



MAKANA LOCAL MUNICIPALITY



MAKANA
MUNICIPALITY | EASTERN CAPE
...a great place to be

Makana Municipality strive to ensure sustainable, affordable, equitable and quality services in a just, friendly, secure and healthy

4rd EDITION 2025-2026

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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
Clr	Councilor
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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(IV) EXECUTIVE MAYOR FORWARD



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 reviewed its fourth edition of the 2025-2026 of 2022-2027 term of office, analyses the information on developments in Municipality for the period under review using the existing Integrated Development Plan. This review IDP development process has enabled the Municipality to critically reflect on progress made on its six 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 internal stakeholders, strategic planning sessions Mayoral Lekgotla with the Mayoral Committee and extended management. external engagement was held with sector departments and outreaches to communities. Municipality has reaffirmed its development priorities:

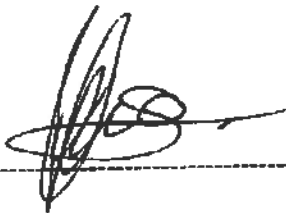
- Basic Service Delivery and Infrastructure
- Community and Social Cohesion
- Local Economic Development and Planning
- Institutional Capacity and Organisational Development
- Financial Viability and Management
- Good Governance and Public Participation

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 97 815 people in 2022. The total population for the Makana Municipality is estimated to increase to 102,593 by 2026, growing at an average annual rate of 1.2% as per Census 2022.

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 to that of the Makana Local Municipality.

The South Africa is estimated to have an average annual growth rate of 1.3% which is very similar than that of Makana's projected growth rate. Makana Municipality had 29 239 households in 2022, which is expected to rise to 29 999 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 Municipality had 29 239 households in 2022, which is expected to rise to 29 999 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%).



CLR YANDISWA VARA

EXECUTIVE MAYOR

MAKANA VISION AND MISSION STATEMENT

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

(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 divided into fourteen wards. The Municipality has the following Town and villages that were amalgamated to form 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 an area of 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 Hints, 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 replaced 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.

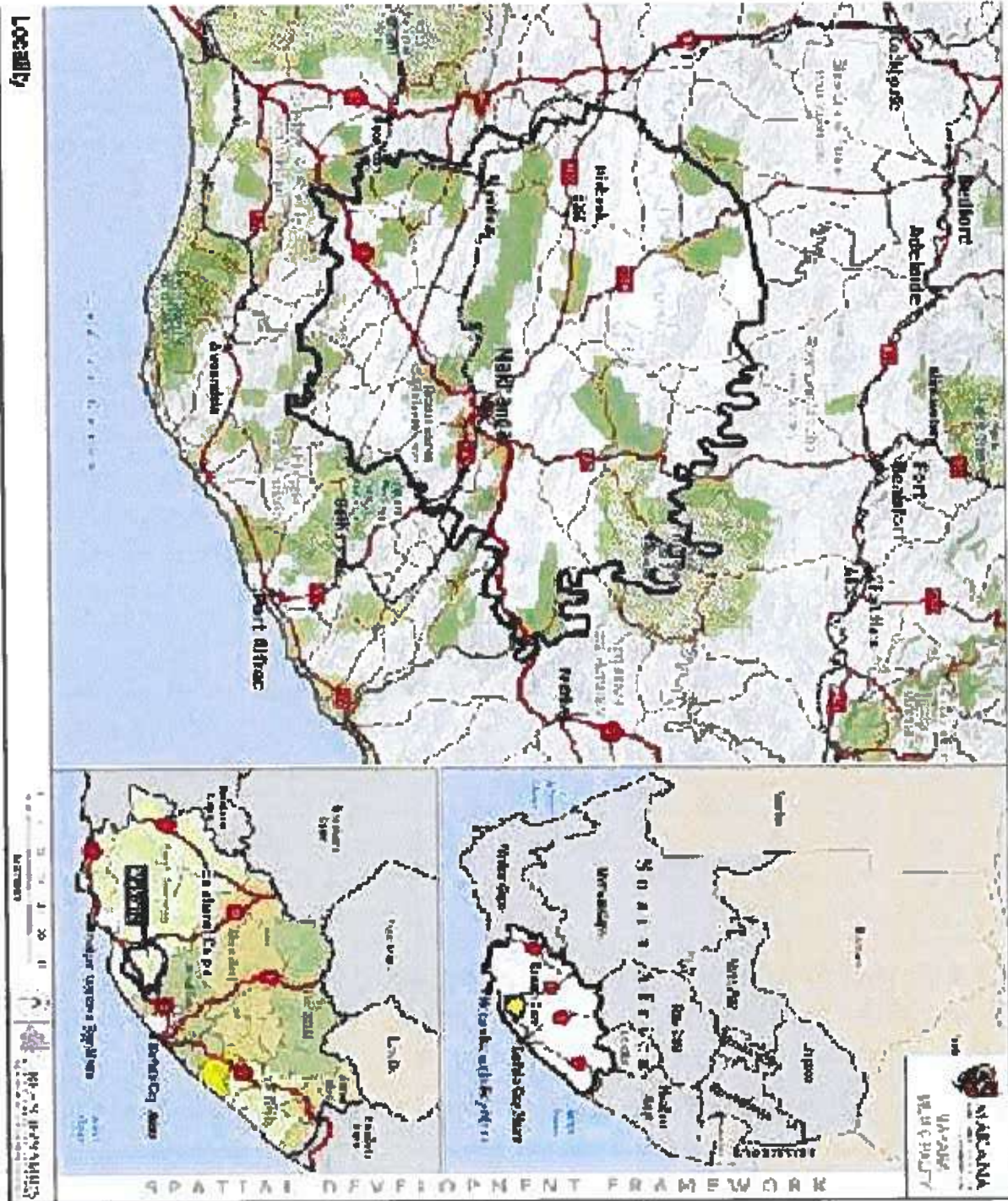
Sidbury 1820: Established in 1820 after which settler Lieutenant Richard Daniel of the Royal Navy built Sidbury Park in the 1830's and also created the nearby village of Sidbury where war graves can still be found. Both are named after his native Sidbury in Devonshire. As part of fortifying the property, 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 meters.

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

1.1 LEGAL FRAMEWORK

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.

This document represents the 3rd review of the 2022-27 Makana municipality's 5-year Integrated Development Plan.

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

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.

1.4 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.

1.5 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 NDP following intervention areas.

Those that affect the 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.

1.6 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 (2014 – 2019)

1.7 SARAH BAARTMAN DEVELOPMENT PRIORITIES 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 agro-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		

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

LIST OF GOVERNMENT PRIORITIES TO BE IMPLEMENTED IN DISTRICT/METRO

PILLAR NAME	NATIONAL/ PROVINCIAL MTSF PRIORITIES	EC PDP PRIORITIES	DISTRICT/ METRO PRIORITIES	MAKANA MUNICIPALITY
<p>PILLAR 1: DEMOGRAPHIC CHANGE AND PEOPLE DEVELOPMENT</p>	<p>Priority 3: Education, Skills and Health</p> <p>Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services</p> <p>Priority 6: Social Cohesion and Safer Communities</p>	<p>Goal (Impact Area) 4: Human Development Increase access to Early childhood development.</p> <ul style="list-style-type: none"> 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

LIST OF GOVERNMENT PRIORITIES TO BE IMPLEMENTED IN DISTRICT MEIRO

PILLAR NAME	NATIONAL/ PROVINCIAL MTSF PRIORITIES	EC PDP PRIORITIES	DISTRICT/ METRO PRIORITIES	MAKANA MUNICIPALITY
PILLAR 2: ECONOMIC POSITIONING	Priority 2: Economic Transformation and Job Creation	<p>Goal (Impact Area) 1: Innovative and Inclusive Growing Economy</p> <ul style="list-style-type: none"> • Stronger industry and enterprise support. • Rapid development of high-potential economic sectors. <p>• Spatially balanced economic development, urban development and small-town revitalization.</p> <ul style="list-style-type: none"> • 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. <p>Accelerate land reform and land rehabilitation programmes.</p>	<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
PILLAR 3: SPATIAL RESTRUCTURING AND ENVIRONMENTAL SUSTAINABILITY	Priority 5: Spatial Integration, Human 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. 	<ul style="list-style-type: none"> Spatial integration 	Basic Service Delivery and Infrastructure Development
		<p>Goal (Impact Area) 5: Environmental Sustainability</p> <ul style="list-style-type: none"> Safeguarding ecosystems and existing natural resources. Respond to climate change and green technology innovations. Improvement of environmental governance 	<ul style="list-style-type: none"> 	
PILLAR 4: INFRASTRUCTURE ENGINEERING		<p>Priority 2: Economic Transformation and Job Creation</p> <p>Priority 5: Spatial Integration, Human Settlements and Local Government Goal (Impact Area) 2: An Enabling Infrastructure Network</p> <ul style="list-style-type: none"> Build resilient economic infrastructure that promotes economic activity. Universal access to basic infrastructure. 		

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 4: INFRASTRUCTURE ENGINEERING	Priority 2: Economic Transformation and Job Creation Priority 5: Spatial Integration, Human Settlements and Local Government	<ul style="list-style-type: none"> • 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 		Basic Service Delivery and Infrastructure Development
PILLAR 5: INTEGRATED SERVICE	Priority 4: Consolidating the Social Wage through	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. Goal (Impact Area) 2: An Enabling Infrastructure Network	Basic Service Delivery and Infrastructure Development <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
PROVISIONING	Reliable and Quality Basic Services	<ul style="list-style-type: none"> Universal access to basic infrastructure. 		
PILLAR 6: GOVERNANCE AND FINANCE	Priority 1: A Capable, Ethical and Developmental State	<p>Goal (Impact Area) 6: Capable Democratic Institutions</p>	<ul style="list-style-type: none"> Build Institutional Capacity & Financial Viability 	<ul style="list-style-type: none"> Institutional Capacity and Organisation Development
	Priority 7: A Better Africa and World	<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. <p>Build multi-agency partnerships.</p>	<ul style="list-style-type: none"> Single window of coordination Governance and Public Participation Municipal Transformation and Organisations Development 	<ul style="list-style-type: none"> Good Governance and Public Participation

1.8 REFLECTIONS FROM THE STATE OF THE NATION AND STATE OF THE PROVINCE

1.8.1 SONA: 6 FEBRUARY 2026: MEDIUM-TERM DEVELOPMENT PLAN (MTDP)

1.8.1.1 Municipalities:

Many cities and towns across the country, roads are not maintained, water and electricity supply is often disrupted, refuse is not collected, and sewage runs in the streets. In part, this has happened because many municipalities lack the technical skills and resources required to meet people's needs.

Many municipalities have not reinvested the revenue they earn from these services into the upkeep of infrastructure. Starting this year, government will work with municipalities to establish professionally managed, ring-fenced utilities for water and electricity services to ensure that there is adequate investment and maintenance.

Many of the challenges in municipalities arise from the design of the local government system. Government will therefore undertake extensive consultation to develop an updated White Paper on Local Government to outline a modern and fit-for- purpose local government system.

Government will review the funding model for municipalities, as many of them do not have a viable and sustainable revenue base. It will continue to work with traditional leaders in the implementation of local development programmes.

1.8.1.2 Infrastructure Development

Government wants a nation with a thriving economy that benefits all. To create this virtuous cycle of investment, growth and jobs, it must lift economic growth to above 3%. To achieve higher levels of economic growth, government is undertaking massive investment in new infrastructure, while upgrading and maintaining the existing infrastructure.

Government is developing innovative ways of funding infrastructure. It is engaging local and international financial institutions and investors to unlock R100 billion in infrastructure financing.

A project preparation bid window has been launched to fast-track investment readiness. This includes revised regulations for public-private partnerships, which will unlock private sector expertise and funds.

Government will spend more than R940 billion on infrastructure over the next three years. This includes R375 billion in spending by SOEs. This funding will revitalise roads and bridges, build dams and waterways, modernise ports and airports, and power the economy.

Through the Infrastructure Fund, 12 blended finance projects worth nearly R38 billion have been approved in the last year. These are projects in water and sanitation, student accommodation, transport, health and energy.

1.8.1.3 Reform of public entities

The immediate focus is to enable Eskom, Transnet and other SOEs that are vital to the economy to function optimally. Government is repositioning these entities to provide world-class infrastructure while enabling competition in operations, whether in electricity generation, freight rail or port terminals. Government continues with the fundamental reform of SOEs to ensure that they can effectively fulfil their social and economic mandates. This includes the work underway to put in place a new model to strengthen governance and oversight of public entities.

1.8.1.4 Energy

The measures we have implemented through the Energy Action Plan have reduced the severity and frequency of load-shedding, with more than 300 days without load shedding since March 2024. Government will mobilise private sector investment in the transmission network to connect more renewable energy to the grid. As government reforms the energy system, it is continuing to build successful multilateral partnerships in the global effort to halt the devastating impact of climate change.

South Africa's Just Energy Transition is gaining momentum. Over 13 billion US dollars have been pledged by the international community and significant private capital is being invested locally.

Government is determined to meet the carbon reduction commitments and will do so at a pace and scale that the country can afford.

1.8.1.5 Water

As government forges ahead with the reform agenda, an urgent priority is to ensure a secure and reliable supply of water across the country. Many people in the cities, towns and villages are experiencing more and more frequent water shortages as a result of failing water infrastructure. It is impossible to live without water and it is impossible for the economy to grow without water. The government is therefore taking a series of decisive actions to resolve the water crisis, to enable the people to get water where they live, whether in townships or rural areas.

1.8.1.6 Job creation and work opportunities:

The success of the Presidential Employment Stimulus shows how public employment programmes can create meaningful work that generates a wider benefit and contributes to sustainable employment. The employment stimulus has created almost 2.2 million work and livelihood opportunities through innovative models that provide high-quality work to participants.

The Social Employment Fund has created over 80 000 jobs this year. It has supported more than 12 000 participants to enter entrepreneurial activities. During the past year, young people secured 235 000 work opportunities through the National Pathway Management Network, which is underpinned by the SAYouth.mobi platform.

Government now needs to build on these innovative programmes to create jobs for the youth on an even greater scale. To create jobs, it must leverage the unique strengths and unrealised potential to build the industries of the future – green manufacturing, renewable energy, electric vehicles and the digital economy.

1.8.1.7 Digital services

The country has also seen strong growth in digital services and business outsourcing, which has created jobs for young people. To support this growth, the government is investing in skills development for the industries of the future.

1.8.1.8 Jobs boost fund

The Jobs Boost Fund has pioneered a new model that links funding for skills in demand to the successful placement and employment of young people.

1.8.1.9 Business support

Government is expanding its support for small and medium enterprises, and for the informal economy, which sustains millions of jobs and livelihoods across the country. This includes streamlining funding for small businesses, unlocking venture capital for high-growth start-ups, and developing a regulatory environment that enables rather than restricts informal enterprises

1.8.1.10 Green economy

The government is harnessing the sun and the wind to make the country a leader in renewable energy and green manufacturing. With an abundance of cheap, green energy, South Africa can produce products that are competitive anywhere in the world and create hundreds of thousands of new jobs in the process.

1.8.1.11 Tourism

The services sector is now the largest part of South Africa's economy, ranging from financial services to retail, hospitality, tourism and the burgeoning creative industry. The tourism sector is growing rapidly, with close to nine million tourists having visited the country last year.

1.8.1.12 Digital services

The country has also seen strong growth in digital services and business process outsourcing, which has created jobs for young people. To support this growth, government is investing in skills development for the industries of the future.

1.8.1.13 Social assistance and poverty alleviation

For 30 years, since the dawn of democracy, government has worked together to reduce poverty. Today, it spends around 60% of the national budget on the social wage: on health, education, social protection, community development and public employment programmes.

More than 28 million unemployed and vulnerable people receive social grants. More than 10.5 million learners go to public schools where they do not have to pay fees. Last year, over 900 000 students from poor and working-class backgrounds received funding to study at universities and colleges. Through these programmes, government is alleviating the worst effects of poverty. Government is providing the means through which South Africans can rise above the poverty that has been passed down from one generation to the next. But it has to do much more if it is to end poverty.

1.8.1.14 Education and skills development:

Central to efforts to end poverty and to develop the economy is to provide decent, quality education to every young South African. Government is immensely proud of the achievements of the Matric Class of 2024, which achieved the highest pass rate in the country's history. Eighty-seven percent of learners who sat for their matric exams passed. For the first time in the history of the country, nearly half of these learners achieved a Bachelors pass.

Government will focus on ensuring that every child can read for meaning in the Foundation Phase to set them up for success in later years. To achieve this, it is implementing mother tongue- based bilingual education to improve literacy and numeracy outcomes and rolling out lesson plans, reading books and other interventions that have been proven to work.

The Funza Lushaka Bursary Scheme will continue to prioritise students who want to pursue a teaching career in the Foundation Phase. Last year, government signed the Basic Education Laws Amendment Act, 2024 (Act 32 of 2024) which is pivotal for ensuring that education is accessible and inclusive for all South Africans.

1.8.1.15 Healthcare and infrastructure

Government wants a nation in which there is quality healthcare for all. This year, it will proceed with the preparatory work for the establishment of the National Health Insurance (NHI). This includes developing the first phase of a single electronic health record, preparatory work to establish Ministerial Advisory Committees on health technologies and healthcare benefits, and an accreditation framework for health service providers.

The NHI will reduce inequalities in healthcare by ensuring everyone gets fair treatment. It will save many lives by providing a package of services that include, for example, maternal and newborn care and services for people living with HIV and AIDS, tuberculosis (TB) and those suffering from non-communicable diseases such as heart disease, cancer and diabetes.

A number of hospitals are under construction or undergoing revitalisation. Other projects are at various stages of design and development. This includes the replacement of three existing old central hospitals, three new central hospitals, five new district hospitals, five community health centres and a new psychiatric hospital. To improve patient experience, government is putting more emphasis on reducing waiting times, cleanliness and staff attitudes in public health facilities.

Government is encouraged by the great progress the country has made towards ending HIV and AIDS as a public health threat. By the end of March 2024, 96% of people living with HIV knew their status, 79% of these were on antiretroviral treatment and 94% of those on treatment were virally suppressed. To ensure that it reaches its target of 95-95-95, government will this year launch a massive campaign to look for an additional 1.1 million people who are not on treatment.

Government is concerned about the potential impact of the decision by the United States Government to suspend some of its funding for HIV and TB programmes in African countries for 90 days. This funding accounts for about 17% of the country's HIV spend.

Government has been able to provide funding from the fiscus for HIV and TB programmes over the years. It is looking at various interventions to address the immediate needs and ensure the continuity of essential services.

1.8.1.16 Housing

To tackle inequality, government needs to undo apartheid spatial planning, which has scarred cities and forced many people to live far from areas of work and opportunity. Government has delivered millions of housing opportunities since 1994, providing safety and dignity to poor households, yet the practice of building housing developments on the periphery of urban centres has perpetuated inequality and urban sprawl.

Going forward, government is going to build more housing in city centres, and closer to work and business opportunities. Government is redesigning housing subsidies and directing more funding towards programmes that enable people to buy or rent a home in an area of their choice. It will release more underutilised state properties for affordable housing development.

Government is working with provinces and metros to reclaim buildings that have been hijacked in the city centres and repurpose them for public use. It will provide 300 000 serviced stands to qualifying beneficiaries to enable housing development in well-planned, connected communities along key development corridors.

1.8.1.17 Crime and corruption

The police continue to work with other law-enforcement agencies to dismantle organised crime syndicates and combat financial and violent crimes. The South African Police Service has partnered with metropolitan municipalities and is working with communities to fight crime in the priority provinces where crime is particularly high.

Government is intensifying Operation Shanela, which has been successful in arresting suspects, recovering firearms and seizing stolen vehicles.

The Detective Service, which is crucial to solving cases, will be expanded by 4 000 personnel through internal recruitment processes. Government is working on adopting surveillance, analytics and smart policing solutions for modern law enforcement.

Government has seen the value of technology in fighting crime. By using AI in its fraud risk detection and verification work, the South African Revenue Service has prevented the leakage of over R95 billion in impermissible refunds, recovered R20 billion in revenue and dismantled an illicit tobacco and gold scheme.

Combating fraud and corruption: Last year, government established the Investigating Directorate Against Corruption as a permanent entity within the National Prosecuting Authority, dedicated to investigating and prosecuting high-level corruption cases. It will ensure that the directorate is fully

resourced and has access to the information that it needs to prosecute state capture cases and hold those responsible to account.

Government is establishing a world-class digital forensics lab to support the investigation of complex corruption and financial crime with cutting edge tools and expertise. It is making steady progress in the implementation of the recommendations of the State Capture Commission, including signing into law several legislative reforms. The Special Investigating Unit and Asset Forfeiture Unit report that over R10 billion has been recovered in state capture related cases.

This year, the Department of Justice and Constitutional Development will report on the review of the anti-corruption architecture by the National Anti-Corruption Advisory Council. This is expected to streamline legislation, eradicate the duplication of mandates and foster greater cooperation between law enforcement agencies. Government will finalise the Whistleblower Protection Framework and introduce the Whistleblower Protections Bill in Parliament during this financial year.

This year, it will strengthen South Africa's system to combat money laundering and terror financing with further legislative and system improvements.

1.8.1.18 Gender-based violence and femicide (GBVF)

Government continues to work across society to end the violence that is perpetrated against women. It has promulgated the National Council on GBVF Act, 2024 (Act 9 of 2024), establishing a national structure to oversee a coordinated response to this crisis. It will ensure that the council is fully functional and properly resourced. The government continues to strengthen support to victims of GBV.

1.8.2 Premier Oscar Mabuyane: Eastern Cape State of the Province Address 21 Feb 2025

Roadmap for the seventh administration: Through the Provincial Medium-Term Development Plan, we will accelerate the realization of the Provincial Development Plan goals by focusing on three interrelated strategic priorities, namely,

- Inclusive growth and job creation,
- Reduce poverty and tackle the high cost of living,
- A capable, ethical, agile and developmental state
- Inclusive growth and job creation

1.8.2.1 Skills for the economy

To create more jobs, we need to develop the skills set of our people. We are fundamentally transforming the entire skills sector ecosystem by rolling out training programmes in partnership with various SETAs to benefit more than 37 000 young people in programmes such as Artisan Development, Emerging Contractors Development, Youth Brigades, Agricultural Entrepreneurship skills and Graduate incubation.

Furthermore, we are now introducing a uniquely Eastern Cape project, the Basic Education Employment initiative, which will benefit 28 000 unemployed youth throughout the province. For instance, we are going to place 180 young people living with disabilities, on an assistant chef programme to equip them with culinary skills. This is a caring government in action.

In responding to the burden caused by historical student debt, the Office of the Premier has partnered with MerSETA to allocate R70 million towards student debt clearance. We are calling on qualifying students to go to their institutions by the end of February 2025 to access this relief.

1.8.2.2 Micro Small Medium Enterprise Development

The success of all economies is a thriving entrepreneurship sector. In the past five years the government has traded with the Eastern Cape based businesses to the value of R43.8 billion. This is the baseline for the next five years, and we aim to surpass this figure. This is economic transformation in action.

National government will set up a Transformation Fund worth R20 billion to benefit black owned businesses. The Eastern Cape Development Corporation will assist Eastern Cape based businesses to tap into this fund. Government continues with the programme of funding youth entrepreneurs through government funding instruments. We are proud of Isiqalo Youth Fund beneficiaries who are growing their businesses in various parts of our province, will received more funding amount to R168 million over the next three years to support more youth owned enterprises.

1.8.2.3 Transform our economy through our growth frontiers.

1.8.2.3.1 Agriculture

Agriculture remains our niche growth frontier to accelerate economic growth, employment and food security. During this term our focus will be on massive primary production, agro-processing, beneficiation and developing value added products.

We will increase the export of our locally produced high-value commodities such as citrus, deciduous fruits, red meat, livestock, animal fibre, hemp and cannabis to unlock thousands of jobs in our communities. We are currently supporting black-owned citrus and deciduous farms to increase their production and yields to 40 000 and 45 000 tons per season, respectively.

The exciting news we are bringing to the people of our province today is that the national Department of Higher Education and Training has approved the establishment of the Vet School at the University of Fort Hare. The vet school will contribute to the improvement of livestock genetics, quality and disease control, making our products more competitive in the export market.

1.8.2.3.2 Manufacturing

Government for another growth frontier is focusing on is manufacturing which is anchored on the automotive sector. In 2024 alone, we secured an investment worth R11.4 billion from a private investor who committed to establish 29 new off-grid electric vehicles charging stations in the next 5 years.

1.8.2.3.3 Digital Economy

At the Opening of the 7th Legislature, government highlighted the digital economy as another growth frontier. It has noted that 65% of the Eastern Cape households have access to the internet coverage compared to the 25% in 1995. Working together with partners we continue to enable internet connectivity. This is done through the provision of ICT infrastructure and e-government systems.

Provincial government is expanding the province's industrial development and innovation ecosystem through the East London IDZ Science and Technology Park. In the last five years the Science Park has trained over 983 beneficiaries in various skills including automotive manufacturing assembly, renewable energy, digital forensics, cloud computing, additive manufacturing and in entrepreneurship.

1.8.2.3.4 Tourism

Tourism is a growth frontier we have not fully optimized. Provincial government is addressing binding constraints such as roads and air transport infrastructure to boost our tourism sector.

Airports Company South Africa will be spending an estimated R213 million in the next 3 years to improve access runway at the King Phalo Airport in East London. The Airports Company South Africa will also be spending R4.6 billion at the Dawid Stuurman International Airport in Gqeberha for runway rehabilitation. Whilst we pursue this work, we will continue with our endeavours to operationalise the Bhisho Airport for international cargo transportation.

Government will vigorously market and promote our province to international tourists. Our Eastern Cape Parks and Tourism Agency is already identifying potential markets in the continent, BRICS and G20 countries.

To attract and retain international tourists we are diversifying our product offerings to include culture, sport and heritage which are endowments of our province. We will bid to host more sports events because they create jobs and business opportunities in the hospitality industry.

1.8.2.3.5 Creative Arts and Film Production

Creative arts and film production, also contributes immensely to job creation. Gqeberha the Empire introduced us to new acting talent in our province. We must nurture that talent and keep it working inside our province. Government has issued an expression of interest call to film producers and broadcasters to apply for production of films in our province. We have further allocated R30 million to fund emerging artists and film development.

1.8.2.4 Enabling economic and social infrastructure

1.8.2.4.1 Oil and Gas

We are harnessing the potential of oil and gas resources for the benefit of our province. We have an estimated offshore bounty exceeding 200 trillion cubic feet of prospective Shale Gas in the Karoo which is poised to unlock significant economic opportunities. We are supporting this groundbreaking research covering the Sarah Baartman, Amathole and Chris Hani Districts as led by Petroleum Agency South Africa, after the gazetting by the Department of Minerals and Petroleum Resources.

Our preliminary research findings indicate that the Eastern Cape has a resource base that can generate 3000MW of Gas-to-Power to energy to the national grid. Let us embrace these opportunities with both innovation and responsibility, transforming our province into a key player in the national and regional energy landscape.

1.8.2.4 .2 Ports and Rail

Over the past term, we have made various commitments on critical transport and economic infrastructure in this august house. The Gauteng- Eastern Cape High-Capacity Rail Corridor has now received budget allocation towards realizing the dedicated rail corridor for automotive volumes between Gauteng and the Eastern Cape. This will enhance our export capacity and reduce reliance on road transport.

Provincial Government had multiple engagements with Transnet to establish a stronger monitoring and evaluation mechanism to ensure that multi- billion-rand commitments by Transnet to the Eastern Cape are realized. The construction of the R2 billion Liquid Bulk Berth announced by President Cyril Ramaphosa in the Construction Summit will be the litmus test of this collaboration later this year. This should immediately be followed by the new Liquid Bulk Terminal in the Port of Ngqura.

Our call for increased investments by Transnet is aimed at optimizing trade logistics to support regional growth and facilitate global trade connections. These ambitious projects include the 22 metric-ton capacity Ngqura Manganese Export Terminal, the R13,1 billion Liquefied Natural Gas Import Terminal and the deepening and widening of the Port of East London, to solidify our position as a gateway to Africa and the world.

1.8.2.4 .3 Energy

Energy security is fundamental to unlocking the potential of the Eastern Cape's economy and uplifting the lives of our citizens. We are committed to seeing the Ngqura Liquid Bulk Programme come to fruition. While we encountered challenges and delays, we are working tirelessly to achieve the delivery of these investments.

We are on course to deliver the Hive Hydrogen Project in collaboration with the Northern Cape and the Western Cape in green energy investment. This will create new industries and opportunities for our people. The efficient transmission of power is as vital as its generation. As the country prepares

for the 2,500 MW nuclear build programme, we reiterate our call that the Thyspunt site is ready to receive the investment. The time for Eastern Cape to thrive, is now.

Road Network

Honourable Members another key economic enabler is the road network. As we committed in the Eastern Cape Infrastructure Plan, our road construction programme is connecting the strategic economic Corridors of our Province which are the N2, N6, N9, and N10, whilst upgrading other key routes to enable access to economic centres and services for our people. The Eastern Cape is a construction site.

1.8.2.4 .4 Social Infrastructure

Last year, Government has handed over 255 houses to families who were previously farm dwellers in Stutterheim and Katberg. Among the beneficiaries was a child headed household, comprising four siblings who lost their parents.

We want people to stay closer to their places of work. In the 2025/26 financial year, government will deliver 4 970 Breaking New Ground Housing units; and 4 350 serviced sites in all our regions. In the next five years we are investing R4.3 billion to build 26 400 houses. In executing this work we will ensure that organs of state source building materials from black industrialists. The development of office precincts, to bring government services closer to our people is taking shape and will also unlock social and rental housing investment.

Building on the success of our Small-Town Revitalization Programme, in areas such as Ntabankulu, we are expanding the small-town revitalization programme to Amahlathi, Emalahleni, Intsika Yethu, Makana and Ngqushwa local municipalities, which will benefit from an additional investment of R419 million. We are applying for more funds from Budget Facility for Infrastructure upgrade more of our small towns to make them attractive to investors.

1.8.2.4 .5 Electricity

Eastern Cape province, 95% of households have access to electricity. Overall, we connected 16 446 households in this financial year alone, thus improving the quality of life for our people. In the 2025/26 financial year, government will make a further investment of R430 million for the electrification of 8 981 households throughout the province.

1.8.2.4 .6 Water

The Seventh Administration will increase the number of households with access to piped water from 80% to 90% by 2030. To fulfil this commitment a Municipal Infrastructure Grant totaling R3.5 billion will be directly allocated to municipalities for water reticulation.

Provincial government will ensure that the 11 regional bulk infrastructure projects such as Ndlambe Bulk Water Supply, Sterkspruit Regional Wastewater Treatment Works and Greater Mbizana Regional Bulk Water Scheme including Makana JK, which are currently under construction, are completed during the 7th term. This will increase the sources of water for the benefit of our people.

1.8.2.4 .7 Education

Eastern Cape Matric Class of 2024 for achieving a record breaking 84.98% pass rate, a historic achievement for the Eastern Cape since the dawn of democracy. This is a massive improvement from 56,8% we achieved ten years ago.

Our province has 45 special schools providing services to 10 500 learners. Over the next three years, the government has set aside R100 million for provision of services to special schools. Between now and 2030, we are going to build and refurbish 138 schools in our province, to improve the learning environment for our learners. This is an investment of R7.4 billion which will benefit learners in all districts.

The schools we are going to build and refurbish include Tonga Junior Secondary in Amathole, Mhlontlo Junior Secondary in Joe Gqabi, Lupindo Senior Secondary in Alfred Nzo, Bazindlovu Primary in Chris Hani, Khayaletu Special School in Buffalo City Metro, Hillbrow Senior Secondary in OR Tambo, David Livingston Secondary in Nelson Mandela Metro and Hendrik Kanise Combined School in Saraah Baartman.

Considering the challenges of shortage of spaces for first year students in our universities, we encourage students to also pursue their studies at TVET Colleges. TVET colleges offer an excellent opportunity for those passionate about technical skills and innovation, through numerous streams.

1.8.2.4 .8 Health

Our healthcare programme has seen a significant improvement in the provision of access to primary health care, with 490 primary health care centres meeting the set norms and standards for the Ideal Clinic status, in preparation for the implementation of the National Health Insurance Act. This legislation is critical for the transformation of the health care system.

Our HIV/AIDS response shows significant strides towards ensuring that by 2030, 95 % of people who are HIV positive know their status, 95% of those who have tested positive are on treatment and 95 % of those that are on treatment have their viral load suppressed. We are establishing 11 Cerebral Palsy Centres of Excellence, with a budget of R131million for strengthening treatment and to mitigate medico legal claims.

In our province, life expectancy is at an average of 64 years as of 2023. We are working to ensure that life expectancy reaches an average of 70 years by 2030. We will intensify efforts on preventing maternal and child mortality, chronic diseases, mental health, as well as severe and acute malnutrition. We are protecting our people from these illnesses by investing R7.1billion in this seventh term. We are investing a further R3 billion over the next five years for the construction of new clinics and rehabilitation of existing health facilities across the province.

1.8.2.4 .9 Social protection

The social security system ensures protection of the rights of children through the child related grants which covers up to 2 million children. The total contribution of social grants in the province now stands at R34.8billion per annum. The major contributing factor to food insecurity and malnutrition is the high cost of basic foodstuffs. We are implementing a green revolution under the theme: One household, one garden to encourage every household and community to produce food in every available piece of land.

We will accelerate the capacitation of households with vegetable, grain inputs and poultry production, as well as climate smart food production systems targeting 100 000 beneficiaries.

1.8.2.4 .10 Municipal Support

Out of 39 municipalities in our province, 20 are in the unqualified audit outcome category. But more importantly, the expenditure on the Municipal Infrastructure Grant improved from 39% in 2022/23 to 61% by 2023/24 financial year end. This bodes well for provision of services to our communities.

Provincial government have identified Buffalo City Metro, Nelson Mandela Bay Metro, Amathole, OR Tambo, Chris Hani, Makana, Enoch Mgijima, Port St Johns, Walter Sisulu, Dr Beyers Naude, Raymond Mhlaba, Kouga, KSD and Ndlambe, as municipalities that need dedicated support from the provincial government. Our support to these 14 municipalities will include: ensuring functional councils and governance structures, enhancing municipal capacity to collect revenue, as well as improving delivery of basic services.

1.8.2.4 .11 Community Safety

In support of Gender Based Violence and Femicide interventions, government has set aside approximately R225 million over the next 3 years. There were 119 life sentences on 77 GBV cases involving 84 accused persons.

1.10 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

1.11 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

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

1.12 PROCESS PLAN (2024-2025 CYCLE)

The council formulated and adopted an IDP Process Plan August 2023 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.

1.12.1 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 (Service Delivery & Budget Implementation Plan), Sector Departments and other service providers (vice versa)
- Alignment of the IDP with the various sector plans.

1.12.2 APPROACH FOR REVIEW AND DEVELOPMENT OF IDP

- Strategic review of the refining of strategies of 2024-25
- Sector Alignment IDP –Budget Alignment
- Community Engagement (Public Participation)
- Review of status of the sector plans
- Compliance with MSCOA
- MEC Comments action plan
- Institutionalization and alignment of revised Financial Recover Plan

1.12.3 INTEGRATED DEVELOPMENT PLAN (IDP) MEC ASSESSMENT REPORT 2022-2023

Annual assessments of Integrated Development Planning is the outcome of section 31 of the municipal systems Act (MSA), No32 of 2000 which mandates the member of the executive council (MEC) to:

- a) Monitor the processes followed by the municipalities during the drafting and adoption of IDP's
- b) Assist municipalities with the planning, drafting, review and adoption of IDP's;

- c) Facilitate the co-ordination and alignment of IDPs of different municipalities including those of the district municipalities and local municipalities within its area. The overall purpose of IDP assessment is to measure the conformity of IDPs to the core components and development processes outlined in section 26 and 29 of MSA respectively. In fulfilling the legislative mandate, COGTA together with municipalities and relevant stakeholders conduct annual assessment of IDPs.

The annual assessment of IDPs for the Financial Year 2023/24 was conducted in two phases. The first phase was the compulsory desk top assessment of IDPs by all municipalities prior to live assessment. The second phase was the live assessment of IDPs by municipalities, sector departments and relevant stakeholders under the auspices of COGTA. For the purpose of aligning municipal IDPs with plans, strategies and programmes of national and provincial organs of state, the sector departments and other relevant stakeholders that participated were the /department of Economic Development, Environmental Affairs & Tourism (DEDEAT); Energy; Human Settlements; Health; Cooperative Governance and Traditional Affairs(COGTA); Provincial Treasury; Rural Development and Agrarian Reform; Public Works & Infrastructure; Transport; Water & Sanitation; Forestry, Fisheries & Environment and Eskom. Pursuant to the district cluster approach the annual assessment was limited to one day per district municipality and its local municipalities.

1.12.3.1 Implementation of IDP Assessment findings

All municipalities responded to the IDP analysis and assessment framework prior to the session. The main purpose was to enable a smooth flow of live assessment and afford sector departments an opportunity to interact with municipalities in developing strategies based on comments and improvement measures with strict timeframes as required by the IDP Analysis and Assessment Framework.

As a project manager COGTA was responsible for monitoring and coordination of the annual assessment of all 39 municipalities in the Eastern Cape Province. Part of the responsibilities as the project manager was to:

1.12.3.2 Overall KPA Ratings

Each key performance area was allocated an overall rating with the following context

Levels of performance	Scores	Performance descriptions	Action required
Low	1-33%	Poor	Immediate and intensive intervention
Medium	34-66%	Satisfactory	Minimum support required
High	67-100%	Good	Benchmarking

1.12.3.2 The table below displays comparative ratings of our municipality over a three-year period:

Key Performance Areas (KPAs)	Ratings 2022/2023 IDP Assessment	Ratings 2023/2024 IDP Assessment	Ratings 2024/2025 IDP Assessment
KPA 1: Spatial Planning, Land, Human Settlements & Environmental Management	High	High	Basic
KPA 2: Service Delivery & Infrastructure Planning	High	High	Basic
KPA 3: Financial Planning & Budgets	Medium	Medium	Low
KPA 4: Local Economic Development (LED)	High	High	Medium
KPA 5: Good Governance & Public Participation	Medium	High	Basic
KPA 6: Institutional Arrangements	High	High	Basic
Overall Rating	High	High	Basic

1.12.3.3 Specific Assessment Findings on the 2022/23 Final IDP

This report provides a summary of findings in all six KPAs. The municipality should refer to the IDP analysis and assessment report in relation to the details of the findings on gaps. Overall findings and areas of concern on the 2024/253 IDP assessment can be summarised as follows:

KPA 1: Spatial Planning, Land, Human Settlement and Environmental Management – Overall Rating: High

NO	FINDINGS	PROGRESS
1.	The municipality must develop the land audit report, land invasion policy and by-laws	Land Audit, is in the plans of the Municipality; however, funding is still challenge, however, on 14 th April 2025 a request has been sent to the Department of COGTA (Land Use Management and Admin section) and awaiting response land invasion policy was development in the 2024-25 financial year and was approve by Council 30 th April 2025
2.	The municipality must develop a climate change response strategy or activities that respond to climate change	Municipality will seek assistance to District Municipality
	The municipal IDP must reflect Community Residential Units	The municipality has a project on the construction of 178 RDP housing units across various words in the Makhanda areas. In addition, the Department of Human Settlements has given the municipality an additional 4 housing projects, namely 100 Riebeek East, Makana Disaster 150, Fingo Village 52 & Transit Camp
3.	The municipality must reflect on plans to protect its natural resources and heritage	Municipality will seek assistance to District Municipality and Department Environmental Management
4.	The municipality must indicate plans that are in place to address land degradation and revitalization or any environmental by-laws in place.	Municipality will seek assistance to District Municipality and Department Environmental Management
5.	The municipality must reflect evidence on an attempt to develop an environmental planning tool such as State of Environment Report (SOER), Environmental Management Framework (EMF), Environmental Management Plans (EMP), Aquatic Ecosystem, Ecological Infrastructure and Wetlands Bioregional Plants	Municipality will seek assistance to District Municipality and Department Environmental Management

KPA 2: Service Delivery & Infrastructure Planning – Overall Rating: High

NO	FINDINGS	PROGRESS
1.	The municipality develops roads and stormwater Management Plan	Roads and stormwater Management Plan is part of the Municipal plan; however, challenge is still funding. Municipality does have Road Maintenance plan.
2	The municipality must expedite the review and adoption of an integrated Waste Management Plan (IWMP) as contemplated in section 11 of the Nation Environmental Management Act: Waste Act (NEMWA) No.59 of 2008	Integrated Waste Management Plan (IWMP) is under review

1.12.3.4 ROLES AND RESPONSIBILITIES OF THE MUNICIPALITY (MAKANA)

ROLE PLAYER	ROLES AND RESPONSIBILITIES
Council	Final decision making
	Approval of the reviewed IDP document
Ward councilor	Linking the IDP process with their constituencies
	Organizing public participation at ward level
Mayor	Assign responsibilities to the municipal manager
	Submit the IDP Process Plan to the council for approval
	Chairperson of the IDP representative forum
	Chairperson of the IGR (intergovernmental Relations forum)
Municipal Manager	Prepares IDP Process plan
	Ensure that timeframes are adhere to
	Decide on and monitor the IDP process
	Overall management and co ordination
Chief Financial Officer	Alignment of IDP and budget
	Input on the development of SDBIP (Service Delivery & Budget Implement Plan)
Mayoral Committee	Helps to harness common understanding between political and administrative component 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 processes
	Coordinate technical and sectoral expertise
	Coordinate sector plan inputs
	Prepare Progress Report

ROLE PLAYER	ROLES AND RESPONSIBILITIES
	<p>Alignment of IDP and Budget</p> <p>Plan stakeholder engagements</p> <p>Integration of sector departments</p> <p>Plan public participation engagements</p>
<p>IDP Steering Committee (using SMT – Senior Management Team)</p>	<p>Assist and support the municipal manager and IDP Representative Forum</p> <p>Information "GAP" identification</p>
<p>The District Council</p>	<p>Oversee the alignment of the planning process internally with those of the Local Municipal areas</p> <p>Co ordination role with all local municipalities within the district</p> <p>Ensure horizontal and vertical alignment of the municipal IDPs in the district area</p> <p>Facilitation of the vertical alignment of IDPs with other spheres of government and sector departments</p> <p>Provide events for joint strategy workshop with local municipalities, provincial and national role players and other subject matter specialists</p>
<p>Ward Committees</p>	<p>To be consulted on an individual or collective basis to establish community needs and reach consensus on IDP projects/ initiatives and priorities</p>
<p>IDP Representative Forum (use IGR)</p>	<p>Representing public interest and contribution knowledge and ideas</p>
<p>Governmental Departments, parastatals and NGOs</p>	<p>Provide data information</p> <p>Budget information</p> <p>Alignment of budget and IDP</p> <p>Provide professional and technical expertise</p> <p>Assist in facilitating the community-based planning (CBP)</p>

1.12.3.5 MECHNISIM FOR COMMUNITY AND STAKEHOLDERS' 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

1.12.3.6 MECHNISIM 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 Mar	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

1.12.3.7 TIME SCHEDULE OF KEY DEADLINES FOR 2022-23

CATEGORY	ACTIVITY	TIME FRAMES
IDP and Budget	Preparation of an IDP / Budget Timetable	August 2024
	Co-ordination role of the budget process through preparation and completion of the process plan	September 2024
	<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 2024
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 2024
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 2024
	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). 	Dec 2024 - Jan 2025
Budget and PMS	<ul style="list-style-type: none"> • Mid-Year Budget and Performance Assessment 	January 2025
IDP	<ul style="list-style-type: none"> • Review IDP Document Key Performance Areas 	February 2025

CATEGORY	ACTIVITY	TIME FRAMES
IDP	• Review Directorate Strategies	February 2025
IDP	• Review Institutional Strategies	February 2025
IDP/Budget	• Tabling of Draft IDP and Budget 2025-26 by Mayor to Council	31 March 2025
IDP/Budget	• Advertising of Draft IDP/Budget	April 2025
IDP/Budget	• Directorate engagement on Draft IDP and Budget (Directorate session)	Mar/ April 2024
IDP/Budget	• Presentation of Draft IDP/ Budget priorities document to Senior Management team	April 2025
IDP/Budget	• Institutional Strategic Planning	April 2025
IDP/Budget	• IDP/Budget Road Show (Mayoral Imbizo)	April /May 2025
IDP/ Budget	• Presentation IDP/Budget priorities to SMT	May 2025
IDP/Budget	• Presentation Final Draft of IDP/Budget Steering Committee/SMT	April 2025
IDP/Budget	• Presentation of Draft IDP/Budget Document to IDP Representative Forum	May 2024
IDP/Budget	• Presentation of Final IDP/Budget Document to Council for approval	31 May 2024

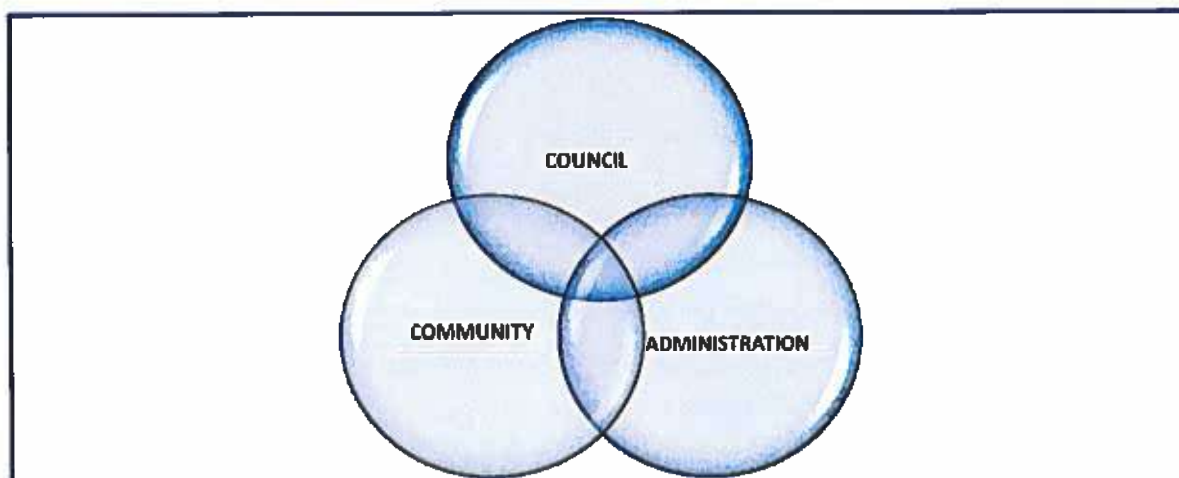
1.12.3.8 PUBLIC PARTICIPATION STRATEGY:

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:

Composition of a Municipality:



Our Public Participation Mechanisms Comprise.

- Sector Engagement
- Ward Public meetings
- IDP Representative Forums
- Ward Committee Meetings

The objective of the public participation process is to solicit input for the 2022-2027 IDP review.

The Municipality established the following mechanisms to facilitate public participation.

1.12.3.9 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.

1.12.3.10 SECTOR ENGAGEMENTS:

In a bid to enhance the quality of 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.

1.12.3.11 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.

