

**MULTI ANNUAL BUDGET OF POLOKWANE  
MUNICIPALITY  
2022/23- 2024/25 MEDIUM TERM REVENUE  
AND EXPENDITURE FORECASTS  
CR/156/05/22**



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**Contents**

**PART 1 MULTI-YEAR BUDGET 2022/23 – 2024/2025 ..... 4**

**1.1 OVERVIEW OF THE 2022/23 MTREF ..... 6**

**1.2 Revenue by Source ..... 12**

1.2.1 Operating Transfers and Grant Receipts..... 15

**1.3 Expenditure by Type ..... 15**

1.3.1 Summary of operating expenditure by standard classification item..... 16

**1.4 Funding of Operating Budget..... 18**

1.4.1 Grant Allocations ..... 18

**1.5 CAPITAL BUDGET PER DIRECTORATE..... 19**

**1.7 OVERVIEW OF BUDGET RELATED POLICIES ..... 22**

**PART 2 LEGISLATIVE MANDATE ..... 31**

**2.1 Introduction: Public Participation..... 31**

**2.2. Background..... 32**

**2.3 Draft IDP /Budget Public Participation Schedule..... 33**

**2.4 Legislation compliance status ..... 34**

**PART 3 BUDGET INPUTS PER DIRECTORATE ..... 36**

**ROADS AND TRANSPORTATION SERVICES DIRECTORATE ..... 38**

**CHIEF OPERATIONS OFFICE ..... 44**

**PLANNING AND ECONOMIC DEVELOPMENT ..... 47**

**COMMUNITY SERVICES..... 76**

**WATER AND SANITATION ..... 93**

**CORPORATE AND SHARED SERVICES ..... 94**

**ENERGY SERVICES ..... 95**

**Annexure A – A Schedule**

**Annexure B – Detailed Capital Program**

**Annexure C – Polokwane Housing Association Budget**

**Annexure D – Municipal Manager’s Quality Certificate**

**Annexure E – Budget Related Policies**

**Annexure F – Tarrifs**

**Annexure G- Council Resolution**



<p><b>Smart Economy</b></p> <ul style="list-style-type: none"> <li>Innovative spirit</li> <li>Entrepreneurship</li> <li>Economic image &amp; trademarks</li> <li>Productivity</li> <li>Flexibility of labour market</li> <li>Ability to transform</li> <li>Penetration of ICT-use in business</li> <li>Internationalization of the city</li> </ul>	<p><b>Smart Environment</b></p> <ul style="list-style-type: none"> <li>Environmental protection</li> <li>Sustainable resource management</li> <li>Effective and efficient use of the surroundings of the city</li> <li>Environmental resilience</li> </ul>	<p><b>Smart Governance</b></p> <ul style="list-style-type: none"> <li>Participation in decision-making</li> <li>Transparent governance</li> <li>Political strategies and perspectives</li> <li>Promote E-government and ICT</li> <li>Online Public Services</li> <li>Transparent governance</li> </ul>	<p><b>Smart Living</b></p> <ul style="list-style-type: none"> <li>E-health</li> <li>Efficient and sustainable use of resources</li> <li>Quality of life for city inhabitants</li> </ul>	<p><b>Smart Mobility</b></p> <ul style="list-style-type: none"> <li>Public Internet Access</li> <li>Local accessibility</li> <li>(Inter-) national accessibility</li> <li>Availability of ICT-infrastructure</li> <li>Sustainable innovative and safe Transport systems</li> </ul>	<p><b>Smart People!</b></p> <ul style="list-style-type: none"> <li>Participation in decision-making</li> <li>Transparent governance</li> <li>E-learning</li> <li>Human Capital</li> <li>Life-long training</li> </ul>
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## **PART 1 MULTI-YEAR BUDGET 2022/23 – 2024/2025**

### **DIRECTORATE CHIEF FINANCIAL OFFICER**

#### **ITEM**

**REF: 5/1/4**

### **MULTI-YEAR BUDGET 2022/23 – 2024/2025**

#### **Report of the Chief Financial Officer**

##### **Purpose**

The purpose of the report is to table the Multi-year Budget 2022/23 – 2024/25 Council for approval.

##### **Background**

The IDP/Budget Process Plan to review the 2021/22 IDP/Budget was adopted on 7th August 2021 in terms of the provision of the Municipal Finance Management Act. The process plan outlines the key deadlines for the preparation, tabling and approval of the annual budget.

##### **Discussion**

Section 16 of the Municipal Finance Management Act stipulates the following:

- (a) The Council of a municipality must for each financial year approve an annual budget for the Municipality before the start of that financial year.
- (b) In order for a municipality to comply with subsection (1), the Mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.

Section 24 further stipulates that the Council must at least 30 days before the start of the budget year consider approval of the annual budget.

This 2022/23 MTREF Budget places emphasis on inclusive growth, as well as a progressive programme of capital expenditures. The MTREF Budget also relies on practice of good governance and a public ethic that values honesty and fairness. If we act together, on these principles, as public representatives, civil servants, businesspeople, youth, workers and citizens, we can overcome the challenges of tough economic times and difficult adjustments. National Treasury's MFMA Circular No.112 and 115 was used to guide the compilation of the 2022/23 MTREF. In addition, this budget format and content incorporates the requirements of the Municipal Budget and Reporting Regulations.

The following budgeting focus areas were applied in formulating the medium-term budget:

- Revenue maximisation at realistic collection rates.
- Adequate allocation of resources to electricity, water and sanitation, waste and roads projects for capital and operational needs.
- Cost optimisation measures especially in contracted services and overtime.
- Consideration of the state of the consumer in determining tariff increases while at the same time not compromising financial viability.
- Ensuring value for providing free basic services to all households.
- Prioritize the filling of critical Positions.
- The affordability of vacant posts, especially linked to the delivery of basic services.
- **Adherence to the monthly cash flow strategies/reforms of the Office of the CFO.**
- The build-up of cash flow reserves to improve the cash coverage ratios in line with National Treasury norms and standards (namely current and cash coverage ratios).

In this MTREF we have ensured that we eradicate non-priority spending and reprioritise expenditure to focus on core infrastructure and service delivery.

The main **CHALLENGES** experienced during the compilation of the 2022/23 MTREF are as follows:

- The ongoing difficulties in the national and local economy.
- The increased cost of bulk water and electricity (due to tariff increases from Lepelle Northern Water and Eskom), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable - as there will be point where services will no-longer be affordable;
- National Treasury Austerity measures with minimal growth in grant allocations.
- Huge backlogs in service delivery projects and further demands due to urbanization.

- Economic slowdown & unemployment: impacts on collection rates
- Limited available own funding to fund much needed infrastructure
- Higher inflation due to the European war

## 1.1 OVERVIEW OF THE 2022/23 MTREF

### General economic overview

South Africa's public finances deteriorated over the past decade; a trend that accelerated in recent years as low growth led to large revenue shortfalls. We have officially entered into a recession again for the second time in two years with lower growth forecasted over the MTEF period when factoring our domestic challenges with the corona virus pandemic.

The National Treasury projects real economic growth of **5.1 per cent** in 2021, following an expected contraction of **6.4 per cent** in 2020.

Real GDP growth is expected to moderate to **1.8 per cent** in 2022, **1.6 per cent** in 2023 and 1.7 per cent in 2024. South Africa experienced its largest recorded decline in economic output in 2020 due to the strict COVID-19 lockdown.

For 10 years, the country has run large budget deficits. This has put us deeply in debt, to the point where interest payments have begun crowding out social and economic spending programmes. This cannot be sustained especially where the global economy faces a very likely possibility of a global recession in the wake of the effects corona virus pandemic and the ongoing war in Europe.

Municipal governments face multiple pressures over the period ahead with local government expected to expand access to free basic service to poor households, while ensuring that those who can afford to pay for services do so.

The 2022/23 MTEF includes large reductions in planned transfers to municipalities. The implication of these reductions is that municipalities will be required to reprioritise projects.

### **Municipality economic overview**

The Polokwane municipality is unfortunately not immune to the economic risks facing the nation and the world and therefore a greater need to a balanced and realistic budget.

To mitigate and adapt to these challenges, the municipality will have to resort to budgetary constraints and enforce better processes for better productivity – “do more with less”. The budget process will have to pass the National Treasury’s assessment/test of a funded budget so that service delivery can continue without financial constraints impeding its basic service delivery goals.

To meet these objectives, the municipality has applied the following key measures in its budget:

- reduction in operational expenditure and in particular where more internal staff can be utilised instead of depending on service providers where practical
- reduction in own funded capital expenditure
- increases in tariffs in line with inflation except electricity related tariffs which is determined by Eskom and approved by NERSA.
- aligning electricity tariffs in line with the time of use method to contain the Eskom bills
- allocating resources to revenue generation projects and budgeting for adequate cash backed reserves
- Hefty penalties for businesses and residential consumers who breach or illegally connect meters

To sustain our cash flows, credit control/cut offs will continue to be implemented on a daily basis (except Fridays) with a standby team to assist those consumers willing to settle their debts after hours.

A new cash flow strategy has been implemented in this financial year whereby all SBUs are given a set monthly cash flow budget. This will ensure that project managers plan adequately for their activities without over committing their financial obligations. The oversight structures will monitor this initiative monthly and take appropriate action where necessary.

Total budget for the 2022/2023 financial year is R5.1 billion made up of an operating budget of R4.2 billion and a capital budget of R847 million. The focus of this budget will be directed

to the key areas in line with our promises to improve the lives of our people. Ensuring good governance in the City and ensuring the effective use of public funds and enhance accountability

The following assumptions were taken into account during the compilation of MTREF budget:

**Revenue: Tariff increases:**

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the **financial sustainability** of the municipality.

The Consumer Price Index (CPI) inflation is forecasted to be within the lower limit of the 3 to 6 per cent target band

In the **current** financial year (**2021/22 financial year**), *except for the electricity and water tariffs which are set by the institutions/regulatory bodies*, all other services were increased by **4%** which is well below the estimated inflation rate of **4.5%**. This was to ensure that the consumers are given reprieve during the significant pandemic period

For the next financial year (**2022/23 financial year**), consideration was given to the **high international oil prices (over \$100 per barrel)** and the **weaker South African currency (above R15 to the US dollar)**. These **two economic variables** result in higher inflation and is required to be considered in the tariff setting.

As a result, the tariff for services (other than electricity and water) will increase by **5.3%** which is CPI plus **0.5%**.

**Water tariffs** will increase by **9%** which is the tariff increase by the Lepelle Northern Water of **8.5%** plus **0.5%**.

**Electricity tariffs** will increase by **9.6%** subject to approval by **NERSA**. (No additional percentage will be added to this increase).



Description	Budget Year +1 2022/23	Budget Year +2 2023/24	Budget Year +2 2024/25
	Increase		
<b>Revenue By Source</b>			
Property rates	5.30%	4.90%	5.00%
Service charges - electricity revenue	9.60%	10.00%	11.00%
Service charges - water revenue	9.00%	9.50%	10.00%
Service charges - sanitation revenue	5.30%	4.90%	5.00%
Service charges - refuse revenue	5.30%	4.90%	5.00%
Rental of facilities and equipment	5.30%	4.90%	5.00%
Interest earned - external investments	5.30%	4.90%	5.00%
Interest earned - outstanding debtors	5.30%	4.90%	5.00%
Dividends received	5.30%	4.90%	5.00%
Fines, penalties and forfeits	5.30%	4.90%	5.00%
Licences and permits	5.30%	4.90%	5.00%
Agency services	5.30%	4.90%	5.00%
Other revenue	5.30%	4.90%	5.00%

The municipality will embark on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers and to ensure that all revenue due is billed correctly and collected efficiently. One of such initiatives is the implementation of an incentive/discount scheme to mainly assist those economic vulnerable households and businesses while at the same time recouping the debtors balance as far as economically possible.

