, Wasteful expenditure and credit control to Zero(0) % Fruitless, Wasteful expenditure
			Expenditure Management: Payments of creditor with 30 days
			Eliminate Irregular expenditure by 30% (SCM)
			Risk adjustment strategy to expedite expenditure
		Maintenance of Asset Register (FRP)	Maintaining fully GRAP compliant asset register annually

4.3.2.5 Priority No Six: Good Governance and Public Participation

DEVELOPMENT PRIORITY(KPA)	STRATEGIC GOALS	STRATEGY OBJECTIVE	PERFORMANCE INDICATOR
Good Governance and Public participation	Ensure good governance and compliance	Enhance Risk management and assurance	Internal Audit assurance
			Capacitate Internal Audit function
			Review risk register
			Monitor Compliance

			Implement the fraud prevention policy: Development Whistle blower policy which will include a reward for information leading to arrests.
		Enforcement of by-laws	Establish an internal law enforcement team to monitor the compliance to by-law
			Collaborate with external law enforcement agencies to enforce compliance to by-law
		Enhance administration and Council oversight	Improve Governance Structures (MPAC- Audit & Risk Committee) and Monitor Council decision
		Enhance public participation and stakeholder engagement	Enhance IGR
			IDP-Budget Reviews Consultation
			Enhance Civic organisation engagement (Business, NGO, youth and other organise groups)
		Ensure good corporative governance and public participation	Enhance Ward Committee and Public Meetings
			Regular Website update on mandatory reports
			Improve Audit opinion outcomes
		Effective communication (Internal-External)	Review Communication Strategy
		Effective implementation of ICT Governance Framework	Review of the ICT Strategy
			Review of ICT Risk Register
			Improve ICT infrastructure provision
		Reduce Legal cost for and against Municipality	Development of Standard operating procedure on Management of Legal Matters
Good Governance and Public participation	Support Human Empowerment	Support and capacity development of vulnerable groups	Youth development programmes
			Women, Disabled and Children
			Gender based violence
			Poverty Alleviation programme
			Raise awareness on Gender Based Violence In Municipality

			Implementation of HIV/AIDS Plan
			Support Drug Abuse victims
			Facilitate skills development communities

4.3.2.6 SERVICE DELIVERY AND CORPORATE STRATEGY PRIORITIES FOR 2023-24

4.3.2.6.1(i) Basic service delivery and bulk infrastructure development:

No	STRATEGY OBJECTIVE	KFA	PROJECTS	Status	2023- 2024
1.	Upgrading, refurbishment and secure of Bulk Infrastructure development	Water	Upgrade WTW from 10ML/d to 20ML/d JK	90%	N/A
		Water	Refurbishment of Waainek Water Treatment Works	Construction n	R1 479 600
		Sewer WWTW	Belmont Valley upgraded	Construction	R 20 0000
		Water conservation on & Demand Management	Replacement of old Asbestos pipes Phase III B	60%	R 10 670 524
			Replacement of old Asbestos pipes Phase III A	Site established.	
			Installation of smart to replace manual meters	N/A	R3 947 000
2.	Upgrading and rehabilitation of surfaced roads	Surface Roads	Upgrade of Ncame Street	Resuscitate the project	R 3 149 467
		Surface Roads	Upgrade of Makana way Phase 1	Planning (Procurement)	R8 166 040
		Surface Roads	Rehabilitation of M street and Albert Street.	Planning (Procurement)	DoT- through SBDM

		Surface Roads	Upgrading of Van Behrens Street (Ring Road)		Funding (R 20 Mil)
		Rehabilitation of gravel roads	Re-gravelling of main roads	Ongoing	Operation Budget
	Facilitate Houses Development	Upgrading of infill areas	Construction of 172 Infill houses	Planning	External Funding DoHS

4.3.2.6.1(ii) Repair and maintenance of basic service and infrastructure

Key Focus Areas	Project description	2022-23	2023-24
Water and Sewer	Repair and Maintenance	R 22 360 315	R23 254 727
Roads and Storm water	Repair & maintenance of surface road and stormwater channels	R4 358 629	R 4 532 974
	Retravelling of main roads		
Electricity Network	Electricity Repair and Maintenance, this included maintenance of Street lighting	R 2 300 000	R 2 369 000
	Purchased of Cherry Picker	N/A	R1 248 000
	Tools and Equipment	R 500 000	R 520 000
Protection of infrastructure	Fencing of Mayfield WWTW	N/A	R 3 000 000
	Fencing of Mayfield, Tanti, Low level and intermediate reservoirs	N/A	R 3 000 000

4.3.2.6.2(i) Community services and infrastructure development

Key Focus Areas	Project description	Project Status	2023-24	2024-25
Traffic Services	2 X Traffic vehicles	Planning	R 1 600 000	R 1 664 000

Parks & recreation	Cherry Picker for parks	Planning	R 900 000	R 936 000
Sport Facilities	Upgrading of Oval, Lavender Valley	Planning	R 4 268 250	R 4 438 800
Waste Management Control of illegal dumping	Purchased of Solid Waste Compact Vehicle	Planning	R 1 422 950 00	N/A

4.3.2.6.2(ii) Repair and maintenance of community services

Key Focus Areas	Project description	2022-23	2023-24
Waste and Refuse Collection	Solid waste service provision	R 1 560 900	R 1 623 336
Landfill Site	New landfill site	N/A	External funding application
Parks and Recreation	Minor Repair and maintenance of cemetery fence	R 688 600	R 716 144
	Investigation and design for new cemetery and extension	R500 000	R500 000
	Establishment Municipal Pound	N/A	External funding application
Sport and recreation facilities	Minor Repair and maintenance of sports fields	R 384 900	R 363 896
Library Services	Minor Repair and maintenance.	R 357 500	R 371 800

4.3.2.6.2(iii) Development priorities

Social Cohesion and Community Services	Environmental Management	Development of plan to protect natural resources and heritage
		Environmental education awareness
		Cleaning, beautification
		Review of waste management by-laws and IWMP

	Recreational Facilities	Land identification of outdoor gyms
	Waste management	Review of waste management by-laws and IWMP
	Cemeteries	Cleaning of current used cemeteries and maintain access roads.
		New and Extension of Cemeteries
	Control of Stray animal	Deploy road safety marshals.
		External application for establishment of municipal pound

4.3.2.6.3 Local Economic Development Planning

4.3.2.6.3(i) Support Makana Tourism Organisation

Key Areas	Focus	Project description	Project Status	2023-24	2024-25	Timeframe
Tourism		Support Tourism in Makana Organisation	Yearly	R 990 000	N/A	Annually

4.3.2.6.3(ii) LED Support service delivery priorities

AREA OF FOCUS	INTERVENTION	ACTIVITY/OUTPUT
Local Economic Development and Planning	Job Creation opportunities	Provide job opportunities through Infrastructure development intervention/Project
	Support SMME Development	SMME Construction Development Strategy
		SMME Incubation Projects (Rhode Incubation and Joza Incubation)
		Establishment of Service Centre (visit by SEDA/ DTI and Department of Small Business)
		Capacity building for employment or self-employment (Entrepreneurship and SMME development)

		Support of Local Industrial Projects (Masonry / Clay Development and Furniture)
		Support SMME that participating in National Arts Festival
	Tourism and heritage	Development Tourism and Heritage Plan
	Land and Spatial Development	Development of Land invasion policy and by laws
		Acquire funding for land Audit

4.3.2.6.4 Corporate development strategy priorities

AREA OF FOCUS	INTERVENTION	ACTIVITY/OUTPUT
Institutional Development	Improve Organisational Culture	This will include consequence management
	Training and development	Capacity development programs
	Reach out for collaboration for different functions.	Enhance collaboration like the one with NAF of fixing of Potholes
	Enhance labour relations	Improve wellness of of workforce
Good Governance and Public Participation	Improve Customer	Development Performance Standard for all Service delivery function, that will respond to response time customer complaints
	Better communication and access to information	Improve communication with communities and stakeholders
	Quality assurance	Improve Audit Outcomes
Financial Viability and Management	Budget expenditure	Improve poor or slow spending of Grant allocation, to accelerate service delivery
	Focus on protection of revenue streams 80/20 principle	This involves the implementation of different revenue management strategy for different communities base affordable and ability to pay
	Support poor communities	Provision of indigent subsided
		Provision Rebate, write-offs

CHAPTER FIVE: FINANCIAL PLAN

5.1 Executive Summary

The municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes to maintain sound financial stewardship. A critical review was also undertaken of expenditures on noncore and 'nice to have' items.

The municipality has put some efforts to improve the financial health and implementation of strategic plans, such as decreasing the outstanding creditor book and increasing revenue collection of outstanding debtors. Furthermore, the municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

Implementation of Financial Recovery Plan has been used as tool to address the short comings in respect of improving the financial health, service delivery issues and measuring the municipal compliance with legislated requirements. The FRP plan is still in work-in-progress and progress is evident though a lot still needs to be done to take the municipality out of the rescue phase. For the municipality to see the fruits of the FRP, it needs to develop its own that it will monitor on a monthly basis to address the revenue collection and service delivery challenges faced by the municipality.

National Treasury's MFMA Circular No. 122 & 123 and other applicable previous budget circulars were used to guide the compilation of the 2023/24 MTREF. The following table is a consolidated overview of the proposed 2023/24 Medium-term Revenue and Expenditure Framework:

Table 1: Consolidated Overview of the 2023/24 MTREF

Item Description	2022/2023 BUDGET YEAR		BUDGET YEAR 2023/2024	BUDGET YEAR 2 2024/2025	BUDGET YEAR 3 2025/2026
	Original Budget	Adjustment Budget			
Statement of Financial Performance					
Total Operating Revenue (excuding capital grants and transfers)	695 026	725 980	741 972	777 174	816 233
Less: Operating Expenditure	626 484	639 052	684 903	720 406	773 109
Surplus/ (Deficit)	68 542	86 928	57 069	56 768	43 124

The above table presents a budgeted surplus for the MTREF period so as to cover the payment plans that the municipality has with its creditors. The municipality has budgeted for **R57 million**, **R56,8 million** and **R43 million** over the MTREF.

5.2 Operating Revenue

To continue improving the quality of life through the delivery of high-quality services, it is necessary to generate sufficient revenue from rates and services charges. It is also important to ensure that all billable revenue is firstly correctly charged and adequately collected.

The revenue enhancement unit has been capacitated to aid and ensure that all revenue is accurately and efficiently billed and collected. Total Operating Revenue for the 2023/24 financial year is projected at **R742 million** and the two outer years at **R777 million** and **R816 million** respectively for the MTREF. The basis for increased budget is informed by the data cleansing exercise and meter audit for water both water and electricity that has been performed for the purpose of revenue completeness and improved collection rate. The day to day engagements with municipal customers and corrective measures taken to address municipal accounts would make it possible to achieve the budget.

The municipality has adopted a principle of protecting the poor from excessive tariff increases and will therefore endeavour to limit the increase to lower income consumers in line with inflationary trends as far as possible. Subsidization of free basic services have been extended to pensioners and the most vulnerable category of consumers, to the amount allowable by National Treasury on the equitable share allocation.

Budgeting for a moderate surplus at the conclusion of the MTREF to enable the municipality to build cash reserves to back statutory funds and provisions and to build an operating as well as capital replacement reserve. The surplus has been provided to enable municipality to pay its creditors where payment arrangements have been made, as to date it is not yet possible to build municipal reserves.

5.3 Operating Expenditure

Total operating expenditure for the 2023/24 financial year has been appropriated at **R685 million** and at **R720 million** and **R773 million** for the two outer years respectively. The expenditure framework is informed by the following:

- Improvement in the quality-of-service delivery across all services.
- Repairs and maintenance expenditure are still limited due to the financial difficulties however an amount of **R14,6 million**, **R13,7 million** and **R14,2 million** for the MTREF has been set aside for materials in respect of repairs and maintenance and in addition **R18,4 million** **R15,8 million** and **R15,6 million** for the MTREF has been budgeted for the replacement of ageing fleet and upgrading of existing assets.
- Continued provision of basic services remains a high priority as well as the financial sustainability of services.

Repayment of long outstanding debts continues to cripple the financial muscle of the institution especially Eskom Bulk Account and Department of Water & Sanitation. Service delivery has previously been neglected due to the financial burden of payment plans that are in place.

5.4 Capital Expenditure

The capital budget for the MTREF amounts to **R67,4 million**, **R73,7 million** and **R48,6 million** respectively. The Capital Budget reflects a decrease in the third year as there is no indication of MIG funding in that year. The uncertainty on INEP allocations continues to destabilize planning by the municipality as the amount reflected in the previous year gazette, is not reflected in the current year. There is no borrowing in the Capital Budget due to the lack of cash resources to repay the annual instalments, the municipality is however still servicing the old debt of DBSA. An amount of **R18,4 million** is budgeted internally and this will only be possible upon improved collection rate and cost containment measures implemented on unnecessary expenditure to improve service delivery.

A major portion of the capital budget is mainly funded from government grants and subsidies as the municipality has limited financial resources to commit large amounts of its own funds to capital financing. Capital grants contribute **73%** to the coming year budget.

Table 2: Final Capital Budget MTREF 2023/24 to 2025/26

EC104 MAKANA MUNICIPALITY FINAL CAPITAL EXPENDITURE 2023-24 MTREF			
	MIG		
	2023/24 Final Budget	2024/25 Final Budget	2025/26 Final Budget
Upgrade of Ncame Street in Joza Kingsflats in Makhanda (Grahamstown)	5 622 390.00		
Replacement of Ageing Asbestos pipes in Makhanda Phase 3	4 356 730.00	8 796 000.00	
Purchase of Solid Waste Waste Compactor Vehicle	-		
Upgrade of Sports Facilities in Oval Stadium, Lavendar Valley Makhanda.	4 268 250.00	4 438 800.00	
Upgrade of Makana way Phase 1	5 224 880.00	7 398 000.00	
Fencing of Mayfield WWTW	2 000 000.00	3 000 000.00	
Refurbishment Waainek Water Treatment Works	2 559 800.00	1 479 600.00	
Fencing of Mayfield, Tanti, low level and intermediate reservoirs	3 000 000.00	3 000 000.00	
Erection of street light at stonehill	-		
	27 032 050	28 112 400	-
	WSIG		
	2023/24 Final Budget	2024/25 Final Budget	2025/26 Final Budget
Refurbishment of Belmont Valley	15 947 000	9 800 000	-
Installation of domestic smart water meters	6 000 000	10 000 000	20 000 000
	21 947 000	19 800 000	20 000 000
	INEP		
	2023/24 Final Budget	2024/25 Final Budget	2025/26 Final Budget
Upgrade 11KV Mini Substations	-	10 000 000	13 000 000
	-	10 000 000	13 000 000
Internally Generated Funds	2023/24 Final Budget	2024/25 Final Budget	2025/26 Final Budget
Equipment	3 804 000	3 653 360	3 798 294
Replacement of Fleet-Vehicles	11 400 000	9 892 000	9 495 680
Computer equipment	1 045 000	684 800	750 192
Office equipment	2 150 000	1 530 000	1 582 000
	18 399 000	15 760 160	15 626 166
Total Capital Budget	67 378 050	73 672 560	48 626 166

5.5 Operating Revenue Framework

Revenue By Source	Approved Budget 2022/23 R'000	Adjusted Budget 2022/23 R'000	2023/2024 Y1 MTREF Budget R'000	2024/2025 Y2 MTREF Budget R'000	2025/2026 Y3 MTREF Budget R'000
Property Rates	125 187	114 787	114 122	119 372	124 863
Service Charges - Electricity	200 894	191 394	171 132	180 818	198 900
Service Charges - Water	103 771	173 271	175 295	180 038	188 124
Service Charges - Sanitation	52 163	49 663	40 536	42 401	44 351
Service Charges – Refuse	13 402	22 731	15 551	16 167	17 137
Rental Equipment	818	168	150	159	169
Interest Earned - Investments	5 500	3 902	3 800	4 028	4 270
Interest Earned - Outstanding DR	46 174	31 763	77 685	81 258	84 996
Fines	1 693	293	1 800	1 908	2 022
Licences & Permits	6 213	6 213	545	578	612
Agency Services	2 180	2 480	3 700	3 922	4 157
Operating Grants & Subsidies	126 467	126 467	137 657	146 526	146 633
Other Revenue	10 563	2 847			
TOTAL	695 025	725 979	741 973	777 175	816 234

The above table reflects the total operating revenue at **R742 million**, **R777 million** and **R816 million** for the MTREF. The revenue increases are between 2% and 5%, below the inflation rates as the actual billing was considered during this budget. The national fiscus is also constrained in that there is no much increase coming from both conditional grants and equitable share.

5.5.1 Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties. The implementation of these regulations was done in the previous budget process and the Property Rates Policy of the Municipality has been amended accordingly.

The following stipulations in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA).

- For pensioners a rebate may be granted to owners of rate-able property. In this regard the following stipulations are relevant:
 - The rate-able property concerned must be occupied only by the applicant as his / her primary residence, and;
 - The applicant must be at least 60 and submit proof of his/her age and identity and;
 - In the case of a person being declared medical unfit even if not yet 60, proof of certification by a Medical Officer of Health, also proof of the annual income from a social pension;
 - Proof of monthly household income being less than the income threshold determined by the municipal council, R14,991 per month.

Comparison of proposed rates to levy for the 2023/24 financial year

1. Business & Commercial Properties	0.021821	0.023130
2. Pubic Service Purposes	0.028056	0.029739
3. Residential Properties	0.007349	0.007790
4. Agriculture Properties	0.001839	0.001949
5. Public Service Infrastructure (PSI)	0.001839	0.001949
6. Industrial Properties	0.010911	0.011566
7. Properties Used for Multipurposes	0.000000	0.000000
8. Vacant Land	0.007349	0.007790
9. Public Benefit Organisations (P.B.O.)	0.001839	0.001949
Please note that the municipality does not levy property rates on places of worship (churches) as in line with the Property Rates Act and the Council's Property Rates Policy. Also note that rebates as per Council Resolution, as well as rebates as per the Municipal Property Rates Act No. 6 of 2004 for all the qualifying rateable properties are available on application, which must be completed on or before 30 September each year.		