1.12.3.12 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	AREA	WARD CRITICAL DEVELOPMENT PRIORITIES	TIME
05/11/2024	01	FORT BROWN	<ul style="list-style-type: none"> • Supply water harvesting Jojo tanks • Job creation initiatives and opportunities • RDP housing Development • Provision and maintenance of sport facilities and Playpark for children (Soccer and Net Ball Field) • Toilets and paving 	Community and 10:00
		Riebeeck East	<ul style="list-style-type: none"> • Upgrading and regularly maintenance of roads • RDP houses with toilets and for Mooimeisfontein • Solar geyser and solar panels for household lighting (Farm areas) • Dedicated Municipal vehicle • Outdoor gym 	
06/11/2024	02	A, B, C, D, BLOCKS, EXT 1, 2, 3,	<ul style="list-style-type: none"> • Water and Sanitation this included water outages and eradication of bucket system in upper Manandi • Repair and Maintenance of Roads • Houses for destitutes • Installation and maintenance of streets light and High Mast • Improved road safety • Satellite Fire Station • Control of Illegal Dumping, provision of refuse bags and access to waste disposal facility 	Indoor Sport Centre 17H00
	03	EXT 10, MANDI, EXT 3	<ul style="list-style-type: none"> • Toilets for Zolani, Pholar Park, Paphamani and Suncity • Upgrading of Road in extension 10 • Community hall for Mayfield extension 10 area • RDP housing development with inclusive of Phumlani: Extension 2 • More communal Taps in infill areas (Water) • Construction of Overhead bridge • Installation of high mast lights in Paphamani, Zolani & Pholar Park. Paving of extension 10 • Maintain roads and storm water system • Cemetery needs maintenance – fencing 	

			<ul style="list-style-type: none"> • Provision and Maintenance of sport facility •
05	EXT 08, TRANSIT CAMP, EXT 9		<ul style="list-style-type: none"> • 2010 Sanitation project never completed: transit camp •
06	PA, EXT 6,		<ul style="list-style-type: none"> • Bucket system eradication • Maintenance & paving of roads (Ext 4 & 6 and Lingelthle) • Shopping centre in Ext 6 • Eradication all illegal Dumping sites • Refurbishing and maintenance of recreational facilities and Including Indoor Sports Centre • Vendor Park opposite Nobebe open space • Control of Illegal Dumping and development of community gardens • Community Day Care Centre at Lingelthle
09	BLOCK D, EXT 4, EXT 5,		<ul style="list-style-type: none"> • No water coming from standpipes at Eluxolweni • The area needs proper toilets • Installation of geysers on all RDP houses • Cemeteries fencing • Maintenance of streetlights on the main road • Repair and maintenance of roads

	11	Ext 7, Lingelihle, Ethembeni, Khayelitsha, 26 Sites	<ul style="list-style-type: none"> • Community hall • Control of Illegal Dumping and development of community gardens or recreational facility • Repair and maintenance of roads • 63 Houses not connected to Sewer reticulation (Bucket system to be eradicated) • Electrification of Informal Settlement • Repair and Maintenance of streets lights • Satellite library needed • Repair and maintenance of recreational facilities • Demolition of Benjamin Mahlasela School 	
07/11/2024	03	PHAPHAMANI, PHOLA PARK, SUN CITY, GHOAST TOWN, ZOLANI	<ul style="list-style-type: none"> • Toilets for Zolani, Pholar Park, Phaphamani and Suncity • Upgrading of Road in extension 10 • Community hall for Mayfield extension 10 area • RDP housing development with inclusive of Phumlani: Extension 2 • More communal Taps in infill areas (Water) • Construction of Overheard bridge • Installation of high mast lights in Phaphamani, Zolani & Polar Park. Paving of extension 10 • Maintain roads and storm water system • Cemetery needs maintenance – fencing • Provision and Maintenance of sport facility 	RECREATION HALL 17h00
	04	GRAEME COLLEGE, ST AIDENS, SCOTT'S FARM, ALBANY ROAD, KINGSWOOD, ANDREW HEMRO, VERGENOEG.	<ul style="list-style-type: none"> • Repair and maintenance of Street lights • Repair and Maintenance of roads and stormwater • Repair and Maintenance of sewer drains • Repair and Maintenance of water reticulation system to reduce water leaks • Protection of electricity infrastructure • High level of crime and Drug abuse • Speed hump needed in Scott's farm, Fitchat street • Repair and maintenance of community halls: Crown and Recreation Halls • Rectification and provision of new RDP Houses • Regular cleaning/ eradication of the illegal dumping sites 	

12/11/2024	13	MANLEY FLATS 0	<ul style="list-style-type: none"> • Lack of recreational facilities • Need recreational facilities • Bush clearance • Repair and maintenance of roads (Paving Road) • Distribution of water and provision of more JoJo tanks for different areas • Identification of innovative project for rural areas • Lack of aftercare support by the sector department • Job creation opportunities • Resuscitate Agri Village initiative • Support on the skilled development for youth • Repair and maintenance of catchment areas for stock farming. • Purification of borehole water and built reservoirs 	MANLEY FLATS SCHOOL HALL 10:00
12/11/2024	14	Alicedale	<ul style="list-style-type: none"> • RDP Housing development • Delay Completion refurbishment of Hall Kwanonzwakazi and Transivier contractor was terminated • Upgrading national road • High school is collapsing, contractor was terminated • Water Leakages • Control of illegal dumping sites • Repair and maintenance of streets light and high mast • Cemetery 	COMMUNITY HALL 14:00
		SEVEN FOUNTAIN	<ul style="list-style-type: none"> • Electrification • Streetlight and maintenance of high mast • Lack of water supply • Regular maintenance of gravel roads • Need hall • Clinic • Toilets • Cemetery • Schooler transport 	COMMUNITY HALL 14:00

13/11/2024	7	HLALANI, K, L, M, SOFISA, LOMBO, LUKWE, Y, NEW TOWN, XOLANI, U, V, W, X, Y Z	<ul style="list-style-type: none"> • Streetlight • Repair and maintenance of gravel roads • Outstanding RDP houses • Flooding due to lack stormwater drainage • Disaster project stalled • Bucket eradication • Paving of all Gravel Roads • Illegal Dumping 	FOLEYS GROUND 17H00
	9	HLALANI, NEWTOWN, NDANCAMA,	<ul style="list-style-type: none"> • Repair and Maintenance of roads and stormwater with special reference to Halani and Vukani location. • Repair and Maintenance and Street light and High-must • Response time Sewer and water leaks across the ward • Youth development programmes • Refurbishment of Luvuyo Hall • Repair and maintenance of recreational facilities 	
	10	A, B, C, D, E, WOOD, RAGLAN ROAD, VICTORIA ROAD, I, J, N, O, P, Q, R, S, T, XOLANI	<ul style="list-style-type: none"> • Repair and maintenance of streets light • Upgrading of Victoria streets • Eradication of bucket system (Glebbe) • Rectification and completion of RDP houses • Visible Policing • Repair and maintenance of roads 	
14/11/2024	01	HOOGENOEG	<ul style="list-style-type: none"> • Repair maintenance of streets and installation of new High mast • High violent and crime • Repair and maintenance of streetlights • Repair and Maintenance of roads and Stormwater • Street clean and beatification with special reference to street verges and illegal dumping • A dedicated skip is need for refuse • Need for Solar geysers solar • Sewer leak and blockages 	

	08 and 12	SUNNYSIDE, FORT ENGLAND AREA, CBD RHODES UNIVERSITY, SOMMERSET STREET,	<ul style="list-style-type: none"> • Clean and Beautify Public Areas: Regular cleaning of illegal dumping sites, street sweeping, increased bins, benches, and verge beautification • Public Toilets and Signage: Installation of more public restrooms and clear signage to discourage public urination • Solar Street Lighting: Implement solar lighting for safer and more sustainable public areas • Enhanced Security Measures: Install cameras in the CBD, especially in student-frequented areas, for added security and Protection of basic service infrastructure i.e. electricity substations.
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1.12.3.13 IDP/Budget Road Shows

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

Date	Time	Cluster/Ward	Venue
13 May	17h00	Cluster 1 Ward 6 and 11	Extension 7 Clinic
		Ward 2: 9 Emacangcini, eluxolweni and Ext 05	Noluthando Hall
14 May	15h00	Ward 10, Ward 9	BB ZONDANI
15 May	17:00	Cluster 3 Ward 1, 3, and 4	TENT OVAL/LAVENDER
15 May	17:00	Ward 8 and Ward 12	City Hall
22 May	10h00	EXT 8 & 9 Transit camp and Phumlani	Ext 9 Hall
22 May	15:00	CLUSTER 4 Manley Flats	YANDELA
22 May	15:00	Fort Brown	F/BROWN COMMUNITY HALL
22 May	15:00	Cluster 2: Tanyi and Fingo -	Foley's Ground

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 Makhanda 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, Makhanda (formerly Grahamstown), Riebeeck East, and Sidbury.

2.1.1 DEMOGRAPHICS PROFILE

2.1.2.1. Demographic Profile

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.

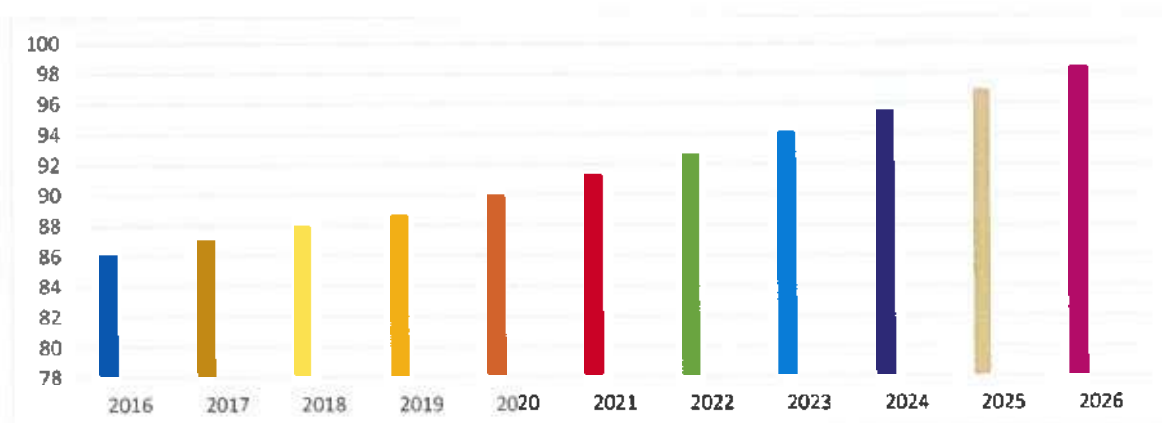


- The municipal area is 4 375.6km²,
- Population span 20.9 people/km²

2.1.2.2 Total Population:

The population of Makana local municipality has increased from 80 390 in 2011 to 97 815 in 2022. There are 17 425 more people now living in our municipal area which includes Makhanda, Alicedale, Riebeeck East and Sidbury. The figure below depicts the actual population numbers up until 2019 as well as a forecasted value for the subsequent years.

[Makana Population 2016-2026



Source:

The number of households in Makana is expected to rise to at least 26 323 households by 2026, with an average annual growth rate of 0.52%. Makana's household growth rate is higher than that of the district (Sarah Baartman District) municipality (0.37%).

2.1.2.3. 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 97 815 in 2022 to 102 593 in 2026.

Table 2. Population projections - Makana, Sarah Baartman, eastern cape, and national total, 2022-2026 [numbers percentage]

Year	Makana	Sarah Baartman	Eastern Cape	National Total	Makana as % of District	Makana as % of Province	Makana as % of National
2022	97,815	543,000	7,470,000	61,100,000	17.0%	1.23%	0.15%
2023	98,988	549,000	7,550,000	61,900,000	17.0%	1.23%	0.15%
2024	100,175	556,000	7,630,000	62,700,000	16.9%	1.24%	0.15%
2025	101,377	563,000	7,710,000	63,500,000	17.0%	1.24%	0.15%
2026	102,593	570,000	7,780,000	64,300,000	17.0%	1.24%	0.15%
AVERAGE ANNUAL GROWTH							
2022-2026	1.20%	1.22%	1.02%	1.28%			

2.1.3. Age Distribution

Age Distribution	CENSUS 2011					CENSUS 2022				
	0 - 4	5 - 14	15 - 34	35 - 59	60 +	0 - 4	5 - 14	15 - 34	35 - 59	60 +
Sarah Baartman	45 969	76 633	153 131	128 622	46 229	40 631	86 018	163 960	162 523	80 061
Makana	7 180	12 431	30 702	22 733	7 344	6 761	14 671	32 727	31 217	12 431

- The population table reflects a change in the structure of the population from 2011 and 2022. The differences can be explained as follows:
- In 2011, there is a significantly larger share of young working age people between 20 and 34 (32.7%), compared to what is estimated in 2022 (29.6%). This age category of young working age population will decrease over time.
- The fertility rate in 2022 is estimated to be slightly higher compared to that experienced in 2011. The share of children between the ages of 0 to 14 years is projected to be significant smaller (21.8%) in 2022 when compared to 2022 (23.2%).
- There has been a noticeable increase in the age profile of Makana residents. From 2011 to 2022, the percentage of young children (0-14 years) has decreased from 24.4% to 21.9%, while the proportion of working age people (15-64) has remained virtually unchanged at just over 69%. The percentage of elderly people (older than 65) has increased significantly from 6.2% to 8.2%

2.1.4. Sex ration

In 2022, 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 2022, 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 2011.

	CENSUS 2011			Sex Ratio	CENSUS 2022			GROWTH RATE	
	Total population				Total population			Sex Ratio	
	Male	Female	Total		Male	Female	Total		
Sarah Baartman	220 246	230 338	450 584	95,6	253 673	279 580	533 253	90,7	1,6
Makana	38 175	42 215	80 390	90,4	45 885	51 930	97 815	88,4	1,9

2.1.5 HOUSEHOLDS

A household is a group of people who live together, or a single person who lives alone. Makana Municipality had 29 239 households in 2022, which is expected to rise to 29 999 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%). Household sizes in Makana are larger than that of the Sarah Baartman District. In 2011 the average household size in Makana was 3.85 people. This is expected to marginally increase by 3.8 people in 2022.

2.1.5.1 Number of Households and Type of Dwelling

Municipality	2011		2022	
SBDM	125 628	3.6	158 404	3.4
Makana	21 388	3.8	29 239	3.3

2.1.5.2 Type of Dwelling

Type	2011	2022
Formal Dwelling	18 269	26 206
Traditional	780	338
Informal dwelling	2 153	2 574
Other	186	120

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

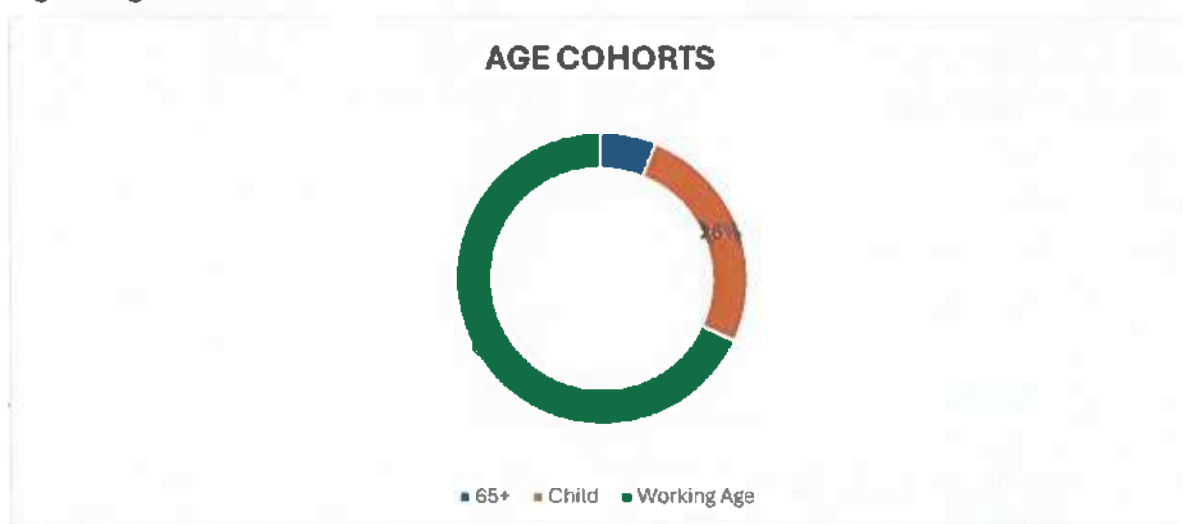
population group had a total composition of 11.1% (ranking second). The White population group had a total composition of 9.0% of the total households. The smallest population group by households is the Asian population group with only 0.7% in 2022.

The growth in the number of African headed households was on average 1.16% per annum between 2011 and 2022, 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 2022 at 1.57%. The average annual growth rate in the number of households for all the other population groups has increased with 0.89%.

2.1.5.3 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 2022



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.

2.1.5.4 Dependency Ratio 2011-2022	2011	2022
Makana	44	43
Sarah Baartman	52	51.7

In 2022 the Makana Municipality had an estimated dependency ratio of 43% meaning that there are about 43 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.

2.1.6 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.

2.1.6.1 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: Quantec2022

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.

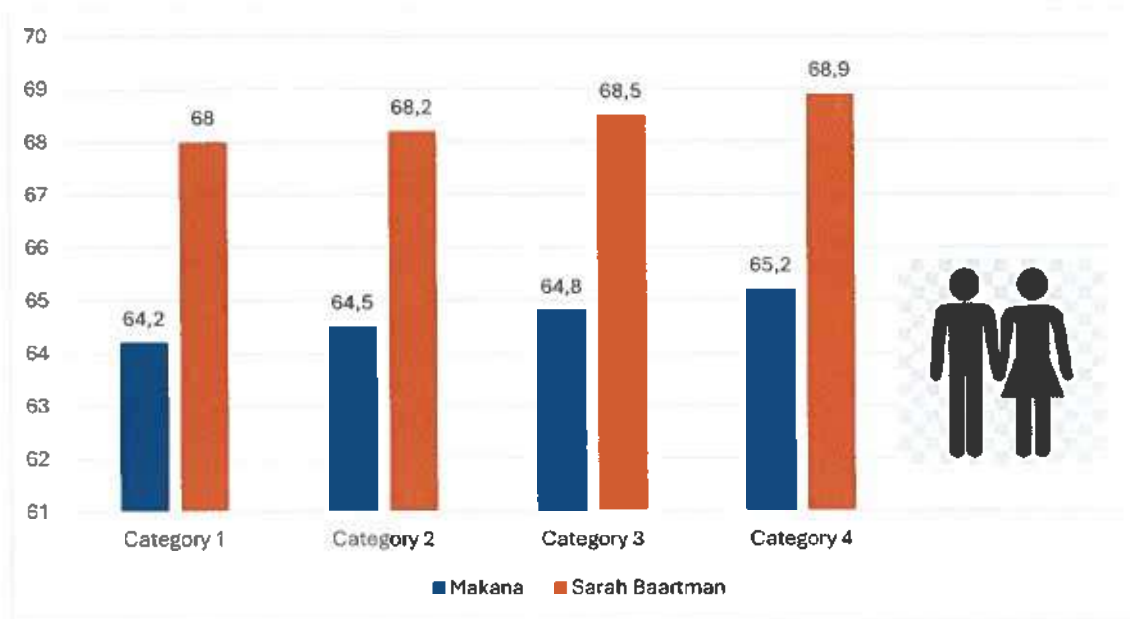
2.1.6.2 Common Diseases and Referral System

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

2.1.6.3 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

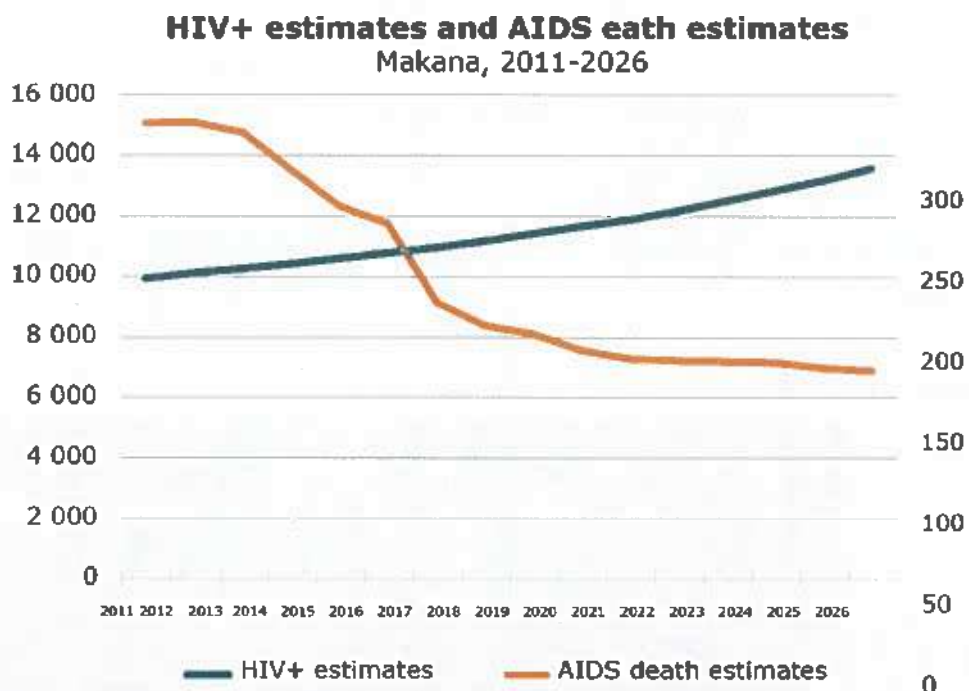


Quantec2021

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.

2.1.6.4 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.



Source: IHS Markit Regional explorer version 2257

Life expectancy is increasing in the Makana Municipality. The number of patients starting ART treatment has decreased over the period. Infant mortality has increased, while the immunisation rate has increased. In terms of maternal healthcare, maternal mortality has decreased between 2017 and 2019.

2.1.7 POVERTY:

This section will investigate various indicators of poverty, including Gross Domestic Product per region (GDPR) per capita, household income, the number of indigent households, income inequality as well as human development in the Makana Municipality.

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 an increase of 9.78 percentage points. 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 change from 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.

The poverty gap rate was 31.4% and in 2011 the poverty gap rate was 30.0%, it can be seen that 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.

2.1.7.1 GDP PER CAPITA

The GDP per capita illustrates the economic output per person and is often used as a measure for the standard of living.

GDP per Capita 2016-2019 Figure_

The Makana Municipality has a higher GDP per capita than that of Sarah Baartman district and a lower GDP per capita than that of South Africa.



Source: Quantec

Between 2016 and 2019, the GDP per capita grew at an average annual rate of 0.513% for the municipality.

2.1.7.2 Household Income

The table depicts the average monthly income (in current prices) of the household within Makana Municipality as well as the average monthly income in Sarah Baartman district and that of South Africa. The table further shows the annual household growth between 2016 and 2019.

Average Household Income	Average Household Income 2019	Average Household Income Growth (2016-2019)
Makana	R 213	1.76%
Sarah Baartman	R1 124	2.36%
South Africa	R166,641	1.83%

Household in Makana Municipality earned less than the district average. The average disposable monthly household income increased by an average annual rate of 1.8% during 2016-2019.

The average monthly household income growth in Makana Municipality, was lower than the average household growth South Africa over the same period.

2.1.7.3 Indigent Households

The Makana Municipality provides free basic services to registered indigent residents and has a policy for indigent support that is implemented by the Finance Department. The registration of more Indigents is a project that has been receiving attention to increase the number of beneficiaries.

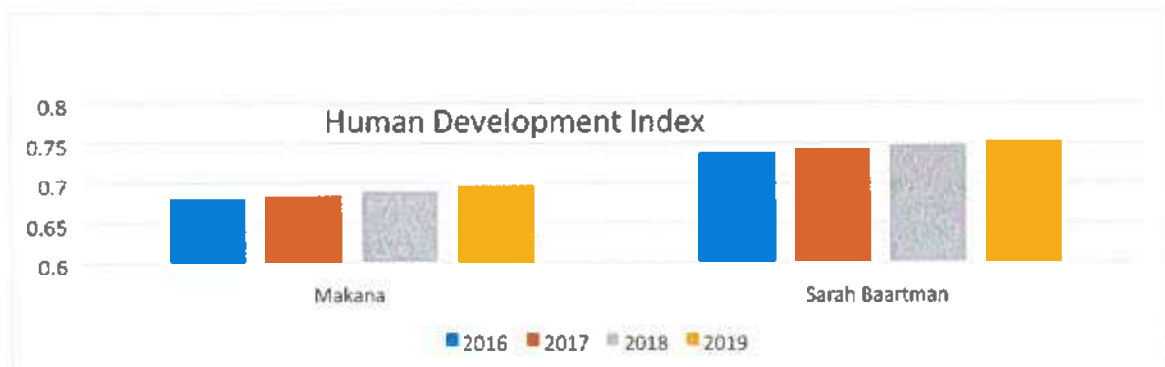
Indicator	2021-22	2022-23	2023-24
The percentage of households earning less than 2 x social grant plus 25% per month with access to free basic services	18%	12%	135
The percentage of households with access to basic level of water	95%	82%	12560
The percentage of households with access to basic level of sanitation	84%	80%	15284
The percentage of households with access to basic level of electricity	91%	100%	3128
The percentage of households with access to basic level of solid waste removal	92%	94%	15372

2.1.7.4 Gini Coefficient

In terms of the Gini coefficient for each of the regions within the Sarah Baartman District Municipality, Ndlambe Local Municipality has the highest Gini coefficient, with an index value of 0.644. The lowest Gini coefficient can be observed in the Dr Beyers Naude Local Municipality with an index value of 0.603.

2.1.7.5 Human Development

The Human Development Index is a composite index which takes into consideration three elements of human development, namely a long and healthy life, access to knowledge and a decent standard of living.



Source: Quantec2020

The HDI in Makana municipality increase from 0.68 in 2016 to 0.695 in 2019. The HDI of Makana was lower compared to that of Sarah Baartman district.

2.1.4 SERVICE DELIVERY

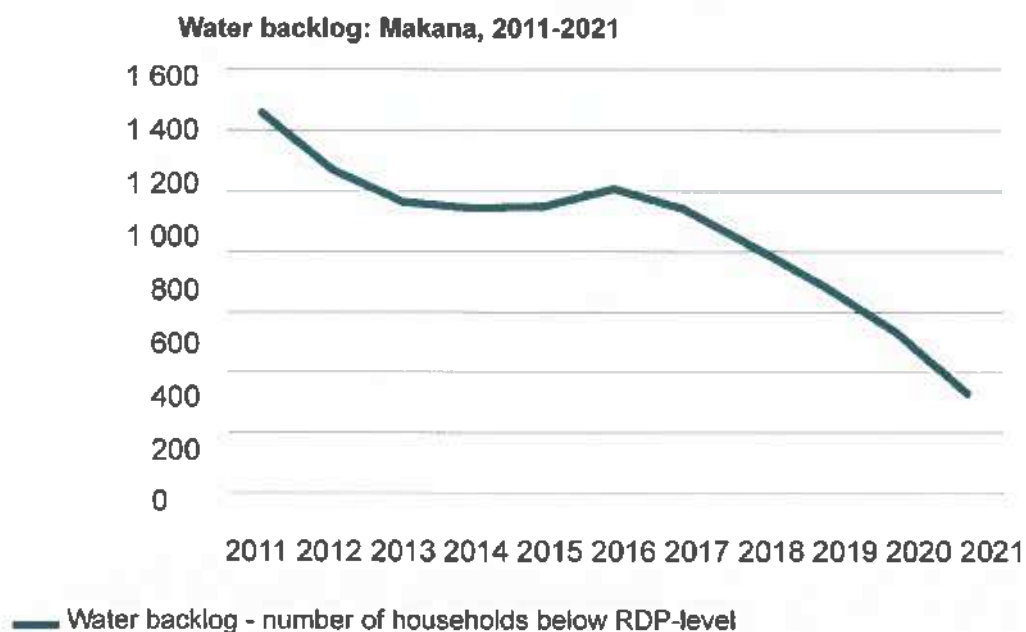
2.1.4.1 Access to services water

Makana Local Municipality had a total number of 10 200 or 41.49% households with piped water inside the dwelling, a total of 13 200 (53.64%) households had no formal piped water.

Sanitation	Household with piped water inside	Piped water in yard	Communal piped water: less than 200m from dwelling (Below RDP)	Communal piped water: more than 200m from dwelling (Below RDP)	No formal piped water	Total
2016	10 400	5 340	1 560	1 650	384	19 300
2022	10,213	13,205	793	239	167	24,617

When looking at the water backlog (number of households below RDP -level) over time, it can be seen that in 2016 the number of households below the RDP level were 2 034 within Makana Local Municipality, this decreased annually at 10.76%per annum to 406 in 2022.

WATER BACKLOG - MAKANA LOCAL MUNICIPALITY, 2011-2021
[NUMBER OF HOUSEHOLDS BELOW RDP-LEVEL]



Source: IHS Markit Regional eXplorer version 2257

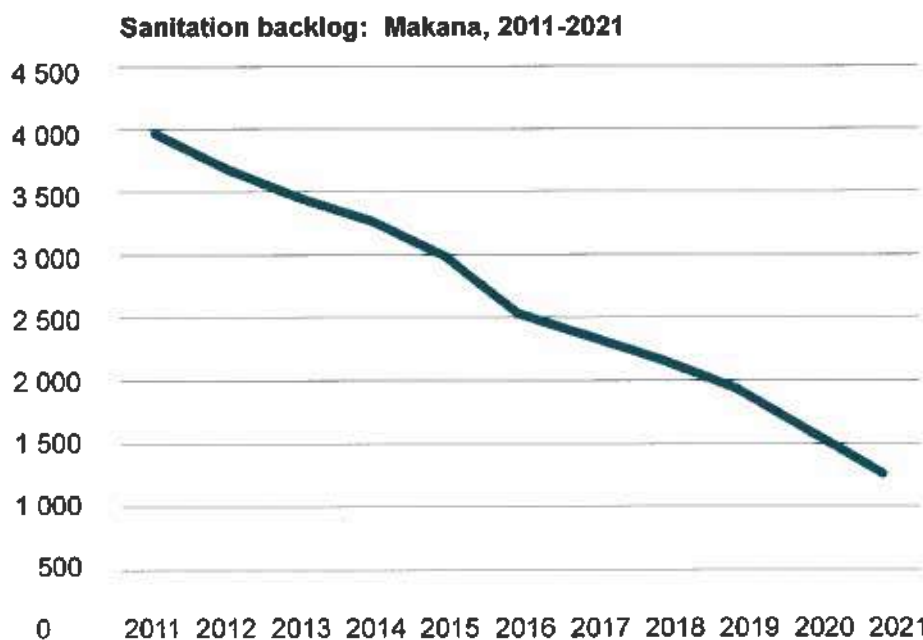
When looking at the water backlog (number of households below RDP-level) over time, it can be seen that in 2011 the number of households below the RDP-level were 1 460 within Makana Local Municipality, this decreased annually at -9.59% per annum to 532 in 2021.

2.1.4.2 Households by Type of Sanitation:

Sanitation can be divided into specific types of sanitation to which a household has access. Makana local Municipality has a total number of 21 000 flush toilets (85.50% of the total households), 2 380 ventilation improved PIT(VIP)(9.69% of total households) and 862 (3.50%) of total households' pit toilets. We use the following categories:

Sanitation	Flush toilets	Improved Ventilation Pit (VIP)	Pit Toilets	Bucket System	No Toilet	Total
2016	19 600	1 130	1 460	528	469	23 100
2022	21 000	2 380	862	114	210	24 617

**SANITATION BACKLOG-MAKANA LOCAL MUNICIPALITY, 2011-2021
[NUMBER OF HOUSEHOLDS WITHOUT HYGIENIC TOILETS]**



Source: IHS Market Regional Explorer version 2257

— Sanitation Backlog

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.

2.1.4.3 Households by Refuse Disposal:

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

Makana Local Municipality has a total number of 22000(89.42%) households which had their refuse removed weekly by the authority, a total of 219 (0.89%) households had their refuse removed less often than weekly by the authority and a total number of 1 410 (5.72%) households which had to remove their refuse personally (own dump).

Refuse Disposal	Removed weekly by authority	Removed less than weekly by authority	Removed by community members	Personal removal (own dump)	No refuse removal	Total
2016	22 500	204	476	903	281	24 300
2022	22 013	219	842	1 407	136	24 617

When looking at the number of households with no formal refuse removal, it can be seen that in 2016 the households with no formal refuse removal in Makana Local Municipality was 1 940, this decreased annually at 2.11% per annum to 2 380 in 2022.

2.1.4.4 Households by Type of Electricity:

Makana Local Municipality had a total number of 443 (1.80%) households with electricity for lighting only. A total of 23 800 (96.67%) households had electricity for lighting and other purposes and a total number of 376(1.53%) households did not use 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.

When looking at the number of households with no electrical connections over time, it can be seen that in 2016 the households without an electrical connection in Makana Local Municipality was 1 210, this decreased annually at 12.61% per annum to 376 in 2022.

2.1.5. 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.

2.1.5.1 IHS Composite crime index

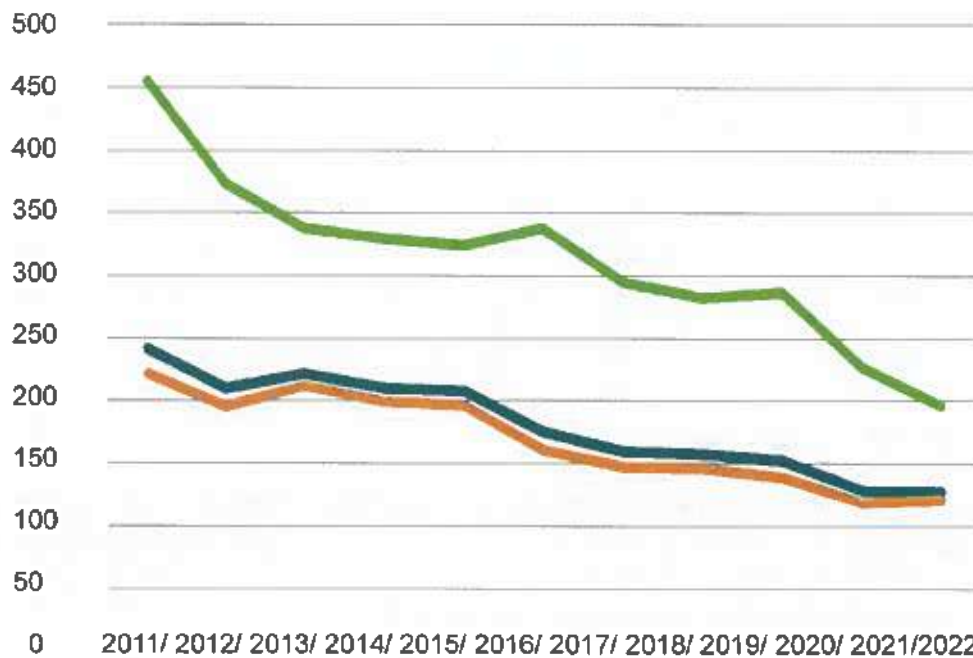
The IHS Composite Crime Index makes use of the official SAPS data, which is reported in 27 crime categories (ranging from murder to crime injuries). These 27 categories are divided into two groups according to the nature of the crime: i.e. violent crimes and property crimes. IHS uses the (a) Length-of-sentence and the (b) Cost-of-crime in order to apply a weight to each category.

2.1.5.2 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.

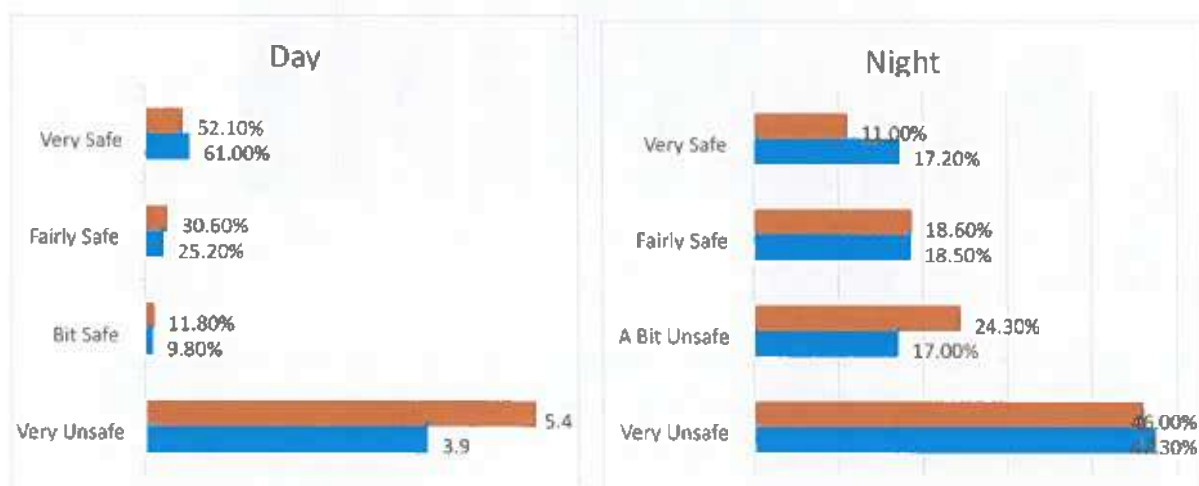
IHS CRIME INDEX - CALENDER YEARS (WEIGHTED AVG / 100,000 PEOPLE) - MAKANA LOCAL MUNICIPALITY, 2011/2012-2021/2022 [INDEX VALUE]

Overall, Violent and Property Crime Index: Makana, 2011/2012-2021/2022



2.1.5.3 Perceptions on Safety

This figure_ indicates the perceptions of safety during the day and night in Makana and the Sarah Baartman.



During the day 52.1% of residents in Makana feel very safe, while at night time only 11% feel very safe; 46% of residents feel very unsafe during night time. Perceptions of safety are more negative in Makana compared to that of Sarah Baartman district. In Makana between 2018 and 2019 an increase was recorded with regards to the number of murders per 100 000 people while sexual offenses decreased, burglaries increased and drug related crime decreased.

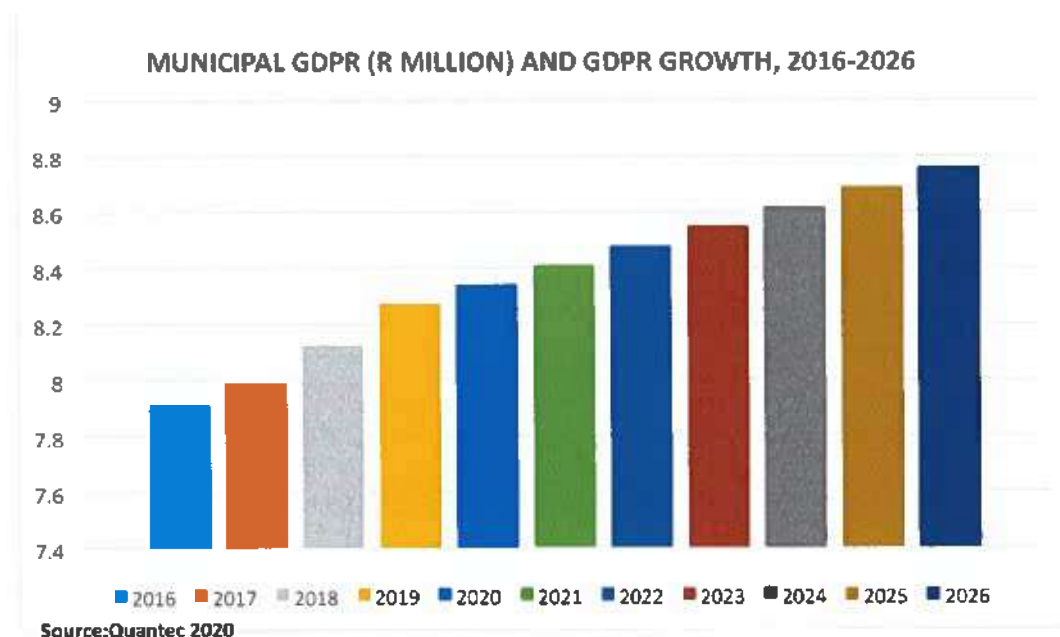
2.1.6 ECONOMY

2.1.6.1 Introduction

This chapter will investigate the economic performance of Makana Municipality. The size and performance of the economy of a municipal area ultimately influence the well-being of households. Indicators discussed in this sector include the municipal GDP growth, employment, skill levels of workers, gross fixed capital formation as a percentage of GDP, as well as trade indicators.

2.1.6.2 GDP

The size of the economy of the municipality together with the economic growth estimates between 2016 and 2026



The economy in Makana municipality generated around R8.3 billion in GDP in 2019. Over the period of 2012 to 2019 the economy grew at an average annual rate of 1.13%. Compared to Sarah Baartman district 1.1%, Makana municipality had a higher average annual growth rate. It is estimated that the value of the economy will grow to around R8.8 billion by 2026.

This table provides the sectoral GDP for Makana municipality in 2019. Additionally the table outlines the percentage share of each sector as well as the average GDP growth between 2016 and 2019.

Sectoral GDP 2019	R million 2019	Percentage Share	Average GDP growth 2016-2019
Agriculture, forestry & fishing	R174	2.1%	-5.3%
Mining & Quarrying	R4	0.1%	0.8%
Manufacturing	R1.951	23.6%	2.1%
Electricity, Gas & Water	R72	0.9%	-3.3%
Construction	R583	7.0%	3.3%
Wholesale & retail trade, catering & accommodation	R1.334	16.1%	2.5%
Transport, storage & communication	R703	8.5%	4.8%
Finance, insurance, real estate & business services	R1 443	17.4%	1.3%
General government	R 1 336	16.2%	-0.8%
Community, social & personal services	R 672	8.1%	1.0%
Total	R 8 271	100%	0.6%

Source: Quantec, Urban Econ calculations 2020

The largest economic sector in the Makana municipality includes manufacturing, finance, insurance, real estate & business services and the general government sectors. The economy of the Makana municipality performed better in 2019 compared to the preceding three years.

2.1.6.3 LABOUR

Makana Local Municipality	2016	2022
Working Population	27 200	64 900

In 2022 the working population of Makana was 64 900 compared to 27 200 in 2016. This represents a 41.9% growth in the number of people who have joined the workforce during the period between 2016-2022.

2.1.6.3.1 Economically Active People (EAP) and Unemployment

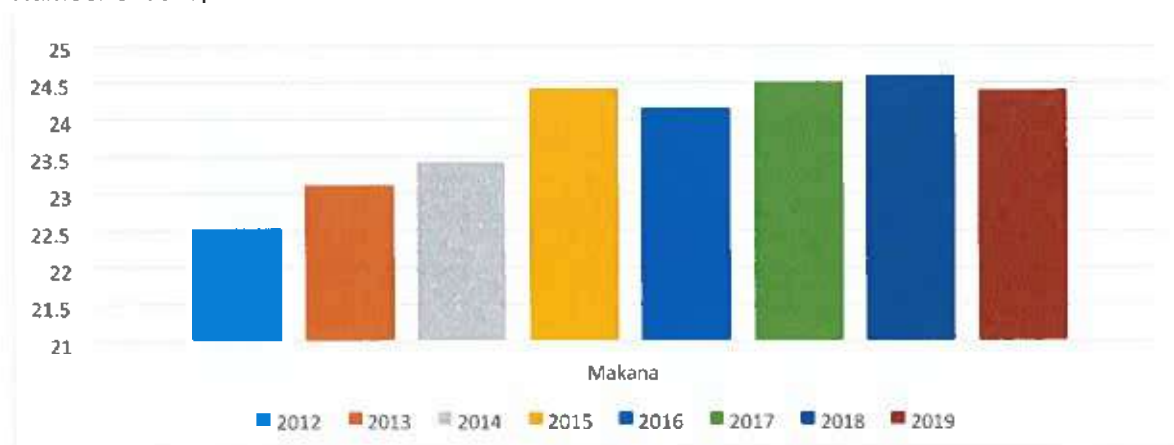
The economically active population EAP is defined as the number of people between the age of 15 and 65 who are able and willing to work, and who are actively looking for work. It includes both employed and unemployed people. The unemployed include all people between 15 and 65 who are currently not working, but who are actively looking for work. It therefore excludes people who are not actively seeking work (referred to as discouraged work seekers).

Makana Local Municipality	2016	2022
EAP	35 400	41 000
Unemployed	9 250	17 200

2.1.6.3.2 Employment

The composition of the jobs in Makana municipality, according to primary, secondary and tertiary sector employment

Number of Jobs, 2012-2019



In 2019, the Makana Municipal area employed 24 398 people, equating to 191 less than the previous year. However Makana gained 253 jobs over the period 2016 to 2019.

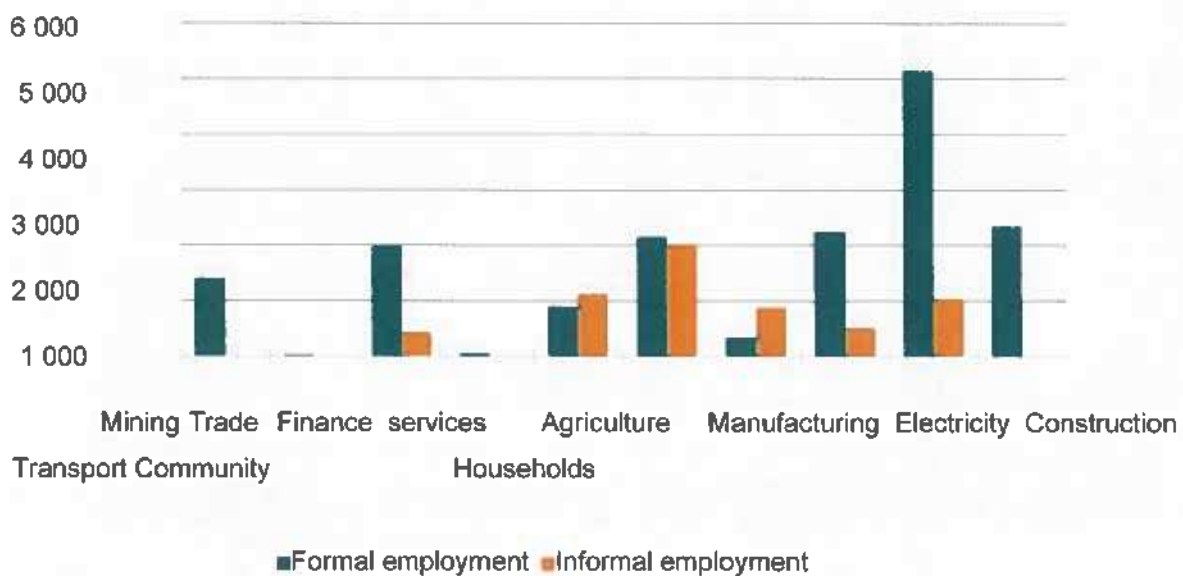
2.1.6.3.2 Formal and Informal employment:

Total employment can be broken down into formal and informal sector employment. Formal sector employment is measured from the formal business side, and the informal employment is measured from the household side where formal businesses have not been established. Formal employment is much more stable than informal employment. Informal employment is much harder to measure and

manage, simply because it cannot be tracked through the formal business side of the economy. Informal employment is however a reality in South Africa and cannot be ignored.

The number of formally employed people in Makana Local Municipality counted 16 500 in 2021, which is about 73.30% of total employment, while the number of people employed in the informal sector counted 6 000 or 26.70% of the total employment. Informal employment in Makana increased from 5 590 in 2011 to an estimated 6 000 in 2021.

**FORMAL AND INFORMAL EMPLOYMENT BY BROAD ECONOMIC SECTOR
MAKANA LOCAL MUNICIPALITY, 2021**
Formal and informal employment by sector Makana, 2021



Source: IHS Markit Regional eXplorer version 2257

In 2021 the Trade sector recorded the highest number of informally employed, with a total of 2 010 employees or 33.54% of the total informal employment. This can be expected as the barriers to enter the Trade sector in terms of capital and skills required is less than with most of the other sectors. The Manufacturing sector has the lowest informal employment with 418 and only contributes 6.97% to total informal employment.

2.1.6.3.3 Unemployment

The unemployed includes all persons between 15 and 65 who are currently not working, but who are actively looking for work. It therefore excludes people who are not actively seeking work (referred to as discouraged work seekers). The choice of definition for what constitutes being unemployed has a

large impact on the final estimates for all measured labour force variables. The following definition was adopted by the Thirteenth International Conference of Labour Statisticians (Geneva, 1982): The "unemployed" comprise all persons above a specified age who during the reference period were:

The specific steps may include registration at a public or private employment exchange; application to employers; checking at worksites, farms, factory gates, market or other assembly places; placing or answering newspaper advertisements; seeking assistance of friends or relatives; looking for land.

	Makana	Sarah Baartman	Eastern Cape	Province	Eastern Cape	Provincial	National
2011	7,020	30,000	487,000	4,580,000	23.4%	1.44%	0.15%
2012	7,320	31,600	509,000	4,700,000	23.2%	1.44%	0.16%
2013	7,790	33,800	540,000	4,850,000	23.1%	1.44%	0.16%
2014	8,150	35,100	565,000	5,060,000	23.2%	1.44%	0.16%
2015	8,370	36,000	583,000	5,300,000	23.2%	1.44%	0.16%
2016	9,220	39,800	636,000	5,670,000	23.2%	1.45%	0.16%
2017	10,700	46,000	718,000	5,990,000	23.2%	1.49%	0.18%
2018	11,800	50,600	782,000	6,100,000	23.3%	1.51%	0.19%
2019	13,600	58,600	885,000	6,450,000	23.2%	1.54%	0.21%
2020	15,200	66,400	967,000	6,710,000	23.0%	1.58%	0.23%
2021	17,500	77,500	1,090,000	7,450,000	22.6%	1.60%	0.24%
Average Annual growth							
	2011-2021			9.58%	96%	8.44%	4.98%

AND

Source: IHS Markit Regional Explorer version 2257

UNEMPLOYMENT (OFFICIAL DEFINITION) - MAKANA, SARAH BAARTMAN, EASTERN CAPE NATIONAL TOTAL, 2011-2021 [NUMBER PERCENTAGE]

Makana as % of Sarah Baartman, Eastern Cape, National and Provincial

Makana of district % of % of Baartman Cape Total municipality province national In 2021, there were a total number of 17 500 people unemployed in Makana, which is an increase of 10 500 from 7 020 in 2011. The total number of unemployed people within Makana constitutes 22.63% of the total number of unemployed people in Sarah Baartman District Municipality. The Makana Local Municipality experienced an average annual increase of 9.58% in the number of unemployed people, which is better than that of the Sarah Baartman District Municipality which had an average annual increase in unemployment of 9.96%.

In 2021, the unemployment rate in Makana Local Municipality (based on the official definition of unemployment) was 44.23%, which is an increase of 20.2 percentage points. The unemployment rate in Makana Local Municipality is higher than that of Sarah Baartman. Comparing to the Eastern Cape Province it can be seen that the unemployment rate for Makana Local Municipality was lower than that of Eastern Cape which was 45.61%. The unemployment rate for South Africa was 33.58% in 2021, which is a increase of -8.5 percentage points from 25.08% in 2011.

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.

2.1.6.6 Household income and expenditure:

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.

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.

2.1.6.6.1 Annual Total Personal Income:

Personal income is an even broader concept than labour remuneration. Personal income includes profits, income from property, net current transfers and net social benefits.

Annual total personal income is the sum of the total personal income for all households in a specific region. The definition of income is the same as used in the income brackets (Number of Households by Income Category), also including the income tax. For this variable, current prices are used, meaning that inflation has not been taken into account.