**Expenditure increases**

Description	Budget Year +1 2022/23	Budget Year +2 2023/24	Budget Year +2 2024/25
	Increase		
<b>Expenditure By Type</b>			
Employee related costs	5.00%	5.40%	5.50%
Remuneration of councillors	5.00%	5.40%	5.50%
Debt impairment	4.00%	4.40%	4.50%
Depreciation & asset impairment	4.00%	4.40%	4.50%
Finance charges	4.00%	4.40%	4.50%
Bulk purchases Electricity	10.00%	10.00%	10.00%
Inventory Consumed	4.00%	4.40%	4.50%
Contracted services	4.00%	4.40%	4.50%
Transfers and subsidies	4.00%	4.40%	4.50%
Other expenditure	4.00%	4.40%	4.50%

**The following are general contributory factors for the increase in levels of rates and service charges:**

- The cost of bulk purchases.
- Cost of the social package to indigents.
- Salary increase with effect from 1 July 2022.
- Increased maintenance of network and infrastructure

The cost pressures of the water and electricity bulk purchases tariffs continue to grow faster than the inflation rate. Given that these tariff increases are determined by the external bodies; the impacts they have on the municipality's tariff are largely outside the control of the Municipality. Furthermore, the adverse impacts of the current economic climate coupled with unfavourable external pressures on services, make tariff increases higher than the CPI levels inevitable.

**Indigent subsidies**

Provision is made in the operating budget for the subsidizing of indigent households to around R270 million. This subsidy includes a free 6Kl of water, 100 units of electricity, a 100% subsidy for refuse removal and sewerage charges. A 100% rebate on assessment rates will also be given for Indigent households. The subsidy allowed, exceeds the National norm and stretches the affordability threshold of the municipality.

To qualify as indigents, the household income must not exceed R4 700 the policy is reviewed to also cater for the child headed families and the qualifying people with disability.

The municipality further grants 80% rebates to owners of residential properties who depend on pensions or social grants provided the household income does not exceed R9 000.

**COVID-19/European War**

Although we are observing a recovery (both in economic terms and the rate of infections) on the pandemic front, the negative impact on the economy is still been felt. High unemployment and slow economic recovery should be a cause of concern.

The European war has added to the challenges in the global economic recovery space. Disturbances in the global supply chain processes will have an impact on fuel prices, basic food supply and unwanted increases in interest rates.

Therefore, the application of sound financial management principles for the compilation of Polokwane Municipality's MTREF is essential and critical to ensure that Polokwane Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

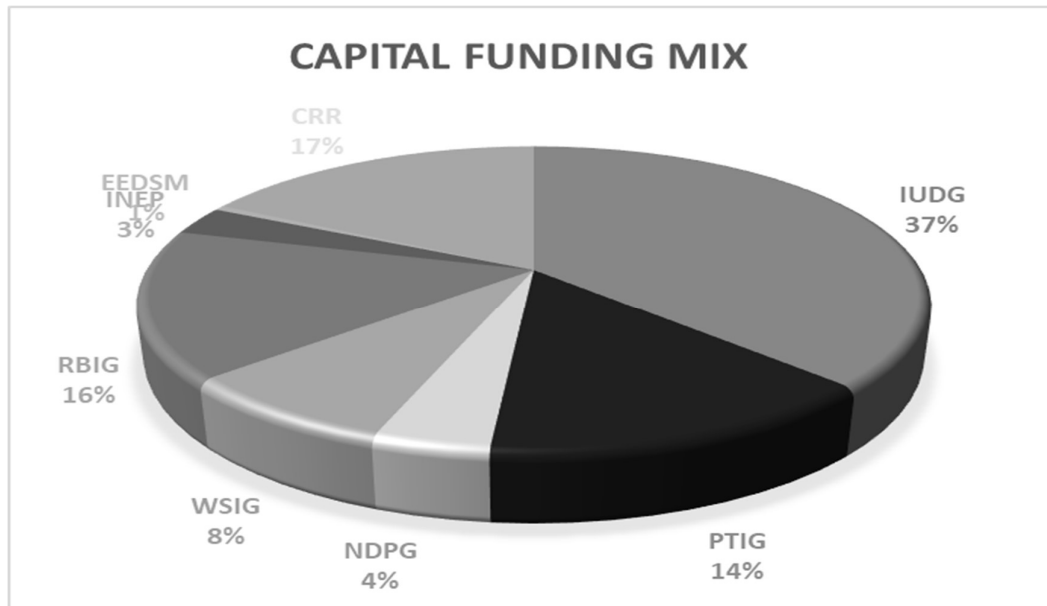
In view of the aforementioned, the following tables are a consolidated overview of the 2022/2023 Medium-term Revenue and Expenditure Framework

**Operating revenue and expenditure summary:**

Description	Current Year 2021/22		2022/23 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>R thousand</b>					
Total Revenue (excluding capital transfers and contributions)	4 028 833	4 030 188	4 338 381	4 791 842	5 305 013
Transfers and subsidies - capital (monetary allocations) (National / Provi	795 321	810 130	808 116	721 873	761 833
<b>Total Expenditure</b>	<b>3 789 546</b>	<b>4 036 131</b>	<b>4 208 030</b>	<b>4 442 772</b>	<b>4 707 604</b>
Surplus/(Deficit) for the year	1 034 609	804 187	938 467	1 070 943	1 359 241

**Capital expenditure**

Total capital budget is **R 847 867 983** excluding VAT which is funded as follows:



### Surplus for the year



### 1.2 Revenue by Source

Description	Current Year 2021/22		2022/23 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>R thousand</b>					
<b>Revenue By Source</b>					
Property rates	547 228	547 228	587 176	616 534	650 444
Service charges - electricity revenue	1 419 771	1 419 771	1 556 069	1 797 260	2 093 807
Service charges - water revenue	275 101	275 101	299 860	328 347	361 181
Service charges - sanitation revenue	131 985	131 985	138 980	145 929	153 955
Service charges - refuse revenue	126 897	126 897	133 623	140 304	148 021
Rental of facilities and equipment	14 938	14 938	11 950	12 548	13 238
Interest earned - external investments	15 683	15 683	20 000	21 000	22 155
Interest earned - outstanding debtors	101 241	101 241	106 607	111 937	118 094
Dividends received	-	-	-	-	-
Fines, penalties and forfeits	38 140	38 140	40 162	42 170	44 489
Licences and permits	13 283	13 283	13 987	14 686	15 494
Agency services	28 910	28 910	30 442	31 964	33 722
Transfers and subsidies	1 211 033	1 212 388	1 348 687	1 475 820	1 593 902
Other revenue	104 623	104 623	50 838	53 343	56 509
Gains	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>4 028 833</b>	<b>4 030 188</b>	<b>4 338 381</b>	<b>4 791 842</b>	<b>5 305 013</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	795 321	810 130	808 116	721 873	761 833
<b>Total Revenue</b>	<b>4 824 154</b>	<b>4 840 318</b>	<b>5 146 497</b>	<b>5 513 715</b>	<b>6 066 845</b>

For Polokwane Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the Municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 95 per cent annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Energy Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to electricity;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

The following table is a summary of the 2022/23 MTREF (classified by main revenue source):

Description R thousand	Current Year 2021/22			2021/22 Medium Term Revenue & Expenditure Framework				
	Adjusted Budget	%	Budget Year 2022/23	%	Budget Year +1 2023/24	%	Budget Year +2 2024/25	%
<b>Revenue By Source</b>								
Property rates	547 228	100%	587 176	14%	616 534	13%	650 444	12%
Service charges - electricity revenue	1 419 771	35%	1 556 069	36%	1 797 260	38%	2 093 807	39%
Service charges - water revenue	275 101	7%	299 860	7%	328 347	7%	361 181	7%
Service charges - sanitation revenue	131 985	3%	138 980	3%	145 929	3%	153 955	3%
Service charges - refuse revenue	126 897	3%	133 623	3%	140 304	3%	148 021	3%
Service charges - other		0%		0%		0%		0%
Rental of facilities and equipment	14 938	0%	11 950	0%	12 548	0%	13 238	0%
Interest earned - external investments	15 683	0%	20 000	0%	21 000	0%	22 155	0%
Interest earned - outstanding debtors	101 241	3%	106 607	2%	111 937	2%	118 094	2%
Dividends received		0%		0%		0%		0%
Fines, penalties and forfeits	38 140	1%	40 162	1%	42 170	1%	44 489	1%
Licences and permits	13 283	0%	13 987	0%	14 686	0%	15 494	0%
Agency services	28 910	1%	30 442	1%	31 964	1%	33 722	1%
Transfers and subsidies	1 217 388	30%	1 348 687	31%	1 475 820	31%	1 593 902	30%
Other revenue	104 623	3%	50 838	1%	53 343	1%	56 509	1%
Gains on disposal of PPE		0%		0%		0%		0%
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>4 035 188</b>	<b>100%</b>	<b>4 338 381</b>	<b>100%</b>	<b>4 791 842</b>	<b>100%</b>	<b>5 305 013</b>	<b>100%</b>
<b>Revenue from Services Charges</b>	<b>1 953 754</b>	<b>48%</b>	<b>2 128 532</b>	<b>47%</b>	<b>2 411 839</b>	<b>48%</b>	<b>2 756 965</b>	<b>52%</b>

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus.

Revenue generated from rates, services charges and operational grants forms a significant percentage of the revenue basket for the Municipality. Service charges revenues comprise more than 40% of the total revenue mix. In the 2021/22 financial year, revenue from services charges totalled R1.953 billion or 48.4 per cent. This increases to R2.128 billion, R2.411 billion and R2.756 billion in the respective financial years of the MTREF. This growth can be mainly attributed to the supplementary valuation rolls and the increased share that the sale of electricity and water contributes to the total revenue mix, which in turn is due to rapid increases in the Eskom tariffs for bulk electricity and bulk water. The above table includes revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality. Details in this regard are contained in MBRR SA1.

Operating Grants & Subsidies are the second largest revenue source totalling 31.16 per cent in 2022/23 and increase to 30.2 per cent in 2024/25. Property rates are the third largest revenue source totalling 13.52per cent or R587 million rand in 2022/23 and increases to R650million by 2024/25. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

### 1.2.1 Operating Transfers and Grant Receipts

MULTI YEAR BUDGET GRANTS AND SUBSIDIES AS PER DIVISION OF REVENUE BILL	Budget Year +1 2022/23	Budget Year +1 2023/24	Budget Year +1 2024/25
<b>OPERATIONAL GRANTS</b>			
Equitable Share	1 196 549 000	1 300 435 000	1 413 976 000
<b>TOTAL OPERATIONAL GRANTS</b>			
Integrated Urban Development Grant	62 071 833	75 132 816	70 958 660
Public Transport Network Grant	61 496 000	64 118 957	66 567 749
Financial Management Grant (FMG)	2 400 000	2 400 000	2 400 000
Extended Public Works Programme (EPWP)	11 570 000	-	-
Infrastructure Skills Development Grant (ISDG)	6 000 000	6 000 000	6 000 000
Integrated National Electrification Programme Grant	3 600 000	21 733 000	27 000 000
<b>TOTAL OPERATIONAL GRANTS</b>	<b>1 343 686 833</b>	<b>1 469 819 774</b>	<b>1 586 902 409</b>

### 1.3 Expenditure by Type

Description	Current Year 2021/22		2022/23 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>R thousand</b>					
<b>Expenditure By Type</b>					
Employee related costs	1 009 601	1 043 372	1 167 117	1 220 180	1 286 621
Remuneration of councillors	43 421	39 921	41 917	44 180	46 610
Debt impairment	250 000	250 000	260 000	271 440	283 655
Depreciation & asset impairment	250 000	250 000	260 000	271 440	283 655
Finance charges	50 000	47 200	42 336	39 836	37 146
Bulk purchases - electricity	887 800	887 800	976 580	1 054 706	1 149 630
Inventory consumed	288 939	291 139	307 541	316 062	330 285
Contracted services	739 404	916 485	871 102	934 463	986 838
Transfers and subsidies	40 000	50 000	17 000	15 138	15 819
Other expenditure	230 382	260 215	264 438	275 327	287 346
Losses	-	-	-	-	-
<b>Total Expenditure</b>	<b>3 789 546</b>	<b>4 036 131</b>	<b>4 208 030</b>	<b>4 442 772</b>	<b>4 707 604</b>

The Municipality’s expenditure framework for the 2022/23 budget and MTREF is informed by the following:

- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to the asset renewal strategy and backlog eradication plan.
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of no project plans no budget. If there is no business plan no funding allocation can be made.