Property Rates tariffs are proposed to increase by 6 percent from 01 July 2023. The new General Valuation Roll was implemented on 01 July 2019. The municipality is currently busy with the 4th supplementary valuation roll which will add in the rates revenue base over the MTREF.

The municipality is in the process of addressing variances identified on property rates reconciliation and the following activities are performed for the purpose of completeness:

- Identifying account with inaccurate classifications
- Undervalued properties
- Unregistered properties since 2019 and transferring of billing

5.5.2 Sale of Water and Impact of Tariff Increases

South Africa faces similar challenges regarding water supply as it did with electricity since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion.
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

Better maintenance of infrastructure, new reservoir construction and cost-reflective tariffs will ensure that the supply challenges are managed in future to ensure sustainability.

A tariff increase of approximately **6 percent** from 1 July 2023 for water is proposed. In addition, 6 kilo of water per month will **ONLY** be granted free of charge to registered indigent residents.

EC104 MAKANA MUNICIPALITY APPROVED WATER TARRIFS 2022/23 (Excl VAT)					
CATEGORY	KILOLITRES	STEPPED TARRIF (NORMAL PERIOD) 2022/2023	STEPPED TARRIF (CRITICAL PERIOD) 2022/2023	STEPPED TARRIF (NORMAL PERIOD) 2023/2024	STEPPED TARRIF (CRITICAL PERIOD) 2023/2024
RESIDENTIAL PROPERTIES	0 - 10kl/pm	9.37	11.03	9.93	11.69
	11 - 20kl/pm	11.89	15.40	12.61	16.32
	21 - 30kl/pm	13.10	20.53	13.89	21.76
	31 - 40kl/pm	14.39	25.66	15.26	27.20
	41 - 50kl/pm	15.84	38.49	16.79	40.80
	>51kl/pm	17.43	51.33	18.47	54.41
BUSINESS; INDUSTRIAL AND OTHER PROPERTIES	0 - 10kl/pm	9.64	13.12	10.21	13.90
	11 - 20kl/pm	12.86	17.51	13.63	18.56
	21 - 30kl/pm	14.15	19.27	15.00	20.43
	31 - 40kl/pm	15.54	21.20	16.48	22.47
	41 - 50kl/pm	17.11	23.31	18.14	24.71
	>51kl/pm	18.81	25.66	19.94	27.20
NB:(i) Critical periods will be based on the Dam Levels such as when Settlers Dam is less than 30% the situation will be critical and Engineers will alert Finance in order to alter tarrifs.					
MISCELLANEOUS WATER CHARGES					
CATEGORY	KILOLITRES		TARIFF 2022/2023		TARIFF 2023/2024
Raw	1st 10 kl		7.03		7.46
	>10kl kl		8.66		9.17
Standpipe	Consumption		26.94		28.56

5.5.3 Sale of Electricity and Impact of Tariff Increases

Bulk electricity cost is consistently higher than inflation, having gone up to 20 per cent in 2022/23 financial year. Nersa has approved between **10 to 15 per cent** for Eskom tariff increase in 2023/24 budget. Considering the Eskom increases, the consumer tariff had to be increased by approximately **15 per cent** to offset the additional bulk purchase cost from 1 July 2023 and to allow the municipality to recover the cost of rendering the service, as currently the municipality is billing below the collection rate. The municipality has also introduced a winter tariff as it was realized upon review by SALGA that the municipality is losing more revenue in winter as it is not recovering the cost of rendering the service.

Registered indigents households will be granted 50 units as per the national norm and allowed in accordance with the equitable share grant to municipalities, pensioners qualifying for assessment rates rebate will also be given the first 50 units of electricity free of charge.

The approved budget for the Electricity Division can only be utilised for certain committed upgrade projects and to strengthen critical infrastructure.

5.5.4 Sanitation and Impact of Tariff Increases

A tariff increases of **6%** for sanitation from 1 July 2023 is proposed. The increase in tariff is necessary to ensure that service delivery standards are met and to secure the long-term sustainability of the service over the medium term.

This is based on the input cost assumptions related to water. It should be noted that electricity costs contribute approximately 20 percent of wastewater treatment input costs, and therefore the cost-reflective tariff study will determine future tariff increases. The following factors also contribute to the proposed tariff increase:

- Free basic sanitation will be applicable to registered indigents; and
- The total revenue expected to be generated from rendering this service amounts to **R40,5 million** for the 2023/24 financial year.

The municipality is considering linking the sewer charge based on a certain percentage of water consumed in the variable charge's category and introducing a fixed charge. Consideration of the fact that variable sewer charges based on a percentage of water consumption, in the time of drought and water restrictions, will also be considered when investigating the above method of billing.

The exercise will also assist the municipality in addressing Auditor-General recurring findings and completeness of billing.

The below table compares current and proposed amounts payable from 1 July 2023:

EC104 MAKANA MUNICIPALITY APPROVED MISCELLANEOUS TARIFFS 2023/24 (Excl VAT)			
ANNUAL SEWER CONNECTION CHARGES		2022/2023	2023/2024
Domestic	First 2 units	R 2 118.96	R 2 246.10
	Each unit over 2	R 1 059.48	R 1 123.05
Sporting/Churches /Monument	per each unit	R 1 059.48	R 1 123.05
Flats	First 2 units	R 2 118.96	R 2 246.10
	Each unit over 2	R 2 118.96	R 2 246.10
Business Sub-Economic	per each unit	R 2 118.96	R 2 246.10
Housing	per each unit	R 1 059.48	R 1 123.05
Industrial Area	per point In respect of the first 25 units	R 2 354.40	R 2 495.66
	after which the costs are the same as the business tariff of	R 2 118.96	R 2 246.10

5.5.5 Waste Removal and Impact of Tariff Increases

An increase of **6 per cent** in the waste removal tariff is proposed from 1 July 2023. The removal and sewerage services charges are running at a deficit and the municipality has taken steps to budget for a breakeven or surplus position. However, due to continued struggles to adequately deliver services with aged fleet and plant, the municipality proposed an increase of **6%** to reduce the deficit. The increased charge is still well below the market price charged by other municipalities and far below private sector charges for the same service.

The following table compares current and proposed amounts payable from 1 July 2023:

EC104 MAKANA MUNICIPALITY APPROVED MISCELLANEOUS TARIFFS 2023/24 (Excl VAT)			
		2022/2023	2023/2024
Annual Refuse Removal Charges	That the charge for the removals where this is charged separately for de-rated properties be fixed at (per annum per bag removed once per week)		
		R 2 048.33	R 2 171.23
MONTHLY REFUSE REMOVAL CHARGES		2022/2023	2023/2024
Domestic		R 117.72	R 124.78
Business		R 234.35	R 248.41
Removal of Garden Refuse		R 708.50	R 751.01
Removal of Garden Refuse (domestic Notice)		R 855.65	R 906.99
Removal of Condemned Goods		R 446.90	R 473.71
Illegal dumping of Refuse (domestic or Other)		R 872.00	R 924.32
Special Refuse Removals (Festival)		R 218.00	R 231.08
Refuse Bins / Bags & Otto Bins		Cost determined by suppliers prices	Cost determined by suppliers prices

5.5.6 Operating Expenditure Framework

The expenditure framework for the 2023/2024 budget and MTREF is informed by the following:

- Continued provision of basic services remains a high priority as well as the financial sustainability of services.
- Ensuring value for money through procurement process; and
- Cost containment measures to key control to unnecessary spending.

The below table is a high-level summary of the 2023/24 budget and MTREF (classified per main type of operating expenditure):

Expenditure by Type	Approved Budget 2022/23	Adjusted Budget 2022/23	2023/2024 Y1 MTREF Budget	2024/2025 Y2 MTREF Budget	2025/2026 Y3 MTREF Budget
	R'000	R'000	R'000	R'000	%
Employee Related Costs	238 440	235 390	247 242	257 118	266 911
Remuneration of Councillors	15 158	14 358	14 389	14 965	15 563
Debt Impairment	42 000	57 000	73 920	76 877	79 952
Depreciation & Asset Impairment	30 900	33 278	35 275	36 687	38 154
Finance Charges	9 000	10 500	6 969	7 317	7 683
Bulk Purchases	128 000	158 000	183 744	214 980	247 228
Other Materials	35 248	35 248	23 278	20 462	22 476
Contracted Services	61 192	43 692	51 828	45 592	47 346
Repairs & Maintenance			14 565	13 714	14 196
Transfers & Grants	150	990	992	1 012	1 052
Other Expenditure	66 395	50 595	32 700	31 682	32 549
TOTAL	626 483	639 051	684 902	720 406	773 110

The budgeted allocation for employee related costs for the 2023/24 financial year totals **R247 million**, which equals **36%** of the total operating expenditure.

The cost associated with the remuneration of public office bearers is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The remuneration cost of councilors is partially subsidized through the equitable share allocation awarded to the municipality in terms of the division of revenue Act.

The provision of debt impairment was determined based on an annual collection rate of 90% and the Debt Write-off Policy of the Municipality. The current average collection rate is ranging between 72% and 58% as at end of March 2023 and it is anticipated that the

recovery of debt will again increase with new revenue enhancement strategies that have been implemented and strict debt collection policy implementation .

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate at which assets are consumed. Budget appropriations has been increased to **R35,3 million** for 2023/24 financial year. This expenditure item equates to **5%** of the total operating expenditure.

Bulk purchases are directly informed by the purchase of electricity from Eskom. Bulk purchases equal 27% of total expenditure. The annual price increase has been factored into the budget appropriations and directly inform the revenue provisions. The expenditure includes electricity distribution losses which equals approximately **11%**. Water distribution losses as at 30 June 2022 amounted to **46%** and a concerted effort is necessary to ensure the reduction of the losses to further reduce and stay within acceptable norms.

Contracted services relate to the provision of services by means of the appointment of service providers where the necessary in-house skills are not available or have not yet been adequately developed. Specialist services such as security services, speeding fines services as well as technical expertise in both engineering and finance are also used for specific programs and projects to supplement in-house capacity and to provide professional expertise where required.

Certain functions also require the contracting of specialist knowledge contracted from time to time due to the fact that the municipality cannot afford to employ experts on a full-time basis. This category of expenditure equates **9,9 percent** of operating expenses for the 2023/2024 financial year. The increase in the budget is mainly expenditure for Financial System and current SLA's .

Other general expenditure comprises of various line items relating to the daily operations of the municipality. These costs include items such as audit fees in the amount of **R6 million**, rates rebates, SALGA membership fees, fuel and lubricants, insurance cost, telephone expenses, printing cost, and other domestic expenses as well as a variety of other operating cost. This group of expenditure remains an area in which cost savings and efficiencies can further be achieved. Other general expenditure amounts to **3,3%** or **R22 million** for the 2023/24 financial year.

CHAPTER SIX: INTEGRATION

6.1 Introduction:

To ensure that the IDP address all strategic issues relevant to any effective municipality, the following section offers a comprehensive list of issues discussed during the IDP process. The integration phase represents the institutional readiness for implementation and to ensure integrated planning for the provision of basic services. An analysis was conducted in respect of various sector plans for the Municipality. Some of these sector plans were found to be still relevant and required minor changes.

Others required a review, whilst new ones need to be developed and this was based on benchmarked and IDP Assessment with other local Municipal with our side.

6.2 Summary of Sector Plans:

Sector Plans

Status	Sector plans	
EXISTING PLANS	Review Water Service Development Plan	
	Integrated Waste Management Plan	
	Area Based Plan	
	Comprehensive Infrastructure Plan	
	Disaster Management Plan	
	Housing Settlement Plan	
	Review of Transport Plan	
	Review Fire and rescue plan(CPS report)	
	Environmental strategy(LEAP)	
	Spatial Development Framework	
NEW ONE TO BE DEVELOPED	Five Invest Financial plan	
	Development of Job creation sector plan	
	Poverty alleviation plan	
	Fleet management plan	
	Development of Electricity Master Plan	
	Asset Management Strategy	
	Supply chain Management Strategy	
	Cooperative strategy	
	Revenue enhancement strategy	
	Plans	Action required

CROSS CUTTING PLANS	Local Economic Development Plan	Strategy was approved and due for review 2017
	HIV/AIDS action plant	To be developed
	Special Programs sectorial plans	Youth plan need to be develop People with Disability

6.2.1 Human resources plan

Municipality has developed a Human Resources Plan with the assistance of Provincial Government (Department of local government in 2011, was adopted by council in 2016. Alignment of the Human Resource Plan with municipal objectives

Alignment: Effective achievement of our Municipality goals through implementing the following development strategies and policies:

- Enhance Employee retention & recruitment
- Improve human resource administration
- Employment wellness
- Training and Development

Strategic direction: Makana Municipality Development Priorities

- Institutional transformation and Organisational Development
- Basic Service delivery
- Local Economic Development
- Municipal Financial Viability Management
- Good Governance and Public Participation
- Empower Rural Communities and support to vulnerable groups

DEVELOPMENT PRIORITY	OPERATIONAL OBJECTIVE	HR PROGRAM
Institutional transformation and Organisational Development	Develop HR Plan by in order to provide an conducive working environment and ensure compliance with legislative requirements HR Plan will assist in coordinating all HR programmes as listed below	HR Plan
	Ensure the cascading of Performance Management System to all employees to ensure effective service delivery. 2020-2021 cascaded to HOD level, 2021-2022 cascaded to supervisory and Forman level, 2022-2023 to all employees.	Performance Management System
		Training and Development
	Development of work skills plan that seeks to achieve organisational goal e.g. shortage of qualified electricians, accountants, etc. DTIS: Assessment shortage of skills by DBSA	
Institutional transformation and Organisational Development	Operationalization of wellness policy to enforce health and safety regulations.	Wellness and (Health and safety)
	Operationalization of career succession plan policy	Career planning
	To ensure sound good working relations between the employer and employees. (LLF) To empower members of LLF –all stakeholders (training) i.e. ORA, Labour relations Act, Basic conditions Act, LLF constitution and other related courses	Labour relations
	Ensure smooth exit procedure Resignation Retirement Dismissal Early retirement due to health	Exit management

6.2.2 COMMUNICATION STRATEGY

Chapter 4 of the Municipal Systems Act (Act 32 of 2000), equally, states that all Municipalities must strive to meet the following object, among others: -

- Foster meaningful dialogue and interface within the internal structures of Municipalities, external bodies and members of the public.
- Likewise, the Promotion of Administrative Justice Act (Act 3 of 2000) and Promotion of Access to Information Act (Act 2 of 2000) charge Government Bodies to observe and adhere to the principles and practices of good governance,
- It is within this context that this policy shall direct Makana Municipality on how to constructively engage the members of the public and external bodies in particular media institutions as instructed by the Constitution of the Republic of South Africa and applicable pieces of legislation and the institutional policies.

Scope of the policy: This policy and strategy applies to the Councillors and Officials of Makana Municipality, be they casuals, part time, full time, contract or consultants. The communication policy and strategy will be reviewed and revised when the need arises by the Council. The last review was done in 2016 and adopted on the 24 June 2016.

Aims of the policy: The aim of this policy is to ensure the streamlining of communication within the Makana jurisdiction and to ensure a coherent and coordinated communication process.

To provide a framework within which internal and external communication of the Municipality will be discharged with its stakeholders and to reduce the risk of damaging or ineffective communication, and to ensure that staff and Councillors are aware of how communication is best conveyed externally and internally, and who has responsibility for which aspects.

Objectives of the Policy: The objectives of the Communication Policy of Makana Municipality are as follows:

- (a) Ensuring that there is a clear and co-ordinated communication process within the Municipality, to enhance and promote cooperative governance between its clientele, partners, stakeholders and the media.
- (b) Ensuring that there are clear roles of communication by the staff of Makana Municipality and to foster meaningful dialogue and interface between and among the internal role players.
- (c) Ensuring that the image of the Municipality is at all times upheld.
- (d) Ensuring that the Municipality complies with the legislative requirements as far as communication is concerned.

(e) Ensuring that resources are used in support of the achievement of the Municipality's strategic goals.

(f) Ensuring effective coordination and coherent system of communication within Makana Municipality.

Official Communicators: All staff members (officials) as defined above and Councillors are communicators of the Council by virtue of their work. All staff members and Councillors are representatives and messengers of the Municipality.

Staff members and Councillors should always be mindful that when they communicate with a member from the public, things they say are seen as official statements expressing the views of the municipality. In instances where Councillors speak in their personal capacity or for their political parties, they must make sure that point is clear.

However it is critical to note that for interview or research purposes, whether by institutions, organisations, private companies, media, etc. consent to engage with such bodies must be sought from the Municipal Manager by officials and from the Executive Mayor or Speaker by the Councillors. Councillors do not need to seek the approval of the Speaker or the Executive Mayor when they speak in their personal capacity or for their political parties.

The Media and Communications Officer (Municipal Spokesperson), the Municipal Manager and the Executive Mayor are not only the official communicators of the Municipality but the primary communicators. However, they can delegate their powers to whomever they see fit at times.

6. 2.3 Integrated Waste Management Plan

Purpose: Makana municipal integrated waste development consideration various service categories as well as evaluate the service delivery in each of the towns in the Municipality.

The service categories that are taken into consideration can be summarised as follows:

- Refuse Removal:
- Residential
- Commercial
- Industrial
- Garden Refuse
- Builders' Rubble and
- Medical Waste
- Street and ablution cleaning
- Landfill Sites,
- Transfer Stations and

- Bulk Containers

The Status Quo investigation of the waste management section considered each of these aspects, In addition to this existing structure, the status quo study also considered planned developments for service extensions and any planned projects that have been identified in the IDP. The Makana Local Municipality (LM) Integrated Waste Management Plan (IWMP) has been reviewed in 2017 and was approved by council 2018, in line with the requirements of the Waste Act and the Department of Environmental Affairs (DEA) Guideline for the Development of Integrated Waste Management Plans.

Makana LM has a total of approximately 80 400 persons and 21 384 households with an average of 3.7 persons per household. Based on Census data from 2011, about 19 014 (89%) households receive weekly waste collection services. A total 8% households either utilize their own dumpsite or have no refuse disposal facilities.