ANNUAL TOTAL PERSONAL INCOME - MAKANA, SARAH BAARTMAN, EASTERN CAPE AND NATIONAL TOTAL [CURRENT PRICES, R BILLIONS]

	Makana	Sarah Baartman	Eastern Cape	National total
2011	3.1	17.5	188.8	2,314.9
2012	3.5	19.8	210.8	2,525.0
2013	3.8	21.9	229.4	2,729.4
2014	4.1	24.0	247.2	2,938.2
2015	4.4	26.4	269.8	3,180.0
2016	4.7	28.6	288.5	3,436
2017	5.1	31.4	311.9	3,910.4
2018	5.4	34.1	334.1	3,910.4
2019	5.7	36.4	350.8	4,106.1
2020	5.5	36.1	343.3	4,016.7
2021	6.0	39.9	379.6	4,411.5
Average Annual Growth	6.73%	8.56%	7.23%	6.66%

Makana Local Municipality recorded an average annual growth rate of 6.73% (from R 3.15 billion to R 6.04 billion) from 2011 to 2021, which is less than both Sarah Baartman's (8.56%) as well as Eastern Cape Province's (7.23%) average annual growth rates.

South Africa had an average annual growth rate of 6.66% (from R 2.31 trillion to R 4.41 trillion) which is less than the growth rate in Makana Local Municipality.

2.1.6.6.2 Index of Buying Power (IBP):

The Index of Buying Power (IBP) is a measure of a region's overall capacity to absorb products and/or services. The index is useful when comparing two regions in terms of their capacity to buy products. Values range from 0 to 1 (where the national index equals 1), and can be interpreted as the percentage of national buying power attributable to the specific region.

Regions' buying power usually depends on three factors: the size of the population; the ability of the population to spend (measured by total income); and the willingness of the population to spend (measured by total retail sales).

**INDEX OF BUYING POWER –
MAKANA, SARAH BAARTMAN, EASTERN CAPE AND NATIONAL TOTAL, 2021**

	Makana	Sarah Baartman	Eastern Cape	National total
Population	91,194	536,226	7,398.907	60,324.819
Population – Share of National Total	0.2%	0.9%	12.3%	100.0%
Income	6,040	39,880	379,610	4,411,524
Income – share of national total	0.1%	0.9%	8.6%	100.0%
Retail	1,508.051	9,585.120	98,308.665	1,166,202.000
Retail – share of national total	0.1%	0.8%	8.4%	100.0%
Index	0.00	0.01	0.09	100

Source: HIS Markt Regional eXplorer version 2257

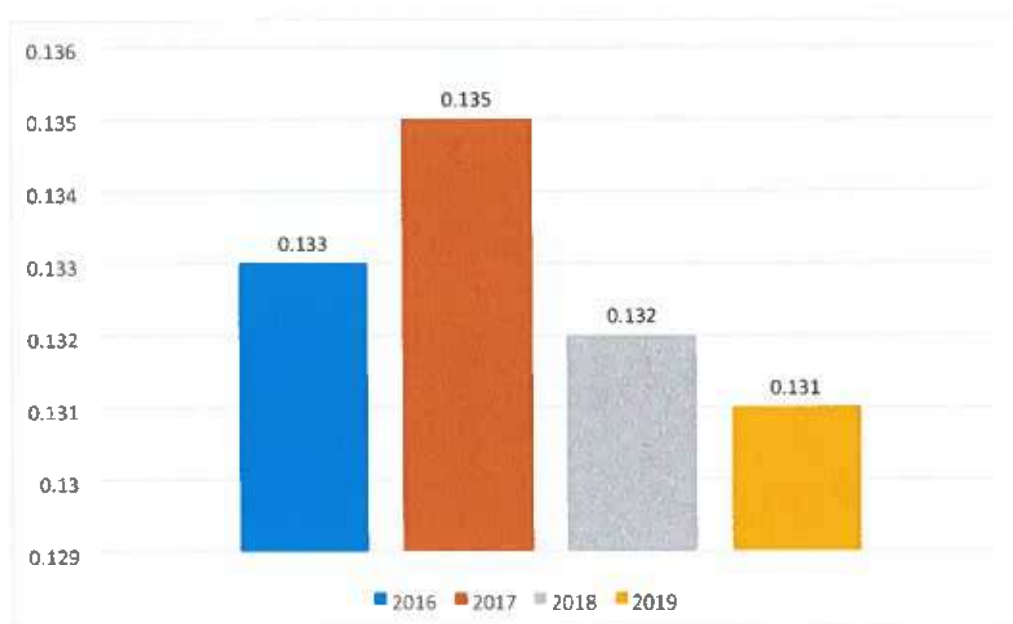
Makana Local Municipality has a 0.2% share of the national population, 0.1% share of the total national income and a 0.1% share in the total national retail, this all equates to an IBP index value of 0.0014 relative to South Africa as a whole. Sarah Baartman has an IBP of 0.0088, were Eastern Cape Province has and IBP index value of 0.089 and South Africa a value of 1 relative to South Africa as a whole.

The considerable low index of buying power of the Makana Local Municipality suggests that the local municipality has access to only a small percentage of the goods and services available in all of the Sarah Baartman District Municipality. Its residents are most likely spending some of their income in neighbouring areas.

Between 2011 and 2021, the index of buying power within Makana Local Municipality increased to its highest level in 2015 (0.001383) from its lowest in 2020 (0.001358). The buying power within Makana Local Municipality is relatively small compared to other regions and it decreased at an average annual growth rate of -0.04%.

2.1.6.7 Investment

Gross fixed capital formation (GFCF) is an indicator for investment in an economy, as it represents the acquisition of assets and includes building and construction work, purchasing machinery and equipment, as well as investing in information and communication technology



Between 2016 and 2019 the GFCF share of GDP decreased from 13.3% to 13.1% in Makana local Municipality

2.1.6.8 Trade

2.1.6.8.1 Local

The location quotient indicates the comparative advantage of an economy. The location quotient on a local level is calculated as the percentage contribution of a sector to GDP divided by the percentage contribution of the same sector to the aggregate economy (GDP), in this case, the province.

Location Quotient	In terms of GDP
Agriculture, forestry & fishing	0.8
Mining & quarrying	0.0
Manufacturing	0.9
Electricity, gas & water	0.4
Construction	1.1
Wholesale & retail trade, catering & accommodation	1.3
Transport, storage & communication	0.9
Finance, insurance, real estate & business services	0.9
General government	1.4
Community, social & personal services	1.4

A location quotient greater than 1.2 is indicative of a high comparative advantage. The Makana Municipality has its highest comparative advantage within the Community, social & personal services sector and the General government sector, this means that these sectors are serving the needs of communities beyond municipal borders. The sector with the lowest comparative advantage is the Mining & quarrying sector

2.1.6.8.2 International Trade

Trade is defined as the act of buying and selling, with international trade referring to buying and selling across international border, more generally called importing and exporting. The Trade Balance is calculated by subtracting imports from exports.

2.1.6.8.2.1. Relative Importance of International Trade

In the table below, the Makana Local Municipality is compared to Sarah Baartman, Eastern Cape Province and South Africa, in terms of actual imports and exports, the Trade Balance, as well the contribution to GDP and the region's contribution to total national exports and imports.

MERCHANDISE EXPORTS AND IMPORTS – MAKANA, SARAH BAARTMAN, EASTERN CAPE AND NATIONAL TOTAL: 2021[R 1000, CURRENT PRICES]

CATEGORY	MAKANA	SARAH BAARTMAN	EASTERN CAPE	NATIONAL TOTAL
Exports(R1000)	261,460	3,138,634	65,471,214	1,810,179,453
Imports(R1000)	10,999	676,120	61,897,920	1,328,526,000
Total Trade(R1000)	272,459	3,814,754	127,369,133	3,138,705,453

CATEGORY	MAKANA	SARAH BAARTMAN	EASTERN CAPE	NATIONAL TOTAL
Trade Balance(R1000)	250,461	2,462,515	3,573,294	481,653,453
Export as % of GDP	3.1%	6.5%	13.8%	29.1%
Total Trade as %of GDP	3.2%	7.9%	26.9%	50.4%
Regional share – Export	0.0%	0.2%	3.6%	100%
Regional share - Imports	0.0%	0.1%	4.7%	100%

Source: HIS Markit Regional eXplorer version 2257

The merchandise export from Makana Local Municipality amounts to R 261 million and as a percentage of total national exports constitutes about 0.01%. The exports from Makana Local Municipality constitute 3.07% of total Makana Local Municipality's GDP. Merchandise imports of R 11 million constitute about 0.00% of the national imports. Total trade within Makana is about 0.01% of total national trade. Makana Local Municipality had a positive trade balance in 2021 to the value of R 250 million.

Analysing the trade movements over time, total trade increased from 2011 to 2021 at an average annual growth rate of 14.22%. Merchandise exports increased at an average annual rate of 15.07%, with the highest level of exports of R 261 million experienced in 2021. Merchandise imports increased at an average annual growth rate of 3.38% between 2011 and 2021, with the lowest level of imports experienced in 2012.

When comparing the Makana Local Municipality with the other regions in the Sarah Baartman District Municipality, Sundays River Valley has the biggest amount of international trade (when aggregating imports and exports, in absolute terms) with a total of R 2.32 billion. This is also true for exports - with a total of R 1.89 billion in 2021. Kou-Kamma had the lowest total trade figure at R 4.3 million. The Kou-Kamma also had the lowest exports in terms of currency value with a total of R 2.57 million exports.

2.1.6.8 Education

2.1.6.8.1 Introduction

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).

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.

The number of people without any schooling in Makana Local Municipality accounts for 13.72% of the number of people without schooling in the district municipality, 0.72% of the province and 0.09% of the national. In 2021, the number of people in Makana Local Municipality with a matric only was 17,200 which is a share of 18.43% of the district municipality's total number of people that has obtained a matric. The number of people with a matric and a Postgrad degree constitutes 26.05% of the district municipality, 2.00% of the province and 0.15% of the national.

2.1.6.8.2 Skills Level

Skills level within the Makana municipal area are depicted in table below. Skills level can be used as an indicator for the level of education within an area or region.

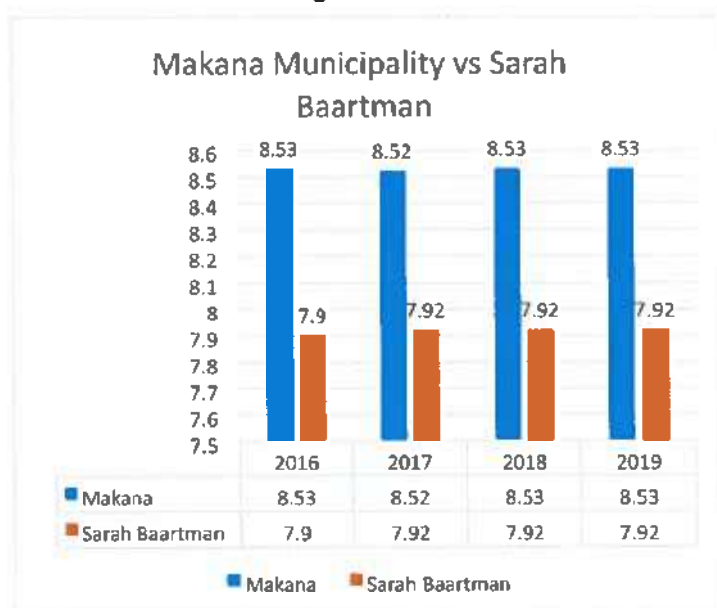
Number of Workers by Skills 2019	Number of workers 2016	Number of workers 2019
Low skilled	6 132	6 209
Semi-skilled	6 928	7 173
Skilled	3 461	3 504
Total	16 521	16 886

In 2019 Makana municipality had 6 209 low-skilled workers, 7 173 semi-skilled workers and 3 504 skilled workers. Overall, between 2016 and 2019 the number of jobs in all categories increased.

2.1.6.8.3 Mean Years of Schooling

Mean years of schooling is the average number of completed year of education of a population and is widely used as a measure of an area or region's human capital. The figure below depicts the mean years of schooling in the Makana municipality over the period of 2016 to 2019.

Mean Years of Schooling 2016-2019



Since 2016 the mean years of schooling in Makana municipality have increased from 8.51 to 8.53 years in 2019. Compared to Sarah Baartman district, Makana had a higher average year of schooling completed in 2019.

Expected Years of Schooling	2016	2018	2019
Makana	12.82	12.81	12.80
Sarah Baartman	12.21	12.23	12.24

Over the period 2016-2019 expected years of schooling in Makana has increased. Compared to the Sarah Baartman district, Makana had a higher expected years of schooling in 2019.

2.1.6.8.4 Functional Literacy

For the purpose of this report, IHS defines functional literacy as the number of people in a region that are 20 years and older and have completed at least their primary education (i.e. grade 7). Functional literacy describes the reading and writing skills that are adequate for an individual to cope with the demands of everyday life - including the demands posed in the workplace. This is contrasted with illiteracy in the strictest sense, meaning the inability to read or write. Functional literacy enables individuals to enter the labour market and contribute towards economic growth thereby reducing poverty.

A total of 62 200 individuals in Makana Local Municipality were considered functionally literate in 2021, while 8 170 people were considered to be illiterate. Expressed as a rate, this amounts to 88.38% of the population, which is an increase of 0.078 percentage points since 2011 (80.59%). The number of illiterate individuals decreased on average by -3.89% annually from 2011 to 2021, with the number of functional literate people increasing at 2.11% annually.

Makana Local Municipality's functional literacy rate of 88.3% in 2021 is higher than that of Sarah Baartman and the province. When comparing to National Total as whole, which has a functional literacy rate of 89.15%, it can be seen that the functional literacy rate is higher than that of Makana Local Municipality

2.1.6.8.5 Attainment Levels:

Education is a useful socio-economic indicator to examine as it directly impacts on the poverty levels of a community. A community that has high levels of education generally has higher levels of income than areas with low levels of education. Education impacts infrastructure directly and indirectly. The more educated a population is the more they can contribute to infrastructure provision and maintenance. A more educated population can provide higher tariffs and taxes in order to maintain key infrastructure.

In Sarah Baartman 18.5% of the population has completed a secondary education and a higher education while 9.4% of people over the age of 20 have no schooling at all. Approximately 60.1% of the population have some form of education lower than a secondary education. Makana is amongst the municipalities who have the lowest proportion of people without schooling, at 8.2%.

Location	No Schooling	Some Primary	Completed Primary	Some Secondary	Completed Secondary	Higher
Eastern Cape	11.6%	26.7%	5.8%	26.9%	11.5%	5.2%
Sarah Baartman	9.4%	24.5%	6.9%	28.7%	13.2%	5.3%
Makana	8.2%	20.8%	5.8%	28.5%	15.3%	7.5%

Makana has the highest proportion of people who have a matric or higher at 22.7%. The Municipality's high proportion of people who have a matric or higher could be related to the fact that a large number of university students and highly qualified lecturers reside in Makhanda. Institutional Attendance:

Municipality	Number	Public Government	Private Independent	High Education	TVET Formerly FET
SBDM	149 839	137 320	11 667	15 220	6 381
Makana LM	28 457	22 936	4 877	5 307	2 271

2.1.6.8.6 School Attendance

Of the 28 457 people attending education institution in Makana, more than 80% are doing Preschool up to secondary school.

SCHOOL	PERCENTAGE
Primary School	42%
Secondary	25.6%
Technical Education	5.6%
Other Colleges	0.7%
Higher Education	8.5%
Pre-School	15.6%

EDUCATION	2011 NUMBER	2016 NUMBER
No schooling	3 100	1 921
Some primary	7 819	5 464
Completed primary	3 107	2 629
Some secondary	17 871	20 699
Grade 12/Matric	11 305	14 228
Higher	5 555	6 245
Other	424	887

Of the total population of Makana, 46.4 % is younger than 24 years old, which indicates a relatively young population profile. 15 % of the population completed secondary school and 7.5 % post-secondary or higher education. The education levels of Makana (completed secondary and higher education) is significantly higher than the District and the Province.

2.1.6.8.7 Number of Matric Pass Passes 2019-2024:

The overall performance of the class of 2024 was very encouraging. The Eastern cape class of 2024 has set a new benchmark with overall improvement of 3.4% points, while the class of 2024 has recorded the highest national pass rate in history. National pass rate 87.3 %

- Eastern cape rate 84.9 %
- Sara Baartman District pass rate 78.6 %
- Makhanda pass rate 84.9%

School in Makana continues to do well, it is noted average pass rate of Makana is significantly higher than the one of SDBM is same as the one of Province the in which speaks to the determination of the learners and teachers more special to three school who has achieving 100% for the pass rate which St Andrews, Kingwood College and Victoria Girls High School

SCHOOL	2020	2021	2022	2023	2024
St Andrews			100%	100%	100%
Kingwood college					100%
Victoria Girls High School	83	82	100%	100%	100%
Hendrik Kanise Combined School			100%	89.5%	96%
Graeme college boys high	58	57	85%	91.4%	98.3%
Hoërskool P J Olivier	28	35	77%	85%	84%
Khutliso Daniels Secondary	28	41	89%	96.4%	91%
Mary Waters High	47	93	82%	58%	57%
Nathaniel Nyaluza Secondary	25	42	75%	80%	84%
Nombulelo Secondary	62	73	87%	72.8%	79%
Ntsika Secondary	28	35	82.8%	77.6%	85.7%
T.E.M Mrwetyana Senior Secondary	13	19	74%	75.4%	70.5%

The above table illustrates matric pass per school in the Makhanda over the previous four (5) years. It can be seen that there has been an improvement in the matric pass rates in some schools. It is worth noting that amongst the Class of 2023 and 2024, five school has improve its performance in terms of their pass rate Hendrik Kanise Combine School from 89% to 96%, Graeme college boys high from 91.4% to 98.3%, Nombulelo Secondary from 72.8% to 79% , Ntsika Secondary from 77.6% to 85.7% and Nombulelo Secondary from 72.2% to 79.

2.1.6.8.8 Functional Literacy:

Functional literacy describes the reading and writing skills that are adequate for an individual to cope with the demands of everyday life - including the demands posed in the workplace. This is contrasted with illiteracy in the strictest sense, meaning the inability to read or write. Functional literacy enables individuals to enter the labour market and contribute towards economic growth thereby reducing poverty.

a) Functional Literacy: Age 20+, Completed Grade 7 or Higher

Makana Local Municipality's functional literacy rate of 88.38% in 2021 is higher than that of Sarah Baartman at 84.98%, and is higher than the province rate of 84.19%. When comparing to National Total as whole, which has a functional literacy rate of 89.15%, it can be seen that the functional literacy rate is higher than that of the Makana Local Municipality.

In terms of the literacy rate for each of the regions within the Sarah Baartman District Municipality, Kouga Local Municipality had the highest literacy rate, with a total of 88.6%. The lowest literacy rate can be observed in the Sundays River Valley Local Municipality with a total of 79.6%.

Mean Years of schooling is increasing in Makana municipality. Overall, the adult literacy rate in Makana municipality increased over the period 2016-2019. The number of skilled workers within the area increased from 3 461 in 2016 to 3 504 in 2019.

2.1.6.9. 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.

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.

In 2021, Makana Local Municipality had a population density of 20.8 per square kilometre and it ranked highest amongst its peers. The region with the highest population density per square kilometre was the Kouga with a total population density of 48 per square kilometre per annum. In terms of growth, Makana Local Municipality had an average annual growth in its population density of 1.08% per square kilometre per annum. The region with the highest growth rate in the population density per square kilometre was Kouga with an average annual growth rate of 2.45% per square kilometre. In 2021, the region with the lowest population density within Sarah Baartman District Municipality was Dr Beyers Naude with 3.11 people per square kilometre. The region with the lowest average annual growth rate was the Blue Crane Route with an average annual growth rate of 0.78% people per square kilometre over the period under discussion.

Population Density: Makana and the rest of Sarah Baartman

In terms of the population density for each of the regions within the Sarah Baartman District Municipality, Kouga Local Municipality had the highest density, with 48 people per square kilometer. The lowest population density can be observed in the Dr Beyers Naude Local Municipality with a total of 3.11 people per square kilometer.

POPULATION DENSITY - MAKANA AND THE REST OF SARAH BAARTMAN, 2011-2021
[NUMBER OF PEOPLE PER KM]

Makana	Dr Beyers Naude	Blue Crane Route	Ndlambe	Sundays River Valley	Kouga	Kou-Kamma
18.72	2.81	3.27	33.82	9.22	37.69	11.25
18.93	2.83	3.29	34.32	9.46	38.96	11.47
19.14	2.86	3.30	34.84	9.69	40.17	11.69
19.36	2.89	3.33	35.35	9.92	41.33	11.90
19.58	2.92	3.35	35.89	10.15	42.45	12.11
19.80	2.96	3.38	36.43	10.37	43.51	12.31
20.01	2.99	3.41	36.99	10.59	44.55	12.51
20.00	3.02	3.44	37.55	10.80	45.51	12.71
2044	3.05	3.47	38.10	11.01	46.42	12.89
20.66	3.08	3.51	38.66	11.22	47.29	13.07
20.84	3.11	3.54	39.13	11.39	48.01	13.23
Average Annual Growth 2011-2021(1.08%)	1.04%	0.78%	1.47%	2.14%	2.45%	1.63%

Source: IHS Markit Regional eXplorer version 2257

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, establish a mechanism to regularly evaluate the staff establishment of a Municipality and, if necessary, review the staff establishment. (Amendments require the approval of Council). Makana has developed Code of Conduct for both employees and councillors in line with the prescripts of the legislation.

All employees are bound by the Code of Conduct and are obligated to sign on the first day of starting work and councillors 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 the administration of Makana are clearly outlined in the governance framework. The framework clearly outlines the roles and responsibilities of the structures of the council as well as the reporting.

2.2.1 Review of institutional/ organisational/ human resources:

Political structures include:

- The Municipal Council which comprises 27 Councillors,
- 14 of whom are Ward Councillors and
- 13 of whom are Proportional Representation (PR) Councillors

The Office of the Speaker:

- the Speaker as the Chairperson of the Municipal Council;
- The Executive Mayor
- Executive Mayoral Committee and
- Portfolio Committees who oversee operations in all the Municipal Directorates.

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

The municipality has created community structures including Ward Committees, the IDP Representative Forum, Sector Engagements Forums, Ward Room Forums and Business sector forum.

2.2.2 Power and Functions:

Section 156, read together with Schedules 4B and 5B of the Constitution sets out 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.

2.2.2.1 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
29.	Cleansing	31.	Licensing and control of undertakings that sell food to the public
30.	Air Pollution		

2.2.2.2 Review of the Power and Function

The Municipality has initiated process of review its Power and Function review the provision of unfunded mandates which involve the provision of library services which currently at a deficit of R8 million. Revised funding allocations at R4 497 000.00 for the FY 2024/25 still falls short by a big margin considering the deficit stipulated hereinabove. There is a provincial project driven by SRAC Department to provincialize the provision of library services and the municipality is engaging department on this regard. Makana LM submitted staffing requirements to the task team responsible for the provincialisation of libraries. The municipality undertakes the unfunded mandate of providing Library services on behalf of the provincial Department of Sports, Arts, and Culture and licensing services on behalf of the Department of Transport. The cost analysis on the provision of licensing services was not completed at moment.

2.2.3 Organizational Structure:

The municipality annually undertakes a comprehensive organisational development exercise for the entire institution. The objective was to ensure alignment of the current and future organisational needs.

Over the years, the Makana Local municipality has grappled with a multitude of institutional policy and administrative challenges. These hurdles have significantly impeded the municipality's ability to carry out its mandate, leading to capacity shortages in service delivery, employee uncertainty, inconsistent HR policy implementation, and poor management of overtime. These critical issues, which were flagged during the FRP amendment for the Makana Local Municipality, have profoundly impacted the municipality's operations. The critical key issues identified during the review processes, as well as additional observations from the FRP preparation included:

The Organizational Structure, approved by the Council in June 2024, is a key factor in the municipality's efficiency. However, it does not align with the Operating Model as required by the Municipal Staff regulations. The lack of extensive costing of the organizational structure to test for affordability and sustainability is a significant concern.

The following problems that are associated with the structure and staffing were identified:

- Unsystematic secondment of personnel
- Irregular appointment processes leading to salary disparities.
- The structure remains unaffordable based on the current cash flow.

2.2.3. Macro Organisational Structure:

For the 2024-25 Municipality has updated the Organisation structure on the new vacancy were that where approved by Council for 2024-25 and change in the Macro structured which the following;

- The housing section has been moved from Engineering and Infrastructure Development to Local Economic Development and Planning Directorate.
- The Land and Estate section has been moved from Municipal Manager office office to Local Economic Development and Planning Directorate.
- Change the function of position of Managers at Alicedale and Riebeeck East to technician that report to technical service for Corporate and Share services due review service delivery model

Directorate	Department
Municipal Manager's Office	Risk Management
	Internal Audit
	Executive support
	Strategic Planning and Monitoring
	Information Technology and Communication
	Legal Services
Corporate and Share Services	Human Resources
	Administration
	Council support
	Records Management
	Customer care
	Fleet Management (New)
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
	Operations
Engineering and Technical Services	Water and sanitation
	Roads and storm water
	Electricity
	PMU
	Alicedale Unit
	Riebeeck East Unit
Local Economic Development and Planning	SMME development
	Rural Development
	Tourism
	Trade and investment
	Heritage Development
	Agriculture
	Spatial Planning and Land used (Town planning - Building control and Land & Estate)
	Housing Development



2.2.3.1 STAFFING AND ESTABLISHMENT, CRITICAL POSITION AND VACANCY RATE

2.2.3.1.1 Vacancy Rate Schedule

Total positions of the entity (incl. non-funded positions)	Total vacant non-funded positions	Total Vacant Positions as per Organogram
1031	290	405

2.2.3.1.2 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 Services	1	Yes	0
3	Chief Financial Officer	1	Yes	0
4	Director Local Economic Development	1	Yes	0
5	Director Technical & Infrastructure	1	No	1
6	Director Public Safety	1	Yes	0
Total		6	5	0

2.2.3.1.3 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
2.	Percentage of appointment in strategic positions (Municipal Manager and Section 57 Managers)	6	6	100%	No Gap
3.	Percentage of Section 57 Managers including Municipal Managers who attended at least	3	3	100%	No Gap
	one skills development training course within the financial year				

4	Percentage of Managers in Technical Services with a professional qualification	6	6	100%	No Gap
6	Percentage of staff that have undergone a skills audit (including competency profiles) within the current five year term	616	0	0%	Process will be addressed as one of the outcomes of the Organisational development process of the Municipality.
7	Percentage of councilor's who attended skills development training within the current five year term	27	4	20%	Training was hampered by a severe lack of funds.
10	Percentage of staff complement with disability	1	1	100%	N/A
11	Percentage of female employees	131	131	100%	No Gap
12	Percentage of employees that are aged 35 or younger	57	44	77%	N/A

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.P. Kate	
	Risk and Compliance Manager	Mrs. N. Kosi
	Strategic Planning & Monitoring	Mr. M. Pasiya
	Manager Internal Audit	Ms GC Mtshazi
	Manager ICT	Mr T Matshuisa
	PMU Manager	Ms A Tembani
	Manager. Support Services	Mr L. Ngandi
	Legal Manager	Ms C April
CORPORATE AND SHARED SERVICES		
	DIRECTOR : Mr. X. KALASHE	
	Manager Administration	<i>Mrs N.P. Liwani</i>
	Human Resources Manager	Ms P. Qezu
	Records Manager	Ms. N Xintolo
	Manager organizational Development	Vacant
FINANCE DIRECTORATE		
	CHIEF FINANCIAL OFFICER: VACANT	
	Manager Expenditure	Mr. M. Crouse
	Manager Revenue & Data Control	Ms. Sazela Lande
	Manager Supply Chain	Ms Zimasa Rawana
	Manager Budgt & Reporting	Ms Mzolo
LOCAL ECONOMIC DEVELOPMENT AND PLANNING		
	DIRECTOR: MRS KHOAHLA	
	Manager Agriculture	Vacant
	Manager Heritage Tourism, Heritage, SMME, Trade & Investment	Mr S. Nyembezi
	Manager Planning & Estate	Ms S. Jonas
ENGINEERING AND TECHNICAL SERVICES		
	DIRECTOR:	Mr. M. Radu (Acting)
ELECTRICAL DEPARTMENT	Town Electrical Engineer	Mr. M. Radu
WATER & SEWERAGE	Manager	Mr. m Qwane
ENERGY DEPARTMENT	Deputy Director	Mr. M.J. Siteto
ROADS & STORMWATER	Manager	Ms. G Mfeti

PUBLIC SAFETY & COMMUNITY SERVICES		
DIRECTOR: MS NOTYEKE		
FIRE & RESCUE SERVICES	Manager	Mr. Welkom
LIBRARY SERVICES	Manager	Ms. P. Vubela
TRAFFIC SERVICES	Manager	Mr. Hanekom
PARKS DEPARTMENT	Manager	Mr. M Fulumente
ENVIRONMENTAL MANAGEMENT	Manager	Vacant
CLEANSING	Manager	Mr. M. Ntongana
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 relationships, the municipality established a wellness section to pursue employee wellness initiatives and within this effort, has implemented an HIV/AIDS prevention programme that serves to create awareness and share information on available assistance for HIV/AIDS treatment. 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.

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.

2.2.3.4.1 Skills Audit:

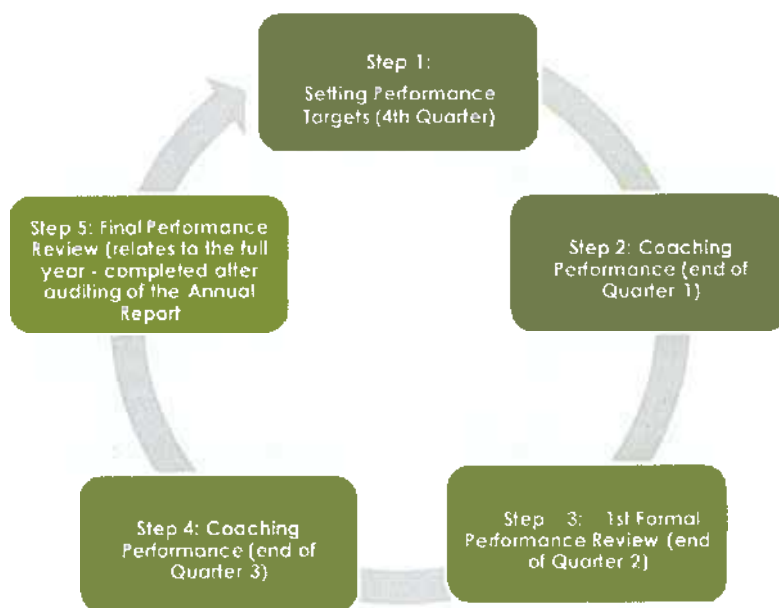
A detailed skills audit has not been conducted except for the annual Work Skills Plan process. The municipality lacks skilled technicians and engineers in water services, electricity, roads, and stormwater, and there are concerns about its ability to attract and retain talent. The municipality has developed a critical and scarcity policy to ensure that the municipality is attracting and retain skilled personnel, especially for service delivery functions like civil engineers, electricity, water technician and project management.

2.2.3.4.2 Municipal Minimum Competency Regulations: Gazette 41336:

Not all Senior managers have completed the minimum competency regulations course. There is one Senior manager who has not completed Minimum competency, however, the incumbent will be complete competency requirement before end of 2023-25 financial year

2.2.3.5 PERFORMANCE MANAGEMENT POLICY FRAMEWORK:

The policy was review and adopted by the Council in 2024 and is review annually. The employee Performance Management System involves the following cycle which extends from 1 July – 30 June annually:



2.2.3.5.1 MONITORING AND EVALUATION:

The M & E unit consists of the Manager IDP and PMS with a admin officer and one vacant position that will be responsible for individual Performance Management System. The unit falls under the Municipal Managers Office. The Unit is responsible for the development of the Institutional SDBIP and departmental SDBIP. For administrative efficiency the PMS scorecard is combined with the SDBIP so that only one report is received. The SDBIP, PMS and IDP objectives, strategies, indicators and targets are aligned on an annual basis and reported to Audit committee after review by Internal Audit and to Council on quarterly. The Municipality has Performance Management Policy Framework which is used as guided managing activities of Performance Management. The Policy was review and adopted by Council on the 20th June 2024

2.2.3.5.2 INDIVIDUAL PERFORMANCE MANAGEMENT

The Accounting Officer and Senior Managers have signed annual performance agreements for the 2024/25 financial year within the prescribed period in line with MSA s57(2)(a). However, the performance management system is inadequate and has not been cascaded to all levels of employees. The municipality's challenge will be to realign the new performance agreements for 2025/26 with the amended and reviewed FRP so that senior managers are contracted to the activities on the FRP implementation Plan

a) Cascading of Performance Management System

Performance management has not cascaded to lower level than Senior Management, a plan has be development ensure PMS is cascaded for the 1st of July 2024.Cascading of Performance management system roll out plan:

ACTIVITY	TIMEFRAME	
Phase One	June 2025	Task Grade 14 to 18
Phase Two	June 2026	Task Grade 10 to 13
Phase Three	June 2027	All other Grade which will include team-based approach

2.2.3.5.3 Annual performance Assessment

The annal performance assessment 2023/24 financial year have not been completed in line with the PMS policy which states that Directors will only be formally assessed once the final annual report is approved by Council. This process has been delayed due to vacancy in the appointment of the new Audit Committee which started to operation only in March 2025. The evaluation for the Annual Assessment will be done before 30th June 2025.

In order to verify that targets are met, the individuals responsible submit quarterly reports with their portfolio of evidence to the Head of Department who checks it and submits it to the Performance Management who checked, and a quarterly assessment is carried out. Formal assessment is only done in the second and fourth quarter. The mid-year assessment for 2024/25 (Q2) has been conducted in April 2024.

2.2.3.4 GAP ANALYSIS IN THE IMPLEMENTATION OF PMS FRAMEWORK

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.

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.

2.2.3.5 Human Resources Plan: 2021/2026

The Council has approved the Human Resources Plan (HRP). This strategic document guides the municipality's business strategy by assessing the current workforce and comparing it to future needs. However, the current HRP needs to be adjusted to align with the updated Financial Recovery Plan (FRP) to incorporate all the key objectives of the revised and amended FRP. The following limitations have been identified:

- The Plan will expire in 2026 –.
- Staff affordability not pronounced and efforts to achieve affordability;
- Good governance and Ethical conduct not outlined as part of the key pillars;
- No provision for training on the Code of Conduct for employees;
- The pay and Reward pillar does not mitigate against creating unrealistic expectations (it is too open-ended and does not make a commitment about confining to Wage Collective Agreements, Sector allowances, MLM Performance & Reward Management System)
- Does not make any attempt to Assess the HR Maturity levels;
- No provision for Change Management initiatives.
- Performance Management and Strategic (PMS) Planning:

2.2.3.6 Change Management Policy

Change management is a structured approach to guiding individuals, teams, and organizations from their current state to a desired future state. Its purpose is to fulfil a vision and strategy or to comply with new legislation. It is an organizational process aimed at empowering employees to accept and embrace changes in their current environment. The Municipality has not implemented any change management intervention to help its employees understand the implications of the FRP implementation and how their behavior impacts the municipality's recovery.

2.2.3. Institutional Policies and Procedures

No	Policy title	Directorate	Last reviewed	Comments
1	HR Plan	Corporate & Shared services	29 June 2023	Under Review
2.	Employment Equity Plan	Corporate & Shared services	29 June 2023	Under Review
2	Employment Equity Plan Policy	Corporate & Shared services	29 June 2023	Under Review
3	Staff Establishment	Municipal Manager	29 June 2023	Under Reviewed
4.	Job Evaluation policy	Corporate and Shared Services	29 June 2023	Review in 2025
5.	Placement Policy	Corporate and Shared Services	29 June 2023	Review in 2025
6.	Performance Management Policy	Corporate and Shared Services	29 June 2022	Under Review
7.	Working Hours and Punctuality Policy / Cide of Conduct	Corporate and Shared Services	29 June 2022	Under Review
8.	Internal Bursary Policy	Corporate and Shared Services	29 June 2022	Under Review
9.	Skills Development Policy	Corporate and Shared Services	29 June 2022	Under Review
10.	Grievance Resolution Policy	Corporate and Shared Services	29 June 2022	Reviewed 2025
11.	Discipline Policy	Corporate and Shared Services	29 June 2023	Reviewed 2025
12.	Incapacity Due to Poor Work Performance Policy	Corporate and Shared Services	29 June 2022	Under Review
13.		Corporate and Shared Services	29 June 2022	Under Review

No	Policy title	Directorate	Last reviewed	Comments
	Incapacity to Ill Health/Injury Policy			
14.	Incapacity Due to Operational Requirements Policy	Corporate and Shared Services	29 June 2022	Under Review
15.	Remuneration Policy	Corporate and Shared Services	29 June 2023	Reviewed 2025
16.	Advances And Reimbursable Expenses Policy	Corporate and Shared Services	29 June 2023	Next Review 2025
17.	Legal Aid Policy	Corporate and Shared Services	29 June 2023	Reviewed 2025
18.	Private Work and Declaration of Interests Policy	Corporate and Shared Services	29 June 2023	Next Review 2025
19.	Harassment Policy	Corporate and Shared Services	29 June 2023	Next Review 2025
20.	Intoxicating Substances Abuse Policy	Corporate and Shared Services	29 June 2023	Reviewed 2025
21.	HIV/AIDS Policy	Corporate and Shared Services	29 June 2022	Reviewed in 2025
22.	Occupational Health & Safety	Corporate and Shared Services	29 June 2023	will be reviewed by the 4th quarter
23.	Smoking Policy	Corporate and Shared Services	29 June 2022	Reviewed 2025
24.	Electronic Communication & Information Security Policy	Corporate and Shared Services	29 June 2022	Reviewed 2025
25.	Telephone Use	Corporate and Shared Services	24 June 2017	Under Review
26.	Use of Municipal halls	Corporate and Shared Services	11 June 2017	Under Review
27.	Report writing	Corporate and Shared Services	11 June 2017	Under Review
28.	Records Management	Corporate and Shared Services	30 June 2024	Reviewed 2025
29.	HR Communication Policy	Corporate and Shared Services	29 June 2022	Reviewed 2025
30.		Corporate and Shared Services	29 June 2022	Under Review

No	Policy title	Directorate	Last reviewed	Comments
	Termination of employment			
31.	Employee Wellness programme	Corporate and Shared Services	29 June 2022	will be reviewed 2025
32.	Internship	Corporate and Shared Services	29 June 2022	will be reviewed 2025
33.	Leave of absence and procedure	Corporate and Shared Services	29 June 2022	will be reviewed by 2025
34.	Overtime and procedure	Corporate and Shared Services	29 June 2023	will be reviewed by the 2025
35.	Recruitment and Selection	Corporate and Shared Services	29 June 2022	Under Review
36.	Retention	Corporate and Shared Services	29 June 2022	Under Review
37.	Study Assistance	Corporate and Shared Services	29 June 2022	Under Review
38.	Training and Development	Corporate and Shared Services	29 June 2022	Under Review
39.	Transport allowance	Corporate and Shared Services	29 June 2023	Reviewed 2024
40.	Fleet Management	Corporate and Shared Services	29 June 2022	Reviewed in 2025
41.	Subsistence & Travel	Corporate and Shared Services	29 June 2022	will be reviewed by 2025
43.	Dress Code Policy	Corporate and Shared Services	24 June 2022	will be reviewed by 2025
44.	COVID 19 Workplace	Corporate and Shared Services	30 June 2021	Will be reviewed by 2025
45.	Municipal Residents Policy	LED and Planning	24 June 2016	will be reviewed by 2025
46.	Land Disposal Policy	LED and Planning	24 June 2022	will be reviewed by 2025
47.	ICT Policy Framework	Municipal Manager's Office	June 2023	Will be reviewed next financial year
48.	Information & Technology Change Management Policy	Municipal Manager's Office	June 2023	Will be reviewed next financial year
49.	IT Use Policy	Municipal Manager's Office	June 2023	Will be reviewed next financial year

No	Policy title	Directorate	Last reviewed	Comments
50	ICT Governance Framework	Municipal Manager's Office	June 2023	Will be reviewed next financial year
51	IT Password Policy	Municipal Manager's Office	June 2023	Will be reviewed next financial year
52	IT Physical Environment Security Policy	Municipal Manager's Office	June 2023	Will be reviewed next financial year
53	IT Change Management Policy	Municipal Manager's Office	June 2023	Will be reviewed next financial year
54	IT Security Policy	Municipal Manager's Office	June 2023	Will be reviewed next financial year
55	Internet Usage Policy	Municipal Manager's Office	June 2023	Will be reviewed next financial year
56	IT Antivirus Policy	Municipal Manager's Office	June 2023	Will be reviewed next financial year
57	IT Backup Policy	Municipal Manager's Office	June 2023	Will be reviewed next financial year
58	IT User Access System Use Policy	Municipal Manager's Office	June 2023	Will be reviewed next financial year
59	IT Computer Usage Policy	Municipal Manager's Office	June 2023	Will be reviewed next financial year
60.	Change Control Policy and Procedure	Municipal Manager's Office	24 June 2022	Will be reviewed next financial year
61.	Fraud Prevention	Municipal Manager's Office	11 June 2023	Will be reviewed next financial year
62.	Risk Management Policy	Municipal Manager's Office	24 March 2022	Review in 2025
63.	International Relations	Municipal Manager's Office	June 2022	Will be reviewed next financial year
64.	IGR Framework	Municipal Manager's Office	June 2022	Will be reviewed next financial year
65.	Catering	Municipal Manager's Office	June 2024	Will be reviewed next financial year
66.	Property Rates	Budget and Treasury	March 2023	Will be reviewed next financial year
			March 2023	

No	Policy title	Directorate	Last reviewed	Comments
67.	Property Rates by-law	Budget and Treasury		Will be reviewed next financial year
68.	Assistance to the poor & Indigent	Budget and Treasury	March 2023	Will be reviewed next financial year
69.	Cash Management and Investment	Budget and Treasury	March 2023	Will be reviewed in the next financial year
70.	Funding Reserves	Budget and Treasury	March 2023	Will be reviewed next financial year
71.	Tariff	Budget and Treasury	March 2023	Will be reviewed next financial year
72.	Expenditure	Budget and Treasury	March 2023	Will be reviewed next financial year
73.	Budget	Budget and Treasury	March 2023	Next review in 2025
74.	Asset Management	Budget and Treasury	March 2023	Will be reviewed 2025
75.	Supply Chain Management	Budget and Treasury	March 2023	Policy under review
Next review in 2025	Petty cash	Budget and Treasury	June 2023	Policy under review
77.	Grant in Aid in Lieu of Rates	Budget and Treasury	March 2023	Next review in 2025
78.	Credit Control and Debt Collection	Budget and Treasury	March 2023	Next review in 2025
79.	Credit Control and Revenue Management by-law	Budget and Treasury	March 2023	Policy under review
80.	Provision of Debt Write-off – Doubtful debt	Budget and Treasury	March 2023	Under review
81.	Inventory Management	Budget and Treasury	March 2023	Policy under review

No	Policy title	Directorate	Last reviewed	Comments
82.	Virement	Budget and Treasury	March 2023	Policy under review
83.	Grants and Donations	Mayor's Office	June 2023	Policy under review
84.	Capital Projects Management	Engineering & Infrastructure	March 2023	Will be reviewed 2025
85.	Speed Hump	Public Safety & Community	26 May 2016	Will be reviewed next financial year
86.	Commonage management	Public Safety & Community	19 October 2019	will be reviewed by 2025
87.	Cemetery	Public Safety & Community	24 June 2016	will be reviewed by 2025
88.	Sport and public amenities	Public Safety & Community	24 June 2016	will be reviewed by 2025
89	Small-Scale Embedded Generation Policy	Technical Infrastructure	13 March 2020	will be reviewed by 2025

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 Makhanda.

2.3.1 Political Structures Overview

Section 53 of the Municipal Systems Act (Act 32 of 200), 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)

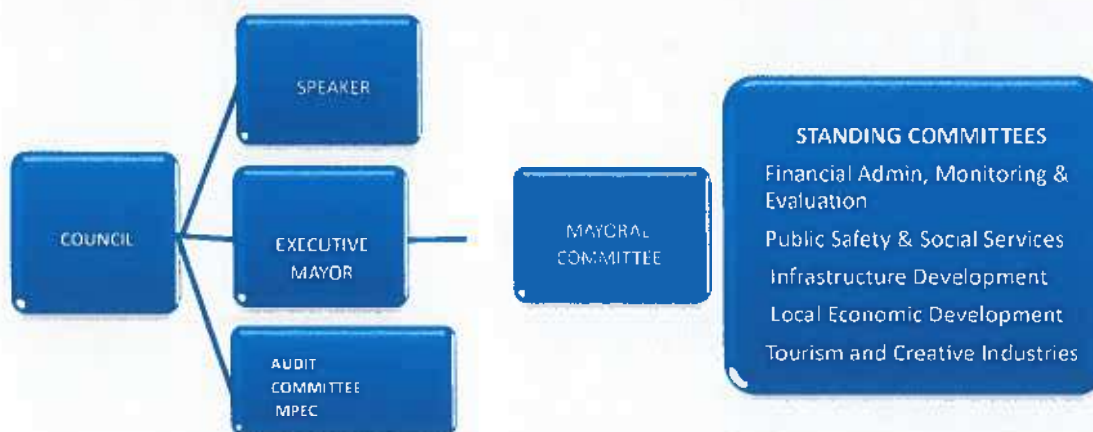
Makana Local Municipality was established in terms of Section 12 of the Local Government Municipal Structures Act (Act No. 177 of 1998). Council has of twenty seven (27) Councillors (including the Mayor), 13 of whom are proportional councillors.

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 and Shared Services	Cllr. Hoyi Zanekhaya Andile
Chairperson of Finance	Cllr. Mene Gcobisa Brenda
Chairperson of Infrastructure Development Committee	Cllr Xonxa Mphumzi Rumsell
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	BENTELE ANELISA
2	EFF	PR	BOOYSEN MZAMO
3	MCF	PR	L Mxube
4	ANC	10	CETU ZODWA ALFREDA
5	DA	01	CLARK CAROLYNN
6	DA	04	EMBLING GEOFFREY KEITH WYNSTAN
7	ANC	03	HOYI ZANEKHAYA ANDILE
8	DA	08	JACKSON BRIAN
9	ANC	06	JEZI VUYANI NELSON
10	MCF	PR	P NOTYAWA
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	L MAY
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	N. MASHIYANE
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 Communication and a Public Participation Strategies, thus Communication both internally and externally, on continued basis is enhanced.

2.3.2.1 Section 80 Committees:

- Finance 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.

2.3.2.3 Community Development Worker (CDW)

CDW are 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 Performance 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 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	Appointment date
01	Mr Misile Mafani	Chairperson	31 January 2025
02	Mr Mxolelanisi Manxiwa	Member	31 January 2025
03	Mr Rich Guy	Member	31 January 2025
04	Vacant	Member	N/A

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 municipal challenges.

Risk management and the internal controls are not fully embedded in the culture. A strategic risk register has been developed and reports produced on the implementation of corrective action quarterly.

2.3.10.1 SUMMARY OF STRATEGIC INSTITUTIONAL RISKS

No	RISK CATEGORY	DESCRIPTION
01	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.
02	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.
03	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.
04	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. Noncompliance on calibrations of testing equipment. 6. Nonexistence on mandatory trainings. 7. Delays in SCM processes for emergency situations.

No	RISK CATEGORY	DESCRIPTION
05	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 available. Staff shortages.
06	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.
0.7	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 institutionalized process of managing compliance.
0.8	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

No	RISK CATEGORY	DESCRIPTION
		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.
0.9	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)
10	Poor planning of infrastructure development	1. Population growth. 2. Lack of Master Plans. 3. Lack of funding. 4. No updated SDF.
11	Sewer spillages and inadequate waste water 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.
12	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:

• City Hall	• Finance Building	• Engineering Building	• Alicedale Office
• Riebeeck East Office	• Electricity	• Stores	• Housing
• Parks	• Fire	• Traffic	• Local Economic Development
• Cleansing	• Environmental Health	• IDP and Internal Audit	• Public Safety and Community Services

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.

2.3.11.1 WSP 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 RECORDS MANAGEMENT:

The municipality has been experiencing poor record-keeping, which exposes it to significant risks. The Auditor-General of South Africa (AGSA) raised this issue in the 2023/24 financial year. One example of poor record management is the inaccurate recording of overtime, leading to a lack of correlation between hours worked and actual payments. Some recorded cases do not include specific details such as dates of transgressions or reports, as well as progress. There is also a lack of integration of records across the municipality. However, the municipality did approve its records management policy and file plan in 2022.

An electronic document management system was installed in the municipality but was not functional. The record keeping function within the municipality needs to be reviewed and improved, including security documents for the protection and management of information. Municipal for the 2025 - 26 financial year put aside budget to procure electronic document record system.

2.3.13 Public and Stakeholder Participation

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

The challenge now 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.

2.3.14 LIGAL SERVICE

Legal Service in a municipality plays a crucial role in ensuring the legal integrity of the local government's operations. Some key responsibilities include:

- **Providing legal advice:** Offering guidance to municipal officials, departments, and committees on legal matters related to governance, policies, and decisions.
- **2. Contract management:** Reviewing, drafting, and negotiating contracts, agreements, and tenders to protect the municipality's interests.
- **Litigation management:** Handling legal disputes, lawsuits, and claims against the municipality, and coordinating with external legal panne and counsel when necessary.
- **Policy development:** Assisting in the creation and review of municipal bylaws, policies, and procedures to ensure compliance with relevant laws and regulations.

- Risk management: Identifying and mitigating legal risks and liabilities and implementing measures to prevent legal issues.
- Compliance: Ensuring adherence to relevant laws, regulations, and standards, such as freedom of information, privacy, and human rights.
- Advice on governance: Providing legal guidance on matters related to council procedures, conflicts of interest, and ethics.

Municipality has The Legal Manager who serves as a critical resource for the municipality, helping to prevent legal issues, manage risk, and ensure that the municipality operates within the bounds of the law. The municipality has established a Legal Services Office located in the office of the Municipal Manager. One of its main function to manage the legal register through updating and report to Mayoral Committee and Council Quarterly. For 2023-24 financial year there are 8 contingency liability matters, 12 litigation matters and 11 finalised cases.