The following table is a high-level summary of the 2022/23 budget and MTREF (classified per main type of operating expenditure):

### 1.3.1 Summary of operating expenditure by standard classification item

Description R thousand	Current Year 2021/22		2021/22 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2022/23	%	Budget Year +1 2023/24	%	Budget Year +2 2024/25	%
<b>Expenditure By Type</b>								0%
Employee related costs	1 043 372	26%	1 167 117	28%	1 220 180	27%	1 286 621	27%
Remuneration of councillors	39 921	1%	41 917	1%	44 180	1%	46 610	1%
Debt impairment	250 000	6%	260 000	6%	271 440	6%	283 655	6%
Depreciation & asset impairment	250 000	6%	260 000	6%	271 440	6%	283 655	6%
Finance charges	47 200	1%	42 336	1%	39 836	1%	37 146	1%
Bulk purchases Electricity	887 800	22%	976 580	23%	1 054 706	24%	1 149 630	24%
Other materials	291 139	7%	307 541	7%	316 062	7%	330 285	7%
Contracted services	921 485	23%	871 102	21%	934 463	21%	986 838	21%
Transfers and subsidies	50 000	1%	17 000	0%	15 138	0%	15 819	0%
Other expenditure	260 215	6%	264 438	6%	275 327	6%	287 346	6%
<b>Total Expenditure</b>	<b>4 041 131</b>	<b>100%</b>	<b>4 208 030</b>	<b>100%</b>	<b>4 442 772</b>	<b>100%</b>	<b>4 707 604</b>	<b>100%</b>

The budgeted allocation for employee related costs for the 2022/23 financial year totals R1 167 billion, which equals 28 percent of the total operating expenditure. Salary increases have been factored into this budget at a percentage increase of 5.0 per cent for the 2022/23 for the



MTREF. Included in the R1,167 billion is the R 26.0 million for Leave Pay and Long Service Awards.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the Municipality's budget.

The provision of debt impairment was determined based on an annual collection rate and the Debt Write-off Policy of the Municipality. For the 2022/23 financial year this amount increased to R260 million. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

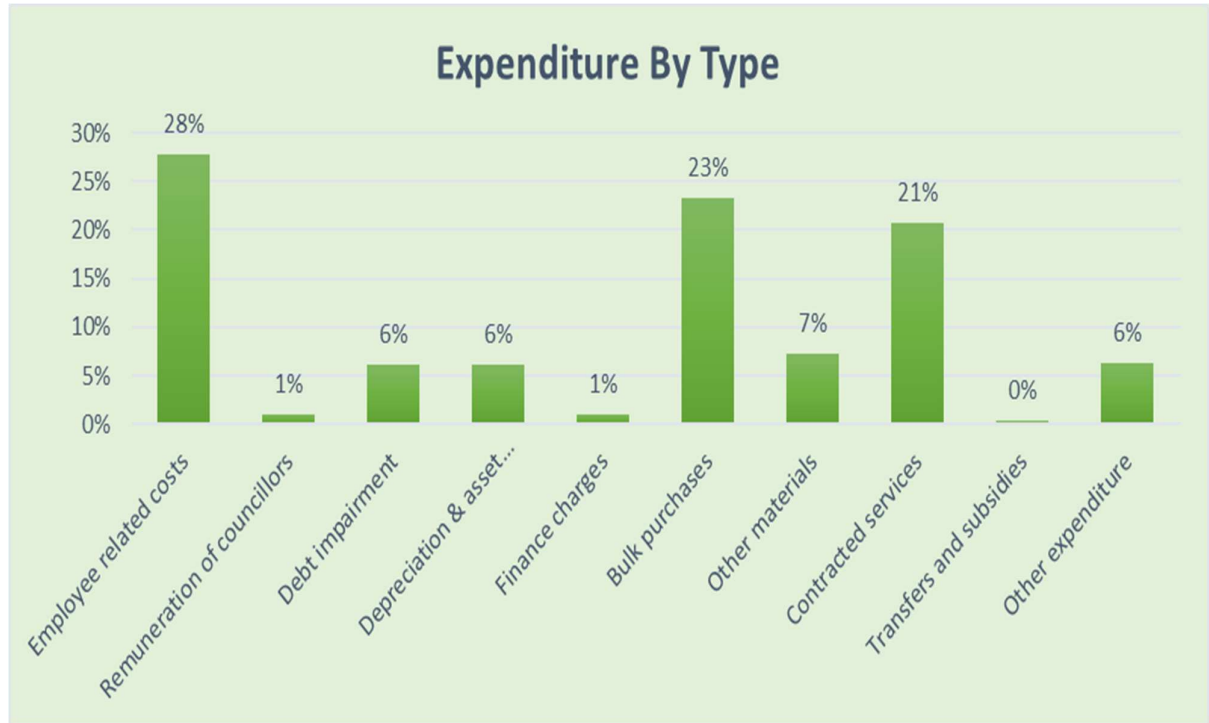
Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R260 million for the 2022/23 financial and equates to 6 per cent of the total operating expenditure.

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 1 percent (R42 million) of operating expenditure.

Bulk purchases are directly informed by the purchase of electricity from Eskom and water from Lepelle Water. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. Bulk purchases make up 23 percent (R 976.5 million) of operating expenditure. The expenditures include distribution losses.

Contracted services in 2021/22 financial year budget were R 921 million currently decreased to R 871 million for 2022/23.

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. Printing and stationary, subsistence and travelling, attending of conferences and workshops have significantly been reduced or limited to zero growth. Other expenditure makes up 6 percent (R 264 million) of operating expenditure.



## 1.4 Funding of Operating Budget

Funding is obtained from various sources, the major sources being service charges such as electricity, water, sanitation, and refuse collection, property rates, grants and subsidies received from National government.

### 1.4.1 Grant Allocations

Municipalities play a critical role in furthering government’s objective of providing services to all. Cities are also driving South Africa’s growth and development. However, to play these roles, cities need to be supported and funded. Local Government conditional grants are being reformed to provide targeted support to different types of municipalities. The following projected grant allocations to the municipality in terms of the 2022/23 Division of Revenue Bill have been included in this medium-term budget.

MULTI YEAR BUDGET GRANTS AND SUBSIDIES AS PER DIVISION OF REVENUE BILL	Budget Year +1 2022/23	Budget Year +1 2023/24	Budget Year +1 2024/25
<b>OPERATIONAL GRANTS</b>			
Equitable Share	1 196 549 000	1 300 435 000	1 413 976 000
<b>TOTAL OPERATIONAL GRANTS</b>			
Intergrated Urban Development Grant	62 071 833	75 132 816	70 958 660
Public Transport Network Grant	61 496 000	64 118 957	66 567 749
Financial Management Grant (FMG)	2 400 000	2 400 000	2 400 000
Extended Public Works Programme (EPWP)	11 570 000	-	-
Infrastructure Skills Development Grant (ISDG)	6 000 000	6 000 000	6 000 000
Integrated National Electrification Programme Grant	3 600 000	21 733 000	27 000 000
<b>TOTAL OPERATIONAL GRANTS</b>	<b>1 343 686 833</b>	<b>1 469 819 774</b>	<b>1 586 902 409</b>
<b>INFRASTRUCTURE GRANTS</b>			
Intergrated Urban Development Grant	363 972 167	331 690 184	354 455 340
Public Transport Network Grant	138 000 000	143 886 043	149 381 251
Neighbourhood Development Grant	40 000 000	40 000 000	45 000 000
Water Services Infrastructure Grant	77 160 000	72 700 000	76 871 000
Regional Bulk Infrastructure Grant	154 584 000	120 597 000	-
Integrated National Electrification Programme Grant	29 400 000	-	-
Energy Efficiency and Demand Side Management Grant (EEDSM)	5 000 000	4 000 000	5 000 000
<b>TOTAL INFRASTRUCTURE GRANTS</b>	<b>808 116 167</b>	<b>712 873 227</b>	<b>630 707 591</b>
<b>TOTAL DoRB ALLOCATIONS TO THE MUNICIPALITY</b>	<b>2 151 803 000</b>	<b>2 182 693 000</b>	<b>2 217 610 000</b>

### 1.5 CAPITAL BUDGET PER DIRECTORATE

The Capital budget inclusive of VAT is funded by the allocations made to the city by National Government in the form of grants, donations and internally generated funds.



The table below represents the capital budget per vote (Directorate)

Description	Current Year 2021/22		2022/23 Medium Term Revenue and Expenditure Framework					
	Adjusted Budget	%	Budget Year 2022/23	%	Budget Year +1 2023/24	%	Budget Year +2 2024/25	%
<b>Single-year expenditure to be appropriated</b>								
Vote 1 - Chef Operations Office	6 126	0.6%	1 030	0.1%	1 395	0.2%	2 539	0.3%
Vote 2 - Municipal Manger Office	2 000	0.2%		0.0%		0.0%		0.0%
Vote 3 - Water and Sanitation	347 720	33.9%	281 466	33.2%	243 042	32.5%	251 217	32.8%
Vote 4 - Energy Services	97 876	9.6%	109 913	13.0%	89 565	12.0%	91 402	11.9%
Vote 5 - Community Services	76 354	7.5%	52 090	6.1%	20 844	2.8%	20 806	2.7%
Vote 6 - Public Safety	15 872	1.5%	3 922	0.5%	4 533	0.6%	5 921	0.8%
Vote 7 - Corporate and Shared Services	16 829	1.6%	31 957	3.8%	3 478	0.5%	3 616	0.5%
Vote 8 - Planning and Economic Development	5 974	0.6%	15 628	1.8%	11 633	1.6%	14 119	1.8%
Vote 9 - Budget and Treasury	2 000	0.2%		0.0%		0.0%		0.0%
Vote 10 - Transport Services	453 718	44.3%	350 667	41.4%	372 704	49.9%	377 184	49.2%
Vote 11 - Human Settlement	-	0.0%	1 195	0.1%	286	0.0%	-	0.0%
<b>Total Capital Expenditure - Vote</b>	<b>1 024 469</b>	<b>100.0%</b>	<b>847 868</b>	<b>100.0%</b>	<b>747 480</b>	<b>100.0%</b>	<b>766 802</b>	<b>100.0%</b>

