



# IDP 2022-2027 Review 2024-2025

Adopted 27 March 2024

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## MAYORS FOREWORD

I am honoured to introduce the IDP review for 2024/25. The IDP contains the programmes and targets that Council wishes to obtain in its 5-year term. Communities have expressed their needs through village ward meetings and the development of five-year ward plans.

The implementation and success of the IDP will rely on strong and constant interactive partnerships with sector departments, private business and traditional leaders. The financial viability of the Municipality is dependent on improving the tax base of the Municipality and improving current collection rates. However, the continuing depressed economic climate and the hardships created by the implementation of COVID containment measures have resulted in many households struggling to meet their required financial needs. It is therefore important that municipal services are not only affordable but that they are financially sustainable.

Rising unemployment means that Council's infrastructure and service delivery must be geared towards creating an environment which will assist the economy to grow and flourish.

Cllr V. Stokwe – Mayor





# CHAPTER ONE: ENVIRONMENTAL ANALYSIS

## 1. Spatial Characteristics of the area

### 1.1. Introduction

Senqu Municipality is a Category B Municipality under the Joe Gqabi District Municipality in the Eastern Cape. It borders with the Kingdom of Lesotho in the north, Free State and Walter Sisulu Municipality in the west, Emalahleni and Sakhisizwe Municipalities in the south and Elundini Municipality in the east.

It covers an area of 7329km<sup>2</sup>. with 179 villages and 3 major urban centres viz Lady Grey, Barkly East and Sterkspruit (Senqu HSP 2020) divided into 17 wards. It has 3 minor urban hamlets of Rossouw, Rhodes & Herschel.

The Municipality has a mainly rural population who live in villages. The traditional rural landscape is changing with increased urbanisation and less time and money being spent on a subsistence farming lifestyle. Villages are increasingly growing towards former urban areas such as Sterkspruit and Hershel.

### 1.2. Soil, land, and vegetation types

#### 1.2.1 Vegetation types

Vegetation can be considered as the group of plants forming part of the plant cover of a geographic area. It is apparent that the area is mostly covered in grassland. The SLM area is prominent to have the following vegetation types: 1. Basotho Montano Shrubland 2. Bessernkaree Koppies Grassland 3. The Drakensberg Foothill Moist Grassland 4. Senqu Montana Shrubland 5. Southern Drakensberg Highland Grassland 6. Stormberg Plateau Grassland 7. The Tsomo Grassland 8. Zastron Moist Grassland (SDF,2022:128).

#### 1.2.2. Land cover, usage, and composition

Senqu Municipality has limited land available for intensive agricultural practices due to the poor soils and lack of depth. Total cultivation is 47 319,21 ha with dry land cultivation forming most of the cultivated use in the area. In total the area under cultivation is 47 319.21 ha, out of this dry land under commercial Production is 18 178. 39 ha with commercial irrigated land of 3 866, 57 ha. Semi commercial use i.e., commonages have 25 274,25 ha (Information supplied by the Department of Agriculture). This is why livestock production is the main agricultural activity in the Municipality.

The following can be noted in the SLM in terms of land coverage and its capability; The majority of the municipal area is unimproved grassland (75.6%), with only 6.6% of the area used for cultivation purposes; Approximately 13% of the surface area is classified as degraded which essentially means that it has previously been subjected to poor land use and management practices such as overgrazing or inappropriate cultivation methods. Only 1.1% of the surface area is developed as built areas, including the urban areas of Sterkspruit, Lady Grey and Barkly East, as well as the rural settlements. Senqu has major challenges relating to land invasions of municipal owned or state land. This is due to lack of land being

offered for sale and people being unable to afford land but wishing to be closer to prospective employment and urban amenities in the urban areas of Barkly East and Lady Grey. In the smaller rural hamlets of Rhodes, Rossouw and Herschel people are invading land and building informal settlements to move closer to urban amenities or receive housing with freehold tenure especially farm worker (SDF,2022:126).

A large portion of the arable land in SLM is in the north. The Sterkspruit settlements and other rural settlements in the north have taken advantage of this arable land as we can see a notably high population density in these areas Rossouw also has a notable amount of arable land. (SDF,2022:140).

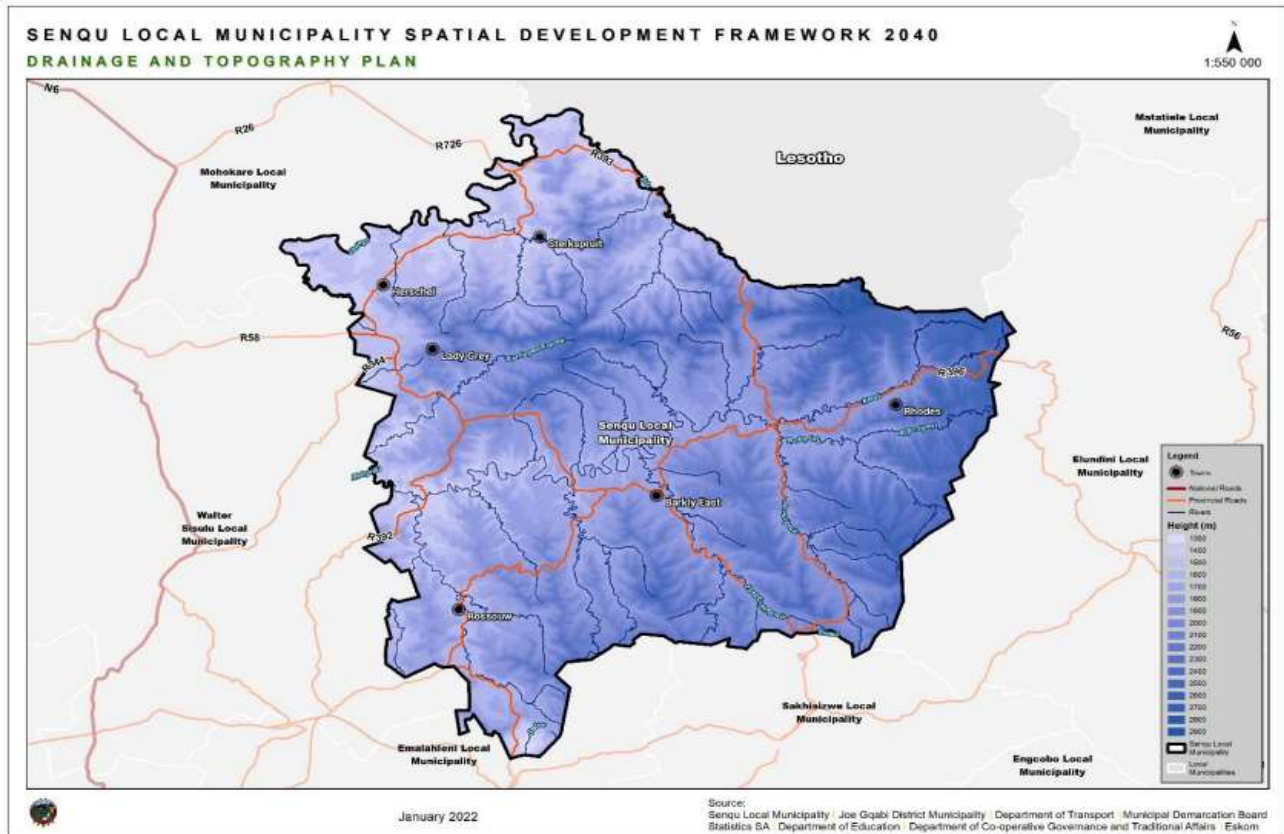
### 1.2.3. Soil, geology, and topography

The Municipality has 3 distinct geology types. These are the Karoo Supergroup, Basaltic lavas of the Drakensberg Group and Beaufort, Molteno, Elliot & Clarens Groups of sandstone & shale (JGDM Environmental Plan,2011). This is due to the topography of the area which is mountainous and part of the Drakensberg. These are some of the oldest geological types in south Africa which explains why the area has such poor soils.

The soils in the Municipality are highly erodible with poor depth. This problem is exasperated by communal grazing, lands not being well maintained or protected under the previous dispensation. The primary cause is the overstocking of livestock and inappropriate grazing methods. The soils improve towards the east in composition and depth (JGDM Environmental plan,2011). Land degradation is a hazard in areas where communities are dependent on their natural environment for a living, especially in densely populated areas, such as the former Homelands. An area with a high population density, where the main land use is classified as subsistence farming, is at risk of environmental degradation.

Activities causing degradation are the greatest threat to grasslands such as overgrazing and inappropriate burning regimes. Land degradation leads to soil erosion and loss in plant cover. Overgrazing results in the depletion of species diversity, which in turn reduces the number of suitable habitats to maintain fauna diversity. Unsuitable agricultural practices, such as increasing irrigation in areas of poor soils and cash crop cultivation in marginal areas is another threat to biodiversity in the Municipality. The greatest threat to wetlands is grazing, trampling and inappropriate fire regimes. In rivers, poor water catchment area management practices are also significant threats. Water from wetlands is relied upon in areas where no additional irrigation is supplied for cultivation (SDF,2022:133).

The Municipality is mountainous with the height above sea level increasing from the west to the east. The highest mountain ranges are found in the east and north. The highest point is Ben MacDhui at 3001m (JGDM Environmental Plan,2011). Slopes are extremely steep – at more than 1:8 which is why erosion caused by rainfall runoff, remains one of the primary environmental concerns in the Municipality (JGDM Environmental Plan,2011).



Source: SDF 2022

### 1.3. Climate

The Municipality has different temperatures ranges throughout its geographical area. The coldest part is in the East, as it is the highest above sea level. The hottest parts are in the plains around Lady Grey. Temperature fluctuations are extreme with variations of between 42°C in summer and - 16°C in winter. In winter, the minimum temperature can vary between 20°C and -7°C. There is an annual average of 150 days of frost (JGDM Environmental Plan,2011), which results in a short and unreliable growing season. Due to the temperature fluctuations, temperature inversions are often seen in winter formed by the smoke of residential fires.

Rainfall varies from between 1000mm to 1400mm of rainfall per annum in the East, to about 600mm in the lower lying Western and Southern areas. Rainfall is highest where the land elevation is high and decreases as the elevation decreases. 500 mm of rain per annum is regarded as the minimum amount of rain required for sustainable crop production. Rainfall tends to come from thunderstorms and in sudden downpours. This results in flash floods and rock debris which blocks roads and bridges. Softer and all-day rainfall does occur, but it is not as common as quick hard downpours.

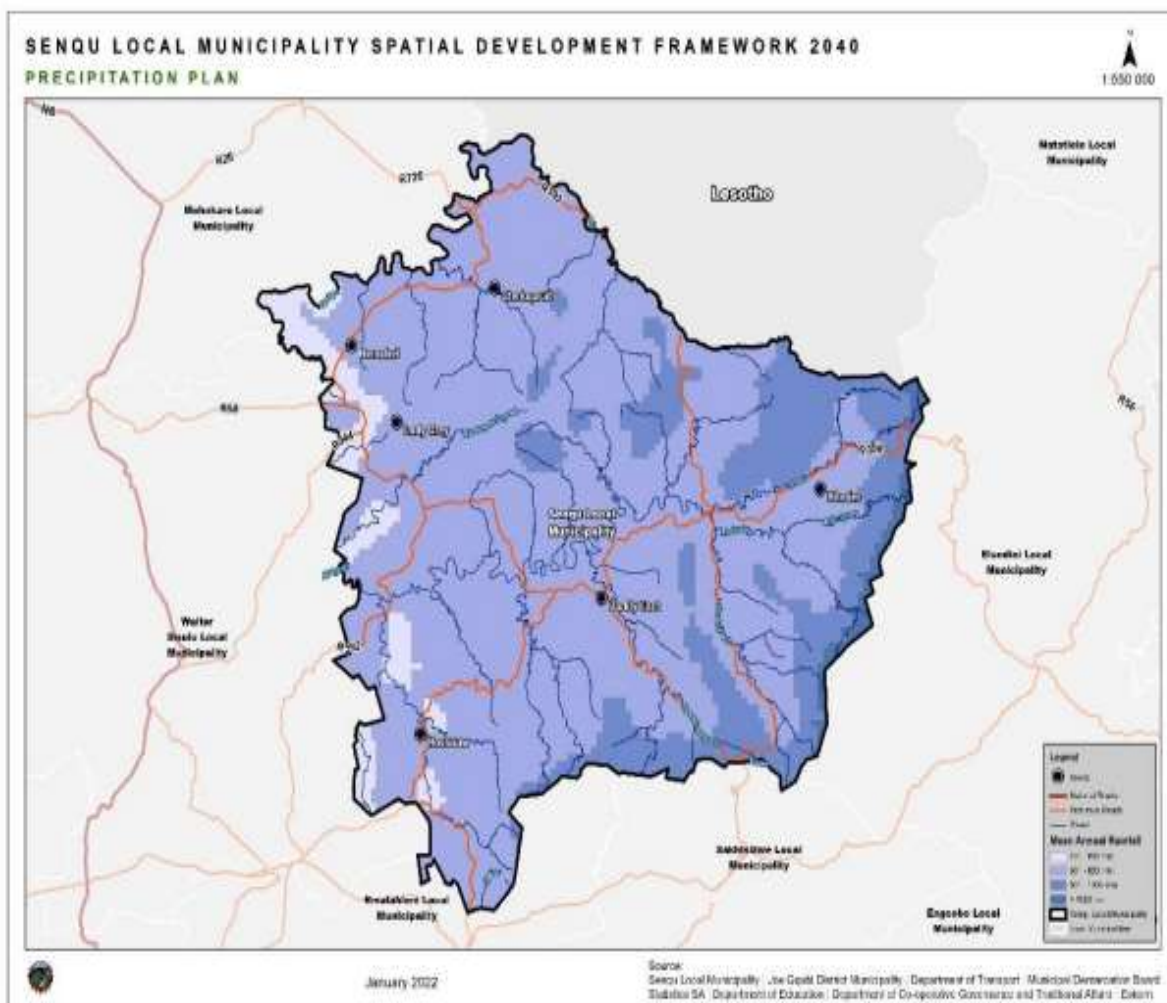
Hailstorms occur due to the mountainous terrain which creates the ideal conditions for the formulation of hail. The area also receives water from the snow that falls in the mountains. If the winter snowfall is insignificant, the Municipality is severely affected by drought in the summer as there are insufficient water storage facilities for towns. This results in the District Municipality having to cart drinking water to communities.

Wind speed is difficult to determine as the area has tended to fall outside traditional measuring areas. A study done in 2017 determined that annual wind speeds are decreasing throughout the country and in the

Municipality. Mean wind speeds are increasing in winter and autumn and decreasing in summer and spring. In the study, the area with the highest mean inter annual variance is Komani which has a similar climate to some parts of the Municipality. (SAJS, 2017:4-6). Wind speed changes rapidly in the mountainous areas with eddies and swirling winds occurring against slope faces. This makes it difficult to control veld fires.

#### 1.4. Water sources

The Municipality falls in the Orange River catchment area. It has 3 major rivers viz the Orange River, Kraai River and Bell River. The Map below indicates the major rivers.



Senqu’s main towns are served from dams such as the Barkly East dam and Lady Grey dam. Lady Grey is also served from 14 boreholes. Sterkspruit is served by Jozana dam. Rhodes and Rossouw draw water from boreholes. The communal areas are serviced with water from perennial rivers such as the Orange and Kraai. Villages and farms also make use of springs. The threat of drought is constant as there is no water source or dam that is large

enough to meet the growing demand for treated potable water. Loadshedding exacerbates the problem as pumps can't function to ensure that water reaches the higher lying areas.

## **2. Environmental Opportunities**

Senqu Municipality has some of the most beautiful scenery in South Africa. It has most of the highest mountain passes in the country. This attracts self-drives by 4 x 4 enthusiasts.

The rugged terrain is utilised for adventure and agricultural tourism such as the K-Way Skyrun in November. Other sports are trail running, hiking, cycling and horse riding. The numerous sandstone outcrops can be utilised for building bricks or paving as is being done at Hershel Sandstone. There is a lot of fine river sand for building purposes, but its usage must be monitored as much illegal sand mining is occurring without permits. Reed grass can be used for thatching and wild rose briars for making rose hip tea.

The high amount of wind and solar energy can be utilised for greener energy alternatives such as wind and solar energy (JGDM Environmental Management Plan, 2011). However, these alternatives require further study and mapping. Currently the ESKOM Grid in the area is underutilised due to lack of large-scale factory production in the area and therefore it does not make economic sense for ESKOM to purchase spare electricity. However, the changes which allow for Municipalities to purchase electricity from independent producers means that the feasibility for green energy production is improving.

The area contains many bird species and a vulture restaurant near Lady Grey. There are many species of unique alpine plants such as one species of red-hot poker which does not grow anywhere else.

Many paleontological species are being discovered in the area with many dinosaur skeletons especially around Qhimerha as well as rock art. Qhimerha's potential is being studied as a heritage site. DEDEA are assisting the Municipality to try and have the area declared as a natural heritage site. ECHRA are in the process of funding a feasibility study in the area. JGDM has also set aside funding for a container to house some museum specimens. Dinosaur remains have also been found near Lady Grey.

The area has many springs which can be utilised for bottled water. Some bottled water is occurring around Barkly East. Some dams have been stocked with trout which attracts fly fishermen. Rivers were stocked in the past with trout which allows for the holding of trout fishing competitions and for recreational fishing.

Hunting packages exist for mountain rhebok and blesbuck as well as francolin and partridge. Some tourism enterprises offer other hunting packages.

## **3. Environmental Challenges**

- Alien vegetation. The Municipality struggles with crack willow along its river courses which sucks up litres of water. The District Municipality runs programmes like working with water to eradicate it in the Longkloof.
- Firewood collection. Persons collect firewood and indiscriminately break down trees. The indiscriminate burning of grasslands creates air pollution and loss of biodiversity.
- The location of dipping tanks. Many dipping tanks are located near streams which can poison water supplies.

- Borrow pits which are not adequately rehabilitated and mined without the necessary permits.
- Incorrect placing of drainage culverts which can add to gulley erosion.
- The proximity of wastewater treatment works at both Lady Grey and Barkly East to rivers, poses a risk as they could be susceptible to potential flood damage.
- Soil erosion, due to marginal soils being utilised for inappropriate agricultural practices.
- The registration and management of solid waste disposal sites and limited recycling facilities and programmes. This situation is changing with the building of new solid waste sites (SWS) in most urban areas.
- Illegal dumping of waste.
- Limited human and financial capacity to implement environmental by-laws and act on environmental issues. This is changing due to the training of officials as peace officers but it will be a while before the impact of this intervention is realised.
- Limited capacity of both human and financial resources to undertake and develop climate change and air quality management plans and strategies. Financial and Human Resource Assistance is requested from DEDEA to assist the Community Services Directorate to educate the Municipality's administrative and political leadership about the importance of planning for climate change and environmental protection and developing a more sustainable and ecologically sensitive service delivery approach.
- Increased sedimentation and entrophication and pollution of water sources.
- Increased invasion by alien and undesirable species like Slangbos and blue bush near Lady Grey.
- Limited protection of environmental sensitive areas, especially vleis, wetlands and springs.
- Poor and crumbling sanitation and water infrastructure(JGDM Environmental Management Plan 2011).
- Flash flooding results in rapid runoff and accelerated donga erosion.

#### **4. Protection of Natural Assets and Integrated Environmental Planning Programmes**

Whilst the Municipality is blessed with some of the most beautiful alpine scenery, which is one of the prime attraction factors for its tourism industry, very little is done to protect the environment. It lies in the hands of individual landowners to conserve this fragile environment. ECPTA have started a biodiversity and stewardship programme to address this issue. Many farmers in the New England area have signed up for the programme.

South African National Parks (SANParks), in partnership with World Wide-Fund for Nature South Africa (WWF-SA) and a range of national, provincial and local government (including the Joe Gqabi District Municipality and Senqu and Elundini Local Municipalities) and non-government partners, is undertaking the establishment of a new national park in the Grassland Biome, in the Eastern Cape Province through its declaration in terms of the National Environmental Management: Protected Areas Act, No. 57 of 2003. The model that is being considered for the establishment of the national park is novel, in that it is based on a combination of land purchase, the declaration of state land, the declaration of state-owned communal land and the declaration of private land. A priority footprint for the establishment of the national park has been spatially determined, in Joe Gqabi District Municipality and Senqu and Elundini Local Municipalities, based on the importance of biodiversity in the region and the presence of a nationally important strategic water

source area. This footprint is intended to guide efforts to establish the national park but is not considered definitive, as it will not include the entire area and may include areas outside of it that have valuable biodiversity and other ecological values. The overall project objective is to establish an ecologically, economically and socially sustainable consolidated national park within the region through an innovative combination of conservation inclusion mechanisms and development options. The partners to the establishment of this new national park agree that it is likely to:

- Significantly improve the protection of the Grassland Biome in an area that has been identified as a national conservation priority in the recent National Biodiversity Assessment (2018) as well as the National Protected Area Expansion Strategy (2016).
- Protect ecological infrastructure of national significance for water security in the Eastern Cape Drakensberg Strategic Water Source Area (SWSA).
- Promote investment through the Expanded Public Works Programme in the restoration and maintenance of this SWSA to enhance water security and the flow of associated ecosystem services, while simultaneously providing job opportunities.
- Attract investment into the area, with substantial income enhancement potential and increase livelihood security, through increasing income opportunities, income levels, employment diversity, and attracting all-year-round tourists to this region of the Eastern Cape.
- Increase local GDP through greater returns per hectare for farms, increased revenue for current service suppliers and new hospitality service providers.
- Promote the establishment of a regional destination for adventure and cultural tourism.

It is anticipated that much of the land to be included in the national park will be privately owned and state-owned land that is being administered by traditional authorities. Furthermore, the envisaged national park is likely to largely remain a working agricultural landscape. As such, SANParks and its partners will not have direct management responsibility for most of the land included in the national park but will play an extension and support role, providing technical assistance to landowners that have included their land in the national park

The Municipality has a huge quantity of sandstone which is being mined and cut into bricks for building. A large quantity of sand is constantly mined for the making of bricks. The Municipality does not fund any projects which utilises these assets without a mining permit.

The District Municipality is running projects in the area to fence off and conserve springs. In general, environmental protection of assets is stressed in the SDF and the Municipality adheres to this in the planning of new developments. The protection of environmental assets is poor due to lack of human and financial resources. Large scale education of the public is required as well as strong political will.

The Municipality is busy addressing the issue of poor management of its waste sites and is in the process of building new sites and closing non-compliant waste management sites.

The Municipality is struggling with the impact of climate change which has resulted in increased severity of events such as increased rainfall in a short amount of time which leads to mass flooding. It is looking to mitigate against climate change as well as adapting its infrastructure provision to cater for these changes. The Municipality is looking at developing partnerships to ensure that it responds adequately to the challenges identified.

To do this, it is adopting an EBA (Ecosystems Based Approach) to climate change. This approach will involve intensive training of the political and administrative arms of the Municipality to ensure buy in as well as that of Traditional Leaders and communities. This will ensure that indigenous knowledge is applied in the design of projects as well as ensuring that projects remain sustainable. Focus will be on training, projects to decrease erosion such as stock and veld management as well as soil rehabilitation projects and lastly on how to improve household food security by the planting of water wise gardens and orchards. Further focus will be on improving water sustainability by utilising water wisely and increasing the capacity of water harvesting. This is an initiative from the UN and implemented by Rhodes University and the Department of Environmental Affairs.

The advantage of utilising this approach as well as other environmental planning tools, is that environmental plans such as a State of Environmental Report and Environmental Management Plans will be developed, following the review and adoption of the draft JGDM district plans. The Municipality is also in the process of developing an Environmental Management Framework (EMP). This should be adopted in the 2024/2025 Financial year.

## **5. The Impact of Climate Change**

In 1990 South Africa was responsible for about 1.2 % of the total warming effect which placed it within the top ten contributing countries in the world. The carbon dioxide equivalent emission rate per person in South Africa is about 10 T of Carbon dioxide and above the global average of 7 T per person per year. A recent study by the Countries



Studies Project predicts that climate change will cause mean temperature increases in the range of between 1 to 3 degrees centigrade by the mid-21<sup>st</sup> century with the highest increases in the most arid parts of the country.

A broad reduction of between 5 to 10 % decrease has been predicted for summer rainfall regions like Senqu. This is likely to be accompanied by an increased incidence of drought and floods with prolonged dry spells followed by intense storms. A marginal increase in early winter rainfall is predicted for the winter rainfall region. A rise in sea level is also predicted of about 0.9 m by 2100 (DEAT website 2000-2005).

Whilst there might be some debate on the effect of climate change, it is clear that the health sector, maize production, plant and animal biodiversity, water resources and rangelands are areas most vulnerable to climate change.

The main effects for Senqu would be:

**An increase in temperature.** There will be a steady increase in temperature for both summer and winter months. Crops which start their growth cycle in the spring months will require a lot more water.

An annual increase of 1 degree centigrade will have a positive impact on annual crop net revenues for all farms except dryland (most farms in Senqu). The increase in temperature will affect crop farm net revenues negatively in the summer farming season but positively in the winter season (CEEPA, 2006 Climate change and African agriculture). An increase in temperature will have a greater impact on communal farmers as a recent study done by CEEPA indicates that farmers with larger areas of ground will be better able to withstand the effects of climate change (CEEPA, 2006 Climate change and African agriculture). The increase in temperature will result in a decrease in snowfalls in the area. This is an important source of precipitation in the winter months.

**A change in precipitation.** Water scarcity may increase in some areas. It is estimated that even without climate change, South Africa will use up most of its surface water resources within the next few decades. Climate change may also alter the magnitude, timing and distribution of storms that produce flood events. The Eastern Cape Climate Change Response strategy of 2011 shows that there will be a decrease in precipitation in the areas bordering Walter Sisulu Municipality but an increase in precipitation towards the east of the Municipality. Rainfall will also come later in the year. The impact of this on Senqu Municipality will be great. A fall in precipitation of between 2 to 8 % by 2050 and 4 to 8 % by 2100 will affect dryland farms as well as small scale farmers, as it is estimated that crop net revenues will fall by 1.7 % to 5.3 % per hectare for the whole of South Africa. The decrease in precipitation in the areas bordering the Walter Sisulu and Elundini Municipalities will find that their traditional farming practices will no longer be viable. An increase in precipitation will mean that there will be a greater impact on the environment.

As has been previously mentioned, the soils in the area are highly erodible and an increase in precipitation and the strength of precipitation events means that there will be an increase in erosion caused by runoff. This decreases the amount of land available for grazing and settlement.

An increase in the strength of rainfall events will result in flash floods and storm water runoff that cause destruction to property, the environment and death of livestock and people. An increase in precipitation results in a decreased lifespan of roads and bridges as well as increased maintenance costs. Stormwater channels and bridges will need to be cleaned more regularly. Roads will experience greater runoff which results in the washing away of graveled road surfaces.

There will also be an increase in the amount of rock falls due to the instability of the ground due to wet soil. This can result in road closures, destruction of houses and properties and even death.

**A decrease in wind speed.** A decrease in wind speed means that there will be a change in temperature and precipitation patterns. Wind is important in precipitation as it mixes temperature and creates conditions for the formation of thunderstorms and hail.

## **6. Regulation of Air Quality Emissions**

The regulation of the emissions is detailed in the air quality bylaw. Regulation and enforcement of the bylaw is by a declared Peace Officer or a Traffic Officer.

## CHAPTER TWO: DEMOGRAPHIC ANALYSIS

### 1. Demographic / Population Analysis

#### 1.1. Socio – economic indicators

##### 1.1.1. Population Dynamics

Senqu Municipality had a population of 134 150 which grew to 140,720 (StatsSa, 2016) and 147 703 in 2022 (StatsSA, 2022). This makes it the most populous municipality in the Joe Gqabi district followed by Elundini (StatsSA,2022). It has a annual growth rate of 0.84 % which is below the districts at 1.03%. Provincially, for the period 2011–2016 it is estimated that approximately 243 118 people will migrate from the Eastern Cape (StatsSA 2016).

Household numbers are increasing from 33 904 (2001) to 38 046 (2011) with a slight drop to 35 597 in 2016 (Statssa,2016). In 2022, it has an estimated 48 914 households with an average size of 3 per household StatsSA,2022. Smaller household size is due to urbanisation and participation in a world economy which means that the cost of large families and households are prohibitive.

The dominant home language is isiXhosa, isiHlubi, seSotho, Afrikaans and English. A larger part of isiHlubi speakers can be found around the Sterkspruit area. In terms of race the Black African population are in the majority. In fact, over 90 % of the population are Black African followed by Whites who are just slightly higher than the coloured population. This has not changed and is a dominant trend. The Municipality must ensure that most of its communication to the public is in the relevant African languages apart from English and Afrikaans.

#### 1.2. Rural vs. Urban Population

According to the 2001 Census, 83.5% of households are rural in nature (StatsSA). Whilst it is difficult to determine this figure with any accuracy from the 2011 census, indications are that it is at least around 70 %. This dynamic is shifting with the phenomenon of urban in migration occurring in Senqu Local Municipality. The majority of which is situated around the town of Sterkspruit (SDF 2017). This simply means that people are moving to live in villages which are expanding towards the urban centre of Sterkspruit. The concept of a rural countryside with scattered homesteads is disappearing, to be replaced by many villages growing towards each other creating rural urbanisation.

There is an also an out migration of people both out of the rural areas to the urban areas and from JGDM to other districts. Between the period 2011-2016 the number of people living on commercial farms declined from 1772 households to 1157 households (StatsSa 2011).

An inward migration from Lesotho to Mt Fletcher and Sterkspruit is also being experienced. (Joe Gqabi WSDP 2010). Between 2012 and 2022 the population growth averaged. 0.84% per annum which is more than half of the growth rate of South Africa as a whole (1.47%). Compared to Joe Gqabi's average annual growth rate (1.03%), the growth rate in Senqu's population at 0.84% was slightly

lower than that of the district municipality (S&P global, 2023:14). The population is “projected to grow at an average annual rate of 0.9% from 150 000 in 2022 to 157 000 in 2027 (S&P global, 2023:15).”

Population distribution: Urban and Rural areas

**Table 1: Population distribution**

SENQU LM	Population size (No of people)	Percentage of Tot Pop	Combined Urban & Rural Population (%)
Sterkspruit (Main urban area – including surrounding settlements within the urban edge (Sterkspruit LSDF 2017	11 399	8.5	23.54 (Urban)
Lady Grey (Including Transwilger & Khwezi naledi)	7023	5.24	
Barkly East (Including Nkululeko & Fairview	9986	7.44	
Rhodes including Zakhele	696	0,52	
Rossouw	284	0.21	
Hershel	2 189	1.63	
Rural villages 179 (OTP 2015)	96 370	71.84	76.46 (Rural)
Privately owned commercial farms No: 1429	6 203	4.62	
<b>TOTAL</b>	<b>134 150</b>	<b>100</b>	

Source: HSP 2020

#### Human Settlements

Senqu is a predominantly rural area, characterised by small settlements, limited urbanisation and subsistence agriculture. The majority (85.74%, 2001 Census) of households are rural in nature, including rural villages and farm households and the overwhelming majority (93.27%) of the local population live in the Sterkspruit sub- region. This dynamic is shifting with urban in-migration where “people are moving to live in villages which are expanding towards the urban centre of Sterkspruit. The concept of a rural countryside with scattered homesteads is disappearing.” (Senqu IDP 2011).

#### Gender and Age

**Table 2: Population by gender 2022**

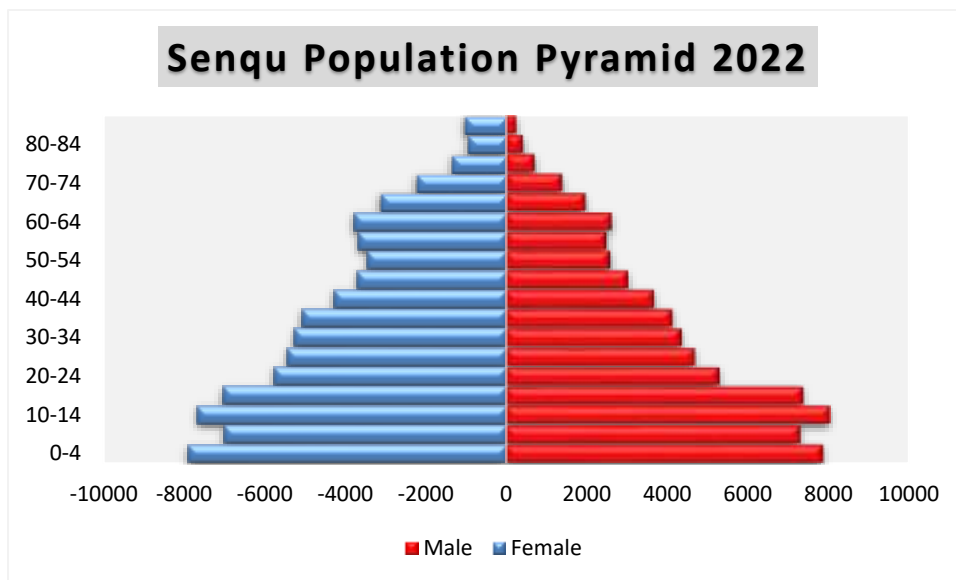
	Male %	Female %	Total
Senqu	45.5	53.5	147 703

Source: StatsSA, 202

The male/female split in population was 86.8 males per 100 females in 2022 (StatsSA,2022). The Municipality has more females than males due to the high out migration of males looking for work due to historical factors.

The population pyramid shows the population of Senqu follows the population trends of South Africa except from age 40 onwards, the older population is much less in size. However at age 60 the population trends indicate Senqu’s population is living longer than that of the country.

Chart 1. Population Pyramid 2022 – Statsa Census 2022



The population pyramid above indicates that Senqu Municipality does have a young population. The anticipated growth in unemployment for the youth aged 15 to 35 is clearly indicated above as the economy has not grown to compensate for the new people entering the job market.

The fertility rate has decreased and the life expectancy rate has increased. The increase in population at age 0 -4 means that in the next 10 years the population will remain youthful and that the Municipality must increase its efforts to ensure that the new demand for infrastructure and employment is met.

#### Population by population group, gender, age and households

In 2022, the Senqu Local Municipality comprised of 427 000 households. This equates to an average annual growth rate of 1.18% in the number of households from 2010 to 2022. With an average annual growth rate of 0.84% in the total population, the average household size in the Senqu Local Municipality is decreasing (S&P Global, 2023:7). The composition of the households by population group shows that Africans are the largest group (97.55%), followed by whites (0.93%) and then Coloureds and Asians (S&P Global, 2023:7).

Table 3. Population by population group, gender and age, 2022

	African		White		Coloured	
	Female	Male	Female	Male	Female	Male
00-04	7,270	7,960	25	22	100	99
05-09	7,700	7,660	35	35	80	68
10-14	7,430	7,650	44	32	95	75
15-19	6,520	7,150	25	26	98	110
20-24	5,630	5,320	21	28	58	97
25-29	6,850	5,710	37	58	76	57
30-34	7,280	7,110	29	29	82	82
35-39	5,700	5,850	68	42	59	59
40-44	3,370	3,760	38	52	70	44
45-49	2,580	2,190	57	72	52	51
50-54	2,600	1,370	67	51	46	55
55-59	3,250	1360	48	74	6	28
60-64	3,980	1,690	26	53	17	0
65-69	2,660	1,180	56	24	13	10
70-74	1,870	986	43	26	24	22
75+	3,080	1,190	100	48	8	26
Total	77,800	68,100	719	672	884	882

Source: SA Regional eXplorer version,2023

The number of female headed households is quite high and can be ascribed to migrant and commuter labour which has resulted in many households having a woman as the head of the household and the chief breadwinner living away from the home. These impact on the type of development that may occur, especially with regards to manual labour-type employment (SDF,2011). The good news is that female headed households have dropped from 52.2 % (2001) to 50.5 % as can be seen in the table below (StatsSa, 2011). It should be noted that the number of child headed households has also dropped. However, this statistic should be treated with caution as these households tend to shy away from officialdom.

Table 4: Female headed households

Municipality	1996		2001		2011		% of female headed h/holds		
	Women headed h/hold	Total h/hold	Women headed h/hold	Total h/hold	Women headed h/hold	Total h/hold	1996	2001	2011
Joe Gqabi	38205	71084	43651	84835	47646	96645	53.7	51.5	49.3
Elundini	17675	29533	18610	33209	19418	37293	59.8	56	52.1
Senqu	15514	28018	17696	33904	19077	37754	55.4	52.2	50.5
Walter Sisulu	5016	13534	7345	17 722	8352	21608	37.06	41.44	38.65
EC Total	646164	1301964	754023	1481640	825846	1664654	49.6	50.9	49.6

Source: StatsSa 2011

Table 5: Child headed households

Municipality	1996			2001			2011		
	Children headed H/H	Total H/H	% child headed H/H	Children headed H/H	Total H/H	% child headed H/H	Children headed H/H	Total H/H	% child headed H/H
Joe Gqabi	2214	71162	3.1	1759	84835	2.1	1176	97775	1.2
Elundini	1103	29549	3.7	781	33209	2.4	540	37854	1.4
Senqu	915	28056	3.3	804	33904	2.4	503	38046	1.3
Walter Sisulu	196	13577	0.01	173	17722	0.08	133	21875	0.06
EC Total	29900	1303287	2.3	19210	1481640	1.3	16712	1687385	1

Source: StatsSa 2011

### HIV and AIDS Estimates

In 2022, 19 700 people in the Senqu Local Municipality were infected with HIV. This reflects an increase at an average annual rate of 1.95% since 2012, and in 2022 represented 13.17% of the local municipality's total population. The Joe Gqabi District Municipality had an average annual growth rate of 2.08% from 2012 to 2022 in the number of people infected with HIV, which is higher than that of the Senqu Local Municipality. The number of infections in the Eastern Cape Province increased from 746,000 in 2012 to 899,000 in 2022. When looking at the South Africa as a whole it can be seen that the number of people that are infected increased from 2012 to 2022 with an average annual growth rate of 2.27%. In 2022, 19 700 people in the Senqu Local Municipality were infected with HIV. This reflects an increase at an average annual rate of 1.95% since 2012, and in 2022 represented 13.17% of the local municipality's total population. The Joe Gqabi District Municipality had an average annual growth rate of 2.08% from 2012 to 2022 in the number of people infected with HIV, which is higher than that of the Senqu Local Municipality. The number of infections in the Eastern Cape Province increased from 746,000 in 2012 to 899,000 in 2022. When looking at the South Africa as a whole it can be seen that the number of people that are infected increased from 2012 to 2022 with an average annual growth rate of 2.27%. In 2020, 20 500 people in the Senqu Local Municipality were infected with HIV. This reflects an increase at an average annual rate of 1.87% since 2010, and in 2020 represented 13.88% of the local municipality's total population. The Joe Gqabi District Municipality had an average annual growth rate of 2.05% from 2010 to 2020 in the number of people infected with HIV, which is higher than that of the Senqu Local Municipality. The number of infections in the Eastern Cape Province increased from 785,000 in 2010 to 940,000 in 2020. When looking at the South Africa as a whole it can be seen that the number of people that are infected increased from 2010 to 2020 with an average annual growth rate of 2.31%. (IHS, 2020:13). This is a worrying trend.

### Population Density

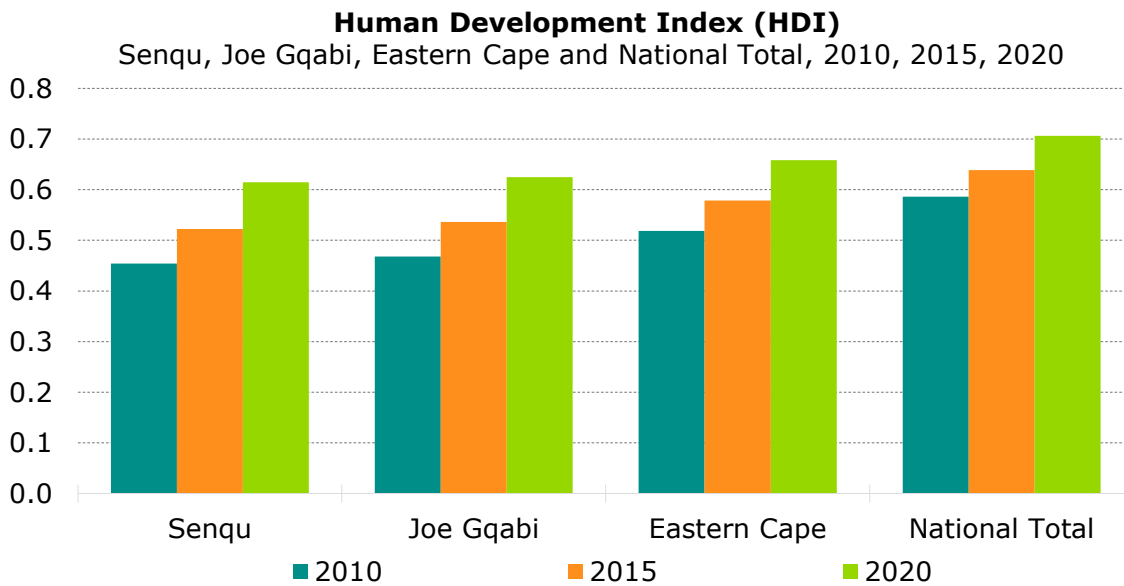
In 2020, with an average of 20.1 people per square kilometre, Senqu Local Municipality had a higher population density than Joe Gqabi (15.3 people per square kilometre). Compared to Eastern Cape Province (43.6 per square kilometre) there are less people living per square kilometre in Senqu Local Municipality than in Eastern Cape Province (IHS, 2020:13).

## 2. Development Indicators

### 2.1. Human Development Index (HDI)

In 2020 Senqu Local Municipality had an HDI of 0.614 compared to the Joe Gqabi with a HDI of 0.625 and 0.658 of Eastern Cape. South Africa's HDI increased at an average annual growth rate of 1.88% and this increase is lower than that of Senqu Local Municipality (3.08%) (IHS Markit, 2020). This indicates that improvements are being made.

Chart 2: HDI



Source: IHS Markit Regional eXplorer version 2142

### 2.2. Gini Coefficient

The Gini coefficient indicates income inequality. It varies from 0 to 1. The closer it is to 0, the less income equality there is. In 2020, the Gini coefficient in Senqu Local Municipality was at 0.579, which is an increase from 2010 (IHS, 2020). This means that there is an increase in income inequality which is a worrying development.

### 2.3. Poverty Gap

The poverty gap rate in Senqu Local Municipality amounted to 32.1% in 2020. In 2020, the poverty gap rate was 32.1% which increased from 2010 poverty gap rate of 31.8% (IHS Markit 2020).

### 2.4. Education, Literacy and Skills Level

The level of education and skills levels in Senqu Municipality is low but improving. Only 10,7 % of the population has no schooling at all. It is worrying though that only 6.2% of the population has a tertiary education which in ten years has only grown by 1 % (StatsSA,2022). This lack of skilled workers is an impediment to economic growth as in order to participate in the world economy, high literacy and skills rates are required. The type of skills available in the Municipality are concerning because they are not linked to the type of skills required in the future economy of the world. The Municipality needs to develop partnerships which will increase the exposure of learners to computer and computer technology. The Department of Higher Education needs to relook at the courses offered at its FETs in the area.



There is only one tertiary education facility (FET College) in the Municipality in Sterkspruit which is insufficient for the requirements of the area. The number of schools has decreased to 107 in total.

**Table 6. Highest level of education 15+ 2022**

	<b>2021</b>	<b>2011</b>
No schooling 20 yrs+ %	10.7 %	14.5 %
Higher education 20 yrs+ %	6.2 %	5.3 %
Educational attendance 5-24 yrs	78.7%	

Source: StatSA,2022

Another continual worry is the high dropout rate of learners between Grade 1 and 12. Latest matric results revealed that a high percentage of learners never reach Grade 12. Overall, the matric pass rate has increased in the Eastern Cape for 2023 to 81.4% (News24, 19 Jan, 2024).

The Municipality struggles with early childcare facilities as most of the facilities are overcrowded and do not meet legislative requirements in terms of municipal health regulations structures to norms and standards of EH Policies and the Children's Act (infrastructure and programmes implemented). This threatens funding allocation to ECDs of the District. In addition, inaccessibility of services to vulnerable children at 0-5 years due to limited budget allocation as some wards do not have Early Childhood Development Centres. Some ECD's also do not adhere to funding conditions required from them as an NPO. Hopefully now that ECDC's are being taken over by the Department of Education, issues may be resolved.

## 2.5. Crime

Crime is high in the municipality especially with stock theft. Cross border stock theft is a big problem as is violent crime and assaults on women. For the period 2010/2011 to 2020/2021 overall crime has increase at an average annual rate of 1.10% within the Senqu Local Municipality. Violent crime increased by 0.80% since 2010/2011, while property crimes increased by 3.65% between the 2010/2011 and 2020/2021 financial years (IHS Markit, 2020). This statistic does not show the true rates as many rural people live far from police stations and do not always report crime.

## 2.6. Labour, employment, and unemployment rate

The working age population in Senqu in 2020 was 91 300, increasing at an average annual rate of 1.02% since 2010 (IHS Markit 2020). 46.8% are participating in the labour force, meaning 42 700 residents of the local municipality forms currently part of the economically active population (EAP). Non-economically active population (NEAP) equal 48 500 people. Out of the EAP, there are 17 300 that are unemployed which is an unemployment rate of 40.6% (IHS Markit 2020). Unfortunately, the unemployment rate has risen nationally especially during COVID. Early indications of the unemployment rate 2024 is 32,79 % nationally (statista.com).

Most of the formal employment lies in the Tertiary industry, with 8 060 jobs out of the available 22 600 jobs in the area. Formal jobs make up 43.5% of all jobs in the Senqu Local Municipality (IHS Markit, 2020).

Youth unemployment in the Eastern Cape is worrying as it rose to 53.3 % in 2019 from 40.71 % in 2014 (Ecsecc 2020). This is spite of an increase of only 1.2 % in the youth population in the same period (Ecsecc 2020). Female youth are the most affected as are females in general and black people in particular (Ecsecc Youth and the labour market 2014-2019 and beyond, 2020).

### **3. Migration Plan**

Senqu Municipality has no migration plan in place as funding still must be sourced for this. This does have to be addressed as the Municipality borders on the Kingdom of Lesotho and has many illegal aliens who reside within the municipal area. The Municipality is looking at partnerships with government departments on how to address this issue as it is both a problem in that resources are drained, and no taxes paid but also an opportunity in terms of trade and skills being imported into the region.

Another in-migration which is occurring is that of Bangladeshi and Chinese nationals who run and operate many of the small shops in rural areas. This does create problems, when they rent or run shops out of RDP houses. The money generated by them does not return to the economy, as in general they either buy in bulk from Lesotho or in Bloemfontein. The Departments of Trade and Industry, Home Affairs and SARS need to assist the municipality in ensuring that the region benefits from these economic activities. It needs to be noted that these shop keepers are a boon to local communities as they provide a service which the community would otherwise be forced to travel long distances to access.

### **4. Population Concerns**

The Municipality has a very high youthful population which indicates a high need for employment. Unfortunately, research by Ecsecc has revealed the high unemployment amongst youth due to structural issues in the economy. This does require addressing. There is also a greater need for secondary and tertiary education in the region. However, the only tertiary opportunities are offered outside the region. The traditional employment opportunities in agriculture and the commercial sector for low skilled workers do not appeal to the better educated and more global orientated youth of today. This is why the Municipality in its LED strategy is aiming to develop entrepreneurs in various service sectors in order to cater for this gap. However greater assistance is required from the Department of Education and Higher Education to provide the necessary skills and institutions to build the entrepreneurial mind set.

The other population concern is that of the inf lux of Lesotho citizens. The border is porous and there has always been traditional movement between the two countries unhindered by border posts. As a result, there is a greater demand for educational, health and housing. Thus, all of these departments come under pressure to provide services for persons who have been born in South Africa and lived here but without any documentation. In a sense, these people are not foreigners but are in fact South Africans. Their illegal status causes many social problems for them and their families and the Department of Social Development is often faced with abandoned children without papers.

## 5. Incorporation of Population Issues into Planning

**Table 7: Population issues and efforts to mitigate.**

Issue	Status Quo	Proposed Sector intervention
Gender and age	Youth constitute more than 51% of the total population. 55% of population are females	Youth development to be strengthened. LED Strategy has a youth development initiative
HIV and AIDS	High levels of prevalence	Focus on awareness campaigns and access to treatment. Strengthen and implement the HIV and AIDS Strategy
Migration	Higher out-migration rate which is above provincial Rate	Local Economic Development strategy to deal with business retention and attraction. Introduce small town regeneration programmes
Overall population	Stable population growth throughout the District	Increase in housing need to be reflected in the HSP

**Table 8 : Sustainable Development Goals**

Sustainable Development Goal	Strategic focus areas	Key programmes
Goal 1: No Poverty	No Poverty - End poverty in all its forms Everywhere	Poorest ward programme in Ward 5
Goal 2: Zero Hunger	Increase agricultural production Increase investment in agriculture	Assisting DRDAR with the implementation of wool improvement programme
Goal 3: Good Health and Well-being	Enforcement of traffic bylaws to prevent deaths	Employee wellness programmes Increase traffic police
Goal 4: Quality Education	Promotion of access to all bursaries by communities Skills programmes Internships	Municipal Bursaries Training Internships
Goal 5: Gender Equality	Employment Equity Plan	Recruitment according to EEP
Goal 6: Clean Water and Sanitation	DM function	
Goal 7: Affordable and Clean Energy	Utilising solar power in mountainous areas	Solar geyser and electricity programme
Goal 8: Decent Work and Economic Growth	Functioning Local Labour forum Training for LLF	EPWP CWP
Goal 9: Industry, Innovation and Infrastructure	Build infrastructure to promote investment	Regular sittings of the LED Forum
Goal 10: Reduced Inequalities	Increase community skills to enable better work opportunities	Utilise social investment programmes of the private sector
Goal 11: Sustainable Cities and Communities	SDF SPLUMA	Enforcement of town Planning legislation
Goal 12: Responsible Consumption and Production	Waste awareness campaigns to make people aware of responsible consumption	Waste recycling programmes
Goal 13: Climate Action	Climate change strategy	Training on climate change reduction strategies Partnerships to implement climate change
Goal 14: Life Below Water	No marine resources in the area	
Goal 15: Life on Land	Donga filling	Training on stock management reduction Donga filling programmes through DRDAR Ecosystem based approach
Goal 16: Peace, Justice and Strong Institutions	Participate in IGR forums around safety	Regular sitting of Integrated Community Safety forum
Goal 17: Partnerships for the Goals	Improve IGR relationships	Develop partnerships & MOU's

## **6. Conclusion**

The implications of the population studies of Senqu indicate a youthful population with low skills levels and high unemployment. Most of the population live in rural villages and rely on social grants. There is high migration to the more urban areas inside and outside the municipality for employment and educational opportunities. The high out migration to areas outside the municipality has an annual season with persons returning for Easter and Christmas holidays. Persons also tend to return to the traditional areas when they are faced with illnesses that require high caring from relatives.

## CHAPTER THREE: SOCIO – ECONOMIC AND LED ANALYSIS

### 1. Economic Overview

The major world economies experienced an economic depression in 2007 from which they are slowly starting to emerge. However, the Covid 19 pandemic has created a situation where all economic forecast had to be revived. National Treasury stated that the “global shock prompted by the COVID-19 pandemic, and unprecedented restrictions designed to protect public health, have led to a sharp contraction in the domestic economy. Government interventions have cushioned the impact on workers and businesses but have not offset the full decline. South Africa’s economic growth was forecast to fall by 7.2 per cent in 2020 as a result of the crisis, the March and April 2020 credit rating downgrades, and the compounding effects of weak investor confidence. The rand has depreciated rapidly against the US dollar. The Russian invasion of Ukraine has exacerbated the situation with oil and food prices raising.

Government has taken the opportunity to break with a pattern of weak growth and overcome structural inequality by developing a package of economic reforms that will improve productivity, lower costs and reduce demands of state-owned companies on the public purse (National Treasury, The Covid 19 shock and the revised economic outlook, 2020:27)’.

The situation at a provincial level is not great with the Eastern Cape experiencing a real GDP growth of just over 1 % from 2014 to 2018. This primarily comes from the manufacturing sector which is primarily centered on the automotive industry in the two metros and dominated by the non-tradable sectors (trade, finance, and general government services) (SERO,2017: XV11-XV111).

Weak economic growth has continued to decline and continues to see revenue projections lowered, and indeed the Budget drops its 2020 GDP projection to 0.9% y/y in 2020 (previously 1.2% y/y projected in the 2019 MTBPS), 1.3% in 2021 (previously 1.6% y/y) and 1.7% in 2022 (previously 1.7% y/y) (Investec 2020). The outlook for economic growth has become negative especially since South Africa’s investment outlook has now been changed to junk status. The outlook for the Senqu economy is dire as it is heavily dependent on government services as the main economic sector and government is under pressure to decrease its wage bill. Therefore, focus will have to be paid to diversifying the economy and attracting manufacturing investors.

### 2. Gross Domestic Product by Region (GDP-R)

In 2020, the Municipality achieved an annual growth rate of -5.91% which is a higher than the Eastern Cape Province's -6.71% and that of South Africa of -6.98%. The longer-term average growth rate for Senqu (1.03%) is slightly higher than that of South Africa (0.64%). The economic growth in Senqu peaked in 2011 at 4.69%

**Table 9: GDP – Senqu, JGDM, EC & National 2006-2016 [Constant 2010 Prices]**

	Senqu	Joe Gqabi	Eastern Cape	National Total
2010	3.6%	2.7%	2.4%	3.0%
2011	4.7%	5.1%	3.7%	3.3%
2012	3.8%	2.9%	2.0%	2.2%
2013	2.1%	2.1%	1.4%	2.5%
2014	2.6%	2.3%	1.3%	1.8%
2015	1.6%	1.1%	0.8%	1.2%
2016	0.1%	-0.1%	0.7%	0.4%
2017	1.3%	0.9%	0.6%	1.4%
2018	0.2%	0.3%	0.6%	0.8%
2019	0.2%	-0.1%	0.0%	0.2%
2020	-5.9%	-6.3%	-6.7%	-7.0%
<b>Average Annual growth 2010-2020</b>	<b>1.03%</b>	<b>0.79%</b>	<b>0.41%</b>	<b>0.64%</b>

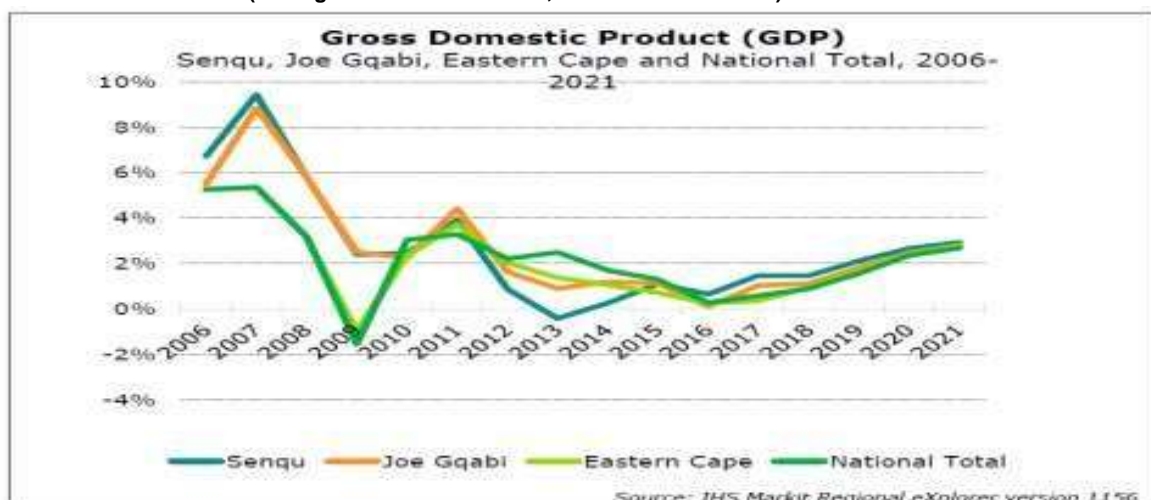
Source: IHS Markit Regional eXplorer version 2142

Senqu Local Municipality achieved an average annual growth rate of 1,03% from 2010 to 2020 which is a higher GDP growth than the Eastern Cape Province's and South Africa (IHS Markit, 2020). The Municipality had a total GDP of R 4 billion and in terms of total contribution towards Joe Gqabi District Municipality ranked second (IHS Markit 2020). It had the highest average annual economic growth, averaging 1.03% between 2010 and 2020 in Joe Gqabi.

### 3. Economic Growth Forecast

It is expected that the local economy will grow at an average annual rate of 2.37% from 2020 to 2025, which is higher than that of JGDM and EC Province of 1.98% and 2.51% respectively. The SA Economy is forecasted to grow at an average annual growth rate of 2.69 (IHS Markit, 2020).

**Chart 3: GDP 2006-2021 (Average Annual Growth Rate, Constant 2010 Prices)**



By 2025, Senqu's forecasted GDP will be an estimated R 2.64 billion (constant 2010 prices) or 33.6% of the total GDP of Joe Gqabi District Municipality with a 2.37% average annual GDP growth rate between

2020 and 2025. This will make it the best performing local economy in JGDM (IHS Markit, 2020). However, this may be optimistic in terms of the impact that the Covid epidemic has had.

#### 4. Gross value added by region (GVA-R)

The Senqu Local Municipality's economy is made up of various industries. The GVA-R variable provides a sector breakdown, where each sector is measured in terms of its *value added* produced in the local economy. Gross Value Added (GVA) is a measure of output (total production) of a region in terms of the value that was created within that region.

**Table 10: GVA by Broad economic sector – Senqu 2020 [R Billions, Current Prices]**

	Senqu	Joe Gqabi	Eastern Cape	National Total	Senqu as % district municipality	Senqu as % province	Senqu as % national
Agriculture	0.2	0.5	6.3	119.6	29.9%	2.6%	0.14%
Mining	0.0	0.0	0.5	371.9	47.3%	1.5%	0.00%
Manufacturing	0.1	1.0	43.5	573.4	15.3%	0.3%	0.03%
Electricity	0.1	0.1	9.1	167.2	36.5%	0.6%	0.03%
Construction	0.2	0.4	10.9	140.2	41.7%	1.4%	0.11%
Trade	0.6	2.1	65.7	655.2	29.8%	0.9%	0.09%
Transport	0.2	0.8	27.0	396.4	30.9%	0.9%	0.06%
Finance	0.4	1.3	61.8	879.5	30.0%	0.6%	0.05%
Community services	1.9	4.8	111.1	1,125.3	38.5%	1.7%	0.17%
Total Industries	3.6	11.0	335.8	4,428.7	33.0%	1.1%	0.08%

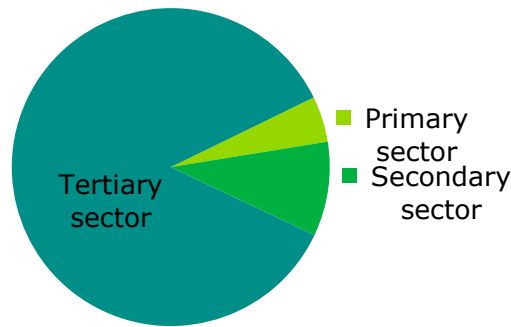
Source: IHS Markit Regional Explorer version 1156 Ecsecc 2142

The sector which has performed the best at 1.9 billion is that of Community Services which reflects the makeup of the economy where Community Services, essentially government is the major employer and procurer. The next sector is that of trade and then finance. The lowest contributor is mining.

##### 4.1. Historical Economic Growth

From 2010 to 2020, the finance sector had the highest average annual growth rate in Senqu at 2.18%. “The second highest average annual growth rate is the community services sector averaging at 1.25% per year. The construction sector had an average annual growth rate of -1.13%, while the electricity sector had the lowest average annual growth of -2.69%. Overall, a negative growth existed for all the industries in 2020 with an annual growth rate of -5.39% since 2019 (IHS Markit,2020) .

Chart 4: GVA by aggregate Sector 2020



IHS Markit 2020

#### 4.2. Primary Sector

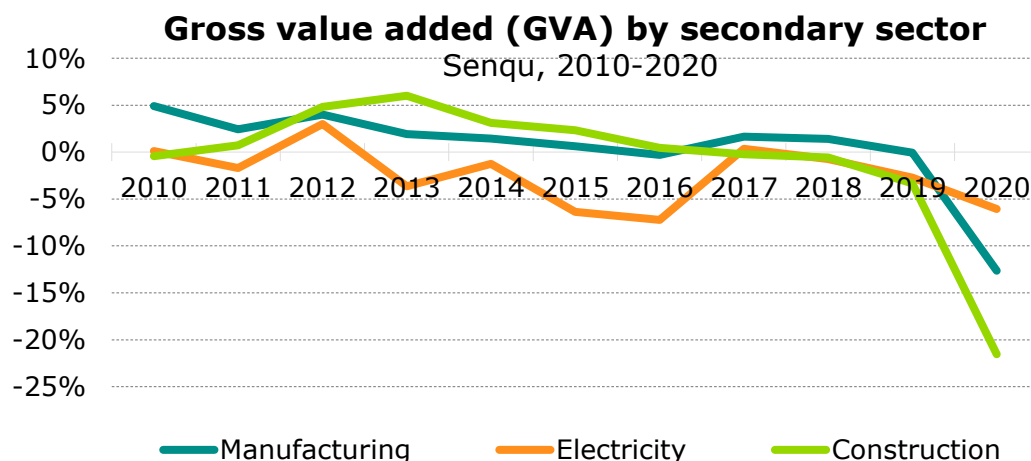
The primary sector consists of two broad economic sectors namely the mining and the agricultural sector. The agriculture sector experienced the highest growth in 2017 with an average growth rate of 21.1%. Both the agriculture and mining sectors are generally characterised by volatility in growth over the period (IHS Markit, 2020).

#### 4.3. Secondary Sector

The secondary sector consists of three broad economic sectors namely the manufacturing, electricity, and the construction sector. The manufacturing sector experienced the highest growth in 2010 with a growth rate of 4.9% whilst the construction sector reached its highest growth in 2013 at 6.0%. The manufacturing sector experienced its lowest growth in 2020 of -12.6%, while construction sector also had the lowest growth rate in 2020 and it experiences a negative growth rate of -21.5% which is higher growth rate than that of the manufacturing sector. The electricity sector experienced the highest growth in 2012 at 3.0%, while it recorded the lowest growth of -7.2% in 2016 (IHS Markit, 2020).



**Chart 5: GVA by Secondary sector 2010-2020 Annual percentage change**  
 Source: HIS Markit 2020



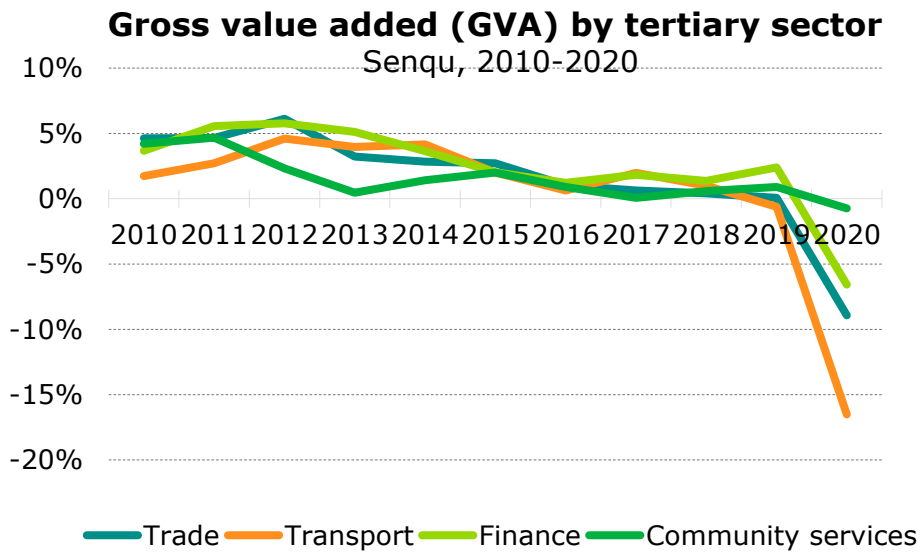
The best performing sector between 2010 and 2020 was the manufacturing sector with a growth rate of 4.9% in 2010. The construction sector reached its highest growth in 2013 at 6.0%. The electricity sector experienced the highest growth in 2012 at 3.0%, while it recorded the lowest growth of -7.2% in 2016 (IHS Markit 2020).

#### 4.4. Tertiary Sector

The tertiary sector consists of four broad economic sectors namely the trade, transport, finance, and the community services sector. The Finance sector has declined in prominence from 2006 to 2016 and experienced the highest growth rate in 2012 when it grew by 5.8% which can be seen by the decline in the number of banks in the towns. The trade sector experienced the highest growth in 2012 with a growth rate of 6.1% but also the lowest growth rate in 2020 at -8.9%. The community services sector experienced its highest positive growth in 2011 with 4.7% and the lowest growth rate in 2020 with -0.7% (IHS Markit, 2020).