Also legal service is responsible for providing an effective and efficient legal support service to Council in order to enable it to deliver on its constitutional mandate and manage and limit the legal risks of the Municipality. We play a major role in ensuring that the decisions taken by Council and it's structures, as well as the administration, are legally compliant and that legal support is available to the various line departments as and when they require it. This inevitably decreases the legal risk to which the Municipality is exposed in its decision-making bodies which ultimately promotes service delivery.

2.3.15 AUDIT Outcomes AND ACTION

AUDIT OPINION	2019/20	2020-21	2021-22	2022-23	2023-24
Unqualified opinion without matters (Clean Audit)					
Unqualified opinion with emphasis of matter or other matters					
Qualified opinion					
Adverse opinion					
Disclaimer	X	X	X	X	X

The municipality regrettably received the fifth disclaimer audit opinion for 2023/2024 financial year

The major components that contributed to the disclaimer are as follows:

- Property Plant and Equipment.
- Revenue from Exchange and Non-Exchange Transactions.

- Receivables from Exchange and Non-Exchange Transactions.
- Expenditure Management.
- Distribution Losses.
- Procurement and Contract Management; and
- Compliance with Supply Chain Management.

The municipality has prepared an audit action plan to address disclaimer paragraphs in line with the audit report. The municipality will focus on prior year findings to ensure that these paragraphs are reduced

2.3.15 STAKEHOLDER REGISTER: NGO/CBO's

ORGANISATION	TEL. NO.	CELL. NO.	FAX.
DEPARTMENTS			
DEPT. OF CORRECTIONS	046 622 7007	082 7077 757	046 622 8815
DOJ & CD	046 622 7303		
DRDAR	046 603 5400	060 5303 733 / 072 3456 069	
EDUCATION DEPT.	046 603 3200/ 16/ 97/		046 603 3287/ 086 759 7242
HEALTH DEPT.	046 622 4901		046 622 6225
Home Affairs	046 603 2805/8		
Labour Dept	046 622 2104		046 622 5327
Magistrate Court	046 622 7303		
SAPS	046 603 9111	079 582 2265	
SBDM	041 508 7111		041 508 7138
Social Development	046 636 1484 046 602 3300		

DESRAC	046 603 4238		
NGO'S			
APD	046 622 5847		046 622 4918
UMGA CORP.	046 622 4803		
Child Welfare	046 636 1355		046 636 1366
ECARP	046 622 5429		046 622 2617
FAMSA	046 622 2580		

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	• Youth Forum
	• Women Forum
	• Women's Forum
	• People with disability
	• HIV/AIDS Local Council
Infrastructure development	• 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 approved a Petition Public Participation Policy in 2016, and the Municipality has 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 be composed as follows:

The Speaker as a Chair of the Petitions Committee

- a) A representative from the Office of the Executive Mayor
- b) The Portfolio Councillor, Technical/Community Services
- c) A senior official from DTIS and DCSS
- d) 5 Councillors not serving in MPAC
- e) Office of the Speaker to provide Secretarial services.
- f) 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. One new by-law 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 currently being upgraded and 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.

2.4.1.1 WATER AND SANITATION PROVISION OVERVIEW

The primary water-related driver in the municipal area is the Orange-Fish-Sundays Water Supply system. Surface water is primarily provided by dams and reservoirs that are linked to perennial and non-perennial rivers. The main rivers in the Makana area include the Fish, Great Fish, Kariega, New Years, Kowie, Bushmans and Koonap.

2.4.1.1.1 Water

The Municipality has a backlog of 532 households' access to water. On 28 February 2024, the Council of Makana Local Municipality approved the draft Water Service Development Plan for the 2022 to 2027 financial years. This plan is a planning tool for both bulk supply and reticulation systems to eradicate the household water supply backlog.

According to the Blue Drop Rating 2023 Assessment Report, Makana Local Municipality's drinking water quality has regressed from 70,83% in 2014 to 32,5% in 2023. It should be noted that the Municipality has appointed a service provider to perform drinking water quality monitoring.

2.4.1.1.2 Water Distribution Losses

The Municipality has been experiencing high water losses, which have been above the norm Water distribution losses for 2021 and 2022 remained at 19% and 22%, respectively.

The Municipality is also supplying water using water tankers in areas without access to piped water or communal standpipes. This type of supply also contributes to high water losses as the volume/amount of water supplied by water tankers is not quantified, and the municipality does not have a recovery strategy for the water dispensed.

2.4.1.1.3 Water Resources

The municipality is not adhering to dam safety management regulations. The latter poses flooding risks to those that are living downstream of the dam wall

The water used in the municipality is abstracted from Howison Poort Dam, Settlers Dam, Jameson Dam, Milner Dam and Glen Melville Dam (Department of Water and Sanitation).

The municipal dams are old having been established before the 1960s. The municipality must ensure that it adheres to regulations as far as dam safety is concerned. Again, the Municipality is experiencing challenges regarding unstable pumping system and rising main capacity. This is attributed to insufficient maintenance of the infrastructure and prone to continuous disruption of supply of water. Amatola Water rendered water management and operations in the past (2015/16), and the debt owed by the municipality, which originates from this period, is for unpaid invoices for that service.

2.4.1.1.4 Makhanda West Water Purification

The Waainek Water Purification Works supply Makhanda West. The source for the works is the Howison Poort Settlers, Jameson and Milner Dams. The waterworks is supplied by the Howison Pumping Main. The design capacity is 9 Megaliters/day which is currently not operating optimally.

2.4.1.1.5 Makhanda East Water Purification

The JK Water Purification Works supply Makhanda East. The source for the works is the Fish River from the Glen Melville Dam owned by the Department of Water and Sanitation. The design capacity of Makhanda East Water Purification has upgraded for 10 to 20 Megaliters/day but is currently producing about 13 Megaliters/day due lack of required number of pumps.

There is also an inadequate maintenance of mechanical and electrical equipment Makhanda's daily water requirements are indicated to be more than 18 Megaliters/day and any outage in the system results in poor water service delivery to the community. The Municipality is prone to drought, which may affect water availability within the Municipality area.

Poor maintenance of the municipality's ageing infrastructure underlies the high volume of water losses. The ratio for repairs and maintenance is well below the norm but slightly increased during the years under review. This has an adverse implication on the sustainability of the Municipality's immovable assets. Maintenance of key assets is not prioritized. Lack of asset maintenance is leading to infrastructure breakdowns and service delivery limitations. Assets are rapidly deteriorating at an unsustainable rate. The percentage allocation for repairs and maintenance is 1% which is insignificant

This can have negative implications on the condition and performance of the assets, leading to a decline in service delivery and resident well-being. Improving the repairs and maintenance ratio is crucial for MLM's long-term financial planning. Neglecting asset upkeep can lead to increased repair costs in the future and the need for asset replacements, which can strain the Municipality's finances. Inadequate repairs and maintenance to water services infrastructures also contribute to high distribution losses. The following contribute to poor performance of the service delivery assets:

- Water leaks due to pipe bursts escalate overtime costs, which is a major contributing factor to the municipality's high wage bill.
- Network Water Leaks due to leaking valves, burst pipes and meters.
- Vandalism and theft of essential infrastructure exacerbate the challenges, and the municipality needs to ensure the security of its infrastructure. Fencing and telemetry system.

The municipality needs to identify and strategically keep critical spares to enable timely repairs, such as the coupling for the Howison Poort pipeline, valve, and pump spares for treatment works. This will enable the municipality to shorten the downtime of the systems and increase efficiency. There is a shortage of water tanks in the community for water storage. The storage retention capacity is also below the recommended 48 hours (Makana less than 12 hours).

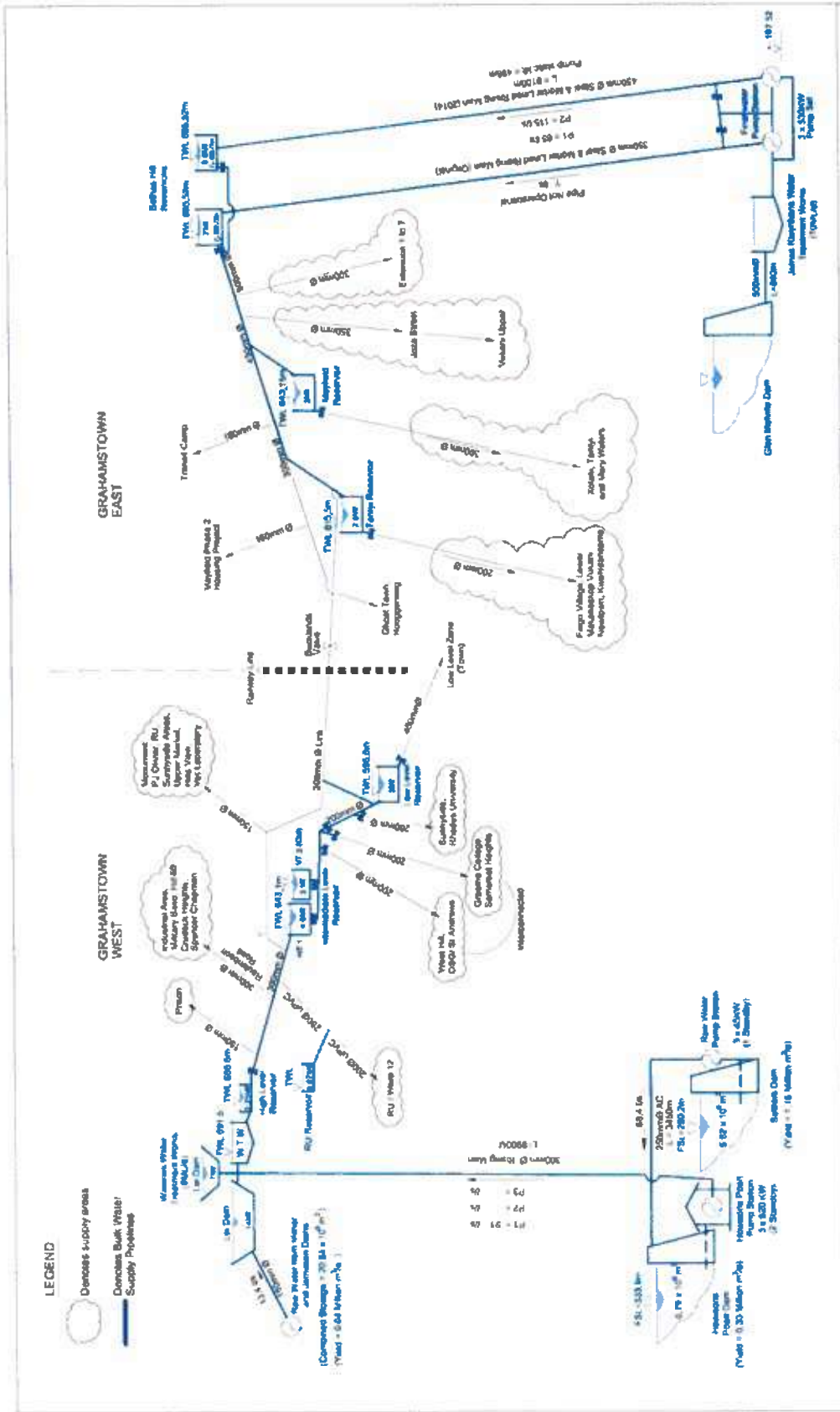
It is also a challenge that there are no check meters to confirm raw water billed by DWS. One of the audit findings was that bulk metering is not in place to enable confirmation of bulk purchases.

Institutionalization of water conservation and demand management is vital to water saving initiatives. This would give an account of the municipality's strategy of, amongst others, metering and pressure management.

2.4.1.2 CURRENT SYSTEM CONFIGURATION

Figure 1:

Schematic Bulk Water Supply



2.4.1.2.1 Eastern water supply system

Makhanda East is supplied with water from the James Kleynhans Water Treatment Works. Water from the Lower Orange-Fish Water Scheme is diverted at the Hermanuskraal weir on the Great Fish River into the Fish – Ecqa tunnel which feeds the Glen Melville Dam on the Ecqa River. The James Kleynhans Water Treatment Works which is located downstream of the Glen Melville Dams about 15km from Makhanda treats 10ML/day which is pumped to the 7ML and 6.6ML Botha's Hill Reservoirs at the edge of town which in turn supplies the 3ML Mayfield and 2.5 ML Tanyi Reservoirs with water. As the demand exceeds the supply, water to the Makhanda East is shut off at 9 pm and reinstated again at 4 am. The total yield allocated for transfer to Makhanda is given as 7.3 million m³/a (20ML/d).

2.4.1.2.2 West water supply system

Water from Settlers Dam is pumped to Howiesons Poort Dam (0.500 million m³/a) at a rate of 65l/s and from Howiesons Poort (1.862 million m³/a) Pump Station at a rate of 100l/s to the Waainek Water Treatment Works which treats on average 8ML/day. Two smaller dams (Jameson Dam: 0.150 million m³/a and Milner Dam: 0.150 million m³/a) supplement the supply

The treated water from the WTW is fed into the High-Level Reservoir (2.25ML) which feeds a reservoir on the Rhodes Campus (0.67ML) and the two Intermediate (4.6 ML and 3ML) and Low-Level Reservoir (3ML). The High-Level reservoir needs to be 80% full for the Correctional Services and Military Base to receive water. This has been circumvented with the installation of a dedicated 160mm diameter line at a lower abstraction point below the High-Level reservoir. Water from the Jameson Dam flows into the Milner Dam and gravitates to the Olds Town Filters from where it is pumped at a rate of 13l/s to the Waainek WTW.

Table 1 : Raw water supply dams to water treatment works for Makhanda

NO	NAME	STORAGE CAPACITY (M3)	YIELD (M3/ANNUM)	WTW	SUPPLY ZONE
1	Howiesons Poort Dam	883 000	330 000	Waainek	Makhanda West
2	Settlers Dam	5 620 000	1 160 000	Waainek	Makhanda West
3	Jameson Dam	575 000	14 000	Waainek	Makhanda West
4	Milner Dam	255 000	26 000	Waainek	Makhanda West
5	Glen Melville Dam	7 000 000	5 300 000	James Kleynhans	Makhanda East

2.4.1.2.3 Seven fountains water provision system

Seven Fountains settlement obtains its water from four boreholes (21,7m³/day) which delivers the water to a containerised water treatment package plant. From the WTW treated water is pumped to a 100kl capacity elevated water storage reservoir from where it is fed into the reticulation network under gravity. At this stage only two of the four boreholes is in operation, resulting in water shortages.

Seven Fountains has a population of 1 374 people. Total Average Annual Daily water demand (AADD) of 35.2 m³/d which is not sufficient to service the area.

Table 2: Seven Fountains Borehole Yield Capacities

NO	NAME	YIELD	WTW	SUPPLY ZONE
1	BH 1	2.2 m ³ /d	Seven Fountains	Seven Fountains
2	BH 2	2.2 m ³ /d	Seven Fountains	Seven Fountains
3	BH 3	5.8 m ³ /d	Seven Fountains	Seven Fountains
4	BH 4	11,5 m ³ /d	Seven Fountains	Seven Fountains

2.4.1.2.4 Fort brown water provision system

Water for the settlement at Fort Brown is abstracted from the Great Fish River and pumped through to a containerised water treatment package plant located within the nearby Police Station yard. The treated water is pumped to an existing concrete reservoir whereby it to be reticulated to the beneficiaries. The system is currently not fully operational as a result water is being supplied daily by a water tanker at exorbitant costs.

2.4.1.2.5 Alicedale water provision system

The primary source of water for Alicedale is the New Year's Dam which is constructed on the New Year's River which is a tributary of the Bushman's River. The total capacity of the dam is 4.5 million m³ and the town is authorised to abstract 2.1 million m³ per annum (approximately 5.75Ml/day). For the past 12 months the dam level has maintained an average of 5% which is

below the abstraction level of 8%. Additional raw water is supplied from four boreholes with a total combined yield of 748m³/day. One of these boreholes is solar powered and only works when there is enough sunlight. The other three boreholes have seen reduced yields due to the current drought.

This raw water is treated at the Alicedale Water Treatment Works that has a capacity of 2Ml/day. Drinking water from the water treatment works is pumped to steel tanks with a capacity of 182 m³ and 191 m³ situated on a hill above the water treatment works. From these steel tanks, water gravitates to three concrete reservoirs with a capacity of 191m³ each. Drinking water to the town area is supplied by gravity from these two concrete reservoirs whereas the communities of KwaNozwakazi and Transriviere are supplied water via a pumpstation on the bank of Bushman's River. The pumped water is supplied to a 880m³ concrete reservoir and a 227m³ steel tank.

Table 3: Alicedale Dam and Borehole Yield Capacities:

NO	NAME	STORAGE CAPACITY (M3)	YIELD	WTW	SUPPLY ZONE
1	New Years Dam	4 500 000	2 100 000 m ³ /a	Alicedale	Alicedale
2	Station BH	-	288 m ³ /d	Alicedale	Alicedale
3	Solar BH	-	115,2 m ³ /d	Alicedale	Alicedale
4	Bridge BH (EC/P10-0463)	-	259,2 m ³ /d	Alicedale	Alicedale
5	Road BH (EC/P10-0464)	-	86,4 m ³ /d	Alicedale	Alicedale

2.4.1.2.6 Riebeeck east water services

The town is supplied from 4 low yielding boreholes. The raw water from the boreholes is treated prior to distribution. The water treatment works next to the bulk reservoirs has a design capacity of 1ML/day

Table 4: Riebeeck East Borehole Yield Capacities

NO	NAME	STORAGE CAPACITY	YIELD	WTW	SUPPLY ZONE
1	Borehole 27	-	64,8 m ³ /d	Riebeeck East	Riebeeck East
2	Borehole 02 (solar)	-	30,528 m ³ /d	Riebeeck East	Riebeeck East

3	Borehole 29	-	57,024 m3/d	Riebeeck East	Riebeeck East
4	EC/P10-0460	-	108 m3/d	Riebeeck East	Riebeeck East

2.4.1.2 BLUE DROP STATUS PAT

Assessment Areas	Alicedale	Grahamstown	Riebeeck East
BULK / WSP			
A: Total Design Capacity (Ml/d)	1.6	18	1
B: % Operational Capacity in terms of design	N/I	N/I	N/I
C1a: % Microbiological Compliance	100%	83.9%	100%
C1b: % Microbiological Monitoring Compliance	45.8%	20.5%	45.8%
C2a: % Chemical Compliance	81.8%	58.1%	81.8%
C2b: % Chemical Monitoring Compliance	0%	0%	0%
D: % Technical Skills	75%	58.3%	56.3%
E: % Water Safety Plan Status	0%	0%	0%
%BDRR/BDRR max	47.8%	95%	48.7%

There are three drinking water supply systems under Makana LM. Alicedale and Riebeeck East supply systems are in the low-risk rating category while Grahamstown is in the critical-risk category. Unavailability of operational flow data for all supply systems may impact on planning and water conservation and demand management initiatives and also impacted negatively on the score under criteria B. Alicedale and Riebeeck East supply systems achieved excellent compliance under microbiological compliance, however, inadequate alignment of microbiological monitoring programmes to SANS 241: 2015 requirements. This coupled with poor chemical and chemical monitoring compliance means that the safety of water supplied from these systems cannot be guaranteed. Currently physical, chemical and micro is being monitored, with a hope of a tender to ensure regular and consistent monitoring for compliance.

Grahamstown supply system achieved poor microbiological and chemical compliance and monitoring programmes are not aligned to SANS 241: 2015 requirements, this presents a serious health risk to the consumers as the safety of water supplied cannot be guaranteed. With regards to technical skills, Alicedale has a supervisor and process controllers that are adequately aligned to the regulations requirements while Grahamstown and Riebeeck East are lacking in this regard. Maintenance teams are also lacking for all supply systems and therefore presents a risk of poor infrastructure maintenance which may lead to water supply interruptions. Poor Water Safety Plan availability scores were achieved for all supply systems.

This indicates that adoption and implementation of SANS 241: 2015 aligned Water Safety Planning process inclusive of risk assessments, risk-based monitoring and implementation of corrective measures is lacking for all supply systems.

The Regulator encourages the WSA and WSP to urgently implement the following recommendations to ensure delivery of safe drinking water for all consumers:

1. Installation of calibrated inflow meters to verify operational capacity at all WTW.
2. Implementation of corrective measures in the event of microbiological and chemical failures to always ensure delivery of safe drinking water.
3. Implementation of monitoring programmes with sufficient samples based on population size as outlined in SANS 241: 2015.
4. Appointment of suitably qualified maintenance teams that complies with the regulation's requirements.
5. Supervisors and process controllers for Grahamstown and Riebeeck East WTW should also be aligned to the regulation's requirements through appointment of qualified staff and/or training of new staff.
6. Development of Water Safety Plan as per SANS 241: 2015 and WHO guidelines including risk assessment of entire supply system, water quality evaluation based on full SANS 241: 2015 analysis of raw and final water, development of risk-based monitoring programmes, and implementation of mitigating measures to address all medium and high risks.

2.4.1.3 GREEN DROP STATUS: ASSESSMENT:

Water Service Institution	Makana Local Municipality		
Water Service Provider	Makana Local Municipality		
Municipal Green Drop Score	VROOM Impression: (Towards restoring functionality):		
2021 Green Drop Score	9%↓	1. Vandalism	
2013 Green Drop Score	62%	2. Flow measurement absent	
2011 Green Drop Score	49%	3. Sludge management lacking	
2009 Green Drop Score	7%	4. Loading and water quality unknown	
		5. Maintenance lacking	
		6. Process knowledge severely lacking	
		VROOM Estimate:	
		- R8,407,500	

Key Performance Area	Weight	Alicedale	Belmont Valley	Mayfield
A. Capacity Management	15%	32.0%	44.0%	32.0%
B. Environmental Management	15%	23.5%	23.5%	23.5%
C. Financial Management	20%	0.0%	0.0%	0.0%
D. Technical Management	20%	12.5%	23.8%	28.8%
E. Effluent & Sludge Compliance	30%	0.0%	6.0%	15.0%
F. Bonus		0.0%	30.0%	30.0%
G. Penalties		-50.0%	-75.0%	-50.0%
H. Disqualifiers		None	Directive	None
Green Drop Score (2021)		1%	8%	14%
2013 Green Drop Score		37%	66%	60%
2011 Green Drop Score		29%	53%	48%
2009 Green Drop Score		7%	7%	7%
System Design Capacity	M/6	0.85	5.5	2.5
Design Capacity Utilisation (%)		3%	136%	112%
Resource Discharged into		Kabega River	Kowie	Botha River
Microbiological Compliance	%	0% (NI)	Insufficient data set	Insufficient data set
Chemical Compliance	%	0% (NI)	Insufficient data set	Insufficient data set
Physical Compliance	%	0% (NI)	Insufficient data set	Insufficient data set
Wastewater Risk Rating (CRR% of CRR_{max})		Alicedale	Belmont Valley	Mayfield
CRR (2011)	%	88.2%	68.2%	70.6%
CRR (2013)	%	82.4%	63.6%	58.8%
CRR (2021)	%	70.6%	86.4%	88.2%

*Insufficient data was presented to calculate compliance

Makana Local Municipality took a disappointing step backwards to a low 9% Green Drop score in 2021 compared to the promising 62% in 2013. The Regulator is concerned about the extensive capital upgrades to sludge (and other) infrastructure that has never been operational. Nor does the municipality have the required expertise to operate or maintain the infrastructure. These enablers should be a prerequisite before further capital funding is granted for the planned infrastructure upgrades as listed below.

The audit results (1%) coupled with the site inspection (27%) confirmed that Alicedale is poorly managed with low flows to the plant as result of continuous spillages from vandalised pumpstation/s which has not been corrected (electrical supply). The Belmont Valley and Mayfield treatment plants are severely overloaded.

The staff was found lacking in their knowledge / reporting of status of flow to the Alicedale plant. The Regulator is left with an impression of an overall lack of knowledge, commitment, and responsible culture in the organisation. This reaches beyond technical aspects, as is noted from the 0% attained in the financial performance area. On the positive side, Makana is commended for taking initiative to appoint a service provider to assist in collating- and uploading design and process information after the initial main audit event. This bodes well for the future of Makana and could be the genesis of willingness and positive attitude by Makana leadership to correct existing gaps and return to the former good performance levels.

The high-risk ratings of the plants are derived from the lack of effluent compliance data, no measurements of hydraulic flows, the lack of classified operational staff and the lack of a W2RAP or Risk Register. All three (3) the plants are categorised as high-risk plants. Corrective action should be prioritised starting with the appointment of technical competent staff – as none of the 3 plants had qualified staff in place. Technical qualifications were claimed, but not proof of such qualification could be substantiated with evidence of certificates. Once capacity is in place, the remainder of issues can be addressed. The low Green Drop scores places the municipality under regulator enforcement, noting that a Directive has already been issued for Belmont Valley.

2.4.1.3.1 Green Drop findings:

1. Flow measurement records are not being maintained – this is a basic requirement.
2. No Supervisory and Process Controller registrations verified.
3. No technical, engineering, or scientific expertise in place at the Treatment Works
4. No operational or compliance monitoring in place
5. No financial, asset or energy cost could be provided.

6. Plants are treating more than design capacity – DWS is engaged in these instances.
7. Sludge classification and sludge management plans are absent.
8. All 3 plants are in high-risk positions.
9. Several capital projects have been undertaken or planned – noting that these
10. improvements did not result in any positive gains as is evident by the low audit score

2.4.1.4 REGULATORY IMPRESSION:

Makana LM has completed the selected areas of the Green Drop PAT scorecard. This effort does not necessarily do justice to the good work and progress that was noticed by DWS at Makana, over the past 2 years. As a result, the CRR scores have digressed, mostly because of effluent quality data not available for Alicedale, and non-compliance for Belmont Valley and Mayfield. Flow measurement is not recorded for Alicedale, which carries a significant risk with it.

The extensions taking place at Ext 6, Mayfield and Glebe is noted with encouragement. However, concerns are raised regarding the treatment plants which are already operating beyond the design capacity and where the effluent quality is not meeting the legal specification.

This additional flow will place undue pressure on the plant to perform and comply with its legal specification. Makana LM is requested to communicate with the DWS on this pertinent matter, as no indication was given as to the status of upgrading the plants. These aspects result in all three (3) treatment facilities residing in high-risk positions during the current assessment.

The completion of a well-structured Wastewater Risk Abatement Plan (W2RAP) is however noted and commended. The key 31 risks have been identified, rated and addressed in this risk management plan. Regrettably, there is a need to upgrade the plant.

2.4.1.5 GREEN DROP WATCH REPORT 2023

The goal of the Green Drop is to inspire a path that brings about sustainable and compliant wastewater services through competent people, disciplined thought, and collective action, which can be measured and reported to South African citizens every year. The Green Drop process upholds scientific principles and is founded in its ability to measure and report performance that reflects the functionality and status of the wastewater systems. The scoring legends are as following:

	≥95- 100%	Ideal performance and full functional infrastructure and processes (Excellent)
	≥80- <95%	Fully functional infrastructure and processes, with minor corrections to be made (Good)
	≥50- <80%	Partially functional infrastructure and processes, and average performance (Average/ Moderate)
	≥31- <50%	Partial functionality and unsatisfactory performance, with major corrections to be made (Poor)
	0-<31%	Dysfunctional and unsatisfactory performance, with major corrections to be made (Critical)

Coupled to the Green Drop score, a risk score (%CRR/CRR Deviation) is calculated to indicate the Cumulative Risk Rating(CRR) of a wastewater treatment works. Whereas the Green Drop score indicate the performance of the *entire wastewater service*, the CRR risk score focus specifically on the *wastewater treatment plant* and its associated risk. The CRR scoring legends are as following:

%CRR/CRR_{max} Deviation	90 – 100% Critical Risk WWTW's	
	70 - 90% High Risk WWTW's	
	50-70% Medium Risk WWTW's	
	Less 50% Low Risk WWTW's	

Typically, a *low Green Drop score* will have a matching *high CRR score* and will guide the responsible authority and associated stakeholders to specific defective areas that require intervention and corrective action.

The Green Drop Watch Report is a special interim report that gives expression to the leadership's intent to monitor and publish the status of "turnaround" *one year after* identification of 334 critical wastewater systems in the Green Drop report of April 2022. This report draws attention to the status and quality of correction actions plans, taken by the local authorities responsible for critical systems, who were placed under regulatory surveillance. As an interim report leading to the 2023 GDPAT report and 2024 Green Drop audit, the Watch Report seeks to keep the public and stakeholders updated and informed on the progress (or lack thereof) made by municipalities to remedy failing and dysfunctional wastewater infrastructure and compliance.

The municipality was identified to have the following wastewater treatment systems in critical state and was advised by the Regulator to issue a Corrective Action Plans (CAPs) and ringfenced grant

allocation to the identified systems. The following results were found following analysis of the CAPs and funds as submitted by the WSA during the period 1 April 2022 to 31 March 2023.

2.4.1.5.1 Baseline:

WSI Name	WSI 2021 GD Score	WSI TSA Score	Total VROOM Cost	WWTW Names (<31% score)	WTTW 2021 GD Score
Makana LM	9%	27%	R8,407,500	Mayfield	13.6%
				Belmont Valley	7.9%
				Alicedale	1.3%

2.4.1.5.2 Watch Area 1: PLANNING - Corrective Action Plan to improve on the Green Drop Scores

WSI Name	WWTW Name	Compliance Letters Issued	WSA Requested Support to develop the CAP	DWS Schedule Engagement with Nonresponsive WSIs	Number of CAPs received by DWS	Date of CAPs receipt by DWS	CAP Implementation Status: Progress @ 31 March 2022
Makana LM	Mayfield	Yes	No	Reminded on 2 Dec 22	None	Not Received	None
	Belmont Valley	Yes	No	Reminded on 2 Dec 22	None	Not Received	None
	Alicedale	Yes	No	Reminded on 2 Dec 22	None	Not Received	None

2.4.1.5.3 Watch Area 2: IMPLEMENTATION - Securing water services grants, Funding and appropriate resources to implement the CAP

None

2.4.1.5.4 Watch Area 3: INTERVENTION – Status and types of interventions by DWS

WSI Name	WWTW Name	Regulator's Compliance Monitoring and Enforcement Status	Action to follow and other comment
Makana LM	Mayfield	Issued NWA Notice (Pre-directive)	Escalation to interdict
	Belmont Valley	None	None
	Alicedale	Issued NWA Notice (Pre-directive)	Escalation to interdict

2.4.1.6 BULK WATER INFRASTRUCTURE RESOURCES:

The Howiesonspoot 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 Howiesonspoot pump station situated slightly downstream and South West of the dam wall, directly to the Waainek WTW.

2.4.1.6.1 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 Howiesonspoot Dam thus augmenting the Howiesonspoot in time of low water availability.

2.4.1.6.2 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 200mm \square main. From there it is pumped to the Waainek WTW via a 150mm \square steel.

2.4.1.6.3 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.

2.4.1.6.4 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 8m^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.

2.4.1.6.5 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 Howiesonspoot 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 Ml/d and designed to operate over a 24 hour period. The works comprises a 16Ml raw water storage dam. There is an additional 6Ml 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 Howiesonspoot pumping main or from the raw water storage reservoirs.

2.4.1.6.6 Raw Water Inlet

Water from both the Howiesonspoot and Town Filter Storage tanks are pumped to the WTW. The system is designed so that raw water from Howiesonspoot 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.

2.4.1.6.7 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).

2.4.1.6.8 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-FishSundays 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 MI/d). The James Kleynhans Water Treatment Works has a capacity of 10 MI/d and designed to operate over a 24 hour period. Elements within the works require upgrading, as the existing required capacity is 12.96 MI/d (2.96 MI/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.

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

The raw water supply is abstracted from the 4 boreholes and that were recently refurbished 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.

2.4.1.6.10 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.

2.4.1.6.11 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.

2.4.1.6.12 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.

2.4.1.7 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.

The Municipality is experiencing inadequate sewer system capacity, resulting in noncompliance with the National Water Act and conditions of the wastewater treatment permit as issued by the DWS. An assessment needs to be done to check on progress on rectifying this situation and continue to develop wastewater treatment works to accommodate growth. The municipality has not yet achieved universal access to sanitation as there are still households dependent on bucket systems. Maintenance of this infrastructure is inadequate. The municipality needs to operate its facilities in line with the National Water Act of 1998 (Act No. 36 of 1998, Government Notice No 1191) in accordance with the Permit requirements of the Department of Water and Sanitation.

The municipality is faced with, amongst others the following challenges in terms of Sanitation:

- Ageing infrastructure
- Low staff morale
- Inadequate maintenance (for the reticulation system and plants)
- Theft and Vandalism
- Inadequate maintenance budget

Green drop rating for Makana LM is at 9% which is closer to being dysfunctional. And the following issues should be addressed:

- Flow measurement to be Implemented.
- Sludge management to be addressed.
- Loading and quality to be determined.
- Maintenance of existing infrastructure to be addressed

- Makana Local Municipality has three e wastewater treatment facilities as depicted in the IDP as follows:
- Alicedale WWTW with a capacity of 0.85MI/day and operated at 151% of its design capacity.
- BMLMont Valley WWTW with a capacity of 5.4MI/day and operated at 139% of its design capacity.
- Mayfield WWTW with a capacity of 2.5MI/day and operated at 112% of its design capacity.

2.4.1.7.1 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.

2.4.1.7.2 Mayfield WWTW:

The Mayfield WWTW has an existing hydraulic capacity of 2.5 MI/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.

2.4.1.7.3 Alicedale WWTW:

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

2.4.1.7.4 Water Services Operations & Maintenance (O&M) and Critical Challenges

Municipality doesn't have Operational and Maintenance Plan, is in process of seeking assistance from different stakeholder like MISA, COGTA AND DWS.

The Municipality is still struggling with its ageing infrastructure and external funding was received to increase the capacity of James Kleynhans Water Treatment Works. DWS is the funder for the project and Amatola Water (AW) is the implementing Agent. Makana is also challenged with increasing pressure on its wastewater treatment leading to works overflow i.e. Belmont Valley which is near full capacity.

These are some critical areas:

- Aged and dilapidated infrastructure
- Water supply is not sufficient to meet the demand.
- Inadequate catchment area to Makhanda West, which could result in possible water shortages to the community in the future
- Inadequate electricity supply on the western side of Makhanda, which results in the inability to supply raw water for purification.
- Inadequate storage retention capacity (DWS requirement is 48 hours but Makana has an average of 12 hours);
- Insufficient capacity at waste water treatment works. , as the plant is operating above design capacity.

Pre-directives received from DWS, on non-compliances, which could result in legal action against the Municipality.

- Health hazards to the people and pollution to the environment.
- Inadequate capacity of the collector mains (rising main and outfalls) resulting in sewer spillages.
- Inadequate capacity of pump stations resulting in sewer spillages.
- Inadequate capacity reticulation network sewers resulting in spillages, which result into health hazards to the people and pollution to the environment.
- Storm water ingresses to sewer network system increases the inflow to the wastewater treatment works;
- Absence of centralised customer services, which results into the inability to attend to all the complaints, systematically; and
- Continuous vandalism of critical infrastructure, which could lead to reverse backlog, injury, and damage to property, resulting in possible litigation.

2.4.1.7.4.1 Water source Challenges:

- Quality of the raw water from the dams– High turbidity
- Unstable pumping system & rising main capacity.
- Unreliable electricity supply to pump raw water from H/Poort

2.4.1.7.4.2 Water treatment works Challenges:

- Plants operated above capacity.
 - Old infrastructure and outdated technological processes.

2.4.1.7.4.3 Bulk water distribution Challenges:

- Storage Retention Capacity (DWS requires 48hrs, but Makana has 12hrs)
- Network Water Leaks (Through broken/old valves, pipes & meters) - Absence of Zonal Metering.

2.4.1.7.4.4 Service reticulation challenges:

- High Water Leaks (Resulting to water loss)
- Absence of meters (Impact to Billing mechanism)
- Lack of Pressure Control, resulting into inequitable distribution between high and low-lying areas.

2.4.2 ELECTRICITY INFRASTRUCTURE:

2.4.2.1 Electricity provision Overview

Makana is currently the service provider for the distribution of electricity with NERSA license agreement, it provided electricity to 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.

<p>Level and standard of services</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Customers are provided with a bulk 11 kilovolts of electricity. Some of this electricity is provided from solar energy. <input type="checkbox"/> The Municipality provides streetlights in accordance to the standards as outlined in the National Energy Regulator of South Africa (Nersa) guidelines. It also provides high masts which are funded by the Municipal infrastructure grant (MIG). <input type="checkbox"/> Medium and low voltage electricity is distributed according to consumer requirements.
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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, these areas most are imaging informal settlements. There has however been an overall reduction in the number of persons without access to electricity through Municipality and ESKOM electrification programmes .

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.

2.4.2.2 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 and vandalization of electricity infrastructure, this public lighting

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 66KVcircuit 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
- Projection of electricity infrastructure especially substation.
- Consider use of LED lights for public lighting

2.4.2.3 Electricity losses

Electricity losses have been above the norm at 29%, 17%, and 20% for the 2021, 2022, and 2023 financial years, respectively. These losses were above the norm in all three financial years and the municipality applied for the smart metering grant to address the illegal connections, tampering and incorrect metering. When looking at the number of households with no electrical connection over time, it can be seen that in 2011 the households without electrical connection in Makana Local Municipality were 1 880, this decreased annually at - 13.74% per annum to 430 in 2021 The cashflow of the Municipality remains a challenge until the collection rate is improved and arrear creditors are fully paid. The municipality must monitor electricity purchases against billing.

The municipality has been approved for Eskom Debt Relief by National and Provincial Treasury effectively from 01 November 2024 and is currently servicing both current and arrear debt balances. The municipality needs to ensure that it applies for electricity licensing for all new areas that are being developed where it is making financial sense for the municipality. The municipality needs to have the wheeling agreement template in place in order to be able to facilitate this. The municipality needs to review streetlighting accounts from Eskom in order to ensure that there is value for money on services provided.

There is an indication that there is no electricity master plan. This has to be developed in order to guide business planning for future projects. The maintenance plan is in place. Unfortunately, it is not being implemented because of staff shortages Insufficient training for electrical trade

tests and High Voltage regulation training. The municipality needs to comply with General Machinery Regulations as far as supply of electricity is concerned. The Municipality should strive to improve and maintain the performance of the electricity supply infrastructure. It is critical to secure the infrastructure due to theft and vandalism that is being experienced in an alarming rate.

A conditional assessment needs to be conducted for all major substations and the outcome to be used to prioritize maintenance (Substation yard, substation rooms, switchgear, primary transformers, outdoor isolator and breakers, overhead line gear). The municipality does not have a mandatory training schedule for electrical staff, does not comply with General Machinery Regulations, and has a shortage of trade tools for the electrical division's employees.

Electricity supply infrastructure is also ageing. The municipality is apportioning an insignificant budget for repairs and maintenance of Property, Plant, and Equipment. This affects sustainability and contributes to high distribution losses. The distribution substations require new isolators for breakers. A conditional assessment needs to be conducted for mini-substations, and the outcome should be used to prioritize maintenance activities.

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, each authority is responsible for provision and maintenance of roads infrastructure under relevant custodianship.

The Municipality does use Rural Roads Asset Management (RRAMS) due to the high number of rural roads and bridges which need immediate repair and to improved data on rural roads to guide infrastructure investments. The municipality is using Road Asset Management System, to identified road needs, upgrading and maintenance to check length and status.

Farmers and rural producers often face challenges in accessing markets due to inadequate transportation infrastructure. Communities often has challenge to access to education, health facilities RRAMS improved road connectivity can help to enhance access of rural masses to education services. They can travel to nearest towns and cities and get better and higher education which can open better employment opportunities for them. Through this way, rural poor can earn a better living for their families.

The SBDM has developed a Roads Maintenance Plan and is in process of assisting Municipality develop a Roads and Storm Water Master Plan.

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)

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.

2.4.3.1 Road Network Serving the Makana LMA

The road network within the Makana Local Municipal Area falls under the jurisdiction of three (3) authorities as per our Integrated Transport plan and Road maintenance plan last review in 2020, namely:

- South African National Roads Agency Limited (SANRAL), who is responsible for National Route N2 and R67, which traverses the area;
- Eastern Cape Department of Transport, who is responsible for provincial trunk, main, district and minor roads within the area; and
- Makana Local Municipality, who is responsible for all municipal roads.

The road network within the Makana Local Municipal Area, together with the relevant road authority, is indicated in Table below:

Table 1: Road network in the Makana Local Municipal Area

ROAD AUTHORITY	LENGTH(KM)	%
SANRAL	139.70	7.8
Eastern Cape Department of Transport	1 370.09	76.2
Makana Local Municipality	287.67	16.0
Total	1 797.46	100

The total road network within the Makana Local Municipal Area and under the jurisdiction of the municipality comprises of approximately 287.67km, of which approximately 163.85km (or approximately 57%) are Paved roads.

Table 2: Road network Infrastructure under the jurisdiction of the Makana Local Municipality:

ROAD TYPE	CATEGORY	LENGTH(KM)
Tar	Paved	149.77
Block	Paved	13.85
Concrete	Paved	0.23
Gravel	Unpaved	103.78
In Situ / Earth	Unpaved	0.56
Tracks	Unpaved	8.28
Other	Inaccessible	11.22
Total		287.67

Table 3 below indicates the road network in the various towns:

Town	Paved(km)	Unpaved(km)	Inaccessible (Km)	Total(km)	% Total Network
Alicedale	12.02	1.11	2.44	15.57	5.4
Makhandanda	150	7.20	0.10	8.40	2.9
Riebeeck East	1.10	7.20	0.10	8.40	2.9
Total	163.85	112.61	11.22	287.67	

2.4.3.2 Assessment of the municipal road network:

Visual condition assessments were undertaken using the EASyRoad software package – this is an application that runs on an Apple iPad. The software has built-in functionality to geo-reference the data captured and the Track that was travelled by the assessor. visual assessments were undertaken by Graduates employed under the Rural RAMS programme initiated by the National Department of Transport (NDOT).

2.4.3.2.1 Visual Condition Assessments: The condition of the Tar (Flexible) road network was visually assessed using the draft TMH 9 method (Committee of Transport Officials, Technical Methods for Highways, Manual for Visual Assessment of Road Pavements, May 2016). The assessment consists of ratings for surfacing, structural and functional conditions where:

- the surfacing condition is related to its quality as a suitable riding surface for traffic and as an impermeable layer that prevents the ingress of water into the pavement structure.
- the structural condition corresponds to its ability to withstand traffic loads; and
- the functional condition is a measure of the level of service currently provided by the pavement to the road user.

Table 4: Visual Condition Categories

Condition Category	VCI Range	Category Description
Very Good	85 - 100	Road is still like new and no problems are experience.
Good	70 – 85	Road is still in a condition that only requires routine maintenance to retain its condition.
Fair	50 – 70	Some clearly evident deterioration and would benefit from preventative maintenance or requires renewal of isolated areas.
Poor	30 – 50	Road needs significant renewal or rehabilitation to improve its structural integrity.
Very Poor	0 – 30	Road is in imminent danger of structural failure and requires substantial renewal or upgrading

2.4.3.3 PAVED ROADS:

Table 5: Condition of Paved Roads

Condition	Very Good (km)	Good (km)	Fair (km)	Poor (km)	Very Poor (km)	Total (km)
Alicedale	0.00	2.52	0.75	1.41	0.00	4.68
Makhanda	0.00	25.47	76.47	38.45	4.53	144.93
Riebeeck East	0.00	0.00	0.00	0.16	0.00	0.16
Total	0.00	27.99	77.22	40.02	4.53	149.77

As can be seen from the above, approximately **70.2%** of the Paved Road network allows for conventional maintenance functions to be conducted in an effective and cost-efficient manner. The maintenance functions required to approximately **29.8%**, which is the backlog, constitutes the balance of the road network, will require more costly maintenance treatments than that would be normally applied to a road that was in "good or fair" condition. If the above conditions are extrapolated, it results in the roads having to be rehabilitated / reconstructed far earlier in their life cycle than if the proper routine and repetitive maintenance functions were applied to the road. This then becomes a capital budget project, which again starts the life cycle pattern.

2.4.3.3.1 Needs Determination

Town	Rehabilitation		Special Maintenance		Periodic Maintenance		Total
	Length (km)	% of Town	Length (km)	% of Town	Length (km)	% of Town	
Alicedale	1.22	26.2%	0.19	4.0%	0.43	9.3%	1.85
Makhanda	23.39	16.1%	18.71	12.9%	69.60	48.0%	111.69
Riebeeck East	0.16	100.0%	-	0.0%	-	0.0%	0.16
Total	24.77	16.5%	18.90	12.6%	70.03	46.8%	113.70

2.4.3.3.2 Financial Requirements

To determine the amount that is required for Preventative Maintenance and Rehabilitation needs, the unit rates were determined and are indicated in Table 7 below:

Table 7: Unit Rates of Rehabilitation and Preventative Maintenance Actions:

Treatment	Unit Rate (per m ²)
Rehabilitation	R950-00
Special Maintenance	R560-00
Periodic Maintenance	R170-00

Table 8: Cost of Backlog Eradication

Town	Rehabilitation	Special Maintenance	Periodic Maintenance	Total
Alicedale	R 9 696 477	R 530 992	R 478 154	R 10 705 623
Makhanda	R 146 590 376	R 80 073 832	R 87 705 401	R 314 369 609
Riebeeck East	R 712 409	R 0	R 0	R 712 409

Total	R 156 999 262	R 80 604 824	R 88 183 555	R 325 787 640
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2.4.3.4 UNPAVED ROADS

Table 11: Condition of Unpaved Roads

Condition	Very Good (km)	Good (km)	Fair (km)	Poor (km)	Very Poor (km)	Total (km)
Alicedale	0.00	0.00	0.45	0.35	0.31	1.11
Makhanda	0.40	9.52	83.32	7.23	3.83	104.30
Riebeeck East	0.00	0.33	1.39	0.35	4.99	7.05
Total	0.40	9.85	85.16	7.93	9.13	112.46

2.4.3.4.1 Needs Determination:

Table 12: Construction, Regravelling & Reshaping Needs

Town	Construction		Regravelling		Reshaping		Total
	Length (km)	% of Town	Length (km)	% of Town	Length (km)	% of Town	
Alicedale	0.31	51.2%	0.30	48.8%	-	0.0%	0.61
Makhanda	2.98	14.0%	6.68	31.3%	11.68	54.8%	21.34
Riebeeck East	4.99	83.9%	0.96	16.1%	-	0.0%	5.95
Total	8.28		7.93		11.68		27.89

2.4.3.4.2 FINANCIAL REQUIREMENTS

In order to determine the amount that is required for Regravelling, Reshaping and Construction, the standard unit rates were determined and are indicated in **Table 13** below:

Table 13: Unit Rates for Blading, Reshaping, Regravelling and Construction

Treatment	Unit Rate (per km)
Reshaping	R30 000-00
Regravelling	R400 000-00
Construction (Track Roads)	R600 000-00

2.4.3.4.3 Backlog Elimination Costs

As indicated earlier, cost effective routine road maintenance activities can only be conducted on roads that have a condition classification of "fair" or higher. Therefore, taking the above into account, to perform "normal" routine maintenance in the Makana Municipal Area, all roads are to be brought up to a fair or better category. The cost to eliminate this backlog (also including upgrading track roads to gravel) is estimated at approximately **R8.5 million** as calculated in **Table 14** below:

Table 14: Backlog Elimination Costs

Town	Construction	Regravelling	Reshaping	Total
Alicedale	R 186 714	R 118 428	R 0	R 305 142
Makhandla	R 1 786 890	R 2 670 824	R 350 548	R 4 808 262
Riebeeck East	R 2 992 014	R 383 760	R 0	R 3 375 774
Total	R 4 965 618	R 3 173 012	R 350 548	R 8 489 178

2.4.3.4.4 Asset valuation:

Asset value is a measure of how well the road network is being preserved and the value of a Gravel Road. A Gravel Road consists of the following:

- the ground preparation work;
- the road foundation; and
- the wearing course

Over time, the wearing course deteriorates and the value of the road decreases accordingly. Eventually, Blading and Reshaping becomes necessary and, if the deterioration of the wearing course continues even further, there will be a stage where the road has no wearing course and the value thereof will be zero. The asset value is calculated as the total value of a road minus the depreciation of the wearing course. The asset value for the Gravel roads were calculated using a replacement cost of R400 000/km for the wearing course and R200 000/km for the ground preparation work and road foundation.

The asset value for the Earth roads were calculated by using a replacement cost of R6000/km for the ground preparation work and the asset value of Earth roads were regarded as zero.

The current Depreciated Replacement Cost (or current asset value), based on the condition data of 2019 is **R19.3 million** and the Current Replacement Cost (CRC) (i.e. maximum theoretical asset value where all the Gravel and Earth roads are newly built) is estimated at **R62.2 million**. A detailed breakdown of the Depreciated Replacement Cost is indicated in **Table 15** below:

Table 15: Asset Valuation

Town	Current Replacement Cost	Depreciated Replacement Cost
Alicedale	R 478 236	R 59 968
Makhanda	R 60 792 408	R 19 059 711
Riebeeck East	R 909 442	R 223 257
Total	R 62 180 086	R 19 342 935

2.4.3.5 PROPOSED THEORETICAL BUDGET FOR MAINTENANCE AND BACKLOG ELIMINATION

Taking the proposed methods above into account, the budget to eliminate the backlog and perform maintenance activities has been calculated. The method used was to eliminate the backlog on one fifth (1/5) of the network each year and to further implement the blading programme as indicated in 3.2.5.4 above.