Status Quo of Waste Disposal Facilities Makana LM has three (3) landfill sites all situated on municipal property, at the following main centres: Makhanda, Alicedale and Riebeeck East.

The **Makhanda landfill** is an old quarry located 2km north-west of town. The site was permitted by the then Department of Water Affairs and Forestry (DWAF) on 10 September 1996 as a G:M:B+ landfill site in terms of Section 20 of the Environmental Conservation Act (No 73 of 1989). The site is medium by classification, it is estimated that the site receives approximately 125 tons of waste a day. The expected lifetime of the site is approximately 20 years.

The **Alicedale landfill site** is an old sandstone quarry located approximately 500m west of town. The site was authorised in May 2005 through Directions in terms of Section 20(5) (b) of the then Environmental Conservation Act (No 73 of 1989) as a G:C:B- landfill site. The site is classified as a communal landfill and it receives approximately 1.56 tons of waste a day. The expected lifetime is approximately 20 years.

The **Riebeeck East landfill site** is located approximately 2km east of town. The site was authorised in May 2005 through Directions in terms of Section 20(5) (b) of the then Environmental Conservation Act (No 73 of 1989) as a G:C:B- landfill site. The site is classified as a communal landfill and it receives approximately 0.56 tons of waste a day. The expected lifetime is approximately 10-15 years.

6.2.4 Disaster Management Plan

Introduction: The Makana Local Municipality Disaster Management Plan has been prepared in accordance with the provisions of the Disaster Management Act no 57 of 2002, and within Cacadu Disaster Management Framework and was adopted was by Council In May 2009, currently under review. The plan is aimed at ensuring an integrated and uniform approach to comprehensive disaster management in the Municipality.

This Plan has been documented by the Disaster Management Centre, Sarah Baartman District Municipality, with the support of Makana Municipality.

Objectives: To strengthen the capacity of Makana disaster management system to reduce unacceptable risks and improve response and recovery activities.

Strategic Focus: Move disaster management programming efforts from a response and relief emphasis to comprehensive risk management culture.

Top Priority Risk for Makana municipality: A Risk Priority Rating has been determined for Makana Municipality and the top three being, Storms, Fires and Epidemics. Within the Plan there are contingency plans for all the Hazards/Disasters that the Municipality is prone to and the purpose of this is to be effective and efficient during emergencies.

Below is the list of contingency plans that are in place to deal with disasters that has strike or threatening to occur.

1. Contingency Plan for Floods
2. Contingency Plan for Fires
3. Contingency Plan for Epidemics
4. Contingency Plan for Accidents

6.2.5 Water Service Development Plan

- The purpose of IDP and WSDP goals is to provide the Municipality's long term direction and desired state for water services provisioning within the Makana Water Services Authority.
- To comply with the Water Services Act (Act 108 of 1997) and the National Water Act (Act 36 of 1998), the WSDP should be prepared as part of the IDP process unless there is no IDP process in which case it can be prepared separately. The WSDP is a sectorial plan that falls within the inter-sectorial umbrella plan of the IDP.

- The strategies developed as part of the WSDP has been based on the IDP vision, priority issues and objectives in terms of addressing the when, who, what, etc.
- *Should it be found that insufficient resources* are available to support the strategy, the IDP priority issues and objectives would have to be reconsidered Municipal WSDP was last revised 2008 and adopted by Council in June 2009 financial year. SBDM is currently reviewing the WSDP for all the Local Municipalities within the district.

- **Objectives:** The primary objective is for Makana Municipality to provide effective, efficient and sustainable water services and sanitation for all communities within the Makana Municipality jurisdiction and the planning to eradicate backlogs

Water and Sanitation Backlogs

Water Works Service Area	Water needs to RDP Level		Sanitation Needs to RDP Level	
	Technical	Management	Technical	Management
Reticulation	35%	35%	35%	35%
Bulk	45%	35%	45%	45%

Status of supply to higher levels

Present services level	Basic RDP	Hugh RDP	Urban
LM-Services Levels	%	95.5%	95.5%
LM- Sanitation Services	13.6%	73.3%	86.6%

Cost of Eradicating Backlogs:

- Typical Required Water Sector (DWAF & Local Gov.) Cash flow to meet target dates of 2008 for Water Services and 2010 for Sanitation (DWAF & CMIP) – RM

Cost of Backlogs:

As in 08/09 -10/11	TOTAL
Bulk Water Supply System	48,891,927
Reticulation and Cost Recovery	728,640
Household Sanitation (Up to 2010/11)	38,264,507
Rehabilitation	12,297,966
Sub Total	100,183,040

- **What is the strategy to eradicate backlogs:** Cost split of Water Sector Funding Requirements for Different Service Levels (RM) Note: Estimates are provided only in the categories where integrated supply services are (to be) provided. The remaining categories can readily be isolated on municipal level and can be financed by consumer contributions and external (non-governmental loan grant etc., funding)

Backlogs	Basic	High	Urban	Total
	(%)	(%)	(%)	(%)
Bulk Water Supply System	28	20.8	48.8	48.8
Village Reticulation and Cost Recovery	0.7		0.7	0.7
Household Sanitation (Up to 2010/11)		38.2	38.2	38.212.3
Rehabilitation		12.3	12.2	

6.2.6. Transport Management Plan

The objective of the Traffic Management Plan is to ensure integration between Development Framework Planning and Traffic Engineering aspects. The Makana Transport Plan was revised in October 2019. In so doing the Traffic Management Plan addresses the following aspects:

- Traffic generation
- Capacity (intersection and link)
- Access Management
- Mobility and Accessibility
- Safety
- Traffic Calming
- Non-motorised transport modes
- Public transport (including illegal and informal taxis)
- Development Levies
- Movement Routes (including provision for disabled)
- Parking and off-loading needs (specifically in relation to Public Open Spaces)
- Parking Levy / Fund Contributions
- Assessment of success, failure or shortcomings of traffic management interventions implemented to date.

National Routes: N2

This route links Makhanda to Port Elizabeth in the Southwest and East London and Bisho in the North-east

Provincial Routes

- R67 This route links with Port Alfred in the south and Fort Beaufort and Komani in the north
- R350 This route links to Bedford in the northwest
- R400 This route links to Riebeeck East and the N10 via the R350
- R344 This route links with Adelaide via the R350 (gravel)
- R343 This route links with Salem and Kenton-on-Sea as well as Alexandria (via the R72)
- MR0476 This route links with Alicedale via the N2

The main routes into, out of and through the study area in the Makhanda CBD that link up with the strategic National and Provincial routes include Beaufort Street, Somerset Street, High Street, Hill, Street, African Street, Bathurst Street and George Street.

Road Condition:

Condition Index – Traffic Management Plan Study Area - Surfaced Roads

	Municipal		Provincial	
Condition	Length (km)	Percentage (%)	Length (km)	Percentage (%)
Very Good	0.00	0.00%	0.00	0.00%
Good	2.90	12.27%	0.95	10.50%
Fair	12.91	54.69%	4.93	54.26%
Poor	7.37	31.22%	2.99	32.93%
Very poor	0.14	0.60%	0.00	0.00%
No Details	0.29	1.22%	0.21	2.32%
Totals	24.08	100.00%	9.08	100.00%

Due to underfunding, lack of maintenance has led to many roads being in a poor condition. Based on the condition assessments only 12.27% of the surfaced municipal roads in the TMP area are in good condition. Such a state of affairs hampers the expansion and development of the transport, agricultural and tourism sectors. In addition, poor road conditions create a poor investment climate and stifles growth in the

It is noted that SANRAL has recently assisted the municipality by surfacing portions of Beaufort Street from the N2 in the Southwest to the R67 in the Northeast.

6.3 Performance Management Institutional level

The PM process at organizational level in the Municipality is characterized by the steps that are set out in Figure2. Although the steps and what follows relate mainly to performance management at organizational level, the principles and approaches as espoused could also be applied to performance management at departmental level.

6.3.1 Performance Planning

Performance will be managed in terms of the IDP and the process of compiling the IDP information; therefore the annual review of the IDP planning process for performance. From figure 2 it should be noted that the last step of the cycle is" Performance review" and the outcome thereof should inform the next cycle of IDP compilation / review by focusing the planning processes on the areas in which the Municipality has under-performed. \

6.3.2 Performance Monitoring

Performance monitoring is an on-going process by which a manager accountable for a specific indicator as set out in the organizational scorecard (and a service delivery target contained in a SDBIP) continuously monitoring current performance against the set targets. The aim of the monitoring process is to take appropriate and immediate action where it appears that target will not be timeously met. The same will apply to the various SDBIPs.

Performance monitoring requires appropriate action to be taken should it become evident that a specific performance target is not going to be met. In undertaking performance monitoring processes, the following aspects need to be determined and provided for

- ❖ The data that must be collected in order to assess performance.
 - ❖ The methods that must be employed of n the collection, storage, verification and analysis of that data.
- ❖ The processes and formats that must be used in compiling reports on that data.
- ❖ Corrective measures that will be employed when poor performance has been detected.
 - ❖ Mechanisms to compare current performance with baseline indicators and performance during the previous financial year.

6.3.3 MONITORING REPORTS SHOULD BE SUBMITTED AS FOLLOWS:

Monitoring Reports

Submitted to	Frequency
Director	At least quarterly
Municipal Manager	At least Monthly

Managers should track performance trends against targets for those indicators that lie within their area of accountability at least once per month. That will allow them to identify performance related problems and take appropriate remedial action in time. In addition each senior manager should delegate to the direct line manager the responsibility to monitor the performance for his/ her sector.

6.3.4 Performance Measurement

Performance measurement refers to the formal process of collecting and capturing performance data to enable reporting to take place for each KPI and against the target set for such indicator. A manual process will be used to measure performance at Makana Municipality. The municipality's SDBIP scorecards should spell out the name of an official who will be reporting on each indicator. The said official will, when performance measurement is due, have to collect and collate the necessary performance data or information and capture the result against the target for the period concerned. As such, they need not be against the target for the period concerned. As such, they need not be accountable for performance on the said performance indicator.

6.3.5 PERFORMANCE ANALYSIS

Performance analysis involves the process of making sense of measurements. It requires interpretation of the performance measurements to determine whether targets have been met /exceeded and to project whether future targets will be met or not.

Where targets have not been met, the reasons thereof should be examined and corrective action recommended. Where targets have been met or corrective action recommended. Where targets have been met or exceeded, the key factors that resulted in such success should be documented and shared so as to ensure organizational learning.

6.3.6 The manager responsible for each indicator should, therefore do the following:-

1. Capture the performance data against targets on the scorecard.
2. Analyse reasons for meeting or not meeting a target
3. Capture a summary of findings on the scorecard.
4. Recommend remedial actions as appropriate.

The completed organizational and SDBIP scorecards should be submitted to a formal meeting of the senior management team for further analysis and consideration of draft recommendations from the relevant managers. This level of analysis should examine performance across the municipality in terms of all its priorities with the aim to reveal and capture whether there are any broader organizational factors that are limiting the ability to meet any performance targets.

Such analysis should also ensure that quality performance reports are submitted to the Executive committee and that adequate response strategies are proposed in cases of poor performance. After reaching agreement on the analyses the management team can take the scorecards to the executive committee for consideration and review.

6.3.7 Performance Reporting and Review

The next two steps in the process of performance management (i.e. Performance reporting and performance Review) will be dealt with at the same time.

This section is further divided into three sections dealing with the requirements for in –year versus annual reporting and reviews respectively and lastly a summary is provided for the various reporting requirements.

6.3.8 In – Year Performance Reporting and Review

The submission of the scorecards to the executive committee for consideration and review of the entire municipal performance is the next step in the process.

The first such report is a major milestone in the implementation of any PMS and it marks the beginning of what should become a regular event (i.e. using the performance report as a tool to review the municipality's performance and to make important political and management decision on how to improve).

Performance Review is the process where the leadership of an organization reviews the results; and decides on appropriate action, after the performance of the organization has been measured and reported. In reviewing the organizational and departmental scorecards, the Executive Committee will have to ensure that the committed targets have been met; and where they have not, that satisfactory and sufficient reasons have been provided and that the proposed corrective action is adequate. If satisfied with the proposed corrective action those should be adopted as formal resolution of Council, minutes read and actioned accordingly.

As indicated earlier, the organizational and SDBIP scorecards should be submitted to the executive committee for consideration and review on a quarterly basis. The reporting should therefore take place as follows:-

Quarter	Period under review	Month of reporting
1	July to end of September	October
2	October to end December	January
3	January to end March	April
4	April to end June	July

The review in January will coincide with the mid-year performance assessment as per section 72 of the MFMA. The said section determines that the accounting officer must, by 25 January of each

year, assess the performance of the municipality and report to council on inter alia, its service delivery performance during the first half of the financial year and service delivery targets and performance indicators as set out in the SDBIP

6.3.9 Annual Performance Reporting and Review

- ❖ On an annual basis a comprehensive report on the performance of the Municipality also needs to be compiled. The requirements for the compilation, consideration and review of such annual report are set out in chapter 12 of the MFMA. In summary it requires that:-
- ❖ All Municipalities for each financial year compile an annual report.
 - ❖ The annual report should be tabled within seven months after the end of the financial year.
 - ❖ Soon after the annual report has been tabled it should be made public and local community should be invited to submit representations thereon.
 - ❖ The Municipal Council should consider the annual report within nine months after the end of the financial year and adopt an oversight report containing the Council's comments on the annual report.
- ❖ The adopted oversight report should be made public.
 - ❖ The annual report as tabled and council's oversight report should be forwarded to Auditor General, the Provincial Treasury and the department responsible for local government in the Province.
 - ❖ The annual report as tabled and the council's oversight report should be submitted to the provincial legislature.

The oversight report to be adopted provides the opportunity for full Council to review the performance of the Municipality. The requirements that the annual report once tabled and oversight report be made public similarly provides the mechanism for general public to review the performance of the Municipality.

However the Municipality will budget for the compilation of a user friendly citizens' report. The citizens' report should be a simple, easily readable and attractive document that translates the annual report for public consumption.

Over and above the legal requirements of the MSA and the MFMA, there should be an annual public campaign that involves the community in the review of municipal performance. Such a campaign could involve all or any combination of the following methodologies:-

- ❖ Various forms of media should be used to convey the annual report e.g. radio newspapers, notice boards (in shops and community halls) and billboards.
- ❖ The public should be invited to submit comments on the annual report via physical visits to the Municipality offices, telephone, fax and email.
- ❖ Public hearings could be held in a variety of locations to obtain input of the annual report.
- ❖ Making use of existing structures such as ward committees to disseminate the annual report and invite comments.
- ❖ Hosting a number of public meetings and roadshows at which the annual report could be discussed and input invited.
- ❖ Producing a special issue of the municipal newsletter in which the annual report is highlighted and the public invited to comment.

The public review process should be concluded by formal review of the annual report by the IDP representative Forum of the Municipality.

The annual performance report should be compiled and completed no later than two months after financial – year end. That will ensure that its outcomes can timeously inform the next cycle of performance planning.

6.3.10 Summary of various performances reporting requirement

Annual Performance Report:

Section 121(3) A annual performance report would have to be Section 121 (3) (c) of the MFMA outlines the requirements for Annual performance reporting. An assessment of municipal performance together with recommendations for council by the audit committee, corrective actions undertaken arising from audit report and competency compliance for inclusion in the annual report.

Performance Reporting Requirements

Report	Frequency	Submitted Consideration or review to	for and Remarks
1. SDBIP	Quarterly	ExCo	See MFMA Circular 13 of National Treasury for further information

2. Monthly Budget Statements	Monthly	Mayor in consultation with ExCo	See sections 71 and 54 of the MFMA
3. Organisational Scorecard	Quarterly	ExCo	This PMS framework (see section 2.
4. SDBIP mid- year budget and performance assessment	Annually in Jan of each year	Mayor + ExCo Council	See section 72 and 54 of the MFMA
5. Performance Report	Annually	Council	See section 46 of the Municipal Systems Act as amended. Said report to form part of the annual report
6. Annual Report	Annually	Council	See chapter 12 of the MFMA

PERFORMANCE MANAGEMENT PLAN

Reporting Structure	Reviewing Structure	Report	Submission Date	Where	When
Divisions	Directorates	Monthly performance reports	25 th of each month	Directorate	Monthly
Directorates	Executive Management Committee	Monthly performance reports	27 th of each month	Municipal Manager's Office	Monthly
Directorates	<input type="checkbox"/> IDP/PMS and Budget Steering Committee	Quarterly performance reports	10 th the of next month after the end of each Quarter	IDP/PMS Unit	Quarterly
Directorates	<input type="checkbox"/> IDP/PMS and Budget Steering Committee	Mid-term performance reports	10 th of January	IDP/PMS Unit	Mid-year
Portfolio Committee	<input type="checkbox"/> Portfolio Committee	SDBIP Quarterly Report	First and second week next month after the end of each Quarter	IDP/PMS Unit	Quarterly

Reporting Structure	Reviewing Structure	Report	Submission Date	Where	When
Directorates	<ul style="list-style-type: none"> Executive Mayoral Committee Council 	Mid-term performance reports	25 th January	Strategic Planning Session	Mid-year
IDP/PMS Unit	<ul style="list-style-type: none"> Audit Committee Internal Audit Unit	<ul style="list-style-type: none"> Consolidate Directorates Quarterly performance reports audit Quarterly Performance analysis report 	14 th of the next month after the end of the Quarter	<ul style="list-style-type: none"> Municipal Manager's Office Internal Audit Unit 	Quarterly
Directorates	<ul style="list-style-type: none"> IDP/ PMS and Budget Steering Committee Council 	Annual Performance reports	10 th July	IDP/PMS Unit	Annually
IDP/PMS Unit	<ul style="list-style-type: none"> IDP/ PMS and Budget Steering Committee Council 	<ul style="list-style-type: none"> Consolidate Directorates Annual performance reports Annual Performance analysis report 	14 th July	<ul style="list-style-type: none"> Municipal Manager's Office Internal Audit Unit 	Annually

6.3.11 The Auditing of Performance Measures

The Role of Internal Audit in Terms of Performance Management:

The MFMA requires that the Municipality must establish an internal audit section which could be outsourced (depending on municipal resources and specific requirements) Section 45 of the MSA stipulates that the results of the municipality's performance measures should be audited by the said internal audit sections as part of the internal auditing process and annually by the auditor-General. For Makana, the internal audit function will be outsourced in liaison with the Sarah Baartman District Municipality.

