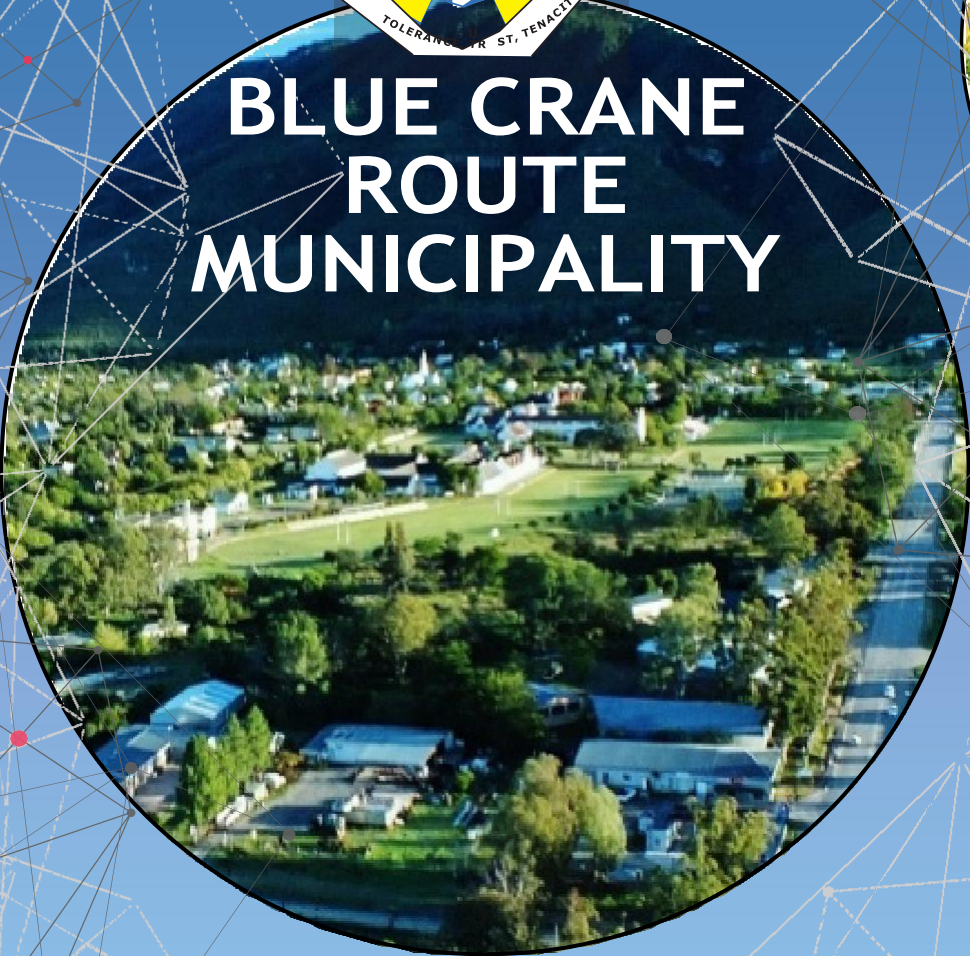




# BLUE CRANE ROUTE MUNICIPALITY



DRAFT REVIEWED  
INTEGRATED  
DEVELOPMENT  
PLAN  
2026-2027



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## **ABBREVIATIONS AND ACRONYMS**

<b>AFS</b>	Annual Financial Statement
<b>AIDS</b>	Acquired Immune Deficiency Syndrome
<b>BCRM</b>	Blue Crane Route Municipality
<b>CDA</b>	Cacadu Development Agency
<b>COGTA</b>	Cooperative Governance and Traditional Affairs
<b>CPEX</b>	Capital Expenditure
<b>DEDEAT</b>	Department of Economic Development, Environmental Affairs and Tourism
<b>DFA</b>	Development Facilitation Act
<b>DLG&amp;TA</b>	Department of Local Government and Traditional Affairs
<b>DOH</b>	Department of Health
<b>DOT</b>	Department of Transport
<b>DRPW</b>	Department of Roads and Public Works
<b>DSRAC</b>	Department of Sport, Recreation, Arts and Culture
<b>DWA</b>	Department of Water
<b>ECDC</b>	Eastern Cape Development Corporation
<b>ESKOM</b>	Electricity Supply Commission
<b>FMG</b>	Finance Municipal Grant
<b>GAMAP</b>	Generally Accepted Municipal Accounting Policies
<b>GDS</b>	Growth and Development Summit
<b>GGP</b>	Gross Geographic Product
<b>GRAP</b>	General Recognized Accounting Practise
<b>HIV</b>	Human Immunodeficiency Virus
<b>HR</b>	Human Resource
<b>ICT</b>	Information & Communication Technology
<b>IDC</b>	Industrial Development Corporation
<b>IDEA</b>	Individuals with Disabilities Education Act
<b>IDP</b>	Integrated Development Plan
<b>ITP</b>	Integrated Transport Plan
<b>JIPSA</b>	Joint Initiative on Priority Skills Acquisition

<b>KPA</b>	Key Performance Areas
<b>KPI</b>	Key Performance Indicators
<b>LED</b>	Local Economic Development
<b>LLF</b>	Local Labour Forum
<b>MDG</b>	Millennium Development Goals
<b>MFMA</b>	Municipal Finance Management Act
<b>MHS</b>	Municipal Health Services
<b>MLL</b>	Minimum Living Level
<b>MPAC</b>	Municipal Public Accounts Committee
<b>MSA</b>	Municipal Systems act
<b>mSCOA</b>	Municipal Standard Chart Of Accounts
<b>MTSF</b>	Medium Term Strategic Framework
<b>NDP</b>	National Development Plan
<b>NEMA</b>	National Environmental Management Act
<b>NSDP</b>	National Spatial Development Perspective
<b>OHS</b>	Occupational Health & Safety
<b>OHSA</b>	Occupational Health & Safety Act
<b>OPEX</b>	Operating Expenditure
<b>PGDP</b>	Provincial Growth and Development Plan
<b>PHC</b>	Primary Health Care
<b>PMS</b>	Performance Management System
<b>PSF</b>	Provincial Strategic Framework
<b>SBDM</b>	Sarah Baartman District Municipality J
<b>SCM</b>	Supply Chain Management
<b>SDBIP</b>	Service Delivery Budget Implementation Plan
<b>SDF</b>	Spatial Development Framework
<b>SETA</b>	Skills Education Training Authorities
<b>SLA</b>	Service Level Agreement
<b>SMMEs</b>	Small, Medium & Micro Enterprises
<b>SONA</b>	State of the Nation Address

<b>SOPA</b>	State of the Province Address
<b>SPU</b>	Special Programmes Unit
<b>SWOT</b>	Strengths, Weaknesses, Opportunities & Threats
<b>TB</b>	Tuberculosis
<b>WC</b>	Water Conservation
<b>WDM</b>	Water Demand Management
<b>WESSA</b>	Wildlife and Environment Society of South Africa
<b>WSA</b>	Water Services Authority
<b>WSDP</b>	Water Services Development Plan
<b>WSP</b>	Water Services Provider
<b>WTW</b>	Water Treatment Works
<b>WWF- SA</b>	Worldwide Fund for Nature South Africa
<b>WWTW</b>	Waste- Water Treatment Works

## **CHAPTER 1:**

### **1.1 EXECUTIVE SUMMARY**

This document sets out the Blue Crane Route Local Municipality's Reviewed Integrated Development Plan for 2026 -2027 financial year. It contains key municipal objectives and priorities. The IDP is a strategic document of Council and guides all planning and development in the municipality. Preparation of the IDP follows an approved process plan that incorporated stakeholder consultation and public participation.

#### **This document is structured into 8 Chapters:**

**CHAPTER 1:** Contains the executive summary and opening remarks by the Honorable Mayor: Cllr B.A Manxoweni and Municipal Manager: Mr M.P Nini. It further reflects the vision, mission and values of the municipality. The chapter also sets the scene by noting the legal context of the IDP and the processes followed to review the IDP.

**CHAPTER 2:** This chapter highlights the demographics, socio-economic analysis, infrastructure development and service delivery backlogs and the institutional status quo.

**CHAPTER 3:** States the municipal strategic direction in terms of the Vision, Mission, and Values and contains the strategic objectives, strategies and projects to address the growing challenges of the community.

**CHAPTER 4:** Provides a brief overview of policies, strategies and sector plans.

**CHAPTER 5:** Summary of the Spatial Developmental Framework in terms of maps outlining the developmental initiatives and potential development nodes within the municipal area of jurisdiction.

**CHAPTER 6:** Provides a brief overview of the Performance Management Framework.

**CHAPTER 7:** Provides an overview of the municipality's financial position and financial management.

**CHAPTER 8:** Reflects on the Ward Based Plans

### **1.1.1 Foreword by the Mayor**

It is my great honor and appreciation to table the last review of the 5-year Blue Crane Route Municipality Integrated Development Plan (IDP). As Council we adopted this 5 Year Strategic Plan in 2022. The IDP is a tool that enables the municipality to align its institutional resources. The IDP review process is conducted within the prescripts of the law. Section 21(1) of the Local Government Finance Management Act 56 of 2003 stipulates that, “the Mayor of a Municipality must: (a) Coordinate the process of preparing the Annual Budget and reviewing the IDP.” Section 34 of the Local Government Municipal Systems Act 32 of 2000 requires a Municipal Council to annually review the IDP in accordance with an assessment of its Performance. During the period of review, collective efforts of both Political and Administration strived to achieve the outcomes of service delivery for all residents of Blue Crane Route Municipality. Although there were many impediments in providing service delivery such as aging infrastructure, theft and vandalism, service delivery protests and heavy rains, the municipality strove to ensure its objectives. Despite the huge financial constraints facing the municipality we managed to keep afloat and were able to meet our third-party obligations.

It is therefore a pleasure to present the Draft Reviewed IDP 2026/2027 which is a strategic document development which encompasses community inputs and needs for BCRM municipality.

CLR B.A MANXOWENI

HON. MAYOR

### **1.1.2 Statement by the Municipal Manager**

The Republic of South Africa constitution of 1996 confirms the principles of good governance and the importance of community participation for successful local governance. Section 152 of the RSA Constitution on Objects of Local Government confirms the role of local government which are the following:

- To provide democratic and accountable government for local communities
- To ensure the provision of services to communities in a sustainable manner
- To promote social and economic development
- To promote a safe and healthy environment, and
- To encourage the involvement of communities and community organisations in the matters of local government

Section 153 of the RSA Constitution on Developmental duties of municipalities stipulates that a municipality must:

- Structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community; and
- Participate in national and provincial development programmes.

All council structures have sat accordingly even the MPAC that was not functional did sit. The municipality was troubled by water and electricity due to old infrastructure and this led to dissatisfaction by the community members.

To date I can confidently say we have never missed paying municipal employee's salaries on time, we do not owe the Auditor General, have never failed to pay other statutory obligations such as Employer and Employee Contributions to such bodies as Pension and Retirement Funds, Medical Aid Funds, UIF, COIDA etc.

We want to thank our communities for their participation and contribution.

Thank you.

**M.P NINI (MR)**

**MUNICIPAL MANAGER**

## 1.2 LOCATION OF BLUE CRANE ROUTE MUNICIPAL OFFICES

Blue Crane Route Municipality constitute of three towns namely, KwaNojoli, Cookhouse and Pearston. The location of the towns is as follows:

**Postal Address: PO Box 21**

**KwaNojoli**

**5850**

**Telephone number: 042 243 6400**

ADDRESS	LOCATION
67 Nojoli Street, KwaNojoli	Main Municipal Office Buildings <ul style="list-style-type: none"> <li>▪ Town Hall</li> <li>▪ Council Chambers</li> <li>▪ Mayor's Office</li> <li>▪ Municipal Managers Office</li> <li>▪ Financial Services offices</li> </ul>
88 Nojoli Street, KwaNojoli	Corporate Services Building: <ul style="list-style-type: none"> <li>▪ Human Resources Unit</li> <li>▪ Administration Unit</li> <li>▪ Archives office</li> <li>▪ Switchboard</li> <li>▪ Housing and Land Use office</li> <li>▪ Community Development Workers office</li> <li>▪ Customer Care Services office</li> <li>▪ Intergovernmental Relations/ Public Participation office</li> <li>▪ Integrated Development Planning / Performance Management office</li> <li>▪ Internal Audit Unit office</li> <li>▪ Special Programs office</li> <li>▪ Local Economic Development office</li> </ul>
06 Union Street, KwaNojoli	Community Services Building <ul style="list-style-type: none"> <li>▪ Environmental Health unit</li> <li>▪ Langenhoven Library</li> </ul>
Hospital Street, KwaNojoli	Technical Services buildings <ul style="list-style-type: none"> <li>▪ Offices</li> <li>▪ Mechanical Warehouse</li> <li>▪ Garage</li> <li>▪ Municipal Stores</li> </ul>

	<ul style="list-style-type: none"> <li>▪ Electricity Services</li> <li>▪ Project Management Unit</li> <li>▪ Water services office</li> </ul> <p>Community Services</p> <ul style="list-style-type: none"> <li>▪ Traffic Department</li> </ul>
New Brighton-Mayila Street, KwaNojoli	<ul style="list-style-type: none"> <li>▪ Cashier Office</li> <li>▪ Housing Office</li> <li>▪ Building Control Section</li> </ul>
Aeroville- KwaNojoli	<ul style="list-style-type: none"> <li>▪ Prof. Jakes Gerwel Multi-Purpose Centre</li> <li>▪ Dr. WB Rubusana library</li> <li>▪ Cash Office</li> <li>▪ Fire Station offices (airfield )</li> </ul>
06 Main Road, Cookhouse, 5820	<ul style="list-style-type: none"> <li>▪ Cookhouse Library</li> <li>▪ Cashier Office</li> <li>▪ Housing Office</li> <li>▪ Municipal Depot</li> </ul>
49 Voortrekker Street, Pearston, 5860	<ul style="list-style-type: none"> <li>▪ Town Hall</li> <li>▪ Cashier Office</li> <li>▪ Housing Office</li> <li>▪ Ernst van Heerden Library</li> </ul>

### 1.2.1 Administrative Structure

<b>Directorate</b>	<b>Director</b>	<b>Functions</b>
<b>Office of the Municipal Manager</b>	<b>Municipal Manager - Mr. Mzwandile Patrick Nini</b>	Internal Audit
		Integrated Development Planning (IDP) and Performance Management (PM)
		Local Economic Development
<b>Corporate Services</b>	<b>Director: Corporate Services -Mr S Nodo</b>	Customer Care services
		Administration
		Human Resource (HR)
		Labour Relations
		Information and Communication Technology (ICT)
		Records Management
		Occupational Health and Safety (OHS)
		Special Programmes
		Public Participation and Intergovernmental Relations (IGR)
		Communications
<b>Technical Services</b>	<b>Director: Technical Services – (Vacant)</b>	Auxillary Services
		Electro-Mechanical Services
		Civil Engineering Services
		Water and Sanitation Services
		Planning and Facilities Management Services
		Housing and Land use
<b>Community Services</b>	<b>Director: Community Services – Mrs Yoliswa Helen Mniki</b>	Project Management Unit
		Environmental Services
		Traffic Services
		Library Services
		Fire and Disaster Management
<b>Financial Services</b>	<b>Director: Finance (CFO) – Mr Nigel Delo</b>	Community Facilities
		Financial Management and Reporting
		Revenue and Expenditure
		Supply Chain and Asset Management

### 1.2.2 Political structure

<b>Name</b>	<b>Designation</b>
Mr Bonisile Amos Manxoweni	Honorable Mayor-ANC and; Chairperson -Technical services Finance & LED Standing Committee
Ms Sibusisiwe Platyi	Speaker of the Council -EFF
Mr Sidwell Baskiti	Ward Councillor (ward 1)-ANC Chairperson: Municipal Public Account Committee
Mr Archer Heynse	Ward Councillor (ward 2)-DA
Mr Ayanda Dyantyi	Ward Councillor (ward 3) -ANC
Mr Herbet Deveport	Ward Councillor (ward 4) - DA
Mrs Lorraine Smith	Ward Councillor (ward 5) -DA
Mr Phandulwazi Sonkwala	Ward Councilor (ward 6) -ANC
Mr Jonathan Martin	Party Representative (DA) Chairperson: Community Services Standing Committee
Mrs Fiona Brown	Party Representative (DA) Chairperson: Corporate Services Standing Committee
Mrs Neliswa Nkonyeni	Party Representative- Chiefwhip (ANC)

### 1.3 MUNICIPAL VISION, MISSION AND VALUES:

#### **VISION**

***“A municipality that provides a better life for all its citizens.”***

#### **MISSION**

***Through public participation, accountable governance, sound financial management, promotion of socio-economic development and provision of safe and healthy environment that will yield sustainable basic services***

#### **Values**

- Good governance.
- Good ethics
- Accountability.
- Transparency
- Public Participation and Inclusivity
- People Development.
- Teamwork.
- Integrity.
- Tolerance.
- Honesty.
- Responsibility; and trust
- Equality
- Ubuntu
- Services excellence
- Responsiveness
- Accessibility

The vision of the municipality is aligned to the constitutional mandate of local government.

The plans and budgets of the BCR are also designed and developed to achieve the vision.

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

## 1.4 POWERS AND FUNCTIONS OF THE MUNICIPALITY

The municipal mandate stems from the section 156 of the Constitutions (Act 108 of 1996) which assigns powers and functions drawing from the schedules 4b & 5b. In terms of the Part B of schedule 4 and 5 of the Constitution, local government has the following functions.

Schedule 4 Part B	Schedule 5 Part B
<b>Powers exercised by the BCRM</b>	<b>Powers exercised by the BCRM</b>
<ul style="list-style-type: none"> <li>• Air pollution</li> <li>• Building regulations</li> <li>• Electricity and gas reticulation</li> <li>• Firefighting services</li> <li>• Local tourism</li> <li>• Municipal airports</li> <li>• Municipal planning</li> <li>• Municipal public works</li> <li>• Stormwater management systems in built-up areas</li> <li>• Trading regulations</li> <li>• Water and sanitation services</li> </ul>	<ul style="list-style-type: none"> <li>• Amusement facilities</li> <li>• Billboards and the display of advertisements in public places</li> <li>• Cemeteries</li> <li>• Cleansing</li> <li>• Control of public nuisances</li> <li>• Control of undertakings that sell liquor to the public</li> <li>• Facilities for the accommodation, care and burial of animals</li> <li>• Fencing and fences</li> <li>• Licensing and control of undertakings that sell food to the public</li> <li>• Local amenities</li> <li>• Local sport facilities</li> <li>• Municipal abattoirs</li> <li>• Municipal parks and recreation</li> <li>• Municipal roads</li> <li>• Noise pollution</li> <li>• Pounds</li> <li>• Public places</li> <li>• Refuse removal, refuse dumps and solid waste disposal</li> <li>• Street trading</li> <li>• Street lighting</li> <li>• Traffic and parking</li> </ul>

## 1.5 IDP PLANNING PROCESS

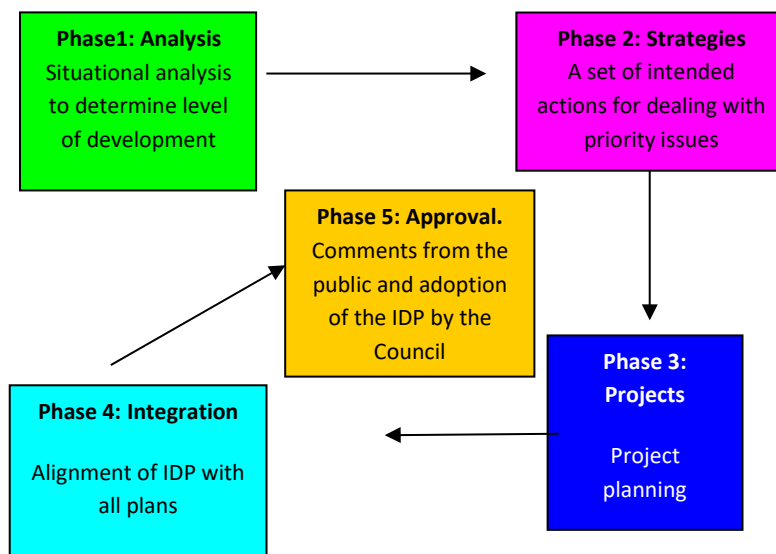
Integrated Development Planning (IDP) is a planning tool for promoting developmental local government. It enables the Municipality to identify its priorities and develop a strategic development plan for the short, medium and long term. The IDP process is a consultative process which requires of the Municipality to engage with its citizens and other stakeholders in the development thereof.

IDP's must be reviewed and amended together with the Budget on an annual basis and adjusted and revised in accordance with the monitoring and evaluation of existing performance and changing circumstances.

The integrated development planning methodology comprises five interrelated phases namely.

- ⇒ Analysis
- ⇒ Strategies
- ⇒ Projects
- ⇒ Integration
- ⇒ Approval

These phases are illustrated graphically below:



The analysis phase aims to assess the existing level of development within the Municipality through analysis of the prevailing environment and impact thereof on the inhabitants of the Municipality. The analysis process facilitates the identification and analysis of the environmental challenges facing the municipality and allows the municipality to accurately prioritize these challenges.

The ensuing phases of the integrated development planning process build on the analysis phase, and it is therefore imperative that the analysis phase be compiled accurately. Planning, budgeting, decision-making and service delivery are largely informed by the existing environment and its inherent challenges. A plan that is not based on an accurate understanding of the current environment will lack credibility and efficacy.

The BCR Local Municipality adopted its IDP/Budget/PMS Process Plan in August 2025 as informed by the Sarah Baartman District Framework Plan to guide the process and outline the roles and responsibilities of the role-players in the process. The Blue Crane Route Municipality Integrated Development Plan (IDP) has been prepared in accordance with Section 34 of the Municipal Systems Act which prescribes that, a municipal council must review its integrated development plan annually in accordance with an assessment of its performance measurement; and to the extent that changing circumstances so demand.

The municipality embarked on a process of involving communities and other stakeholders through ward-based planning to allow the communities to participate in the review process of the IDP.

## 1.6 ORGANISATIONAL ARRANGMENT FOR IDP REVIEW PROCESS

To ensure smooth and well-organized Integrated Development Planning process for 2025/26 financial year, the municipality has identified role players to assist and inform the planning process as well as the roles and responsibilities attached. In order to ensure that all relevant stakeholders are represented, the municipality through a public notice extended an invitation to all interested parties to register on the IDP Representative Forum database the following is the list of role players and their responsibilities.

### 1.6.1 Roles and Responsibilities of Role Players and Structures

STRUCTURE / ROLE-PLAYERS	ROLE AND RESPONSIBILITY
<b>Council</b>	<ul style="list-style-type: none"> <li>• Prepares, decides on and adopt an IDP/Budget Process Plan.</li> <li>• Undertake the overall management and co-ordination of the IDP/PMS/Budget Process.</li> </ul>
<b>Ward Councilors</b>	<ul style="list-style-type: none"> <li>• Major link between the municipal government and the residents.</li> <li>• Links the IDP /Budget/PMS processes to their constituencies and / or wards;</li> <li>• Responsible for organizing public consultation and participation;</li> <li>• Ensure the annual business plans and municipal budget are linked to and based on the IDP.</li> </ul>

<b>Municipal Manager</b>	<ul style="list-style-type: none"> <li>• Responsible and Accountable for the implementation of the municipality's IDP,</li> <li>• Monitors progress with implementation of the plan.</li> <li>• Responsible for championing the Integrated Development Planning process.</li> </ul>
<b>IDP/PMS/Budget Steering Committee</b>	<ul style="list-style-type: none"> <li>• Ensures a smooth compilation and implementation of the IDP.</li> <li>• Compiles the terms of reference and criteria for members of the IDP/PMS/Budget Representative Forum;</li> <li>• Facilitates the terms of reference for the various planning activities; commissions studies necessary for the compilation of the IDP;</li> <li>• Processes and documents inputs from the public concerning IDP and Budget</li> <li>• Processes, summarizes and documents outputs;</li> <li>• Makes content recommendations;</li> <li>• Facilitates control mechanisms regarding the effective and efficient implementation, monitoring and amendment of the IDP;</li> <li>• Ensures the co-ordination and integration of sectoral plans and projects; and</li> <li>• Ensures that the municipal budget is in line with the IDP.</li> </ul>
<b>IDP/PMS/Budget Representative Forum and IGR</b>	<p>The IDP/PMS/Budget Representative Forum is the structure which facilitates and co-ordinates participation in the IDP/Budget/PMS Process.</p> <p>The role of the IDP/PMS/Budget Representative Forum is to—</p> <ul style="list-style-type: none"> <li>• Represents the interests of the constituents in the IDP process;</li> <li>• Forms a structured link between the municipality and representatives of the public;</li> <li>• Ensures communication between all the stakeholder representatives including the municipality;</li> <li>• Provides an organizational mechanism for discussion, negotiation and decision making between the stakeholders including municipal governance;</li> <li>• Integrates and prioritize issues, strategies, projects and programmes and identify budget requirements; and</li> <li>• Monitors the performance of the planning and implementation process.</li> </ul> <p><b>Composition:</b></p> <ul style="list-style-type: none"> <li>○ all Councillors</li> </ul>

	<ul style="list-style-type: none"> <li>○ the Chairperson and one selected representative of each of the organized structures or associations within the community;</li> <li>○ the officials who serve in the Steering Committee;</li> <li>○ Sector departments</li> <li>○ Ward committees and Community Development Workers</li> </ul>
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### 1.6.2 Process Plan timeframes / milestones

The IDP review process will follow the following phases:

- PHASE 0 - PREPARATION / PRE-PLANNING
- PHASE 1 - ANALYSIS
- PHASE 2 - STRATEGIES
- PHASE 3 - PROJECTS
- PHASE 4 - INTEGRATION
- PHASE 5 - APPROVAL

The table below gives further details on the above phases:

<b>ACTION PLAN</b>	
<b>Pre-Planning Phase</b>	
<ul style="list-style-type: none"> <li>• Adopt IDP, PMS &amp; Budget Process Plan</li> <li>• Advertise the process for comments</li> <li>• Resuscitate IDP, PMS and Budget Steering Committees, Rep Forum and IGR</li> <li>• Submit the process plan to Council for approval</li> <li>• Adjustment Budget roll-overs</li> </ul>	August 2025
<b>Phase 1: Analysis Phase</b>	
<ul style="list-style-type: none"> <li>• Analyze the current situation on service standards/ gaps/ backlogs/ resources.</li> <li>• Ward consultation /Mayoral Visit</li> </ul>	September 2025 – November 2025
<b>Phase 2: Strategies Phase</b>	
<ul style="list-style-type: none"> <li>• Formulate solutions to address the problems.</li> <li>• Revisit the 5 Year Strategic Plan: <ul style="list-style-type: none"> <li>-confirm vision, mission and values</li> <li>-refine objectives, strategies and KPI</li> <li>-set targets</li> <li>- Grant rollover adjustment budget</li> </ul> </li> <li>• Request inputs from sector depts Plans</li> </ul>	December 2025 - February 2026  October / November 2025

<ul style="list-style-type: none"> <li>• Budget &amp; Performance Mid-year Assessment, Sec72 report – Provincial Treasury</li> <li>• Approve 2024/25 Adjustment &amp; Adjustment Budget, including a unauthorised expenditure of previous year</li> </ul>	
<b>Phase 3: Projects Phase</b>	
<ul style="list-style-type: none"> <li>• Project prioritization</li> </ul>	February 2026– March 2026
<b>Phase 4: Integration Phase</b>	
<ul style="list-style-type: none"> <li>• Integration of programs and projects</li> <li>• Consideration of sector plans requirements and guidelines</li> <li>• IDP/Budget Benchmark Engagement – Provincial Treasury</li> </ul>	March 2026-April 2026
<b>Phase 5: Approval Phase</b>	
<ul style="list-style-type: none"> <li>• Draft IDP, Budget and SDBIP to be tabled by Council before end of March</li> <li>• Submission to MEC CoGTA within 10 days of approval / Provincial &amp; National Treasury</li> <li>• Advertise for public comment</li> <li>• IDP/Budget Road-shows: April / May</li> <li>• Incorporate relevant inputs</li> <li>• Adoption of final IDP and Budget before end of May</li> <li>• Submission to MEC CoGTa / PT and NT</li> <li>• Publish IDP and Budget within 14 days</li> </ul>	March 2026- May 2026

### 1.7 MEC COMMENTS RECEIVED BY THE BCRM FROM 2020/21 – 2025/26 PERIOD.

The six key performance areas were used as a guide for assessment. They are as follows:

- Spatial Planning, Land, Human Settlement & Environmental Management
- Service Delivery & Infrastructure Planning
- Municipal Financial Viability and Management
- Local Economic Development
- Good Governance and Public Participation
- Institutional Arrangements

The municipality was rated and allocated scores based on the six Key Performance Areas. The rating ranged from basic, satisfactory and high. On the issues raised by the MEC, the municipality managed to develop an action plan to address them. Below is the table reflecting the status of the MEC Comments

KPA	Rating 2022/23	Rating 2023/24	Rating 2024/25	Rating 2025/26
<b>Spatial Planning, Land, Human Settlement &amp; Environmental Management</b>	Basic	Basic	Satisfactory	Basic
<b>Service Delivery &amp; Infrastructure Planning</b>	Basic	Basic	High	Basic
<b>Financial Planning and Budgets</b>	High	High	Satisfactory	Satisfactory
<b>Local Economic Development</b>	High	High	Basic	Satisfactory
<b>Good Governance &amp; Public Participation</b>	High	High	Satisfactory	Basic
<b>Institutional Arrangements</b>	High	High	Basic	High
<b>OVERALL RATING</b>	High	High	Satisfactory	Basic

The table below is the developed action plan with MEC comments

KEY PERFORMANCE AREA	COMMENTS	ACTION PLAN /COMMENT
<b>Spatial Planning, Land, Human Settlement &amp; Environmental Management</b>	The municipal IDP Must indicate existing management mechanisms to address land invasion (e.g. invasion policy, by-laws)	Blue Crane Route Municipality has developed policy for Prevention of Land Invasion Policy 2025
	The municipality must provide information on the availability of records of outstanding land claims that may hinder human settlements and socio-economic developments.	BCRM does not have any availability of records of outstanding land claims that may hinder human settlements and socio-economic developments. Information

		recorded at Provincial Land Reform Offices
	The municipal IDP must reflect the contents of the housing sector plan in relation to the migration plan	BCRM Reviewing Housing Sector Plan 2025 funded by the Department of Human Settlements
	The municipal IDP must reflect Community Residents Units	Community Residents Units indicated on Chapter 2 Situation Analysis, Chapter 5 of SDF and Land Use Scheme 2023
	The municipality must indicate the units delivered through Finance Individual Subsidy Programmes	Non-Only RDP
	The municipality must provide information on the existence of an Air Quality System Plan as contemplated in Section 15(2) of the National Environmental Management: Air Quality Act NO. 39 of 2004	The function is being performed by the district municipality on behalf of the municipality. The district is in the process of reviewing the current Air Quality System Plan.
	The municipality must develop a Climate Change Strategy and reflect it in the IDP.	The Department of Fisheries, Forestry & Environment has developed a climate change strategy for municipalities within SBDM.
	The municipality must establish a waste management forum and reflect it in the IDP.	BCRM established a waste management forum in 2024 and seats quarterly.
	The municipality must develop a Leachate Plan and reflect in the IDP.	The municipality does not have a leachate plan in place. A landfill site performance audit will be conducted by DEDEAT in 2025/2026 and will assist to determine an action plan in relation to compliance assessment inclusive of leachate management amongst other issues.
<b>Service Delivery &amp; Infrastructure Planning</b>	The municipal IDP must reflect a Three-Year Capital Plan inclusive of roads and stormwater planning (Local District and National Roads)	Three year capital plan is included
	The municipality must indicate the budget allocation for roads and stormwater capital projects and maintenance	Included in the three year capital plan
	The municipal IDP must reflect an approved and budgeted Roads and Stormwater Infrastructure Asset Management Plan.	
	The municipal IDP must provide information on roads and stormwater related plans, projects of other spheres of government	Reflected
	The municipality must indicate the key District Development Model programmes and catalytic projects.	
	The municipal IDP must reflect an Approved Integrated Transport Plan.	
	The municipal IDP must reflect a Three-Year Capital Plan that includes public transport facilities and non-motorised facilities	

	The municipality must establish an integrated an integrated community safety forum and reflects its existence in the IDP.	The Community Safety Forum was established 2023/2024.
	The municipality must reflect the availability of resources to implement the community safety plan.	The municipality does not have the resources and has requested support from the department of Community Safety by submitting a monitoring and evaluation tool used as a diagnostic tool for the functionality and effectiveness of the community safety forums.
	The municipal IDP must indicate both primary and secondary schools within the area that have been affected by the school rationalisation and realignment process	N/A
	The municipal IDP must list projects that will be implemented by the Department of Education	The department did not submit any projects
	The municipal IDP must reflect the number of functional/operating Early Childhood Development Centres, their registration status, as well as those ECD Centres that meet the norms and standards set by the Department of Social Development.	To be reflected in the next IDP
	The municipal IDP must reflect its programmes that deal with psychosocial services.	N/A
	The IDP must provide information on the functionality of the Disaster Risk Management Advisory Forum.	The municipality revived the Fire & Disaster Risk Management Advisory Forum in November 2024 and is functional.
	The municipality must reflect the Disaster Risk Profile	The municipality has planned to request SBDM to assist in the development of municipal risk profile which entails the disaster risk reduction strategies, emergency preparedness plans, risk mitigation measures and resource allocation.
	The municipality must show that it has investigated alternative sources of renewable energy	To be addressed -2026/2027 financial year
	The municipal IDP must state whether electricity by-laws	To be addressed -2026/2027 financial year
	The IDP must reflect the existence of a major electricity disruption contingency plan	To be addressed -2026/2027 financial year
	The municipality must reflect its status quo analysis on water and sanitation including the status of the Water Services Development, and its adoption date by council.	To be addressed -2026/2027 financial year
	The municipal IDP must indicate the available for public transport facilities and for non-motorized facilities	The municipality has three formal public transport facilities as per the land use scheme. There are pedestrian walkways and sidewalks, however no provision for cyclists has been created.

	The municipality must reflect a summary of water planning and current requirements per sector (housing, agriculture, mining and tourism) as per Water Service Development Plan and reflect its existence in the IDP	
<b>Financial Planning and Budgets</b>	The municipality must incorporate Annual Financial Statements and year-end preparation plan activities into the IDP.	The municipality does incorporate the AFS and year end preparation plan activities into the IDP
	The municipality must have a separate bank account for conditional grants.	The municipality does not have a separate bank account for conditional grants. The municipality plans to have separate bank accounts for conditional grants taking into account the requirements of the MFMA.
	The municipality must reflect the budget for its repairs and maintenance plan in accordance with Circular 51 of the Municipal Finance Management Act No .56 of 2003	The municipality has budgeted for repairs and maintenance plan in accordance with Circular 51 of the MFMA No 56 of 2003.
	The municipality must ensure 100% expenditure of its capital budget and grants.	The municipality has ensured 100% expenditure on its capital budget and grants except for the Disaster grant.
	The municipality must indicate whether it managed to spend 100% of their grants (MIG) in the previous financial year	The municipality has managed to spend 100% on MIG and WSIG in the past year.
	The municipality must service its creditors within 30 days as per norms and standards.	The municipality does service its creditors within 30 days except for Eskom and Auditor General.
	The municipality must indicate the budget allocated to appoint a service provider to conduct a general valuation.	An amount of R1,764,410.00 was budgeted for to appoint a service provider to conduct a general valuation roll.
	The municipality must indicate whether Sections 6 and 14 of the Municipal Property Rates Act No. 6 of 2004.	The municipality has implemented section 14 of the MPRA and is in the process of implementing Section 6 of the MPRA.
	The municipality must reflect whether the property valuation roll is published on the website.	The municipal general valuation roll is published on the municipal website
	The municipal IDP Must reflect the promulgation of the notice in terms of Section 49 for public inspection of the valuation roll.	The promulgation of the notice in terms of Section 49 for public inspection of the valuation roll will be reflected on the municipal IDP.
<b>Local Economic Development</b>	The municipal IDP must reflect its sector analyses in terms of General Value Added and employment	Addressed .
	The municipality's economic analyses capture income inequality and poverty levels in the municipal economy	Addressed
	The municipality must indicate the dedicated LED budget to implement prioritized LED programmes and initiatives.	Currently there is no dedicated budget to implement LED programmes and initiatives
	The municipal IDP must provide information that demonstrates stakeholder and community involvement in LED activities	Addressed

	The municipality must indicate the support provided in the implementation of the Small-Town Development Framework.	The Municipality as adopted the programme to support STR, currently LED Unit is with business plans that respond to the Small-Town Revitalisation Programme.
	The municipality must reflect mechanisms for attracting investments into township economies	The Municipality has recently approved LED strategy that lighted the Municipal's potential and resources available for development, The Municipality part of investment promotion Red Tape group, Tourism Sarah Baartman District Practitioners, District Business Forum, within the District-where investment opportunities are discussed.
	The municipal IDP must provide information on the existence of policies to promote economic development e.g. Informal Trading Policy	The Municipality has adopted LED strategy, Incubation plan and LED action plan
<b>Good Governance &amp; Public Participation</b>	The municipality must reflect an action plan that addresses the recommendations of the previous IDP assessment	Reflected
	The municipal IDP must state whether an institutionalised complaints management system exists	To be addressed -2026/2027 financial year
	The municipality must have a clear system for channelling petitions	To be addressed -2026/2027 financial year
	The municipality must indicate whether council and its structures convened according to the adopted council calendar.	To be addressed -2026/2027 financial year
	The municipality must institutionalise the District Developments Model to ensure alignment of the IDP and the emerging District One Plan.	To be addressed -2026/2027 financial year
	The municipality must provide information on the functionality and effectiveness of the structures that deal with the implementation of the code of ethics and integrity management framework.	To be addressed -2026/2027 financial year
	The municipal IDP must reflect the financial disclosures of senior municipal officials.	To be addressed -2026/2027 financial year
	The municipality's IDP mut state whether a Legal Service Officer/Unit exists	The municipality does not have a legal unit, Legal services officer will be appointed in the next financial year .
	The municipality must develop a policy for reasonable accommodation of persons living with disability and reflect it in the IDP	The policy will be developed
	The municipality must develop and reflects its LGBTQ+ Programmes in the IDP	To be addressed -2026-2027 financial year
	The municipality must develop programmes that intend to reduce substance abuse and reflect them in the IDP	Wellness Events designed to combat the issue of Substance Abuse are in place. OHS and EAP Policies are also in place.
		The municipal IDP must reflect a council approved organisational structure/organogram

<b>Institutional Arrangements</b>	that aligns to the long term development plan of the municipality, as well as the powers and functions of the municipality	
	The municipal IDP must indicate the vacancy rate.	55%
	The municipal IDP must reflect filled and vacant posts as per Department.	Addressed - info submitted Manager IDP
	The municipality must take decisive steps to address the challenge of critical and scarce skills, and these must be reflected in the IDP	Plan Developed in 24/25 Financial Year and it will be addressed to reflect on IDP.
	The municipality must reflect the Disaster Recovery Plan and its implementation in the ICT Policy.	DRP in place and should be reviewed and be reflected on the IDP.
	The municipal IDP must provide information on its action plan to address ICT challenges.	Action Plan be developed and submitted 31 July 2025.
	The municipality must indicate whether it is compliant with the Records and Archives Act.	Records Policy and File Plan are in place and compliant with the RAA.

## CHAPTER 2: SITUATION ANALYSIS

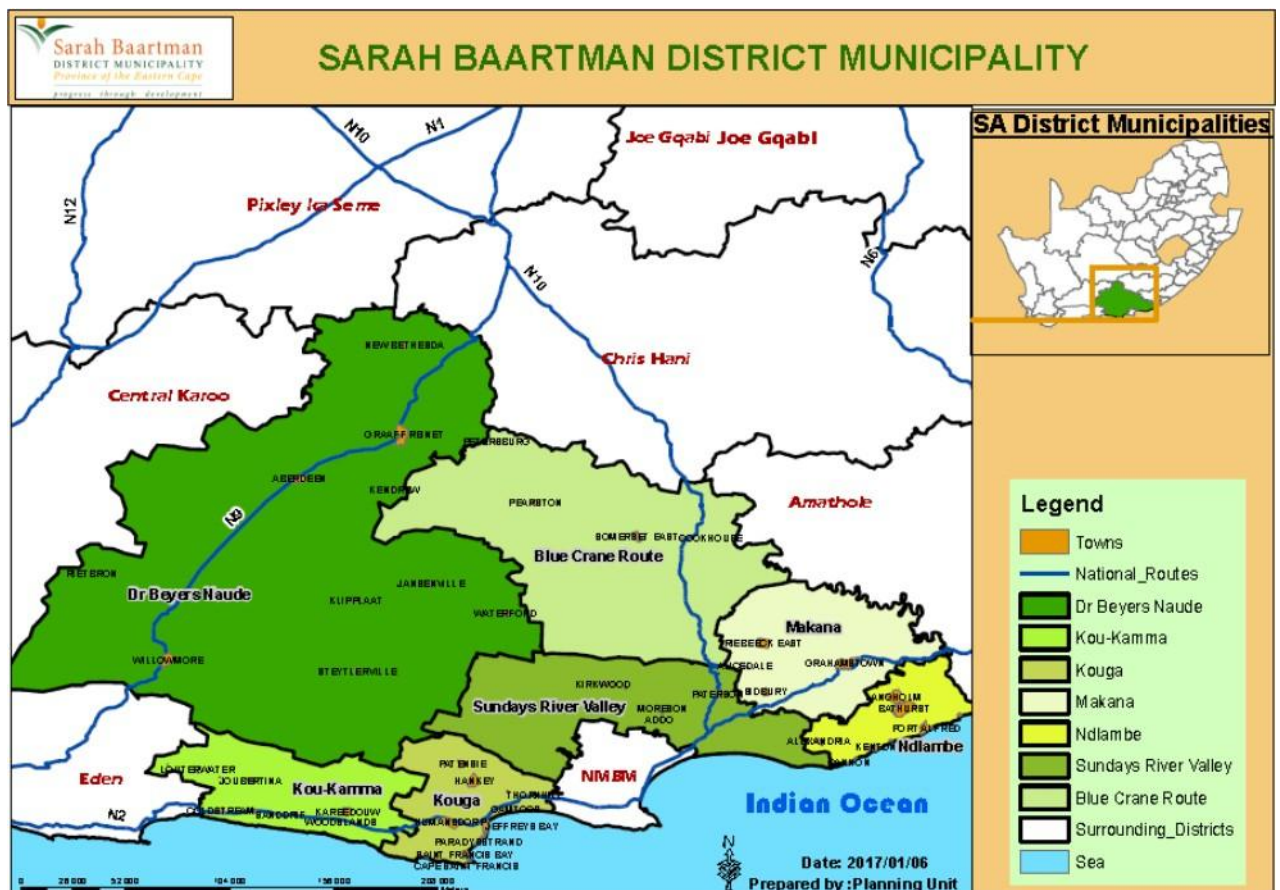
### 2.1 SITUATIONAL ANALYSIS

This chapter includes an analysis of demographics, socio-economic and infrastructure development dimensions. The statistical information was sourced from StatsSA 2022. The district perspective is presented to provide a better understanding of the context within which the BCR municipality operates.

### 2.2 LOCATION OF BLUE CRANE ROUTE WITHIN THE CONTEXT OF EASTERN CAPE

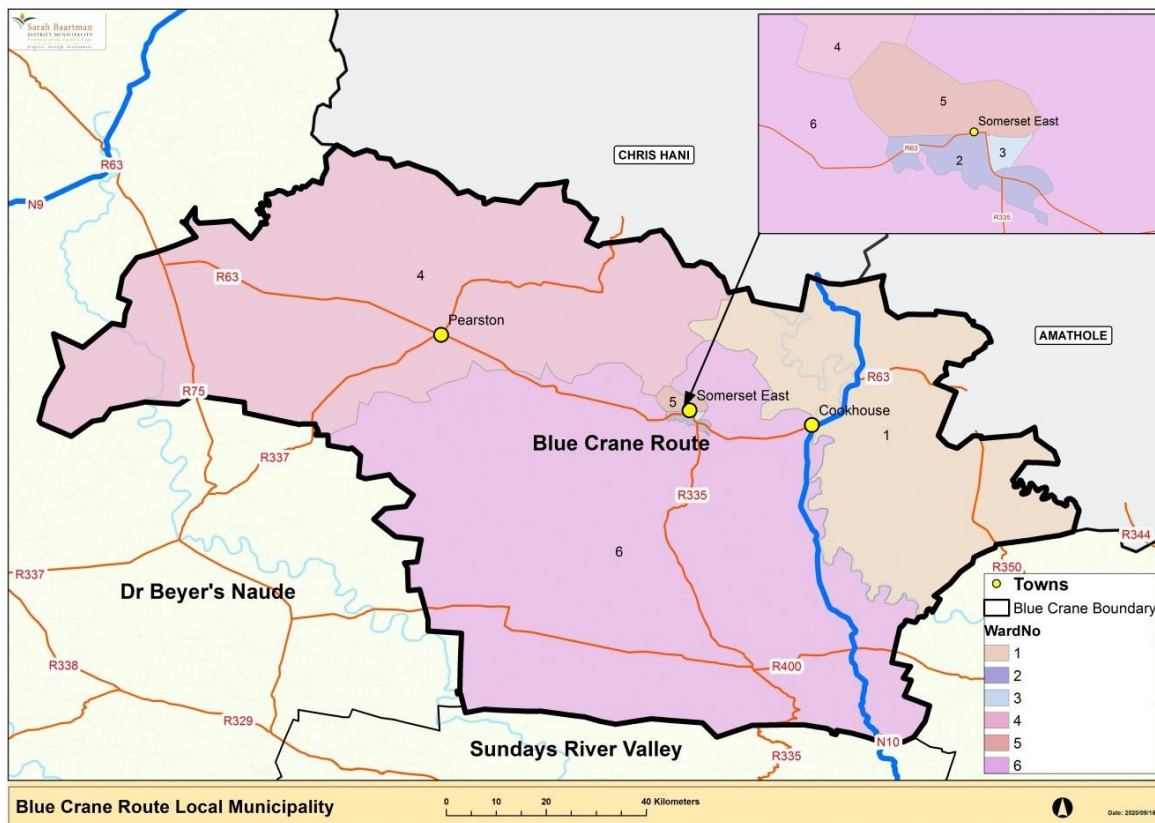
The Sarah Baartman District Municipality (SBDM), is the largest (58 243 km<sup>2</sup>) of the six (6) District Municipalities in the Eastern Cape Province, as shown on the Map below.