Chart 6: GVA by tertiary sector 2010-2020

Source: HIS Markit 2020



Source: IHS Markit Regional eXplorer version 2112

#### 4.5. Sector Growth Forecast

“The GVA forecasts are partly based on the notion that regions that have performed well in the recent past are likely to continue performing well (and vice versa) and partly on the notion that those regions that have prominent sectors that are forecast to grow rapidly in the national economy (e.g., finance and telecommunications) are likely to perform well (and vice versa) (Ecsecc,2017:32)”. The transport sector is expected to grow fastest at an average of 3.63% annually from R 142 million in Senqu Local Municipality to R 170 million in 2025. The community services sector is estimated to be the largest sector within the Senqu Local Municipality in 2025, with a total share of 49.1% of the total GVA (as measured in current prices), growing at an average annual rate of 1.7%. The sector that is estimated to grow the slowest is the mining sector with an average annual growth rate of -0.38%. (IHS Markit, 2020).

Table 11: GVA Added by broad economic sector 2016-2021 (R Millions, constant 2010 prices)

	2020	2021	2022	2023	2024	2025	Average Annual growth
Agriculture	76.4	79.7	76.4	76.3	77.7	79.5	0.79%
Mining	11.2	12.7	12.2	11.6	11.2	10.9	-0.38%
Manufacturing	80.7	85.2	87.4	89.6	90.5	92.1	2.67%
Electricity	14.2	14.6	15.0	15.4	15.8	16.2	2.78%
Construction	89.9	90.4	92.7	95.3	97.8	100.7	2.30%
Trade	389.7	418.9	433.0	447.5	454.1	463.6	3.53%
Transport	141.9	152.5	157.6	162.1	165.4	169.6	3.63%
Finance	270.8	277.3	286.7	294.4	301.8	310.8	2.80%
Community services	1,101.8	1,156.3	1,154.4	1,168.6	1,179.2	1,199.3	1.71%
<b>Total Industries</b>	<b>2,176.6</b>	<b>2,287.7</b>	<b>2,315.3</b>	<b>2,361.0</b>	<b>2,393.6</b>	<b>2,442.8</b>	<b>2.33%</b>

Source: IHS Markit Regional eXplorer version 21

## 5. Tress Index

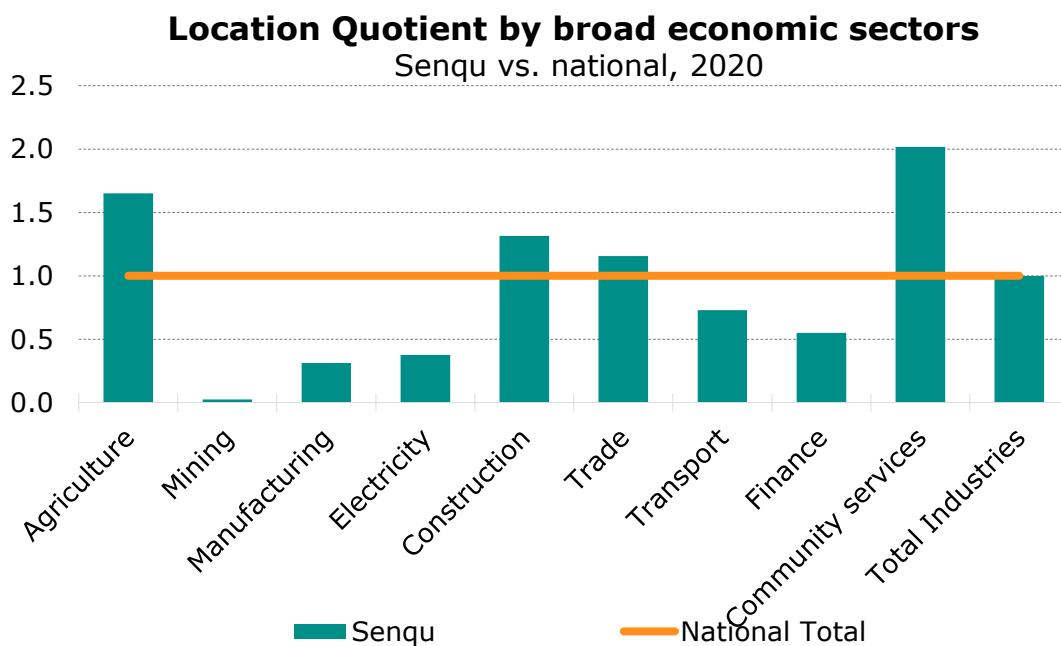
“The Tress index measures the degree of concentration of an area's economy on a sector basis. A Tress index value of 0 means that all economic sectors in the region contribute equally to GVA, whereas a Tress index of 100 means that only one economic sector makes up the whole GVA of the region. In 2020, Senqu's Tress Index was estimated at 66.8 which are higher than the 62.2 of the district municipality and higher than the 62.2 of the province (IHS Markit, 2020). This implies that - on average - Senqu Local Municipality is less diversified in terms of its economic activity spread than the province's economy.

## 6. Location Quotient

“The location quotient measures comparative advantage of economic sectors. If the location quotient is larger than one for a specified sector within a region, then that region has a comparative advantage in that sector. This is because the share of that sector of the specified regional economy is greater than the same sector in the national economy (Ecsecc,2017:35)”.

For 2020 Senqu Local Municipality has a very large comparative advantage in the community services sector. The agriculture sector also has a very large comparative advantage. The construction also has a comparative advantage when comparing it to the South Africa economy, although less prominent. The Senqu Local Municipality has a comparative disadvantage when it comes to the mining and manufacturing sector which has a very large comparative disadvantage. In general mining is a very concentrated economic sector. Unfortunately, the Senqu Local Municipality area currently does not have a lot of mining activity, with an LQ of only 0.0242 (IHS Markit, 2020).

Chart 7: Location quotient Senqu vs National 2020



Source: IHS Markit Regional eXplorer version 2142

## 7. Tourism

Tourism is one of the growth sectors of the economy. It can be defined in many ways. One of these is via trips.

Table 12: No of trips by purpose of trips 2010-2020

	Leisure / Holiday	Business	Visits to friends and relatives	Other (Medical, Religious, etc)	Total
2010	8,510	5,580	78,300	8,120	101,000
2011	7,790	4,970	70,500	7,650	90,900
2012	6,930	4,710	62,700	7,150	81,500
2013	6,260	4,190	57,400	6,860	74,700
2014	5,970	3,860	55,600	6,930	72,300
2015	5,660	3,630	52,600	6,510	68,400
2016	5,660	3,500	52,200	6,310	67,700
2017	5,490	3,160	51,100	6,120	65,900
2018	5,350	2,870	49,300	5,540	63,000
2019	5,120	2,510	45,900	4,800	58,300
2020	1,770	724	18,000	1,780	22,200
<b>Average Annual growth</b>					
2010-2020	<b>-14.53%</b>	<b>-18.47%</b>	<b>-13.69%</b>	<b>-14.09%</b>	<b>-14.00%</b>

Source: IHS Markit Regional eXplorer version 2142

“In Senqu Local Municipality, the Visits to friends and relatives, relative to the other tourism, recorded the highest average annual growth rate from 2010 (78 300) to 2020 (18 000) at -13.69%. The type of tourism with the highest volume of tourists was also the Visits to friends and relatives’ tourism with a total number of 18 000 annual tourist and had an average annual growth rate of -13.69%. The tourism type that recorded the lowest growth was Business tourism with an average annual growth rate of -18.47% from 2010 (5 580) to 2020 (724) (IHS Markit 2020). Senqu Municipality has to concentrate on getting friends and family visitors to explore the area and increase their spend.

### 7.1. Origin of Tourists

“The number of trips by tourists visiting Senqu Local Municipality from other regions in South Africa has decreased at an average annual rate of -15.00% from 2010 (92 000) to 2020 (18 100).

The tourists visiting from other countries decreased at an average annual growth rate of -7.00% (from 8 560 in 2010 to 4 140). International tourists constitute 18.62% of the total number of trips, with domestic tourism representing the balance of 81.38% (IHS Markit, 2020). Senqu Municipality therefore is not reliant on international visitors but rather South African tourists.

### 7.2. Bed nights by origin of Tourists

This is the measurement of one night away from home on a single person trip. “From 2010 to 2020, the number of bed nights spent by domestic tourists has decreased at an average annual rate of -14.85%, while in the same period the international tourists had an average annual decrease of -6.15%.

The total number of bed nights spent by tourists decreased at an average annual growth rate of -12.27% from 554 000 in 2010 to 150 000 in 2020 (IHS Markit 2020)". The emphasis should be on increasing the amount of bed nights by domestic tourists as internal tourism is a volatile industry and prone to fluctuations. This can be done by offering more tourist activities in the area which encourage tourists to stay.

### 7.3. Tourism Spending

Tourism spending merely represents a nominal spend of trips made to each region. "Senqu Local Municipality had a total tourism spending of R 46.6 million in 2020 with an average annual growth rate of -9.7% since 2010 (R 129 million). Joe Gqabi District Municipality had a total tourism spending of R 141 million in 2020 and an average annual growth rate of -9.4% over the period.

Total spending in Eastern Cape Province decreased from R 12.7 billion in 2010 to R 5.75 billion in 2020 at an average annual rate of -7.6%. South Africa as whole had an average annual rate of -6.6% and decreased from R 167 billion in 2010 to R 84.9 billion in 2020 (IHS Markit, 2020)". The COVID epidemic has had an even greater impact on this decrease in expenditure, but it is slowly picking up.

### 7.4. Tourism Spend as a Share of GDP

"In Senqu Local Municipality the tourism spending as a percentage of GDP in 2020 was 1.16%. Tourism spending as a percentage of GDP for 2020 was 1.15% in Joe Gqabi District Municipality, 1.52% in Eastern Cape Province. The table does show that tourism spending is decreasing but tourism is a potential growth sector of the GDP.

**Table 13: Tourism spend as a share of the GDP 2006-2016**

	Senqu	Joe Gqabi	Eastern Cape	National Total
2010	6.2%	5.8%	6.0%	6.1%
2011	5.4%	5.1%	5.6%	5.8%
2012	5.0%	5.2%	6.0%	6.1%
2013	4.9%	5.2%	6.0%	6.2%
2014	5.1%	5.3%	6.1%	6.3%
2015	4.4%	4.6%	5.4%	5.7%
2016	4.9%	5.1%	6.0%	6.1%
2017	4.6%	4.8%	5.7%	6.0%
2018	4.2%	4.3%	5.2%	5.6%
2019	4.1%	4.1%	5.1%	5.6%
2020	1.2%	1.1%	1.5%	1.7%

Source: IHS Markit Regional eXplorer version 2142

However, the tourism trade has been hit hard by the Covid 19 lockdown restrictions and it will take some time to recover. Senqu's tourism sector is particularly hard hit as it deals with primarily domestic tourists. These domestic tourists have been hard hit by rising electricity, food and petrol cost.

## 8. International Trade

“The merchandise export from Senqu Local Municipality amounts to R 0 and as a percentage of total national exports constitutes about 0.00%. The exports from Senqu Local Municipality constitute 0.00% of total Senqu Local Municipality's GDP. Merchandise imports of R 8.6 million constitute about 0.00% of the national imports. Total trade within Senqu is about 0.00% of total national trade. Senqu Local Municipality had a negative trade balance in 2020 to the value of R 8.6 million (IHS Markit, 2020)” This shows that Senqu Municipality has a very low manufacturing sector. This is an area for potential expenditure. The entire district has a very low manufacturing sector.

**Table 14: Merchandise exports and imports 2020 (R 1000 Current Prices)**

	Senqu	Joe Gqabi	Eastern Cape	National Total
Exports (R 1000)	0	2,448	92,643,509	1,394,345,998
Imports (R 1000)	8,599	122,534	73,918,938	1,109,458,998
Total Trade (R 1000)	8,599	124,982	166,562,447	2,503,804,998
Trade Balance (R 1000)	-8,599	-120,084	18,724,570	284,887,001
Exports as % of GDP	0.0%	0.0%	24.5%	28.0%
Total trade as % of GDP	0.2%	1.0%	44.0%	50.3%
Regional share - Exports	0.0%	0.0%	6.6%	100.0%
Regional share - Imports	0.0%	0.0%	6.7%	100.0%
<b>Regional share - Total Trade</b>	<b>0.0%</b>	<b>0.0%</b>	<b>6.7%</b>	<b>100.0%</b>

Source: IHS Markit Regional eXplorer version 2142

## 9. Total Employment

Total employment consists of two parts: employment in the formal sector, and employment in the informal sector (Ecsecc,2017:41)”

“In 2020, Senqu employed 22 600 people which is 32.63% of the total employment in Joe Gqabi District Municipality (69 300), 1.64% of total employment in Eastern Cape Province (1.38 million), and 0.15% of the total employment of 15.6 million in South Africa. Employment within Senqu increased annually at an average rate of 1.57% from 2010 to 2020 (IHS Markit, 2020)”.

**Table 15: Total employment per broad economic sector JGDM 2020**

	Senqu	Elundini	Walter Sisulu	Total Joe Gqabi
Agriculture	2,410	2,140	3,010	7,552
Mining	32	12	41	86
Manufacturing	871	783	1,200	2,852
Electricity	44	112	99	254
Construction	2,620	3,460	2,540	8,611

Trade	4,990	4,280	4,830	14,094
Transport	744	965	903	2,612
Finance	1,480	1,570	2,340	5,393
Community services	6,770	6,250	7,170	20,188
Households	2,660	1,510	3,490	7,659
Total	22,600	21,100	25,600	69,302

Source: IHS Markit Regional eXplorer version 2142

“Senqu Local Municipality employs a total number of 22 600 people within its local municipality. The local municipality that employs the highest number of people relative to the other regions within Joe Gqabi District Municipality is Walter Sisulu with a total number of 25 600 (IHS Markit 2020)”

In Senqu Local Municipality the economic sectors that recorded the largest number of employment in 2020 were the community services sector with a total of 6 770 employed people or 29.9% of total employment in the local municipality. The trade sector with a total of 4 990 (22.1%) employs the second highest number of people relative to the rest of the sectors. The mining sector with 32.5 (0.1%) is the sector that employs the least number of people in Senqu Local Municipality, followed by the electricity sector with 43.5 (0.2%) people employed (IHS Markit, 2020)”.

### 9.1. Formal and Informal Employment

“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 a reality in South Africa and cannot be ignored. The number of formally employed people in Senqu Local Municipality counted 14 900 in 2020, which is about 65.86% of total employment, while the number of people employed in the informal sector counted 7 720 or 34.14% of the total employment. Informal employment in Senqu increased from 6 250 in 2010 to an estimated 7 720 in 2020 (IHS Markit, 2020)”.

In 2020 the Trade sector recorded the highest number of informally employed, with a total of 3 210 employees or 41.62% 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 389 and only contributes 5.04% to total informal employment (IHS Markit, 2020)”.

**Table 16: Formal and informal employment by broad economic sector 2020**

	<b>Formal employment</b>	<b>Informal employment</b>
Agriculture	2,410	N/A
Mining	32	N/A
Manufacturing	482	389
Electricity	44	N/A
Construction	1,210	1,410
Trade	1,780	3,210
Transport	147	597
Finance	1,040	439
Community services	5,090	1,680
Households	2,660	N/A

Source: IHS Markit Regional eXplorer version 2142

The informal sector is vital for the areas with very high unemployment and very low labour participation rates. Unemployed people see participating in the informal sector as a survival strategy. The most desirable situation would be to get a stable formal job. But because the formal economy is not growing fast enough to generate adequate jobs, the informal sector is used as a survival mechanism (Ecsecc,2017:44)”.

## 9.2. Unemployment

This includes all persons between 15 and 65 who are currently not working, but who are actively looking for work. In 2020, there were a total number of 17 300 people unemployed in Senqu, which is an increase of 9 880 from 7 460 in 2010. The total number of unemployed people within Senqu constitutes 36.44% of the total number of unemployed people in Joe Gqabi District Municipality. The Senqu Local Municipality experienced an average annual increase of 8.81% in the number of unemployed people, which is better than that of the Joe Gqabi District Municipality which had an average annual increase in unemployment of 8.84% (IHS Markit,2020).

Youth unemployment remains a crucial issue on a national and provincial level. Youth unemployment in the Eastern Cape continues to rise, reaching 47.3% in 2018Q3. Unemployment rate though, has risen to 35.6 % (Eastern Cape Labour Market Overview Q3).

In 2020, the unemployment rate in Senqu Local Municipality (based on the official definition of unemployment) was 40.57%, which is an increase of 15 percentage points. The unemployment rate in Senqu Local Municipality is higher than that of Joe Gqabi. Comparing to the Eastern Cape Province the unemployment rate for Senqu Local Municipality was lower than that of Eastern Cape which was 41.36%. The unemployment rate for South Africa was 29.93% in 2020, which is an increase of -5 percentage points from 24.93% in 2010 (IHS Markit, 2020).



**Table 17: Unemployment official definition 2010-2020**

	Senqu	Joe Gqabi	Eastern Cape	National Total	Senqu as % of district municipality	Senqu as % of province	Senqu as % of national
2010	7,460	20,400	492,000	4,490,000	36.6%	1.52%	0.17%
2011	7,540	20,400	499,000	4,590,000	37.0%	1.51%	0.16%
2012	7,790	21,200	521,000	4,710,000	36.7%	1.49%	0.17%
2013	8,330	22,800	553,000	4,870,000	36.6%	1.51%	0.17%
2014	8,750	23,900	579,000	5,070,000	36.6%	1.51%	0.17%
2015	9,020	24,700	597,000	5,320,000	36.5%	1.51%	0.17%
2016	10,100	27,700	652,000	5,700,000	36.6%	1.55%	0.18%
2017	11,900	32,500	736,000	6,020,000	36.6%	1.62%	0.20%
2018	13,200	36,000	798,000	6,130,000	36.6%	1.65%	0.21%
2019	15,200	41,600	895,000	6,480,000	36.5%	1.70%	0.23%
2020	17,300	47,600	985,000	6,660,000	36.4%	1.76%	0.26%
<b>Average Annual growth</b>							
2010-2020	<b>8.81%</b>	<b>8.84%</b>	<b>7.20%</b>	<b>4.01%</b>			

Source: IHS Markit Regional eXplorer version 2142

**Table 18: Unemployment rate 2010-2020**

	Senqu	Joe Gqabi	Eastern Cape	National Total
2010	25.5%	24.9%	27.9%	24.9%
2011	25.4%	24.7%	28.2%	25.1%
2012	25.7%	25.2%	28.9%	25.1%
2013	26.0%	25.7%	29.6%	25.2%
2014	25.5%	25.2%	29.4%	25.2%
2015	24.9%	24.7%	29.2%	25.5%
2016	26.5%	26.3%	30.5%	26.4%
2017	29.6%	29.4%	33.0%	27.2%
2018	32.0%	31.7%	34.9%	27.4%
2019	35.4%	35.2%	37.8%	28.4%
2020	40.6%	40.4%	41.4%	29.9%

Source: IHS Markit Regional eXplorer version 2142

## 10. Income and Expenditure

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

### 10.1. Number of Households by Income Category

“It was estimated that in 2020 22.50% of all the households in the Senqu Local Municipality, were living on R30,000 or less per annum. In comparison with 2010's 43.26%, the number is about half. The 30000-42000 income category has the highest number of households with a total number of 6 720, followed by the 18000-30000 income category with 6 270 households. Only 4.4 households fall within the 0-2400 income category (IHS Markit, 2020).

“For the period 2010 to 2020 the number of households earning more than R30,000 per annum has increased from 56.74% to 77.50%. The number of households with income equal to or lower than R6,000 per year has decreased by a significant amount (IHS Markit, 2020).

### 10.2. Annual Total Personal Income

Senqu Local Municipality recorded an average annual growth rate of 7.66% (from R 2.22 billion to R 4.64 billion) from 2010 to 2020, which is more than both Joe Gqabi's (7.48%) as well as Eastern Cape Province's (6.99%) average annual growth rates. South Africa had an average annual growth rate of 6.65% (from R 1.84 trillion to R 3.51 trillion) which is less than the growth rate in Senqu Local Municipality (IHS Markit, 2020).

The total personal income of Senqu Local Municipality amounted to approximately R 4.64 billion in 2020. The African population group earned R 4.2 billion, or 90.51% of total personal income, while the White population group earned R 306 million, or 6.60% of the total personal income. The Coloured and the Asian population groups only had a share of 1.77% and 1.12% of total personal income respectively.

**Table 19: Annual Total Personal income- (Current Prices Billions)**

	Senqu	Elundini	Walter Sisulu
2010	2.22	2.02	2.29
2011	2.43	2.20	2.53
2012	2.72	2.44	2.84
2013	2.98	2.65	3.13
2014	3.23	2.86	3.40
2015	3.54	3.10	3.71
2016	3.81	3.30	3.96
2017	4.18	3.62	4.33
2018	4.48	3.88	4.62
2019	4.72	4.08	4.89
2020	4.64	4.01	4.79
<b>Average Annual growth</b>			
2010-2020	<b>7.66%</b>	<b>7.08%</b>	<b>7.64%</b>

Source: IHS Markit Regional eXplorer version 2142

When looking at the annual total personal income for the regions within Joe Gqabi District Municipality the Walter Sisulu Local Municipality had the highest total personal income with R 4.79 billion which increased from R 2.29 billion recorded in 2010. The Elundini Local Municipality had the lowest total personal income of R 4.01 billion in 2020, this increased from R 2.02 billion in 2010.

### 10.3. Annual Per Capita Income

The per capita income in Senqu Local Municipality is R 31,500 and is lower than both the Eastern Cape (R 41,000) and of the Joe Gqabi District Municipality (R 34,400) per capita income. The per capita income for Senqu Local Municipality (R 31,500) is lower than that of the South Africa as a whole which is R 58,700 (IHS Markit, 2020).

**Table 20: Per Capita Income by population group 2020 (R current Prices)**

	<b>African</b>	<b>White</b>	<b>Coloured</b>
Senqu	29,200	215,000	47,500
Elundini	25,000	N/A	48,400
Walter Sisulu	37,800	241,000	47,600

*Source: IHS Markit Regional eXplorer version 2142*

Senqu Local Municipality had the second highest per capita income at R 31,500. In Senqu Local Municipality, the White population group has the highest per capita income, with R 215,000, relative to the other population groups. The population group with the second highest per capita income within Senqu Local Municipality is the Coloured population group (R 47,500). Some of the population groups - where there are less than 1,000 people living in the area were excluded from the analysis (IHS Markit, 2020).

### 10.4 Index of Buying Power

“The Index of Buying Power (IBP) is a measure of a region's overall capacity to absorb products and/or services. 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) (Ecsecc,2017:54)”.

Senqu 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 0.0015 relative to South Africa as a whole. Joe Gqabi has an IBP of 0.0042, where Eastern Cape Province has an 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 Senqu Local Municipality suggests that the local municipality has access to only a small percentage of the goods and services available in all of the Joe Gqabi District Municipality. Its residents are most likely spending some of their income in neighbouring areas (IHS Markit, 2020).

Between 2010 and 2020, the index of buying power within Senqu Local Municipality increased to its highest level in 2018 (0.001489) from its lowest in 2011 (0.001363). Although the buying power within Senqu Local Municipality is relatively small compared to other regions, the IBP increased at an average annual growth rate of 0.78% (IHS Markit, 2020)

**Table 21: Index of buying power**

	<b>Senqu</b>	<b>Joe Gqabi</b>	<b>Eastern Cape</b>	<b>National Total</b>
Population	147,419	390,822	7,360,699	59,809,786
Population - share of national total	0.2%	0.7%	12.3%	100.0%
Income	4,643	13,441	302,047	3,508,339
Income - share of national total	0.1%	0.4%	8.6%	100.0%
Retail	1,557,574	4,229,519	86,566,731	1,049,668,438
Retail - share of national total	0.1%	0.4%	8.2%	100.0%
Index	0.00	0.00	0.09	1.00

Source: IHS Markit Regional eXplorer version 2142

## 11. Comparative and Competitive Advantages

### 11.1 Competitive Advantages

#### **Basic Services and Infrastructure**

The Municipality performs above District average in respect of access to all basic services but refuse removal. The majority of Senqu households enjoy access to the RDP minimum levels of basic services in respect of housing, energy and sanitation.

The road network is extensive, and all villages are accessible by roads. There are 2 major tarred roads which run through the Municipality and link the urban areas such as the R 58 and the R 392. They also provide linkage between the N6 and N2. Unfortunately, road maintenance is poor but the tarred network is being upgraded.

The bulk infrastructure of water and sanitation is sufficient in towns and has been upgraded so that it can provide for growth such as the 802 RDP houses built in Barkly East.

#### **Technology**

The Municipality is a pilot municipality for SALGA for the rollout of 5 G.

#### **Tourism**

Scenic beauty, hiking and wildlife attractions and trout fishing. South Africa's only ski resort at Tiffendell. Tiffendell Ski Resort is the only ski resort in South Africa and is uniquely positioned to capture the local skiing market. Due to the shutdown of the tourism sector during lockdown, the ski resort was forced to shut down. The area has a well-developed road network that enters beautiful valleys and mountains. It is favoured by off road enthusiasts, trail runners and mountain bikers.

#### **Agriculture**

Agriculture is one of the major economic drivers of the local economy and is considered one of the New Growth path's job drivers. The total cultivated area of arable land is 47 319, 21 Ha, dry land under commercial Production

has 18 178, 39 Ha; commercial irrigated Land of 3 866, 57 Ha, semi commercial (Commonages) has 25 274, 25 Ha (Information supplied by the Department of Agriculture). In general, however the area has limited land available that can sustain intensive agricultural practices. This is due to its highly erodible soils and unchecked poor veld management which has led to massive loss of topsoil and the growth of extensive dongas and gulleys.

The area is more suited towards stock farming than crop production due to its mountainous profile, short growing season, and shallow erodible soils. However due to this fact and the changing climate newer crops are being investigated such as grapes. However, where soils are suitable, dryland crops such as beans, maize, sorghum, and cabbage can be produced. Fodder is also grown for winter feed and Lucerne is grown under irrigation on many commercial farms. Stocking rates tend to be low due to the mountainous area, but sheep, cattle and goats are in the majority. Accurate stock rates could not be received from the Department but the table 22 below from StatsSa, Community Survey 2016 indicates stock ownership which gives an idea of stock.

Table 22: Agricultural statistics

Agriculture	2011		2016	
	Number	Percent	Number	Percent
Agricultural households			9 921,0	27,9
<b>Cattle</b>				
1 - 10			2 746	56,4
11 - 100			948	19,5
100+			1 173	24,1
Total			4 867	100,0
<b>Sheep</b>				
1 - 10			596	20,5
11 - 100			985	33,9
100+			1 321	45,5
Total			2 902	100,0
<b>Goat</b>				
1 - 10			1 657	49,6
11 - 100			1 601	47,9
100+			82	2,5
Total			3 340	100,0
<b>Type of agric activity</b>				
Livestock production			7 233,0	75,1
Poultry production			3 567,0	46,8
Vegetable production			3 384,0	54,4
Other			3 349,0	13,1

Source: StatsSA 2016

In general, agricultural infrastructure has been installed in the former homeland and communal region but farmers still express needs for fencing, tractors, stock dams, shearing sheds and dip for the dipping tanks. There is the following infrastructure available:

- 15 Dipping tanks in various states of disrepair requiring water and dip
- 33 shearing sheds
- 2 red meat facilities
- 1 poultry abattoir (Sterkspruit)

- 11 stock dams
  - 3 tunnel facilities
- (Source: Municipal Ward survey 2023)

The most common complaint is for roads to be fixed in all commercial and communal areas and especially to the lands. The former homeland is also being invaded by plants which reduce grass from growing and affect animal health like the jointed cactus and Slangbos. DRDAR will be starting programmes to eradicate the cactus and DEDEA have funded projects to eradicate Slangbos but more needs to be done as it is spreading throughout the district. Stock theft remains a constant threat to both commercial and non-commercial farmers. A positive note is the growth of farming co-operatives building relationships with commercial farmers to utilise underutilised communal land such as the Tugela co-operative near Skisazana. JOGEDA are also looking at the processing of peaches with a partnership agreement with the South African deciduous company and various communal farmers.

In 2010/11, 46 099 196 kilograms of greasy wool was produced in South Africa. Out of this the Eastern Cape produced 14 300 585 kilograms. In 2011/12, 44 807 741 kilograms were produced out of which the Eastern Cape produced 13 950 406 kilograms. Barkly East 876 812, Lady Grey 178, 107 and the Transkei 3,357,008 (Cape Wool production figures 2010-2012). This makes Senqu one of the largest producers of wool in the Eastern Cape. Its climate and topography make it well suited to expand this type of farming.

- Bottling of fresh spring water is a potential niche. Senqu has pure, clear water that is already being bottled on a small scale. Potential may exist for further expansion.
- Strategic location and proximity to Lesotho provides development opportunities near the Telle Bridge border post as well as for the revitalisation and upgrade of Sterkspruit. These provide major tourism development opportunities for both Senqu and Lesotho. The proximity of the area to Lesotho, the Free State allows it to tap into these potential markets as well as being only 60 km from the N6 route from East London to Johannesburg allows it to ship goods relatively easier.

#### 11.2. Comparative advantages

##### **LED Support System**

The Senqu Municipality has a dedicated LED Unit located within its planning department. The Unit is responsible for coordination and facilitation of LED processes in Senqu as well as advise Council on LED matters. The LED Unit is fully staffed.

Senqu is one of the key partners of the Joe Gqabi Economic Development Agency (JoGEDA) which is tasked to drive special economic development projects on behalf of the district municipality and the three local municipalities in Joe Gqabi. With respect to Senqu, the Agency has prioritised commercial property development and plastic manufacturing as its immediate flagship projects. Its other partners are the local tourism organization (Senqu Tourism Association) and the Small Enterprise Development Agency (SEDA) which provides support services to tourism enterprises and other small businesses in the area. Other partners include the JGDM, ECDC, DLGTA, DEDEA and the Department of Agriculture.

##### **EPWP, CWP & Enterprise development**

EPWP & CWP programmes are operated very effectively in the Municipality. Enterprise development is however struggling as SMME's, and Co-operatives struggle to become financially viable. The Municipality continues however to support these initiatives through its percentages in its supply chain management policy.

## **12. Challenges**

### **Geographic Challenge**

The majority (86%) of the Senqu population lives in predominantly rural areas consisting of rural villages and farm households. The average population density is lower than the district and provincial population density. The population density indicates that people are scarcely located, making it extremely costly and difficult to provide the prerequisite services and conditions to address unemployment and poverty.

### **Dependency Challenge**

Despite a large potentially economic active population, the economy is unable to provide the required economic and employment opportunities for all these people. In the current form and conditions, the local economy can only provide employment and economic opportunities for only a quarter of the potentially EAP.

### **Poverty Challenge**

Senqu Municipality has a high poverty rate which is higher than that of the Province. Although the Municipality has and continues to support several poverty alleviation projects, in many instances the impact of these poverty alleviation projects remains unknown. This is why the Municipality completed a poverty alleviation strategy for the 2014/15 financial year. In addition, preparations have started for the poorest ward poverty alleviation programme in Ward 5.

### **Employment Challenge**

Senqu Municipality has a high unemployment rate. It is higher than that of both the district and the Province.

### **Income Challenge**

Almost two thirds of Senqu households are indigent.

### **Literacy Challenge**

Literacy remains a problem even though illiterate rates are dropping slowly.

### **Skills Challenge**

Most of the adult population are unskilled. There is a major shortage of technical skills.

### **Infrastructure and Land Challenge**

While Senqu performs above district average in respect to all basic services except for refuse removal, infrastructure backlogs remain an area of constraint that must be addressed to unlock better growth and new investments into the area. The effect of migration into urban areas such as Sterkspruit is also putting major strain on existing infrastructure in these areas. A more integrated approach addressing social, economic and infrastructural issues is critical.

## **Land**

The Senqu Municipality has communal land in the former Transkei homeland situated around Herschel and Sterkspruit, bordering on Lesotho. The land tenure in this area is a mixture of freehold, quit rent and PTO. Land tenure and rights in this area have traditionally been vested in traditional authorities with the Department of Agriculture distributing PTOs. The rest of the area is either freehold tenure in the former RSA towns or commercially owned farmland (Senqu SDF 2009).

The majority of the municipal land is unimproved grassland (75.6%), with only 6.6% of the area used for cultivation purposes. Approximately 13% of the surface area is classified as degraded: that is, it has previously been subjected to poor land use and management practices (e.g., overgrazing, or inappropriate cultivation methods). Only 1.1% of the surface area is developed as built areas, including the urban areas of Sterkspruit, Lady Grey and Barkly East, as well as the rural settlements. Senqu has major challenges relating to land invasions of municipal owned or state land. This is due to lack of land being offered for sale and people being unable to afford land but wishing to be closer to prospective employment and urban amenities in the urban areas of Barkly East and Lady Grey. In the smaller rural hamlets of Rhodes, Rossouw and Herschel people are invading land and building informal settlements to move closer to urban amenities or receive housing with freehold tenure especially farm workers. There is also the land redistribution challenge that Senqu must meet. For example, to be able to meet the 30% redistribution target by 2014, 166 000 ha will need to be redistributed at 33 000 per annum at a total cost of R 83 million if the price remains at around R 2500 per hectare (JGDM ABP 2010).

### **Access to land**

Senqu has many middle-income earners who are unable to buy plots for sale in the townships of Lady Grey, Barkly East and Rhodes. This is because they are in employment of the state and the Municipality is prohibited from selling to them. Other struggle to access land from Traditional Authorities.

In addition, access to serviced sites is difficult as main sewerage and water lines are currently laid to existing sites and not to areas which can be developed.

The other challenge is that of title deeds which requires formalisation of townships. The Municipality has a large-scale impact project which would require formalisation of the 10 surrounding villages around Sterkspruit.

### **Congestion and business sites**

Sterkspruit is congested with traffic which the Municipality is planning to relieve by installing a new traffic flow system and installing new traffic lights and creating proper parking bays. This requires much funding and a traffic management plan.

Access to business sites is difficult as many in Sterkspruit do not have title deeds as they occur outside the town boundaries which also makes it difficult to supply services.

### **Growth Challenge**

The growth of the local economy remains low and in the current economic climate, it is likely to remain low.

### **Bulk Infrastructure**



The Municipality suffers from lack of bulk infrastructure especially water and sanitation infrastructure which is supplied by the District Municipality.

### **Connectivity**

The area has low internet speeds and fluctuating poor telecommunications.

### **Tertiary Education**

There is only 3 tertiary institutions in the Joe Gqabi District Municipality and only 1 at Sterkspruit. However these institutions do not provide the required skills to develop and join the internet economy .

## **13. Economic Infrastructure**

### **14. Stakeholder Involvement**

The Municipality has an Economic Development Forum. The aim of the forum is to:

- Provide LED facilitation and support within the Senqu municipality.
- Advise on development choices by understanding the local context enough to validate claims made about local potential.
- Mobilise local stakeholders.
- Facilitate local partnerships within and between local public and private organisations.
- Develop an annual work plan to implement the LED strategy that is reported on quarterly.
- Assist with and advise on local economic development initiatives.
- Coordinate all local economic development initiatives within the municipality.
- Provide information and create awareness about LED within the municipality.
- Monitoring and evaluation of local economic development projects

The forum meets quarterly. Its meetings have been disrupted by the development of the LED strategy where the Municipality has been meeting with various stakeholder groups separately. Other stakeholder forums include the LTO, small farmer's association and agricultural forum. However, these forums require more capacitation and engagement to keep the functioning effectively. The Municipality engages with sector departments through District Support team meetings on a quarterly basis and IDP Representative Forum meetings.

### **15. Investment Attraction, Small Town Revitalisation and Policy Framework**

The Municipality is expending great effort to attract investors to the municipal areas by ensuring that towns are kept clean, and that grass and trees are cut and pruned regularly. Senqu has won several awards in the cleanest town competition. It came first in the 2022 greenest town competition.

The Municipality has spent its neighbourhood development grant on beautifying the entrance to Lady Grey by planting trees and providing pathways linking the township to the CBD. The emphasis in Sterkspruit is on consolidation of neighbouring settlements into the existing town and resolving land tenure issues. A small-town regeneration plan has been developed for Sterkspruit and Barkly East. As part of this initiative walkways

have been paved and 18 hawkers' huts handed over in Sterkspruit. Community parks in Lady Grey funded by DEA has been built. The lack of available land is preventing the development of similar parks in Sterkspruit.

Suggestions have also been received by the communities of Rhodes and Lady Grey for street signage to improve security. This has been approved in the budget and a policy developed on naming in the Municipality.

The Municipality has also begun to increase revenue by expanding the rates base through formalisation of adjoining rural areas to existing urban centers as well as implementing the small-town plans. The policy framework regarding businesses is in the process of being revisited in order to determine areas of hindrance for business development. These include the bylaws on building control regulations, business and street trading, liquor trading, preparation of foods at registered private kitchens and taxi ranks and taxi ranking. This is all part of the Municipality's drive to assist the development of business in the area including the ultimate adoption of informal trading regulations and the draft trade and investment policy.

Work is starting on the revitalisation of the Sterkspruit revitalisation plan with funding being sought for the development of a traffic plan which will reroute traffic and avoid congestion of the CBD. The construction of a DLTC in the town will assist in increased revenue for the Municipality as learners and drivers licence tests can occur in the town. Plans have been made in the budget for a multiyear project to build an additional bridge in New Rest to alleviate traffic congestion as well as the installation of a traffic light.

Investors have started displaying an interest in the area which the growth of the Sterkspruit plaza and the development of the old Transido building by JOGEDA as well as the erection of an electronic sign by JGDM for JOGEDA as a source of revenue. Another investment opportunity is the development of a shopping Centre in Palmietfontein which has been welcomed by residents. The Centre should be developed within the coming years.

The Municipality has redone its LED strategy. Targets for enterprise development support have been set at 30 % procurement by SMME & Co-operatives of the Operational Budget. A percentage is in the process of being set for the capital budget as well. The LED strategy has looked at the issue of the township economy. However, it must be realised that not all areas are equal and Senqu Municipality does not have a township economy as exists in the larger metros. The townships in Senqu form part of the town economy and most business still occurs around the CBD including that of informal traders. The only businesses in the townships are shebeens and spaza towns.

## **16. Expanded Public Works & Community Works Programme**

Senqu Municipality has successfully implemented the EPWP programme. The objectives of the EPWP programme are as follows:

- To create job opportunities through reviewing the manner that municipalities implement existing projects/programmes.
- To identify and propose programmes that will contribute to additional job creation opportunities.

- To ensure that the proposed job creation programmes form part of the service delivery mandates of the municipality

These principles have been incorporated into the municipality's efforts to increase employment opportunities for its residents. Projects consist of basic road maintenance, paving of streets, picking up refuse, pothole repair and storm water channel maintenance. Over 196 jobs were created in 2011,2012,2013. 252 jobs were created in 2014/15 for mass job and 450 on MIG projects. 216 Jobs on average for 2017/18 through mass job creation as part of the EPWP programme and CWP. 544 jobs were created in 2018/19. In 2019/2020 an average of 165 jobs were created monthly. This excludes CWP jobs. Future projects include maintenance of municipal property, cleaning in urban areas, storm water management in townships and data collection. The CWP programme was increased to cover 2 more wards.

The EPWP policy was adopted by Council on the 25<sup>th</sup> of October 2012, amended and adopted again in 2018 to take cognizance of the changes in legislation. The policy outlines the institutional arrangements for implementing EPWP, roles and responsibilities, the employment opportunities, training and EPWP target, conditions of employment, target groups and reporting process. The Director of Technical Services is responsible for implementing EPWP but the co-ordination is done by the EPWP Steering Committee. The Committee consists of all Director's and all relevant sector heads. The responsibility of the Committee is to:

- Coordinate the overall municipal wide coordination of EPWP and related issues
- Review the EPWP policy.
- Setting departmental EPWP targets
- Enabling environment for the successful implementation of EPWP
- Reporting to the management meeting
- Monitoring and evaluation of the EPWP programme
- Setting of performance standards
- Compiling an EPWP management plan

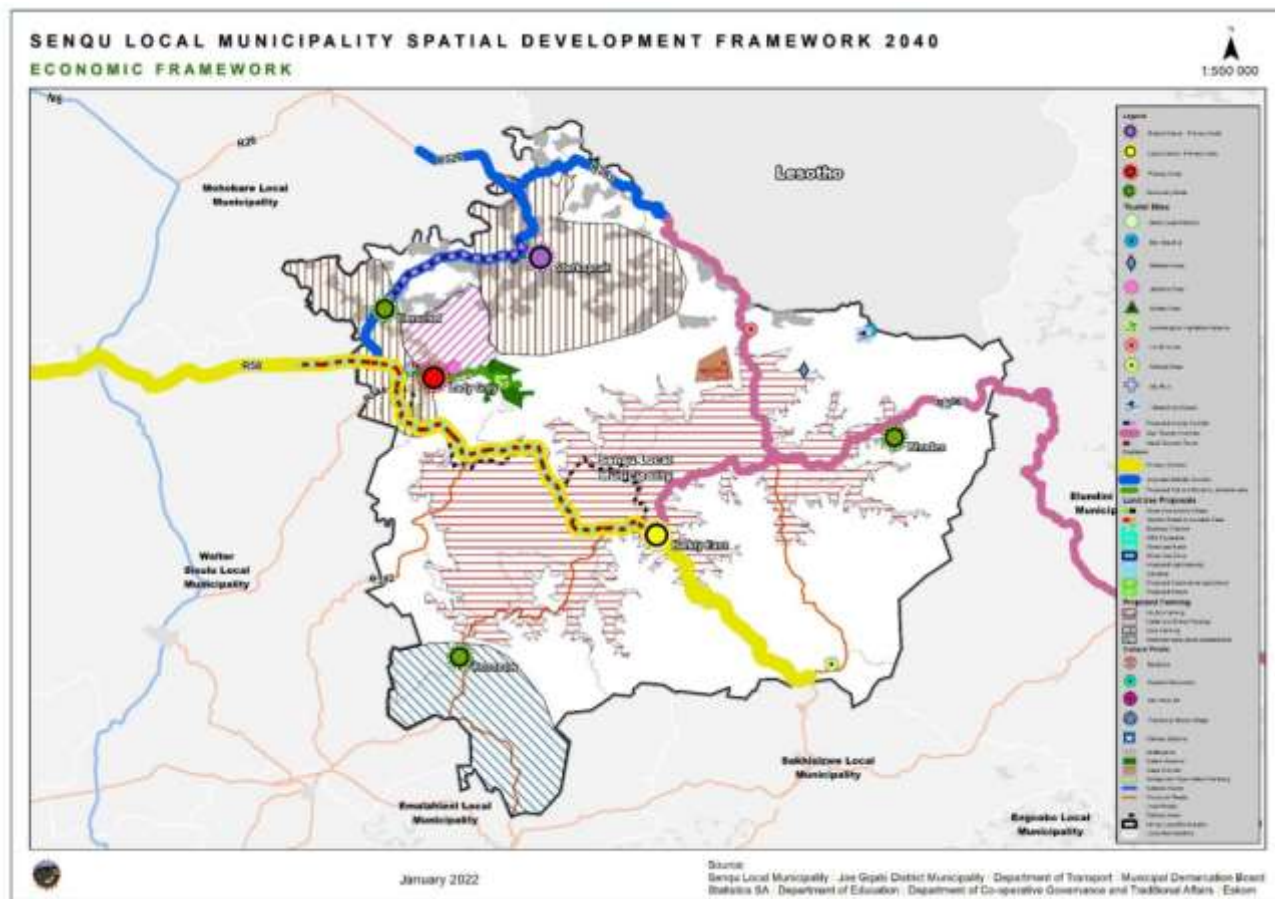
The EPWP framework for Phase 3 was adopted by Council in May 2016 and for Phase 4 in 2020.

An amount of R 6,480,000 was budgeted for the 2014/15 financial year and a similar amount for 2015/16. 2017/17 R 4,753,818, 2018/19 R 5,038,050 and in 2019/20 R 4 952 783. Of this R 3 983 616.14 was spent. An EPWP grant of R 2 617 000 was received for 2020/2021 and spent. The Municipality allocated R 5 104 950 excluding MIG projects for job creation for 2020/2021. For 2021/22 the amount was R 2 489 651. In 2022/23 it is R 7 634 528. The amount for 2023/2024 is R 5 436 000.

## 17. LED Priorities & Spatial Realities

The map below from the SDF 2022 indicates the relationship between the LED priorities and the spatial realities.

Map 6: LED Priorities & spatial realities



Source SDF 2022

## 18. Alignment between the NDP, PDP, NGP & LED Strategy

National development Plan	Provincial Development Plan	New Growth Path	JGDM LED Strategy	LED Strategy
Unite all South Africans around a common purpose	Innovative and inclusive growing economy Rural development and an innovative and high value agricultural sector	Jobs driver 3: Seizing the potential of new economies. Job driver 1 infrastructure		Objective 1: To grow the local economy by 3 % by 2027. Objective 3: Stimulation of the rural economy
An active citizenry		Jobs driver 3: Seizing the potential of new economies		
Growing an inclusive economy	An enabling infrastructure network	Jobs driver 2: main economic sectors Jobs driver 3: Seizing the potential of new economies		Objective 2: To increase employment by X % in 2027 Objective 4: Development of investor friendly and attractive urban areas

The need to improve capabilities	Human development			
The need for a capable and developmental state	Capable democratic institutions	Job driver 4: investing in social, capital and public services		
Responsibilities of leaders throughout society to work together to solve our problems	Environmental sustainability	Job driver 4: investing in social, capital and public services. Jobs driver 5: spatial development		Objective 4: Development of investor friendly and attractive urban areas

## 19. LED Strategy

The LED strategy was redone in the 2021/2022 Financial year and the final strategy was adopted in June 2022.

### 19.1. LED Strategy Objectives

The Senqu LED Strategy aims to achieve the following objective and strategies:

Objective 1: To grow the local economy by 3 % by 2027.

Strategy 1: To attract 2 main investments by 2027.

Objective 2: To increase employment by X % in 2027

Strategy 1: Engage appropriate stakeholders on how to develop appropriate skills for the modern economy.

Strategy 2: Development of an SMME strategy

Strategy 3: Development of SMME's Hubs

Strategy 4: Facilitate the development of organisations to mentor and assist emerging businesses.

Strategy 5: Utilise more labour-intensive methods in capital infrastructure projects.

Objective 3: Stimulation of the rural economy

Strategy 1: Facilitate the development of access to market for emerging farmers with appropriate stakeholders.

Strategy 2: Facilitate the maintenance of the most important rural roads for farmers.

Strategy 3: Facilitate the access for emerging farmers to machinery.

Strategy 4: Engage appropriate stakeholders on how to improve mobile phone coverage and increase data speeds.

Objective 4: Development of investor friendly and attractive urban areas

Strategy 1: Develop a redtape reduction strategy to reduce business turnover time on applications.

Strategy 2: Development of legally compliant businesses

Strategy 3: Utilisation of the green economy

Programmes and implementation plans will be developed during the finalization of the strategy.

### 19.2 Current LED Unit Staffing and Budget

The Municipality has an LED Unit which is based in the Directorate: Development & Town Planning Services Directorate. The Unit has 1 Enterprise Development Officer and 1 Tourism Office. It is headed by the IPED

Manager. The office was granted an operational budget of R 3 052 969.52 for LED and R 1 181 612.50 for tourism for 2019/2020. In 2020 it had an LED budget of R 485 838 and R 327 141 for tourism. For 2021/ 22 the amount for LED is R 308 671 and for Tourism R 638 039. In 2022 Tourism has R 430 518 and the same for LED. The amount for 2023 will be revealed in the new budget and added afterwards.

## **20. Conclusion**

The LM's lack of annual growth has resulted in an unprecedented high unemployment in the Senqu area with high dependence on government grants. This coupled with access to basic household and community services which is below optimal creates tension amongst communities who compete for relatively scarce resources.

Therefore, it becomes crucial that the municipality creates conducive conditions for job creation and participation in agricultural activities by availing land for development. Businesses are not growing as SMME's as they do not receive strategic support from government institutions. Areas for great concern are centered around food security and land reform. The tourism sector is underdeveloped and needs strategic intervention to revive and contribute to the local economy meaningfully. Agriculture remains central to the development of the area. However, it must be done in conjunction with other programmes. Land administration and town planning seem to have been relegated to the background of the municipal priorities. This approach does impact negatively on the development trajectory of the municipality.

## CHAPTER FOUR: BASIC SERVICE DELIVERY

### 1. SLA's and other Institutional Arrangements

Community Services has an SLA with DSRAC. In terms of the SLA Senqu runs the library service on behalf of DSRAC. This SLA is signed annually. Technical Services has an SLA regarding electricity sales with ESKOM whereby the Municipality procures electricity from ESKOM and then sells it via its internal network to urban customers.

### 2. Spatial Analysis and Rationale

The SDF was adopted in 2022. The SDF was developed according to SPLUMA regulations. The settlements found in the municipality are listed below and their category.

Settlement	Settlement Type
Sterkspruit (Main urban area – including surrounding settlements within the urban edge (Sterkspruit LSDF2017	Urban
Lady Grey (Including Transwilger & Khwezi naledi)	Urban
Barkly East (Including Nkululeko & Fairview)	Urban
Rhodes including Zakhele	Urban
Rossouw	Urban
Hershel	Urban
Rural Villages 178 (OTP 2015)	Rural
Privately owned commercial farms	Rural

There is land that is under the jurisdiction of traditional authorities with communal land tenure. The municipality is busy negotiating with traditional authorities to include all the surrounding villages into Sterkspruit municipal boundaries since it has no services.

The following Guiding Principles have been developed in accordance with the SPLUMA guiding principles. The following Spatial Guiding Principles are outlined for the SLM SDF.

*Development of Sustainable Human Settlements* This guiding principle seeks to address the critical interventions required that would counter current shortcomings in the way settlements perform. Key areas of concern include dealing with the existing sparsely dispersed settlements and the lack of certain social amenities within some settlements and the wide variety of housing needs applicable to various areas of the district related to tenure challenges, especially those that are poorly catered for by current housing markets. Other areas of concern relate to the need to ensure that housing opportunities are developed in areas that offer better access to social and economic opportunities to the most people (especially the less well-off who are most reliant on public transport); and to the need to ensure that levels of access to critical social facilities and services are progressively improved.

*Ensuring a Sustainable and Functioning Environment* The major area constraining the environment within the context of the SLM is the growing effects of climate change and the crucial role played by the natural environment in providing the essential ecosystem goods and services upon which the environmental sphere thrives upon. Key concerns are that spatial development and human land uses should be planned

and managed so as not to disrupt or destroy critical biodiversity areas. The aim of the guiding principle also highlights the need for planning to strengthen the resilience of communities and to allow for contingencies when responding to natural disaster events.

*Managing and Maintaining Safe and Accessible Infrastructure Provision* This guiding principle focuses on the importance of ensuring that existing infrastructure networks are adequately maintained and that scarce critical (life-enabling) resources such as water are protected and managed to ensure wise and sustainable use. This guiding principle also emphasises the need to plan for the changing services provision context, especially the impact of changes in how activist citizens have begun to design solutions in order to reduce their absolute dependency on municipal services provision.

*infrastructure* which allows for the ease of access to various neighbouring communities (to the extent of the Kingdom of Lesotho) to access social amenities and the job market. The SLM under the goal for the development of a Smart municipality will aim to promote energy conservation and alternative energy production. This guiding principle will also aim to address Infrastructure upgrading and provision within the district.

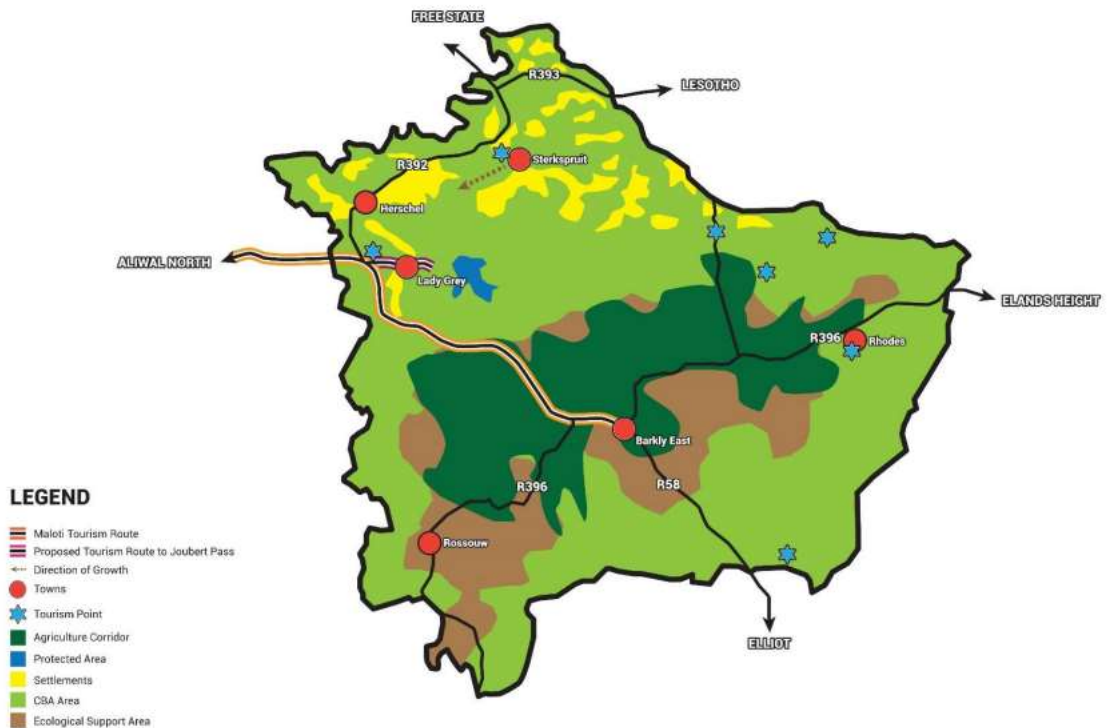
*Access to and Affordable Public Transportation and Accessible Linkages Between Settlements.* This guiding principle focuses on the interplay of viable public transportation with the appropriate pattern of land use and settlement development within the municipality and beyond. It is clearly recognised that public transport functions best and most sustainably when it services a user population that resides at sufficient density and distances from various land uses within the areas of which the transport services is offered.

*Sustainable Rural Development* There are many rural settlements located throughout the municipality. This guiding principle seeks to take into account the realities of the interplay between SLM's urban areas and its rural settlements, and especially the linkage between these areas. There will be an improved connection between the rural and urban in such a way that they operate in sync, whatever the other lack the other is able to assist with. There will also be improved access, all of these will promote and supports sustainable initiatives whilst also being able to facilitate food security programmes within the rural areas. "Smart City" and Information Technology Cities and areas in third world countries have been seeing the need for advancing this sector.

*Effective Governance* This principle highlights the importance of ensuring efficiency, transparency, and inclusiveness in the SLM's approach to fulfilling its Municipal Planning mandate, specifically about spatial planning and land use management. This means that emphasis is to be placed on communication with interested and affected parties to any planning initiative and ensuring transparency between municipal functions and public knowledge to ensure that the public is part of the planning process and that they essentially are satisfied with the projects proposed within the spaces in which they live and utilise. Priority is to be given to ensuring that a sound and technically proficient administration is developed and nurtured, so as to win the trust and support of all stakeholders and community members who share a common interest in seeing sustainable development become a reality for the municipality (SDF 2022:154-160).



# CONCEPT PLAN



### 3. Development Nodes and Settlement proposals

The concept for the future development of the municipality is to strengthen the existing residential nodes, both Urban and Rural areas and define the edges of these areas, to protect the areas of Agricultural potential as well as the areas of environmental sensitivity. The concept looks at the nodes being developed to accommodate residential and alternative economic opportunities to create employment. The concept looks at alternative economic sectors like red meat abattoirs and tourism can be possible sectors, which can support and ensure the sustainability of these nodes.

NODE TYPE	TOWN NAME
District Centre/ Primary Node	Sterkspruit
Local Centre/ Primary Node	Barkly East
Primary Node	Lady Grey
Secondary Node	Herschel
Secondary Node	Rossouw
Secondary Node	Rhodes

The municipality is identified as a leading product for the Senqu local economy in 2004 (ECO 2006), with scenic beauty, hiking and wildlife attractions, and trout fishing, together with South Africa’s only ski resort at Tiffendell. Tiffendell ski resort is the “key pin” with linkages to the Rhodes, Barkly East, Maclear, Ugie and Lady Grey areas.

From an environmental perspective, the natural environmental needs to be protected. We need to protect these areas by monitoring land uses near these areas. The environment is an asset which also needs to be marketed and promoted.

The following components are applicable to the Conceptual Spatial Plan for the Senqu SDF:

#### 1. Movement

- The R58 is the main movement route in the municipality
- The R393 is regarded as an important mobility route since it connects the municipality to the Kingdom of Lesotho and the province of the Free State
- The enhancing the agricultural sector would further require prioritisation to be placed on the movement routes between towns in Senqu as well as outside of the LM.

#### 2. Infrastructure

- Infrastructure upgrades are required for towns to expand and to accommodate for the housing need in Senqu LM.
- Upgrades of Roads to allow for the ease of movement of people, goods and services
- Social Facilities to cater for the growing need.

#### 3. Towns

- Towns have the potential to expand, specifically Barkly East, Lady Grey, Sterkspruit and Herschel. The proposal for this is to also aim to impact the provision of Sustainable Human Settlements and transportation movement, as well as the retail and trade sectors.
- Alignment and support to neighbouring towns. Assess their needs and consider the impact it would have on Senqu LM (Great influx from Lesotho to areas of Sterkspruit and going to Herschel)

#### 4. Economic Growth

- The key economic sectors which the concept plan covers are as follows: > Finance > Trade > Agriculture, Forestry and Fishing > Community Services > Transportation
- The concept plan aims to facilitate economic growth in the economic sectors of Senqu LM. This is aimed to be achieved through the prioritisation of the opening of industrial sites, the promotion of logistics and transportation movement, as well as the retail and trade sectors.

#### 5. Agriculture

- The agricultural sector is proposed to be promoted within Senqu LM
- Agro process is a spin off sector which has the potential to thrive should focus be placed on the agricultural sector
- Training / skills development centres are required to allow for the growth of the sector and to provide job opportunities for residents. This can be through the Subsistence farming taking place in the municipality.

#### 6. Tourism

- Tourism opportunities exists within the Senqu Local Municipality which need further promotion and enhancement. The tourism opportunities include but not limited to the following: > Naude's Neck Pass connecting Maclear to Rhodes > Joubert's Pass in Lady Grey

## 4. Spatial Proposals

### a. Lady Grey: Spatial Logic and proposed land uses

The town of Lady Grey functions primarily as a service centre and the SDF describes it as a primary node. It provides commercial facilities and social infrastructure and services to both the residents and residents from the greater district which consists of mainly commercial farms. The town is located on the R58 provincial road which links the town of Lady Grey to Aliwal North (Maletswai) to the west, Barkly East to the east and Herschel and Sterkspruit (via the R392) to the north. The area is acknowledged as an administrative centre; there is availability of industrial land; there is development potential of the river frontage; there are places of historical interest that exist. (Heritage sites), and there is potential for tourism, mountain biking, hiking, and various other outdoor sports.

#### Residential

- There is an opportunity for high income housing near the golf course. This will ensure that the area accommodates the people that work in the area but stay in areas like Maletswai.
- There are opportunities for infill development.
- With the mountain acting as a constraint for development, development is confined to the West of the town, this provides an opportunity for densification.

#### Business

- An activity street is proposed, this is where most of the of the commercial activities are taking place.
- The SDF proposes a CBD expansion between Schreiner Street and Murray Street.
- It also proposes a Civic precinct between Huet and Murray Streets
- There is a proposed agricultural activity that can take place opposite the Khwezi-Naledi township. This will improve the subsistence commercial farming and can work well since the municipality has a farmer's support forum that can ensure its functionality.

#### Industrial

- There is an opportunity for light industry just before the CBD where there are opportunities for retail.

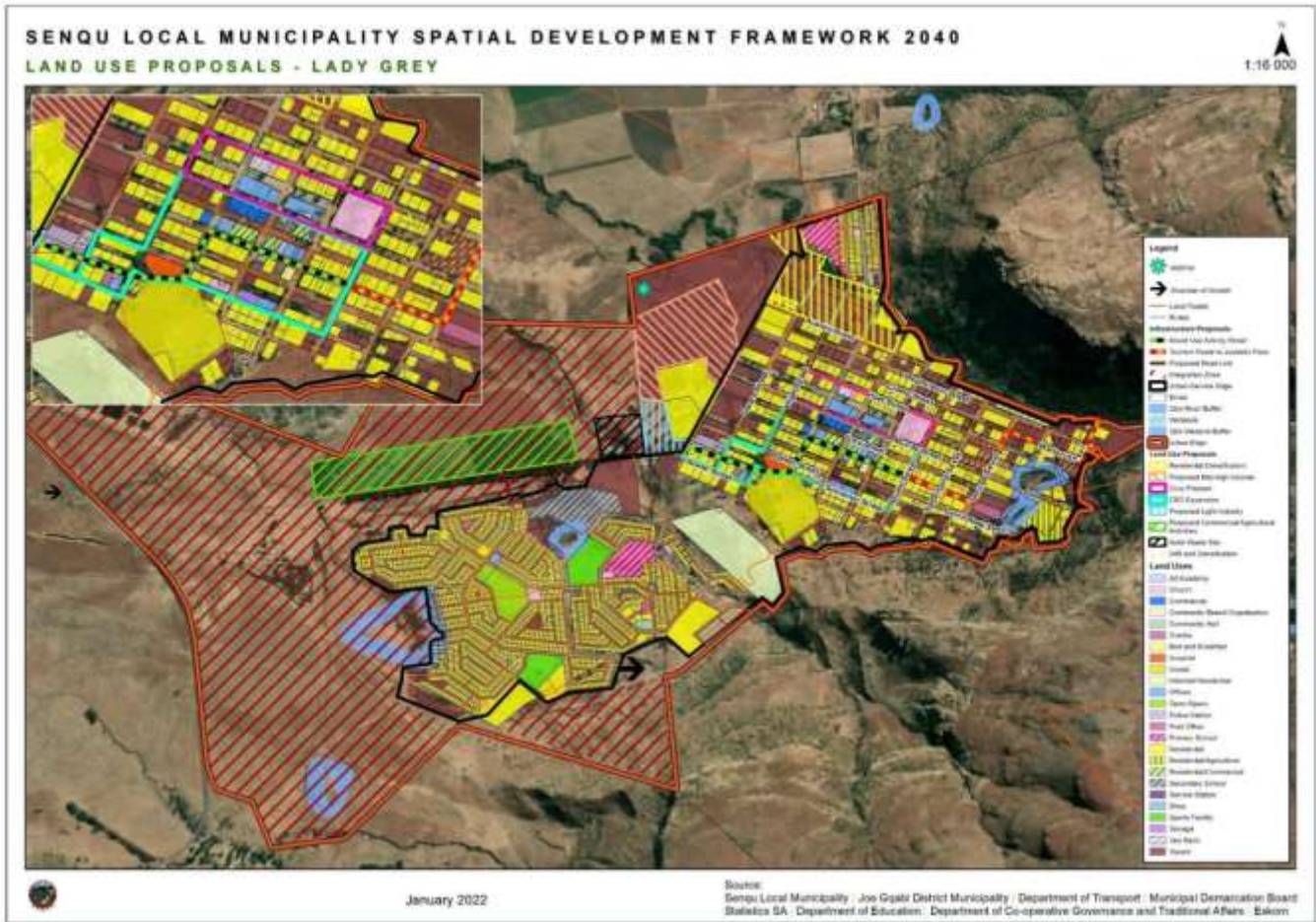
#### Tourism

- The SDF proposes a tourism route that runs through to the town to Jouberts Pass.
- There is an opportunity for more guesthouses in the CBD, this will increase the economic revenue in the municipality by ensuring that tourists passing to Jouberts Pass should spend in the area.

#### Infrastructure

- There is a proposal to have a route that links the Lady Grey township to the main route. This will improve the connectivity in the Khwezi Naledi township.
- There is a proposal for a new dam.

- Proposal for maintenance of the priority road (going in and out of Lady Grey). This road can have street designs that give a feeling of the area. (SDF,2022:190)



b. Barkly East: Spatial Logic and proposed land uses

Barkly East is a primary node in the municipality. The development of Barkly East is more spread out and there is a lot of room for infill development to prevent sprawling urban expansion. There are areas of farming activity on the outskirts of town but there is a large amount of land adjacent to the built-up areas that is unproductive. This is an opportunity for future development but due to the small scale of this town and the sparse population there needs to be much more investment in the economy of this town before any sort of large urban expansion can be expected.