The Municipal Planning and Performance management Regulations stipulates that the internal audit section must, on a continuous basis, audit all performance and auditing must include an assessment of the following:-

- The functionality of the Municipality's performance management system.

- The internal audit section must therefore on a regular basis audit whether the PMS of the Municipality is functioning as developed and described in this framework.
- Whether the Municipality's performance management systems complies with the act.
- This compliance check would require that the Municipality's internal audit unit, at least on an annual basis verify that the Municipality's PMS complies with the said legal requirements.
- The extent to which the Municipality's performance measurements are reliable in measuring the performance of by making use of indicators.
- The Municipality should have proper information that the internal audit function is able to access information regularly and to verify its correctness.
- The Municipality's internal auditors must submit quarterly reports on the audits undertaken to the Municipal Manager and the Audit Committee.

Audit committee: The MFMA and the Municipal Planning and Performance Management Regulations require that the Municipal Council Should establish an audit committee consisting of a minimum of three members, where the majority of members are not employees of the Municipality. No Councillor maybe a member of an audit committee. Council should also appoint a chairperson who is not an employee of Makana Municipality.

The regulations give Municipalities the option to establish a separate performance audit committee whereas the MFMA provides only for a single audit committee. The operation of Audit Committee when dealing with performance management is governed by section 14 (2-3) of the regulations which require the audit committee to do the following:-

- Review the quarterly reports submitted to it by the internal audit unit.
- Reviews the municipality PMS and make recommendations in this regard to the council of the Municipality.

At least twice during a financial year submit an audit report to the Municipal Council.

In order to fulfil their function, a performance audit committee may according to the MFMA and the regulations:-

- ❖ Communicate directly with the council, Municipal manager or the internal and external auditor of the Municipality concerned;
- ❖ Access any municipal records containing information that is needed to perform its duties or exercise its powers;
- ❖ Request any relevant person to attend ant of its meetings and if necessary to provide information requested by the committee, and
- ❖ Investigate any matter it deems necessary for a performance of its duties and the exercise of its powers.

Performance investigations: The Audit Committee should also be able to commission in depth performance investigations where there is either continued poor performance or a lack of reliability in the information being provided. Those performance investigations should assess the following:-

- ❖ The reliability of reported information.

- ❖ The extent of performance gaps from targets.

The reasons for performance gaps.

- ❖ Corrective action and improvement strategies.

The outsourced internal audit section will be used to conduct these investigations and should ensure the involvement of people who are experts in this area. For each investigation, clear terms of reference will need to be adopted by council.

6.3.12 Stakeholder Roles and Responsibilities

Stakeholder Roles and Responsibilities

Stakeholder	Role
Council / ExCo	Adopt the PMS Framework & PMS Adopt the Municipal Scorecards Conduct Annual Review Commission Performance Audits Reports to the Public and Province
Management team	Plan for PM Adopt the PMS Framework & PMS Draft scorecards Approve Departmental Scorecards Conduct Performance Measurements Produce PM reports Commission Performance Audits
Audit committee	<input type="checkbox"/> Assess Performance Management Reports & Make recommendation
Internal audit	<input type="checkbox"/> Audit the results of performance Measurements

6.4 Performance management at individual level:

The reality is that the Municipality is an institution that employs people, thus its performance is highly dependent on employees. It therefore follows that performance needs to be managed at individual employee level. The individual performance management system is a vehicle for implementing the operational plans emanating from the linkages between individuals, functions and the broader

Municipal objectives, The PMS is aimed at providing specific standards to assist the employer, management and municipal staff to perform to the required standards. Makana will use the individual PMS to:-

- ❖ Manage and measure behaviours' that contribute to organisational and individual success.
- ❖ Recognise levels of actual performance in relation to agreed targets ☐ Encourage continuous improvement and efficiency

- ❖ Identify and act on areas for individual development.
- ❖ Provide a platform for communication on performance between superiors and employees.

This section discussed the structured process for managing performance of the municipal manager and the employees that are directly report to her separately discussed the process of managing performance for the rest of municipal staff.

6.4.1 Performance management for section 57 managers

Performance management for municipal manager and the employees that directly report to him will strictly adhere to the provisions of the Municipal performance regulations (2006). The key phases are, namely, Performance Contracting, Performance review, and Performance assessment. This section will also discuss dispute relating to PM.

6.4.2 Performance contracting

Performance contracting is characterized by the consultation between the employer and the employee regarding specific performance standards that should be adhered to during the given financial year. Being the first of the three key phases, performance contracting entails the signing of the performance Agreement within one month after commencement of each financial year, with the purpose to:-

- ❖ Comply with the contract of employment
- ❖ Comply with section 57 of the MSA;
- ❖ Specify the agreed objectives and targets, and communicate within municipality's performance expectations in line with the IDP, the SDBIP and the budget;
- ❖ Specify accountabilities that are drawn in the Performance Plan
- ❖ Serve as basis of the municipality's commitment to a performance orientated relationship
- ❖ Provide a platform for monitoring, evaluating and measurement performance against targeted outputs and subsequently rewarding good performance.

At this phase, the employee will commit to focusing on implementing the key objectives (i.e. KPA's including any relevant special projects and the core Competency Requirements (CCR's).

The KPA and CCRs are assigned a weight, respectively. Such weighting (as it is known) denotes the relative importance of the key objective to each other. The KPAs would cover the main areas of work and would account for 80% whereas the CCRs would account for 20% of the final performance assessment. For the MM the KPA's are as follows:

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

For managers that directly account to the MM, the KPAs that are related to the functional areas of that manager's position, should be negotiated between that manager and municipal manager. The CCR that is critical for the employee's job should be selected from the following list and must also note the compulsory Core Managerial Competencies.

6.4.3 Core managerial competencies

- ❖ Strategic Capability and Leadership
- ❖ Programme and Project Management (compulsory)
- ❖ Financial Management
- ❖ Change Management
- ❖ Knowledge Management
- ❖ Service Delivery Innovation
- ❖ Problem solving and analysis
- ❖ People Management and Empowerment (Compulsory)
- ❖ Client orientation and customer focus (Compulsory)
- ❖ Communication
- ❖ Honesty and Integrity

6.4.4 Core occupational competencies

- ❖ Competence in self –Management
- ❖ Interpretation of and implementation within the legislative and national policy frameworks
- ❖ Knowledge of development local government
- ❖ Knowledge of Performance Management and reporting
- ❖ Knowledge of global and South African specific political, social and economic context
- ❖ Competence in policy conceptualization, analysis and implementation
- ❖ Knowledge of more than one functional municipal field / discipline

- ❖ Skills in mediation
- ❖ Skills in governance
- ❖ Competence as required by other national line sector departments
- ❖ Exceptional and dynamic creativity to improve the functioning of the municipality

6.4.5 List of Core Competency Requirements (CCRS) for Employees

In order to address the development gaps that support the achievement of set performance targets, a personal development plan (PDP) will be developed and form part of the Performance Agreement i.e. In line with the MFMA the performance agreements will be made available to the public.

7.4.6 Performance review

Performance review is aimed at checking and monitoring progress of the employee in satisfying the key objectives and their targets. Performance reviews will happen at the end of the first, second and third quarters of the year as noted below

Performance Review Schedule

Quarter	Period under review	Month of conducting review
1	July to end September	October
2	October to the end of December	January
3	January to the end of March	April
4	April to the end June	July

Makana Municipality may elect to conduct verbal reviews for the first and third quarters, particularly if performance is deemed satisfactory. During any of the reviews, the municipality will however make use of the assessment tools that will be ultimately used in performance assessment phase (4th Quarter). Despite the force stated performance review intervals, the employer reserves a choice to review performance at any stage (for as long as the employment contract is still valid). For the operational reasons and also based on agreement with the employee the employer will be entitled to making changes to the provisioning of the performance plan. In addition, performance feedback will be based on the employer's assessment of the employee's performance.

The performance review will entail the "stock taking" of the achievements on KPA and CRRs. Each of the two will be reviewed as follows:-Key performance areas.

Level	Terminology	Rating				
		1	2	3	4	5
5	Outstanding Performance					
4	Performance significantly above expectations					

Level	Terminology	Rating				
		1	2	3	4	5
3	Fully Effective					
2	Performance not fully effective					
1	Unacceptable performance					

The rating calculator will be developed and used for adding the scores for each KPA thus giving a final KPA score

6.4.7 Critical competency requirements

- Each CCR will be reviewed in terms of the extent to which the specified standards have been met.
- The fore going five-point scale will be used for each CCR.
- The rating will be multiplied by the weighting for each CCR and result in a score.
- The rating calculator will be used to add the scores and calculate the final CCR score.

It should be noted that for the mid-year review (i.e. October – December) it is important for the employer to keep records.

7.4.8 Performance assessment

Performance assessment is aimed at concluding the employee's performance measurement and development against set objectives. It will happen during the fourth quarter of the financial year. For purposes of practicality, performance assessment will be executed similar to the

Performance Review (explained above), save the following important variations:

It will not be "stock take" but a "final evaluation" exercise for the financial year.

- The minimum composition requirements of the evaluation panels will be as follows:

Performance Assessments

Evaluation of the Municipal Manager	Evaluation of Managers Accountable to the Municipal Manager
Mayor	MM
Chairperson of the audit committee	Chairperson of the audit committee
Executive Committee Member	Executive Mayoral Committee Member

Evaluation of the Municipal Manager	Evaluation of Managers Accountable to the Municipal Manager
Mayor or MM from another municipality	MM from another municipality
Ward Committee Member nominated by Mayor	HR Manager or Manager responsible PMS for secretarial purposes
HR Manager or Manager responsible PMS for secretarial purposes	

- c) Performance assessment will form the basis of rewarding outstanding performance and correcting unacceptable performance.
- d) Using the rating calculator, the range of performance bonus will allocated as follows, as a percentage of the all-inclusive remuneration package.

Performance Score	Performance Bonus
150% +	10% - 14%
130% to 149%	5% - 9%

- e) Unacceptable performance will be handled through providing remedial support to improve the employee's performance for an agreed timeframe (with the employer). If such structured attempts prove to be unsuccessful, the employer should take steps to terminate the contract on ground of unfitness or incapacity. In the case, there should be adherence to the provisions of the Labour Relations Act.
- f) Within 14 days of concluding the assessment of the MM's performance, the results thereof will be submitted to the MED for Eastern Cape local government and the national Minister for local government.

6.4.9 Performance management for all other municipal staff members

The Municipality will be focusing in the next following years in cascading Performance management to all employees. PMS has been cascade up HOD level but no review has been conducted yet.

6.4.10 General issues relating to performance management

This section highlights some general issues related to performance management that need to be taken into account in implementing the PMS in the Municipality.

6.4.11 Annual review of the performance management system

After the full cycle of the annual review and reporting is complete and the audit committee has met as required, the internal audit function will compile a comprehensive assessment/ review report. The report will be on whether the Municipality's PMS meets the system objectives and principles as set out in this framework and whether it complies with the MSA, PMS Regulations and the MFMA.

The report will need to be considered by the audit committee who will then submit any recommendations to the Executive Committee. The review undertaken and recommendations made by the audit committee could serve as input into the wider municipal review of the PMS. After the full cycle of the annual review, the Municipal Manager should initiate an evaluation report that includes inputs from departments.

The report will then be discussed by the management team and finally submitted to the Council for discussion and approval. All those steps will also fulfil the MSA's requirement that the Municipality should annually evaluate its PMS.

6.4.12 Amendments to KPI's and targets

The Municipality will need to adopt a policy on amendments to performance indicators and targets. As a policy area, such amendments may be proposed but will be subject to the approval of the Executive Committee in consultation with the Municipal Manager.

6.4.13 Integrating PMS with the Council's Existing Management Cycle

International best practice indicates that PMS stands the chance to succeed if it is integrated with the current management cycle of the Municipality.

The purpose of such a cycle would be to guide the integration of important process e.g. the strategic planning or development process in terms of the IDP methodology, the annual budget process and the formal process of evaluating and assessing Council's performance in terms of the approved PMS and this framework. Makana Municipality will develop and adopt a similar cycle that is suitable to its own circumstances and requirements.

6.4.14 Institutional arrangements

The implementation of the PMS in terms of this framework would require coordination at organisational level and that will be the task of the IDP-PMS Manager's position which will be acting on behalf of the Municipal Manager Performance Agreement.

For PMS at an individual level, the responsibility for co-ordination, administration and record keeping will be the responsibility of the position that is responsible for human resource management. Likewise, such duties will form part of the Corporate Service Director Performance Agreement.

The municipality will ensure that its outsourced internal audit section has expertise in dealing with performance management responsibilities which are practically over and above the traditional financial audit responsibilities.

6.5 CONCLUSION

Performance Management System has been implemented for section 56/57 managers and plans are in place to cascade to lower levels starting form Head of Department level in the 2017/22 financial years.

ANNEXURE A: WARD DEVELOPMENT PRIORITIES

WARD 1: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2023/24 REVIEW

1.1 WARD DEVELOPMENT PRIORITIES:

WARD 1: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2023/24 UPDATE				
NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	Land required for human settlement development	Spatial Development Planning	Municipality LED	0.3
2.	Eradication of bucket system	Water and Sanitation	Municipality DEI	0.1
3.	Job creation initiatives and opportunities	Facilitate Job creation	Municipality and Sector Department	0.3
4.	Illegal dumping & general cleaning of area	Waste Management	Municipality: Public Safety & Community Servicers	0.2
5.	Satellite fire Station in Riebeek East	Fire and Rescue Service	Municipality: Public Safety & Community Servicers	0.2
6.	Provision of clean water	Water Management	Municipality: DEIS	0.1
7.	Supply water harvesting Jojo tanks	Water and Sanitation	Municipality: DEIS	0.1
8.	Repair and Maintenance of Earth Dam	Water and Sanitation	Municipality: DEIS	0.1
9.	Resuscitation of existing boreholes (Carlisle Bridge, Fort Brown, Table Farm)	Water and Sanitation	Municipality: DEIS	0.1

10.	Upgrading of gravel road from Riebeek East to Makhanda	Roads Maintenance	Municipality: DEIS	0.1
11.	Repair, paving and upgrading of access roads	Roads Maintenance	Municipality: DEIS	0.1
12.	Maintenance and resurfacing of roads	Roads Maintenance	Municipality: DEIS	0.1
12.	Road signs, paint, speed bump removed and more place at school, pedestrian crossing	Road Safety Management (Traffic Services)	Municipality: Public Safety & Community Services	0.2
14.	Refurbishment of WTW holding ponds Riebeek East	Wastewater Management	Municipality: DEIS	0.1
15.	Provision and maintenance of sport facilities and Playpark for children	Recreational Facilities	Municipality: Public Safety & Community Services	0.2
16.	Dry sewerage system in Kwa Nomzamo and school	Wastewater Management	Municipality: DEIS	0.1
17.	Control of Illegal Dumping, provision of refuse bags and access to waste disposal facility	Environmental Management	Municipality: Public Safety & Community Services	0.2
18.	Old Piet Retief Orphanage building revamped and used for skills development and an art and culture center including agriculture	Recreation, Arts and Culture	Municipality: LED and Dept. of SRAC	0.3
19.	Playpark/outside gym area- Hooggenoeg	Sport and Recreational Facilities	Municipality: Public Safety & Community Services	0.2
20.	High Mast light overlooking path to Ghost Town	Electricity Services	Municipality: DEIS	0.1

1.2

WARD SECTORIAL DEVELOPMENT PRIORITIES

WARD 1: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2023/24 UPDATE				
NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	New and Rectification of RDP Houses	Housing Development	Human Settlement	0.1
2.	Livestock farming facilities needed, dip tank and loading ramp, cattle grid at commonage, fencing around commonage to be fixed	Facilitate support on agriculture initiatives	Municipality LED and Dept. Agriculture	0.3
3.	Job creation initiatives and opportunities	Facilitate Job creation	Municipality and Sector Department	0.3
4.	Job creation initiatives and opportunities	Facilitate Job creation	Municipality and Sector Department	0.3
5.	Repair and maintenance of school facilities (Riebeek East)	Education	Department of Education	0.6
6.	Electrification of all farm cottages and streetlights	Electricity Services	Eskom	0.1
7.	Ambulance services	Primary Health Care facility	Dept. of Health	0.6
8.	Provision of Solar Geysers (KwaNomzamo location and farm cottages)	Electricity Services	Dept. of Energy and Eskom	0.1
9.	School transport high school pupils to Grahamstown	Education	Dept. of Education	0.6
10.	Re-established community project	Community Development	Dept. Social Development	0.3

11.	Support for our local creche	Education	Dept. of Education and Social Development	0.6
12.	Development of arts, culture, Music etc - Skills Dev	Recreation, Arts and Culture	Dept. of SRAC	0.3
13.	Fixing house which burnt down, reclaim and fix hall- Hooggenoeg	Housing and Recreational Facilities	Municipality: Public Safety & Community Services and Dept. Human Settlements	0.2

WARD 2: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2023/24 REVIEW

2.1 WARD DEVELOPMENT PRIORITIES

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	Water outages	Water Services	Municipality DEIS	0.1
2.	Upgrade of sewer bulk line (KwaThaTha)	Water and sanitation	Municipality DEIS	0.1
3.	Eradicate the bucket system	Water and Sanitation	Municipality DEIS	0.1
4.	Control of Illegal Dumping, provision of refuse bags and access to waste disposal facility	Environmental and Waste Management	Municipality: Public Safety & Community Services	0.2
5.	Accessible waste disposal facilities	Water Services	Municipality DEIS	0.1
6.	Improved road safety	Traffic Services	Municipality: Public Safety & Community Services	0.2
7.	Install the streetlights for Nompondo area	Electricity Services	Municipality: DEIS and Eskom	0.1