#### Spatial Location of BCR in the Sarah Baartman District Municipal Area



The District is situated in the western portion of the Province, bordering the Western Cape, Northern Cape and Chris Hani and Amathole District Municipalities in the Eastern Cape. Seven local municipalities have been established within the jurisdiction of Sarah Baartman DM, as reflected on the Map below.

## 2.3 THE STUDY AREA: (MAP 3: BLUE CRANE ROUTE LM)



The Blue Crane Route Municipality falls within the jurisdiction of the Sarah Baartman District Municipality. The Municipality's area is bordered on the North-east of Raymond Mhlaba Municipality (Amathole DM), North-west of Inxuba Yethemba municipality (Chris Hani DM), South of Makana Municipality and the South-west of Sundays River Valley municipality.

The Blue Crane Route Municipality comprises of the primary node of KwaNojoli, which is the main commercial hub, two secondary service centres i.e. Pearston and Cookhouse, and vast rural commercial farmlands. According to Census conducted by StatsSA 2022, the population of Blue Crane Route Municipality has increased to 49 883 compared to Census 2011 which was 36 002 and Community survey conducted in 2016 which was 36063, reflecting 0, 17 population growth rate . This therefore indicates that the growth rate of the population is very slow due to number of issues flowing from migration, death and birth rate.

KwaNojoli is an administrative seat of the municipality and situated at the foot of the Boschberg Mountain. Blue Crane Route Municipality has 6 Wards and eleven (11) Councillors who constitute Council. In terms of the population per ward, Census 2022 reflects the overall growth of the area not at ward level.

### 2.3.1 Demographic Profile

**Table 1: Population and extent of Area km<sup>2</sup> - EC, SBDM and BCRM**

Population figures	Province of the Eastern Cape	Sarah Baartman District Municipality	Blue Crane Route Local Municipality
Total Population Census (2011)	6 562 053	450 584	36 002
Total Population (Community Survey 2016)	6 996 976	479923	36063
Total Population Census (2022)	7 230 204	533 253	49883
Area km <sup>2</sup>	168 966 km <sup>2</sup>	58 243.3 km <sup>2</sup>	11 068.56 km <sup>2</sup>

**Source:** StatsSA 2011 and StatsSA 2022

As indicated by the statistical information above, Blue Crane Route accounts for 8% of the Sarah Baartman District and 0.5% of the Provincial population. Geographically Blue Crane Route makes up 19% of the District municipality's landmass with a population density of 3.25 per km<sup>2</sup>.

The most significant roads passing through the area are the; **N10, R61, R63, and R335,**

The approximate distance between the 3 towns is;

- KwaNojoli to Pearston : 50 Km.
- KwaNojoli - Cookhouse : 25 Km.
- Cookhouse - Pearston : 75km.

## 2.3.2 Demographics Trends

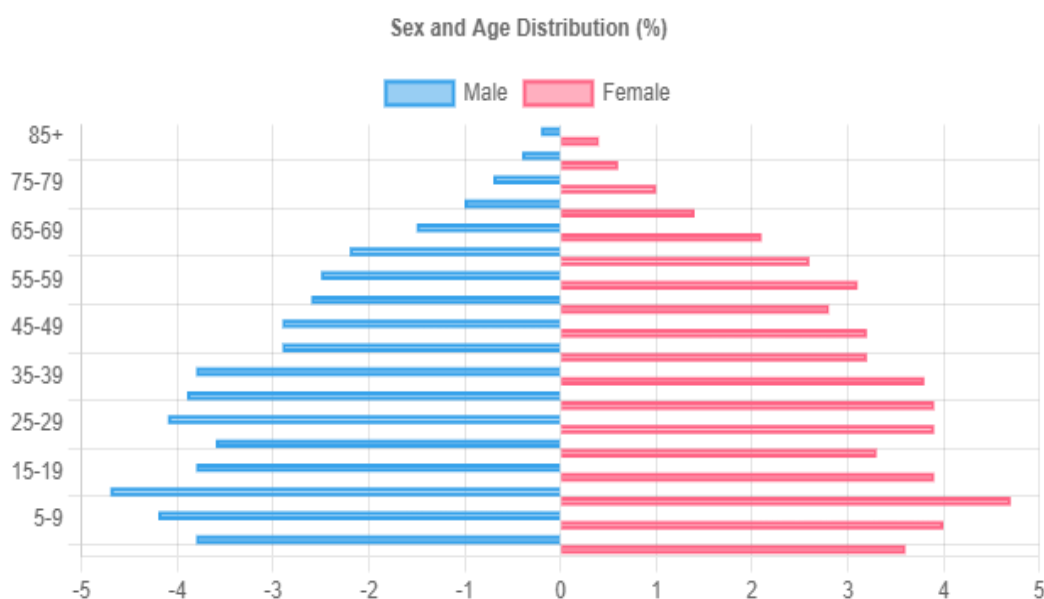
**Table 2: Age distribution, Gender, Population Grouping and Head of Household**

DEMOGRAPHICS	STATSSA CENSUS 2011	%	GROWTH % p.a.	COMSURVEY 2016	%	STATSSA CENSUS 2022
<b>Blue Crane Route Total Population</b>	36002		<b>0.17</b>	<b>36063</b>		<b>49 883</b>
<b>Age distribution</b>	<b>36 002</b>			<b>36063</b>		<b>49 883</b>
0-14	10517	29.2	0.2	11824	32.8	12 471
15-64	22962	63.8	0.2	20471	56.8	32 823
65+	2524	7.0	1.3	3768	10.5	4 589
<b>Gender</b>	<b>36 002</b>			<b>36063</b>		
Male	17680	49.1	0.5	17841	49.5	24 193
Female	18322	50.9	0.1	18223	50.5	25 690
<b>Population Grouping</b>	<b>36 002</b>					
Black	21247	59.0	0.19	21283	59.0	25 889
Coloured	11888	33.0	0.32	13283	36.8	17 217
White	2453	6.8	-0.6	1448	4.0	5 542
Indian/Asian	118	0.3	46.2	50	0.1	342
Other	295	0.8	-	-		891
<b>Head of Household: Gender</b>	<b>9 761</b>					<b>16 117</b>
Male	5 927	60.7	-0.9	-		
Female	3 834	39.3	2.3	-		

**Source:** StatsSA 2011/ Com Survey 2016/ StatsSA 2022

Census 2022 reflects that the population is dominated by young people between the age of 15 and 39, which requires intergovernmental planning efforts to jointly focus on improved education system, creation of employment opportunities and provision of sports and recreation facilities. The high number of children could also be an indication of a dependency on child support grants.

**Figure 1. Population by gender and age in 2022 (% of total population).**



**Source:** Statistics South Africa, Census 2022

### 2.3 SOCIO ECONOMIC DIMENSION

**Table 3. Socio Economic**

SOCIO ECONOMIC ANALYSIS	BLUE CRANE ROUTE AREA (STATSSA 2001)	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	GROWTH % p.a.
<b>Total Population</b>				
No disability/Unspecified	32292	28152	87.85	-1.28
Sight	571	2294	7.16	30.18
Hearing	221	350	1.09	5.84
Communication	78	82	0.26	0.51

Physical / Walking	1118	465	1.45	-5.84
Intellectual / Remembering	133	265	0.83	9.92
Emotional / Self Care	298	438	1.37	4.70
Multiple disability	300	0	0.00	-10.00
Not applicable		3956		
	<b>35 011</b>	<b>36 002</b>		

**Source:** StatsSA 2011

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

**Table 4: Income Category**

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

**Source:** StatsSA 2011

StatsSA 2011 reflects that poverty levels are high with 46.1% of the population not receiving any income, and a further 10.8% earn less than R801 per month, therefore technically falling under the poverty line. This is exacerbated by the fact that 65.7% of the potential labour force are not working. The population lack buying power which makes it difficult to exploit local economic development opportunities and the situation implies a high dependency on social grants. Interventions must be created and expedited to support poor communities.

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

#### Labour Status

SOCIO ECONOMIC ANALYSIS	BLUE CRANE ROUTE AREA (STATSSA 2001)	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	BLUE CRANE ROUTE AREA (STATSSA 2011)
<b>Total Population</b>				
<b>Labour status 15 to 65</b>				
Employed	7839	7434	34.3	
Unemployed	5355	3300	15.2	
Non-economically active	9471	10935	50.5	
	<b>22665</b>	<b>21669</b>		

**Source:** StatsSA 2011

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

#### Education Levels 20 year +

SOCIO ECONOMIC ANALYSIS	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	BLUE CRANE ROUTE AREA (Community Survey 2016)	%	STATS SA CENSUS 2022
<b>Total Population</b>	<b>36002</b>		<b>36063</b>		<b>49883</b>
<b>Level of education 20 +</b>					
No schooling	2 592	8.24	1307	6.3	-
Some primary	10 895	34.65	4525	21.7	4 373
Complete primary	2 516	8.00	2056	9.9	2 255

SOCIO ECONOMIC ANALYSIS	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	BLUE CRANE ROUTE AREA (Community Survey 2016)	%	STATS SA CENSUS 2022
<b>Total Population</b>	<b>36002</b>		<b>36063</b>		<b>49883</b>
<b>Level of education 20 +</b>					
Some secondary	9 577	30.46	8108	38.9	11 197
Std 10/Grade 12	4 420	14.06	4309	20.7	8 603
Higher	1 392	4.43	515	2.5	2 434
Unspecified	49	0.16	20	0	2 475

**Source:** StatsSA 2022

The following is the breakdown of schools per town within the municipality:

School name	Location
1. Johnson Nqonqoza High School	KwaNojoli
2. Aeroville High School	
3. Gilbert Xuza Primary School	
4. St' Teresa Primary School	
5. Nojoli Junior Primary School	
6. Nonzwakazi Primary School	
7. William Oates Primary School	

8. W.G Olivier Primary School 9. Gill Primary School 10. Gill College	
1. Cookhouse Primary School 2. Visrivier Primary School 3. Msobomvu Junior Primary School 4. Cookhouse High School	Cookhouse
1. Pearston High School 2. Pearston Primary School 3. Lukhanyiso Primary School	Pearston
1. De Hoop Primary School 2. Lushof Primary School 3. Bracefield Primary School 4. Golden Valley Primary School 5. Hambakuhle Farm 6. Kommadagga Primary 7. Middlewater DRC Primary 8. Verdun 9. Witmos Primary 10. Grootvlakt	Farm Area

**Table 8: Crime Statistics for BCRM**

Crime Category	KwaNojoli	Cookhouse	Pearston	Total
<b>Contact Crimes (Against the person)</b>				
Assault with the intent to inflict grievous bodily harm	42	33	14	<b>89</b>
Common Assault	138	46	20	<b>204</b>
Common Robbery	13	4	4	<b>21</b>
Murder	9	6	2	<b>17</b>
Attempted murder	4	0	2	<b>6</b>
Sexual Offences	28	16	5	<b>49</b>
Robbery with aggravating circumstances	20	7	4	<b>31</b>

<b>Crime Category</b>	<b>Somerset East</b>	<b>Cookhouse</b>	<b>Pearston</b>	<b>Total</b>
<b>Contact Related Crimes</b>				
Arson	6	1	1	<b>8</b>
Malicious damage to property	36	32	13	<b>81</b>
<b>Property Related Crimes</b>				
Burglary at non-residential premises	38	9	11	<b>58</b>
Burglary at residential premises	112	45	45	<b>202</b>
Theft of motor vehicle and motorcycle	11	2	0	<b>13</b>
Theft out of or from motor vehicle	42	20	7	<b>69</b>
Stock theft	41	36	34	<b>111</b>
<b>Crime Detected as result of Police Action</b>				
Illegal possession of firearms and ammunition	2	2	1	<b>5</b>
Drug related crime	71	118	29	<b>218</b>
Driving under the influence of alcohol or drugs	17	25	1	<b>43</b>
Sexual offences detected as a result of police action	761	344	204	<b>1309</b>
Bank Robbery	0	0	0	<b>0</b>
Robbery of cash in transit	0	0	0	<b>0</b>
<b>Other Serious Crimes</b>				
All theft not mentioned elsewhere	132	40	18	<b>190</b>
Commercial Crime	19	16	7	<b>42</b>
Shoplifting	16	2	1	<b>19</b>
Community reported serious crimes	167	57	27	<b>251</b>
<b>Subcategories of Aggravated Robbery</b>				
Carjacking	1	0	0	<b>1</b>
Truck hijacking	0	0	0	<b>0</b>
Robbery at residential premises	1	1	1	<b>3</b>
Robbery at non-residential premises	1	2	2	<b>5</b>

Source: SAPS

Crime statistics in the table above indicates the levels of crimes during the period of 2024-2025. The list above indicates crime in terms of frequency from high to low. Common assault, Burglary at residential premises theft, Community reported serious crimes, stock theft, Sexual offences detected as a result of police action and drug related crimes seem to be the dominating crimes in all three areas especially in KwaNojoli. Common assault, theft and burglary are dominating in KwaNojoli including sexual offence related crimes which is also dominating in Pearston (2023 Stats). Drug related crimes and those reported by the community are prevalent in Cookhouse. Crime levels in Pearston (2023) are relatively low compared to other towns within the municipality. The municipality is in the process of establishing the Blue Crane Route Municipality Community Safety Forum that will build strong, cohesive and vibrant participatory communities in fighting crime.

## **2.4 INFRASTRUCTURE DEVELOPMENT**

### **2.4.1. Water and Sanitation**

The Blue Crane Route Municipality is the Water Services Authority (WSA) and the Water Services Provider (WSP). The municipality has achieved marked improvements in both the provision of water and sanitation. The number of households with water on site is almost double the Eastern Cape provincial average. The Blue Crane Route Local Municipality like other municipalities in the country is faced with challenges related to the stagnation and / or decline in national grants allocations. Below are the projects that the municipality managed to implement:

**GRANTS RECEIVED 2023-2025**

<b>GRANT DESCRIPTION</b>	<b>Grant received 2023-24</b>	<b>Project Name</b>	<b>Grant received 2024-25</b>	<b>Project Name</b>
MUNICIPAL INFRASTRUCTURE GRANT (MIG)	R22 645 000,00	Paving of Gravel Road	R15 969 000,00	Paving of Gravel Roads.
		Upgrading of Sewer Pump station		Refurbishment of Glen Avon Street.
		Refurbishment of Glen Avon Street		Refurbishment of surface road in all 6 wards (Planning).
		Khanyiso Booster Pump		Construction of Khanyiso and Nelsig Bridge (Planning).
		Purchased fleet for waste management		Upgrading of Victoria Sport field Phase 1 in Progress to be completed in 2025/2026 FY.
		Construction of Khanyiso and Nelsig Bridge		Installation of streetlights & Highmast lights in all 6 wards (Planning)
WATER SERVICE INFRASTRUCTURE GRANT (WSIG)	R16 250 000,00	Upgrading of Cookhouse WTW.	R11 366 000,00	Upgrading of Cookhouse WTW.
				Upgrading of Somerset East sewer pump station (Riverlane, Lifting Station and Aeroville). In Progress to be completed in 2025/2026 FY
				Refurbishment of Clevedon.
INTERGRATED NATIONAL ELECTRIFICATION PROGRAMME	R100 000,00	Electrification of low-cost housing.	-	0
DISASTER GRANT	R30 491 000,00	Reconstruction of the following Electric lines: <ul style="list-style-type: none"> <li>• Somerset East- Pearston - Petersburg feeder RFQ 3 (8km Reconstruction)</li> <li>• Somerset East - Middleton Line Electricity RFQ 2 (15km Reconstruction)</li> </ul>	R22 880 000,00	Reconstruction of the following Electric lines: <ul style="list-style-type: none"> <li>• Somerset East – Middleton Feeder Reconstruction of Overhead lines 11kV &amp; 22kV including MV equipment. Phase 2 (16km of electrical line)</li> </ul>

		<ul style="list-style-type: none"> <li>• Pearston - Melkerivier feeder RFQ 4 &amp; 5 Replacement (28km Reconstruction)</li> <li>• Somerset East - Cookhouse Line Electricity RFQ 1 (8km Reconstruction)</li> <li>• Supply, Deliver and Programming of Three Auto Reclosers</li> <li>• Supply, Deliver and Programming of Three Auto Reclosers and two Voltage transformers</li> </ul>		<ul style="list-style-type: none"> <li>• Somerset East – Cookhouse Feeder Reconstruction of Overhead lines 11kV &amp; 22kV including MV equipment. Phase 2 (8km of electrical line)</li> <li>• Pearston – Melkerivier Reconstruction of Overhead lines 11kV &amp; 22kV including MV equipment. Phase 2 (16km of electrical line)</li> <li>• Supply, deliver and install Power Factor Correction Equipment</li> </ul>
ENERGY EFFICIENCY AND DEMAND SIDE MANAGEMENT GRANT (EEDMS)	R4 000 000,00	LED Retrofitting from 80w36w Streetlights on all 3 towns.	R2 800 000,00	Retrofitting of existing Air conditioner with inverter type and retrofitting office lights with LED
EXPANDED PUBLIC WORKS PROGRAMME TECHNICAL SERVICES (EPWP)	R1 143 000,00	EPWP Participants (Road and stormwater, water & sanitation, waste collection)	R1 280 000,00	EPWP Participants (Road and stormwater, water & sanitation, waste collection)
		Interns (HR, Water, Town Planning & SCM)		Interns (HR, Water, Town Planning & SCM)
EXPANDED PUBLIC WORKS PROGRAMME COMMUNITY SERVICES (EPWP)	R1 796 812,00	Hiring of fleet for waste management.	R3 000 000,00	63 EPWP Participants in all wards.
		Fenced KwaNojoli Landfill site.		Procured PPE, tools and equipment, street bins.
		100 EPWP Participants (Waste Management) Cleaning and Beautification of illegal dumping sites.		Beautified the entrances in all 3 towns.
				Procure 20 skip bins (to reduce illegal dumping procurement stage).

				Fencing of landfill site in Cookhouse (procurement stage).
	R76 425 812,00		R57 295 000,00	

BCRM challenges are high water losses which are currently at 22%. This is a result of ageing infrastructure, internal pipe leakages at the indigent households and incomplete water metering. The Municipality is currently busy preparing business plans to source funding to reduce these water losses and will be submitted to various relevant sector departments to assist on funding.

BCRM has experienced several challenges with regards to water services of these include the following:

- Pearston obtains its water from boreholes only. The augmented water supply in Pearston ensure that the town has constant and sustainable water supply. However, under the project to augment Pearston water supply, out of five (5) boreholes, two boreholes were not functional due vandalism, theft, lack of electrical connection and budget constraints and therefore a follow up project has been initiated to complete phase two of water supply in Pearston. Pearston does not have surface water and entirely relies on borehole water, this means that the water supply in Pearston is dependent on underground water to abstract the water and a MIG funding for a bulk water supply is being sourced from CoGTA and DWS. BCRM is sourcing funding to drill boreholes (2x) to augment the water supply.
- KwaNojoli Water is obtained from surface water that is seasonal and rainfall dependent, as well as water from the Orange/Fish Irrigation Scheme. The town is dependent on the only reliable source, being the Orange/Fish Canal supply, which is utilised by various farmers and other water consumers. BCRM is sourcing funding to drill boreholes (2x) to augment the water supply.
- Since Cookhouse was administered by the old Transnet, all assets and rights still reside with Transnet. The town is dependent on water from the Orange/Fish Irrigation Scheme and has no surface or borehole sources. The present water supply to the town is not reliable, and a pipeline is required from the Orange-Fish Scheme / canal to secure sustainable water to the town.

Pearston is the only town in BCRM that depends fully on ground water for human consumption and agricultural activity, which is one of the drivers of the economy in the area. The low inland rainfall results in sporadic droughts consequently drying up supply boreholes to towns and villages. The water quality during these periods deteriorates to levels that are unsafe for human consumption. Because of water being a scarce resource in Pearston, there are competing demands between servicing the community and servicing agricultural production. Bulk water services in the BCRM are under pressure due to overloading or high demand (needs upgrading) and the lack of on-going maintenance due to inadequate budget provision for Operation and Maintenance. BCRM does not have an approved Water Services Development Plan (WSDP), it's still in draft that is strategic

Document that guides the water business. BCRM does have drought mitigation strategy. There are 10 604 households residing in the Blue Crane Route local municipality. BCRM has an estimated water availability of  $\pm 6000$  kl/day = 180 ML/Month

**Boreholes:**

**Pearston Area:** The town of Pearston heavily relies on ground water for the purpose of potable and irrigational use. Currently the town has 5 x existing production boreholes of which only 3 x borehole is in operation. The existing 5 x production boreholes has a potential of supplying 1.27MI/day. The current 3 x production borehole delivers a safe sustainable yield of 0.84MI per day.

**KwaNojoli Area:** KwaNojoli has 7 production boreholes, 3 in operations. The town of SE, current yield is 2.8 ML/day.

**Cookhouse Area:** No boreholes.

**Water Reticulation, Sewer Reticulation & Water Regulation Operational Matters:**

- 187km water pipelines.
- 2 of 4 WTW operating beyond design capacity (Bestershoek & Cookhouse).
- 3x WWTW fully functional for all three towns (some have O&M issues).
- 5x Sewer pumpstation need to be upgraded in SE.
- 5x raw water storage dams (Cookhouse, Bestershoek, Van de Walt, Lake Bertie, Mountain (Bosberg).
- 14x Raw Water Reservoirs in all three towns.
- Draft Water By-Law in place.
- 90% of sewer and water complaints attended to in the first & second quarter.
- 10 process controllers managing 4x WTW and 3x WWTW
- Chemical (quarterly) and Biological (monthly) sample collection and testing.



The project has the following successes:

- Domestic Water Meters are to be replaced every 7 to 10 years;
- Bulk water meter to be replaced every 5 years;
- All Domestic users have received a Water Meter;
- All Masakhane users are equipped with a functioning standpipe;

### **Construction of Pearston Water Treatment Works (1.5 MI/day)**

The Pearston is solely dependent on boreholes, the chlorination room used was bot effective and the water produced did not meet SANS 241 standards. There was a need to construct a conventional WTW to ensure the water supplied to communities is fit for use. The project entailed construction of 1.5 MI/day WTW in Pearston. The project scope entails:

- Existing Services;
- New Infrastructure:
  - Security Fencing
  - Platform for Water Works
  - Sludge Ponds
  - Pipework – Water & Sewers
  - Roadworks
  - Building Works
  - Mechanical Works
  - Other Services

## Augmentation of Cookhouse Bulk Water Supply Phase 2B

Phase 2B of the Augmentation of the Cookhouse Bulk Water Supply Scheme, consists of an original total length of 2.7 kilometers of 315 mm diameter, class 12, uPVC pipe with all the associated chambers for air valves, scour valves and isolating valves.

**Table 9: Major Predominant Dams in BCR**

MAJOR DAM	MAJOR RIVER	MUNICIPALITY	USE
<ul style="list-style-type: none"> <li>• Van Der Walt Dam</li> <li>• Bestershoek Dam</li> <li>• Cookhouse Dam</li> <li>• Lake Bertie</li> <li>• Berg Dam</li> </ul>	ORANGE RIVER via FISH RIVER INTO SUNDAYS RIVER	BLUE CRANE	DOMESTIC & IRRIGATION

The table overleaf illustrate the rainfall figures per town as captured and recorded by the South Weather Services.

**Table 10: Water and Sanitation Provision**

BASIC SERVICE / INFRASTRUCTURE	BLUE CRANE ROUTE AREA (STATSSA 2001)	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	GROWTH % p.a.	BLUE CRANE ROUTE AREA (CS 2016)	%	Stats SA (2022)
<b>Total number of households</b>	9 595	9 761		1.7%	9876		
<b>Sanitation</b>	9 470	9 760		3.06%		91.2	
Flush toilets	4439	7856	80.5	7.7	8731	88.4	14056
Flush septic tank	390	395	4.0	0.1	-	-	
Chemical	244	25	0.3	-9.0	12	0.1	799
VIP	127	83	0.9	-3.5	-	-	
Pit latrines without ventilation	752	327	3.4	-5.7	403	4.1	
Bucket latrine	1921	277	2.8	-8.6	286	2.9	347
None	1597	617	6.3	-6.1	347	3.5	679

Other		180	1.8	-	-	-	155
<b>Water – Access to piped water</b>	<b>8 530</b>	<b>9 740</b>		<b>12.4%</b>	<b>9003</b>	<b>91.2</b>	
Household	2289	5022	51.5	11.94	-	-	
In yard	5027	3903	40.0	-2.24	-	-	4977
Community stand <200 m	526	323	3.3	-3.86	-	-	
Community Stand >200m	688	172	1.7	-7.50	-	-	351
No access to piped (tap) water		340	3.5	-	873	8.8	1673
<b>Water – Source of water</b>		<b>9 760</b>					
Water scheme operated by municipality or other WSP		7830	80.2	-	-	-	
Borehole	128	955	9.8	64.6	-	-	
Spring	5	30	0.3	50.0	-	-	
Rain tank	196	275	2.8	4.0	-	-	
Dam/stagnant water	207	317	3.2	5.3	-	-	
River/stream	201	53	0.5	-7.4	-	-	
Water vendor	17	31	0.3	8.2	-	-	
Water Tanker		132	1.4	-2.7	-	-	
Other	180	137	1.4	-	-	-	

## Statistics on Water and Sanitation Provision:

### Water and Sanitation Provision

#### Cookhouse (Ward 1 & 6)

##### Number of households serviced

	Number	1625
Bongweni 3	488	
Bongweni 4	634	
Business	28	
Cradock Place	25	
Newtown	144	
Station	306	

#### Pearston (Ward 4)

##### Number of households serviced

	Number	1278
Pearston Town	469	
Nelsig	408	
Khanyiso	401	

#### KwaNojoli (Wards 2, 3 & 5)

##### Number of households serviced

	Number	4797
Somerset East	898	
Aeroville	1081	
New Brighton	325	
Old location	363	
Glen Avon Road	27	
Mnandi	1010	
Chris Hni	406	
Francisvalle	240	
Vosloodal	37	
Westview	344	
Government	66	

### **2.4.1 Electricity and Energy**

The Blue Crane Route Municipality is the electricity distribution licence holder for the supply area with licence number NER/D/EC102, and supplies electricity to KwaNojoli, Cookhouse and Pearston. It has one bulk supply point with an installed capacity of 18 MVA and a maximum demand of 17.2 MVA. The network consists of 28 km of medium voltage (MV) underground cable, 928 km of low voltage (LV) underground cable, 2,600 km of MV overhead lines and 128 km of LV overhead lines.

The Municipality had 8640 customers, which are categorised as follows: 7390 prepaid domestic; 514 conventional meters; 180 commercials; 538 agricultural and 18 industrial customers. The total geographical area of the Blue Crane Route Municipality is approximately 11,068.65km<sup>2</sup>.

#### **Overhead Lines:**

In general, the overhead network of the Blue Crane Route Local Municipality is old and most of it has been in service for more than 50 years. However, certain 22 kV distribution lines, particularly the ones transmitting from the Main Substation to farmers at Zuurberg, were installed in 1965 and an urgent replacement programme was needed to ensure continuous supply of power. The Swartzhoek and Pearston were also needed maintenance.

In 2014, a condition assessment was done by Bosch Stemele (now known as Bosch Projects). The assessment was more on MV lines where the biggest need for upgrading / refurbishment is needed (backbone of the electrical distribution network). All the distribution lines in the urban and rural infrastructure for Somerset East, Cookhouse and Pearston were surveyed.

Rural lines surveyed were (feeder lines, 22 000V): Eastpoort (installed 1960, 94km) Middleton (installed 1970, 103km), Cookhouse (installed 1960, 44km), Suurberg (installed 1960, 120km), Wellington grove (installed 1960, 80km), Swaershoek (installed 1970, 79km) and Pearston (installed 1970, 15km).

The main root causes for electricity interruptions in the rural lines:

- a) Old infrastructure.
- b) Game farm animals leaning with electrical infrastructure.
- c) Theft and vandalism.
- d) Inclement weather conditions (Gail force winds) etc.

The following needs to be planned and implemented:

- a) Electrical Master plan.
- b) Electrical Operation & Maintenance plans.
- c) Electrical faults to the existing boreholes.
- d) Bulk supply for housing development: electrical lines, transformers, etc.
- e) Upgrading the electrical infrastructure.
- f) There is need for load flow studies on Pearston (existing demand patterns and expected load patterns) so as to factor the new Millenium Park housing into the future load forecasts.
- g) Term tender and stores for strategic material.
- h) Replacement of wooden poles.
- i) Institutionalize customer care center.
- j) Procure two-way radios.
- k) End-user forum, guided by NERSA regulations.
- l) Installation of auto reclosers (no. 3) to sectionalize faults.

**Planning, Distribution, Protection, and Projects Operational Matters:**

- a) Dilapidated infrastructure.
- b) Prolonged lead time on fault findings due to geographical and extent of the areas.
- c) Ineffective customer care system.
- d) Two-way radio system not in place.
- e) Substation capacity: 2 x 10MVA transformers = 20MVA.
- f) 2nd largest overhead lines after ESKOM.
- g) Approx. 1400km electrical network.
- h) Outdated lifespan of the electrical lines more than 50 years.

**Table 11: Energy for Lighting**

BASIC SERVICE / INFRASTRUCTURE	BLUE CRANE ROUTE AREA (STATSSA 2001)	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	GROWTH % p.a.	BLUE CRANE ROUTE AREA (CS 2016)	%	Stats SA 2022
<b>Total number of households</b>	<b>9 595</b>	<b>9 761</b>			<b>9876</b>		
<b>Energy (Access)</b>	<b>9 470</b>	<b>9 760</b>		<b>3.06%</b>			
Electricity	6 161	8 486	86.9	3.8	8759	88.9	14857
Gas	23	17	0.2	-2.6		-	352
Paraffin	2 135	306	3.1	-8.6		-	289
Candles	1 057	876	9.0	-1.7		-	667
Solar	34	36	0.4	0.6		-	224
Other	60	0	0.0	-10.0	1247	12.1	21
None		39	0.4			-	22

**Source: StatsSA 2011, Community Survey 2016 and StatSA 2022**

BCRM also supply farming community that is >100km radius. The current backlog in those different lines are the rotten / old network, with falling poles due to its life span. Regular routine maintenance is done but due financial constraint this exercise is not improving in most areas but in some areas, it is improving. There are constant power failures occurring in those lines. The municipality approves ring-fence of basic charge to cater for operation and maintenance of electrical network annually .Electricity is supplied to all schools, hospital, clinics and all government departments.

## 2.4.2 Roads and Stormwater

The BCRLM is located within the Sarah Baartman District Municipality of the Eastern Cape Province of South Africa. The main town located within BCRLM is KwaNojoli. The BCRLM is bounded in the North and North East by the Chris Hani DM and Amathole DM respectively; and in the South East through West by the Makana LM, Sundays River Valley LM and Dr Beyers Naudé LM respectively.

The road network within the Blue Crane Route Local Municipal Area falls under the jurisdiction of three (3) authorities, namely:

- South African National Roads Agency Limited (SANRAL), who is responsible for National Route R63 and R67, which traverses the area.
- Eastern Cape Department of Transport, who is responsible for provincial trunk, main, district and minor roads within the area; and
- The BCRLM, who is responsible for all municipal roads.

BCRM road network is almost 169km road in length (municipal roads).  $\pm$  30% of the municipal road is in poor state. Different categories of roads needs various maintenance options such as Routine Maintenance, Event Driven Maintenance, Responsive Maintenance, Condition Responsive Maintenance etc.

The road network within BCRM is composed as follows:

Category	Road Length (km)	Percentage
National (SANRAL)	278.9	10.0%
Provincial	2 367.6	84.7%
<b>Sub-Total</b>	<b>2 646.5</b>	<b>94.7%</b>
<b>Municipal (Blue Crane Route LM)</b>		
Cookhouse	19.6	0.7%
Pearston	28.6	1.0%
Somerset East	97.5	3.5%
Other	2.2	0.1%
<b>Sub-Total</b>	<b>147.8</b>	<b>5.3%</b>
<b>Total</b>	<b>2794.3</b>	<b>100.0%</b>

The total road network within the Blue Crane Route Local Municipal Area and under the jurisdiction of the municipality consists of 147.8km, of which 66.2km (or 44.8%) are Paved roads.

***It be noted that:*** Paved roads comprise flexible (tar), block and concrete roads. Unpaved roads comprise gravel and earth (in-situ) roads as well as tracks.

The below table shows different town road category and their length:

Town	Municipal Road Length (km)		
	Paved	Unpaved	Total
Cookhouse	8.9	10.7	19.6
Pearston	7.6	21.0	28.6
Somerset East	49.6	48.0	97.5
Other	0.1	2.0	2.2
<b>Total</b>	<b>66.2</b>	<b>81.7</b>	<b>147.8</b>
<b>Percentage</b>	<b>44.8%</b>	<b>55.2%</b>	<b>100.0%</b>

#### **Maintenance plans:**

Every five years, the municipality is requesting five streets per ward and do proper planning for construction. Depending on the available budget (MIG), some streets are not implemented due to limited budget, length, width and other factors.

Stormwater management plan in place for Somerset East, it is still pending for other two Towns/areas (Pearston & Cookhouse). The municipality has roads maintenance plan for all the three towns. The condition of each town is depicted as follows:

Town	Paved Road Condition: Road Length (km)					Total Length
	Very Good	Good	Fair	Poor	Very Poor	
Cookhouse	0.0	4.4	4.1	0.4	0.0	8.9
Pearston	0.1	1.6	5.9	0.0	0.0	7.6
Somerset East	4.7	24.1	16.2	4.2	0.1	49.2
Other	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>4.8</b>	<b>30.1</b>	<b>26.1</b>	<b>4.5</b>	<b>0.1</b>	<b>65.7</b>
<b>Percentage</b>	<b>7.3%</b>	<b>45.9%</b>	<b>39.8%</b>	<b>6.9%</b>	<b>0.2%</b>	<b>100.0%</b>

**Table 12: Road length by surface type**

**Municipal Road Length (km) by Surface Type**

Ward	Paved Roads				Unpaved Roads				Other	Total	%
	Flexible	Concrete	Block	Sub-Total	Gravel	Earth	Track	Sub-Total			
Ward 1 (Blue Crane Route)	3.06	0.00	2.48	5.54	6.21	0.47	0.17	6.85	0.00	12.39	7.32
Ward 2 (Blue Crane Route)	20.97	0.00	3.05	24.02	15.63	0.00	0.65	16.28	0.09	40.39	23.85
Ward 3 (Blue Crane Route)	3.92	0.05	4.76	8.73	14.27	0.00	0.17	14.44	0.00	23.17	13.68
Ward 4 (Blue Crane Route)	0.82	0.07	6.02	6.91	35.99	0.10	1.15	37.24	0.00	44.15	26.07
Ward 5 (Blue Crane Route)	9.93	0.00	5.71	15.64	13.80	0.55	0.89	15.24	0.00	30.88	18.23
Ward 6 (Blue Crane Route)	1.85	0.00	1.68	3.53	5.14	0.29	3.98	9.41	5.43	18.37	10.85
<b>Total</b>	<b>40.55</b>	<b>0.12</b>	<b>23.70</b>	<b>64.37</b>	<b>91.04</b>	<b>1.41</b>	<b>7.01</b>	<b>99.46</b>	<b>5.52</b>	<b>169.35</b>	
<b>%</b>	<b>23.94</b>	<b>0.07</b>	<b>13.99</b>	<b>38.01</b>	<b>53.76</b>	<b>0.83</b>	<b>4.14</b>	<b>58.73</b>	<b>3.26</b>		

Ward	Paved Roads				Other	Total	%
	Flexible	Concrete	Block	Sub-Total			
Ward 1 (Blue Crane Route)	3.06	0.00	2.48	5.54	0.00	12.39	7.56
Ward 2 (Blue Crane Route)	20.97	0.00	3.05	24.02	0.00	40.30	24.60
Ward 3 (Blue Crane Route)	3.92	0.05	4.76	8.73	0.00	23.17	14.14
Ward 4 (Blue Crane Route)	0.82	0.07	6.02	6.91	0.00	44.15	26.95
Ward 5 (Blue Crane Route)	9.93	0.00	5.71	15.64	0.00	30.88	18.85
Ward 6 (Blue Crane Route)	1.85	0.00	1.68	3.53	0.00	12.94	7.90
<b>Total</b>	<b>40.55</b>	<b>0.12</b>	<b>23.70</b>	<b>64.37</b>	<b>0.00</b>	<b>163.83</b>	
<b>%</b>	<b>24.75</b>	<b>0.07</b>	<b>14.47</b>	<b>39.29</b>	<b>0.00</b>		

Ward	Unpaved Roads				Other	Total	%
	Gravel	Earth	Track	Sub-Total			
Ward 1 (Blue Crane Route)	6.21	0.47	0.17	6.85	0.00	12.39	7.32
Ward 2 (Blue Crane Route)	15.63	0.00	0.65	16.28	0.09	40.39	23.85
Ward 3 (Blue Crane Route)	14.27	0.00	0.17	14.44	0.00	23.17	13.68
Ward 4 (Blue Crane Route)	35.99	0.10	1.15	37.24	0.00	44.15	26.07
Ward 5 (Blue Crane Route)	13.80	0.55	0.89	15.24	0.00	30.88	18.23
Ward 6 (Blue Crane Route)	5.14	0.29	3.98	9.41	5.43	18.37	10.85
<b>Total</b>	<b>91.04</b>	<b>1.41</b>	<b>7.01</b>	<b>99.46</b>	<b>5.52</b>	<b>169.35</b>	
<b>%</b>	<b>53.76</b>	<b>0.83</b>	<b>4.14</b>	<b>58.73</b>	<b>3.26</b>		

**Table 13: Road class**

**Municipal Road Length (km) by Road Class**

Ward	Class 1		Class 2		Class 3		Class 4		Class 5		Total	%
	Paved	Unpaved	Paved	Unpaved	Paved	Unpaved	Paved	Unpaved	Paved	Unpaved		
Ward 1 (Blue Crane Route)	0.00	0.00	0.00	0.00	0.00	0.00	10.30	0.00	4.74	6.84	21.88	<b>10.89</b>
Ward 2 (Blue Crane Route)	0.00	0.00	0.00	0.00	0.00	0.00	7.69	0.00	17.12	16.37	41.18	<b>20.49</b>
Ward 3 (Blue Crane Route)	0.00	0.00	0.00	0.00	0.00	0.00	3.27	0.57	5.46	13.86	23.16	<b>11.52</b>
Ward 4 (Blue Crane Route)	0.00	0.00	0.00	0.00	0.00	0.00	3.57	1.32	3.35	35.92	44.16	<b>21.97</b>
Ward 5 (Blue Crane Route)	0.00	0.00	0.00	0.00	0.00	0.00	0.75	1.02	14.88	14.22	30.87	<b>15.36</b>
Ward 6 (Blue Crane Route)	0.00	0.00	0.00	0.00	0.00	0.00	21.35	0.00	3.53	14.85	39.73	<b>19.77</b>
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>46.93</b>	<b>2.91</b>	<b>49.08</b>	<b>102.06</b>	<b>200.98</b>	
<b>%</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>23.35</b>	<b>1.45</b>	<b>24.42</b>	<b>50.78</b>		

**Table 14: Municipal Road Length by Authority**

**Municipal Road Length (km) by Authority**

Ward	National	Provincial	Municipal	Total	%
Ward 1 (Blue Crane Route)	54.26	488.77	12.37	555.40	19.72
Ward 2 (Blue Crane Route)	12.81	0.79	40.39	53.99	1.92
Ward 3 (Blue Crane Route)	0.69	0.00	23.16	23.85	0.85
Ward 4 (Blue Crane Route)	96.02	619.17	44.15	759.34	26.97
Ward 5 (Blue Crane Route)	0.71	0.00	30.88	31.59	1.12
Ward 6 (Blue Crane Route)	114.44	1 258.83	18.38	1 391.65	49.42
<b>Total</b>	<b>278.93</b>	<b>2 367.56</b>	<b>169.33</b>	<b>2 815.82</b>	
<b>%</b>	<b>9.91</b>	<b>84.08</b>	<b>6.01</b>		

**Source:** RRAMS

**Table 15: Road condition by ward**

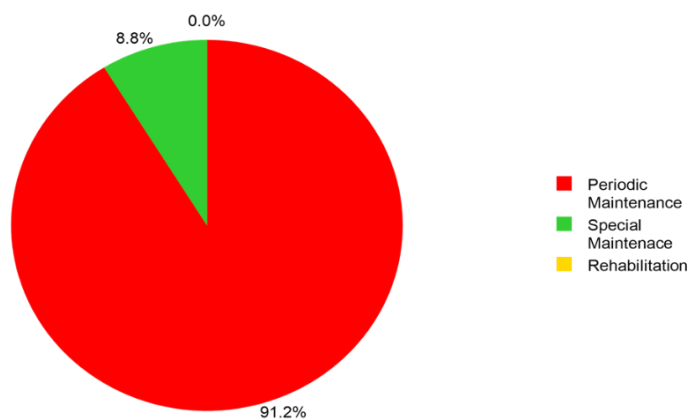
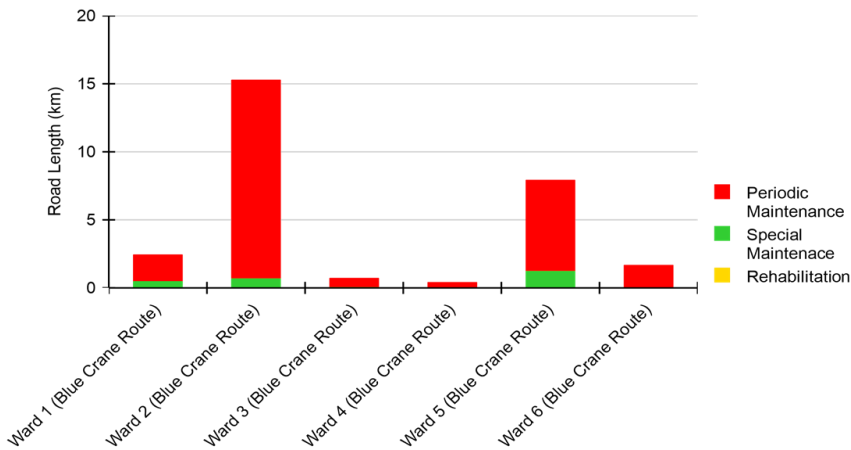
**Municipal Road Condition Length (km) by Ward**

Ward	Very Good	Good	Fair	Poor	Very Poor	Total	%
Ward 1 (Blue Crane Route)	0.00	3.32	2.22	0.00	0.00	5.54	<b>8.63</b>
Ward 2 (Blue Crane Route)	0.32	13.47	10.02	0.22	0.00	24.03	<b>37.42</b>
Ward 3 (Blue Crane Route)	0.00	5.89	2.78	0.06	0.00	8.73	<b>13.60</b>
Ward 4 (Blue Crane Route)	0.91	4.93	1.08	0.00	0.00	6.92	<b>10.78</b>
Ward 5 (Blue Crane Route)	0.00	6.06	8.63	0.95	0.00	15.64	<b>24.36</b>
Ward 6 (Blue Crane Route)	0.33	0.99	2.03	0.00	0.00	3.35	<b>5.22</b>
<b>Total</b>	<b>1.56</b>	<b>34.66</b>	<b>26.76</b>	<b>1.23</b>	<b>0.00</b>	<b>64.21</b>	
<b>%</b>	<b>2.43</b>	<b>53.98</b>	<b>41.68</b>	<b>1.92</b>	<b>0.00</b>		

**Table 16: Road maintenance by ward**

**Municipal Road - Needs by Ward**

Ward	Rehabilitation		Special Maintenance		Periodic Maintenance		Total
	Length (km)	% of District	Length (km)	% of District	Length (km)	% of District	
Ward 1 (Blue Crane Route)	0.00	0.00	0.49	20.08	1.95	79.92	2.44
Ward 2 (Blue Crane Route)	0.00	0.00	0.70	4.58	14.58	95.42	15.28
Ward 3 (Blue Crane Route)	0.00	0.00	0.06	8.45	0.65	91.55	0.71
Ward 4 (Blue Crane Route)	0.00	0.00	0.00	0.00	0.41	100.00	0.41
Ward 5 (Blue Crane Route)	0.00	0.00	1.25	15.78	6.67	84.22	7.92
Ward 6 (Blue Crane Route)	0.00	0.00	0.00	0.00	1.67	100.00	1.67
<b>Total</b>	<b>0.00</b>		<b>2.50</b>		<b>25.93</b>		<b>28.43</b>
<b>% of Treatment</b>	<b>0.00</b>		<b>8.79</b>		<b>91.21</b>		



According to the latest version of the Sarah Baartman/ Cacadu Intergrated Transport Plan (2011/12), the maintenance of roads throughout the entire Blue Crane Route Municipal Area is inadequate due to lack of funding. Urgent attention and funding are required. The upgrading of gravel roads to surfaced standard (and with suitable stormwater drainage) in residential areas is one of the key priorities.