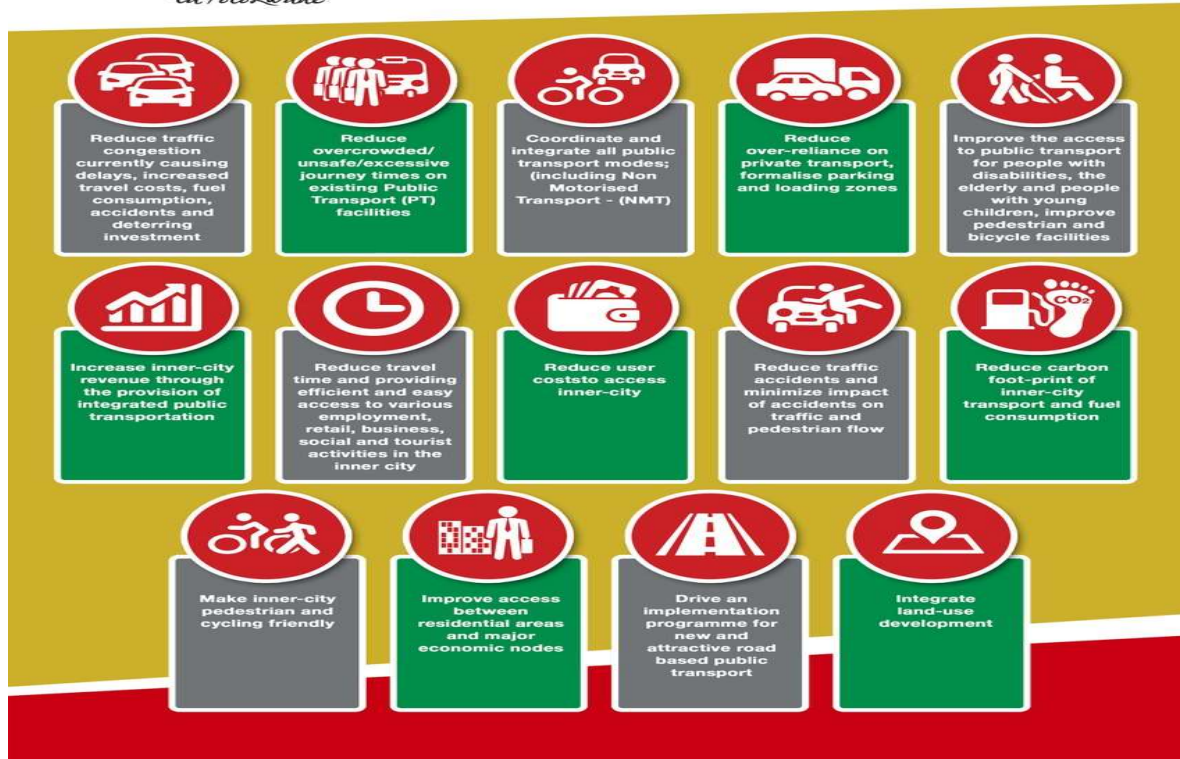
**Transport Services** has the highest allocation of 41.4% for completion of infrastructure project, Refurbishment on Roads, Roads Concession, IT System” for Leeto la Polokwane.





### THE BENEFITS OF LEETO LA POLOKWANE™

The Municipality aims to achieve the following main objectives through the implementation of Leeto La Polokwane



**Water and Sanitation Services** is allocated 33.2% for infrastructure projects.

The Municipality is strategically focusing on renewing its asset with the sole objective of optimizing service delivery, the area of focus is on Wastewater Management and Water Network.

While at the same time, investing in the creation of new assets to increase services and economic development in the municipality, major projects undertaken as part of this strategic focus are:

- Building of new Regional Waste Water Treatment Plant
- Building of Regional Water Schemes and acceleration of rural sanitation

The funds available for capital expenditure from conditional grants for the following 3 years are R 702 million, R 627 million and R 662 million respectively.

MULTI YEAR BUDGET	Funding Source	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +1 2024/25
Description				
Intergrated Urban Development Grant	IUDG	316 497 537	288 426 247	308 222 035
Public Transport Network Grant	PTIG	120 000 000	125 118 298	129 896 740
Neighbourhood Development Grant	NDPG	34 782 609	34 782 609	39 130 435
Water Services Infrastructure Grant	WSIG	67 095 652	63 217 391	66 844 348
Regional Bulk Infrastructure Grant	RBIG	134 420 870	104 866 957	109 576 522
Integrated National Electrification Programme Grant	INEP	25 565 217	7 826 087	4 445 217
Energy Efficiency and Demand Side Management Grant (EEDSM)	EEDSM	4 347 826	3 478 261	4 347 826
<b>Total DoRA Allocations</b>		<b>702 709 711</b>	<b>627 715 849</b>	<b>662 463 122</b>
CRR	CRR	145 158 272	119 750 841	104 339 220
<b>TOTAL FUNDING</b>		<b>847 867 983</b>	<b>758 066 691</b>	<b>766 802 342</b>

The funds available for capital expenditure exclusive of VAT from **Cash Replacement Reserve** (Own funds) for the following 3 years are R 145 million, R119 million and R 104 million respectively. The following CRR funding is broken down by directorate.

MULTI YEAR BUDGET	Funding Source	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +1 2024/25
Description				
Vote 1 - CHIEF OPERATIONS OFFICE	CRR	1 030 179	1 395 371	2 538 989
Vote 2 -MUNICIPAL MANAGER'S OFFICE	CRR	-	-	-
Vote 3 - WATER AND SANITATION	CRR	274 387	12 885	13 029
Vote 4 - ENERGY SERVICES	CRR	69 565 217	65 217 391	69 565 217
Vote 5 - COMMUNITY SERVICES	CRR	4 732 486	6 576 757	6 497 303
Vote 6 - PUBLIC SAFETY	CRR	3 922 500	4 519 311	5 920 869
Vote 7 - CORPORATE AND SHARED SERVICES	CRR	31 957 277	3 477 920	3 615 521
Vote 8 - PLANNING AND ECONOMIC DEVELOPMENT	CRR	3 779 106	3 223 530	5 423 241
Vote 9 - BUDGET AND TREASURY OFFICE	CRR	-	-	-
Vote 10 - TRANSPORT SERVICES	CRR	29 897 119	35 327 676	10 765 052
<b>Total CRR Expenditure</b>		<b>145 158 272</b>	<b>119 750 841</b>	<b>104 339 220</b>

## 1.7 OVERVIEW OF BUDGET RELATED POLICIES

The MFMA and the Municipal Budget and Reporting Regulations require budget related policies to be reviewed, and where applicable, to be updated on an annual basis. The main purpose of budget related policies is to govern and guide the budget process and inform the projections of the medium term.

The following are budget related policies which have been approved by Council, or have been reviewed /amended and / or are currently being reviewed / amended in line with National Guidelines and other legislation

### **Cash Management and Investment Policy**

The objectives of the Investment Policy are: -to manage the investments of the municipality in such a manner that it will not tie up the municipality's scarce resources required to improve the quality of life of the citizens; those sufficient cash resources are available to finance the capital and operating budgets of the municipality; and to gain the highest possible return on investments during periods when excess funds are not being used, without unnecessary risk.

### **Leave Policy**

To ensure that employees know their entitlement with regard to the allocation of leave, the responsibility to apply for leave in the prescribed manner(s) and for good governance of leave in Polokwane Municipality.

### **Integrated Customer Policy**

The objective of this policy is to provide a policy framework for the circumstances under which deposit must be paid, the determination of the amount of the deposit that must be paid and the refund or forfeiture of deposit

### **Assets Management Policy**

The objective of this policy is to ensure the effective and efficient control of the municipality's assets through proper recording of assets from authorisation to acquisition and to subsequent disposal; providing for safeguarding procedures, setting proper guidelines as to authorised utilisation and prescribing for proper maintenance. To assist officials in understanding their legal and managerial responsibilities with regard to assets.

### **Loss and Claim Committee Policy**

The Committee shall focus on the following goals and functions in order to meet the purpose identified:

- (i) Review, consider and discuss all claims and losses received;
- (ii) Settle, repudiate or refer back for further information all claims tabled before the Committee which falls within its mandate;
- (iii) Attend meetings arranged for purposes of discussion and finalisation
- (iv) Seek advice from any Third Party in considering and finalising claims before the Committee as the Committee may deem necessary.

### **Budget and Virement Policy**

- The budget and virement policy sets out the budgeting principles which Polokwane Municipality will follow in preparing each annual budget. The policy aims to give effect to the requirements and stipulations of the Municipal Finance Management Act in terms of the planning, preparation and approval of the annual budgets.
- The policy shall apply to all the relevant parties within the Polokwane Municipality that are involved throughout the budget process.
- The policy shall establish and maintain procedures to ensure adherence to the IDP review and budget processes

### **Performance Management System Policy (Organisational and Employee Management )**

- The overall objective of implementing and sustaining effective employee performance management is to build human capital at strategic and operational levels throughout the municipality.
- To achieve this objective an Organisational and Employee Performance Management System is implemented to provide administrative simplicity, maintain mutual respect between managers and employees, and add value to day to day communication about performance and development issues

### **Funding and Reserve Policy**

The objectives of the funding and reserves policy are as follows:

- To comply with the legislative requirements



- To ensure that the Municipality's Operating and Capital budgets are adequately funded;
- To ensure that the Municipality's provisions and reserves are maintained at the required levels, in order to mitigate unfunded liabilities in future financial years

### **Borrowing Policy**

The objectives of this Policy are to: -

- Manage interest rate and credit risk exposure;
- Maintain debt within specified limits and ensure adequate provision for the repayment of debt;
- To ensure compliance with all Legislation and Council policy governing borrowing of funds.

### **Indigent and Social Assistance Policy**

The objectives of this Policy are to: -

- Provide a framework within which the Municipality can exercise its executive and legislative authority with regard to the implementation of financial aid to indigent and poor households in respect of their municipal account;
- Determine the criteria for qualification of Indigent and poor households;
- Ensure that the criteria are applied correctly and fairly to all applicants;
- Allow the municipality to conduct in loco visits to the premises of applicants to verify the actual status of the household with respect to meeting the criteria on an indigent household.
- Allow the Municipality to maintain and publish the register of names and addresses of account holders receiving subsidies (financial aid in respect of the Municipal Services account

### **Supply Chain Management Policy**

The objective of the supply chain management policy is

- To give effect to the provisions of section 217 of the Constitution of the Republic of South Africa, 1996;
- To give effect to the provisions of the Local Government: Municipal Finance Management Act, (Act No. 56 of 2003)

- To give effect to the provisions of the Preferential Procurement Policy Act 5 of 2000 and regulations 2011
- To give effect to the Municipal Supply Chain Management Regulations
- The Broad Based Black Economic Empowerment Act 53 of 2003
- The prevention and combating of corruption Activities Act 12 of 2004.

### **Credit Control and Debt Collection Policy**

The objectives of Credit Control Policy are:

- To provide procedures and mechanisms to collect all the monies due and payable to the Municipality arising out of the supply of services and annual levies, in order to ensure financial sustainability and delivery of municipal services in the interest of the community
- To limit risk levels by means of effective management tools.
- To provide for restrictions, limitations, termination of services for non-payment.

The objective of Debt Collection Policy is:

- To implement procedures which ensure the collection of debt, meeting of service targets and the prevention of escalation in arrear debt

### **Tariff Policy**

- To comply with the provisions of section 74 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000).
- To prescribe procedures for calculating tariffs where the Municipality wishes to appoint service providers in terms of section 76(b) of the Act.
- To give guidance to the Portfolio Committee for Finance regarding tariff proposals that must be submitted to Council annually during the budgetary process.
- To ensure that there is consistency in how the tariffs are applied throughout the Municipality.
- To ensure municipal services are financially sustainable, affordable and equitable.
- Determining cost effective tariff as far as possible.
- To ensure affordability of basic services to the community.