8.	Installation of Geysers	Water Services	Municipality: DEIS and ESKOM	0.1
9.	Satellite Fire Station	Fire and Rescue	Municipality: Public Safety & Community Services and SBDM	0.2

2.2 WARD SECTORIAL DEVELOPMENT PRIORITIES

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	Formalization infill areas (Upper Mnandi)	Housing development	Municipality: DEIS and Dept. of Human Settlement	0.1
2.	High unemployment rate	Employment opportunities	Municipality and Dept. of Labour.	0.6

WARD 3: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2023/24 REVIEW

3.1 WARD SERVICE DELIVERY DEVELOPMENT PRIORITIES

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	Water outages and quality	Water Services	Municipality DEIS	0.1
2.	Control of Illegal Dumping, provision of refuse bags and access to waste disposal facility	Water and Sanitation	Municipality DEIS	0.1
3.	Provision of RDP houses for Phumlani: Extension 2	Water and Sanitation	Municipality DEIS	0.1

4.	Provision of speed humps in Ghost town and pedestrian bridge	Transport Management	Municipality: Public Safety & Community Servicers	0.2
5.	Maintain roads and storm water system	Road and Stormwater Maintenance	Municipality: DEIS	0.1
6.	Construction of Overheard bridge	Road Infrastructure	Municipality: DEIS	0.1
7.	Installation of high mast lights in Papamani, Zolani & Polar Park. Paving of extension 10	Electricity Services	Municipality: DEIS and ESKOM	0.1
8.	Cemetery needs maintenance – fencing	Cemeteries	Municipality: Public Safety & Community Services and SBDM	0.2
9.	Provision and Maintenance of sport facility	Sport and Recreational Facilities	Municipality: Public Safety & Community Services	0.2
1.	More communal Taps in infill areas(Water)	Water Services	Municipality DEIS	0.1
11.	Community hall for Mayfield extension 10 area	Recreational Facilities	Municipality: Public Safety & Community Services	0.2
12.	Enforcement of bylaw- Illegal dumping and street vendors	Environmental and Waste Management	Municipality: Public Safety & Community Services	0.2
13.	Conversion of Phumlani park to be open gymnasium facility	Recreational Facilities	Municipality: Public Safety & Community Services	0.2
14.	Timeous delivery of water when the is no water day and poor communication	Water Services	Municipality DEIS	0.1
15.	Municipality plans about the loadshedding.	Electricity Services	Municipality: DEIS and Eskom	0.1

16.	Upgrading of Zolani infill areas	Upgrading and provision of basic infrastructure	Municipality DEIS	0.1
17.	Sewer spillages across Phapamani and Zolani	Upgrading and provision of basic infrastructure	Municipality DEIS	0.1
18.	Report on the Assessment done by NDA	Housing Development	Municipality: DEIS and Dept. of Human Settlement	0.1
19.	Refurbishment of Oval Stadium and Lavendar Valley that will accommodate other sport facilities including Soccer	Sport and Recreational Facilities	Municipality: Public Safety & Community Services	0.2
20.	No Billing and meter reading in Mayfield	Billing	Financial Services	0.5

3.2 WARD SECTORIAL DEVELOPMENT PRIORITIES

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	Assist unemployed youth artists	Recreational Development	Municipality: DEIS and Dept. of SRAC	0.1
2.	Rectification of houses	Housing Development	Dept. of Human Settlements	0.2
3.	Formalization of Infill areas	Housing Development	Dept. of Human Settlements	0.1
4.	Primary health facilities	Primary Health Care facility	Dept. of Health	0.6
5.	Report on the Assessment done by NDA	Housing Development	Dept. of Human Settlement	0.1

WARD 4: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2023/24 REVIEW**4.1 WARD SERVICE DELIVERY DEVELOPMENT PRIORITIES**

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	Speed hump needed in Scott's farm, Fitchat street	Water Services	Municipality DEIS	0.1
2.	Painting of roads marks to improve safety	Road Maintenance	Municipality DEIS	0.1
3.	High level of crime and Drug abuse	Social Services	Municipality: Public Safety & Community Services, Dept. Social Development and SAPS	0.2
4.	Deterioration of the electrical distribution network	Electricity maintenance	Municipality: DEIS	0.1
5.	Repair and maintenance of Streetlights	Electricity maintenance	Municipality DEIS	0.1
6.	Repair and maintenance of community halls: Crown and Recreation Halls	Building Maintenance	Municipality: DEIS	0.1
7	Rectification and provision of new RDP Houses	Fire and Rescue Service	Municipality: Public Safety & Community Servicers	0.2
8.	Housing Rectification	Housing	Dept. of Human Settlements	0.1
9.	Regular cleaning/ eradication of the illegal dumping sites	Environmental Services	Municipality: Public Safety & Community Services	0.2
10.	Deterioration of roads, pavements and stormwater drains throughout ward 4	Roads Maintenance	Municipality: DEIS	0.1
11.	Water outages	Water Services	Municipality: DEIS	0.1

12.	Control of Illegal Dumping, provision of refuse bags and access to waste disposal facility	Environmental Services	Municipality: Public Safety & Community Services	0.2
13.	Deterioration of roads, pavements and stormwater drains throughout ward.	Road Maintenance	Municipality: DEIS	0.1
14.	Repair and maintenance of streetlights	Electricity Maintenance	Municipality: DEIS	0.1
15.	Repair and maintenance of building and fleet	Building and Fleet maintenance	Municipality: DEIS, BTO and Corporate Services	0.1
16.	No Billing and meter reading in Mayfield	Financial Management	Municipality: BTO	0.4

4.2 WARD SECTORIAL DEVELOPMENT PRIORITIES

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
7.	High unemployment levels particularly in Scott's Farm	Employment opportunities	Dept. of Labour.	0.6
10.	Drastic deterioration of Emergency Houses from the 2008 tornado	Housing	Dept. of Human Settlements	0.1
9.	Housing Rectification	Housing	Dept. of Human Settlements	0.1
11.	Drug and Alcohol Abuse	Social Services	Municipality: Public Safety & Community Services, Dept. Social Development and SAPS	0.2

WARD 5: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2023/24 REVIEW

5.1 WARD SERVICE DELIVERY DEVELOPMENT PRIORITIES

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	Water outages	Water Services	Municipality DEIS	0.1
2.	Provision of new RDP Houses	Housing Development	Municipality: LED and Planning	0.3
3.	Paving of streets in July Street, taxi routes	Road Maintenance	Municipality DEIS	0.1
4.	Lack of maintenance of cemeteries	Environmental Management	Municipality: Public Safety & Community Services	0.2
5.	Lack of Recreational facilities	Recreational Facilities	Municipality: Public Safety & Community Services	0.2
6.	Illegal dumping	Environmental Management	Municipality: Public Safety & Community Services	0.2
7.	2010 Sanitation project never completed; transit camp toilets not connected	Water and Sanitation	Municipality: DEIS	0.1
8.	Support to SMME's and food security initiatives	Economic Development Initiatives	Municipality: LED	0.3
9.	The community hall is sinking and ramps for disabled posing a risk	Building Maintenance	Municipality: DEIS	0.1
10.	Use community hall as multipurpose centre i.e., community projects	Recreational Facilities	Municipality: Public Safety & Community Services	0.2
11.	Upgrading, maintenance gravel roads and paving for main roads	Road Maintenance	Municipality: DEIS	0.1

12.	Feedback to the community on development interventions	Stakeholder Communication	Municipality: Office of the MM	0.5
13.	Outstanding ward committee election	Community Participation	Municipality: Office of the Speaker	0.5
14.	Clearing of water streams next to Community Hall	Environmental Management	Municipality: Public Safety & Community Services	0.2
15.	769 – sewer spillage inside the yard in transit camp	Water and Sanitation	Municipality: DEIS	0.1
16.	No meter readings done.	Financial Management	Municipality: BTO	0.4
17.	No billing and estate late debts increasing	Financial Management	Municipality: BTO	0.4
18.	Communal tap water and Installation JoJo Tanks for Households.	Water Services	Municipality: DEIS	0.1
19.	Road's upgrade and maintenance	Road Maintenance	Municipality: DEIS	0.1
20.	Control of Illegal Dumping, provision of refuse bags and access to waste disposal facility across ward with special emphases Transitx	Environmental Management	Municipality: Public Safety & Community Services	0.2
21.	Need assistance in fencing for garden in Transit Camps	Commonage Management	Municipality: Public Safety & Community Services	0.2
2.	Provision refuse collection bags	Environmental Management	Municipality: Public Safety & Community Services	0.2

5.2 WARD SECTORIAL DEVELOPMENT PRIORITIES

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	Satellite police station is needed	Community Safety	SAPS	0.6
2.	Need primary school in the areas	Education	Dept. of Education	0.2
3.	Provision of primary health facility	Healthcare	Dept. of Health	0.6
4.	28 outstanding houses	Housing Development	Dept. of Human Settlements	0.6
5.	Ratification of houses	Housing Development	Dept. Human Settlements	0.6
6.	Housing rectification- need assistance changing of doors	Housing Development	Dept. of Human Settlements	0.6

WARD 6: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2023/24 REVIEW

6.1 WARD SERVICE DELIVERY DEVELOPMENT PRIORITIES

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	Water Outages	Water Services	Municipality DEIS	0.1
2.	VIP Toilets not lined	Water and Sanitation	Municipality DEIS	0.1
3.	Bucket system eradication	Water and Sanitation	Municipality DEIS	0.1
4.	Eradication of the 8 illegal dumping sites	Environmental Management	Municipality: Public Safety & Community Services	0.2
5.	Provision High masts	Electrical Services	Municipality DEIS	0.1

6.	Construction of speed humps needed near Church Street	Road Maintenance	Municipality: DEIS	0.1
7.	Paving of main and access roads	Road Maintenance	Municipality: DEIS	0.1
8.	Repair and maintenance of Roads	Road Maintenance	Municipality: DEIS	0.1
9.	Maintenance of Storm water drainage	Water Services	Municipality: DEIS	0.1
10.	Control of Illegal Dumping, provision of refuse bags and access to waste disposal facility	Environmental Management	Municipality: Public Safety & Community Services	0.2

6.2 WARD SECTORIAL DEVELOPMENT PRIORITIES

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	Skills development	Capacity Building	Municipality: SPU, Dept. of Labour and Dept. of Education	0.4
2.	RDP houses	Housing Development	Dept. Human Settlements	0.1
3.	High rate of unemployment	Employment Opportunities	Municipality: Corporate Services and Dept. of Labour	0.4

WARD 7: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2023/24 REVIEW

7.1 WARD SERVICE DELIVERY DEVELOPMENT PRIORITIES

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	Water outages	Water Services	Municipality DEIS	0.1

2.	Flooding due to lack of stormwater drainage	Stormwater Management	Municipality DEIS	0.1
3.	Bucket eradication	Sanitation	Municipality: DEIS	0.1
4.	Disaster project stalled	Disaster Management	Municipality: Public Safety & Community Services	0.2
5.	Storm water drainage need maintenance	Stormwater Management	Municipality: DEIS	0.1
6.	Upgrading of lights in Foleys grounds	Recreational Facilities	Municipality: Public Safety & Community Services	0.2
7.	Paving of all Gravel Roads. Resurfacing of tare Road at Hlalani. Sidewalks needed in Hlalani Main Street/Rd.	Road Maintenance	Municipality: DEIS	0.1
8.	Lack of community recreational facilities	Recreational Facilities	Municipality: Public Safety & Community Services	0.2
9.	Illegal Dumping	Environmental Management	Municipality: Public Safety & Community Services	0.2
10.	Control of Illegal Dumping, provision of refuse bags and access to waste disposal facility	Environmental Management	Municipality: Public Safety & Community Services	0.2
11.	Lack of communication with communities when there going to be interruption of provision of services	Stakeholder Communication	Municipality: Office of the MM	0.5
12.	Use of Refuse collector for communication and establishment of ward base communication strategy	Stakeholder Communication	Municipality: Public Safety & Community Services and Office of the MM	0.5
13.	Control and cleaning stormwater stream and channels	Stormwater Maintenance	Municipality: DEIS	0.1
14.	Poor response to Serwer and water spillages	Wastewater Management	Municipality: DEIS	0.1

15.	Upgrade of infill areas	Housing Development	Municipality: LED and Planning	0.3
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7.2 WARD SECTORIAL DEVELOPMENT PRIORITIES

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	RDP Housing Project, Tentyi Phase II, Xolani RDP and rectification project	Housing Development	Dept. of Human Settlements	0.6
2.	Provide houses for people in infill area	Housing Development	Municipality: DEIS and Dept. of Human Settlement	0.1
3.	Need jobs	Employment Opportunities	Municipality: Corporate Services and Dept. of Labour	0.6
4.	High crime rate due to unemployment	Law and Order	SAPS	0.6
5.	Mobile clinic	Healthcare	Dept. of Health	0.6

WARD 8: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2023/24 REVIEW

8.1 WARD SERVICE DELIVERY DEVELOPMENT PRIORITIES

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	Water outages	Water Services	Municipality DEIS	0.1
2.	Major sewer blockages and leakage of sewer in De Villiers Close	Water and Sanitation	Municipality DEIS	0.1
3.	Provision of speed humps in Powell Street, George Street, Mathews,	Road Maintenance	Municipality: DEIS	0.1

4.	Repair and maintenance of roads	Road Maintenance	Municipality: DEIS	0.6
5.	Storm water drainage need maintenance	Stormwater Maintenance	Municipality: DEIS	0.1
6.	Control of Illegal Dumping, provision of refuse bags and access to waste disposal facility	Environmental Management	Municipality: Public Safety & Community Services	0.2
7.	Repair and maintenance of streetlights	Electricity Maintenance	Municipality: DEIS	0.1
8.	Bush clearing and river rehabilitation, riverbanks stabilised to prevent erosion, walkways cleared and high mast light installed in area around river where people cross	Environmental Management	Municipality: Public Safety & Community Services	0.2
9.	4 public toilets in the CBD	Public Amenities	Municipality: Public Safety & Community Services	0.2
10.	Livestock tagging and control	Animal Control	Municipality: Public Safety & Community Services	0.2
11.	Traffic controls – cameras, speed control	Traffic Management	Municipality: Public Safety & Community Services	0.2
12.	By law enforcement – control of street vendors without permits, noise, public indecency	Law Enforcement	Municipality: Public Safety & Community Services	0.2
13.	Better management of the area around the dumpsite	Environmental Management	Municipality: Public Safety & Community Services	0.2
14.	All illegal dumpsites cleared – signage put up stating it is illegal to dump	Environmental Management	Municipality: Public Safety & Community Services	0.2
15.	Proper security of electrical substations	Electricity Services	Municipality: DEIS	0.1
16.	Storm water and gutter clearing and maintenance	Storm water Maintenance	Municipality: DEIS	0.1

17.	Road maintenance and resurfacing	Road Maintenance	Municipality: DEIS	0.1
18.	sewer leaks and maintenance	Water and Sanitation	Municipality: DEIS	0.1
19.	Refurbishment and maintenance of Parks and open spaces	Recreational Facilities	Municipality: Public Safety & Community Services	0.2
20.	More bins in and around the CBD and key areas	Cleansing	Municipality: Public Safety & Community Services	0.2
21.	Beautification of the CBD	Environmental Management	Municipality: Public Safety & Community Services	0.2
22.	Protection of substation	Security Services	Municipality: Corporate Services	0.4

8.2 WARD SECTORIAL DEVELOPMENT PRIORITIES

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
3.	Need Jobs	Employment Opportunities	Municipality: Corporate Services and Dept. of Labour	0.6
4.	High rate of violence murder, burglary, rape and crime	Law Enforcement	SAPS	0.6
9.	Need RDP Houses	Housing Development	Dept. Human Settlements	0.6

WARD 9: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2023/24 REVIEW

9.1 WARD SERVICE DELIVERY DEVELOPMENT PRIORITIES

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	No water coming from standpipes at Eluxolweni	Water Services	Municipality DEIS	0.1
2.	Eradication of 50 bucket system toilets	Sanitation Services	Municipality: DEIS	0.1
3.	Burst sewer pipes	Water and Sanitation	Municipality DEIS	0.1
4.	The area needs proper toilets	Sanitation Services	Municipality: DEIS	0.1
5.	Installation of geysers on all RDP houses	Water Services	Municipality: DEIS	0.1
6.	Outside toilets have no doors	Building Maintenance	Municipality: Corporate Services	0.4
7.	Toilets required at Eluthuthwini	Sanitation Services	Municipality: DEIS `	0.1
8.	Cemeteries fencing	Cemetery Maintenance	Municipality: Public Safety & Community Services	0.2
9.	Fencing of the two Sport field	Recreational Facilities Maintenance	Municipality: Public Safety & Community Services	0.2
10.	Paving of extension 5 at the circle.	Roads Management	Municipality: DEIS	0.1
12.	Maintenance of streetlights on the main road	Electricity Maintenance	Municipality: DEIS	0.1
12.	Maintenance of existing road in extension 5	Road Maintenance	Municipality: DEIS	0.1
13.	Disaster houses	Housing Development	Dept. Human Settlements	0.6
14.	Electrification of Eluthuthwini	Electrical Distribution	Municipality: DEIS and Eskom	0.1

15.	RDP Housing Project for Newtown and Ndancama	Housing Development	Dept. Human Settlements	0.6
16.	A & B streets needs a housing renovation project	Housing Development	Dept. Human Settlements	0.6
17.	Control of Illegal Dumping, provision of refuse bags and access to waste disposal facility	Environmental Management	Municipality: Public Safety & Community Services	0.2
18.	High rate of unemployed youths	Employment Opportunities	Municipality: Corporate Services and Dept. of Labour	0.6
19.	Satellite library needed	Library Services	Municipality: Public Safety & Community Services	0.2
20.	Open space at the back of extension 5 to be used for educational and business purposes	Planning and Development	Municipality: LED and Planning	0.3
21.	Community hall needed	Recreational Facilities	Municipality: Public Safety & Community Services	0.2
22.	Curb the speeding of vehicles in A and B Streets	Road Management	Municipality: Public Safety & Community Services	0.2
23.	Sport fields needed	Recreational Facilities	Municipality: Public Safety & Community Services	0.2
24.	Maintenance of storm water drainage systems	Stormwater maintenance	Municipality: DEIS	0.1
25.	Access roads for Eluxolweni	Road Maintenance	Municipality: DEIS	0.1
26.	Patching of Potholes	Road Maintenance	Municipality: DEIS	0.1
27.	Need sidewalks in Joza	Road Maintenance	Municipality: DEIS	0.1
28.	Paving required at Eluxolweni	Road Maintenance	Municipality: DEIS	0.1