Residential

- One of the projects which have been identified is the relocation of informal settlements to the north or Barkly East CBD. Informal housing which encroaches onto the 32m buffer from the Langkloof River, and its tributaries will need to be relocated.

- The SDF proposes a Mid-High-income housing close to the golf course.
- There are areas earmarked for future growth expansion, this can accommodate more housing projects soon.

#### Business

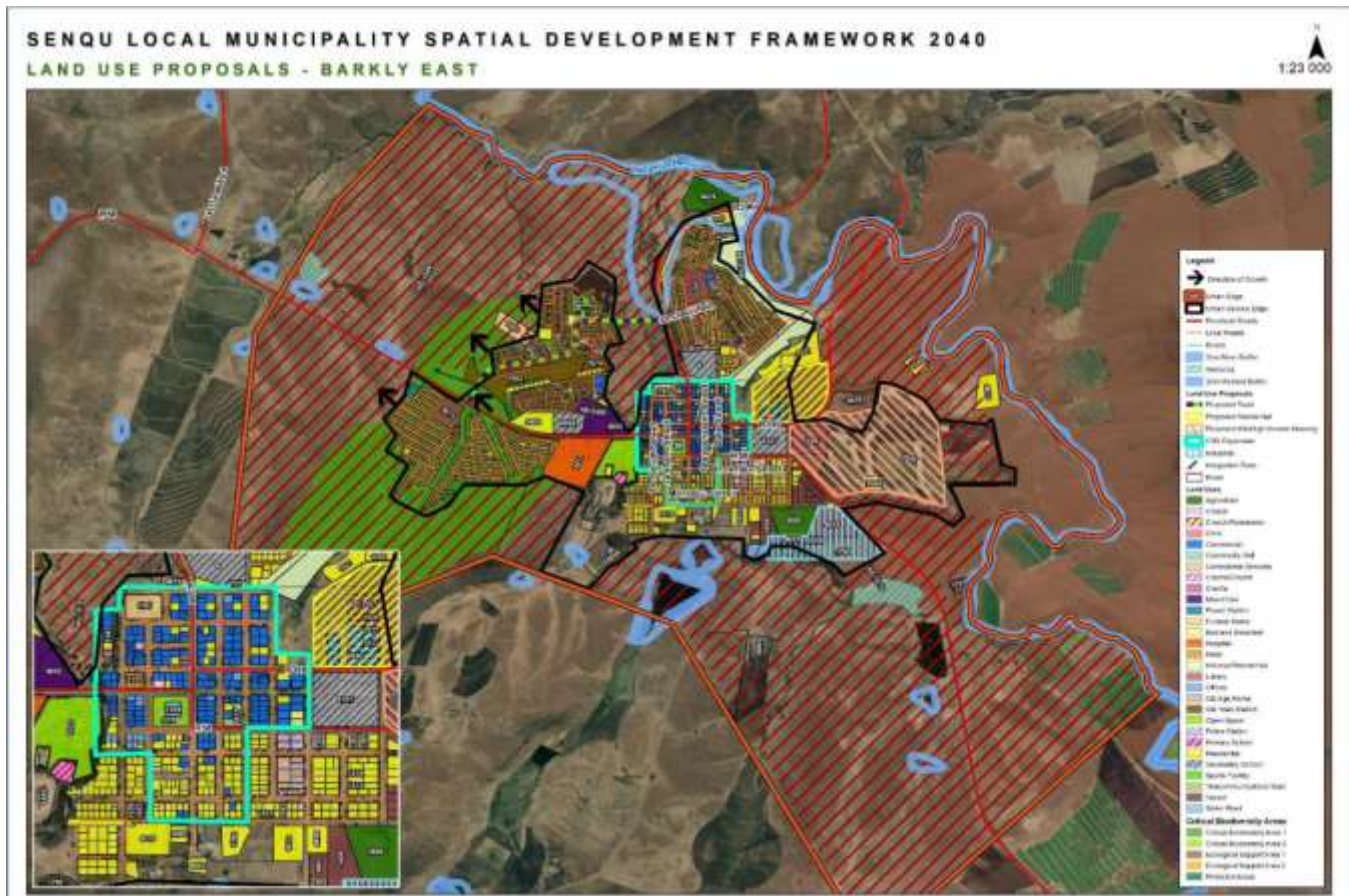
- There is potential for a CBD expansion, this will amalgamate the businesses in the area and ensure a larger office precinct that can host a number of offices in the area. This is where there is a lot of commercial activities are taking place.

#### Industrial

- There is a proposed light industrial area along the R58. Movement
- There is a proposed route that joins two sections of Barkly East, this is aimed at assisting the reduction of car concentration in the main road and CBD.

#### Infrastructure

- Proposal for maintenance of the priority road (R58). This road can have street designs that give a feeling of the area.
- Barkly East's new cemetery is proposed on a Portion of Erf 1618 (SDF,2022:188)



### c. Sterkspruit: Spatial Logic

Sterkspruit is the economic hub of SLM and the SDF coins it as a primary node. Sterkspruit also has to accommodate a large amount of people from the surrounding rural and peri-urban settlements also who come to buy goods and services in the town. Sterkspruit being the economic hub of SLM, it needs to provide more opportunities for people to gain meaningful employment within this town. It also caters for a lot of people coming from smaller towns who can only access certain goods and services here. It is therefore important that the development should meet the needs of the current population whilst providing economic opportunities for those who live in it.

#### Residential

- There is an opportunity for infill development and densification.
- There is a proposal to expand the urban edge to areas like Esilindini. This will assist in accommodating more people and relieve the congestion pressures around the CBD.
- Creation of open spaces within the surrounding rural spaces for the promotion of social cohesion.

#### Business

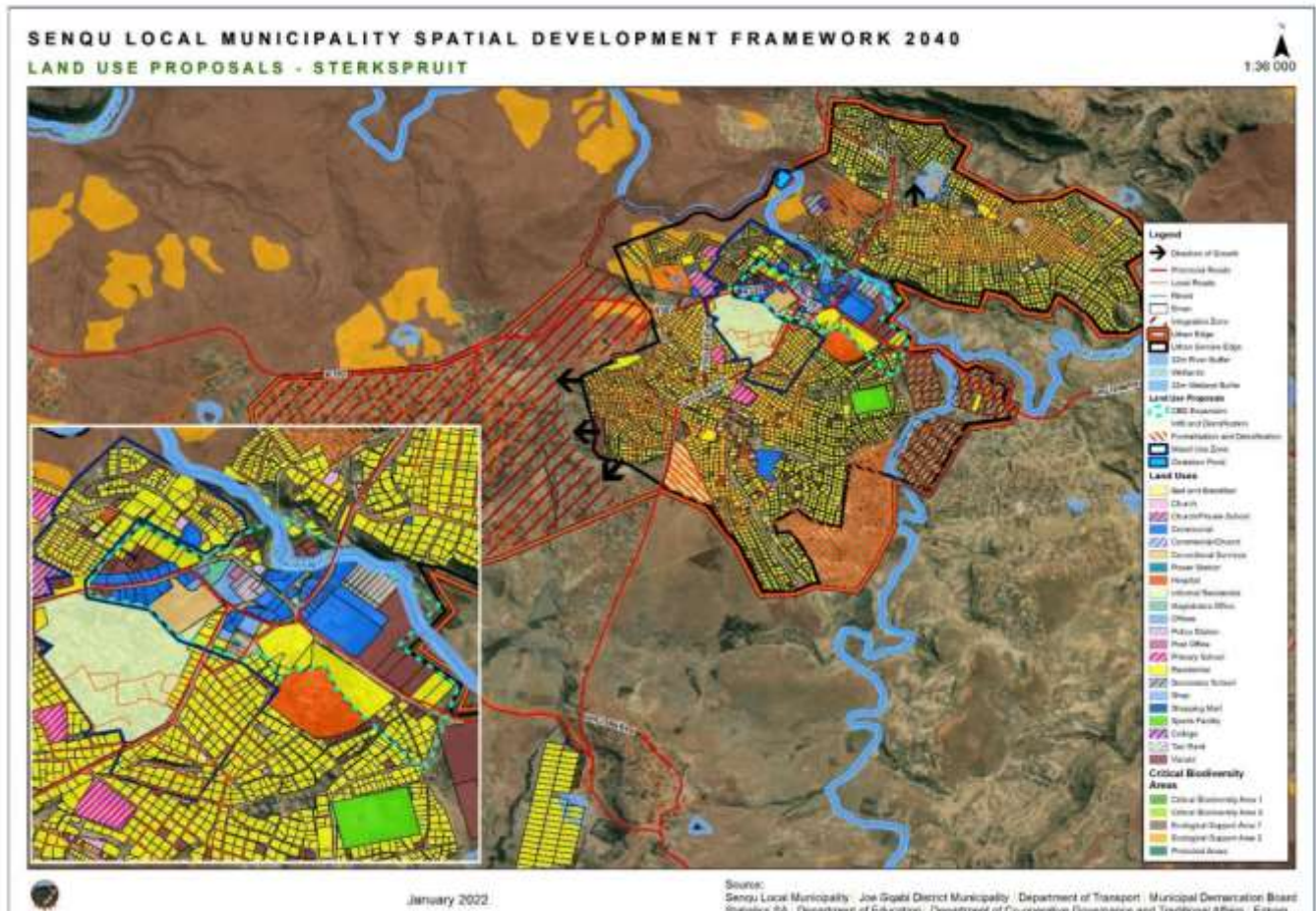
- There is an opportunity for a CBD expansion to accommodate for more business and office space in the area.
- Provision has also been made to the east of Sterkspruit Plaza to accommodate retail, offices, banking services and other related land uses.
- There is a proposal for a mixed zone (including open spaces) Industrial
- There is an opportunity for light industry just before the CBD where there are opportunities for retail.

#### Mixed Use Corridor

- There is a proposal for a mixed-use corridor between Sterkspruit and Herschel with a focus on reinforcing and supporting the current nodes and the linear development between them. Such linear development should allow for land use and transportation to support each other and improve the efficiency of the public transport system and the infrastructure network.
- This corridor will also allow for many of the settlements along the R392 to have access to retail services without having to travel to the Sterkspruit CBD. The corridor will not only ease the pressure of pedestrian and traffic congestion, but it will also allow for employment opportunities for those who live along this route. This proposed corridor beautifully encompasses the principles of nodes corridors talked about in many spatial planning policies.

#### Infrastructure

- Proposal for maintenance of the priority road. This road can have street designs that give a feeling of the area. The Sterkspruit CBD road infrastructure requires constant maintenance as it is an important link to Palmietfontein and the Lesotho Corridor. (SDF,2022:195).



The SDF does also submit future development proposals for Hershel, Rhodes and Rossouw.

### 5. Land Tribunal and by laws

Senqu Municipality is part of the District Municipal Planning Tribunal. Each Municipality has 1 representative on the Council and the Director DTPS fulfills this role. The Municipal Manager is the authorised Official. The District Municipal Planning Tribunal has had its first session. The tribunal sits as applications are received from the municipalities. Members of the tribunal are Ms N Mshumi (Chairperson) COO- JGMD, Mr S Chaphi (Deputy Chairperson) Director DTPS- Senqu LM, Mr T Phintshane Manager IDP/PMS- JGDM. Ms N Libazi- Manager Legal- JGDM, Ms N Eddie- Director Planning and Economic Development- Elundini LM, Mr W Nodwele Manager IDP- Walter Sisulu LM, Ms A Qinisile- DEDEAT, Mr M Coleman- External and Dr T Williams-External

Senqu SPLUMA bylaws were gazetted in 2016. However, implementation has proved to be difficult especially about land invasions mainly due to lack of political and administrative will. The Unlawful land occupation bylaw has been gazetted.

The municipality has one registered professional planner currently who is also the head of the section. A junior Town planner was appointed in 2021 and now forms part of the Unit.

## 6. Human Settlement Type

Census 2011 indicates that 70 % of households live in a formal dwelling and 68.5 % own their own dwelling. Most residents live in formal dwellings whilst the amount living in traditional dwellings remains constant. There has however been a growth in informal dwellings.

Most residents live in traditional rural settlements. This was 80 % in 2011. 23 % live in urban settlements with Sterkspruit representing the highest urban population. This was 14.3 % in 2011. 1080 households live in informal settlements. This was 3.7 % in 2011. 5 % of the population (6 203 people) live on commercial farms (HSP 2020).

**Table 23: Formal and Informal dwellings**

Municipality	Census 2011				Census 2021				Backlogs	
	Formal dwellings	Traditional	Informal	Other	Formal	traditional	Informal	Other	Formal 21	Formal 11
JGDM	58902	33739	4148	682	107072	13236	3594	393	17222	38569
Elundini	12450	24534	348	218	31529	8850	733	97	9681	25101
Senqu	26717	9067	1919	343	43301	3946	1415	252	5613	11329
Walter Sisulu	19735	138	1880	121	32242	440	144	43	1929	2139

Source: StatsSA, 2021

**Table 24: Population distribution according to type of settlement**

Senqu Local Municipal area	Population Size	Percentage of Tot Pop (%)	No of h/holds (3.5 per h/hold)	Combined Urban & Rural Population
Sterkspruit (main urban centre) (Sterkspruit LSDF 2016)	11 399	8.50	3 256.86	23 % (urban)
Lady Grey including townships	7023	5.24	2 006.57	
Barkly East including townships	9986	7.44	2 853.14	
Rhodes including township	696	0.52	198.86	
Rossouw	284	0.21	81.14	
Hershel	2 189	1.63	625.43	
Sub Total (Urban)	31 577	23.54	9 022	
Rural villages 178	96 370			72 %
Private commercial farms 1429	6 203			5 %
TOTAL	134 150	100	38 328.57	100

Source: HSP 2020



**Table 25: Type of ownership**

Municipality	Owned and paid Off		Owned but not paid off		Rented		Tenure status	
	2001	2011	2001	2011	2001	2011	2001	2011
Joe Gqabi	4245	54987	7181	4980	8364	11533	26875	18751
Senqu	19917	24256	3205	1803	1932	2980	8850	6267
EC Total	690880	855042	15560	151103	178540	252216	456614	328732

Source: StatsSa, 2011

Most households own their own houses (fully paid off). 2 980 (8%) rent. This has changed little from 2011 to 2016 (HSP 2020).

The Municipality has developed a land GIS system which is constantly updated by the Town Planner who is a professionally registered Town Planner. The Municipality is looking at the option of building an integrated GIS system that will meet the needs of all the departments. All services available on land (erven) are held by the Finance department. The GIS system includes land use, zoning, land ownership, SG Diagrams, and valuations. Unfortunately, the GIS system is not yet functional.

The social viability and amenities of settlements is determined by the Department of Human Settlement in conjunction with the Municipality as settlement plans are drawn up per settlement as the municipality only acts as an agent. There is only one stalled project which is the Herschel 700 of which only 505 units were completed. The project stopped due to land invasions and disputes in Hershel. The Municipality did get a court order against the land invaders.

The Municipality is not a housing provider and does not provide bulk sanitation and water. However, provision has been made for zoning plans, land use management and town specific plans.

## 7. Land Tenure, SDF's & Demand for Land

Senqu Municipality consists of both communal and individually owned tenure land in the former Transkei situated around Herschel and Sterkspruit. The land tenure in the former homeland area is a mixture of freehold, quit rent and PTO. Land tenure and rights in this area have traditionally been vested in traditional authorities with the Department of Agriculture distributing PTO's.

The rest of the area is either freehold tenure in the former RSA towns or commercially owned farmland. 1712ha is under communal tenure and 5000 under commercial farmland (JGDMABP 2010). The major challenges experienced in the area are land invasions of municipal owned or state land. This is due to lack of land being offered for sale and

people being unable to afford land but wishing to be closer to prospective employment and urban amenities in the urban areas of Barkly East and Lady Grey. In the smaller rural hamlets of Rhodes,

Rossouw and Herschel, people are invading land and building informal settlements in order to move closer to urban amenities or receive RDP housing.

The area-based plan of JGDM 2010 states that the need for land for arable land and grazing has decreased in rural areas and changed to a need for land for residential sites. The main issues in rural areas are farm workers looking for security of tenure, clarification of land tenure in communal areas, certainty of land rights where they overlap and lastly the firm establishment of women's rights. In urban areas, the need is for residential sites and services, upgrading of informal settlements and tenure security (JGDM ABP, 2010).

The SDF has identified land in all towns for future housing developments. A land audit was undertaken by the Housing Unit which is credible for Sterkspruit in 2017. A land audit needs to be undertaken for the entire Municipality. An LSDF for Sterkspruit was developed in 2017. The LSDF for Lady Grey was completed in June 2019. The Barkly East LSDF has been developed and adopted.

## **8. Land Redistribution**

Land in South Africa is being redistributed through PLAS (Proactive Land Acquisition Strategy). This means that the state proactively looks for suitable agricultural land, buys it and then leases it to identified beneficiaries for a few years until it is satisfied that they can run the land effectively. To meet the land redistribution target of 30 %; 166 000 ha will need to be redistributed at a total cost of R 83 million if the price remains at around R 2500 per hectare (JGDM ABP 2010). However, the ABP clearly states that an emerging farmer will only succeed if the farm concerned contains both mountain and low-lying ground. This means that the farms to be redistributed should be carefully sourced in Senqu.

In addition, the Department must look at the variety of land needs and tenure and formulate appropriate responses, The ABP advocates redistribution occurring along the R 58 and tenure reform around the R 392 where there are immense struggles created by overlapping land rights. This affects development in the area as much time is spent trying to ascertain who owns the land rights. An example of this is the housing project in Herschel where the project was delayed due to land right disputes.

### **a. Land Invasions & Administration**

Land invasions are becoming increasingly prevalent especially in Sterkspruit and Herschel. The municipality is in the process of updating its current land bylaws and serving notice on all land invaders. Signs warning against land invasion have been erected. In addition, the municipality has taken persons to court over land invasions and fenced off areas of potential invasions. Municipal outreaches and roadshows have constantly outlined the problems created by land invasions and warned residents against it. The Municipality has also held many meetings with traditional leaders around land issues and is utilising the NDPG funding to consolidate

settlements around Sterkspruit to ensure that communities can receive title deeds. There is a SPLUMA Bylaw and a anti-land Invasion Bylaw which was gazetted in 2022.

## 9. Migration

About 84 % of people in Senqu had lived in the same dwelling for at least 5 years before the 2007 Survey. Almost 5 % had moved into their dwelling in the previous 5 years (HSP 2011). Most of those who had moved, moved from another location in the Eastern Cape province. About 627 people moved from Gauteng to Senqu and 205 moved from the North-West Province. 175 of the people moving into Senqu came from outside of South Africa. The Municipality has no migration plan in place due to funding constraints. The current housing delivery is meeting the demand.

## 10. Informal Settlements

There are 216 informal communities. The Department of Human Settlements has committed to incremental upgrading of 115 Informal Settlements, which has been assessed and categorized. The Head of Department has appointed the Housing Development Agency (HDA) as the Implementing Agent as well as Programme Manager and Fund Manager for the Informal Settlement Upgrading to a value of R14M,

6 informal settlements are currently under Planning and Design, 1 informal settlement in 6 in Senqu LM - Enkanini , Reliweni , Top location ,Polar Park Phantsi Kwezkolo, Zola .

The table 26 below indicates the ones where registration of beneficiaries has begun.

**Table 26: Informal settlements Registration**

Town	Informal Settlement	Registered beneficiaries
Barkly East	Zola	81
	Ezinyoka	171
	Enkanini	264
	Fairview	75
Lady Grey	Emikhukhwini	147
	Reliweni	179
	Top Location	101
	Phantsi Kwesikolo	97
	Pollar Park	79
Rhodes	Zakhele	81

Source: DTPS SC March 2023

Barkly East and Lady Grey informal settlements are in the planning phase for the formalisation. Temporal services have been provided to the settlements.

## 11. Capacity to manage housing delivery

The Municipality does not have an accredited housing department. In terms of the Standard Charter of Accounts (SCOA) the Municipality has absorbed the staff into the directorate Development & Town Planning Services. The Municipality continues to play its role in managing housing beneficiaries as well as identifying and allocating land and prioritising municipal services for identified areas. The Department has assessed the Municipality's capacity and recommended that they apply for accreditation.

## 12. Land Potential & Constraints

It is envisaged that preliminary and detailed feasibility assessment of both land and infrastructure potential will in future form part of the project readiness assessment before capital funding is allocated. With further review and refinement of the HSP, information should be acquired to enable yield calculations on strategic land parcels.

The procedures for accessing communal land for future development are guided by the Interim Protection of Informal Land Rights Act. Once a community resolution has been obtained, it is the responsibility of the Department of rural Development and Land Reform to issue formal authorisation for the release/ transfer of land. These processes are both time consuming and costly with many examples of the process never reaching a conclusion. The normal willing buyer/willing seller or alternatively expropriation procedures (with compensation) apply when accessing privately owned land for settlement development or municipal commonage purposes.

## 13. Analysis of Housing Need

The housing backlog in the Senqu municipality was determined as 10 761 with 1 752 in the urban area and 9009 in the rural area (Housing Sector Plan HSP 2013). There are no military veterans on the Department 's database for Senqu. The quantified housing demand is based on information from the 2011 Census, 2016 Household survey and HSP dot count and can be summarised as follows:

**Table 27: Housing demand**

	Rural Areas	Urban areas	
	Census 2011 No of h/holds	Census 2011 No of h/holds	Urban areas Informal structure "dot count 2020; NUSP; Senqu HSP 2013
Informal structures	541	1242	4 759
Traditional dwellings	8 666	117	
Sub Total	9 207	1 359	4 759
<b>TOTAL HOUSING NEED</b>	10 566		14 083
Rental/ social housing	151	133	
Total Rental/Social Housing need	284		2 981
Child headed households	837 (Census 2011)		728 (2016 household survey)
Senior Citizen headed households	8544 (Census 2011)		

Source: HSP 2020

The new HSP 2020 indicates a different demand of 14 083. To deal with the housing challenge, the Department has implemented the following projects:

- Sterkspruit 4000 units which is near completion.
- Barkly East 298 in the process

The housing section of DTPS maintains a housing demand schedule based on information received from Ward Councillor.

#### **14. Land Requirements for Future Development**

Existing rural settlements are not requiring more land. Social and rental housing should ideally be accommodated on underutilised land parcels central to the urban areas with good access to existing social and infrastructure facilities and services. Feasibility assessments will be required to determine the potential for in-situ formalisation of informal settlements. The alternatives for responding to the needs of child headed households needs to be considered before the need can be determined.

Parcels of land for future housing needs have been identified around the towns of Sterkspruit, Barkly East and Lady Grey. The land identified in Sterkspruit is near the ESKOM development and near the area identified for light industry. Unfortunately, the area has been invaded and a court interdict provides against any future development until the dispute is resolved. The area is not serviced with any infrastructure apart from Zakhele, Rhodes.

In Barkly East, an area of the commonage near the old rehabilitated solid waste site has been identified for future development as well as land near the entrance of town. The land is not serviced. A layout plan has been developed and awaiting approval from the district tribunal. In Lady Grey, the area near Kwezi-Naledi has been identified for development. A layout plan has been developed and is awaiting approval for environmental authorisation, but the JGDM is not confirming bulk service delivery in the area. The areas are at the back of the current township and is not yet serviced.

#### **15. Challenges**

- Demand for land. There is a huge demand for middle to lower income houses in Lady Grey, Barkly East and Sterkspruit yet no land is demarcated and available for future development in these areas. The available sites are not serviced.

- Much of the land required for development purposes in the former Transkei areas falls outside municipal boundaries and under the jurisdiction of traditional authorities with communal land tenure. The municipality is busy negotiating with traditional authorities to include all the surrounding villages into Sterkspruit municipal boundaries.
- Land invasions. Land demarcated for future development especially in Sterkspruit is often invaded by persons from villages outside Sterkspruit seeking to be closer to town
- Beneficiaries. On completion of projects many houses can't be handed over due to beneficiaries either relocating or dying. Beneficiaries who die without leaving a will, create problems as the municipality then has to decide which family member is entitled to the house.
- Vandalism. Many RDP houses are vandalised before the project is complete
- Shoddy workmanship. Contractors either do not have the skills to undertake the project or under quote which leads to projects taking many years to complete and then houses must be rectified.
- No integration of settlements. Housing developments are planned without future growth in mind like schools, clinics, and churches.
- Erection of illegal shelters. House owners continue to build squatter shacks in their back yards.
- Illegal usage of RDP houses. Many house owners illegally rent their houses out or sell them which results in the growth of many spaza shops.
- No fencing provided for houses. RDP houses do not cater for fencing with the result that commonage and roadside fences are stolen.
- Overlapping land rights create delays in development which is the case in Herschel where a housing project has been delayed from building over 100 houses due to an ongoing land claim dispute.
- Unfiled building plans. Landowners just build according to their wants without consulting the municipality.
- Disaster Houses. The municipality is not responsible for disaster management but finds that many of the reported houses do not get fixed by the Department.

## 16. Interventions

- By law enforcement. The municipality is in the process of restructuring some bylaws to prevent land invasions and the building of illegal structures without building permission. A new bylaw has been developed and it is being gazetted.
- Densification. The municipality is working with service providers to densify Sterkspruit by amalgamating it with the surrounding villages and increasing the current municipal boundaries. This will take some time as the land belongs to traditional authorities.
- Private partnerships whereby developers buy land parcels to survey and develop it for middle incomebuyers.
- Housing Sector Plan. The Municipality has developed a new housing sector plan in 2020.

## 17. Projects

**Table 28: Planned Projects Source HSP 2020**  
Destitute Housing

PROJECT	PROGRESS	CHALLENGES	INTERVENTIONS
Joe Gqabi 500 (85) various wards.	Contractor has been appointed to construct 85 units. Project is progressing well. 35 houses completed and 34 and houses are at various stages and 16 not yet started	Slow progress for an emergency project.	Contractor has been engaged and has increased the capacity to improve performance on site.

### Blocked projects

PROJECT	PROGRESS	CHALLENGES	INTERVENTIONS
5. Heschel 700 (195)	Completed – 505 Not yet started -195	195 units not started, and the land is invaded.	The department has engaged the LM to provide an alternative serviced land for the invaded sites.

### Planned Projects 2022

PROJECT	PROGRESS	CHALLENGES	INTERVENTIONS
Sterkspruit 4000 (500) WOMEN CONTRACTORS	Pre-planning activities done.	The project went out on tender, it was non-responsive.	Coega has been appointed as an implementing agent to execute the project and to assist with the categories required for this project and to appoint women.

Sterkspruit 4000 (600)	Pre-planning activities done.	The project went out on tender, it was non-responsive.	Coega has been appointed as an implementing agent to execute the project and a to assist with the categories required for this project.
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Lady Grey 50	Funding approval is in place and the project will be included in the procurement plan for 2023/24.	The project was taken out of procurement plan.	Coega has been appointed as an implementing agent to implement this project.
2. Barkly East 298	The professional is in place and pre-planning work has been completed.	Delays by the Municipality to approve layout plans.	Coega has been appointed as an implementing agent to implement this project.

**Table 29: Future Projects**

Project Type	Project Name	No of units	Budget	Implementing Agent
Integrated Residential Development Programme	Sterkspruit	4 000	ECDOHS	ECDOHS
Integrated Residential Development Programme	Sterkspruit Mid-Income	500	ECDOHS	ECDOHS
Integrated Residential Development Programme	Sterkspruit rental stock	500	ECDOHS	ECDOHS
Community Residential Unit	CRU Pilot		ECDOHS	ECDOHS
Integrated Residential Development Programme	Barkly East mid-income	500	ECDOHS	ECDOHS
Integrated Residential Development Programme	Barkly East rental stock	500	ECDOHS	ECDOHS
Integrated Residential Development Programme	Barkly East	298	ECDOHS	ECDOHS

Source: Senqu HSP 2013



PROJECT	PROGRESS	CHALLENGES	INTERVENTIONS
Train houses 108	Application for funding underway	Lack of information	LM to provide all available information file
FAIRVIEW ASBESTOS HOUSES 29	Application for funding underway	Lack of information	LM to provide all available information file
Transwilger Asbestos Houses	Application for funding underway	Lack of information	LM to provide all available information file

The Departments overall project list reflects the following projects for Senqu Municipality.

**Table 30 Housing Projects delivered Source HSP 2020**

Description	Subsidies	Status
Herschel- Orangefontein	200	Some transfers made
Barkly East	506	Poor workmanship on engineering services and houses
Hillside Ph 1	603	Rectification complete
Lady Grey – Hillside 1000 Ph 2 - 397	397	382 complete, 15 incomplete
Lady Grey – Steve Tshwete	995	Houses transferred
Lady Grey 50	50	Rectification
Lady Grey Edgar in situ 76. Greenfield 118	194	Contractor on site. No transfers
Lady Grey pilot	30	No transfers made
Barkly East	802	Non transfers – contractor still on site
Rhodes post 1994	30	No transfers made
Rhodes	30	No transfers made
Rossouw pilot	30	No transfers made

## 18. Health Services

### 18.1 Current Situation

Senqu Health Sub-District consists of 4 hospitals (Cloete Joubert in Barkly East, Lady Grey Hospital, Mlamli and Empilisweni in Sterkspruit), 20 fixed clinics, 1 Satellite clinic, 8 Mobile clinics, 5 health posts and 2 community-based services in Sterkspruit and 1 in Barkly East serving all the farms at Senqu. Empilisweni hospital has been repaired and the road to Mlamli hospital is paved from the gravel road. The Lady Grey Hospital has been completed. This was part of the Covid 19 upgrades.

A nurses training college Lilitha was opened at the Empilisweni Hospital in Sterkspruit in 2014. There is an issue with the accreditation of the programme, but this is in the process of being addressed. Many people in Senqu remain without access to healthcare, as there are few mobile services in the areas of Sterkspruit due to the dilapidated state of the road infrastructure. The Rossouw area is currently served by the mobile clinic of the NGO- Donald Woods Foundation which has a contract with the Department of Health. The Donald Woods Foundation provides much of the necessary healthcare and primary health care information for farm workers in the Barkly East area. It is hoped that this agreement will continue.

In Ward 2 the application for construction of a new clinic is in the priority list at head office because the clinic is too dilapidated for renovations. Dental services are available at Empilisweni Hospital. Applications have been submitted for construction of new clinics at N dofela, Esilindini, Khiba villages and the renovation of clinics: Musong, Pelandaba, Herschel and Esilindini.

### 18.1 Challenges

- Poor infrastructure – The road to Mlamli – a major hospital is in a very bad condition. However, work has begun on tarring the road. Poor maintained gravel roads, lack of or limited water, sanitation, electricity and communication systems, poorly maintained health care buildings, health care equipment and nurse accommodation frustrate health delivery.
- Inadequate budget for health which many health care trainees are not being absorbed. The Lilitha training colleges are also awaiting accreditation, so no training is occurring.
- Inability to attract and retain health professional staff. There are a high number of staff vacancies.
- Inadequate Mobile and emergency services. There are not enough ambulances to serve the whole area.
- No 24-hour PHC facilities
- Poor quality of service delivery – long queues and demotivated, overworked and uncaring staff - drugs and essential clinic supplies not available.
- No Road signs to clinics. Although this is slowly being addressed

### 18.2. Interventions

- Committed Professional staff.
- Good community participation structures do exist.
- Good policies and procedures around health care

- Introduction of VCT, PMTCT and ART services is occurring across the municipality.

## 19. Telecommunications

### a. Current Situation

Although most communities have access to telecommunication either in the form of land lines or cell phones, there are still those communities that cannot access these facilities because they can't receive signals behind the mountains. From the table below, it can be seen that the majority of residents utilise cell phones rather than fixed lines which means that they rely on good network coverage. Computer and internet usage are on the increase mainly due to the new smart cell phones which include internet and computer technology. However, data speeds are slow and there are increased network failures of both Vodacom and MTN being experienced in Barkly East and Lady Grey

### b. Interventions

The Municipality has written to Sentech, all the cell phone companies and the SABC to ask for more radio, TV and cell phone towers to be built in these areas. The reception in Rhodes has been improved with the installation of a new tower. However, infrastructure for better and faster internet speeds needs to be installed such as fibre especially for the towns such as Sterkspruit.

SALGA have also identified Senqu Municipality for Infrastructure Upgrade for Broadband and Connectivity. Broadband training has been started for the Municipality.

**Table 31: H/H with a radio, TV, computer, cell phone, landline and internet**

Municipality	Radio		TV		Computer		Cell phone		Landline		Internet
	2001	2011	2001	2011	2001	2011	2001	2011	2001	2011	2011
Joe Gqabi	53004	58123	20735	52161	1472	6060	12525	77949	6034	4132	17594
Senqu	20289	22158	7486	21351	392	1721	4743	31167	1277	931	6822
EC Total	952523	1031168	577346	1066990	60065	200664	317980	138209	232800	165434	406738

Source: StatsSa, 2011

## 20. Community Facilities

### a. Sport and Recreation

The Municipality only has proper sport and recreation facilities located in the main towns. However, some sports fields have been built in rural areas like Kwa Gcina and Zava/Naledi. Lady Grey, Sterkspruit and Barkly East have facilities that have been built and one in Sterkspruit (Patrick Shibane was renovated in 2013 /14 as well as the facility in Barkly East as they suffered from vandalism). With the high percentage of youth in the population make-up it is essential to provide sports and recreation facilities.

These facilities are rented out. The rental tariff is levied for the use of the sport facilities at a rate that is determined by the council in municipal tariffs which are reviewed on an annual basis. Sport facilities are maintained as per the approved maintenance plan.

### b. Interventions

The Municipality has put in floodlights in Lady Grey and is also engaged in a programme funded by the German government which promotes sports field development in rural areas. In addition, the allocated 15 % of MIG funds will be utilised for building more rural sports fields. Barkly East and Sterkspruit facilities were renovated and upgraded. The Lady Grey Stadium fence is currently being renovated. This has however run into litigation issues but is being resolved. Netball poles and soccer nets are being purchased for rural fields.

### c. Indoor Community Recreational

An indoor community recreational facility or community hall has been built in each ward. However, the re-demarcation of wards means that some wards have more than 1 hall whilst others have none. The Municipality has prioritised the renovation of all existing facilities so that they all have the same standard. These facilities are important for social cohesion as they are used for community meetings, to house indoor sports like badminton as well as being utilised for arts and cultural events like dancing.

Communities would like more of these facilities and pay points to be built. There is a Thusong Centre, formerly known as MPCC, located in Sterkspruit that houses various government departments. In addition, the facilities will now include a Councillors Office to improve governance.

**Table 32: Community facilities audit**

Ward	Indoor community recreational facility	Condition
1	Ndofela	Good
2	Storomo	Good
3	Makalakeng	Good built 2013/14

Wa	Indoor community recreational facility	Condition
4	Makumsha	Good needs ceiling
5	Rossouw Hillside Phelendaba	Rossouw was renovated but needs water. Good Needs ceiling Good
6	Majuba Musong	Good Good
7	Thaba Lesoba	Good needs ceiling
8	Mokhesi	Good. Needs painting and cleaning of fire damage
9	Ngquba	Good. Still some snag issues which need to be resolved.
10	Bunga Hall Tienbank	The Bunga Hall was renovated in 2013/14. The current facility is no longer adequate and requires rebuilding. Tienbank is good.
11	Bluegums	Good needs ceiling
12	Magadla	Good. Built in 2015/16
13	Molweni Bantwana – Herschel Zava	Burnt down in 2018/19. Will be rebuilt 2022/23. Delays in construction Good but needs ceiling
14	Transwilger Lady Grey Kwezi Naledi	Transwilger has been renovated in 2016/17. Lady Grey hall renovated. Kwezi Naledi needs a ceiling
15	Nkululeko Rhodes	Nkululeko is in good condition and the new hall in Rhodes was handed over in June 2013 but has no electricity.
16	Barkly East Town Hall Fairview	The hall is in the process of renovation Demolished

Ward	Indoor community recreational facility	Condition
17	Voyizana Sunduza	Good but requires ceiling Needs repairing
SPORTSFIELDS		
14	Lady Grey stadium	Good but needs some problems in the fence resolved
16	Barkly East stadium	Good
10	Patrick Shibane	Just completed renovations but more renovations are required due vandalism
2	Kwa-Gcina sports fields	Good
13	Zava Sportsfields	Good
LIBRARIES		
16	Barkly East	Need some repair. All libraries require internet connections
14	Lady Grey	Good
13	Herschel	Closed due to vandalism
10	Sterkspruit	Good built 2014/15

Source: Senqu Community Services 2023

The total number of halls is 27, 18 in rural areas and 9 in urban areas. Halls in urban as areas are booked through finance and are in a good condition as most of them have been recently renovated. The rural community halls are not as well maintained and are controlled and operated through Ward Councillor and Ward Committees. The municipality visits the halls on a regular basis to conduct inspection and implementation thereof as required by the maintenance plan. The implementation of the maintenance plan does not make an impact as this is only a minor maintenance that is carried out due to budget constraints on repairs and maintenance. The halls built through MIG funding, are not in the asset register and therefore are not insured which is a huge risk to the municipality.

There are 2 well fenced recreational parks in Lady Grey with play apparatus for children, braai facilities and ablution facilities that operate between 08H00 and 17H00. Hiring tariffs for public open spaces is detailed in municipal tariffs which are available and reviewed on an annual basis. The main challenges with parks are vandalism, theft and insufficient budget to maintain the parks.

The municipality operates public toilets in Sterkspruit, Lady Grey and Barkly East. All of the toilets are locked overnight (and unlocked first thing in the morning) by the employees and are open 8 hours a day and six days a week, except Sterkspruit on Saturday which operates from 08:00 to 13:00. Public toilets are maintained by the municipality as per the approved maintenance plan which has an insufficient budget.

The following cemeteries exist in urban areas:

- Steve Tshwete cemetery, Lady Grey reaching full capacity. Municipality is in a process of starting an EIA process for the new cemetery in Lady Grey and Herschel
- Khwezi Naledi cemetery – old and full cemetery currently closed.
- Nkululeko old cemetery - full cemetery currently closed.
- Zola, Rhodes-Zakhele cemetery
- Barkly East Town cemetery
- Lady Grey Town cemetery
- Sterkspruit Town Cemetery
- Transwilger cemetery
- There were also 22 cemeteries that were developed in the rural areas. Cemeteries are maintained on a quarterly basis.
- Burial plots are purchased in urban areas.

Interventions

The Municipality is busy ascertaining where sports facilities have to be built in the newly demarcated wards so as to have centrally located sports fields. The 15 % of MIG funding for sports facilities has been set aside to build more indoor recreational facilities and sports fields.

## **21. Libraries**

### a. Current Situation

There are libraries in Lady Grey, Barkly East and Sterkspruit and satellite libraries in Rhodes and Rossouw run in municipal buildings. The municipality runs this service as an agency function for the Department of Sports, Arts and Recreation. More funding is however required for this service to fulfil the demand of school and university learners. DSRAC has promised at a MuniMec to improve their funding so that it does not become an unfunded mandate. DSRAC operates 2 libraries in Herschel and Hillside. However the Herschel library has been closed due to vandalism.

## **22. Safe & Secure Environment**

### a Current Situation

The Municipality is promoting the use and development of community police forums to solve crime in rural areas. The use of drugs is increasing in these areas according to community forums. The Integrated Community

Safety Forum has been revived and a plan is in the process of being developed. The municipality does participate in the CPF's. Gender based violence is unfortunately high in the area.

b. Interventions

The SAPS have been approached regarding the high levels of crime and they are looking into the possibility of increasing the number of satellite stations in the area.

## 23. Waste Management

a. Current Situation

Senqu Municipality has two (2) operational registered /licensed landfill sites in Lady Grey & Barkly East. Rossouw and Hershel are permitted for operation. Hershel and Rossouw site are near completion. A transfer station has to be built at Rhodes. Sterkspruit is licensed for closure in September 2021 and the project to close it has reached practical completion. The Municipality has requested an extension on the usage of the site as there are delays in building the new site. The newly identified site in Sterkspruit has problems as the Community have signed a petition against the site being erected in their area.

Refuse removal is only operated in Barkly East, Sterkspruit, Rhodes and Lady Grey on a weekly basis. 11.2 % of households were served in 2007 and the percentage of serviced households increased from 17.2% in 2001 to 22.6 % in 2007 (StatsSa, 2007). The current situation is 4 672 households serviced with 57,22 % not serviced consisting of 9020 households (IHS Markt 2020.)

The Municipality is experiencing difficulty in expanding its service due to constant breakdowns of its aging fleet and low human resources.

**Table 33: Refuse removal**

	H/holds	Percentage
Removed by local authority at least once a week	18289	37.4
Removed by local authority less often	126	0.3
Communal refuse dump	305	0.6
Communal container/central collection point	1100	2.2
Own refuse dump	24755	50.6
No Rubbish Disposal	3754	7.7
Other	585	1.2

Source: StatsSa census: 2022



The households in Barkly East produce 4508 kg a day and 137 T a month as opposed to 9 T in Herschel, 9 T Rhodes, 3 T in Rossouw and 101 Ton Lady Grey. 2147 households are served in Barkly East, 149 in Herschel, 1591 in Lady Grey, 144 in Rhodes, 57 in Rossouw and 539 in Sterkspruit (IWMP 2013).

The Municipality is struggling to meet all the legislation pertaining to the management of waste sites. It does however have a designated Waste Management Officer in terms of legislation. Lady Grey site is licenced and classified as GSB. There is no plant or equipment to properly cover and compact waste. The site is in the process of being upgraded and cells lined. The Barkly East site is classified as GSB on a new site. The waste is incinerated and disposed in a cell.

Medical waste for the 4 hospitals and 20 clinics is collected by a company organised by the Department of Health. However, problems are being experienced with medical waste being illegally dumped in landfill sites.

c. Challenges

- Permitted sites. Lady Grey and Barkly East are currently the only permitted sites. Rhodes and Hershel are permitted and being built
- Contravention of the Occupational Health and Safety Act. This risk applies not only to the staff working on the sites but extends to the public especially scavengers who frequent most of the sites.
- Limited waste collection services. Waste services (collection) only offered to urban residents.
- Recycling and waste avoidance initiatives. There are very few recycling initiatives in the Municipality, extracting less than 1% of the potential recyclable material. No initiatives are underway for waste avoidance. Purchasing of mini refuse skips for Sterkspruit town and purchasing of refuse bins has occurred. In addition, waste awareness campaign was conducted.
- Contravention of legislation. The disposal of waste is a significant challenge, and this is leading to a lack of compliance with legislation, water, air and aesthetic pollution. The landfill sites do not comply with DWA's minimum requirements. There is no facility available to dispose of hazardous material. However, this is all about to change as money has been allocated for the building of 5 new solid waste sites in Sterkspruit, Barkly East, Rhodes, Rossouw and Hershel.
- Plans and policies. The municipality does not have a leachate management plan as waste is stored on site in a cage on a cement floor until it is incinerated and then burnt. A trade effluent policy has been developed in 2020. The integrated waste management plan was reviewed and adopted in 2018. It was APPROVED BY Council but not endorsed by MEC DEDEAT. The Department has however committed to assist with the development of a new IWMP in 2022. A consultant to undertake the process is being procured and the development of a new plan will start in the 2023 FY. A waste official has been formally designated and appointed. He is the Manager: Waste management. By-Laws have been gazetted. The airquality management plan is currently being developed in a district level.
- Cost effectiveness and waste administration of current services is poor mainly due to a history of lack of investment in the service in terms of equipment, staff, and planning.
- Illegal dumping. Many shop owners particularly in Sterkspruit dump their waste on the sidewalk on day when waste is not collected. To counteract this municipality has promoted the usage of cages and collects waste more frequently in the centre of town. The municipality has also acted against shop

owners who persist in this action. However illegal dumping in open fields and borrow pits continues. In Barkly East and Lady Grey garden refuse and building rubble are the main contents of illegal dumping. Bylaws are being developed to address illegal dumping.

d. Interventions

- Increased equipment. New tip trucks and TLB were bought. However these are becoming unreliable and the Department of Community Services has a tender to lease fleet. Weighbridges are installed in Barkly East and Lady Grey.
- Annual waste awareness campaign is run in the Municipality to make people aware of reducing, recycling and reusing waste to prevent unnecessary collection of waste.
- Integrated waste management plan and recycling. The plan proposes recycling options particularly in Sterkspruit. Recycling projects have been started in Barkly East, Sterkspruit and Lady Grey. The Lady Grey recycling deals primarily with bottles.
- Funding. MIG Money has been set aside in the budget for the construction of new compliant waste management sites particularly in Sterkspruit and Barkly East. In addition, the annual operations and maintenance budget is used for day-to-day activities.
- EIA's and new sites. Rhodes EIA process has to start afresh. ROD's has been received for Hershel and Rossouw and they have gone on tender. Lady Grey SWS upgrade is still not complete, but Barkly East has been completed. 2 Licensed sites in Lady Grey and Barkly East. Sterkspruit has a closure license, a new site is on the EIA approval stage. 2 new sites are about to be built in Rossouw and Herschel
- Forums. The Municipality forms part of the District Environmental Management Forum and does not have its own waste management forum.

## 24. Water and Sanitation

Joe Gqabi DM is the WSA and WSP. Therefore, no SLA has been signed between the Municipality and District. Senqu has the highest unserved population in the JGDM area. This is due to the fact that most of the population is centered in the former Transkei homeland which experienced a very low level of service before 1994. The situation has improved and 22,323 % are not serviced which is 7 209 households (IHS Markit, 2020)

The 2011 census reveals that Senqu has an unserved population of 7 209 households out of 38 046 which is under 20%. In 2021 this rose to 25.5 %. The area is prone to droughts. Water sources are the Jozanashoek dam, Lady Grey dam, Barkly East dam, boreholes and rivers.

**Table 34: Access to piped tap water**

Type	Percentage
Piped (tap) water inside the dwelling	34.6
Piped (tap) water inside the yard	30.9
Piped (tap) water on community stand	9.1
No access to piped water	25.5

Source: StatsSa census 2022

Whilst most of the population does receive water, sanitation provision is lagging with 1713 households not being serviced (Statsa Census, 2021). Bucket system still operating in Rhodes, Lady Grey and Barkly East near graveyard.

**Table 35: Households by type of toilet facilities**

Type	Percentage
Flush toilet	40.4
Chemical toilet	2.2
Pit toilet	50.2
Bucket toilet	1.3
Other	2.4
None	3.5

Source: StatsSa Census 2022

	2011 Toilet			2021 Toilet		
	Flush	Other	None	Flush	Other	None
Joe Gqabi	26186	54561	16724	67124	52917	4254
Elundini	4255	24667	8629	16702	23081	1427
Senqu	5186	26936	5924	19761	27441	1713
Walter Sisulu	16745	2958	2171	30662	2395	1114

Although the LM has more water available than the requirements, it is not spread in such a manner as to satisfy the need everywhere. The towns that have been experiencing water shortages are:

- Herschel
- Lady Grey
- Rossouw

The towns that have just enough water to satisfy the demand and might experience water shortages in the near future are:

- Sterkspruit RWS

The level of services provided is mostly of high quality with connections to the yard and into the house itself. Sterkspruit and Rhodes have the highest standard of water followed by Barkly East and then Lady Grey. Water is available 24 hrs/day in the urban areas but the rural areas experience many lengthily outages. There are issues with water pressure which the District alleges are due to illegal water connections

## b. Challenges

- Broken water pipes, non-functioning pipes, water unavailability and poor pressure.
- Backlog eradication is the main challenge facing the JGDM. An estimated R 149,603,738 for water and R 93,901,795 for sanitation is required for Senqu backlog eradication
- Operation and maintenance of existing water services. There is a high need for ongoing refurbishment and maintenance programme which will ensure sustainability of these schemes.
- Lady Grey & Barkly East bulk water supply.
- Water backlogs and illegal connections in the rural area.
- Rehabilitation of the Barkly East & Rhodes reticulation networks.
- Installation of section & bulk metering.
- Insufficient diesel for the water pumps

c. Interventions

Borehole standalone schemes. Water backlogs may be eradicated by means of the development of borehole standalone schemes.

VIP's. Sanitation backlogs will be eradicated by means of implementing VIP's. Projects will be prioritised by focusing on villages with the highest sanitation concern first. It is anticipated that a regional construction approach will be followed to maximize the benefit of scale in terms of price, timeframes and quality (JGDM WSDP 2010).

## 25. Roads, Transport and Stormwater

**Table 36: Roads in the Senqu area**

Local Municipality	National Roads	Surfaced Trunk Roads	Surfaced Main Roads	Unsurfaced Main Roads	Surfaced District Roads	Unsurfaced District Roads	Minor Roads	Municipal Access Roads	LM Total Length (km)
Senqu	116.37	-	9.17	290.93	73.01	931.36	767.16	817.36	3,005.37
District Total	653.80	46.40	184.84	737.32	138.09	3,190.98	2,985.47	2,886.91	10,823.82

Source: Department of Public Works and Roads, 2013

The table above refers to the kilometres of roads in the entire Joe Gqabi District. From this information, Senqu has the longest amount of unsurfaced main roads and access roads. The backlog in access roads must still be determined in the Municipality.

### Tarred roads

The provincial trunk road, the R58 is in a bad condition and has been moved to SANRAL. It is in the process of being resurfaced. A rock fall closed the road for 3 weeks between Lady Grey and Barkly East in February 2020. Rock falls are common on the road after heavy rainfalls. This affects tourism as this is the main entrance into the municipality. As such it needs to be a provincial priority. The R 393 between Lady Grey and Sterkspruit has many potholes and roaming livestock due to stolen or poor fencing remain a hazard for drivers despite the newly introduced road rangers. The road to Tele Bridge has recently been upgraded (JGDM ITP 2010). It is envisaged that the R 393 and R 392 will revert to SANRAL.

### Gravel/ Unsurfaced Roads

Most of provincially maintained gravel roads have deteriorated significantly to the level where they need extensive regraveling and low-level bridges need repair or replacing. The end result is people being unable to access goods and services or having to pay high prices for transport of goods and persons due to poor or impassable roads.

### Access Roads

Access Roads are maintained by municipalities in terms of the Municipal Structures Act; however, this is not financially viable for Senqu Municipality. The municipality inherited a backlog of maintenance of existing access roads as well as many villages which don't have access roads. Due to the small tax base of the area and high unemployment, the municipality is heavily reliant on the MIG grant to fund repair, maintenance and building of access roads. The Municipality suffers from an aging fleet and insufficient equipment and staff to be able to maintain all the access roads in its area. This is a disadvantage for residents and emerging farmers who struggle to access their lands.

Senqu is responsible for all access and municipal roads in its area. The balance of the roads falls under the powers and functions of the Department of Roads and Transport (DoT). The level of road services in rural areas is low, where most roads are gravel. The Municipality has engaged its municipal wards to identify priority access roads that need tarring. These however will still require a massive financial injection. Current gravel roads backlog in Senqu is 562km. The Department is maintaining the roads around Sterkspruit inhouse whilst the gravel roads of Barkly, Lady Grey and Rhodes district now fall under a framework contract and is undertaken by consultants engaged by the Department.

The Municipality does not have a Rural Roads Asset Management (RRAMS) as this is a programme undertaken at district level and is undertaken between JGDM and National DOT. Senqu has made enquiries about the possibility of having a RRAMS due to the high number of rural roads and bridges which need

immediate repair. However the regional office is unaware of the programme and assistance is required from the Provincial office.

#### Streets

Streets within towns are the responsibility of the relevant local authority. Streets within townships in all the urban settlements are of very poor condition leading to localized flooding in bad weather, impassable roads and poor access.

#### Rail network

The railway line between Aliwal North and Barkly East is unused even though the tracks are still in place (JGDM ITP 2010). Attempts have been made to revive the track for steam train enthusiasts as it contains 2 out of the 3 railway reverses known in the world whereby the train reverses up a zigzag pattern to the top of a mountain.

#### Airfields

The only airfield which can be recognised as such lies in Barkly East but is not maintained by the Municipality. There has been an investigation into a new airstrip to be located 10km south west of Rhodes near the R 396 funded by ECDORT for tourists to the Tiffindell ski resort but whether this will occur or not remains to be seen (JGDM ITP 2010).

#### Non-motorised transport

A significant number of persons in Senqu rely on either bicycles or walking to reach their destinations. As a result, the municipality has paved most of the pavements in the main towns and some pedestrian walkways leading from the former townships into the town. Few pedestrian crossings and poorly lit streets and paths are some of the hazards faced by pedestrians. In 2022 roads will be paved in both Lady Grey and Barkly East.

## **26. Public Transport**

The Herschel Taxi association has 164 registered members owning 293 vehicles with 158 operating licenses and runs on 20 local and national routes. Public transport operations in Barkly East and Lady Grey are small and relatively stable. In Sterkspruit no direct travel between villages is allowed and all trips must begin or end in the central rank at Sterkspruit. It is the busiest hub. The Municipality built the rank which is operated on lease agreement basis of a renewal three-year basis. The responsibility of the maintenance of the facility lies with the Lessee. The municipality is responsible for insuring the building.

The most utilised trips are to Thaba Lesoba, Voyizana, Qhoboshane, Jozanashoek and Umlami. National destinations are Maletswai, Johannesburg, Welkom, Bloemfontein, Komani and Secunda.

## Road worthiness and licensing

Senqu provides a road worthy and licencing service at the Traffic Testing Station in Barkly East and licencing services at Sterkspruit and Lady Grey. A DLTC in Sterkspruit is being built that will eventually allow residents to undertake drivers and learners licence exams in the town.

## 27. Storm Water Management & Access Roads

The Municipality on an annual basis targets certain priority area for the construction of storm water as per the maintenance plan. The Technical Services department in conjunction with the Community Services Department implements the regular cleaning and maintenance of the existing stormwater infrastructure. Funding has been requested to undertake a stormwater plan to highlight the requirements for future and existing stormwater needs especially as climate change has resulted in more concentrated and larger rainfall events than previously.

### a. Challenges

- Chronic underfunding and the constant deterioration of roads due to high rainfall conditions
- Limited maintenance of access roads due to insufficient human resources and machinery
- Breakdown of old out-dated road machinery
- The stormwater management plan requires updating and flood lines need to be determined to ensure that development occurs outside these area
- Lining and upgrading of storm water channels in urban areas as well as installing new stormwater infrastructure
- Not all villages, schools and clinics have decent access roads and not all streets in townships are tarred or paved
- Limited number of pedestrian bridges
- No cycle lanes
- Limited lighting of pedestrian walks ways although Council is slowly eliminating the backlog in urban areas.
- Poor road markings and potholes
- Limited road signage especially in rural areas
- Commuter facilities are primitive. Bus shelters were built in 2000 in Barkly East and Lady Grey by DoT. The current taxi rank in Barkly East is informal with no amenities and needs upgrading to an area with shelters for waiting passengers. Lady Grey has no taxi facilities but a public toilet and bus stop has been built through the NDPG. Sterkspruit has a taxi rank.
- Limited machinery and staff to meet the storm water function especially in rural areas.
- Fencing of commonage and communal lands along the main R 58 route and road to Sterkspruit. The fences are constantly being stolen by community members especially RDP housing developments to fence their yards.

- Stormwater is a problematic issue as the infrastructure was not designed for the huge runoff that is required. In addition, there is limited staff and equipment to maintain and keep the drains and furrows open. Huge investment is needed to develop a proper stormwater plan which focuses on what infrastructure is required as well as to how stormwater runoff must be managed to prevent damage to property and possible loss of human life throughout the Municipality.
- Bridges have reached the end of their life cycle and are constantly breaking.
- Stormwater is a big problem in the suburb of Kwezi Naledi in Lady Grey

#### b. Interventions

- A Roads and Stormwater Master Plan was developed to categorise roads and determine which ones are priorities. However further work is required to develop a workable plan and not just an annual maintenance plan. The policy allows for sustainable roads (interlock paving) and was approved in 2015. In addition, on an annual basis Ward Councillors indicate which roads and bridges require attention in their areas.
- Paving of township streets as part of an EPWP project and paving of sidewalks in all CBD's and the linkages between the townships as part of the pavement management system. This assists pedestrians who do not utilise vehicular transport.
- New road machinery and Operators.
- Installation of street lights in towns such as Herschel
- Building of more pedestrian bridges and walk ways. This will also allow for cycling paths. Funding is also set aside for the lighting of pedestrian walk ways.
- JGDM Integrated Transport Plan, 2010. The LM utilises the DM's Integrated Transport Plan as it is not a transport authority and is not required to have a plan.
- Roads Forum is an intervention although it is not fully functional and does not sit regularly
- Taxi and Bus ranks are not adequate. In Sterkspruit, there is need for expansion. In addition, they are not properly run and maintained.
- Designated drop off points are required in urban areas to decrease congestion.

## 28. Electricity and Energy

### a. Current Situation

Although most of the Senqu communities have access to electricity, there are some communities that still need to be electrified either in the form of electricity installation or in upgrading of their existing lines as most of the lines particularly in Sterkspruit and surrounding villages are low voltage. These are mainly in new housing developments. Council is in the process of compiling an exact backlog list for ESKOM. The most worrying area is near Lundean's Neck where residents do not have electricity at all especially in Dangerhoek. This is now being addressed with Eskom putting in a minigrid for residents of Nomlengana 49 and 65 from Dangershoek. They are just awaiting poles. The backlog is 3 722 connections according to Technical Services but IHS Markit 2020 put it at 2430 Households connections. ESKOM puts a backlog of 8000 connections in Sterkspruit.



Senqu Municipality has a licence agreement with the National Energy Regulator of South Africa. In terms of this agreement, Senqu is responsible for supplying electricity to Sterkspruit, Lady Grey and Barkly East. Rural areas (including Rhodes and Herschel) are supplied by ESKOM. However, the Municipality is seeking a licence to supply rural areas.

Electricity supply challenges include high leakages attributed to aging infrastructure, poor metering and incorrect accounting. The speed of rural electrification by ESKOM is far too slow, especially in non-grid areas. A master plan has been developed for electricity but its implementation has been delayed by insufficient resources. However, upgrading of infrastructure has occurred annually since 2012 and should be completed by 2019 if resources are available, Over 81.8 % of the municipality has been served (StatsSa, 2011). In 2021 over 86 percent have been served. A worrying trend is the growing numbers of illegal connections in Lady Grey.

**Table 37: Electricity Usage**

Light sources 2021	H/holds	Percentage	Cooking sources 2021	Households	Percentage
Electricity from mains	47016	96.1	Electricity from mains	32669	66.8
Gas	89	0.2	Gas	13995	28.6
Paraffin	683	1.4	Paraffin	1343	2.7
Candles	902	1.8	Wood	710	1.5
Solar	128	0.3	Coal	8	0
Other	39	0.1	Animal dung	27	0.1
None	56	0.1	Solar	45	0.1
			Other	20	0
			None	97	0.2

Source StatsSa Census 2021

	2011 Energy for cooking			2021 energy for cooking		
	Electric	Gas	Other	Electric	Gas	Other
JGDM	55124	5029	37157	74104	40120	9836
Elundini	13191	3025	21262	19822	15431	5882
Senqu	24499	1255	12233	32669	13995	2153
Walter Sisulu	17434	748	3662	21612	10694	1801

For lighting, most residents use electricity whilst for cooking electricity usage is also dominant. The impact of load shedding is therefore quite severe. It is worrying that many residents still result on alternate sources such as firewood.

## b. Challenges

- Limited funding for Maintenance and upgrading of infrastructure in areas managed by the Municipality.
- Limited voltage in the rural areas does not support large scale economic growth.
- The implementation of free basic services for electrical supply
- Getting communities to accept non- grid electricity.
- Number of schools, clinics and other social facilities that don't have a regular supply of electricity (if any supply at all)
- Affordability of the service especially in rural areas for 3 phase electricity
- Electricity losses - 3,783,161 Kwh (Down from 5.6Mwh in previous year) due to theft, poor metering, poor networks and incorrect accounts. Total; loss 7.21%. Leakage 18 %
- Electricity backlogs in the rural areas being addressed too slowly. Eskom is licensed for these areas and therefore needs to apply for increased funding in order to eliminate the above.
- Electrification of street lights at Rhodes, Barkly East (new houses) & Rossouw. Eskom has refused permission to use their Infrastructure to fit the streetlights. Therefore, the amount to do the streetlights and construct our own Infrastructure increases.
- Eskom vs Senqu Municipality electrification boundaries.
- Solar geysers. The installation and continuation of the disrupted solar geyser installation programme.

## c. Interventions

- Eskom electrification plan
- Department of Trade and Industry assisting with the promotion of renewable sources of energy
- The Technical Services Departments wishes to install a computerised asset management system which will allow it to accurately gauge the depreciation of electrical and road infrastructure and equipment. This will assist in improving budgeting planning for the Department.
- The Municipality makes an annual provision for maintenance with tenders for material and KWH Meter replacement

## d. Renewable Energy

In general, however the Municipality and ESKOM have to increase efforts to make the community more conscious and aware of the benefits of renewable energy. Solar is not popular due to the high theft of solar panels but wind turbines could be used provided that the turbines are designed to withstand the high wind speeds and hail encountered in the area. The Municipality has investigated photovoltaic but is unable to meet the type of demand and supplies only a couple of lights. The expense to the long-term benefit is not worth the cost. In general, due to the low demand for electricity in the area, it is not financially feasible to have green energy sources contributing to the grid.

## 29. Environmental Legislation and EIA's

The Municipality strives to adhere to all environmental legislation and conducts EIA's where necessary and prescribed by law to ensure sustainable service delivery. EIAs are budgeted for in all project plans where necessary. For the forthcoming year, EIAs are required for the following:

PROJECT NAME	EIA REGULATIONS WHICH MAY TRIGGERED	LISTED ACTIVITY
Access roads	LN 1 Activity 24	<p>This project needs Environmental Authorization if it fits the following description</p> <p>The development of-</p> <p>(ii) a road with a reserve wider than 13,5 meters, or where no reserve exists where the road is wider than 8 metres; but excluding-</p> <p>(a) roads which are identified and included in activity 27 in Listing Notice 2 of 2014; or</p> <p>(b) roads where the entire road falls within an urban area.</p>
Cemeteries	LN 1 Activity 23	<p>This project needs Environmental Authorization if it fits the following description</p> <p>The development of cemeteries of 2500 square metres or more in size.</p>
Bridge	LN 1 Activity 12	<p>This project needs Environmental Authorization if it fits the following description</p> <p>The development of-</p> <p>(i) canals exceeding 100 square metres in size;</p> <p>(ii) channels exceeding 100 square metres in size;</p> <p>(iii) bridges exceeding 100 square metres in size;</p> <p>(iv) dams, where the dam, including infrastructure and water surface area, exceeds 100 square metres in size;</p> <p>(v) weirs, where the weir, including infrastructure and water surface area, exceeds 100 square metres in size;</p> <p>(vi) bulk storm water outlet structures exceeding 100 square metres in size;</p> <p>(vii) marinas exceeding 100 square metres in size;</p> <p>(viii) jetties exceeding 100 square metres in size;</p> <p>(ix) slipways exceeding 100 square metres in size;</p> <p>(x) buildings exceeding 100 square metres in size;</p> <p>(xi) boardwalks exceeding 100 square metres in size; or</p> <p>(xii) infrastructure or structures with a physical footprint of 100 square metres or more;</p> <p>where such development occurs-</p> <p>(a) within a watercourse;</p> <p>(b) in front of a development setback; or</p> <p>(c) if no development setback exists, within 32 metres of a watercourse, measured from the edge of a watercourse; -excluding-</p> <p>(aa) the development of infrastructure or structures within existing ports or harbours that will not increase the development footprint of the port or harbour;</p> <p>(bb) where such development activities are related to the development of a port or harbour, in which case activity 26 in Listing Notice 2 of 2014 applies;</p>

		(cc) activities listed in activity 14 in Listing Notice 2 of 2014 activity 14 in Listing Notice 3 of 2014, in which case that activity applies; (dd) where such development occurs within an urban area; or (ee) where such development occurs within existing roads or road reserves.
Community halls		It will depend on size and location of hall
Sport fields		The municipality must consult DEA and DEDEAT for advice since the footprint of the activity is less than 5 hectares
Solid waste sites		License needed

### 30. Disaster Management

The Municipality has adopted a corporate disaster management plan in 2005, a draft disaster framework in May 2018 and a draft plan. The process has been stopped and the Municipality is currently looking at its role and function in disaster management. It will then develop a plan which will address this function as part of its greater risk management structure. The Director of Community Services has been placed to undertake and head this process.

The district municipality is participating in the planning structures for the high-risk development. Emergency procurement procedures are in place guided by MFMA and SCM guidelines. It is contained in the SCM policy which is amended regularly. Plans are in place to address spillages on the roads: Razzmatazz is always available to clean the road, as for veldt fires control burning is done to areas with high risk and response is good.

The District Municipality has a chief fire officer. The District municipality has 6 personnel.