### **Property Rates Policy**

The key objectives of the policy are to:

- ensure that all owners of rateable property are informed about their liability to pay assessment rates;
- specify relief measures for ratepayers who may qualify for relief or partial relief in respect of the payment of rates through exemptions, reductions and rebates contemplated in section 8 of this policy and section 15 of the Act;
- set out the criteria to be applied by the Council if it increases rates and levies differential rates on different categories of property;
- provide for categories of public benefit organisations, approved in terms of Section 30(1) of the Income Tax Act, 1962 (Act no 58 of 1962) as amended, which ratepayers are eligible for exemptions, reductions and rebates and therefore may apply to the Council for relief from rates;
- recognise the state, organs of state and owners of public service infrastructure as property owners;
- not discourage the development of property;
- ensure that all persons liable for rates are treated equitably as required by the Act;
- determine the level of increases in rates; and
- Provide for exemption, rebates and reductions

### **Subsistence and Travel Policy**

Subject to the provisions of the standard Conditions of Services and any other Agreement with the Bargaining Council applicable to the Council of its employees, the objective of the policy is:

- To fairly compensate persons / employees representing the Council for essential additional expenses incurred by them in the execution of their official duties.
- To ensure uniformity in the payment of subsistence and traveling allowances.

### **Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy**

This policy aims to ensure that, amongst other things:

- Unauthorised, irregular, or fruitless and wasteful expenditure is detected, processed, recorded, and reported in a timely manner;
- Officials and councillors have a clear and comprehensive understanding of the procedures they must follow when addressing unauthorised, irregular, fruitless and wasteful expenditure;
- Polokwane Municipality's resources are managed in compliance with the MFMA, the municipal regulations and other relevant legislation; and
- All officials and councillors are aware of their responsibilities in respect of unauthorised, irregular, fruitless and wasteful expenditure.

### **Inventory Policy**

This policy aims to ensure that, amongst other things:

- To implement appropriate internal controls and effective inventory management system to ensure that goods placed in stores are secured and only used for the intended purposes.
- To determining and setting of inventory levels that includes minimum and maximum stock levels and lead times whenever goods are placed in stock.
- To monitoring and review of service provider's performance to ensure compliance with specifications and contract conditions.

### **Cost Containment Policy**

This policy aims to ensure that, amongst other things:

- to regulate spending and to implement cost containment measures at Polokwane Local Municipality.

**RECOMMEND**

1. That the annual budget of the municipality and municipal entity (Polokwane Housing Association) for the financial year 2022/23 and the multi-year and single-year capital appropriations as set out in the following tables be approved and adopted:
  - 1.1 Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table A2;
  - 1.2 Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table A3;
  - 1.3 Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table A4 and D2; and
  - 1.4 Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table D3.
  
2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
  - 2.1 Budgeted Financial Position as contained in Table A6 and D4;
  - 2.2 Budgeted Cash Flows as contained in Table A7 and D5;
  - 2.3 Cash backed reserves and accumulated surplus reconciliation as contained in Table A8;
  - 2.4 Asset management as contained in Table A9; and
  - 2.5 Basic service delivery measurement as contained in Table A10.
  
3. The Council of Polokwane Municipality, acting in terms of section 75A of the Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2022: as set out in the Proposed Tariffs booklet:
  - 3.1 the tariffs for property rates
  - 3.2 the tariffs for electricity
  - 3.3 the tariffs for the supply of water
  - 3.4 the tariffs for sanitation services
  - 3.5 the tariffs for solid waste services

4. That the following budget related policies be approved for implementation in 2022/23.

- Cash management and Investment Policy
- Leave Policy
- Integrated Customer Care Policy
- Asset Management Policy
- Claims committee and loss Policy
- Budget and Virement Policy
- Performance Management System Policy (Organisational and Employee Management Policy)
- Funding and reserves Policy
- Borrowing Policy
- Indigent and Social Assistance Policy
- Supply chain management Policy
- Credit control and debt collection Policy
- Tariff Policy
- Property Rates Policy
- Subsistence and Travelling Policy
- Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy
- Inventory Policy
- Cost Containment Policy

## PART 2 LEGISLATIVE MANDATE

### IDP – Schedule of Community consultations

#### 2.1 Introduction: Public Participation

Section 16 of Municipal Systems Act (32 of 2000) mandate municipalities to develop a culture of municipal governance that complements formal representative government with a system of participatory governance, and must for this purpose encourage, and create conditions for, the local community to participate in the affairs of the municipality, including in:

- The preparation, implementation and review of its Integrated Development Plan (IDP).
- The establishment, implementation and review of its Performance Management System (PMS).
- Monitoring and review of its performance, including the outcomes and impact of such performance.
- The preparation of its budget.
- Strategic decision relating to the provision of municipal services.

Section 152 of the Constitution (108 of 1996) provides objectives of local government. One of the objectives is to **encourage the involvement of communities and community organizations in the matters of local government.**

In line with the above-mentioned legislative mandate, Polokwane Municipality undertook the IDP/Budget review consultation process from the **04 -20<sup>th</sup> April 2022.**

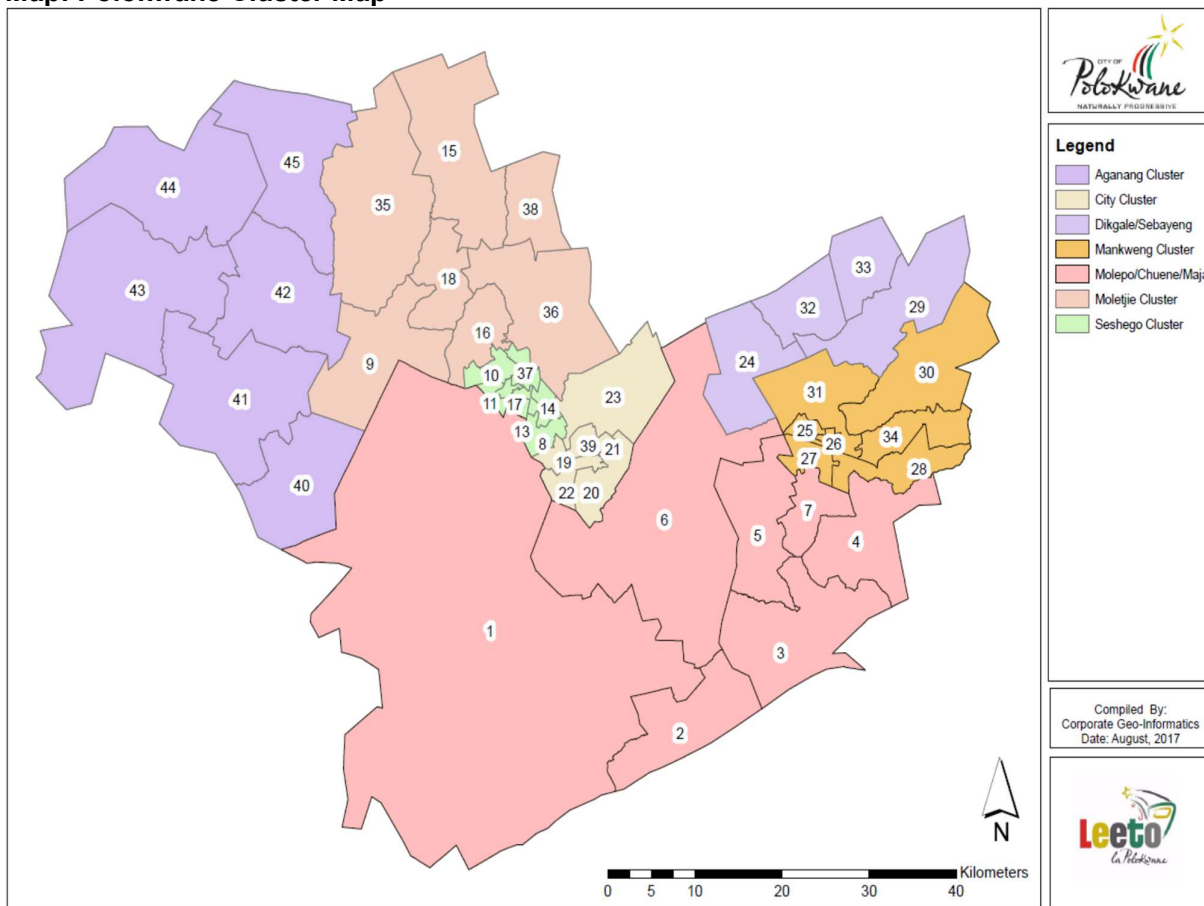
Polokwane municipality is made up of **45 wards,** which are grouped into **7 Clusters** for administrative purpose, namely:

	Clusters Name	Wards No.
1	Mankweng Cluster	06,07,25,26,27,28, 34
2	Moletjie Cluster	09,10,15,16,18,35, 36,38
3	Molepo / Chuene / Maja Cluster	1,2,3,4,5

	Clusters Name	Wards No.
4	Sebayeng / Dikgale Cluster	24,29,32,33,30,31
5	Aganang Cluster	40,41,42,43,44,45
6	City Cluster	08;19,20,21,22,23,39
7	Seshego Cluster	11,12,13, 14,17,37

**Polokwane Cluster Map Reflecting Location of 45 Wards**

**Map: Polokwane Cluster Map**



Source: Polokwane G.I.S SBU:

**2.2. Background**



Due to **COVID-19**, from previous financial year's the Draft IDP/Budget public participation process was held using media platform as guided by the Government Gazette. It was almost two financial years now (from **2020/21** financial year and **2021/22** financial year) without going to the communities as the Municipality has been guided by CoGHSTA Gazette which stipulates that municipalities must ensure that the communities are consulted using media platforms and alternative methods of consultation, instead of contact meetings.

Since the Country moved to **level 1**, gatherings in specified numbers were now permitted as long as there is compliance with Covid -19 regulations and related procedures get adhered to.

Due to that, the **New Council** resolved that the 2022/23 Draft IDP/Budget Public Participation process be conducted Physically.

Physical Public Participation Process was arranged and conducted in all the seven (7) Municipal Clusters in order to get input and comments from the community as specified in Section 152 of the Constitution (108 of 1996) that indicate that, one of the objectives of local Government is to encourage the involvement of communities and community organizations in the matters of local government.

In line with the above-mentioned legislative mandate, and the approved Corporate Calendar of the City of Polokwane, the full month of **April (30 days legislated timeframe)** was already reserved for the IDP/Budget Public Participation Process. Furthermore, the month of April each financial year is the IDP Community Consultation month with one (1) Joint Portfolio Committee scheduled to deal with the compliance report (Sub sec 52(d) Report).

Proper alignment of the dates for the April IDP/Budget Public participation was done. Hence, there was no clashes of dates for the (Joint Portfolio Committee, MAYCO, Council) wherein the compliance report was tabled.

### 2.3 Draft IDP /Budget Public Participation Schedule

The table below indicates the 2022/23 Draft IDP/Budget Public Participation schedule that was held in all the seven (7) Municipal Clusters during the month of April 2022. For effective and efficient public participation process, the **Draft IDP/Budget** Public Consultation Process was conducted as reflected on the table below:

**The dates for the meetings have been scheduled as follows:**

Date	Municipal Cluster / Sector	Venue	Time
04 April 2022	Traditional Leaders	Fusion Boutique Hotel Saskia Hotel	10h00 -13h00
05 April 2022	Aganang Cluster	Movers Soccer Ground at Ga-Kgasha village	10h00 -13h00
06 April 2022	Mankweng Cluster	Mankweng Community Hall	10h00 -13h00
07 April 2022	Seshego Cluster	Ngoako Ramahlodi Sports Complex	10h00 -13h00
08 April 2022	City Cluster	Jack Botes Hall	18h00 -20h00
12 April 2022	Sebayeng /Dikgale Cluster	Bana Bathari Primary School	10h00 -13h00
13 April 2022	Moletjie Cluster	Moletjie Community Hall	10h00 -13h00
19 April 2022	Molepo /Chuene /Maja Cluster	Mothiba - Ngwanamago Municipal Offices	10h00 -13h00
20 April 2022	SDA 1	Greenside Primary School	14h00 – 17h00

The Executive Mayor with the Members of Mayoral Committee and Management team convened consultation meetings with communities and stakeholders in all clusters as indicate above.