9.2 WARD SERVICE DELIVERY DEVELOPMENT PRIORITIES

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	Renovations on Eluxolweni houses	Housing Development	Dept. of Human Settlements	0.6
2.	A clinic is needed	Healthcare Services	Dept. of Health	0.6
3.	1000 RDP homes needed	Housing Development	Dept. Human Settlement	0.6
4.	Housing rectification in Hlalani	Housing Development	Dept. Human Settlements	0.6
5.	Reconstruction of disaster houses in Vukani-10 units	Housing Development	Dept. of CoGTA and Human Settlements	0.6

WARD 10: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2023/24 REVIEW

10.1 WARD SERVICE DELIVERY DEVELOPMENT PRIORITIES

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	Water outages	Water Services	Municipality DEIS	0.1
2.	Eradication of bucket system for 106 units	Sanitation Services	Municipality DEIS	0.1
3.	Paving needed in: J, N, Q, R, S Streets; Xolani Extension	Road Maintenance	Municipality: DEIS	0.1
4.	Upgrading of roads and fixing potholes	Road maintenance	Municipality: DEIS	0.1
5.	Unfinished RDP Project	Housing Development	Municipality: DEIS and Dept. Human Settlements	0.1

6.	Provision speeding humps required Albert Road, Powel Str, upper main road from A street to Powel Traffic lights at Raglan Road	Road Management	Municipality: Public Safety & Community Services	0.2
7.	Powel street road a disaster	Road Maintenance	Municipality: DEIS	0.1
8.	Refurbishment of sport ground at Fingo Village (wood Street)	Recreational Facilities	Municipality: Public Safety & Community Services	0.2
9.	Poor response to sewer and water spillages (Response)	Water and Sanitation	Municipality: DEIS	0.1
10.	Control of Illegal Dumping, provision of refuse bags and access to waste disposal facility	Environmental Management	Municipality: Public Safety & Community Services	0.2
11.	Resuscitation of Makana Freedom Festival	Recreational Programs	Municipality: Office of the MM	0.5
12.	Refurbishment of Egazini precinct and revival of the commemoration	Recreational Facilities	Municipality: Public Safety & Community Services	0.2
13.	House development for Mission areas	Housing Development	Municipality: DEIS	0.1
14.	Investigation of Mayikwa Family -RDP house Construction	Housing Development	Municipality: DEIS	0.1
15.	Poor communication with community when there is going to be interruption service provision	Stakeholder Communication	Municipality: Office of the MM	0.5
16.	Establishment of Recycling project	Environmental Management	Municipality: Public Safety & Community Services	0.2

10.2 WARD SECTORIAL DEVELOPMENT PRIORITIES

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	250 Phase 2 Housing programme	Housing Development	Dept. of Human Settlements	0.6
2.	New Development – 377 houses	Housing Development	Dept. of Human Settlements	0.6
3.	Reconstruction of Disaster Houses	Housing	Dept. of Human Settlement	0.6
4.	Fingo Village Project housing project development and plastering of the existence houses completion	Employment opportunities	Dept. of Labour.	0.6
5.	High rate of violence, murder, burglary, rapes and crime	Law and Order	SAPS	0.6
9.	Unfinished RDP Project	Housing Development	Dept. Human Settlements	0.1
7.	Outstanding house in L Street	Housing Development	Dept. of Human Settlements	0.6
8.	Engagement of SAPS to combat crime	Law and Order	SAPS	0.6

WARD 11: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2023/24 REVIEW

11.1 WARD SERVICE DELIVERY DEVELOPMENT PRIORITIES

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	Water outages	Water Services	Municipality DEIS	0.1
2.	Maintenance of high masts	Electrical Maintenance	Municipality DEIS	0.1

3.	Dumping sites need addressing	Environmental Management	Municipality: Public Safety & Community Services	0.1
4.	Satellite library needed	Library Services	Municipality: Public Safety & Community Services	0.2
5.	Community hall needed	Recreational Facilities	Municipality: Public Safety & Community Services	0.2
6.	Sport fields needed	Recreational Facilities	Municipality: Public Safety & Community Services	0.2
7.	Maintenance of the grave site	Cemetery Maintenance	Municipality: Public Safety & Community Services	0.2
8.	Poor condition of roads. Need maintenance plan	Road maintenance	Municipality: DEIS	0.1
9.	Bucket system to be eradicated	Sanitation Services	Municipality: DEIS	0.1
10.	Electrification of Khayelitsha	Electricity Distribution	Municipality: DEIS	0.1
11.	Water outages	Water Services	Municipality: DEIS	0.1
12.	Control of Illegal Dumping, provision of refuse bags and access to waste disposal facility	Environmental Management	Municipality: Public Safety & Community Services	0.2
13.	Repair and maintenance of Grave sites	Cemetery Maintenance	Municipality: Public Safety & Community Services	0.2
14.	Septic tanks not lined/drawn	Sanitation Services	Municipality: DEIS	0.1
15.	Provision of Community Hall library	Recreational Facilities	Municipality: Public Safety & Community Services	0.2

11.2 WARD SECTORIAL DEVELOPMENT PRIORITIES

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	High number of unemployed youth	Employment Opportunities	Municipality: Corporate Services and Dept. of Labour	0.6
2.	Electrification of 100 households in Ethembeni	Electrical Distribution	ESKOM	0.1
3.	2000 RDP houses needed	Housing Development	Dept. of Human Settlements	0.6
4.	Poor workmanship on RDP Housing standard/ Rectification of RDP Houses	Housing Development	Dept. of Human Settlements	0.6
5.	24 Hour Primary Clinic	Healthcare Facilities	Dept. of Health	0.6

WARD 12: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2023/24 REVIEW

12.1 WARD SERVICE DELIVERY DEVELOPMENT PRIORITIES

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	Water outages	Water Services	Municipality DEIS	0.1
2.	Summit and Old sub-stations need upgrade, transformers leaking oil.	Electrical Maintenance	Municipality DEIS	0.1
3.	Roads in African and South Street (Somerset to South) are in poor condition.	Road Maintenance	Municipality DEIS	0.1
4.	Sewerage blockages	Sanitation Services	Municipality: DEIS	0.1
5.	Water outages and leaks	Water Services	Municipality: DEIS	0.1

6.	Protection of Substation	Security Services	Municipality: Corporate Services	0.4
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12.2 WARD SECTORIAL DEVELOPMENT PRIORITIES

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	High rate of violence targeted at students	Law and Order	SAPS	0.6

WARD 13: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2023/24 REVIEW

13.1 WARD SERVICE DELIVERY DEVELOPMENT PRIORITIES

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	Water outages	Water Services	Municipality DEIS	0.1
2.	Need recreational facilities	Recreational Facilities	Municipality: Public Safety & Community Services	0.2
3.	Tarring of Ring Street	Road Maintenance	Municipality DEIS	0.1
4.	Toilets are leaking	Sanitation Services	Municipality: DEIS	0.1
5.	Lack of recreational hall	Recreational Facilities	Municipality: Public Safety & Community Services	0.2
6.	Highland roads resurface	Road Maintenance	Municipality: DEIS	0.1
7.	Bush clearance	Environmental Management	Municipality: Public Safety & Community Services	0.2

8.	Water in Ngqawana street (Vukani)	Water Services	Municipality: DEIS	0.1
9.	Repair and maintenance of roads (Paving Road)	Road Maintenance	Municipality: DEIS	0.1
10.	Installation of Stormwater drainage system	Stormwater Maintenance	Municipality: DEIS	0.1
11.	Building a overhear bridge in Vukani	Road Management	Municipality: DEIS	0.1
12.	Removal of the big stone in Ngqawana street	Environmental Management	Municipality: Public Safety & Community Services	0.2
13.	Individual Session should be considered when it comes to Rural areas	Stakeholder Participation	Municipality: Office of the Speaker	0.5
14.	Establishment of Municipal Rural development Plan /Strategy	Planning and Development	Municipality: LED and Planning	0.3
15.	Increase water distribution and provision of more JoJo tanks for different areas	Water Services	Municipality: DEIS	0.1
16.	Repair maintenance rural areas roads	Road Maintenance	Municipality: DEIS	0.1
17.	Identification of innovative project for rural areas	Planning and Development	Municipality: LED and Planning	0.3
18.	Job creation opportunities	Employment Opportunities	Municipality: Corporate Services and Dept. of Labour	0.6
19.	Lack of aftercare support by the sector department	Education	Dept. of Education	0.6
20.	Resuscitate Agri Village initiative	Agricultural Development	Municipality: LED and Planning	0.3
21.	Support on the skilled development for youth	Economic Development	Municipality: LED and Planning	0.3

22.	Salem river stream is blocked by the Famers	Environmental Management	Municipality: Public Safety & Community Services	0.2
23.	Repair and maintenance of catchment areas for stock farming.	Environmental Management	Municipality: Public Safety & Community Services	0.2
24.	Purification of borehole water and bult reservoirs	Water Services	Municipality: DEIS	0.1
25.	Re introduce Rural development Budget under Mayor office	Stakeholder Participation	Municipality: Office of the Mayor	0.5
26.	Access roads for Eluxolweni	Road Maintenance	Municipality: DEIS	0.1
27.	Patching of Potholes	Road Maintenance	Municipality: DEIS	0.1

13.2 WARD SECTORIAL DEVELOPMENT PRIORITIES

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	A clinic is required	Healthcare Facilities	Dept. of Health	0.6
2.	Collapsed RDP house in Vukani	Housing Developments	Dept. of Human Settlements	0.6
3.	66-year-old women still in need RDP house	Housing Development	Dept. of Human Settlement	0.6
4.	Housing rectification and the provision of 30 RDP homes	Housing Development	Dept. of Human Settlements	0.6
5.	No electricity in some farm areas	Electricity Services	Municipality: DEIS and Eskom	0.1
6.	Job creation opportunities	Employment Opportunities	Municipality: Corporate Services and Dept. of Labour	0.6

7.	Lack of aftercare support by the sector department	Education	Dept. of Education	0.6
8.	Assistance in scooping/excavate dams for stock farming	Agricultural Development	Dept. of Agriculture	0.6

WARD 14: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2023/24 REVIEW

14.1 WARD SERVICE DELIVERY DEVELOPMENT

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	Shortage Water supply seven fountains	Water Services	Municipality DEIS	0.1
2.	Grave sites reaching capacity in kwa Nonzwakazi a new cemetery in needed urgently	Cemetery Maintenance	Municipality: Public Safety & Community Servicers	0.2
3.	Kwa Nonzwakazi and Transriviere community hall maintenance	Recreation Facility Maintenance	Municipality: Public Safety & Community Services	0.2
4.	Provision of sport facility and support sporting equipment in Seven Fountains	Recreational Facilities	Municipality: Public Safety & Community Services	0.2
5.	Upgrading of gravel road linking Alicedale and Makhandia	Road Maintenance	Municipality: DEIS	0.1
6.	Skills development centre	Youth Empowerment	Municipality: SPU	0.5
7.	SMME Development	Econmic Development	Municipality: LED and Planning	0.3
8.	Control of Illegal Dumping, provision of refuse bags and access to waste disposal facility	Environmental Management	Municipality: Public Safety & Community Services	0.2
9.	Bushmen sand development	Planning and Development	Municipality: LED and Planning	0.3

10.	Support Tourism initiatives	Tourism Development	Municipality: LED and Planning	0.3
11.	Water quality and the wall that was built near News Dam that is blocking water from streams to the main source (News Dam) by the game reserve.	Water Services	Municipality: DEIS	0.1
12.	Renovation of Alicedale halls monitoring	Recreational Facilities	Municipality: DEIS	0.1
13.	Repair and Maintenance of road with special focus fixing potholes particularly in town	Road Maintenance	Municipality: DEIS	0.1
14.	Refuse collection should be monitored	Environmental Management	Municipality: Public Safety & Community Services	0.2
15.	Addressing challenges around Unit Manager in Alicedale	Administration	Municipality: Corporate Services	0.4
16.	Vacant post at the Alicedale municipality offices	Administration	Municipality: Corporate Services	0.4
17.	Electrification of informal settlement and installation of High mast lights	Electricity Distribution	Municipality: DEIS	0.1
18.	Hole at Songwiqui street that required urgent attention	Roads and Stormwater	Municipality: DEIS	0.1

14.2 WARD SECTORIAL DEVELOPMENT PRIORITIES

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	High unemployment and shortage of skills to sustainable livelihoods	Employment Opportunities	Dept. of Agriculture and Dept. of Labour	0.6
2.	Rectification of 221 houses	Housing Development	Dept. of Human Settlement	0.6

3.	Reconstruction of the 20 disaster houses	Housing Development	Dept. of Human Settlements	0.6
4.	New development of 33 houses	Housing Development	Dept. of Human Settlements	0.6
5.	Seven Fountain in need of Housing Development	Housing Development	Dept. of Human Settlements	0.6
6.	No access to primary health the community has grown tremendously since 2012	Healthcare Facilities	Dept. of Health	0.6
7.	Refurbishment Windmill for the Stock owners	Agriculture Development	Dept. of Agriculture	0.6

ANNEXTURE B: IDP PROJECT REGISTER:

BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

KFA		Project	Projects & Programmes	Total	Funding Source	5 Year Implementation Framework					5+ Years
		Project Number		Project							
				Cost							
				Estimate							
				(R'm)		2022/23	2023/24	2024/25	2025/26	2026/27	
Refuse	1.39	P 039	Makana : Waste Management Plan and Strategy	1	MIG						
	1.40	P 040	Eradicate and revamp of dumping sites		Makana						
	1.41	P 041	Establishment of Waste material recovery facilities)		Makana						
	1.42	P 042	Decommission, close, rehabilitation and management of landfill sites		Makana						
	1.43	P 043	Provision of area Duping stands		Makana						
	1.44	P 044	Refuse Bins		Makana						

	1.45	P 045	Procure new equipment and truck		Makana						
	1.46	P 046	Makana : Waste to energy projects (feasibility study)	0.5	DOE						
	1.47	P 047	Makhanda : Waste transfer station	5	MIG						
	1.48	P 048	Makhanda : Development of 3 buy-back centres	3	MIG						
	1.49	P 049	Makhanda Feasibility and establishment of recycling and material recovery facility	10	MIG						
	1.50	P 050	Makhanda : Feasibility study for closure and relocation of landfill site	1	MIG						
	1.51	P 051	Fort Brown : Solid Waste Transfer Station	1	MM						

KFA		Project	Projects & Programmes	Total	Funding Source	5 Year Implementation Framework					5+ Years 5+ Years
Roads	1.52	P 052	Makana: Review Roads & Storm Water Master Plan	1	MISA						
	1.53	P 053	Makana: Upgrade district roads	50	DPW						
	1.54	P 054	Makhanda: General Repair and Maintenance roads	6 million	MM						
	1.55	P 055	Makhanda: General upgrading and reconstruction of curbs and sidewalks	20	MIG						
	1.56	P 056	Makhanda: Traffic Management Plan implementation	3.4	DOT						
	1.57	P 057	Alicedale : Upgrade and resurface N2 link	10	DPW						
	1.58	P 058	Alicedale : Upgrading of internal roads Rings Street	10	MIG						

	1.59	P 059	M Street : <i>Upgrade</i>	20	MIG						
	1.60	P 060	Fort Brown : <i>R63 Access Road</i>	3	MIG						
	1.61	P 061	Makana Way : <i>Upgrade</i>	10	MIG						
	1.62	P 062	Ncame Street : <i>Upgrade</i>	12	MIG						
	1.63	P 063	Riebeek East : <i>Upgrade and resurface N2 link</i>	10	DPW						
	1.64	P 064	Riebeek East : <i>Upgrade and resurface Makhanda link</i>	10	DPW						
	1.65	P 065	Seven Fountains : <i>N2 Access Road Upgrade</i>	3	MIG						
	1.66	P 066	Riebeek East : <i>Upgrading of internal roads</i>	10	MIG						
KFA		Project	Projects & Programmes	Total	Funding Source	5 Year Implementation Framework					5+ Years 5+ Years
	1.67	P 067	Makhana: <i>Refurbishment, rehabilitation Upgrading of Taxi Route</i>								
Housing	1.68	P 068	Makana: Review <i>Housing Plan</i>								

	1.69	P 069	Makhanda: Construction of outstanding RDP houses 178 oustanding RDP Houses								
	1.70	P 070	Makana: Upgrading of Infill areas								
	1.71	P 071	Makana: Rectification of RDP Houses								
	1.72	P 072	Rollout of new basic services installations and replacement of existing redundant services informal areas								

COMMUNITY AND SOCIAL SERVICES:											
Category		Project	Projects & Programmes	Total Project	Funding Source	5 Year Implementation Framework					5+ Years
		Number		Cost							
				Estimate							
				(R'm)		2022/23	2023/24	2024/25	2025/26	2026/27	
Cemeteries	2.1	P 073	Alicedale / Riebeek East : New cemetery site identification	0.5	MM SBDM						
	2.2	P 074	Alicedale / Riebeek East / Makhandla : Cemetery development	6	MM SBDM						
	2.3		Mayfield / Waainek : Cemeteries expansion (feasibility study)	0.5	MM SBDM						
Community	2.4	P 075	Makana : General maintenance and refurbishment of existing community halls	5	MM						
Halls	2.5	P 076	Refurbishment of 2 Alicedale Halls		MM						
	2.6	P 077	Mayfield / Vukani : New community halls	10	MIG						
Education	2.7	P 078	Seven Fountains : ECD Facility	2	DOE						
	2.8		Seven Fountains: Primary School	4	DOE						
Fire	2.9	P 079	Makhandla : Disaster Management Plan	1	SBDM						
Protection	2.10	P 080									