As much as the BCRM is on target in implementing its strategy (Upgrading of Gravel Roads), the objective and strategies for facilitation of an efficient and effective public transport system are still lacking (Cacadu ITP 2011/12).

**Table 17: Road Infrastructure and Transport Modes**

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

⇒ **Non-motorized transport**

**a. Bicycle transport & facilities**

There is a minimal provision for bicycle travel within the BCR. Cyclists share the travelled way with motorized traffic. Cycling, however, is not a prevalent form of transport in the BCRM but is predominantly a recreational sport activity.

**b. Sidewalks and walkways**

Visual assessment was done on the primary transport corridors in the BCR which indicated a dire need for the provision of sidewalks and walkways. Given the limited income profile of the rural population, and the proximity of residential townships to the business nodes in most of the towns, walking is one of the main transport modes in the BCR. Based on the above, sidewalks and a pedestrian bridge have been constructed from KwaNojoli town to Aeroville. In KwaNojoli town, sidewalks have been constructed in Nojoli and Charles Streets.

The length of sidewalks and walkways constructed is as follows:

- Length of sidewalks (km)
  - From KwaNojolo (Nojoli Street) to Aeroville – 2.8 km
  - Nojoli Street – 1.7 km
- Length of walkways (km)
  - Aeroville – 450 m
- Length of the pedestrian bridge constructed from KwaNojoli to Aeroville is 35m long.

## Scholar transport

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

## Transport Forum

The Transport Forum was established in the second quarter. Both Community and Technical services departments share responsibility of the forum. A range of stakeholders participate in the forum (Organised public transport structures- Uncedo & Norwich unions, SAPS, Department of Education, SBDM Community Safety, and Traffic Services & Community Police Forum). The Transport forum is functional and meets quarterly.

**Table 18: Modal Split for Scholars per School Type (Urban/Rural)**

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

**Source:** *Integrated Transport Plan*

### ⇒ Public transport

- Taxi Services

There are nine registered taxi associations in the BCR. The OLAS indicates a registered membership of 749 persons, who operate a total of 473 vehicles that have operating licenses and are operating legally.

**Table 19: Taxi Associations and Membership**

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

**Source:** *Integrated Transport Plan*

There is one registered taxi association in the BCRM. The OLAS indicates a registered membership of 238 persons, who operate a total of 102 vehicles that have operating licenses and are operating legally. BCRM has a functional transport forum which is championed by the Portfolio Head of the Technical Services Department. This forum is co-ordinated by the Department of Public Works for the implementation of projects in the area. Councilors and farmers also form part of the steering committee where all roads related projects for farmers and national roads are addressed as well as the needs of the community. The forum sits by-monthly due to the nature of projects implemented in the area.

**Table 20: Taxi facilities in the BCR**

Municipality	Formal	Informal	Stops
BCR	2	1	0

**Source:** *BCR Integrated Transport Plan*

**Table 21: Summary of taxi routes operated in BCRM**

Municipality	Local/Commuter	inter-town (within CDM)	Inter-town (Outside CDM)	Total
Blue Crane Route	6	1	6	13

**Source:** *BCR Integrated Transport Plan*

- **Bus Services**

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

The routes stops and schedule for the long-distance buses that operate within the Sarah Baartman are indicated in table below. Long distance buses stop at the entrance to Cookhouse Caltex Garage off the N10. These informal facilities at the Subway service station are in a fair condition.

- KwaNojoli

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

**Table 22: Long Distance Bus Operations per Route/corridor**

Route/ Corridor	Average No of Buses/ day (both directions)
Corridor 2 (PE, Cookhouse, Johannesburg)	4

⇒ **Bus Transport Infrastructure**

Long distance bus operators operate from areas close to a service station where parking is available for persons who are dropping off or picking up passengers, and where passengers can disembark during stop overs to use cafeteria facilities. Long distance buses stop at the Caltex Garage off the N10 at the entrance to Cookhouse. These informal facilities at the Subway service station are in a fair condition.

⇒ **Maintenance of Roads**

The maintenance of roads throughout the entire Blue Crane route Municipal Area (urban and rural) is not ideal due to the lack of enough funding. Urgent attention and funding are needed to address this problem. The upgrading of gravel roads to surfaced standard (and with suitable storm water drainage) in residential areas is one of the key priorities.

There is a huge challenge within the BCRM of no suitable quarry available to source the materials in a commercial quarry for the maintenance of roads. Priority needs to be given to obtaining a licensed quarry where suitable materials will be obtained. The IDP recognises that its adopted strategy for the upgrading of gravel roads is predominantly on target, but that its objective and strategies for the facilitation of an efficient and effective public transport system are lacking.

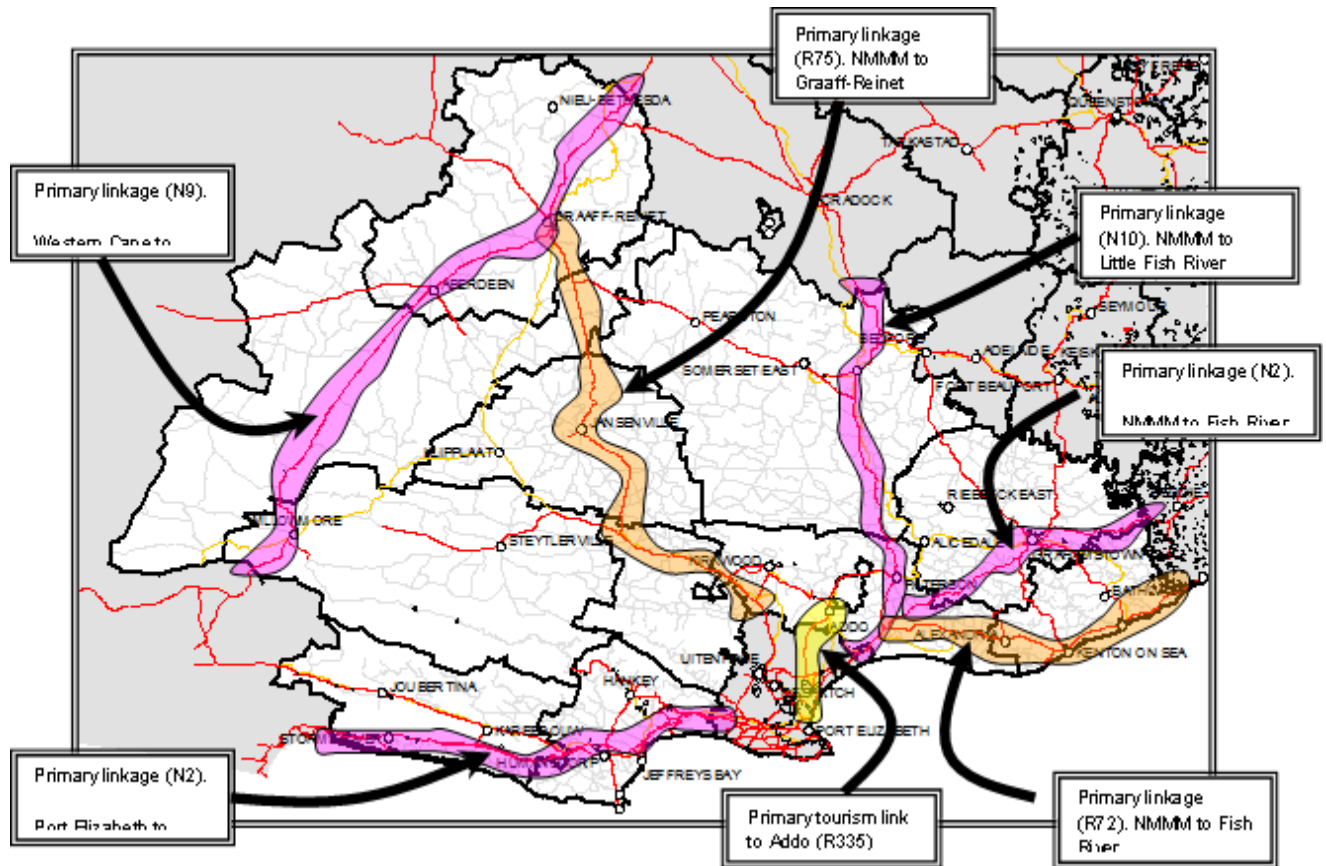
BCRM does have Rural Roads Asset Management (RRAMS) and information pertaining to BCRM was sent and a system was provided. The Rural roads are currently managed by the DRW&I. BCRM is planning a phase in approach regarding the maintenance of these roads. Paving of streets is being prioritized as a surface type due to its low maintenance and sustainability.

Every five years, the municipality is requesting five streets per ward and do proper planning for construction. Depending on the available budget (MIG), some streets are not implemented due to limited budget, length, width and other factors. Stormwater management maintenance plan is in place in KwaNojoli, it is still pending for other two Towns/areas ( Pearston & Cookhouse). The municipality has roads maintenance plan for all the three towns

⇒ **Roads and stormwater master plan**

The municipality has applied funding through DBSA for roads and stormwater master plan. Weightings can be assigned to each of these factors, from which an algorithm is then generated, and prioritization can then be done. Prioritization can therefore be determined for various scenarios, depending on the focus/aim of the exercise.

**Map 4: Significant Primary Linkages**



⇒ **Rail Infrastructure**

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

The ECDOT recently completed a 10 Year Rail Plan which included a status quo assessment of rail infrastructure in the Eastern Cape. The following services are provided on the branch lines in the BCR:

Load: Track warrant

Lines: Cookhouse – Blaney

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

- Cookhouse – KwaNojoli
- Cookhouse – Fort Beaufort – Blaney branch line

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

### 2.4.3 Solid Waste Management

**Table 23: Refuse Removal Services**

BASIC SERVICE / INFRASTRUCTURE	BLUE CRANE ROUTE AREA (STATSSA 2001)	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	BLUE CRANE ROUTE AREA (CS 2016)	%	Stats SA (2022)
Total number of households	9 595	9 761		9876		
Refuse Removal	9 467	9 761	%		%	
How often by municipality?						
a) @ least once a week	6351	7842	80.3	8505	86.1	12 252
b) Less often	28	51	0.5	37	0.4	78
How often is refuse bags provided	Once in 3 months	Once in 3 months		Once in 3 months. Each household is supplied with 18 refuse bags during that period.		
Mode Disposal						
i) Communal dumping	59	78	0.8	426	4.3	228
ii) Own dump	2440	1444	14.8	637	6.4	2 947

iii) No disposal	589	195	2.0	258	2.6	224
Other	0	151	1.5	-	0.1	90
<b>No of Licensed Landfill sites</b>		3				
No of un-licensed landfill sites		0				

In 2011, 80.3% of households had access to a weekly refuse removal service as opposed to only 67.1% in 2001. In 2016 it increased to 86.1.

In BCRM all residential areas, except farms, have access to refuse removal services. There is a fixed schedule for household and business refuse collection. Both household and business refuse are collected once a week while garden refuse is collected at least once in two months, even though there are instances where collection of garden refuse takes longer than the stipulated timeframes due to aging fleet or mechanical breakdowns. A partnership has been developed with Community Works Programs (CWP) to conduct on-going clean up campaigns and beautification of spots where illegal dumping has been identified.

BCRM has 40 skip bins which are placed on strategic positions within communities for garden refuse and these bins are emptied at least once every two weeks. The municipality has procured a skip trailer which will enhance the frequency of emptying skip bins. Garden refuse currently poses a serious challenge in the landfill site and the municipality is considering piloting composting as a means to divert garden refuse from the landfill site.

## 2.4.4 Human Settlement

**Table 24: Dwelling type and Tenure status**

BASIC SERVICE / INFRASTRUCTURE	BLUE CRANE ROUTE AREA (STATSSA 2001)	BLUE CRANE ROUTE AREA (STATSSA 2011)	%	GROWTH % p.a.
<b>Total number of households</b>	<b>9 595</b>	<b>9 761</b>		
<b>Dwelling Type</b>	<b>9 468</b>	<b>9 761</b>		<b>3.10%</b>
House or brick structure on a separate stand, yard or farm	8 219	8 537	87.5	0.39
Mud/Traditional Dwelling	221	64	0.7	-7.10
Flat in block of flats	93	145	1.5	5.59
Town/cluster/semi-detached house (simplex: duplex: triplex)	70	541	5.5	67.29
House/Flat in back yard	92	127	0.2	3.80
Informal shack in yard	317	90	5.2	-7.16
Informal shack not in back yard e.g. in an informal settlement	409	196	1.3	-5.21
Room/flatlet not in back yard but on a shared	32	7	0.9	-7.81

property				
Caravan or tent	11	4	2.0	-6.36
Private ship/boat/Other	4	50	0.1	115.00
<b>Tenure Status</b>		<b>9 760</b>		
Occupied rent-free		1 760	18.03	
Rented		2 550	26.13	
Owned and fully paid off		4 489	45.99	
Owned but not yet paid off		611	6.26	
Other		350	3.59	
Not applicable		0		

**Source:** StatsSA 2011

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

#### **2.4.5 Land Information System**

The Blue Crane Route Local Municipality (BCRM), located in the Sarah Baartman District of the Eastern Cape, has received support from the Provincial Department of Cooperative Governance and Traditional Affairs (COGTA) and the district in developing its Integrated Development Plan (IDP). This support includes assistance in creating Integrated Land Use Schemes and Spatial Development Frameworks (SDFs).

Additionally, the municipality has been involved in the Community-Based Planning (CBP) process, which aims to enhance public participation and identify development priorities at the ward level. This process has led to the development of ward plans that serve as a basis for mobilizing resources to address community challenges. These initiatives are part of BCRM's broader efforts to improve spatial planning and land use management, aligning with the requirements of the Municipal Systems Act and the Spatial Planning and Land Use Management White Paper

#### **Geographic Information System**

The Blue Crane Route Local Municipality (BCRM) in the Eastern Cape has been receiving consistent support from the Sarah Baartman District Municipality (SBDM) over the years, particularly in the development and enhancement of its land information systems. In previous years, the SBDM has provided BCRM with technical assistance to improve the functionality of its District Municipal Planning Tribunal (DMPT) and has trained its members. This support has been crucial in enhancing land use management and spatial planning within the municipality.

Furthermore, the SBDM has been instrumental in facilitating the development of Integrated Land Use Schemes and Spatial Development Frameworks (SDFs) for BCRM. This collaboration has been ongoing, with the SBDM continuing to offer support to BCRM in these areas, ensuring effective spatial planning and land use management.

Additionally, the SBDM has been involved in community-based planning initiatives within BCRM. This participatory approach has strengthened public engagement and informed the IDP review process, aligning development priorities with community needs. Through these sustained efforts, the SBDM has played a pivotal role in supporting BCRM's development objectives, particularly in enhancing land information systems and spatial planning frameworks. This will ensure that the provision of land resources to the local population will be manageable. The use of GIS will allow users to graphically display information. This will create understanding as trends and key areas are more easily identified and managed.

The system will assist the municipality to keep track of all properties within its area of jurisdiction in order to ensure that;

- i. Proper income is generated from these properties
- ii. Services need to be rendered to these properties
- iii. Consumers of these services are located at these properties and are correctly billed.
- iv. Is compliant with relevant legislation

The intervention will address the following key deliverables:

- a. Land management.

To allow landowners and users to access all the information required on land parcels. This will provide exceptional results for speeding up decision making as well as making these decisions far more effective.

- b. Town planning

This will assist in the administration and management of town planning with regards to consent use, consolidations, subdivisions, encroachment and a myriad of other related operations.

- c. Valuation

Valuation of erven within their jurisdiction and ensuring that valuation roll is compiled and edited.

**Policy and bylaw formulation**

The outcome of this process will influence policy and bylaw formulation on land use options and the following:

- a. Housing
  - i. Low-cost housing
  - ii. Gap housing
  - iii. Social Housing
  - iv. High density housing

- v. Farm workers housing
  - vi. Middle to high-cost housing
  - vii. Transit zones to deal with informal settlement
  - viii. Land invasion
- b. Private developments
    - i. Industrial and light industrial development
    - ii. Business (Small, Medium and Big Business) Development
  - c. Agriculture
    - i. Support for development of Emerging Agricultural Sector
    - ii. Support for sustainability of Commercial Agricultural Activities
  - d. Public open spaces
    - i. Proper utilization of public open spaces to alleviate the threats of illegal invasions
    - ii. Development of parks and other public facilities
    - iii. Some areas have been beautified and greened utilizing the EPWP Funding.
  - e. Cemeteries
    - i. Proper location and utilization of cemeteries
    - ii. There is a shortage of burial land in Cookhouse.
  - f. Conversation areas
  - g. Alignment with the migration plans of the municipality

### **Land Audit**

The need for a complete and accurate GIS cadastral database has never been greater than the present time when municipalities must compile municipal valuation rolls in terms of the new Municipal Property Rates Act (MPRA). A registered cadastral dataset contains only properties that are registered at the office of the Registrar of Deeds (Deeds Office) and differs from the Surveyor General(SG) cadastral dataset which contains all properties approved at the SG Office irrespective of whether the property is registered or not. A registered cadastral dataset should be compiled by using information from both the SG Office and the Deeds Office.

The municipality in the process of conducting a comprehensive land audit budgeted 2025/2026 current financial year. The land audit covers the following aspects:

- a. Identify vacant public land parcels owned by the Blue Crane Route Municipality and where possible by other government departments. This will be done through a comparative analysis with other databases currently available namely.
  - i. Provincial land audit study
  - ii. District land audit study which consists of GIS based information regarding land in public ownership.
  - iii. Various studies commissioned by the municipality.
- b. Identify appropriate and sustainable uses for the land parcels, based on;
  - i. Public policy ranging from National Spatial Development Plan, Provincial and local SDF.
  - ii. National, Provincial, District and Municipal Planning Policies.
  - iii. The needs for various uses as expressed by communities and articulated in planning documents.
  - iv. The bio-physical suitability of the land;
  - v. The serviceability of the land;
  - vi. Legal constraints specifically related to leases on the land
  - vii. Constraints as a result of land claims and other similar government sponsored programs. The current land claims fall outside the municipal development zone and delays in resolving them does not hinder municipal development plans.
- c. A desktop study of relevant policy documents to guide the allocation of proposed land uses to vacant public land parcels.
- d. An analysis of the suitability of the land parcels identified above for development. The analysis is to consider the location, size. Topography, ownership, geo-technical conditions (at a superficial level), agricultural potential, accessibility, availability of civil services to the sites and any other relevant constraints or opportunities namely the presence of valuable biodiversity resources, the conservation status of the land holding, and any leases registered against the land parcel.

## Overview of Town Infrastructures

### Cookhouse

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

### Pearston

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

### KwaNojoli

Description	Yes	No
Low cost housing settlements	X	
Formal housing suburbs	X	
Central business district / area	X	
Light industrial area	X	
Heavy industry		X

<b>Hospitals / clinics</b>	<b>X</b>	
<b>Petrol stations</b>	<b>X</b>	
<b>Bulk fuel depots</b>		<b>X</b>
<b>Schools</b>	<b>X</b>	
<b>Large Shopping Centres</b>	<b>X</b>	
<b>National roads (e.g. N2)</b>	<b>X</b>	
<b>Airfields</b>	<b>x</b>	

#### 2.4.6 Service Rendered to Sector Departments

- Adries Vosloo Hospital is supplied with water, sanitation, and electricity. It is linked in the Hospital Street access road and R63 main road.
- Correctional Services is supplied with water, sanitation, electricity and access road.
- Schools receive the basic services (water, sanitation, access road and electricity). The schools are as follows:

	<b>KwaNojoli</b>	<b>Cookhouse</b>	<b>Pearston</b>	<b>Farm Areas</b>
1	Johnson Nqonqoza High School	Cookhouse Primary School	Pearston High School	De Hoop Primary School
2	Aerovill High School	Visrivier Primary School	Pearston Primary	Lushof Primary School
3	Gilbert Xuza Primary School	Msobomvu Junior Primary School	Lukhanyiso Primary	Bracefield Primary School
4	St. Teresa Primary School	Cookhouse High School		
5	Nojoli Junior Primary School			
6	Nonzwakazi Primary School			
7	William Oats Primary School			
8	W.G. Olivier Primary School			
9	Gill Primary School			
10	Gill High School			

- SAPS and Magistrates Court are supplied with water, sanitation, access roads and electricity.

## 2.5. SOCIAL SERVICES

### 2.5.1. Library services

Library services ensure that people of Blue Crane Route Municipality have access to facilities and resources that libraries offer, develop skills, preserve and conserve their culture and natural heritage. The library service is a mandate of the Department of Sport Arts & Culture, and the municipality performs this function on an agency basis through a signed Memorandum Of Understanding ( MOU). The municipality has also signed an SLA with South African Library for the Blind for the establishment of Minilib Services to visually impaired people.

There are six libraries in BCRM and are located as follows:

TOWN	LIBRARY
Pearston	Ernst Van Heerden
Cookhouse	Cookhouse Library
KwaNojoli	Dr N Ngciphe Langenhoven W.D. West
	Dr W.B. Rubusana

All libraries are staffed with qualified librarians. Activities consist of story hours, holiday programmes, outreach programmes and educational programmes for the children and adults. The South African Library Week is celebrated annually.

### 2.5.2 Traffic Services & Pound Management

Blue Crane Route Traffic department performs traffic management, road safety and crime prevention. It is comprised of Driving Licence Testing Centre for testing and renewal of driving licenses, Registering Authority for licensing and registration of motor vehicles and vehicle testing centre for testing of motor vehicles which needs upgrading in order to function optimally. The Municipality has a Service Level Agreement (SLA) with the Provincial Department of Transport (PDoT).

The staff component is comprised of Chief Traffic Officer, 1 Examiner Drivers Licence/ Traffic officer, 1 E-Natis Supervisor, & 2 E-Natis clerks. The municipality plans to address the staff challenges at the Traffic services in 2022/2023 financial year. Another noticeable challenge is an increase of accidents involving heavy motor vehicles transporting manganese from Northern Cape to Port Elizabeth via the N10.

The construction of the municipal pound has been finalized and is functional. The staff is comprised of Pound master, 3 Pound Assistants and a general worker are responsible for the implementation of the function.

### **2.5.3 Fire Fighting and Disaster Management**

BCRM has an emergency response unit in the form of firefighting, rescue, and disaster management. Both fire services and disaster management are to a large extent subsidized by the Sarah Baartman district municipality through a Service Level Agreement. The subsidy provides for equipment and infrastructure, but the function is implemented partially due to serious staffing challenges and as a result the municipality does not comply with the applicable legislation. (SANS 10090 & the Disaster Management Act). The current structure has a Chief Fire Officer, 4 Fire Fighters and 8 Retainer Fire Fighters. In respect of disaster, SBDM has allocated one official and 20 disaster volunteers. There is a Fire Services Response Plan as well as a Disaster Management Plan which need to be reviewed.

Five fire fighters and nine fire marshals were employed.

#### Potential disaster events

##### 1. Fire

Blue Crane Route Municipality does not have a fully equipped fire station at this stage.

##### 2. Drought

Drought is a continuous threat in this area. Pearston is facing more water threats because water resources are only limited to boreholes. On occasions Somerset East experiences water outages due to aging infrastructure.

##### 3. Severe Windstorms

High velocity winds are a regular occurrence in this region. This results in damage to property, electricity outages and trees falling onto properties.

##### 4. Epidemics

In the recent past, game, cattle and goat industries in the area were affected and/ or exposed to Foot and Mouth and other animal diseases. This cannot be ruled out. The poor living conditions of communities in this area are conducive to the development of diseases such as Cholera and H.I.V.

##### 5. Hazmat – Road and Railway

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

### **Emergency response services**

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

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

### **Identified vulnerable infrastructure.**

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

1. Water reticulation and supply
2. Sewerage treatment plants
3. Electricity supply
4. Storm water drainage
5. Road infrastructure and bridges
6. Railway infrastructure and bridges
7. Communications

### **Preventative measures**

- A) The Chief Fire Officer has developed programs to educate communities on various fire prevention and response. These programs include preventive measures by way of on-site inspections. Joint Operation Centres (JOCs) are established as and when a(n) incident(s) occurs.

### **Available resources**

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

- Appointed Disaster Management Officials

- Municipalities (District and Locals)
- National Departments
- Provincial Departments
- Organized Agriculture
- Organized Business

**Table 25: Community Facilities and Public Amenities**

COMMUNITY SERVICES AND FACILITIES	NAME	TOTAL IN BLUE CRANE ROUTE MUNICIPAL AREA
Crèches (Government owned & Privately owned)	Crèches (Government owned & Privately owned)	15
Libraries	Dr Ngcipe, C. J Langenhoven, W. D West, Ernest Van Heerden, Cookhouse and Dr W. B. Rubusana	6
Hospitals	Andries Vosloo hospital	1
Clinics	Bhongweni, Beatrice Ngwentle, Pearston, Aeroville, Vera	6

	Barford and Union Street	
Mobile clinics	Mobile clinics	1
Community Halls	Community Halls	10
Taxi Rank	Taxi Rank	2
Police stations	KwaNojoli, Cookhouse and Pearston.	3
Sports fields	Cookhouse (Bongweni Soccer field and N10 Rugby field)  -KwaNojoli (Mnandi Astro Turf, Mnandi Rugby field, Netball field and Aeroville field)  - <b>Pearston</b> (Khanyiso sportsfield)	7
Parks	Cookhouse park (Town) KwaNojoli Park (Aeroville) Pearston Park ( Khanyiso)	3

## 2.6 ECONOMIC ANALYSIS

Local economic development is a key cordial strategy that is explored by all spheres of government, in particularly local government to address socio economic challenges faced by communities namely, poverty, high unemployment rate and inequality to mention the few. The approach received a lot of attention globally as a mechanism to encourage a collective and inclusive partnerships amongst relevant stakeholders, the intended goal is to work towards achieving common objectives to improve livelihood of local municipalities. It is against this reason that Blue Crane Route Municipality took a conscience decision to prioritize local economic development as a key performance area to change the economic outlook of the area.

In essence, the Municipality has adopted Local Economic development approach within a broader context of Integrated Development Plan, Spatial Development Framework, Spatial Planning and Land Use Management Act 16 of 2013, National Development Plan Vision 2024, Small Town Regeneration, Tourism and agricultural development, Investment promotion, infrastructure development, job creation and sustainable development.

The Municipality has identified Agriculture, Tourism and Small Medium Micro Enterprises development as the economic drivers in the area. Agricultural sector remains the dominant economic activity of the BCRM and contribute immensely to the employment through seasonal job opportunities. Cattle, Goat farming, exotic fruit and game farming dominates the district's economy, contributing 28% of all value added and amounting to 41% of formal employment. The Blue Crane

Route Municipality contribute significantly to the global production of mohair fibre as well as wool fibre.

However, more support is needed for emerging farmers particularly black commercial farmers such as access to land or farms, financial and technical support, access to market, mechanisation and mentoring. The Blue Crane Route area have indigenous plants such as thorn trees, aloe, Spekboom. These plants have a potential to create sustainable job opportunities through Agri-processing and biodiversity projects. The Municipality in partnership with Mineworkers Development Agency handed over 100 bee keeping pollution units and PPEs to 10 SMME's as a project start-up, the primary objective of the municipality is to develop emerging farmers and cooperatives to ensure that they reach their commercial status.

Summary of the district's agricultural sector.

**Doing well:** Stone and Deciduous Fruit, Citrus Fruit, Wool and Mohair, Vegetables

**Sectors with Potential:** Chicory, honey bush

**Sectors with Challenges:** Poultry, pineapples

**Largest threats:** Climate change, localised droughts, cheap imports, changing economic climate in South Africa

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

LED unit has facilitated the development of the draft Local Economic Development strategy. The document was developed in response to the needs of the local communities, fundamental, was to map local resources for future development, to identify economic development strategic areas, and the development of action plan and monitoring tool. The Municipality has developed business Incubation plan to accelerate a successful development of entrepreneurial enterprises through the provision of business support in the form of resources and business networks. The process of reviving Local economic development structures as the key role players in economic growth of the Municipality is in progress.

The unit continues to firmly support the development of SMME's through capacity building programs to ensure that they meet their maximum growth. The SMME's have been assisted with a training on pre – tendering and document calculation in partnership with SANRAL to afford them an equal opportunity during tendering processes. A workshop on compliance was conducted for SMME's in partnership with SARS, Dept of Social Development, DRDAR, CIDB, Dept of Labour, ECDC, DEDEAT, SEDA, and ABSA Bank to ensure that they comply with the required documents. A

business start-up and financial management training was conducted for Informal traders where they received vouchers to the value of R3000 each to support their businesses from Wholesale & Retail SETA. The Unit has conducted a digital entrepreneurship (Network basic skills) for youth in business in partnership with Ikhala TVET College.

Tourism is one of the main catalyst drivers for economic growth and development in BCRM. The Municipality prides itself with tourism products such as Museum, Art gallery, game reserves, hiking trails, waterfall, park runs, B n B's and Hotels, tourism hub and Bestershoek, including Battis Art festival that was held in July 2024. Plans to resuscitate the tourism hub and revival of biltong festival in partnership with Sarah Baartman District Municipality and Cacadu Development Agency respectively are in place. However, a lot needs to be done to promote tourism and profile the municipality as a tourism destination.

LED unit through its action plan that was adopted by the council has prioritized the development of tourism master plan as a mechanism to map and identify other tourism products to create job opportunities and sustainable employment, more importantly, to mobilize financial resources and establish partnership with relevant stakeholders for the development of tourism sector. The Municipality has established LED business forums per satellites as the platform for public participation, workshop and training are conducted quarterly to capacitate the informal community member. The Municipality has adopted the programme to support STR, currently LED Unit is with business plans that respond to the Small-Town Revitalisation Programme.

Cooperatives are progressing very slowly; the contributing factors have to do with their organisation and lack of information on the importance of cooperatives in the development of local economies. The municipality continues to encourage community's particularly young people to form cooperatives in order to benefit from opportunities that exist within cooperative movement.

Currently there are 6 windfarms operating within the parameters of the municipality namely (Golden Valley, Cookhouse, Nojoli, Mseng'emoyeni, Amakhala and Nxuba) who contribute through their social development programs and skill development. However, more feasibility studies need to be conducted to explore potentials on hydro – energy and solar panels.

The Municipality enjoys unwavering support from Sarah Baartman District Municipality and Cacadu Development Agency. Currently the agency has invested on infrastructure projects within the municipality namely, Borschberg Tourism hub, KwaNojoli Aerodrome and KwaNojoli Industrial Park. All these projects are intended to bring a sustainable employment opportunities and change economic outlook of the area. Both Aerodrome and tourism hub have been vandalised, however, CDA is currently in the process of resuscitating the facilities. A notice of unsolicited bid to investors / developers for the development, expansion and operation of Industrial Park was advertised in June 2024.

## **2.7 INSTITUTIONAL ARRANGEMENT**

### **2.7.1 Office of the Municipal Manager (Good Governance and Public Participation)**

The Office of the Municipal Manager is composed of the staff who provide support and assist with planning and execution of the functions mentioned below. These functions exclude managing and overseeing Section 56 Managers who are dealt with under their respective portfolios. Due to the fact that the office of the Mayor and the Speaker are political, the administrative support to both offices is undertaken by the office the Municipal Manager. The reasoning is informed by the fact that all municipal employees, regardless of their placement or what responsibilities they may hold, must be subjected to the Municipal Manager's authority, in his capacity as head of Administration and Accounting Officer of the municipality.

The office of the Municipal Manager has the following functions assigned to it:

#### **⇒ Internal Audit, Risk Management and Fraud Prevention**

The objective of Internal Audit is to provide independent, objective assurance and consulting services designed to add value and improve the municipality's operations. It helps the municipality accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance process.

The role of Internal Audit in the Municipality is to assist the Municipal Manager and the Council to meet their objectives and to discharge their responsibilities by providing an independent appraisal of the adequacy and effectiveness of the controls set up by management to help run the municipality. Presently the municipality has an in-house Internal Audit Unit resourced by the Manager Internal Audit, one Internal Auditor.

The municipality has a fully functional Audit and Performance Management Committee of 3 independent members which sits quarterly. The Audit and Performance Management Committee is also responsible for Risk management and Fraud Prevention.

Internal Audit facilitates the self-risk assessment to management and council on an annual basis during strategic planning for strategic risks and as soon as the Service Delivery and Budget Implementation Plan is approved facilitates the operational risk assessment. This risk assessment result in both strategic, operational and fraud risk registers that are communicated to Management Committee, Audit Committee, Risk Owners and Council. The Internal Audit unit then follows up on the risk management plan based on the registers on a quarterly basis and report the results to the Audit Committee and Management. An assessment of emerging risks is also considered on a quarterly basis.

Internal Audit further assists the municipality by reviewing the fraud prevention policy and plan and

recommend additions and amendments to management. This Fraud Prevention Plan is reviewed on annual basis to cover emerging fraud risks within the municipality. The Fraud prevention plan is workshopped to all employees, councillors and the community to ensure a combined assurance approach towards elimination of fraud and corruption within Blue Crane Route Municipality and the Community.

⇒ **Intergovernmental relations (IGR) and Public Participation (PP)**

The municipality reviewed and adopted Public Participation Strategy during 2015. Public Participation is a democratic process of engaging with communities in planning and playing an active part in their development. The section of IGR & PP is responsible for the following and also works closely with the office of the IDP:

- Development of Effective Public Participation & Petition Policy\Strategy
- Facilitate Workshop on public participation & petitions
- Facilitate engagements with stakeholders at local level
- Channel matters of stakeholders through council for delivery of quality services to communities
- Assist in the formation local stakeholder forum
- Ensures the full participation of the community on IDP process through I mbizo\Outreach, Ward Based planning and War Rooms
- Support ward committees through capacity building programmes and the review of ward-based plans & IDP
- To strengthen cooperation between institutionalized structures such as ward committees, CDWs and community-based organizations to improved community participation.

⇒ **Integrated Development Plan (IDP) and Performance Management (PMS)**

The purpose of the IDP and PMS unit is to support, manage and direct the development and effective implementation of the integrated development plan and performance management system of Blue Carne Route municipality.

**Functions of the Unit:**

- Coordinate the development and review of the Integrated Development Plan;
- Coordinate the development and review of the Performance Management Framework;
- Coordinate the development the of the Service Delivery and Budget Implementation Plan;
- Coordinate Sector Plan development and review;
- Ensure IDP, Budget and SDBIP alignment;
- Ensure vertical and horizontal alignment of development planning;

- Ensure monitoring and evaluation of performance, quarterly and annually;
- Ensure compliance with IDP and PMS relevant legal requirements.
- Coordinate and report on the implementation of circular 88 programme

The Municipality has a Performance Management Framework in place. The Scorecard Model process includes the development and implementation of an organizational performance management system which in addition not only monitors and evaluates the performance of Section 56 Managers but also that of the middle management and the system will soon be cascaded down to lower levels. The performance of the Municipal Manager and section 56 Managers are evaluated in terms of Performance Agreements which they sign annually. Quarterly Reports on the implementation of the SDBIP are tabled to Council quarterly as prescribed by the s52d of the MFMA.

## 2.7.2 Corporate Services Department (Institutional Transformation and Organizational Development)

Corporate Services is responsible for the provision of support functions and governance affairs of the municipality. This is done by ensuring that the administrative affairs of council and administration are of a high standard.

The Department is responsible for Council and Committee functionality, Legal Services, General Administration, and Human Resources Management.

The department is made up of the following sections:

### 1. ADMINISTRATION

#### KEY PERFORMANCE AREAS

No	KPA	BRIEF DESCRIPTION
1.	Council Support	Provision of Secretariat services for all meetings Coordination of Council Calendar Developers of Resolution register
2.	Reception and Telephone Service	Receiving incoming calls and transfer to various Departments within the Municipality.
3.	Auxiliary Services	Providing cleaning services to the Municipality and Keeping facilities clean.
4.	Records Management	Maintaining and managing file plan. Receiving, storing, keeping and retrieving records of the Municipality. Facilitating the disposal of old records.

## 2. HUMAN RESOURCES MANAGEMENT

### KEY PERFORMANCE AREAS OF THE SECTION

No	KPA	BRIEF DESCRIPTION
1.	Recruitment	Coordinate development of adverts, shortlisting, and interviews and ensuring that the recruitment cycle is done completely.
2.	Training and Development	Induction of newly appointed employees
3.	Health and Safety	Ensures adherence and compliance of Occupational Health and Safety Legislation. Conduct Inspections and report findings to relevant Departments for rectification. Coordinate sitting of OHS Committee. Enforce compliance of OHS Policies. Process injuries on duty to the Department of Labour. Coordinate Wellness programs
4.	Payroll	Receive and Analyse payroll inputs on a monthly basis and thereafter submit to finance for processing.
5.	Labour relations	Coordinate sittings of disciplinary tribunals, Provide strategies on employee relations between Management and Organised Labour. Provide guidance on Grievance and Disciplinary procedures. Represents the municipality on matters referred to SALGBC or CCMA Coordinates sittings of LLF meetings, Provides advice on enforcement of collective agreement. Conducts labour relations awareness programmes.
6.	Organisational Development	Analyze the municipal organogram. Drives the reviewal process of the organogram
7.	Job Evaluation	Coordinate the development of Job Descriptions (JD) Participates on the District Evaluation Committee Facilitate implementation of results of Job Evaluation
8.	Leave management	Reconciliation of Leave Update applications on the leave system

## EMPLOYMENT EQUITY

The municipality has the Employment Equity Plan developed in 2022. The Employment Equity Committee has been established with its Terms of reference. It has 13 members and sits on a quarterly basis.

WHITE		AFRICAN		INDIAN		COLOURED	
M	F	M	F	M	F	M	F
4	4	187	41	0	0	26	19

## HEALTH & SAFETY

The municipality has the Health and Safety Committee in place. It was established with its Terms of reference in 2022. It has 16 members and sits on a quarterly basis.

## WELLNESS PROGRAMMES

The municipality has a Wellness Calendar which has programmes aligned to the Department of Health Calendar and is implemented accordingly.

## LABOUR RELATIONS

The municipality has an active Local Labour Forum which comprises of the Employer and Organized Labour. All issues affecting employees and employer are discussed. The LLF sits on a quarterly basis.

## SKILLS DEVELOPMENT AND TRAINING

The municipality has an approved WSP and submitted to the LGSETA. There is an established Training Committee in place with adopted terms of reference.

The Training Committee sits on a quarterly basis.

The municipality has three (3) Interns currently and ten (10) EPWP administrators.

## PERFORMANCE MANAGEMENT

The municipality has a Performance Management Framework in place and the Individual Performance Management policy in place. The Municipal Manager and all Directors have

performance agreements in place.

### 3. INFORMATION, COMMUNICATION AND TECHNOLOGY

#### KEY PERFORMANCE AREAS

NO	KPA	BRIEF DESCRIPTION
1.	Desktop Support	<p>Provide on-site or remote technical assistance including the setting up of computer hardware systems, installing and upgrading software and troubleshooting basic IT issues.</p> <p>Hardware &amp; Software</p> <ul style="list-style-type: none"> <li>- Install new hardware</li> <li>- Repair faulty pc's and laptops</li> <li>- Install printers</li> </ul> <hr/> <ul style="list-style-type: none"> <li>- Troubleshoot printer problems</li> <li>- Install software packages</li> <li>- Update software</li> </ul> <p>End user support</p> <ul style="list-style-type: none"> <li>- All End user related issues</li> </ul>
2.	ICT Governance	<p>IT governance frameworks enable the municipality to manage its IT risks effectively and ensure that the activities associated with information and technology are aligned with overall municipal objectives.</p> <ul style="list-style-type: none"> <li>- Develop policies</li> <li>- Review ICT Policies</li> <li>- Ensure functionality of the IT Steering Committee</li> <li>- Enforce ICT security policies</li> <li>-</li> </ul>

3.	Network Administration	<p>Consists of network management, monitoring, maintaining network quality, and security.</p> <ul style="list-style-type: none"> <li>- Monitor network performance</li> <li>- Troubleshoot network Problems</li> <li>- Install new connections</li> <li>-</li> </ul>
4.	System Administration	<p>Refers to the management of one or more hardware and software systems to monitor system health, to allocate system resources like disc space, backups, user access, user accounts and system security.</p> <ul style="list-style-type: none"> <li>- Monitor systems/ servers</li> <li>- Perform system updates</li> <li>- Add/remove users</li> <li>- Perform system backups</li> <li>- Allow remote access</li> </ul>
5.	Website Management	<p>Is the process used to ensure that the website is professional, up-to-date, and functions as intended?</p> <ul style="list-style-type: none"> <li>- Upload information,</li> <li>- Monitor the website</li> </ul>
6	IT security Management	<p>To guarantee the confidentiality, integrity and availability of an organisation's data, information, and IT services.</p> <ul style="list-style-type: none"> <li>-ensures system security</li> <li>-Install and update patches, monitor reports and logs</li> <li>- Monitor Firewall for threats</li> <li>- Risk assessment</li> </ul>
7.	Telephone management	<p>The process of designing and implementing inbound telephone call parameters, which govern the routing of calls through a network.</p> <ul style="list-style-type: none"> <li>- Troubleshoot problems</li> <li>- Add/remove users on the telephone system</li> <li>- Monitor telephone spending</li> <li>- Print reports</li> </ul>

- **Ward Committee functionality**

Ward Committees have been established in all 6 wards of the municipality attached to the term of Council. Elections of these ward committees took place during April/May 2022 and became effective from May 2022. Ward Committees will be inducted, meetings will be held and issues identified by ward committees will be channeled through the municipality and be submitted to council. The municipality is responsible for capacitating and resourcing of ward committees and plans are in place to ensure that this is accomplished.

<b>Committees (Executive Committee) and Purposes of Committees</b>	
<b>Municipal Committees</b>	<b>Purpose of Committee</b>
<b>Finance &amp; LED</b>	To deliberate on matters relating to finances of the municipality e.g. income, expenditure and Supply Chain Management functions. Also responsible for Local Economic Development issues.
<b>Corporate Services</b>	To deliberate on matters relating to Administration, Human Resources, Information & Communication Technology (ICT) and Records Management.
<b>Community Services</b>	To deliberate on matters relating to Environmental Health, Traffic Services, Parks & Open Spaces, Libraries, Waste Management, Commonage & Pound, Fire & Disaster Management and Protection Services
<b>Technical Services</b>	To deliberate on matters relating to Electricity, Roads & Stormwater, Mechanical, Project Management, Water & Sanitation, Town Planning and Human Settlement.
<b>LLF</b>	To discuss labour related issues
<b>MPAC</b>	Oversight on municipal overall performance and functionality
<b>Audit &amp; Performance Committee</b>	In terms of s166 MFMA, Audit and Performance Committee advise accounting officer, senior management and the council on internal controls, risk management, performance management and compliance with legislation. The committee is further required to assure the adequacy, reliability and accuracy of financial and performance information.
<b>Land Committee</b>	Attends to issues related to municipal land and properties.

### 2.7.3 Technical Services Directorate

The Director of Technical Services is responsible for management of Civil Engineering Services, Electro-Mechanical Services, Planning and Facilities Management and Project Management Unit. The Department is made up of the following divisions:

- Civil Engineering Services;
- Water and Sanitation Services;
- Electro-Mechanical Services;
- Project Management Unit (PMU)
- Planning and Facilities Management;

⇒ **Overall Key Functions of Technical Services Directorate:**

- Ensuring diligent execution of municipal functions and management of the Department, in accordance with applicable legislation
- Discharging all Council and Committee resolutions, statutory liabilities and delegated authority
- Responsible for the performance management and SDBIP of the Department
- Supervising the implementation of the Department's Integrated Development Plan (IDP)
- Controlling the efficient management of the Departmental budget
- Establishing and maintaining a sound management system in accordance with applicable legislation, policies, practices and standards
- Liaising with and reporting to stakeholders
- Co-coordinating and manage the implementation of programmes and projects
- Integrating service delivery

⇒ **KEY PERFORMANCE AREAS:**

⇒ **Water and Sanitation Services:**

This section is responsible for maintenance of the following sections:

- Water: Ensures that the purified water is distributed to the consumers and on an annual basis maintain the cleaning or flushing of the reservoirs to improve water quality standards. Maintain the main and reticulation pipeline that feeds the communities.
- Sanitation: ensure the sewer lines, pump station, are maintained, upgraded and refurbished in order to preserve the dignity of the people within BCRM.

- Water regulation and compliance (Watercare): Abstract water from the main supply source to the treatment plant. Purifies water and discharge it to the main reservoirs that feed to the communities. The water needs to meet SANS 241 standards as guided by National Water Act and Water Services Act. Main source supplier originates from Orange Fish (Canal), Bestershoek and Lake Berti, which is later restored at KwaNojoli reservoir, then to Bestershoek, Westview, Khalela and Hill reservoirs.