- Manager
- Admin officer
- Four satellite officers (one in Senqu, one in Elundini and two in Walter Sisulu)

It has entered into Mutual Assistance Agreement with Alfred Nzo, Chris Hani district municipalities in the Province and Pixley Ka Seme District Municipality in the Northern Cape.

The District Municipality provides fire services as per their powers and functions. JGDM has adopted bylaws relating to fire services.

### 31. ISD & Capacity to deliver

The Municipality has an ISD Unit with one Officer. The Unit is located within Technical Services. The work of the Officer is to ensure that project steering committees are functional for all projects undertaken by the municipality and that the Ward Councillor and Community are kept informed of all project progress. In addition, all community complaints are resolved by the Officer.

The Technical Services Unit houses the PMU which consists of a Manager, Technician and Administrator. The section does not have enough personnel but this is being addressed by engaging a panel of experts with the required skills to assist.

The electrical section is run by a superintendent and the roads section by a Manager. The main problems in the electricity department are the sufficient resources to attract the necessary expertise. In order to prevent a loss of skills the department is training electricians in house. In the roads section, the main problems apart from aging and deteriorating equipment like graders are the budget to maintain access roads as well as attract the necessary skills like grader operators.

### 32. Free Basic Service Provision

The indigent register is updated annually through CART system. A Free Basic Services Committee is in the process of being resurrected with the help of COGTA. This is a political committee and assists the administration in updating information. It was established in January 2019. Water and sanitation are a district function and they provide all indigent households with 6 kl water free a month and sanitation. For households with no access to electricity they are supplied 10 litres of paraffin and 6 candles per month.

The Municipality budgeted the following for FBS:

	2020/21	2021/22	2022/23	2023/2024	2024/2025
Free Basic Services; Indigent and Cultural and services	8 275 181	12 205 413	11 538 261	17 450 000	
Free Basic Services; Refuse	4 736 831	6 611 041	13 248 205	5 736 000	

The FBS unit functions are currently performed by the Debtors Officer and one Co-ordinator. It does require more resources.

### 33. Integration Plans

The One Plan has ensured that there is integration of services between the District Municipality and Senqu Municipality. It has been recently adopted by the JGDM Council and is in the process of being adopted by Senqu Municipality.

The ISDM or integrated Service Delivery Model is the delivery model created by COGTA for the implementation of the ward rooms. Senqu Municipality implements these models and is working on improving the efficiency of the war rooms so that the public has a direct role in indicating their service delivery priorities and can assist with the monitoring of these services. The model also allows for the interaction and combining of services and resources between the Municipality and sector departments.

# CHAPTER FIVE: INSTITUTIONAL

## 1. Political Structure

Senqu Municipality was established in terms of the Provincial Gazette Extraordinary, 28 February, Notice 22 of 2000 (with a number of subsequent amendments). Senqu Municipality is a Category B Municipality. Senqu Municipality was established to be a Collective Executive System type (MSA 117 of 1998)”.

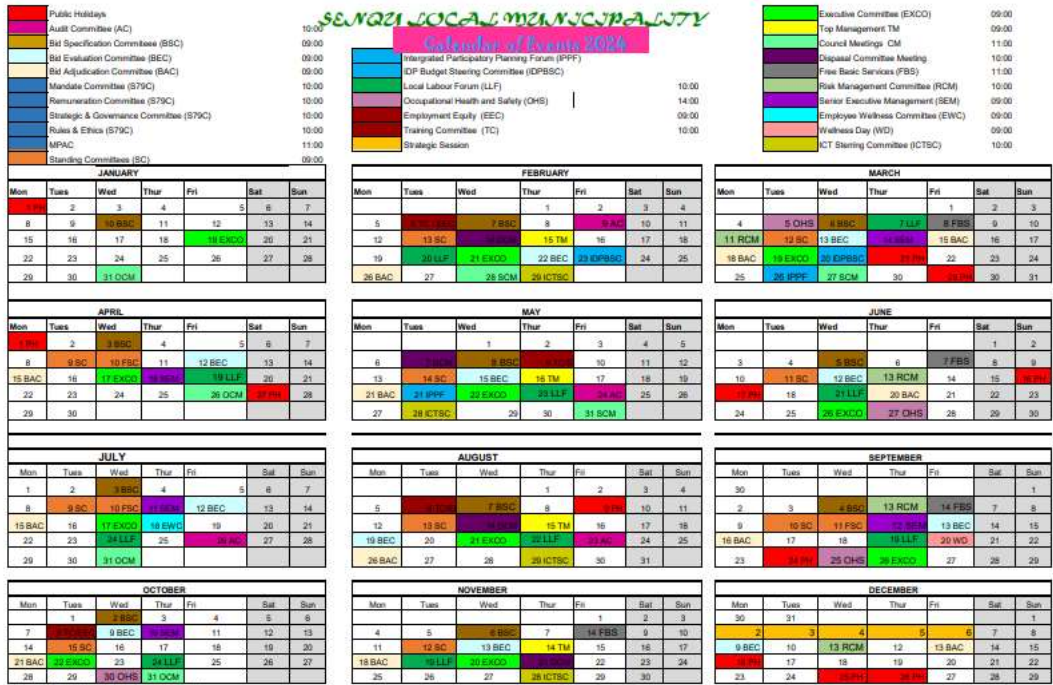
Council currently consists of 34 Councillors of which 17 are Ward Councillors and 17 are Proportional Elective Councillors. 2 Traditional Authorities form part of the Council. They are represented by Chief Bebeza and Chief Thukani.

An annual Council calendar is developed according to the calendar year and adopted either in the preceding November or December. Council is responsible for taking political decisions in relation to service delivery issues and playing an oversight role. Ordinary Council meetings occur once per quarter.

Special Council meetings are only convened whenever there is an urgent issue that needs to be discussed and a decision taken.

### Council Calendar 2023

SENQU LOCAL MUNICIPALITY Calendar of Events 2023											
<b>Public Holidays</b>	<b>10:00</b>	<b>10:00</b>	<b>10:00</b>	<b>10:00</b>	<b>10:00</b>	<b>10:00</b>	<b>10:00</b>	<b>10:00</b>	<b>10:00</b>	<b>10:00</b>	<b>10:00</b>
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### Executive Committee

It is constituted by the Mayor of the municipality as the Chairperson, Political Heads of the Standing Committees of various departments in the municipality and the top management of the municipality. The Mayor as the Chairperson convenes the meetings of the Executive Committee every month. These are held a week after the Standing Committees have met and made their recommendations to the Executive Committee. The Committee meets monthly apart from December.

### Standing Committees

The purpose of Standing Committees is to discuss and recommend certain actions be implemented by the Executive Committee or Council. Standing Committees are as follows:

- Corporate and Support Services Standing Committee headed by Cllr Mfisa
- Development & Town Planning Services Standing Committee headed by Cllr Mbonjwa
- Technical Services Standing Committee headed by Cllr Ndakisa
- Finance Standing Committee headed by Cllr Ngendane
- Community Services Standing Committee Cllr Ngendane

These Standing Committees are chaired by the Portfolio Councillors who form part of the Executive Committee. The other members of the Standing Committees are Councillors elected by the Council. There are 5 Councillors in each standing committee including the Chairperson except in finance. Standing committees are representative of all

political parties, Traditional Leaders and the administration of the department concerned. Standing Committees meet on a monthly basis except in January and December.

#### Section 79 Council Committees

- MPAC headed by Cllr Mpiti - Gxelesha meets quarterly
- Rules and ethics headed by Cllr January meets quarterly
- Mandate headed by Cllr Nyongwana meets quarterly
- Strategic and Governance headed by Cllr Nonjola meets quarterly

## 2. Powers and Functions

Power & Function	Senqu's Capacity	Responsible Department
Air Pollution	The Municipality has no financial resources to develop an air quality plan or engage specific staff for the function	Community Services
Building Regulation	The Municipality has engaged a building inspector but currently has limited resources to engage personnel and ensure implementation of by laws	Development & Town planning Services
Child care facilities	The Municipality is in the process of ensuring that current facilities meet minimum health and safety requirements. However, finances are limited.	Community Services
Electricity and gas reticulation	The Municipality only has the licence to supply electricity within its urban areas. The rural areas are supplied by Eskom. However, the Municipality is negotiating with NERSA to expand its licence to the rural areas.	Technical Services
Firefighting Services	JGDM Municipal Function	Not applicable
Local Tourism	The Municipality promotes local tourism in the region and assists the activities of local tourism organization	Development & Town planning Services
Municipal Airports	The Municipality has no designated airports.	



Power & Function	Senqu's Capacity	Responsible Department
Municipal Planning	The Municipality has an IDP which is reviewed annually. The SDF is developed for 5 years and amended where necessary. All land management will be enforced as per SPLUMA regulations	Development & Town planning Services
Municipal Health Services	The Municipality only controls waste management as the District Municipality is responsible for food control, water quality, chemical safety, communicable disease control, vector control, environmental pollution control, disposal of the dead and control premises. This is because the District Municipality has the capacity as these areas form part of the Environmental Health Practitioners scope of work. The Municipality may only license a food premise after the district provides a permit indicating that the premise meets the standards required	Community Services
Municipal Public Transport	The Municipality does not have this function as it does not operate any public transport and the District Municipality has the power to regulate passenger transport services. The Municipality has a roads forum and makes recommendations on operating licences to the Department of Transport.	Technical Services
Pontoons, ferries, jetties, piers and harbours	The Municipality is not on the coast	
Stormwater management systems in builtup areas	The Municipality has the power and function but has inadequate funding to develop a stormwater plan and bring all infrastructure up to standards required by climate change.	Technical Services
Trading regulations	The Municipality fulfils this function through various by laws	Community Services
Potable water and sanitation services	The Joe Gqabi District Municipality fulfils the role of both WSA and WSP	
Beaches and amusement facilities	The Municipality has no beaches but maintains its public spaces	Community Services
Billboards and display of advertisements in public places	The Municipality has by laws to regulate this activity but due to poor resources struggles to implement	Development and Town Planning Services
Cemeteries, funeral parlours and crematoria	The Municipality licences these premises once the District Municipality issues a certificate of compliance	Community Services

Power & Function	Senqu's Capacity	Responsible Department
Cleansing	The Municipality regularly cleans streets and public spaces within the urban areas as it lacks capacity and resources to do so in rural areas	Community Services
Control of public nuisances	The Municipality has by laws pertaining to this function but lacks the capacity to enforce by laws	Community Services
Control of undertakings that sell liquor to the public	The Municipality has by laws pertaining to this function but lacks capacity to enforce by laws	Community Services
Facilities for the accommodation, care and burial of animals	There are no pet cemeteries or kennels in the municipal area	Community Services
Fences and fencing	The Municipality ensures that public areas are fenced and safe and has by laws around fencing of properties	Community Services
Licensing of dogs	The Municipality does not license dogs but has by laws pertaining to the keeping of domestic pets	Community Services
Licensing and control of undertakings that sell food to the public	The District Municipality monitors the premises and issues certificates of compliance after which the Municipality may license the premise	Community Services
Local Amenities	The Municipality ensures that places are kept clean and mown and that community halls are functional but lacks the financial resources to ensure that all areas of scenic, natural, cultural and historical value and interest are well maintained	Community Services & Development & Townplanning Services
Local sport facilities	The Municipality maintains municipal owned sport facilities in the urban areas	Community Services
Markets	No markets exist in the municipal area	Not applicable
Municipal abattoir	The Municipality does not own any abattoirs and the District Municipal Health services are responsible for ensuring that abattoirs in the area maintain hygiene standards	
Municipal parks and recreation	The Municipality ensures that places are kept clean and mown.	Community Services
Municipal roads	The Municipality does try to build and maintain municipal roads but due to decades of neglect the financial resources are insufficient to meet the demand.	Technical Services
Noise pollution	The Municipality lacks the resources to monitor noise pollution but there are by laws.	Community Services

Power & Function	Senqu's Capacity	Responsible Department
Pounds	The Municipality has built a pound in Lady Grey to meet licencing standards.	Community Services
Public places	The Municipality does own commonages around the urban areas but struggles to enforce livestock management or prevent land invasion due to limited human and financial resources	Community Services
Refuse removal, refuse dumps and solid waste disposal	The Municipality does do refuse removal in urban areas but due to financial and human resource constraints fails to adhere to all waste management site regulations. However new waste sites are being constructed.	Community Services
Street trading	The Municipality has by laws pertaining to the function but has limited capacity to enforce the by laws	Community Services
Street lighting	The Municipality provides street lighting in urban areas.	Technical Services
Traffic and parking	The Municipality has limited capacity to control traffic within its area but does provide a driver's licence testing facility	Community Services

### 3. Administrative Structure and Location

The Municipality has offices in the following towns with the main office located in Lady Grey. This office houses, both the seat of the administrative and political arm of the organisation. Communication between offices is facilitated by an interconnected phone network. External Offices are managed by Supervisors.

Lady Grey	Barkly East	Sterkspruit	Rossouw	Rhodes
<u>Main building</u> Mayors & Speakers Office Council Chamber Corporate Services Finance  <u>DTPS Building</u> DTPS Community Services Technical Services  <u>Tourism Office</u> Tourism LED  <u>Library</u> Library Services  <u>Workshop</u> Technical Services	<u>Main building</u> Finance  <u>Traffic Building</u> Traffic Department  <u>Library</u> Library Services  <u>Workshop &amp; Pound</u> Community Services  <u>Workshop &amp; Pound</u> Community Services Technical services	<u>Main office building</u> Finance & e-Natis  <u>Bunga hall offices</u> Councillors Office  <u>Workshop</u> Community Services  <u>MPCC</u> Supervisor Office	<u>Community Hall</u> Community services	<u>1 office</u> Community Services

The current office accommodation is sufficient as all staff are housed adequately. Payment facilities for municipal services are rendered at the Main municipal building based in Lady Grey , main municipal building in Barkly East and at the Offices in Sterkspruit.

Senqu Municipality implements its Integrated Development Plan through its administration structures headed by the Municipal Manager with the following Directorates:

- Municipal Manager's Office responsible for strategic support (administration), political executive support, research, legal services, governance, compliance – risk management, institutional performance, strategic communications, and internal audit
- Directorate: Financial Services is responsible for budget and treasury, revenue services, stores and expenditure management, supply chain management, policies, procedures and by-laws (MFMA and National Treasury), financial support to all Departments, eNatis liscencing and information communication technology.
- Directorate: Corporate & Support Services is responsible for administration, document management, HR and labour relations, capacity building, Council support and ward support, IGR, special programmes (HIV Aids youth, disabled, elderly and women), corporate facilities management, stakeholder relations – participation, by-laws facilitation, customer care/presidential hotline and individual performance management.
- Directorate: Community Services is responsible for waste management and refuse, community-based by-laws, public safety services – law enforcement, community based service provision, cemeteries, environmental management, traffic, cleansing, disaster management assistance, community facilities, library services and amenities, and commonage management
- Directorate: Technical Services is responsible for technical service delivery, electricity in urban areas, infrastructure development (maintenance and minor construction, Access Roads (Maintenance and Minor Roads Construction), Stormwater management, fleet management and PMU Project Management /Administration including ISD.
- Directorate: Development & Town Planning Services is responsible for investment property management, GIS, building control, town planning, housing, land use management, integrated planning, and local economic development including tourism.

The administration is headed by the Municipal Manager, Mr Thembinkosi Mawonga. The CFO is Mr Kenneth Fourie. Other top management posts , consist of four Section 56 Managers who report directly to the Municipal Manager.

All S 56 Managers had signed their annual Performance Agreements aligned to the IDP, budget and SDBIP. This will be done again in July 2024 for the new financial year.

#### **4. Organisational Structure**

The organogram for the Municipality has been reviewed. In September 2021, COGTA promulgated Municipal Staff Regulations which in Chapter two prescribe how staff establishments should be designed and developed. SALGA conducted a diagnosis of the current structure and found that it was not compliant with the Municipal Staff Regulations on many fronts. The areas of non-compliance range from provision of support to the offices of the political bearers, the core to support rations, number of Directorates, the structural shape, structural layers, and the span of control. The Municipality through the support of SALGA is committed to addressing all the concerns raised in the report by SALGA . It further wants to have a complete overhaul of its operations through a business re-engineering process to ensure that its structure will support its long term objectives and the District 's One Plan. This exercise is complex and as a result the Municipality has decided to do this through a phased in approach which will be driven by a Steering Committee which will comprise of various internal stakeholders and will be driven by Corporate Services with the assistance of SALGA and guidance from COGTA. This tender has been advertised.

The planned phased in approach be as follows; Phase 1: Diagnostic exercise and addressing non compliance Phase 2: Establishing Organisational Requirements Phase 3: Design and Pilot Municipal Staff Establishment Phase 4: Job Evaluation and costing Phase 5: Implementation of Placement

Phase 1 is complete and all other non-compliance areas will be addressed in phase two which we envisage will be completed by 28 February 2024. Phases three to five will be completed by 30 June 2024. A detailed report with how the Municipality will be rolling out the above will be submitted to the MEC for guidance and approval.

All posts have been provisionally evaluated according to TASK through a benchmarking exercise. The Municipality has taken this process forward by evaluating all posts through the SALGA structures and results for four Directorates are ready for adoption and publication. The interim results for Technical Services Directorate and the Finance Job Descriptions are yet to be undertaken through the same process as mentioned previously.

**Table 38: Contract Workers**

DESIGNATION	DEPARTMENT	CONTRACT PERIOD
Municipal Manager	MM'S OFFICE	5 years
CFO	Finance	Permanent
Director Corporate Affairs	Corporate Services	5 years
Director Technical Services	Technical Services	5 years
Director Community Services	Community Services	5 years
Director DTPS	DTPS	5 years

Source: Corporate Services 2024

**Table 39: Organogram posts per directorate**

Department	Funded	Unfunded	Total
Municipal Manager	17	1	18
Political Office under MM	11	0	11
Corporate Services	27	0	27
Budget & Treasury	42	8	50
Community Services	110	10	120
Town Planning Services	18	2	20
Technical Services	67	13	80
<b>TOTAL</b>	<b>292</b>	<b>34</b>	<b>326</b>

The Municipality has 292 staff members.

## 5. Employment Equity

The Employment Equity Plan of the Municipality was approved in 2022. It is implemented through the recruitment and selection process and through training and development. Implementation is monitored by the Employment Equity Committee, Training committee and Labour Forum. The objectives of the plan are to increase the number of people with disabilities, increase training for staff, increase the number of learnerships and internships.

**Table 40: Employment Equity staffing levels**

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	3	1	0	0	2	0	0	0	0	0	6
Senior management	7	0	0	2	4	0	0	2	0	0	15
Professionally qualified and experienced specialists and mid-management	18	1	0	0	23	3	0	0	0	0	45
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	16	0	0	0	5	0	0	0	0	0	21
Semi-skilled and discretionary decision making	45	1	0	0	26	4	0	0	0	0	76
Unskilled and defined decision making	76	5	0	0	32	4	0	0	0	0	117
<b>TOTAL PERMANENT</b>	165	8	0	2	92	11	0	2	0	0	280
Temporary employees	2	0	0	0	1	0	0	0	0	0	3
<b>GRAND TOTAL</b>	167	8	0	2	93	11	0	2	0	0	283

**Table 41: Employment Equity Goals**

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	3	1	0	0	2	0	0	0	0	0	6
Senior management	9	0	0	2	7	0	0	2	0	0	20
Professionally qualified and experienced specialists and mid-management	18	1	0	0	23	3	0	0	0	0	45
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	18	0	0	0	5	0	0	0	0	0	23
Semi-skilled and discretionary decision making	46	1	0	0	27	5	0	0	0	0	79
Unskilled and defined decision making	76	5	0	0	32	5	0	0	0	0	118
<b>TOTAL PERMANENT</b>	170	8	0	2	96	13	0	2	0	0	291
Temporary employees	2	0	0	0	1	0	0	0	0	0	3
<b>GRAND TOTAL</b>	172	8	0	2	97	13	0	2	0	0	294

The Employment Equity Forum consists of Portfolio Head: Corporate Services, Top Management Representative: Director – Corporate Services, Manager HR, LR and Legal Services, Senior Management Representative: Executive Co-coordinator: Political Affairs, Technical Support Staff: HR Practitioner, Training and Development : Skills Development Facilitator ,Secretary, Designated groups Representative, People with Disability : Representative, Professionally Qualified and experienced specialist Mid Management Representative, Skilled Technical and Academically Qualified workers Representative, Semi – Skilled and Discretionary decision making, Unskilled and defined decision making Representative and 1 representative from each labour Union. Employment Equity Committee meets once a quarter.

The Local labour forum sits monthly. The Local Labour Forum is fully functional. It consists of 5 representatives of the labour unions, Director Corp Services, Manager HR, LR & Legal Services, Portfolio Head of Corp Services, 2 Employer Representatives and the Secretary.

The OHS Committee sits quarterly. It consists of a representative from each town and from the Unions and service departments like electricity, roads and waste management and is headed by Corporate Services. It deals with issues of health and safety. All staff are issued with the necessary tools and protective clothing. Monthly inspections are done of the tools and vehicles to ensure that they are safe. The PMU Unit ensures that all appropriate OHS is done on their project sites. Any issues are forwarded to the Corporate Services Standing committee and top management for resolution.

A resolution register is compiled at OHS Committee meetings and the implementation of these are tracked. As a result of the committee's work, change rooms with showers have been built in Barkly East and Lady Grey for general assistants of waste management. Corporate Services is responsible for ensuring that OHS issues raised by the Committee are resolved.

## **6.Skills Retention and Wellness**

The Municipality has an annual budget for EAP (Employee Assistance Programme). For 2022 it is R 511 601,60 . In 2023 it has been allocated R 487 000. This focuses on providing individual employees with assistance on mental health issues that they are facing as well as individual health issues such as drug and alcohol abuse.

The Municipality also has an annual wellness programme whereby they target areas of health such as diabetes and bring in practitioners. A wellness day was held on the 23<sup>rd</sup> June 2022 and one on 8 September 2023.

The municipality has a skills retention and a scarce skills retention policy but experiences difficulties attracting these types of staff and keeping them due to the rural nature of the municipality and the fact that it can't offer competitive salaries. The scarce skills policy was approved by Council by the end of June 2013. The



Scarce Skills Committee identifies the scarce and critical skills annually. The identification of scarce skills is tied to the organogram and these skills will be identified as soon as the organogram is restructured to meet the SALGA prescripts.

## **7. HR Strategy & WSP**

The Municipality has developed an HR strategy which was adopted on 29 May 2020. From the strategy, an annual HR plan is developed and adopted by Top Management. The HR strategy has 8 priority areas which are:

- Workforce planning and personnel administration whereby personnel administration attends to the administration of all employees' contracts, benefits and conditions of service as well as all administration and procedures incidental to employee appointments and terminations. Management and HR have been engaged with a comprehensive process of reviewing and developing employment contracts of all employees.
- Employee wellness. As Senqu Municipality, through our employee wellness pillar we aim to promote healthy, resilient and productive workforce and to reduce levels of absenteeism through targeted programmes.
- Occupational health and safety. The Occupational Health and safety function are primarily focused on:
  - Creating and maintaining a safe working environment and
  - Preventing workplace accident.

A major obstacle in achieving these objectives is the absence of an integrated Occupational Health and Safety Plan that will act as the guiding principle for all OHS interventions. This is in the process of being addressed.

- Capacity development. This will ensure that all employees and Councillors receive relevant skills development required in line with their Personal Development Plans for which the requisite funding shall be provided. Appropriate learning organisation, knowledge management and innovation strategies will be applied to facilitate the necessary learning/skills acquisition and application in the workplace; and that employees be equipped with a level of skill and competency necessary to excel in fulfilling the purpose, objectives or requirements of function/job roles, also to address the shortage of skills brought about by the legacy of apartheid, further to unlock the inherent potential of all employees for their good and that of the Municipality, and their customers/broader Communities.
- Recruitment & selection.
  - Where possible commit to filling vacant non-entry-level positions internally in line with Employment Equity and Organisational Talent Requirement Objectives and Targets. Every endeavour will be made to identify and develop the potential of existing employees to enable them to progress through their respective Career Paths and Organisational Hierarchies. Recruitment and Selection Processes will be conducted in a fair and transparent manner based on predefined Specifications, Criteria and Competency Requirements for the required Role/Position.
  - Goal – To ensure the timely holistic provision and placement of competent and skilled employees within Organisational Functional Units and roles/positions, in terms of predefined and planned for or incidental

needs in line with Succession and/or Strategic Manpower Plans and Equity Targets dictated by Employment Equity Plans; and

- Appropriate Talent Management Strategies and Processes (Engagement and Retention Strategies, etc.) will be applied to develop and maintain a sustainable and effective talent pipeline. All recruitment, selection and appointments will follow the Municipality's formal and approved Recruitment and Selection (Talent Acquisition) Policies and Procedures (or equivalents).
- The ability of the municipality to retain competent staff is closely linked to, amongst others, staff morale, motivation, job satisfaction and the organizational culture. Consistent monitoring of these factors will inform interventions to be addressed through employee wellness and employment equity strategies.
- Culture and mindset change. As an employer designated in terms of the Employment Equity Act (Act 55 of 1998), Senqu Municipality is under a legal obligation, in terms of section 20(1) of the Act to develop an Employment Equity Plan for a period not less than a year but not more than five years. Employment Equity Plan 2022/2027 has been adopted by the Council in 2022.
- Labour relations. Constructive Workplace Relationships contribute to the achievement of common goals such as safety, efficiency and productivity, quality customer service, job satisfaction and career opportunities. A constructive approach will help to minimise industrial disputation and promote innovative issue resolution. Participative negotiation can provide a climate for facilitating resolution and delivering balanced results.
- Organisational design & transformation.
  - Ensure fair and objective Policies and Procedures based on generally accepted and applicable Organisational Development Principles and Processes. Organisational Restructuring and/or Transformation.
  - The Municipality in the interest of social stability and justice, will make every endeavour to ensure continued employment of employees during Organisational and Functional Reorganisation and Redesign by accommodating them (displaced employees) in reasonable alternative positions when available and possible. This will be subject to the approved Placement Principles.
  - Goal – To adopt a Transformation Management Policy Framework and related Systems and Functions that will institutionalise the necessary Organisational Development Transformation Management Culture and Organisational Capacity; and
  - To pro-actively and effectively lead and guide, with the commitment of the Senqu Municipality 's Leadership, Management, Stakeholders and employees, Organised Labour, any Organisational and Technological Transformation required to deliver on the Council's Vision.

Implementation of the WSP means an annual compilation of the organisation's prioritised training needs based on the IDP. This is done by the SDF. The goals of the annually adopted WSP are to capacitate staff members by implementing training interventions based on identified needs and to comply with the skills development act. This is done by budgeting for training and reclaiming funds from the relevant SETA.

In order for training to occur the Training Committee makes recommendations to the necessary structure to approve the following:

- Bursaries for unemployed - The Committee makes recommendations for the Municipal Manager to approve. For staff training programmes and bursaries, the approval is done Director Corporate Services. After the implementation of training programmes, the SDF compiles a report for the training committee members for notification
- Internships are pre-approved by Director Corporate Services and approved by Municipal Manager
- Trainees get selected through the normal recruitment and selection processes of the Municipality

A training policy and study bursary policy have been adopted by Council and the aim is to develop the knowledge, skills and attitudes of all municipal employees, set out the roles and responsibilities of those involved in training and lastly to assist financially disadvantaged employees to finance their own training and development. Ultimately this will ensure the optimum utilization of human resources at all levels of the organisation and contribute to the personal aspirations of the individual.

HR policies consist of the recruitment and selection policy, the leave policy, bursary policy, remuneration policy, promotions and transfer policy, travel and subsistence policy, standby and overtime policy, relieving allowance policy.

Annually a skills audit is done and a WSP developed and adopted by Council. A training committee also assists in prioritising training. However due to lack of financial resources, the WSP is seldom completed on an annual basis. The planned budget for 2022/23 is R 1 949 169 for the employed and R 1 288 000 for the unemployed. The budget for 2023/24 will be R 2 506 850 for employed and R 2 269 875 for the unemployed. 123 people were trained in 2022/2023 and 10 unemployed people were trained.

All training programmes that are being implemented for Staff and Councillors are linked to the IDP objectives and they are aligned with staff functions. As a result, they can perform their duties in a more effective and efficient manner. The table below indicates the planned training for 2023/24.

Total Planned Training Beneficiaries								
LGSETA Strategic Focus Area	Municipal Key Performance Area	Main IDP Priority Linked to Key Performance Area	Female - Employed	Male - Employed	Total	Female - Unemployed	Male - Unemployed	Total
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Promote a culture of Good Governance	18	8	26	93	72	165
Promoting Sound Financial Management & Financial Viability	Municipal Financial Viability and Management	Implement appropriate Financial Management systems to ensure the continued growth and viability of the Municipality	7	7	14	0	0	0
Enhancing Infrastructure and Service Delivery	Basic Service Delivery and Infrastructure Development	Develop and maintain appropriate and economically run infrastructure.	10	72	82	0	0	0
Enhancing Municipal Planning	Municipal Transformation and Institutional Development	Promote a culture of performance excellence.	12	5	17	0	0	0
Promoting Spatial Transformation and Inclusion	Sustainable Local Economic Development	Promote a conducive environment to stimulate economic development.	0	0	0	0	0	0
<b>Totals</b>			<b>47</b>	<b>92</b>	<b>139</b>	<b>93</b>	<b>72</b>	<b>165</b>

## 8. Internal Control Procedures

All Councillors and Administrative Staff were provided with copies of the code of conduct and were also workshopped on the Code. If the Code of Conduct is not adhered to by either staff or Councillors, disciplinary action is being instituted. Cases of a disciplinary nature were dealt with in the past year as per the Labour Relations Act. Most disciplinary cases deal with cases of absenteeism, drunk on duty and late coming.

## 9. Record Keeping & Information Technology

The Council has approved the Records Management Policy, Central Registry Manual and Access to Information Manual during its Council Meeting held on the 27 March 2013 which regulates the access to information. Furthermore, with the assistance of the Provincial Archivist from Department of Sports, Recreation, Arts and Culture training was conducted on the 12 June 2013 to the municipality's employees on the following aspects:

- ❖ Archival legislation and the role of Provincial Archives and Records Services
- ❖ Roles and responsibilities of users in File Plan implementation
- ❖ Importance of good record keeping practices
  
- ❖ Identification and care of different categories of records
- ❖ Allocation of reference numbers in correspondences
- ❖ Records maintenance
- ❖ Understanding the logic of the file plan

The Municipality has recently engaged a service provider to keep expired files off site to ensure the safety of municipal records.

The IT Manager ensures that the IT policy is followed and that all staff members sign the policy acknowledging their role in keeping the municipal IT system safe from intruders. In addition, the server room is kept locked at all times. The disaster recovery plan is being implemented with servers off site and constant upgrading of fire walls and antiviruses. However, the Municipality does suffer with loadshedding and power surges crashing switches and servers. To counteract this, power surge protectors and a solar system backup is in the process of being installed.

ICT has many policies as are detailed below:

ICT Corporate Governance Framework adopted in 2017 that includes:

- ICT Governance Charter
- ICT Strategy
- ICT Internal Audit Plan
- ICT Disaster recovery Plan
- ICT Management Policy
- Municipal Corporate Governance of ICT (MCGICT) Policy
- ICT Data Backup and Retention Policy

- ICT Operating Systems Security Policy
- ICT Project and Portfolio Management Policy
- ICT Risk Management Policy
- ICT Security Controls Policy
- ICT SLA Management Policy
- IT User Access Management Policy
- ICT Corporate Governance Framework

Other Policies

- ICT Bring your own device (BYOD) Policy (adopted 2018)

ICT Security Policies (adopted 2017) includes the following policies:

Change Management

- Patch Management
- Privacy
- Network Access
- Server Hardening
- Account Management
- Administrative & Special Access
- Physical Security
- Security Training
- Portable Computing
- Password
- Acceptable Use
- Virus Protection
- Vendor Access
- Network Configuration
- Electronic Mail
- Software Licensing

The disaster recovery plan is being implemented. The plan provides for the recovery of those systems which support critical business functions and processes. These have been identified during a business impact analysis stage and business impact analysis report. The plan provides a structure and an action plan to be used in the timely recovery of the Municipality’s critical applications’ processing environment. The objective of the Plan is to recover the critical applications’ processing environment within 48 hours following a disaster.

The offsite Cloud Server has a communication link to the SENQU frame relay network. Back-up media drives are created and stored off-site at a secure site specified by the Senqu Municipality. In a disaster scenario, the Disaster Operations Teams relocates to a temporary Command Center to organise the recovery effort, and the other Teams relocate to the recovery site, where a communication link is established from recovery site to the SENQU frame relay network. Links are also established from recovery site to the business partner

locations. Back-up media drives should be shipped from the secure site to the recovery site, where the Recovery Teams restore the critical environment.

## **10. Protest Actions and petition management**

No staff protest actions were held in the previous & current financial year. No community protest actions occurred either. Mitigating measures are as follows:

- There is a Strike Management Committee (which sits only when there is a protest action)- comprised of Corp Services Director/MM, LR & HR Practitioner, 1 Cllr & organised labour rep.
- There is an Essential Services Agreement
- Provisions prescribed in the LRA, Act 66 of 1995 (ss 64 – 77) are / will be followed.

## **11. Legal Services**

The Manager HR and Legal Services maintains a litigation register that is constantly updated. A quarterly report is sent to COGTA. A panel of legal services has been engaged to deal with the cases that arise. Most legal cases are around illegal land occupation, illegal erection of structures and defending the Municipality in tender awards that are being contested.

## **12. Institutional Cohesion**

The Municipality runs wellness days to promote institutional cohesion. A netball and soccer team have been developed to play at the SALGA games as well as play against other sector departments and municipalities. In addition, the induction programme is also tailored to make employees feel part of the institution and promote institutional cohesion. Internal newsletters also help promote institutional cohesion. The Directorate Corporate Services has completed a survey to gauge employee's satisfaction which reflects dissatisfaction with employee working conditions. A plan has been developed to target the areas of dissatisfaction identified.

## CHAPTER SIX: GOOD GOVERNANCE & PUBLIC PARTICIPATION

### 1. IDP Process Plan

Senqu Local Municipality has developed the IDP and Budget in accordance with the requirements as set out in the Local Government: Municipal Systems Act (MSA) 32 of 2000, the Local Government: Municipal Planning and Performance Management Regulations 2001 and the Municipal Finance Management Act 56 of 2003.

### 2. Adopted Process Plan

The MFMA Act 53 of 2003 (S21 1b) states that the Mayor must at least 10 months before the start of the budget year table in the Municipal Council a time schedule outlining key deadlines for the preparation, tabling and approval of the Budget and the Integrated Development Plan. The process plan was adopted on 28 July 2023. The Process Plan outlines the programme to be followed and provides details on issues specified in the Act.

The Local Government: Municipal Structures Act 117 of 1998, Municipal Systems Act 32 of 2000 and Municipal Finance Management Act 56 of 2003 are specific to municipalities and are the key legislation for the development of the IDP. Other national sector legislations also contain various kinds of requirements for municipalities to undertake planning.

Some important National and Provincial guiding plans and policy documents for the IDP include the Medium-term Strategic Framework, the National Spatial Development Perspective(NSDP), the National Development Plan, the new Growth Path, the Eastern Cape Provincial Spatial Development Plan (ECPSDP), the Eastern Cape Provincial Growth and Development Plan (ECPGDP) and the Ukhahlamba (now Joe Gqabi) District Growth and Development Summit (GDS).

### 3. IDP Process

The IDP Process is a continuous cycle of planning, implementation and evaluation. Institutional arrangements and roles and responsibilities The development of the IDP and Budget involves Municipal Officials, Councillors as well as stakeholders/actors outside the Municipality.

Institution	Role & responsibility
Council	Approves, adopts the IDP and budget Participates in M&E
Executive Committee	Decides on the Process Plan. Manages, co-ordinates and monitors the process and drafts the IDP and budget
IDP Manager	Drafting and co-ordination of the IDP process on a day to day basis
IDP and Budget Steering Committee	Provides technical expertise for the drafting of the IDP and budget
IDP Representative Forum (IPPF)	Provide community needs and priorities and indigenous knowledge. Act as a M&E mechanism

#### Other actors

ACTORS	ROLES AND RESPONSIBILITIES
Ward Councillors/Ward Committee (assisted by CDWs)	<ul style="list-style-type: none"> <li>• Major link between municipality and residents</li> <li>• Link the planning process to their wards or constituencies</li> <li>• Organize public consultation and participation</li> <li>• Represent the ward at the IDP &amp; Budget Representative Forum</li> <li>• Analyse ward-based issues, determine priorities, negotiate and reach consensus.</li> </ul>
Community	<ul style="list-style-type: none"> <li>• Represents interests, contribute knowledge and ideas to the Representative Forum</li> <li>• Inform interest groups, communities and organizations</li> <li>• Analyse issues, determine priorities, negotiate and reach consensus</li> <li>• Participate in designing project proposals</li> <li>• Discuss and comment on the draft IDP</li> <li>• Monitor performance in implementation</li> <li>• Conduct meetings with groups, communities, etc. to prepare for and follow-up on relevant planning activities.</li> </ul>



#### 4. Mechanisms for community and stakeholder participation

One of the main features about IDP and Budget Processes is the involvement of community and stakeholder organizations in the process. This is done through the:

- IDP Representative & Public Participation Forum known as the IPPF to verify and add data
- District Municipality’s Rep Forum to ensure that local priorities are adequately reflected on the District’s IDP
- Ward Councillors and ward meetings to keep communities informed about the IDP progress (including Ward Committees and CDWs)
- Annual reports on municipal progress
- Mayoral outreaches
- Making the IDP document available to all units and in public places for public comments
- Municipal website.
- Radio broadcasts
- Local newspaper advertorials
- Municipal newsletters

English is used as a language of governance however in community meetings languages that are spoken in that community are used. Officials are responsible for arranging venues and transport for all wards to all meetings. Transport is arranged for Traditional Leaders, Designated Groups and Ward Committees at the cost of the municipality.

#### 5. Mechanisms and procedures for alignment

The IDP Manager (Municipal Manager) and the Manager IPED of Senqu Municipality are responsible for ensuring smooth co-ordination of the IDP process and its alignment with the District’s IDP through bilateral discussions with affected sector departments and neighbouring Municipalities as well as IDP representative Forums. Inter-Governmental Forums such as the Joe Gqabi District IDP Representative Forum are also used to ensure that beneficial alignment of programmes and projects do occur.

**Table 43: Detailed IDP and budget action plan**

	<b>Activity</b>	<b>Purpose</b>	<b>Responsibility</b>	<b>Time frame</b>	<b>Progress</b>
1.	Integrated Participatory Planning Forum	To discuss IDP Review process	Manager IPED Manager IGR	27 June 2023	27 June 2023
2.	IDP and Budget Steering Committee	To ensure that management and political leadership agrees on the draft IDP and budget timeframes	Manager IPED BTO	14 July 2023	14 July 2023
3.	Present draft IDP Process Plan to Council for adoption	Guide development of 2024-2025 IDP Review	Mayor	28 July 2023	Done

	Activity	Purpose	Responsibility	Time frame	Progress
4.	Adopt Process Plan	To guide the planning, drafting, adoption of the IDP and budget Establish committees and consultation forums for the IDP and Budget process	Council	28 July 2023	Adopted by Council 28 July 2023
5.	Publish and make known Process Plan (i.e. key activities and deadlines)	Inform public of the process to be followed in developing the IDP	Manager IPED BTO	10 August 2023	10 August 2023
6.	Public engagement and consultation	Consult local communities on their raised development needs and priorities. This will be done on a ward by ward basis with the ward committees and Councillors	Managers IPED & IGR Public Participation Ward Councillors	28 August – 2 October 2023	Done
7.	Integrated Participatory Planning Forum	Finalise issues raised in the outreach with Communities	Manager IPED Manager IGR	24 October 2023	Postponed
8.	Departmental Strategic sessions	Departments meet and revise 5-year priorities, targets and programmes based on NDP and community needs where necessary	HOD's	30 October – 3 November 2023	Done
9.	Municipal Strategic Session	Municipal Top Management and Ex-Co meet to review municipal objectives, strategies, objectives, targets and budget proposals.	DTPS & OMM	4- 8 December 2023	Done 4-7 December 2023
10	IDP & Budget SC	Municipal Top Management and Mayor meet to finalise strategic issues	Manager IPED BTO	13 December 2023	Postponed
11	Draft Annual Report	Draft Annual Report to be completed.	OMM	16 January 2024	Done
12	Report on mid-year and performance assessment	Evaluate performance of the municipality to guide future decisions as well as for the new financial year	Municipal Manager to report to Executive Committee	24 January 2024	Done
13	Council	Council notes the mid year report and draft annual report	Director Corporate Services	31 January 2024	Done
14	Advert for comments on draft Annual report and MPAC Public participation on the Oversight report	21-day comment period on annual report	Manager: Governance & Compliance	1 – 22 February 2024	Done
15	Draft Budget departmental consultations	For draft budget and adjustment budget	MM & CFO	5-9 February 2024	Done
16	Alignment Meeting	To meet and discuss high level SDBIP amendments	Manager IPED BTO Manager Compliance	19 & 20 February 2024	Done 20 Feb 2024
17	IDP & Budget Steering Committee Meeting	To meet and finalise budget proposals, incorporate information from the Strategic session and adjustment budget	Manager IPED BTO	23 February 2024	Done 20 February 2023
18	MPAC	To finalise oversight report on draft Annual report	MPAC Chairperson	27 February 2024	Done

	<b>Activity</b>	<b>Purpose</b>	<b>Responsibility</b>	<b>Time frame</b>	<b>Progress</b>
19	Special Council Meeting	To approve adjustment budget	Municipal Manager CFO	29 February 2024	Done
20	Meeting with Provincial Treasury	Mid year engagement	CFO	March 2024	Done. 18 January 2024
21	IDP & Budget Steering Committee	Present draft IDP, budget and high level SDBIP	Manager IPED, Manager Governance and Compliance BTO	20 March 2024	Done
22	Integrated Participatory Planning Forum	To meet and discuss draft IDP and budget	Manager IPED	26 March 2024	Done
23	Council	Mayor presents draft IDP, Budget and high level SDBIP to Council. Mayor presents final Annual report to council	Mayor	28 March 2024	Done 27 March 2024
24	Advert for draft IDP and Budget. Advert for final Annual report adoption	Advert for comment period to appear on website, municipal notice boards and in newspapers from 8 April to 6 May 2022. Draft IDP & Budget loaded on website	BTO Manager IPED Manager Governance & Governance	5 April 2024	Done 2 April 2024
25	Submission of draft IDP & Budget	To submit draft IDP and Budget to DLG&TA, Prov & Nat Treasury	BTO Manager IPED	5 April 2024	Done 3 April 2024
26	Meeting with Provincial Treasury	Benchmark engagement	CFO	19 April 2024	
27	Public outreach and comments	Meet communities and receive inputs and comments on the draft budget and IDP	Ward Councillors Manager IPED Manager IGR	8 April – 10 May 2024	Changed to 8-12 April
28	Management session	To finalise priorities and programmes for inclusion in the final budget To align strategies and projects and budget with PMS targets	CFO MM	14 May 2024	
29	IDP & Budget Steering Committee	Final, IDP, budget and SDBIP	CFO Manager IPED	17 May 2024	
30	Integrated Participatory Planning Forum	To discuss high level SDBIP	Mayor Manager IPED	21 May 2024	
31	Table municipal budget and revised IDP	Consolidate plans for delivery of services and attainment of the development trajectory of the Municipality	Mayor	31 May 2024	
32	Advert of IDP and budget adoption		Manager IPED BTO	10 June 2024	
33	Final IDP to MEC and IDP summaries printed. Final Budget submitted	Submit final IDP and Budget to DLG &TA Prov & Nat Treasury. Final IDP & Budget to go on website	Manager IPED BTO	10 June 2024	

	Activity	Purpose	Responsibility	Time frame	Progress
34	SDBIP to Mayor	Mayor receives a draft of the SDBIP and annual performance agreements required by s 57(1)(b) of the MSA .  Mayor approves SDBIP and ensures annual performances contracts are concluded in accordance with s 57(2) of the MSA	Municipal Manager Director Corporate Services	28 June 2023	
35	SDBIP to Council	SDBIP given to Council for approval	Mayor	28 July 2024	
36	SDBIP made public	SDBIP made public. Put on website	Manager Compliance and Governance	7 August 2024	

## 6. IDP Assessment

The IDP Assessment highlighted some issues for the Municipality as per the MeC's assessment.

### KPA 1: Spatial Planning, land, human settlements and environmental management

- The Municipality must make budgetary provisions for planned housing projects
- The Municipality must develop an Air Quality Management Plan
- The Municipality must develop a climate change response strategy
- The Municipality must develop a plan to address land degradation and revitalization
- The Municipality must develop environmental planning tools such as an environmental management framework

Senqu Municipality is in the process of appointing a service provider to develop an EMF which will provide a basis for the development of an air quality management plan and a climate change response strategy. The Municipality is in the process of developing a plan to address land degradation and revitalization.

### KPA 2: Service delivery and Infrastructure Planning

- The Municipality must develop RRAMS
- The Municipality must develop a trade effluent policy
- The Municipality must develop an integrated community safety plan
- The Municipality must develop an SDF informed by risk assessment and disaster vulnerability reports
- The Municipality must adopt and develop disaster management bylaws

The Director Community Services has been tasked to deal with issues of disaster management and once these are completed, a chapter will be added to the adopted SDF The Director is also responsible for the development of the trade effluent policy and integrated community safety plan. The Municipality requires assistance from the Department to help assist with the development of a RRAMS.

### KPA 3: Financial planning and budgets

- The Municipality must develop a budgeted repairs and maintenance plan

- The Municipality must open a separate bank accounts for conditional grants
- The Municipality must spend 100% of its capital budget
- The Municipality must reflect in the IDP whether it manages and reports on its conditional grants according to DORA requirements
- The Municipality must spend 100% of its grants
- The Municipality must reflect councilor remuneration and employee costs and ensure that the salary budget is within the norms and standards
- The Municipality must service its creditors as per the financial norms and standards
- The Municipality must create accurate data for billing
- The Municipality must develop mechanisms to curb water losses and illegal electricity connections
- The Municipality must allocate a budget to appoint a service provider to conduct a general valuation
- The Municipality must establish an indigent Steering Committee

The CFO will ensure that the IDP financial plan reflects on the repairs and maintenance plan, conditional grant expenditure, billing, servicing of creditors and illegal electricity connections. The Municipality is not responsible for water connections. A service provider is being appointed for a general valuation

**KPA 5: Good Governance and public Participation**

The municipality must indicate any inter-municipal planning programmes in which it participates

**KPA 6: Institutional Arrangements**

The municipal IDP must reflect the critical and scarce skills that are a challenge

**Table 43: Previous IDP Assessment**

KPA	Rating 2016/17	Rating 2017/18	Rating 2018/19	Rating 2019/20	Rating 2020/21	Rating 2021/22	Rating 2022/23	Rating 2023/24
Spatial Development Framework	High	High	High	High	High	High	High	High
Service delivery	High	High	High	High	Medium	High	High	High
Financial Viability	High	High	High	High	High	High	High	Medium
Local Economic Development	High	High	High	High	High	High	High	High
Good governance & public participation	High	High	High	High	High	High	High	High
Institutional Arrangements	High	High	High	High	High	High	High	High
Overall Rating	High	High	High	High	High	High	High	High

**7. Public Participation**

**7.1. Public Participation Framework/Strategy**

There is an approved policy 2021 but its currently under review and at final draft stage. The framework/policy outlines the roles and responsibilities of all stakeholders in public participation as well as the

mechanisms for undertaking public participation. These include the guidelines for public events that must be followed as well as the processes that members of the public must follow if they wish to submit grievances or complaints.

## 7.2. Challenges and intervention for public participation

- Geographical

The Municipal area consists of 17 wards with many villages. Due to the mountainous terrain and the lack of infrastructure development during the homeland period, the road network is poorly conceived and as a result, villages, which should be directly connected are normally connected through rerouting to a main road.

- Infrastructure

Due to the vastness of the terrain, it is difficult to find a central meeting spot in the ward which is accessible to all by foot and has a facility large enough to accommodate all residents. The Municipality has ensured that all wards at least have one community hall.

- Education levels

It is an ongoing process to educate the community about local government so that they can participate in an effective and efficient manner

- Traditional leaders

The Municipality has made a concerted effort to ensure that traditional leaders are included in all public participation events and in Council activities but this is not happening due to their elections which have not yet occurred.

- Communication

Due to the vastness of the area and mountainous terrain telecommunication networks are limited with the result that it is difficult to communicate with communities due to lack of telephone and email networks.

- Financial

Although a budget is set aside for public participation under the IDP and budget vote, it is not enough as it is expensive to cater for the transport and food that is required for all these occasions. However, departments also have operational budget for their public participation occasions.

- Sustainability

Many community-based organisations do not have a long-life span due to in fighting or inactivity by members

- Apathy

Members of the public do not feel the need to participate in government processes due to a variety of factors.

## 7.3. Stakeholder Communication Strategy

The Municipality has a communication strategy which identifies and outlines which and how to communicate with stakeholders. It was adopted on the 27<sup>th</sup> March 2013. A new strategy was developed and adopted on 30 May 2022.

The adopted communication strategy relies on Ward Councillors, CDW's and the Executive Committee to ensure that information reaches the public. Other methods such as posters, loudhailers and the local radio station Ekepini and newspapers are used to keep the community informed. However due to financial constraints and the poor accessibility and poor network coverage of the region, some communities struggle to access information. Social media is also utilised now such as WhatsApp and Facebook.

The Communications Officer has been trained on website management so that the municipal website will be continually updated and remain relevant. Monthly newsletters are printed and distributed as well as quarterly newsletters. Outreaches on specific issue will occur on to ensure that the community are informed .

The Municipality has increased the amount of funding that it has given to the communication section. As a result of this funding the municipality has improved its public address system and bought a public loudhailer system for vehicles and Councillors. Public notice boards are located centrally in the wards and a tent.

A stakeholder register has been developed for the IPPF which is updated annually. This is attached as Annexure 3. The IPPF assists the municipality in its efforts to increase the effectiveness and efficiency of public participation by mobilising stakeholders.

#### 7.4. Ward Committees

Ward committees have been recently formed for the 17 wards in March 2022. 17 Ward Committees have been formed. All committee were established as per Ward Committee Framework. Ward Committee are fully functional. There were no major disputes that impacted the establishment. All minor concern were addressed and resolved. Meetings are held on a quarterly basis per ward and officials from the Public Participation Unit attend and take minutes at these meetings. Complaints and issues raised in the meetings are then escalated to Customer Care section where these are then further escalated to relevant Departments within the municipality or relevant sector departments and followed up by Customer Care Officials to ensure that issues are speedily resolved. The District Municipality has not contributed to the functioning of the ward committees as the Municipality has sufficient capacity.

Ward Committees are chaired by the Ward Councillors and consist of up to ten elected members. The purpose of the committees is to broaden participation in the democratic process of Council and to assist the Ward Councillor with organizing consultation, disseminating information and encouraging participation from residents in the ward. The Ward Committees gather information from the communities during the IDP process which are forwarded to the IDP and Budget Steering Committee for consideration in the budget process.

In addition, problems identified by the ward committees are forwarded to the Corporate Standing Committee for resolution by the responsible Department head. These then get elevated in this way to the Executive Committee and ultimately Council through attachments in the agenda of these meetings. Officials responsible for ward committees then feedback Council resolutions to the Ward committees through IPPF meetings. Ward committees and Councillors are also utilised to mobilise ward members for outreaches. In this way both the administration and the political arm of the Municipality are aware of issues raised by Ward committees.

The Municipality applies from LGSETA for capacitation building of ward committees . COGTA also does training on an annual basis on local government and local government processes (IDP and Budget, Complaints management and Petitions). At these sessions we also include other sector departments to present their services to Ward Committees may stay abreast on matter relating to acquiring service delivery

The Municipality created new ward plans in January and February 2022. These were completed and then rechecked by all villages to ensure that they contained the correct information They are in the process of being updated. Funding has also been allocated on an annual basis to compensate ward committee members for their time but the suggested stipend amount from national treasury will not be met due to the financial constraints of the Municipality.

**Table 44: Current Wards and villages**

Ward	Villages
Ward 1	Walaza, Ndofera, Mbobo, Bikizana, Qhimirha (5)
Ward 2	Gwadana, Kwa-Gcina, Ndingishe, Storomo, St Michaels, Mzimtsha, Lower Nquthu, Upper Nquthu, Nketlana, Rooiwal, Dryhoek area, Storomo, Mdantsane, Sigini, Mzimtsha, Kwalimi and Telle, Theresa, Dulciesneck (19)
Ward 3	Mmusong, Ekra, Hohobeng, Makalaleng, Qoboshane (5)
Ward 4	Mfinci, Penhoek, Boomplaas, Lower Bebeza, Upper Bebeza, Makhumsha, Mabele, Dangershoe, Nomlengana (9)
Ward 5	Ntabamhlope, Sdakeni, Mission, Gaudi, Zingxengele, Kugqobho, Nondungu, Phelandaba, Mkunyazo, Maqolwaneni, Rockcliff, Sjorha, Gcobho, Qolweni (14)
Ward 6	Majuba, Ndungunya, Hillside, Bultfontein, Rietfontein and Mlamli
Ward 7	Thaba-Lesoba, Masaleng
Ward 8	Vergenoeg, Mokhesi, New Rest, Dontsi, Kromspruit
Ward 9	Lepota, Nquba, Jovelani, Voyizana and Hinana
Ward 10	Sterkspruit Town, Makhetheng, Zwelitsha Mountain view, Extension1, Jordan Green field RD and Tienbank
Ward 11	Ntsimekweni, Zintatyaneni, Dibinkonzo, Bluegums, Meyi, Skhisazana Bamboespruit
Ward 12	Manxeba, Hlomendlini, Esilindini, Magadla
Ward 13	Khiba, Ndlanla, Orange, Sakhile, Mdweni, Zava, Thaba-koloi, Nkopane, Mndlokovana, Covili, Mbonisweni, Naledi and RDP (Herschel)
Ward 14	Khwezi Naledi, Lady Grey town, Transwilger
Ward 15	Rhodes, Barkly town, Nkululeko
Ward 16	Fairview, Zola, Rossouw, Boyce Nondala
Ward 17	Tapoleng, Jozanasnek, Sunduza, Bensonvale and Jozanashoek. Magwiji, Masekeleni
	Source: Municipal Demarcation Board 2021



## 7.5. Traditional Leadership

The Municipality is committed to meeting with Traditional leaders to find solutions to the problem of acquiring sufficient land for development outside town boundaries. Traditional leaders are normally represented in Council and at all standing committees. There are 6 traditional Councils in the Senqu municipal area. They are the Basotho, Hlubi, Amaqwati, Batlokoa, Amavundle and Myemane traditional Councils. The Municipality is experiencing some resistance from certain Traditional Leaders but in general the relationship between the Municipality and Traditional Leaders is good. Traditional Leaders have also increased their participation in municipal planning forums such as the IPPF as well as Standing Committees and Council.

## 8. Social Cohesion

The Municipality has several social cohesion programmes. These involve door to door campaigns whereby the municipality and sector department target certain areas and run campaigns on problems being experienced in that area such as child headed households. A plan is then formulated to resolve these issues and all stakeholders state their commitment to resolving these issues.

The Municipality has resuscitated the Mayoral Cup whereby all sports codes participate in their codes and the winners receive prizes and cups. The Youth festival was also launched in March 2013 whereby the youth are encouraged to showcase their talents in song and art. These had become annual events with the latest Mayoral Cup to be held in April 2024.

The municipality participates in community policing forums in order to unite stakeholders to fight against crime. The municipality also forms part of the moral regeneration programme of the Presidency.

All of these programmes and public participation forums together assist in providing platforms whereby people can meet and discuss their differences and problems. This dialogue leads to nation building as people begin to realise that there is more that unites them than divides them.

The Municipality has IGR structures such as the IPPF whereby sector departments are engaged with in order to find solutions to service delivery issues. In addition, special meetings are arranged for departments to meet outside the IPPF. Sector departments (national and provincial) are also engaged with through Munimec and the District IGR structures such as DIMAFO. Sector departments are also contacted throughout the year to respond on community queries as well as participate in public participation programmes. In addition, engagement with provincial and national departments is facilitated through the Joe Gqabi District IGR structures such as the various committees like governance and administration which are attended by the municipality and the IDP Rep Forum.

The Municipality also participates in all SALGA structures where it can meet and discuss issues with other municipalities. These structures facilitate inter municipal planning. The Municipality is not currently engaged in any project which requires that it forges close linkages with other Municipalities. This has however happened in the past whereby the Municipality has assisted the now defunct Gariep municipality financially. In addition, the District DIMAFO structure provides a space for all Mayors and Municipal Managers to meet and discuss on issues which

affect the District as a whole. Other relevant District forums are also attended by the Municipality such as the District Support Team, and Communicators Forum. There is no formal inter-municipal planning except for water, sanitation and road infrastructure which is discussed through the Water Forum and District Roads Forum.

## **9. Other Public Participation Forums and Players**

### **9.1. IDP Representative & Public Participation Forum (Integrated Participatory Planning Forum IPPF)**

This forum meets at least four times a year to discuss progress achieved on implementation as well as to give direction around the needs and requirements of the future as contained in IDP. The forum is chaired by the Mayor and is constituted by various government departments, interested parties, organised groups, CBO's, Ward committees and NGO's. Sector department participation is poor though. These 2 meetings have now been combined with the Round table meeting to form an IPPF which meets quarterly.

### **9.2. Community Development Workers (CDW's) , War rooms & the Integrated service delivery model**

CDW's are another resource which the Municipality utilises in order to improve public participation. They attend Ward Committee Meetings regularly and participate in Public Participation Meetings in LM. They also attend other meetings of the LM they are invited to, e.g., SPU meetings etc. They are an important method of improving municipal engagement with communities. There is 1 CDW per ward.

War rooms are another forum at ward level which will be revived to act as another IGR forum and a way to monitor municipal and sector department projects and programmes. War rooms have been established in each ward and are in the process of being revitalised as part of the implementation of the integrated service delivery model. The war room has been reshaped to incorporate IDP, Ward Aids Forum and ward stakeholder meeting in 1 session. The aim is for each quarter the meeting should take place in different ward to ensure participation is meaningful. Outcomes are also escalated to the IPPF and LAC structure for further processing

### **9.3. Economic Development Forum**

This forum meets on a quarterly basis and consists of all stakeholders involved in LED. They meet to discuss issues and challenges relating to the implementation of LED and the LED Strategy. It is chaired by a Portfolio Councillor.

### **9.4. Communicator's Forum**

This forum meets quarterly to discuss issues pertaining to communicators in the region. It consists of local municipal communicators, GCIS and media representatives. Meetings are sometimes combined with IPPF.

## **10. Complaints, Fraud Management and Petitions**

The Municipality has a Community Care Officer who mans the Presidential Hotline as well as regular liaising with Ward Councillors and Ward Committees to ensure that they are kept abreast of any developments and complaints

originating in their wards. The Officer contacts the necessary department with the complaint and then monitors it to ensure that it is resolved.

The section has installed a complaints hotline which is run by interns. In addition, the section runs annual customer satisfaction surveys as well as implementing the customer charter which outlines the level of service which customers can expect from the municipality. The complaint management system is electronic. The Customer Care Officer enters the complaint into the system and assigns it to the responsible official to deal with. If the Official fails to deal with the complaint, the system after a set amount of time refers it to their superior until it eventually lands up with the Municipal Manager. The system has been implemented. Complaint boxes are also placed in all community halls and at Municipal Offices. The Municipality has an adopted customer care charter and policy which outlines how complaints should be dealt with. This is contained in Annexure 4.

The Municipality adopted its fraud prevention plan in December 2008. The plan outlines what is fraud, a code of conduct for employees and Councillors, procedures for reporting fraud and lastly protection of the whistle-blowers. The plan also outlines the policies and procedures that the municipality must implement in order to prevent fraud like supply chain management. The Internal and External Audit as well as the Audit committee are mandated to expose any evidence of fraud.

Most of the recommendations of the plan have been implemented and all employees are inducted about the Code of Conduct. The fact that Senqu has managed to receive an unqualified audit for 7 years indicates that the fraud prevention plan is effective. A few fraud cases have been dealt with in the past but they have been handed over to the SAPS and are now in the legal system.

Petitions are dealt with by the Speakers office with the administrative assistance from the Municipal Managers Office through the Chief of Staff. The Chief of Staff investigates the complaints and reports back to the Speaker, after which formal communication is then send back to the petitioner. This Office also deals with issues of request for marches.

## **11. Audit & Other Committees**

### **Audit Committee and Audit Action Plan**

The Municipality does have a functional and effective audit committee. The Audit committee is an oversight committee of the council. The Committee fulfils its mandate using the internal audit unit.

As one of its responsibilities, the audit committee oversees the internal audit unit and ensure that it approves an annual and / or three-year internal audit plan to guide the operations of the internal audit unit. The Audit Committee submits its quarterly meeting dates to the council for approval and ensures that these meetings do take place.

The Chairperson of the Audit Committee reports on the performance of the internal audit unit and the audit committee at the ordinary council after every quarterly audit committee meeting in accordance with the audit committee charter. The Chairperson of the Audit Committee also prepares an audit committee report on the Auditor General’s Audit Report for submission to the MPAC and for inclusion to the Annual Report.

The Committee meets to discuss the annual plan/charter of the internal audit unit. A charter was developed. The quarterly performance reports from the departments are also discussed in this committee. The Audit Committee has an audit committee charter (ACC) which was approved by the council which guides its operations and this charter is reviewed every year.

The following are the audit opinions for Senqu Municipality for the past few years from 2012/13 financial year to date.

**Table 45: Audit opinions**

2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/2020	2020/2021	2022/23
Unqualified	Clean	Clean	Clean	Clean	Clean	Clean	Clean	Clean	Clean

The audit issues raised by the AG in the Management report were irregular expenditure not recovered or written off and material allowance for impairment – receivables.

The AG’s recommendations on both the audit report and management report are populated in the audit action plan where corrective actions, start implementation date and final implementation date as well as the responsible department or section is indicated. The audit action plan is then used by the responsible individuals in order to ensure that corrective actions are being implemented immediately. The Manager of the responsible department then monitors the implementation of the audit action plan every month.

At the end of every quarter, the coordinating Manager obtains the quarterly progress made on the implementation of corrective actions and submit the status to the Accounting Officer as a monitoring tool. The internal audit unit also requests this quarterly progress on the implementation of the corrective actions from the manager in the Municipal Manager’s office, conduct their reviews in order to validate the credibility of the progress which is being reported to the Accounting Officer and issue an audit report to the management and presents the report to the audit committee in line with the approved annual internal audit plan for oversight.

The internal audit unit comprises of the following individuals:

- The Chief Audit Executive (CAE);
- 1 x Internal Audit Supervisor;
- 1 x Senior Internal Auditor;
- 2 x Internal Audit Interns

The internal audit unit has an internal audit charter which is reviewed every year and approved by the audit committee as well as the risk based annual operational internal audit plan which is approved by the audit committee.

The Chief Audit Executive reports at every quarterly audit committee meeting on the implementation of the annual operational internal audit plan, reviews the plan as and when necessary and resubmit it to the audit committee for approval.

The Municipality continues to implement the OPCAR (operation clear audit report) reporting template that monitors corrective matters undertaken to the prior year audit as well as PAF (preparation audit file) which sets in place the framework for all information to be collected for the 2023/24 financial year's audit. The municipality prepares an electronic audit file under the direction of the Chief Finance Officer. The order of documentation is placed in the order of financial statements as indicated in GRAP and hyperlinked to relevant line item of the financial statements. Furthermore, the Audit Action team consisting of key role-players in the audit is to continue its work to coordinate, resolve problems and share resources to continue with the improved audit results

#### Section 80 Committees

The only section 80 committee in Senqu is the Executive Committee, which sits monthly comprising of the Mayor, Chief Whip and Portfolio Councillors. This is because Senqu has an Executive Committee system. The Executive Committee has 5 sub committees each headed by a Portfolio Councillor. These are Technical Services, Finance, DTSP, Community Services and Corporate Services.

#### Section 79 Committees

- MPAC Committee

The MPAC Committee was set up to improve the oversight role of Council. It meets to discuss all issues related to oversight as well as develop the oversight report for Council on an annual basis. The Committee has 7 Councillors. The committee meets quarterly.

- Mandate Committee
- Remuneration Committee
- Strategic and Governance Committee
- Ethics Committee

## **12. Other Committees**

### **IT Steering Committee**

This Committee consists of officials from every department and discusses issues relating to IT. This includes the purchasing of software and hardware as well as problems being experienced with the expansion or current usage of the IT system. It meets quarterly.

### **Budget & IDP Steering Committee**

This committee meets according to the annual IDP and budget process plan. It consists of top management officials from each department, Municipal Manager, Mayor and the Finance Portfolio Councillor. It is headed by the Finance Portfolio Councillor and discusses issues relating to the budget and IDP.