In all the Meetings, the **AMM** presented the progress on previous financial year projects which was then followed by presentation of new projects and their budgets. Proposed tariffs increases were also Presented to the community for their inputs and comments in all the clusters.

#### 2.4 Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

**1. In year reporting**

Reporting to National Treasury in electronic format was fully complied with monthly. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the Municipality's website. The Section 71 reports and datastrigs are also uploaded on the National Treasury upload portal within 10 working days.

**2. Internship programme**

The Municipality is participating in the Municipal Financial Management Internship programme and has employed 4 interns undergoing training in various divisions of the Budget and Treasury Office.

**3. Budget and Treasury Office**

The Budget and Treasury Office has been established in accordance with the MFMA.

**4. Audit Committee**

An Audit Committee has been established and is fully functional.

**5. Service Delivery and Implementation Plan**

The detail SDBIP document is at a draft stage and will be finalised after approval of the 2022/23 MTREF in June 2022 directly aligned and informed by the 2022/23 MTREF.

**6. Annual Report**

Annual report is compiled in terms of the MFMA and National Treasury requirements.

**7. MFMA Training**

The MFMA training module in electronic format is presented at the Municipality's internal centre and training is ongoing.

## PART 3 BUDGET INPUTS PER DIRECTORATE

### MUNICIPAL MANAGER’S OFFICE

Risk management– outline the top risks and remedial program/action to mitigate the risks.		
No	Risk	New mitigating action
1.	Ageing of infrastructure due to lack of sufficient funds for maintenance.	<ul style="list-style-type: none"> <li>• Development of Strategies and focused maintenance plan to address ageing infrastructure (buildings)</li> <li>• Ring fencing strategies for basic charges for repairs and maintenance budget</li> <li>• implementation of Building Integrity assessment recommendations</li> <li>• Proactive roads maintenance and inspection to be intensified.</li> <li>• Construction of a new 66KV Substation to resume in July 2019.</li> </ul>
2.	Electricity losses due to theft of electricity through illegal connections	<ul style="list-style-type: none"> <li>• Installation check Meters is currently underway.</li> <li>• Continuous replacement of conventional meters with the prepaid meters</li> <li>• Continue</li> <li>• Impose penalty into account for those bridged meter (The form for the bridged meter has been developed so that the client can agree to the bridging and to report or follow up on the actual repairs)</li> </ul>
3.	Illegal land use and illegal advertisement	<ul style="list-style-type: none"> <li>• Review and implementation of operational manual for illegal land use</li> <li>• Development plan on vacant townships and farms</li> <li>• Frequent monitoring on illegal land activities and spot checks on targeted land</li> <li>• Establishment and drafting terms of references Polokwane Spatial Planning Forum</li> <li>• Fencing of remaining municipal farms</li> </ul>
4.	Water scarcity	<ul style="list-style-type: none"> <li>• Water conservation awareness to users and roll out to townships.</li> <li>• Implementation of bi laws and imposing fines</li> <li>• Increase Seshego and Mashashane water treatment plant.</li> <li>• Raising of dam walls in Seshego and Dap-Naude</li> <li>• Implementation of other water sources</li> </ul>

<b>Risk management– outline the top risks and remedial program/action to mitigate the risks.</b>		
<b>No</b>	<b>Risk</b>	<b>New mitigating action</b>
5.	Cash flow constates	<ul style="list-style-type: none"> <li>• Implementation of the Revenue enhancement strategy.</li> <li>• Accurate Indigent register (equitable share allocation based on indigent).</li> <li>• Consistent credit control.</li> <li>• Procurement of smart meters for Mankweng area</li> <li>• Identification of new of revenue streams</li> <li>• Extension of billing in rural areas to non-indigent users</li> </ul>
6.	Inadequate ICT infrastructure (Not keeping with the current ICT developments)	<ul style="list-style-type: none"> <li>• Continuous testing of DR plan</li> <li>• ICT Capacity management</li> <li>• Planned server and network connectivity maintenance.</li> </ul>
7.	Fraud and Corruption	<ul style="list-style-type: none"> <li>• Promoting fraud hotline</li> <li>• Fraud risk assessment.</li> <li>• Awareness campaigns</li> <li>• Independent Compliance officer from BTO</li> <li>• Vetting of all critical position</li> <li>• Fraud Survey</li> </ul>
8.	Rising community unrest, coupled with distraction of Municipal infrastructure due to upcoming local government elections	<ul style="list-style-type: none"> <li>• Community Consultation</li> <li>• Public Participation</li> <li>• Mayoral Imbizos</li> </ul>
9.	Negative Audit Outcome	<ul style="list-style-type: none"> <li>• Audit tracking registers</li> <li>• Internal audit</li> <li>• Compilation of monthly AFS</li> </ul>
10.	Continued disruption of municipal operations caused by Covid-19 restriction.	<ul style="list-style-type: none"> <li>• Rotation of Staff</li> <li>• Working from home</li> </ul>

## ROADS AND TRANSPORTATION SERVICES DIRECTORATE

### Intelligent Transport Systems Modelling, and Systems Planning and Operations

Intelligent Transport Systems (Automated Fare Collection – AFC and Public Transport Management System - PTMS) have been developed in the previous financial years and are fully operational. The previously developed AFC system (MiFare) has undergone revisions by the National Department of Transport wherein certain regulations have been amended. The changes in regulations meant that the Municipality had to migrate from the previous MiFare to the current Account-Based Ticketing (ABT) which has been the focus during the 2021/22 financial year. During the 2022/23 financial year, the Intelligent transport systems will be monitored, maintained, and improved as needed to ensure that public transportation operations and services in the city are much more efficient and effective. ABT as a form of Automated Fare Collection (AFC) will be finalised and implemented.

Other ways to improve ridership, safety, and convenience of the Leeto La Polokwane Bus Service, such as route and system optimisation, installing surveillance cameras and WIFI on routes and buses, will be investigated further and possibly implemented during the same financial year. Monitoring of adherence to relevant provisions of the 3-year Vehicle Operating Company Agreement (VOCA) for purposes of implementation of the Phase 1A bus operations will continue.

### Public Transport Regulation and Monitoring

The recently appointed Polokwane Municipality Public Transport Operating License Committee will attend to all requests for comments on operating license (within the Municipality) applications submitted by the Provincial Department of Transport. The Committee is expected to develop measures and strategies to improve the smooth running and administration of operating licenses within the Municipality. A request for the Directorate to gain access to RAS and OLAS (operating license administration systems) will be made to the Department of Transport at the Provincial and National level, this will assist the Municipality to manage the operating license issues better.

The Directorate also plans to partner with various stakeholders to tackle the challenge of illegal public transport operations in the Municipality, especially along the Leeto La Polokwane Phase 1A operations. The Public Transport Regulations and Monitoring unit also has the responsibility to monitor the Leeto La Polokwane operations to ensure that the Vehicle Operating Company (VOC) adheres to the signed Vehicle Operating Company Agreement (VOCA) signed between the Polokwane Municipality and Esilux Pty (Ltd) (VOC).

System marketing will continue to be used as one of the catalysts towards Leeto La Polokwane brand positioning thus increasing ridership and sustainability of the system. Customer and information material will continue to be implemented. Further, preparations for negotiation of the 12-year VOCA will commence in the financial year.

## **Leeto La Polokwane**

### **IRPTN Infrastructure projects**

#### **Completed Infrastructure projects**

- 4.65km of dedicated Bus route completed.
- 31.49km of CBD routes have been rehabilitated in Polokwane City.
- 20.41km bus routes have been upgraded in Seshego.
- The upgrading of the Daytime Layover facility (interim depot) is completed.
- 17km of Non-motorised Transport facilities have been completed.

#### **Projects under implementation 2021/2022 FY**

- The construction of the bus station civil works in the CBD – progress currently on 78%.
- The upgrading of the Transit Mall in the CBD – progress currently on 30%.
- The widening of the Sandriver Bridge on the Trunk Route – progress currently on 24%.
- The construction of the Depot Civil works in Seshego – Progress currently on 50%.
- The upgrading of the Trunk route (0.5km) - progress currently on 50%
- The Refurbishment of the ablution facility and ramps at the Daytime Layover facility – currently at 10%
- The Construction of the Bus Station Upper structure and ablution facility – site to be handed over.
- Public Transport upgrade – 2 facilities completed

#### **Projects to be implemented during the 2022/2023 FY**

- The widening of the Sandriver Bridge on the Trunk Route
- The construction of the Depot Civil works in Seshego
- The upgrading of the Trunk route (0.5km)
- The Refurbishment of the ablution facility and ramps at the Daytime Layover facility

- The Construction of the Bus Station Upper structure and ablution facility
- The construction of the Bus Depot Upper structures
- The upgrading of the Transit Mall
- Public Transport upgrade

**Projects to be implemented during the 2023/2024 FY**

- The upgrading of the Trunk route
- The completion of the construction of the Bus Depot Upper structures
- Rehabilitation of Feeder Routes in Polokwane City
- Rehabilitation and upgrading of Trunk Extensions in Seshego
- The upgrading of the Transit Mall
- Upgrading of Public Transport Facilities

**Projects to be implemented during the 2023/2024 FY**

- The upgrading of the Trunk route
- Rehabilitation of Feeder Routes in Polokwane City
- Rehabilitation and upgrading of Trunk Extensions in Seshego
- Upgrading of Public Transport facilities

**Public Transport Infrastructure Development/Roads and Infrastructure**

The SBU in the next financial year is intending to upgrade roads from gravel to paving of internal streets and upgrade from gravel to surfacing of access roads approximately 20km, rehabilitate 2km, Patch 50 000m<sup>2</sup> of potholes, construct 16 low level bridges, construct 0.4km of storm water, construct, 3km sidewalks, grade 2400km, planning to install traffic lights and sign at Southern Gate way intersection, planning to upgrade the Indian centre taxi rank, complete the first phase of the station and complete first phase of the Depo. The Construction of the Superstructures and buildings at the Bus Depot and Bus Station will start in the next financial year after completion of civil works.



Below is summarized projections of road earmarked for upgrading from gravel to tar, per Polokwane Municipal clusters:

### **Molepo Chuene Maja Cluster**

- 6,85km of roads is projected for upgrading from gravel to surfacing.
- Paving of internal streets:
- The programme is at planning stage whereby the consulted will be appointed to do feasibility study and ranking of roads need to be paved.
- 3 low level bridges to be constructed.

### **Mankweng Cluster**

- 8,8km of roads is projected for upgrading from gravel to surfacing.
- Paving of internal streets:
- The programme is at planning stage whereby the consulted will be appointed to do feasibility study and ranking of roads need to be paved.
- Atleast 1,9km of road will be upgraded from gravel to paving.
- 3 low level bridges to be constructed.
- 0,25km of storm water to be upgraded
- 

### **Dikgale Sebayeng Cluster**

- 2,4km of roads is projected for upgrading from gravel to surfacing.
- Paving of internal streets:
- The programme is at planning stage whereby the consulted will be appointed to do feasibility study and ranking of roads need to be paved.
- 2 low level bridges to be constructed.