⇒ **Civil Services Division:**

This section is responsible for the following:

- Roads and Stormwater: Maintenance of existing surfaced roads mainly potholes (paved and tarred) and gravel roads (municipal streets and identified farm areas minor roads). This section ensures that the stormwater drainage system is cleaned on scheduled time frames on a continuous basis and after heavy rains which blocks the drainage system.

⇒ **Planning and Facilities Management:**

This section is responsible for the following:

- Spatial Planning and Urban Renewal:
- Land Use Management:
- SPLUMA / Municipal Planning Tribunal:
- Land Administration (Properties):
- Building Control / Management Building and Maintenance: this section is maintaining all the municipal buildings ranging from renovations, extension and maintenance of all the buildings. It is also approving building plans for the community that renovates theirhouses.
- Integrated Development Planning:
- Human Settlement Planning:
- Local Economic Development.

⇒ **Electro-Mechanical Services Division:**

This division consist of Electricity Section and Mechanical Section:

- Electricity Section: This section is responsible for supplying and maintenance of electricity to the urban areas (all three towns: Somerset East, Pearston and Cookhouse) and rural areas (All vast farm areas in the area where others are addressed by Eskom). It also deals with Occupational Health and Safety functions as the most critical activity in the section and maintains the ageing infrastructure.

- Mechanical Section: This section deals with the maintenance of all the Municipal Plant and vehicles.

⇒ **Project Management Unit:**

This section mainly deals with implementation of projects identified by council and communities with a funding received from different grants from other spheres of government. The types of projects implemented ranges from:

- Water and Sanitation
- Roads and Stormwater
- Sports and Recreation

⇒ **Human settlement and planning:**

Blue Crane Route Human settlements unit is a competency of the Provincial Department of Human Settlement in the Eastern Cape, and the Sub-Directorate for Human Settlements performs an administrative function in facilitating various in-house functions relating to land and human settlements. The administrative and support functions performed in support of human settlements include the following:

- Development and Maintenance of Housing Demand Database.
- Registration of beneficiaries.
- Facilitation and monitoring of the process of allocating the sites to the people upon approval of housing development grants by the Department of Human Settlements.

Confirmation of erven numbers upon approval of housing development grants by the Department of Human Settlements.

The Human Settlements National Government has created a National controlled system of Needs register, National Housing Needs Register online (NHNR) in order to capture applicants.

The system is structured in the following way: The Municipal official will use search and find a questionnaire using the identity of an applicant, and check the status of the applicant, then the Municipal official can confirm or deny if the applicant is captured in the needs register. The municipal officials use the system to populate the database of applicants per area / Town.

The reports may be requested by a number of questionnaire's, Household size, Migration, Households per area, Household per rural area, House preference, Migration from Outside South Africa, questionnaires per date, Respondents, Disability, Unemployed Respondents, Old Age, People, Housing Need per Age Group, Housing Need per Gender, Housing Need per Settlements Type, Production Stats, Registration Date Change, Audit and Allocation Report.

The municipality has several urban settlements that are informal and are due for upgrade. The municipality has been earmarked beneficiary to benefit from the informal settlements upgrade programme. There are several settlements in Somerset East and Cookhouse that have been identified, which are namely:

The following is a status of human settlements that have been facilitated by BCRM:

Ward No	Settlement Name	No. of Structures	Project Status	Structures with access to Portable Water	Structures with access to electricity	Structures with access to Sanitation	Structures with access to Refuse Removal	Settlements linked to a Housing Project
3	Izinyoka		In progress					Not yet
	Emakaleni		In progress					Not yet
	Tyoksville		In progress					Not yet
	Noxolo		In progress					Not yet
	Marikana		Applied					Not yet

### Housing Operational Matters:

(a) Needs register:

The unit is dealing with the online registration on a daily basis on the needs register for entire BCRM. For the current update of the needs register, see the attached Annexure A

(b) Registration of unregistered properties:

The registration of unregistered properties within the BCRM it's an on-going project that is funded by the DHS to restore the dignity of all beneficiaries that benefited in the olden days and were never given ownership of their benefited properties. The programme includes only those pre 1994 housing projects. (Old Mnandi, Aeroville, West View, Francisvale, Old Location, New Brighton, Khanyiso in Pearston, Bongweni Location in Cookhouse.) The Unit encourages all the above- mentioned location to visit the office if their said properties are still unregistered for their application or registration for title/ ownership.

## STATUS OF INFORMAL SETTLEMENTS IMPLANTED BY HUMAN SETTLEMENTS

NO	MUNICIPALITY	TOWN	INFORMAL SETTLEMENTS	CO-ORDINATES
1	BLUE CRANE ROUTE	SOMERSET EAST	ENDLOVINI 500	-32,724234.25601280
2	BLUE CRANE ROUTE	SOMERSET EAST	EMAKHALENI 300	-32724301.25607308
3	BLUE CRANE ROUTE	SOMERSET EAST	MARIKANA 300	-32 720 632.25604349
4	BLUE CRANE ROUTE	COOKHOUSE	TYOKSVILLE 300	-32.747518.25797296
5	BLUE CRANE ROUTE	COOKHOUSE	NOXOLO 100	- 32.742591.25.8044162
6	BLUE CRANE ROUTE	PEARSTON	N/A	

### 2.7.4 Community Services Directorate

Community Services directorate consist out of four sections. These sections is environmental services, library services, fire services and traffic services.

#### 1. Traffic Services:

This section mainly deals with:

- Licensing which includes testing for learners licenses, drivers licenses and roadworthy of vehicles.
- Law enforcement
- Administrative functions such as the renewal of drivers and vehicle licences.
- Management of pound and the impoundment of animals
- Management of Commonage

#### 2. Fire Services:

This section deals mainly with:

- Fire awareness's.
- Firefighting which entails combating/extinguishing different fires from accidents, field fires to house fires.
- Disaster management

### 3. Library Services:

This section mainly deals with:

- Management of Libraries
- Programmes or activities which consist of Story hours, holiday programmes, outreach programmes and educational programmes for the children and adults.

### 4. Environmental Services

This section deals mainly with:

- Waste Management
- Refuse removal.
- Management of cemeteries
- Parks and open spaces
- Public amenities
- Oversight Role on Environmental Health

**Environmental services:** This section is responsible for the following services: Cleaning of towns, maintenance of parks, sport field, municipal open space, and cemeteries and further ensure compliance with environmental health and environmental management regulations within BCRM jurisdiction. With regards to the cemeteries, the municipality is in the process of identifying a land and planning to source funds from DEDEAT in order to ensure that there are enough burial sites to cater for the community as the existing cemeteries are full in some areas.

**Solid Waste management:** the service is available in all three towns of BCRM directly supervised by a foreman in that area. The municipality has established a Waste Management Forum. The forum is constituted by Environmental Health, Waste Management and CWP to co-ordinate all waste related activities. Environmental Health Services: there are two EHP's based in Somerset East but service all three towns.

Blue Crane Route municipality does not have many industries that contribute to air pollution. As a result, the municipality does not have many challenges in respect of air pollution. Urban areas in the BCRM are primary centers of activities that are likely to generate air quality impact. This includes particulate and other emissions as well as ordours. In the BRCM such activities mainly include concentrated traffic volumes, industrial activities, solid and liquid waste management (legal and illegal, including burning of refuse), household wood fires

Currently, there BCRM does not have an Air Monitoring Quality Management Plan (AQMP). Ordinarily, District Municipalities prepare such plans at a regional scale and include local municipalities under their jurisdiction. Cacadu District municipality is in a process of preparing such a plan for the entire district. Air quality management is a function of the DM. Currently the DM is developing Air Quality Management Plan for the entire district.

Environmental Management: there is no unit and no staff for this service. Some functions are conducted by EHP's. An environmental officer is provided for in the organogram but not funded. The appointment of an Environmental Officer will be considered in the next financial year. The following environmental activities are conducted to mitigate climate change: Recycling, Eradication of illegal dumps through the partnership with CWP.

The municipality is also working in partnership with the Cacadu Development Agency to convert waste to energy.

### **Natural Environmental analysis:**

#### ***Topography and Catchment Location***

The BCRM is located within the catchment areas of three major rivers. These are the Sundays, Great Fish and Bushman's Rivers. The BCRM is characterized by several mountain ranges particularly in the north (Coetsee Berge, Groot Bruintjieshoogte, Bosberg and Bloemfontein Berge) and the south (Suurberg and Swartwater Berg). While these steep areas limit development, they do provide a dramatic landscape with high levels of visual amenity for tourism-related activities. They also affect local climate, creating higher rainfall zones and rain shadows within the Municipal Area. The eastern regions near Pearston are in comparison relatively flat and characterised by typical Karoo landscapes. Similarly, the floodplains of the Little Fish and Great Fish Rivers are also relatively flat, providing opportunities for agriculture-related activities.

#### ***Climate***

The BCRM falls within the semi-arid plateau area of South Africa known as the Great Karoo. It experiences a dry climate, generally receiving between 300mm and 400mm of rainfall per annum, with 70% of rainfall occurring in summer (October to March). Rainfall in the mountainous regions can exceed 1000mm per annum. The daily temperatures in Summer range between 27°C and 32°C, while in winter, the daily temperatures range between 1°C and 4°C (CDM, 2008). Snow has been recorded in parts of the Municipal Area, more frequently on the high mountain slopes than the lowlands. Frost is experienced across much of the Municipal Area in the winter.

#### ***Land Cover and Land Use***

Land cover in the BCRM is heavily dominated by natural land cover types (97.2% including land and water bodies). The majority of this land cover type is utilized for grazing (beef, Angora goats and sheep) and game farming. Approximately 9% of the land within the Municipal Area falls within areas

That are formally protected and informally protected for conservation purposes. The municipal area as a whole includes 26,100 hectares of cultivated lands, primarily comprising irrigated and commercially cultivated maize, lucerne and potatoes.

### ***Biodiversity and Conservation Status***

The Blue Crane Route Municipal Area is home to a wide variety of vegetation types including Albany Thicket, Azonal Vegetation, Forests, Fynbos, Grassland and Nama-Karoo. The condition of these habitats varies considerably throughout the municipal area and is dependent primarily on their use for grazing (including stock rates), levels of natural resource harvesting, and management (including fire management, soil resources management and alien invasive plant control).

The majority of the rivers (54%) in the municipal area are classified as unmodified or natural, or largely natural with few modifications. Given this status, the area has been identified as a national Freshwater Ecosystem Priority Area (FEPA). Based on the National Freshwater Ecosystem Priority Areas (NFEPA) data, there are approximately 4,945 hectares of wetlands within the BCRM, of which 81.2% (4,006 ha) are classified as artificial and only 18.2% as natural (938.3 ha). In the South African context, all wetlands are considered important and conservation worthy. Nationally, more than half the country's wetlands have been lost as a result of land transformation for agriculture and development. In terms of the National Environmental Management Act EIA Regulations, any activity which may result in damage to a wetland requires assessment and permission from the relevant environmental authority. The National Department of Water Affairs also requires that any activity within a wetland area is undertaken within the bounds of a permit issued by them in terms of the National Water Act.

There are a number of formally protected biodiversity conservation areas within and surrounding the BCRM. Within the Municipal Area, there is the Bosberg Local Authority Nature Reserve near Somerset East and a portion of the Addo Elephant National Park in the south. In total, 451 km<sup>2</sup> or 4% of the total Municipal Area falls within formally protected areas.

There are a number of informally protected conservation areas within the BCRM. These areas are referred to as "conservation areas" rather than "protected areas" as they have not been gazette in terms of the National Environmental Management: Protected Areas Act (57 of 2003). This includes the Buchanon Game Farm, Asanta Sana Game Farm, Samara Private Game Reserve, and Hoeksfontien Game Farm near Petersburg, Oudekraal Game Farm near Somerset East, East Cape Game Farm near Middleton, and Koedoeskop Game Farm near Waterford. In total, 538 km<sup>2</sup> or 5% of the total Municipal Area falls within such conservation areas. So, in total some 9% of the land within the Municipal Area falls within formally protected and conservation areas.

In close proximity to the BCRM, there is also the Cambedoo National Park near Graaff-Reinet and the Mountain Zebra National Park near Cradock that are protected in terms of National legislation. There are also a number of conservation areas surrounding the BCRM, particularly in the north near the

Mountain Zebra National Park and in the south near Addo Elephant National Park. Large parts of the BCRM have been identified within various bioregional conservation plans as being important for biodiversity conservation. This includes the Eastern Cape Biodiversity Conservation Plan (ECBCP), the Sub-Tropical Thicket Ecosystem Project (STEP), and National Protected Area Expansion Strategy (NPAES). This implies that land use change and development proposals in many parts of the municipal area will be affected by and need to respond to regional and national biodiversity conservation imperatives.

### **2.7.5 Budget & Treasury Directorate**

The Chief Financial Officer is responsible for the Municipal finances which include the management of Municipal assets, budget, cashflow, revenue, debt collection, meter reading, Supply Chain Management, cashiers, expenditure, salaries and wages, payment of creditors, insurance and valuations.

The Budget and Treasury Office has the following objectives:

- Implementation of MFMA
- Implementation of the Property Rates Act
- Management of the Budget Process
- Performance of the Treasury Function
- Management of Municipal Revenue
- Management of a Supply Chain Management Unit
- Maintenance of Internal Financial Control
- Production of Financial Performance Reports
- To retain the Financial Viability of the Municipality
- To have a Clean Audit Report
- Assist with Internal Audit

The Chief Financial Officer is responsible for the Municipal finances which include the management of Municipal assets & risks, revenue, debt collection, meter reading, Supply Chain Management, cashiers, expenditure, salaries and wages, payment of creditors, insurance and valuations.

## **CHAPTER 3: DEVELOPMENT STRATEGIES**

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

This chapter provides an overview of the various objectives and related strategies that have been reviewed in accordance with the needs of the community and to respond to the development challenges within the municipality. It further outlines the Council highlights during its term.

### **3.1 WARD BASED PLANNING**

The Constitution of RSA, 1996 places an emphasis on the following:

National and provincial governments to support and strengthen the capacity of municipalities to manage their own affairs exercise their powers and perform their functions.

All the spheres and organs of government must co-operate with each other in mutual trust and good faith, though, interlia;

- Consult one another on matters of common interests;
- Co-ordinate their actions with one another &
- Assist and support one another.

Consultations were done during the month of June 2025 and December 2025 to get the inputs that will informed the review of a strategic plan .The exercise was in response to the constitutional mandate which requires municipalities to be developmental by nature, manage and structure the budget, administration and planning processes of the municipality in a manner that prioritises the basic needs of the community and promote the social and economic development ofthe community. The following is the list of issue that were raised in the previous financial yet and they were not all addressed.

The following list of issues which were commonly raised by the community:

- Paving of roads
- Storm water drains
- Electricity: streetlights
- Sports facilities
- Human settlement: Construction of new houses, rectification of damaged and burnt houses

- Water and Sanitation
- Employment, Youth development and skills development programme
- Cemeteries
- Pounds
- Water tanks
- Renewable energy

Detailed Ward based Plans are reflected as Chapter 8

### 3.2 MUNICIPAL VISION, MISSION and VALUES

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

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

**The vision and mission of BCRM is**

<p><b><u>VISION</u></b></p> <p><b><i>A municipality that provides a better life for all its citizens.</i></b></p> <p><b><u>MISSION</u></b></p> <p><b><i>Through public participation, accountable governance, sound financial management, promotion of socio-economic development and provision of safe and healthy environment that will yield sustainable basic services</i></b></p>
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## Values

- Good governance;
- Good ethics
- Accountability;
- Transparency
- Public Participation; Inclusivity
- People Development;
- Team work;
- Integrity;
- Tolerance;
- Honesty;
- Responsibility; and trust
- Equality
- Ubuntu
- Services excellence
- Responsiveness
- Accessibility

### 3 LEGAL FRAMEWORK BEHIND THE ALIGNMENT OF SELECTED NATIONAL, PROVINCIAL, DISTRICT AND LOCAL STRATEGIES.

Section 24 (1) and (2) of the Local Government: Municipal Systems Act (No: 32 of 2000) stipulates the following about “Municipal planning in co-operative government-

(1) The planning undertaken by a municipality must be aligned with and complement the development plans and strategies of other affected municipalities and other organs of state so as to give effect to the principles of cooperative government contained in Section 41 of the Constitution.

(2) Municipalities must participate in national and provincial development programmes as required in Section 153(b) of the Constitution.” Municipal Planning and Performance Management Regulation 2(1) (d) further stipulates that a municipality’s integrated development must at least identify all known projects, plans and programmes to be implemented within the municipality by any organ of state.

BCR local municipality, in line with the above legislation, has developed objectives and strategies aligned to the needs of the community and also to the two spheres of government.

LOCAL GOVERNMENT KEY PERFORMANCE AREAS	MUNICIPAL PRIORITY AREA	MUNICIPAL STRATEGIC OBJECTIVE	NATIONAL PRIORITIES	NATIONAL OUTCOME	NDP 2030	DISTRICT GOALS	BACK TO BASICS PILLARS		EASTERN CAPE VISION 2030
Municipal Institutional Development and Transformation	Institutional transformation and development	To undertake the transformation of the Municipality’s systems and policies across the board by 2027	-Building a capable ethical development state  - Education skills and health	9. A responsive, accountable, effective and efficient local government system		Build institutional capacity and financial viability	Building a capable institutions and administrations		An educated innovative citizenry
Basic Service delivery and Infrastructure Development	-Water and sanitation  -Electro-mechanical	-To ensure efficient, economical and quality provision of water and sewer services by 2027	-Social cohesion and safe communities  - Spatial	2. A long and healthy life for all South Africans.  6. An efficient ,competitive and		Improve service delivery	Basic service: creation conditions for decent	Ensure environmental stability	A healthy population

	<p>services</p> <ul style="list-style-type: none"> <li>-Social amenities</li> <li>- Environment al Health Services</li> <li>-Water qaulity</li> </ul>	<p>-To ensure quality electricity supply and reduction of Electricity losses by 2027</p> <p>-To ensure a healthy environment to improve human health by 2027</p>	<p>integration, human settlement and local government.</p> <p>- Consolidating the social wage through reliable and quality services</p>	<p>responsive economic infrastructure network</p> <p>9. A responsive, accountable, effective and efficient local government system</p> <p>10. Environmental assets and natural resources that are well protected and continually enhanced.</p>			<p>living</p>		
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Local Economic Development	-Local economic development  -SMME Development and Business Advisory Services  -Job creation	-To ensure promotion of local economic development and job creation by 2027  -To facilitate the mainstreaming of SMMEs and business into the formal economy by 2027  -To strive for reduction on household poverty by labour intensive construction methods in 2027	Economic transformation and job creation	6. An efficient, competitive and responsive economic infrastructure network		Job creation		Eradicate extreme poverty and hunger	Goal 1: A growing, inclusive and equitable economy
Municipal Financial Viability	Revenue management	To ensure that the municipality is financial viable to sustain short, medium and long term obligations to be able to provide services to the community in a sustained manner by 2027					Sound financial management		
Good governance and Public Participation	Public participation	To ensure effective ,efficient and compliant public					Good governance  Public		Capable, conscientious and accountable

		participation by 2027					participation - putting people first		institutions
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### 3.4 DEVELOPMENT OBJECTIVES & STRATEGIES

Objectives and Strategies have been formulated to address the following 5 Local Government Key Performance Areas:

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

### 3.4.1 KPA 1: BASIC SERVICE DELIVERY

PRIORITY AREA	STRATEGIC OBJECTIVE	STRATEGY	KEY PERFORMANCE INDICATOR	MEASUREMENT SOURCE	BASELINE	ANNUAL TARGET : 2026/27	CUSTODIAN	KPINO
Water and Sanitation	To ensure efficient, economical, and quality provisional of water and sanitation by 2027	By upgrading sewer pump stations in KwaNojoli	% progress on the upgrading of Memese pumpstation	Quarterly reports	100% progress on the upgrading of Mayila pumpstation	100% Upgrading of Memese pumpstation	Direct or Technical Services	1
			% progress on the upgrading of Rivelane ,lifting station and Aeroville pumpstation	Quarterly reports	80% progress on the upgrading of Rivelane ,lifting station and Aeroville pumpstation	100% progress on the upgrading of Rivelane ,lifting station and Aeroville pumpstation	Direct or Technical Services	2
		By upgrading of a KwaNojoli Raising Main from Orange Fish to KwaNojoli Reservoirs	% progress on the upgrading of AC pipe rising main with PVC pipe	Quarterly reports	0	100% progress on the upgrading of AC pipe rising main with PVC pipe	Direct or Technical Services	3
		By refurbishing/ repairing Bestershoek water treatment works	% progress on refurbishment of Bestershoek water treatment works	Quarterly reports	0	100% progress on refurbishment of Bestershoek water treatment works	Direct or Technical Services	4

		By complying with DWS norms and standards	Number of reports for sampling points tested for water quality (Blue drop and Green drop)	Quartely report	4 report for sampling points tested for water quality ( Blue drop and Green drop)	4 report for sampling points tested for water quality ( Blue drop and Green drop)	Direct or Techn ical Servic es	5
<b>Roads and Stormwater</b>	To ensure that communities have access to reliable and efficient roads by 2027	By upgrading the gravel roads to paved roads in all towns	% progress on the paving of Cookhouse road (Phase 2)	Quarterly reports	0	% progress on the paving of Cookhouse Road (Phase 2)	Direct or Techn ical Servic es	7
		By constructing bridge in Pearston	% progress on the construction of Nelsig bridge	Quarterly reports	0	100% progress on the construction of Nelsig bridge	Direct or Techn ical Servic es	8
<b>Electro-Mechanical services</b>	To ensure quality electricity supply and reduction of electricity losses by 2027	By upgrading electricity substation in BCRM	% progress on upgrading of KwaNojoli main substation	Quarterly reports	0	Upgrading of KwaNojoli main substation	Direct or Techn ical Servic es	9
			% progress on upgrading of Cookhouse main substation	Quarterly reports	0	Upgrading of Cookhouse main substation	Direct or Techn ical Servic es	10

		By providing households with connection to the main electricity	Number of households connected to the main electricity	Quarterly reports	0	465 households connected to the main electricity	Direct or Technical Service	11
		By installing energy efficient streetlights and high mast lights in BCRM	Number of street slights installed in Cookhouse ( construction )	Quarterly reports	0		Direct or Technical Service	12
		By reconstruction Middleton line (Phase 3)	% on reconstruction of 43km Middleton line (Phase 3)	Quarterly reports	22 km of Middleton line constructed (phase 2)	100% on reconstruction of 43km Middleton line (Phase 3)	Direct or Technical Service	14
<b>Social Amenities</b>	To ensure that communities have access to well established social amenities by 2027	By upgrading Victoria Park	% progress on the upgrading of Victoria Park (Phase 2)	Quarterly reports	Upgrading of Victoria Park (Phase 2)	100% progress on the upgrading of Victoria Park (Phase 2)	Direct or Technical Services	13
<b>Spatial planning and development</b>	To ensure integration of land use planning for sustainable human settlement by 2027	By implementing land use and facilitate land development applications as per SPLUMA	Number of reports on land use and land development applications facilitated as per SPLUMA	Quarterly reports	120 land use and land development applications facilitated and completed as per SPLUMA ( Average 2years )	8 reports on land use and land development applications facilitated as per SPLUMA	Direct or Technical Services	14

<b>Planning</b>	To ensure development and implementation of credible plan aligned to NDP 2030 by 2027	By developing and reviewing credible plans aligned to NDP 2030	% progress on development of Integrated Assets Management Plan (IAMP)	Quarterly reports	0	20 % progress on development of Integrated Assets Management Plan (IAMP)	Direct or Technical Services	15
			% progress on development of Water Services Development Plan (WSDP)	Quarterly reports	Outdated WSDP	100 % progress on development of Water Services Development Plan (WSDP)	Direct or Technical Services	16
<b>Job Creation</b>	To strive for reduction on household poverty by labour intensive construction methods by 2027	By creating work opportunities through EPWP and other related employment programmes)	No of business plans developed and submitted for Extended Public Works Programme to Department of Public Works and Infrastructure	Quarterly reports	0	1 business plans developed and submitted for Extended Public Works Programme to Department of Public Works and Infrastructure	Direct or Technical Services	17
			Number of work opportunities provided by the municipality through the EPWP	Quarterly reports	224 work opportunities created	225 work opportunities provided by the municipality through the EPWP	Direct or Technical Services	18

**KPA 1: BASIC SERVICE DELIVERY (Community Services)**

<b>PRIORITY AREA</b>	<b>STRATEGIC OBJECTIVE</b>	<b>STRATEGY</b>	<b>KEY PERFORMANCE INDICATOR</b>	<b>MEASUREMENT SOURCE</b>	<b>BASELINE</b>	<b>ANNUAL TARGET: 2026/27</b>	<b>CUSTODIAN</b>	<b>KPI NO</b>
<b>Environmental services</b>	To ensure well maintained, clean and healthy environment by 2027	By closing & rehabilitating the existing landfill site	Number of EIA & specialist report conducted for KwaNojoli landfill site	Quarterly reports	0	1 EIA & specialist report conducted for KwaNojoli landfill site	D. Community Services	10
		By implementing the " Adopt A Spot Programme	Number of " Adopt A Spot initiatives implemented.	Quarterly reports.	0	6 Adopt A Spot initiatives implemented.	Director Community Services	11
		By developing an Air Quality Management Plan	Number of Air Quality Management Plan developed.	Quarterly reports	0	1 Air Quality Management Plan developed.	Director Community Services	12
		By developing waste management plan	Number of by law developed	Quarterly reports	0	1 Waste management by-law developed.	Director Community Services	

PRIORITY AREA	STRATEGIC OBJECTIVE	STRATEGY	KEY PERFORMANCE INDICATOR	MEASUREMENT SOURCE	BASELINE	ANNUAL TARGET: 2026/27	CUSTODIAN	KPI NO
		By implementing Waste minimisation initiatives.	Number of capacity building sessions held for Recycling cooperatives.	Quarterly reports	0	4 capacity building sessions held for recycling cooperatives	Director Community Services	11
			Number of waste disposal licence applications submitted to DEDEAT (Pearston and KwaNojoli)	Quarterly reports	0	2 waste disposal licence applications submitted to DEDEAT (Pearston and KwaNojoli)	Director Community Services	12
			No of household and business refuse collected	Quarterly reports	7773 Household and business refuse collected	7773 Household and business refuse collected	Director Community Services	13
			Number of illegal dumps cleared	Quarterly reports	60 illegal dumps cleared	120 illegal dumps cleared	Director Community Services	
Public Amenities	To provide access to public amenities by 2027	By consulting Stakeholders on Sports, Arts and Recreation	Number of stakeholder consultations on Sports Arts & Recreation	Quarterly reports	0	4 stakeholder consultation on Sports Arts & Recreation	Director Community Services	
		By reviewing the pound management by-law.	Number of pound management by-laws reviewed	Quarterly reports	Pound management by-laws	1 reviewed pound management by-law.	Director Community Services	

PRIORITY AREA	STRATEGIC OBJECTIVE	STRATEGY	KEY PERFORMANCE INDICATOR	MEASUREMENT SOURCE	BASELINE	ANNUAL TARGET: 2026/27	CUSTODIAN	KPI NO
Safety and security	To create a pleasant safe and secure living environment for citizens	By implementing road safety to ensure compliance with the national road traffic act through a traffic management system	Number of Traffic Management Systems agreements signed.	Quarterly reports.	0		Director Community Services	13
		By developing and implementation of local crime prevention initiative	Number of community safety forum initiatives conducted	Quarterly Reports	0	4 community safety forum initiatives conducted	Director Community Services	14
Libraries Services	To promote a culture of learning amongst communities of BCRM by 2027	By Implementing the national library calender	Number of calender events co-ordinated.	Quarterly report	5 calendar events co-ordinated	4 calendar events co-ordinated	Director Community Services	15

PRIORITY AREA	STRATEGIC OBJECTIVE	STRATEGY	KEY PERFORMANCE INDICATOR	MEASUREMENT SOURCE	BASELINE	ANNUAL TARGET: 2026/27	CUSTODIAN	KPI NO
Fire services	To ensure prevention and management of fire incidents to promote safety of the environment, properties and humans by 2027	By utilizing PDMAS system (Provincial Disaster Management Application System)	Number of PDMAS reports generated	Quarterly report	0	4 PDMAS reports generated	Director Community Services	17
			Number of inhouse training conducted	Quarterly report	0	8 inhouse training conducted	Director Community Services	
		By maintaining functionality of disaster and fire management forum	Number of Disaster and fire management forum meetings held	Quarterly report	0	4 Disaster and fire management forum meetings held	Director Community Services	19
		By conducting fire safety inspections	No of fire safety and preventions inspections conducted in commercial entities and public amenities	Quarterly report.	120 fire safety inspections	180 fire safety inspections conducted.	Director Community Services	20

### 3.4.2: KPA 2: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

PRIORITY AREA	STRATEGIC OBJECTIVE	STRATEGY	KEY PERFORMANCE INDICATOR	MEASUREMENT SOURCE	BASELINE	ANNUAL TARGET: 2026/27	CUSTODIAN	KPI NO
Institutional Development and Transformation	To be a leading provider in rendering excellent customer services and maintain good relations with the community of Blue Crane Route Municipality by 2027	By Coordinating the Development and Reviewing of Institutional Policies and By-Laws	Number of Policies and By-Laws Developed and Reviewed	Report	12	12 Policies and By-Laws Developed and Reviewed	Director Corporate Services	21
		By developing and reviewing Corporate Services strategies	Number of Corporate Services strategies reviewed	Report	2	3 Corporate Services Strategies reviewed	Director Corporate Services	
		By Coordinating Disciplinary Hearings within 3 Months After	% progress on disciplinary Hearings Coordinated and Finalised within 3	Quarterly reports	100% progress on disciplinary Hearings Coordinated and Finalised within 3 Months After	100% progress on disciplinary Hearings Coordinated and Finalised within 3 Months After	Director Corporate Services	

		Being Reported	Months After Being Reported		Being Reported	Being Reported		
		By implementing Skills development and capacity building plan	Number of councillors programmes coordinated according to the WSP, WSP, SETA's, SALGA, SBD M and sector dept's :	Quarterly reports	5 councillors programmes coordinated according to the WSP, WSP, SETA's, SALGA, SBD M and sector dept's :	3 councillors programmes coordinated according to the WSP, WSP, SETA's, SALGA, SBD M and sector dept's :	Director Corporate Services	24
			Number of employees trained according to the WSP, WSP, SETA's, SALGA, SBD M and sector dept's	Quarterly reports	80 employees trained	80 employees trained according to the WSP, WSP, SETA's, SALGA, SBD M and sector dept's	Director Corporate Services	25
			% of Newly Appointed Staff Inducted	Quarterly reports	100% Newly Appointed Staff Inducted	100% Newly Appointed Staff Inducted	Director Corporate Services	2
			Number of Workplace Skills Plan Submitted to LGSETA by April 2027	Quarterly reports	Workplace Skills Plan	1 Workplace Skills Plan Submitted to LGSETA by April 2027	Director Corporate Services	

		By Coordinating Employee Assistance Programmes	Number of Wellness Programme conducted	Quarterly reports	4 EAP Programmes	4 Wellness Programme conducted	Director Corporate Services	27
		By strengthening functionality of Institutional Statutory Committees	No of Statutory Institutional Meetings Coordinated	Quarterly reports	44 Statutory Institutional Meetings Coordinated	44 Statutory Institutional Meetings Coordinated	Director Corporate Services	28
		By enhancing individual performance management	No of Departments Coordinated for the Development of Staff Performance Agreements and Performance Plans	Quarterly reports	5 Departments Coordinated for the Development of Staff Performance Agreements and Performance Plans	5 Departments Coordinated for the Development of Staff Performance Agreements and Performance Plans	Director Corporate Services	29
		By improving ICT Infrastructure	Number of ICT Infrastructure /equipment procured and installed	Quarterly reports	29 ICT Infrastructure/equipment (11 laptops, 8 handheld two-way radios, 7 vehicle antennae)	15 ICT Infrastructure procured and installed	Director Corporate Services	

		By Training and developing programmes to support to local community	Number of In-service and Work Integrated Learning trainees provided with experiential training	Quarterly reports	33 Trainees provided with In-Service and Experiential Training	33 Trainees provided with In-Service and Experiential Training	Director Corporate Services	
<b>Communications</b>	To ensure transparent, timely, and coordinated communication by 2027	By Issuing Public and Internal Communications	% of Public and Internal Communications	Quarterly reports	0	100% of Public and Internal Communications	Director Corporate Services	
		By ensuring Compliance and Governance in Communication	% Of Compliance and Governance in Communication	Quarterly reports	0	100 % Of Compliance and Governance in Communication	Director Corporate Services	
Social Cohesion	To ensure mainstreaming of Special Programmes in the institution by 2027	By Strengthening Moral Regeneration	Number of Special Programmes Initiatives organised	Quarterly reports	5	11 social cohesion programmes facilitated	Director Corporate Services	

**KPA 3: LOCAL ECONOMIC DEVELOPMENT**

<b>PRIORITY AREA</b>	<b>STRATEGIC OBJECTIVE</b>	<b>STRATEGY</b>	<b>KEY PERFORMANCE INDICATOR</b>	<b>MEASUREMENT SOURCE</b>	<b>BASELINE</b>	<b>ANNUAL TARGET: 2026/27</b>	<b>CUSTODIAN</b>	<b>KPI NO</b>
Local Economic Development	To ensure promotion of local economic development and job creation by 2027	By developing business plans to source funding for Small Town Revitalization	No of business plans developed	Quarterly reports	0	4 business plans developed	Municipal Manager	34
SMME Development and Business Advisory Services	To facilitate the mainstreaming of Small, Medium and Micro Enterprises (SMMEs) businesses into the formal economy by 2027	By providing meaningful business development support to SMMEs	Number of SMMEs supported	Quarterly reports	30 SMME's supported	50 SMME's supported	Municipal Manager	35
		By marketing BCRM to Investors	Number of activities conducted for investment promotion	Quarterly reports	3 Investors approached	6 Investors approached	Municipal Manager	36
		By promoting tourism in BCRM	Number of Tourism activities conducted	Quarterly reports	0	3 Tourism activities conducted	Municipal Manager	37

**3.4.3 KPA 4: MUNICIPAL FINANCIAL VIABILITY**

<b>PRIORITY AREA</b>	<b>STRATEGIC OBJECTIVE</b>	<b>STRATEGY</b>	<b>KEY PERFORMANCE INDICATOR</b>	<b>MEASUREMENT SOURCE</b>	<b>BASELINE</b>	<b>ANNUAL TARGET : 2026/27</b>	<b>CUSTODIAN</b>	<b>KPI NO</b>
Supply chain management	To ensure compliance with MFMA and SCM regulations pertaining to reporting by 2027	By monitoring compliance with MFMA & SCM regulations	Number of quarterly reports on compliance with SCM Policies and Legislation	Quarterly reports	4 SCM monthly compliance Reports submitted to the CFO and Finance Committee	4 SCM compliance reports on compliance with SCM Policies and Legislation	Director Financial Services -	40

PRIORITY AREA	STRATEGIC OBJECTIVE	STRATEGY	KEY PERFORMANCE INDICATOR	MEASUREMENT SOURCE	BASELINE	ANNUAL TARGET: 2026/2027	CUSTODIAN	KPINO
Financial Management & Reporting	To ensure compliance with MFMA and DORA regulations pertaining to reporting by 2027	By monitoring compliance with MFMA & DORA check lists	Number of section 71 (IYR) reports submitted to NT, Council by the 10th of each month	Quarterly reports	Monthly compliance Reports submitted to the CFO and Finance Committee	12 section 71 reports submitted to NT, Council by the 10th of each month	Director - Financial Services	41
			Number of quarterly financial reports submitted to Council within 30 days of the end of each quarter	Quarterly reports	0	4 quarterly financial reports submitted to Council within 30 days of the end of Each quarter.	Director - Financial Services	42
			Number of midyear financial reporting submitted to Council by 25	Quarterly reports	1 Section 72 (Midterm) 4	1 midyear financial reporting submitted	Director - Financial Services	43

			January		Section 52 (Quarterly)			
PRIORITY AREA	STRATEGIC OBJECTIVE	STRATEGY	KEY PERFORMANCE INDICATOR	MEASUREMENT SOURCE	BASELINE	ANNUAL TARGETS: 2026/27	CUSTODIAN	KPINO
			Number of adjustment budget submitted to PT; NT and Council by the 28th February	Quarterly reports	2025/26 Adjustment budget	1 adjustment budget submitted to PT; NT and Council by the 28th February	Director - Financial Services	44
			Number of draft budget by 31 March & final budget by 31 May developed	Quarterly reports	0	1 Draft budget by 31 March & 1 final budget by 31 May developed	Director - Financial Services	45
			Number of financial statements submitted to the Auditor General by 31 August	Quarterly reports	0	1 financial statement submitted to the Auditor General	Director - Financial Services	46

PRIORITY AREA	STRATEGIC OBJECTIVE	STRATEGY	INDICATOR	MEASUREMENT SOURCE	BASELINE	2027/28		
Revenue Management	To ensure that the municipality is financially viable and that it can sustain its short, medium and long term obligations to provide services to the community in a sustained manner by 2027	By reviewing, implementing and monitoring of a credible revenue enhancement plan	No of Revenue Enhancement plan Reviewed	Quarterly reports	Draft Revenue enhancement plan – Feb 2019	1 Revenue enhancement plan reviewed	Director - Financial Services	47
			No of reports submitted on the Implementation of Revenue enhancement plan	Quarterly reports	0	4 implementation reports		48
			% progress on debtors collection rate as per the prescribed norm	Quarterly reports	0	90% progress on debtors collection rate as per the prescribed norm	Director - Financial Services	49
			Number of cost effective tariff plan developed	Quarterly reports	0	1 Cost tariff plan reviewed	Director - Financial Services	50

			Number indigent register updated	of	Quarterly reports	4	4 indigent registers updated	Director - Financial Services	51
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3.4.4 KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

PRIORITY AREA	STRATEGIC OBJECTIVE	STRATEGY	INDICATOR	MEASUREMENT SOURCE	BASELINE	ANNUAL REPORT: 2026/27	CUSTODIAN	KPI
Internal Control	To ensure promotion of enterprise – wide risk management processes To strengthen implementation of internal control by 2027	By Monitoring implementation of Risk management strategies and plans	Number of risk assessments conducted	Risk Register	1 risk assessments conducted	1 risk assessments conducted	Municipal Manager	52
			Number of Reports on the implementation of Risk Register	Quarterly reports	4 Reports on the implementation of Risk Register	4 Reports on the implementation of Risk Register	Municipal Manager	53
		By evaluating and monitoring implementation of internal controls, risk management and governance	Number of Audit and Performance Committee meetings held on a quarterly basis	Quarterly reports	5 Audit and Performance Committee meetings	4 Audit and Performance Committee meetings held on a quarterly basis	Municipal Manager	54
			Number of Internal Audit Strategic Risk based Plans developed and approved by the Audit and Performance Committee	Quarterly reports	1 Internal Audit Strategic Risk based Plan	1 Internal Audit Strategic Risk based Plan developed and approved by the Audit and Performance Committee	Municipal Manager	55
			Number of reports on the implementation of the Internal	Quarterly reports	4 reports on the implementation of the Internal Audit	4 reports on the implementation of the Internal	Municipal Manager	56

PRIORIT Y AREA	STRATEGIC OBJECTIVE	STRATEG Y	INDICATOR	MEASUREM ENT SOURCE	BASELINE	ANNUAL REPORT: 2026/27	CUSTODIAN	KPI
			Audit Plan on a quarterly basis		Plan on a quarterly basis	Audit Plan on a quarterly basis		
			Number of Audit and Performance Committee Charters developed	Quarterly reports	1 Audit and Performance Committee Charter	1 Audit and Performance Committee Charter developed	Municipal Manager	56
			Number of Internal Audit Charters developed	Quarterly reports	1 Internal Audit Charter	1 Internal Audit Charter developed	Municipal Manager	57
<b>Planning and Performance management</b>	To ensure that the municipality is responsive to the needs of the community as well as to strengthen a culture of performance management by 2027	By improving quality of IDP in line with prescribed processes and guidelines – with full participation of municipal administration and ownership by political champion	No of 2022/27 IDP Reviewed	Develop improved IDP	1 2022/27 IDP Reviewed	1 2022/27 IDP Reviewed	Municipal Manager	58
		By conducting institutional performance	No of organizational performance reports compiled	Quarterly reports	Approved Service Delivery & Budget	4 organizational performance reports compiled	Municipal Manager	58

PRIORIT Y AREA	STRATEGIC OBJECTIVE	STRATEG Y	INDICATOR	MEASUREM ENT SOURCE	BASELINE	ANNUAL REPORT: 2026/27	CUSTODIAN	KPI
		e assessment quarterly			Implementation Plan			
Public Participation	Ensure effective, efficient and compliant public participation by 2027	By Implementing the public participation strategy	Number of Public Participation sessions held	Quarterly report	0	10 Public Participation sessions held	Municipal Manager	52
		By Strengthening Inter-governmental Relations	No of IGR meetings held	Quarterly report	IGR Structure	4 IGR meetings held	Municipal Manager	53
Social cohesion	To ensure mainstreaming of Special Programmes in the institution by 2027	By Strengthening Moral Regeneration	No of social cohesion programmes facilitated	Quarterly report	12 social cohesion programmes facilitated	11 social cohesion programmes facilitated	Municipal Manager	54

## CHAPTER4: INTEGRATION OF STRATEGIES AND SECTOR PLANS

### 4. INTRODUCTION

This chapter provides the brief overview of policies, strategies and sector plans within the municipality, they serve as the guide in the day to day operations.