Furthermore, the upgrading / construction of Tracks to a gravel standard is scheduled for Year 1. The activities have been quantified and average rates as indicated in Table 13 have been applied to obtain the final costs. These costs were escalated by 6% each financial year to consider CPA. This is indicated in Table 16 below:

Table 16: Proposed Theoretical budget for Maintenance and backlog elimination.

Year	Construction	Regravelling	Blading / Maintenance	Total Cost
Year 1	R 5 263 555.08	R 8 847 350.21	R 2 654 205.06	R16 765 110.35
Year 2	R 0.00	R 9 378 191.22	R 2 925 044.73	R12 303 235.95
Year 3	R 0.00	R 9 940 882.69	R 3 100 547.42	R13 041 430.11
Year 4	R 0.00	R 10 537 335.66	R 3 286 580.26	R13 823 915.92
Year 5	R 0.00	R 11 169 575.79	R 3 483 775.08	R14 653 350.87
Total	R5 263 555.08	R49 873 335.57	R15 450 152.56	R70 587 043.21

2.4.3.6 RAIL

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

2.4.3.7 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, Runway 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

2.4.3.8 NONE- MOTORISED TRANSPORT:

2.4.3.8.1 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.

2.4.3.8.2 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.

2.4.3.8.3 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.

2.4.3.8.4 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.

a) 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.

b) 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 e.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.

c) 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.

2.5 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 Program to access finance from the National Housing Fund
- Fund the erection of top structures.
- Fund the purchase of land if 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

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

2.5.2.3 Settlements and Nodes:

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

Settlement Type	Settlement Name	Settlement Function	General Description
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 (Middleincome – Low-income). Potential for value-adding agro-industrial processes. Potential for event-related tourism events.	Small rural centre with a population of ± 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	Minor administrative functions.	Seven Fountains and Fort Brown are small rural
	Riebeek East	Minor service centre for social goods and services. Focused support of local economic initiatives agriculture based.	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

Settlement Type	Settlement Name	Settlement Function	General Description
			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.

2.5.2.4 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.

2.5.2.5 Informal Dwellings

Informal Dwelling (Not Backyard Shacks)	No. of persons (2001)		No. of persons (2011)		Change	
	Numeric	%	Numeric	%	Numeric	% change
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

2.5.2.6 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

2.5.2.7 Housing Infrastructure:

BASIC SERVICE / INFRASTRUCTURE	MAKANA AREA (STA SA 2022)	MAKANA AREA (STATS SA 2011)	GROWTH Increase % 2022	2011
Total number of households	29 239	21 388	3.8 %	3,7 %
Formal Dwelling Type	89,6%	85,4%	89.6%	85.4%
Average household size	3,3	3,8		

- The number of formal dwellings increased from 85.4% in 2011 to 89.6% in 2022.
- Access increased for all of the following: flush toilets (74.4% 2011 to 89.7% in 2022); access to piped water (49.8% in 2011 to 63.7% in 2022) and electricity for lighting (69.5% in 2011 to 95.2% in 2022).
- There was a decrease in weekly refuse (88.9% in 2011 to 86.2% in 2022)

2.5.2.8 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.

2.5.2.9 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.

2.5.2.10 Housing Backlogs:

Backlogs	Makhanda	Alicedale	Riebeeck East	Rural Areas (Seven Fountains & Fort Brown)	TOTAL
Estimated Housing Demand 2018 (Town Planning Report & IDP 2018)	12 800	948	456	417	14 621
Estimated Housing Demand 2028 (@ 1.12 % population growth / annum)					16 154

Current Projects :					
• Mayfield North	2	763			
• East Commonage	3	585			
• Provincial Project	2	200			9 558
• Etembeni		300			
• Phola Park / Glebe (Erf 4103)	300	410			
• Infill Areas					
• Alicedale			338		
• Fort Brown				341	912
• 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 no capacity to deal with housing administration and development and Makana Council is committed to establishing a fully-fledged department to manage the Human Settlement Development. The department has been located under Local Economic Development and Planning Directorate. Provincial Cooperate Governance and traditional Affairs has appointed service provider to assist Municipality to review Housing Sector Plan, that would be completed in the next financial year.

2.5.2.8 Housing Projects:

Status 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			
Alicedale	221	Phaphamani		No information	
Scott's farm	90	Polar Park		No information	
Ghost town	189	Upper Zolani		No information	
Vukani location		J,N, Xolani, Up and lower Mnandi, Extension 9 and Farmer field		No information	
Disaster project:					
Makana Disaster	161	Disaster Housing project is enrolled and will start soon. The project steering Commity has been stabled, site establishment then construction to commence		R20 m	

2.6 COMMUNITY AND SOCIAL SERVICE

2.6.1 INTEGRATED WASTE MANAGEMENT PLAN

The Makana Local Municipality (LM) Integrated Waste Management Plan (IWMP) was last 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. Currently the Municipality is in the last phases of review (IWMP) with assistance of SBDM through service provider DFFE and also our by law. Is under review assisted by COGTA. The Director of Public Safety and Community service has been designated by Council as Waste office .Some of the duties included waste management education programmes i.e awareness campaigns and community engagement.. The purpose of

integrated waste management development is to consider 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.

Makana population has grown to an estimated 97 815 persons as per a report by the Census 2022 which is 1.07 % rate compared to 2016 and 2022. Households have increased to an estimated 29 239 which is 1.32 5 rate increase compared to the same period as population rate. A total 86% households have access weekly refuse disposal service and either utilize their own dumpsite.

2.6.2 WASTE 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.

2.6.3 COMMUNITY FACILITIES:

2.6.3.1 Community Halls:

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

	HALL	NEED DETERMINATION
1.	Crown hall	The walls and floor needed to be attended.
2.	Tantyi Hall	Is in a bad state – front windows have now been broken,
3.	Noluthando Hall	The hall is in good state and full use
4.	Recreation hall	In use- the wooden tiles are old and are non-fixable as they continue to get loose. We need to change the policy and pay attention to the types of events that are to be restricted.
5.	BB Zondani Hall	in use and good condition – the challenge is lights and roof which is leaking.
6.	Extension 9 Hall	in use and in good condition.
7.	City hall	is in use, the request for roof fixing
8.	Fort Brown Community Hall	in use and good condition the Ward Committee member looks after this hall. The hall is under the protection of Fort Brown SAPS as they utilise it mostly. The senior caretaker should visit the hall once a quarter though there is a challenge of transport.

2.6.3.2 Libraries:

There are 8 libraries in Makana with inclusive of Alicedale and Riebeeck East which 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 there is a mobile library that services ward 5.

	LIBRARY	NEED DETERMINATION
	Duna Library(clr) Xhonxa Joza	<ul style="list-style-type: none"> • Repair and Maintenance • Repair of Ceiling
	Riebeeck (Edna Fortuin Public library)	Minor repair and maintenance
	Alicedale	Minor repair and regular maintenance
	Fingo	Renovation
	Community Library	Major repairs
	Extension 9 Modular	Need ablution facilities and minor repairs
	Makana Public Library	Major- Plumbing repair
	Mobile library	

- The service is not provided fully to community due to staff shortage, Mobile library vehicle was involved in an accident, and it was written off.
- The internet connection is not open to the public due Municipal information protection.
- Tanty location and Extension do not have Library, the community is currently serviced at Fingo Library and Joza Library
- Riebeeck East is operating with one staff member as the other employee is not always at work due to health issues.
- Fingo Library is closed due to non-compliance with health and safety related legislation and will be renovated.

2.6.3.3 SPORT AND RECREATION FACILITIES:

2.6.3.3.1 Makhanda- Rhini:

No	SPORT FIELDS	NEED DETERMINATION
1.	Indoor Sports Centre (New Facility functional)	Dilapidating due to poor construction.
2.	Mickey Yili Rugby Fields (2 x Playing fields)	In need of refurbishment especially lighting and stands

3.	Millennium Cricket Stadium (1 x field with turf wicket and Practice nets)	Refurbishment.
4.	Dlepu Stadium (2 x soccer fields)	In need of refurbishment especially lighting, ablutions, and Pavilion
5.	Foley's Ground (soccer field with tennis court and basketball court)	Need of refurbishment, levelling of fields, ablutions, and lighting
6.	The Oval - Lavender Valley Sports grounds (2 x rugby fields and Basketball court)	Need of refurbishment, levelling of fields, ablutions, and lighting
7.	Egazini Rugby field-	Need upgraded.
8.	Extension 5 Satellite Soccer ground (3 x Soccer fields)	Need repair and maintenance.

2.6.3.3.2 Alicedale:

No	SPORT FIELDS	NEED DETERMINATION
1.	Transriviere (1 x Rugby Field plus two netball courts)	Need refurbishment
2.	KwaNozwakazi (1 x Soccer Field and Netball court)	Need refurbishment

2.6.3.3.3 Riebeeck East:

No	SPORT FIELDS	NEED DETERMINATION
1.	KwaNomzamo (1 x Rugby field and netball court)	Refurbishment

2.6.3.3.4 Golf courses: There are two Municipal Area, both privately run, one in Makhanda and the other in Alicedale.

2.6.3.4 CEMETERIES:

2.6.3.4.1 Makhandla:

No	CEMETERY	STATUS/ NEED DETERMINATION
	Mayfield Cemetery	Currently in use and has capacity for another 12 years at the current rate of burials. Need regular maintenance
	Waainek Cemetery	Currently full <i>only reserved graves are available</i> , not regular maintained
	Lavender Valley	Currently not in use other than for reserved graves, not regular maintained
	Grahamstown Historical Cemetery	Currently not in use other than for Reserved graves, not regular maintained
	Extension 1 Cemetery	Currently not in use, not regular maintained
	Kings Flats Cemetery	Currently not in use other than for reserved graves, not regular maintained
	Kwa Dinga Cemetery	Currently not in use, not regular maintained

2.6.3.4.2 Alicedale:

No	CEMETERY	STATUS/ NEED DETERMINATION
	Kwa Nonzwakazi	Currently at full capacity, urgently need need site
	Transriviere	Currently in use and has capacity for a further 5 years at current rate of burials, need regular repair and maintenance
	Town Cemetery	Currently in use and has capacity for a further 5 years at current rate of burials, need regular maintenance

2.6.3.4.3 Riebeek East:

No	CEMETERY	STATUS/ NEED DETERMINATION
	Kwa Nomzamo	Currently in use and has capacity for a further 5 years at current rate of burials maintenance and fencing
	Town Cemetery	Currently in use and has capacity for a further 5 years at current rate of burials, repair and maintenance

2.6.3.4.4 Outlying area cemetery.

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

2.6.3.5 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
Banking Facilities	8	NEDBANK, ABSA, FNB, STANDARD BANK, CAPITEC and GBS	5
Parks & Recreation	1,3,6	Pumlani Park, Lavender Valley, Memorial Park	3

2.6.3.5.1 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

2.6.3.5.2 Other Health Facilities:

No.	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
TB	Ward Based Outreach Teams
HIV and Aids	Clinic
Hypertension (high Blood Pressure)	Community Health Centre
Diabetes	Hospital (District or TB Hospital)
Arthritis	Port Elizabeth (tertiary Hospitals)
Asthma	Specialist

2.6.3.5.3 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.
- The Municipality is providing the services of Driving and Learner license is provide at the Traffic Station that is in Makhanda. The classes are offered four times a week due to staff shortages.
- Vehicle licensing is offered, however the space for files is not sufficient due the portion of the building that was closed by Building Inspectors
- Law enforcement is offered in small scales and other areas within the Municipality are not receiving the service due to shortage of staff.
- The vehicle testing station is leased to the private user as the Municipality was operating the station at a loss.
- The new service provide has been appointed and is assisting with the processing of fines
- There are two speed cameras in use
- The building of the Traffic department has been closed due to state and condition of the building that is not conducive to work on.

2.6.3.5.4 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

2.6.3.5.5 Fire Services and Disaster management

Fire Services:

Makana Municipality has 24-hour fulltime fire service in Mkhanda and Alicedale as well as Riebeeck East satellite that is not operating for 24 hours as yet due to shortage of staff.

Municipality has appointed Manager fire services as with Chief Fire Officer. 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. Municipality has developed and adopted fire by-law which was gazette 11th July 2021

Fire Equipment's:

EQUIPMENT	REQUIRED EQUIPMENT
2x Medium Pumps	Rescue Vehicle (Requested)
3x Skid Units	Rescue Equipment (Requested)
4x Aged LDVs	
1x Water Truck	
Fire Vehicle	

2.6.3.5.6 Disaster Management

The Municipality has adopted a disaster management plan which was last review and approved by Council on the 31 July 2021. This plan has been designed around the identified risks, highlighted during the Risk Assessment process June 2021. Municipality has position of Disaster Management officer under officer of the Public Safety and Community services, however, the position is vacant at moment, municipality is currently depend on SBDM official that is serving Makana and Ndlambe Municipality.

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.

Emergency procurement procedures are in place guided by MFMA and SCM guidelines for dispensation procurement and Municipality is the process of developing Disaster management by-law.

2.6.3.5.6.1 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

Municipality has experienced its last disaster in 2023 2024 financial year due to heavy rain. underneath is the project funded by the Department Corporate Governance and Traditional affairs to respond to disaster

2.6.3.5.6.2 Municipal disaster response grant projects 2024/25

No.	Project Name	Project Scope	Project Status	Project Duration
1.	Roads Repair at Market Street, York Street	Roads repair with hot Asphalt	Project is on construction stage, site establishment.	Complete
2.	Roads Repair at Currie Street	Upgrading to paving 500m	Project is on construction stage, establishment.	Completed
3.	Rehabilitation of gravel road in Vukani Area	Rehabilitation of gravel roads	Project is on construction stage, establishment.	Completed
Total Budget		R 9,200,000		

2.6.3.5.7 Community Policies and By-laws:

TYPE	TITLE	STATUS
Policy	Speed Hump	Final
Policy	Environmental	Final
Policy	Paupers burial	To be reviewed
By- law	Animals, Bird and Poultry	Final
By-law	Dumping and Accumulation of water	To be reviewed
By-law	Liquor and trading Hours	To be reviewed
By- law	Parking	To be reviewed
By-law	Refuse removal	To be reviewed
By-law	Street collections	To be reviewed

2.6.3.5.8 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.

2.6.3.5.9 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. The function of environmental has been transfer back to Sara Baartman District Municipality since 2019- 2020 Financial year, however, Municipality the Director Public Safety and Community services is responsible for the environmental education initiative that include community engagement through Municipal environmental forum. and awareness campaigns on environmental challenges.

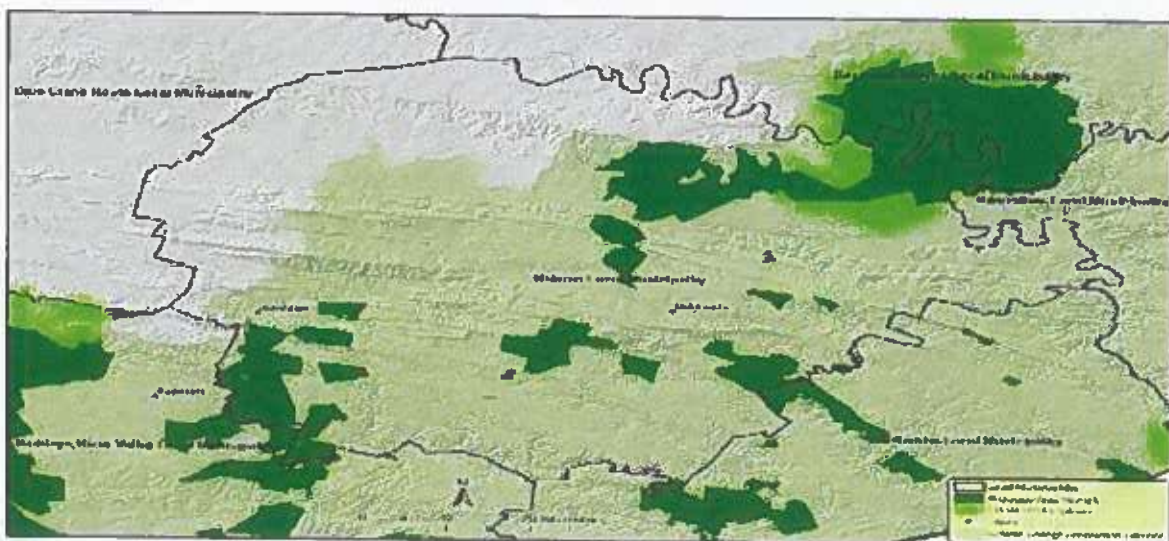
2.6.3.5.10 Climate:

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.

2.6.3.5.11 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 Sara Baartman District Municipality (SBDM)

2.6.3.5.12 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.

2.6.3.5.13 Topography and slope

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 Riebeeck 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. Riebeeck East is located 630m above sea level.

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

2.6.3.5.14 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 nonperennial rivers. Ground water is provided by boreholes and springs that are evenly distributed throughout the municipality.

2.6.3.5.14.1 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.

2.6.3.5.14.2 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

2.6.3.5.15 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.

2.6.3.5.15.1 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			

Classes	Forest	Veld	Pasture	Limited	Moderate	Intensive	Very Intensive
V	X	X	X				
VI	X	X					
VII	X	X					
VIII	X						

2.6.3.5.15.2 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.

2.6.3.5.16 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

2.6.3.5.16.1 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.

2.6.3.5.16.2 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 the 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.

2.6.3.5.17 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.

2.6.3.5.17.1 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%

2.6.3.5.17.2 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

2.6.3.5.18 Vegetation and Biodiversity

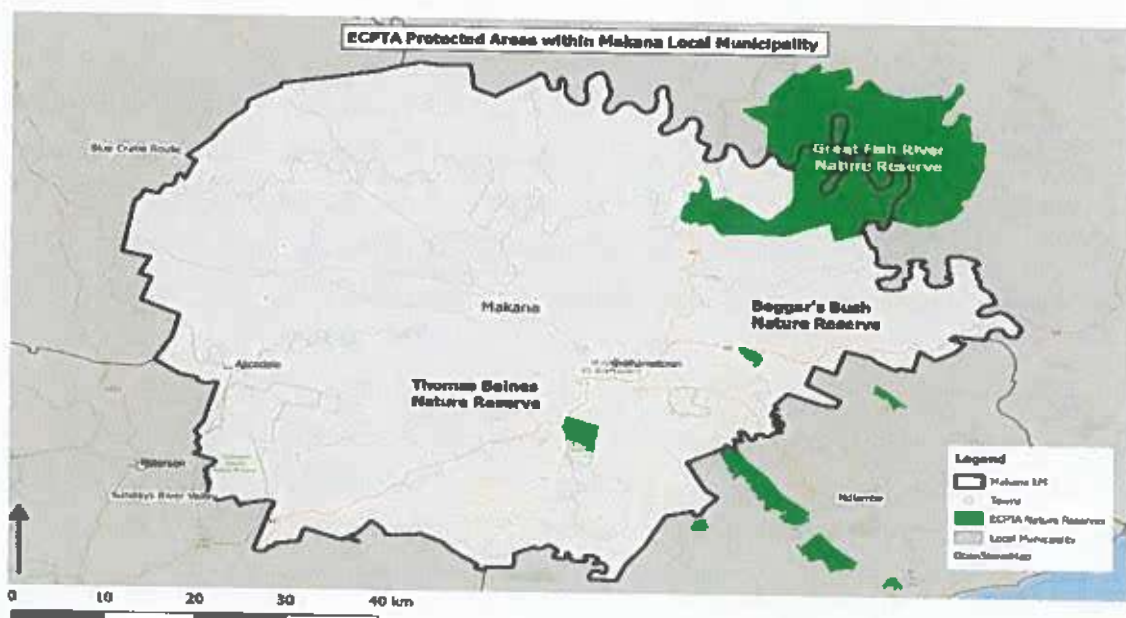
The vegetation in an area represents an integration of climate, soil and a number of other biological factors. Physical factors including geomorphology and geology also act as variables that determine vegetation types and biodiversity.

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 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

2.6.3.5.19 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.

2.6.3.5.19.1 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.

2.6.3.5.19.2 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

2.6.3.5.19.3 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

2.6.3.5.19 EARLY CHILDHOOD DEVELOPMENT CENTER

No	School Name	Physical Address	Registration Status	Status of Registration
1	46684	6865 Extension 8, Grahamstown	Registered	Lapsed 19 August 2023
2	Adele Kids	21 George Street		
3	All for Christ	6 William Street, Makhanda	Registered	Active - 4 August 2029
4	Alphabet Pre-school	12184 Extention 10, Grahamstown	Registered	Active - 7 Noveber 2026
5	Amanda Lotter	2 Anderson Street, Grahamstown, 6139	Not registered	N/A
6	Angel Day Care	31 Kowie street, Grahamstwon	Not registered	N/A
7	Anothando day care centre	351 Nkanini location, Makhanda	Not Registered	N/A
8	Arise early learning centre	2833 Nkanini location, Makhanda	Not registered	N/A
9	Boma Kiddies Nursery	11 Caldecott Street, Makhanda	Not registered	N/A
10	Boy Boy Mginywa Pre-School	Singaphi Street, Xolani Location, Grahamstown	Registered	Active - 19 January 2027
11	Bright Beginnings ECD Centre	12880 Extension 10, Grahamstown	Registered	Lapsed - 15 February 2025
12	Bright future pre-schol	39 O Street, Makhanda	Registered	Active - 30 September 2027
13	Bubbles day care centre	8287 Transit Camp, Makhanda	Not registered	N/A
14	Bumble Bee	2 Henry Street, Grahamstwon	Registered	To confirm
15	Busy Beavers pre-school	7468 Extension 2, Makhanda	Not registered	N/A
16	Busy Bee pre-school	2 Winsford road, Makhanda		
17	Care Hugs ECD	11456 Extention 10, Grahamstown	Not registered	N/A

18	Cozy Nest ECD	15 Baydan Street, Grahamstown	Registered	Active - 2027
19	Dolphins Pre-School	30 York Street, Makhanda	Not registered	N/A
20	eSiyazama ECD	9757 China Manana Street, Vukani, Makhanda	Registered	Lapsed - 16 February 2025
21	Eyethu Toy Library	Joza Youth Hub, Joza, Makhanda	Not registered	N/A
22	Family of faith pre-school	714 Nkanini location, Makhanda	Not registered	N/A
23	Future Leaders Day Care Centre	19 Lombo Street, Tanti location, Makhanda	Not registered	N/A
24	Gladys Williams Creche	4 Albany Road, Makhanda	Registered	To confirm
25	Happy Kids Day Care Centre	68 Nkanini Location, Grahamstown	Registered	Active - 2029
26	Happyland pre-school	21 West Street, Makhanda	Not registered	N/A
27	Heidi Pre-Primary School	26 Trotter Street, Grahamstown	Registered	Lapsed - 8 May 2025
28	His Grace			
29	His Little Ones ECD	34 Ndlazi Street, Extension 9, Grahamstown	Registered	Active - 7 November 2026
30	Holy gate pre-school	20 Qude Street, Extension 9, Makhanda	Not registered	N/A
31	Bright Start Pre-school	8 Middle Terrace, Makhanda		
32	iLitha Preschool	E056 Khayelitsha, Extension 7, Makhanda	Not registered	N/A
33	Indigo Preschool	8 Hellier St, Grahamstown, Makhanda, 6139	Registered	To confirm
34	Isondlo day care centre	23 Msenge Street, Extension 9, Makhanda	Not registered	N/A
35	Jack and Jill ECD	2 Anderson Street, Grahamstown	Not registered	N/A

36	Kamvalethu Pre-School	1B Block Joza Street, Grahamstown	Registered	Active - 19 January 2027
37	Kids Academy	23 Bartholemew street, Grahamstown		
38	Kinder Joy pre-school	316B Nompondo Street, Makhanda	Not registered	Lapsed - 21 September 2023
39	King & Queens			
40	Kleuterland	50a Market Street	Not registered	N/A
41	Lithalethu Pre-school	17 L Street Tantyi, Grahamstown	Not registered	N/A
42	Little Angels	26 Pradise Road		
43	Little Bears Pre-School	Albany road, Grahamstown	Not registered	N/A
44	Little Caterpillar	13 Trollop Street		
45	Little Flower Day Care Centre	4748 Extension 7, Grahamstown	Registered	Lapsed - December 2023
46	Little Lamb Development Centre	52b Albany Road, Grahamstown		
47	Little Pimple	1b White Road		
48	Little Red Dragon Pre-School	15 Currie Street, Grahamstown	Registered	Active - 18 February 2028
49	Little Souls	3 Laverence		
50	Little Stars of Hope ECD	16 Frere Street, Grahamstown	Registered	Lapsed 16 February 2025
51	Little Steps Day Care	49 Blackbeard Street		
52	Love and Day Care Centre	8 Albert Road		
53	Luzuko Pre-School	8 Albert Road, Grahamstown	Registered	To confirm
54	Makana pre-school	Ncame Street, Grahamstown	Registered	To confirm
55	Makukhanye day care centre	6067 Transit Camp, Makhanda	Not registered	N/A

56	Mama K	167c Ncome Street, Joza location, Grahamstown	Registered	Active - November 2025
57	Mickey and Minnie			
58	Mini Miracles ECD	6 Sai Ballation, Grahamstown	Registered	To confirm
59	Noah's Ark Pre-school			
60	Nokwandile Care Centre	Eluxolweni Community Centre	Registered	Active - 7 November 2026
61	Nolukhanyo Pre-school	189 B Vellem Street, Makhanda	Registered	Lapsed - 16 February 2025
62	Nompumelelo Pre-School	67 Sani Street, Joza location, Grahamstown	Registered	Active - 16 February 2028
63	Noncedo Pre-School	Oldrant Office Building, Makhanda	Registered	Lapsed - 27 March 2025
64	OnoVee Day Care Centre	16 Extension 3 Phumlani Location Makhanda	Registered	To confirm
65	Phaphani Pre-School	719 Extension 6, Grahamstown	Registered	Lapsed - 27 March 2025
66	Potters House	16 York Street, Grahamstown	Not registered	N/A
67	Pumpkin Patch	6244 Hlalani Location, Grahamstown	Registered	Active - 2027
68	Raglan Road Child Care Centre	16 Reglan Road, Grahamstown	Registered	Active - 20 October 2026
69	Rainbow Kids	17 Payton place, Grahamstown	Registered	Active - 30 March 2026
70	Red Cross ECD Centre	41 Currie Street, Grahamstown	Registered	Awaiting certificate
71	Rhodes University Preschool	31 South Street, Grahamstown	Not registered	N/A
72	Sakhingomso Pre-School	7025 Extension 8, Grahamstown	Registered	Lapsed - May 2025
73	Samuel Ntfebi pre-school	Samuel Ntfebi Primary, Grahamstown	Not registered	N/A

74	Sandanezwe day care centre	43 Ndlovu Street, Extension 6, Makhanda	Not registered	N/A
75	Shaw Hall Day Care Centre	43/45 High Street, Grahamstown	Registered	Active - March 2027
76	Shirley's ECD	Khayelitsha		
77	Shooting Stars Play School	10 Fitzroy park Speke Street		
78	Sibanye Special Care Centre	Samuel Ntlebi Primary, Grahamstown	Not registered	N/A
79	Siyabakhulisa Day Care Centre	6830 Extension 8, Grahamstown	Registered	To confirm
80	Siyakhula Bhayi Day Care Centre	55 Nciniba Street, Extension 9. Makhanda	Registered	Active - 19 January 2027
81	Siyakhula Day Care	1698 Nkanini location, Makhanda	Not registered	N/A
82	Siyangqoba			
83	Siyazama Pre-School	Erf 5348, Extension 6, Makhanda	Registered	Lapsed - 20 October 2023
84	Sonwabile Pre-School	19 B Street, Makhanda	Registered	Lapsed - 16 February 2025
85	Stepping Stones ECD Centre	4 Albany Road, Makhanda	Registered	To confirm
86	Sun City Nursery School	Sun City	Registered	To confirm
87	Sunbeam day care centre	83 Extension 5, Makhanda	Not registered	N/A
88	The Builders Pre-school	35 New Street, Makhanda	Not registered	N/A
89	The Wombles Education Centre			
90	Toddler Town Day Care Centre	6 Fichat Street, Grahamstown	Not registered	N/A
91	Truth of Christ day care centre	1971 Nkanini location, Makhanda	Not registered	N/A
92	Tyhilulwaz Pre-School	5686 Extension 6, Grahamstown	Registered	Lapsed - 16 Febraury 2025

93	Ubunye Bethu Day Centre	9588 Major Fuku Street, Vukani, Grahamstown	Registered	Lapsed - 19 August 2023
94	Vukani Preschool	10577 Mdaka Street, Vukani, Grahamstown	Registered	Lapsed - 7 September 2022
95	Wendy House	1 Taunton Street		
96	Winnie the Pooh	18 Whiteside Street		
		Confirmed 2025	30 Registered	16 Lapsed, 13 Active
		not yet confirmed	24 Not registered	
		No contact details - status unknown		

Current Status, there are 30 Register ECD Centre and 24 none registered, due challenges raising from zoning, lease agreements and ECDC bylaws. About 16 of ECDC registered has has lapsed but still active,

2.7 LOCAL ECONOMIC DEVELOPMENT AND PLANNING

2.7.1 MAKANA LOCAL ECONOMIC DEVELOPMENT (LED) STRATEGY

Makana Municipality LED Strategy was last review and approve and approved by Council in Decemner 2023. Council Provide guidance and In the context of a slow economic climate, unemployment is on direction to Makana's increase, resulting in the shrinking of the municipal LED Directorate for the effective and sustainable revenue tax base. Against this back drop the Makana LED achievement of the local Strategy needs to both find innovative ways to grow the local economic development economy to address the growing socio-economic challenges objectives; of marginalised communities, and – in the interest of

- Contribute to the implementation of sustainable service delivery –increase the municipal tax base. economic plans from the Both these issues can only be addressed by growing the levels overall planning of the of sustainable employment in areas that need it the most. municipality as detailed in the Integrated Development Plan (IDP); The focus of this LED Strategy is not to provide communities
- Stimulate economic with social support or intermittent relief from poverty, but to growth in Makana; enable the prospect of sustainable poverty alleviation.

- Address the socio- Sustainable poverty alleviation requires providing unemployed economic challenges of people with opportunities that provide individuals with a the community resulting from unemployment; sustainable source of income.
- Increase the tax base of

2.7.2 Overview of the core elements of the LED Strategy

The municipality: and the focal point of the LED Strategy is the three Strategic Objectives

- Build up the Objectives, the 10 Key Performance Areas and the 23 administrative and economic capacity of Strategic Initiatives Makana in order to improve its economic future and the quality of life for all.

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 implementation Framework plan 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
<p>Outcome 6: An efficient, competitive and responsive economic infrastructure network</p> <p>Outcome 7: Vibrant, equitable, sustainable rural communities contributing towards food security for all</p>	<p>Jobs Driver 3: Seizing the potential of new economies</p> <p>Jobs Driver 4: Investing in social capital</p>	<p>Pillar 1: Building diverse and innovation driven local economies</p> <p>Pillar 6: strengthening local innovation systems</p>	<p>Strategic Objectives</p> <p>1: Promoting economic growth</p>	<p>Key Performance Area 1.1: Promoting stakeholder collaboration and other networks for unlocking opportunities for economic growth</p> <p>Key Performance Area 1.2: Promoting Makana as a creative city</p>
<p>Outcome 4: Decent employment through inclusive economic growth</p> <p>Outcome 8:</p>	<p>Jobs Driver 1: Infrastructure for employment and development</p> <p>Jobs Driver 2:</p>	<p>Pillar 1: Building diverse and Innovation driven local economies</p> <p>Pillar 2: Developing inclusive economies</p>	<p>Strategic Objective</p> <p>2: Promoting the generation of work opportunities</p>	<p>Key Performance Area 2.1: Promoting stakeholder networks for unlocking work opportunities</p> <p>Key Performance Area 2.2: Capacity building for employment or self-employment in order to maximise local procurement opportunities</p>

<p>Sustainable human settlements and improved quality of household life</p>	<p>Improving job creation in economic sectors</p> <p>Jobs Driver 3: Seizing the potential of new economies</p> <p>Jobs Driver 4: Investing in social capital</p>	<p>Pillar 3: Developing learning and skilful economies</p> <p>Pillar 4: Enterprise development and support</p>	<p>Key Performance Area 2.3: Encouraging a vibrant township economy</p>
<p>Outcome 6: An efficient, competitive and responsive economic infrastructure network</p>	<p>Jobs Driver 1: Infrastructure for employment and development</p> <p>Jobs Driver 5: Spatial development</p>	<p>Pillar 5: Economic governance and infrastructure</p>	<p>Key Performance Area 3.1: Promote business growth through a conducive policy environment</p> <p>Key Performance Area 3.2: Enforcement of by-laws</p> <p>Key Performance Area 3.3: Ensuring the reduction of red tape</p> <p>Key Performance Area 3.4: Ensuring that infrastructure is in place to promote the local economy</p>
<p>Strategic Objective 3: Promoting an enabling environment</p>			

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

	<p>Inadequate maintenance of infrastructure</p> <p>Delays in approvals</p> <p>Large sections of the Municipality are currently utilised for game farming and conservation areas, ± 50 %</p> <p>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</p> <p>Limited opportunity for crop production</p>
	<p>The absence of a Municipal Environmental Management Plan can have a long-term impact on conservation and biodiversity management.</p>
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
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 ± 2 200 households residing in informal structures in Makhanda, the Municipality estimates a subsidised housing demand of 12 800, current projects addressing ± 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

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	Unemployment is estimated at 45.5 % which is slightly higher than the Provincial average (44.6 %)
Eastern Cape with 15.3 % completing secondary education in comparison to 11.5 % in the Eastern Cape	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
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
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 business forum that is linked to the LED Forum [LED responsibility is to initiate the forum]	Shrinking municipal tax base
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	

2.7.5.6 Mechanisms for business expansion, retention for existing businesses and attraction

for further investment.

- The municipality has developed an SDF, Precinct Plan and Capital Investment framework; however these strategic frameworks have been identified not be in alignment as such the municipality is in the process of reviewing these strategic enablers as well as initiating investment lobbying.
- Development of an investment strategy, aftercare (existing businesses) strategy to be developed.
- Earmarking the sittings of business engagement/forums with the executive leadership of the municipality in addressing challenges faced by the business community

2.7.5.7 Mechanisms for attracting investments into township economies.

The Municipality has developed the Makhanda East Precinct Plan which will draw/attract retail investment to the Joza Township. This will in turn create an economic spin-off for the township businesses i.e. the taxi industry will require space to transport commuters.

The municipality is about to commence the call for interest where developers will be invited to bid for the mall development which will also have to incorporate SMME as tenants. Further the municipality is seeking support from Provincial departments as well as National departments in establishing a container mall in ward 10- Soccer City.

2.8 FINANCIAL MANAGEMENT

This part of the assessment report focuses on all key and critical areas of financial management and how the municipality manages these areas.

2.8.1 Unfunded Budget

The municipality adopted a funded budget for the 2020/21 and 2022/23 financial years. However, it adopted an unfunded budget for the 2023/24 budget due to challenges with the data strings. The municipality recorded an operating deficit of R11,7 million in 2022/23, a surplus of R12.2 million in 2021/22, and another deficit of R27 million in 2020/21. Despite these fluctuations, the municipality has budgeted for surpluses over the Medium-Term Revenue and Expenditure Framework (MTREF), and the revenue growth is within the CPI due to an increase in the equitable share and tariffs. The capital budget continues to be funded by government grants throughout the MTREF. The municipality reported a net deficit of R 19,165,525 for the year ended 30 June 2024, compared to a deficit of R 12,889,025 in 2023.

As the supporting tables reflect, the municipality has applied a straight-line method in projecting operating revenue and expenditure, failing to account for seasonal influences or the timing of occurrences. According to the assessment report by the PT, challenges with the data strings need to be attended to as they negatively affect the evaluation of the approved budget for the 2024/25 financial year.

2.8.2 Revenue management

Based on the section 71 report for May 2024, the debtors are at R 1.1 billion, the government debts are at R 14,6 million, households' debts are at R 1,065 billion, businesses and industries are at R 84

million, and municipal officials are at R 1,9 million. The average collection rate is 58,22% for the five months, which is still below the norm. The municipality has applied for an innovative metering grant to address billing issues, and the implementation has commence in October 2024.

Under billing/collection rate due to:

- Growing unemployment;
- Old infrastructure;
- Illegal connections;
- Unmetered water consumption; and
- Ineffective revenue management strategies.

The municipality should ensure that the billing system fully accounts for all the municipal general valuation roll properties and captures all meters with their unique coding. The municipality should also perform monthly reconciliations to monitor the changes made to the billing system and update the data. The revenue improvement plan requires the full implementation of adopted credit control policies and comprises seven (7) activities, as shown below. These activities should be performed weekly and reconciled every month.

- Debtors Book Analysis
- Handover File Analysis
- Consumer Data Quality
- SMS Messaging
- Meter Reading Exceptions
- Credit Control referrals
- Meter and Installation Inspections (special audits, data quality, billing, and credit control).

The above activities require the municipality to review policies and by-laws to ensure the Council approves all changes.

2.8.3 Expenditure Management and Creditor Management

As of 31 May 2024, the municipality reported total creditors amounting to R186.1 million. Bulk Electricity, Bulk Water, and Trade Creditors reflect outstanding amounts of R60.4 million, R1.2 million, and R124.5 million, respectively.

The municipality was approved for the debt relief program; however, maintaining the current account is challenging due to inadequate monthly debtor collection. The DWS payment plan is also in place. However, the municipality is renegotiating the new payment plan, which is expected to align with the cashflow projections, to avert underpaying due to an unrealistic payment plan.

2.8.4 Supply Chain Management

In compliance with SCM regulations and policy, all bid committees, namely the Bid Specification Committee, Bid Evaluation Committee, and Bid Adjudication Committee, were established and are functioning fully.

Two sets of bid committees were established for infrastructure projects and other goods and services to try to expedite expenditure through service delivery. A calendar of meetings was drawn up but not fully adhered to. After that, the committees functioned ad hoc but managed to shorten the procurement processes. Delays were mainly in the planning stages up to Bid Specification approval. For the 2023/24 financial year, the municipality incurred deviations totaling R 7,9 million and irregular expenditures totaling R 37 645 693. Cash Flow Management and cost containment

The municipality is preparing monthly cash flow forecasts, and these projections are discussed in management meetings to prioritize payments. Over the past three financial years, the cash and cash equivalents have shown an improvement, as outlined below:

- 2020/21: R18.9 million
- 2021/22: R48.2 million
- 2022/23: R56.2 million
- As of 31 May 2024, cash and cash equivalents stood at R33 million, excluding R11 million reserved for conditional grants.

Despite this, the municipality lacks sufficient cash to meet its short-term obligations, though the unspent conditional grants are backed by cash reserves.

The municipality's liquidity ratios for the past three years reflect a concerning trend: a current ratio of 0.39 (2020/21), 0.24 (2021/22), and 0.40 (2022/23), signaling a high risk of defaulting on short-term liabilities as they come due. This financial strain has resulted in the municipality struggling to meet its debt relief obligations, as highlighted in the May 2024 report on Eskom and DWS debt.

As of 30 June 2024, current liabilities amounted to R 413,125,132 (2023: R 395,615,340), significantly exceeding current assets, which stood at just R 157,948 (2023: R 158,631,463), resulting in a shortfall of R 255,176,653 (2023: R 236,983,877). The municipality is grappling with various financial challenges, affecting its ability to meet obligations and provide sustainable essential services. Ongoing cash flow constraints further compound these issues, and in addition to the current issues, the municipality had to repay the unspent conditional grants to the National Treasury. Debt restructuring

The municipality was approved for Eskom Debt Relief by the National and Provincial Treasury effective 01 November 2024 and is currently servicing current and arrear debt balances. On 31 May 2024, the municipality could not pay R6,6 million due to Eskom, and it will need to catch up with these areas to avoid being disqualified from the debt relief programme. The balance currently owed is R 44 million. Financial Control

The municipality has received the disclaimer audit opinions for the past three years. Among the audit issues raised the municipality's financial management inefficiencies are weak internal controls, weaknesses and non-compliance to policies and procedures, fruitless and wasteful expenditure, and unauthorised and irregular expenditure. The summary of the issues raised by the AG (SA) are:

- Property Plant and Equipment;
- Revenue from Exchange and Non-Exchange Transactions.
- Receivables from Exchange and Non-Exchange Transactions.
- Expenditure Management;
- Procurement and Contract Management; and

- **Compliance with Supply Chain Management.**

2.8.5 MSCOA

Misalignment of the data strings challenges data credibility and reporting accuracy due to misallocations. To address these critical issues, the municipality must, amongst other actions, prioritize the following:

- **Address third-party and subsystem integration issues.**
- **Only use non-funding transactions as a funding source on opening balance data strings, internal billing, and recoveries.**
- **Trading services should be funded by the relevant trading service to ensure the cost of rendering such a service can be ring-fenced.**
- **The billing for FBS should be allocated to the correct data strings and properly aligned to prevent future misallocations.**
- **The municipality should budget and record bulk water purchases under current assets.**
- **The municipality should reduce water inventory levels when issuing water to consumers.**
- **The municipality should not transact against non-budgeted data strings.**
- **For transactions posted with no budget, the municipality must implement controls in the financial system to prevent unauthorised expenditure.**
- **The municipality must ensure the mSCOA Steering Committee is functional, hold monthly meetings, and submit minutes to the Treasury.**

2.8.6 National Key Performance Indicators: Municipal Financial Viability and Management(ratios)

The following table indicates the municipality's performance in terms of the **National Key Performance Indicators** required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the

National Key Performance Area namely Municipal.

Financial Viability and Management Ratio	2020-21	2021-22	2022-23	2023-24	Remarks
<p>Liquidity Ratio (Current Ratio) - this ratio indicates the extent to which current assets can be used to settle short-term liabilities.</p> <p>If current assets do not exceed current liabilities, it means a liquidity problem i.e., insufficient cash to meet financial obligations. The norm is 1.5 - 2:1.</p>	0.39	0.24	0.40	0.40	<p>The ratio suggests that the municipality would be unable to pay all its current or short-term obligations when they fall due.</p> <p>This highlights serious financial challenges and a risk cover to enable continued operations at desired levels.</p>
<p>Cash Coverage Ratio - indicates the municipality's ability to meet at least its monthly fixed operating commitments without collecting any revenue during that month.</p> <p>The norm should not be less than 1 - 3 months.</p>	1month	0.10	0.6	0.34	<p>The ratio indicates that the municipality's result is within the norm.</p> <p>The municipality is at moderate risk in the event of financial setbacks to meet its obligations to provide for basic services.</p>
<p>Creditors Payment Period – this indicates the average number of days taken to pay trade creditors. The norm is 30 days.</p>	258 days	230 days	318 days	363 days	<p>The ratio indicates that the municipality is not adequately managing its working capital and that effective controls are not fully in place to ensure prompt payments.</p>

<p>Contracted Services as a % of Total Operating Expenditure – measures the extent to which municipal resources are committed towards contracted services. The norm is 2% - 5%</p>	6%	6%	5%	4%	<p>The ratio result is within the norm. Outsourcing decision should be weighed against ability to attract skills, as increased ratio would be an indication of reliance on contractors and inability to build capacity. The ratio has indeed showed a decrease.</p>
<p>Irregular, Fruitless and Wasteful and Unauthorised Expenditure to Total Expenditure – this ratio measures the extent of irregular, fruitless and wasteful and unauthorised expenditure to total expenditure. The norm is 0%.</p>	22%	23%	32%	6.4%	<p>The norm of this ratio should be kept at 0%, the result is an indication that cases are not investigated and acted upon.</p> <p>The municipality has started to advertise old legacy contracts to reduce irregular expenditure, and this should manifest itself in the 2024/2025 financial year, where irregular is anticipated to decrease.</p>
<p>Capital Expenditure Budget Implementation Indicator – measures the actual to budgeted capital expenditure that has been spent by the municipality. The norm range is between 95% - 100%.</p>	63%	56%	48%	98%	<p>The norm of this ratio is 95% and performance below is an indication that there are discrepancies in planning and budgeting, also capacity challenges to implement projects and as well as supply chain management process failures. Corrective measures have been put in place in that the current year expenditure, and expenditure on Capital Grants has drastically improved in the current year.</p>

Percentage of Property, Plant and Equipment, Intangible Asset and Investment Property Impaired – indicates the loss in future economic benefits or service potential of an asset over and above the systematic recognition of depreciation. The norm is 0%.	0%	0.3%	0%	0%	The performance result of this ratio is in line with the acceptable norm, and therefore an indication that the municipality has not lost any future economic benefits/service potential through assets impaired.
Repairs and Maintenance to Property, Plant and Equipment and Investment Property – measures the level of repairs and maintenance to ensure adequate repairs and maintenance to prevent breakdowns and interruptions to services delivery. The norm is 8%.	1%	0.8%			

2.8.7 BUDGET IMPLEMENTATION

The table below represents operating expenditure per category incurred as of 30 April 2025, in relation to the adjusted budget

Expenditure by Type	Adopted Budget 2024/25 R'000	Adjusted Budget 2024/25 R'000	April 2025 YTD/ Actual R'000	Percentage Expenditure %	April 2025 YTD/ Budget R'000	April 2025 YTD/ Variance R'000	Percentage Expenditure %
Employee Related Costs	255,408	221,189	186,026	84%	184,324	1,702	1%
Remuneration of Councillors	15,253	14,210	11,038	78%	11,842	- 804	-7%
Debt Impairment	-	-	-	-	-	-	-
Depreciation & Asset Impairment	37,392	37,392	-	0%	31,160	- 31,160	-100%
Finance Charges	6,969	5,670	6,326	112%	4,725	1,601	34%
Bulk Purchases	204,160	204,160	170,295	83%	170,133	162	0%
Other Materials	25,333	-	21,693	-	-	21,693	-
Contracted Services	64,097	80,247	30,780	38%	66,873	- 36,093	-54%
Transfers & Grants	-	11,600	50	0%	9,667	- 9,617	-
Irrecoverable Debt written off	131,437	139,056	-	0%	115,880	- 115,880	-100%
Other Expenditure	61,428	18,498	30,315	164%	15,415	14,900	97%
Other Losses	-	-	1,634	-	-	1,634	-
TOTAL	801,477	732,022	458,157	63%	610,018	- 151,861	-25%

The above table reflects operating expenditure for the period ending 30 April 2025, which amounted to **R458,2 million** or **63%**. The year-to-date budget reflects an estimated expenditure of **R610 million** and therefore resulting in a negative variance of **R152 million** or **25%**. The low performance on operating expenditure has also been affected by the non-cash items that have not been accounted for since the beginning of the financial year and the poor collection rate experienced by the municipality.

2.8.8 BELOW ARE THE DETAILED PAYMENT PLANS AS OF 30 APRIL 2025:

The municipality is up to date with all its payment plans except for the Eskom and DWS Bulk Accounts. DBSA loan was restructured in 2015 and is paid on a monthly basis as it falls due, there are no areas on this account.

SUPPLIER	DESCRIPTION	TOTAL AMOUNT OWED	AMOUNT PAID	BALANCE
Eskom - as per debt relief agreement	Bulk Account (Debt Relief only)	R79,182,121.22	R6,622,142.95	RNil
DBSA	20 Year loan	R56,358,399.46	R12,971,645.89	R43,386,753.57
DEPT. WATER & SANITATION	Purchase of Raw Water.	R71,225,330	Rnil (current account is serviced monthly)	R71,225,330.00

The municipality is awaiting correspondence from National Treasury, subsequent to requesting for a debt write off incentive towards arrear debt, since phase one (1) of the debt relief program is now concluded with Rnil balance outstanding as per arrear debt that was made for twelve months.

The municipality has made payments for until October 2024 towards Eskom current Bulk Account. The current account from July 2024 to October 2024 has been fully paid. The arrear debt amount has been fully paid and serviced. To date the municipality has paid **R170,3 million** towards the Eskom Bulk Account. This is inclusive of the current account and arrears that were arranged.

The current state of poor collection rate brings about challenges to the municipality and this results to the municipality struggling to meet the Eskom and DWS arrangements. However, efforts are made to ensure that monthly accounts are paid on a regular basis. The amount reflected above is for an arrear account and not the monthly account as the municipality is servicing the monthly account for DWS. The municipality is striving but does not meet the collection rate condition of 80% as per MFMA circular 124, as the collection rate is currently at **55.4%** for the month ending 30 April 2025. The municipality should ensure improvement in the collection rate and adherence to the provisions of the Eskom Debt Relief. The cash flow of the municipality remains a challenge until the collection rate is

improved and arrear creditors are fully paid. The municipality is servicing its creditors monthly and the two (2) major creditors that need attention are Eskom and DWS Bulk Accounts.

2.8.9 Capital expenditure

The capital expenditure reflected as at the end of 30 April 2025 amounted to R54 million or 54% of the budgeted expenditure. Of the total capital expenditure R8,9 million is funded from internally generated funds.