### **Senior Executive Meeting**

The meeting comprises of all Directors and is chaired by the Municipal Manager. It sits monthly.

### **Performance Audit Committee**

This Committee meets to evaluate the performance of the municipality and S 56 employees on a quarterly basis. It consists of the members of the Audit Committee. This is because the Municipality is small and does not require another committee for the purposes of performance issues only.

### **Risk Management Committee**

There is a Risk Management Committee of which Provincial Treasury forms part. A risk register is compiled annually and updated quarterly. The risk compliance officer is placed in DTSPS.

### **Supply Chain Committees**

Senqu has three committees viz the Specification, Evaluation and Adjudication Committee. The Specification Committee ensures that the specifications are correct and in line with scm legislation and approves them for tender advertisements. The Evaluation Committee evaluates bids once tenders have closed and forwards their recommendations to the Adjudication Committee. The Adjudication Committee makes a recommendation to the Municipal Manager on tenders. All committees meet as per their Council approved schedule unless special meetings are required.

#### HR Committees

HR has several committees.

- Local Labour Forum which consists of selected management, Finance and Corporate Services Portfolio Councillors and the labour Unions to discuss labour issues
- Training Committee to discuss the implementation and development of the WSP
- Employment Equity Committee to discuss recruitment and selection based on EE principles
- Placement committee which meets on an adhoc basis to discuss issues relating to the organisational structure
- Occupational Health and Safety Committee which discusses issues relating to the health and safety of officials and the buildings.

### **13.Special Groups**

The Municipality has an SPU Officer. Portfolio Councillors for each area have been allocated from the Executive Committee

#### HIV and AIDS

An Officer is responsible for HIV and Aids co-ordination in the municipality. An HIV and Aids Council co-ordinates HIV and Aids activities in the region. The Council has developed an HIV & Aids mainstreaming policy which has been adopted by Council 27 March 2013. HIV and AIDS ward Committees headed by Ward Councillors have been launched in every ward. Council has also adopted a HIV and AIDS strategy for the Municipality.

#### Youth Council

The Youth Forum has just been reformed and a youth strategy and plan developed for the coming years. A ward youth committee has been launched for every ward. The municipality is increasing its funding to provide for youth projects and ensure that more youth are assisted to find employment through the youth database. The municipality is committed to channeling all job advertisements and bursaries funded by various departments through to Ward Councillors for distribution to the youth. An annual Youth festival is held.

#### Elderly Forum

The Municipality has a Forum which implements an annual plan based on activities for the elderly and promoting anti elderly abuse.

### Women Forum

A women empowerment forum exists led by a Portfolio Councillor from the Executive Committee. A plan is done on an annual basis. The idea behind the forum is to ensure that women are empowered to take advantage of economic opportunities in the region. A ward-based women committee has been launched for every ward.

### Persons with Disabilities

Persons with a disability have their own forum, known as the Disabled Forum which like the others develops and implements an annual plan based on programmes to promote awareness and recognition for people with disabilities. A database has been developed to indicate disability types so that sector departments may utilise it to increase the level of employment amongst people with disabilities.

## **14. Mainstreaming and access to economic opportunity**

The Municipality's sector plans all acknowledge the fact that the Senqu population is youthful with a high degree of unemployment. In recognition of this the municipality's infrastructural projects sets youth targets in respect of youth, women and disabled. The municipality also tries where possible to implement job intensive projects. It is experiencing difficulty in promoting people with disabilities as the database of disabilities is not updated. In addition, most projects in the municipality tend to involve physical labour which excludes most type of disabilities. The poor educational facilities in the area for the disabled also precluded people from many types of work as they do not have the necessary work skills to engage in any decent work opportunities. Council adopted a mainstreaming strategy on the 27 March 2013.



# CHAPTER SEVEN: WARD PLANNING , PRIORITIES AND PROJECTS

## 1. Summary of Ward Based Plans

Ward based plans were compiled in 2 workshops on the 27<sup>th</sup> of January and 1 February 2022. These were then taken to the wards and verified and presented at an IPPF of the 24<sup>th</sup> of March 2022. In between Ward Councillors had village meetings to verify the content.

In general, all wards suffer from poorly maintained road infrastructure. The more mountainous wards suffer poor radio, television, and cellphone reception. More repeaters are required in the Municipality.

Most wards have access to water but that the water pressure is low, and supply tends to be erratic. The worst affected wards are the following:

W 3 – 2 villages W4 – 3 villages W 6 – 4 villages W 7 Macacuma

W8 – 4 villages

W 13 suffers from bad water shortages.

W17- 4 villages.

Sanitation provision is good except in new extensions and where projects have yet to be completed. Ward 15 suffers from lack of toilets at Rhodes and some informal settlements in Barkly East and the usage of bucket toilets still occurs in Lady Grey and Barkly East. Electricity is supplied to many except new extensions and a few houses that were built after electrification took place. Nomlengana has no electricity as the cost of erecting electricity is too expensive for the 60 households in the area. Eskom is however busy with resolving the issue by installing a mini grid for residents.

There are 20 clinics in the area, but all suffer from limited supply of medication and staff. The ambulance service runs from Maletswai and is often unavailable or takes a long time to attend to cases. There are 4 hospitals, 2 of which service Sterkspruit.

Agricultural infrastructure is poorly maintained with requests for more dipping tanks and stock dams as well as fencing. Fencing of camps remains a huge priority in wards as does access to water for stock and adequate grazing. Donga erosion reduces the amount of land that is available for usage and poses a danger for those who must traverse these dongas especially when they flood.

Stock theft is rife in some wards that border on Lesotho. Crime is high including gender-based violence. There are 7 SAPS Offices, 5 that are situated in urban areas and their response time is hampered by lack of vehicles and poorly maintained roads.

Fire services are supplied by the district municipality and one of the bases is in Lady Grey. This hampers response time for the broader rural area.

There is an increased demand for early childhood care or creches and especially suitable buildings.

## 2. Ward Priorities as Identified in Ward Plans

### Ward: 1

Villages: Walaza, Ndofela, Mbobo, Bikizana, Qhimirha (5)

Ward Councillor: Thuliswa Mbane

Issue	Location	2022	2023	2024	2025	2026
Water	Walaza, Ndofela, Mbobo, Bikizana, Qhimirha	X				
Access roads	Walaza, Ndofela, Mbobo, Bikizana, Qhimirha- eHlathini access roads to ploughing fields Bikizana, Ndofela	X Ndofela	X Bikizana			
Telecommunications network poles	Qhimirha, Bikizana, Mboleni, Emavundleni, Ndofela	X Qhimirha, Bikizana, Ndofela	X			X
Electricity	Walaza, Ndofela, Mbobo, Bikizana, Qhimirha	X				
Sanitation	Walaza, Ndofela, Mbobo, Bikizana, Qhimirha		X			
Bridges	Edwaleni					
Pedestrian bridges	Walaza, Ndofela, Mbobo, Bikizana, Qhimirha	X Bikizana		X		
Housing	Walaza, Ndofela, Mbobo, Bikizana, Qhimirha		X Mbobo		X	
Local economic development – Livestock support (Rams and feed)	Walaza, Ndofela, Mbobo, Bikizana, Qhimirha, youth employment Mbobo, irrigation Bikizana	X	X	X	X	X
Fencing of cemeteries and ploughing fields	Walaza, Ndofela, Mbobo, Bikizana, Qhimirha	X Qhimirha, ndofela			X	
Renovation of schools and pre-schools	Walaza, Ndofela, Mbobo, Bikizana, Qhimirha		X Qhimirha	X		
Construction of a clinic	Ndofela, Mbobo, Walaza	X Mbobo	X	X Walaza		
Provision of a mobile clinic	Walaza, Ndofela, Mbobo, Bikizana, Qhimirha	X	X	X Walaza	X	X
Stock dam	Mbobo, Bikizana	X Bikizana				

Issue	Location	2022	2023	2024	2025	2026
Sportsfield	Mbobo, Ndofela	X Ndofela				
Community Hall	Qhirmirha, Walaza			X Walaza		
Sports field (net and poles)	Bikizana, projects, sports ground for youth – Walaza					
Scholar transport from Bikizana to Maskhane						
Cemeteries	Ndofela					
Agriculture	Ndofela	X Ndofela				
Services	Mobile police station – Ndofela	X Ndofela				
Old age home	Ndofela		X Ndofela			

## Ward 2

Villages: Gwadana, Kwa-Gcina, Ndingishe, Storomo, St Michaels, Mzimtsha, Lower Nquthu, Upper Nquthu, Nketlana, Rooiwal, Dryhoek area, Storomo, Mdantsane, Sigini, Mzimtsha, Kwalimi and Telle, St Theresa, Dulciesneck (19)

Ward Councillor: Pulane Mmele

ISSUE	LOCATION	2022	2023	2024	2025	2026
Shearing shed	Kwa-Gcina, Ndingishe, Storomo, Mzimtsha	X				
Dipping tank	Ndingishe, St Michaels, Mzimtsha	X				
Pre-schools	Nquthu Village, St Theresa, St Michaels, Mzimtsha, Kwa-Gcina, Storomo	X				
Community Hall	Kwa-Gcina, St Michaels, Mzimtsha (paypoint), paypoint Dulciesneck	X				
Recreation Centre	Storomo, Kwa-Gcina, Mzimtsha, St Michaels, Ndingishe	X				
Housing	St Michaels, Nquthu Village, St Theresa, Kwa-Gcina, Ndingishe, Storomo, Mzimtsha	X				

ISSUE	LOCATION	2022	2023	2024	2025	2026
Access road	St Michaels, Kwa-Gcina, Ndingishe Sgingini, Culverts (Gcina)	X	X	X	X	
Speed humps	Dulciesneck, Gcina					
Water	St Michaels, Nquthu Village, S Theresa, Kwa-Gcina, Ndingishe Storomo Mzimtsha, tanks Storomo renovation of springs Gcina, water tanks Gcina, water tanks Ndingishe	X	X	X	X	X
Sanitation	St Michaels, Nquthu Village, S Theresa, Kwa-Gcina, Ndingishe Storomo (toilets) Mzimtsha	X	X	X	X	X
Provision of electricity	St Michaels, Nquthu Village, S Theresa, Kwa-Gcina, Ndingishe Storomo Mzimtsha, FBE paraffin Mzimtsha, electricity for water pumps Gcina	X	X	X	X	X
Cemeteries	Fencing Mzimtsha, fencing Gcina					
Clinic	Mzimtsha, Gcina					
Services	Post office Mzimtsha					
Network pole	Mzimtsha, Gcina (wifi), Ndingishe					
Community care centre	Dulciesneck					
Skills training	Dulciesneck, Storomo, job opportunities (Gcina & Ndingishe) business park hub Ndingishe					
Bridge	Between Ngxingweni and Mission					
Agricultural	Tractors Storomo					
Play ground	Storomo					
Services	Post Office Storomo					
Clinic	Gcina					

ISSUE	LOCATION	2022	2023	2024	2025	2026
Sports	Stadium/ sportsfield renovation Gcina					
Street lights	Gcina					

**Ward: 3**

Villages: Mmusong, Ekra, Hohobeng, Makalakaleng, Qoboshane (5)

Ward Councillor: Samuel Ntlwatini

ISSUE	LOCATION	2022	2023	2024	2025	2026
Access roads	Mmusong, Ekra, Hohobeng Makalakaleng, Qoboshane (Maintenance)	X				
Provincial road	Hohobeng					
Water	Mmusong, Ekra, Hohobeng Makalakaleng, Qoboshane, spring protection Ekra, water tanks Makalakaleng	X				
Telecommunication network pole	Mmusong, Ekra, Hohobeng Makalakaleng, Qoboshane	X				
Pre-school	Mmusong, Ekra, Hohobeng Makalakaleng, Qoboshane	X				
Housing	Mmusong, Ekra, Hohobeng Makalakaleng, Qoboshane	X				
Sanitation	Mmusong, Ekra, Hohobeng Makalakaleng, Qoboshane	X				
Community Hall	Mmusong, Ekra, Hohobeng Makalakaleng, Qoboshane	X				
Abattoir	Mmusong	X				
Dams	Mmusong, Ekra, Hohobeng Makalakaleng, Qoboshane	X				
Clinics	Mmusong, Ekra, Hohobeng Makalakaleng, Qoboshane	X				

ISSUE	LOCATION	2022	2023	2024	2025	2026
Bridge	Ekra, Hohobeng, Musong, extension of a bridge Qoboshane					
Stormwater	Musong, Qoboshane, Makalalakeng					
Sport	Football poles					
Streets	Qoboshane					
Pedestrian bridge	Qoboshane, Makalalakeng					
Shopping centre	Makalalakeng					

**Ward: 4**

**Villages:** Mfinci, Penhoek, Boomplaas, Lower Bebeza, Upper Bebeza, Makhumsha, Mabele, Dangershoek, Nomlengana (9)

Ward Councillor: Mzwandile Mbijekana

ISSUE	LOCATION	2022	2023	2024	2025	2026
Telecommunications network pole	Upper Telle	X				
Access roads	Mabele Makhumsha Bebeza, Penhoek and Mkunyazo (Construction),	X				
Water	Mabele Makhumsha Bebeza, Penhoek and Mkunyazo	X				
Housing	Mabele, Makhumsha Bebeza, Boomplaas Penhoek, Mkunyazo		X			
Provision of electricity	Mabele Makhumsha Bebeza, Penhoek and Mkunyazo	X				
Sportfields	Mabele Makhumsha Bebeza, Penhoek and Mkunyazo	X				

ISSUE	LOCATION	2022	2023	2024	2025	2026
Local economic development	Mabele Makhumsha Bebeza, Penhoek and Mkunyazo		X			
Construction of traditional leader and Councillor offices	Makhumsha				X	

**Ward: 5**

Villages: Ntabamhlope, Sdakeni, Mission, Gaudi, Zingengele, Kugqobho, Nondungu, Phelandaba, Mkunyazo, Maqolwaneni, Rockcliff, Sjorha, Gcobho, Qolweni (14)

Ward Councillor: Zuziwe Mnisi

ISSUE	LOCATION	2022	2023	2024	2025	2026
Access roads	Ntabamhlope, Mission , Zingengele Kugqobho, Nondungu Phelandaba, Mkunyazo, Maqolwaneni, Rockcliff, Sjorha	X				
Water	Ntabamhlope, Mission, Zingengele Kugqobho, Nondungu Phelandaba, Mkunyazo, Maqolwaneni, Rockcliff, Sjorha	X				
Sport fields	Ntabamhlope, Mission, Zingengele Kugqobho, Nondungu Phelandaba, Mkunyazo, Maqolwaneni, Rockcliff, Sjorha	X				
Housing	Ntabamhlope, Mission, Zingengele Kugqobho, Nondungu Phelandaba,		X Ntabamhlope, Mission,	X Kugqobho		X

ISSUE	LOCATION	2022	2023	2024	2025	2026
	Mkunyazo, Maqolwaneni, Rockcliff, Sjorha		Zingengele, Phelandaba, Mkunyazo, Maqolwaneni, Rockcliff, Sjorha	Nondungu		
Shearing shed	Ntabamhlophe, Mission, Zingengele, Phelandaba, Mkunyazo, Maqolwaneni		X Phelandaba, Mkunyazo, Maqolwaneni	X Ntabamhlophe		
Fencing of new cemeteries and access to cemeteries	Ntabamhlophe, Gaudi Mission, Zingengele, Kugqobho, Nondungu, Phelandaba (cemetery behind shop at Thafeni), Emaqolwaneni & Qolweni, Ntubeni & Thaba Bosiu (new cemetery)	X Ntabamhlophe & Sdakeni, Gaudi, Mission, Zingengele, Kugqobho, Nondungu, Phelandaba, Emaqolwaneni & Qolweni	X			
Provision of scholar transport	Zingengele, Kugqobho, Nondungu, Phelandaba, Mkunyazo, Maqolwaneni, Rockcliff, Sjorha	X Phelandaba, Rockcliff, Sjorha				
Clinic	Zingengele (mobile), Mkunyazo, Maqolwaneni (mobile)		X Phelandaba (mobile)	X Zingengele, Kugqobho, Nondungu, Mkunyazo, Maqolwaneni		



ISSUE	LOCATION	2022	2023	2024	2025	2026
Provision of ambulances	Ntabamhlophe, Mission, Zingxengele, Phelandaba, Mkunyazo, Maqolwaneni, Rockcliff, Sjorha	X Zingxengele, Kugqobho, Nondungu, Phelandaba, Mkunyazo, Maqolwaneni		X		
Local economic development - Provision of tractors and seeds	Ntabamhlophe, Zingxengele, Mission, Kugqobho, Nondungu, Phelandaba, Mkunyazo, Maqolwaneni, Rockcliff, Sjorha	X Ntabamhlophe, Zingxengele, Kugqobho, Nondungu, Phelandaba, Mkunyazo, Maqolwaneni, Rockcliff, Sjorha	X Mission	X		
Local economic development – job creation agricultural project	Ntabamhlophe (youth projects & CWP), Mission (CWP, replace EPWP workers), Zingxengele (youth projects), Kugqobho, Nondungu (youth skills development, CWP), Phelandaba, Mkunyazo, Maqolwaneni, Rockcliff, Sjorha (youth skills, CWP)	X Ntabamhlophe, Zingxengele, Kugqobho, Nondungu, Phelandaba, Mkunyazo, Maqolwaneni, Rockcliff, Sjorha			X	
Agriculture	Mission (dipping tank & sales pen with electricity, filling in dongas), Zingxengele (livestock feed, dipping tanks, donga erosion), Kugqobho, Nondungu (fill in dongas), Phelandaba(sales pen), Mkunyazo (fill in					

ISSUE	LOCATION	2022	2023	2024	2025	2026
	dongas)					
Local Art Centre	Mission, Kugqobho Nondungu, Phelandaba, Mkunyazo, Maqolwaneni, Rockcliff, Sjorha		X Phelandaba, Mkunyazo Maqolwaneni, Rockcliff, Sjorha		X Mission	
Paypoints	Mission					
Electricity	Ntabamhlophe (FBE and new houses) Zingxengele (FBE loose ESKOM lines) Phelandaba (FBE loose ESKOM lines),Mkunyazo ( FBE )					
Sanitation	Ntabamhlophe (emptying of toilets) Zingxengele (toilets) Mkunyazo (toilets) Maqolwaneni (emptying of toilets)					
Anti drug programmes	Ntabamhlophe (drugs amongst youth)					
Bridge	Kugqobho (bridge has collapsed), Phelendaba (bridge Kuzingqayi and Ncandeni), Mkunyazo Maqolwaneni (bridge from EsiSchengeni to Ntubeni)					
Community hall	Mkunyazo, Maqolwaneni					
Pre-school	Mkunyazo					

ISSUE	LOCATION	2022	2023	2024	2025	2026
Network pole	Rockcliff, Sjorha					

**Ward: 6**

Villages: Hillside, Ndungunya, Majuba, Bultfontein, Rietfontein, Mlamli, Hoita (7)

Ward Councillor: Mzuvelile Mbutyu

ISSUE	LOCATION	2022	2023	2024	2025	2026
Pedestrian bridge	Hillside, Ndungunya Majuba	X	X	X		
Housing	Rietfontein, Majuba Bultfontein  Hillside  Mlamli		X			
Water	Majuba, Ndungunya  Bultfontein  Hillside  Rietfontein  Mlamli	X				
Paypoint Hall	Rietfontein, Bultfontein Ndungunya  (Community hall )Rietfontein			X		
Access roads	Hoita, Feyane, Majuba Bultfontein including bridges, Ndungunya Rietfontein, Mlamli graveyard access roads (Mlamli)			X		
Sanitation	Emptying of toilets -All villages, toilets Rietfontein	X				

ISSUE	LOCATION	2022	2023	2024	2025	2026
Tar Road	Ward 6					X
Solar	Hillside					
Forestry	Hillside					
Job creation	CWP, Majuba, working for water, cutting of stones					
Agriculture	Fields -Majuba, fencing (landcare) -Bultfontein dipping tank and kraal and race for inoculations, shearing shed- Mlamli agricultural development					
Provincial road	515					
Electricity	Bultfontein					
Clinic	Mobile, Rietfontein					
Pre-school	Vuyulethu funding and caring (Bultfontein) creche renovation Mlamli					
Sportsgrounds	Ndungunya, Mlamli					
Youth centre	Mlamli					

**Ward: 7**

Villages: Thaba Lesoba, Macacuma (2)

Ward Councillor: Zandisile Mangcipu

ISSUE	LOCATION	2022	2023	2024	2025	2026
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ISSUE	LOCATION	2022	2023	2024	2025	2026
Construction of Qoqoy Bridge	Thaba Lesoba	X				
Access Road	Thaba Lesoba Macacuma (blading and furrow)		X			
Housing	Thaba Lesoba Macacuma	X				
Water	Thaba Lesoba Macacuma	X				
Renovation of Nyathela High School	Macacuma				X	
Youth Development	Thaba Lesoba Macacuma	X				
Sanitation	Thaba Lesoba Macacuma		X			
Building of traditional leaders offices	Thaba Lesoba Macacuma		X			
Provision of electricity	Thaba Lesoba Macacuma		X			
Centres for the physically challenged and old age homes	Thaba Lesoba Macacuma			X		
Speedhumps (from junction to Mbihlp)						
Wifi	Macacuma					
Bus shelters along the road	Macacuma					

ISSUE	LOCATION	2022	2023	2024	2025	2026
Fields for the youth and job creation	Macacuma					

**Ward: 8**

Villages: New Rest, Kromspruit, Mokhesi (3)

Ward Councillor: Kholiwe Mpiti-Xhelesha

ISSUE	LOCATION	2022	2023	2024	2025	2026
Access roads	New Rest – Construction (paving), Kromspruit – paving Mokhesi – extension of tar road Maintenance – all villages	X	X	X	X	
High mast lights	Mokhesi, New Rest, Kromspruit	X	X			
Sport fields	Construction in Mokhesi, Kromspruit and maintenance of Patrick Shibane Stadium.		X	X		
Housing	Kromspruit, Mokhesi and New Rest	X	X			
Dipping tank	Kromspruit, New Rest	X				
Provision of electricity	Kromspruit, Mokhesi	X				
Shearing shed	Kromspruit, New Rest	X				
Clinic	Kromspruit, New Rest			X	X	
Construction of a high school	New Rest			X		
Construction of a junior primary school	Kromspruit			X		
Construction of a reservoir	Mokhesi	X				

ISSUE	LOCATION	2022	2023	2024	2025	2026
Construction of youth development centres and parks	All villages	X				
Construction & renovation of community halls	New Rest and Kromspruit Mokhesi renovation	X	X			
Pre-schools	All villages	X	X			

**Ward: 9**

Villages: Lepota, Ngquba, Hinana, Joveleni, Voyizana (5)

Ward Councillor: Dumisani Somsila

ISSUE	LOCATION	2022	2023	2024	2025	2026
Access roads	Kromspruit, Lepota Ngquba, Mlamli	X				
Water	Kromspruit, Lepota Ngquba, Mlamli	X				
Housing	Hinana, Joveleni	X				
Land care	Kromspruit, Lepota Ngquba, Mlamli, Hinana Joveleni,		X			
Community Halls	Hinana, Joveleni, Lepota		X			
Skills development	Kromspruit, Lepota Ngquba, Mlamli, Hinana Joveleni		X			
Cemeteries	Voyizana, Lepota, Joveleni Hinana			X		
Construction of a clinic				X		

ISSUE	LOCATION	2022	2023	2024	2025	2026
Dipping tank	Lepota, Ngquba, Hinana Joveleni,				X	
Local Economic Development Machinery for stone cutting	Ngquba		X			
Sanitation	All new extensions			X		

**Ward: 10**

Villages: Sterkspruit town, Tienbank, Makhetheng , Zwelitsha Mountain View, Extention1, Jordan Green field RDP (6)

Ward Councillor: Simon Mfisa

ISSUE	LOCATION	2022	2023	2024	2025	2026
Water	Tienbank, Makhething, Greenfield, Mountain View, Zwelitsha	X	Priority 2, Makhet hing, Makalip hi, Jordn, Ekzolen i			
Electricity	Tienbank, Makhething, Greenfield, Mountain View, Zwelitsha, Sterkspruit CBD	X	Priority 1 Makhet hing,Gr eenfield , Zwelitsh a			
Access roads	Tienbank, Makhething, Greenfield, Mountain View, Zwelitsha, Sterkspruit CBD, Paving – Boxer street (Sterkspruit), Between Boxer and HUTA Spares to Metro building,		X Priority 1			



ISSUE	LOCATION	2022	2023	2024	2025	2026
	resurface and completion of all paved extension 1 streets, Paved road from AFM church Zwelitsha					
Community hall	Makhetheng, Greenfield		X priority 2			
Pre-school	Mountain View, Greenfield		X			
Street lights	Tienbank, Makhetheng, Mountain View, Greenfield, refurbish of electrical line and high mast light Extension 1, street lights Greenfields, (street lights) Zwelitsha		X Mountai n View, maintai n portion of Ext 2			
Traffic Congestion	Address traffic congestion through access roads e.g access road near Caltex garage					
Storm water	Extension 1 & CBD		X Priority 3			
Sanitation	Connection of houses to main sewer line (Ext 1), waterborne sewerage Ext 1, toilets Greenfields		X Makhet eng & Greenfi elds			
Cemetery	Extension 1, fencing of graveyards (Tienbank)		X Extensi on 1, fencing of graveya rds (Tienba nk)			
Waste Management	Waste site Ext 1					
Animal pound	Tienbank		X Tienban k			

**Ward: 11**

Villages: Kwa-Meyi, Skisizana, Bluegums, Bamboespruit, Ntsimekweni, Ezintatyaneni, Dibinkonzo (7)

Ward Councillor: Themba Nonjola

ISSUE	LOCATION	2022	2023	2024	2025	2026
Access roads	Kwa-Meyi (registration of gravel road Skisizana), access road to agricultural project Skisizana to be maintained  Bluegums Speedhumps  Bamboespruit  Maintenance Cemetery road Bamboespruit	X	X  Priority 1  Construction  Entilini  Project Skisazana  Bamboespruit			
Provision of water and sanitation to village extensions	Blue Gums, Skisazana, Ntsimekweni, Dibinkonzo, Ezintatyaneni, Bamboespruit  Fix windmill Bamboespruit  Toilets cemetery Bamboespruit	X	X  Priority 1			
Provision of electricity	Blue Gums, Skisazana, Ntsimekweni, Dibinkonzo, Ezintatyaneni, Bamboespruit  FBE (paraffin for the elderly) Bamboespruit	X	X  Dibinkonzo (no electricity),  Ezintatyaneni  Priority 2			
Provision of Disaster houses and RDP houses	Blue Gums, Skisazana, Ntsimekweni, Dibinkonzo, Ezintatyaneni, Bamboespruit  RDP houses  Skisizana  Bluegums  Bamboespruit	X	X  Ntsimekweni needs housing  Priority 3			

ISSUE	LOCATION	2022	2023	2024	2025	2026
Telecommunications network pole	Bluegums Bamboespruit	X	X			
Provision of free WIFI		X	X			
Bridge	Pedestrian & motor bridge (Skisizana) Pedestrian bridge KwaMei to Bluegums Entsimikweni reconstruction		Priority 2. 1 <sup>st</sup> one is vehicle bridge over the Orange			
Clinic	Skisizana, Bamboespruit, Entsimikweni		Priority 4			
Cemeteries	New grave site Skisizana. Maintenance of graves due to soil erosion Skisizana Fence graveyards Bamboespruit		Priority 3			
Sportsfield	Maintenance Skisizana, Bamboespruit, Entsimikweni					
Town Planning	Newtown development for youth skill development and new industrial area Bluegums, Entsimikweni		Priority 5			
Community Hall	Bamboespruit					
Agricultural Infrastructure	Dip (Bamboespruit), stock dams (Bamboespruit) (Entsimikweni, fixing dongas (Entsimikweni)		Priority 5			
LED	Mining for coal, sandstone project, quarry, ) tannery for leather projects (DEDEAT		Priority 4			
Services	Post office					
SAPS	Police Station					
Community hall	Entsimikweni					

**Ward: 12**

Villages: Hlomendlini, Esilindini, Magadla, Manxeba (4)

Ward Councillor: Busaphi Duba

ISSUE	LOCATION	2022	2023	2024	2025	2026
Access roads	Hlomendlini, Esilindini, Magadla (replacement of culverts – Hlomendlini), speed humps R 58 Esilindini	X				
Provision of water	windmill – Hlomendlini, Esilindini< Magadla, Manxeba	X				
Construction of a high school	Magadla, Hlomendlini, Manxeba			X		
Telecommunications network pole	Hlomendlini, Esilindini, Magadla				X	
Construction of a clinic	Esilindini, Magadla, Manxeba					X
Shearing shed	Hlomendlini, Manxeba, Magadla		X			
Provision of water and sanitation	All village extensions	X				
Housing	Hlomendlini, Esilindini, Magadla		X			
Disaster houses	Hlomendlini, Esilindini, Magadla	X				

ISSUE	LOCATION	2022	2023	2024	2025	2026
Local economic development	Hlomendlini, Esilindini, Magadla, project for youth Manxeba	X				
Sportsfield	Soccer -Magadla, Hlomendlini, Esilindini, soccer fidel for school and youth Manxeba					
Storm water	Mountains – Magadla					
Electricity	Magadla, Manxeba					
Agricultural infrastructure	Dip-Magadla, Hlomendlini (cattle), Esilindini, tractor and bulls Esilindini, dip Manxeba, shearing shed Manxeba					
Cemeteries	Fencing – Magadla, Hlomendlini, Esilindini					
Bridges	Bridge to Frans, bridge and new culvert Manxeba					
Community hall	Manxeba					
Pre school	Manxeba					
Park for children	Manxeba					

**Ward: 13**

Villages: Khiba, Coville, Nkopane, Mdlokovane, Thaba-koloi, Hershel, Naledi, Zava, Orange, Mbonisweni, Ndlandla, Sakhile, Mdweni (13)

Ward Councillor: Melisizwe Kafilé

ISSUE	LOCATION	2022	2023	2024	2025	2026
Provision of water	Khiba, Coville, Orange, Mbonisweni, Herschel, Naledi, Zava, Thabakoloi, Nkopane, Mdlokovana	X	Priority 1			

ISSUE	LOCATION	2022	2023	2024	2025	2026
RDP houses	Orange, Thabakoloi, Coville, Mdlokovana, Hershel, Naledi					
Access roads	Khiba, Coville (place gravel heaps so can use to fix access roads on their own), Mbonisweni, Herschel, Naledi, Zava, Thabakoloi, Nkopane, Mdlokovana, Orange (gravel road to RDP houses and v drain and to graveyard), Naledi (speedbumps on main road)	X	Priority 1			
Sanitation	Orange (sewerage to be fixed and new toilets), Hershel (sewerage), Naledi (fixing of toilets)					
Electricity	Orange, Coville (preschool oot Dalukhanyo needs electricity), Mbonisweni, Mdlokovana (street lights)		Priority 2			
Cemeteries	Fence (Orange), Thaba Koilo (fence and cleaning ), Mbonisweni, Naledi (fencing), Zava, Nkopane		Priority 3			
Construction of a clinic	Khiba, Coville (Nurses to do home visits to elderly and take chronic medication), Mdlokovana( mobile clinic)	X	Priority 3			
Provision / Construction of a police station (satellite)	Herschel, Mdlokovana (mobile police station)	X	Priority 4			

ISSUE	LOCATION	2022	2023	2024	2025	2026
NYDA/SEDA Offices	Required in Lady Grey					
Local economic development	Khiba, Coville (registration of businesses), Mbonisweni( rebuilding of cornichnight & tourism, traditional games), Herschel (ATM), Naledi, Zava, Thabakoloi, Nkopane, Mdlokovane, Orange	X	Priority 5			
Pre-school	Mbonisweni, Naledi (requires a pre-school)					
Community Hall	Mbonisweni, Hershel					
Scholar transport	Coville (Grades R -7)					
Provision of free WIFI to schools	Khiba, Coville, Mbonisweni, Herschel, Naledi, Zava, Thabakoloi, Nkopane, Mdlokovane	X				
Park	Orange, Thaba Koloji					
Agriculture	Thaba Koloji (Fence fields and stock dams), rebuilding of dam (Nongongomani , Mbonisweni, Mdlokovana (fencing of fields and dams)	Priority 5				
Playgrounds and sports field	Orange, Thaba koloji (netball and soccer poles), race course at Mbonisweni, Naledi (Sport field upgrade and netball court)	Priority 4				

ISSUE	LOCATION	2022	2023	2024	2025	2026
Library	Mbonisweni, Thaba kolo (structure of a library)					
Network pole	Mdlokovana, Hershel					
Solid waste site	Hershel					
Post Office	Hershel					
Gender based violence	Naledi					

**Ward: 14**

Villages: Lady Grey town, Kwezi Naledi, Transwilger, Steve Tshwete (4)

Ward Councillor: Thinjiwe Dumzela

ISSUE	LOCATION	2022	2023	2024	2025	2026
Water / Dam	Lady Grey as a whole especially Top, Railway and Emikukweni		X Priority 1			
Community Hall	Steve Tshwete			X		
Construction of a new bridge	Steve Tshwete  Transwilger renovated  Khwezi-Naledi	X  X Priority	X			
Provision of a recreation facility	Transwilger					X
Development of municipal-owned land for residential use	Lady Grey  Residential and church sites	X Priority 3				
Improvement of sanitation	Railway, Top, Hillbrow, Polar Park, Ezantsi Kwesikolo (Transwilger &		X (3)			



ISSUE	LOCATION	2022	2023	2024	2025	2026
	Khwezi -water borne sewerage					
Access roads	Paving of access roads Steve Tshwete, Railway, Emikhukhwini, Transwilger  Paving of roads in Lady Grey town	X (2)		Paving of roads in Lady Grey town		
Housing	Transwilger, Khwezi-Naledi, Top Location, Edgar 50 RDP, Ezantsi Kwesikolo, Emikhukhwini, Railway, New location		X (2)			
Fencing of graveyards	Transwilger & Khwezi	(4)				
Lighting	High mast lights – Steve Tshwete and Transwilger. Street lights Schreiner and Atwell Streets  Electrical connections – Top and Railway	X priority				
Park	Park for children – Transwilger					
Speedbumps	Khwezi, Town and Transwilger	X				
Elderly day recreational centre	Transwilger					
Stormwater	All areas					

**Ward: 15**

Villages: Barkly East Town, Nkululeko, Rhodes, Percivale barn, Nkululeko and Tantalion Barn

Ward Councillor: Mahlubandile Phuza

ISSUE	LOCATION	2022	2023	2024	2025	2026
Paving of streets	Nkululeko Township	X				
Housing	Nkululeko Township		X			
Provision of land for building houses for the	Nkululeko Township	X				

ISSUE	LOCATION	2022	2023	2024	2025	2026
middle class						
Eradication of the bucket system	Zola, Zinyoka, Part of Rhodes	X				X
Skills development	Nkululeko and Rhodes	X				
Support for NPOs, NGOs and SMMEs	Nkululeko and Rhodes		X			
Community Development Centre	Nkululeko and Rhodes		X			
Provision of security to all municipal assets	Nkululeko and Rhodes	X	X	X	X	X
Shearing shed	Nkululeko and Rhodes		X			

**Ward: 16**

Villages: Boyce Nondala, Lulama Hlanjwa, Rossouw, Fairview, Nkanini, Nozicikwana

Ward Councillor: Mlifi Mshasha

ISSUE	LOCATION	2022	2023	2024	2025	2026
Land for purchase for residential sites	Boyce Nondala Location, Lulama Location, Fairview, middle income Nkamimi	X				
Land for agricultural use	Lulama					
Multipurpose Centre	Barkly East Town		X			
Access roads	Boyce Nondala Location, speedhumps Fairview	X				
Provincial roads	Rossouw					

ISSUE	LOCATION	2022	2023	2024	2025	2026
Local economic development	Enterprise development for SMMEs Hawkers stalls (fairview, boyce)	X				
Alignment of all sector service plans	Boyce Nondala and Lulama Locations	X	X	X	X	X
Job creation	Barkly East, Boyce Nondala and Lulama Locations, Rossouw, fairview, support for LED project (car washes)	X	X	X	X	X
Eradication of bucket systems in all informal settlements	Ramaphosa and Nkanini	X	X			
Implementing a system of easy access by sporting clubs to all sports facilities	Barkly East, sportsfield -Fairview, recreational facility for kids – Nkamimi (day care)	X	X	X	X	X
Cellphone network	Rossouw					
School	Rossouw, scholar patrol (Lulama)					
Pre-school	Rossouw Boyce Nondala					
Clinic	Rossouw, Fairview Lulama Boyce Nondala Nkamimi					
Pedestrian bridge	Fairview to Lulama					

ISSUE	LOCATION	2022	2023	2024	2025	2026
Water	Rossouw Nkamimi					
Sanitation	Rossouw Nkamimi					
Recreational facility	Playground for kids (Fairview)					
Community hall	Fairview Boyce Nondala Nkamimi					
Services	Home Affairs					
Old age Home	Lulama					
Signage	Scholar crossing					
Street lights and high mast lights	Boyce Nondala					
Irrigation scheme	Boyce Nondala					
Sports facility	Boyce Nondala					

**Ward: 17**

Villages: Sunduza, Bensonvale, Tapoleng, Magwiji, Masekeleng, Jozanasnek, Jozanashoek (7)

Ward Councillor: Akhona Mvelase

ISSUE	LOCATION	2022	2023	2024	2025	2026
Provision of electricity	Sunduza, Jozana's Nek, (new houses) Jozana's Hoek, Bensonvale RDP houses), Tapoleng, Magwiji, Masekeleng	X	X	X	X	X

ISSUE	LOCATION	2022	2023	2024	2025	2026
Access road	Fix access road, replace culverts and drains at Sunduza, Jozana's Nek, Jozana's Hoek, Bensonvale, Tapoleng, Magwiji, Masekeleng, new streets Bensonvale, road to Tapoleng JSS needs repair	X	X	X	X	X
Provincial road	Tar road from Sterkspruit to Jozanna dam, Jozanasnek, fix road and culverts and pipes to Sunduza					
Job creation	Provide gravel for EPWP to fix roads and start CWP at Sunduza, Jozana's Nek, Jozana's Hoek, Bensonvale, Tapoleng, Magwiji, Masekeleng	X	X	X	X	X
Sports fields	Netball and soccer fields - Sunduza, Jozana's Nek, Jozana's Hoek, Bensonvale, Tapoleng, Magwiji, Masekeleng	X	X	X	X	X
Water	FBW –(Emagwiji), Tapoleng Down, Masekeleng, Ekonozini, Kwabomvana, Emagogoneni, Estopini, Jozannashoek, Water Magwiji RDP houses, water at Bottom Tapoleng as not any in the area	X	X	X	X	X
Housing	Emagwiji, Tapoleng Down, Masekeleng, Ekonozini, Kwabomvana, Emagogoneni, Estopini, Jozanashoek, Fix cracks	X	X	X	X	X

ISSUE	LOCATION	2022	2023	2024	2025	2026
	and paint RDP houses Bensonvale					
Scholar transport	Bensonvale, Magwiji to Mzomhle SSS	X	X	X	X	X
Sanitation	Jozannashoek					
Services	Old age home Jozannashoek, drug rehab centre Jozannashoek, skills training centre Magwiji					
Education	Fix school, toilets and playground and access road Jozannashoek, Permanent structures at Magwiji JSS, need school Jozanas Nek, Tapoleng JSS needs library, kitchen, toilets and flooding assistance to stop flooding					
Jozanna dam Project	Complete project					
Land rehabilitation	Dongas Jozannashoek, Jozannas neck, Magwiji					
Cemetery	New Jozannashoek, fence old cemetery Jozannashoek					
Agriculture	Fence fields and start agricultural projects like chickens Jozannasnek, commercialise agricultural projects at Sunduza, tractor Bensonvale, shearing shed fenced and equipment and wool improvement programme Tapoleng bottom					
Health	Mobile clinic Jozannasnek, clinic Jozannasnek					
Creche	Improve conditions Jozannasnek					

ISSUE	LOCATION	2022	2023	2024	2025	2026
Stormwater	Trenches at Sunduza, Magwiji to stop water from mountain flooding houses					
Bridge	Jozannas Nek, pedestrian bridge Jozannas Nek, bridge from Sunduza to Joveleni fields, Replace bridges at Magwiji					
Network	Magwiji					

### 3. IDP Needs for 2024/2025

Ward Councillors held ward meetings between September and October 2023 to capture needs for the 2024/2025 financial year.

WARD 1			
NEED	AREA	DETAILS	RESPONSIBLE DEPARTMENT
Water	Walaza, Ndofela, Mbobo and Qhimirha	There is no drinking water in the area. Community goes for weeks without water and drink from streams.	JGDM
Electricity	Walaza, Ndofela, Bikizana, Qhimirha, Mbobo	All New extension areas need electricity	ESKOM
Sanitation	Walaza, Ndofela, Bikizana, Qhimirha, Mbobo	There is a need to toilets in these areas.	JDGM
Telecommunication poles and network	Qhimirha, Bikizana, Mboleni, Emavundleni, Ndofela	The area does not have proper coverage make listening to radio a using cell phones effectively difficult. 1	
Shearing Shed	Ndofela	Farmers need place to use as multipurpose shearing shed	
Construction of access Roads	Walaza, Ndofela, Mbobo, Bikizana, Qhimirha, eHlathini,		Senqu
Construction of Sports Field	Ndofela	Sports facilities needs to be made for youth in this area	Senqu
Construction of Bridge	Edwaleni	Cars and people can't cross bridge when there have been heavy rains	Senqu
Pedestrian Bridge	Walaza, Ndofela, Mbobo, Bikizana, Qhimirha		
Construction of Community Hall	Walaza	Ward is vast and makes it difficult to have meeting in other areas, especially when extreme weather is experienced.	
WARD 2			
Electricity	St Michaels, Nquthu, St Theresa, Kwa Gcina, Ndingishe, Storomo, Mzistha	New extension areas need power, the water pump also would work efficiently when they are powered by electricity	ESKOM/ JGDM
Sanitation	St Michaels, Nquthu, St Theresa, Kwa Gcina, Ndingishe, Storomo, Mzistha	All areas needs toilets, they don't have at the moment.	JGDM

RDP Houses	St Michaels, Nquthu, St Theresa, Kwa Gcina, Ndingishe, Storomo, Mzistha	People need decent homes as they can afford to build, current homes are small and families are big.	Department of Human Settlement.
Shearing Shed	Kwa Gcina, Ndingishe, Storomo, Mzistha	Multi-purpose shed needed by the farmers.	Department of Rural Development and Agrarian Affairs
Speed Humps	Dulciesnek and Kwa Gcina	Traffic calming humps needed in the areas to reduce high number of accidents	Department of Roads and Transport
Fencing of Cemeteries	Mzintsha and Kwa Gcina	Graveyards need to be closed up, cows in the area drop the tomb stones when entering the graveyards	Senqu
Construction of Access Roads	St Michaels, Kwa Gcina, Ndingishe, Sgingi and Culverts at Kwa Gcina Village	The roads are poor in areas listed, during heavy rains, roads was washed away and condition need attention,	Senqu
Community Hall	Kwa-Gcinia, St Micheals, Mzimtsha (Pay point friendly) Dulicesnek (Pay point Friendly)	The halls are far away from communities, having more will assist even during social grant times. People won't have to travel so far and early to make pay dates.	Senqu
Bridge	Mission	Bridge that connects Ngxingweni village and Mission is needed.	Senqu
<b>WARD 3</b>			
Water	Mmusong, Ekra, Hohobeng, Makalalaleng, Qhoboshane, spring protection Ekra, water tanks Makalalaleng	There is no water in these villages, community drinks from streams	JGDM
RDP Houses	Mmusong, Ekra, Hohobeng, Makalalaleng, Qhoboshane	Community needs homes.	Department of Human Settlement
Sanitation	Mmusong, Ekra, Hohobeng	There are no toilets in these areas for community to use	JGDM
Electricity	Mshingiville, Qhoboshane and Hohobeng	New extension areas need to be connected	ESKOM
Telecommunication and Network Poles	Mmusong, Ekra, Hohobeng, Makalalaleng, Qhoboshane	Areas lay close to Lesotho making it difficult for them to have adequate coverage as poles are too far from them.	Service Providers MTN/VODACOM
Access roads	Mmusong, Ekra, Hohobeng, Makalalaleng, Qoboshane	Maintenance of these roads are needed	SENQU
Bridge	Ekra, Hohobeng, Musong, extension of a bridge Qoboshane		
Pedestrian Bridge	Qhoboshane, Makalalaleng, Mmusong (Mpoki)	In Qoboshane Village, next to the school, a pedestrian bridge is needed and close to shearing shed in Makalalaleng	SENQU
Stormwater drainage	Mmusong, Qoboshane, Makalalaleng	Hoses flood and roads erode fast with heavy rains	
Recreation	All sports fields	Request for poles and nets	SENQU
<b>WARD 4</b>			
Water	Mabele Makhumsha, Bebeza, Penhoek	All these villages do not have water, people drink from streams	JGDM
Provision of Electricity	Mabele Makhumsha, Bebeza, Penhoek	New Extension areas need electricity	ESKOM
RDP Houses	Mabele, Makhumsha, Bebeza, Boomplaas, Penhoek,	House are needed for the people in this area	Department of Human Settlement
Construction for Traditional Leader and Councillor Office	Lower Bebeza	Ward is far out of town, People spend to get proof of residence and other documents which they need. Smaller meetings could also be held	COGTA/ Senqu



		in these areas	
Access Roads	Mabele Makhumsha, Bebeza, Penhoek, Boomplaas	Construction of access roads in listed areas, roads in very bad condition. Grading is no longer effective.	SENQU
Local Economic Development	Mabele, Bebeza, Penhoek, Makhumsha	Revalorization of projects and job creation as they are far away from economic hub	SENQU
Sports Fields	Mabele, Bebeza, Penhoek, Makhumsha	Sports facilities be made for youth to participate in and stay away from drug, crime teen pregnancies	SENQU
<b>WARD 5</b>			
Shearing Shed	Ntabamhlophe, Mission, Zingxengele, Phelandaba, Mkunyo, Maqolwaneni Rockcliff, Sjorha	Areas need multipurpose shed for their agricultural activities	Department of Rural Development and Agrarian Affairs
Water	Ntabamhlophe, Mission, Zingxengele, Kugqobho, Nondungu, Phelandaba, Mkunyo, Maqolwaneni, Rockcliff, Sjorha	There is no water to drink. People drink from streams and go months without water in taps	JGDM
Sanitation	Ntabamhlophe Zingxengele Mkunyo, Maqolwaneni	Ntabamhlophe (emptying of toilets, they full), Zingxengele (need new toilets), Mkunyo (need new toilets), Maqolwaneni (emptying of toilets, they full)	JGDM
Clinic and health Services	Zingxengele Mkunyo, Maqolwaneni	Mobile Clinic needed to service communities of Zingxengele and Maqolwaneni. Mkunyo needs a clinic constructed as distance is far to travel to nearest clinic which is always full and has shortage of staff and medication.	Department of Health/ Public Works
Telecommunication and Network	Rockcliff, Sjorha, Phelandaba	Coverage is a problem in the area, Phelandaba close to the river another pole can be put.	Service Provider MTN/VODACOM
Access Roads	Ntabamhlophe, Mission, Zingxengele, Kugqobho, Nondungu, Phelandaba, Mkunyo, Maqolwaneni, Rockcliff, Sjorha	Construction of access roads, these roads are in a bad condition	SENQU
Fencing of Cemeteries	Ntabamhlophe, Gaudi, Mission, Zingxengele, Kugqobho, Nondungu, Phelandaba (cemetery behind shop at Thafeni), Maqolwaneni & Qolweni, Ntubeni & Thaba Bosiu (new cemetery)	All these cemeteries need to be fenced as they are all open and cows damage their tombstones when they enter it.	SENQU
Bridge	Kugqobho, Phelandaba, Mkhunyo, Maqolwaneni	Kugqobho the bridge has collapsed, Phelandaba the bridge that connects Kuzingqayi and Ncandeni needs to be constructed. Mkunyo and Maqolwaneni the bridge from EsiSchengeni to Ntubeni needs to be constructed.	SENQU
Community Hall	Mkhunyo and Maqolwaneni	Area is vast, community does not have a venue nearby to meet.	SENQU
Local Economic Development	Ntabamhlophe (youth projects & CWP), Mission (CWP, replace EPWP workers), Zingxengele (youth projects), Kugqobho, Nondungu (youth skills development, CWP), Phelandaba, Mkunyo, Maqolwaneni, Rockcliff, Sjorha (youth skills, CWP)	Jobs be created mainly for youth and people who are able to work within those areas.	SENQU
Sports Fields	Ntabamhlophe, Mission, Zingxengele, Kugqobho, Nondungu, Phelandaba, Mkunyo, Maqolwaneni, Rockcliff, Sjorha	Sport facilities be provided for youth and children to play.	SENQU

<b>WARD 6</b>			
Water	Majuba Bultfontein Hillside Mlamli	Majuba, the mainline needs better pipes Hillside needs more water supplied to the area.	JGDM
Sanitation	Hillside, Ndungunya, Majuba, Bultfontein, Rietfontein, Mlamli, Hoita,	Emptying of toilets of toilets in all villages	JGDM
RDP Houses	Rietfontein, Majuba, Bultfontein, Mlamli	House are needed by communities in these areas	Department of Humna Settlement
Electricity	Bultfontein, Rietfontein, Majuba	New Extension areas need to be powered and those areas where houses are to be built	ESKOM
Provincial Road	T606	Roads need to be constructed for better access to areas	Department of Roads and Transport
Access Roads	Hoita, Feyane, Majuba, Bultfontein, Ndungunya, Rietfontein, Mlamli,	Roads need construction. Road that leads to the graveyard in Mlamli	SENQU
Bridges	Hoita, Feyane, Majuba Bultfontein	Bridge linking villages	SENQU
Pedestrian Bridge	Hillside, Ndungunya	Community and children can't cross when water levels are high	SENQU
Community Hall	Rietfontein, Bultfontein	Community needs a place to meet that not very far from them	SENQU
Sport fields	Ndungunya and Mlami	Youth and children need facilities to play games in the ward	SENQU
<b>WARD 7</b>			
Water	Thaba Lesoba, Macacuma	There is no proper water supply in these areas	JGDM
Construction of Bridge	Thaba Lesoba	Qoqoyi bridge needs to be constructed, people are unable to cross when water levels are high	Department of Roads and Transport
Speed Humps	Mbihli	At Mbihli Junction traffic calming humps are needed to reduce chances of accidents and bumping of people taking place.	Department of Transport
Telecommunication and network poles	Macacuma	Reception is poor is this area for both Radio and cell phone reception	Service Provider MTN/ VODACOM
Bus Shelters	Macacuma	Shelters alongside the main road while waiting for transport at stops.	Department of Transport
Access Roads	Thaba Lesoba and Macacuma	Roods needs maintenance and stormwater drainage	SENQU
Sports field	Macacuma	Sports field be made for youth and children to play.	SENQU
Community Hall	Thaba Lesoba and Macacuma	Thaba Lesoba hall needs upgrading and renovations Macacuma needs a hall Both Halls need to accommodate Transitional Leadership and CLLRs Office.	SENQU/ Cogta
<b>WARD 8</b>			
Paving of main Street RDP Houses Master High Lights	Mokhesi Village	Flushing Toilets need to be completed project is in progress	JGDM

Sports Field Renovation of Mokhesi Community Hall		Roads Maintenance needs to be done, roads in a bad condition.	SENQU
Outstanding paving program.  Community hall  Maintenance of access roads  Jobs creations.	New Rest Village	RDP houses  VIP toilet (on progress)	Department of Human Settlement  JGDM  SENQU
Pre-school  Jobs creation, Local Economic Development	Kromspruit	Shearing shed its in progress but not complete  High school needs to be built in the area	DRDAR  Department of Public Works
<b>WARD 9</b>			
Water	Kromspruit, Lepota, Voyizana, Nqguba, Mlamli, Hinana, Joveleni	Community doesn't have drinking water, water is off for months on end	JGDM
RDP Houses	Kromspruit, Lepota, Voyizana, Nqguba, Mlamli, Hinana, Joveleni	There is a need for houses for people	Department of Human Settlement
Sanitation	All new extension areas Kromspruit, Lepota, Voyizana, Nqguba, Mlamli, Hinana, Joveleni	Ward has grown and more toilets are needed in areas listed.	JGDM
Land Care	Kromspruit, Lepota, Voyizana, Nqguba, Mlamli, Hinana, Joveleni	Project to be started that will in the main address that soil erosion problem and dongas. this programme will also create jobs while it is underway	Department economic development Environmental affairs and Tourism
Dipping Tank	Lepota, Nqguba, Hinana, Joveleni	Tank needed for agricultural activities within the ward	Department of Rural Development and Agrarian Affairs
Access Roads	Kromspruit, Lepota, Voyizana, Nqguba, Mlamli, Hinana, Joveleni	Roads in villages are in vey bad condition need to be constructed and water drainage improved	SENQU
Cemetries	Voyizana, Lepota, Joveleni, Hinana	Graveyards are full, more space to be allocated for burial	SENQU
Community Hall	Hinana, Joveleni, Lepota	Vastness of ward makes community meetings difficult	SENQU
Local Economic Development	Ngquba	Project that will produce stone to build with-providing with financial support and machinery	SENQU
Skills Development	Kromspruit, Lepota, Voyizana, Nqguba, Mlamli, Hinana, Joveleni	Youth needs skills to have better opportunities a employment	SENQU
<b>WARD 10</b>			
Electricity	Tienbank, Makhething, Greenfield, Mountain View,	New extension areas need power	ESKOM

	Zwelitsha, Sterkspruit CBD		
Water	Tienbank, Makhething, Greenfield, Mountain View, Zwelitsha	Water supply is low, illegal connections should be corrected	JGDM
Sanitation	Extension, Greenfields	Connection of houses to main sewer line (Ext 1) waterborne sewerage Ext 1, toilets Greenfields	JGDM
Access Roads	Tienbank, Makhething, Greenfield, Mountain View, Zwelitsha, Sterkspruit CBD, Zwelitsha	Paving – Boxer street (Sterkspruit), Between Boxer and HUTA Spares to Metro building, resurface and completion of all paved extension 1 streets, Paved road from AFM church. Other areas need to be tarred	SENQU
Community Hall	Makhetheng, Greenfield	Due to high population and vastness of the ward, one hall is no longer suffice to serve the entire community more halls are needed to decongest current one's usage	SENQU
Street Lights	Tienbank, Makhetheng, Mountain View, Greenfield, refurbish of electrical line and high mast light Extension 1, street lights Greenfields, (street lights) Zwelitsha	Tienbank, Makhetheng, Mountain View, Greenfield, need to be refurbish of electrical line and high mast light Extension 1, street lights Greenfields, (street lights) Zwelitsha	SENQU
Stormwater	Extension 1 and CBD	After rain these places flood and overflow into homes and stores	SENQU
Cemetery	Extension 1, Greenfields Makhetheng	Growth of these areas has put a strain of current provision. More land be made available for cemeteries.	SENQU
Animal Pound	Tienbank	A lot of stray animals in the areas need to be impounded	SENQU
<b>WARD 11</b>			
Water	Blue Gums, Skisazana, Ntsimekweni, Dibinkonzo, Ezintatyaneni, Bamboespruit Fix windmill Bamboespruit	The construction of Entilini Project at Skisazana is urgent. Other areas no have water and need more supply made available to them	JGDM
Sanitation	Bamboespruit	Toilets at the cemetery are needed.	JGDM
Provision of Electricity	Blue Gums, Skisazana, Ntsimekweni, Dibinkonzo, Ezintatyaneni, Bamboespruit FBE (paraffin for the elderly) Bamboespruit	New Extension areas need power	ESKOM
Provision of Disaster Houses and RDP Houses	Blue Gums, Skisazana, Ntsimekweni, Dibinkonzo, Ezintatyaneni, Bamboespruit  RDP houses  Skisizana  Bluegums  Bamboespruit	Some homes were damaged due to the past floods. A need for RDP houses has also risen	Department od Human Settlement
Construction of Clinic	Skisizana, Bamboespruit, Entsimikweni	Clinic or Mobile service needed in these areas due to far distance travelled to current clinic	Department of Public Works/ Health

Agricultural Infrastructure	Bamboespruit,	Dipping Tank and stock dams in Bamboespruit	Department of Rural Development and Agrarian Affairs
Access Roads	Mei, Skisazana, Bluegums, Bamboespruit	Kwa-Meyi (registration of gravel road Skisizana) access road to agricultural project Skisizana to be maintained  Bluegums  Speedhumps Bluegums  Bamboespruit  Maintenance Cemetery road Bamboespruit	SENQU
Bridge	Mei, Skisazana, Bluegums	Pedestrian & motor bridge (Skisizana) Pedestrian bridge KwaMei to Bluegums Entsimikweni reconstruction	SENQU
Cemetries	Skisazana, Bamboespruit	New grave site Skisizana. Maintenance of graves due to soil erosion Skisizana Fence graveyards Bamboespruit	SENQU
Local Economic Development	Entsimekweni	Mining for coal, sandstone project, quarry. Entsimekweni needs tannery for leather projects and closing of dongas (Entsimekweni)	SENQU
Spatial Development	Bluegums and Entsimekweni	Newtown development for youth skill development and new industrial area Bluegums, Entsimekweni	SENQU
<b>WARD 12</b>			
Speedhump	Eslindini	R58 Road to Sterkspruit need speed humps	Department of transport
Water	Jozanas Hoek, Hlomendini, Mgwiji, Manxeba, Eslindini	Jozana's Hoek, (windmill – Hlomendlini, Eslindini) Hlomendlini, Eslindini, Magwiji, Jozana's Nek, Magadla, windmill Manxeba	JGDM
RDP Houses and Disaster Houses	Jozana's Hoek, Hlomendlini, Eslindini, Magwiji, Jozana's Nek, Magadla	Areas are in need of RDP houses	Department of Human Settlement
Electricity	Manxeba, Eslindini, Magadla	New Extension areas need power	ESKOM
Telecommunication and Network poles	Jozana's Hoek, Hlomendlini, Eslindini, Magwiji, Jozana's Nek, Magadla	Coverage is bad is those areas	Service Provider MTN/VODACOM
Access Roads	Jozana's Hoek, Hlomendlini, Eslindini, Magwiji, Jozana's Nek, Magadla	Jozana's Hoek, Hlomendlini, Eslindini, Magwiji, Jozana's Nek, maintenance -Magadla (replacement of culverts – Hlomendlini), speed humps R 58 Eslindini	SENQU

Storm water	Magadla	Water that comes down from higher ground flood the lower lying areas, water enters homes and wash away roads	SENQU
Bridges	Manxeba	Bridge to Frans, bridge and new culvert Manxeba- this matter is Urgent	SENQU
Fencing of cemeteries	Magadla, Hlomendlini, Esilindini	All cemeteries need fencing	SENQU
<b>WARD 13</b>			
Provision of water	Khiba, Coville, Orange, Mbonisweni, Herschel, Naledi, Zava, Thabakoloi, Nkopane, Mdlokovana	All villages do not have water	JGDM
Electricity	Orange, Mbonisweni, Mdlokovana	Orange, Coville (preschool oat Dalukhanyo needs electricity), Mbonisweni, Mdlokovana (street lights)	ESKOM
Construction of Clinic	Khiba, Coville, Mdlokovana	Khiba, Coville (Nurses to do home visits to elderly and take chronic medication), Mdlokovana (mobile clinic)	Department of Public Works/ Health
Police Satellite Office	Mdlokovana	A station is needed due to high levels of crimes within the ward	Department of Public Works/ SAPS
Agricultural infrastructure	Thaba Koloi, Ngongongemani, Mbonisweni, Mdlokovana	Thaba Koloi (Fence fields and stock dams), rebuilding of dam (Nongongomani , Mbonisweni, Mdlokovana (fencing of fields and dams)	Department of Rural Development and Agrarian Affairs
Cemeteries	Thaba Koloi, Mbonisweni and Naledi	Fence (Orange), Thaba Koloi (fence and cleaning ), Mbonisweni, Naledi (fencing)	SENQU
Recreational Park	Orange, Mbonisweni	Orange, Thaba koloi (netball and soccer poles), race course at Mbonisweni, Naledi (Sport field upgrade and netball court)	SENQU
Local Economic Development	Khiba, Coville, Mbonisweni, Herschel, Naledi, Zava, Thaba Koloi, Nkopane Orange,	Khiba, Coville (registration of businesses), Mbonisweni( rebuilding of cornichnight & tourism, traditional games), Herschel (ATM), Naledi, Zava, Thabakoloi, Nkopane, Mdlokovane, Orange	SENQU
<b>WARD 14</b>			
Water	Railway Top location and Emikukwini	The Transwilger, Khwezi struggle with water. No water for few months	JGDM
RDP Houses	Transwilger, Khwezi Naledi, Top Location, Edgar 50 RDP, Ezantsi kweSkolo, Emikukwini, Railway, New Location	There is a shortage of houses for the people in the areas mentioned. There are 25 houses in Transwilger with asbestos roofs that require fixing.	Department of Human Settlement
Sanitation	Railway, Top, Hillbrow, Polar Park, Ezantsi Kwesikolo (Transwilger & Khwezi -water borne sewerage	There is still bucket system used in some of the areas. It needs to be eradicated and toilets be put it	JGDM

Access roads	Steve Tshwete, Railway, Emikhukhwini, Transwilger	Paving of access roads Steve Tshwete, Railway Emikhukhwini, Transwilger and Town area.	SENQU
Stormwater	All areas	The entire town need storm water drainage system to be improved	SENQU
Fencing of Graveyard	Transwilger & Khwezi	Fencing of graveyards	SENQU
Street lights	Steve Tshwete, Town and Transwilger	High mast lights – Steve Tshwete and Transwilger. Street lights Schreiner and Atwell Streets Electrical connections – Top and Railway	SENQU
Development of municipal owned land for residential use	All areas	Lady Grey need more residential and church sites	SENQU
<b>WARD 15</b>			
Houses	Amaroyi	Houses need to be built here to ease informal settlement currently	Department of Humna Settlement and
Sanitation	Zola, Zinyoka, Part of Rhodes	Eradication of bucket system	JGDM
Electrification	Rhodes	New extension areas	ESKOM
Spatial Development	Nkululeko Township	Provision of Land for middle income homes	SENQU
Access Roads	Nkululeko Township	Paving needed to improve access roads.	SENQU
Youth Employment and development	Nkululeko, Rhodes	Empowerment of youth in specialised fields, mentoring and development promote working within in the area. Increase capacity and overall educational level	SENQU
Upgrading of Sport field	Rhodes	Sports ground to be fenced in Rhodes and restricting of dressing rooms.	SENQU
<b>WARD 16</b>			
Construction of road	Rossouw	Rhodes that goes to Rossouw needs be done, in very bad condition	Department of transport
Eradication of Bucket system and sanitation	Ramaphosa and Nkanini, Rossouw	Toilet need to be put in all placed that still have bucket system. Toilets are needed in Rossouw	JGDM
Street Lights	Boyce Nondala	Lights need to be put up as crime levels are high and very dark at night.	SENQU
Clinic	Boyce Nondala and Rossouw	Another Clinic be built between Boyce Nondala, Fairview and Lulama township as the current one is small and cannot accommodate all current population of Barkly East. Rossouw needs a clinic as its far away from towns.	
Spatial Development	Town Area	Land for Business purposes and middle-income homes.	SENQU
Local Economic	Town Area	Hawker stalls be formalised and space provided	SENQU

Development		Job creation for people in Rossouw	
Speed humps	Boyce Nondala	Humps to calm traffic within residential area. R58 Roads need more humps as pedestrians are still involved in incidents.	SENQU
Community Hall	Boyce Nondal, Fairview and Lulama Hlanjwa	Hall that will be built central for all to use	SENQU
<b>WARD 17</b>			
Jozana Dam Project	Jozana	The project be completed and used for it purpose	Department economic development Environmental affairs and Tourism
Clinic	Masekeleng, Tapoleng, Jozanas Nek	Mobile clinic services are required for areas listed	Department of Health
Telecommunication and Network Poles	Magwiji, Sunduza	Coverage is poor in these areas	Service Providers MTN/VODACOM
Electricity	Nodwengu, Bensonvale, Magwiji, Jozana, Sunduza, Masekeleng	New Extension areas	ESKOM
Water	Emagwiji, Tapoleng Down, Masekeleng, Ekonozini, Kwabomvana, Emagogoneni, Estopini, Jozanashoek, Water Magwiji RDP houses, water at Bottom Tapoleng as not any in the area	FBS	JGDM
Access roads	Sunduza, Jozana's Nek, Jozana's Hoek, Bensonvale, Tapoleng, Magwiji, Masekeleng, new streets Bensonvale,	Fix access road, replace culverts and drains at Sunduza, Jozana's Nek, Jozana's Hoek, Bensonvale, Tapoleng, Magwiji, Masekeleng, new streets Bensonvale, road to Tapoleng JSS needs repair	SENQU
Bridges	Jozanas Nek, Sunduza, Magwiji, Joveleni	Jozannas Nek, pedestrian bridge Jozannas Nek bridge from Sunduza to Joveleni fields, Replace bridges at Magwiji	SENQU
Stormwater	Sunduza, Magwiji,	Storm water drainage at Sunduza, Magwiji to stop water from mountain flooding houses	SENQU
Sports Fields	Sunduza, Jozana's Nek, Jozana's Hoek, Bensonvale, Tapoleng, Magwiji, Masekeleng	Netball and soccer fields -Sunduza, Jozana's Nek, Jozana's Hoek, Bensonvale, Tapoleng, Magwiji, Masekeleng	SENQU
Cemeteries	Sunduza	New Jozanashoek, fence old cemetery Jozanashoek	SENQU

#### 4. Top 5 Identified Ward Priorities 2024-2025

- Water
- Access Roads, roads, bridges, stormwater, speedbumps
- Sanitation



- Electricity
- Sportsfields

## CHAPTER EIGHT: VISION & OBJECTIVES

### 1. Vision

A leading rural Municipality with a viable and modern economy.