#### 4.1 STATUS OF THE MUNICIPAL SECTOR PLANS

Document	Description	Year of Adoption	Status (Due for Reviewal or not)
<b>CORPORATE SERVICES DEPARTMENT</b>			
Human Resources Plan		31 June 2014	Due for review
Integrated Employee Wellness Policy	Is a proactive and holistic intervention program aimed at ensuring a capacitated, motivated, fulfilled and productive workforce through individual and organizational interventions, emotional, intellectual, spiritual, interpersonal/social, and environmental Wellness.		Reviewed, to be tabled to council for adoption
Leave Policy and Procedures	Regulation of leave management in the workplace	1 June 2016	Reviewed, to be tabled to council for adoption
Medical Boarding policy	To ensure that when a termination for reasons of incapacity due to ill health or injury takes place it is affected for a fair reason and in accordance with a fair Procedure and as last resort.	30 June 2016	Reviewed, to be tabled to council for adoption

Dress Code, Uniforms & Protective Clothing Policy	Regulate and standardize appearance of Councilors, Managers and Officials attending council meetings and its committees. To ensure that uniforms and protective clothing shall be issued in terms of municipal policy and the schedule of	January 2023	Reviewed
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	issuing clothing shall be approved by the management and amended from time to time.		
Grievance Policy and Procedure	Provide employees with a credible and trusted channel for expressing and resolving grievances in the workplace. Provide management with a guide for resolving employee grievances fairly, objectively and expediently.	As per Bargaining Council	Reviewed, to be tabled to council for adoption
Standby Allowance Policy	The administration and management of standby allowance. To ensure that there is always personnel that is on standby for all emergency services	July 2021	Reviewed
Vehicle Usage and Vehicle Accidents	To regulate the use of official municipal vehicles and to ensure that they are used in a safe and efficient manner in order to minimize accidents and abuse of vehicles. To provide a procedure for accidents and modus operandi for conducting an inquiry into vehicle accidents involving municipal vehicles.		Reviewed, to be tabled to council for adoption
Training and Development Policy	To support the municipality's strategies action plans, human resources planning process, as well as any other present and future training and development needs.	July 2021	Reviewed
Telephone and Facsimile Usage	To ensure the effective and efficient use of municipal telephones and facsimile.		Developed, to be tabled to council for adoption
Subsistence and Travelling Allowance	To fairly reimburse councilors and officials of the municipality who must undertake official journeys on behalf of the municipality and to promote honesty and integrity in disbursing public money		Developed, to be tabled to council for adoption

	Entrusted to the municipality.		
Smoking	To establish a smoke-free environment for non-smoking employees, visitors and clients. To ensure that smokers suffer no discrimination in the workplace and to set guidelines for the application of the policy within the workplace which will ensure minor disruption and production loss.	July 2021	Reviewed
Sexual And Racial Harassment Policy	To eliminate any form of harassment at the workforce, to provide appropriate procedures to deal with problems of harassment and prevent its recurrence. To provide a safe working environment that is free of any form of harassment within BCRM	July 2021	Reviewed
Substance Abuse Policy (Alcohol and Drugs)	To fairly reimburse councilors and officials of the municipality who must undertake official journeys on behalf of the municipality and to promote honesty and integrity in disbursing public money entrusted to the municipality. To minimize / eliminate the abuse and dependence on alcohol and or Drugs amongst employees and to assist where possible in the rehabilitation of those who have an alcohol and or drugs problem.	July 2021	Reviewed
Intranet, internet policy, network security policy, IT Program Change, Disaster Recovery Policy, Network	To enhance ICT Security Controls and Governance	June 2018	Reviewed, to be tabled to council for adoption

Security, Systems and Data Policy			
IT Server Room Policy, Application Patch Management Policy, ICT SLA Management Policy	New policies developed to strengthen ICT governance and ICT security and controls. These have been workshopped with all stakeholders	30 June 2018	Reviewed, to be tabled to council for adoption
Acting Policy	Provides guidance on implementing acting allowance	July 2021	Reviewed
Night Shift Allowance policy	To ensure that there are employees who will perform their duties outside the normal working time	July 2021	Reviewed
Records Management Policy	To ensure that the records management and activities are outlined to ensure the record paper trail. To assist users to properly understand stages to be followed on the life-cycle of a record	July 2021	Reviewed
User Access Management Policy	It intends to protect the confidentiality, integrity and availability of Blue Crane Route Municipality's information and information systems by preventing unauthorized users access to Blue Crane Route Municipality Information and information systems	July 2021	Reviewed
Social Media Policy	To regulate the official use of the Blue Crane Route Municipality	July 2021	Reviewed
Media and Communication Policy	To provide clear guideline for communication in the BCRM and the Principles that guide communications.	July 2021	Reviewed
Municipal Overtime Policy	To regulate circumstances under which overtime, under time and flextime are worked within the municipality. To Provide a set of regulations and measures for controlling overtime for general employees and employees	July 2021	Reviewed

	earning in excess of the threshold determined by the minister of Labour in terms of section 6(3) of the BCEA, 1997		
Employment Policy	To give effect to the principles of equal employment opportunity and affirmative action	July 2021	Reviewed
Municipal Bereavement Policy	To provide a framework for management of bereavement processes for a deceased municipal councilor and Employee.	July 2021	Reviewed
Termination of Services Policy	To Ensure that structured, standardized and correct approach and processes are followed to ensure effective management and control of termination of service within Blue Crane Route Municipality.		
Remuneration Policy	To provide policy requirements for remuneration of all earners within the Municipality.	July 2021	Reviewed
Leave Encashment Policy	To regulate the encashment of leave by employees of the Municipality in compliance with the Basic Condition of Employment Act No 75 of 1997 and to the Collective Agreement on Condition of Service insofar as it relates to leave.	July 2021	Reviewed / Adopted
Employee Relocation Policy	To render assistance in newly recruited employees from within and outside the municipality as well as permanent employees who are being transferred by the municipality from their current place of employment to another department within the municipality,	July 2021	Reviewed / Adopted
Municipal Employee Assistance Policy	To offer confidential assistance to employees who have the potential to be adversely affected by personal problems and work-related problems	July 2021	Reviewed / Adopted
HIV AND AIDS Policy		July 2021	Reviewed / Adopted

Incident Weather Policy	To establish and maintain a safe and healthy work environment for municipal employees on bad weather days. To provide regulations for managing work Environment on bad weather days.	July 2021	Adopted
Labour Relations Policy		July 2021	Reviewed / Adopted
Occupational Health & Safety Policy		July 2021	Reviewed / Adopted
Employment Equity And Affirmative Action Policy	To Equalize opportunities for those designated groups who are Socially, Economically and Educationally disadvantage, particularly referred to as Blacks (comprises of Africans, Indians and colored), women and disabled people through engaging in justifiable activities (via the employment equity plan) based on specific circumstances Faced by the municipality.	July 2021	Reviewed / Adopted
Individual Performance Management System (PMS) Policy & Procedures Manual		July 2021	Reviewed / Adopted
Community Halls And Facilities Usage Policy	The policy aims to ensure that range of user groups have fair and equitable access to the facilities, subject to council's terms and condition for use	July 2021	Reviewed / Adopted
IT Network Security Policy		July 2021	Reviewed / Adopted
IT Data And System Security Policy		July 2021	Reviewed / Adopted
<b>TECHNICAL SERVICES</b>			
Spatial Development Framework	Guiding the development and controls the land use management of the municipality	June 2023	Reviewed ,adopted and Gazetted , 9 <sup>th</sup> Nov 2023
Housing Sector Plan	DHS is responsible for the reviewal of	Developed in	Reviewal stage

	Housing sector plan. This HSP has undergone a basic review and been revised in accordance with the prescripts of the Blue Book for Municipal Housing Planning and the related National Treasury Planning dispensation. The Project is currently on procurement stage for 2024/25.	April 2012 & reviewed in 2014 to 2019 And its due for reviewal.	
WSDP (WATER SERVICES DEVELOPMENT PLAN)	It entails analysis on Demographics, infrastructure, Financial, O&M, social-economics, WCDM, Water Balance. The plan is reviewed annually	October 2022	Under review, will be complete by June 2023
Water Safety Plan	WSP sets out the Blue Crane Route Local Municipality's Water Safety Plan for the annually, containing key municipal goals and priorities concerning water issues from the water source to the consumer tap. The Water Safety Plan is a strategic document of Council and Water safety plans are considered by the WHO as the most effective means of maintaining a safe supply of drinking water to the public. Their use should ensure that water is safe for human consumption and that it meets regulatory water standards relating to human health. Comprehensive risk assessment and risk management form the backbone of these plans, which aim to steer management of drinking water-related health risks away from end-of-pipe Monitoring and response.	January 2023	Reviewed
Water Resource Management Plan	Water resource maintenance plan is to outline all the maintenance procedures, including periodic inspections, that are required to ensure the integrity and full functioning of the water resources and all other components attached to the resources	January 2023	Reviewed

Roads & Storm water Maintenance Plan	A roads and storm water maintenance plan were developed in order to have a proper maintenance plan to deal with rehabilitation, special maintenance, periodic maintenance etc.	June 2016	Due for reviewal.
Borehole Management Plan	To have a procedure to manage, monitor and maintain boreholes. Key deliverables testing for yield, groundwater quality, sustainability.	January 2023	Reviewed.
Incident Management Protocol	Incident management protocol is a key document on water related incident procedures, processes, and management in order for the municipality to be preventative, proactive and proper Risk management during incidents.	January 2023	Reviewed.
Rural Roads Asset Management System	Provide a network-level rehabilitation and upgrading strategy, including the associated financial requirements, for the higher order (i.e., RISFSA 1, 2, 3 and 4) municipal paved and unpaved roads respectively. The key objectives are: <ul style="list-style-type: none"> <li>• To improve the condition of the municipal roads serving the local municipal area;</li> <li>• To identify priority municipal paved roads for rehabilitation;</li> <li>• To identify priority unpaved roads for upgrading to a paved road standard;</li> <li>• To quantify the costs to rehabilitate the paved roads and to upgrade the Unpaved roads.</li> </ul>	January 2022	Reviewed.
<b>OFFICE OF THE MUNICIPAL MANAGER</b>			
Public Participation Strategy	It's a mechanism for effective and efficient to encourage meaningful Participation.	March 2015	Reviewed, to be tabled to council for adoption

Communication Strategy	To strengthen institutional capacity, promote good governance & effective service delivery.	March 2015	Due for Reviewal
Anti-Fraud prevention and Corruption Policy		July 2021	Reviewed

## 4.2 HOUSING SECTOR PLAN

The Municipality's reviewed its Housing Sector Plan in October 2014. The Housing Sector Plan was funded by the Department of Human Settlements in the Eastern Cape Province and was conducted by Gibb Engineering & Science Consultant.

The Housing Sector Plan estimates the housing demand profile to be approximately 4800; this estimate is derived from the beneficiary information registered on the municipal housing office. The majority of the registered beneficiaries earns less than R3200.00 per month and can be assumed to qualify for the low-cost housing subsidy. There is a greatest need for middle-income housing, particularly in Somerset East. In light of the above attempts were made by BCRM and ECHoHS for an application to develop flats to accommodate the middle-income /rental stock at CRU area. Somerset East and Cookhouse have been experiencing a shortage of suitable land for housing development

### 4.2.1 Housing Needs Challenges

The main challenge facing BCRM remains the shortage of publicly owned and strategically located land for human settlement development. Most of the land parcels required is not in the municipal ownership and needs to be purchased. While several housing projects have been identified there is still a need for approximately 100 hectares of land to meet the current housing demand.

The area that is severely affected is Cookhouse as it is landlocked due to the fact that the large portion of land is owned by Transnet who have no intention of relinquishing the land despite the fact that they don't have any immediate plans for it.

The other impediments are the inadequate bulk provision (Electricity, water and sewerage). With regards to Wastewater Treatment Works a project is underway to upgrade the Somerset East facility and is scheduled for completion by the next financial year. The Cookhouse project is still at planning stages and will be implemented as soon as adequate funding is secured.

Water provision: phase 1 of the Cookhouse bulk water supply is finished and plans are in place for the second phase to commence as soon as funding is secured. Plans for Pearston water provision are in place to investigate the option of diverting water from Orange River Canal for provision of sustainable water supply to Pearston.

#### **4.2.2 Municipal Housing Profile**

- Approximately 74% of households live in formal residential dwellings and more than 58% earn below R3200 and would qualify for low cost housing subsidy.
- 5,1 % of households live in informal dwellings within the BCRM area and this indicates that the number of informal settlements is smaller than most of the municipalities within the district.
- About 18% of households live in farms, forming part of the rural community.
- Approximately 35, 4% of the households are headed by women while there are no childheaded households.
- Currently the municipality does not have blocked projects.

#### **4.2.3 Current Operational Housing Projects**

- a. Development of Social Housing Policy
- b. Implementation of Housing Sector Plan
- c. Implementation of Electronic Needs Register
- d. Facilitation of new housing development projects
- e. Distribution of title deeds
- f. Updating of housing beneficiary list

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

- The non-availability of the land to address current housing demand, available land is owned by private owners which are intensively used mainly for agriculture, SAN Parks and state land.
- The continued influx of migrants to the area in search of employment opportunities, some short term in the fishing and tourism industry and by farm workers after the fruit harvesting season is over which is the major concerns with regards to housing delivery.

- The isolated settlements and nodes classified as Rural Nodes that are located away from existing community services, often contain low population thresholds that cannot support the essential Community Facilities and are difficult and expensive to provide with bulk and internal services to a level equivalent to settlements in the bigger Urban Areas.
- There has been a rapid increase of informal settlements in and around small towns due to the changing pattern of labour utilization on farms.

#### **4.3 BCRM INTEGRATED WASTE MANAGEMENT PLAN**

As required by the National Waste Management Strategy (NWMS) and the IDP process, all municipalities are obliged to compile an IWMP. The current IWMP was compiled and adopted by council in November 2008. This document was reviewed in 2016 through the assistance of Sarah Baartman District municipal who funded and appointed a service provider to do the review process.

#### **4.4 ENVIRONMENTAL MANAGEMENT PLAN (EMP)**

BCRM council adopted its Environmental Management Plan (EMP) in June 2013. The EMP is due for review. The details below are as contained in the current document before amendment.

The Blue Crane Route Municipal Area has a number of strategic environmental advantages. It contains 97% natural land cover, is centrally located between three National Parks, contains biodiversity of regional and national significance, boasts incredible scenic beauty, and local conditions present a number of opportunities for renewable energy generation on a large scale. However, as the municipality contains a relatively small population which is concentrated primarily in its three urban centres: Cookhouse, Somerset East and Pearston, it faces significant social and developmental challenges. The low agricultural productivity and carrying capacity of much of the land in the municipal area, combined with limited access to water for irrigation, has limited the development of the agricultural economy.

The remoteness of the urban centres limits growth of the business, services and industrial sectors. However, the growth of a nature-based tourism economy is evident in the increasing number of game and hunting farms, accommodation facilities and tourism businesses in the region.

Environmental management issues that have been identified during the process of preparing this Environmental Management Plan are most significant in the urban areas and associated with the higher population densities, concentration of municipal infrastructure and servicing, and the urban / industrial land uses located there. The Blue Crane Route Municipality has not had a centralized environmental management policy, and there has been no dedicated environmental management capacity within the municipal administration to address these issues. This has been identified as a constraint by the municipality.

This Environmental Management Plan (EMP) has therefore been prepared to:

Address the environmental management policy gap in the municipality;

Provide key technical and spatial environmental information to support planning and development decision making within the municipality;

Recommend specific actions / interventions / controls that the municipality needs to implement to address existing or emerging environmental issues, opportunities and constraints; and

Recommend resourcing and capacity requirements needed to address environmental management priorities within the municipal area.

The EMP has established an Environmental Management Vision for the Blue Crane Route Municipality, which supports the overarching municipal vision and mission. Key environmental management principles have been included which are intended to be integrated into the approaches / operations of all municipal sectors to promote sustainable development in the municipal area. Six strategic / high level environmental management goals have been identified for the Blue Crane Route Municipality, which are to be achieved through the implementation of the Environmental Management interventions, programmes and projects presented in the EMP.

Not all programmes and projects are immediate priorities, and so implementation can be undertaken over the various time periods recommended in the Programme and Project Implementation Plan that is included in the EMP.

This Environmental Management Plan also contains an Ecosystem Services Supply Areas Framework, which identifies spatially the key natural assets within the Blue Crane Route Municipal Area that supply ecosystem services of value to the municipality, its residents, and regional and national stakeholders. There are three environmental overlay zones in this map which correspond to a set of environmental land use management guidelines:

Category 1 Areas are those areas which are critical for ecosystem services supply and should not be transformed;

Category 2 Areas are those areas which support or protect Category 1 Areas. Land uses in these areas should be controlled such that they are appropriate in extent, type, design and management, to ensure that the functionality of Category 1 areas is not negatively impacted.

Category 3 Areas are those areas which are already transformed from a natural state and are not major suppliers of ecosystem services. Depending on how land use in Category 3 areas is managed, Category 1 and 2 areas may be affected positively or negatively in terms of their ability to supply ecosystem

Services. Consequently, land use management systems in Category 3 areas needs to take this into consideration.

The Ecosystem Services Supply Areas Framework Map has been designed to be used in the Municipal SDF and SDP's to help guide the future economic and social development path of the municipality. Given that the Blue Crane Route Municipal Area contains a number of areas which have been identified in national and bioregional conservation plans as having high conservation value (and therefore associated with constraints to the extent, type and form of development that can / should occur within them), theEMP has also included a plan showing the Ecosystem Services Supply Areas weighted in terms of likely prioritization for biodiversity protection. This map is intended to provide a sense of which natural areas in the municipality are likely to be most and least sensitive in terms of future development, and which have the highest and lowest potential for protected area expansion; and which should be used as a decision support tool for the municipality in planning land use and infrastructure at the municipal scale.

#### **4.5 BCRM FIRE AND DISASTER MANAGEMENT PLAN**

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

#### **4.6 BCRM TRAFFIC SECTOR PLAN**

##### **⇒ NEEDS ANALYSIS**

The Organogram has been re-evaluated and provision for new positions has been made to cater for the service demand

In the newly revised organogram, traffic services have been divided to Law Enforcement, Drivers Licence and Administration including Vehicle Testing Station.

#### **4.7 INTEGRATED LOCAL ECONOMIC DEVELOPMENT PROGRAMME**

BCRM has also identified Local Economic Development (LED) as a key factor in the development of the BCRM economy and all of its communities. LED has been identified as a priority because of vast number of opportunities in tourism, agriculture and investment the municipality is currently not adequately exploiting. While this is a positive step forward, the LED structures in place. The municipality is also participating in the Small-Town Regeneration Programme piloted by SALGA in order to encourage

Municipalities to make use of the available resources in terms of spatial transformation, stimulate economic growth and job creation.

Currently there is no person in the LED unit; The Cacadu Development Agency was established to provide this type of support to BCRM. BCRM and CDA negotiated the roles and responsibilities of both parties and have signed a service level agreement in that regard

#### **4.8 INTEGRATED HIV/AIDS PROGRAMME**

The Special Programmes Unit advocates for the vulnerable groups i.e. youth, gender, children, senior citizens, people with disabilities and HIV/AIDS. Advising the municipality on addressing issues of the vulnerable groups e.g. development of policies, strategic documents. Mainstreaming of the vulnerable groups into all municipal processes (IDP) and programmes. Ensuring compliance on all prescribed legislation. The BCRM embarked on a development plan and identified 7 key priorities that are needed for the intervention to reduce prevalence on vulnerable groups and impact of HIV/AIDS:

- Education and Training
- Health and promotion
- Welfare and Community development
- Workplace
- Economic Participation
- Monitoring & Research
- Coordinating with municipal wards

#### **Prevalence of range of diseases**

The growth of HIV/AIDS in the past 10 years has been exponential growth rather than lineal growth.

This has been caused by the following factors:

- Migration
- Alcohol and substance abuse
- High unemployment rate;
- Increase in commercialization of sexual activities;

Although the epidemic affects all sectors of all society, poor household carry the greatest burden and have least resources available to cope with the impact of the disease. There are number of non-governmental organization focusing on HIV/AIDS education, awareness and prevention programme.

## **Current Programmes/Projects**

- HIV/AIDS programmes focusing on special days, e.g. World Aids Day, Candlelight, Condom Awareness etc.
- Assistance to NGO's & CBO's for the BCRM in terms of fundraising events to address the needs of the vulnerable groups, etc.

## **4.9 INTEGRATED INSTITUTIONAL PROGRAMME**

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

A workplace Skills Development Plan for BCRM is in place; however this document is outdated and should be reviewed. The BCRM currently does not have a Human Resource Development and Retention Strategy, but this has been identified as a project that should be undertaken. The BCRM has a supply chain management plan and an indigent policy; however the indigent policy is in the process of being reviewed at present. Currently the municipality is providing free basic services to indigent people only. We strive to provide the indigent with 6kl of water, 50Kwh electricity, 100% free sanitation and refuse. The municipality also provide free basic rates up to R15 000(valuation of house) to all households. The municipality utilise the equitable share allocation to subsidize these services. With respect to performance management systems, the BCRM has performance agreements in place with the Municipal Manager and Departmental Managers. There are no performance agreements in place with other staff members of the municipality, but progress has been made to cascade these to middle management and lower levels.

## **CHAPTER 5: THE BCR SPATIAL DEVELOPMENT FRAMEWORK**

### **5.1 INTRODUCTION**

The SDF was reviewed and adopted by Council June 2023. The Spatial Development Framework for the Blue Crane Route Municipal Area indicates and informs the following:

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

### **5.2 BACKGROUND TO THE BLUE CRANE ROUTE SPATIAL DEVELOPMENT FRAMEWORK**

The Spatial Development Framework (SDF & ILUS) for the Blue Crane Route Local Municipality (BCRLM) is an integral part of the Municipality's Integrated Development Plan (IDP). The Municipal Spatial Development Frameworks are prepared as part of the Municipality's Integrated Development Plan in accordance with Section 26(e) of the Local Government: Municipal Systems Act, Act 32 of 2000 (MSA) and Section 20 of the Spatial Planning and Land Use Management Act 2013. A Spatial Development Framework is an important Municipal Policy instrument provided for in legislation, but it should not be seen as merely fulfilling policy requirements and legal compliance.

### **5.3 OBJECTIVE OF THE SDF**

A SDF is a spatial plan which reflects the agreed spatial values, principles and proposals of the future development desires and policies of the communities residing within the municipality. The framework aims to formulate spatially based policy guidelines whereby changes, needs and growth in the region can be managed to the benefit of the whole community. The spatial plan illustrates the desired form of current and future land development, in order to guide development of areas of priority spending based on the analysis and the vision as agreed upon by the IDP and SDF processes and provides general direction to

Guide decision making on an ongoing basis, aiming at the creation of integrated, sustainable and habitable regions, towns and residential areas.

The SDF should:

Give effect to the development principles contained in Chapter 2, Section 7 of SPLUMA

- Spatial representation of a five-year spatial development plan for the spatial form of the municipality
- Include a longer-term spatial development vision statement for the municipal area which indicates a desired spatial growth and development pattern.
- Identify current and future significant structuring and restructuring elements, including development corridors, activity spines and economic nodes where public and private investment will be prioritised and facilitated.
- Include estimates of the demand for housing and the planned location and density of future housing developments
- Identify and provide requirements of engineering infrastructure and services provision
- Include a strategic assessment of the environmental pressures and opportunities
- Identify the designation of areas in which-
  - More detailed local plans must be developed
  - Shortened land use development procedures may be applicable
- Determine a capital expenditure framework for the municipality's development programmes
- Include an implementation plan comprising of-
  - Sectoral requirements, including budgets and resources for implementation
  - Necessary amendments to a land use scheme
  - Specification of institutional arrangements necessary for implementation

## **5.4 STUDY AREA OVERVIEW**

The Blue Crane Route Municipal area is located in the central region of the Sarah Baartman District Municipality. The municipal area, comprising of 11 068 km<sup>2</sup>, is the second largest geographic area in the district, accounting for approximately 19 % of the district's geographical area. The municipal boundaries abut onto the Chris Hani and Amathole District Municipal boundaries.

The local political administration comprises of six (6) wards dispersed over three (3) urban areas, being Somerset East, Cookhouse and Pearston. Somerset East is the main administrative centre and also the most populated town in the municipal area.

## Blue Crane Route Municipality Key Indicators

- Area : 11 068 km<sup>2</sup>
- Population : 40 875 (Quantec Standardised Regional 2018)
- Population Density : 3,69 person / km<sup>2</sup>
- Electoral Wards : 6 Wards
- Primary Node : Somerset East
- Secondary Nodes : Cookhouse and Pearston

## Somerset East: Key Indicators

	<i>Central (a)</i>	<i>Eastern (b)</i>	<i>Southern Aeroville</i>
<b>Population</b>	4626	18825	4554
<b>Households</b>	1413	2685	1155
<b>Household Size</b>	3,3	7,0	3,9
<b>Area (km<sup>2</sup>)</b>	6526,03	600,59	150,28
<b>Population Density (people / km<sup>2</sup>)</b>	0,71	31,34	30,30

- Majority of the population within the Blue Crane Route Municipality reside in the eastern urban area comprising of KwaNojoli/Mnandi, New Brighton and Francesvale.
- Population density in the Somerset East and Aeroville area are significantly lower than the population density in the eastern urban area.

The built environment relates to human settlements, including settlement hierarchy, land use, housing demand, land ownership, heritage and infrastructure.

### Settlement Pattern & Hierarchy

Settlement pattern, hierarchy, land use, demand for future housing needs and existing land ownership are key elements to understand the human settlement dynamics within the study area. The human settlement, including the urban structure and patterns, indicate the status quo and provide insight into future development needs, areas of growth and land requirements.

The settlement pattern and hierarchy can be clearly defined by the major structuring elements, i.e. nodes and corridors. The identified nodes and corridors, as per the SBDM SDF, are used as a base (for status quo analysis purposes). Urban and rural nodes are generally defined as areas of population

concentration and economic activity, and the general impact of a specific area on its immediate surroundings or hinterland. These urban and rural nodes fulfil a strong local and district function and provide connectivity and growth points for corridor development and interaction on a district level.

### Settlement Nodes & Functions

Settlement Type	Settlement Name	Settlement Function	General Description
<b>Sub-District Centre</b>	<ul style="list-style-type: none"> <li>• <i>Somerset East.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Municipal-scale administrative centre</li> <li>• Municipal-scale service centre for commercial and social goods and services.</li> <li>• Residential development covering limited range of economic bands (Middle-income –Low-income).</li> <li>• Potential for value-adding agro-industrial Processes.</li> <li>• Potential for event-related tourism events</li> </ul>	<ul style="list-style-type: none"> <li>• Land Management &amp; Administration -CBD Revitalization</li> <li>• And associated planning.</li> <li>• Sustainable Human Settlement Programme and infrastructure investment - Public-funded settlement development only in relation to defined need (Backlog and growth associated with current population trends and economic development potential)</li> <li>• Urban development at higher densities in integrated Human settlements.</li> </ul>
<b>Local Centre</b>	<ul style="list-style-type: none"> <li>• <i>Cookhouse</i></li> <li>• <i>Pearston</i></li> </ul>	<ul style="list-style-type: none"> <li>• Local-scale administrative centre.</li> <li>• Local-scale service centre for commercial and social goods and services.</li> <li>• Residential development covering limited range of economic bands (Middle-income – Low-income).</li> <li>• Potential for value-adding agro-industrial processes.</li> <li>• Potential for event-related</li> </ul>	<ul style="list-style-type: none"> <li>• Limit urbanization (sustainability) – Focus on infrastructure and settlement backlogs and natural growth patterns.</li> <li>• Urban aesthetics and land use management (to support local tourism) – CBD regeneration.</li> <li>• Maintenance and upgrade of urban level of service infrastructure</li> <li>• Environmental management (to</li> </ul>

Settlement Type	Settlement Name	Settlement Function	General Description
		Tourism events.	Support local tourism). <ul style="list-style-type: none"> <li>Identify adequate commonage land to enable food security and economic activity</li> </ul> Associated with stock.

### District Corridors & Access

Corridors represent linkages between nodes and activity areas based on mobility advantages. Corridors are identified to play either a mobility or an activity function. On a regional scale the National Routes and Regional Distributors Roads act as mobility corridors linking National Provincial and District Nodes.

#### On a municipal level, corridors serve as:

- Improved accessibility, mobility and support of intensified and/or mixed uses.
- Various types of corridors based on functionality and objectives, i.e. mobility corridors, activity corridors
- Tourist Routes are also identified and planned according to the corridors planned in Districts and municipalities

The Blue Crane Route Municipal area is served by the N10 National Road linking Port Elizabeth to the N1 National Route in the Northern Cape Province. The N10 runs south to north and bypasses the Cookhouse Local Centre. The R63, which has recently been classified as National route, has been transferred to SANRAL for management and maintenance purposes. The R63 serves as the hinterland route between Mthatha and the Western Cape Province. This route passes through all three (3) of the urban centres in the BCRM. Other minor but important accessibility rural routes are R337, linking Jansenville to Pearston and Cradock, and the R335, linking Somerset East to the Kirkwood and Addo Elephant National Park.

## 5.5 SPATIAL VISION

Based on the Integrated Analysis and cognizance of the SPLUMA and National Development Plan Spatial Development Guidelines, a spatial vision for the Blue Crane Route Municipality with key focus areas and development objectives can be formulated. These should be aligned with the Blue Crane Route IDP objectives and KPA's.

The Vision for the Blue Crane Route Municipality is as follows:

<p><b>VISION</b></p> <p>“A Municipality that strives to provide a better life for all its citizens.”</p> <p><b>MISSION</b></p> <p>Through responsible local government zero tolerance for corruption and creating an environment for upliftment and sustainable economic growth.”</p>
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In order to achieve the spatial vision and implement the spatial concept for the greater Blue Crane Route on an urban and rural level, the following development objectives and spatial implications will guide the spatial strategies for the individual urban areas and rural hinterland.

### Structuring Elements

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

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

### The Somerset East Local Centre

Nodal Classification	Node	Population (2011)	Functional Strategy
<b>Local Centre</b>	Somerset East	25 320	<ul style="list-style-type: none"> <li>• Objective to provide extended administrative and district support function.</li> <li>• Future increased residential densification and residential migration function.</li> <li>• Primary support function to the secondary nodes and gateway to the hinterland and coastal area.</li> <li>• Future growth and investment should be prioritized in the</li> </ul>

			<p>Primary nodes based on the potential to support local economic development, housing, job creation and sustainable infrastructure delivery.</p> <ul style="list-style-type: none"> <li>• Expand and grow the opportunity of Somerset East as a Tourist Town.</li> </ul>
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**Nodes: Objective**

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

**Strategies**

- Acknowledge the existing Blue Crane Route Central Business District, along as the key economic and services hub.
- Promote higher densities and mixed-use development within the demarcated CBD area.
- Acknowledge the Somerset East CBD as a special development zone and possible further development of development incentives and a rates rebate area.
- Future development to carefully consider identified land use zones and demarcation as per the Spatial Development Framework’s CBD Strategy.
- Traffic movement and traffic management to be implemented based on the Traffic Management Plan, with specific reference to movement routes, parking and traffic impact areas.
- Develop the Somerset East CBD as a multi-functional services hub, providing social services, government services and mixed use facilities within walking distance from the surrounding residential areas.
- Development of this multi-functional business district will enhance integration and provide services and facilities to undeveloped Aeroville.
- Promote integration and corridor development along Beaufort Street extension.
- The objective of these nodes should be to provide services and facilities for through traffic.
- Land use in the Gateway nodes to include, but not limited to, petrol filling stations, service centres, light industrial, commercial, manufacturing and uses associated with the transport industry.
- Careful consideration to the economic impact of development of these nodes on the Somerset East CBD should be prioritized and individual applications to be considered on an ad-hoc basis.

- Smaller neighborhood business opportunities and neighborhood nodes have been established throughout most of the Somerset East area and these opportunities should be supported, with emphasis on walking distance and the provision of basic services to the immediate surrounding communities.
- Re-development of open and under-utilized space in Somerset East to be used to strengthen township economy and SMME development.
- Further expansion of small nodes to be carefully considered and impact on the surrounding residential areas evaluated on an ad-hoc basis.
- Larger commercial development should be contained within the nodes.

#### Access & Corridors

##### **Objective**

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

##### **Strategies**

- Provide opportunities for Somerset East integration through intensified corridor development between the identified CBD's, along the R63 Charles and Kwa Nojoli access corridors with possible future extension towards the gateway east node, south of R67.
- Preserve integrity of existing main access corridors through minimization of new access points and adequate traffic management, maintenance and upgrading.
- Integrate CBD Transport Strategy in future IDP prioritization and CBD development.
- Develop an overall Transport Strategy for Blue Crane Route Municipality, with emphasis on Somerset East.
- Link existing CBD transport / taxi hubs with Somerset East CBD proposals.
- Support development which emphasizes and promotes walkability and pedestrian access.
- Implement revised parking standards and development parameters as per the Transportation Strategy.
- Retain integrity of internal neighborhood and residential access through implementation of building lines and preservation of residential character as identified.

## **Infill & Densification**

### **Objective**

To promote residential and commercial densification as a mechanism to integrate the various urban typologies within the greater Somerset East.

### **Strategies**

- Densification in the identified and selected areas should be prioritized to make more effective use of existing infrastructure, social facilities, transportation network and walkability within the urban fabric.
- Densification nodes specifically relate to the Somerset East CBD plan, the Aeroville CBD proposals and Mnandi areas.
- Residential densification in the single residential areas should be considered with subdivisions and town house / group house development through land assembly and consolidations.
- Future residential expansion within the urban edge should be strictly based on densification parameters with residential densities of up to 50 units per hectare for future Greenfields planning.
- Formalization of infill areas are subject to land ownership resolution, flood line determination and accessibility.
- Identify Municipal owned land portions that can be released to support SMME and development and increase revenue and economic growth.

## **Human Settlement Development**

### **Objective**

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

### **Strategies**

- Residential densities in identified future Greenfields areas should ultimately be developed 50 units per hectare, to further improve services efficiency and reduce service delivery costs.
- The urban edge is based on key structuring elements with specific reference to existing urban development, industrial development in the west, N2 bypass corridor in the south, biodiversity and mining operations in the north and the aerodrome and military base in the north-west.
- The key objective for future growth is to promote the integration of previously segregated urban areas and promote pedestrian accessibility.
- This can only be achieved by limiting further development expansion to the north and east.

- Terrain characteristics, environmental impact and drainage patterns further guide urban edge delineation and further Greenfields expansion.
- Detailed planning of Greenfields areas to be based on sustainability principles and availability of infrastructure.
- Areas to provide accommodation for large sections of the population with economic opportunities and spin offs.

## **Industrial & Manufacturing**

### **Objective**

To strengthen the opportunities for industrial development and expansion of the manufacturing sector area.

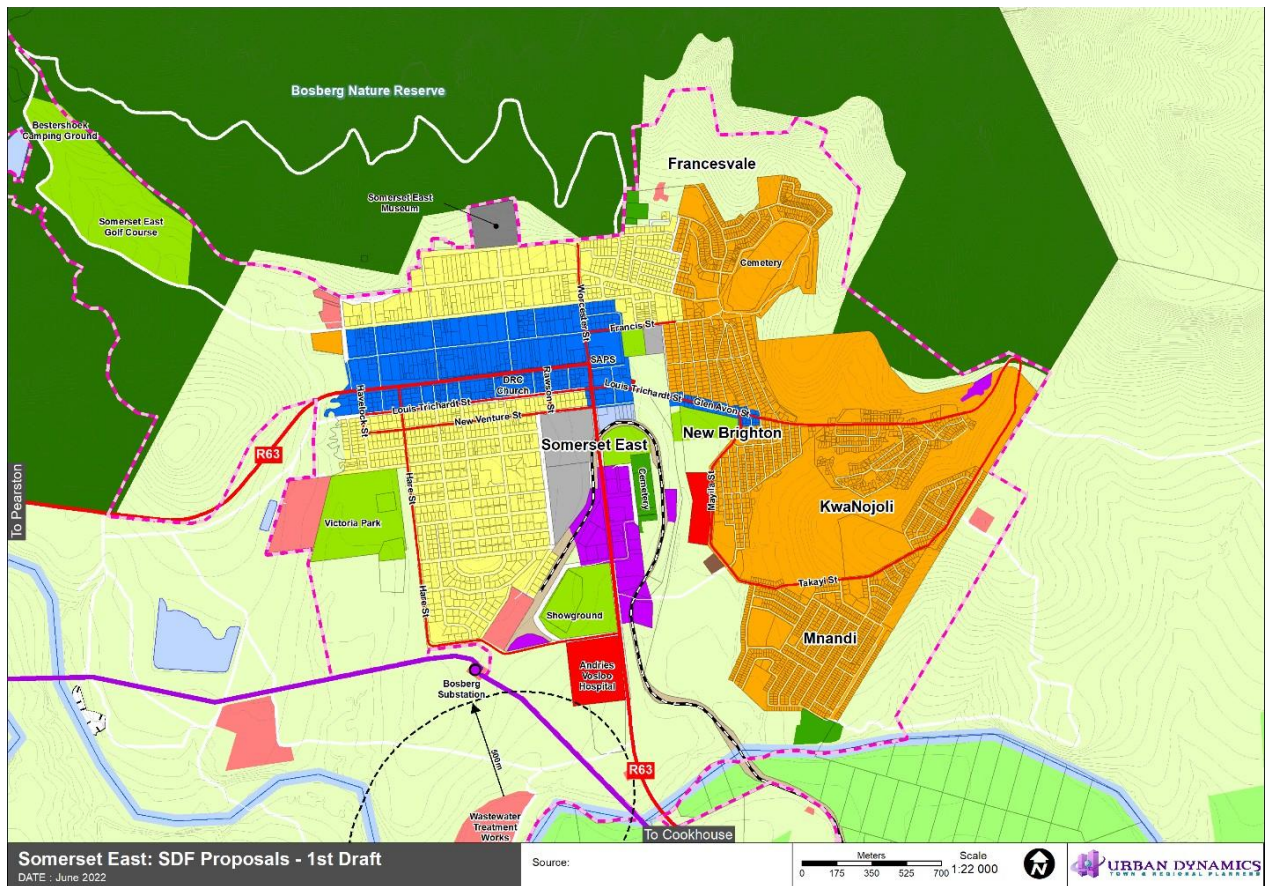
### **Strategies**

- Existing manufacturing and industrial activities are relatively under developed and this sector should be expanded to promote local economic development, job creation and expansion of the economic base of Somerset East and the greater Blue Crane Route Municipality.
- Expansion of the existing industrial area to the Charles Street Corridor and Aero Industrial Park at Aeroville.
- A mix of land uses should be permitted in the existing industrial area based on existing market forces, i.e. creative industries, promotion of arts and culture and service trades with support of retail activity.

## **Social Services**

### **Objective**

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



### Cookhouse and Pearston : Key Indicators

	<i>Cookhouse</i>	<i>Bhongweni</i>	<i>Pearston</i>	<i>Khanyiso</i>
<b>Population</b>	1899	3807	3435	1083
<b>Households</b>	390	1128	864	339
<b>Household Size</b>	4,9	3,4	4,0	3,2
<b>Area (km<sup>2</sup>)</b>	50,01	0,98	31,99	0,79
<b>Population Density (people / km<sup>2</sup>)</b>	37,97	3891,18	107,39	1364,47

## Cookhouse

Nodal Classification	Node	Functional Strategy
<b>Local Centre</b>	Cookhouse	<ul style="list-style-type: none"> <li>• Cookhouse currently fulfils a service function for the immediate surrounding hinterland with limited opportunities for expansion and stronger services.</li> <li>• Local Centres have smaller administrative, financial and service functions though it supports strong residential components.</li> <li>• Service delivery to the surrounding rural areas and agriculture industry play an important role.</li> <li>• Investment and development of Local Centres should be considered and aimed at provision of basic services and infrastructure to its residents.</li> <li>• Expansion of support function to the eco-tourism industry And game farming.</li> </ul>

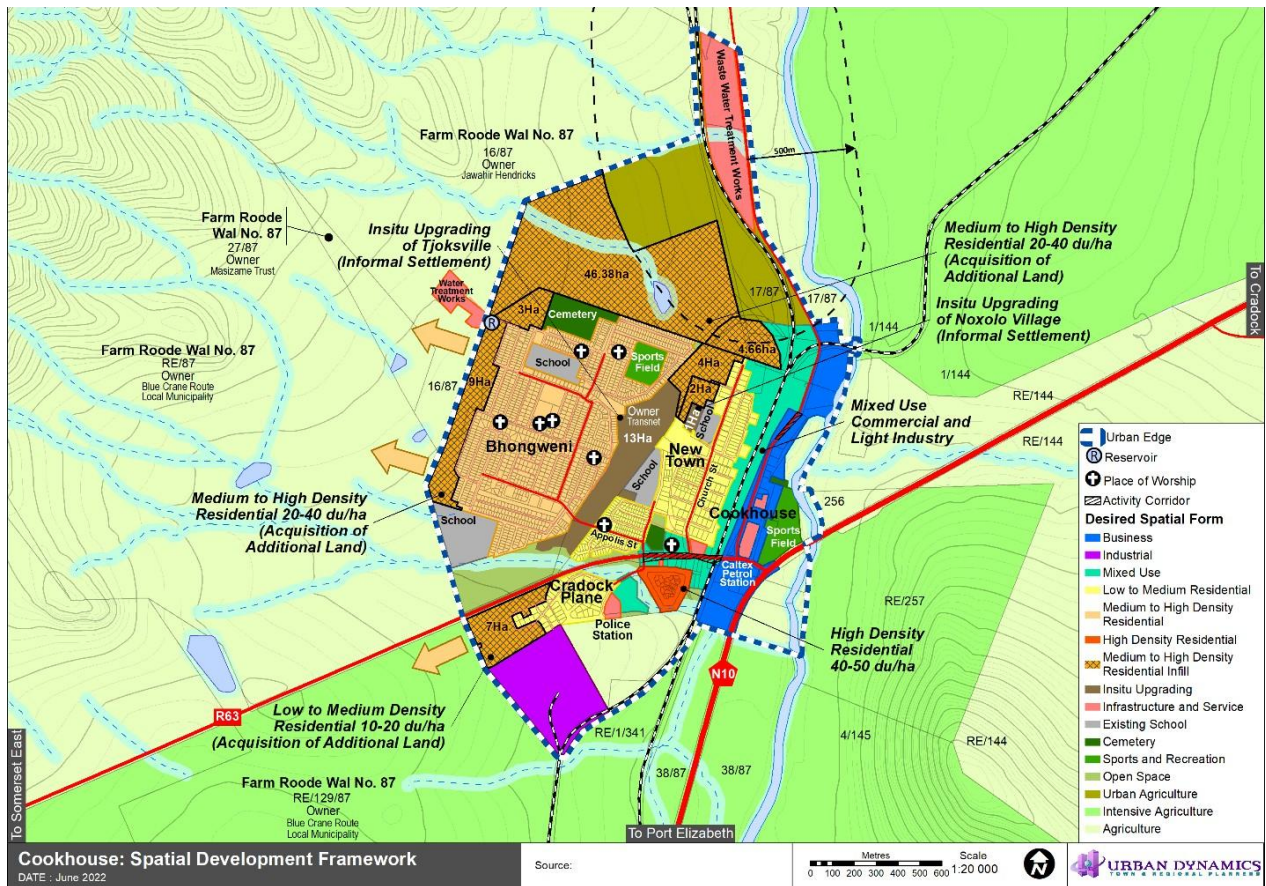
### Objective

- To delineate an urban edge as a mechanism to contain urban sprawl and ensure more compact and efficient urban structure.
- To identify land to address housing demand and shortages and ensure upgrade and formalization of informal areas.
- To provide social and public facilities that is adequately maintained and provided within walking distance of the general population within the town.

### Strategies

- Business and mixed-use development should be contained on properties along the Cookhouse Main Road as indicated.
- Future development options and investment for the former railway buildings.
- Maintain and upgrade internal access roads and pedestrian accessibility between Bhongweni and Cookhouse.

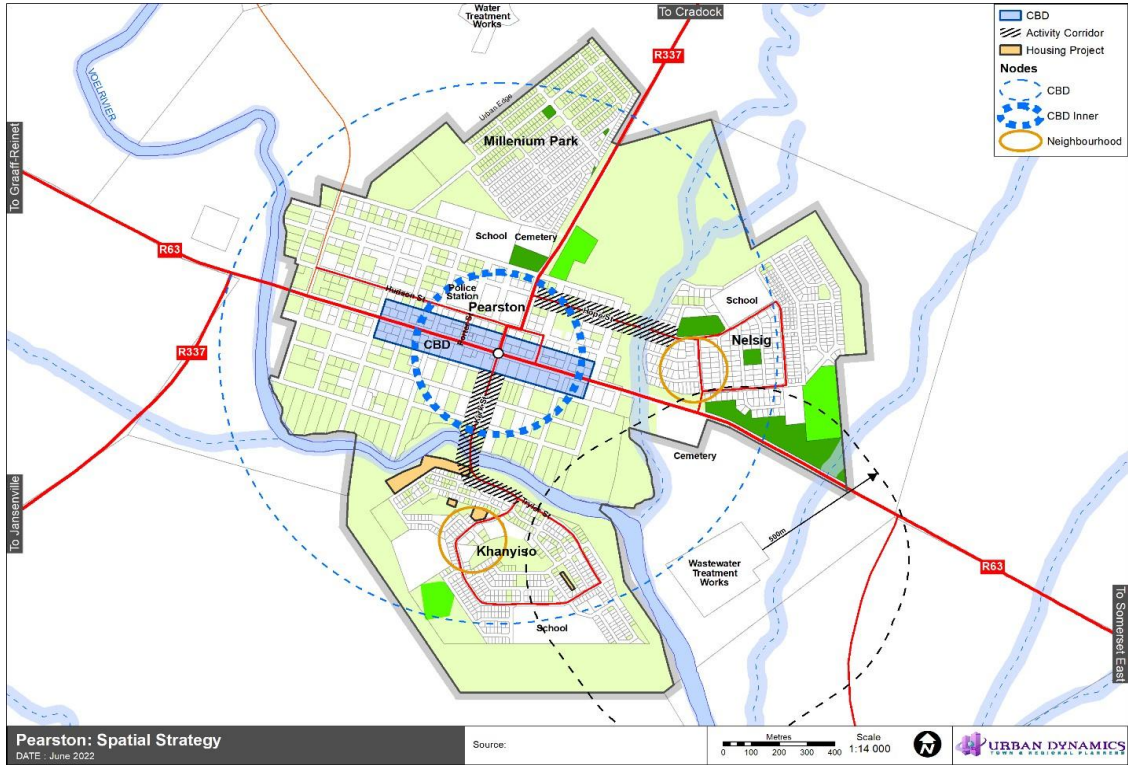
Establishment of an industrial and manufacturing area should be based on demand and located south and adjacent to the old station yard.

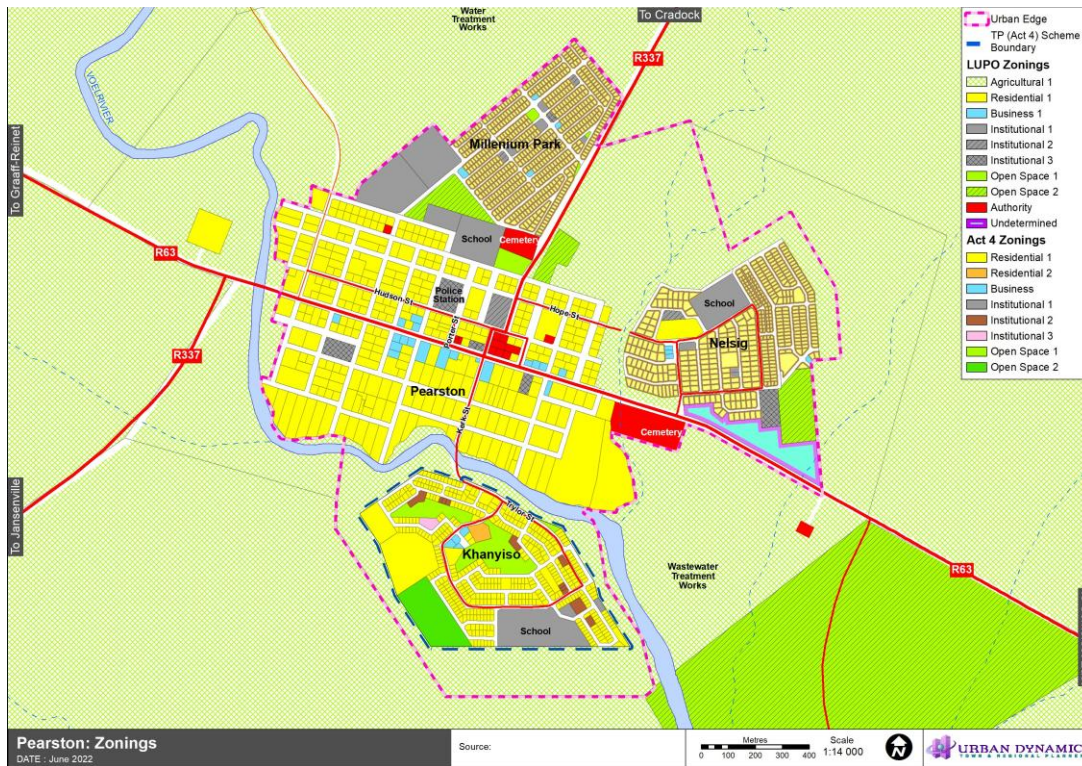


Pearston

Nodal Classification	Population (2011)	Functional Strategy
<b>Local Centre</b>		<ul style="list-style-type: none"> <li>• Pearston as sub local centres with strategic significance within the rural area.</li> <li>• Importance of formalization and infrastructure provision for these nodes in order to promote rural access, accommodation, local economic development and job creation.</li> <li>• It is acknowledged that the rural nodes can fulfil an important function in rural upliftment and rural livelihood areas.</li> <li>• Future expansion in the rural areas should be confined to these nodes, but should be carefully assessed and Investigated prior to expansion and investment.</li> </ul>

	<ul style="list-style-type: none"> <li>• Sustainability of bulk services should be a key considering factor, prior to further expansion and growth.</li> <li>• Support towards implementation of SBDM Rural Development Plan strategies.</li> </ul>
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## 5.6 MONITORING

The Blue Crane Route Municipality SDF is not a stand-alone sector plan and should be an integral part of the annual IDP review cycle, IDP implementation strategy and monitoring mechanism. It is not recommended to establish parallel or separate monitoring, review and implementation mechanisms, but rather align with the existing performance management framework implemented by the Blue Crane Route Municipality.