The table below represents capital expenditure incurred during the period ending 30 April 2025:

EC104 MAKANA MUNICIPALITY CAPITAL EXPENDITURE 24/25 - 30 April 2025					
	2024/25 Budget	Rollover	MIG		
			Adjusted Budget	2025 April (YTD)	% Spent
Upgrade of Nceme Street in Joza Kingsflats in Makhanda (Grahamstown)		-	-	-	
Replacement of Ageing Asbestos pipes in Makhanda Phase 4	2,701,183.00	-	7,204,569	5,053,148	70.1%
Upgrade of Sports Facilities in Oval Stadium, Lavendar Valley Makhanda.	2,806,000.00	-	2,806,000	-	0.0%
Upgrade of Makana way Phase I	20,157,918.50	-	15,654,532	16,948,289	108.3%
Fencing of Mayfield WWTW	-	-	-	-	
Refurbishment Waainek Water Treatment Works	800,000.00	-	800,000	544,210	68.0%
Fencing of Mayfield, Tentyi, low level and intermediate reservoirs	-	-	-	-	
	26,465,102	-	26,465,102	22,545,646	85%
WSIG					
	2024/25 Budget	Rollover	Adjusted Budget	April 2025 Expenditure (YTD)	% Spent
Makana Bulk Sewer Phase 1	-	-	-	-	0%
Makana Bulk Sewer Phase 2	-	-	-	-	0%
Installation of domestic smart water meters	-	-	-	-	0%
Refurbishment of Belmont Valley	14,600,000	-	10,478,679	7,981,116	76.2%
Water conservation and Demand	5,200,000	-	9,321,321	5,560,503	59.7%
	19,800,000	-	19,800,000	13,541,619	68%
Internally Generated Funds					
	2024/25 Budget	Rollover	Adjusted Budget	April 2025 Expenditure (YTD)	% Spent
Upgrade of Nceme Street in Joza Kingsflats in Makhanda (Grahamstown)		-	-	-	
Equipment	5,445,000	-	5,496,000	-	0%
Replacement of Fleet-Vehicles	17,224,000	-	9,625,680	7,605,680	79%
Airconditioners	605,000	-	-	-	#DIV/0!
Plotter/Printer	150,000	-	150,000	-	0%
Trolley	70,000	-	100,000	13,257	13%
Filling Cabinets	432,000	-	320,000	-	0%
Computer equipment	1,296,000	-	1,662,000	1,296,729	78%
Office Furniture	1,000,000	-	1,000,000	-	0%
	26,222,000	-	18,353,680	8,915,666	34%
Municipal Disaster Relief Grant					
	2024/25 Budget			April 2025 Expenditure (YTD)	% Spent
		1,836,481	30,946,481	1,998,639	6%
		1,836,481	30,946,481	1,998,639	6%
OTP Grant					
			8,174,000	7,251,838	89%
			8,174,000	7,251,838	89%
Total Capital Budget / Expenditure	72,487,102	-	103,739,262	54,253,409	52%

The above report reflects an expenditure of **R54,3 million** or **52%** expenditure for the period ending 30 April 2025. The above table reflects underperformance by the municipality on WSIG as it should be sitting at over **70%** and is currently at **68%**. MIG expenditure is sitting at **85%** during the month ending 30 April 2025 and is performing well. WSIG expenditure will improve when the municipality fully implements the installation of smart water meters programme during the last month of the financial year.

There has been additional allocation received by the municipality from the Office of the Premier. The funding is for Small Town revitalisation and will address issues of repairs and maintenance of the dilapidated infrastructure within the municipality, relating to roads infrastructure, street lighting and traffic department. The municipality has spent the full **R7,3 million** on this grant and an adjustment will therefore be required. The Office of the Premier has made a further allocation of **R15 million** in the provincial gazette for 2025/2026 financial year, which will be implemented in the next financial year on the two projects that have been advertised. The Roll-over application for MDRG amounting to **R1,8 million** was approved by the National Treasury and included as part of adjustment budget as additional allocations are envisaged, these funds have been fully utilised as the project was not stopped. The municipality has to date spent **100%** against the allocation. The municipality has received the **R29,1 million** allocated for Disaster which grant is currently reflecting under spending by **6%** against the allocation for the period under review.

2.8.10 Employee Related Costs

The total salary cost, including third party payments for the month ending 30 April 2025 reported in terms of section 66 of the MFMA amounted to **R19,246,626**. To date the municipality has paid **R197,1 million** for employee related costs and councillors allowances.

July 2024 overtime has been paid in full during the month of November and December, August overtime amounting to **R325 939.16** has been paid during the month of January and February 2025. Overtime worked in September 2024 was paid March 2025 and amounted to **R194 781.53**. During April, the overtime amounted to **R308 375.33**. Standby and shift allowances were also paid during the period under review.

The employee-related costs to date translate to **38%** of the current expenditure, due to non-cash items that are not accounted for on a monthly basis. The employee related costs are performing at **84%** against the budgeted amount and councillors allowances at **78%** against the budget during the period under review.

The expenditure to date on employee related costs to date is within the acceptable norm of between **30% to 40%** by National Treasury.

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. Municipal SDF was Gazetted on 1st July 2019 Gazette No 4262 and Spatial Planning and Land Use Management by was Gazetted 24 March 2016 Gazette No3636

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

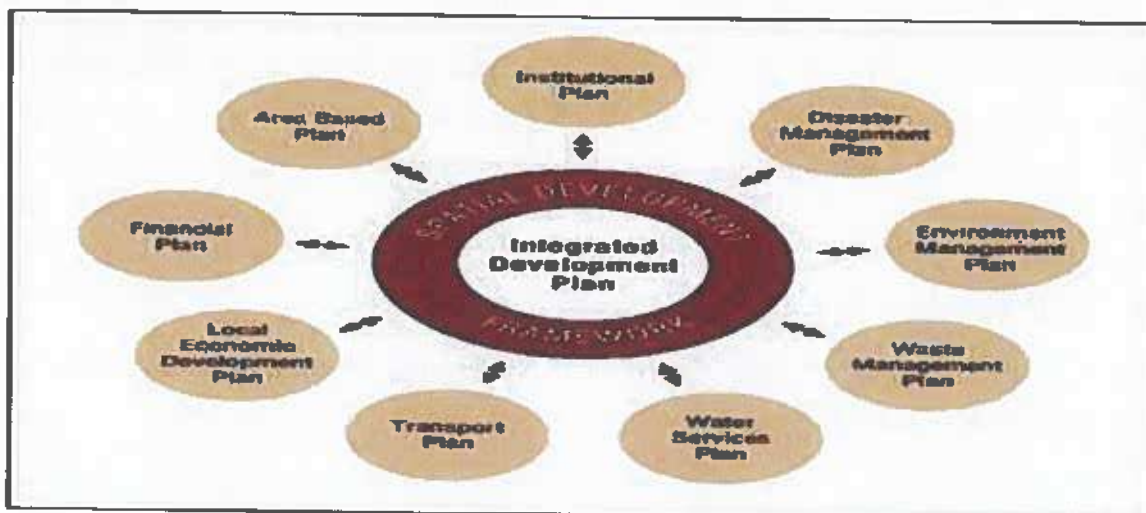
3.8.2 Legal Status of the SDF

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.

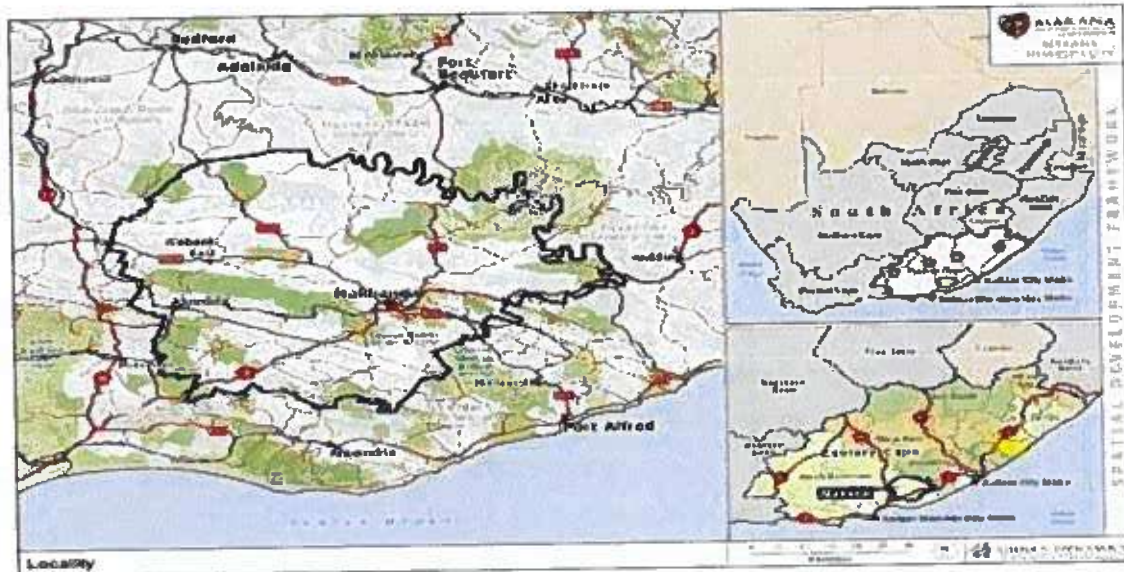
The District SDF needs to be of a strategic and regional coordinating nature referring to local SDFs, which are more detailed and reflect the situation on the ground according to community needs, community development codes, livelihood zones and development requirements.



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). Makhanda 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:



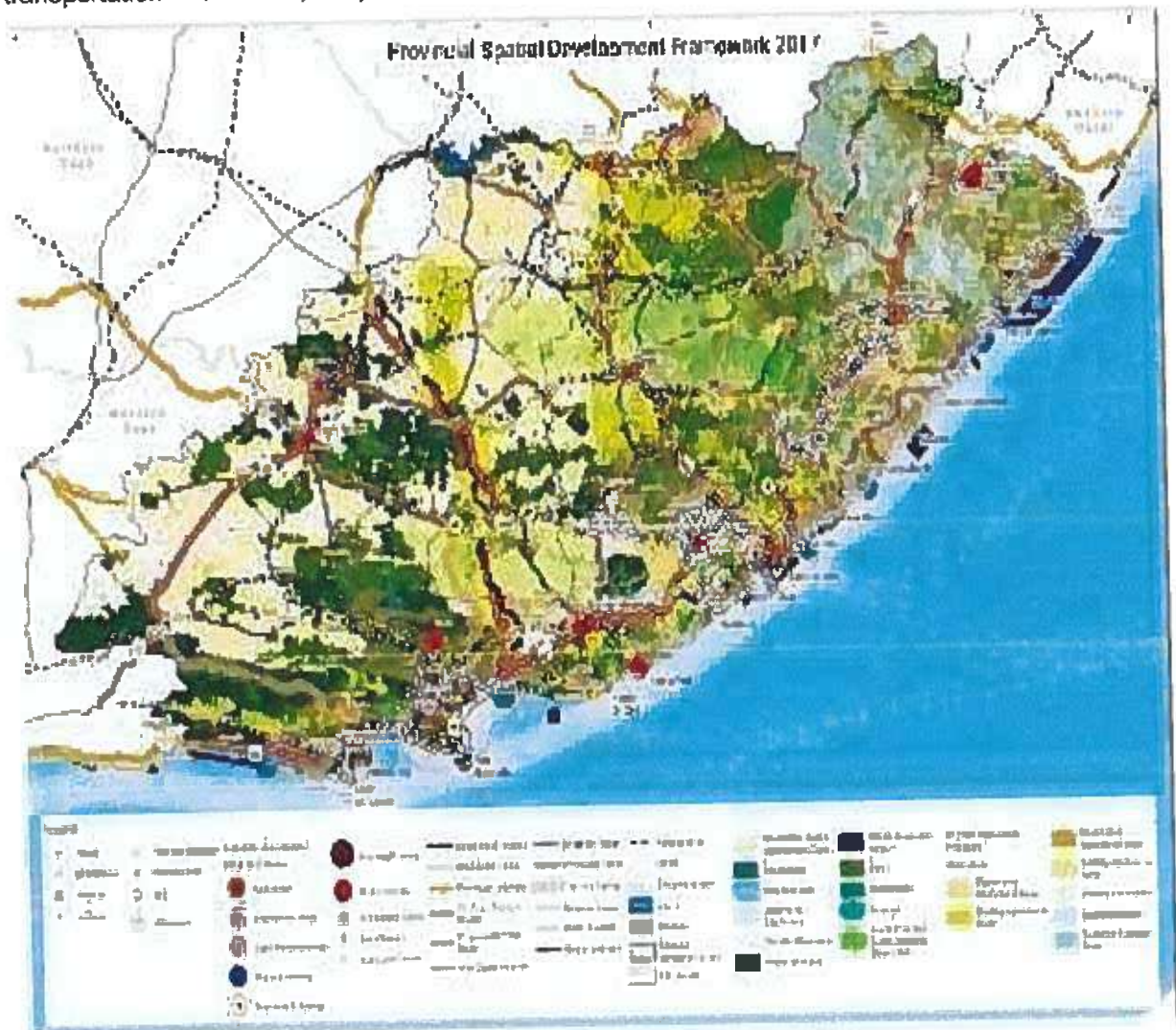
3.8.5.3 Provincial Spatial Development Framework (PSDF)

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.

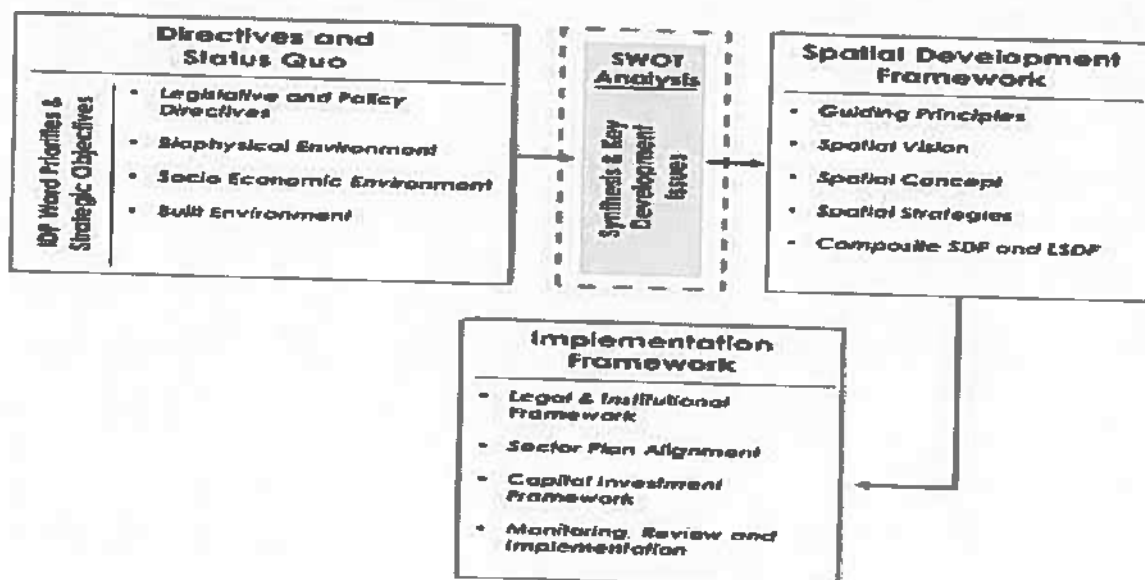
Development Priorities

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

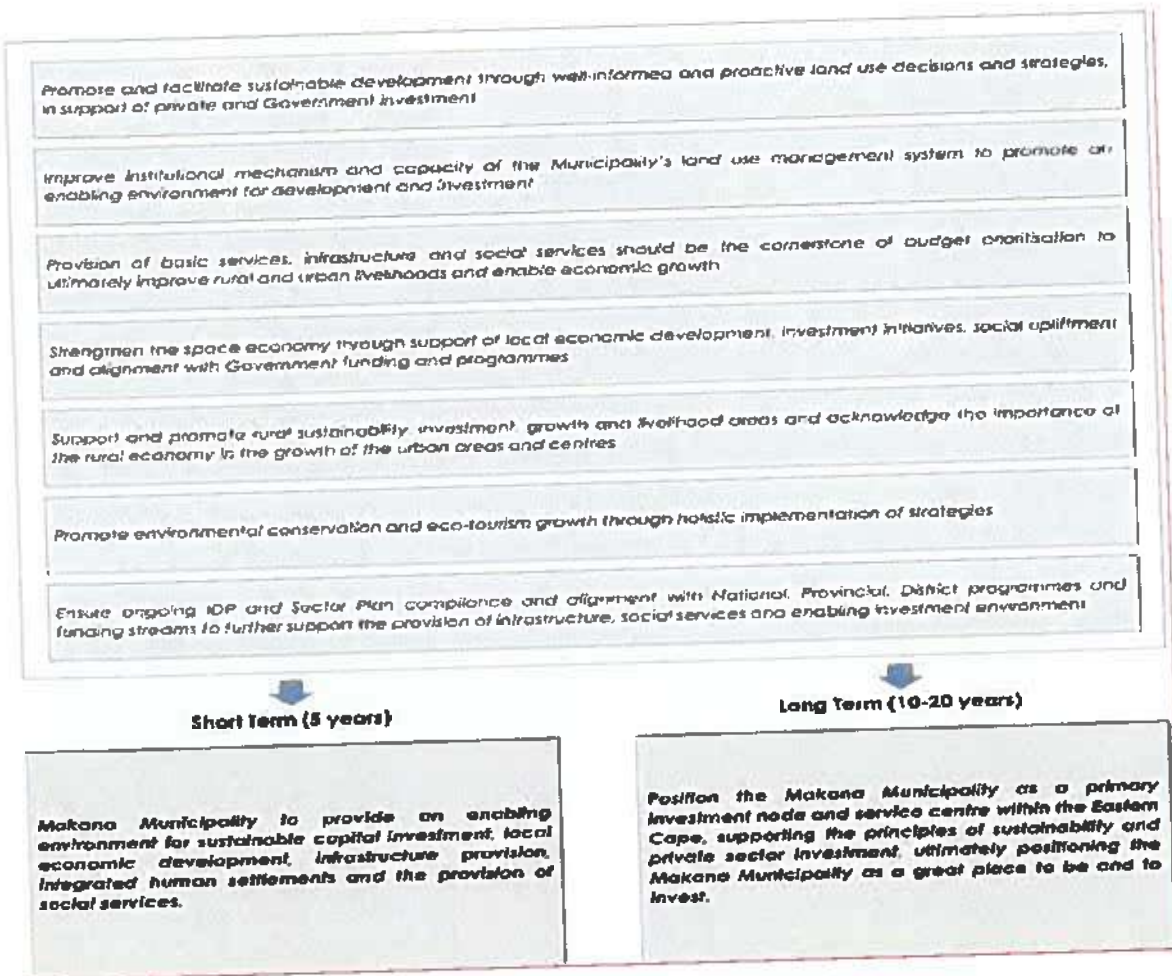
3.8.6 Spatial Analysis & Synthesis

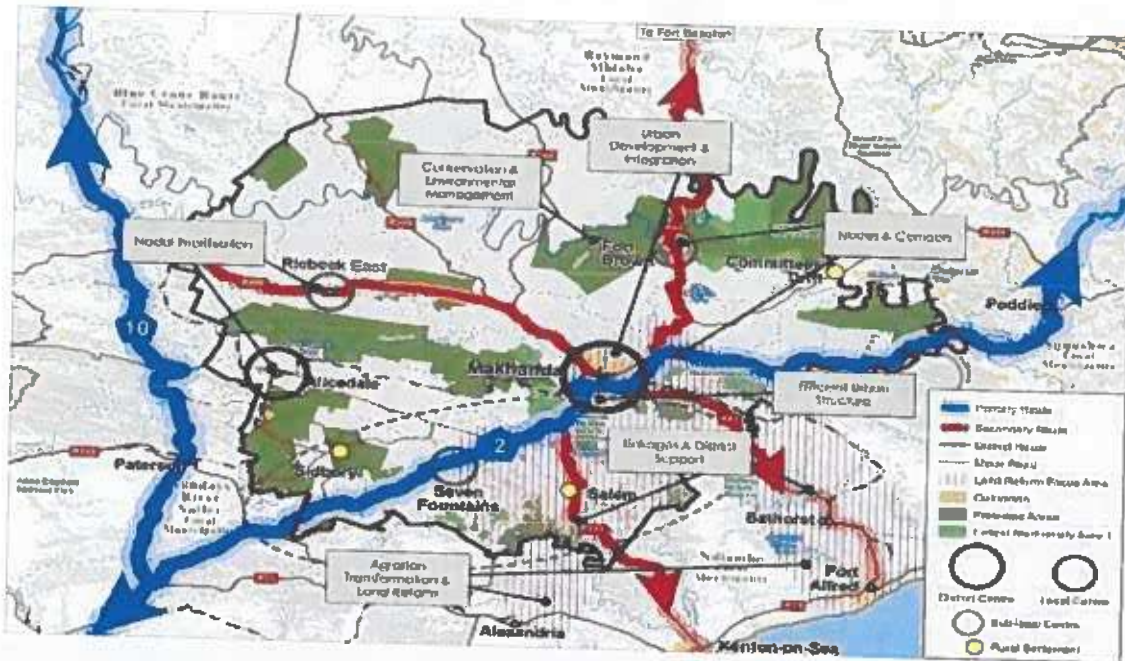
The spatial analysis of the study area represents an overall spatial picture of the Municipality, the current situation, patterns and trends within the Municipality and quantify specific needs and capacities. The information is focused on key developmental sectors and based on the key issues identified. 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 Bylaw.
	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) conform 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.
To support and priorities' farm worker accommodation and rural livelihood areas.
To explore options of PPP with farming and eco-tourism industry.

SDF Strategic Theme	Development Objectives and Spatial Implications
<p>Development Priority: Institutional Development and Financial Management</p>	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 OVVID 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
<p>Development Priority: Good Governance and Public Participation</p>	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
	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
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

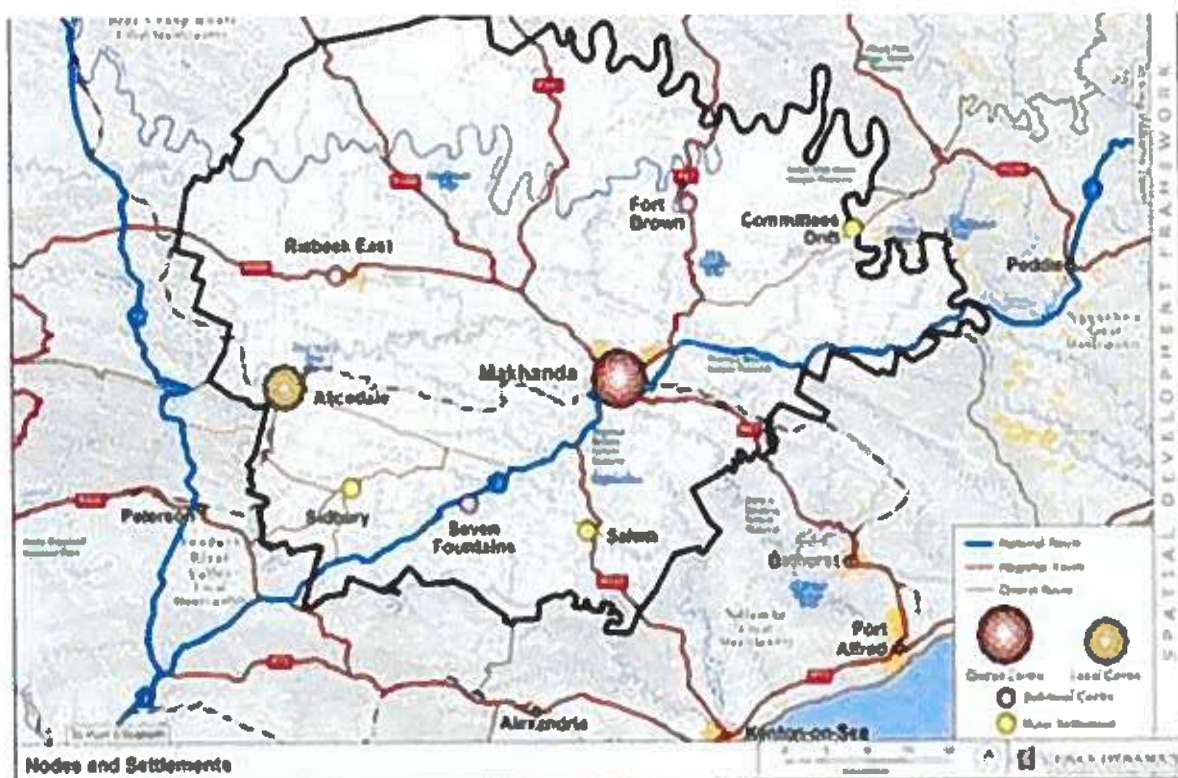
3.8.8.2.1 Nodes & Settlements Objective

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 ecotourism 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

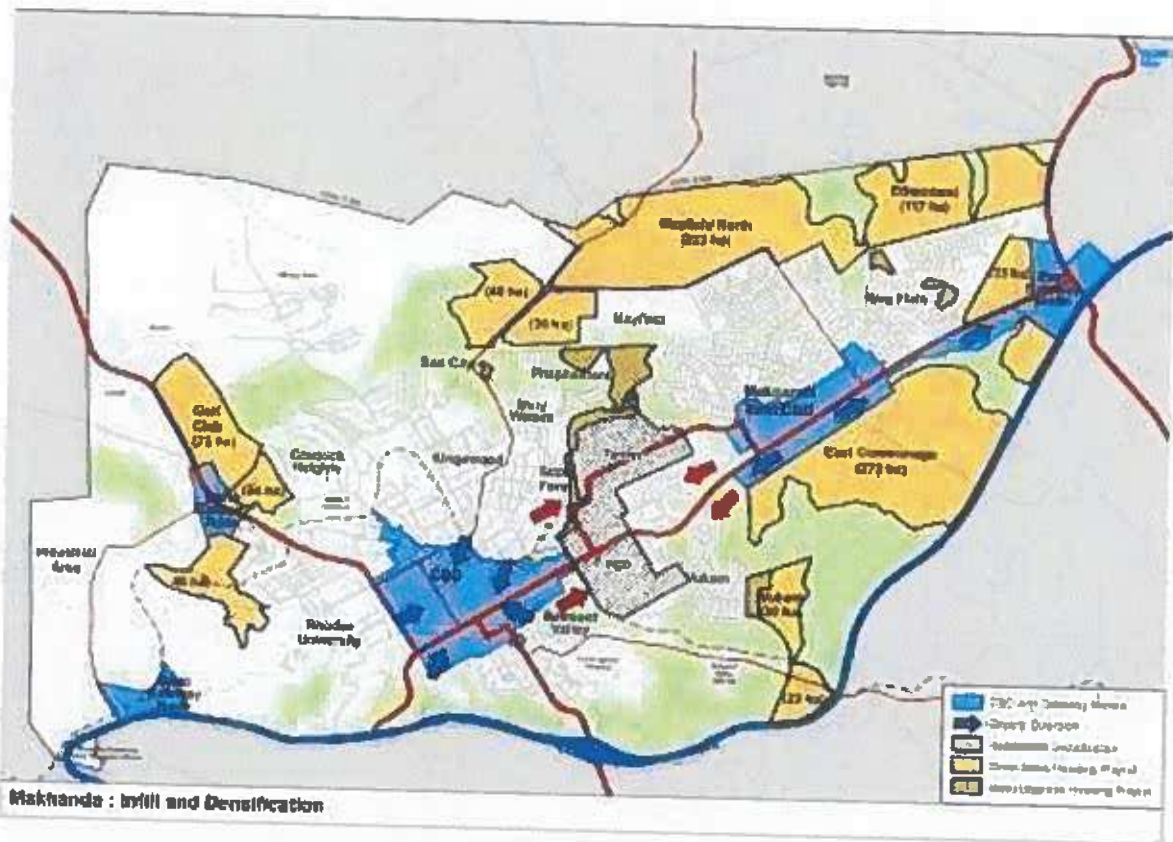
Conservation of the natural and built environment through protection of heritage resources, maintenance of the existing open space system and compliance with environmental legislation and guidelines.

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 & Densification 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.

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	Riebeeck East	Riebeeck 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

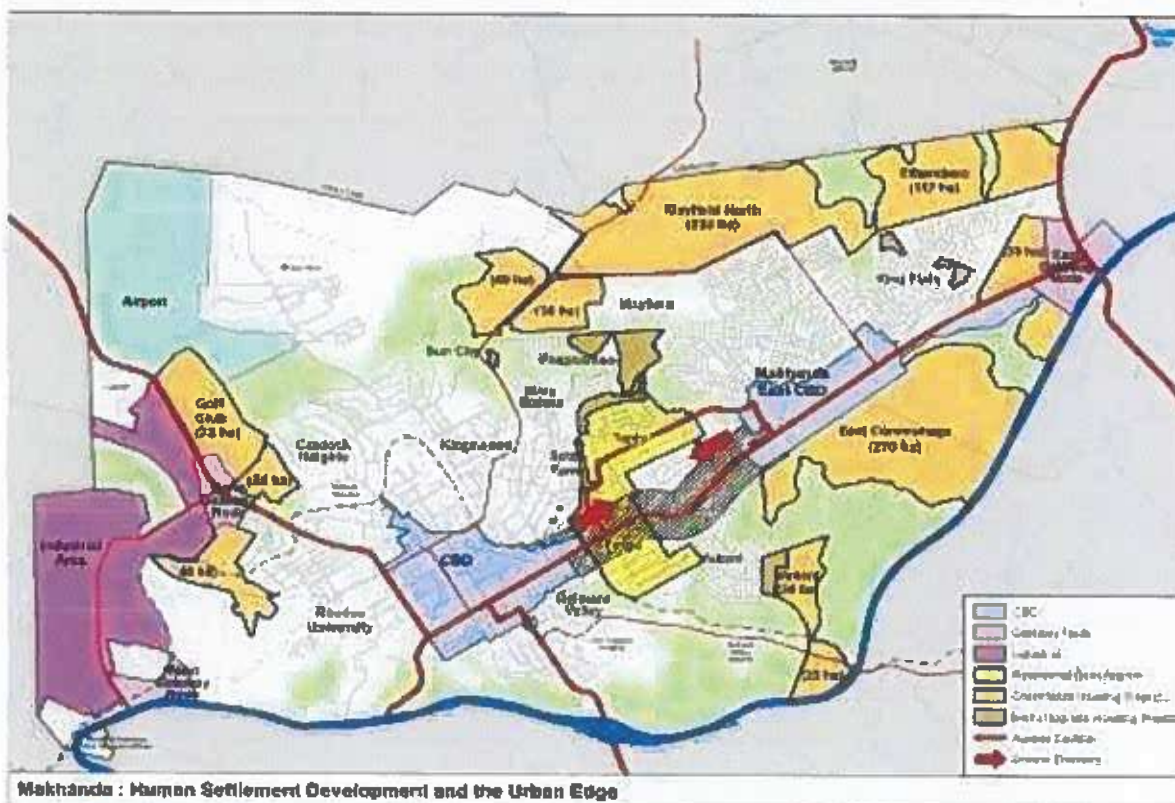
3.8.8.2.5.2 Department of Human Settlements in-situ upgrading projects

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

Human Settlement Development Figure:



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.

3.8.8.2.7 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: Riebeeck East

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

Riebeeck East Composite LSDF:



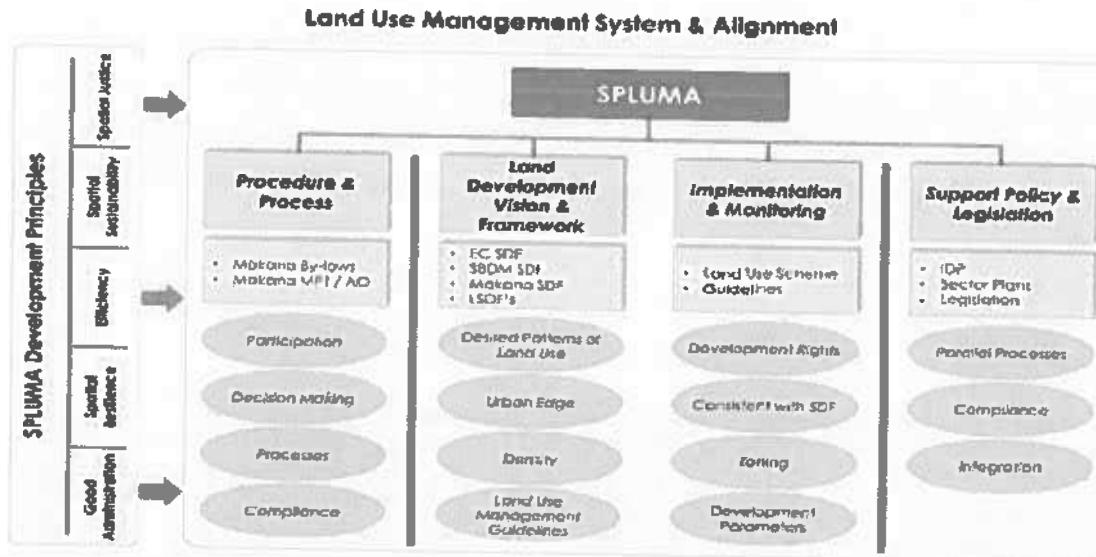
Makhandha Composite LSDF: Seven Fountains Objectives:

- 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.

Makhandha 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

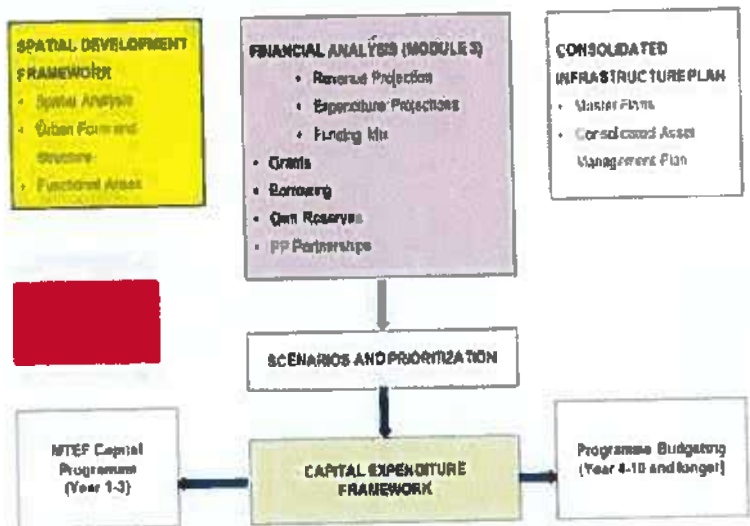
- Decision making within the Land Use Management System (rezoning, subdivision, departure, consent use, etc.) should be based on the following guiding principles:
 - Promotion and support of the IDP and long term development vision.
 - Support the key principles for development and development management 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 urbanrural Linkages

A district co-ordinated 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.

These areas must be the focus for getting the basics right as well as adding value through new investment to facilitate social inclusion, attract economic activity and private sector and household investment. There is considerable scope for the absorption of residential, commercial, and industrial growth within this zone. These areas and the priority nodes within Makana should be the focus of any municipal investment incentives. The focus of priority investment remains infrastructure provision and Human Settlements.

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

3.8.9 Land use management

Makana Local Municipality needs to develop a review the Spatial Development Framework (SDF) for its area of jurisdiction in line with the Spatial Planning and Land Use Management Act of 2013. The Municipality is presently faced with a variety of outdated legislation and policies dealing with Spatial Planning and Land Use Management to redress fragmented, scattered, past spatial imbalances due to its nature. The MSA (Municipal System Act) requires each municipality to prepare an IDP, including a Spatial Development Framework. In terms of Chapter 5 Section 26 (e), this Framework must include basic guidelines for a Land Use Management System that will apply to the whole municipality.

- Review of the 5-year Spatial Development Framework to facilitate land use management.
- Review of municipal property portfolio.
- Undertake complete property audit & review of all leases.
- Review the possible sale of municipal properties.
- Provision of land for housing development - Land audit of municipal properties/open space.
- Management of Influx of informal settlements
- Provision of land for community services

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 2017-22

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 	<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 Makhanda with possible decline in rural population.

<p>education in comparison to 11.5 % in the Eastern Cape.</p> <ul style="list-style-type: none"> • 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 Makhanda. 	<ul style="list-style-type: none"> • 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.
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4.2.2 Service Delivery Challenges Review

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 	<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

Strengths/ Opportunities	Weaknesses/ Threats
<p>strong accessibility corridors within the greater Makhanda.</p> <ul style="list-style-type: none"> • 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 • 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. <p>Makhanda and the greater Makana Municipality have significant heritage resources.</p>	<p>legislative requirements for layout 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.

Strengths/ Opportunities	Weaknesses/ Threats
<p>Alicedale</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>Alicedale</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><input type="checkbox"/> Riebeeck East</p> <ul style="list-style-type: none"> • Riebeeck 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><input type="checkbox"/> Rural Settlements</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><input type="checkbox"/> Rural Settlements</p> <ul style="list-style-type: none"> • High cost of provision of bulk infrastructure and lack of funding for layout formalisation and service provision.
<p><input type="checkbox"/> Infrastructure</p> <ul style="list-style-type: none"> • 85% 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 Makhanda. • 75% of the population has access to flush toilet sanitation system. 	<p><input type="checkbox"/> 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"> • 80.6 % of the population has access to electricity for cooking and 89 % for lighting purposes. • High levels of adequate refuse removal and disposal at ± 89 % 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)

4.3.2 DEVELOPMENT OF PRIORITIES IMPLEMENTATION FRAMEWORK:

4.3.2.1 PRIORITY NO ONE: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT STRATEGIES:

STRATEGIC OBJECTIVES	STRATEGY(KPA)	PERFRMANCE INDICATOR
Review and development of Infrastructure Plans	Ensure Infrastructure development Planning are in place	Ground water exploration and development plan
		Review water & sanitation management plan
		Review of water services development plan
		Review Service delivery Model
	Developments Plans	Development Water conservation and demand management strategy
		Development electricity master plan
		Development strategy for alternative basic service to 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 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
Provision of water, sanitation and electricity	Upgrading, refurbishment and	Upgrading and refurbishment of bulk basic services infrastructure

service to all Makana Municipality communities	secure of Bulk Infrastructure development Water, Sanitation, Electricity	Upgrade and refurbishment of internal sewer/water and electricity network reticulation system
		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
	Ensure Quality drinking water	Percentage of water quality for level as per analysis certificate for Makana Municipality
To provide safe & sustainable roads network	Regular maintenance Roads and Stormwater network system	Regular maintenance of roads and stormwater network
		Resurfaced, resealed, paving of internal 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

4.3.2.1. Basic Service Delivery and Infrastructure Development 2025-26 Priorities

4.3.2.1(a) Water and Sanitation Infrastructure Development

No.	Project Name	Project Scope	Project Status	Comments	2025-26
Key focus Area		Water and Sanitation			
1.	Refurbishment of the Belmont WWTW phase 2	Refurbishment of the existing wastewater treatment works	95 % Complete	12 Month: Construct value R 37.9. Three (3) SMME's: 46 employment opportunities created	N/A
2.	Water Conservation and Demand Management	Installation of Domestic Smart Meter	Electricity:	Two years: Construct R100 million. First Phase To date there 6,731 meters were changed	R 20,6 million
			Water: Current installed 140 Target 1540 by end June 2025	Three years: Construct value R 45 million: Target of 1,540 meters June 2025. To date 213 prepaid meters have been installed	
3.	Waainek Bulk Water Supplier Refurbishment	Cathodic Protection	100%: Rollover project completed in the October 2024	Rollover project Construction value R 1, 691, 851.51	N/A
3.	Replacement of ageing Asbestos pipes in	Replacement of the ageing asbestos pipe in the water	Phase 3A: 89%	12 Month Construct value R17,1 million	Phase 4: Budget R 1.4 million

No.	Project Name	Project Scope	Project Status	Comments	2025-26
	Makhanda Phase 3.	network in Makhanda.	Phase 3 B: 100% - 17 Street, = 3.62 Km	Construction value 10.7 million	N/A
4.	Refurbishment of Water and Sanitation	Upgrading of 2 Sewer pump station and refurbishment of mechanical and electrical components in Alicedale WTTWW	Planning Stage	To be implemented in the 2025-26 financial year.	R 2.9 million

4.3.2.1(b) Water and Sanitation Repair and maintenance service deliver highlights:

Plans	2025/26	2026/27	2027/28
Materials and Supplies	2 400 000,00	2 505 600,00	2 568 240,00
Uniform and Protective Clothing	600 000,00	626 400,00	642 060,00
Compliance Monitoring (Water and Wastewater)	550 000,00	574 200,00	588 555,00
Operational Hire Charges	1 500 000,00	1 566 000,00	1 605 150,00
Inventory Consumed: Water	15 660 000,00	16 349 040,00	16 757 766,00
Contracted Services	7 500 000,00	7 830 000,00	8 025 750,00
Total	28 210 000,00	29 451 240,00	30 187 521,00

4.3.2.2(a) Electricity Infrastructure Development

Key focus area		Electricity and energy			
5.	Polar Park electrification	63 House to be connected	Construction	R 230 000 Opex budget	N/A
6.	Small Town Revitalizations	installation of new (4) Hightmast	Final Stages procurement process	N/A	Part of R 15 million OTP funded budget

4.3.2.1(b) Electricity Repair and maintenance

Plans	2025/26	2026/27	2027/28
Vehicles	320 000,00	334 080,00	342 432,00
Equipment	2 088 000,00	2 179 872,00	2 234 368,80
High Mast	300 000,00	313 200,00	321 030,00
Street Lights	300 000,00	313 200,00	321 030,00
Robots	200 000,00	208 800,00	214 020,00
Festival	350 000,00	365 400,00	374 535,00
Building and Facilities	500 000,00	522 000,00	535 050,00
TOTAL REPAIR AND MAINTENANCE: Electricity	4 058 000,00	4 236 552,00	4 342 465,80

4.3.2.3 ROADS AND STORMWATER INFRASTRUCTURE DEVELOPMENT

4.3.2.3(a) Small towns revitalization:

The Small-Town Revitalisation Programme, which is housed under the Premier's Office is at an initial stage. As soon as that stage is completed the real construction will kick in. The programme is multi-pronged and will deal with construction and rehabilitation of roads, bulk services, the construction of Traffic Department Testing Station and electrification, especially the repair and construction of high mast.

The following projects were identified by the municipality to be funded from the intervention grant by OTP:

- a) Driving Licence Testing Centre (DTLC)
- b) Roads Infrastructure.
- c) Electricity Infrastructure; and
- d) Rapid Response (Solar energy for municipal offices)

No.	Project Name	Project Scope	Project Status
1.	Rehabilitation / Upgrade of South Street	Rehabilitation / Upgrade of road	Phase 2 Planning design stage
2.	Rehabilitation / Upgrade of Prince Alfred Street	Rehabilitation / Upgrade of road	Phase 2 Planning design stage
3.		From Somerset to South Street	Appointing stage for contracture Phase 1.

No.	Project Name	Project Scope	Project Status
4	Rehabilitation / Upgrade of African Street	Somerset up Fourways to Kingwood	Phase 2 Planning design stage
5.	Rehabilitation / Upgrade of Milner Street	Rehabilitation / Upgrade of road	Appointing stage for contracture Phase 1.
6.	Rehabilitation / Upgrade of Knight Street	Rehabilitation / Upgrade of road	Phase 2 Planning design stage
7.	Rehabilitation / Upgrade of lower High Street circle	Rehabilitation / Upgrade of road	Appointing stage for contracture Phase 1.

4.3.2.3(b) External Funded Intervention

Municipal disaster response grant project phase 2			
Rehabilitation of Flood-damaged Roads		Disaster Relief Grant (MDGR) 2024/2025 - 2025/2026 Financial Year	Service provider appointed; in the process of appointing the contractor.
1	Ext 4 Mbombela Street		
2	Struben and Linney Street,		
3	Smith and Vogt Street		
4	Irving Street		
5	Hobson Street		
6	Lamani joining N street		
7	K joining P Street		
8	B street		
9	Ext 9 Ngcuka Street		
10	Thumbler Street.		

4.3.2.1(b) Road and Stormwater Repair and maintenance service deliver highlights

Plans	2025/26	2026/27	2027/28
Materials and Stores	3 000 000,00	3 132 000,00	3 210 300,00
Operating Expenditure	368 900,00	385 131,60	394 759,89

Contracted Services	4 226 000,00	4 411 944,00	4 522 242,60
Uniform and Protective Clothing	150 000,00	156 600,00	160 515,00
Hire charges	1 000 000,00	1 044 000,00	1 070 100,00
Total Expenditure:	8 744 900,00	9 129 675,60	9 357 917,49

4.3.2.1(c) Stormwater Repair and maintenance service deliver highlights

Plans	2025/26	2026/27	2027/28
Uniform and Protective Clothing	100 000,00	104 400,00	107 010,00
Operating Expenditure	115 000,00	120 060,00	123 061,50
Contracted Services	700 000,00	730 800,00	749 070,00
Total Expenditure: Stormwater	915 000,00	955 260,00	979 141,50

4.3.2.4 Masterplans, policies, and by-laws

The council approved a draft Water Service Development Plan for 2022 to 2027 financial years on 28 Feb 2024. The municipality needs to have number of Masterplans, policies, and by-laws in place. The municipality needs to have all the relevant by-laws in place, including fines for enforcement of the by-laws. The key plans with associated policies and by-laws that need to be in place are: -

- Integrated Infrastructure Asset Management Plan to be developed
- Electricity Master Plan (incl. Electrification Plan) to be developed
- Water and Sanitation Master Plan review
- Water Conservation and Water Demand Management Plan to develop
- Fleet Management Plan to be developed
- Roads and Stormwater Plan to review
- Human Settlements Plan- Under review
- The municipality must develop a Fire Hydrant Maintenance Plan.

Municipality has requested from MISA to development Electricity Master plan which will included Maintenance plan and a major electricity disruption contingency plan, Roads and Stormwater Master plan including maintenance plan and Water Services master plan, water Services Development Plan(WSDP) and a management plan to reduce Non-Revenue Water, WSDP will also include Fire Hydrant Maintenance Plan. MoU has been development with DBSA funding the review of the above strategic document and will be table to the Council for approval in June 2025.

4.3.2.2 PRIORITY NO TWO: COMMUNITY AND SOCIAL DEVELOPMENT

STRATEGIC OBJECTIVES	STRATEGYKEY (KFA)	PERFORMANCE INDICATOR
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
	Control and clearing of illegal dumping Secure living environment	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.
	Ensure conservation management (Park and open space)	Implement alien eradication programme (greater Makana)
		Environmental Management Plan
		Open Space Management Strategy
	Provision of more resources to enhance revenue	
	Refurbishment of Traffic law offices	

STRATEGIC OBJECTIVES	STRATEGY KEY (KFA)	PERFORMANCE INDICATOR
	Provision and upgrading traffic law enforcement resource	Installation road safety signages
	Upgrading, refurbishment, Security and Provision of Community facilities	Refurbishment Sport recreation facilities
		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

4.3.2.2 Service delivery priorities

4.3.2.2.1 IMPROVE COLLECTION OF HOUSEHOLD REFUSE

The refuse is collected as per the weekly schedule including Alicedale and Riebeeck East. The Municipality will be submitting a business plan to the Department of Forestry, Fisheries and Environment (DFFE) to service areas that are currently not serviced that are outside Makhanda Area i.e. Salem, Seven Fountains etc. The municipality has appointed a Service Provider to deliver refuse bags including clear bags that will be distributed to indigent and paying customers to encourage sorting waste at the source to minimise waste going to the landfill site. The Municipality has secured 4 200-wheel bins informal areas to be formalized under ISUP program. Distribution of these wheel bins will start at Nkanini, Khayelitsha and Ethembeni.

SYSTEM USED: The municipality is working from 8H00 to 16H30 during the week and 14H00 to 17H30 during the weekend and public holidays to clean the CBD. The workers will now be changed to a shift system of working from 6H00 to 14H00 and 14H00 to 22H00 for the entire week.

4.3.2.2.2 ILLEGAL DUMPING SITES MANAGEMENT

The illegal dumping sites are cleared on a continuous basis, Municipality also conducts awarenesses on environmental Management including waste management and has donated bins to different institutions including schools to encourage recycling and sorting waste at the source, trees to encourage greening.

- The cleared sites will be turned into recreational parks and food gardens. The sites will be handed over to the nearest facilities and communities through adopting a spot strategy.
- The Municipality is in process of procuring material to beatification and rehabilitation of illegal dumping sited
- The municipality will be purchasing the new TLB in the next financial year to focus on the illegal dumping and assist in landfill site.

4.3.2.2.3 Management of land - fill sites

DFFE is reviewing IWMP for the Municipality that includes all three landfill sites, and the process is anticipated to be concluded before the end of 2025. The Municipality is operating and managing the landfill site internally after the end of the term of service provider. The municipality is building capacity in terms of human resources and equipment, officials attend trainings for the capacitation on landfill site management through Department of Economic, Environmental Affairs and Tourism (DEDEAT).

4.3.2.2.4 Eradication of alien invasive plant

The Municipality received R1.5 million funding from DEDEAT for the eradication of Alien invasive plant, this program will be implemented for 8 Month with job opportunities for 56 young people.

4.3.2.2.5 Investing to yellow fleet and upgrading sport facilities

No.	Project Name	Project Scope	Project Status	Comments	2025-26 FY
Key focus area		Cleaning and landfills			
1.	Upgrading of Waste Management yellow fleet	Procuring of one Bulldozer for landfills	100%	R 6 million	N/A
2.	Solid waste	Procuring of TLD to deal with Illegal dumping	Procurement phase	N/A	R 2.2 million

Key focus area		Sports and Recreation facilities			
1.	Upgrading of Oval Stadium, Lavendar Valley	Upgrading of sport facility in Ward 3	73% Completed	Contract value R 2,2 million	R 4,5 million

4.3.2.3 PRIORITY NO THREE: LOCAL ECONOMIC DEVELOPMENT AND PLANNING

STRATEGIC OBJECTIVE	STRATEGY(KFA)	PERFORMANCE INDICATOR
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 Development	SMME support programmes including capacity programmes	

STRATEGIC OBJECTIVE	STRATEGY(KFA)	PERFORMANCE INDICATOR
	Support Tourism and Heritage development	Support Tourism and Heritage development programmes
	Support Agriculture and Rural development initiatives	Transformation of Tourism and Heritage development sector
		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	
To plan, promote investment and facilitate economic growth	Spatial Planning and Development	Review of Spatial development Framework
Ensure equitable access to housing development	Construction low cost houses Development	Unlock land for Human settlement
		Conduct Land Audit
		Formalisation of Informal settlement
Ensure equitable access to housing development	Construction low cost houses Development	Ensure land-Use Management
		Management of Building Plans
		Management lease Agreements
Ensure equitable access to housing development	Construction low cost 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

4.3.2.3.1 Priorities for 2025-26 Financial year

a) Upgrading of informal settlements programme (UISP).