### **Moletjie Cluster**

- 6,4km of roads is projected for upgrading from gravel to surfacing.

- Paving of internal streets:
- The programme is at planning stage whereby the consulted will be appointed to do feasibility study and ranking of roads need to be paved.
- Atleast 0,8km of road will be upgraded from gravel to paving.
- 3 low level bridges to be constructed.
- 0,5km storm water system to be upgraded.

### **Seshego Cluster**

- 5,8km of roads are earmarked for Paving in Seshego cluster:
- 2km of road will be rehabilitated in Seshego.
- 1 low level bridges to be constructed.
- 0,4km of storm water will be upgraded.

### **Aganang Cluster**

- 4,8km of roads is projected for upgrading from gravel to surfacing.
- Paving of internal streets:
- The programme is at planning stage whereby the consulted will be appointed to do feasibility study and ranking of roads need to be paved.
- 3 low level bridges to be constructed.

### **City Cluster**

- 0,4km of roads is projected for upgrading from gravel to surfacing.
- 2km of streets to be rehabilitated in the city and surrounding suburbs.
- 2,32km of street to be paved around surrounding suburbs
- Traffic light to be installed: 1 intersection
- Refurbishment of taxi rank in the city cluster.
- 0,6km of storm water system to be upgraded.



**Leeto la Polokwane**

- The Construction of the Superstructures and buildings at the Bus Depot and Bus Station.
- Widening of Sand rivier bridge is currently under implementation.

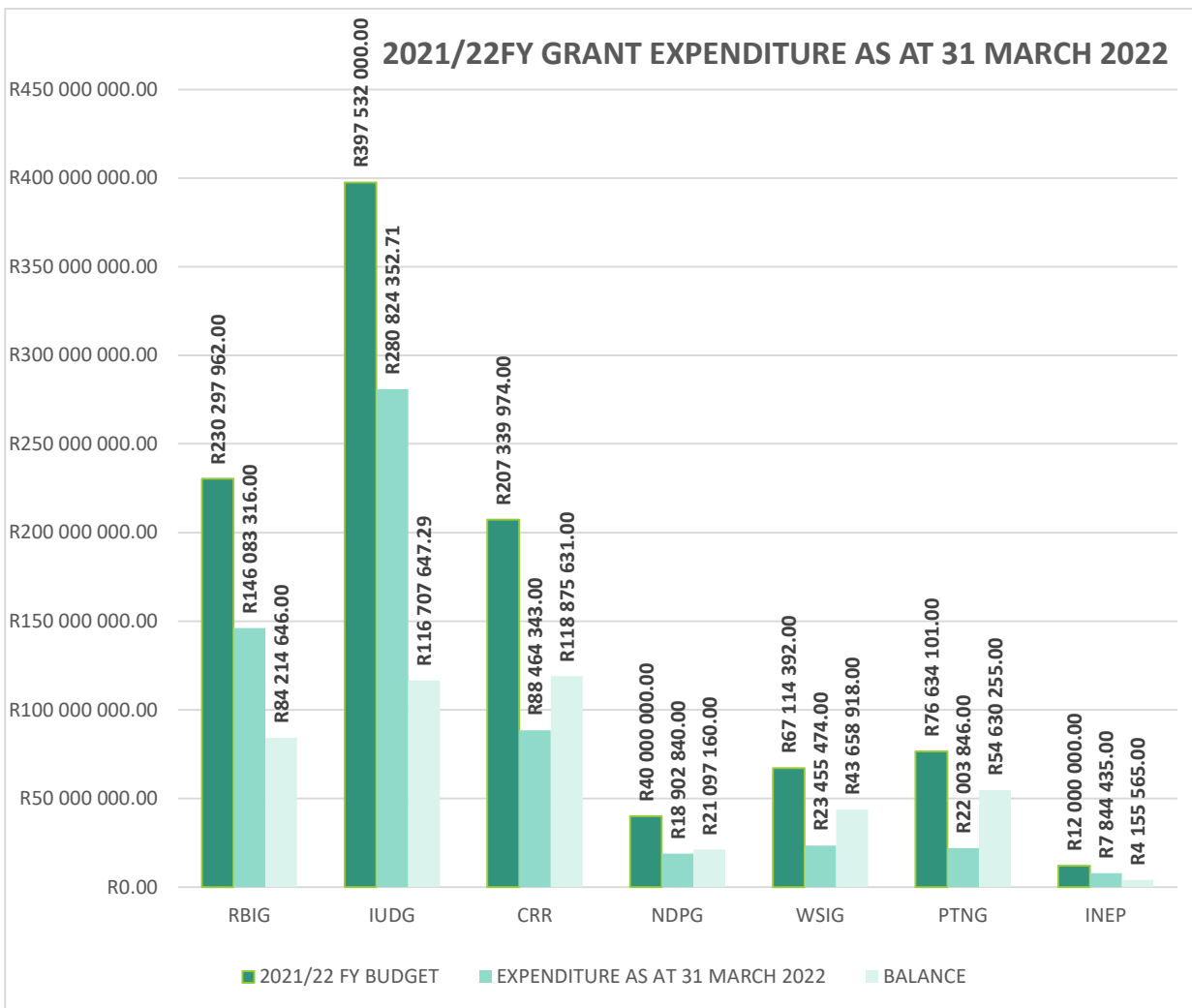
## CHIEF OPERATIONS OFFICE

### PROJECT MANAGEMENT UNIT

As at end of quarter 3 the overall performance on the capital program is 57%

The breakdown is provided in the next table

GRANTS ALLOCATION AND EXPENDITURE FOR 2021/22 FINANCIAL YEAR [all expenditure is as at March 2022.



GRANT	% EXP	Comments
RBIG	63,43%	The municipality has experienced frustrations with the IRS approval process and this has impacted the municipality's ability to conduct long term planning due to uncertainty of budgets. The Moratorium on the advertisement of projects from the National Treasury has affected the advertisement of the RWWTW and Refurbishment of Seshego WTW and will result in poor spending on RBIG.
IUDG	70,64%	Currently spending on IUDG is on track, but it is also critical that spending be monitored especially on Concession projects where a bulk of the budget for IUDG has been allocated to. There are projects that are ready for construction that can be handed over to assist expenditure if it needs be.
NDPG	47,26%	The Moratorium on the advertisement of projects from the National Treasury has affected the advertisement of the Nelson Mandela Bookelo Crossing, Stormwater Canal and Hospital View Additional streets projects and this will result in poor spending of the NDPG. The 2 projects on construction will be completed by the end of June but the total spending on these projects will not be adequate to spend the whole allocation
WSIG	36,09%	There is currently 2 projects, Badimong RWS and Makgodu and Mashamaite village Water supply where the tender adverts closed on 15 March 2022 and 24 January 2022 respectively. It is critical that these projects be appointed and site establishment be expedited in order to assist expenditure, materials can be procured through concessions and guarantees.
PTNG	28,71%	Some contracts were terminated and new contractors to be appointed

**Intervention measures for poor spending challenges**

- Application for exemption to advertise projects
- Expedite appointment of contractors for projects that are currently on advert
- Intensive monitoring of projects on construction
- Intervention meetings for projects that are delayed
- Corrective contractual measures for poor performing service providers

**What are the lessons learned to address business continuity, infrastructure project? delivery, etc.?**

- Projects for most grants are planned on a multi-year basis, this ensures that at the start of the FY projects are ready for implementation. NDPG and WSIG not yet fully at this level of planning.
- Tender documents have been reviewed to already include OHS plans to deal with COVID-19, this ensures forward planning in cases of outbreaks and continuity of projects.
- There has been a growing trend on a worldwide shortage on materials, this results in unplanned escalations as the markets are not predictable and further results in long lead times for special materials. This mostly affects water projects.
- The project management space has rapidly evolved and adjusted to new ways of communication, reporting, meetings, and media platforms.

- The worldwide pandemic has had a negative financial impact on all fronts, and this is evident in the ability of service providers to fund and meet their project obligations.

### **PMU Operational Activities**

The Municipality has a functional Project Management Unit that is responsible for planning, implementation and contract management of most of municipal capital infrastructure projects.

The PMU comprises of the following staff component: 1 manager, 1 assistant manager implementation, 1 assistant manager compliance ( non-technical - EPWP) , 5 project managers and 1 admin assistant and 9 data capturers ( 8 are 6 month contract workers). Project Managers from other SBUs are seconded and assist with projects due to the current centralisation of most projects within the PMU.

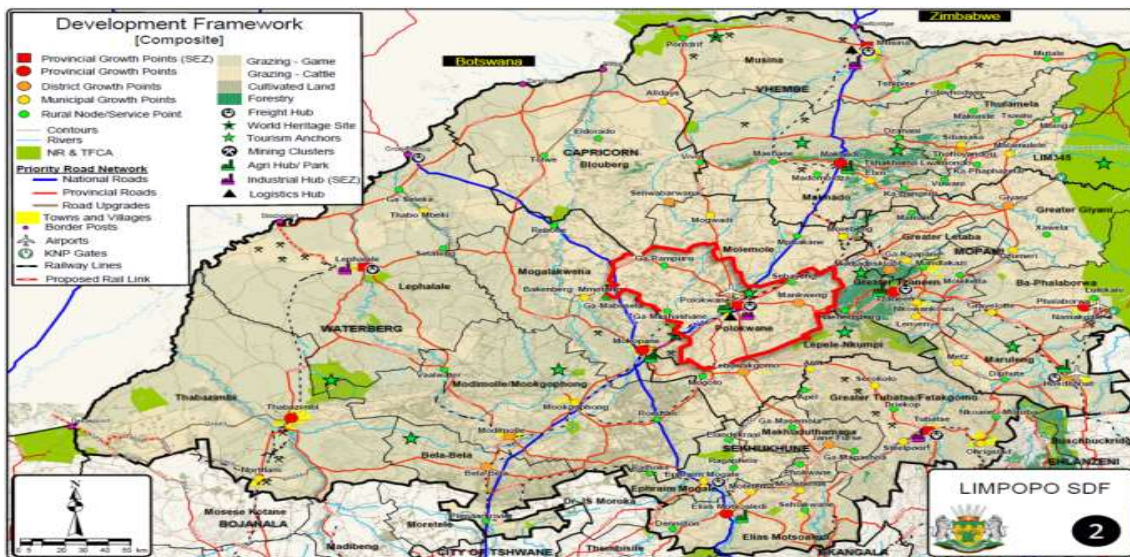
The PMU thrives on the backbone of continuous learning and development for improved project and program management. In terms of the IUDG policy Framework – the national IUDG management unit supports the capacity building of the PMU utilizing IUDG funds. Due to the constant improvements and introduction of the new software programs and other related manuals/guidelines governing the PMU functions, it is important that the officials are equipped with the latest and relevant information for the benefit of the whole Municipality by attending training programs pertinent to their line of work.

## PLANNING AND ECONOMIC DEVELOPMENT

The central and strategic location of City of Polokwane, which is complemented further by the National Road N1 highway, which strategically links the City of Polokwane to the south with Gauteng and to the north with Zimbabwe, and Polokwane International airport. The City is seen as a gateway to Africa, particularly for the neighbouring Southern African countries such as Zimbabwe, Mozambique and Botswana.

The City of Polokwane is not only earmarked as one of the Provincial Growth Points in Limpopo and as a Special Economic Zone (SEZ) in the Provincial SDF and Limpopo Development Plan 2030.

Located within the Capricorn District, City of Polokwane is the economic hub of Limpopo Province and is strategically located to be the administrative and economic capital of the Province.