### 2. Mission

Create decent living conditions by providing high quality services, ensuring equal access, developing and maintaining sustainable infrastructure and encouraging innovation to support local economic growth while protecting the environment.

### 3. Values

To achieve its mission, Senqu Municipality embraces the following values:

- a. People first (Batho pele)
- b. Integrity and honesty
- c. Transparency and fairness
- d. Accountability
- e. Excellence
- f. Humility
- g. Respect and tolerance for cultural diversity
- h. Discipline

### 4. Key Performance Areas and Municipal Priorities

The following Municipal priorities were re-identified through the municipal strategic sessions held in February 2023.

NO	KPA	MUNICIPAL PRIORITIES
1	Basic Service delivery and infrastructure	Building Economic and Social Infrastructure
2	Local Economic Development	Growth of Tourism and Agricultural Sector
3	Municipal Financial Management and Viability	Revenue Enhancement
4	Municipal transformation and institutional development	Improve Institutional Capability
5	Good Governance and Public Participation	Deepen Democracy

6	Spatial rationale and environmental management	Equity to Land and Sustainable Human Settlement
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For the Municipality to effectively deal with underdevelopment and poverty, the following Key Performance Areas were identified for measurable performance within a defined framework.

1. Good governance & public participation
2. Municipal transformation and institutional development
3. Municipal financial management and viability
4. Local economic development
5. Basic Service delivery and infrastructure
6. Spatial rationale and environmental management

## 5. Alignment with District, Provincial and National Priorities

Medium Term Strategic Framework	New Growth Path	Provincial Priorities Strategic	Senqu LM & Local Gov. KPA	Outcome
2. Strengthen skills and human resource base. 8. Pursuing African advancement and enhanced international cooperation. 10. Building a developmental state including improvement of public services and strengthening democratic institutions.		Strategic Priority 2: Massive programme to build social and economic infrastructure. Strategic Priority 4: Strengthen education skills and human resources base. Strategic Priority 8: Building cohesive, caring and sustainable Communities	Municipal Transformation and Institutional Development	Outcome 1: Quality basic education. Outcome 5: Skilled and capable workforce to support an inclusive growth path. Outcome 3: All people in SA are and feel safe. Outcome 9: Responsive, accountable, effective and efficient Local Government System. Outcome 12: An efficient, effective and development oriented public service and an empowered fair and inclusive citizenship.
5. Intensify the fight Against crime and corruption;		Strategic Priority 6: Intensifying the fight Against crime & corruption;	Municipal Financial Viability and Management	Outcome 9; Responsive, accountable, effective and efficient Local Government System

Medium Term Strategic Framework	New Growth Path	Provincial Priorities Strategic	Senqu LM & Local Gov. KPA	Outcome
<p>5. Intensifying the fight against crime and corruption.</p> <p>7. Build cohesive, caring and sustainable communities.</p> <p>8. Pursuing African advancement and enhanced international cooperation.</p> <p>10, Building a developmental state including improvement of public services and strengthening democratic institutions</p>	<p>Job driver 4: investing in social, capital and public services</p>	<p>Strategic Priority 6: Intensify the fight against crime and corruption.</p> <p>Strategic priority 8: Building cohesive and sustainable communities.</p>	<p>Good Governance and Public participation</p> <p>Institutional Transformation</p>	<p>Outcome 7: Vibrant, equitable, sustainable rural communities contributing towards food security for all.</p> <p>Outcome 9; Responsive, accountable, effective and efficient Local Government System.</p> <p>and an empowered, fair and inclusive citizenship.</p> <p>Outcome 11: Create a better South Africa, better Africa and a better world.</p> <p>Outcome 12: An efficient, effective and development oriented public service</p> <p>And</p>
<p>1. Speeding up economic growth &amp; transforming economy to create decent work and sustainable livelihoods;</p> <p>4. Comprehensive rural development strategy linked to land and agrarian reform &amp; food security.</p>	<p>Jobs driver 2: main economic sectors Jobs driver</p> <p>3: Seizing the potential of new economies</p>	<p>Massive programme to build social &amp; economic infrastructure.</p>	<p>Management</p>	<p>Outcome 4: Decent employment through inclusive economic growth. 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>Outcome 8: Sustainable human settlements and improve quality of household life.</p> <p>Outcome 10: Protect and enhance our environmental assets and natural resources</p>

## 6. Alignment with Circular 88

“Municipalities are expected to include a medium-term target for Outcome indicators for the electoral term (5th year). Following the 2021 Local Government Elections, this means that Outcome indicator targets should be set for the medium-term planning horizon: 2026/27. It should be noted that Outcome indicators will still be tracked on an annual basis in Annual Performance Reports for monitoring purposes, but that determinations of outcome ‘performance’ should be linked to medium-term target-setting for the outer year of the local government term of office (Rationalisation of Planning, Budgeting and Reporting Requirements for the 2022/23 MTREF: Addendum 3, 20 December 2021)”.

“Due to the continuing pilot process in the 2022/23 financial year, intermediate cities, district and local municipalities, will not be required to incorporate the indicators in their existing performance indicator tables in the IDP and SDBIP. Instead, these indicators should again find expression in a dedicated Annexure to the IDP and SDBIP which clearly indicates the MFMA Circular No. 88 indicators applicable to the municipality at the Tier 1 and 2 levels of readiness (Rationalisation of Planning, Budgeting and Reporting Requirements for the 2022/23 MTREF: Addendum 3, 20 December 2021)”.

### Energy & Electricity

Outcome	Outcome Indicators	Comments
EE1. Improved access to electricity	EE1.1 Percentage of households with access to electricity	
EE2. Improved affordability of electricity		
EE3. Improved reliability of electricity service	EE3.1 System Average interruption duration index	
	EE3.2 Customer average interruption duration index	
	EE 3.3 System average interruption frequency	
	EE3.4 System Average interruption duration index	
EE4. Improved energy sustainability	EE4.1 Renewable energy capacity available within the municipal jurisdiction as a percentage of ESKOM supply capacity to the Municipality	
	EE4.3 Road transport fuel usage per capita	
	EE 4.4 Percentage total electricity losses	

### Environment and Waste

Outcome	Outcome Indicators	Comments
ENV1. Improved air quality	ENV1.1 Metropolitan air quality index (MAQI)	
	ENV 1.2 Number of days where PM2.5 levels exceeded guideline levels	
	ENV 1.3. Percentage of households experiencing a problem with noise pollution	
ENV2. Minimised solid waste	ENV 2.1 Tons of municipal solid waste set to	

	landfill per capita	
	ENV 2.2 Tons of municipal solid waste diverted from landfill per capita	
ENV 3. Increased access to refuse removal	ENV 3.1. Percentage of households with basic refuse removal services or better	
ENV 4. Biodiversity is conserved and enhanced		
ENV 5. Coastal resources maintained and amenities improved	ENV 5.1 Recreational water quality	
ENV 6. Climate change mitigated and adapted to	ENV 6.1 GHG emissions per capita	

### Housing and Community Facilities

Outcome	Outcome Indicators	Comments
HS1. Improved access to adequate housing (incl security of tenure)	HS1.1. Percentage of households living in adequate housing	
	HS 1.3 Percentage of households in informal settlements targeted for upgrading	
HS 2. Improved functionality of the property market	HS 2.2. Rateable residential properties as a percentage of total households in the municipality	
	HS 2.3. Percentage of households living in formal dwellings who rent	
HS 3. Increased access to and utilisation of social and community facilities	HS 3.1. Square metres of municipally owned or maintained municipal outdoor recreation space per capita	
	HS. 3.2. Number of community halls per 100 000 population	
	HS. 3.3 Number of public libraries per 100 000 population	
	HS 3.5 Percentage utilisation rate of community halls	
	HS 3.6 Average no of library visits per library	

### Transport and Roads

Outcome	Outcome Indicators	Comments
TR1. Modal shift of weekday trips (incl. education trips) from private to public transport and NMT		Senqu Municipality is not a transport authority and these indicators do not relate to its powers and functions
TR 2. Improved affordability of public transport		
TR 3. Reduced travel time	TR 3.1 Average public transport commuting time	
	TR 3.2 Average private transport commuting time	

TR 4.Improved satisfaction with public transport services		
TR 5 Improved access to public transport (incl NMT)		
TR 6. Improved quality of municipal road network	TR6.1 Percentage of fatal crashes attributed to road and environmental factors	
	TR6.11 Percentage of unsurfaced road graded	
	TR6.12 Percentage of surfaced municipal road lanes which has been resurfaced and resealed	
TR 7. Improved road safety	TR7.1 Road traffic fatalities per 100,000 population	
	T7.2 Average number of fatalities per fatal crash	

## Water and Sanitation

Outcome	Outcome Indicators	Comments
WS1. Improved access to sanitation	WS1.1 Percentage of households with access to basic sanitation	Senqu Municipality is not a water services authority or water services provider as per its powers and functions. These indicators are not applicable to it
	WS1.11 Number of new sewer connections meeting minimum standards	
WS2. Improved access to water	WS2.1 Percentage of households with access to basic water supply	
WS3. Improved quality of water and sanitation services (revised from continuity of services)	WS3.1 Frequency of sewer blockages	
	WS3.2 Frequency of mains failures	
	WS3.3 Frequency of unplanned water service interruptions	
WS4. Improved quality of water (incl. wastewater)	WS4.1 Percentage of Drinking Water Compliance to SANS241	
	WS4.2 Wastewater quality compliance according to the water use license	
WS5. Improved water sustainability	WS5.1 Percentage of non-revenue water	
	WS5.2 Total water losses	
	WS5.3 Total per capita consumption of water	
	WS5.4 Percentage water reused	

## Fire and Emergency Services

Outcome	Outcome Indicators	Comments
FE1. Mitigated effects of emergencies	FE 1.1 Number of fire related deaths per 1000 population	Senqu Municipality is not responsible for fire services as per its powers and functions. These indicators do not therefore apply

## Governance

Outcome	Outcome Indicators	Comments
GG1. Improved municipal capability	GG 1.1 Percentage of municipal skills development levy recovered	

	GG 1.2 Top Management Stability (% of days in a year that all S56 positions are filled by full time, appointed staff not in an acting capacity, see TID for detail)	
GG2. Improved municipal responsiveness	GG 2.1 Percentage of ward committees that are functional (meet four times a year, are quorate, and have an action plan)	
	GG 2.2 Attendance rate of municipal council meetings by all identified Traditional Leaders	
GG3. More effective city administration	GG 3.1 Audit Opinion	
GG4. Improved council functionality	GG 4.1 Average percentage of Councillors attending council meetings	
	GG 4.2 Functionality of prescribed municipal structures (as defined in Municipal Structures Act 117 of 1998)	
GG5. Zero tolerance of fraud and corruption	GG 5.1 Number of alleged fraud and corruption cases reported per 100 000 population	
	GG 5.2 Number of dismissals for fraud and corruption per 100 000 population	
	GG 5.3 Number of convictions for bribery and/or corruption by city officials per 100 000 population	
GG6. More effective poverty alleviation	GG 6.1 Percentage of all qualifying households in the municipal area classified as indigent	



## 7. Overarching Municipal goals and objectives

NO	MUNICIPAL PRIORITIES	MUNICIPAL GOALS	MUNICIPAL OBJECTIVES	KEY INSTITUTIONAL PROGRAMMES	STRATEGIC PROJECTS	SHORT TERM PROJECTS
1	Building Economic and Social Infrastructure	Basic Service Delivery Infrastructure responsive to the socio-economic needs of the Municipality and its transformation agenda	<p>To reduce infrastructure backlogs by 10% by 2027.</p> <p>To maintain 70% of all municipal infrastructure by 2027.</p>	<p>Integrated infrastructure programme aligned to the Spatial Development Framework</p> <p>Public Safety plan</p>	<p>Landfill site management</p> <p>Increase operational and maintenance</p>	<p>Hybrid approach in running landfill sites (Internal &amp; External approach) <a href="#">in progress</a></p> <p>MRF for Sterkspruit landfill site in order to relocate the recyclers in town <a href="#">in progress</a></p> <p>Upward adjustment of the Technical Services Department's operation and maintenance budget up to 8 % in 2026 - 2027 F.Y <a href="#">in progress</a></p>
2	Growth of Tourism and Agricultural Sector	Developed tourism and agricultural sectors contributing to 3% sustainable local economic growth resulting in increased employment	<ul style="list-style-type: none"> <li>To grow the local economy by 3 %</li> <li>To increase employment by 2027</li> <li>To attract 2 main investments by 2027</li> </ul>	<ul style="list-style-type: none"> <li>LED Strategy</li> </ul>	<ul style="list-style-type: none"> <li>SMME Development</li> <li>Tourism and LED infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Skilling construction SMMEs vs the current status quo.</li> <li>Supplier days <a href="#">in progress</a></li> <li>User friendly procurement process</li> <li>Supplier Support (SMMEs) and Specific Goals (LED) - complete</li> <li>Subcontractor Support and upliftment of SMME's through procurement strategies</li> <li>Improve tourism and LED infrastructure such as signage and hawkers huts, business hubs</li> <li>Support event development in progress</li> <li>Resort establishment</li> <li>Agricultural ward feasibility study- <a href="#">in progress</a></li> <li>Agric indaba to promote access to markets</li> </ul>

NO	MUNICIPAL PRIORITIES	MUNICIPAL GOALS	MUNICIPAL OBJECTIVES	KEY INSTITUTIONAL PROGRAMMES	STRATEGIC PROJECTS	SHORT TERM PROJECTS
3	Revenue Enhancement	Ethical management of the Municipal financial resources supported by enhanced revenue generation and collection initiatives.	<p>Improve revenue collection to 95% by 2027</p> <p>Improve MIG expenditure to 85% by 2027</p> <p>To increase new revenue streams by 5 % by 2027</p>	Sustainable financial management framework (financial management, strategic budgeting, SCM, revenue, expenditure & payroll)	<p>Reduction of the electrical losses and the recuperation of revenue</p> <p>Implementation of Strategic Procurement Framework (SPF)</p> <p>Development and Implementation of Long-term Financial Management Framework (LTFMF)</p> <p>Debt incentives and collection rates</p>	<p>Auditing of meters</p> <p>Rectification of KVA meters to properties with high volume consumption.</p> <p>Accelerating installation of pre-paid smart meters.</p> <p>Adopt the SPF – May 2023</p> <p>Communication and workshopping of SPF.</p> <p>Development and Compliance reporting on Procurement Plan emanating from the SPF.</p> <p>Setting Minimum Service Standards at an organisational level</p> <p>Budgeting in accordance with established norms and prioritising municipal strategic projects</p> <p>Implementation of Debt Incentive Scheme</p> <p>Expanding Indigent Register for verified individuals</p> <p>Debt Collection through Legal and Disconnection Procedures</p> <ul style="list-style-type: none"> <li>•</li> </ul>

NO	MUNICIPAL PRIORITIES	MUNICIPAL GOALS	MUNICIPAL OBJECTIVES	KEY INSTITUTIONAL PROGRAMMES	STRATEGIC PROJECTS	SHORT TERM PROJECTS
					Full expending of Capital Infrastructure programme budget	Procurement Plan <ul style="list-style-type: none"> <li>• Advertisement of projects - by the end of the 3<sup>rd</sup> quarter of the preceding year.</li> <li>• Emergency sittings and finalisation of the bids by the relevant committees based on the circumstantial situation.</li> <li>• Appointment of service providers – by the end of the 4<sup>th</sup> quarter of the preceding year.</li> </ul>
4	Improve Institutional Capability	Agile institutional capability fully responsive to the municipal’s mandate supported by functional information, knowledge, and innovation management	To reduce turnover of technical skills by X% by 2027 To create a knowledge and innovation hub by 2024	Talent Management Framework Business reengineering Staff Morale	Review the organisational structure	Development of a business re-engineering plan in progress
5	Deepening of Democracy	Effective public participation contributing to a vibrant civil society thereby strengthening oversight and deepening local democracy	<ul style="list-style-type: none"> <li>• To support the development of civil society organisations for effective public participation and oversight</li> <li>• To maintain the clean audit status</li> <li>• To strengthen the</li> </ul>	Civil society capacity building programme Stakeholder engagement and Social Facilitation Program	Improve Communication and marketing Strengthening of stakeholder engagement	Develop a new website- in progress Mapping and profiling all stakeholders Integrated planning in terms of stakeholder engagement in progress

NO	MUNICIPAL PRIORITIES	MUNICIPAL GOALS	MUNICIPAL OBJECTIVES	KEY INSTITUTIONAL PROGRAMMES	STRATEGIC PROJECTS	SHORT TERM PROJECTS
			oversight function of Council by 2023			
6	Equity to Land and Sustainable Human Settlement	Equity to Land and Sustainable Human Settlement	To reduce the number of land invasion cases by 80 % by 2025 Unlock land for development for middle to lower income earners To reduce the number of NEMWA contraventions by 30 %	Land acquisition Plan  Urban Redesign Plan  Land parcels for low- & middle-income earners  Environmental management framework  Integrated waste management plan	Greening and beautification strategy to support Greenest Municipality Competition  Environmental Management Framework  Land development and disposal  Sterkspruit Urban Design Framework	Appoint service provider for development of greening, beautification, landscaping and management of public open spaces strategy  Appoint a Service Provider for the development of the framework which will include: Climate Change strategy Energy Efficiency Programmes Disaster management plan in progress  Create medium to high density zone within current residential areas service charges for developers Disposal of land policy and framework for Asset disposal policy  Formalisation of surrounding Sterkspruit villages & formalisation of internal informal settlements (Mountain view & Zwelitsha

## 8. Municipal Strategic Development Objectives

The detailed inputs, indicators and outputs will be contained in the SDBIP and score cards.

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
<b>KPA 1: BASIC SERVICE DELIVERY</b>										
<b>TRAFFIC - BSD01</b>	Traffic Services	Building of Drivers Licence Testing Centre (DLTC)	Improve access to testing of drivers' licence	To ensure that the traffic section operates effectively and efficiently	Building of DLTC in Sterkspruit	Phase 1 - Implementation - Construction of a Sterkspruit licensing centre. <i>The contractor was appointed on 01 June 2023.</i>	Phase 2 – Implementation <i>Site established and cleared.</i>	Project Completion	Operate and Maintain DLTC's	Operate and Maintain DLTC's
		Parking	Improved traffic flow in Sterkspruit	To ensure smooth traffic flow in Sterkspruit	Increase in number of parking opportunities	Investigate and control of mobile parking meters <i>Target not part of the SDBIP</i>	Acquire land for the development of parking bays in Sterkspruit <i>Target not part of the SDBIP</i>	Implementation of parking control measures	Implementation of parking control measures	Implementation of parking control measures
<b>ROADS BRIDGES AND TRANSPORT INFRASTRUCTURE- BSD02</b>	Access roads	Build new access roads	Stimulation of the Rural economy	To provide sustainable infrastructure development by building and maintaining access roads, bridges and storm water	To build 50 km of new access roads. 13 Km paved street and storm water channels – Lady Grey R 29 100 000 Resurface of existing paved roads and upgrading of storm water – Barkly East Town R 15 640 000 New Rest Paving R 17 683 000 Tienbank property	LG & New Rest Tienbank <i>3km done in New Rest. In LG, 0 km done. Tender closed 19 April 2023 and contractor not appointed by 1 July. In Tienbank tender needs to be</i>	LG & New Rest Barkly East <i>4 new projects were added in the adjustment budget. LG paving 4 km BE Paving 4 km W 8 paving 3.4 km W 10 paving 3.5 km</i>	Barkly East		

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
					access R 188 000	<i>readvertised.</i>				
		Maintenance of Roads in identified Wards as per the Council Approved Maintenance Schedule		Improved quality of municipal road network	100% completion of Maintenance of roads as per the approved maintenance plan	100% completion of Maintenance of roads as per the approved maintenance plan 267.23% completed against the council approved maintenance plan.	100% completion of Maintenance of roads as per the approved maintenance plan	100% completion of Maintenance of roads as per the approved maintenance plan	100% completion of Maintenance of roads as per the approved maintenance plan	100% completion of Maintenance of roads as per the approved maintenance plan
		Licensing of borrow pits at different Wards.			No of potholes repaired	Ongoing 5883 potholes repaired	Ongoing	Ongoing	Ongoing	Ongoing
					Licensed borrow pits	Licence borrow pits <i>The licencing of borrow pits at various wards has not been done</i>	Licence borrow pits	Finalisation of the application and process completion		
	Bridges	Build and maintain bridges	Build and maintain bridges	Improved quality of municipal road network	Construction of a pedestrian bridge between Esilindini and Frans (W12) R 5 101 214,42 Renew Transwilger bridge R 1 880 000	Transwilger bridge <i>The Bridge was renewed and completed by 14 September 2022.</i>		Pedestrian bridge		

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
	Stormwater	Design and construct stormwater system	Prevention of flooding	Improved quality of municipal road network	Lining, fencing and upgrading of primary storm water channel through Khwezi Naledi and upgrade of two motor bridges. R 11 640 000,00	Stormwater LG <i>Target Not Met . The advert and appointment of the contractor was not done as it was discovered that an EIA should have been done</i>	Stormwater LG			
<b>INDOOR RECREATIONAL COMMUNITY FACILITIES - BSD03</b>	Community Halls	Building and upgrade of halls	Upgrade of municipal facilities	To ensure effective management and construction of indoor recreational community facilities	Construct Hershel community Hall R 893 000 Renovate Barkly East Town Hall R 8 235 320,26	Construction of Herschel Hall Renovate Barkly East Town Hall <i>BE Town Hall renovated but still finalising snags and furniture. Hershel Community Hall project had to be readvertised</i>				

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
<b>CEMETERIES AND BURIAL - BSD04</b>	Cemeteries	Building of cemeteries	Development of Cemeteries	To ensure effective management, construction, and maintenance of cemeteries	Construction of Cemetery in Barkly East R 5 452 000,00  Lady Grey and Herschel Cemetery Layout Plans (EIA) (W13 & 14) R 400 000	BE Cemetry <i>Completed and operational by the 23 March 2023.</i> Lady Grey and Herschel Cemetery Layout Plans <i>Design only done</i>	Lady Grey and Herschel Cemetery Layout Plans			
<b>SPORTS -BSD05</b>	Sport facilities	Building and upgrade of sport facilities	Upgrade and construction of municipal facilities	To ensure effective management and construction of recreational community facilities	Construction of Blue-Gums Sportsfield R 8 000 000 Upgrading at Khwezi Naledi Stadium and fixing electricity 2 592 720,00 Upgrading of Rhodes sport field R 2 927 280,00	Blue Gums <i>EIA Completion was not achieved and ROD not acquired.</i>	Kwezi Naledi Blue Gums <i>Blue Gums tender has gone out and at evaluation stage for construction. Kwezi Naledi not a target</i>	Upgrading of Rhodes sport field Kwezi naledi		
<b>LIBRARIES -BSD06</b>	Library Services	Running of library services	Provision of Public Information(Libraries)	Average no of library visits per library quarterly	Increased usage of library facilities and events	Quarterly reports on individual libraries regarding visits <i>4 Quarterly Reports on the Implementation of the SLA were submitted to DSRAC.</i>	Quarterly reports on individual libraries regarding visits	Quarterly reports on individual libraries regarding visits	Quarterly reports on individual libraries regarding visits	Quarterly reports on individual libraries regarding visits



Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
LICENSING AND CONTROL OF ANIMALS -BSD 07	Animal Control	Control of animals and management of pounds and commonage	Control of animals and management of pounds and commonage	To maintain and effectively operate the pounds and commonage	Updating of animal register quarterly	R & M of pounds and commonage. Control of animals <i>4 Quarterly reports on the updated stock register submitted to the standing committee.</i>	R & M of pounds and commonage. Control of animals	R & M of pounds and commonage. Control of animals	R & M of pounds and commonage. Control of animals	R & M of pounds and commonage. Control of animals
	Waste Management	5-year Integrated Waste Management Plan	Implementation of integrated waste management plan	To effectively manage and reduce waste	Refuse removal and implementation of waste minimisation projects	Review of IWMP <i>Target not met.</i>	Implementation of IWMP Projects <i>Review of IWMP going out on tender in Feb 2024</i>	Implementation of IWMP Projects	Implementation of IWMP Projects	Implementation of IWMP Projects
WASTE MANAGEMENT - RECYCLING BSD08		Building of solid waste sites	Development of new infrastructure	To effectively manage and reduce waste	Sterkspruit Solid Waste Site 11 301 978,28 Herschel SWS 2 820 000,00  Upgrade LG Solid Waste Site 6 928 030,30  Rhodes Solid Waste Site 9 648 796,48  - Rossouw SWS 6 392 000,00	Construction of Herschel Landfill site <i>The project was completed. The practical completion certificate was issued on the 5 Aug 2022.</i>  Upgrade LG Solid Waste Site <i>Project not complete – lining of cells</i>	Construction of Sterkspruit Landfill Site Project Construction of Rossouw SWS Rhodes transfer station <i>Rossouw SWS complete.</i>	Construction of Sterkspruit Landfill Site Project Construction of Rhodes Transfer station		

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target					
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	
					Construction of Transfer Station in Rhodes R 1700 000	and installation of smart coil not done  Rossouw SWS Development of a Solid Waste Site in Ward 5 - Rossouw has not been completed. Project percentage is at 95%  Rhodes SWS changed to transfer station Target Met . The preliminary designs were done.					
		Collecti on of refuse	To increase the percentage of households with basic refuse removal services or better	Percentage of households with basic refuse removal services or better	% Increase of household refuse collection. Target set at 15.94 % for 2022-2023 FY	Household refuse collection 15.94% target met.	Household refuse collection	Household refuse collection	Household refuse collection	Household refuse collection	Household refuse collection

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
FREE BASIC SERVICES – BSD09		% of households earning less than 2 state pensions per month with access to free basic services.	To increase the access to indigent services	% of households earning less than 2 state pensions per month with access to free basic services	% of households earning less than 2 state pensions per month with access to free basic services	1 annual report on % of households earning less than 2 state pensions per month with access to free basic services <i>39% of households earning less than 2 state pension fund per month with access to free basic services was achieved.</i>	1 annual report on % of households earning less than 2 state pensions per month with access to free basic service	1 annual report on % of households earning less than 2 state pensions per month with access to free basic service	1 annual report on % of households earning less than 2 state pensions per month with access to free basic service	1 annual report on % of households earning less than 2 state pensions per month with access to free basic service
ELECTRICITY AND STREET LIGHTING BSD-10	Electrical losses	% of electricity losses reduced to national norm of 8 %	Decrease in electrical losses	To maintain the existing electrical infrastructure through replacement of outdated equipment and installation of new equipment to reduce losses and ensure compliance	% of electricity losses reduced to national norm of 8 %	Reduce electricity losses by 6%. <i>The reduction of electricity losses by 6% has not been achieved. Losses reduced by 3,44%.</i>	Reduce electricity losses by %.	Reduce electricity losses by %.	Reduce electricity losses by %.	Reduce electricity losses by %.

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
OFFICE SPACE BDS11	Household connections	Increase in % of households with access to electricity	To increase household access to electricity	To maintain the existing electrical infrastructure through replacement of outdated equipment and installation of new equipment to reduce losses and ensure compliance	1 Annual Report on the percentage of households with access to basic level of electricity.	85% of h/holds connected <i>84.1% connected</i>	% reduction in electrical backlog	% reduction in electrical backlog	% reduction in electrical backlog	% reduction in electrical backlog
	Building and maintenance of institutional buildings			To provide office space and parking by building new offices and renovating existing buildings						
<b>KPA 2: LOCAL ECONOMIC DEVELOPMENT</b>										
LED 01	LED	Growth of the economy	Implementing the LED and tourism strategy	To grow the local economy by 3 % To attract 2 main investments by 2027	Tourism and Led strategy implementation	Annual implementation <i>Annual implementation plan adopted</i>	Annual implementation	Annual implementation	Annual implementation	Annual implementation

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
		Employment	Increase employment	Number of jobs created through the LED initiatives including capital projects annually	To increase employment by X% by 2027	Annual reports <i>An average of 290 jobs were created during the 2022/2023 financial year</i>	Annual reports	Annual reports	Annual reports	Annual reports
				% of the municipal infrastructure capital projects in excess of R6 million, allocated to SMME's through sub contracting annually		Target Exceeded . 30.7% of the municipal infrastructure capital projects in excess of R6 million, were allocated to SMME's through sub contracting.				
<b>KPA 3: LOCAL MUNICIPAL FINANCIAL MANAGEMENT &amp; VIABILITY</b>										

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
SUPPLY CHAIN MANAGEMENT (ADMINISTRATION AND REPORTING) - MFMV01	Supply chain	Procu- re- ment	To increase procurement turnaround times	To implement the procurement plan	Percentage of the Implementation of the Municipal Institutional Procurement Plan on monthly basis	Monthly reports  <i>Monthly reports</i>	Monthly reports	Monthly reports	Monthly reports	Monthly reports
ASSET MANAGEMENT - MFMV02	Asset Managem- ent	Asset Manage- ment	Monitoring of Municipal Assets through regular asset checks and reporting	To ensure monitoring of Municipal Assets per Department through regular asset checks and reporting	Perform the Annual Asset Count by June	Annual Asset Count report <i>1 Annual Asset Count Performed</i>	Annual Asset Count report	Annual Asset Count report	Annual Asset Count report	Annual Asset Count report

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target					
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	
FINANCIAL MANAGEMENT - MFMV03	Report on Financial viability as expressed by the ratios in the gazette by June 2022	Financial ratios	To ensure financial viability	Report on financial ratios	Annual Report on Financial viability as expressed by the ratios in the gazette by June	Annual Report on Financial viability as expressed by the ratios in the gazette by June  <i>Target Met . 1 Annual Report on Ratios was prepared and submitted to the Finance Standing Committee and Provincial Treasury.</i>	Annual Report on Financial viability as expressed by the ratios in the gazette by June	Annual Report on Financial viability as expressed by the ratios in the gazette by June	Annual Report on Financial viability as expressed by the ratios in the gazette by June	Annual Report on Financial viability as expressed by the ratios in the gazette by June	Annual Report on Financial viability as expressed by the ratios in the gazette by June
FINANCIAL MANAGEMENT - MFMV03	Valuations	Valuation rolls	Enhancing revenue	Expansion of Municipal Rates Base	Development of a 5 year valuation roll with supplementary rolls	1 Annual Supplementary Valuation Roll compiled  <i>Target Not Met . The Annual Supplementary Valuation roll was not compiled.</i>	Development of a 5 year valuation roll  <i>Tender advertised</i>	Supplementary rolls	Supplementary rolls	Supplementary rolls	Supplementary rolls

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
	Billing	Billing	Enhancing revenue	To expand and protect the municipal revenue base by providing accurate bills for services rendered	100% Correct billing of consumers with a 2% variance factor	100% correct billing of consumers with a 2 % variance factor  <i>Target Met , Billing was 100%. The billing processes was performed based on actual readings no estimations were performed, the exception reports were performed and verified to ensure that no interim billing were performed.</i>	100% Correct billing of consumers with a 2% variance factor	100% Correct billing of consumers with a 2% variance factor	100% Correct billing of consumers with a 2% variance factor	100% Correct billing of consumers with a 2% variance factor



Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
FINANCIAL MANAGEMENT - MFMV03	Revenue collection	Revenue collection	Ensuring Long Term Financial Sustainability	To expand and protect the municipal revenue base by providing accurate bills for services rendered and collecting monies due to the municipality through the implementation of credit control mechanisms	4 Quarterly Reports on the actual collected revenue rate	4 Quarterly Reports on the actual collected revenue rate  <i>Target Met. The quarterly reports on the actual revenue collected were submitted to the standing committee.</i>	4 Quarterly Reports on the actual collected revenue rate	4 Quarterly Reports on the actual collected revenue rate	4 Quarterly Reports on the actual collected revenue rate	4 Quarterly Reports on the actual collected revenue rate
	Unauthorised, irregular, fruitless and wasteful expenditure	Expenditure	To decrease Unauthorised, Irregular, Fruitless and Wasteful expenditure	Increased financial viability	Reporting of Unauthorised, Irregular, Fruitless and Wasteful expenditure and Minor Breaches by June	Reporting of Unauthorised, Irregular, Fruitless and Wasteful expenditure and Minor Breaches by June  <i>Target Met. The quarterly reports on the UIFW Expenditure and minor breaches were</i>	Reporting of Unauthorised, Irregular, Fruitless and Wasteful expenditure and Minor Breaches by June	Reporting of Unauthorised, Irregular, Fruitless and Wasteful expenditure and Minor Breaches by June	Reporting of Unauthorised, Irregular, Fruitless and Wasteful expenditure and Minor Breaches by June	Reporting of Unauthorised, Irregular, Fruitless and Wasteful expenditure and Minor Breaches by June

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
						<i>submitted to the standing committee.</i>				
FINANCIAL MANAGEMENT - MFMV03	AFS		To ensure good governance	Good governance	Compilation and submission of Legislatively Compliant AFS by 31 August	Compilation and submission of Legislatively Compliant AFS by 31 August  <i>Target Met . Compilation and submission of Legislatively Compliant AFS by 31 August 2022.</i>	Compilation and submission of Legislatively Compliant AFS by 31 August	Compilation and submission of Legislatively Compliant AFS by 31 August	Compilation and submission of Legislatively Compliant AFS by 31 August	Compilation and submission of Legislatively Compliant AFS by 31 August
	OPEX		To increase OPEX spending	Report on the % of operational budget actually spent with a variance of 5% by June	Report on 100 % Expenditure of the Operational Budget by the end of the financial year	<i>Target Not Met . The municipality managed to spend 87% of its operational budget.</i>	Report on 100 % Expenditure of the Operational Budget by the end of the financial year	Report on 100 % Expenditure of the Operational Budget by the end of the financial year	Report on 100 % Expenditure of the Operational Budget by the end of the financial year	Report on 100 % Expenditure of the Operational Budget by the end of the financial year

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
FINANCIAL MANAGEMENT - MF-MV03	CAPEX Expenditure	Expenditure	To enhance CAPEX expenditure	Report on % Capital budget actually spent with a variance of 5% by June	Report on 100% Expenditure of the Capital Budget	Report on 100% Expenditure of the Capital Budget  <i>Target Not Met . The municipality managed to spend 46% of its capital budget.</i>	Report on 100% Expenditure of the Capital Budget	Report on 100% Expenditure of the Capital Budget	Report on 100% Expenditure of the Capital Budget	Report on 100% Expenditure of the Capital Budget
	Conditional grant expenditure		To enhance Grant expenditure	Report on % of Conditional grants received actually spent by June	12 Reports on 100% Expenditure on Conditional grants received	12 Reports on 100% Expenditure on Conditional grants received  <i>Target Not Met . The municipality managed to spend 79% of its conditional grant budget.</i>	12 Reports on 100% Expenditure on Conditional grants received	12 Reports on 100% Expenditure on Conditional grants received	12 Reports on 100% Expenditure on Conditional grants received	12 Reports on 100% Expenditure on Conditional grants received

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
<b>BUDGET COMPIATION - MFMV04</b>	Budgeting / Financial Management	Budgeting	To ensure that budgets are developed and reported on as per Treasury timeframes	Compliant, Sustainable and Responsive Budgeting & Financial Management	Compliance with the MFMA and MSA requirements regarding the adjustment budget and annual budget development and submission requirements	Compliance with the MFMA and MSA requirements regarding the adjustment budget and annual budget development and submission requirements  <i>Target Met. The budget was approved by Council on 31 May 2023.</i>	Compliance with the MFMA and MSA requirements regarding the adjustment budget and annual budget development and submission requirements	Compliance with the MFMA and MSA requirements regarding the adjustment budget and annual budget development and submission requirements	Compliance with the MFMA and MSA requirements regarding the adjustment budget and annual budget development and submission requirements	Compliance with the MFMA and MSA requirements regarding the adjustment budget and annual budget development and submission requirements
<b>REPORTING - MFMV05</b>	Compliance with Treasury timeframes	Compliance	Compliance	Development and submission of S 71, S 52d and S 72 as per Treasury deadlines	Development and submission of S 71, S 52d and S 72 as per Treasury deadlines	Development and submission of S 71, S 52d and S 72 as per Treasury deadlines  <i>Target Met. 12 Monthly reports on s71 were developed and submitted to Treasury.</i>	Development and submission of S 71, S 52d and S 72 as per Treasury deadlines	Development and submission of S 71, S 52d and S 72 as per Treasury deadlines	Development and submission of S 71, S 52d and S 72 as per Treasury deadlines	Development and submission of S 71, S 52d and S 72 as per Treasury deadlines

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
IT - MFMV06	ICT	ICT Security	To improve network security	"To ensure a continually secure, effective and efficient ICT service through implementation of ICT policies and plans and upgrading of ICT equipment"	No of breeches reported per quarter	No of breeches reported per quarter	No of breeches reported per quarter	No of breeches reported per quarter	No of breeches reported per quarter	No of breeches reported per quarter
<b>KPA 4: MUNICIPAL TRANSFORMATION &amp; INSTITUTIONAL DEVELOPMENT</b>										
SKILLS DEVELOPMENT - MTID01	Skills development	Skills development	To submit the skills plan and annual training report as legislated	To ensure implementation of the annually developed WSDP	Report on the % of a municipality's budget actually spent on implementing its workplace skills plan by June	Report on the % of a municipality's budget actually spent on implementing its workplace skills plan by June  <i>Target Met . 44,11% spent during the FY under review.</i>	Report on the % of a municipality's budget actually spent on implementing its workplace skills plan by June	Report on the % of a municipality's budget actually spent on implementing its workplace skills plan by June	Report on the % of a municipality's budget actually spent on implementing its workplace skills plan by June	Report on the % of a municipality's budget actually spent on implementing its workplace skills plan by June

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
EMPLOYMENT EQUITY - MTTD02	Recruitment and selection	Employment equity	To ensure that employment equity goals are met	To ensure that the EE plan is implemented	Report on number of people from employer equity target groups employed in the 3 highest levels of organogram in compliance with a municipal approved employment equity plan by June	Report on number of people from employer equity target groups employed in the 3 highest levels of organogram in compliance with a municipal approved employment equity plan by June  <i>Target Met. 12 people were employed from the employment equity group in the 3 highest levels of organogram in compliance with a municipal approved employment equity plan</i>	Report on number of people from employer equity target groups employed in the 3 highest levels of organogram in compliance with a municipal approved employment equity plan by June	Report on number of people from employer equity target groups employed in the 3 highest levels of organogram in compliance with a municipal approved employment equity plan by June	Report on number of people from employer equity target groups employed in the 3 highest levels of organogram in compliance with a municipal approved employment equity plan by June	Report on number of people from employer equity target groups employed in the 3 highest levels of organogram in compliance with a municipal approved employment equity plan by June

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
RECRUITMENT, SELECTION AND EMPLOYEE MANAGEMENT - MTID03	Organogram	Organogram	To develop and implement an appropriate organisational structure	To ensure that the Municipality has the capacity to implement its programmes and plans	Implementation and reviewal of the Institutional Organogram by June	Implementation and reviewal of the Institutional Organogram by June  <i>Target Met . The organogram was reviewed and approved by council on 31 May 2023.</i>	Implementation and reviewal of the Institutional Organogram by June	Implementation and reviewal of the Institutional Organogram by June	Implementation and reviewal of the Institutional Organogram by June	Implementation and reviewal of the Institutional Organogram by June
OCCUPATIONAL HEALTH AND SAFETY - MTID05	OHS	OHS Plan	To ensure a safe working environment	To ensure that all Senqu buildings and staff adhere to and implement OHS legislation	% of OHS resolutions implemented annually	% of OHS resolutions implemented annually  <i>Target exceeded. 80% of the OHS resolutions were tracked and implemented. The target exceeded by 10%</i>	% of OHS resolutions implemented annually	% of OHS resolutions implemented annually	% of OHS resolutions implemented annually	% of OHS resolutions implemented annually

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
MTID 06 LOCAL LABOUR FORUM -	Labour relations	LLF functionality	To improve relations between the employer and employee	To ensure implementation of LLF resolutions	Percentage (70%) of tracked LLF resolutions resolved	Percentage (70%) of tracked LLF resolutions resolved  <i>Target Met .Labour achieved 100%</i>	Percentage (70%) of tracked LLF resolutions resolved	Percentage (70%) of tracked LLF resolutions resolved	Percentage (70%) of tracked LLF resolutions resolved	Percentage (70%) of tracked LLF resolutions resolved
PERFORMANCE MANAGEMENT AND REPORTING - MTID 07	PMS	Performance management	To increase the performance of staff and management	To monitor and evaluate the performance of staff and management on an annual basis	Signing of Performance Agreements by the Municipal Manager and all Section 56 Managers by September annually	Signing of Performance Agreements by the Municipal Manager and all Section 56 Managers by September  <i>Target Met . All 6 Performance Agreements were signed and submitted to COGTA on the 5th of Sept 2022</i>	Signing of Performance Agreements by the Municipal Manager and all Section 56 Managers by September	Signing of Performance Agreements by the Municipal Manager and all Section 56 Managers by September	Signing of Performance Agreements by the Municipal Manager and all Section 56 Managers by September	Signing of Performance Agreements by the Municipal Manager and all Section 56 Managers by September
					Signing of Performance agreements by the Managers with their respective Directors by September annually	Signing of Performance agreements by the Managers with their respective Directors by September annually	Signing of Performance agreements by the Managers with their respective Directors by September annually	Signing of Performance agreements by the Managers with their respective Directors by September annually	Signing of Performance agreements by the Managers with their respective Directors by September annually	



Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
						<i>Target Met . Submissions were made by only 8 managers.</i>				
PERFORMANCE MANAGEMENT AND REPORTING - MTID 07	PMS	Performance management	To increase the performance of staff and management	To monitor and evaluate the performance of staff and management on an annual basis	Compilation of the Annual Performance Report and annual report (s46) by August	Compilation of the Annual Performance Report and annual report (s46) by August  <i>Target Met . The report was developed and submitted to AG on 31 AUGUST 2022</i>	Compilation of the Annual Performance Report and annual report (s46) by August	Compilation of the Annual Performance Report and annual report (s46) by August	Compilation of the Annual Performance Report and annual report (s46) by August	Compilation of the Annual Performance Report and annual report (s46) by August
					Development and Tabling of the Service Delivery and Budget Implementation Plan by June	Development and Tabling of the Service Delivery and Budget Implementation Plan by June  <i>Target Met . The SDBIP was approved by the Mayor on 28 June 2023</i>	Development and Tabling of the Service Delivery and Budget Implementation Plan by June	Development and Tabling of the Service Delivery and Budget Implementation Plan by June	Development and Tabling of the Service Delivery and Budget Implementation Plan by June	Development and Tabling of the Service Delivery and Budget Implementation Plan by June

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
INTEGRATED DEVELOPMENT PLANNING - MTID 09	IDP	IDP	To ensure participatory integrated planning and budgeting	To ensure participatory integrated planning and budgeting	Reviewal of the new 5 year IDP for 2022/27 by June	Reviewal of the new 5 year IDP for 2022/27 by June  <i>Target Met. The IDP was approved by Council in May 2022.</i>	Reviewal of the new 5 year IDP for 2022/27 by June  <i>Target Met. The IDP was reviewed and approved by Council on 31 May 2023.</i>	Reviewal of the new 5 year IDP for 2022/27 by June	Reviewal of the new 5 year IDP for 2022/27 by June	Reviewal of the new 5 year IDP for 2022/27 by June
<b>KPA 5: PUBLIC PARTICIPATION &amp; GOOD GOVERNANCE</b>										
RISK AND FRAUD PREVENTION GGPP01	Risk and Fraud prevention	Risk and Fraud prevention	To decrease incidents of fraud and risk	Implementation of risk management and fraud prevention plans	Implementation of Risk management Committee Resolution by June	Implementation of Risk management Committee Resolution by June  <i>Target not Met. 75% has been implemented, 25% not implemented.</i>	Implementation of Risk management Committee Resolution by June	Implementation of Risk management Committee Resolution by June	Implementation of Risk management Committee Resolution by June	Implementation of Risk management Committee Resolution by June
					Develop a Conflict of Interests Declaration Register for staff and Councillors by June	Develop a Conflict of Interests Declaration Register for staff and Councillors by June  <i>Target Met. The Development of</i>	Develop a Conflict of Interests Declaration Register for staff and Councillors by June	Develop a Conflict of Interests Declaration Register for staff and Councillors by June	Develop a Conflict of Interests Declaration Register for staff and Councillors by June	Develop a Conflict of Interests Declaration Register for staff and Councillors by June

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
						<i>the Conflict of Interest Register has been developed.</i>				
<b>COMPLIANCE GGPP02</b>	Compliance	Compliance	To decrease non-compliance incidents	Implementation of the compliance register	Implementation of the Compliance Register by June	Implementation of the Compliance Register by June  <i>Target Met. 100% implementation has been achieved.</i>	Implementation of the Compliance Register by June	Implementation of the Compliance Register by June	Implementation of the Compliance Register by June	Implementation of the Compliance Register by June
<b>OVERSIGHT - GGPP03</b>	Oversight	Audit committee	To increase compliance	Increase in compliance	Implementation of the Audit Committee Resolutions by June	Implementation of the Audit Committee Resolutions by June  <i>Target Met. 100% tracked resolutions implemented.</i>	Implementation of the Audit Committee Resolutions by June	Implementation of the Audit Committee Resolutions by June	Implementation of the Audit Committee Resolutions by June	Implementation of the Audit Committee Resolutions by June
		MPAC			Implementation of the Municipal Public Accounts Committee Resolutions by June	Implementation of the Municipal Public Accounts Committee Resolutions by June  <i>Target Met.</i>	Implementation of the Municipal Public Accounts Committee Resolutions by June	Implementation of the Municipal Public Accounts Committee Resolutions by June	Implementation of the Municipal Public Accounts Committee Resolutions by June	Implementation of the Municipal Public Accounts Committee Resolutions by June

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
						<i>100% of tracked MPAC resolutions implemented was achieved.</i>				
		Exco			Number of Council/Exco/ Management resolutions tracked by June	Number of Council/Exco/ Management resolutions tracked by June  <i>Target Met . All Exco Resolutions were tracked and reports developed.</i>	Number of Council/Exco/ Management resolutions tracked by June	Number of Council/Exco/ Management resolutions tracked by June	Number of Council/Exco/ Management resolutions tracked by June	Number of Council/Exco/ Management resolutions tracked by June
		SEM			Implementation of the Senior Executive Management Resolutions by June	Implementation of the Senior Executive Management Resolutions by June  <i>57 resolutions taken and 48 implemented. 84% of resolutions implemented</i>	Implementation of the Senior Executive Management Resolutions by June	Implementation of the Senior Executive Management Resolutions by June	Implementation of the Senior Executive Management Resolutions by June	Implementation of the Senior Executive Management Resolutions by June
NS, MARKETING, CUSTOMER CARE & PUBLIC PARTICIPATION	Public participation	Wards	To ensure effective functioning of public participation	To ensure that the public are involved in municipal	Number of Ward Committee engagements/ interactions/support by June	Number of Ward Committee engagements/ interactions/sup	Number of Ward Committee engagements/ interactions/support by June	Number of Ward Committee engagements/ interactions/suppor t by June	Number of Ward Committee engagements/ interactions/sup port by June	Number of Ward Committee engagements/ interactions/sup

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
			structures	planning		port by June  <i>Target Met. 4 Quarterly reports were submitted</i>				port by June
		Mayoral engagements			% tracking of municipal war room resolutions	% tracking of municipal war room resolutions	% tracking of municipal war room resolutions	% tracking of municipal war room resolutions	% tracking of municipal war room resolutions	% tracking of municipal war room resolutions
	Customer complaints	Complaint system	To ensure that service delivery issues are attended too	To improve service delivery	Percentage of issues resolved from the Municipal Customer Care Complaints register and Presidential Hotline within 7 days by June	Percentage of issues resolved from the Municipal Customer Care Complaints register and Presidential Hotline within 7 days by June  <i>Target Met.100% of issues disseminated from the Municipal Customer Care Complaints register within 3 days was achieved.</i>	Percentage of issues resolved from the Municipal Customer Care Complaints register and Presidential Hotline within 7 days by June	Percentage of issues resolved from the Municipal Customer Care Complaints register and Presidential Hotline within 7 days by June	Percentage of issues resolved from the Municipal Customer Care Complaints register and Presidential Hotline within 7 days by June	Percentage of issues resolved from the Municipal Customer Care Complaints register and Presidential Hotline within 7 days by June

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
MAINSTREAMING - GGPP05	Communication	Communication	To deepen democracy	To increase public involvement in municipal affairs	Implementation of the communication strategy	Implementation of the communication strategy  <i>Target Not Met. No evidence of 62 targets set of which 8 was not implemented. 87% implemented was provided</i>	Implementation of the communication strategy	Implementation of the communication strategy	Implementation of the communication strategy	Implementation of the communication strategy
	HIV/Aids	HIV/Aids	To mainstream HIV/Aids into all municipal programmes	To mainstream HIV/Aids into all municipal programmes	Implementation of the HIV/Aids Strategy and plan by June	Implementation of the HIV/Aids Strategy and plan by June  <i>Target Met. 100% Approval of the implementation plan and 4 reports on the Implementation of the HIV/Aids Strategy and plan by June 2023 was achieved.</i>	Implementation of the HIV/Aids Strategy and plan by June	Implementation of the HIV/Aids Strategy and plan by June	Implementation of the HIV/Aids Strategy and plan by June	Implementation of the HIV/Aids Strategy and plan by June

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
	SPU	SPU	To mainstream SPU	Mainstream SPU	Implementation of the SPU Activity Plan by June	Implementation of the SPU Activity Plan by June  <i>Target Met. The implementation of the SPU Activity Plan was approved by the Council on the 31 May 2023.</i>	Implementation of the SPU Activity Plan by June	Implementation of the SPU Activity Plan by June	Implementation of the SPU Activity Plan by June	Implementation of the SPU Activity Plan by June
<b>KPA 6: SPATIAL RATIONALE AND ENVIRONMENTAL MANAGEMENT</b>										
<b>E&amp;SM 01 Environment</b>	Environment	Protection of assets	To ensure the protection of natural assets	Protection of natural resources programme	Drafting of environmental management framework		Development of Environmental Management framework  <i>Tender issued</i>	Implementation of the framework	Implementation of the framework	Implementation of the framework
<b>E&amp;SM 02 Spatial Planning</b>	Settlement Development	Ensure sustainable human settlements	Develop and maintain urban areas to attract investors and residents	To develop and maintain urban centres to attract and keep investors to the municipality	Implementation of a credible and SPLUMA compliant SDF	Develop an SDF  <i>Target Met. Senqu Spatial Development framework was adopted by Council on the 17th January 2023.</i>	Implement SDF (Rhodes Urban Design Framework)	Implement SDF (Flood line assessment study for Lady Grey)	Implement SDF (Development of Neighbourhood nodes)	Implement SDF

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
			Develop and maintain urban areas to attract investors and residents	To develop and maintain urban centres to attract and keep investors to the municipality	Formalised settlements and providing access to land	Township Establishment for Lady Grey settlement  <i>Target Not Met . Submission of application to the Municipal Planning Tribunal was not done</i>	Formalisation of Mountainview and Zwelitsha	Formalisation of Mountainview and Zwelitsha	Formalisation of Mountainview and Zwelitsha	
			Develop and maintain urban areas to attract investors and residents	To develop and maintain urban centres to attract and keep investors to the municipality	Expansion of the Sterkspruit town	Consultations with Traditional leaders, DALRRD and community members  <i>Target Not Met . The MOU between the Municipality and the Tribal Authorities has not been signed</i>	Formalisation of villages (Professional studies and Town planning applications)	Formalisation of villages (Professional studies and Town planning applications)	Formalisation of villages (Professional studies and Town planning applications)	



Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target					
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	
			Develop and maintain urban areas to attract investors and residents	To develop and maintain urban centres to attract and keep investors to the municipality	Preservation of agricultural land	Densification of residential areas in Lady Grey and Barkly East through SDF					
<b>E&amp;SM 03 Planning Tribunal</b>	Land tribunal	To ensure compliance with legislation	Develop and maintain urban areas to attract investors and residents	To develop and maintain urban centres to attract and keep investors to the municipality	Efficiency in approving land development applications	Call for nominations for tribunal members  <i>Target Not Met . Notice of withdrawal from the District was not done</i>	Establishment single tribunal	Operational MPT	Operational MPT	Operational MPT	
<b>E&amp;SM 04 Property management</b>	Property management	Property management	Develop and maintain urban areas to attract investors and residents	To develop and maintain urban centres to attract and keep investors to the municipality	Revenue generation through proper management of investment properties	Finalisation of the transfer of public works properties to enhance the Investment properties portfolio  <i>Target Not Met . The facilitation of the transfer of public works and rural Development</i>	A defined investment properties portfolio with clear properties register.	Draw up lease agreements for all investment properties	Managing lease agreements	Managing lease agreements	

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
						properties has not taken place.				
	SPLUMA	SPLUM A	Develop and maintain urban areas to attract investors and residents	To develop and maintain urban centres to attract and keep investors to the municipality	Efficient and enforceable SPLUMA Bylaw	Research and consultations with the JGDM	Develop service charges (tariffs)			
<b>E &amp; SM 05 Land use</b>	SPLUMA	SPLUM A	Develop and maintain urban areas to attract investors and residents	To develop and maintain urban centres to attract and keep investors to the municipality	SPLUMA compliance	Process land use applications through MPT and AO as per SPLUM Bylaw timeframes	Process land use applications through MPT and AO as per SPLUM Bylaw timeframes	Process land use applications through MPT and AO as per SPLUM Bylaw timeframes	Process land use applications through MPT and AO as per SPLUM Bylaw timeframes	Process land use applications through MPT and AO as per SPLUM Bylaw timeframes
<b>E&amp; SM 06 GIS</b>	GIS	GIS	Develop and maintain urban areas to attract investors and residents	To develop and maintain urban centres to attract and keep investors to the municipality	Integrated GIS for the effectiveness of the municipality		Development of an integrated system	Training on GIS	Maintenance of GIS	Maintenance of GIS

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022-2023	2023-2024	2024-2025	2025-2026	2026-2027
HOUSING	Housing	Title deed transfer	To improve access to secure land tenure	Improved land tenure	Develop and maintain urban areas to attract investors and residents	To develop and maintain urban centres to attract and keep investors to the municipality  <i>Target Met. All 4 quarterly reports were submitted to the standing committee.</i>  <i>Target Not Met . Pre-conveyancing applications for Lady Grey and Herchel was not done.</i>	Provide title deeds for areas with outstanding title deeds		Amendment of general plans	Conveyancing

## 9. DRAFT MUNICIPAL CAPITAL PROJECTS

PROJECT DESCRIPTION	Original Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
		95,800,509.05	85,672,680.80
CAPEX_New_Hiking and Biker trails	-	-	177,791.95
CAPEX_Change Rooms - LG	800,000.00	724,166.01	-
Information and Knowledge Hub including Customer Care	700,000.00	633,645.25	-

PROJECT DESCRIPTION	Original Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
	95,800,509.05	85,672,680.80	95,414,349.65
CAPEX_New_Call Centre	-	-	222,239.94
CAPEX_New_Call Centre	-	-	222,239.94
CAPEX_New_Office furniture	123,500.00	111,793.13	88,895.97
CAPEX_New_Screening Devices	75,000.00	67,890.56	-
CAPEX_New_Biometric Clocking System	500,000.00	452,603.75	-
CAPEX_New_Integrated Fire Services Phase 2	500,000.00	452,603.75	-
CAPEX_Renew_Renovation of the Mayoral House	1,200,000.00	1,086,249.01	-
CAPEX_Renew_Renovation of the MM's House	1,200,000.00	1,086,249.01	-
CAPEX_New_Power Backup System	4,000,000.00	3,620,830.03	-
CAPEX_Integrated Security	800,000.00	724,166.01	711,167.79
CAPEX_New_Computers - software & programming	714,000.00	646,318.16	190,415.18
CAPEX_New_Furniture & Office Equipment	273,892.50	247,929.55	121,739.70
CAPEX_New_FLEET VEHICLES	3,753,366.00	3,397,575.08	2,666,879.23
CAPEX_New_Laptops & IT Equipment	1,260,000.00	1,140,561.46	560,044.64
CAPEX_New_Driving Licence and Testing Centre Sterkspruit	5,000,000.00	4,526,037.53	11,200,892.75
CAPEX_New_Driving Licence and Testing Centre Sterkspruit	13,974,179.33	-	-
CAPEX_New_Backup generator/Solar	500,000.00	452,603.75	-
CAPEX_NEW_Lining, fencing and upgrading of primary storm water channel through Khwezi Naledi and upgrade of two motor bridges.	3,444,424.36	3,117,918.78	-
CAPEX_NEW_Lining, fencing and upgrading of primary storm water channel through Khwezi Naledi and upgrade of two motor bridges.	2,200,000.00	22,034,395.55	-

PROJECT DESCRIPTION	Original Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
	95,800,509.05	85,672,680.80	95,414,349.65
CAPEX_NEW_Resurface of existing paved roads (asphalt) & upgrade of storm water in Barkly East	-	-	537,642.85
CAPEX_New_Office Furniture	215,250.00	194,845.92	200,916.01
CAPEX_Construction of interlock paved streets in Khewzi Naledi (Steve Tswete) W 14	3,212,717.50	2,908,176.00	13,334,396.14
CAPEX_Construction of interlock paved streets in Khewzi Naledi (Steve Tswete) W 14	12,196,173.00	-	-
CAPEX_New_New Rest Construction - Paving	-	16,684,299.45	23,918,130.00
CAPEX_New_Tienbank_Access to Property (180 Properties)	135,000.00	122,203.01	420,033.48
CAPEX_New_Construction of a pedestrian bridge between Esilindini and Frans (W12)	650,000.00	588,384.88	4,444,798.71
CAPEX_New_Completion of paved roads in Tienbank 2,2km	-	-	444,479.87
CAPEX_New_Essential tools	68,250.00	61,780.41	63,705.08
CAPEX_New_Pre-Paid Electricity Meters	2,315,000.00	2,095,555.38	2,666,879.23
CAPEX_New_DOE Projects - Electrification of Households at Mountain View Ward 10	1,839,130.43	2,869,565.22	4,331,304.35
Ward 14 Reroute of LV Overhead Line with Street Lights for Lulama Location	-	-	444,479.87
Auto reclosers and metering Transformers.	800,000.00	724,166.01	-
Commissioning and installation of breaker	850,000.00	769,426.38	-
Capex_New_Herschel Community Hall	1,900,000.00	1,719,894.26	-
Capex_New_Herschel Community Hall	4,800,000.00	-	-
CAPEX_New_Ride on mowers	200,000.00	181,041.50	177,791.95
CAPEX_Fencing of existing cemeteries at Joveleni, Hinana and Voyizana	900,000.00	814,686.76	-
Lady Grey and Herschel Cemetery Layout Plans (EIA) (W13 & 14)	1,000,000.00	905,207.51	8,000,637.68

PROJECT DESCRIPTION	Original Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
	95,800,509.05	85,672,680.80	95,414,349.65
Barkly East & Lady Grey Boundary Fence	408,000.00	369,324.66	-
Construction of Lady Grey Animal Pound	400,000.00	362,083.00	-
CAPEX_Upgrade_Animal Holding Facilities	200,000.00	181,041.50	711,167.79
CAPEX_Construction of Blue-Gums Sportsfield	12,090,125.93	-	-
CAPEX_Construction of Blue-Gums Sportsfield	4,120,000.00	3,729,454.93	-
CAPEX_Upgrading of Rhodes Sportsfield	-	-	177,791.95
CAPEX_New_Furniture & Office Equipment	52,500.00	47,523.39	-
CAPEX_Solid Waste Site - Sterkspruit	-	-	18,000,000.00
CAPEX_Solid Waste Site - Sterkspruit	2,000,000.00	1,810,415.01	1,200,095.65
CAPEX_New_Receptacles	200,000.00	181,041.50	177,791.95
CAPEX_Construction of Transfer Station in Rhodes	3,000,000.00	2,715,622.52	-
CAPEX_New_Weedeaters	350,000.00	316,822.63	-
CAPEX_New_Chainsaw	350,000.00	316,822.63	-
Traffic Equipment (VTS Cameras)	530,000.00	479,759.98	-

## 10.Sector Departments Projects

### DEPARTMENT OF HEALTH

#### PROJECTS UNDER CONSTRUCTION

#### Joe Gqabi District - Security and Fencing Program

The department initiated a project that seeks to address security issues within the Health Facilities throughout the province. The facilities identified to receive upgrades includes Sonwabile, Macacuma, Masibulele, Robert Mjobe, Sonwabile Zandile, Sterkspruit Town and Empilisweni Hospital will also receive security upgrades under this program. The upgrade of security services is projected to be completed by end of March 2024 in all facilities.

The Clean-up maintenance program in the Joe Gqabi district, involves painting, plumbing and carpentry to various facilities at a cost of R 10 million. The scope of work will focus on kitchens and laundries at hospitals to ensure compliant buildings in terms of Health practitioner regulations. The facilities identified to receive upgrades includes Cloete Joubert, Empilisweni, Umlamli hospitals. The LSA district offices and St. Michaels clinic will also receive refurbishments under this program.

#### PROJECTS IN PROCUREMENT

Upgrade and additions at Lady Grey Hospital at a cost of R43,365,055.72.

- Site handover for construction is anticipated by August 2024.

#### PROJECT UNDER PLANNING

Consultants have been appointed for the Additions and Upgrades to Ndofela Clinic at a total cost of R 60 million. The project is currently in FIDPM stage 2 "Concept Stage and Design Development stage. The anticipated site hand-over is expected in the 4<sup>th</sup> Quarter of the 2024/25 FY.

Staff accommodation for doctors and health professional accommodation at Empilisweni Hospital has been initiated and is at concept stage. The scope of the work includes refurbishment of the dilapidated Nurses Home into six (6) doctor suites and reconfiguration of the Covid Ward into staff accommodation, as a short-term solution at an estimated cost of R5 Million. The anticipated site hand-over is expected in the 4<sup>th</sup> Quarter of the 2024/25 FY.

Consultants have been appointed for 72-hour Psychiatric observation wards in the Joe Gqabi District at Empilisweni, Taylor Bequest Mount Fletcher and Aliwal North Hospitals and assessments are underway.

#### HEALTH TECHNOLOGY MANAGEMENT

Installation of a new X- Ray machine and at Umlamli hospital. Practical completion was achieved in February 2023.

### **DEPARTMENT OF RURAL DEVELOPMENT & AGRARIAN REFORM**

Infrastructure Projects 2024-2025

- Rockcliff multipurpose shed
- Mguli Animal handling
- Spambo multi-purpose shed

CASP 2025-2026

- Hillside multi-purpose shed
- Skisazana Large animal handling facility
- Tapoleng multi-purpose shed
- Qhimirha Multi-purpose shed
- Senqu stock dams( dam scooping)
- Makhumsha animal handling facility
- Ngquba animal handling facility
- Senqu custom feeding
- Vukani Mangwe

## DEPARTMENT OF EDUCATION

PROJECT NAME	DESCRIPTION	LOCATION VILLAGE	APPROVED BUDGET	FINISH DATE	STATUS
RHODES SPS	ADDITIONS, REPAIRS & UPGRADE	RHODES	R 7 520 388.67	08 Dec 23	Average percent of work on site is 67%. Contractor on site.
BLIKANA SSS (Safe programme)	SANITATION (TMT)	MKUNYAZO	R 4 342 704.04	13 Nov 2023	90% progress on site. The contractor is finishing external works.
HILLSIDE JSS (Safe programme)	SANITATION (TMT)	HILLSIDE	R 4 605 893. 16	13 Nov 2023	Practical Completion.
JONAS GODUKA SSS (Safe programme)	SANITATION (TMT)	HILLSIDE	R 6 584 150.00	25 Aug 23	90% progress on site. The contractor is finishing external works.