Sarah Baartman District Municipality was appointed as an Implementing Agent by the Department of Human Settlement for the Upgrading of Informal Settlements Programme (UISP). An estimated amount of about R450 million has been allocated for 20 Informal Settlements in Makana Local Municipality over the next three (3) years. All the 106 households using the bucket toilets are located in the informal areas that will be incorporated under the Upgrading of Informal Settlements Programme. However, it must be pointed out that some of these informal settlements cannot be provided with waterborne sanitation system since they have encroached in various servitudes including flood plains. The municipality is looking at finding alternative land to relocate the unserviceable households

Phase 1: has commenced in Ward 5- Enkanini with the resurfacing of internal roads (project has been experiencing protest challenges); ward 11-Ethembeni and Khayelitsha also to commence (contractors to establish sites end of May 2025).

Phase 2- in the process of appointment of contractors (advertisement has gone out and expected to close end of May 2025. The phase will commence with planning and design in the new financial year- 1st July 2025. For the implementation of:

- Sun City,
- Phaphamani,
- Alicedale Squarters,
- K Street,
- Foleys Ground,
- Entabeni
- Ethuthwini
- Lower Archie
- Archie squarther
- Komatis Drift
- Hlalani Entlanjeni
- Riebeek East
- Mandela Park
- Salem
- Seven Fountains
- Fort Brown
- Hlalani Entabeni

- Zolani

b) MAKANA INFILL AREA HOUSING PROGRAM

Municipality has been appointed by the Department of Human Settlement as an implementing agent for the Construction of 178 RDP Houses in Makhandla East. The appointment of contractor for 61 low-cost housing (RDP House) includes water and sewer houses connection and mentoring of 3 local SMME's for the construction of 30 units in Makana has commenced.

Housing Development- **178 infills RDP units-** The Municipality has started the acceleration of the construction of RDP Housing units with 35 units completed and at finishing stage (rectification of snags) in Ward 10- Mission & J street; Ward 6- Lingelihle, as well as commencement of Ward 3- Lower and Upper Mnandi. In addition, the Provincial Department has appointed the municipality as an implementing agent and allocated an additional **348** housing units for the 2025/26 financial year.

These include the following projects, which have also commenced:

- Makana Disaster x150.
- Riebeek East x100.
- Fingo Villages x46
- Transit Camp x52
- The appointment of remaining SMMEs for the 178 RDP units infills is in the SCM process, which is aimed at being finalised by the end of May 2025.
- Contractors are in the establishment of sites for the 348 housing units, whilst Fingo contractor has started with the foundations, and the SMME component is to follow at the end of May and June.

4.3.2.3.2 SUPPORT TO SMME DEVELOPMENT

ESTABLISHMENT OF ENTREPRENEURSHIP UNLIMITED INCUBATION CENTRE: To assist in unlocking the potential of small businesses in the area through skills development,

The Following SMME Capacitation programmes have been implemented for 2024/25 financial year, and they will be continued in the 2025-26 Financial year.

- SMME Tendering Training.
- SMME Compliance Workshop.
- CIDB grading training.
- Automotive hub industrial training.
- Incubation workshop for Tourism Homestay

d) PROMOTE AND SUPPORT INFORMAL TRADING:

105 Informal Traders have been provided with trading equipment for different businesses that include Refrigerates, catering, Salon, garden materials, JoJo Tanks etc. This was done after application was done by the Municipality to Small Business Development National Department.

4.3.2.3.3 SOCIO-ECONOMIC OUTLOOK

As part of the implementation of the Makhanda East Precinct plan, the municipality has commenced the SCM processes for the Appointment of a developer for the Joza retail centre/mall, estimated period for the expression of interest to be advertised is envisioned to take place end of July 2025 (This will result in the realisation of integrated job creation and business opportunity for the eastern side of Makhanda- catalytic project aimed at investment attraction)

4.3.2.4 PRIORITY NO FOUR: INSTITUTIONAL CAPACITY AND ORGANISATIONAL DEVELOPMENT

STRATEGIC OBJECTIVE	STRATEGY(KFA)	PERFORMANCE INDICATOR
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)
		Review Job description review
		Conduct Job Evaluation
		Institutional Policy Review
		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)

STRATEGIC OBJECTIVE	STRATEGY(KFA)	PERFORMANCE INDICATOR
		Effective stakeholder engagement
To create an efficient, effective and accountable administration	Improve organisational culture to enhance productivity	Employees wellness programs (Health & safety programs)
		Cascading of individual Performance Management System all employees
		Rewards system linked to high performance
		Development of Service delivery Business processes and development of Standard operational Procedures across municipality
To create an efficient, effective And accountable administration	Review Records Management System	Review processes, procedures, and capacitation. Review of filing System
		Establishment of offsite storage facility for back-up
		Resuscitate electronic record Management system
	Enhance customer care management	Centralisation of Customer Relation Management
	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

STRATEGIC OBJECTIVES	STRATEGY(KFA)	PERFORMANCE INDICATOR
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
Maintenance of Asset Register (FRP)	Maintaining fully GRAP compliant asset register annually	

4.3.2.5 PRIORITY NO SIX: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

STRATEGIC OBJECTIVE	STRATEGY(KFA)	PERFORMANCE INDICATOR
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
		Review of the ICT Strategy
		Review of ICT Risk Register

STRATEGIC OBJECTIVE	STRATEGY(KFA)	PERFORMANCE INDICATOR
	Effective implementation of ICT Governance Framework	Improve ICT infrastructure provision
	Reduce Legal cost for and against Municipality	Development of Standard operating procedure on Management of Legal Matters
Support Human Empowerment	Support 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

4.3.2.5 OVERVIEW OF THE FINANCIAL RECOVERY PLAN

MLM's FRP project flow can be set out into the following three interdependent implementation phases:

RESCUE	<i>Minimal set of key indicators across all four pillars necessary to neutralise financial turbulence (6-8 months):</i> <ul style="list-style-type: none"> ▪ <i>Focus is on cash and short-term liquidity; Appointing debt collector, Cash Flow Management, Trading Debtors and collections, Cost containment, Creditor Management</i> ▪ <i>Include service delivery projects with high visibility such as curbing illegal connections and attending to potholes</i>
Phase 1	
STABILISATION	<i>To address the underlying causes of failure focusing on eradicating problems at the root (12-24 months): "Plugging the holes and fixing the leaks"</i>
Phase 2	
SUSTAINABILITY	<i>To ensure financial and service delivery sustainability and prevent a regression (Subject to progress in Phase 2)</i>
Phase 3	

To facilitate implementation, the financial recovery plan is divided into three key phases, namely:

4.3.2.5.1 Phase 1: Rescue Phase

In this phase, the focus is primarily on cash and restoring the cash position of the municipality. The indicators for the rescue phase include a funded budget, monitoring of the daily cash and cash balances, cost containment measures, focusing on improving the debtor's collection rate, the ring-fencing of conditional grants, and ensuring that creditors are paid timeously and that negotiations are entered into to settle any outstanding debt. There is some focus on service delivery and governance matters. However, these are limited to addressing the most visible and easy-to-resolve issues. However, as resources become available through better cash management, the collection of outstanding debt and the prioritisation of expenditure, service delivery issues can be addressed more comprehensively to secure the revenue base.

This is a short-term phase and is anticipated to last six months from the approval date of the FRP.

4.3.2.5.2 Phase 2: Stabilisation Phase

The bulk of the recovery work takes place in the second phase of the recovery process. This phase is referred to as the Stabilisation phase. In this phase, a strong focus on cash, finances, and financial management is still maintained, but greater attention is placed on the underlying service delivery, governance and institutional matters perpetuating the financial crisis in the municipality, such as the design of a fit for purpose organogram, plans to address the repairs and maintenance and renewal of infrastructure for the water and electricity network through which the municipality loses significant revenues, ensuring that the property valuation roll is updated and that all customers are billed accordingly and other similar measures.

This phase is expected to last 12 months or longer, depending on the municipality's progress. It commences immediately after the rescue phase.

4.3.2.5.3 Phase 3: Sustainability Phase

Phase 3 of the recovery plan is the final phase of the intervention. Prior to concluding the intervention, reasonable assurance must exist that measures implemented in Phases 1 and 2 are sustainable and that the municipality is committed to ensuring the implementation of good practices.

It is also important to include indicators that affect the municipality's long-term financial sustainability in this phase.

4.3.2.5.4 Monitoring and Oversight of the Intervention and the FRP

The intervention will be subject to oversight by a Political Oversight and Monitoring Committee, which will report directly to the Premier and the provincial executive council. The Committee will direct the intervention, monitor progress, and unblock any political challenges that may hinder its success.

- a) The Political Oversight Committee will consist of the following representatives:
- b) MEC for Finance Chairperson)
- c) MEC for COGTA
- d) Executive Mayor
- e) Speaker

A Technical War Room Committee should be established to support the political oversight committee and to be constituted by the following:

- a) The HOD: Finance, Eastern Cape (Chairperson).
- b) The HOD: CoGTA, Eastern Cape.
- c) The Provincial Commissioner of Police.
- d) Head: NT MFRS and any other representative as delegated by the NT MFRS Head.
- e) The Municipal Manager and his/her senior managers.
- f) Representatives from the sector are to be co-opted as and when necessary.

In addition to the oversight committee, a Technical Intervention Team representative of all four pillars must be established to support the Municipal Manager in implementing the financial recovery plan. The Municipal Manager will undertake quality assurance processes required to submit monthly performance progress reports in terms of the prescribed framework to Members of the Executive Council for Finance, NT MFRS, MAYCO, and Municipal Council on implementing the amended FRP.

4.3.2.5.5 FRP Pillars

The status quo assessment will be ordered in terms of the following categories:

- a) Governance;
- b) Institutional and Human Resources.
- c) Financial Management; and
- d) Service Delivery

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. The municipality had a session to review the FRP led by National Treasury, also in attendance was PT and CoGTA.

The municipality has taken advantage of the privilege to apply for the New conditional grant for smart prepaid meters. This is an indirect grant, which will be managed by the National Treasury and has been introduced through the implementation of smart meters during the 2024/25 financial year. As the municipality is in the debt relief program, this grant has present an important opportunity with the financial support needed to better manage utilities, by ensuring timely and accurate billing; reducing losses; and enhancing operational sustainability. The municipalities will be able then to manage utility services and provide water and electricity services effectively and efficiently.

National Treasury's MFMA Circular No. 129 & 130 and other applicable previous budget circulars were used to guide the compilation of the 2025/26 MTREF. The following table is a consolidated overview of the proposed 2025/26 Medium-term Revenue and Expenditure Framework:

Table 1: Consolidated Overview of the 2025/2026 MTREF

Item Description	2024/25 BUDGET YEAR		BUDGET YEAR 2025/26	BUDGET YEAR 1 2026/27	BUDGET YEAR 2 2027/28
	Original	Adjustment			
	Budget	Budget			
Statement of Financial Performance					
Total Revenue (excluding capital transfers and contributions)	878 175 000	862 016 000	916 661 509	985 660 711	1 037 732 209
Total Operating Expenditure	801 477 000	732 022 000	823 554 165	830 207 584	858 002 693
Surplus/(Deficit)	76 698 000	129 994 000	93 107 344	155 453 127	179 729 516

The above table presents a budgeted surplus of **R93,1 million**, **R155,4 million** and **R179,7 million** over MTREF.

5.1.1 Budget Related Policies and Council Resolution:

- 1) That Council approves the **2025/2026** final Budget based on contemplated expenditure and revenue for the MTREF.
- 2) That Council of Makana Municipality, acting in terms of section 16(1) of the Municipal Finance Management Act, (Act 56 of 2003) and Regulation 17 of the Municipal Budget and Reporting Regulations, approves and adopts:
 - a) The annual budget of the municipality for the financial year 2025/2026 MTREF and the multi-year and single-year capital appropriations as set out in the following tables:
 - i. Budgeted Financial Performance (revenue and expenditure by standard classification) – Table A2
 - ii. Budgeted Financial Performance (revenue and expenditure by municipal vote) – Table A3
 - iii. Budgeted Financial Performance (revenue by source and expenditure by type) – Table A4; and
 - iv. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source – Table A5.
 - b) The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
 - i. Budgeted Financial Position – Table A6
 - ii. Budgeted Cash Flows – Table A7

- iii. Cash backed reserves and accumulated surplus reconciliation – Table A8
 - iv. Asset management – Table A9; and
 - v. Basic service delivery measurement – Table A10.
- 3) The Council of Makana Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2025 the tariffs for other services as contained in the tariff list included in the budget document.
- 4) The following policies were reviewed by the Council of Makana Municipality 30 May 2026, acting in terms of section 17 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts the following existing policies:
- i. Asset management policy - Reviewed
 - ii. Cash Management and Investment Policy - Reviewed
 - iii. Credit control and Debt collection Policy - Reviewed
 - iv. Property Rates – Changes - Reviewed
 - v. Tariff policy – Changes - Reviewed
 - vi. Supply Chain Management Policy - Reviewed
 - vii. Funding and Reserve's Policy - Reviewed
 - viii. Budget Implementation and Monitoring Policy - Reviewed
 - ix. Indigent Policy - Reviewed
 - x. Expenditure Management Policy - Reviewed
 - xi. Borrowing Policy - New
 - xii. Cost Containment Policy – Reviewed
 - xiii. Capital Infrastructure Policy - New

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 2025/26 financial year is projected at **R916,7 million** and the two outer years at **R985,7 million** and **R1 billion** respectively over the MTREF. The basis for increased budget is informed by installation of smart meters, data cleansing exercise and as well as meter audit done for both water and electricity. This exercise has been embarked on for the purpose of revenue completeness, curbing distribution losses and improving

collection rates. 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 over the MTREF enables 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.

EC104 Makana - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2023/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Revenue											
Exchange Revenue											
Service charges - Electricity	2	149 645	148 546	168 103	195 238	402 685	195 238	195 238	241 613	277 854	277 854
Service charges - Water	2	108 471	138 403	171 190	189 916	334 124	189 916	189 916	177 438	204 054	222 419
Service charges - Waste Water Management	2	28 949	33 208	42 305	46 088	117 396	46 088	46 088	56 972	65 518	71 415
Service charges - Waste Management	2	15 408	16 528	24 533	26 053	26 053	26 053	26 053	27 953	29 910	32 003
Sale of Goods and Rendering of Services		2 464	1 808	1 336	(54)	(104)	1 387	1 069		1 630	1 715
Agency services		3 080	2 946	3 426	3 932	3 932	3 932	3 504	1 556	1 630	1 715
Interest											
Interest earned from Receivables		27 736	44 102	64 640	80 116	92 697	92 697	92 697	5 281	5 389	5 823
Interest earned from Current and Non Current Assets		767	3 838	5 321	6 492	6 492	6 492	6 492	68 153	77 534	84 159
Dividends											
Rent on Land											
Rental from Fixed Assets		321	240	231	229	229	229	229	208	219	230
Licence and permits											
Operational Revenue		49	870	760					4 633	4 885	5 108
Non-Exchange Revenue											
Property rates	2	100 918	107 450	116 826	137 736	138 112	138 112	138 112	143 687	153 689	164 415
Surcharges and Taxes											
Fines, penalties and forfeits		746	1 421	2 900	3 989	4 339	4 339	4 339	94	99	104
Licences or permits		12	12	28					266	280	294
Transfer and subsidies - Operational		119 244	124 634	161 289	175 919	175 919	175 919	175 919	174 975	150 119	166 855
Interest		5 352	7 900	88 961	12 532	11 974	11 971	11 971	11 913	14 609	15 339
Fuel Levy											
Operational Revenue											
Gains on disposal of Assets		1 956	(28)	844							
Other Gains		10 109	12 140	3 092							
Discontinued Operations											
Total Revenue (excluding capital transfers and contribution)		574 927	644 810	777 784	878 175	1 314 226	893 372	892 526	916 662	985 661	1 037 732

5.3 Operating Expenditure

The total operating expenditure including repairs and maintenance for the 2025/26 financial year has been appropriated at **R823,6 million** and **R830,2 million** and **R858 million** for the two outer years respectively. The expenditure framework is informed by the following:

- Improvement in the provision of the quality-of-service delivery across all services.
- Repairs and maintenance expenditure are still limited and below the required NT norm due to financial constraints faced by the municipality. An amount of **R16,9 million**, **R16,3 million** and **R16,7 million** over the MTREF has been set aside for refurbishment and repairs of municipal property plant and equipment.
- The municipality has put money on capital grants to refurbish its existing infrastructure.
- Municipal fleet is being replaced year on year to reduce the costs on maintaining old fleet, that is adversely affecting service delivery.
- Continued provision of basic services remains a high priority as well as ensuring sound financial prudence to achieve sustainability of providing services to communities.

Repayment of long outstanding debts continues to cripple the financial muscle of the institution especially those related to Bulk Accounts for Eskom and Department of Water & Sanitation. Service delivery has previously been neglected due to the financial burden of payment plans that are in place, however this budget tends to focus more on municipal fleet replacement to improve the turnaround time on service delivery. The budget also intends to ensure that the municipality acquires plant to promptly improve the turnaround time of responding to complaints.

EC104 Makana - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Expenditure											
Employee related costs	2	199 534	199 396	223 007	255 408	240 284	240 284	240 284	248 920	263 486	277 114
Remuneration of councillors		11 969	11 998	12 871	16 253	15 253	15 253	15 253	14 920	15 668	16 458
Bulk purchases - electricity	2	131 084	135 614	190 881	204 160	204 160	204 180	204 180	204 380	213 143	218 472
Inventory consumed	8	25 188	27 698	5 067	25 333	39 657	39 657	39 657	23 246	24 272	24 881
Debt impairment	3	541	1 389	277 484					145 217	153 648	155 431
Depreciation and amortisation		37 132	31 656	48 766	37 392	42 415	42 415	42 415	43 871	45 950	47 959
Interest		10 737	16 652	35 252	6 969	11 463	11 469	11 469	3 158	3 298	3 360
Contacted services		43 274	38 624	34 830	84 097	98 316	98 316	98 316	86 915	88 772	90 977
Transfers and subsidies				351					627	695	672
Irrecoverable debt's written off		147 370	181 356	3 780	131 437	141 158	141 158	141 158			
Operational costs		41 813	43 535	48 721	61 428	65 220	65 220	65 220	51 528	23 433	23 867
Losses on disposal of Assets											
Other Losses		3 044	1 421								
Total Expenditure		650 996	681 230	842 922	804 477	857 932	857 932	857 932	823 654	838 245	858 041
Surplus/(Deficit)		(78 008)	(37 208)	(85 138)	76 896	468 783	468 783	468 783	93 007	135 416	179 891

5.4 Capital Expenditure

The capital budget for the MTREF amounts to **R111,3 million**, **R95,8 million** and **R95,2 million** respectively. 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 **R23,9 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 **78%** to the coming year budget.

Table 2: Final Capital Budget MTREF 2025/26 to 2027/28

EC-104 MAKANA MUNICIPALITY DRAFT CAPITAL EXPENDITURE 2025/26 MTREF			
MUNICIPAL INFRASTRUCTURE GRANT(MIG)			
Project	2025/26	2026/27	2027/28
	Final Budget	Budget	Budget
Replacement of Ageing Asbestos pipes in Makhanda Phase 4	1 430 650	20 566 750	13 002 600
Upgrade of Makana Way Phase 2	14 144 348	-	
Upgrade of Makana way Phase 1	4 503 386	-	-
Upgrade of Sports Facilities in Oval Stadium, Lavendar Valley Makhanda.	4 596 866	-	-
Mikiyili Sport grounds	-	-	-
Refurbishment of Water and Sanitation Infrastructure	2 903 100	3 125 500	3 091 680
Fencing of Mayfield, Tanti, Low level and intermediate reservoirs	-	6 000 000	5 000 000
Upgrade of Roads Network	-	-	9 822 520
Total (MIG)	27 578 350	29 692 250	30 916 800
Water Services Infrastructure Grant (WSIG)			
Belmont Wastewater Treatment Plan	-	-	21 250 000
Water Conservation and Demand	20 681 000	25 000 000	5 000 000
Total(WSIG)	20 681 000	25 000 000	26 250 000
OTP, INEP and Disaster Funding			
Project	2025/26	2026/27	2027/28
Rehabilitation of Roads	24 110 000	-	-
Repair of African, Milner and High Street Circle and other Roads	10 000 000	15 660 000	16 051 500
Refurbishment of High Masts	5 000 000	-	-
INEP	-	7 751 000	8 101 000
	39 110 000	23 411 000	24 152 500
Internally Generated Funds (IGF)			

EC104 MAKANA MUNICIPALITY DRAFT CAPITAL EXPENDITURE 2025/26 MTREF			
MUNICIPAL INFRASTRUCTURE GRANT(MIG)			
Project	2025/26	2026/27	2027/28
Vehicles	11 298 000	10 206 500	6 323 413
Equipment	3 770 000	5 618 000	428 450
Computers	918 280	557 081	803 429
Airconditioners	263 000	251 185	172 460
Transformer	5 000 000	-	5 000 000
Records Management Software	1 500 000	-	-
Filing Cabinets	100 000	-	-
Office Furniture	1 044 000	1 090 980	1 118 255
Total(IGF)	23 893 280	17 723 746	13 846 005
TOTAL CAPITAL EXPENDITURE	111 262 630	95 826 996	95 165 305

5.5 Operating Revenue Framework

EC104 Makana - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year 01 2026/27	Budget Year 02 2027/28
Revenue											
Exchange Revenue											
Service charges - Electricity	2	149 545	148 545	960 103	195 238	402 855	195 248	195 238	241 813	277 854	277 854
Service charges - Water	2	108 471	138 403	171 190	188 918	334 424	189 918	189 918	177 438	204 054	222 419
Service charges - Waste Water Management	2	28 049	33 200	42 305	45 088	117 386	45 088	45 088	58 872	85 518	71 415
Service charges - Waste Management	2	15 408	16 529	24 533	24 053	26 083	26 053	26 053	27 953	29 910	32 003
Use of Goods and Rendering of Services		2 454	1 858	1 336	(54)	(104)	1 337	1 368	-	-	-
Agency services		3 088	2 945	3 425	3 532	3 982	3 832	3 504	1 556	1 633	1 715
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		27 736	44 102	84 643	82 118	82 887	82 887	82 887	5 281	5 308	5 829
Interest earned from Current and Non Current Assets		767	3 838	5 321	6 492	5 482	6 432	6 432	68 153	77 534	84 159
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		321	243	221	228	228	228	228	258	218	230
Licence and permits		-	-	-	-	-	-	-	-	-	-
Operational Revenue		49	673	769	-	-	-	-	4 523	4 585	5 128
Non-Exchange Revenue											
Property rates	2	100 518	807 450	116 826	137 736	136 112	138 112	139 112	943 607	153 659	164 415
Sur-charges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		748	1 421	2 800	3 988	4 338	4 338	4 338	94	38	104
Licences or permits		12	12	28	-	-	-	-	268	290	264
Transfer and subsidies - Operational		118 244	124 634	851 288	175 319	175 819	175 919	175 819	124 925	110 119	158 855
Interest		5 352	2 808	10 981	12 522	11 811	11 871	11 971	13 913	14 308	15 328
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		1 836	(28)	344	-	-	-	-	-	-	-
Other Gains		10 129	12 143	3 092	-	-	-	-	-	-	-
Discontinued Operations											
Total Revenue (excluding capital transfers and contribution)		378 927	644 818	777 784	818 175	1 314 726	883 372	892 528	916 662	988 661	1 037 732

The municipality has budgeted for R916,7 million; R985,7 million and R1,037 billion for the MTREF. The municipality has budgeted for the moderate surplus of R93,1 million; R155,5 million and R179,7 million over the MTREF.

The budgeted allocation for employee-related costs for the 2025/26 financial year totals **R249,9 million**, which is equivalent to **30,3%** of the total operating expenditure.

Cost of Employment (Employee-related cost and Remuneration of Councilors) are budgeted at **R265 million** equivalent to **32,2%** of the total operating expenditure and within the acceptable NT norm of between **30% to 40%**. The municipality has therefore not excessively budgeted on this line item.

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 the targeted annual collection rate of 80% and the Debt Write-off Policy of the Municipality. The current average collection rate is ranging between **58%** and **63,4%** as at end of March 2025 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 have been increased to **R44 million** for 2025/2026 financial year. This expenditure item is equivalent to **5,3%** of the total operating expenditure.

Bulk purchases are directly informed by the purchase of electricity from Eskom. Bulk purchases equal **24,8%** of total expenditure. The annual price increase has not been factored into the budget appropriations and directly informed the revenue provisions. The expenditure includes electricity distribution losses which equals approximately **9%**. Water distribution losses as at 30 June 2023 and 30 June 2024 could not be quantified due to billing estimation and bulk water purchases that were below what was billed by the municipality. 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 is equivalent to **8,6%** of operating expenditure for the 2025/2026 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, 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 **R17,7 million** equivalent to **2,2%** of the operating expenditure for the 2025/26 financial year.

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 and subsequent circulars deals interalia 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 2025/26 financial year

EC104 MAKANA MUNICIPALITY FINAL PROPOSED PROPERTY RATES FOR 2025/26			
Notice is hereby given that, in terms of the Local Government Municipality Property Rates Act (Act No. 6 of 2004) the under-mentioned cents in rands will be levied for the financial year 2025/2026 (i.e 1 July 2025 to 30 June 2026) on the categories of rateable properties in the Makana Municipality area of jurisdiction as follows -			
PROPERTY TYPE	APPROVED CENT IN RAND (RAND/TARIFF) 2023/24	APPROVED CENT IN RAND (RAND/TARIFF) 2024/25	APPROVED CENT IN RAND (RAND/TARIFF) 2025/2026
1. Business & Commercial Properties	0 021220	0.022493	0 023843
2. Public Service Purposes	0 027283	0.028920	0 030656
3. Residential Properties	0 007147	0.007575	0 008030
4. Agriculture Properties	0.001788	0.001896	0.002009
5. Public Service Infrastructure (PSI)	0.001788	0.001896	0.002009
6. Industrial Properties	0 010611	0.011247	0.011822
7. Properties Used for Multipurposes	0.000000	0.000000	0.000000
8. Vacant Land	0.000000	0.000000	0.000000
9. Public Benefit Organisations (P.B.O.)	0.001788	0.001896	0.002009

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% from 01 July 2025. The current 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.

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 outweighs 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 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 2025 for water is proposed. In addition, 6 kℓ water per month will **ONLY** be granted free of charge to registered indigent residents.

EC104 MAKANA MUNICIPALITY FINAL PROPOSED WATER TARRIFS 2028/26 (Excl VAT)

CATEGORY	KILOLITRES	STEPPED TARRIF (NORMAL PERIOD) 2023/2024	STEPPED TARRIF (CRITICAL PERIOD) 2023/2024	STEPPED TARRIF (NORMAL PERIOD) 2024/2025	STEPPED TARRIF (CRITICAL PERIOD) 2024/2025	STEPPED TARRIF (NORMAL PERIOD) 2025/2026	STEPPED TARRIF (CRITICAL PERIOD) 2025/2026
RESIDENTIAL PROPERTIES	0 - 10kl/pm	9.93	11.89	10.63	12.39	11.16	13.14
	11 - 20kl/pm	12.61	16.32	13.36	17.30	14.16	18.34
	21 - 30kl/pm	13.89	21.78	14.72	23.07	16.60	24.46
	31 - 40kl/pm	16.26	27.20	16.17	28.83	17.14	30.56
	41 - 50kl/pm	16.79	46.80	17.79	43.25	18.86	46.86
	>51kl/pm	18.47	64.41	19.66	67.67	20.75	61.13
BUSINESS; INDUSTRIAL AND OTHER PROPERTIES	0 - 10kl/pm	10.21	13.90	10.63	14.74	11.48	15.62
	11 - 20kl/pm	13.63	18.66	14.46	19.66	16.32	20.88
	21 - 30kl/pm	15.06	20.43	16.90	21.66	16.86	22.86
	31 - 40kl/pm	16.48	22.47	17.46	23.81	18.61	25.24
	41 - 50kl/pm	18.14	24.71	19.23	26.19	20.38	27.76
	>51kl/pm	19.94	27.20	21.14	28.63	22.41	30.66
PREPAID RESIDENTIAL PROPERTIES	0 - 10kl/pm	0.00	0.00	0.00	0.00	11.16	13.14
	11 - 20kl/pm	0.00	0.00	0.00	0.00	14.16	16.34
	21 - 30kl/pm	0.00	0.00	0.00	0.00	16.60	24.46
	31 - 40kl/pm	0.00	0.00	0.00	0.00	17.14	30.66
	41 - 50kl/pm	0.00	0.00	0.00	0.00	18.86	46.86
	>51kl/pm	0.00	0.00	0.00	0.00	20.75	61.13
PREPAID BUSINESS; INDUSTRIAL AND OTHER PROPERTIES	0 - 10kl/pm	10.21	13.90	10.63	14.74	11.48	15.62
	11 - 20kl/pm	13.63	18.66	14.46	19.66	16.32	20.88
	21 - 30kl/pm	15.06	20.43	16.90	21.66	16.86	22.86
	31 - 40kl/pm	16.48	22.47	17.46	23.81	18.61	25.24
	41 - 50kl/pm	18.14	24.71	19.23	26.19	20.38	27.76
	>51kl/pm	19.94	27.20	21.14	28.63	22.41	30.66
INDIGENT HOUSEHOLDS PROPERTIES	0 - 10kl/pm	0.00	0.00	0.00	0.00	Free	Free
	11 - 20kl/pm	0.00	0.00	0.00	0.00	14.16	16.34
	21 - 30kl/pm	0.00	0.00	0.00	0.00	16.60	24.46
	31 - 40kl/pm	0.00	0.00	0.00	0.00	17.14	30.66
	41 - 50kl/pm	0.00	0.00	0.00	0.00	18.86	46.86
	>51kl/pm	0.00	0.00	0.00	0.00	20.75	61.13
(i) All other properties not listed amongst the above categories will be categorised by the Chief Financial Officer after motivation by applicant.							
MISCELLANEOUS WATER CHARGES							
CATEGORY	KILOLITRES	TARIFF 2023/2024	TARIFF 2024/2025	TARIFF 2025/2026			
Raw	1st 10 kl	7.46	7.88	8.38			
	>10kl kl	9.17	9.73	10.31			
Standpipe	Consumption	26.66	30.27	32.09			

5.5.3 Sale of Electricity and Impact of Tariff Increases

Bulk electricity cost is consistently higher than inflation, having gone up to 11,8% in 2023/24 financial year. Nersa has approved 12,7% for Eskom tariff increase in 2024/25 financial year. Considering the Eskom increases, the consumer tariff had to be increased by approximately 11,8% to offset the additional bulk purchase cost from 1 July 2025 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 conducted a cost of supply study in the current financial year which has proven that the municipality should increase the tariffs by **31,64%** to recover the cost of rendering the service. This increase has been proposed over a two-year period to avoid a huge increase to consumer tariffs. The municipality has also introduced a winter tariff as it was realized upon review of electricity tariffs 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.

FINAL ELECTRICITY TARRIFFS 2025/2026 FINANCIAL YEAR												
SEGMENT	Code	2024/25 Application to MERSA			2025/2026 Application to MERSA			INCREASE %	2024/2026 Water Tariffs			New
		BASIC CHARGE	CAPACITY DEMAND	ENERGY CHARGE	BASIC CHARGE	CAPACITY DEMAND	ENERGY CHARGE		BASIC CHARGE	CAPACITY DEMAND	ENERGY CHARGE	
Tariff Name	ENERGY	R/C/m	R/A/m	c/kWh	R/C/m	R/A/m	c/kWh		R/C/m	R/A/m	c/kWh	
PP 20 A 1 ph. FBE	0			239.07			270.45	13.0%			286.36	
PP 40 A 1 ph. FBE	0			293.14			331.25	13.0%			361.12	
Pre-paid 20 A 1 ph	0			239.07			270.15	13.0%			286.36	
Prepaid 40 A 1 ph	0			293.14			331.25	13.0%			361.12	
Prepaid 60 A 1 ph	0			296.36			334.89	13.0%			354.98	
Domestic 20 A 1 ph (scale 4)	455/497		10.21	213.54		11.39	238.31	11.6%		12.08	252.61	
Domestic 40 A 1 ph (scale 4)	455		12.50	267.94		14.08	299.02	11.6%		14.91	316.96	
Domestic 60 A 1 ph (scale 4)	455		13.07	269.64		14.59	300.92	11.6%		15.46	271.66	
Domestic 25 A 3 ph (Scale 4)	455		13.83	302.88		15.43	338.01	11.6%		16.36	368.29	
Domestic 40 A 3 ph (Scale 4)	455		13.83	302.88		15.43	338.01	11.6%		16.36	368.29	
kWh Flat rate	462		-	-		-	-	-		-	-	
kWh Flat rate 10% discount	464		-	-		-	-	-		-	-	
Comm. ind & Gen 1 ph (scale 3.1)	452		20.00	323.90		22.25	360.50	11.3%		23.60	382.13	
Comm. ind & Gen 3 ph (scale 3.2)	453		18.02	323.90		20.06	360.50	11.3%		21.25	382.13	
Comm. ind & Gen 1 ph 10% disc.	447		-	-		-	-	11.3%		-	-	
Comm. ind & Gen PP	0		-	356.57		-	396.86	11.3%		-	430.67	
Bulk MV & HV (scale 1A)	450	4 476.93	368.14	200.88	4 961.71	396.61	223.58	11.3%	5 280.61	422.53	236.99	
Bulk MV & HV 10% disc (1B)	443		-	-		-	-	11.3%		-	-	
Bulk LV (scale 2)	451	2 237.95	432.60	165.67	2 480.84	481.48	184.39	11.3%	2 640.29	510.37	195.45	
Bulk LV 10% disc	441		-	-		-	-	11.3%		-	-	
MUNICIPAL BASIC (SCALE 1A)	436		382.56	200.88		436.92	223.58	11.3%		483.13	236.99	
MUNICIPAL BASIC (SCALE 2)	436		431.82	173.25		480.62	192.83	11.3%		509.45	204.40	
MUNICIPAL BASIC (SCALE 3.1)	437		19.42	33.90		21.61	37.73	11.3%		22.91	39.99	
Sports clubs (scale 8)	460		18.81	281.24		20.94	313.02	11.3%		22.19	331.80	
Out of Term	466		-	-		-	-	-		-	-	
											Demand (R/kVA) High Season	
		Fixed	Demand (R/kVA) Low Season	Demand (R/kVA) High Season			Demand (R/kVA) High Season					
Bulk TOU HV supply		4 158.23	121.72	181.14	4 626.11	135.47	179.35	11.3%	4 905.80	143.60	190.11	
		Peak	Standard	Off-Peak			Off-Peak	11.3%			Off-Peak	
High Demand		643.65	239.33	149.24	716.38	266.37	166.10	11.3%	759.37	282.36	176.07	
Low Demand		236.41	188.28	134.90	263.12	208.56	150.14	11.3%	278.91	222.13	159.15	
Reactive Energy (c/kVAh)				6.34			7.05	11.3%			7.48	
											Demand (R/kVA) High Season	
		Fixed	Demand (R/kVA) Low Season	Demand (R/kVA) High Season			Demand (R/kVA) High Season					
Bulk TOU MV & HV supply		4 158.23	121.72	181.14	4 626.11	135.47	179.35	11.3%	4 905.80	143.60	190.11	
		Peak	Standard	Off-Peak			Off-Peak	11.3%			Off-Peak	
High Season		643.65	239.33	149.24	716.38	266.37	166.10	11.3%	759.37	282.36	176.07	
Low Season		236.41	188.28	134.90	263.12	208.56	150.14	11.3%	278.91	222.13	159.15	
Reactive Energy (c/kVAh)				6.34			7.05	11.3%			7.48	
											Demand (R/kVA) High Season	
		Fixed	Demand (R/kVA) Low Season	Demand (R/kVA) High Season			Demand (R/kVA) High Season					
Bulk TOU LV supply		2 079.12	133.89	171.18	2 314.05	149.02	190.53	11.3%	2 661.17	157.95	201.97	
		Peak	Standard	Off-Peak			Off-Peak	11.3%			Off-Peak	
High Season		675.81	251.28	158.71	752.18	273.67	174.42	11.3%	805.00	295.45	184.88	
Low Season		248.23	197.72	141.64	276.26	220.06	157.65	11.3%	317.72	233.27	167.10	
Reactive Energy (c/kVAh)				6.33			7.05	11.3%			7.47	
Use of System Charges:				R/kWm			R/kWm				R/kWm	
DUoS network charges for generators (> 66kV & ≤ 132kV)				26.10			18.60				19.72	
DUoS ancillary service charges Urban (> 66kV & ≤ 132kV)				0.70			0.36				0.38	
DUoS service and administration charges (urban) (> 1 MVA/MVA)												
SERVICE CHARGE:				379.33			1118.46				1185.57	
				(R/POD/day)			(R/POD/day)				(R/POD/day)	
DUoS service and administration charges (urban) (> 1 MVA/MVA)												
ADMINISTRATION CHARGE:				196.90			19.37				20.53	

5.5.4 Sanitation and Impact of Tariff Increases

A tariff increase of 6% for sanitation from 1 July 2025 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 R57 million for the 2025/26 financial year.

The table below compares current and proposed amounts payable from 1 July 2025:

ANNUAL SEWER CONNECTION CHARGES		2024/2025	2025/2026
Domestic	First 2 units	R 2 380.86	R 2 523.72
	Each unit over 2	R 1 190.43	R 1 261.86
Sporing/Churches /Monument	per each unit	R 1 190.43	R 1 261.86
Flats	First 2 units	R 2 380.86	R 2 523.72
	Each unit over 2	R 2 380.86	R 2 523.72
Business Sub-Economic	per each unit	R 2 380.86	R 2 523.72
Housing	per each unit	R 1 190.43	R 1 261.86
Industrial Area	per point in respect of the first 25 units	R 2 645.40	R 2 804.13
	after which the costs are the same as the business tariff of	R 2 380.86	R 2 523.72

5.5.5 Waste Removal and Impact of Tariff Increases

An increase of 7% in the waste removal tariff is proposed from 1 July 2025. The solid waste 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 deliver services with aged fleet and plant, the municipality must propose an increase of 7% 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 municipality has proposed new tariffs to be imposed for refuse service, including revision of tariffs for businesses as refuse is collected on the CBD on a daily basis with businesses paying a minimal fee that does not translate to the repairs and maintenance of municipal

fleet. The municipality has also introduced a fee for collection of refuse for special events, hiring of skip bins and for government institutions, like hospitals and schools.

The following table compares current and proposed amounts payable from 1 July 2025:



EC104 MAKANA MUNICIPALITY FINAL CLEANSING TARIFFS 2025/2026 (Excl VAT)			
		2024/2025	2025/2026
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 2 301.50	R 2 462.61
MONTHLY REFUSE REMOVAL CHARGES		2024/2025	2025/2026
Domestic		R 132.27	R 141.53
Removal of Garden Refuse		R 796.07	R 851.80
Removal of Garden Refuse (domestic Notice)		R 961.41	R 1 028.71
Removal of Condemned Goods		R 502.14	R 537.29
Illegal dumping of Refuse (domestic or Other)		R 979.78	R 1 048.36
Special removals (household refuse) per load			R 469.83
Refuse Bins / Bags & Otto Bins		Cost determined by suppliers prices	Cost determined by suppliers prices
LANDFILL SITE DUMPING CHARGE PER TON		R 52.43	R 125.00
Businesses		2024/2025	2025/2026
Business		R 263.32	R 708.90
Additional removals per load			R 959.82
Availability of and or/ hiring of skip bin 6m ³ per bin period per event (incl. disposal costs)			R1 861.78
Events :Availability of refuse bins and clean up operations			R3 231.81
Institutions		2024/2025	2025/2026
Institutions (schools, hospitals, retirement villages, SAPS, Home Affairs, Magistrate etc) monthly refuse removal		R	1 103.42
Traffic Department		2024/2025	2025/2026
Towing Fees		R 1 573.95	R 1 668.39
Impounding Fees	per day	R 188.23	R 199.52
Administration Charge per transaction - per day		R 188.23	R 199.52
Weighbridge levies	per day	R 188.23	R 199.52
Parking fees	per hour	R 11.35	R 12.03
Application For Special Event requiring traffic services- per event per hour			R 583.70
Application: Display a banner smaller than 3m ² per event - Deposit Other organizations			R 116.74
Displaying a banner/ poster less than 3m ² per banner/ poster per event (max. 10 days) - Charity			R 433.61
Application: Display a banner smaller than 3m ² per event - Deposit Other organizations			R 250.16
Display a banner larger than 3m ² (max. 6m ²) per banner per event			R 418.93
Display of a banner/ poster larger than 6m ² per banner/ poster per event (max. 10 days)			R 750.47
Displaying an illuminated advertising Sign - per day			R 583.70
Removal of illegally erected/ unauthorized banners in municipal area (incl. private land) per banner			R 418.93
Escort Duties / Services Rendered During An Event - Traffic Control at Points			R 500.32
Escort Duty per hour or part thereof			R 116.74
Travelling during the event / duty - per k/m			R 4.78
Closure of Roads during Events - per hour			R 416.93

5.5.6 New indirect conditional grant for smart prepaid meters

A new indirect grant, which will be managed by the National Treasury was introduced in 2024/25. This grant presents an important opportunity for municipalities in the Eskom Debt Relief programme. While debt relief is a critical component of supporting struggling municipalities, it is important to also provide the municipalities with the tools and the necessary funding to improve their operations and long-term sustainability. This new indirect conditional grant for smart prepaid meters is a meaningful step towards providing municipalities with the financial support they need to better manage their utilities, by ensuring timely and accurate billing; reducing losses; and enhancing operational sustainability.

The municipality has benefited from this grant for the changing of single-phase meters and this has made a significant dent to the municipality and will improve the inefficiencies in electricity billing. The municipality has applied for changing of phase 3 meters and bulk meters to ensure that the municipality is entirely on the smart solution for electricity.

5.5.7 Fire, Traffic and Local Economic Development Fees

The municipality has introduced additional tariffs for fire, traffic and Local Economic Development for services rendered by these sections that the municipality has not been charging for in previous years. The details of these tariffs are on the tariff booklet.

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	List Sector plans	
EXISTING PLANS	Water Service Development Plan	
	Integrated Waste Management Plan	
	Area Based Plan	
Status	Sector plans	
	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	
CROSS CUTTING PLANS	Plans	Action required
	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 organizational 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.	Performance Management System
	Cascade up to Middle Management .	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 <ul style="list-style-type: none"> • 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.

6.2.4 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 by Council In June 2021, 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:

Item	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 Riebeek 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:

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 Figure 2. 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

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:-

- Capture the performance data against targets on the scorecard.
- Analyse reasons for meeting or not meeting a target
- Capture a summary of findings on the scorecard.
- 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 performance 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 for Consideration and or review to	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 + Council ExCo	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	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	IDP/PMS and Budget Steering Committee	Mid-term performance reports	10 th of January	IDP/PMS Unit	Mid-year
Portfolio Committee	Portfolio Committee	SDBIP Quarterly Report	First and second week next month after the end of each Quarter	IDP/PMS Unit	Quarterly
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	• Audit Committee Internal Audit Unit	• Consolidate Directorate Quarterly performance reports audit Quarterly Performance analysis report	14 th of the next month after the end of the Quarter	• Municipal Manager's Office internal Audit Unit	Quarterly
Directorates	• IDP/ PMS and Budget Steering Committee	Annual Performance reports	10 th July	IDP/PMS Unit	Annually
	• Council				
IDP/PMS Unit	IDP/ PMS and Budget Steering Committee • Council	• Consolidate Directorates Annual performance reports • Annual Performance analysis report	14 th July	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 any 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	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 expectation					
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

- a) Each CCR will be reviewed in terms of the extent to which the specified standards have been met.
- b) The fore going five-point scale will be used for each CCR.
- c) The rating will be multiplied by the weighting for each CCR and result in a score.
- d) 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.

6.4.8 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.

- a) 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
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 Caper 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.