Performance management and implementation in Local Municipalities are guided and informed through various legislative mechanisms with specific reference to:

- Municipal Systems Act (32 of 2000)
- Municipal Planning & Performance Management Regulations (2000)
- Municipal Finance Management Act (56 of 2003)
- Spatial Planning & Land Use Management Act (16 of 2013)



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

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

The Blue Crane Route Municipal area is dominated by commercial farms and three prominent urban areas. These are Somerset East, Cookhouse and Pearston. The service area of the study area (municipal area) is approximately 9836, 35km<sup>2</sup>.

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

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

## **CHAPTER 6: PERFORMANCE MANAGEMENT SYSTEM**

### **6.1 BACKGROUND**

The Systems Act, Act No. 32 of 2000 requires that each municipality establish a Performance Management System that is: “commensurate with its resources, best suited to its circumstances and in line with the priorities, objectives, indicators and targets enshrined in the Integrated Development Plan (IDP).

The implementation and institutionalization of an Integrated Performance Management System within Blue Crane Route Local Municipality requires that performance management and assessment occurs at two levels, namely, individual and institutional levels. This procedure manual will detail the manner in which an infrastructure, system and culture is created which support performance management at every level.

The IDP is a 5-year strategy reviewed and updated annually based on community input and needs. Depending on resources and budget availability the IDP Priorities and Objectives are established for the year in question and translated into an annual Strategic Institutional Scorecard. Departmental Scorecards detailing the specific goals to be achieved per department flow from the strategic scorecard/institutional SDBIP (aligned to the IDP). These goals are translated into the Service Delivery and Budget Implementation Plans (SDBIP’s) for each department as annual targets, and the establishment of these and the measurement of targets ensures that there is alignment between the IDP, the Budget and the departmental objectives.

In order to give effect to these targets, performance agreements are signed with staff (beginning with s56 managers), as commitment to ultimately meet the IDP objectives.

Through a formal process of performance assessments, management and reporting, it is ensured that targets are met where at all possible, and focused and concerted efforts are made to achieve these strategic objectives through effective and efficient service delivery. Institutionally reporting on performance and the manner in which IDP objectives are met occurs at many levels.

### **6.2 MAIN PURPOSE**

To ensure that performance is managed in conformity to the PMS Framework and strategic objectives as reflected in the Integrated Development Plan (IDP) and to ensure that there is alignment between individual and organizational behavior and performance targets and objectives.

### **6.3 KEY OBJECTIVES**

Aside from the legislative prescriptions and in line with the PMS framework, the key objectives for the Integrated Performance Management System are defined as follows:

- 6.3.1 Achievement of the organization's strategic objectives;
- 6.3.2 Identifying and addressing the required skills and competencies required for staff to contribute towards achieving organizational objectives;
- 6.3.3 Providing staff with the opportunity to actively manage their own performance;
- 6.3.4 To recognize and reward those employees who meet the policy criteria for reward;
- 6.3.5 To facilitate credible performance reporting by the municipality; and
- 6.3.6 To instill a performance orientated culture throughout the organization.

### **6.4 SCOPE OF THE POLICY MANUAL**

The scope of the Integrated Performance Management Policy manual shall be applicable to the following levels, as part of a long-term roll-out process:

- 6.4.1 All managers as defined by section 56 of the Municipal System Act No 32 of 2000;
- 6.4.2 All employees of Blue Crane Route Local Municipality who are in full time employment.

### **6.5 GUIDING PRINCIPLES AND PRACTICES**

The Integrated Performance Management System Policy manual shall be guided by the following key principles:

- It must be uniformly applied to all applicable parties;
- It must be applied as a universally recognized means to manage and improve performance and work standards;
- Personal Development Plans linked to the Workplace Skills Plan (WSP) are to be developed for all staff (as per roll-out of policy) in order to ensure that they are capacitated and developed appropriately in order to be able to deliver in terms of required performance;
- Performance is assessed at both the individual and organizational levels;
- There is visible alignment between the IDP, Budget and SDBIP's;
- Planning and Reporting must be based on the National Key Performance Areas and Performance Scorecards at all levels will be written in accordance with the 5 (five) National Key Performance Areas ;

Each Scorecard will have appropriate weights attached to each National KPA as per the Performance Regulations. These Key Performance Areas are:

- Basic Service Delivery
  - Municipal Institutional Development and Transformation
  - Municipal Financial Viability and Management
  - Local Economic Development
  - Good Governance & Public Participation.
- 
- The weights attached to all five KPA's must add up to a total of 100% for each scorecard;
  - In the event that the Performance Management Policy applies to non-managers, weightings in the scorecards will still total 100%. Performance assessment must be based on clear measures and agreed standards;
  - Performance targets and objectives must provide clarity to all employees on their role in the achievement of municipal and departmental targets;
  - Performance contracts / agreements are to be signed as applicable by section 56 managers and staff to whom the system is applicable (as per roll-out);
  - The system must take into account the applicable legal and regulatory prescriptions applicable;
  - The system must serve as an early warning system to facilitate management and appropriate interventions to address performance issues identified;
  - Staff are to be rewarded according to the prescriptions of this policy;
  - Feedback on progress is to be fed back to the community through defined and ongoing reporting mechanisms;
  - Reporting at both the individual and organizational level is to occur through formal and stipulated reporting instruments and channels, and
  - This Integrated Performance Management System Policy is to be read together with the approved PMS Framework and legislation.

## **6.6 PERFORMANCE MONITORING, REVIEWS AND ASSESSMENT**

At an institutional level, performance must be reviewed/monitored/weekly assessed monthly, quarterly, mid-yearly and annually in a number of ways which include (but are not limited to) weekly, monthly, s72 mid-year performance reports; quarterly through SDBIP reporting; s46 - Annual Report, Auditor General's regulatory audit and Municipal Public Accounts Committee (MPAC) Reports (all of which translate to the reporting that is then provided to communities);

At individual level, formal assessments (by a duly constituted Performance Assessment Panel) must be conducted quarterly, and a final assessment for the period 1 July – 30 June after issuing of the auditor-general's report.

The scoring will be allocated using the approved rating calculator.

## **6.7 PERFORMANCE BONUS**

### S56 Managers

- a. As per the Performance Regulations, the s56 Managers will be able to qualify for performance bonuses according to the following ratings:
- b. 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%.

## **6.8 MANAGERS DIRECTLY ACCOUNTABLE TO S56 MANAGERS AND STAFF BELOW**

Performance Rewards will be negotiated between all stakeholders based on the following principles:

- Non-Monetary
- Negotiated with stakeholders
- Intended to capacitate and develop individual and or team performance
- Agreed upon value
- Subject to available budget (Merit Award paid as a once off merit – dependent on budget)

## **6.9 DISPUTE RESOLUTION**

Disputes are to be dealt with in the manner prescribed by the Regulations and for staff other than the s56 managers according to the approved internal Dispute Resolution mechanisms, re-Human resource policies.

## **6.10 GOVERNANCE ISSUES**

The following governance structures are responsible for the governance of this policy:

- Council: adoption of the policy manual;

- Municipal Manager: formulation, review and amendment of the policy manual;
- Manager: Performance Management and Corporate Services: administration and management thereof ; and
- Performance Assessment Committee / Panel: to formally assess performance of staff; and
- Audit Committee: to verify performance results and application of the policy.

#### **6.11 COMPETENCE AND CAPACITY TO IMPLEMENT**

All managers, supervisors and team leaders will be trained to plan, coach and review /report on performance. This is to occur in accordance with the prescriptions of the roll out plan. The IDP Department must ensure availability of necessary resources for reporting and record keeping - ensuring effective administration and guidance of the process.

#### **6.12 RELEVANT LEGISLATION APPLICABLE TO THIS POLICY**

This policy is informed/influenced by the following legislation:

- 1) The Constitution of the Republic of South Africa Act, Act No. 108 of 1996;
- 2) Municipal Planning and Performance Management Regulations, 2006;
- 3) Municipal Structures Act, Act No. 117 of 1998;
- 4) Municipal Systems Act, Act No. 32 of 2000;
- 5) White Papers on Local Government 1998; and
- 6) Labour Relations Act, Act No Labour Relations Act, Act No. 66 of 1995.

## **CHAPTER 7: FINANCIAL PLAN**

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

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

### **7.1 INTRODUCTION**

Adopting a funded budget has become more critical now than ever before as it has direct bearing on the financial sustainability of the institution. Over the past financial years, the Blue Crane Route Municipality has maintained funded budget statuses, however in the 2024/25 and 2025/26 the institution adopted an unfunded budget with a voluntary funding plan to be implemented. The Auditor General raised material uncertainty relating to the going concern of the municipality from 2021/22 to 2023/24 financial year. The prior financial statements indicated the high levels of electricity losses, debt and credit payment ratios not in the norm and the potential risk that contingent liabilities as disclosed and may materialize into actual commitments to pay.

There is a high level of compliance with the MFMA and other legislation directly affecting financial management. The municipality took up a loan of R5,5m in 2021/2022 to finance vehicles, admin generators, finalizing the construction of the pound, purchases of an additional skip trailer and sewerage infrastructure upgrades. The loan will be completed pay off by 31 December 2026.

The Municipal Systems Act, section 26(h) requires a municipality to include a financial plan, which must have budget projection of at least the next 3 years, in the annual Integrated Development Plan (IDP). In essence this financial plan is a medium-term strategic framework on how the municipality plans to deliver services, within financial means.

Each year, the National Treasury issues MFMA circulars to municipalities advising them of the budget parameters within which municipalities should work when preparing their budgets, together with other MFMA circulars and the Budget and Reporting Regulations.

The Blue Crane Route Municipality's (BCRM) Medium Term Revenue and Expenditure Framework (MTREF) materially comply with the latest budget regulations as well as the requirements of the National Treasury (MFMA Circulars 129 and 130 of 31 March 2025). This plan has been prepared taking into consideration the priorities and direction established by municipality during the 2025/2026 budget deliberations.

The BCRM are therefore fully compliant with the legislation applicable to municipalities, as the MFMA and the contents of all the relevant MFMA Circulars, etc. were noted and considered when the budget was compiled. The municipality does compile and submit the following monthly, quarterly, and mid-year reports:

- a) Monthly: Section 71,
- b) Quarterly: Section 52d,
- c) Mid-year: Section 72, and
- d) Yearly: MTREF Budget, Annual Financial Statements, Integrated Development Plan, Annual Report and Oversight Report

The Council's strategic objective of service delivery includes the continuation of the acceptable levels of service as well as the improvement in those areas where it lacks acceptable levels, and the finance department is key to these processes.

## **7.2 FINANCIAL SYSTEM**

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

The implementation of mSCOA is considered a business reform and it required a significant change in municipal business processes as from 1 July 2017.

The municipality has taken note of the contents of all the mSCOA Circulars, and the staff is undergoing the necessary training.

The municipality does experience challenges with its financial system administrators, as some budget and reporting schedules need to be manually corrected as the system does not align properly. Engagements have been conducted with the service provider regarding an action plan to correct the matters raised. The MSCOA steering committee will be revived to address these challenges.

The accounting principles, concepts and disclosure requirements are included in the standards of Generally Recognized Accounting Practice (GRAP), also referred to as the accounting standards. The accounting standards give the following guidance to the preparers of AFS when dealing with specific topics:

- They explain the accounting treatment of transactions, in other words the debit and credit entries, including when to recognize these entries.

- They explain the accounting measurement of transactions.
- they explain the presentation and disclosure requirements of transactions in the entity's Annual Financial Statements

The municipality has been preparing its financial statements on Caseware.

The municipality received a qualified audit opinion for the 2023/24 financial year the municipality due to the following areas of concern:

- Property, plant and equipment
- Service charges
- Payables from exchange transactions
- Cash flow Statements
- Statement of Budget vs Actuals

The municipality drafted a credible audit improvement plan as well as a Revenue Enhancement strategy to improve the audit outcomes and financial viability.

### **7.2.1. BUDGET AND TREASURY OFFICE**

The Budget and Treasury Office has the following objectives:

- Implementation of MFMA
- Implementation of the Property Rates Act
- Management of the Budget Process
- Performance of the Treasury Function
- Management of Municipal Revenue
- Management of a Supply Chain Management Unit
- Maintenance of Internal Financial Control
- Production of Financial Performance Reports
- To retain the Financial Viability of the Municipality
- To improve the Audit outcome Report
- Assist with Internal Audit
- Developing & the adoption of the revenue enhancement plan
- Implementation and monitoring of the revenue enhancement plan

The various posts within the Financial Services Department are reflected later in the IDP under the Organogram section. Segregation of duties remain a big challenge, as various departments within the finance department is collapsed into one. This is not in line with the MFMA that states a municipality needs to have a fully functional BTO unit.

Challenges are experienced with high level of absenteeism at manager’s level as well. Critical positions in the asset management are not filled.

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

### 7.2.2. INFORMATION AND COMMUNICATION TECHNOLOGY

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

Company	Programme / Software	Application / Operating
Solvem	SAMRAS / Flexgen/ Frontier moving to the new modernization system (Only budget and SCM system implemented)	Application System interfacing with the following below:
		<p><b>Consolidated Billing</b></p> <ul style="list-style-type: none"> <li>● Receipting</li> <li>● Meter reading system developed in-house and interact with the audit website.</li> <li>● Accounts</li> <li>● Debt Collection</li> <li>● General Ledger</li> <li>● Cashbook</li> </ul> <p><b>Consolidated Expenditure</b></p> <ul style="list-style-type: none"> <li>● Creditors</li> <li>● Stores</li> </ul>

		<ul style="list-style-type: none"> <li>• Assets</li> <li>• Supply Chain Management</li> <li>• General Ledger</li> <li>• Main Ledger</li> <li>• Trail Balance</li> </ul>
		<p><b>Payroll</b></p> <ul style="list-style-type: none"> <li>• Payroll</li> <li>• Cash Focus</li> <li>• Third Parties</li> <li>• SARS</li> <li>• Human Resource <ul style="list-style-type: none"> <li>○ Leave</li> <li>○ Equity</li> </ul> </li> </ul>
<b>Solvem</b>	SAMRAS	mSCOA
<b>Adapt IT</b>	CaseWare	GRAP Annual Financial Statements
<b>Contour</b>	Vending	Pre-paid Electricity
<b>Deeds Office / Windeed websites</b>	Title Deeds	Extracting Title Deed information electronically
<b>ABSA Bank</b>	On-line Banking	Electronic payment <ul style="list-style-type: none"> <li>• Creditors, Salaries</li> </ul>
<b>SITA</b>	eNatis	Motor Vehicle Registration
<b>Microsoft</b>	MS Office 365	Word; Excel; PowerPoint; Adobe; Publisher; Outlook
<b>Nuance</b>	PDF Converter Professional	PDF
<b>ESET</b>	Antivirus Protection	Internet and point security
<b>SARS</b>	Easy File	PAYE – IRP5's and VAT

### 7.2.3. VALUATION ROLL

It is a statutory requirement that the General Valuation be conducted for all the ratable properties in a municipality to levy property rates and the municipality valuation roll is utilized by the Council as a basis to levy property rates.

The lifespan of the roll is five (5) years for local municipality and it can be extended to seven (7) years with the approval of the MEC for Cooperative Governance and Traditional Affairs in terms of section 32 (2)(a)(ii).

The municipality must regularly, but at least once a year, update its valuation roll by causing supplementary valuation roll to be prepared, if section 78 applies or the valuation roll to be amended, if section 79 applies.

The municipality had recently enrolled on an updated general valuation roll, the valuation was adopted by the Council as at 30 June 2025 as it will be implemented on 1 July 2025 and is valid until 30 June 2025.

A Service Provider was appointed to do a general valuation of the properties within the Blue Crane Route Municipal area for a period of five (5) years.

#### **7.2.4. SUPPLY CHAIN MANAGEMENT UNIT**

The Supply Chain Management (SCM) is up and running within the BCRM and strict control measures are in place according to the MFMA, SCM Regulations, MFMA Circulars and the BCRM SCM Policy. On 1 October 2021 the new modernized SCM system of Samras was implemented so that all orders can be done on the web-portal. Controls were put in place to ensure the correct procedures are followed and all expenditure is linked to the correct Mscoa items.

The Blue Crane Route Municipality has a Supply Chain Management Unit as reflected in the Finance Department Organogram. There are ten (10) posts within the Supply Chain Management Unit and they have all been filled.

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

- Specification Bid Committee
- Evaluation Bid Committee
- Adjudication Bid Committee

The two (2) Supply Chain Management Practitioners are attending to the following areas within the SCM Unit:

- Disposal / Risk Management / Contract Management
- Demand /Acquisition / Logistic

The SCM practitioners are supervised by the Manager: Supply Chain and Assets Management.

Training of the Bid Committee members and potential members needs to be done as new people have been employed since the last training.

The Constitutional Court declared in February 2022 that the 2017 Preferential Procurement Regulations were invalid and said, *inter alia*, that:

- Policy changes cannot be made in ministerial regulations.
- The Minister of Finance:
  - Did not have the power to make procurement policies for all state entities.
  - Must rectify this problem by February 2023.

Furthermore, the Minister made new regulations on 4 November 2022, which included a commencement date of 16 January 2023 and the repeal of the 2017 Preferential Procurement Regulations on the same date. These new 2022 Preferential Procurement Regulations address only the following:

- The utilization of an 80/20 preference point system for procurements or disposals of below R50 million and a 90/10 system for procurements or disposals exceeding this amount,
- The four formulae (2 x procurement, 2 x disposal) to be applied in calculating the points scored by bidders,
- Criteria to be applied for breaking deadlocks in scoring, and
- Remedies for organs of state should bidders submit false information.

It should be noted that the 2022 Regulations do not specify the exact components of the “specific goals” (which would make up the 20 or 10 points in the abovementioned 80/20 and 90/10 systems). In this regard, the Preferential Procurement Policy Framework Act, 2000 states that specific goals (as determined by the organ of state in its Preferential Procurement Policy) may include -

- contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender or disability (only these three, or do the words “may include” above mean that additional goals can be included);
- implementing the programmes of the Reconstruction and Development Programme as published in Government Gazette No. 16085 (this is a White Paper) dated 23 November 1994;

An apparent omission in the Preferential Procurement Policy Framework Act, 2000 itself should also be noted in that no lower limit for the application of the 80/20 system is specified. Notwithstanding this omission, previous Regulations as made by the Minister specified a lower limit of R30 000, with procurements below this amount being adjudicated on price only (subject obviously to the other standard SCM checks and balances regarding offers being fair, reasonable, compliant with the specs and achievable).

The 2022 Regulations DO NOT specify any lower limit, meaning that, according to “the letter of the law” the preferential points formulae should actually be applied to all procurements where more than one bid is obtained. The administrative burden which would result from following this process would simply overwhelm the Blue Crane Route Municipality’s current resources and would not be realistically practicable.

Despite several workshops with advisors, Provincial Treasury and National Treasury officials, no clear guidance or constructive advices were forthcoming.

Council approved a new procurement policy on 28 February 2023 in order to address the above.

**7.2.4.1. CONTRACT MANAGEMENT**

The SCM unit has commenced with implementing Contract Management in its reporting. The Accountant: Supply Chain Management is tasked with implementing Contract Management whereby she tracks the value of awards made; expenditure against those contracts; balance of contract remaining; and performance of the service provider against project milestones. She further notifies departments in advance of pending expiration of contracts so that the re-advertisement commences timeously for a succession contract to be awarded. Performance has been average for all service providers combined.

**7.2.4.2. PROCUREMENT TURNOVER RATE**

The procurement turnover rate in the previous years has proven to be unnecessarily long and resulted in projects being delayed; poor planning contributes to this. A Supplier Day and an advert for service providers to register on our database and current ones to update their details.

**7.2.5. AUDIT OUTCOMES**

The following table reflects the seven (7) year audit outcomes for the following financial book-years.

2024/2023	2023/2022	2022/2021	2021/2020	2020/2019	2019/2018
<u>Qualified Audit Report received</u>	<u>Unqualified Audit Report received</u>	<u>Unqualified Audit Report received</u>	<u>Unqualified Audit Report received</u>	<u>Unqualified Audit Report received</u>	<u>Unqualified Audit Report received</u>

<b>Emphasis of Matter:</b> Material uncertainty relating to going concern	<b>Emphasis of Matter:</b> Material Losses	<b>Emphasis of Matter:</b> Unauthorized expenditure	<b>Emphasis of Matter:</b> Unauthorized expenditure	<b>Emphasis of Matter:</b> Unauthorized expenditure	<b>Emphasis of Matter:</b> Unauthorized expenditure
<b>Emphasis of Matter:</b> Underspending of Conditional Grants	<b>Emphasis of Matter:</b> Restatement of corresponding figures	<b>Emphasis of Matter:</b> Irregular expenditure	<b>Emphasis of Matter:</b> Irregular expenditure	<b>Emphasis of Matter:</b> Irregular expenditure	<b>Emphasis of Matter:</b> Irregular expenditure
<b>Emphasis of Matter:</b> Material Losses	<b>Emphasis of Matter:</b> Material Losses	<b>Emphasis of Matter:</b> Material Losses	<b>Emphasis of Matter:</b> Material Losses	<b>Emphasis of Matter:</b> Material Losses	<b>Emphasis of Matter:</b> Material Losses
<b>Emphasis of Matter:</b> Restatement of corresponding figures	<b>Emphasis of Matter:</b> Restatement of corresponding figures	<b>Emphasis of Matter:</b> Restatement of corresponding figures	<b>Emphasis of Matter:</b> Restatement of corresponding figures	<b>Emphasis of Matter:</b> Restatement of corresponding figures	<b>Emphasis of Matter:</b> Restatement of corresponding figures

**Source:** Office of Auditor-General Reports

There are material audit findings, and the municipality is addressing the material misstatements raised by the Auditor General. An audit improvement plan and revenue enhancement strategy were drawn up to address the audit findings and the municipality has taken action thereon to ensure that the shortfalls are addressed and that all relevant procedures have been put in place so that the number of audit findings can be reduced to a minimum to achieve the goal of improving the Audit outcome. The latest progress on the 2023/2024 Audit Improvement Plan is attached as an annexure.

### **7.3. BUDGET PROCESS**

#### **7.3.1. CREDITORS TURNOVER RATE**

Most creditors are paid within 30 days of receipt of an invoice, with minimal disputes spilling beyond the 30 day period. We have regularized the payment process by dedicating Thursdays for payment dates as well as the 25<sup>th</sup> and month end for certain service providers that stipulate these cut-off dates. The municipality is up to date with payments relating to SARS, SALGA, Workmen's compensation fund, Salaries. Only the Eskom account for June 2025 with a material arrears account of R170m. The major reason for payments beyond 30 days are those commitments that are made outside the financial system by departments not following internal controls.

#### **7.3.2. NATIONAL CONTEXT**

South Africa's economy is still plagued with high levels of unemployment and poverty. The current Eskom / Electricity crisis does not contribute positively to the current situation.

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

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

Vote Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
R thousand	1										
Funded by:											
National Government		-	37	3 393	48 604	71 458	71 458	53 532	56 288	38 060	37 665
Provincial Government		-	-	227	-	1 270	1 270	45	-	-	-
District Municipality		6 383	(0)	-	-	509	509	236	-	-	-
Transfers recognised - capital	4	6 383	37	3 620	48 604	73 237	73 237	53 813	56 288	38 060	37 665
Internally generated funds		-	34	246	2 750	2 456	2 456	529	2 504	2 504	2 504
Total Capital Funding	7	6 383	71	3 911	51 354	75 693	75 693	54 342	58 792	40 564	40 169

Each year, National Treasury issues a circular, (see MFMA Circular 115) to municipalities advising them of the budget parameters within which municipalities should work when preparing their budgets.

The headline CPI inflation actual for fiscal year 2025/2026 is 4.4%. The headline CPI inflation forecast for fiscal year 2026/2027 is 4.6%, 2027/2028 is 4.8%. However, these figures can change very fast due to external factors as recently experienced. Factors that were not considered are the severe electricity loadshedding and huge Eskom price increases as from 1 July 2025 (12.74%).

This growth parameters apply to tariff increases for property rates, users and other charges raised by municipalities and municipal entities, to ensure that all spheres of government support the national macroeconomic policies, unless it can be shown that external factors impact otherwise. Basic services are provided to a large degree to all towns in the municipal boundaries, and there is a continuing effort to extend services. The cost-of-service delivery is too much for the average rate payer.

We need to recognize the funding role of the National and Provincial Government, with contribution from these spheres of governments through grants and subsidies. National, Provincial, District and local priorities for service delivery must be aligned and this is to a large degree achieved through the IDP process, whereby communities give input into service needs, and which is being incorporated into the IDP.

The different spheres of government then allocate resources to these requirements, but we must emphasis again that it is only to the extent that resources are available. Our infrastructure development objectives are clearly to have services to acceptable levels to all.

While we recognise the need for the extension of services through infrastructure development, we must also recognize the need for the maintenance of these infrastructures and to this end we provide in the capital program for replacement of some of our aging vehicles and equipment.

However, to provide for the capital is probably not that problematic, but to find the funds to maintain our infrastructure and other assets properly in the operating budget, without overburdening our consumers and ratepayers, is the big concern. It is common knowledge that the first place where funds are cut when other expenditure items increase to such an extent that a reduction in expenditure is necessary, is on maintenance votes.

The BCRM has done all in their power to address service delivery requirements within our financial means and would like to thank our community for their inputs into the IDP process, the Councillors for their continued hard work and support as well as the Municipal Manager and his staff for all their efforts.

**7.3.3. GENERAL INFLATION OUTLOOK AND ITS IMPACT ON THE MUNICIPAL ACTIVITIES**

General inflation (CPI) is estimated 4.4 % for the 2024/2025 financial year. This of course lends to expectations that municipal tariffs should increase by more or less the same percentage, which is set at 10% for rates and 6% for other charges except for electricity that is 11.60% (NERSA approved). The reason for this higher than inflation tariffs is to start implementing cost recovering tariffs as per National Circular 130 of March 2025.

Description	MTREF Budget 2025/2026	MTREF Budget 2026/2027	MTREF Budget 2027/2028
General Inflation	4.3%	4.6%	4.4%

*Source: MFMA Circular 130*

**7.3.4. INTEREST RATES FOR BORROWING AND INVESTMENTS OF FUNDS**

The following assumptions are built into the MTREF:

Description	MTREF Budget 2025/2026	MTREF Budget 2026/2027	MTREF Budget 2027/2028
Average Interest Rate – New Borrowing	11 %	10.5%	10.5%
Average Interest Rate – Investments	7.5%	7.5%	7.5%

### 7.3.5. RATES, TARIFFS CHARGES AND TIMING FOR REVENUE COLLECTION

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

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

Description	MTREF Budget 2023/2024	MTREF Budget 2024/2025	MTREF Budget 2025/2026
Rates	10%	10%	10%
Water	6%	6%	6%
Sewerage	6%	6%	6%
Sanitation	6%	6%	6%
Refuse	6%	6%	6%
Electricity – monthly consumption tariff	11.6%	11.6%	11.6%

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

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

The municipality still experience high volumes of incorrect billing accounts due to inaccurate meter readings, meters that are standing / not working. The municipality have replaced the water meters in 2018/19 through grant funding. The municipality has also introduced the electronic meter reading of electricity and water usage that should bring more accuracy billing. The municipality’s electricity losses as at 30 June 2024 amounted to 12 % (Above the standard norm). Water losses as at 30 June 2024 amounted to 22 % (Above the standard norm).

### **7.3.6. COLLECTION RATES FOR EACH REVENUE SOURCE AND CUSTOMER TYPE**

Council's policy on indigent support and social rebates means that households who would normally struggle to pay their accounts receive free or subsidized basic services thereby keeping them free of the burden of municipal debt.

Nevertheless, there will always be an element of the total amount billed that will remain uncollected. The municipality is the same as any other business in this regard. Adequate provision has to be made in the budget for any bad debts based on assumptions on collection rates. The bad debt contribution also increases sustainability against prior budgets due to the re-incorporation of the water and sanitation functions.

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

The average collection rate for all municipal debtor's accounts is currently 89%. In order to be in the norm, the municipality needs to maintain a debtor's collection rate of 95%. Political will is needed to increase the payment rate.

### **7.3.7. TRENDS IN POPULATION AND HOUSEHOLDS (GROWTH, DECLINE, STABLE)**

When the 2011 census were held by South African Statistics it was counted that the total population within the Blue Crane Route Municipal (BCRM) area (11, 068.56km<sup>2</sup>) are 36, 002. Within the Sarah Baartman District Municipal (SBDM) area the BCRM accounts for 8% of the SBDM and 0.5% of the Eastern Province population. Geographically BCRM makes up 19% of the SBDM landmass with a population density of 3.25 people per km<sup>2</sup>.

There is a total of 8,558 households within the BCRM area.

### **7.3.8. CHANGING DEMAND CHARACTERISTICS (DEMAND FOR SERVICES)**

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

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

Prepaid electricity after hours and over weekends by means of the Service Provider, Contour's Third Party Vendor System.

### **7.3.9. TRENDS IN DEMAND FOR FREE (SUBSIDIZED) BASIC SERVICES**

Blue Crane Route's criteria for supporting free or subsidized basic services are set out in the Indigent Support Policy. The Government allocates revenue via the Division of Revenue Act (DoRA) in the form of the Equitable Share Grant with the primary aim of assisting municipalities with the costs of providing free or subsidised basic services. The funding module of National Government is not suiting local government as these grant allocations does not include the provision for repair and maintenance of infrastructure assets for those that cannot afford to pay their municipal accounts.

### **7.3.10. INDIGENT STEERING COMMITTEE**

The Indigent Committee is monitoring, in conjunction with ward councillors, ward committees and other persons or organizations it may appoint, the implementation of the indigent support programme, subject to the policy directions of the municipality and in consultation with the municipal manager.

This committee after the previous municipal elections needs to be revived.

#### **7.3.10.1. INDIGENT REGISTER AND FREE BASIC SERVICES EXPENDITURE / BUDGET**

There are currently 3983 indigent households out of 8,558 households. This is a 47% of households benefiting from the Indigent Policy assistance.

#### **7.3.10.2. FREE BASIC SERVICES UNIT**

The municipality has a Free Basic Services Unit that focuses on Indigent support; credit control and debt management; as well as Debtors Control. This shared function is largely attributable to the small size of the municipality.

Blue Crane Route's criteria for supporting free or subsidised basic services are set out in the Indigent Support Policy.

To assist our communities to alleviate poverty, inequality and unemployment the following social packages are included in the budget for indigent households:

**A TOTAL MONTHLY INCOME PER HOUSEHOLD OF:**

- **less than 2 state pensions-** 50kWh Free Electricity, 6kl Free Water, and 100% Free Basic Charges Fee for Electricity, Water, Sewer/Sanitation and Refuse

**7.4. FINANCIAL PRINCIPLES AND POLICIES**

**7.4.1. IMPACT OF NATIONAL, PROVINCIAL AND LOCAL POLICIES**

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

The Blue Crane Route Municipality have implemented the prescribed statutory financial related policies and were reviewed in 2025/2026. The Financial Policies, By-Laws and Procedure Manuals of the Blue Crane Route Municipality are to provide sound, secure and fraud free management of financial services.

The policy instruments direct strategic objectives and business operations with the view to achieve sustainable economic, social and financial performance.

All relevant policies are promulgated into By-laws and Gazette accordingly. The Property Rates tariffs and Council Resolution authorising the levying of rates have also been Gazette for the 2025/26 financial years.

## 7.4.2. REVENUE ENHANCEMENT STRATEGY

The municipality developed and is implementing a Revenue Enhancement strategy Targets have been set to improve the municipality's own revenue base on liquidity ratio of the budget and the plan is included in the IDP, Budget and SDBIP. This strategy should find its way to all department's performance plans.

### Lists of adopted and developed Financial Related Policies:

The following finance-related policies were adopted and are implemented.

	Budget Related Policy
1	Asset Management Policy
2	Budget Policy
3	Cash Management and Payment of Creditors Policy
4	Cash Receipt and Banking Policy
5	Cost Estimation Policy
6	Credit Control and Debt Collection ex Revenue By-Law
7	Financial Framework Policy
8	Investment Policy
9	Rates Policy
10	Rates By-Law
12	Tariff ex Revenue By-Law
13	Rewards, Gifts and Favours Policy
15	Supply Chain Management Policy
16	Indigent Policy
17	Capital Infrastructure Investment Policy
18	Fruitless Wasteful Expenditure Policy
19	Borrowing Policy
20	Funding and Reserve Policy
21	Long-Term Financial Planning Policy
23	SCM Policy for Infrastructure and Delivery Management
24	Contract Management Policy
25	Petty Cash Policy
26	Fleet Management Policy
27	Appointment of Consultants Policy
28	Virement Policy
29	Cost Containment Measures Policy
30	Write-Off Policy

The following policies have also been approved by Council:

- Rates Policy and By-Law
- Indigent Policy
- Credit Control and Debtor Collection Policy
- Fleet Management Policy
- Write-Off Policy

**Table - List of Financial Sector Plans and other:**

	<b>Section</b>	<b>Statutory Plans</b>	<b>Status</b>
1	<b>Fraud Prevention Plan</b>	The objective of this plan is to facilitate the development of controls which will aid in the detection and prevention of fraud against BCRM. It is the intent of BCRM to promote consistent organizational behaviour by providing guidelines and assigning responsibility for the development of controls and conduct of investigations.	Approved
2	<b>Strategic Risk Management Register</b>	The objective of this register is to facilitate the implementation of mitigating actions to improve service delivery and minimize the impacts of the potential risks within BCRM	Approved
3	<b>Budget</b>	1) Financial Plan / Budget  2) Service Level Standards	Approved
4	<b>Financial Recovery Plan</b>	N/A	Not applicable
5	<b>Business Continuity Plan</b>	To prepare the Municipality in the event of extended service outages caused by factors beyond our control (e.g., natural disasters, unforeseen events), and to restore services to the widest extent possible in a minimum time frame.	Approved but need to be reviewed.
6	<b>Revenue Enhancement</b>	This revenue enhancement strategy to present management methods on how to improve the revenue of the Blue Crane Route Municipality (EC102).	Approved
7	<b>MFMA Systems Delegations</b>	The principles document clarifies the roles and responsibilities between role players in the delegation process in order to ensure a hierarchy of delegations from executive authorities to officials in the administration. The executive (municipal councils) is responsible for providing political leadership by deciding on policies and outcomes whereas the municipal manager and other senior managers are responsible for implementation and outputs in respect of the expected deliverables.	Approved but need to be reviewed

## 7.5. OPERATING AND CAPITAL BUDGET

### 7.5.1. SALARY BUDGET OF THE MUNICIPALITY

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

Description	Actual 2020/21	Actual 2021/22	Adjusted Budget 2022/23	Estimated Budget 2023/24	Estimated Budget 2024/25	Estimated Budget 2025/26
Operational Budget	R303m	R345m	R346m	R373m	R393m	R417m
Salary Bill	R87m	R91m	R94m	R101m	R104m	R117m
Percentage	29%	26%	27%	27%	26%	28%

A Salary increase of 5.3% is included in the budget as the Agreement between SALGA. The Municipality need to take their affordability into account when consider any salary increase for 2025/26.

### 7.5.2. ABILITY OF THE MUNICIPALITY TO SPEND AND DELIVER ON THE PROGRAMMES

Table SA35 underneath reflects the capital budget per vote.

**EC102 Blue Crane Route - Supporting Table SA35 Future financial implications of the capital budget**

Vote Description	Ref	2025/26 Medium Term Revenue & Expenditure Framework					
		Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28	Forecast 2028/29	Forecast 2029/30	Present value
<b>R thousand</b>							
<b>Capital expenditure</b>	1						
Vote 1 - MAYORAL EXECUTIVE		-	-	-			
Vote 2 - MUNICIPAL COUNCIL		-	-	-			
Vote 3 - ACCOUNTING OFFICER		17	17	17			
Vote 4 - BUDGET & TREASURY		17	17	17			
Vote 5 - TECHNICAL SERVICES		57 901	39 681	39 286			
Vote 6 - COMMUNITY SAFETY & SOCIAL SERVICES		326	326	326			
Vote 7 - CORPORATE SERVICES		530	522	522			
<i>List entity summary if applicable</i>							
<b>Total Capital Expenditure</b>		<b>58 792</b>	<b>40 564</b>	<b>40 169</b>	-	-	-
<b>Future operational costs by vote</b>	2						
Vote 1 - MAYORAL EXECUTIVE		99	104	108			
Vote 2 - MUNICIPAL COUNCIL		6 755	7 060	7 238			
Vote 3 - ACCOUNTING OFFICER		11 297	11 909	12 516			
Vote 4 - BUDGET & TREASURY		52 960	54 927	56 820			
Vote 5 - TECHNICAL SERVICES		235 206	275 608	318 369			
Vote 6 - COMMUNITY SAFETY & SOCIAL SERVICES		37 953	39 988	45 546			
Vote 7 - CORPORATE SERVICES		11 977	12 653	13 307			
<i>List entity summary if applicable</i>							
<b>Total future operational costs</b>		<b>356 247</b>	<b>402 248</b>	<b>453 904</b>	-	-	-
<b>Future revenue by source</b>	3						
Exchange Revenue		8 659	212 188	239 220			
Service charges - Electricity		188 210	212 188	239 220			
Service charges - Water		19 030	20 172	21 382			
Service charges - Waste Water Management		9 463	10 031	10 633			
Service charges - Waste Management		15 636	16 574	17 568			
Agency services		955	1 012	1 073			
<i>List other revenues sources if applicable</i>							
<i>List entity summary if applicable</i>							
<b>Total future revenue</b>		<b>241 952</b>	<b>472 164</b>	<b>529 097</b>	-	-	-
<b>Net Financial Implications</b>		<b>173 087</b>	<b>(29 352)</b>	<b>(35 024)</b>	-	-	-

Table SA36 reflects the detailed estimated capital expenditure for 2025/2026; 2026/2027 and 2027/2028 financial years.

**EC102 Blue Crane Route - Supporting Table SA36 Detailed capital budget**

R thousand	Function	Project Description	2025/26 Medium Term Revenue & Expenditure Framework				
			Audited Outcome 2023/24	Current Year 2024/25 Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>Parent municipality:</b> <i>List all capital projects grouped by Function</i>							
	<b>ACCOUNTING OFFICER</b>	<b>Office Equipment</b>		11	12	14	16
	BUDGET PLANNING & IMPLEMENTATION	Office Equipment		11	12	14	16
	TECHNICAL SERVICES: ELECTRICITY	Equipment and Tools		50	60	80	100
	TECHNICAL SERVICES: ELECTRICITY	LED lighting on streetlights and high mast lights for Somerset East, Cookhouse and Pearston		3 000		3 478	4 348
	TECHNICAL SERVICES: ELECTRICITY	Upgrading of Somerset East Main sub-station (Roll over grant not approved)		3 062			
	TECHNICAL SERVICES: ELECTRICITY	Upgrading of Somerset East Main substation and Upgrading of Power Factor Correction				2 609	2 804
	TECHNICAL SERVICES: ELECTRICITY	Upgrading of Cookhouse Main substation and Upgrading of Power Factor Correction				870	870
	TECHNICAL SERVICES: ELECTRICITY	Upgrading of Pearston Main substation and Upgrading of Power Factor Correction				870	870
	TECHNICAL SERVICES: ELECTRICITY	Pre-Engineering of electrical Infrastructure for RDP Houses			539		
	TECHNICAL SERVICES: ELECTRICITY	Capital Expenditure: Transformers		1 100	800	1 000	1 200
	TECHNICAL SERVICES: WATER	Upgrade of Cookhouse Water Treatment Works		2 000	4 348	4 348	
	TECHNICAL SERVICES: WATER	Upgrade of Orange Fish WTW in Somerset East		16 000			
	TECHNICAL SERVICES: WATER	Pearston Bulk water supply Augmentation		5 499	4 348		1 848
	TECHNICAL SERVICES: WATER	Augmentation of Somerset East and Cookhouse boreholes		-			
	TECHNICAL SERVICES : WATER	Construction of 3x reservoirs in Pearston, Somerset East and Cookhouse					3 478
	TECHNICAL SERVICES : WATER	Water equipment and tools		45	50	60	70
	TECHNICAL SERVICES : PUBLIC WORKS	Generators		1 200			
	TECHNICAL SERVICES : PUBLIC WORKS	Replacement of Vehicles/bakkies		1 500			
	TECHNICAL SERVICES : PUBLIC WORKS	Equipment and Tools		55	60	70	80
	TECHNICAL SERVICES : SEWERAGE	Sewer equipment and tools		50	60	70	80
	TECHNICAL SERVICES : SEWERAGE	Refurbishment of Sewer Pump stations		1 250			

TECHNICAL SERVICES : MIG	Upgrading of Aeroville Sport fields		2 607	1 304	1 304	
TECHNICAL SERVICES : MIG	Paving of Gravel roads: Pearston		1 500	1 304	1 304	
TECHNICAL SERVICES : MIG	Paving of Gravel roads: Cookhouse		2 000	1 739	1 739	1 304
TECHNICAL SERVICES : MIG	Paving of Gravel roads: Somerset East		4 000	3 198	870	870
TECHNICAL SERVICES : MIG	Cookhouse Bulk water supply (Phase 2 C)		600			
TECHNICAL SERVICES : MIG	Upgrade Stormwater drainage ward 5		3 000	600	1 739	1 304
TECHNICAL SERVICES : MIG	Upgrade Westview Sport fields		1 147	4 348		1 565
TECHNICAL SERVICES : MIG	Refurbishment of Glen Avon and Mayila Streets			522	1 739	2 174
TECHNICAL SERVICES : MIG	Upgrading of Somerset East Sewer Pumpstations (River Lane, Memese, Mayila, Aeroville and Lifting Station)				4 348	4 348
TECHNICAL SERVICES : MIG	Construction of Khanyiso & Nelsig bridges				397	2 329
TECHNICAL SERVICES : MIG	Provision of Pearston Bulk Services		400			
COMMUNITY, SAFETY & SOCIAL SERVICES : ADMINISTRATION	Office Equipment		11	12	14	16
COMMUNITY, SAFETY & SOCIAL SERVICES : REFUSE SERVICES	Skip Tractor		150			
COMMUNITY, SAFETY & SOCIAL SERVICES : REFUSE SERVICES	TLB		950			
COMMUNITY, SAFETY & SOCIAL SERVICES : FIRE SERVICES	Fire plant and Equipment		1 601			
COMMUNITY, SAFETY & SOCIAL SERVICES : COMMONAGE	Construction of pound		450			
CORPORATE SERVICES: ADMINISTRATION	Photocopy machines - upgrade		900			
CORPORATE SERVICES: ADMINISTRATION	ICT Equipment/computers		220	250	300	350
CORPORATE SERVICES: ADMINISTRATION	Office Equipment		11	12	14	16
<b>Total Capital expenditure</b>		<b>-</b>	<b>54 380</b>	<b>23 578</b>	<b>27 250</b>	<b>30 055</b>

### **7.5.3. OPERATING AND CAPITAL BUDGET TABLES**

“On an annual basis, the mSCOA chart is reviewed to address implementation challenges and correct chart related errors. Toward this end, Version 6.9 is released with MFMA Circular 130. Version 6.9 of the chart is affected from 2025/2026.”

The following MTREF Budget Tables A1 to A10 reflect Version 6.9 of Schedule A1 (the Excel Formats) which is aligned to version 6.6 of the mSCOA classification framework that was used to compile the A Schedules of the 2023/2024 MTREF budget. The tables reflect the actuals for 2021/2022 to 2023/2024 financial years plus the current year's (2024/2025) budget, and the estimated for 2025/2026 to 2027/2028 financial years.