	2.11	P 081	Alicedale / Riebeek East : Establish Satellite Fire Stations	10	SBDM						
Health	2.12	P 082	Fort Brown : Clinic	3	DOH						
	2.13	P 083	Seven Fountains : Clinic	3	DOH						
Libraries	2.14		Makana : Upgrade and refurbishment of existing library facilities	5	DSRAC						
Open	2.15	P 084	Makana : Upgrade and refurbishment of open spaces and play parks	10	MM						
Space	2.16	P 085									
	2.17	P 086	Beautification of the CBD								
Sports Fields and recreational facility	2.18	P 087	Makana : General maintenance and	5	DSRAC						
	2.19	P 088	refurbishment of existing sports facilities								
	2.20		Construction of Public Toilets								
	2.21	P 089	Makhanda East : Establishment of new sports field	5	DSRAC						
	2.22	P 090	Seven Fountains : Sports field / facility	1	MIG						
	2.23	P 091	Makana East: Construction of Swimming pool								
	2.24	P 092	Refurbishment and maintenance of Parks and open spaces								
Pound	2.25	P 093	Makana : Pound and support facilities- Review of Commonage Management Plan	2	MM						

Stray	2.26	P 094									
Animals	2.27	P 095									
Conservation and Environment al Management	2.28	P 096	Makana : <i>Environmental Management Plan</i>	1	MM DEDEA T						
	2.29	P 097	Makana : <i>Implement alien eradication programme (greater Makana)</i>	10	WFW						
	2.30		Makana : <i>Open Space Management Strategy</i>	0.5	MM						

LOCAL ECONOMIC DEVELOPMENT AND PLANNING:											
Category y	Number	Project Number	Projects & Programmes	Total Project	Funding Source	5 Year Implementation Framework					5+ Years
				Cost		2022/23	2023/24	2024 /25	2025/26	2026/27	
				Estimate							
				(R'm)							
LED	3.1	P 098	Makana : <i>Feasibility study and establishment of creative city art and performance display areas</i>	1							
	3.2	P099	Makana : <i>Revise Tourism & LED Strategy</i>	1	MM DEDEAT						
	3.3	P 100	Makanaskop <i>: Development and</i>	25							
	3.4		<i>finalisation of interpretation centre</i>								
	3.5	P 101	Fort Brown : <i>Business Node Development</i>	2	MM						
	3.6	P 102	Soccer City : <i>Feasibility and provision of hawker stalls</i>	2							

Tourism	3.7	P 103	Egazini Memorial Site : Upgrade and refurbishment, including security and office facility	1.2							
	3.8	P 104	Grey Dam : Tourism development and facilities	25							
Agriculture and Rural Development	3.9	P 105	Makana : Development urban small scale community gardens	2	PPP						
	3.10	P 106	Makana : Commonage Management Plan	0.5	DRDLR						
	3.11	P107	Alicedale / Riebeek East : Development and upgrading of community farming areas (including infrastructure)	2	DRDLR						
	3.12	P 108	East Commonage : Feasibility study and	1	DRDLR						

			<i>possible development for agriculture cooperatives</i>								
	3.13	P 109	Thorn Park Agricultural Initiative :	20	DRDLR						
	3.14		<i>Development and upgrade (including infrastructure)</i>								
<i>Rural</i>	3.15	P 110	Makana : <i>Area Based Plan and Land Reform Strategy</i>	1	DRDLR						
<i>Development</i>	3.16										
<i>Land</i>	3.17	P 111	Makana : <i>Conduct a land audit, land disposal and re-development strategy</i>	1							
<i>Management</i>	3.18										

	3.19	P 112	Makhanda Provide Land for Social Housing and sites for affordable sites								
	3.20	P 113									
Plannin g	3.21		Makana : GIS Maintenance and support	0.5							
	3.22	P 114	Makana : Implement 5 year SDF review cycle	0.5							
	3.23	P 115									
	3.24		Makana : Precinct and urban design plans	3							
	3.25	P 116									
	3.26		Makana : Implement and manage MPT and Appeal Authority	1							
	3.27	P 117	Makana : Establish Land Development Committee	N/A							
	3.28	P 118	Makana : Institutional restructuring and capacity	tbd							

			(Planning Office)								
	3.29	P 119	Makana : Capacity and institutional support to PMO and alignment with SBDM Support Model	tbd							
	3.30	P 120	Makana : Refine Development Levy Policy and Calculator into By-law (subject to Integrated Services Master Plan)	0.1							
	3.31	P 121	Makana : 4th Industrial Revolution Strategy and Implementation Plan	0.4							
	3.32	P 122	Makhanda : Heritage Resource Management Plan	1							
	3.33	P 123	Makhanda : Identify and implement	0.5							

			<i>Land Release Strategy for priority areas</i>								
	3.34	P 124	Makhanda : <i>Small Town Regeneration</i>	3							
	3.35	P125	<i>Master Plans (Makhanda, Alicedale,</i>								
			<i>Riebeeck East)</i>								
	3.36	P126	Makana: Local Investment conference								
	3.37	P 127	Makana: Develop a red-tape reduction strategy								
	3.38	P 128	Makana: Revise the SMME development & preferential procurement policy								

INSTITUTIONAL CAPACITY AND ORGANISATIONAL DEVELOPMENT											
Category		Number	Projects & Programmes	Total Project Cost Estimate	Funding Source	5 Year Implementation Framework					5+ Years
				(R'm)		2022/23	2023/24	2024/25	2025/26	2026/27	
	4.1	P 129	Makana: Organisational structure review								
	4.2	P 130	Makana: Review Job description review								
	4.3	P 131	Makana: Conduct Job Evaluation								
	4.4	P 132	Makana: Institutional Policy Review								
	4.5	P 133	Alicedale & Riebeeck East: Review Service Delivery Business Model for Alicedale and Riebeeck East								
	4.6	P 134	Makana: Review Human Resources Plan								
	4.7	P 135	Makana: Review Recruitment and Selection Policy								
	4.8	P 136	Makana: Review Training and development Policy								

	4.9	P 137	Makana: Review of HR Policies and Procedures : (Leave,overtime management and Productivity								
	4.10	P 138	Makana: Revise Stakeholder Engagement Policy								
	4.11	P 139	Makana: Develop Employees wellnes programs(Health & safety programs)								
	4.12	P 140	Makana: Cascaded of individual Performance Management System all employees								
	4.13	P 141	Makana: Development a rewards system linked to high performance								
	4.14	P142	Makana: Review of Business processes and development of Starndard operational Procedures								

			across municipality								
	4.15	P 143	Makana: Adopt performance standard for service delivery.								
	4.16	P 144	Makana: Review processes, procedures, and capacitation. Review of Fillings System								
	4.17	P 145	Makana: Establishment of offsite storage facility for back-up								
	4.18	P 146	Makana: Resuscitate Electronic Record Management system								
	4.19	P 147	Makana: Development of Centralized Customer Relation Management								
	4.20	P 148	Makana: Establishment of unit that that will deal maintenance of								

			Municipal Building and offices								
FINANNCIAL VIABILITY AND MANAGEMENT											
Category	Number	Project Number	Projects & Programmes	Total Project Cost Estimate	Funding Source	5 Year Implementation Framework					5+ Years
				(R'm)		2022/23	2023/24	2024/25	2025/26	2026/27	
	4.23	P 149	Makana: Compilation, updated General and Supplementary valuation roll of all registered properties								
	4.24	P 150	Makana: Ensure accurate billing applicable availability charges/ consumers tarriffs are levied on each property								
	4.25	P 151	Makana: Revenue Collection: Sector Department engagement and other stakeholder.								
	4.26	P 152	Makana: Lobby Grant Funding for unfunded Projects								

	4.27	P 153	Makana: Provision and increase of households with access to free basic service and maintain indigent register								
	4.28	P 154	Makana: Funded Budgeting to tight control over expenses to ensure that the total amount of expenditures does not exceed the budgeted amount.								
	4.29	P 155	Makana: Reduce unauthorised expenditure less than 30% of Budget								
	4.30	P 156	Makana: Eliminate Fruitless, Wasteful expenditure and credit control to Zero(0) % Fruitless, Wasteful expenditure								
	4.31	P 157	Makana: Expenditure Management:								

			Payments of creditor with 30 days								
	4.32	P 158	Makana: Eliminate Irregular expenditure by 30% (SCM								
	4.33	P 159	Makana: Maintaining fully GRAP compliant asset register annually								
	4.34	P 160	Makana: Improve expenditure management								
	4.35	P 161	Makana: Reduce capital expenditure to total expenditure ratio.								
	4.36	P 162	Makana: Debt coverage ratio (Total Operating revenue - operating grants receiver) (Debt service payment due)								
	4.37	P 163	Makana: Measure ability for the debtor to pay their debts)								
	4.38	P 164	Makana: Service debtors to								

			revenue ratio (Total outstanding service debtors / revenue received for the service								
	4.39	P 165	Makana: Cost coverage ratio (Available cash + investment monthly fixed operating expenditure								

GOOD GOVERNANCE AND PUBLIC PARTICIPATION:

Category	Number	Project Number	Projects & Programmes	Total Project Cost Estimate	Funding Source	5 Year Implementation Framework					5+ Years
				(R'm)		2022/23	2023/24	2024/25	2025/26	2026/27	
	5.1	P 166	Internal Audit assurance								
	5.2	P 167	Capacitate Internal Audit function								
	5.3	P 168	Review risk register								
	5.4	P 169	Monitor Compliance								
	5.5	P 170	Implement the fraud prevention policy: Whistleblower policy which includes a reward for information leading to arrests.								
	5.6	P 180	Establish an internal law enforcement team to monitor the compliance to by-law								
	5.7	P 181	Collaborate with external law enforcement agencies to enforce compliance to by-law								
	5.8	P 182	Governance Structures (MPAC- Audit & Risk Committee and Monitor Council decision								
	5.9	P 183	Enhance IGR								
	5.10	P 184	IDP-Budget Reviews Consultation								

	5.11	P 185	Enhance Civic organization engagement (Business, NGO, youth and other organized groups)								
	5.12	P 186	Ward Committee and Public Meetings								
	5.13	P 187	Regular Website update on mandatory reports								
	5.14	P 188	Improve Audit opinion outcomes								
	5.15	P 189	Review Communication Strategy								
	5.16	P 190	Review of the ICT Strategy								
	5.17	P 191	Review of ICT Risk Register								
	5.18	P 192	Development of Standard operating procedure on Management of Legal Matters								
	5.19	P 193	Youth development programmes								
	5.20	P 194	Women, Disabled and Children								
	5.21	P 195	Gender based violence								
	5.22	P 197	Poverty Alleviation program								
	5.23	P 198	Raise awareness on Gender Based Violence In Municipality								
	5.24	P 199	Implementation of HIV/AIDS Plan								

ANNEXTURE C: INFRASTRUCTURE CAPITAL PLAN(ICP) 2018-2024

TYPE	PROJECT	SOURCE	PRIORITY	PLANNING	APPROVED BUDGET (ZAR): CURRENT	5- YEAR INFRASTRUCTURE CAPITAL PLAN				
	PROGRAMME & PROJECTS			COST EST.		3- YEAR CAPITAL PLAN			2- OUTER YEARS	
	Current projects					2019/20	2020/21	2021/22	2022/23	2023/24
I	Dws- funded mandate									
	Water conservation & demand management	WSIG	WATER		10 000 000	-	-	-	-	-
	Refurbishment of riebeeck east bulk water supply phase1	WSIG	WATER		15 000 000	-	-	-	-	-
	Refurbishment of alicedale water treatment works phase1	WSIG	WATER		10 000 000	-	-	-	-	-
	Water conservation and demand management	WSIG/ DROUGHT	WATER		10 000 000	-	-	-	-	-
	Ground water development	WSIG/ DROUGHT	WATER		12 000 000	-	-	-	-	-

	PROJECT					5- YEAR INFRASTRUCTURE CAPITAL PLAN				
TYPE	PROGRAMME & PROJECTS	SOURCE	PRIORITY	PLANNING	APPROVED BUDGET (ZAR): CURRENT	3- YEAR CAPITAL PLAN			2- OUTER YEARS	
				COST EST.						
	James kleynhans bulk water supply(bws)	RBIG	WATER		10 000 000	78 000	66 000	-	-	-
	Makana bulk sewer	DWS/ COGTA	SANITATION	20 000 000	-	-	-	30 000 000	-	-
	Belmont water waste treatment works(wwtw)	RBIG	SANITATION	140 000 000	-	-	7 000 000	30 000 000	-	-
	Mayfield waste water treatment works	RBIG	SANITATION	100 000 000	-	-	-	30 000 000		
		SUB-TOTAL			67 000 000	78 000 000	66 000 000			
II	Mig-current projects – funded mandate									
	Alicedale sewerage upgrade	MIG	SANITATION	24 709 956.78	11 484 644					
	Waainek bulk water supply refurbishment	MIG	WATER	33 317 214.	11 292 566					
					22 777 210.00					

	PROJECT					5- YEAR INFRASTRUCTURE CAPITAL PLAN				
TYPE	PROGRAMME & PROJECTS	SOURCE	PRIORITY	PLANNING	APPROVED BUDGET (ZAR): CURRENT	3- YEAR CAPITAL PLAN			2- OUTER YEARS	
				COST EST.						
III	Proposed projects- mig funded mandate									
	Pmu project administration (5% of allocation)	MIG		1 700 000	1 198 800	1 219 950	1 278 500	1 218 250	-	-
	Social community project (15% of allocation)	MIG		3 596 400	-	-	3 835 500	3 472 012.50	-	-
	Waainek bulk water supply refurbishment (multi-year project)	MIG	WATER	33 317 214	-	7 747 783				
	Fencing of belmont valley wastewater treatment works	MIG	SANITATION	1 300 000	-	1 300 000				
	Proposed projects									
	Upgrading of water infrastructure									
	New 6mi reservoir at waainek wtw	MIG	WATER			10 000 000				

	PROJECT					5- YEAR INFRASTRUCTURE CAPITAL PLAN				
TYPE	PROGRAMME & PROJECTS	SOURCE	PRIORITY	PLANNING	APPROVED BUDGET (ZAR): CURRENT	3- YEAR CAPITAL PLAN			2- OUTER YEARS	
				COST EST.						
	Howisonspoort & settlers- security, lights & refurbishment of pumps	COGTA/ DWS	WATER			1 500 000				
	Bothas hill reservoir security fence	MIG	WATER			1 000 000				
	Water management plan	MISA	WATER				1 000 000			
	Jameson dam	COGTA/ DWS	WATER				10 000 000			
	Milner dam	COGTA/ DWS	WATER				10 000 000			
	Bothas hill reservoir to high level reservoir	MIG	WATER				10 000 000	25 000 000		
	Old town filters to high level reservoir – new pipeline	COGTA	WATER				4 000 000			
	Jameson/ milner dams to old town filters water line	COGTA/ DWS	WATER				8 000 000			

	PROJECT					5- YEAR INFRASTRUCTURE CAPITAL PLAN				
TYPE	PROGRAMME & PROJECTS	SOURCE	PRIORITY	PLANNING	APPROVED BUDGET (ZAR): CURRENT	3- YEAR CAPITAL PLAN			2- OUTER YEARS	
				COST EST.						
		SUB TOTAL		39 913 614	1 198 800	22 767 733	48 114 000	29 690 262.50	-	-
	Upgrading of sanitation infrastructure									
	Sewerage management plan	MISA	SANITATION	1 000 000		1 000 000				
	Refurbishment of internal sewer reticulation	MIG	SANITATION	20 000 000		6 000 000	6 000 000	6 000 000	6 000 000	6 000 000
	Upgrading of roads infrastructure - taxi route									
	Upgrade of ncome street	MIG		12 000 000	-	12 000 000				
	Upgrade of m - street	MIG		20 000 000	-	-	20 000 000			
	Upgrade of makana way	MIG		10 000 000	-	-		10 000 000		
	Upgrading of electricity infrastructure									
	Refurbishment of high mast light	MIG		1 200 000.00	-	-	1 200 000			

PROJECT						5- YEAR INFRASTRUCTURE CAPITAL PLAN				
TYPE	PROGRAMME & PROJECTS	SOURCE	PRIORITY	PLANNING	APPROVED BUDGET (ZAR): CURRENT	3- YEAR CAPITAL PLAN			2- OUTER YEARS	
				COST EST.						
	Refurbishment of street lights	MIG		950 000.00	-		950 000			
			SUB-TOTAL	44 150 000		19 000 000	28 150 000	16 000 000	6 000 000	6 000 000
		TOTALS		142 090 784. 78	90 976 010	41 845 733	76 330 000	45 690 262	6 000 000	6 000 000
		15% VAT		21 313 617. 72	13 646 401. 50	6 276 859. 95	11 449 500.	6 853 539. 38	900 000.	900 000
	TOTAL FUNDING REQUIREMENTS (5-YEAR) PLAN	GRAND TOTAL		163 404 402. 50	104 622 411. 50	48 122 592. 95	87 779 500.	52 543 801. 88	6 900 000	6 900 000

ANNEXURE D: DRAFT SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN 2023-24

DRAFT TOP LAYER SERVICE DELIVERY BUDGET & IMPLEMENTATION PLAN 2023-24									
Key Performance Area	Predetermined Objective (IDP) 2022-2027	Ref	Budget 2023-24	Projects/Programme 2023-24	Annual Target	Quarter 1 Sep 2023	Quarter 2 Dec 2023	Quarter 3 March 2024	Quarter 4 June 2024
KPA 1: Basic Service Delivery and Infrastructure Development	Review and development of Infrastructure Developments Plans	MSC-1.1	R 1 000 000	Infrastructure Asset Management Plan	Approved Infrastructure Asset Management Plan	N/A	Assessment of the existing infrastructure	Continuation and complete assessment of the existing infrastructure	Infrastructure Asset Management Plan Approved by Council
KPA 1: Basic Service Delivery and Infrastructure Development	Provision of water, sanitation and electricity service to all Makana Municipality communities	MSC-1.4	R 9.172 520	Replacement of Ageing Asbestos pipes in Makhanda Phase 3	100%				