PROJECT NAME	DESTRPTION	LOCATION VILLAGE	APPROVED BUDGET	FINISH DATE	STATUS
MKUNYAZO SPS (Safe programme)	SANITATION (TMT)	MKUNYAZO	R 4 972 151.20	01 Nov 2023	85% progress on site. The contractor is finishing minor woks.
ZINGXENGELE JSS (Safe programme)	SANITATION (TMT)	PHELANDABA	R 3 120 710.08	21 Nov 23	Practical Completion.
IMPUMELELO SSS (OTP)	PREFABROCATED STRUCTURES	PHELANDABA	-	-	No contractor on site.
NYATHELA SSS	SANITATION (DOE)	MACACUMA	R 701 435.23	30 Nov 23	Practical Completion.
STERKSPRUIT CS	GRADE R	STERKSPRUIT	R 18 362 806.70	30 Jun 2023	Practical Completion.
WALAZA JSS (Safe programme)	SANITATION (TMT)	WALAZA	R 3 553 608.51	8 Sep 2023	Practical Completion.
ERA JSS (Safe programme)	SANITATION (TMT)	MUSONG	R 3 930 491.00	22 Nov 2023	Practical Completion.
KWABO JSS (Safe programme)	SANITATION (TMT)	BEBEZA	R 4 343 000.13	10 Aug 2023	68% progress on site. Contractor is on site.

PROJECT NAME	DESTRPTION	LOCATION VILLAGE	APPROVED BUDGET	FINISH DATE	STATUS
MABELE JSS (Safe programme)	SANITATION	MABELE	R 3 120 710.08	10 Aug 2023	70% progress on site. Contractor is on site.
MPOKI JSS (Safe programme)	SANITATION (TMT)	MUSONG	R 5 063 708.00	22 Nov 2023	Practical Completion.
SITOROMO JSS (Safe programme)	SANITATION (TMT)	PALMIET	R 4 456 140.00	10 Aug 2023	Progress is at 80% Contractor not on site.
TELLE JUNCTION JSS Safe programme	SANITATION (TMT)	QHOBOSHANA	R 3 853 374.00	8 Sep 2023	80% progress on site. Contractor on site.
MAKHUMSHA JSS (CDC)	SANITATION	MAKHUMSHA	R 3 462 639.77	30 May 22	Practical Completion.
MAHEDI JSS	SANITATION, RENOVATIONS	PALMIET	-	30 May 22	The renovations are not completed. The contractor is going to be terminated due to non – compliance.
DIBINKINZO JSS (safe programme)	SANITATION (TMT)	DIBINKINZO	R 4 784 899.88	23 Nov 2023	Practical Completion.
EBENEZER NYATHI SSS	SANITATION (CDC)	BLUE GUMS	R 2 988 083.20	30 Mar 23	Practical Completion.

PROJECT NAME	DESTRPTION	LOCATION VILLAGE	APPROVED BUDGET	FINISH DATE	STATUS
MANXEBA JSS	SANITATION (TMT)	MANXEBA	<b>R 5 299 188.62</b>	23 Nov 2023	Practical Completion.
SKISAZANA JSS	SANITATION (TMT)	SKISAZANA	<b>R 4 337 090.94</b>	19 Oct 2023	60% progress on site. Contractor is on site.
WITTEBERGEN COLLEGE	SANITATION (TMT)	HERSCHEL	<b>R 2 698 865.13</b>	19 Oct 2023	85% progress on site. Project delayed by late payments from TMT.
WITTEBERGEN JSS	SANITATION (TMT)	HERSCHEL	<b>R 3 452 886.20</b>	19 oct 2023	85% progress on site. Contractor on site. . Project delayed by late payments from TMT
NKOPANE JSS	SANITATION	NKOPANE	-	-	Foundations.

## CHAPTER NINE: FINANCIAL PLAN 2023-2027

### 1. Capital & Operating Budget

The five-year financial plan includes an Operating Budget and Capital Investment Programme for the five years ending June 2027.

#### **Budget Assumptions**

The initial budget assumptions that went into the drafting of the financial plan in 2022 have changed completely. At that time, it was assumed that South Africa was coming out of a recession and that economic growth would be low but increase.

The following assumptions were used:

#### **External factors**

South Africa experienced its largest recorded decline in economic output in 2020 due to the strict COVID-19 lockdown. Real GDP contracted by 7.2 per cent in 2020 compared to 0.1 per cent increase in 2019. It is expected to increase by 6.2 per cent in 2021/22 and moderate by an average increase of 1.7 per cent over the 2022/23 MTREF. The National Treasury projects real economic growth of 5.1 per cent in 2021, following an expected contraction of 6.4 per cent in 2020. Real GDP growth is expected to moderate to 1.8 per cent in 2022, 1.6 per cent in 2023 and 1.7 per cent in 2024.

Despite these challenges, the municipality is in a healthy financial position, however, it needs to at least stabilize and further strive to continuously better its financial position, coupled with acceptable levels of service delivery at affordable tariffs. The retention of sufficient cash-backed reserves is critical for the long-term sustainability of the municipality, and to this end the municipality is achieving this objective while also maintaining a balance on the Capital Replacement Reserve to a level where future external funding, excluding grants, be minimized.

#### **General inflation outlook and its impact on the municipal activities**

Headline inflation is expected to remain between 3 to 6 per cent target range. To maximize the value of spending, government needs to contain costs, more especially consumption related spending, exercise prudent and compliant financial management, and eradicate wasteful treatment of public funds and resources.

Standard & Poor's credit rating for South Africa stands at BB- with stable outlook.

#### **Interest rates for borrowing and investment of funds**

The SA Reserve Bank's monetary policy committee (MPC) has increased the repo rate to 7.25%. This brings the prime rate to 10.750%.

The Municipality is limiting its borrowing in order to keep finance charges to the absolute minimum. Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). The Municipality is limiting its borrowing in order to keep finance charges to the absolute minimum. Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 1,05 per cent (R3,80 million) of operating expenditure excluding annual redemption for 2023/24. This percentage is set to remain constant over the two outer years of the MTREF.

### **Collection rate for revenue services**

The base assumption is that tariff and rating increases will increase at a rate slightly higher than CPI over the long term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as 80 per cent of annual billings. The performance of any increased collections or arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

### **Growth or decline in tax base of the municipality**

Debtor's revenue is assumed to increase at a rate that is influenced by the consumer debtor's collection rate, tariff/rate pricing, real growth rate of the Municipality, household formation growth rate and the poor household change rate.

Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing 'households' is a greater municipal service factor than servicing individuals. Household formation rates are assumed to convert to household dwellings. In addition, the change in the number of poor households influences the net revenue benefit derived from household formation growth, as it assumes that the same costs incurred for servicing the household exist, but that no consumer revenue is derived as the 'poor household' limits consumption to the level of free basic services.

### **Salary increases**

The Salary and Wage Collective Agreement for the period 01 July 2021 to 30 June 2024 dated 15 September 2021 through the agreement that was approved by the Bargaining Committee of the Central Council in terms of Clause 17.3 of the Constitution are used for employee related costs for the 2023/24 MTREF. In terms of the agreement, all employees covered by this agreement shall receive with effect from 01 July 2023 and 01 July 2024 an increase based on the projected average CPI percentages for 2023 (5.4 per cent according to the Reserve Bank's Monetary Committee Statement for January 2023) and 2024 (4.8 per cent according to the Reserve Bank's Monetary Committee Statement for January 2023).

## Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and, in this regard, various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs;
- Enhancing education and skill development;
- Improving Health services;
- Rural development and agriculture; and
- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

## General budget overview 2023 MTREF

In view of the aforementioned, the following table is a consolidated overview of the proposed 2024/25 Medium-term Revenue and Expenditure Framework:

### Consolidated Overview of the 2024/25 MTREF (R'000)

R thousand	Adjustments Budget	Budget Year	Budget Year +1	Budget Year +2
	2023/24	2024/25	2025/26	2026/27
Total Operating Revenue	335 400	350 092	349 700	350 535
Total Operating Expenditure	379 990	405 900	412 852	433 817
<i>Surplus/(Deficit) for the year</i>	<i>(44 590)</i>	<i>(55 808)</i>	<i>(63 152)</i>	<i>(83 282)</i>
Total Capital Revenue recognised	43 140	47 100	41 588	46 249
<i>Surplus/(Deficit) for the year</i>	<i>(1 450)</i>	<i>(8 708)</i>	<i>(21 564)</i>	<i>(37 033)</i>

As can be seen from the table above, the municipality will operate at an operating deficit throughout the MTREF. An operating deficit is an indication that the municipality is not generating sufficient revenue to sustain its operating expenditure, let alone the fact that the operating budget is not contributing any revenue at all towards the capital program. It should also be noted that the operating budget also includes items such as depreciation and debt impairment which are not considered to be a “cash” expense. These items will not result in an immediate cash outflow.

## 2. Financial Ratios

	Ratio	Norm Range	Senqu LM
<b>A</b>	<b>Asset Management</b>		
1	Capital expenditure to Total Expenditures	10 % - 20 %	22.8 %
2	Impairment of Property, plant & equipment, Investment Property & Tangible Assets (Carrying Value)	0 %	0 %
3	Repairs & Maintenance as a % of property, plant and equipment and Investment Property (Carrying Value)	8 %	3.3 %
<b>B</b>	<b>Debtors Management</b>		
1	Collection Rate	95 %	75 %
2	Bad Debts written off as % provision for Bad debt	100 %	7.62%
3	Total Debtors Days	30 days	80 days
<b>C</b>	<b>Liquidity Management</b>		
1	Cash/Cost Coverage Ratio (Excl. Unspent conditional Grants)	1-3 months	10-15 months
2	Current ratio	1.5 -2.1	7%
<b>D</b>	<b>Liability Management</b>		
1	Capital Cost (Interest Paid and Redemption as a % of Total Operating Revenue)	6% - 8 %	1.5 %
2	Debt (Total Borrowings)/Revenue	45 %	2.25 %
<b>E</b>	<b>Sustainability</b>		
1	Level of cash backed reserves (Net assets – Accumulated Surplus)	100 %	100%

Capital expenditure in local government can be funded by capital grants, own-source revenue and long-term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, Senqu Municipality's borrowing strategy is primarily informed by the affordability of debt repayments.

The structure of the Municipality's debt portfolio is dominated by annuity loans. The following financial performance indicators have formed part of the compilation of the 2024/25 MTREF:

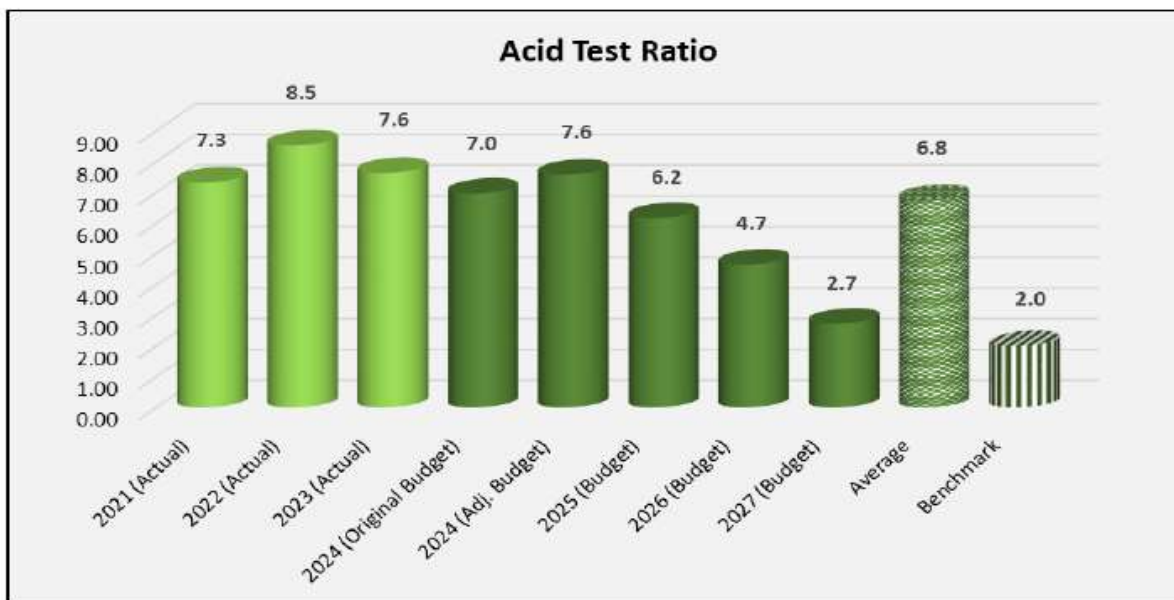
- *Capital charges to operating expenditure* are a measure of the cost of borrowing in relation to the operating expenditure. It can be seen that the cost of borrowing has remain constant between 1,3 and 1,5 per cent over the MTREF.
- *Borrowing funding of own capital expenditure* measures the degree to which own capital expenditure (excluding grants and contributions) has been funded by way of borrowing. The municipality does not intend borrowing any money during the MTREF period.

## Safety of Capital

- The *gearing ratio* is a measure of the total long-term borrowings over funds and reserves.

## Liquidity

- Current ratio / acid test* is a measure of the current assets divided by the current liabilities and as a benchmark the Municipality has set a limit of 2, hence at no point in time should this ratio be less than 2. This ratio is above this norm set for the entire MTREF as depicted on the graph on the next page. There is however a decline because of the declining cash resources over the MTREF at the Senqu Municipality. This could significantly impact on the long-term sustainability of the entity.



- The *liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations. For the 2024/25 financial year the ratio is 5.6 and this ratio is projected to decline to 2.2 in 2026/27. Although these ratios are still considered to be healthy, the municipality should put in place measures to stem the downward trend in the liquidity ratio.

## Revenue Management

- As part of the financial sustainability strategy, an aggressive revenue management framework has been implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the



revenue value chain by ensuring accurate billing, customer service, credit control and debt collection. Payment levels and credit control is considered to be favorable.

### Creditors Management

- The Municipality has managed to ensure that creditors are settled within the legislated 30 days of invoice. While the liquidity ratio is of concern, by applying daily cash flow management the municipality has managed to ensure a 100 per cent compliance rate to this legislative obligation. This has had a favorable impact on suppliers' perceptions of risk of doing business with the Municipality, which is expected to benefit the Municipality in the form of more competitive pricing of tenders, as suppliers compete for the Municipality's business.

### Other Indicators

- Employee costs as a percentage of operating revenue remains more or less constant over the MTREF between 39,7 and 40,6 per cent. As discussed previously in this report, the employee related costs at the municipality is slightly above the industry norms and the room for any upward adjustments are very restricted.
- Repairs and maintenance as percentage of operating revenue is increasing slightly over the MTREF. The expenditure on repairs and maintenance is well below acceptable levels at 3.4% of the PPE value, but the actual cost will only be determined when a costing system is implemented.

## 3. Financial performance

Percentage of salary budget (Cllr remuneration and employee costs) to operational budget Councillor remuneration to the total budget for 2024/25 is 39.7 % of operating expenditure costs.

**MBRR SA22 - Summary of councillor and staff benefits**

Summary of Employee and Councillor remuneration	Current Year 2023/24		2024/25 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2024/25	Budget Year #1 2025/26	Budget Year #2 2026/27
<b>Councillors (Political Office Bearers plus Other)</b>					
Basic Salaries and Wages	15 057	12 360	13 101	13 691	14 307
Cellphones Allowance	1 766	1 580	1 674	1 750	1 829
Other benefits and allowances	231	-	-	-	-
<b>Sub Total - Councillors</b>	<b>17 055</b>	<b>13 939</b>	<b>14 776</b>	<b>15 441</b>	<b>16 136</b>
% increase	31.4%	(18.3%)	6.0%	4.5%	4.5%
<b>Senior Managers of the Municipality</b>					
Basic Salaries and Wages	11 943	10 452	10 974	11 468	11 984
Pension and UIF Contributions	16	12	13	14	14
Performance Bonus	2 365	2 269	2 382	2 490	2 602
Motor Vehicle Allowance	-	784	823	860	899
Cellphones Allowance	175	299	314	328	343
Housing Allowances	-	230	241	252	263
Other benefits and allowances	-	0	0	0	0
Payments in lieu of leave	206	282	296	310	324
<b>Sub Total - Senior Managers of Municipality</b>	<b>14 705</b>	<b>14 327</b>	<b>15 044</b>	<b>15 721</b>	<b>16 428</b>
% increase	(23.7%)	(2.6%)	5.0%	4.5%	4.5%
<b>Other Municipal Staff</b>					
Basic Salaries and Wages	86 923	88 940	93 406	97 609	102 001
Pension and UIF Contributions	12 686	14 249	14 964	15 638	16 341
Medical Aid Contributions	8 079	7 601	7 982	8 341	8 716
Overtime	85	2 851	2 993	3 128	3 269
Performance Bonus	958	1 954	2 052	2 144	2 241
Motor Vehicle Allowance	-	2 730	2 867	2 996	3 131
Cellphones Allowance	1 327	1 098	1 153	1 205	1 259
Housing Allowances	379	247	259	271	283
Other benefits and allowances	181	40	42	44	46
Payments in lieu of leave	2 841	2 824	2 965	3 099	3 238
Long service awards	419	389	408	427	446
Post-retirement benefit obligations	1 842	1 670	1 754	1 832	1 915
Acting and post related allowance	-	599	629	657	687
<b>Sub Total - Other Municipal Staff</b>	<b>115 620</b>	<b>125 192</b>	<b>131 475</b>	<b>137 392</b>	<b>143 574</b>
% increase	0.8%	8.3%	5.0%	4.5%	4.5%
<b>Total Parent Municipality</b>	<b>147 379</b>	<b>153 458</b>	<b>161 295</b>	<b>168 553</b>	<b>176 138</b>
% increase	7.1%	4.1%	5.1%	4.5%	4.5%
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>	<b>147 379</b>	<b>153 458</b>	<b>161 295</b>	<b>168 553</b>	<b>176 138</b>
% increase	7.1%	4.1%	5.1%	4.5%	4.5%
<b>TOTAL MANAGERS AND STAFF</b>	<b>139 324</b>	<b>139 519</b>	<b>146 519</b>	<b>153 112</b>	<b>160 002</b>

## Percentage repairs and maintenance on capital budget

Description	2020/21	2021/22	2022/23	Current Year 2023/24		2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>								
<b>Infrastructure</b>	3 143	5 308	5 431	11 055	7 945	11 591	10 420	13 887
Roads Infrastructure	2 100	3 710	4 593	7 704	5 194	6 526	5 907	7 564
Roads	2 100	3 710	4 593	7 704	5 194	6 526	5 907	7 564
Storm water Infrastructure	289	404	184	442	12	464	420	433
Storm water Conveyance	289	404	184	442	12	464	420	433
Electrical Infrastructure	600	821	548	1 007	1 147	2 627	2 378	4 035
MV Networks	408	391	86	550	540	1 160	1 050	1 153
LV Networks	192	429	462	457	607	1 467	1 328	2 882
Solid Waste Infrastructure	155	373	106	1 903	1 593	1 975	1 715	1 855
Landfill Sites	77	177	106	1 629	1 589	1 854	1 596	1 735
Waste Transfer Stations	78	196	-	274	4	121	119	120
<b>Community Assets</b>	1 843	2 608	1 851	2 430	2 530	2 470	2 255	2 959
Community Facilities	1 655	2 233	1 686	2 101	2 200	2 024	1 844	2 378
Halls	832	1 164	768	957	968	730	667	1 047
Centres	-	4	56	41	41	43	39	40
Libraries	-	-	-	5	5	5	5	5
Cemeteries/Crematoria	823	869	832	1 013	1 101	1 156	1 046	1 168
Parks	-	15	-	15	15	16	16	17
Public Open Space	-	169	29	30	30	32	29	30
Public Ablution Facilities	-	12	-	27	27	28	26	54
Taxi Ranks/Bus Terminals	-	-	-	14	14	15	15	16
Sport and Recreation Facilities	188	375	166	330	330	446	412	581
Outdoor Facilities	188	375	166	330	330	446	412	581
<b>Investment properties</b>	-	-	-	218	218	438	397	409
Non-revenue Generating	-	-	-	218	218	438	397	409
Improved Property	-	-	-	218	218	438	397	409
<b>Other assets</b>	617	1 268	613	1 974	1 841	2 565	2 322	3 019
Operational Buildings	617	1 268	613	1 974	1 841	2 565	2 322	3 019
Municipal Offices	435	1 096	373	1 679	1 531	2 207	1 999	2 738
Stores	183	172	240	295	310	357	323	281
<b>Furniture and Office Equipment</b>	372	356	458	615	780	768	714	1 006
Furniture and Office Equipment	372	356	458	615	780	768	714	1 006
<b>Machinery and Equipment</b>	2 015	1 905	1 135	2 106	2 021	2 363	2 213	2 031
Machinery and Equipment	2 015	1 905	1 135	2 106	2 021	2 363	2 213	2 031
<b>Transport Assets</b>	2 287	2 533	2 131	2 595	5 550	4 391	4 009	6 147
Transport Assets	2 287	2 533	2 131	2 595	5 550	4 391	4 009	6 147
<b>Total Repairs and Maintenance Expenditure</b>	<b>10 278</b>	<b>13 978</b>	<b>11 619</b>	<b>20 992</b>	<b>20 883</b>	<b>24 586</b>	<b>22 331</b>	<b>29 458</b>
<i>R&amp;M as a % of PPE &amp; Investment Property</i>	2.1%	2.7%	2.2%	3.3%	3.2%	3.4%	2.6%	3.4%
<i>R&amp;M as % Operating Expenditure</i>	4.3%	5.2%	3.9%	5.8%	5.5%	6.5%	5.5%	7.1%

It was resolved in the 2022/23 strategic planning session to gradually increase the budget for repairs and maintenance to achieve the minimum 8% required as a benchmark in line with MFMA Circular 55. However, there are other factors involved such as the “costing” or allocation of employee related costs to repairs and maintenance as well as the preparation of a costed Repairs and Maintenance Plan which still need to be attended to by the municipality.

## Budgeted Cashflow statement

Description	2020/21	2021/22	2022/23	Current Year 2023/24		2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>								
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>								
Receipts								
Property rates	10 150	12 446	13 342	13 029	15 789	14 030	14 593	15 179
Service charges	48 196	49 493	48 290	54 863	61 496	57 456	60 088	63 103
Other revenue	10 390	12 570	5 806	5 302	5 905	6 106	6 376	6 641
Transfers and Subsidies - Operational	201 714	171 501	184 102	199 394	199 064	211 348	207 044	201 395
Transfers and Subsidies - Capital	31 846	36 541	41 916	37 575	37 575	47 100	41 568	46 249
Interest	16 040	17 808	32 980	30 029	33 167	39 048	40 610	42 235
Payments								
Suppliers and employees	(207 254)	(247 484)	(249 334)	(315 476)	(332 474)	(350 915)	(355 851)	(372 908)
Interest	(595)	(545)	(610)	(3 802)	(5 476)	(5 735)	(6 022)	(6 323)
Transfers and Subsidies	-	(42)	(42)	(36)	(46)	(49)	(44)	(45)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>110 487</b>	<b>52 284</b>	<b>76 251</b>	<b>20 877</b>	<b>14 957</b>	<b>18 380</b>	<b>8 282</b>	<b>(4 475)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>								
Receipts								
Proceeds on disposal of PPE	-	-	-	-	100	-	-	-
Payments								
Capital assets	(19 158)	(35 986)	(35 379)	(82 881)	(131 704)	(96 457)	(86 267)	(95 414)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(19 158)</b>	<b>(35 986)</b>	<b>(35 379)</b>	<b>(82 881)</b>	<b>(131 604)</b>	<b>(96 457)</b>	<b>(86 267)</b>	<b>(95 414)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>								
Receipts								
Increase (decrease) in consumer deposits	101	54	64	121	113	100	105	110
Payments								
Repayment of borrowing	(871)	(887)	(917)	(923)	(923)	(942)	(964)	(987)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(769)</b>	<b>(833)</b>	<b>(852)</b>	<b>(802)</b>	<b>(810)</b>	<b>(842)</b>	<b>(859)</b>	<b>(877)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>90 560</b>	<b>15 465</b>	<b>39 819</b>	<b>(62 807)</b>	<b>(117 458)</b>	<b>(78 909)</b>	<b>(78 744)</b>	<b>(100 787)</b>
Cash/cash equivalents at the year begin:	351 479	442 039	457 504	396 785	497 832	380 374	301 465	222 721
Cash/cash equivalents at the year end:	442 039	457 504	497 323	333 978	380 374	301 465	222 721	121 934

### Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. The investment in capital infrastructure, which is much higher than the cash generated by operations, is the main reason for the annual decline in cash resources.

The cash resource is expected to decrease from R497.3 million in 2022/23 to R122 million in 2026/27 financial year due to the planned capital infrastructure programs.

## 4. Ability of the Municipality to spend

Table 45: Capital budget expenditure

Description	2020/21	2021/22	2022/23	Current Year 2023/24		2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand								
<b>CAPITAL EXPENDITURE</b>								
<b>Total New Assets</b>	19 158	35 477	35 579	56 581	60 320	77 248	63 234	57 273
<i>Roads Infrastructure</i>	7 732	3 267	8 558	315	-	785	711	5 847
<i>Storm water Infrastructure</i>	-	2 160	-	7 200	3 280	5 644	25 152	-
<i>Electrical Infrastructure</i>	2 254	1 173	130	1 800	300	5 804	6 459	7 443
<i>Solid Waste Infrastructure</i>	3 871	16 473	11 226	2 700	350	5 000	4 526	19 200
<b>Infrastructure</b>	<b>13 857</b>	<b>23 073</b>	<b>19 914</b>	<b>12 015</b>	<b>3 930</b>	<b>17 234</b>	<b>36 848</b>	<b>32 490</b>
Community Facilities	1 869	6 070	5 013	8 370	1 255	9 008	3 809	8 178
Sport and Recreation Facilities	-	-	310	-	4 910	16 210	3 729	-
<b>Community Assets</b>	<b>1 869</b>	<b>6 070</b>	<b>5 323</b>	<b>8 370</b>	<b>6 165</b>	<b>25 218</b>	<b>7 539</b>	<b>8 178</b>
Operational Buildings	1 565	1 652	7 540	9 650	13 876	19 474	4 979	11 201
<b>Other Assets</b>	<b>1 565</b>	<b>1 652</b>	<b>7 540</b>	<b>9 650</b>	<b>13 876</b>	<b>19 474</b>	<b>4 979</b>	<b>11 201</b>
Licences and Rights	103	-	262	2 070	680	714	646	190
<b>Intangible Assets</b>	<b>103</b>	<b>-</b>	<b>262</b>	<b>2 070</b>	<b>680</b>	<b>714</b>	<b>646</b>	<b>190</b>
Computer Equipment	772	316	1 454	1 300	2 520	1 260	1 141	782
Furniture and Office Equipment	183	290	292	466	656	1 691	1 531	634
Machinery and Equipment	38	4 076	147	16 311	27 494	7 903	7 154	1 130
Transport Assets	771	-	646	6 400	5 000	3 753	3 398	2 667
<b>Total Renewal of Existing Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 050</b>	<b>52 433</b>	<b>2 400</b>	<b>2 172</b>	<b>-</b>
<i>Roads Infrastructure</i>	-	-	-	-	49 565	-	-	-
<b>Infrastructure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49 565</b>	<b>-</b>	<b>-</b>	<b>-</b>
Community Facilities	-	-	-	2 050	2 868	-	-	-
<b>Community Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 050</b>	<b>2 868</b>	<b>-</b>	<b>-</b>	<b>-</b>
Housing	-	-	-	-	-	2 400	2 172	-
<b>Other Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 400</b>	<b>2 172</b>	<b>-</b>
<b>Total Upgrading of Existing Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24 250</b>	<b>18 951</b>	<b>16 809</b>	<b>20 860</b>	<b>38 141</b>
<i>Roads Infrastructure</i>	-	-	-	20 350	14 145	15 409	19 592	37 253
<i>Solid Waste Infrastructure</i>	-	-	-	2 700	4 006	-	-	-
<b>Infrastructure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23 050</b>	<b>18 151</b>	<b>15 409</b>	<b>19 592</b>	<b>37 253</b>
Community Facilities	-	-	-	400	-	600	543	711
Sport and Recreation Facilities	-	-	-	-	-	-	-	178
<b>Community Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>400</b>	<b>-</b>	<b>600</b>	<b>543</b>	<b>889</b>
Operational Buildings	-	-	-	800	800	800	724	-
<b>Other Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>800</b>	<b>800</b>	<b>800</b>	<b>724</b>	<b>-</b>
<b>Total Capital Expenditure</b>	<b>19 158</b>	<b>35 477</b>	<b>35 579</b>	<b>82 881</b>	<b>131 704</b>	<b>96 457</b>	<b>86 267</b>	<b>95 414</b>
<i>Roads Infrastructure</i>	7 732	3 267	8 558	20 665	63 710	16 194	20 303	43 099
<i>Storm water Infrastructure</i>	-	2 160	-	7 200	3 280	5 644	25 152	-
<i>Electrical Infrastructure</i>	2 254	1 173	130	1 800	300	5 804	6 459	7 443
<i>Solid Waste Infrastructure</i>	3 871	16 473	11 226	5 400	4 356	5 000	4 526	19 200
<b>Infrastructure</b>	<b>13 857</b>	<b>23 073</b>	<b>19 914</b>	<b>35 065</b>	<b>71 647</b>	<b>32 642</b>	<b>56 440</b>	<b>69 742</b>
Community Facilities	1 869	6 070	5 013	10 820	4 123	9 608	4 352	8 890
Sport and Recreation Facilities	-	-	310	-	4 910	16 210	3 729	178
<b>Community Assets</b>	<b>1 869</b>	<b>6 070</b>	<b>5 323</b>	<b>10 820</b>	<b>9 033</b>	<b>25 818</b>	<b>8 082</b>	<b>9 067</b>
Operational Buildings	1 565	1 652	7 540	10 450	14 676	20 274	5 703	11 201
Housing	-	-	-	-	-	2 400	2 172	-
<b>Other Assets</b>	<b>1 565</b>	<b>1 652</b>	<b>7 540</b>	<b>10 450</b>	<b>14 676</b>	<b>22 674</b>	<b>7 875</b>	<b>11 201</b>
Licences and Rights	103	-	262	2 070	680	714	646	190
<b>Intangible Assets</b>	<b>103</b>	<b>-</b>	<b>262</b>	<b>2 070</b>	<b>680</b>	<b>714</b>	<b>646</b>	<b>190</b>
Computer Equipment	772	316	1 454	1 300	2 520	1 260	1 141	782
Furniture and Office Equipment	183	290	292	466	656	1 691	1 531	634
Machinery and Equipment	38	4 076	147	16 311	27 494	7 903	7 154	1 130
Transport Assets	771	-	646	6 400	5 000	3 753	3 398	2 667
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>	<b>19 158</b>	<b>35 477</b>	<b>35 579</b>	<b>82 881</b>	<b>131 704</b>	<b>96 457</b>	<b>86 267</b>	<b>95 414</b>

**Table 46: Total Capital Funding of the 2024/25 MTREF (R'000)**

Description	2020/21	2021/22	2022/23	Current Year 2023/24		2024/25 Medium Term Revenue & Expenditure Framework		
	Audited	Audited	Audited	Original	Adjusted	Budget Year	Budget Year	Budget Year
	Outcome	Outcome	Outcome	Budget	Budget	2024/25	2025/26	2026/27
<b>Funded by:</b>								
National Government	13 583	24 572	29 883	37 575	37 575	47 100	41 588	46 249
Provincial Government	-	-	-	-	5 565	-	-	-
<b>Transfers recognised - capital</b>	<b>13 583</b>	<b>24 572</b>	<b>29 883</b>	<b>37 575</b>	<b>43 140</b>	<b>47 100</b>	<b>41 588</b>	<b>46 249</b>
<b>Internally generated funds</b>	<b>5 575</b>	<b>11 414</b>	<b>5 696</b>	<b>45 307</b>	<b>88 565</b>	<b>49 357</b>	<b>44 678</b>	<b>49 165</b>
	<b>19 158</b>	<b>35 986</b>	<b>35 579</b>	<b>82 881</b>	<b>131 704</b>	<b>96 457</b>	<b>86 267</b>	<b>95 414</b>

The municipality remains committed to a large capital program with a significant portion funded by grants from National Government. The capital budget of R96,46 million for 2024/25 is 26,76 per cent less when compared to the 2023/24 Adjustment Budget. The capital program decreases to R86,27 million in 2025/26 and increase to R95,41 million in 2026/27. This movement in the capital budget is directly related to the movement in proposed expenditure to be financed from internally generated funds.

The Municipality is mindful of the fact that the large capital program, especially from internally generated funds, places enormous pressure on the accumulated cash reserves of the Senqu Municipality. This could significantly impact on the long term sustainability of the entity. Currently, although still a funded budget, the proposed budget will have a negative impact on the projected cash position of the municipality.

It is expected that the cash resources of the municipality will decrease by R79 million per year during 2024/2025 and 2025/26 financial years and a further decrease by R101 million in 2026/27. This significant downward trend can mainly be attributed to the inability of the municipal budget to produce significant revenues to cover main cost drivers such as bulk purchases and employee related costs. This inability of revenue growth to keep track with operating expenditure will also negatively impact on the contribution that the operating budget will have towards to capital program over the MTREF. This will result in accumulated cash reserves being utilized to fund the capital program, resulting in the illustrated downward trend in cash resources over the MTREF.

A large portion of the capital budget will be funded from own revenue (R143.2 million or 51.4%) over the MTREF with no anticipated borrowings. The other funding source being National Government Grants to the value of R134.9 million (48.6%) over the MTREF.

The following table 47 is a high-level summary of the 2024/25 budget and MTREF (classified per main type of operating expenditure):

Table 47: Expenditure

Description	2020/21	2021/22	2022/23	Current Year 2023/24		2024/25 Medium Term Revenue & Expenditure Framework		
	Audited	Audited	Audited	Original	Adjusted	Budget Year	Budget Year	Budget Year
	Outcome	Outcome	Outcome	Budget	Budget	2024/25	2025/26	2026/27
<b>Expenditure By Type</b>								
Employee related costs	99 860	112 976	124 616	130 324	139 519	146 519	153 112	160 002
Remuneration of councillors	12 663	12 761	12 976	17 055	13 939	14 776	15 441	16 136
Bulk purchases - electricity	39 533	44 034	45 499	61 537	61 537	55 383	58 153	61 060
Inventory consumed	9 953	10 754	10 139	18 820	21 535	24 565	24 116	27 373
Debt impairment	11 951	12 679	16 641	14 562	17 222	15 983	16 782	17 621
Depreciation and amortisation	18 548	17 084	17 306	18 833	18 693	19 624	20 606	21 636
Interest	2 197	2 660	5 397	3 802	5 476	5 735	6 022	6 323
Contracted services	21 606	30 847	31 251	59 044	58 993	68 873	64 991	68 840
Transfers and subsidies	-	42	42	36	46	49	44	45
Irrecoverable debts written off	-	-	-	-	-	2 100	2 205	2 315
Operational costs	19 666	23 637	31 329	36 682	41 030	50 193	49 176	50 150
Losses on disposal of Assets	3 042	389	833	2 000	2 000	2 100	2 205	2 315
Other Losses	1 899	348	3	-	-	-	-	-
<b>Total Expenditure</b>	<b>240 918</b>	<b>268 210</b>	<b>296 032</b>	<b>362 697</b>	<b>379 990</b>	<b>405 900</b>	<b>412 852</b>	<b>433 817</b>

Table 50: Budgeted Financial Performance (Revenue & Expenditure)

Description	2020/21	2021/22	2022/23	Current Year 2023/24		2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousands</b>								
<b>Financial Performance</b>								
Property rates	12 830	15 497	17 331	17 048	17 048	17 901	18 617	19 361
Service charges	52 933	57 104	53 643	71 789	69 815	73 306	76 658	80 491
Investment revenue	16 040	17 806	32 209	23 819	33 167	31 509	32 769	34 080
Transfer and subsidies - Operational	199 215	179 409	188 852	200 984	201 833	213 353	207 044	201 395
Other own revenue	9 210	10 235	17 663	11 931	13 536	14 024	14 612	15 209
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>290 227</b>	<b>280 052</b>	<b>309 696</b>	<b>325 572</b>	<b>335 400</b>	<b>350 092</b>	<b>349 700</b>	<b>350 535</b>
Employee costs	99 860	112 976	124 616	130 324	139 519	146 519	153 112	160 002
Remuneration of councillors	12 663	12 761	12 976	17 055	13 939	14 776	15 441	16 136
Depreciation and amortisation	18 548	17 084	17 306	18 833	18 693	19 624	20 606	21 636
Interest	2 197	2 660	5 397	3 802	5 476	5 735	6 022	6 323
Inventory consumed and bulk purchases	49 487	54 788	55 638	80 357	83 072	79 949	82 269	88 434
Transfers and subsidies	-	42	42	36	46	49	44	45
Other expenditure	58 164	67 899	80 057	112 289	119 245	139 248	135 359	141 242
<b>Total Expenditure</b>	<b>240 918</b>	<b>268 210</b>	<b>296 032</b>	<b>362 697</b>	<b>379 990</b>	<b>405 900</b>	<b>412 852</b>	<b>433 817</b>
<b>Surplus/(Deficit)</b>	<b>49 309</b>	<b>11 842</b>	<b>13 664</b>	<b>(37 125)</b>	<b>(44 590)</b>	<b>(55 808)</b>	<b>(63 152)</b>	<b>(83 282)</b>
Transfers and subsidies - capital (monetary allocations)	14 803	24 572	34 366	37 575	43 140	47 100	41 588	46 249
<b>Surplus/(Deficit) for the year</b>	<b>64 111</b>	<b>36 414</b>	<b>48 030</b>	<b>450</b>	<b>(1 450)</b>	<b>(8 708)</b>	<b>(21 564)</b>	<b>(37 033)</b>
<b>Capital expenditure &amp; funds sources</b>								
Capital expenditure	19 158	35 986	35 579	82 881	131 704	96 457	86 267	95 414
Transfers recognised - capital	13 583	24 572	29 883	37 575	43 140	47 100	41 588	46 249
Internally generated funds	5 575	11 414	5 696	45 307	88 565	49 357	44 678	49 165
<b>Total sources of capital funds</b>	<b>19 158</b>	<b>35 986</b>	<b>35 579</b>	<b>82 881</b>	<b>131 704</b>	<b>96 457</b>	<b>86 267</b>	<b>95 414</b>
<b>Financial position</b>								
Total current assets	469 702	484 445	526 781	369 890	409 254	331 168	253 351	153 665
Total non current assets	485 527	513 251	537 674	632 664	648 685	723 417	786 873	858 337
Total current liabilities	63 916	58 642	68 893	53 028	53 944	53 584	54 333	55 976
Total non current liabilities	32 579	35 621	50 641	42 950	55 575	61 288	67 742	74 909
Community wealth/Equity	858 734	903 434	944 920	906 574	948 421	939 713	918 149	881 116

## 5. Operating Budget

Revenue generated from rates and services charges forms an important percentage of the revenue basket for the Municipality, but measured against other municipalities, the percentage is relatively low. Rates and service charge revenues comprise between 27 and 32 per cent of the total revenue mix over the MTREF period.

Senqu Municipality is to a very large degree dependent on grants (Equitable share) to sustain the budget. The unconditional Equitable Share Grant is a grant growing annually according to a formula determined nationally and such formula is applicable to all local authorities on an equal basis. Approximately 60% of the revenue basket can be attributed to equitable share. This, together with the lower percentage for rates and service charge revenues, is an indication of the high unemployment rate in the area and the focus on job creation projects were therefore treated as a priority in this budget.

Table 48: Operating Budget

Vote Description	2020/21	2021/22	2022/23	Current Year 2023/24		2024/25 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>Revenue by Vote</b>								
Vote 1 - Executive & Council	48	11	264	7 167	7 167	7 550	7 490	7 231
Vote 2 - Planning & Development	3 992	10 121	6 953	9 874	9 715	11 238	8 277	8 957
Vote 3 - Corporate Services	1 375	2 469	2 663	1 874	1 764	1 851	1 934	2 019
Vote 4 - Budget & Treasury	220 781	199 618	230 071	152 158	161 508	166 542	167 795	166 241
Vote 5 - Road Transport	19 456	30 389	39 091	42 309	48 634	50 519	42 519	45 870
Vote 9 - Community & Social Services	1 568	1 592	1 569	1 665	1 686	1 695	1 704	1 714
Vote 10 - Sport & Recreation	2	2	1	2	2	2	2	2
Vote 11 - Public Safety	47	43	59	83	158	163	170	178
Vote 12 - Electricity	46 505	49 580	50 113	98 671	96 697	103 756	107 506	111 212
Vote 13 - Waste Management	11 256	10 799	13 277	49 343	51 209	53 875	53 892	53 362
<b>Total Revenue by Vote</b>	<b>305 030</b>	<b>304 623</b>	<b>344 062</b>	<b>363 147</b>	<b>378 540</b>	<b>397 192</b>	<b>391 288</b>	<b>396 785</b>
<b>Expenditure by Vote to be appropriated</b>								
Vote 1 - Executive & Council	28 262	31 114	38 185	44 365	46 999	44 394	45 230	46 504
Vote 2 - Planning & Development	17 719	21 685	20 495	26 599	27 897	35 327	34 879	32 339
Vote 3 - Corporate Services	22 770	27 760	33 510	45 278	48 622	61 842	60 027	63 917
Vote 4 - Budget & Treasury	32 647	38 852	41 045	46 911	49 458	52 514	53 123	55 430
Vote 5 - Road Transport	28 418	29 280	30 999	39 202	39 926	41 926	43 497	48 558
Vote 6 - Waste Water Management	4 166	5 549	7 354	8 319	5 377	6 249	6 696	7 035
Vote 9 - Community & Social Services	11 856	17 966	19 144	19 901	21 304	22 472	23 073	24 544
Vote 10 - Sport & Recreation	1 346	1 658	1 462	1 652	2 760	2 998	3 082	3 375
Vote 11 - Public Safety	45	259	207	1 080	1 890	1 964	2 043	2 134
Vote 12 - Electricity	61 685	62 644	66 636	88 735	85 684	90 473	93 801	99 990
Vote 13 - Waste Management	32 003	31 444	36 995	40 656	50 073	45 740	47 401	49 992
<b>Total Expenditure by Vote</b>	<b>240 918</b>	<b>268 210</b>	<b>296 032</b>	<b>362 697</b>	<b>379 990</b>	<b>405 900</b>	<b>412 852</b>	<b>433 817</b>
<b>Surplus/(Deficit) for the year</b>	<b>64 111</b>	<b>36 414</b>	<b>48 030</b>	<b>450</b>	<b>(1 450)</b>	<b>(8 708)</b>	<b>(21 564)</b>	<b>(37 033)</b>

## 6. Capital Budget & Borrowing

Table 49 details the estimated Capital Investment Programme for the five years starting. The Capital Investment Programme remains subject to the availability of funding.

Table 49: Capital Investment Programme



ECT42 Senqu - Supporting Table 0A34 Detailed capital budget

R thousand	Function	Project Description	Project Number	Type	MTEF Service Outcome	SDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	2022/23 Medium Term Revenue & Expenditure Framework					
													Audited Outcome 2021/22	Current Year 2022/23 Full Year Forecast	Budget Year #1 2023/24	Budget Year #2 2024/25	Budget Year #3 2025/26	
<b>Senqu Municipality</b> <i>List of capital projects grouped by Function</i>																		
	Executive & Council	Furniture & Office Equipment		New				Other assets	Furniture and Office Equipment	Administrative or Head Office			25	-	-	-	-	
	Executive & Council	Vehicle, Plant & Equipment		New				Other assets	Transport Assets	Whole of the Municipality			-	1 000	400	-	-	
	Executive & Council	Computer - software & programming		New				Intangible Assets	Computer Software and Applications	Administrative or Head Office			-	-	2 070	400	-	
	Executive & Council	Communication Equipment		New				Other assets	Machinery and Equipment	Administrative or Head Office			-	-	135	30	30	
	Corporate Services	Tools & Equipment		New				Other assets	Machinery and Equipment	Administrative or Head Office			-	-	73	-	-	
	Corporate Services	Furniture & Office Equipment		New				Other assets	Furniture and Office Equipment	Administrative or Head Office			150	85	33	-	-	
	Corporate Services	Vehicle, Plant & Equipment		New				Other assets	Transport Assets	Whole of the Municipality			-	4 000	3 000	3 200	1 877	
	Corporate Services	Power Backup System		New				Other assets	Machinery and Equipment	Administrative or Head Office			3 570	1 000	3 150	-	-	
	Corporate Services	Informational Knowledge Hub including Customer Care		New				Other assets	Machinery and Equipment	Administrative or Head Office			-	30	400	100	1 250	
	Corporate Services	Integrated Security		New				Other assets	Machinery and Equipment	Administrative or Head Office			-	-	14	3 000	2 250	
	Corporate Services	Upgrading of Municipal Office in Lady Grey Ward 14		Revised				Other assets	Municipal Office	Ward 14			310	-	-	-	-	
	Corporate Services	Construction of Change rooms - Lady Grey		Signalling				Other assets	Municipal Office	Ward 14			-	254	500	-	-	
	Corporate Services	Electric Fencing		New				Other assets	Municipal Office	Administrative or Head Office			-	454	-	-	-	
	Budget & Treasury Office	Furniture & Office Equipment		New				Other assets	Furniture and Office Equipment	Whole of the Municipality			-	275	510	-	-	
	Budget & Treasury Office	Computer Equipment		New				Other assets	Computer Equipment	Administrative or Head Office			-	1 000	2 200	1 100	470	
	Budget & Treasury Office	Tools & Equipment		New				Other assets	Machinery and Equipment	Administrative or Head Office			340	-	-	-	-	
	Road Transport	Furniture & Office Equipment		New				Other assets	Furniture and Office Equipment	Whole of the Municipality			14	275	100	-	-	
	Road Transport	Traffic Lights		New				Infrastructure	IT Networks	Whole of the Municipality			330	-	-	-	-	
	Road Transport	Driving License and Testing Centre Restaurant		New				Other assets	Municipal Office	Ward 10			-	2 040	11 200	15 000	10 000	
	Road Transport	Construction of a pedestrian bridge between Tullibee and		New				Infrastructure	Road Structures	Ward 10			-	-	3 000	1 250		
	Road Transport	New Road Construction - Peeling		Signalling				Infrastructure	Roads	Ward 8			2 285	2 454	4 500	30 000	25 000	
	Road Transport	Construction of Orval Road with fiberoptic control Ward		New				Infrastructure	Roads	Ward 2			520	-	-	-	-	
	Road Transport	Drainage, Access to Property (80 Properties)		New				Infrastructure	Roads	Ward 10			100	400	310	-	-	
	Road Transport	Construction of bitlock paved streets in Khwed Khele (8)		New				Infrastructure	Roads	Ward 14			-	7 120	14 000	17 400	10 000	
	Road Transport	Resurfacing of existing paved roads (asphalt) & upgrade of m		New				Infrastructure	Roads	Ward 10			-	-	-	2 570	5 100	
	Road Transport	Township Bridge		Revised				Infrastructure	Road Structures	Ward 14			2 040	1 000	-	-	-	
	Waste Water Management	Linking, fencing and upgrading of primary effluent water chan		New				Infrastructure	Stormwater Conveyance	Ward 14			-	3 640	7 200	10 000	5 000	
	Community Services	Traffic Equipment (Speed camera, two-way traffic)		New				Other assets	Machinery and Equipment	Whole of the Municipality			-	200	315	150	100	
	Community Services	Rampwork (Barby Dart Town Hall)		Revised				Community	Build	Ward 10			4 154	14 000	2 700	-	-	
	Community Services	Rampwork Community Hall		New				Community	Build	Ward 10			-	3 000	5 000	-	-	
	Community Services	Construction of New Community in Barby Dart		New				Community	Demolition/Construction	Ward 14			5 211	9 000	-	-	-	
	Community Services	Fencing of existing cemeteries at Jowank, Hlana and Veyi		New				Community	Demolition/Construction	Ward 17			-	307	720	-	-	
	Community Services	Blanketing Cemetery Fencing		New				Community	Demolition/Construction	Whole of the Municipality			850	-	-	-	-	
	Community Services	Lady Grey and Hensel Cemetery Layout Plans (EM) (W1)		New				Community	Demolition/Construction	Whole of the Municipality			-	300	720	3 000	-	
	Sport and recreation	Construction of Blue-Groene Sportsfield		New				Community	Outdoor Facilities	Ward 8			-	307	5 000	-	-	
	Sport and recreation	Upgrading of Khwed Khele Stadium and electricity upgrade		Signalling				Community	Outdoor Facilities	Ward 14			-	-	-	400	-	
	Public Safety	Barby Dart & Lady Grey Boundary Fence		New				Community	Public Open Space	Whole of the Municipality			-	870	1 000	800	800	
	Public Safety	Construction of Animal Pound in Lady Grey		Signalling				Community	Other	Ward 14			-	400	400	-	-	
	Electricity	Tools & Equipment		New				Other assets	Machinery and Equipment	Whole of the Municipality			30	00	00	00	73	
	Electricity	Pre-Paid Electricity Meters		New				Infrastructure	IT Networks	Whole of the Municipality			480	2 107	1 800	2 800	2 000	
	Electricity	SDF Projects - Pre Engineering Costs - Rural Connections		New				Infrastructure	IT Networks	Whole of the Municipality			-	-	-	2 000	4 340	
	Electricity	Mountain View Substation - 220kV MV Cable replacement		Revised				Infrastructure	IT Networks	Ward 10			107	-	-	-	-	
	Waste Management	Tools & Equipment		New				Other assets	Machinery and Equipment	Whole of the Municipality			120	107	150	270	-	
	Waste Management	Furniture & Office Equipment		New				Other assets	Furniture and Office Equipment	Whole of the Municipality			127	275	510	350	330	
	Waste Management	Solid Waste Site - Onkoppoort		New				Infrastructure	Landfill Sites	Ward 10			13	-	1 200	3 000	7 740	
	Waste Management	Solid Waste Site - Hensel		New				Infrastructure	Landfill Sites	Ward 10			8 640	1 910	-	-	-	
	Waste Management	Solid Waste Site - Rossouw		New				Infrastructure	Landfill Sites	Ward 8			4 000	7 007	-	-	-	
	Waste Management	Upgrading of Existing Solid Waste Site in Lady Grey		Signalling				Infrastructure	Landfill Sites	Ward 14			2 810	5 904	2 700	-	-	
	Waste Management	Construction of Transfer Station in Rossouw		New				Infrastructure	Waste Transfer Stations	Ward 10			-	200	1 200	300	-	
	<b>Power Capital expenditure</b>												35 477	82 644	82 400	93 923	88 390	
	<b>Other:</b> <i>List of capital projects grouped by Dept</i>																	
	Depty A	Water project A																
	Depty B	Electricity project B																
	<b>Depty Capital expenditure</b>												-	-	-	-	-	
	<b>Total Capital expenditure</b>												35 477	82 644	82 400	93 923	88 390	

## Debt Management Framework

The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, Senqu Municipality’s borrowing strategy is primarily informed by the affordability of debt repayments.

As indicated in the table above no borrowing for capital projects is planned. The municipality is still well within the limits of its borrowing capacity but will raise very limited loans soon in order to curtail possible rising debt servicing costs.

Table 50 below details the Debt Management Framework. Loans may only be raised to fund the Capital Investment Programme.

**Table 50: Debt Management Framework**

Description r 0,00	2019/20	2020/21	2021/22	Current Year 2022/23	2023/24 Medium Term Revenue & Expenditure Framework					
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>256,576</b>	<b>290,227</b>	<b>280,052</b>	<b>309,722</b>	<b>305,073</b>	<b>305,073</b>	<b>305,073</b>	<b>325,572</b>	<b>344,529</b>	<b>350,307</b>
<b>Expenditure</b>										
Debt impairment	12,974	11,951	12,679	14,195	14,195	14,195	14,195	14,762	15,353	15,967
Depreciation and amortisation	18,475	18,548	17,084	19,661	18,113	18,113	18,113	18,833	19,587	20,370
Operational costs	23,387	19,666	23,615	39,860	41,372	41,372	41,372	36,398	31,430	40,207
Losses on disposal of Assets	356	3,042	389	2,200	2,200	2,200	2,200	2,000	1,800	1,620
Other Losses	6	1,899	348	-	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>229,702</b>	<b>240,918</b>	<b>268,210</b>	<b>344,873</b>	<b>339,360</b>	<b>339,360</b>	<b>339,360</b>	<b>360,597</b>	<b>352,553</b>	<b>388,990</b>
<b>Surplus/(Deficit)</b>	<b>26,875</b>	<b>49,309</b>	<b>11,842</b>	<b>(35,152)</b>	<b>(34,287)</b>	<b>(34,287)</b>	<b>(34,287)</b>	<b>(35,025)</b>	<b>(8,024)</b>	<b>(38,682)</b>
Transfers and subsidies - capital (monetary allocations)	44,851	14,803	24,572	37,948	43,232	43,232	43,232	37,575	41,805	45,234
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>71,725</b>	<b>64,111</b>	<b>36,414</b>	<b>2,796</b>	<b>8,945</b>	<b>8,945</b>	<b>8,945</b>	<b>2,550</b>	<b>33,781</b>	<b>6,552</b>
<b>Surplus/(Deficit) after income tax</b>	<b>71,725</b>	<b>64,111</b>	<b>36,414</b>	<b>2,796</b>	<b>8,945</b>	<b>8,945</b>	<b>8,945</b>	<b>2,550</b>	<b>33,781</b>	<b>6,552</b>
<b>Surplus/(Deficit) attributable to municipality</b>	<b>71,725</b>	<b>64,111</b>	<b>36,414</b>	<b>2,796</b>	<b>8,945</b>	<b>8,945</b>	<b>8,945</b>	<b>2,550</b>	<b>33,781</b>	<b>6,552</b>
<b>Surplus/(Deficit) for the year</b>	<b>71,725</b>	<b>64,111</b>	<b>36,414</b>	<b>2,796</b>	<b>8,945</b>	<b>8,945</b>	<b>8,945</b>	<b>2,550</b>	<b>33,781</b>	<b>6,552</b>

## 7. Grants Receivable

The Municipality has managed to spend most of the grant funding. The Municipality does not maintain a separate account for grants as it has one primary bank account and then 3 investment accounts. The grants received are transferred to and kept on the investments call accounts and withdrawals from these investments accounts are made as and when payments need to be made.

Table 51 below details the Grants receivable in the 2024/2025 and outer years

**Table 51: Grants Receivable**

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>RECEIPTS:</b>										
<b>Operating Transfers and Grants</b>										
National Government:		195 014	173 187	186 933	197 964	197 964	197 964	209 048	205 544	199 895
Local Government Equitable Share		189 021	163 362	177 125	179 593	179 593	179 593	189 174	187 672	181 189
Finance Management		1 700	1 650	1 650	1 700	1 700	1 700	1 700	1 800	2 000
Nat Gov: Councillor Remuneration		-	-	-	7 167	7 167	7 167	7 550	7 490	7 231
Municipal Infrastructure Grant (MIG)		1 076	5 609	6 502	7 910	7 910	7 910	9 529	8 151	8 825
EPWP Incentive		2 617	2 566	1 658	1 194	1 194	1 194	1 620	-	-
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Neighbourhood Development Grant		-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme		-	-	-	-	-	-	276	430	650
Provincial Government:		6 790	2 000	2 633	1 830	1 500	1 500	1 500	1 500	1 500
Libraries		1 500	1 500	1 500	1 500	1 500	1 500	1 500	1 500	1 500
EPWP		5 200	-	-	330	-	-	-	-	-
Greenest Municipality		-	500	300	-	-	-	-	-	-
Herschel Housing Grant		-	-	-	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	-	835	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	<b>5</b>	<b>201 714</b>	<b>175 187</b>	<b>189 570</b>	<b>199 394</b>	<b>199 064</b>	<b>199 064</b>	<b>211 348</b>	<b>207 044</b>	<b>201 395</b>
<b>Capital Transfers and Grants</b>										
National Government:		31 846	32 855	30 883	37 575	37 575	37 575	47 100	41 588	46 249
Municipal Infrastructure Grant (MIG)		31 846	32 855	30 883	37 575	37 575	37 575	45 260	38 719	41 918
Integrated National Electrification Programme		-	-	-	-	-	-	1 839	2 870	4 331
Provincial Government:		-	-	5 565	-	-	-	-	-	-
Municipal Disaster Relief Grant		-	-	5 565	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	<b>5</b>	<b>31 846</b>	<b>32 855</b>	<b>36 448</b>	<b>37 575</b>	<b>37 575</b>	<b>37 575</b>	<b>47 100</b>	<b>41 588</b>	<b>46 249</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		<b>233 560</b>	<b>208 042</b>	<b>226 018</b>	<b>236 969</b>	<b>236 639</b>	<b>236 639</b>	<b>258 448</b>	<b>248 632</b>	<b>247 644</b>

Table 52: Grants Expenditure

EC142 Senqu - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>EXPENDITURE:</b>										
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		197 715	173 187	186 785	198 064	198 064	198 064	210 348	205 544	199 895
Local Government Equitable Share		189 021	163 362	177 125	179 593	179 593	179 593	189 174	187 672	181 189
Finance Management		1 700	1 650	1 650	1 700	1 700	1 700	1 700	1 800	2 000
Nat Gov: Councillor Remuneration		-	-	-	7 167	7 167	7 167	7 550	7 490	7 231
Municipal Infrastructure Grant (MIG)		3 964	5 609	6 352	7 910	7 910	7 910	9 529	8 151	8 825
EPWP Incentive		2 617	2 566	1 658	1 194	1 194	1 194	1 620	-	-
Municipal Disaster Relief Grant		244	-	-	-	-	-	-	-	-
Neighbourhood Development Grant		-	-	-	500	500	500	500	-	-
Integrated National Electrification Programme		168	-	-	-	-	-	276	430	650
Provincial Government:		1 500	6 222	2 067	2 920	3 769	3 769	3 004	1 500	1 500
Libraries		1 500	1 500	1 500	1 500	1 500	1 500	1 500	1 500	1 500
EPWP		-	4 493	567	330	-	-	-	-	-
Greenest Municipality		-	229	-	-	344	344	414	-	-
Herschel Housing Grant		-	-	-	1 090	1 090	1 090	1 090	-	-
Municipal Disaster Relief Grant		-	-	-	-	835	835	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
<b>Total operating expenditure of Transfers and Grants:</b>		<b>199 215</b>	<b>179 409</b>	<b>188 852</b>	<b>200 984</b>	<b>201 833</b>	<b>201 833</b>	<b>213 353</b>	<b>207 044</b>	<b>201 395</b>
<b>Capital expenditure of Transfers and Grants</b>										
National Government:		14 803	24 572	34 366	37 575	37 575	37 575	47 100	41 588	46 249
Municipal Infrastructure Grant (MIG)		13 680	24 572	34 366	37 575	37 575	37 575	45 260	38 719	41 918
Integrated National Electrification Programme		1 122	-	-	-	-	-	1 839	2 870	4 331
Provincial Government:		-	-	-	-	5 565	5 565	-	-	-
Municipal Disaster Relief Grant		-	-	-	-	5 565	5 565	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		<b>14 803</b>	<b>24 572</b>	<b>34 366</b>	<b>37 575</b>	<b>43 140</b>	<b>43 140</b>	<b>47 100</b>	<b>41 588</b>	<b>46 249</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>214 018</b>	<b>203 981</b>	<b>223 217</b>	<b>238 559</b>	<b>244 973</b>	<b>244 973</b>	<b>260 452</b>	<b>248 632</b>	<b>247 644</b>

## 8. Financial Strategy

The financial well-being and threats directly affecting the financial sustainability of municipalities have been a very topical issue in recent times. Issues such as unemployment and high energy and other costs negatively impacts on the sustainability of municipalities. These economic challenges will continue to pressurise municipal revenue generation and collection levels. The Municipality will have to improve their efforts to limit non-priority spending and to implement stringent cost-containment measures.

### a) Revenue Enhancement Strategy

As part of the financial sustainability strategy, a revenue management framework has been implemented to increase cash inflow, not only from current billings, but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, credit control and debt collection.

The following has been done with the implementation of the Revenue enhancement plan:

1. The Municipality is implementing a process of converting residential credit meters to prepaid meters. The Historical Debt in the main is based on residents not paying for electricity already consumed when the Municipality was still a majority of credit meters.
2. The Municipality is implementing exemptions as per the Municipal Property Rates Act and addition exemptions as per municipal policy. The Municipality is also in the process of transferring property to owners that will increase rates base in the future.
3. Refuse billing is based on the occupier of the premises and not subjected to property transfers as per point "1" above. Refuse billed is thus a greater % than Property Rates

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The Municipality derives most of its operational revenue from the provision of goods and services such as electricity and solid waste removal, property rates, operating and capital grants from organs of state and other minor charges (such as building plan fees, licenses and permits etc).

Investment revenue contributes significantly to the revenue base of the Municipality. The tables below provide detail investment information and investment particulars by maturity.

**Table 53: Detail Investment Information**

Investment type	Current Year 2023/24	2024/25 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousand</b>				
<b>Parent municipality</b>				
Deposits - Bank	429 634	255 565	201 270	184 078
<b>Total:</b>	<b>429 634</b>	<b>255 565</b>	<b>201 270</b>	<b>184 078</b>

**Table 54: Investment particulars by maturity**

Investments by Maturity	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
<u>Parent municipality</u>					-
Standard Bank 38 848 973 1 - 005	97 033	6 994	-	-	104 027
Standard Bank 38 848 606 6 - 001	10 166	737	-	-	10 903
Standard Bank 38 848 916 2 - 002	322 436	23 777	(402 638)	197 060	140 635
<b>TOTAL INVESTMENTS AND INTEREST</b>	<b>429 634</b>		<b>(402 638)</b>	<b>197 060</b>	<b>255 565</b>

**b) Asset Management Strategy**

**Asset Register**

The Municipality has compiled a Fully GRAP Compliant Asset register that were tested by during the Audit were no findings pertaining to the Register were raised by the Auditor General. Senqu Municipality has implemented a system of internal control consistent with the transcripts of the Municipal Asset Management and Insurance policy to ensure that all assets are accounted for, and the useful lives of the assets are reassessed on an annual basis. Strict Control is also kept on the safeguarding of assets to ensure that service delivery is not disrupted in any way or form.

Ultimately the objectives of Senqu Local Municipality regarding Asset Management are to ensure that the assets of the Municipality are properly managed and accounted for. The Municipality has developed a comprehensive asset and insurance policy that fully complies with the GRAP standards and regulations placed upon the municipality by the National Treasury. The policy has been implemented and some of the key aspects included in the policy are as follows:

- Ensuring the accurate recording of asset information
- The accurate recording of asset movements
- Exercising strict physical control over all assets (Security, safekeeping, housekeeping)
- Providing correct and meaningful management information in conjunction with other disciplines and functions which, inter alia, includes Insurance

- Compliance with Council’s Insurance and Payments Procedure
- Effecting adequate insurance of all assets
- Maintenance of Council’s Assets

By clearly clarifying roles and responsibilities within the asset management policy the municipality has ensured that clear reporting lines exists to ensure that proper account can be given regarding the use/misuse of all municipal assets.

Senqu Municipality, like so many other municipalities in South Africa, is faced with ageing Infrastructure as one of the biggest threats to sustainable service delivery.

National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. The Municipality does not meet both these recommendations for the current budget period.

The table below illustrates that on average the municipality should replace its assets every 17 years. Where possible, the municipality should implement strategies that will see this ratio improve over time. This will include an effective maintenance program which will extend the useful life of the assets and reduce the need to replace assets on a more regular basis.

	Average Remaining useful life
Infrastructure	21
Community Assets	23
Other assets	7
<b>Average for all assets</b>	<b>17</b>

### c) Capital Financing Strategy

Capital Projects are mainly funded from the Municipal Infrastructure Grant, but the Municipality maintains efficient and effective revenue collection systems and effective cash flow management systems and is thus in an able position to fund shortfalls from grant funding. Through the above practices, Senqu Municipality is also able to fund capital expenditure not covered in the MIG as an example vehicles and office equipment.