ANNEXURE A: IDP PROJECT REGISTER: IDP REGISTER

1. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

KFA	IDP Number	Project Number	Projects & Programmes	Total
Refuse	1.39	P 039	Makana : Waste Management Plan and Strategy	1
	1.40	P 040	Eradicate and revamp of dumping sites	
	1.41	P 041	Establishment of Waste material recovery facilities)	
	1.42	P 042	Decommission, close, rehabilitation and management of landfill sites	
	1.43	P 043	Provision of area Duping stands	
	1.44	P 044	Refuse Bins	
	1.45	P 045	Procure new equipment and truck	
	1.46	P 046	Makana : Waste to energy projects (feasibility study)	0.5
	1.47	P 047	Makhanda : Waste transfer station	5
	1.48	P 048	Makhanda : Development of 3 buy-back centres	3
	1.49	P 049	Makhanda Feasibility and establishment of recycling and material recovery facility	10
	1.50	P 050	Makhanda : Feasibility study for closure and relocation of landfill site	1
	1.51	P 051	Fort Brown: Solid Waste Transfer Station	1
	1.52	P 052	Makana: Review Roads & Storm Water Master Plan	1
Roads				

KFA	IDP Number	Project Number	Projects & Programmes	Total
	1.53	P 053	Makana: Upgrade district roads	50
	1.54	P 054	Makhanda: General Repair and Maintenance roads	6 million
	1.55	P 055	Makhanda: General upgrading and reconstruction of curbs and sidewalks	20
	1.56	P 056	Makhanda: Traffic Management Plan implementation	3.4
	1.57	P 057	Alicedale : Upgrade and resurface N2 link(EIA)	10
	1.58	P 058	Alicedale : Upgrading of internal roads Rings Street (EIA)	10
	1.59	P 059	M Street : Upgrade (EIA)	20
	1.60	P 060	Fort Brown : R63 Access Road (EIA)	3
	1.61	P 061	Makana Way : Upgrade (EIA)	10
	1.62	P 062	Ncane Street : Upgrade (EIA)	12
	1.70	P 070	Makana: Upgrading of Infill areas (EIA)	
	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	

2. PUBLIC SAFETY AND COMMUNITY SERVICES:

KFA	IDP Number	Project Number	Projects & Programmes	Total
Cleansing and Refuse collection	1.39	P 039	Makana : Review Waste Management Plan and Strategy	1
	1.40	P 040	Eradicate and revamp of dumping sites	
	1.41	P 041	Establishment of Waste material recovery facilities)	
	1.42	P 042	Decommission, close, rehabilitation and management of landfill sites	
	1.43	P 043	Provision of area Duping stands	
	1.44	P 044	Refuse Bins	
	1.45	P 045	Procure new equipment and truck	
	1.46	P 046	Makana : Waste to energy projects (feasibility study)	0.5
	1.47	P 047	Makhanda : Waste transfer station	5
	1.48	P 048	Makhanda : Development of 3 buy-back centres	3
	1.49	P 049	Makhanda Feasibility and establishment of recycling and material recovery facility	10
	1.50	P 050	Makhanda: Feasibility study for closure and relocation of landfill site	1
	1.51	P 051	Fort Brown : Solid Waste Transfer Station	1

KFA	IDP Number	Project Number	Projects & Programmes	Total
	1.52	P 052	Makana: Review Roads & Storm Water Master Plan	1
	1.53	P 053	Makana: Upgrade district roads	50
	1.54	P 054	Makhanda: General Repair and Maintenance roads	6 million
	1.55	P 055	Makhanda: General upgrading and reconstruction of curbs and sidewalks	20
	1.56	P 056	Makhanda: Traffic Management Plan implementation	3.4
	1.57	P 057	Alicedale : Upgrade and resurface N2 link9EIA)	10
	1.58	P 058	Alicedale : Upgrading of internal roads Rings Street	10
	1.59	P 059	M Street : Upgrade	20
	1.60	P 060	Fort Brown : R63 Access Road	3
	1.61	P 061	Makana Way : Upgrade	10
	1.62	P 062	Ncame Sireet : Upgrade	12
	1.63	P 063	Riebeek East : Upgrade and resurface N2 link	10
	1.64	P 064	Riebeek East : Upgrade and resurface Makhanda link	10
	1.65	P 065	Seven Fountains : N2 Access Road Upgrade	3
	1.66	P 066	Riebeek East : Upgrading of internal roads	10
	1.67	P 067	Makhana: Refurbishment, rehabilitation Upgrading of Taxi Route	
	1.68	P 068	Makana: Review Housing lan	
	1.69	P 069	Makhanda: Construction of outstanding RDP houses 178 outstanding RDP	178
Roads				
Housing				

KFA	IDP Number	Project Number	Projects & Programmes	Total
			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	
	2.1	P 073	Alicedale / Riebeek East : New cemetery site identification	0.5
Cemeteries	2.2	P 074	Alicedale / Riebeek East / Makhanda : Cemetery development	6
	2.3		Mayfield / Waainek : Cemeteries expansion (feasibility study)	0.5
Community	2.4	P 075	Makana : General maintenance and refurbishment of existing community halls	5
Halls	2.5	P 076	Refurbishment of 2 Alicedale Halls	
	2.6	P 077	Mayfield / Vukani : New community halls	10
Education	2.7	P 078	Seven Fountains : ECD Facility	2
	2.8		Seven Fountains: Primary School	4
Fire and Disaster Management	2.9	P 079	Makhanda: Disaster Management Plan and development By-laws	1

KFA	IDP Number	Project Number	Projects & Programmes	Total
	2.10	P 080	Alicedale / Riebeek East: Establish Satellite Fire Stations	
Safety and Traffic Law enforcement	2.11	P 081	Integrated Safety Plan	1
Health	2.12	P 082	Fort Brown : Clinic	3
	2.13	P 083	Seven Fountains : Clinic	3
Libraries	2.14		Makana : Upgrade and refurbishment of existing library facilities	5
Open	2.15	P 084	Makana : Upgrade and refurbishment of open spaces and play parks	10
	2.17	P 086	Beautification of the CBD	
Sports Fields and Recreational Facility	2.18	P 087	Makana : General maintenance	5
	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
	2.22	P 090	Seven Fountains: Sports field / facility	1

KFA	IDP Number	Project Number	Projects & Programmes	Total
	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
Conservation and Environmental Management	2.28	P 096	Makana: Environmental Management Plan	1
Open Spaces	2.15	P 084	Makana : Upgrade and refurbishment of open spaces and play parks	10
	2.16	P 085	Beautification of the CBD	
	2.17	P 086	Makana : General maintenance and refurbishment of existing sports facilities	
Sport Fields and Recreational Facilities	2.18	P 087	Construction of Public Toilets	5
	2.19	P 088	Makhanda East : Establishment of new sports field	
	2.20		Seven Fountains : Sports field / facility	
	2.21	P 089	Makana East: Construction of Swimming pool	
	2.22	P 090		
	2.23	P 091		

KFA	IDP Number	Project Number	Projects & Programmes	Total
	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
	2.28	P 096	Makana : Environmental Management Plan	1
Conservation and Environmental Management	2.29	P 097	Makana : Implement alien eradication programme (greater Makana)	10
	2.30		Makana : Open Space Management Strategy	0.5
	2.29	P 097	Makana: Implement alien eradication programme (greater Makana)	10
	2.30		Makana: Open Space Management Strategy	0.5

3. LOCAL ECONOMIC DEVELOPMENT AND PLANNING

KFA	IDP Number	Project Number	Projects & Programmes	Total
LED	3.1	0.98	Makana feasibility study and establishment of creative city art and performance display areas	1
	3.2	0.99	Revise tourism and LED strategy	1
	3.3	100	Makanaskop: Development and finalization of interpretation centre	25
	3.4			
	3.5	101	Fort Brown: Business Node development	2
	3.6	102	Soccer City: feasibility and provision of hawker stalls	2
	3.7	103	Egazini Memorial Site: upgrade and refurbishment, including security and office facilities	1.2
	3.8	P 104	Grey Dam: Tourism development and facilities	25
	3.9	P 105	Makana : Development urban small scale community gardens	2
	3.10	P 106	Makana : Commonage Management Plan	0.5

KFA	IDP Number	Project Number	Projects & Programmes	Total
	3.11	P 107	Alicedale / Riebeeck East: Development and upgrading of community farming areas (including infrastructure)	2
	3.12	P 108	East Commonage: Feasibility study and possible development for agriculture cooperatives	1
	3.13		Thorn Park Agricultural Initiative	
	3.14	P 109	Development and upgrade (including infrastructure)	20
Rural	3.15			
Development	3.16	P110	Makana: Area Based Plan and Land Reform Strategy	1
Land Management	3.17	P111	Makana: Conduct a land audit,	1
	3.18		land disposal Policy	
			Land Invision Policy	
	3.19	P112	Makhanda Provide Land for Social Housing	
	3.20	P113	and sites for affordable sites	

KFA	IDP Number	Project Number	Projects & Programmes	Total
Planning	3.21			
	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			
	3.26	P 116	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 (Planning Office)	tbd
	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

KFA	IDP Number	Project Number	Projects & Programmes	Total
	3.33	P 123	Makhanda: Identify and implement Land Release Strategy for priority areas	0.5
	3.34	P 124	Makhanda: Small Town Regeneration	3
	3.35	P125	Master Plans (Makhanda, Alicedale, Riebeeck East)	
	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	
	3.5	101	Fort Brown: Business Node development	2
	3.6	102	Soccer City: feasibility and provision of hawker stalls	2
	3.7	103	Egazini Memorial Site: upgrade and refurbishment, including security and office facilities	1.2
	3.8	P 104	Grey Dam : Tourism development and facilities	25

KFA	IDP Number	Project Number	Projects & Programmes	Total
	3.5	101	Fort Brown: Business development	2
	3.6	102	Soccer City: feasibility and provision of hawker stalls	2
	3.7	103	Egazini Memorial Site: upgrade and refurbishment, including security and office facilities	1.2
	3.8	P 104	Grey Dam : Tourism development and facilities	25

INSTITUTIONAL CAPACITY AND ORGANISATIONAL DEVELOPMENT

Category	IDP Number	Number	Projects & Programmes	Total Project
	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	

Category	IDP Number	Number	Projects & Programmes	Total Project
	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 wellness 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 Standard 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 Filings System	

Category	IDP Number	Number	Projects & Programmes	Total Project
	4.17	P 145	Makana: Establishment of offsite storage facility for backup	
	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 will deal maintenance of Municipal Building and offices	

Financial Viability and Management

Category	Number	Project Number	Projects & Programmes	Total Project
	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 tariffs are levied on each property	
	4.25	P 151	Makana: Revenue	

Category	Number	Project Number	Projects & Programmes	Total Project
			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)	

Category	Number	Project Number	Projects & Programmes	Total Project
	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
	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 bylaw	
	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)	

Category	Number	Project Number	Projects & Programmes	Total Project
	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 B: INFRASTRUCTURE CAPITAL PLAN(ICP) 2018-2024 Need to Update

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.		2020/21	2021/22	2022/23		2023/24
	Current projects				2019/20					
	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	-	-	-	-	-	-

	Mayfield waste water treatment works	RBIG	SANITATION	100 000 000	-	-	-	30 000 000	
		SUB-TOTAL			67 000 000	78 000 000	000 000 99		
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 21				
					0.00				

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 6m ³ 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.			
	Howisonspoor, settlers security, & lights	COGTA/DWS	WATER			1 500 000	

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.		22 767	48 114	
		SUB		39 913 614	1 198 800	733	000	262.50
		TOTAL						
	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
	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	

TYPE	PROGRAMME & PROJECTS	SOURCE	PRIORITY	PLANNING COST EST.	APPROVED BUDGET (ZAR): CURRENT	5- YEAR INFRASTRUCTURE CAPITAL PLAN				
						3- YEAR CAPITAL PLAN	2- OUTER YEARS			
Upgrading of electricity infrastructure										
Refurbishment of high mast light	MIG			1 200 000.00	-	1 200 000				
PROJECT										
Refurbishment of street lights	MIG			950 000.00	-	950 000				
				SUB-TOTAL		19 000 000	28 150 000	16 000 000	6 000 000	6 000 000
				TOTALS		41 845 733	76 330 000	45 690 262	6 000 000	6 000 000
				15% VAT		6 276 859.95	11 449 500	6 853 539.38	900 000	900 000
TOTAL FUNDING REQUIREMENT S (5-YEAR) PLAN				GRAND TOTAL		48 122 592.95	87 779 500	52 543 801.88	6 900 000	6 900 000

ANNEXTURE C: DRAFT SDBIP

DRAFT TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) 2025-26 FINANCIAL YEAR							
Predetermined Objective (IDP) 2022-2027	Ref	Projects/Programme	Performance Indicator	Indicator owner	Baseline	Budget	Annual Target
KPA ONE(1): BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT (BSI)							
Provision of water, sanitation and electricity service to all Makana Municipality communities	BSI 1.1	Replacement of Ageing Asbestos pipes in Makhanda Phase 3A	Replacement of ageing asbestos pipes in Phase 3 A) Makhanda)	Director: Engineering and Infrastructural Services			
Upgrading, refurbishment and secure of Bulk Infrastructure development	BSI 1.2	Refurbishment of Waainek Water Treatment Works	Refurbishment Waainek WT W refurbishment (Cathodic)	Director: Engineering and Infrastructural Services			
Provision of water, sanitation and electricity service to all Makana Municipality communities	BSI 1.3	Water Conservation and Demand	Installation of new household smart water meters AREA	Director: Engineering and Infrastructural Services			
Provision of water, sanitation and electricity service to all Makana Municipality communities	BSI 1.4	Belmot Valley Wastewater Treatment Works Phase 1	Refurbishment of Belmot Valley Wastewater Treatment Works	Director: Engineering and Infrastructural Services			
To provide safe & sustainable roads network	BSI 1.5	Upgrading of Makana Way Phase(1) 2 km	Paving of 2 Km of surfaced municipal road in Makhanda	Director: Engineering and Infrastructural Services			

DRAFT TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN(SDBIP) 2025-26 FINANCIAL YEAR							
Pre-determined Objective (DP) 2022-2027	Ref	Projects/Programme	Performance Indicator	Indicator owner	Baseline	Budget	Annual Target
Provision of a safe, healthy, and secure living environment	BSI 1.6	Upgrade of Sports Facilities in Oval Stadium, Lavendar Valley Makhanda.(MIG)	Percentage of Oval Stadium, Lavendar Valley refurbishment completed	Director: Engineering and Infrastructural Services			
Ensure equitable access to housing development	BSI 1.7	Upgrading of informal areas	Construction of 178 RDP Houses in Makhanda East	Director: Engineering and Infrastructural Services			
Provision of water, sanitation and electricity service to all Makana Municipality communities	BSI 1.10	Provision of basic service delivery	Provision of basic service delivery to Makana Residents (NKPI Proxy)	Director: Engineering and Infrastructural Services			
Provision of water, sanitation and electricity service to all Makana Municipality communities	BSI 1.16	Provision of basic service delivery(NKPI Proxy)	Provision of water basic service delivery to Makana Residents	Director: Engineering and Infrastructural Services			
Provision of water, sanitation and electricity service to all Makana Municipality communities	BSI 1.27	Access to electricity	Percentage of households with access to electricity	Director: Engineering and Infrastructural Services			

DRAFT TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN(SDBIP) 2025-26 FINANCIAL YEAR						
Predetermined Objective (DP) 2022-2027	Ref	Projects/Programme	Performance Indicator	Indicator owner	Baseline	Budget Annual Target
Provision of water, sanitation and electricity service to all Makana Municipality communities	BSI 1.35	Provision of basic service delivery	Provision of basic service delivery to Makana Residents (NKPI Proxy)	Director: Engineering and Infrastructural Services		
KPA TWO(2): COMMUNITY AND SOCIAL COHESION(CSC)						
Clean and Beautified the City	CSC 2.1	Eradicate and revamp of dumping sites	Report on the number of illegal Dumping eradicated and revamp by 30 June 2024	Director: Public Safety and Community Services		
Provision of a safe, healthy, and secure living environment	CSC 2.3	Roads safety and Environmental-Awarenes programmes	Number of Community awareness programme conducted	Director: Public Safety and Community Services		
Provision of a safe, healthy, and secure living environment	CSC 2.5	Community engagement forums held	Number Community Stakeholder engagement conducted	Director: Public Safety and Community Services		
Clean and Beautified the City	CSC 2.8	Refuse removal services or better	Percentage of households with basic refuse removal services or better	Director: Public Safety and Community Services		

DRAFT TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN(SDBIP) 2025-26 FINANCIAL YEAR

Pre-determined Objective (IDP) 2022-2027	Ref	Projects/Programme	Performance Indicator	Indicator owner	Baseline	Budget	Annual Target
Clean and Beautified the City	CSC 2.9	Refuse removal services or better	Percentage of refuse collection done inline with approved schedule	Director: Public Safety and Community Services			
Enhance Safety and Security initiative	CSC 2.11	Fire and Disaster Management community	Fire and Disaster Management community awareness	Director: Public Safety and Community Services			
Provision of a safe, healthy, and secure living environment	CSC 2.15	Draft Environmental Management Plan	One(1) Environmental Management plan	Director: Public Safety and Community Services			
Provision of a safe, healthy, and secure living environment	CSC 2.16	Development review intergrated Waste Management Plan(IWMP)	One(1) Intergrated Waste Management Plan(IWMP) Review and Approved by the 30th June 2025	Director: Public Safety and Community Services			
KPA THREE (3): LOCAL ECONOMIC DEVELOPMENT AND PLANNING							
Improved stakeholder collaboration to unlock opportunities for economic growth	LED 3.1	Job opportunities EPWP -	Number of work opportunities created through EPWP	Municipal Manager			

DRAFT TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN(SDBIP) 2025-26 FINANCIAL YEAR							
Predetermined Objective (DP) 2022-2027	Ref	Projects/Programme	Performance Indicator	Indicator owner	Baseline	Budget	Annual Target
Improved stakeholder collaboration to unlock opportunities for economic growth	LED 3.2	Job opportunities CWP -	Number of work opportunities created through CWP	Municipal Manager			
Improved stakeholder collaboration to unlock opportunities for economic growth	LED 3.3	Job opportunities infrastructure development investment	Number of work opportunities created through capital infrastructure development investment by the 30 June 2025	Municipal Manager			
Provide SMMEs with access to markets	LED 3.4	SMME trade shows	Number of SMME participating in the National Arts Festival	Director: LED and Planning			
Promoting and enabling environment	LED 3.9	Land use application	Percentage turnaround time for processing of land use applications within 16 months in accordance with SPLUMA	Director: LED and Planning			
To plan, promote investment and facilitate economic growth	LED 3.10	Draft Land Invasion Policy	Approved land invasion Policy by 30 June 2025	Director: LED and Planning			

DRAFT TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN(SDBIP) 2025-26 FINANCIAL YEAR						
Predetermined Objective (DP) 2022-2027	Ref	Projects/Programme	Performance Indicator	Indicator owner	Baseline	Budget
						Annual Target
Improved stakeholder collaboration to unlock opportunities for economic growth	LED 3.11	Review of the LED Strategy	Approved revised LED Strategy by 30 June 2025	Director: LED and Planning		
Promote stakeholder networks for unlocking opportunities for economic growth	LED 3.10	Establishment LED Forum	Review of LED Forum by Council 30 June 2025	Director: LED and Planning		
To plan, promote investment and facilitate economic growth	LED 3.11	Review of Spatial Development Framework	Review of Spatial development Framework by 30 June 2025	Director: LED and Planning		
KPA FOUR(4) INSTITUTIONAL CAPACITY AND ORGANISATIONAL DEVELOPMENT (ICOD)						
Effective Management of Organisational Design and policy development	ICOD 4.1	Annual Review of Organisational Structure	Number of reviewed organisational structures approved by council".	Director: Corporate and Shared Services		
Effective Management of Organisational Design and policy development	ICOD 4.2	Implementation of Job Evaluation Outcome	Report - Number of positions adjusted in line with JE outcome.	Director: Corporate and Shared Services		

DRAFT TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) 2025-26 FINANCIAL YEAR							
Pre-determined Objective (DP) 2022-2027	Ref	Projects/Programme	Performance Indicator	Indicator owner	Baseline	Budget	Annual Target
Ensure efficient and effective organisational support by a competent and skilled workforce	ICOD 4.3	Staff vacancy rate	Percentage reduction of vacancy rate	Director: Corporate and Shared Services			
Ensure efficient and effective organisational support by a competent and skilled workforce	ICOD 4.9	Human Resources Plan	Review of Human Resources Plan by 30th June	Director: Corporate and Shared Services			
Ensure efficient and effective organisational support by a competent and skilled workforce	ICOD 4.10	Employees Wellness Programmes	Number of employees wellness programmes facilitated	Director: Corporate and Shared Services			
Ensure efficient and effective organisational support by a competent and skilled workforce	ICOD 4.11	Overtime Management	Reduction of overtime expenditure on month to month	Director: Corporate and Shared Services			
Effective Management of Organisational Design and policy development	ICOD 4.16	Review of Human Resources Policies	Percentage number of Human Resources policies review inline with Policy register	Director: Corporate and Shared Services	8	Operational: Municipal Running Cost	100%
To create an efficient, effective and accountable administration	ICOD 4.19	Fleet Mangement	Percentage of Municipal Vehicle that are functional	Director: Corporate and Shared Services			

KPA FIVE (5) : FINANCIAL VIABILITY AND MANAGEMENT (FVM)

DRAFT TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN(SDBIP) 2025-26 FINANCIAL YEAR

Predetermined Objective (DP) 2022-2027	Ref	Projects/Programme	Performance Indicator	Indicator owner	Baseline	Budget	Annual Target
Ensure sound financial sustainability and adhere to statutory prescriptions	FVM 5.1	Debt & revenue management collection	Total Annual Operating Budget revenue raised/collected by 30 June	Chief Financial Officer			
Ensure sound financial sustainability and adhere to statutory prescriptions	FVM 5.2	Capital Budget	Actual expenditure on the approved Capital Budget for the Municipality by 30 June (NKPI - MFMA, Reg. S10(c))	Chief Financial Officer			
Ensure sound financial sustainability and adhere to statutory prescriptions	FVM 5.7	Debtor Payment Ratio	Ratio in respect of Debtor Payment Days)	Chief Financial Officer			
Ensure sound financial sustainability and adhere to statutory prescriptions	FVM 5.8	Csh coverage ration	Financial viability measured in terms of the available cash to cover fixed operating expenditure (NKPI Proxy - MFMA, Reg. S10(g)(iii))	Chief Financial Officer			

DRAFT TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN(SDBIP) 2025-26 FINANCIAL YEAR							
Predetermined Objective (DP) 2022-2027	Ref	Projects/Programme	Performance Indicator	Indicator owner	Baseline	Budget	Annual Target
Ensure sound financial sustainability and adhere to statutory prescriptions	FVM 5.11	Free basic Service(Indigent relief)	Percentage of the municipality's operating budget spent on indigent relief for free basic services	Chief Financial Officer			
Ensure sound financial sustainability and adhere to statutory prescriptions	FVM 5.12	Reduce unauthorised expenditure	Percentage reduction in the unauthorised expenditure"	Chief Financial Officer			
Ensure sound financial sustainability and adhere to statutory prescriptions	GGP 6.1	Expenditure Management	Percentage of Payments of creditor within 30 days	Chief Financial Officer			
KPA SIX (6): GOOD GOVERNANCE AND PUBLIC PARTICIPATION							
Enhance public participation and stakeholder engagement	GGP 6.1	IDP/Budget and PMS Intergrated Proces Plan	Approved IDP/ Budget and PMS Process Plan by 31 August 2024	Municipal Manager			
Enhance public participation and stakeholder engagement	GGP 6.2	Stakholder Consultation	Number Stakeholder consultation convened	Municipal Manager			
Improve organisational culture to enhance productivity	GGP 6.5	Top Level Service Delivery Budget and Implementation Plan	Approved Top level Service Delivery Budget Implementation Plan(TL SDBIP) by 28 June 2025	Municipal Manager			

DRAFT TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN(SDBIP) 2025-26 FINANCIAL YEAR							
Pre-determined Objective (IDP) 2022-2027	Ref	Projects/Programme	Performance Indicator	Indicator owner	Baseline	Budget	Annual Target
Improve organisational culture to enhance productivity	GGP 6.6	Directorate Level Service Delivery Budget Implementation Plan	Approved Directorate level Service Delivery Budget Implementation Plan(DL SDBIP) by 26 July 2024	Municipal Manager -All Directorates			
Monitoring Evaluate institutional Service Delivery	GGP 6.7	Monitoring and Evaluation	Percentage of TopLayer KPI Achieved	Municipal Manager			
To create an efficient, effective and accountable administration	GGP 6.9	Improve customer care	Percentage of complaints received and responded within 7 days	Municipal Manager			
Ensure good governance and compliance	GGP 6.11	Improve Audit Outcomes	Qualified audit opinion	Municipal Manager			
Ensure good governance and compliance	GGP 6.12	Improve Audit Outcomes	Percentage of Audit findings resolved quarterly inline with audit action plan milestones.	Municipal Manager			
Ensure good governance and compliance	GGP 6.14	Risk Based Audit Plan(RBAP)	Development: Risk Based Audit Plan(RBAP) by 30 June 2025	Municipal Manager			

DRAFT TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN(SDBIP) 2025-26 FINANCIAL YEAR							
Predetermined Objective (IDP) 2022-2027	Ref	Projects/Programme	Performance Indicator	Indicator owner	Baseline	Budget	Annual Target
Ensure good governance and compliance	GGP 6.15	Risk Based Audit Plan(RBAP)	Percentage of Risk Based Audit Plan (RBAP) implemented quarterly	Municipal Manager			
Ensure good governance and compliance	GGP 6.19	Institutional Strategic risk assessment	Conduct annual strategic risk assessment	Municipal Manager			
Ensure good governance and compliance	GGP 6.21	Implementation of Risk Mitigation	Percentage of risk mitigation implemented quarterly	Municipal Manager			
Ensure good governance and compliance	GGP 6.25	MFMA Compliance	Compliance to MFMA Requirements	Municipal Manager			
Ensure sound financial sustainability and adhere to statutory prescriptions	GGP 6.32	Financial Recovery Plan(FRP)	Percentage(FRP) milestone achieved quarterly	Municipal Manager			
To provide a reliable and effective ICT system	GGP 6.34	Effective Implementation of ICT Governance Framework	Percentage of ICT implementation plan is achieved	Municipal Manager			

DRAFT TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN(SDBIP) 2025-26 FINANCIAL YEAR

Pre-determined Objective (IDP) 2022-2027	Ref	Projects/Programme	Performance Indicator	Indicator owner	Baseline	Budget	Annual Target
Enhance public participation and stakeholder engagement	GGP 6.36	IDP/Budget Review Public Participation annually	Covene Mayoral Imbizo and IDP-Budget Roads Shows on or before end of March annually	Municipal Manager			
Ensure good corporate governance and public participation	GGP 6.38	Enhance Ward Committee function	Percentage of ward committees that are functional: (meet four times a year, are quorate, and have an action plan)	Municipal Manager			
Enhance administration and Council oversight	GGP 6.40	Council and Committees	100% Implementation of Council resolution	Director: Corporate and Shared Services			
Main streaming of HIV and AIDS across Municipality	GGP 6.51	Implementation of HIV/AIDS Strategy	Resacitate of Local HIV/AIDS Council	Municipal Manager			
Ensure good governance and compliance	GGP 6.53	Improve Media and communication	Number of Municipal Newsletters issued Quarterly	Municipal Manager			

ANNEXTUE D: REVISED WARD DEVELOPMENT PRIORITIES:

WARD 1: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 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 Riebeeck 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

WARD 2: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE				
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 Servicers	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
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WARD 3: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE				
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 Overhead 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

WARD 3: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
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 Phumiani 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

WARD 3: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE			
NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT
			Dev priority
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

WARD 4 : DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE			
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
2.	Painting of roads marks to improve safety	Road Maintenance	Municipality DEIS
3.	High level of crime and Drug abuse	Social Services	Municipality: Public Safety & Community Services, Dept. Social Development and SAPS
4.	Deterioration of the electrical distribution network	Electricity maintenance	Municipality: DEIS
5.	Repair and maintenance of Streetlights	Electricity maintenance	Municipality DEIS
6.	Repair and maintenance of community halls: Crown and Recreation Halls	Building Maintenance	Municipality: DEIS
7	Rectification and provision of new RDP Houses	Fire and Rescue Service	Municipality: Public Safety & Community Servicers
			0.1
			0.1
			0.2
			0.1
			0.1
			0.1
			0.2

WARD 4 : DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE			
NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT
			Dev priority
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

WARD 4 : DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE			
NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT
			Dev priority
15.	Repair and maintenance of building and fleet	Building and Fleet maintenance	Municipality: DEIS, BTO and Corporate Services
16.	No Billing and meter reading in Mayfield	Financial Management	Municipality: BTO

WARD 5: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE			
NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT
			Dev priority
1.	Water outages	Water Services	Municipality DEIS
2.	Provision of new RDP Houses	Housing Development	Municipality: LED and Planning
3.	Paving of streets in July Street, taxi routes	Road Maintenance	Municipality DEIS
4.	Lack of maintenance of cemeteries	Environmental Management	Municipality: Public Safety & Community Services
5.	Lack of Recreational facilities	Recreational Facilities	Municipality: Public Safety & Community Services
6.	Illegal dumping	Environmental Management	Municipality: Public Safety & Community Services

WARD 5: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE			
NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT
			Dev priority
7.	2010 Sanitation project never completed; transit camp toilets not connected	Water and Sanitation	Municipality: DEIS
8.	Support to SMME's and food security initiatives	Economic Development Initiatives	Municipality: LED
9.	The community hall is sinking and ramps for disabled posing a risk	Building Maintenance	Municipality: DEIS
10.	Use community hall as multipurpose centre i.e., community projects	Recreational Facilities	Municipality: Public Safety & Community Services
11.	Upgrading, maintenance gravel roads and paving for main roads	Road Maintenance	Municipality: DEIS
12.	Feedback to the community on development interventions	Stakeholder Communication	Municipality: Office of the MM
13.	Outstanding ward committee election	Community Participation	Municipality: Office of the Speaker
14.	Clearing of water streams next to Community Hall	Environmental Management	Municipality: Public Safety & Community Services
15.	769 – sewer spillage inside the yard in transit camp	Water and Sanitation	Municipality: DEIS
16.	No meter readings done.	Financial Management	Municipality: BTO

WARD 5: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE			
NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT
			Dev priority
17.	No billing and estate late debts increasing	Financial Management	Municipality: BTO
18.	Communal tap water and Installation JoJo Tanks for Households.	Water Services	Municipality: DEIS
19.	Road's upgrade and maintenance	Road Maintenance	Municipality: DEIS
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
21.	Need assistance in fencing for garden in Transit Camps	Commonage Management	Municipality: Public Safety & Community Services
22.	Provision refuse collection bags	Environmental Management	Municipality: Public Safety & Community Services

WARD 6: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE			
NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT
			Dev priority
1.	Water Outages	Water Services	Municipality DEIS
2.	VIP Toilets not lined	Water and Sanitation	Municipality DEIS

WARD 6: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE			
NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT
			Dev priority
3.	Bucket system eradication	Water and Sanitation	Municipality DEIS
4.	Eradication of the 8 illegal dumping sites	Environmental Management	Municipality: Public Safety & Community Services
5.	Provision High masts	Electrical Services	Municipality DEIS
6.	Construction of speed humps needed near Church Street	Road Maintenance	Municipality: DEIS
7.	Paving of main and access roads	Road Maintenance	Municipality: DEIS
8.	Repair and maintenance of Roads	Road Maintenance	Municipality: DEIS
9.	Maintenance of Storm water drainage	Water Services	Municipality: DEIS
10.	Control of Illegal Dumping, provision of refuse bags and access to waste disposal facility	Environmental Management	Municipality: Public Safety & Community Services

WARD 7: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE				
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 tere 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

WARD 7: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE			
NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT
			Dev priority
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 Sewer and water spillages	Wastewater Management	Municipality: DEIS 0.1

WARD 7: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE				
NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
15.	Upgrade of infill areas	Housing Development	Municipality: LED and Planning	0.3

WARD 8: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE				
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

WARD 8: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
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: Safety & Services Public Community	0.2
9.	4 public toilets in the CBD	Public Amenities	Municipality: Public Safety and 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

WARD 8: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
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

WARD 8: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE				
NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
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

WARD 9: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE				
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

WARD 9: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
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
11.	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

WARD 9: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE				
NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
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	Planning and Development	Municipality: LED and Planning	0.3

WARD 9: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
	educational and business purposes			
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

WARD 10: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE

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

WARD 10: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
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	0.2

WARD 10: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE				
NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
			Services	

WARD 11: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE				
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 Servicers	0.2
6.	Sport fields needed	Recreational Facilities	Municipality: Public Safety & Community	0.2

WARD 11: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
			Services	
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

WARD 12: DEVELOPMENT OF PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE				
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

WARD 13: DEVELOPMENT OF PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE				
NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
1.	Water outages	Water Services	Municipality DEIS	0.1

WARD 13: DEVELOPMENT OF PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
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

WARD 13: DEVELOPMENT OF PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
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

WARD 13: DEVELOPMENT OF PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
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 Farmers	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 built 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

WARD 14: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE

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 Makhanda	Road Maintenance	Municipality: DEIS	0.1
6.	Skills development centre	Youth Empowerment	Municipality: SPU	0.5
7.	SMME Development	Economic 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

WARD 14: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE

NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
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

WARD 14: DEVELOPMENT PRIORITIES & CRITICAL ISSUES IDENTIFIED DURING 2025/26 UPDATE				
NO	DESCRIPTION OF ISSUE	KEY FOCUS AREAS	RESPONSIBLE AGENT	Dev priority
17.	Electrification of informal settlement and installation of High mast lights	Electricity Distribution	Municipality: DEIS	0.1
18.	Hole at Songwiji street that required urgent attention	Roads and Stormwater	Municipality: DEIS	0.1

ANNEXTURE E: EXTERNAL STAKEHOLDER REGISTER

1. DEPARTMENT OF FORESTRY, FISHERIES AND ENVIRONMENT

BRANCH/ PROVINCE/ ENTITY	PROJECT NAME	PROJECT DESCRIPTION	STATUS	LOCATION	BUDGET
Working for waste DFFE-EP	Greening and cleaning project	Municipal clearing and greening	Planning	All LM's	R1 800 000.00 per LM

2. DEPARTMENT OF SMALL BUSINESS DEVELOPMENT:

PROJECT	PROJECT DESCRIPTION	LOCATION/ TARGETED AREA	TIME FRAMES	BUDGET
Incubation and Digital hubs	Business and technology incubation centres that offer enterprises business and management skills, support and platforms for a minimum of 3 years. It targets start-ups that require hand holding as they start their journey in business	Targeted beneficiaries 2	Not indicated	Not indicated

3. Department of Agriculture, Land Reform and Rural Development

Project Name	Project Type (Description)	Project Status	Time Frame/ duration	Total Project Cost
Salem	Restitution development. Production inputs, machinery and infrastructure	Planning	Not indicated	R4 786,824.43
Yandella	ALHA 1HH1HA project. Supply and delivery of fencing material	Busy with specifications	Not indicated	R150 000
Yarrow	ALHA 1HH1HA project. Supply and delivery of fencing material	Implementation	Not indicated	R500 000.00
Yarrow	Land acquisition and distribution to farm dwellers and / or labour tenants	Implementation	Not indicated	R33 000.00

Kamva Lethu	Land acquisition and distribution to farm dwellers and / or labour tenants	Implementation	Not indicated	R16 770.00
Masibambane	Land acquisition and distribution to farm dwellers and / or labour tenants	Implementation	Not indicated	R16 770.00
75 CPA's supported to be compliant	Communal property association supported to be compliant with the act	Not indicated	Not indicated	Not indicated

4. DEPARTMENT OF HIGHER EDUCATION AND TRAINING

Projects	Project Description	Location/ Targeted Area	Time Frame	Budget
NIHSS	Rhodes University	Makhanda	Not indicated	R554,819,183.47

5. DEPARTMENT OF WATER AND SANITATION

Project Code	Project Name	Location/ Targeted area	Total Project Budget (R'M)					
			Schedule 5, Part B		Schedule 6, Part B			
			2021/22	2022/23	2023/24	2021/22	2022/23	2023/24
RS42	James Kleinhans Bulk Water Supply (BWS)	Makana Local Municipality	-	-	-	R10 000	R10 000	R10 000
RS46	Belmont Valey Waste Treatment Works(WWTW)	Makana Local Municipality	-	-	-	R80 000	R15 743	R26 743
RS64	Makana Bulk Sewer	Makana Local Municipality	-	-	-	-	-	-
RS47	Mayfield Wastewater Treatment Works	Makana Local Municipality	-	-	-	-	-	-

RS42	James Kleinhans Bulk Water Supply (BWS)	Makana Local Municipality	-	-	R10 000	R15 000	1000
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6. ESKOM

PROJECT NAME	MUNICIPALITY	DISTRICT COUNCIL	PROVINCE	PROJECT TYPE	DMRE TOTAL planned CAPEX excl 15% VAT 2024/24	DMRE TOTAL planned CAPEX incl 15% VAT 2024/24	Addition al 100M	Incl R100M Planned CAPEX excl. VAT	Incl R100M Planned CAPEX incl. VAT
Farm Dweller Houses	EC104 Makana	DC10 Sarah Baartman	Eastern Cape	FDH	R	R	R	R	R
Makana Rural Extensions	EC104 Makana	DC10 Sarah Baartman	Eastern Cape	Households	R-	R-	R-	R-	R-
Makana Type1 infill	EC104 Makana	DC10 Sarah Baartman	Eastern Cape	Infills	R210 000	R241 500	R-	R210 000	R241 500

7. SOUTH AFRICAN POLICE SERVICE

Project	Project Description	Name of Local Municipality(s)	Project Status	Time Frames	Total Budget
SAPS Grahamstown	Upgrading of Grahamstown Police Station	Makana Local Municipality	Started July 2021 (Building Phase) Completion date end May 2023	24 months	54 Million
SAPS Grahamstown	Upgrading of Married Quarters	Makana Local Municipality	Started October 2020(Building phase) Completion date end May 2023	12 months	24 Million

8. DEPARTMENT OF COMMUNITY SAFETY

Institution	Strategic Focus	Transformation area	Project Name	Sector	Project Description	Location	Project Value	Funding (Budgeted for/ Not)	Project duration	Implementation Partners
DOC &SAPS	Increase social cohesion and safer communities	Community mobilization against crime	Community safety forum	Safety and security	Facilitate functional community safety forums, CPF street/ Village Communities	Police stations in Sarah Baartman District	R400 000	Budgeted	5 years	Municipalities, all government departments, NGO's, CBO's, Traditional Councils
DOC	Crating the conducive environment for teaching and learning	Safety interventions at schools	School safety programmes	Safety and security	Deployment of safety patrollers	Targeting schools vulnerable to criminal activities and in poverty stricken areas	1.53	Budgeted	5 years	Schools, CPF's and Police Stations

Multilateral collaboration in the fight against GBVF	Community mobilisation against crime	Implementation of National Gender Based Violence Strategy	Community mobilisation against crime	Safety and security	Focusing on relevant challenges such as stock theft, GBV through integrated intervention	All the 38 Police stations within the Sarah Baartman District	R330 000	Budgeted	5 years	Municipality all government departments, NGO's, CBO's
Increased social cohesion and safer communities	Enhancing accountability and transparency within the SAPS	Public participation and seeking the voice of the community	Policing accountability engagement	Safety and security	Holding members of the SAPS and Metro Police accountable to community participation sessions	All the 38 Police Stations within the Sarah Baartman District	R300 000	Budgeted	5 years	JCPS partners, NPA, Correctional Services, Social Development, SAPF, CPF, Justice
Integrated and effective criminal justice system	Functional justice, crime prevention and security	It's focus is on rape and gender based violence cases	Court watching brief	Safety and security	Oversight over SAPS of inefficiencies in terms of GBV and other priorities that were struck out of the roll cases	Grahamstown Magistrate and Regional courts	NCI	Budget	5years	NPA, SAPS, Justice

9. ECONOMIC DEVELOPMENT, ENVIRONMENTAL AFFAIRS AND TOURISM

Areas of Intervention	Project Description	Budget Allocation	District Municipality	Five Year Planning Period		
				Location, coordinates GPS	Project leader	Social Partner
SMME Development	Financial Literacy	R6 million	JG, CH, SB		ECDC	SEDA/LM/SETA's/ The dtic
	EC Youth Entrepreneurship award	R52,5 million	6 districts and 2 Metro's		DEDEAT/ ECDC/ Enterprise Development	SAICA
Provincial Economic Stimulus Fund	EC Provincial Economic Stimulus Fund Catalytic projects and programmes to stimulate economic growth and transformation	R195 000 000	Province wide: Buffalo City Metro Municipality, Nelson Mandela Metropolitan Municipality, Sarah Baartman District Municipality, Amathole District Municipality, Enoch Mgijima Local Municipality, Walter Sisulu Local Municipality, Elundini Local	-	DEDEAT	Treasury

Environmental Awards	Environmental Awards	R1 418m	Municipality, Blue Crane Route LM, O.R. Tambo District Municipality	Province wide	-	Programme3	Department of Basic Education; Department of environment, forestry and fisheries; WESSA; Municipalities; Department of Rural Development and Agrarian Reform
	Greenest municipality competition	R1m		Province wide	-	Programme3	6x district municipalities

10 DEPARTMENT OF EDUCATION

Strategic focus	Transformation	Project name	Project Description	Municipality	Project Value	Funding Budgeted for/ Not	Start Date	End Date
Replacement school	Social	Grahamstown Primary School	Classroom units, grade R classroom block, admin unit, nutrition centre,	Sarah Baartman District Municipality	58,512,000	EIG	Apr 16	Mar 24

Additional Classes	Social	Riebeeck East		kitchen, dining, ablution facilities, refuse room, sill water tower and water tank, renovation to existing heritage building, demolition of 2x ablution blocks, removal of prefab classes, site works	Sarah Baartman District	3,761,185	EIG						
Disaster	Social	Nombulelo Secondary School		Ablutions	Sarah Baartman District	2,258,892	EIG			Dec 21			Mar 24
Fencing	Social	D.D. Siwisa Primary School		Fencing and gates (2x pedestrian, 2x double swing, 1x double slide)	Sarah Baartman District	1,996,809				Aug 22			May 23
Water and sanitation	Social	Fort Brown Primary School		Construction of 4x blocks for boys, staff, girls and Grade R	Sarah Baartman District	1,319,569	EIG			Mar 15			Sept 20

Non Infrastructure										
Additional classrooms	Social	Hendrik Kanise Combined School	including disabled and walk way to the nearest class rooms	Whole EC	87,213,480					Mar 26
			GIAMA Condition Assessment							Apr 19
			4 new administration spaces; 15 refurbishment of administration spaces; new electricity infrastructure; 477 metres of new fencing; furniture; 4042 bulk infrastructure	Sarah Baartman	54,077,908	EIG				Mar 11
Grade R	Social	CM Velem Junior Secondary school	New electrical infrastructure; 105 metres of new fencing ; 811 bulk infrastructure; 11 new toilets; 3 new teaching spaces; 4 new water infrastructure	Sarah Baartman	14,718,097	EIG				Mar 23
										Mar 15

Grade R	Social	NV Cewu Public Primary School	New electrical infrastructure ; 50 metres of new fencing; 565 bulk infrastructure; 3 new teaching spaces; 2 new water infrastructure	Sarah Baartman	11,045,822	EIG	Mar 15	Sept 21
Grade R	Social	Samuel Ntlebi Primary school	New electrical infrastructure; 72 metres of new fencing; 606 bulk infrastructures; 11 new toilets; 3 new teaching spaces; 4 new water infrastructure	Sarah Baartman	10,824,615	EIG	Mar 13	Sept 21

11. DEPARTMENT OF HEALTH

WORK STREAMS	PROJECT NAME	SCOPE	FINAL BUDGET (2022/23)	FINAL BUDGET (2023/24)	FINAL BUDGET (2024/25)	DISTRICT	LATITUDE	LONGITUDE	PROJECT LEADER
Electrification and water connections	Electrification and water connections Sarah Baartman	Refurbishment of solar installations, new grid connections/ conversions. Waste storage, water borne sewage system and associated plumbing	1 724 985	2 874 975	2 024 965	Sarah Baartman	Various facilities	Various facilities	L. Mdingi

12 HUMAN SETTLEMENT

PROJECTS		BUDGET	
8		R813 194 000.00	
Kwa Nomzamo 400	The project's scope of work is divided into 3 distinct phases		
	1. Planning for installation of services	Planning	April 23 – March 27
	2. Installation of services		
3. Construction of houses	R87 400 000.00		

13. DEPARTMENT OF RURAL DEVELOPMENT AND AGRARIAN REFORM

Institution	Strategic focus	Transformation area	Project name	Sector	Project description	Location	Project Value	Funding (Budgeted for/ Not)	Project duration	Implementation partners
DRDAR through ECRDA	Integrated and sustainable rural-urban economic development through increased local beneficiation of Cannabis	Economic positioning: Spatial integration and infrastructure	Cannabis/ Hemp industrialisation programme	Economic	Cannabis industry development focusing on industrial & medicinal applications (as per applicable regulation)	Province wide	600 million	Public Private partnership investment	5 years	Public, DTIC, DSBD, DSI, DALRRD, ECRDA, DEDEAT, DRDAR, Municipal, & State owned Entities, Traditional Authority, Private investors
ECRDA	To increase socio economic impact, levels of beneficiation and income for small scale wool and mohair producers	Economic positioning	Wool and mohair	Economic	Assist farmers and their farms to comply with international responsible wool standards(RMS)to achieve premium prices for the sale of their wool and mohair	Joe Gqabi; Chris Hani; OR Tambo; Amathole & Sarah Baartman District Municipalities	10 million	Public-private partnership investment	5 years	DRDAR; DRDLR; District & Local Municipalities; Cape wool and Mohair; NWGA; Private investors

14. DEPARTMENT OF SOCIAL SERVICES

14.1. PROGRAM 2: SOCIAL WELFARE SERVICES

14.1.1 SUB PROGRAM: PR 2.1 OLD AGE HOMES

MUNICIPALITY	LOCATION	WARD	ORGANISATION	ACTIVITY	SUBSIDISED BENEFICIARIES	EPWP EMPLOY	ALLOCATION		
							2022/23	2023/24	2024/25
Makana	Makana	4	Mc Kaizer Old Age Home	Old Age Home	22	0	528 000.00	528 000.00	528 000.00
Makana	Makana	4	Brookshaw Home	Old Age Home	9	0	216 000.00	216 000.00	216 000.00ss

14.1.2 SUB PROGRAM: PR 2.2 SERVICE CENTRES FOR OLDER PERSONS

MUNICIPALITY	LOCATION	WARD	ORGANISATION	ACTIVITY	SUBSIDISED BENEFICIARIES	EPWP EMPLOY	ALLOCATION		
							2022/23	2023/24	2024/25
Makana	Riebeeck East	1	Riebeeck East	Service centre for Older Persons	37	1	137 929.00	137 929.00	137 929.00
Makana	Makhanda	2	Vezi Danga Service Centre	Service centre for Older Persons	43	1	155 929.00	155 929.00	155 929.00
Makana	Makhanda	4	ACVV Senior Service centre	Service centre for Older Person	42	1	155 929.00	155 929.00	155 929.00
Makana	Makhanda	4	Grahamstown Meals on Wheels	Service centre for Older Person	37	1	137 929.00	137 929.00	137 929.00

Makana	Makhanda	4	Antic Senior Citizens Service Centre	Service centre for Older Person	61	1	209 929.00	209 929.00	209 929.00
Makana	Makhanda	9	Raglan Road Service Centre	Service centre for Older Person	28	1	110 929.00	110 929.00	110 929.00
Makana	Alicedale	14		Service centre for Older Person	45	1	161 929.00	161 929.00	161 929.00

14.1.3 Sub program: PR 2.3 SERVICES TO PEOPLE WITH DISABILITIES

MUNICIPALITY	LOCATION	WARD	ORGANISATION	ACTIVITY	BENEFICIARIES	EPWP EMPLOY	ALLOCATION		
							2022/23	2023/24	2024/25
Makana	Makhanda	3	Upliving with Disability Movement	Community based rehabilitation centre	0	2	45 200.00	45 200.00	45 200.00
Makana	Grahamstown	3	Association for Physically Disabled	Protective workshop	0	0	232 929.00	232 929	232 929.00

14.1.4 SUB PROGRAM: PR 2.4 HIV AND AIDS

MUNICIPALITY	LOCATION	WARD	ORGANISATION	ACTIVITY	BENEFICIARIES	EPWP EMPLOY	ALLOCATION		
							2022/23	2023/24	2024/25
Makana	Makhanda	5	Jabez Aids Health Centre	Prevention programmes	0	10	290 444.00	290 444.00	290 444.00

14.2 CHILDREN AND FAMILIES
14.2.1 SUB PROGRAM: PR 3.2 CHILD PROTECTION SERVICES

MUNICIPALITY	LOCATION	WARD	ORGANISATION	ACTIVITY	BENEFICIARIES	EPWP EMPLOY	ALLOCATION		
							2022/23	2023/24	2024/25
Makana	Makhanda	3	Child Welfare Grahamstown	Child Protection Services	0	0	1 352 417	1 352 417	1 352 417
Makana	Makhanda	3	St Mary's Day Care Centre	Child Protection Services			232 929 00	232 929 00	232 929 00

14.2.2 SUB PROGRAM: PR 3.2 COMMUNITY BASED CARE FOR CHILDREN

MUNICIPALITY	LOCATION	WARD	ORGANISATION	ACTIVITY	BENEFICIARIES	EPWP EMPLOY	ALLOCATION		
							2022/23	2023/24	2024/25
Makana	Makhanda	3	Aspire Psychosocial and educational support services for vulnerable children	Community based care	0	0	99 336.00	99 336.00	99 336.00

14.2.3 SUB PROGRAM: PR 3.4 FAMILY PRESEVATION

MUNICIPALITY	LOCATION	WARD	ORGANISATION	ACTIVITY	SUBSIDISED BENEFICIARIES	EPWP EMPLOY	ALLOCATION		
							2022/23	2023/24	2024/25
MAKANA	Makhanda	4	FAMSA Grahamstown	Family preservation	1 450	0	350 374.00	350 374.00	350 374.00

14.3 PROGRAM 4: SPECIALISED SOCIAL WELFARE SERVICES

14.3.1 SUB PROGRAM: PR 4.3 VICTIM EMPOWERMENT

MUNICIPALITY	LOCATION	WARD	ORGANISATION	ACTIVITY	BENEFICIARIES	EPWP EMPLOY	ALLOCATION		
							2022/23	2023/24	2024/25
MAKANA	Makhanda	9	Makana Rape Survivor Support Group Safe House	Victim Support	28	3	102 028.00		
MAKANA	Makhanda	9	Makana RSSG Victim Support Group	Victim Support	206	4	111 764.00	111 764.00	111 764.00

14.3.2 SUB PROGRAM: PR 4.4 SUBSTANCE ABUSE

MUNICIPALITY	LOCATION	WARD	ORGANISATION	ACTIVITY	BENEFICIARIES	EPWP EMPLOY	ALLOCATION		
							2022/23	2023/24	2024/25
MAKANA	Makhanda	4	Grahamstown TADA (Teenagers against Drug Abuse)	TADA Programme	0	9	204 337.00	204 337.00	204 337.00

14.4 PROGRAM 5: COMMUNITY DEVELOPMENT AND RESEARCH

14.4.1. SUB PROGRAM: PR 5.4 SUSTAINABLE LIVELIHOOD AND POVERTY REDUCTION

MUNICIPALITY	LOCATION	WARD	ORGANISATION	ACTIVITY	BENEFICIARIES	EPWP EMPLOY	ALLOCATION		
							2022/23	2023/24	2024/25
MAKANA	Makhanda	3	Kungawu Amanda Boilers and Multipurpose Cooperative Ltd	Household food production	7	0	25 000.00	0	0

MAKANA	Makhanda, Vukani	9 + 13	Litha Lethu vegetables and Multipurpose Cooperative Ltd	Household Food Production	10	0	25 000.00	0	0
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14.4.2 SUB PROGRAM: PR 5.6 YOUTH DEVELOPMENT

MUNICIPALITY	LOCATION	WARD	ORGANISATION	ACTIVITY	BENEFICIARIES	EPWP EMPLOY	ALLOCATION		
							2022/23	2023/24	2024 /25
MAKANA	Makhanda	6	Linear Detergent and Multipurpose Cooperative Ltd	Manufacturing of cleaning materials	5		198 000.00	0	0

14.5 OTHER SOCIAL COHESION RELATED PROJECTS

PROJECT	BUDGET R'000	LOCATION	PROJECT LEADER	SOCIAL PARTNERS
Freedom Day	R1000	To be determined	DSRAC	LM's, OTP and ECLEG
Africa Day	R800	To be determined	DSRAC	LM's, OTP and ECLEG
Heritage Day	R1 300	To be determined	DSRAC	LM's, OTP and ECLEG
Day of Reconciliation	R1000	To be determined	DSRAC	LM's, OTP and ECLEG
Human Rights Day	R1 300	To be determined	DSRAC	LM's, OTP and ECLEG
749 Capacitation of Artists in all districts	R4 848	All Districts and Head Offices	DSRAC	CCIFSA, LM's, Guild Theatre, Artists Centres, SEDA, ECDC, DSAC
Arts and Culture festivals (20)	R1 606	All Districts	DSRAC	CCIFSA, LM's, Mdantsane, Gomo Arts Centres, CAC Board, Artists, Choral Music Structure, Fashion Design

National Arts Festival	R130	Sarah Baartman	DSRAC	NAF, CCIFSA, ECDC, Guild, LM's, Guild Theatre, CCIFSA MBTC, art Centres
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15. DEPARTMENT OF TRANSPORT

15.1 TRANSPORT INFRASTRUCTURE PROJECTS – ROADS MAINTENANCE

Municipality	Road Lengths		2023/24			2024/25			Total Maintenance	Gravel Maintenance	Surface Maintenance	Total Maintenance
	Surfaced	Un-Surfaced	Surfaced and Gravel total	Surfaced Maintenance	Gravel Maintenance	Total Maintenance	Gravel Maintenance	Surface Maintenance				
Makana	197,12	1205,53	1402,65	17 128 755,79	4 288 430	21 417 186	16 477 338	5 712 189	18 125 071	22 189 526	6 283 407	24 408 479

16. SANRAL

16.1 MAKANA PROJECTS

PROJECT	DESCRIPTION	BUDGET	PROJECT STAGE
N2 Phase 3: Grahamstown to Fish River Pass	Road improvement project	R350 Million	In tender stage

17. Eastern Cape Parks and Tourism Agency

17.1 Implementation Phase

Project Name	Area	Local Municipality	Funding Source	Project Value
Environmental education, Hall extension and maintenance	Thomas Baines	Makana Municipality	National Lottery	R1 396 802.00