KPA 1: Basic Service Delivery and Infrastructure Development	Provision of water, sanitation and electricity service to all Makana Municipal ity communit ies	MSC- 1.5	R 20 000 000	Upgrading of Belmont Valley Wastewater Treatment Works Phase 1	100%				
KPA 1: Basic Service Delivery and Infrastructure Development	Provision of water, sanitation and electricity service to all Makana Municipal ity communit ies	MSC- 1.6	R3 947 000	Water Conservation & Demand Management(Installation of Smart meters	100%				
KPA 1: Basic Service Delivery and Infrastructure Development	To provide safe & sustainab le roads network	MSC- 1.7	3,892,456.1 9	Upgrade of Ncame Street in Joza Kingsflats in Makhanda (Grahamstown)	100%				

KPA 1: Basic Service Delivery and Infrastructur e Developme nt	To provide safe & sustainab le roads network	MSC- 1.8	R 9 748 780	Upgrade of Makana way Phase 1					
KPA 1: Basic Service Delivery and Infrastructur e Developme nt	Ensure equitable access to housing developm ent	MSC- 1.14	N/A	Informal Settlement Upgrade	172 outstanding RDP Houses constructed	N/A	N/A	N/A	178
KPA 2: Community and Social Developme nt	Provision of a safe, healthy, and secure living environm ent	MSC- 2.1	R 1422 950 00	Waste Compactor Vehicle	Purchase of Solid Waste Compactor Vehicle	N/A	N/A	Delivery Solid Waste Compacto r Vehicle(tru ck)	N/A
KPA 2: Community and Social Developme nt	Provision of a safe, healthy, and secure living environm ent	MSC- 2.4		Eradicate and revamp of dumping sites	7	Developmen t of Implementat ion plan	2	2	3

KPA 2: Community and Social Developme nt	Provision of a safe, healthy, and secure living environm ent	MSC- 2.6	R 4 268 850 00	Upgrade of Sports Facilities in Oval Stadium, Lavender Valley Makhanda. (MIG)	40%	N/A	N/A	20%	40%
KPA 2: Community and Social Developme nt	Provision of a safe, healthy, and secure living environm ent	MSC- 2.8	Operational : Municipal Running Cost	Community education and awareness programmes conducted	12	3	3	3	3
KPA 2: Community and Social Developme nt	Provision of a safe, healthy, and secure living environm ent	MSC- 2.9	Operational : Municipal Running Cost	Community engagement forums held	12	3	3	3	3
KPA 2: Community and Social Developme nt	Provision of a safe, healthy, and secure living environm ent	MSC- 2.10	Operational : Municipal Running Cost	library service awareness programmes	4	1	1	1	1

KPA 2: Community and Social Developme nt	Provision of a safe, healthy, and secure living environm ent	MSC- 2.12	Operational : Municipal Running Cost	Library Outreach programmes	4	1	1	1	1
KPA 2: Community and Social Developme nt	Promotin g and enabling environm ent	MSC- 2.13	Operational : Municipal Running Cost	Commonage Management Policy & Plan	Review Commonag e Manageme nt Policy & Plan				
KPA 3: Local Economic Developme nt and Planning	Improved stakehold er collaborat ion to unlock opportuni ties for economic growth	MSC- 3.1	\$ 1,333,000.0 0	Job opportunities EPWP -	Report the number of job created	N/A	N/A	N/A	Report the number of job created
KPA 3: Local Economic Developme nt and Planning	Improved stakehold er collaborat ion to unlock opportuni ties for economic growth	MSC- 3.2	N/A	Job opportunities CWP -	Report the number of job created	N/A	N/A	N/A	Report the number of job created

KPA 3: Local Economic Developme nt and Planning	Improved stakehold er collaborat ion to unlock opportuni ties for economic growth	MSC- 3.3	operational: Municipal Running Cost						
KPA 3: Local Economic Developme nt and Planning	Promotin g and enabling environm ent	MSC- 3.6	Operational : Municipal Running Cost	Implementation Precinct Plan					
KPA 3: Local Economic Developme nt and Planning	Promotin g and enabling environm ent	MSC- 3.7	Operational : Municipal Running Cost						
KPA 3: Local Economic Developme nt and Planning	Promotin g and enabling environm ent	MSC- 3.9	Operational : Municipal Running Cost	Support SMME Development					
KPA 3: Local Economic Developme nt and Planning	Promotin g and enabling environm ent	MSC- 3.10	R350 000	Makana Tourism Report	Developme nt of Tourism and Heritage developmen t Plan				

KPA 3: Local Economic Development and Planning	To plan, promote investment and facilitate economic growth	MSC-3.11	Township Establishment Budget	Town establishment of Fort Brown and Seven Fountains	Complete hydro Study -	N/A	Phase One- Ground water source evaluation	Phase Two: Ground Development	N/A
KPA 3: Local Economic Development and Planning	To plan, promote investment and facilitate economic growth	MSC-3.14	operational: Municipal Running Cost	Land audit for the municipal area	Acquire funding from relevant stakeholders	N/A	Funding application submitted to relevant stakeholders	Progress report	Progress report
KPA 4 Institutional Capacity and Organisational Development	Ensure efficient and effective organisational support by a competent and skilled workforce	MSC-4.2	Operational : Municipal Running Cost	Review of Organisational Structure	Annual Review of Organisational Structure	N/A	N/A	N/A	Approved Organisational Structure
KPA 4 Institutional Capacity and Organisational Development	Ensure efficient and effective organisational support by a competent and	MSC-4.3	Operational : Municipal Running Cost	Job Evaluation	Implementation				

	skilled workforce								
KPA 4 Institutional Capacity and Organisational Development	Ensure efficient and effective organisational support by a competent and skilled workforce	MSC-4.5	Operational : Municipal Running Cost	Service Delivery Business Model for Alicedale and Riebeek East					
KPA 4 Institutional Capacity and Organisational Development	Ensure efficient and effective organisational support by a competent and skilled workforce	MSC-4.6	N/A	Staff vacancy rate					

KPA 4 Institutional Capacity and Organisatio nal Developme nt	Ensure efficient and effective organisati onal support by a compet nt and skilled workforce	MSC- 4.7	N/A	Implementation of Employment equity Plan	Four (4)	Q-1	Q-2	Q-3	Q-4
KPA 4 Institutional Capacity and Organisatio nal Developme nt	Ensure efficient and effective organisati onal support by a compet nt and skilled workforce	MSC- 4.8	N/A	Staff members competency requirements	One report	N/A	N/A	N/A	Report on number staff members with competen cy requireme nts
KPA 4 Institutional Capacity and Organisatio nal Developme nt	Ensure efficient and effective organisati onal support by a compet nt and skilled workforce	MSC- 4.9	R 750 000	Implementation of Workplace Skill development	100%	N/A	N/A	N/A	100%

KPA 4 Institutional Capacity and Organisatio nal Developme nt	Ensure efficient and effective organisati onal support by a compet nt and skilled workforce	MSC- 4.16	Operational : Municipal Running Cost	Human Resources Plan	Revised Human Resources Plan	N/A	N/A	Draft Human Resource Plan	Draft Human Resource s approved by Council
KPA 4 Institutional Capacity and Organisatio nal Developme nt	Ensure efficient and effective organisati onal support by a compet nt and skilled workforce	MSC- 4.25	Operational : Municipal Running Cost	Employees Wellness Programmes	4	1	1	1	1
KPA 4 Institutional Capacity and Organisatio nal Developme nt	To create an efficient, effective and accounta ble administr ation	MSC- 4.26	Operational : Municipal Running Cost	Cascaded to Middle Management	Cascading of PMS to lower level than Middle manageme nt	Developmen t of processes plan	Capacity building on PMS	Signing off of Performan ce Plans	N/A

KPA 4 Institutional Capacity and Organisatio nal Developme nt	To create an efficient, effective and accounta ble administr ation	MSC- 4.27	Operational : Municipal Running Cost	Performance Reward system	Rewards system linked to high performanc e is Approved	N/A	N/A	Draft Rewards system linked to high performan ce	Rewards system linked to high performan ce is Approved
KPA 4 Institutional Capacity and Organisatio nal Developme nt	To create an efficient, effective and accounta ble administr ation	MSC- 4.29	Operational : Municipal Running Cost	N/A	Review and adoption of file plan	Records inspections	Review file plan	Submission of file plan to provincial archives approval	
KPA 4 Institutional Capacity and Organisatio nal Developme nt	To create an efficient, effective and accounta ble administr ation	MSC- 4.31	Operational : Municipal Running Cost	Development of Customer-cares System	Developme nt of Customer- care System	Assessment the current status and report	Draft customer care system table to Portfolio Committee	Approval of Customer care system by Council	N/A
KPA 5:Financial Viability and Managemen t	Ensure sound financial sustainab ility and adhere to statutory prescripti ons	MSC- 5.1	495 million	Debt & revenue management collection	Ensure improved revenue collection by 80%of annual billed and monthly billed	Collection of 24% of billed income	Collection of 48% of billed income	Collection of 72% of billed income	Collection of 80% of billed income

					income by June 2023				
KPA 5:Financial Viability and Managemen t	Ensure sound financial sustainab ility and adhere to statutory prescripti ons	MSC- 5.2	N/A	Reviewed of Financial Recovery Plan(FRP annually)	Reviewed and update FRP Plan of the				
KPA 5:Financial Viability and Managemen t	Ensure sound financial sustainab ility and adhere to statutory prescripti ons	MSC- 5.4		Free basic Service (Indigent relief)	5.00%	3.00%	4.00%	5.00%	5.00%
KPA 5:Financial Viability and Managemen t	Ensure sound financial sustainab ility and adhere to statutory prescripti ons	MSC- 5.7	Operational : Municipal Running Cost	Reduce unauthorised expenditure	30% Unauthorise d expenditure	N/A	N/A	N/A	30.00%

KPA 5: Financial Viability and Management	Ensure sound financial sustainability and adhere to statutory prescriptions	MSC-5.10	Operational : Municipal Running Cost	Expenditure Management	50% creditors paid within 30 days	12.5 % of creditors paid within 30 days	12.5 % of creditors paid within 30 days	12.5 % of creditors paid within 30 days	12.5 % of creditors paid within 30 days
KPA 5: Financial Viability and Management	Ensure sound financial sustainability and adhere to statutory prescriptions	MSC-5.11	Operational : Municipal Running Cost	Eliminate Irregular expenditure	Number of MFMA Sec 32 and SCM regulation reports on deviations and irregular expenditure report submitted to MPAC and Council	Report by Internal Audit to MPAC and Audit Committee	Report by Internal Audit to MPAC and Audit Committee	Report by Internal Audit to MPAC and Audit Committee	Report by Internal Audit to MPAC and Audit Committee
KPA 5: Financial Viability and Management	Ensure sound financial sustainability and adhere to statutory prescriptions	MSC-5.12	Operational : Municipal Running Cost	Fixed Assets Register	4 Report	1	1	1	1

KPA 5: Financial Viability and Management	Ensure sound financial sustainability and adhere to statutory prescriptions	MSC-5.14	R2,5 million	GRAP compliant AFS	Preparation & submission of GRAP compliant AFS	submission of GRAP compliant AFS	N/A	N/A	N/A
KPA 5: Financial Viability and Management	Ensure sound financial sustainability and adhere to statutory prescriptions	MSC-5.15	Operational : Municipal Running Cost	Cash Management Tool	1	0.5	0.6	0.8	1
KPA 5: Financial Viability and Management	Ensure sound financial sustainability and adhere to statutory prescriptions	MSC-5.17	Operational : Municipal Running Cost	Revenue Management	40	40	40	40	40
KPA 5: Financial Viability and Management	Ensure sound financial sustainability and adhere to statutory prescriptions	MSC-5.18	operational: Municipal Running Cost	Creditors payment period	90 days	200 days	150 days	100 days	90 days

KPA 5: Financial Viability and Management	Ensure sound financial sustainability and adhere to statutory prescriptions	MSC- 5.19	operational: Municipal Running Cost	Service debtors to revenue ratio –	100%	N/A	N/A	N/A	100%
KPA 5: Financial Viability and Management	Ensure sound financial sustainability and adhere to statutory prescriptions	MSC- 5.20	operational: Municipal Running Cost	Current ratio	1	N/A	N/A	N/A	1
KPA 5:Financial Viability and Management	Ensure sound financial sustainability and adhere to statutory prescriptions	MSC- 5.21	operational: Municipal Running Cost	Cost coverage ratio	1-3 months	N/A	N/A	N/A	1-3 months
KPA 6: Good Governance and Public Participation	Ensure good governance and compliance	MSC- 6.1	operational: Municipal Running Cost	Improve Audit Outcomes	Qualification	N/A	Qualified audit opinion	N/A	N/A

KPA 6: Good Governance and Public Participation	Ensure good governan ce and complian ce	MSC- 6.2	operational: Municipal Running Cost	Implementation of Audit Action plan	90%	90%	90%	90%	90%
KPA 6: Good Governance and Public Participation	Ensure good governan ce and complian ce	MSC- 6.4	operational: Municipal Running Cost	Audit findings	90%	90%	90%	90%	90%
KPA 6: Good Governance and Public Participation	Ensure good governan ce and complian ce	MSC- 6.6	Operational : Municipal Running Cost	Audit findings	90%	90%	90%	90%	90%
KPA 6: Good Governance and Public Participation	Ensure good governan ce and complian ce	MSC- 6.8	Operational : Municipal Running Cost	Compliance register	100%	80%	85%	95%	100%
KPA 6: Good Governance and Public Participation	Ensure good governan ce and complian ce	MSC- 6.9	Operational : Municipal Running Cost	Intergovernmental Governance Relations	4	1	1	1	1

KPA 6: Good Governance and Public Participation	Ensure good governance and compliance	MSC-6.15	operational: Municipal Running Cost	Review ICT Governance Framework	Review and adopt ICT Governance Framework by Council	Adoption of ICT Governance Framework by Council	N/A	N/A	N/A
KPA 6: Good Governance and Public Participation	Ensure good governance and compliance	MSC-6.16	Operational : Municipal Running Cost	Review ICT Disaster Recovery Plan and Policy	Review and adopt ICT Disaster Recovery Plan and Policy by Council	N/A	Review and adopt ICT Disaster Recovery Plan and Policy by Council	N/A	N/A
KPA 6: Good Governance and Public Participation	Ensure good governance and compliance	MSC-6.17	Operational : Municipal Running Cost	Development of ICT Master Plan	Development of ICT Master Plan adopted by Council	N/A	N/A	Draft ICT Master Plan adopted by Council	Consultation alignment with Budget
KPA 6: Good Governance and Public Participation	Ensure good governance and compliance	MSC-6.18	R 500 000	ICT Infrastructure Upgrade (Servers and Backup Devices)	Upgrading of servers and back-up devices	N/A	ICT Infrastructure Upgrade (Servers and Backup Devices) complete	N/A	N/A
KPA 6: Good Governance and Public Participation	Ensure good governance and compliance	MSC-6.20	R 1.2 Million	Upgrading Maintenance of IT network Infrastructure	Upgrading Maintenance of IT network Infrastructure	N/A	N/A	Upgrading Maintenance of IT network Infrastructure completed	N/A

Annexure E: Municipal Calendar

Time	09:00	10:00	10:00	09:00	09:00	09:00	09:00	09:00	09:00	09:00	09:00	09:00	09:00	11:00	14:00	09:00	11:00	10:00
Meeting/Month	Council OC=Ordinary council	EMT	MPAC	Aesth Comm	Employ & Training	Training Commit	LLF	Risk Committ	Social Develop	Infrastructure Develop	LED	Finance, (F)	CORP	Mayoral Com	Library Advisory	BSC	Audit Committ	IGR
Closing date for items – July	15/07/23													30/06/23				
July meeting	31/07/23 OC	04/07		17/07/23	19/07/23	20/07/23								11/07/23		13/07/23	20/07/23	18/07
Closing date for items - August	18/08/23							04/08/23	04/08/23	04/08/23	11/08/23	11/08/23	10/08/23					
August meeting	30/08/23						01/08/23	15/08/23	16/08/23	17/08/23	22/08/23	24/08/23	23/08/23		31/08/23	14/08/23	25/08/23	
Closing date for September														01/09/23				
September meeting			08/09/23											12/09/23		11/09/23		
Closing date for items - October	13/10/23																	
October meeting	31/10/23 OC	04/10		16/10/23	18/10/23	19/10/23	30/10/23									12/10/23	19/10/23	17/10
Closing date for items – November								27/10/23	27/10/23	27/10/23	03/11/23	03/11/23						
November meeting								07/11/23	08/11/23	09/11/23	14/11/23	16/11/23	15/11/23		23/11/23	13/11/23	28/11/23	

Closing date for items - December														25/11/23				
December meeting			08/12/23											05/12/23		12/12/23		
Closing date for items – January	19/01/24																	
January meeting	31/01/24 OC	23/01		22/01/24	24/01/24	25/01/24	30/01/24									12/01/24	25/01/24	24/01
Closing date for items - February	16/02/24							02/02/24	02/02/24	02/02/24	09/02/24	09/02/24	02/02/24					
February meeting	28/02/24								13/02/24	14/02/24	20/02/24	21/02/24	15/02/24		22/02/24	12/02/24		
Closing date for item - March	16/03/24													02/03/24				
March meeting	28/03/24		09/03/24											13/03/24		12/03/24		
Closing date for items – April	13/04/24							11/04/24									19/04/23	
April meeting	25/04/24 OC	16/04		16/04/24	18/04/24	19/04/24										12/04/24	19/04/24	24/04
Closing date for items – May	18/05/24							04/05/24	04/05/24	04/05/24	11/05/24	11/05/24						
May meeting	30/05/24						02/05/24	15/05/24	15/05/24	16/05/24	17/05/24	23/05/24	18/05/24		31/05/24	11/05/24		
Closing date for items – June														01/06/24				
June meeting			08/06/24											19/06/24		14/06/24		