The annual budget of the municipality for the financial year 2025/2026 and the multi-year and single-year capital appropriations tabled as set out in the tables A1 to A5.

The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets tabled as set out in the tables A6 to A10.

**EC102 Blue Crane Route - Table A1 Budget Summary**

Description	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
	R thousands Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>Financial Performance</b>										
Property rates	23 816	24 316	28 215	28 326	19 638	19 638	(12 543)	21 602	23 762	26 138
Service charges	145 336	142 445	160 301	218 681	208 572	208 572	142 064	232 338	258 964	288 803
Investment revenue	935	1 102	3 801	1 007	3 500	3 500	4 321	–	–	–
Transfer and subsidies - Operational	68 657	70 510	74 254	81 831	82 829	82 829	76 473	80 716	82 868	88 573
Other own revenue	11 492	12 937	17 498	15 737	15 737	15 737	8 203	18 482	19 591	20 766
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>250 237</b>	<b>251 310</b>	<b>284 069</b>	<b>345 582</b>	<b>330 276</b>	<b>330 276</b>	<b>218 518</b>	<b>353 138</b>	<b>385 184</b>	<b>424 280</b>
Employee costs	91 283	91 979	102 820	105 560	106 093	106 093	77 054	117 728	124 321	131 034
Remuneration of councillors	4 443	4 547	4 951	5 170	5 170	5 170	3 927	5 334	5 574	5 713
Depreciation and amortisation	56 449	53 415	58 872	59 063	59 063	59 063	–	64 966	64 966	71 463
Interest	3 371	3 687	13 837	3 660	3 660	3 660	1 688	16 157	16 884	17 306
Inventory consumed and bulk purchases	115 020	111 177	132 639	132 871	129 099	129 099	13 943	145 197	162 634	182 217
Transfers and subsidies	927	1 036	1 089	1 136	1 136	1 136	–	1 186	1 239	1 270
Other expenditure	50 438	52 774	75 698	67 808	66 960	66 960	35 813	64 472	67 194	85 070
<b>Total Expenditure</b>	<b>321 930</b>	<b>318 615</b>	<b>389 907</b>	<b>375 268</b>	<b>371 180</b>	<b>371 180</b>	<b>132 425</b>	<b>415 039</b>	<b>442 812</b>	<b>494 073</b>
<b>Surplus/(Deficit)</b>	<b>(71 693)</b>	<b>(67 305)</b>	<b>(105 837)</b>	<b>(29 685)</b>	<b>(40 904)</b>	<b>(40 904)</b>	<b>86 094</b>	<b>(61 901)</b>	<b>(57 628)</b>	<b>(69 793)</b>
Transfers and subsidies - capital (monetary allocations)	26 284	37 721	48 219	55 895	82 682	82 682	17 078	64 731	43 768	43 314
Transfers and subsidies - capital (in-kind)	2 900	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(42 509)</b>	<b>(29 584)</b>	<b>(57 619)</b>	<b>26 210</b>	<b>41 779</b>	<b>41 779</b>	<b>103 171</b>	<b>2 830</b>	<b>(13 860)</b>	<b>(26 478)</b>
Share of surplus/ (deficit) of associate Intercompany/Parent subsidiary transactions	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) for the year</b>	<b>(42 509)</b>	<b>(29 584)</b>	<b>(57 619)</b>	<b>26 210</b>	<b>41 779</b>	<b>41 779</b>	<b>103 171</b>	<b>2 830</b>	<b>(13 860)</b>	<b>(26 478)</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>6 383</b>	<b>46 720</b>	<b>3 715</b>	<b>51 354</b>	<b>75 693</b>	<b>75 693</b>	<b>38 933</b>	<b>58 792</b>	<b>40 564</b>	<b>40 169</b>
Transfers recognised - capital	6 383	37	3 620	48 604	73 237	73 237	38 532	56 288	38 060	37 665
Borrowing	–	–	44	–	–	–	–	–	–	–
Internally generated funds	–	34	246	2 750	2 456	2 456	402	2 504	2 504	2 504
<b>Total sources of capital funds</b>	<b>6 383</b>	<b>71</b>	<b>3 911</b>	<b>51 354</b>	<b>75 693</b>	<b>75 693</b>	<b>38 933</b>	<b>58 792</b>	<b>40 564</b>	<b>40 169</b>
<b>Financial position</b>										
Total current assets	87 802	84 367	162 931	97 332	80 371	80 371	280 125	117 430	153 037	347 701
Total non-current assets	883 286	842 428	828 457	862 820	887 159	887 159	867 119	864 441	(22 576)	(29 369)
Total current liabilities	96 880	129 277	235 536	79 451	101 180	101 180	289 072	126 883	139 139	339 392
Total non-current liabilities	60 141	37 421	60 544	64 838	64 838	64 838	59 981	62 506	5 182	5 419
Community wealth/Equity	814 067	786 434	723 078	789 653	800 090	800 090	596 609	789 653	–	–

<b>Cash flows</b>										
Net cash from (used) operating	182 551	195 463	171 968	86 770	112 800	112 800	(268 076)	116 217	162 525	144 322
Net cash from (used) investing	12 193	14 877	94 139	–	–	–	86 237	(67 251)	(54 445)	(51 657)
Net cash from (used) financing	70	43	(42)	(1 154)	(1 154)	(1 154)	–	(1 200)	–	–
<b>Cash/cash equivalents at the year end</b>	221 166	231 809	276 558	102 240	128 270	128 270	(141 956)	64 390	172 470	265 135
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	21 426	10 494	39 883	37 917	40 523	40 523	83 823	64 390	108 080	92 665
Application of cash and investments	26 263	81 528	161 945	17 579	6 326	6 326	222 176	56 723	16 651	340 200
<b>Balance - surplus (shortfall)</b>	(4 837)	(71 034)	(122 062)	20 338	34 197	34 197	(138 353)	7 667	91 429	(247 535)
<b>Asset management</b>										
Asset register summary (WDV)	883 286	842 428	828 457	862 820	887 159	887 159		864 441	(22 576)	(29 369)
Depreciation	56 449	53 415	58 872	59 063	59 063	59 063		64 966	64 966	71 463
Renewal and Upgrading of Existing Assets	–	77	1 693	35 935	68 819	68 819		44 919	17 495	14 771
Repairs and Maintenance	2 160	1 736	3 921	4 088	4 757	4 757		6 339	6 630	6 902
<b>Free services</b>										
Cost of Free Basic Services provided	(30 500)	(27 009)	5 788	24 826	25 155	25 155		27 059	29 128	31 378
Revenue cost of free services provided	–	–	–	–	–	–		–	–	–

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

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

Functional Classification Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>R thousand</b>	<b>1</b>									
<b><u>Revenue - Functional</u></b>										
<b><i>Governance and administration</i></b>		<b>79 692</b>	<b>120 240</b>	<b>134 649</b>	<b>87 268</b>	<b>79 628</b>	<b>79 628</b>	<b>82 940</b>	<b>88 081</b>	<b>93 395</b>
Executive and council		27 289	63 385	67 222	27 160	27 160	27 160	27 916	28 760	30 057
Finance and administration		52 404	56 855	67 427	60 108	52 468	52 468	55 024	59 321	63 338
Internal audit		–	–	–	–	–	–	–	–	–
<b><i>Community and public safety</i></b>		<b>2 481</b>	<b>2 454</b>	<b>4 297</b>	<b>2 957</b>	<b>5 957</b>	<b>5 957</b>	<b>2 972</b>	<b>2 988</b>	<b>3 006</b>
Community and social services		2 402	2 393	2 411	2 822	5 822	5 822	2 829	2 837	2 845
Sport and recreation		60	55	29	90	90	90	96	101	107
Public safety		16	6	1 855	45	45	45	48	50	54
Housing		–	–	–	–	–	–	–	–	–
Health		3	0	2	–	–	–	–	–	–
<b><i>Economic and environmental services</i></b>		<b>8 033</b>	<b>3 958</b>	<b>8 526</b>	<b>5 962</b>	<b>5 962</b>	<b>5 962</b>	<b>3 104</b>	<b>1 889</b>	<b>2 003</b>
Planning and development		–	9	–	–	–	–	–	–	–
Road transport		8 033	3 949	8 526	5 962	5 962	5 962	3 104	1 889	2 003
Environmental protection		–	–	–	–	–	–	–	–	–
<b><i>Trading services</i></b>		<b>189 215</b>	<b>162 379</b>	<b>184 817</b>	<b>305 291</b>	<b>321 412</b>	<b>321 412</b>	<b>328 852</b>	<b>335 994</b>	<b>369 191</b>
Energy sources		126 018	112 610	127 343	214 445	233 017	233 017	222 351	235 796	263 672
Water management		35 015	34 186	36 870	48 486	46 036	46 036	62 302	53 915	56 753
Waste water management		13 277	6 025	9 001	19 090	19 090	19 090	19 748	20 627	21 706

Waste management		14 905	9 558	11 603	23 269	23 269	23 269	24 451	25 656	27 060
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	<b>2</b>	<b>279 421</b>	<b>289 031</b>	<b>332 288</b>	<b>401 477</b>	<b>412 958</b>	<b>412 958</b>	<b>417 869</b>	<b>428 953</b>	<b>467 594</b>
<b><u>Expenditure - Functional</u></b>	<b>-</b>									
<b><i>Governance and administration</i></b>		<b>75 699</b>	<b>73 668</b>	<b>161 776</b>	<b>97 023</b>	<b>98 188</b>	<b>98 188</b>	<b>118 468</b>	<b>122 758</b>	<b>127 688</b>
Executive and council		10 275	10 859	13 269	12 149	12 153	12 153	12 666	13 289	13 781
Finance and administration		63 799	61 392	146 702	82 977	84 142	84 142	103 810	107 370	111 702
Internal audit		1 625	1 417 (3)	1 805	1 897	1 893	1 893	1 992	2 099	2 205
<b><i>Community and public safety</i></b>		<b>11 907</b>	<b>373)</b>	<b>4 611</b>	<b>16 117</b>	<b>17 031</b>	<b>17 031</b>	<b>17 564</b>	<b>18 482</b>	<b>19 443</b>
Community and social services		7 777	7 925 (13)	(365)	8 763	10 178	10 178	10 411	10 971	11 559
Sport and recreation		893	945)	1 156	1 159	1 133	1 133	1 341	1 410	1 474
Public safety		3 015	2 640	3 816	5 666	5 202	5 202	5 462	5 735	6 034
Housing		-	-	-	-	-	-	-	-	-
Health		222	6	4	528	518	518	350	366	375
<b><i>Economic and environmental services</i></b>		<b>43 673</b>	<b>74 498</b>	<b>17 071</b>	<b>47 370</b>	<b>47 721</b>	<b>47 721</b>	<b>53 635</b>	<b>55 764</b>	<b>60 818</b>
Planning and development		2 064	2 268	1 921	3 379	3 354	3 354	3 495	4 687	5 539
Road transport		41 609	72 229	15 150	43 991	44 367	44 367	50 140	51 078	55 279
Environmental protection		-	-	-	-	-	-	-	-	-
<b><i>Trading services</i></b>		<b>190 652</b>	<b>173 822</b>	<b>206 449</b>	<b>214 758</b>	<b>208 240</b>	<b>208 240</b>	<b>225 372</b>	<b>245 808</b>	<b>286 125</b>
Energy sources		128 351	125 856	144 752	151 891	144 436	144 436	174 877	193 442	217 092
Water management		26 663	23 005	30 311	29 490	30 477	30 477	23 698	24 505	33 307
Waste water management		17 042	6 743	11 399	13 709	13 687	13 687	12 612	12 917	16 547
Waste management		18 595	18 217	19 987	19 667	19 641	19 641	14 185	14 943	19 178
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>321 930</b>	<b>318 615</b>	<b>389 907</b>	<b>375 268</b>	<b>371 180</b>	<b>371 180</b>	<b>415 039</b>	<b>442 812</b>	<b>494 073</b>
<b>Surplus/(Deficit) for the year</b>		<b>(42 509)</b>	<b>584)</b>	<b>619)</b>	<b>26 210</b>	<b>41 779</b>	<b>41 779</b>	<b>2 830</b>	<b>(13 860)</b>	<b>(26 478)</b>

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

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

Vote Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>Revenue by Vote</b>	1									
Vote 1 - MAYORAL EXECUTIVE		-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL COUNCIL		27 289	63 385	67 222	27 160	27 160	27 160	27 916	28 760	30 057
Vote 3 - ACCOUNTING OFFICER		-	9	-	-	-	-	-	-	-
Vote 4 - BUDGET & TREASURY		36 244	36 412	49 475	42 512	36 317	36 317	37 228	40 382	43 699
Vote 5 - TECHNICAL SERVICES		197 026	172 651	197 804	303 676	319 767	319 767	323 284	329 029	361 507
Vote 6 - COMMUNITY SAFETY & SOCIAL SERVICES		18 832	16 214	17 572	27 777	29 363	29 363	29 068	30 387	31 913
Vote 7 - CORPORATE SERVICES		30	359	215	352	352	352	373	395	419
<b>Total Revenue by Vote</b>	2	<b>279 421</b>	<b>289 031</b>	<b>332 288</b>	<b>401 477</b>	<b>412 958</b>	<b>412 958</b>	<b>417 869</b>	<b>428 953</b>	<b>467 594</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 1 - MAYORAL EXECUTIVE		279	1	-	118	118	118	99	104	108
Vote 2 - MUNICIPAL COUNCIL		5 223	5 915	7 005	6 530	6 530	6 530	6 755	7 060	7 238
Vote 3 - ACCOUNTING OFFICER		8 461	6 635	9 991	10 777	10 775	10 775	11 314	11 926	12 534
Vote 4 - BUDGET & TREASURY		41 473	45 986	118 527	48 851	50 131	50 131	52 978	54 945	56 838
Vote 5 - TECHNICAL SERVICES		223 574	234 520	212 090	256 374	250 134	250 134	293 107	315 289	357 655
Vote 6 - COMMUNITY SAFETY & SOCIAL SERVICES		35 925	19 920	31 011	41 772	42 647	42 647	38 279	40 314	45 873
Vote 7 - CORPORATE SERVICES		6 994	5 638	11 284	10 845	10 845	10 845	12 508	13 175	13 829
<b>Total Expenditure by Vote</b>	2	<b>321 930</b>	<b>318 615</b>	<b>389 907</b>	<b>375 268</b>	<b>371 180</b>	<b>371 180</b>	<b>415 039</b>	<b>442 812</b>	<b>494 073</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>(42 509)</b>	<b>(29 584)</b>	<b>(57 619)</b>	<b>26 210</b>	<b>41 779</b>	<b>41 779</b>	<b>2 830</b>	<b>(13 860)</b>	<b>(26 478)</b>

**TABLE A4 – BUDGETED FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE)**

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

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>Revenue</b>											
<b>Exchange Revenue</b>											
Service charges - Electricity	2	117 510	111 894	123 161	177 050	166 941	166 941	111 105	188 210	212 188	239 220
Service charges - Water	2	13 839	14 968	18 287	17 953	17 953	17 953	14 167	19 030	20 172	21 382
Service charges - Waste Water Management	2	5 555	6 025	7 251	8 927	8 927	8 927	6 456	9 463	10 031	10 633
Service charges - Waste Management	2	8 432	9 558	11 603	14 751	14 751	14 751	10 336	15 636	16 574	17 568
Sale of Goods and Rendering of Services		484	460	1 257	637	637	637	2 482	675	716	759
Agency services		725	782	541	901	901	901	637	955	1 012	1 073
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	4	4	8 239	13 473	9	9 511	9	1 589	11	12 596	13 352
Interest earned from Current and Non Current Assets	438	935	1 102	3 801	1	3 500	3	4 321	-	-	-
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land	83	83	77	77	136	136	136	68	144	153	162
Rental from Fixed Assets		505	572	647	610	610	610	505	646	685	726
Licence and permits	3	3	0	2	-	-	-	249	-	-	-
Special rating levies		-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	2 213	2 426	952	3 065	3 065	3 065	294	3 248	3 443	3 650
<b>Non-Exchange Revenue</b>											
Property rates	2	23 816	24 316	28 215	28 326	19 638	19 638	(12 543)	21 602	23 762	26 138
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		304	236	162	334	334	334	239	354	375	398
Licences or permits		277	431	387	543	543	543	170	576	610	647

Transfer and subsidies - Operational		657	68	70 510	74 254	831	81	82 829	829	82	76 473	716	80	82 868	88 573
Interest			-	-	-		-	-		-	1 969		-	-	-
Fuel Levy			-	-	-		-	-		-	-		-	-	-
Operational Revenue			-	-	-		-	-		-	-		-	-	-
Gains on disposal of Assets		375	2	-	-	-	-	-	-	-	-	-	-	-	-
Other Gains		87		(286)	-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations			-	-	-		-	-		-	-		-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>237</b>	<b>250</b>	<b>251 310</b>	<b>284 069</b>	<b>582</b>	<b>345</b>	<b>330 276</b>	<b>276</b>	<b>330</b>	<b>218 518</b>	<b>138</b>	<b>353</b>	<b>385 184</b>	<b>424 280</b>
<b>Expenditure</b>															
Employee related costs	2	283	91	91 979	102 820	560	105	106 093	093	106	77 054	728	117	124 321	131 034
Remuneration of councillors		443	4	4 547	4 951	170	5	5 170	170	5	3 927	334	5	5 574	5 713
Bulk purchases - electricity	2	082	108	102 968	123 757	508	123	117 228	228	117	9 593	163	132	149 001	167 984
Inventory consumed	8	937	6	8 209	8 882	363	9	11 870	870	11	4 350	033	13	13 633	14 233
Debt impairment	3		-	22 366	52 493	509	28	28 509	509	28	-	053	14	14 053	28 509
Depreciation and amortisation		449	56	53 415	58 872	063	59	59 063	063	59	-	966	64	64 966	71 463
Interest		371	3	3 687	13 837	660	3	3 660	660	3	1 688	157	16	16 884	17 306
Contracted services		623	8	9 352	8 362	345	11	12 727	727	12	13 808	829	11	13 373	16 079
Transfers and subsidies		927		1 036	1 089	136	1	1 136	136	1	-	186	1	1 239	1 270
Irrecoverable debts written off		613	29	7 865	-	-	-	-	-	-	-	643	12	12 643	12 643
Operational costs		186	12	13 056	14 842	954	27	25 723	723	25	22 004	946	25	27 124	27 839
Losses on disposal of Assets			-	-	-	-	-	-	-	-	-	-	-	-	-
Other Losses		15		134	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>930</b>	<b>321</b>	<b>318 615</b>	<b>389 907</b>	<b>268</b>	<b>375</b>	<b>371 180</b>	<b>180</b>	<b>371</b>	<b>132 425</b>	<b>039</b>	<b>415</b>	<b>442 812</b>	<b>494 073</b>
<b>Surplus/(Deficit)</b>		<b>693</b>	<b>(71)</b>	<b>(67 305)</b>	<b>(105 837)</b>	<b>685</b>	<b>(29)</b>	<b>(40 904)</b>	<b>904</b>	<b>(40)</b>	<b>86 094</b>	<b>901</b>	<b>(61)</b>	<b>(57 628)</b>	<b>(69 793)</b>
Transfers and subsidies - capital (monetary allocations)	6	284	26	37 721	48 219	895	55	82 682	682	82	17 078	731	64	43 768	43 314
Transfers and subsidies - capital (in-kind)	6	900	2	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>509</b>	<b>(42)</b>	<b>(29 584)</b>	<b>(57 619)</b>	<b>210</b>	<b>26</b>	<b>41 779</b>	<b>779</b>	<b>41</b>	<b>103 171</b>	<b>830</b>	<b>2</b>	<b>(13 860)</b>	<b>(26 478)</b>

Income Tax		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>(42)</b>			26		41		2		
Share of Surplus/Deficit attributable to Joint Venture			(29 584)	(57 619)	210	41 779	779	103 171	830	(13 860)	(26 478)
Share of Surplus/Deficit attributable to Minorities											
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(42)</b>			26		41		2		
Share of Surplus/Deficit attributable to Associate	7										
Intercompany/Parent subsidiary transactions											
<b>Surplus/(Deficit) for the year</b>	1	<b>(42)</b>	<b>(29 584)</b>	<b>(57 619)</b>	<b>210</b>	<b>41 779</b>	<b>779</b>	<b>103 171</b>	<b>830</b>	<b>(13 860)</b>	<b>(26 478)</b>

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

Vote Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework										
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28								
<b>R thousand</b>	1																		
<b>Capital expenditure - Vote</b>																			
<b>Multi-year expenditure to be appropriated</b>	2																		
Vote 1 - MAYORAL EXECUTIVE		-	-	-	-	-	-	-	-	-	-								
Vote 2 - MUNICIPAL COUNCIL		-	-	-	-	-	-	-	-	-	-								
Vote 3 - ACCOUNTING OFFICER		-	-	-	-	-	-	-	-	-	-								
Vote 4 - BUDGET & TREASURY		-	(955)	-	-	-	-	-	-	-	-								
Vote 5 - TECHNICAL SERVICES		-	-	2	43	66	66	34	55	35	35								
Vote 6 - COMMUNITY SAFETY & SOCIAL SERVICES		-	(0)	144	896	949	949	938	592	409	665								
Vote 7 - CORPORATE SERVICES		-	-	851	-	522	522	398	-	-	-								
Vote 8 - [NAME OF VOTE 8]		-	-	9	360	313	313	286	504	504	504								
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-								
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-								
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-								
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-								
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-								
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-								
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-								
<b>Capital multi-year expenditure sub-total</b>		-	(955)	003	3	256	44	783	67	783	67	623	35	097	56	913	35	169	36
<b>Single-year expenditure to be appropriated</b>	2																		
Vote 1 - MAYORAL EXECUTIVE		-	-	-	-	-	-	-	-	-	-								
Vote 2 - MUNICIPAL COUNCIL		-	-	-	-	-	-	-	-	-	-								
Vote 3 - ACCOUNTING OFFICER		-	-	-	20	12	12	-	17	17	17								

Vote 4 - BUDGET & TREASURY		-	603	47	(16)	20	23	23	-	17	17	17
Vote 5 - TECHNICAL SERVICES		383	37		663	443	083	083	196	308	272	621
Vote 6 - COMMUNITY SAFETY & SOCIAL SERVICES		-	-		45	375	583	583	115	326	326	326
Vote 7 - CORPORATE SERVICES		-	34		20	240	209	209	-	26	17	17
Vote 8 - [NAME OF VOTE 8]		-	-		-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-		-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-		-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-		-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-		-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-		-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-		-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-		-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		<b>383</b>	<b>674</b>	<b>47</b>	<b>712</b>	<b>098</b>	<b>910</b>	<b>910</b>	<b>311</b>	<b>695</b>	<b>650</b>	<b>000</b>
<b>Total Capital Expenditure - Vote</b>	3,7	<b>383</b>	<b>720</b>	<b>46</b>	<b>715</b>	<b>354</b>	<b>693</b>	<b>693</b>	<b>933</b>	<b>792</b>	<b>564</b>	<b>169</b>
<b>Capital Expenditure - Functional</b>												
<b>Governance and administration</b>		-	130	45	13	955	943	943	362	1	952	943
Executive and council		-	-	-	-	20	12	12	-	-	17	17
Finance and administration		-	130	45	13	935	931	931	362	1	934	926
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	(0)		251	739	582	582	662	1	581	3
Community and social services		-	(0)		896	46	819	819	398	1	40	40
Sport and recreation		-	-		356	348	614	614	149	3	391	3
Public safety		-	-		-	171	149	149	115	1	149	149
Housing		-	-		-	174	-	-	-	-	-	-
Health		-	-		-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		-	37		463	033	137	137	888	6	835	4
						10	9	9			5	11

Planning and development		-	-	-	-	10	9	9	6	4	5	11									
Road transport		-	37	463	033	137	137	888	835	352	525										
Environmental protection		-	-	-	-	-	-	-	-	-	-										
<b>Trading services</b>		<b>383</b>	<b>6</b>	<b>553</b>	<b>1</b>	<b>988</b>	<b>1</b>	<b>627</b>	<b>39</b>	<b>030</b>	<b>60</b>	<b>030</b>	<b>60</b>	<b>022</b>	<b>29</b>	<b>424</b>	<b>49</b>	<b>079</b>	<b>34</b>	<b>512</b>	<b>27</b>
Energy sources		-	-	894	1	629	24	474	49	474	49	952	22	987	20	220	13	801			
Water management		383	6	-	105	424	6	884	6	884	6	456	3	743	22	961	13	526	15		
Waste water management		-	-	(45)	678	6	3	048	3	048	3	314	2	557	5	761	6	48			
Waste management		-	553	1	33	896	1	625	625	299	137	137	137								
<b>Other</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>Total Capital Expenditure - Functional</b>	3,7	<b>383</b>	<b>6</b>	<b>720</b>	<b>46</b>	<b>715</b>	<b>3</b>	<b>354</b>	<b>51</b>	<b>693</b>	<b>75</b>	<b>693</b>	<b>75</b>	<b>933</b>	<b>38</b>	<b>792</b>	<b>58</b>	<b>564</b>	<b>40</b>	<b>169</b>	<b>40</b>
<b>Funded by:</b>																					
National Government		-	37	393	3	604	48	458	71	458	71	532	38	288	56	060	38	665	37		
Provincial Government		-	-	227	-	270	1	270	1	-	-	-	-	-	-	-	-	-	-		
District Municipality		383	6	(0)	-	509	-	509	-	-	-	-	-	-	-	-	-	-	-		
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>Transfers recognised - capital Public contributions &amp; donations</b>	4	<b>383</b>	<b>6</b>	<b>37</b>	<b>3</b>	<b>620</b>	<b>48</b>	<b>237</b>	<b>73</b>	<b>237</b>	<b>73</b>	<b>532</b>	<b>38</b>	<b>288</b>	<b>56</b>	<b>060</b>	<b>38</b>	<b>665</b>	<b>37</b>		
<b>Borrowing</b>	5	-	-	44	-	2	-	2	-	2	-	-	-	2	-	2	-	2	-		
<b>Internally generated funds</b>	6	-	34	246	750	456	2	456	2	402	2	504	2	504	2	504	2	504	2		
<b>Total Capital Funding</b>	7	<b>383</b>	<b>6</b>	<b>71</b>	<b>3</b>	<b>911</b>	<b>51</b>	<b>693</b>	<b>75</b>	<b>693</b>	<b>75</b>	<b>933</b>	<b>38</b>	<b>792</b>	<b>58</b>	<b>564</b>	<b>40</b>	<b>169</b>	<b>40</b>		







6.8 - Cemeteries Parks and Open spaces	-	-	-	26	23	23	-	23	23	23
6.9 - Community Services: Administration	-	-	-	20	670	670	-	17	17	17
	-	-	-	-	-	-	-	-	-	-
<b>Vote 7 - CORPORATE SERVICES</b>	-	34	20	240	209	209	-	26	17	17
7.1 - Human Resources	-	-	-	-	-	-	-	-	-	-
7.2 - Legal services	-	-	-	-	-	-	-	-	-	-
7.3 - Corporate services: Administration	-	34	20	240	209	209	-	26	17	17
	-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>	6 383	47 674	712	7 098	7 910	7 910	3 311	2 695	4 650	4 000
<b>Total Capital Expenditure</b>	6 383	46 720	3 715	51 354	75 693	75 693	38 933	58 792	40 564	40 169

**TABLE A6 – BUDGETED FINANCIAL POSITION**

**EC102 Blue Crane Route - Table A6 Budgeted Financial Position**

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28	
<b>R thousand</b>												
<b>ASSETS</b>												
<b>Current assets</b>												
Cash and cash equivalents		426	494	883	917	523	523	823	390	080	665	
Trade and other receivables from exchange transactions	1	(3)	31	27	21	14	14	58	27		240	
Receivables from non-exchange transactions	1	40	(11)	6	30	21	21	28	21	23	26	
Current portion of non-current receivables		847	870)	142	176	487	487	533	732	821	201	
Inventory	2	–	–	–	–	–	–	–	–	–	–	
VAT		1	1	1	2	1	1	1		(6	(17	
Other current assets		182	124	890	399	551	551	396	(885)	503)	394)	
		26	51	85	4	1	1	103	3	27	6	
		430	349	760	133	138	138	130	580	337	101	
		1	1	1	1	1	1	4	1			
		047	440	286	125	125	125	760	125	–	–	
<b>Total current assets</b>		<b>87</b>	<b>84</b>	<b>162</b>	<b>97</b>	<b>80</b>	<b>80</b>	<b>280</b>	<b>117</b>	<b>153</b>	<b>347</b>	
<b>Non current assets</b>												
Investments		–	–	–	–	–	–	–	–	–	–	
Investment property		(26	(28	(30	39	39	39	(30	39	–	–	
Property, plant and equipment	3	562)	604)	646)	869	869	869	646)	869	–	–	
Biological assets		909	870	858	822	846	846	897	824	(22	(29	
Living and non-living resources		389	574	645	492	831	831	308	113	576)	369)	
Heritage assets		–	–	–	–	–	–	–	–	–	–	
Intangible assets		–	–	–	–	–	–	–	–	–	–	
Trade and other receivables from exchange transactions		458	458	458	458	458	458	458	458	–	–	
Non-current receivables from non-exchange transactions		1	–	–	1	1	1	–	1	–	–	
Other non-current assets		–	–	–	–	–	–	–	–	–	–	
<b>Total non current assets</b>		<b>883</b>	<b>842</b>	<b>828</b>	<b>862</b>	<b>887</b>	<b>887</b>	<b>867</b>	<b>864</b>	<b>(22</b>	<b>(29</b>	
<b>TOTAL ASSETS</b>		<b>286</b>	<b>428</b>	<b>457</b>	<b>820</b>	<b>159</b>	<b>159</b>	<b>119</b>	<b>441</b>	<b>576)</b>	<b>369)</b>	
<b>LIABILITIES</b>												
<b>Current liabilities</b>		<b>971</b>	<b>926</b>	<b>991</b>	<b>960</b>	<b>967</b>	<b>967</b>	<b>1 147</b>	<b>981</b>	<b>130</b>	<b>318</b>	
		<b>088</b>	<b>795</b>	<b>388</b>	<b>152</b>	<b>530</b>	<b>530</b>	<b>244</b>	<b>872</b>	<b>461</b>	<b>332</b>	

Bank overdraft		-	-	-	-	-	-	-	-	-	-	-	-
Financial liabilities		958	050	050	846	846	846	050	300	-	-	-	-
Consumer deposits		054	875	833	054	054	054	859	054	-	-	-	-
Trade and other payables from exchange transactions	4	41	60	149	57	48	48	135	109	99	365	-	-
Trade and other payables from non-exchange transactions	5	23	9	8	5	3	3	52	(4)	(1)	(25)	931	-
Provision		2	3	4				4			95		
VAT		25	52	68	10	42	42	91	14	41	-	-	-
Other current liabilities		-	-	-	-	-	-	-	-	-	-	-	-
<b>Total current liabilities</b>		<b>96</b>	<b>129</b>	<b>235</b>	<b>79</b>	<b>101</b>	<b>101</b>	<b>289</b>	<b>126</b>	<b>139</b>	<b>339</b>		
<b>Non current liabilities</b>													
Financial liabilities	6	4	3	2	3	3	3	1	3	-	-	-	-
Provision	7	30	33	34	34	34	34	34	32	1	1	500	-
Long term portion of trade payables		-	-	-	-	-	-	-	-	-	-	-	-
Other non-current liabilities		24		24	26	26	26	24	26	3	3	919	-
<b>Total non current liabilities</b>		<b>60</b>	<b>37</b>	<b>60</b>	<b>64</b>	<b>64</b>	<b>64</b>	<b>59</b>	<b>62</b>	<b>5</b>	<b>5</b>		
<b>TOTAL LIABILITIES</b>		<b>157</b>	<b>166</b>	<b>296</b>	<b>144</b>	<b>166</b>	<b>166</b>	<b>349</b>	<b>189</b>	<b>144</b>	<b>344</b>		
<b>NET ASSETS</b>		<b>814</b>	<b>760</b>	<b>695</b>	<b>815</b>	<b>801</b>	<b>801</b>	<b>798</b>	<b>792</b>	<b>(13)</b>	<b>(26)</b>		
<b>COMMUNITY WEALTH/EQUITY</b>													
Accumulated surplus/(deficit)	8	814	786	723	789	800	800	596	789	-	-	-	-
Reserves and funds	9	-	-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	10	<b>814</b>	<b>786</b>	<b>723</b>	<b>789</b>	<b>800</b>	<b>800</b>	<b>596</b>	<b>789</b>	<b>-</b>	<b>-</b>		



Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-	-								
Increase (decrease) in consumer deposits		70	43	(42)	-	-	-	-	-	-	-	-	-								
<b>Payments</b>																					
<b>Repayment of borrowing</b>		-	-	-	154	(1)	154	(1)	154	(1)	-	200	(1)								
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>70</b>	<b>43</b>	<b>(42)</b>	<b>154</b>	<b>(1)</b>	<b>154</b>	<b>(1)</b>	<b>154</b>	<b>(1)</b>	<b>-</b>	<b>200</b>	<b>(1)</b>								
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>814</b>	<b>194</b>	<b>383</b>	<b>210</b>	<b>065</b>	<b>266</b>	<b>616</b>	<b>85</b>	<b>646</b>	<b>111</b>	<b>646</b>	<b>111</b>	<b>839</b>	<b>(181)</b>	<b>766</b>	<b>47</b>	<b>080</b>	<b>108</b>	<b>665</b>	<b>92</b>
<b>Cash/cash equivalents at the year begin:</b>	2	<b>352</b>	<b>26</b>	<b>426</b>	<b>21</b>	<b>494</b>	<b>10</b>	<b>624</b>	<b>16</b>	<b>624</b>	<b>16</b>	<b>624</b>	<b>16</b>	<b>883</b>	<b>39</b>	<b>624</b>	<b>16</b>	<b>390</b>	<b>64</b>	<b>470</b>	<b>172</b>
<b>Cash/cash equivalents at the year end:</b>	2	<b>166</b>	<b>221</b>	<b>809</b>	<b>231</b>	<b>558</b>	<b>276</b>	<b>240</b>	<b>102</b>	<b>270</b>	<b>128</b>	<b>270</b>	<b>128</b>	<b>956</b>	<b>(141)</b>	<b>390</b>	<b>64</b>	<b>470</b>	<b>172</b>	<b>135</b>	<b>265</b>

**TABLE A8 – CASH BACK RESERVES / ACCUMMULATED SURPLUS RECONCILIATION**

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

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28	
<b>R thousand</b>												
<b>Cash and investments available</b>												
Cash/cash equivalents at the year end	1	221 166	231 809	276 558	102 240	128 270	128 270	(141) 956	64 390	172 470	265 135	
Other current investments > 90 days		(199) 741)	(221) 315)	(236) 675)	(64) 323)	(87) 747)	(87) 747)	225 779	-	(64) 390)	(172) 470)	
Non current Investments	1	-	-	-	-	-	-	-	-	-	-	
<b>Cash and investments available:</b>		<b>21</b> <b>426</b>	<b>10</b> <b>494</b>	<b>39</b> <b>883</b>	<b>37</b> <b>917</b>	<b>40</b> <b>523</b>	<b>40</b> <b>523</b>	<b>83</b> <b>823</b>	<b>64</b> <b>390</b>	<b>108</b> <b>080</b>	<b>92</b> <b>665</b>	
<b>Application of cash and investments</b>												
Trade payables from Non-exchange transactions: Unspent conditional Grants		19 922	7 156	6 000	4 283	2 577	2 577	49 894	(5) 263)	(3) 001)	(27) 201)	
Unspent borrowing		-	-	-	-	-	-	-	-	-	-	
Statutory requirements	2	-	-	16 159	(10) 786)	(19) 125)	(19) 125)	12 314	(19) 992)	(54) 210)	6 101	
Other working capital requirements	3	6 341	74 372	144 769	24 426	23 220	23 220	164 951	82 323	73 862	361 300	
Other provisions		-	-	(4) 984)	(345) (345)	(345) (345)	(345) (345)	(4) 984)	(345) (345)	-	-	
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-	
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-	
<b>Total Application of cash and investments:</b>		<b>26</b> <b>263</b>	<b>81</b> <b>528</b>	<b>161</b> <b>945</b>	<b>17</b> <b>579</b>	<b>6</b> <b>326</b>	<b>6</b> <b>326</b>	<b>222</b> <b>176</b>	<b>56</b> <b>723</b>	<b>16</b> <b>651</b>	<b>340</b> <b>200</b>	
<b>Surplus(shortfall)</b>		<b>(4)</b> <b>837)</b>	<b>(71)</b> <b>034)</b>	<b>(122)</b> <b>062)</b>	<b>20</b> <b>338</b>	<b>34</b> <b>197</b>	<b>34</b> <b>197</b>	<b>(138)</b> <b>353)</b>	<b>7</b> <b>667</b>	<b>91</b> <b>429</b>	<b>(247)</b> <b>535)</b>	

## TABLE A9 – ASSET MANAGEMENT

### EC102 Blue Crane Route - Table A9 Asset Management

Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25			2025/26 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
<b>R thousand</b>										
<b>CAPITAL EXPENDITURE</b>										
<b><u>Total New Assets</u></b>	1	383	642	022	419	874	874	873	069	398
<i>Roads Infrastructure</i>		-	-	-	261	447	447	-	130	706
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	927	548	932	932	043	085	797
<i>Water Supply Infrastructure</i>		-	(955)	-	217	-	-	543	566	609
<i>Sanitation Infrastructure</i>		-	(0)	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		-	(955)	927	026	378	378	586	782	111
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		-	-	-	-	-	-	-	-	-
<b>Heritage Assets</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	44	171	410	410	149	149	149
Housing		-	-	-	174	-	-	-	-	-



Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-	-	-						
<b>Community Assets</b>	-	-	-	-	-	-	-	-	-	-	-						
<b>Heritage Assets</b>	-	-	-	-	-	-	-	-	-	-	-						
Revenue Generating	-	-	-	-	-	-	-	-	-	-	-						
Non-revenue Generating	-	-	-	-	-	-	-	-	-	-	-						
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-	-	-						
Operational Buildings	-	-	-	200	174	174	174	174	174	174	174						
Housing	-	-	-	-	-	-	-	-	-	-	-						
<b>Other Assets</b>	-	-	-	<b>200</b>	<b>174</b>	<b>174</b>	<b>174</b>	<b>174</b>	<b>174</b>	<b>174</b>	<b>174</b>						
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-	-	-	-	-						
Servitudes	-	-	-	-	-	-	-	-	-	-	-						
Licences and Rights	-	-	-	-	-	-	-	-	-	-	-						
<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-	-	-						
<b>Computer Equipment</b>	-	-	-	-	-	-	-	-	-	-	-						
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-	-	-	-	-						
<b>Machinery and Equipment</b>	-	-	-	-	-	-	-	-	-	-	-						
<b>Transport Assets</b>	-	-	-	-	-	-	-	-	-	-	-						
<b>Land</b>	-	-	-	-	-	-	-	-	-	-	-						
<b>Zoo's, Marine and Non-biological Animals</b>	-	-	-	-	-	-	-	-	-	-	-						
Mature	-	-	-	-	-	-	-	-	-	-	-						
Immature	-	-	-	-	-	-	-	-	-	-	-						
<b>Living Resources</b>	-	-	-	-	-	-	-	-	-	-	-						
<b><u>Total Upgrading of Existing Assets</u></b>	6	-	77	660	1	590	27	454	57	454	57	093	43	843	11	945	8
<i>Roads Infrastructure</i>		-	77	204		499	5	187	6	187	6	792	4	043	1	466	5
<i>Storm water Infrastructure</i>		-	-	-	-	282		-	-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	851		896	19	983	45	983	45	896	19	739	1	609	2





Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	9	360	313	313	504	504	504	504	504
Furniture and Office Equipment		-	363	199	300	261	261	78	70	70	70	70
Machinery and Equipment		383	245	38	518	512	512	555	564	564	564	564
Transport Assets		-	989	(195)	870	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-	-	-
<b>Living Resources</b>		-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>		6	46	3	51	75	75	58	40	40	40	40
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	883	842	828	862	887	887	864	(22)	(29)	(29)	(29)
Roads Infrastructure		286	428	457	820	159	159	441	576)	369)	369)	369)
Storm water Infrastructure		716	195	468	732	923	923	739	486)	482)	482)	482)
Electrical Infrastructure		936	935	935	-	-	-	-	-	-	-	-
Water Supply Infrastructure		133	127	130	14	39	39	9	4	4	4	4
Sanitation Infrastructure		590	730	500	770	241	241	647	669	263	263	263
Solid Waste Infrastructure		125	165	165	17	17	17	32	7	6	6	6
Rail Infrastructure		175	441	517	117	914	914	982	420	472	472	472
Coastal Infrastructure		683	107	974	547)	452)	452)	540)	102	272)	272)	272)
Information and Communication Infrastructure		128	121	119	(4	(8	(8	(6	(6	(7	(7	(7
<b>Infrastructure</b>		0	357	357	(0)	(0)	(0)	(0)	-	-	-	-
Heritage Assets		101	101	101	-	-	-	-	-	-	-	-
Community Assets		257	257	257	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		781	784	786	702	723	723	703	(13	(19	(19	(19
<b>Community Assets</b>		358	022	009	072	626	626	828	295)	019)	019)	019)
<b>Heritage Assets</b>		39	39	39	44	46	46	46	-	-	-	-
<b>Intangible Assets</b>		746	417	721	230	409	409	186	-	-	-	-
<b>Living Resources</b>		458	458	458	458	458	458	458	-	-	-	-





Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE OTHER ITEMS</b>		<b>58</b>	<b>55</b>	<b>62</b>	<b>63</b>	<b>63</b>	<b>63</b>	<b>71</b>	<b>71</b>	<b>78</b>
		<b>609</b>	<b>151</b>	<b>793</b>	<b>151</b>	<b>820</b>	<b>820</b>	<b>305</b>	<b>596</b>	<b>364</b>
<i>Renewal and upgrading of Existing Assets as % of total capex</i>		0,0%	0,2%	45,6%	70,0%	90,9%	90,9%	76,4%	43,1%	36,8%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>		0,0%	0,1%	2,9%	60,8%	116,5%	116,5%	69,1%	26,9%	20,7%
<i>R&amp;M as a % of PPE &amp; Investment Property</i>		0,2%	0,2%	0,5%	0,5%	0,5%	0,5%	0,7%	-29,4%	-23,5%
<i>Renewal and upgrading and R&amp;M as a % of PPE and Investment Prop</i>		0,2%	0,2%	0,7%	4,6%	8,3%	8,3%	5,9%	-106,9%	-73,8%



No toilet provisions		-	-	-	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-	-	-	-
<b><u>Energy:</u></b>													
Electricity (at least mi. Service level)		-	-	-	-	-	-	-	-	-	-	-	-
Electricity - prepaid (mi. Service level)		-	-	-	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-	-	-	-
Electricity (< mi. Service level)		-	-	-	-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-	-	-	-
<b><u>Refuse:</u></b>													
Removed at least once a week		-	-	-	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-	-	-	-
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-	-	-	-
<b><u>Households receiving Free Basic Service</u></b>	7												
Water (6 kilolitres per household per month)		(13 581 772)	(11 905 183)	2 763 649	7 578 963	7 578 963	7 578 963	7 578 963	8 033 701	8 515 723	9 026 666		
Sanitation (free minimum level service)		(2 267 074)	(2 100 164)	432 999	3 432 748	3 432 748	3 432 748	3 432 713	3 638 036	3 857 036	4 088 458		
Electricity/other energy (50kwh per household per month)		(6 218 532)	(5 044 895)	992 034	5 533 055	5 861 287	5 861 287	5 861 287	6 608 015	7 449 876	8 398 990		
Refuse (removed at least once a week)		(8 432 377)	(7 958 833)	1 598 824	8 281 645	8 281 645	8 281 645	8 281 544	8 778 544	9 305 257	9 863 572		



Table SA4 reflects the reconciliation of IDP strategic objectives and budget (revenue), Table SA5 reflects the reconciliation of IDP strategic objectives and budget (operating expenditure) and Table SA6 reflects the reconciliation of IDP strategic objectives and budget (capital expenditure).