## **9. Financial Management Policies**

### a) General Financial Philosophy

The financial policies of Senqu Local Municipality has been drafted to provide a sound control environment thus ensuring adherence to all applicable laws regulations and to comply with best practices thereby providing a secure and fraud free management of financial services. The Budget and Finance Office has the following objectives:

- To fully Implement the MFMA and all its underlying reforms
- Implementation of the Legislature relevant to municipal finances and the municipality as a whole
- Effective Management of the Budget Process
- Providing strategic and specialised financial information and guidance through the Budget and Treasury Office in support of all other departments within the municipality
- Efficient and Effective Management of Municipal Revenue
- Establishment of a Supply Chain Management Unit and the full implementation of the municipal supply chain policy
- Establishment of an FBS/Indigent Support Unit
- Maintenance of Internal Financial Control
- Production of Financial Performance Reports
- To Retain the Financial Viability of the Municipality
- To have an Unqualified Audit Report

#### b) Tariff Policy

A tariff policy must be compiled, adopted and implemented in terms of Section 74 of the Local Government: Municipal Systems Act 2000, such policy to cover, among other things, the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements. The tariffs policy has been compiled considering, where applicable, the guidelines set out in Section 74 (see part 9 of this policy) of the Municipal Systems Act No. 32 of 2000. In setting its annual tariffs the council shall at all times take due cognisance of the tariffs applicable elsewhere in the economic region, and of the impact which its own tariffs may have on local economic development.

All tariffs are being indicated in a tariff schedule, which is an addendum to the policy and is reviewed and amended by Council annually.

#### c) Rates Policy

The local Government: Municipal Property Rates Act, No 6 of 2004, requires that the municipality develop and adopt a rates policy in consistent with the Act on the levying of rates on rate able property in the municipality. This has been done. The rates policy of the municipality to which residents / communities will annually be invited to make suggestions / recommendations during its budget process will be based on public submissions, which can include oral presentations and bilateral meetings in order to obtain clarity on the submitted comments as well as further motivations thereof. The municipal council will not take the final decision before such a consultative process has been concluded. In developing and adopting this Rates Policy, the Council has sought to give effect to the sentiments expressed in the preamble of the Property Rates Act, namely that:

The Constitution enjoins local government to be developmental in nature, in addressing the service delivery properties of our country and promoting the economic and financial viability of our municipalities. There is a need to provide local government with access to a sufficient and buoyant

source of revenue necessary to fulfil its developmental responsibilities. Revenues derived from property rates represent a critical source of income for municipalities to achieve their constitutional objectives, especially in areas neglected in the past because of discriminatory legislation and practices and it is essential that municipalities exercise their powers to impose rates within a statutory framework which enhances certainty, uniformity and simplicity across the nation and which take account of historical imbalances and the burden of rates on the poor.

The Municipality needs a reliable source of revenue to provide basic services and perform its functions. Property Rates are the most important source of general revenue for the municipality. Revenue from property rates is used to fund services that benefit the community as a whole as opposed to individual households; these includes installing and maintaining streets, roads, sidewalks, lighting and cemeteries. Property Rates revenue is also used to fund municipal administration and costs of governance, which facilitate community participation on issues of Integrated Development Plans and municipal budgets. Property Rates revenue would under circumstances be used to fund any function of the municipality.

Municipal Property Rates are set, collected and used locally. Revenue from property rates is spent within the municipality, where the citizens and voters have a choice on how the revenue is spent as part of the Integrated Development Plan and budget processes, which the municipality will annually invites the community to input prior the council's adoption of the budget. The following principles will ensure that the municipality treats persons liable for rates equitable:

Equity – the municipality will treat ratepayers with similar properties the same.

Affordability – the ability of a person to pay rates will be considered by the municipality. In dealing with the poor / indigent ratepayers the municipality will provide relief measures through exemptions, reductions or rebates. In applying its Valuations and Rates Policy, the Council adheres to all the requirements, as set out below, of the Property Rates Act no. 6 of 2004 including any regulations promulgated in terms of that Act.

#### d) Free Basic Services and Indigent Support Policy

The principles of the Free Basic Services and Indigent Support Policy is as follows:

- Ensure that the Equitable Share received annually will be utilised for the benefit of the poor only and not to subsidise rates and service charges of those who can afford to pay.
- To link this policy with the municipality's IDP (Integrated Development Plan), LED (Local Economic Development) initiatives and poverty alleviation programmes.
- To promote an integrated approach to free basic service delivery; and to engage the community in the development and implementation of this policy.

#### Policy Objectives

In support of the above principles the objective of this policy will be to ensure the following:

- The provision of basic services to the community in a sustainable manner within the financial and administrative capacity of the Council;
- The financial sustainability of free basic services through the determination of appropriate tariffs that contribute to such sustainability through cross subsidisation;



- Establishment of a framework for the identification and management of indigent households including a socio-economic analysis where necessary and an exit strategy.
- The provision of procedures and guidelines for the subsidisation of basic charges and the provision of free basic energy to indigent households; and
- Co-operative governance with other spheres of government.

#### e) Credit Control & Debt Collection Policy

The purpose is to ensure that credit control forms an integral part of the financial system of the local authority, and to ensure that the same procedure be followed for each individual case. The policy has been changed into a credit control bylaw in line with legislation.

Principles underlined in the policy is as follows.

- The administrative integrity of the municipality must be maintained at all costs. The democratically elected councillors are responsible for policy making, while it is the responsibility of the Municipal Manager to ensure the execution of these policies.
- All customers must complete an official application form, formally requesting the municipality to connect them to service supply lines. Existing customers may be required to complete new application forms from time to time, as determined by the Municipal Manager.
- A copy of the application form including conditions of services must be handed to every new customer on date of application for services. A copy of the council's Credit Control and Debt Collection policy would on request is made available to any customer.
- Billing is to be accurate, timeous and understandable.
- The customer is entitled to reasonable access to pay points and to a variety of reliable payment methods.
- The customer is entitled to an efficient, effective and reasonable response to appeals, and should suffer no disadvantage during the processing of a reasonable appeal.
- Enforcement of payment must be prompt, consistent and effective.
- Unauthorised consumption, connection and reconnection, the tampering with or theft of meters, service supply equipment and the reticulation network and any fraudulent activity in connection with the provision of municipal services will lead to disconnections, penalties, loss of rights and criminal prosecutions.
- Incentives and disincentives may be used in collection procedures.
- Results will be regularly and efficiently reported by the Municipal Manager and the Mayor.
- Application forms will be used to, inter alia, categorise customers according to credit risk and to determine relevant levels of services and deposits required.
- Targets for performance in both customer service and debt collection will be set and pursued and remedies implemented for non-performance.
- Debtors may be referred to third party debt collection agencies and may be placed on the National Credit Rating list.

#### f) Supply Chain Management Policy

The objective of this policy is to provide a policy framework within which the municipal manager and chief financial officer can institute and maintain a supply chain management system which is

transparent, efficient, equitable, competitive, which ensures best value for money for the municipality, applies the highest possible ethical standards, and promotes local economic development.

All officials and other role players in the supply chain management system of the municipality must implement this Policy in a way that –

- gives effect to – section 217 of the Constitution; and Part 1 of Chapter 11 and other applicable provisions of the Act.
- is fair, equitable, transparent, competitive and cost effective.
- complies with – the Regulations; and any minimum norms and standards that may be prescribed in terms of section 168 of the Act; is consistent with other applicable legislation and guidelines:
- does not undermine the objective for uniformity in supply chain management systems between organs of state in all spheres; and is consistent with national economic policy concerning the promotion of investments and doing business with the public sector.

Other policies:

<u>Policy Name</u>	<u>Date To be Reviewed</u>	<u>Amendments Made</u>
Asset Management and Insurance Policy	May 2024	No
Borrowing & Funding & Reserves Policy	May 2024	No
Cash Management Banking Investment Policy	May 2024	No
Credit Control & Debt Collection Policy	May 2024	No
Free Basic Services & Indigent Subsidy Support Policy	May 2024	No
Property Rates & Valuation Policy	May 2024	No
Supply Chain Management Policy	May 2024	Yes
Tariff & Services Policy	May 2024	No
<u>Policy Name</u>	<u>Date To be Reviewed</u>	<u>Amendments Made</u>
Virement Policy	May 2024	No
Cost Containment Policy	May 2024	Yes
Liquidity Policy	May 2024	No
Debt Incentive Scheme Policy	May 2024	No
Debt Write-off Policy	May 2024	No
Municipal Corporate ICT Governance Framework Policy	May 2024	Yes

ICT Strategic Plan	May 2024	No
Vehicle Allowance Policy	May 2024	No
Subsistence and Travelling Policy	May 2024	No
Fleet Management Policy	May 2024	No
Budget & IDP Policy	May 2024	No
Revenue Enhancement Strategy	May 2024	Yes
Strategic Procurement Framework	May 2024	Yes

Applicable legislation:

Banks Act, 1990, Act No.94 of 1990
The Constitution of the Republic of South Africa, 1996, Act No 108 of 1996
Public Finance Management Act, 1999, Act No 1 of 1999
Preferential Procurement Policy Framework Act, 2000, Act No 5 of 2000
Local Government: Municipal Systems Act, 2000, Act No 32 of 2000
Construction Industry Development Board Act, 2000, Act 38 of 2000
Preferential Procurement Regulations, 2001, Pertaining to the Preferential Procurement Framework Act – Notice 22549 of 10 August 2001 – Gazette No 7134
Broad-Based Black Economic Empowerment Act, 2003, Act No 53 of 2003
Municipal Finance Management Act, 2003, Act No 56 of 2003
National Treasury: MFMA Circular No. 2 – Supply Chain Management – 20 July 2004
Prevention and Combating of Corruption Activities Act, Act No 12 of 2004.
Local Government: Municipal Finance Management Act, 2003 – Municipal Supply Chain Management Regulations – Notice 868 of 2005
National Treasury: MFMA Circular No. 22 – Model Supply Chain Management Policy – 25 August 2005
Code of Conduct for Supply Chain Management Practitioners and Other Role Players - August 2005.
Municipal Supply Chain Management Model Policy – August 2005.
National Treasury: MFMA Circular No.25 – Supply Chain Management Guide, General Conditions of Contract and Municipal Bidding Documents – 3 October 2005.
A Guide for Accounting Officers of Municipalities and Municipal Entities – October 2005
General Conditions of a Contract – October 2005.
Senqu Municipality: Supply Chain Management Policy Ver. 1 – 1 January 2006.
Government Notice 44 – Exemptions from Supply Chain Management Regulations – 18 January 2006.
National Treasury: MFMA Circular No. 29 – Supply Chain Management Issues – 31 January 2006.
National Treasury: MFMA Circular No.33 – Supply Chain Management Issues – 27 March 2006.

National Treasury: MFMA Circular No.62 – SCM Compliance – 20 August 2012.
National Treasury: MFMA Circular No.68 – Unauthorised Fruitless and Irregular Expenditure – 13 October 2021.
National Treasury: MFMA Circular No.69 – SCM – Local Production and Content 22 May 2013
National Treasury: MFMA Circular No.81 – SCM – Central Supplier Database 18 March 2016
National Treasury: MFMA Circular No.82 – Cost Containment Measures 30 March 2016
National Treasury: MFMA Circular No.82 – Tax Compliance 30 January 2018

The Municipality remains committed to the full implementation of the SCM Regulations, MFMA requirements and the Municipal SCM policy. Control measures were implemented to address the findings raised by the AG and additional controls were also implemented by the municipality to be in a position to ensure compliance with SCM and PPPFA regulations such as the redesign of evaluation forms and the reviewal of the SCM policy. Senqu Municipality also plans to implement demand and procurement management plans for the 2024- 2025 Budget year to ensure enhanced compliance through proper planning.

The SCM unit within the municipality is also being capacitated and this in turn ensures that the SCM Policy is being properly enforced and implemented.

## **10. Accounting principles & Policies applied in Annual Financial Statements**

The budget and treasury section has developed an AFS year-end preparation plan and an audit file that is updated regularly. The Municipality does not miss the deadline of 31 August for the submission of the annual financial statements to the auditor general.

### Basis of Preparation

The financial statements are prepared on an accrual basis of accounting and are in accordance with historical cost convention, unless specified otherwise.

The financial statements are prepared in accordance with the Municipal Finance Management Act (MFMA) and effective standards of Generally Recognised Accounting Practices (GRAP), including any interpretations, guidelines and directives issued by the Accounting Standards Board (ASB) in accordance with Section 122(3) of the Municipal Finance Management Act, (Act No 56 of 2003).

Accounting policies for material transactions, events or conditions not covered by the GRAP reporting framework, have been developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 (Revised – November 2013) and the hierarchy approved in Directive 5 issued by the Accounting Standards Board.

Assets, liabilities, revenue and expenses have not been offset, except when offsetting is permitted or required by a Standard of GRAP.

New Standards, Amendments to Standards and Interpretations issued but not yet effective

Where a Standard of GRAP has been issued but is not yet effective, the Municipality may resolve to early adopt such a Standard of GRAP if an effective date has been determined by the Minister of Finance.

The Municipality resolved to early adopt the Improvements to the Standards of GRAP (2020) which were issued but are not yet effective. The improvements affected the following Standards of GRAP:

<b>Standard</b>	<b>Description</b>	<b>Effective Date</b>
GRAP 5	Borrowing Costs	1 April 2023
GRAP 13	Leases	1 April 2023
GRAP 16	Investment Property	1 April 2023
GRAP 17	Property Plant and Equipment	1 April 2023
GRAP 24	Presentation of Budget Information in Financial Statements	1 April 2023
GRAP 31	Intangible Assets	1 April 2023
GRAP 32	Service Concession Arrangements: Grantor	1 April 2023
GRAP 37	Joint Arrangements	1 April 2023
GRAP 106	Transfer of Functions Between Entities Not Under Common Control	1 April 2023
Directive 7	The Application of Deemed Cost	1 April 2023
Guideline	Accounting for Landfill Sites	1 April 2023

The Municipality also resolved to early adopt the following Interpretation of the Standards of GRAP which were issued but are not yet effective:

<b>Standard</b>	<b>Description</b>	<b>Effective Date</b>
iGRAP 21	The Effect of Past Decisions on Materiality	1 April 2023

The Municipality further resolved to early adopt the following Amendments to the Standards of GRAP which were issued but are not yet effective:

<b>Standard</b>	<b>Description</b>	<b>Effective Date</b>
GRAP 1 (2019)	Presentation of Financial Statements	1 April 2023

The effect of the above-mentioned pronouncements to the Standards of GRAP which were early adopted is considered insignificant. The early adopted pronouncements mainly relate to the clarification of accounting principles.

### Presentation of Budget Information

Budget information is presented on the accrual basis and is based on the same fiscal period as the actual amounts.

The Statement of Comparison of Budget and Actual Amounts includes the comparison between the approved and final budget amounts, as well as a comparison between the actual amounts and final budget amounts.

The disclosure of comparative information in respect of the previous period is not required by the Standards of GRAP.

## **11. Revenue**

At the time of initial recognition, the full amount of revenue is recognised where the Municipality has an enforceable legal obligation to collect, unless the Municipality has no intention of collecting this revenue. Where the Municipality has no intention of collecting the revenue, rebates and discounts are offset against the related revenue. If the Municipality does not successfully enforce its obligation to collect the revenue this would be considered a subsequent event.

### Revenue from Non-Exchange Transactions

Revenue from non-exchange transactions refers to transactions where the Municipality received revenue from another entity without directly giving approximately equal value in exchange.

Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

#### *Taxation Revenue*

Taxation revenue comprises of property rates. Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportion basis with reference to the principal amount receivable and effective interest rate applicable. A composite rating system charging different rate tariffs is employed. Rebates are granted to certain categories of ratepayers and are deducted from revenue.

#### *Transfer Revenue*

Grants, transfers and donations received, or receivable are recognised when the resources that have been transferred, meet the criteria for recognition as an asset. A corresponding liability is recognised to the extent that the grant, transfer or donation is conditional. The liability is transferred to revenue as and when the conditions attached to the grant are met. Grants, transfers and donations without any conditions attached are recognised as revenue when the asset is recognised.

#### *Fines*

Fine Revenue constitutes both spot fines and summonses. All fines issued during the year less any cancellations or reductions are recognised as revenue. In cases where fines and summonses are issued by another government departments, revenue will only be recognised when monies are received, as the Municipality does not have any control over fines issued by other government institutes.

#### *Insurance Receipts*

Revenue from third parties i.e. insurance payments for assets impaired, are recognised when it can be measured reliably and is not being offset against the related expenses of repairs or renewals of the impaired assets.

#### *Unclaimed deposits*

All unclaimed deposits are initially recognised as a liability until 12 months expires, when all unclaimed deposits into the Municipality's bank account will be treated as revenue. Historical patterns have indicated that minimal unidentified deposits are reclaimed after a period of twelve months. Therefore the substance of these transactions indicates that even though the prescription period for unclaimed monies is legally three years, it is reasonable to recognised all unclaimed monies older than twelve months as revenue. Although unclaimed deposits are recognised as revenue after 12 months, the Municipality still keeps a record of these unclaimed deposits for three years in the event that a party should submit a claim after 12 months, in which case it will be expensed.

#### *Revenue from Recovery of Unauthorised, Irregular, Fruitless and Wasteful Expenditure*

Income from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the MFMA (Act 56 of 2003), and is recognised upon the recovery thereof from the responsible party.

#### Revenue from Exchange Transactions

Revenue from exchange transactions refers to revenue that accrued to the Municipality directly in return for services rendered or goods sold, the value of which approximates the consideration received or receivable.

#### *Service Charges*

Service Charges are levied in terms of approved tariffs. Service charges relating to electricity and water are based on consumption and a basic charge as per the approved tariffs. Meters are read monthly and are recognised as revenue when invoiced. Where the Municipality was unable to take the actual month's reading of certain consumers, a provisional estimate of consumption for that month will be created, based on consumption history. The provisional estimates of consumption are recognised as

revenue when invoiced, except at reporting date when estimates of consumption up to the reporting date are recorded as revenue without being invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period.

Revenue from the sale of electricity prepaid meter cards is recognised at the point of sale.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage and are levied monthly based on the recorded number of refuse points per property.

#### *Interest earned.*

Interest earned on investments is recognised in the Statement of Financial Performance on the time proportionate basis that considers the effective yield on the investment.

#### *Rental income*

Revenue from the rental of fixed assets is recognised on a straight-line basis over the term of the lease agreement.

#### *Income from Agency Services*

Revenue arising out of situations where the Municipality acts as an agent on behalf of another entity (the principal) is limited to the amount of any fee or commission payable to the Municipality as compensation for executing the agreed services.

Income from agency services is recognised monthly once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

#### *Other Tariffs*

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant tariff. This includes the issuing of licences and permits.

#### *Sale of goods*

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- The Municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods.
- The Municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits or service potential associated with the transaction will flow to the Municipality.
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.



The ICT Software used by Senqu Local Municipality is summarized in Table 58 below:

Table 55: ICT software

Company	Programme	Application
Inzalo	Inzalo Enterprise Management Solutions	Inzalo Consolidated Billing Inzalo Ledger Inzalo Payroll Inzalo Assets Inzalo Stores Inzalo Cashbook Inzalo Financial Management Solutions
Microsoft	MS Office	MS Word MS Excel MS PowerPoint MS Publisher Adobe MS Outlook Windows Security
Sophos	Sophos Protection	Sophos Antivirus
Standard Bank	Standard Bank Business Online	Standard Bank Business Online Electronic Banking
SITA	eNatis	Motor Vehicle Registration

Source: Senqu Municipality

In order to protect data, there are backup servers located off site and one drive cloud backups. The servers also have alternate energy sources. The Municipality is busy improving its capacity to run its ICT and servers during electrical blackouts. All server rooms are secured.

### 13. Valuation Roll

In terms of The Municipal Property Rates Act of 2004, Chapters 4, 5, 6 and 7 a municipal valuation process of all properties within a municipal jurisdiction must be completed by a municipality within the ambit of this Act (MPRA) given due consideration to rights of community members and the municipality/municipal valuator which will conduct the valuation process. A GRAP compliant valuation roll was done in 2017 with the first supplementary which is published on the Senqu website on [www.senqu.gov.za](http://www.senqu.gov.za). It was open to the public for objections from the 15th May to 25 June 2018. Community meetings were held and the process of lodging objections was done. Yearly Supplementary Valuation Rolls are being conducted in years that general valuation does not take place. We published our last supplementary roll in 2022 and have applied for a two-year extension whilst the Treasury tender procurement abatement is in process. The roll was published in Gazette number 29 of 2022. This is in

terms of Sec 6 & 14 of the MPRA which were gazetted. No objections were submitted during the objection period which is now closed.

A valuator was hired for the 2017 roll which is valid for 5 years. Budget is available for engaging a new valuer in the valuation reserves project. A new valuation roll will be undertaken in the 2024/2025 FY. This has been advertised and the tender has closed for evaluation and adjudication.

To achieve the above an informative consultation process with community members will be embarked upon explaining activities to be performed by the municipal valuers and the rights of community members regarding the entire valuation process. This informative consultation process will also afford community members an opportunity to gain clarity on any uncertain matters which they might have. All meeting dates and places will be formally advertised and placed on notice boards in municipal offices.

The municipality is currently using General valuation roll for property valuations and the service are also linked to the General valuation roll and as they are demand driven the SLAs are signed for service required. The general valuation roll is performed as per the deeds search records and cadastral data from the chief surveyor general, these are the basic requirements as per MPRA act. Senqu Municipality is currently using Sebata billing System which capable of billing monthly, Quarterly, biannually and annually depending on the demand. Currently we do have a challenge on electrical losses and the plan to curb those losses is always provided by technical director and Nersa.

The Vote for valuation reserves is part of the budget and the amount awarded to the winning bidder is also available at SCM as it reflects on the tender document. Currently the municipality has the current valuation on website and as soon as the new general valuation roll is opened for public consumption the municipality will add the new General valuation roll to the website.

#### **14. Internal Controls**

The Municipality has an effective internal control system in place as evidenced by eight consecutive year's unqualified audit with no other matters reported (clean audit). All issues relating to the audit are addressed in Chapter 5. Risk management is conducted on an annual basis by the DTSPS department and risk assessment reports generated quarterly per department.

## 15. Supply Chain Management

Senqu has three committees as per legislation. “Bid Committees” means the committees established in terms of this policy to prepare bid specifications, bid documentation, evaluate responsive bids and, where so authorised, to adjudicate responsive bids and any reference in section 117 of the Municipal Finance Management Act to municipal tender committees shall be construed as a reference to the aforesaid committees.

These Committees are:

The Specification Committee which ensures that the specifications are correct and in line with SCM legislation and approves them for tender advertisements. The Evaluation Committee evaluates bids once tenders have closed and forwards their recommendations to the Adjudication Bid Committee. The third committee is the Adjudication Bid Committee that makes recommendations to the Accounting Officer on all tenders. The Accounting Officer makes the final decision to award or cancel the bid.

The unit consists of 11 staff members, including 2 managers, who handle bids, expenditure, demand management, acquisition management and contract management. The Unit assists the Compliance and Governance Manager to monitor the performance of suppliers and bidders. The turnover rate of procurement is between 45 days if adjudication sits regularly. Contract management is performed by the Acquisition Section with the SCM Division.

## 16. mSCOA STANDARD CHART OF ACCOUNTS AND REPORT SUBMISSION

Senqu Municipality views mSCOA as a long-term commitment and the municipality, together with service providers and provincial planning and treasury, remain committed to the project. As from the 2017/2018 the municipality has been able to table mSCOA compliant budgets for approval by the council in line with the applicable mSCOA chart.

To date, the following modules have been fully implemented, namely Planning, Billing, Ledger, SCM, Payroll (with leave module under implementation) and Performance Management.

#	MSCOA MODULE/PHASE	IMPLEMENTATION STAGE	COMMENTS/REMEDIAL ACTION	DATE
1.	Planning/Budget	Completed	None	N/A
2.	Billing/Revenue	Completed	None	N/A
3.	Ledger	Completed	None	N/A
4.	SCM and Expenditure	Completed	None	N/A
5.	HR and Payroll	Completed	Leave sub-module is still in implementation phase. A meeting is scheduled for 02 <sup>nd</sup> April to resolve challenges and conclude its implementation.	30 April 2024

6.	Assets Management	In Progress	The implementation is on hold pending the clarification of certain functionalities by the vendor as no municipality in the province has successfully implemented it. The municipality will also consider initiating the process once the 2022/23 FAR audit is finalised to have audited take on balances. Furthermore, PT had a meeting with the system vendor for them to demonstrate the functionality of the module.	01 April 2024
7.	Inventory Management	Not Completed	The municipality resolved to only implement the module after the Assets Management module has been implemented.	01 August 2024
8.	Performance Management	Completed	Module implemented successfully. Only support is required when requested as the module is not used on a daily basis.	N/A

### **Challenges**

- HR/Payroll module has been implemented successfully; however, the officials still need learn how to identify imbalances and do recons to ensure that all the payroll related items balance.
- More officials need to be trained on the Payroll module to reduce reliance on service provider in cases of emergencies.
- Leave sub-module should be implemented soonest as the municipality runs the risk of losing manual records on leave, as a result of not fully implementing it.
- Proper care needs to be taken by officials capturing items (i.e., invoices, payments description etc.) so when reconciliations are done, they're thoroughly done with description speaking to the purchased items.

The Following concerns / activities have been raised with the System Vendor;

- Turnaround time for system queries.
- Improved creditors listing which can easily be reconciled to the general ledger and the unpaid orders.
- Improved automated monthly bank reconciliation with supervisory checks.
- Service provider should develop reports requested by NT (i.e., audited actuals report, audited creditors etc..)

The municipality has also resuscitated the regular technical meetings with system vendor to ensure all concerns raised are addressed timeously. Furthermore, the municipality has also resolved to revive the mSCOA Steering Committee to form part of the ICT Steering Committee to give adequate attention to the mSCOA related issues.

The Municipality compiles Section 71 and Section 72 reports 10 days after the closing of the month and submits to Treasury, Section 71 also goes to monthly Finance Standing Committee. S52d are compiled quarterly at the end of the month after the quarter and submitted to Treasury and COGTA., Yearly reports are submitted to Treasury and AG by the 31<sup>st</sup> August on an annual basis.

# CHAPTER TEN: PERFORMANCE MANAGEMENT SYSTEM

## 1. Monitoring & Evaluation System & Unit

The M & E unit consists of the Manager Governance and Compliance with a Risk Management Officer and an intern. 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.

The S56 Managers scorecards and that of the line managers' scorecards are developed by Corporate Services. The unit in Corporate Services is headed by the HR Manager and one PMS Co-ordinator.

The evaluations for the 2021/22 financial year have been completed in line with the PMS policy which states that Directors will only be formally assessed once the final annual report is approved. The evaluation for 2022/2023 will be done at the end of the 4<sup>th</sup> quarter of 2023/2024.

Annual assessments are done after the approval of the Annual Report by Council and the quarterly ones are done within 30 days after the end of each quarter.

In order to verify that targets are met, the responsible individuals submit quarterly reports with their portfolio of evidence to the Head of Department who checks it and submits it to the Manager Governance & Compliance. It is checked and a quarterly assessment is carried out. Formal assessment is only done in the second and fourth quarter. The mid-year assessment for 2023/24 (Q2) will be carried out at the end of March 2024.

## 2. MPAC

The MPAC has been trained again just to ensure that members are fully conversant with their roles and responsibilities. The Committee meets and discusses the departmental quarterly reports submitted by Directors and develops an annual S 46 report on performance assisted by the Manager Compliance and governance. As MPAC has improved its capacity, so has its ability to interrogate the evidence provided by directors to support that target have been met. As a result, the compliance with reporting and submitting of evidence has been much improved.

Cllr Mpiti -Gxelesha was appointed in February 2023 as MPAC Chairperson

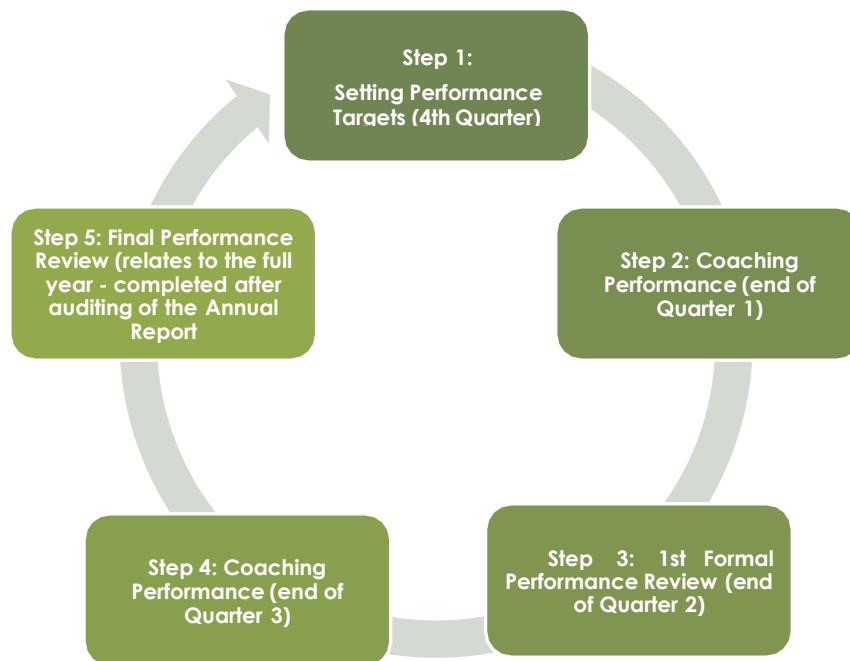
## 3. PMS Implementation and Roll Out

The Municipality has implemented an organisational PMS as per the policy adopted in 2018. Roll out to Managers below S56 occurred in 2014/15.

The further roll out to personnel under Managers occurred in 2020/2021. This process was not completed and will be revived in the 2023/2024 financial year together with the introduction of an electronic PMS system.

#### 4. Summary of the Performance Management Policy

The policy was adopted by Council in 2018. The employee Performance Management System involves the following cycle which extends from 1 July – 30 June annually:



Annually, the following steps are taken:

##### Step 1: Fourth Quarter (Planning for the next cycle).

Scorecards for staff are developed and all targets are written according to the prescriptions relating to the setting of performance targets. There is alignment between scorecards, the SDBIP, Budget and IDP.

- Manager and subordinate discuss and agree on targets.
- Areas for development are identified and reflected in a Personal Development Plan (PDP) or customized action plan that is signed by both parties in order to show commitment to achievement. This reflects the training and development needs that must take place in order to ensure that the subordinate is able to meet the required targets; and
- The Municipal Manager and s56 Directors and Middle Manager’s sign annual performance agreements, applicable for this period.

##### Step 2: First Quarter Coaching and Reinforcement – informal Assessment

- At the end of this quarter the manager and subordinate meet to discuss actual performance against required performance. Achievements are commended and appropriate Action Plans developed in order to address any highlighted performance issues; and
- Action Plans are monitored so that appropriate action occurs, and targets are met.

#### First Formal Review: Assessment

- Manager and subordinate meet to discuss the formal assessment and the rating of actual performance against expected performance for all performance indicators. (The manner of ratings follows below). Agreement is reached on ratings and commitment (action plans) to required action to ensure that required targets are achieved.
- Institutional Performance (Targets) (includes Directorates individual targets) are formally assessed through the s72 performance report in Q2.

#### Third Quarter: Coaching and Reinforcement– informal Assessment

- At the end of this quarter the manager and subordinate meet to discuss actual performance against required performance.
- Achievements are commended and appropriate Action Plans developed in order to address any highlighted performance issues; and
- Action Plans are monitored so that appropriate action occurs.

#### Fourth Quarter: Final Review and Assessment (Formal Panel Assessment)

- This assessment occurs after the auditing of the s46 / Annual Report. This is necessitated in order to be able to verify (from an external source) the achievement of targets/the extent to which targets have been achieved.
- Assessment of performance for all performance indicators is undertaken and, in this instance, assessment is undertaken by a panel, constituted according to the Framework, and detailed below. As detailed within the Framework and Policy, slight differences will be observed in the final assessment (panel constitution and process).
- An annual assessment may only occur after the Auditor General has audited the s46 / Annual Report; and Portfolios of Evidence are kept by all applicable (The Municipal Manager, the Directors and other identified Managers and staff in order to validate claims of performance.

#### Developing Scorecards

When developing scorecards, the following basic principles apply:



- Each scorecard for the Municipal Manager and s56 Directors and middle managers is compiled of Key Performance Areas (that make up 80% of the scorecard weighting) and Core Management Competencies (that make up 20% of the scorecard weighting);

Performance Agreements are concluded annually for the Municipal Manager and s56 Directors and Middle Managers.

- Staff at lower levels will make use of a generic scorecard that will be utilized to evaluate performance and will constitute 100 points. This will become effective at the time that the PMS is applicable to them.
- Senqu Municipality has adopted the five National Key Performance Indicators as contained within the 5-year Local Government Strategic Agenda as their Key Performance Area's (KPA's) within the organisational performance scorecard.
- Individual performance scorecards: - population of individual performance scorecards are dependent on the area/level of importance and the amount of emphasis that this National KPA would carry within this particular Directorate. The only prescription is that the total number allocated for the weights of the KPA's is 80% and the remainder of the scorecard will be made up of Core Management Competencies (CMC's) which will represent.
- Each KPA is individually weighted according to the level of importance and the amount of emphasis that this KPA would carry within this Directorate. The only prescription is that, that the total number allocated for the weights of the KPA's is 80%.
- The remainder of their scorecard adding up to 20% and made up of Core Management Competencies (CMC's). Three compulsory CMC's and one additional CMC are required in terms of the Performance Regulations/pms policy and are detailed as follows:
  - Financial Management
  - People Management and Empowerment
  - Client Orientation and Customer Focus

The targets contained within the CMC's must be different to those reflected within the KPA's. If necessary, targets that have already been agreed to may be removed from the KPA's and reflected within the CMC's. Under no circumstances may targets be duplicated between the two.

#### Rating of Employee Performance

LEVEL	TERMINOLOGY	DESCRIPTION
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5	Outstanding performance	Performance far exceeds the standard expected of an employee at this level.
4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job.
3	Fully effective	Performance fully meets the standards expected in all areas of the job.
2	Performance not fully effective	Performance is below the standard required for the job in key areas.
1	Unacceptable performance	Performance does not meet the standard expected for the job

The rating of an employee’s level of performance, whether in the category of s56 or as a middle manager, requires that ratings occur in terms of the rating calculator reflected below:

Assessment and Rating for the Municipal Manager and s56 Directors and Middle Managers

- Assessments are based on the degree to which a performance indicator has been met. Failure to produce adequate evidence will result in the lowest rating being awarded i.e., a rating of “1” rating.

Assessment and Rating for other Staff

Staff will be rated according to performance on a set of stipulated targets (generic issues). The slightly modified rating scale of 1 - 5 will be utilized (adjusted/modified slightly).

Performance Bonuses

The applicability of the PMS Framework is being cascaded over a period of time from the level of s56 manager down to middle managers reporting to s56 employees and finally to all levels below in a cascade effect.

- Performance Bonuses applicable to s56 managers

In order for the Municipal Manager, s56 Directors and Middle Managers to qualify for a performance bonus, the ratings of all panelists’ are required to be consolidated and changed into averaged scores (representative of the entire panel). These are consolidated by the Performance Management Facilitator appointed for this purpose.

The panel constitution for the Municipal Manager and s56 Managers (as reflected within the Regulations) is detailed below:

EVALUATION OF THE MM	EVALUATION OF S56 DIRECTORS ACCOUNTABLE TO THE MM
Mayor	MM
Chairperson of the audit committee or Audit Committee Member	Chairperson of the audit committee or Audit Committee Member
Mayor from another municipality	MM from another municipality
Ward committee member nominated by Mayor	Portfolio Councillor or Exco Member as nominated by the Mayor
Exco Member as nominated by the Mayor	Governance and Compliance Manager
Governance and Compliance Manager	PMS Facilitator
PMS Facilitator	

Bonuses are awarded according to a sliding scale – achieved by doubling the score (a total of 100 as per each scorecard), so as to reflect a total out of 200 – applicable to the rating scale. A score of 130% to 149% is awarded a performance bonus ranging from 5 – 9%, and a score of 150 and above is awarded a performance bonus ranging from 10% - 14%.

Merit awards applicable to the Municipal Manager and s56 Directors (budget permitting)

Merit awards for the Municipal Manager and s56 Directors are determined by assessing performance against required targets. Once performance criteria have been established, performance targets are reviewed regularly. At the end of the financial year, actual performance is compared against the agreed performance targets to determine the magnitude of the merit award. The merit award is calculated as a percentage of the total annual remuneration package of the employee.

- Performance Bonuses applicable to Middle Managers

Middle Managers are required to prepare and present a Portfolio of Evidence – substantiating claims of performance for each Performance Indicator for KPA’s and CMC’s. Bonuses are awarded according to the following sliding scale – achieved by doubling the score (a total of 100 as per each scorecard), to reflect a total out of 200 – applicable to the rating scale.

For Middle Managers to qualify for a performance bonus, the ratings of all panelists are required to be consolidated and changed into averaged scores (representative of the entire panel). These are consolidated by the Performance Management Facilitator appointed for this purpose.

The panel assessment panel for middle managers is constituted as follows:

ASSESSMENT PANEL FOR MIDDLE MANAGERS
Director (for relevant Directorate)
Manager (Relevant to Division) being reviewed (self-score and motivation /POE).

PMS Facilitator
Manager: Governance and Compliance or nominated other

Bonuses are awarded according to the following sliding scale – (a total of 100 as per each scorecard), so as to reflect a total out of 200 – applicable to the rating scale.

The consolidated scores are doubled, and bonuses are applicable as per the Middle Manager sliding scale

Performance Bonuses applicable to all other staff (below Middle Management level)

All other staff will be eligible to achieve a performance bonus providing they achieve a stipulated rating during the final review that is applicable to the assessment of annual performance and is detailed in the table that follows. Only one formal assessment occurs – after the 4<sup>th</sup> Quarter. Using the rating scale of 1 to 5 for achievement on targets as specified in terms of a standardized scorecard, the ratings of all panelists’ will be averaged and an average rating for each incumbent will be obtained which will translate to an overall rating that ranges from 1 to 5. The employee, their Manager and the Director form a panel which assesses and rates performance for each indicator on the generic scorecard. The rating for each indicator is averaged amongst the panelist’s and all final ratings are added together and averaged (rounded up) in order to achieve an overall final rating that is equivalent to a 1,2,3,4 or 5 overall.

The panel assessment panel for other staff (below Middle Management) is constituted as follows:

PANEL FOR STAFF BELOW MIDDLE MANAGEMENT
Director (for relevant Directorate)
Manager (Relevant to Section) being reviewed
The Employee Being Assessed
PMS Facilitator

Performance rewards for other staff are applicable as follows:

AVERAGE RATING	MERIT AWARD
5	60% of monthly basic package
4	40% of monthly basic package

AVERAGE RATING	MERIT AWARD
3	20% of monthly basic package
2	0%
1	0%

# CHAPTER 11: DISTRICT DEVELOPMENT MODEL (DDM) AND ONE PLAN

## 1. Introduction

“Cabinet approved the DDM as a government approach to improve integrated planning and delivery across the three spheres of government with district and metro spaces as focal points of government and private sector investment. The envisaged integrated planning and delivery in the district and metro spaces will be enabled by joint planning, budgeting and implementation process. The DDM articulates an approach by which all three spheres of government and state entities work cooperatively in an impact oriented way to ensure enhanced performance and accountability for coherent service delivery and development outcomes. The DDM is anchored on the development of the One Plan. This plan is an intergovernmental plan that outlines a common vision and desired future outcomes in each of the 52 district and 8 metro spaces. The One Plan sets out a long-term strategic 4 framework to guide investment and delivery in each district and metro spaces in the country (COGTA , June 2021)”.

The Joe Gqabi District Municipality developed its draft One Plan in 2021 and undertook workshops with various stakeholders in May 2022 to update and finalise the plan.

## 2. Purpose of the One Plan

- To give effect to the **District Development Model (DDM)** approved by Cabinet as a practical method to improve service delivery and development impact in the Joe Gqabi District Municipality space through integrated planning, budgeting, and delivery by all three spheres of government working together with stakeholders and communities.
- To localise and synergise the **National Development Plan (NDP)**, the Medium-Term Strategic Framework (MTSF), National Spatial Development Framework (NSDF), Integrated Urban Development Framework (IUDF) and key national and provincial sector policies/strategies/plans with socio-economic and spatial development logic of the Joe Gqabi District Municipality.
- To express a **coherent and predictable government approach in relation to these key priorities** through a **Long-Term Strategic Framework (One Plan)** for growth and development of the Joe Gqabi District Municipality space that is co-produced by all three spheres of government together with stakeholders and communities.
- To enable a programmatic Intergovernmental Relations approach in relation to Joe Gqabi District Municipality through implementation of the One Plan that will serve as an impact performance framework tracking the commitments and spending of national and provincial sector departments and the Joe Gqabi District Municipality according to the **shared vision** and desired future development of Joe Gqabi District Municipality and its people.

- To create an **environment** which is conducive for **investment**.
- To stabilize **governance and financial management practices** in the Joe Gqabi District Municipality.

### 3. Pillars of the One Plan

These six DDM Transformation Focal Areas are:

- People Development and Demographics** – the process of understanding the current population profile and development dynamics and by which a desired demographic profile and radical improvement in the quality of life of the people is achieved through skills development and the following 5 transformations discussed below (economic positioning, spatial restructuring and environmental sustainability, infrastructure engineering, housing and services provisioning, and governance and management).
- Economic Positioning** – the process by which a competitive edge is created that enables domestic and foreign investment attraction and job creation on the basis of an inclusive and transformed economy. The economic positioning informs the spatial restructuring and has to be sustained through protecting, nurturing and harnessing natural environment and resources.
- Spatial Restructuring and Environmental Sustainability** – the process by which a transformed, efficient and environmentally sustainable spatial development pattern and form is created to support a competitive local economy and integrated sustainable human settlements. Spatial restructuring informs infrastructure investment in terms of quantum as well as location and layout of infrastructure networks.
- Infrastructure Engineering** – the process by which infrastructure planning and investment especially bulk infrastructure installation occurs in order to support the transforming spatial pattern and form, meet the needs of a competitive and inclusive local economy and integrated human settlements, and ensure demand for housing and services is met in a sustainable way over the long-term.
- Integrated Services Provisioning** – the process by which integrated human settlement, municipal and community services are delivered in partnership with communities so as to transform spatial patterns and development for planned integrated sustainable human settlements with an integrated infrastructure network. This also requires holistic household level service delivery in the context of a social wage and improved jobs and livelihoods.
- Governance and Management** – the process by which leadership and management is exercised that planning, budgeting, procurement, delivery, financial and performance management takes place in an effective, efficient, accountable and transparent manner. It also includes spatial governance, that is, the process by which the spatial transformation goals are achieved through assessing and directing land development and undertaking effective land use management and release of municipal/public land.

#### 4. Alignment to Senqu Municipality KPA's

	Alignment to Senqu KPA's
People Development and Demographics	Environment and spatial development Municipal transformation and institutional development
Economic Positioning	Local Economic Development
Spatial Restructuring and Environmental Sustainability	Environment and spatial development
Infrastructure Engineering	Basic service delivery and infrastructure Municipal Financial Management and viability
Integrated Services Provisioning	Good Governance and Public Participation Municipal Financial Management and viability
Governance and Management	Good Governance and Public Participation Municipal transformation and institutional development

#### 5. Alignment to key government priorities to be implemented in district

LIST OF GOVERNMENT PRIORITIES TO BE IMPLEMENTED IN DISTRICT					
PILLAR NAME	NATIONAL/ PROVINCIAL MTSF PRIORITIES	EC PRIORITIES	PDP	DISTRICT PRIORITIES	SENQU PRIORITIES
<b>PILLAR 1: DEMOGRAPHIC CHANGE AND PEOPLE DEVELOPMENT</b>	<b>Priority 3: Education, Skills and Health</b> <b>Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services</b> <b>Priority 6: Social Cohesion and Safer Communities</b>	<b>Goal (Impact Area) 4: Human Development</b>		<ul style="list-style-type: none"> <li>Improve human capacity</li> <li>Facilitate development mental health and inclusive society</li> <li>Build social fabric</li> </ul>	<ul style="list-style-type: none"> <li>Programme to look at building and maintaining creches</li> <li>Poverty alleviation programme in W 5</li> <li>Revitalising CPF's and the Integrated Safety Forum</li> </ul>
		<ul style="list-style-type: none"> <li>Increase access to Early childhood development.</li> <li>Improved quality of primary and secondary education for improved educational outcomes.</li> <li>Increase skills for development of the province.</li> <li>Improved health profile and health outcomes in communities.</li> <li>Improve the safety of the people in the Eastern Cape.</li> <li>Promotion of Social Cohesion and</li> </ul>			

**LIST OF GOVERNMENT PRIORITIES TO BE IMPLEMENTED IN DISTRICT**

PILLAR NAME	NATIONAL/ PROVINCIAL MTSF PRIORITIES	EC PDP PRIORITIES	DISTRICT PRIORITIES	SENQU PRIORITIES
		moral regeneration. • Social Protection and Viable Communities.		
<b>PILLAR 2: ECONOMIC POSITIONING</b>	<b>Priority 2: Economic Transformation and Job Creation</b>	<b>Goal (Impact Area) 1: Innovative and Inclusive Growing Economy</b> <ul style="list-style-type: none"> <li>• Stronger industry and enterprise support.</li> <li>• Rapid development of high-potential economic sectors.</li> <li>• Spatially balanced economic development, urban development and small-town revitalization.</li> <li>• Digital transformation and development of the ICT sector.</li> </ul> <b>Goal (Impact Area) 3: Rural Development and an Innovative and High-Value Agriculture Sector</b> <ul style="list-style-type: none"> <li>• Sustainable community agriculture and diversified livelihoods.</li> <li>• Development of agricultural value chains.</li> <li>• Accelerate</li> </ul>	<ul style="list-style-type: none"> <li>• Facilitate and Implement job Creation and Poverty Alleviation</li> <li>• Facilitate and support regional economic development initiatives</li> <li>• Build economic and Social Infrastructure</li> <li>• Enhanced Tourism Development to stimulate economic growth</li> <li>• Thriving Agriculture and Agri-processing development in the region</li> <li>• Efficient and effective Investment Promotion and SMME Development</li> <li>• <a href="#">Ensure access to funding by Informal Businesses</a></li> <li>• Increased Property investment and Infrastructure Development</li> <li>• Thriving Light Manufacturing development</li> <li>• Digitally transformed service delivery platforms</li> </ul>	<ul style="list-style-type: none"> <li>• Implementation of the LED strategy</li> <li>• Monitor and implement increased procurement from SMME's</li> <li>• Implementation of the Tourism Plan</li> <li>• Property investment unit at the Municipality</li> </ul>



**LIST OF GOVERNMENT PRIORITIES TO BE IMPLEMENTED IN DISTRICT**

PILLAR NAME	NATIONAL/ PROVINCIAL MTSF PRIORITIES	EC PDP PRIORITIES	DISTRICT PRIORITIES	SENQU PRIORITIES
		land reform and land rehabilitation programmes.		
<b>PILLAR 3: SPATIAL RESTRUCTURING AND ENVIRONMENTAL SUSTAINABILITY</b>	<b>Priority 5: Spatial Integration, Human Settlements and Local Government</b>	<b>Goal (Impact Area) 2: An Enabling Infrastructure Network</b> <ul style="list-style-type: none"> <li>Develop sustainable and integrated settlements.</li> </ul> <b>Goal (Impact Area) 5: Environmental Sustainability</b> <ul style="list-style-type: none"> <li>Improvement of environmental governance.</li> <li>Safeguarding ecosystems and existing natural resources.</li> <li>Respond to climate change and green technology innovations.</li> </ul>	<ul style="list-style-type: none"> <li>Establish dedicated Environmental Management units in the District and Local Municipalities.</li> <li>Facilitate Environmental management and conservation.</li> <li>Develop capacity of the District to undertake compliance and enforcement activities in terms of the National Environmental Management Act (NEMA) and the Specific Environmental Management Acts (SEMAs)</li> <li>Ensure communities are empowered and capacitated on environmental management issues through education and awareness campaigns, implemented through the District.</li> </ul>	<ul style="list-style-type: none"> <li>Formalisation of informal settlements</li> <li>Increasing access to sites in urban areas</li> <li>Consolidation of villages around Sterkspruit</li> <li>Finalisation of climate change and air quality plans</li> <li>Utilisation of more green technologies. Senqu has already implemented a solar energy system in its main office</li> <li>Implementation of a waste recycling programme</li> </ul>
<b>PILLAR 4: INFRASTRUCTURE ENGINEERING</b>	<b>Priority 2: Economic Transformation and Job Creation Priority 5: Spatial Integration, Human Settlements and Local Government</b>	<b>Goal (Impact Area) 2: An Enabling Infrastructure Network</b> <ul style="list-style-type: none"> <li>Build resilient economic infrastructure that promotes economic activity.</li> <li>Universal access to basic infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>Build economic and Social Infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Build economic and Social Infrastructure</li> </ul>

LIST OF GOVERNMENT PRIORITIES TO BE IMPLEMENTED IN DISTRICT				
PILLAR NAME	NATIONAL/ PROVINCIAL MTSF PRIORITIES	EC PDP PRIORITIES	DISTRICT PRIORITIES	SENQU PRIORITIES
		<ul style="list-style-type: none"> <li>Sustainable energy and electricity provision.</li> <li>Develop sustainable and integrated settlements.</li> <li>Improve infrastructure planning, delivery, operations and maintenance.</li> </ul>		
<b>PILLAR 5: INTEGRATED SERVICE PROVISIONING</b>	<b>Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services</b>	<b>Goal (Impact Area) 2: An Enabling Infrastructure Network</b> <ul style="list-style-type: none"> <li>Universal access to basic infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>Universal Access to Basic Services</li> </ul>	<ul style="list-style-type: none"> <li>Increase access to municipal services especially refuse removal</li> <li>Implementation of the Sterkspruit Urban design framework</li> <li>Implementation of the SDF and precinct plan</li> </ul>
<b>PILLAR 6: GOVERNANCE AND FINANCE</b>	<b>Priority 1: A Capable, Ethical and Developmental State Priority 7: A Better Africa and World</b>	<b>Goal (Impact Area)6: Capable Democratic Institutions</b> <ul style="list-style-type: none"> <li>Building the Capability of the State to deliver.</li> <li>Transformed, Integrated and Innovative Service Delivery.</li> <li>Instilling a culture of good corporate governance.</li> <li>Build multi-agency partnerships.</li> </ul>	<ul style="list-style-type: none"> <li>Ensure effective financial management and reporting</li> <li>Ensure integrated planning and performance management</li> <li>Facilitate Intergovernmental Cooperation</li> <li>Facilitate community participation in the affairs of the municipality</li> </ul>	<ul style="list-style-type: none"> <li>Increase IGR</li> <li>Improve public participation programmes and communication channels</li> <li>Business re-engineering programme</li> <li>Innovation Hub</li> <li>Enhance revenue</li> <li>Promote funding partnerships</li> </ul>

## 6.Alignment to vision, goals, outcomes and targets

### OVERALL VISION STATEMENT FOR DISTRICT

A district with an improved quality of life for all of its citizens

Fight poverty through stimulating the economy and by meeting basic needs, improving service delivery quality, promoting

corporate governance and building the capacity of government and communities within a sustainable environment.

This mission is premised on the following key elements:

- Stimulate the economy and fight poverty
- Meet basic needs and improve service delivery quality
- Enabling the building of capacity
- Fight fraud and corruption and ensure compliance
- Grow tourism and related businesses
- Grow pro-poor and labour intensive programmes
- Grow agriculture and downstream industries
- Promote sustainable development

The overall vision of the District will be achieved through meeting the following strategic objectives:

- Provide access to basic services
- Facilitate and implement job creation and poverty alleviation initiatives
- Facilitate and support regional economic development initiatives
- Improve human resource capacity and potential
- Ensure sound and effective financial management and reporting
- Facilitate intergovernmental cooperation and coordination
- Communicate effectively with communities
- Establish and support municipal oversight systems, mechanisms and processes
- Facilitate the development of a healthy and inclusive society

**PILLAR 1: DEMOGRAPHIC CHANGE AND PEOPLE DEVELOPMENT FOCUS AREA**

<b>Overarching Goal for this Pillar</b>	Enhance the capabilities of individuals, communities and institutions to participate in all spheres of activity; transformation – tackling inequalities and vulnerabilities through changes in policies, laws, budgetary allocations and redistributive measures; and development and generation – increasing consumption patterns of the poor, promoting local economic development and enabling poor people access to economic and social opportunities
<b>Outcomes</b>	Promote equitable gender profile in government and community institutions Prevent and reduce the disease burden and promote health Treatment outcomes to align with the updated targets of the 90-90-90 strategy. Perinatal morbidity and mortality to less than 12.5/1000 live births Maternal mortality reduced from 3/ 5204 to 1/5024 by 2024 Reduce under 5 child morbidity and mortality to less than 13/1000 deliveries by 2021/22
<b>Targets</b>	Reduce perinatal morbidity and mortality to less than 12.5/1000 live births Reduce the number of neonatal deaths to less than 10/1000 by 2021/22 (financial year) Reduce under 5 child morbidity and mortality to less than 13/1000 deliveries by 2021/22 Increase people living with HIV/AIDS with suppressed viral loads to 90% by 2020 to achieve 90-90-90 targets. Increase TB treatment success rate to 90% by 2020 Increase Hypertension screening rate to 250 000 by 2021/22 Increase Diabetes screening rate to 250 000 by 2021/22 Patient Experience of Care survey rate Percentage of patients satisfied with their experience of care in public health facilities Percentage of Health facilities compliant with Occupational health and safety Reduction of Contingent liability of medico-legal cases Number of institutions with quality improvement: Monitoring and response forums formalized and convened quarterly.
<b>Senqu Alignment</b>	Implementation of the HIV & Aids strategy Mainstreaming policy Meetings of the Senqu HIV & Aids Forum Ensuring gender equity in employment through the employment equity committee

**PILLAR 2: ECONOMIC POSITIONING FOCUS AREA**

<b>Overarching Goal for this Pillar</b>	Promote economic growth through the initiation, promotion and facilitation of economic development and investment projects throughout Joe Gqabi District. Systematic poverty eradication through a holistic, integrated and multidimensional approach to pro-poor programming. Grow priority sectors namely agriculture (including forestry), agro-processing, trade and tourism
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	Stimulate economic growth through government and private sector investment Promote and administer sustainable economic development and job creation.
<b>Outcomes</b>	Vertical and horizontal integration of policy implementation Enhanced economic development and investment in the region. A focus on developing nodes and areas where economic opportunities and resources exist, or where such opportunities can be stimulated Developed institutional capacity and internal systems enabling strategy implementation Implementation of partnerships in support of (Township Economy Revitalisation Programme) TERP Roll out of the Provincial Business Incubation Framework and implementation model Enterprise Development projects Policy awareness and compliance
<b>Targets</b>	Development of Economic Strategies Number of manufacturing initiatives facilitated Agro-processing Industry Development Number of job opportunities created through mass employment programmes Number of economic development projects successfully implemented Reduce the unemployment rate to 15% by 2050 Reduce poverty from one-third to one-sixth of the population by 2050 Increase the annual GDP growth rate from the then average of 3% to 4,5% per year for the period 2030 to 2060 Create 10 000 job opportunities annually from 2022 Export diversification index Value of exports from the EC Number of trained people participating in the economy Jobs created Number of new tourism routes packaged Tourism product diversification index Tourism Experience Support Index Number of tourism products supported with grading Number of domestic tourists visiting the Eastern Cape Domestic tourism ranking % contribution of domestic tourism to the provincial GDP-r % of trained people who are active in the economy Compliance index of permits % authorizations Number of investments realized Value of investments realized % GDP-r Growth rate of 1.8% Size of the secondary sector in terms of GDP-r Number of domestic tourists visiting the Eastern Cape
<b>Senqu alignment</b>	Implementation of the EPWP programme including CWP Implementation of the LED and Tourism strategy and plans Increasing capacity and procurement of SMME's

**PILLAR 3: SPATIAL RESTRUCTURING AND ENVIRONMENTAL SUSTAINABILITY FOCUS AREA**

<b>Overarching Goal for this Pillar</b>	A growing, transformed, diversified and inclusive green economy in a sustainable environment
<b>Outcomes</b>	Identify opportunities and constraints. Through defining spatially sensitive areas and identifying areas that present opportunities for interventions. Identify preferred alternatives by recommending the land uses and sectors to be promoted. Integrate sustainability into the planning process. Guide the formulation of plans and programmes. Use the vision and objectives to guide the identification of appropriate development interventions.
<b>Targets</b>	Ensure that at least 10% of critically endangered and vulnerable vegetation is formally conserved through a system of national or provincial protected areas by 2050. Promote responsible (green) energy management and economic spinoffs Number alternative energy interventions (solar/wind farms) implemented in the District by 2030 Proportion of women, youth and people with disabilities accessing government procurement spend By-laws reviewed Compliance with Provincial Annual Ambient Air Quality Standards Number of government-owned ambient air quality monitoring stations meeting minimum data requirements

	<p>and reporting to the SAAQIS</p> <p>Percentage of areas of state managed protected areas assessed with a METT score above 67%</p> <p>Number of hectares added to the Provincial Conservation Estate</p> <p>Game farm transformation index</p> <p>Amount of installed renewable energy capacity in the Province</p> <p>% increase in volume of waste recycled</p> <p>% reduction in number of environmental crimes committed</p> <p>% of empowered communities knowledgeable about environmental issues</p> <p>% reduction in number of environmental crimes committed</p> <p>% increase in volume of waste recycled</p>
<b>Senqu Alignment</b>	<p>Implementation of bylaws</p> <p>Increasing waste reduction techniques</p> <p>Increasing waste recycling initiatives in new solid waste sites</p>

**PILLAR 4: INFRASTRUCTURE ENGINEERING FOCUS AREA**

<b>Overarching Goal for this Pillar</b>	Provide access to basic services
<b>Outcomes</b>	<p>Develop and maintain water and sanitation infrastructure</p> <p>Provide effective and efficient disaster risk management, fire and rescue services</p> <p>Expand and fast-track the provision of universal access to basic services</p> <p>Expand and fast-track the provision of universal access to basic services</p>
<b>Targets</b>	<p>Number of District Water forum meetings</p> <p>Review WSDP</p> <p>Ratio of fire incidents responded to as a proportion of entries recorded in the Occurrence Book</p> <p>Number of district disaster management advisory forum meetings held</p> <p>% of households with access to basic level of water</p> <p>% of households with access to basic level of sanitation</p> <p>Number of new households provided with potable water connection</p> <p>Number of new households provided with sanitation service (toilets)</p> <p>Number of infrastructure status quo reports compiled per LM</p> <p>Develop 3-year Infrastructure Plan</p> <p>Develop MIG Implementation Plan</p> <p>Develop PMU Business Plan</p> <p>Compile MIG annual report</p> <p>Number of reports on implementation of EPWP</p> <p>% of Progress for Water Supply Infrastructure completed for Herschel Pipeline by June 2021</p> <p>Number of villages that were supplied with portable water by June 2021</p> <p>Appoint sub-consultants for Survey Services, ISD services, Geohydrological Services, Geotechnical Services, OHS services, by June 2021</p> <p>% of construction progress completed on development of Barkly East WTW and associated infrastructure by June 2021</p> <p>% of Construction Progress completed for the Development of Burgersdorp Water Treatment Works (WTW) by June 2021</p> <p>% of Construction Progress completed for the Development of Oviston Water Treatment Works (WTW) by June 2021</p> <p>% of Construction Progress completed for the Development of Mt Fletcher Bulk Water Supply Scheme Phase 2 by June 2021</p> <p>Appoint Professional Service Provider by for Aliwal North Holding Dams June 2021</p> <p>Appoint service provider for Construction services for Maclear Water Treatment Works by June 2021</p> <p>Number of new households provided with sanitation service (toilets) in Senqu LM by June 2021</p> <p>Number of new households provided with sanitation service (toilets) in Elundini LM by June 2021</p> <p>% compliance with SANS 241 for drinking water quality</p> <p>% reduction on network water losses (unaccounted for water)</p> <p>Number of process audits undertaken to assess water quality and compliance</p> <p>% of construction progress completed on Refurbishment of Barkly East, Aucamp and Ugie WTWs and associated infrastructure by June 2021</p> <p>% of Construction Progress completed for the Development of Burgersdorp Water Treatment Works (WTW) by June 2021.</p> <p>% of Construction Progress completed for the Development of Oviston Water Treatment Works (WTW) by</p>

	June 2021 % of Construction Progress completed for the Refurbishment of Aliwal North, Burgersdorp and Steynsburg and Prentjiesburg WWTWs by June 2021
<b>Senqu alignment</b>	Senqu Infrastructure projects for roads and solid waste sites Senqu road maintenance programme Senqu electricity maintenance programme Senqu street lighting project

<b>PILLAR 5: INTEGRATED SERVICE PROVISIONING FOCUS AREA</b>	
<b>Overarching Goal for this Pillar</b>	Reduce the vacancy rate to no more than 12% across all government institutions situated in the Joe Gqabi District Municipality.
<b>Outcomes</b>	Still to be provided by district
<b>Targets</b>	Still to be provided by district
<b>Senqu alignment</b>	Filling vacancies as they occur per the policy

<b>PILLAR 6: GOVERNANCE AND FINANCE FOCUS AREA</b>	
<b>Overarching Goal for this Pillar</b>	Implementing cost containment measures that prioritise expenditure on core service delivery programmes and less on non-core items, whilst ensuring the stabilisation of governance in the province, both at a political and administrative levels
<b>Outcomes</b>	<p>Highly effective government institutions</p> <p>Fiscal Consolidation which entails the implementation of cost containment measures and prioritisation of expenditure on core service delivery programmes.</p> <p>Supply Chain Management Reforms which entail support to SMMEs through preferential procurement and payment of suppliers within 30 days.</p> <p>Infrastructure Support which enhances infrastructure planning and delivery; and</p> <p>Provincial and Municipal Governance and Accountability to improve financial management, audit outcomes and delivery of services in the Province.</p> <p>Prudent use of resources and fiscal consolidation that can be implemented through the following interventions: Controlling expenditure on non-core items, whilst protecting non-negotiable and key service delivery items. Reprioritisation of budgets, enforcing budget cuts and expenditure ceilings; o Controlling personnel budgets and expenditure. Rationalising and streamlining Public Entities; and Provincial Own Revenue Enhancement. o Strengthening financial governance and oversight both at provincial and local government level</p> <p>SCM reforms – that entail support to SMMEs and proportion of youth, women, people with disabilities, military veterans and SMMEs supported through preferential procurements. Payment of suppliers within 30 days and continuing to support suppliers to register on the Central Supplier Database including endeavours to achieve value for money.</p> <p>Infrastructure Support – to ensure that infrastructure planning, delivery, operation and maintenance is improved, whilst also ensuring that infrastructure investments help to unlock economic potential through: infrastructure budgeting and financing. procurement and contract management. localisation of benefits; and Infrastructure investment responds to spatial aspects of future infrastructure demand.</p> <p>Provincial and Municipal Governance and Accountability – through the implementation of the Financial Management Accountability Framework to promote good governance and accountability. To improve audit outcomes in the province, concerted effort will be put on the implementation and monitoring of the Provincial Audit Intervention Plan</p>
<b>Targets</b>	<p>Number of government institutions meeting their performance targets</p> <p>100% Percentage reduction on financial information audit findings by 2025</p> <p>Achievement of asset management maturity level 3 by 2023</p> <p>Achievement of asset management maturity level 3 by 2023</p> <p>Achievement of infrastructure procurement maturity level 3 by 2023</p> <p>Number of Institutions that achieve unqualified audits (Provincial departments and public entities)</p>

	% provincial risk profile mitigation measures implemented by departments Number of funded annual budgets adopted by government institutions % expenditure of Municipal Infrastructure Conditional Grants % Percentage reduction of irregular expenditure % Percentage reduction of fruitless and wasteful expenditure
<b>Senqu alignment</b>	Implementation of cost cutting measures Clean audit annual plan Ensuring that MIG is spent Increasing usage of grant funding Implementation of revenue enhancement strategy Review of SCM policy to cater for SMME's

## **ANNEXURE 1-10 (In a separate document)**

ANNEXURE 1: MUNICIPAL SECTOR PLANS, POLICIES & BY-LAWS

ANNEXURE 2: ABRIDGED ORGANOGRAM

ANNEXURE 3: STAKEHOLDER REGISTER

ANNEXURE 4: CUSTOMER CARE

ANNEXURE 5: COUNCIL RESOLUTION FOR IDP PROCESS PLAN ADOPTION

ANNEXURE 6: COUNCIL RESOLUTION FOR DRAFT IDP ADOPTION

ANNEXURE 7: COUNCIL RESOLUTION FOR FINAL IDP ADOPTION (to be added after final adoption)

ANNEXURE 8: COUNCIL RESOLUTION OF S 81 MPRA

ANNEXURE 9: COUNCIL ADOPTION OF THE HR STRATEGY

ANNEXURE 10: SDBIP (which is a separate document) (to be added after final adoption)

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Copies of the Document or sector plans may be ordered electronically from the IPED Manager via an email request to [viedgeb@senqu.gov.za](mailto:viedgeb@senqu.gov.za) or downloaded from the municipal website <http://www.senqu.gov.za>