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

R thousand		Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Community Services	Effective cleansing, waste removal; working with partners such as SAPS to address crime; effective enforcement of health and safety regulations.		19	20	36	19	21	21	21	22	24
Local Economic Development	Marketing of the BCRM, promote investment in BCRM in agriculture, tourism, SMME development, alternative energy.										
Financial Management	Implement fully compliant GRAP annual financial statements, mSCOA readiness, updating indigent register, revenue enhancement strategies for financial sustainability, operational efficiency.		21	(14)	57	29	31	31	30	32	33

Governance & Institutional Transformation	Oversee implementation of council policies, performance management, safekeeping council records, sound administrative principals, create a culture of service delivery and improve public participation.			19	21	53	27	27	27	31	32	33
<b>Allocations to other priorities</b>			2									
<b>Total Revenue (excluding capital transfers and contributions)</b>			1	<b>59</b>	<b>27</b>	<b>146</b>	<b>75</b>	<b>79</b>	<b>79</b>	<b>82</b>	<b>86</b>	<b>90</b>

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


R thousand		Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28	
Infrastructure	Provision of Electricity, Water, sanitation, Roads & Stormwater, and maintaining infrastructure of the city		158	190	408	245	243	243	249	262	278	
Community Services	Effective cleansing, waste removal; working with partners such as SAPS to address crime; effective enforcement of health and safety regulations.		37	36	78	36	36	36	37	38	40	
Local Economic Development	Marketing of the BCRM, promote investment in BCRM in agriculture, tourism, SMME development, alternative energy.		0	1	1	1	1	1	1	1	1	
Financial Management	Implement fully compliant GRAP annual financial statements, mSCOA readiness, updating indigent register, revenue enhancement strategies for financial sustainability, operational efficiency.		30	35	83	40	41	41	43	45	47	
Governance & Institutional Transformation	Oversee implementation of council policies, performance management, safekeeping council records, and sound administrative principals, create a culture of service delivery and improve public participation.		19	20	45	23	23	23	26	27	28	
<b>Allocations to other priorities</b>												
<b>Total Expenditure</b>			<b>1</b>	<b>245</b>	<b>282</b>	<b>615</b>	<b>345</b>	<b>344</b>	<b>344</b>	<b>356</b>	<b>373</b>	<b>394</b>



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

R thousand		Ref	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Infrastructure	Provision of Electricity, Water, sanitation, Roads & Stormwater, and maintaining infrastructure of the city		50 478	22 784	11 646	26 750	35 911	35 911	10 265	13 454	15 747
Community Services	Effective cleansing, waste removal; working with partners such as SAPS to address crime; effective enforcement of health and safety regulations.		989	211	328	461	2 062	2 062	12	14	16
Local Economic Development	Marketing of the BCRM, promote investment in BCRM in agriculture, tourism, SMME development, alternative energy.										
Financial Management	Implement fully compliant GRAP annual financial statements, mSCOA readiness, updating indigent register, revenue enhancement strategies for financial sustainability, operational efficiency.		2 360			16 189	16 396	396 16	289 13	768 13	276 14
Governance & Institutional Transformation	Oversee implementation of council policies, performance management, safekeeping council records, and sound administrative principals, create a culture of service delivery and improve public participation.		39	31	1	11	11	11	12	14	16
<b>Allocations to other priorities</b>		3						54	23	27	30
<b>Total Capital Expenditure</b>		1	<b>53 866</b>	<b>23 026</b>	<b>11 975</b>	<b>43 411</b>	<b>54 380</b>	<b>380</b>	<b>578</b>	<b>250</b>	<b>055</b>

Table SA 36 reflects the detailed capital projects for the next 3 financial years (VAT inclusive)

 <b>BLUE CRANE ROUTE MUNICIPALITY</b> <b>2025/26 to 2027/28 THREE YEAR CAPITAL PLAN (3YCP)</b>							
Grant (Source of Funding)	Project Name	MIG Category (B,P or E)	Ward No.	Total MTEF Project Allocation	2025/26 Allocation	2026/27 Allocation	2027/28 Allocation
Municipal Infrastructure Grant (MIG)	Paving of Pearston gravel roads Phase 2	B	4	R 2 400 000	R -	R 1 200 000,00	R 1 200 000,00
	Paving of Cookhouse gravel roads Phase 2	B	1&6	R 2 800 000	R -	R 1 300 000,00	R 1 500 000,00
	Paving of Somerset East gravel roads Phase 2	B	3&5	R 3 200 000	R 2 200 000,00	R -	R 1 000 000,00
	Khanyiso water booster pump and pipe line (operation & Maintenance), phase 1		4	R 1 000 000	R -	R -	R 1 000 000,00
	Upgrading of sewer pump stations in Somerset East, phase 1	P	2,3&5	R 14 060 640	R 6 340 225,00	R 7 720 415,00	R -
	Upgrading of Ward 5 stormwater drainage	B	5	R 0	R -	R -	R -
	Reconstruction of Victoria Park Sports facility phase 1	P	5	R 3 900 000	R 3 900 000,00	R -	R -
	Construction of Aeroville Cemetery	P	2	R 0	R -	R -	R -
	Water & Sanitation - Operation & Maintenance (10%)	P	3&5	R 1 500 000	R -	R -	R 1 500 000,00
	Rehabilitation of Glen avon & Mayila Street	B	3	R 3 310 775	R 3 310 775,00	R -	R -
	Installation of street & Highmast lights in all 6 wards (construction)	P	All wards	R 1 948 035	R -	R 1 948 035,00	R -
	Refurbishment of Surfaced roads in all 6 wards (construction)	B	All wards	R 4 086 350	R -	R -	R 4 086 350,00
	Purchasing of Fleet for Waste Management	B	N/A	R 0	R -	R -	R -
	Construction of Khanyiso Bridge	B	4	R 3 311 950	R -	R -	R 3 311 950,00
	Construction of Nelsig Bridge	B	4	R 5 700 000	R -	R 3 600 000,00	R 2 100 000,00
	BCRM Intergrated Infrastructure Asset management plan				R 2 661 050	R -	R 1 000 000,00
<b>MIG MTEF Total Allocation</b>				<b>R 47 217 750</b>	<b>R 15 751 000</b>	<b>R 16 768 450</b>	<b>R 17 359 350</b>

Water Services Infrastructure Grant (WSIG)	Upgrading of riverlane, lifting station & Aeroville pumpstation	N/A	2,3&5	R 13 624 596	R 10 925 783,90	R 2 698 812,14	R -
	Refurbishment of the Clevedon pumpstation in Somerset East.	N/A	2,3&5	R 1 899 913	R 1 899 913,25	R -	R -
	Upgrading of rising Mains to kwanojoli reseviors Phase 1	N/A	2,3&5	R 37 864 910	R 13 274 302,85	R 10 301 187,86	R 14 289 419,00
	Augmentation of Somerset East & Cookhouse boreholes	N/A	1,2,3,5&6	R 3 000 000	R -	R 3 000 000,00	R -
	Construction of 3x reservoirs in Pearston, Somerset East and Coohkouse	N/A	All wards	R 2 510 581	R -	R -	R 2 510 581,00
<b>WSIG MTEF Total Allocation</b>				<b>R 58 900 000</b>	<b>R 26 100 000</b>	<b>R 16 000 000</b>	<b>R 16 800 000</b>
Integrated National Electrification Programme (INEP) Grant	Upgrading of Somerset East Main substation	N/A	2,3,&5	R 3 000 000	R -	R 2 000 000	R 1 000 000,00
	Upgrading of Cookhouse Main substation	N/A	1 & 6	R 3 000 000	R -	R 2 000 000	R 1 000 000,00
	Upgrading of Pearston Main substation and Ugrading of Power Factor Correction	N/A	4	R 1 000 000	R -	R -	R 1 000 000,00
	Electrification of Low cost houses in BCRM	N/A	All wards	R 3 000 000	R -	R 1 000 000,00	R 2 000 000,00
<b>INEP MTEF Total Allocation</b>				<b>R 10 000 000</b>	<b>R 0</b>	<b>R 5 000 000</b>	<b>R 5 000 000</b>
Energy Efficiency & Demand Side Management Grant (EEDSMG)	Retrofitting of existing airconditioners with inverter type and retrofiting office lights with LED	N/A	All wards	R 18 316 000	R 4 000 000,00	R 7 000 000,00	R 7 316 000,00
<b>INEP &amp; EEDSM MTEF Total Allocation</b>				<b>R 18 316 000</b>	<b>R 4 000 000</b>	<b>R 7 000 000</b>	<b>R 7 316 000</b>
Mangement Dissaster Relief Grant(MDRG)	Reconstruction of Somerset East - Middleton Line 22kV				R 22 880 000,00		
<b>MDRG TOTAL ALLOCATION</b>					<b>R 22 880 000,00</b>	<b>R -</b>	<b>R -</b>

SIGNED BY ACTING DIRECTOR: TECHNICAL SERVICES (Or delegated person, include letter of delegation)

NAME: ZAMEKA CENYA  
SIGNATURE: [Signature]  
DATE: 30 APRIL 2025  
CONTACT DETAILS: 079 146 5537

## Blue Crane Route Municipality Organisation Structure

DEPARTMENT: MUNICIPAL MANAGER					
Section	Position	Number of positions	Filled	Vacant	Comments /Proposals
Office of the municipal manager	Municipal Manager	1	1	0	
	PA to Municipal Manager	1	1	0	
	Director Technical	1	1	0	
	Director Community	1	1	0	
	Director Finance	1	1	0	
	Director Corporate	1	1	0	
Legal Services	Legal Services Officer	1	0	1	To be moved to Corporate Services
Internal Audit	Chief Audit Executive	1	1	0	
	Internal Audit Officer	1	1	0	
	Risk Officer	1	0	1	To be prioritised for 2026/2027
IDP-PMS	Manager IDP and PMS	1	1	0	
	IDP Officer	1	0	1	To be prioritised for 2026/2027 Change of position to be IDP/PMS Officer
LED	LED Manager	1	1	0	
	LED Officer	2	0	2	To be prioritised for 2026/2027 ( 1 position)

Department: Corporate Services				
Section	Position	Number of positions	Filled	Vacant
Corporate Services	Director: Corporate Services	1	1	0
	Secretary	1	1	0
ICT	ICT Manager	1	1	0

	ICT Officer: Network and systems	1	1	0
	ICT Technician	1	1	0
<b>Administration</b>	Senior Admin Officer	1	1	0
	Admin Assistant: Records Management	1	1	0
	Office and Auxiliary Officer	1	0	1
	Committee Clerk	3	3	0
	Driver	1	0	1
	Switchboard Operator	1	1	0
	Cleaner	8	6	2
<b>Human Resource</b>	Human Resource Manager	1	0	1
	Human Resource Officer	1	1	0
	Employees Relations Officer	1	1	0
	Occupational Health & Safety Officer	1	1	0
	Human Resource Development and Performance Officer	1	1	0
	Human Resource Administrator	2	1	1
<b>Stakeholder Engagement</b>	Manager: Stakeholder Engagement	1	0	1
	PA Speaker	1	0	1
	Communication Officer	1	0	1
	Public Participation	1	0	1
	Customer Care Officer	1	1	0
	Special Programmes Officer	2	2	0

**Department: Financial Services**

<b>Section</b>	<b>Position</b>	<b>Number of positions</b>	<b>Filled</b>	<b>Vacant</b>
<b>Financial Services</b>	CFO	1	1	0
	Secretary	1	1	0
<b>Financial and Accounting</b>	Manager: Financial & Accounting	1	1	0
	Accountant: Vat And Reporting	1	0	1
	Accountant: AFS and Budget	1	1	0
<b>Supply Chain Management &amp; Assets</b>	Manager: SCM & Assets	1	0	1
	Accountant: SCM	1	1	0
	SCM Practitioner	2	2	0
	SCM Practitioner (Contract Management)	1	0	1
	Clerk: Demand and Acquisition	2	0	2
	SCM Clerk	1	1	0
	Stores Controller	1	1	0
	Stores Clerk	1	1	0
	Accountant: Assets	1	1	0
	Fleet Officer	1	0	1
	Fleet Clerk	1	0	1
	Clerk: Assets and Insurance	1	1	0
<b>Revenue and Expenditure</b>	Manager: Revenue and Expenditure	1	1	0

	Accountant: Income	1	1	0
	Consumer Service Clerk	3	0	3
	Controller Income	1	1	0
	Credit Negotiator	3	2	1
	Credit Controller	3	0	3
	Indigent Inspectors	3	0	3
	Debtors Controller	2	1	1
	Cashiers	8	7	1
	Meter Readers	7	6	1
<b>Expenditure</b>	Accountant: Expenditure	1	1	0
	Payroll Officer	1	1	0
	Controller: Expenditure	1	1	0
	Payroll Clerk	1	1	0
	Senior Creditors Clerk	1	1	0

**Department: Community Services**

<b>Section</b>	<b>Position</b>	<b>Number of Positions</b>	<b>Filled</b>	<b>Vacant</b>
<b>Community Services</b>	Director: Community Service	1	1	0
	Secretary	1	1	0
<b>Library</b>	Senior Librarian	1	0	1
	Librarian	5	5	0
	Assistant Librarian	4	2	2
	Cleaner	1	1	0
<b>Environmental Health</b>	Manager: Environment Health	1	1	0
	Environmental management Officer	1	0	1
	Foreman (KwaNojoli, Pearston & Cookhouse)	3	2	1 (Cookhouse)
	Drivers (KwaNojoli)	4	3	1
	Drivers (Pearston)	1	1	0

	Drivers (Cookhouse)	1	1	0
	Small Plant Operator (KwaNojoli)	2	1	1
	Small Plant Operator (Pearston)	2	0	2
	Small Plant Operator (Cookhouse)	2	0	2
	General Worker :Street Cleaning (KwaNojoli)	5	5	0
	General Worker: Street Cleaning (Pearston)	2	2	0
	General Worker: Street Cleaning (KwaNojoli)	1	1	0
	General Worker: Refuse (KwaNojoli)	24	24	0
	General Worker: Refuse (Pearston)	8	8	0
	General Worker: Refuse (Cookhouse)	12	12	0
	Operator TLB/Front-end Loader, Bulldozer (KwaNojoli)	1	1	0
	Caretaker: Bestershoek (KwaNojoli)	1	1	0
<b>Fire &amp; Disaster Management Services</b>	Chief Fire Services	1	1	
	Station officer	1	0	1
	Control Room Operator	4	0	4
	Platoon Officer	4	0	4
	Fire Fighter	24	9	15
	Learner Fire Fighters	9	9	0
<b>Community Services</b>	Community Servicer Officer	1	0	1
	Pound Master	1	1	0
	General Assistant: Pound	4	1	3
	Cleaner	1	1	0

	Caretaker: Community Halls	10	9	1
	Caretaker: Cemeteries (3 towns)	3	0	3
	General			
<b>Traffic Services</b>	Chief: Traffic Services	1	1	0
	Superintendent: Traffic Officer	1	0	1
<b>Driving Licence and Testing</b>	Examiner	2	2	0
	Senior Natis Clerk	1	1	0
	Natis Clerk	2	2	0
	General Clerk	1	0	1
	Cleaner	1	0	1
	General Assistant: Road and Signage Stride	1	1	0
<b>Vehicle Testing</b>	Examiner	1	0	1
	Law Enforcement	3	0	3
	Pit Assistant	1	0	1

**Department: Technical Services**

<b>Section</b>	<b>Position</b>	<b>Number of positions</b>	<b>Positions filled</b>	<b>Vacant</b>
<b>Technical Services</b>	Director: Technical Services	1	0	1
	Secretary	1	1	0
	Admin Assistant	1	1	0
	Clerk	1	1	0
	Cleaner	1	1	0
<b>Electro- Mechanic</b>	Manager: Electro-Mechanic	1	1	0
<b>Urban Distribution</b>	Superintendent	1	1	0
	Electrician	3	3	0
	Linesman	5	3	2
	General Assistant	3	3	0
	Driver: Cherry Picker	1	0	1
<b>Rural Distribution</b>	Superintendent	1	1	0
	Electrician	2	0	2
	Driver: Truck	1	0	1

	General Assistant	7	7	0
<b>Mechanical</b>	Superintendent	1	0	1
	Artisan Mechanic	2	2	0
	Mechanic Assistant	5	5	0
<b>Engineering</b>	Technician	1	0	1
<b>Project Management</b>	Manager: Project Management	1	1	0
	Administrator	1	0	1
	Technician (PMU)	1	0	1
	EPWP Coordinator	1	1	0
	Technician: Engineering, Projects and Metering	1	0	1
	Institutional Social Development (ISD) Officer	1	0	1
<b>Planning and Development</b>	Manager: Town Planner	1	1	0
	GIS Technician	1	0	1
	Building Inspector	1	1	0
	Foreman: Building and Maintenance	1	1	0
	Plumber	1	0	1
	Carpenter	1	0	1
	Bricklayer	1	0	1
	Painter	1	0	1
	General Worker	2	2	0
	Town Planner	1	0	1
	Housing Officer	1	1	0
	Housing Clerks	4	3	1
<b>Roads and Stormwater</b>	Manager: Roads & Stormwater	1	0	1
	Foreman (Cookhouse)	1	1	0
	Driver	1	0	1
	Assistant Plumber	1	0	1
	General Workers (Roads and Stormwater)	6	4	2
	General Worker (Ops and Maintenance)	4	3	1

	Technical Assistant	1	0	1
	Foreman (KwaNojoli)	1	0	1
	Technician: Roads & Stormwater	1	0	1
	Technical Assistant	1	0	1
	Drivers	4	2	2
	General Worker	6	2	4
	Foreman (Pearston)	1	1	0
	Driver	1	0	1
	Technical Assistant	1	0	1
	Driver	1	0	1
	General Worker: Roads and Stormwater	5	0	5
	General Workers: Operations and Maintenance	4	2	2
<b>Water and Sanitation Services</b>	Manager: Water & Sanitation	1	1	0
	Superintendent: Operations and Maintenance	1	1	0
	Foreman: Water and Sewer Reticulation	1	0	1
	Plumber	2	0	2
	Millright/Fitter	1	0	1
	Driver: Water Cart	1	0	1
	Assistant Plumber	2	0	2
	General Workers	6	6	0
	Technician: Analytical Science /Chemicals	1	0	1
	Technician: Water and Sanitation Services	1	0	1
<b>Compliance Regulations</b>	Superintendent: (Compliance Regulations)	1	1	0
<b>Water</b>	Process Controller (Class 4)	3	0	3
	Process Controller (Class 3)	17	0	17
	Process Controller (Class 2)	16	9	7

	General Workers	6	1	5
<b>Sanitation</b>	Process Controller (Class 3)	4	0	4
	Process Controller (Class 2)	8	3	5
	General Workers	6	2	4

## CHAPTER 8: WARD PRIORITY LIST

### WARD PRIORITY LIST: 1&6

KPA	PRIORITIES
Basic Service Delivery	<ul style="list-style-type: none"> <li>• Paving of streets: (Gugulethu and Oriet Streets)</li> <li>• Fencing of cemeteries</li> <li>• Cutting of trees along R63 road</li> </ul> <p>Sports and Recreation:</p> <ul style="list-style-type: none"> <li>• Construction of multipurpose center</li> <li>• Renovation of old town sportsfield for Rugby and other sports</li> <li>• Renovation of Swimming Pool</li> <li>• Renovation of Tennis Courts</li> <li>• Construction of a netball field</li> <li>• Construction of a library</li> </ul> <p>Electricity:</p> <ul style="list-style-type: none"> <li>• Installation of streetlights and high mast lights</li> <li>• Construction of an electricity substation</li> <li>• Replacement of old and malfunctioning electric poles.</li> <li>• Transport services: Upgrading of the local taxi rank</li> <li>• Renovation of Cookhouse municipal offices</li> </ul> <p>Water services:</p> <ul style="list-style-type: none"> <li>• Improve the quality of water</li> <li>• Adequate and regular supply</li> <li>• Replacement of old water and sanitation pipes</li> <li>• Upgrading of Sewer pump station</li> <li>• Renovation of a Town Hall</li> <li>• Cleaning of dumping sites</li> <li>• Fencing of cemeteries</li> <li>• Satellite police station for farm areas</li> <li>• High school for Afrikaans learners</li> <li>• Security for schools</li> </ul>
Local Economic Development	<ul style="list-style-type: none"> <li>• Job creation opportunities</li> </ul>
Good Governance and Public Participation	<ul style="list-style-type: none"> <li>• Organise Sporting events to draw youth to participate.</li> <li>• 24 hr clinic</li> <li>• Construction of FET College in Cookhouse</li> </ul>

### WARD 2

KPA	PRIORITIES
Basic Service Delivery	<p>Water &amp; Sanitation</p> <ul style="list-style-type: none"> <li>• Poor water quality</li> <li>• Construction of public toilets in town</li> <li>• Refurbishment of the aging infrastructure</li> <li>• Installation of water tanks</li> </ul>

	<p>Electricity:</p> <ul style="list-style-type: none"> <li>• Installation of Streetlights</li> </ul> <p>Roads &amp; Stormwater:</p> <ul style="list-style-type: none"> <li>• Potholes &amp; speed humps</li> <li>• Paving of streets</li> <li>• Upgrading of sidewalks in town</li> <li>• Construction of stormwater drains (Perseverance Street and Hope Street)</li> </ul> <p>Sports and Recreation:</p> <ul style="list-style-type: none"> <li>• Resourcing of the MPC with Sports Facilities</li> <li>• Installation of traffic signs</li> </ul> <p>Human settlement:</p> <ul style="list-style-type: none"> <li>• Construction and Rectification</li> <li>• Numbering of houses</li> </ul>
<b>Local Economic Development</b>	<ul style="list-style-type: none"> <li>• Installation of tourist signage's</li> <li>• Renewable energy projects</li> </ul>
<b>Good Governance and Public Participation</b>	<ul style="list-style-type: none"> <li>• TVET College</li> <li>• Skills development programmes for youth</li> <li>• Construction of a lower primary school in Aeroville</li> <li>• Construction of a satellite police station</li> </ul>

### WARD 3

<b>KPA</b>	<b>PRIORITIES</b>
<b>Basic Service Delivery</b>	<p>Provision of services to Informal settlements</p> <p>Social amenities</p> <ul style="list-style-type: none"> <li>• Construction of a Multipurpose center</li> <li>• Renovation of halls</li> </ul> <p>Water and Sanitation</p> <ul style="list-style-type: none"> <li>• Poor water quality</li> <li>• Sewer spillages</li> </ul> <p>Electricity:</p> <ul style="list-style-type: none"> <li>• Installation of Streetlights</li> <li>• Installation of new boxes in the electricity poles</li> </ul> <p>Roads &amp; Storm water:</p> <ul style="list-style-type: none"> <li>• Potholes &amp; speedhumps</li> <li>• Paving of streets</li> </ul> <p>Human Settlement:</p> <ul style="list-style-type: none"> <li>• Demolishing of old and vandalized houses</li> <li>• Construction of new houses</li> </ul>
<b>Local Economic Development</b>	<ul style="list-style-type: none"> <li>• Skills development programmes</li> <li>• Development of Youth programmes</li> <li>• Job Creation</li> </ul>

<b>Good Governance and Public Participation</b>	•TVET College
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**Ward 4**

<b>KPA</b>	<b>PRIORITIES</b>
<b>Basic Service Delivery</b>	<p>Electricity</p> <ul style="list-style-type: none"> <li>• Upgrading of electric network</li> <li>• Installation of streetlights</li> </ul> <p>Water and Sanitation</p> <ul style="list-style-type: none"> <li>• Installation of water pumps in Khanyiso and High-Rise Water Reservoir in Khanyiso)</li> <li>• Construction of Bridges (Nelsig and Khanyiso)</li> <li>• Sanitation (Elimination of septic tanks )</li> </ul> <p>Sport field &amp; Recreation</p> <ul style="list-style-type: none"> <li>• Construction of a Sportsfield</li> </ul> <p>Social amenities</p> <ul style="list-style-type: none"> <li>• Construction of Community halls ( Millennium park )</li> <li>• Refurbishment and fencing of Nelsig Community Hall</li> <li>• Renovation of Pearston Town Hall</li> <li>• Refurbishment of the Khanyiso Soccer Field and Installation of Lights</li> <li>• Fencing of cemeteries</li> <li>• Maintenance of Khanyiso Sportsfield</li> <li>• Construction of a play park in Millennium Park</li> </ul> <p>Roads and Storm</p> <ul style="list-style-type: none"> <li>• Paving of streets</li> </ul> <p>Waste Management</p> <ul style="list-style-type: none"> <li>•Eradication of illegal dumping sites ( cleaning project and installation of bins )</li> </ul> <p>Human Settlement:</p> <ul style="list-style-type: none"> <li>• Construction and Rectification</li> </ul>
<b>Local Economic Development</b>	<ul style="list-style-type: none"> <li>• Job creation and</li> <li>• SMME Support</li> </ul>
<b>Good Governance and Public Participation</b>	<ul style="list-style-type: none"> <li>• Construction of a Rehabilitation center for young people</li> </ul>

**Ward 5**

<b>Basic Service Delivery</b>	<p>Waste Management</p> <ul style="list-style-type: none"> <li>• Cleaning of dumping site</li> <li>• Development of Waste Management Strategy and Recycling Strategy in School</li> <li>• Implementation of Tree planting projects</li> </ul> <p>Electricity</p>
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	<ul style="list-style-type: none"> <li>•Improved electricity services</li> <li>•Fixing and installation of streetlights</li> </ul> <p>Water and Sanitation</p> <ul style="list-style-type: none"> <li>•Water and sanitation services</li> <li>•Installation of Jojo tanks</li> </ul> <p>Roads and Stormwater</p> <ul style="list-style-type: none"> <li>• Paving of roads</li> <li>• Maintenance of stormwater drains</li> </ul> <p>Social Amenities</p> <ul style="list-style-type: none"> <li>• Cleaning of cemeteries</li> <li>• Development of Victoria park</li> <li>• Cleaning of cemeteries</li> <li>• Construction of a park /outdoor gym</li> <li>• Resuscitation of the Worcester Taxi Rank</li> <li>• Refurbishment of toilets</li> </ul> <p>Human Settlement:</p> <ul style="list-style-type: none"> <li>• Construction and Rectification</li> </ul> <p>Roads &amp; Stormwater:</p> <ul style="list-style-type: none"> <li>• Construction of speed humps</li> <li>• Potholes</li> </ul>
<p><b>Local Economic Development</b></p>	<ul style="list-style-type: none"> <li>• Upgrading of Mountain Drives</li> <li>• Resuscitation of the Tourism Hub</li> <li>• Renewable energy (Solar panels)</li> <li>• Implementation of Recycling Project</li> <li>• Development of Mountain management plans</li> <li>• Maintenance of Cross –Docking site in bell street</li> <li>• Development of Youth employment and LED Strategy.</li> </ul>

**2022/2023 AUDIT ACTION PLAN**

Section	Finding	Recommendation	Management Response	Nature of Findings	Responsible Person	Due Date	Action Plan
Other reported information	As disclosed in note 25 to the AFS, material electricity losses of R 13,9 m (2021/22 R 15,1 m) was incurred, which represents 24% (2021/22: 21%) of the total electricity purchased.	Going concern principle to be addressed.	<p>Manager Revenue Management needs to timely co-ordinate the implementation of Council's Revenue enhancement Strategy.</p> <p>Council and Management to implement the approved Revenue enhancement Strategy.</p>	MFMA non-compliance	Nigel Delo, Ayanda Gaji, Julius Mputa	31-May-2024	<ol style="list-style-type: none"> <li>Meter audit will be conducted on an on-going basis to identify faulty meters and tempering.</li> <li>Faulty meters will be replaced on an ongoing basis with temper resistant meters.</li> <li>Electricity infrastructure will be revamped by end of 2024/25 financial year.</li> <li>Energy efficiency globes will be installed for the High mast lights and streetlights by end of the 2023/24 financial year.</li> </ol>
Non-compliance with laws and regulations	<p>Material allowance for impairment - Receivables</p> <p>1) As disclosed in note 5 to the financial statements, material allowance for impairment was incurred on receivables from non-exchange transactions to the value of R 10,43 m (2021/22: R 8,39 m) this was due to non payment by consumer debtors.</p> <p>2) As disclosed in note 6 to the financial statements, material allowance for impairment was incurred on trade receivables from exchange transactions to the value of R 11,97 m (2021/22: R 17,82 m) this was due to non payment by trade debtors.</p>	Debt to be collected.	<p>Implementation of LED strategy.</p> <p>Implementation of credit control policy.</p> <p>The finalization of prolonged litigation processes.</p>	Non-compliance with applicable legislation	Julius Mputa, Nigel Delo, Rozanne Frolick	29-Feb-2024	<ol style="list-style-type: none"> <li>Have indigent steering committee meetings on a quarterly basis to review status.</li> <li>To conduct indigent verifications on a quarterly basis using CAATS.</li> <li>Fully implementation of Credit Control Policy on a monthly basis e.g. implementing 25% deduction on prepaid purchases towards arear debt.</li> </ol>

**2022/2023 AUDIT ACTION PLAN**

Section	Finding	Recommendation	Management Response	Nature of Findings	Responsible Person	Due Date	Action Plan
Non-compliance with laws and regulations	Reasonable steps were not taken to prevent irregular expenditure of R 12,63 m, disclosed in note 47 to the financial statements, as required by section 62(1)(d) of the MFMA. A majority of the irregular expenditure was caused by non compliance with regulation 36(1)(a) and MFMA section 116(2)(c)(ii). Irregular expenditure of R 4,8 m was incurred on construction of the Pearston Water Treatment works (1,5 ML/Day).	Management should ensure that they keep up-to-date with the legislative requirements in the procurement processes. In the procurement process, the service providers are required to declare interest for every transaction with the municipality, therefore a new Declaration of interest MBD4.1 form must accompany the quotation to comply with regulation 13(c) of the Municipal Supply Chain Management Regulations, 2017.	Management agrees with the audit finding.	Non-compliance with applicable legislation	Ayanda Mbebe, Nigel Delo, Mzwandile Nini	29-Feb-2024	All quotations approved to have Declaration of Interest attached as at the date of the quote.
Other reported information	As disclosed in note 44 to the financial statements which indicates high levels of electricity losses and the potential risk that contingent liabilities may materialise into actual commitments to pay. These events or conditions, along with other matters as set forth in note 44, indicate that a material uncertainty exists that may cast significant doubt on the municipality's ability to continue as a going concern. Management has also disclosed plans and steps to be taken to address the risk and ensure financial stability in the	Management should implement their action plans to address this finding.	Implementation of Revenue enhancement strategy,	MFMA non-compliance	Julius Mputa	29-Feb-2024	<ol style="list-style-type: none"> <li>1. To conduct meter audit on a monthly basis in order to identify faulty meters.</li> <li>2. To replace faulty meters on a monthly basis in order to ensure that they are registering correctly.</li> <li>3. To ensure that all meters are read accurately on a weekly basis by checking exceptions reports.</li> <li>4. To ensure on yearly basis that new meters that are installed are temper resistant.</li> <li>5. To conduct yearly meetings with communities in order to educate them about the importance of paying their municipal accounts.</li> </ol>

**2022/2023 AUDIT ACTION PLAN**

Section	Finding	Recommendation	Management Response	Nature of Findings	Responsible Person	Due Date	Action Plan
	municipality in note 44.						
Non-compliance with laws and regulations	Reasonable steps were not taken to prevent fruitless and wasteful expenditure of R 295,000.00 as disclosed in note 46 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA.	Fruitless and wasteful expenditure should be prevented.	Management agrees with audit finding.	Non-compliance with applicable legislation	Ayanda Mbebe, Phelokazi Ndumndum, Nigel Delo, Mzwandile Nini, Julius Mputa	29-Feb-2024	<ol style="list-style-type: none"> <li>To improve cash flow by fully implementing credit control policies on a monthly basis.</li> <li>To centralize the incoming of supplier invoices in order to ensure that they are paid within 30 days.</li> </ol>
Non-compliance with laws and regulations	COAF 31 - Irregular expenditure not properly investigated	MPAC must investigate all instances of irregular expenditure to determine whether the amount is recoverable or should be written off as irrecoverable. Management should keep track of the status of such investigations in order to accurately report thereon.	Management agrees with the audit finding. We will include it in the audit action plan to address the finding.	Non-compliance with applicable legislation	Ayanda Mbebe, Phelokazi Ndumndum, Nigel Delo	29-Feb-2024	<ol style="list-style-type: none"> <li>SCM to update and reconcile the UIWF Register with the expenditure incurred monthly.</li> <li>CFO to review the UIWF Register monthly for completeness.</li> <li>The UIWF incurred be tabled to Council on a quarterly basis to afford MPAC an opportunity to investigate.</li> </ol>

**2022/2023 AUDIT ACTION PLAN**

<b>Section</b>	<b>Finding</b>	<b>Recommendation</b>	<b>Management Response</b>	<b>Nature of Findings</b>	<b>Responsible Person</b>	<b>Due Date</b>	<b>Action Plan</b>
Non-compliance with laws and regulations	COAF 25 - Procurement and Contract Management	Management should ensure that they keep up-to-date with the legislative requirements in the procurement processes. In the procurement process, the invitation to tender must specify the minimum threshold for local production and content and for any contract there should be a person delegated to review and report on the applicable legislation to be complied with, to reduce the instances of non-compliance.	We do agree with this finding. We will disclose the listed expenditure as irregular under note 47 to the value of R 442,334.22 (Minimum local content not specified).	Non-compliance with applicable legislation	Ayanda Mbebe	29-Feb-2024	The prevailing PP Regulations have removed the clause. A checklist will be developed inline with PP Regulations 2022.

**2022/2023 AUDIT ACTION PLAN**

Section	Finding	Recommendation	Management Response	Nature of Findings	Responsible Person	Due Date	Action Plan
Non-compliance with laws and regulations	COAF 25 - 2. Deviations: Procurement not an emergency	<p>Management should assess the reasons for deviations and ensure that all the deviations are only done when it is an emergency, or it is impractical or impossible to follow the official procurement processes.</p> <p>Management should implement best practices in terms of the planning and budgeting, taking into account the mandate of the municipality and initiate the procurement process timeously, to avoid unjustifiable reasons for deviation.</p>	<p>Management do not agree as follows:</p> <p>1. Hiring of High Pressure Jetting Unit; costs include travelling and accommodation - Abaphumeleli T/A Pollution Control Services: R448 845:</p> <p>Reasons to deviate</p> <p>Assessment of the reasons for deviation</p> <p>Management Comments</p> <p>Emergency: due to overflowing sewer. BCRM has been in contravention of National Water Act 1998, and Water Services Act 1997, due to sewer spillages from pump stations, the septic tanks, manholes, leaking pipes etc. Due to the emergency and urgency of this operation and maintenance activity, it is recommended that a deviation from SCM processes as guided by SCM regulations 36 should apply, as this is an emergency. These are normal basic services that the municipality provides to the community on a regular basis. The Municipality was aware of the challenges relating to the water sanitation and spillage of pumps as deviations were done in the previous years. The municipality is facing water crisis on day-to-day basis therefore planning should have been done on dealing with the situation and normal procurement process should have been followed as these incidents occur frequently. The deviation was based on the procurement being an</p>	Non-compliance with applicable legislation	Ayanda Mbebe, Ayanda Gaji	29-Feb-2024	<p>1) Long term contracts (3 years) be done for emergency works, end May 2024.</p> <p>2) Increase O&amp;M budget from 0.8% to 10% of the operational budget, end June 2024.</p> <p>3) O&amp;M plan, end June 2024.</p> <p>4) Security measures to combat, theft and vandalism, end June 2024.</p>

**2022/2023 AUDIT ACTION PLAN**

Section	Finding	Recommendation	Management Response	Nature of Findings	Responsible Person	Due Date	Action Plan
			<p>emergency case, however the reasons are not justifiable as the municipality motivates for the urgency of this operation and maintenance activity. This is a lack of planning and does not constitute an emergency, as the municipality has to provide the basic service of maintaining the sewerage system, so the community has a functional sewerage system. The overflowing sewer is not an emergency, there should be contingencies in place of maintaining the sewer system. The sewer system is composed of various components such as pipelines, pump stations, manholes, septic tanks and wastewater treatment works. The operation, maintenance, methodology and technical processes to clean them varies. It's not one size fits all approach.</p> <p>Sewer spillages is an emergency as it contravenes Water National Act and Water Services Act, mostly external factors adversely affect the sewer system, and these risks are not within the municipalities control for operation and maintenance purposes, such as:</p> <ol style="list-style-type: none"> <li>1) Foreign objects are thrown inside by communities and block the system.</li> <li>2) Load shedding that adversely impacts where pump stations not working and sewer backflow to manholes and spills on the ground.</li> <li>3) Load shedding that</li> </ol>				

**2022/2023 AUDIT ACTION PLAN**

Section	Finding	Recommendation	Management Response	Nature of Findings	Responsible Person	Due Date	Action Plan
			<p>adversely impacts where no solid movement inside the pipelines and there is a build-up of silt. The blockages emerge and sewer spills.</p> <p>4) Theft and vandalism of mechanical and electrical components of sewer system rendering the system non-functional and sewer spillages emerge.</p> <p>It be noted that, a high-pressure jetting truck and hydro blast is needed to jet the system and suck the sewer respectively. The municipality does not have those suitable machinery in our position and no budget allocated to purchase such machinery, the estimated costs is R 3million to purchase (each).</p> <p>It be noted that, the municipality requested funding from SBDM to ensure it controls the Sewer spillages as these will be non-compliance and a Directives with fines will be imposed by DWS and litigations ensue.</p> <p>All the above is management planning in order to maintain minimum services delivery standards.</p> <p>2. Jetting machine/ super sucker and crew hiring - Abaphumeleli T/A Pollution Control Services: R96 600.</p> <p>Reasons to deviate Assessment of the reasons for deviation Management Comments Emergency: due to sewer spillages in septic tanks, pump stations, manholes. This is contravening the Water Services Act 1997 &amp;</p>				

**2022/2023 AUDIT ACTION PLAN**

Section	Finding	Recommendation	Management Response	Nature of Findings	Responsible Person	Due Date	Action Plan
			<p>National Water Act 1998. These are normal basic services that the municipality provides to the community on a regular basis. The Municipality was aware of the challenges relating to the water sanitation and spillage of pumps as deviations were done in the previous years. The municipality is facing water crisis on day-to-day basis therefore planning should have been done on dealing with the situation and normal procurement process should have been followed as these incidents occur frequently.</p> <p>The deviation was based on the procurement being an emergency case, however the reasons are not justifiable as the municipality motivates for the urgency of this operation and maintenance activity. This is a lack of planning and does not constitute an emergency, as the municipality has to provide the basic service of maintaining the sewerage system, so the community has a functional sewerage system. The overflowing sewer is not an emergency, there should be contingencies in place of maintaining the sewer system.</p> <p>The sewer system is composed of various components such as pipelines, pump stations, manholes, septic tanks and wastewater treatment works. The operation, maintenance, methodology and technical processes to clean them</p>				

**2022/2023 AUDIT ACTION PLAN**

Section	Finding	Recommendation	Management Response	Nature of Findings	Responsible Person	Due Date	Action Plan
			<p>varies. It's not one size fits all approach.</p> <p>Sewer spillages is an emergency as it contravenes Water National Act and Water Services Act, mostly external factors adversely affect the sewer system, and these risks are not within the municipalities control for operation and maintenance purposes, such as:</p> <ol style="list-style-type: none"> <li>1) Foreign objects are thrown inside by communities and block the system.</li> <li>2) Load shedding that adversely impacts where pump stations not working and sewer backflow to manholes and spills on the ground.</li> <li>3) Load shedding that adversely impacts where no solid movement inside the pipelines and there is a build-up of silt. The blockages emerge and sewer spills.</li> <li>4) Theft and vandalism of mechanical and electrical components of sewer system rendering the system non-functional and sewer spillages emerge.</li> </ol> <p>It be noted that, a high-pressure jetting truck and hydro blast is needed to jet the system and suck the sewer respectively. The municipality does not have those suitable machinery in their position and no budget allocated to purchase such machinery, the estimated costs is R 3million to purchase (each).</p> <p>3. Khanyiso Booster Pump Station - MFURAA PROJECTS &amp; GENERAL: R1 791 572,50</p>				

**2022/2023 AUDIT ACTION PLAN**

Section	Finding	Recommendation	Management Response	Nature of Findings	Responsible Person	Due Date	Action Plan
			<p>Reasons to deviate                      Assessment of the reasons for deviation Management Comments                      There is a lack of provision of water due to vandalism, theft, and gale force winds that damaged infrastructure as well, upgrades that needs to be done. HRC has written to BCRM w.r.t. numerous complaints of lack of water received from the community. The PPR 2022 regulation not yet approved. The deviation was based on the procurement being an emergency case. The reasons are not justifiable as upon inspecting the Procurement Plan, we identified a project with a very similar name "Refurbishment of Khanyiso Water Booter Pump" for the same value R1 496 725. Khanyiso communities are in a high lying area in Pearston. There is no water provision through taps due to malfunctioning water booster pumpstation and borehole project under construction. The municipality uses water tankers (borrowed from CoGTA &amp; DWS) to provide water to the area, this is an expensive exercise as the municipality does not have adequate funding for operation and maintenance. It be noted that, the project was part of the procurement plan, but the funding approved was not adequate to the cost of the project. The project is registered as operation and maintenance in the MIG-MIS. The MIG</p>				

**2022/2023 AUDIT ACTION PLAN**

Section	Finding	Recommendation	Management Response	Nature of Findings	Responsible Person	Due Date	Action Plan
			<p>Guidelines allows for 10% of the operation and maintenance projects be registered per financial year. Another reason not to implement the project as per the procurement plan was the late (after the municipality prioritizing this project against other important projects) approval of the project on this program by COGTA. If the project was advertised based on procurement plan, there will be risks of irregular expenditure, where COGTA will issue non-compliance letter and the expenditure won't be recognized. We agree with the following findings:</p> <p>1) Smith Tabata – (R 143,066.71) – Already listed in the irregular Expenditure register</p> <p>2) Amaza Enterprise Projects (Pty) Ltd – R 165,021.25 will be added in the irregular Expenditure register.</p>				

**2022/2023 AUDIT ACTION PLAN**

Section	Finding	Recommendation	Management Response	Nature of Findings	Responsible Person	Due Date	Action Plan
Non-compliance with laws and regulations	COAF 28 - 1. Declaration forms under R30 000 quotations	Management should ensure that they keep up-to-date with the legislative requirements in the procurement processes. In the procurement process, the service providers are required to declare interest for every transaction with the municipality, therefore a new Declaration of interest MBD4.1 form must accompany the quotation to comply with regulation 13(c) of the Municipal Supply Chain Management Regulations, 2017.	Management agrees with the audit finding.	Non-compliance with applicable legislation	Ayanda Mbebe	31-Jan-2024	Update the quotation checklist to include a requirement of recent dated Declaration if Interest.
Non-compliance with laws and regulations	COAF 28 - 2. SCM - Contract management: extension after contract expired	Management should ensure that they keep up to date with the legislative requirements in the procurement processes. The new procurement process must commence six months before the contract expiry date.	Management agrees with the audit finding and will be included in the Irregular Expenditure.	Non-compliance with applicable legislation	Ayanda Mbebe	31-Jan-2024	Review & update the Contract Register. On a monthly/ quarterly the Contract Register tabled to the relevant committees (Management & Council). Contract Expiry dates to be communicated at most 6 months before the expiry date to End Users/Project Managers.
Non-compliance with laws and regulations	COAF 28 - SCM - Contract Management - No Service Level Agreement in place for the contract	It is recommended that management ensures that all procurement contracts awarded meets the specific requirements and follows the correct bidding processes to ensure the validity of the award.	Management agrees with the audit finding and are already included in the Irregular Expenditure.	Non-compliance with applicable legislation	Ayanda Mbebe	31-Jan-2024	Contract Management Policy to be approved and adopted by Council by end February 2024. SLA template developed for End User to customise to the project needs including milestones and will be implemented as soon as Council adopts the policy. SLA to be signed within 3 days of acceptance of contract by the service provider before service provision and or goods are delivered.
Non-compliance with laws and regulations	COAF 28 - 4. SCM - Contract Management - Overpayment	It is recommended that management ensures that they keep up to date with the legislative requirements and monitor contract Management effectively.	Management agrees with the audit finding.	Non-compliance with applicable legislation	Ayanda Mbebe	31-Jan-2024	All Contracts to be loaded on the SAMRAS Module by 30 April 2024; with contract values and End Users will do Call-Offs for payment. Over expenditure will not be possible.

**2022/2023 AUDIT ACTION PLAN**

<b>Section</b>	<b>Finding</b>	<b>Recommendation</b>	<b>Management Response</b>	<b>Nature of Findings</b>	<b>Responsible Person</b>	<b>Due Date</b>	<b>Action Plan</b>
Non-compliance with laws and regulations	COAF 32 - Contract Management - No monthly monitoring	It is recommended that management requires of all service providers to submit monthly progress reports in order to monitor performance on a monthly basis of the contract or agreement.	Management agrees with the audit finding. Management will implement corrective measures in order to comply with section 116(2)(b) and S116(2)(c)(ii) of the MFMA Act 56 of 2003.	Non-compliance with applicable legislation	Ayanda Mbebe, Ayanda Gaji, Julius Mputa	31-Jan-2024	1) Monthly meetings will be held with respective service providers, end June 2024. 2) SLA be compiled and reviewed,
Misstatements in annual financial statements	COAF 23 - Sewerage and Sanitation - Part 4	Management should ensure that building plans and utilisation points for sewerage and sanitation is kept up to date.	See comments as per different excel spreadsheet.	GRAP non-compliance	Ayanda Gaji, Julius Mputa, Nontyatyambo Yako	29-Feb-2024	1. Through liaising with Community Services department, will ensure that quarterly inspections are done for sewer connections and number of pans. 2. Through liaising with Community Serves department, will ensure that quarterly reconciliations are done between building plans and inspection reports. 3. Through liaising with Community Services, will ensure that the results of the reconciliations are forwarded to Finance in order to update the financial system.
Misstatements in annual financial statements	COAF 23 - Sewerage and Sanitation - Part 6	Management should ensure that building plans and utilisation points for sewerage and sanitation is kept up to date.	See comments as per different excel spreadsheet.	GRAP non-compliance	Ayanda Gaji, Julius Mputa, Nontyatyambo Yako	29-Feb-2024	1. Through liaising with Community Services department, will ensure that quarterly inspections are done for sewer connections and number of pans. 2. Through liaising with Community Serves department, will ensure that quarterly reconciliations are done between building plans and inspection reports. 3. Through liaising with Community Services, will ensure that the results of the reconciliations are forwarded to Finance in order to update the financial system.



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