Polokwane meaning "Place of Safety" in Sotho, is a City and also the Capital City of the [Limpopo](#) Province, Polokwane is South Africa's largest urban centre north of [Gauteng](#). Polokwane municipality comprises of a total area of +/- 539 982.5 Ha and is located in the central part of the Limpopo Province. Polokwane Municipality is located within the Capricorn District in the Limpopo Province and accounts for 3% of the Province's total surface area of ±124 000 km<sup>2</sup>. In terms of its physical composition Polokwane Municipality is 23% urbanised and 71% still rural. The remaining area (6%) comprises small holdings and institutional, industrial and recreational land.

It is the economic hub of Limpopo Province and is strategically located to be the administrative and economic capital of the Province. It is situated at the cross roads of important national and provincial roads which radiate out into the hinterland providing good access to other towns. There is a definite opportunity for Polokwane to become a logistics hub and freight interchange within the region, also given its proximity to the neighbouring countries of Botswana, Zimbabwe, Mozambique and Swaziland. Three of the four Spatial Development Initiatives pass through Polokwane, which repeat the City's strategic location and its importance as far as the economy of the Province is concerned.

The municipal spatial pattern reflects that of the historic apartheid city model characterised by segregated settlement. At the centre of the area is the Polokwane economic hub, which comprises the CBD, industrial area, and range of social services and well established formal urban areas servicing the more affluent residents of Polokwane.

Situated on the outskirts in several clusters are less formal settlement areas which are experiencing enormous influx from rural urban migration trends. These areas are in dire need of upgraded services and infrastructure, both social and engineering, and are struggling to cope with the informal influx of more people who want access to an improved quality and standard of living. Polokwane municipality is made up of Forty-Five (45) wards,

The main 7 Clusters of settlements are:

City

Seshego

Mankweng

Sebayeng/Dikgale

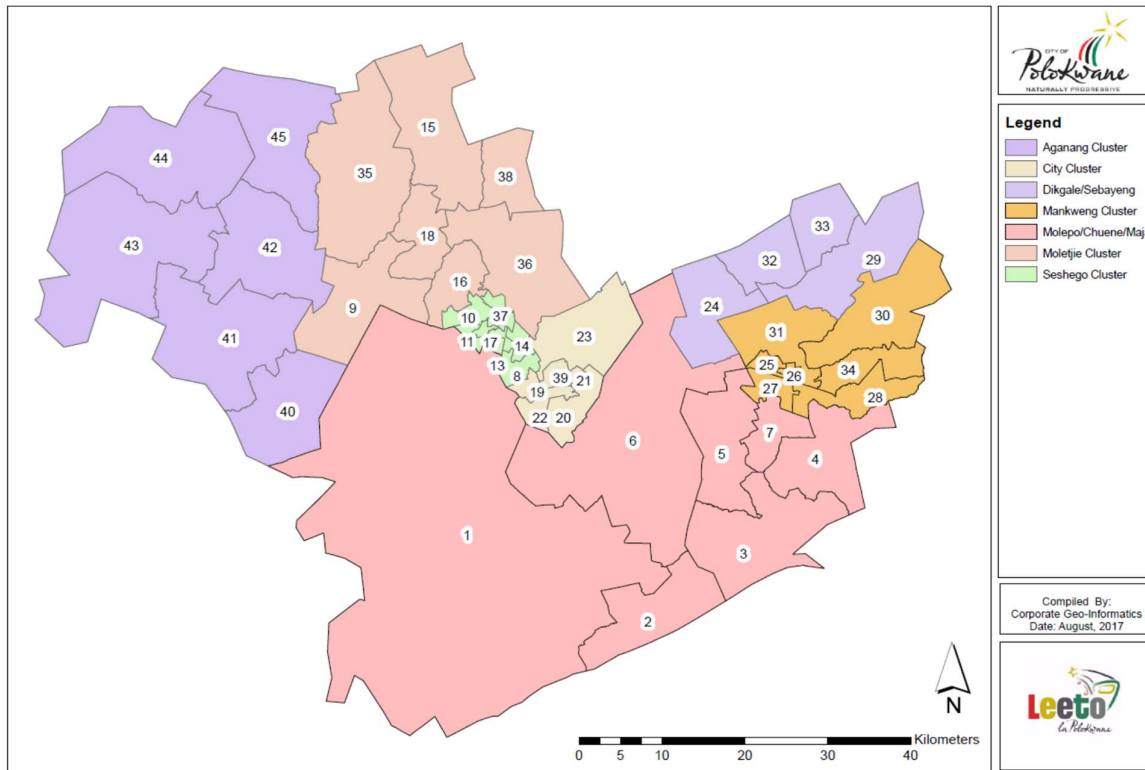
Molepo/ Chuene/ Maja

Moletjie

Aganang

Map: Polokwane Cluster Map





Source: Polokwane G.I.S :2021

Seshego: located west of the CBD. It is nearest to the economic core of all settlement areas and thus has the best access to the formal economy of Polokwane;

Mankweng: located 30km to the east of the city. It constitutes a large area and is mixed formal and informal. It accommodates the University of Limpopo and is a long established settlement area.

Sebayeng: located 30 km to the north-east of the city centre and is less formal and newer than Mankweng. The area is experiencing influx and is growing at a rapid rate.

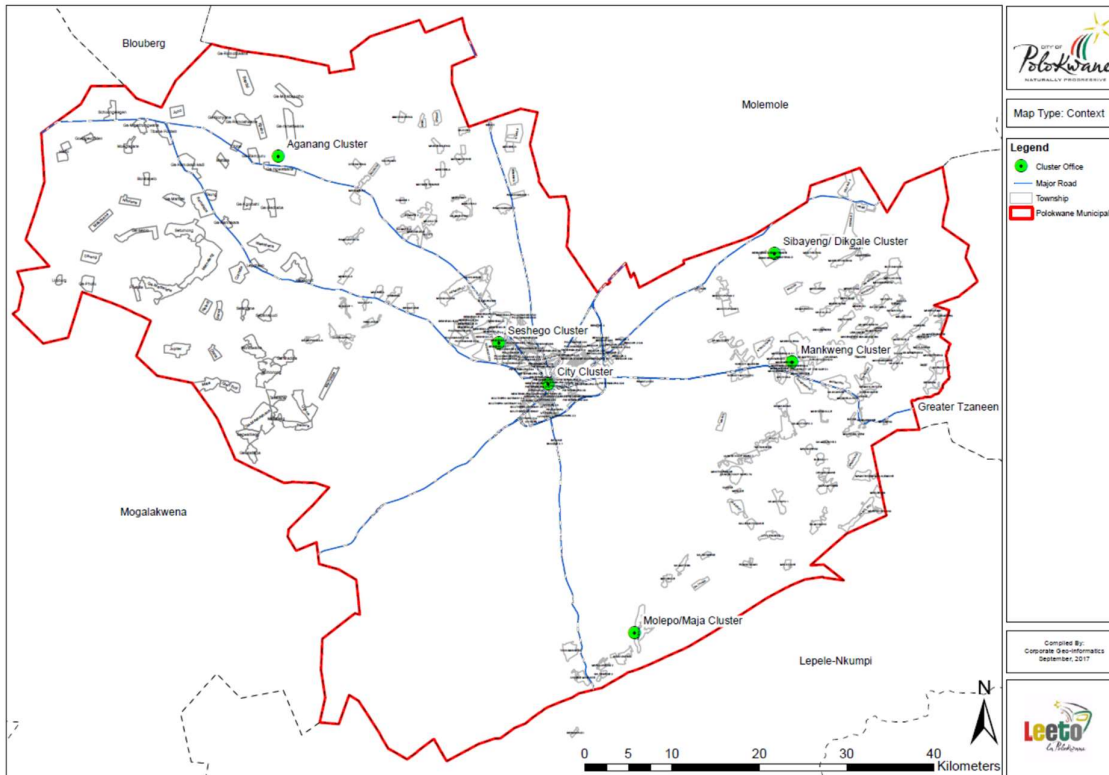
Maja: is located 20km to the south and comprises an informal settlement area, with very limited services and infrastructure. The settlement area sits on the fringe of the rural hinterland and is hence surrounded by a vast clustering of rural / semi-rural areas.

Moletjie: It is about 32 km northeast of City of Polokwane and comprises an informal settlement area, with very limited services and infrastructure. The settlement area sits on the fringe of the rural hinterland and is hence surrounded by a vast clustering of rural / semi-rural areas.

Aganang: is situated 45 km west of Polokwane. It is a rural Cluster and has 4 Traditional Authorities namely Moletši, Matlala, Maraba and Mashashane. The area has been incorporated

into Polokwane Local Municipality and is now serving as the seventh cluster area for Polokwane. The area is purely rural and has no township; it has potential in Agriculture and Tourism.

Map: Polokwane Municipal Jurisdiction



Source: Polokwane G.I.S :2021

Polokwane City is the vibrant capital of Limpopo Province, situated on the Great North road to Zimbabwe; it is the largest Municipality that serves as a Capital of Limpopo with major economic centre. Its proximity to the neighbouring countries of Botswana, Zimbabwe, Mozambique and Swaziland, as well as its convenient distance from the Kruger National Park and Magoebaskloof that makes it a perfect gateway to Africa and attractive tourist destination in itself.

MUNICIPAL LAND ANALYSES

#	NAME	NUMBER OF UNITS	Activity to date
1	Polokwane X72	800 Residential 1	Under sales of sites 100
2	Polokwane X79	500 Residential 1	Under sales of sites

#	NAME	NUMBER OF UNITS	Activity to date
3	Polokwane X78	2863x "Residential 1"; 5x "Residential 2"; 7x "Residential 3"; 2x "Business 3"; 1x "Special"; 5x "Institutional" (Church) 7x "Educational" 4x "Municipal"; 13x "Public Open Spaces" 1x "RSA"	Planned for social housing and walk-up RDP Planned for leases (Business sites) Recreational facilities under implementation
4	Polokwane X108	200 Industrial 2 Sites	Part of the Precinct review
5	Polokwane X126	500 Residential 1 Erven	Planned for land for relocation of the remaining informal settlement
6	Polokwane X124	19 erven zoned "Special": "Business 2: 1 Erf ±6 650m². "Municipal": 1 Erf ±917m²	Long term Leased development
7	Polokwane X127	500 Residential 1 Erven	Planned for land for relocation of the remaining informal settlement
8	Southern Gateway X1 PICC	The "Special" zoned Erf for a Convention Center: Tunnel Level Basement Level, Ground Floor First Floor Second Floor  The "Special" zoned Erf for a Hotel The "Public Open Space" zoned Erf will be used as a Green Belt Buffer	Sourcing of funds
9	Polokwane X106	190 Residential Erven	Student accommodation and Social Housing
10	Polokwane X107	142 Residential Erven	Student accommodation and Social Housing
11	Polokwane X133	3000 sites 208, 422 Ha 138,1129 ha	Beneficiaries allocated land for RDP and Gap Housing. Services installed and now occupied
12	Polokwane X134	2591 sites 178.4699 Ha	Planned to address the Housing backlog dated back before 2009 Services installed by COGHSTA
13	Nirvana X 5	105 sites 8. 92224 Ha	
16	Bendor X 126	Mixed use development	Long term Leased development Township approved for engineering services and Development
17	East Ridge X 3	Mixed use development	Long term Leased development Township approved for engineering services and Development
18	Polokwane X 136	Commercial	Long term Leased development Township approved for engineering services and Development
19	Polokwane X 138	Mixed use development	Long term Leased development Township approved for engineering services and Development
20	East Ridge X 3	Mixed use development	Long term Leased development Township approved for engineering services and Development
21	Pietersburg X 40	Gap Housing	Township approved for engineering services and Development
21	Kingdom Park	High density mixed housing development (50% BnG, 30% Gap and 20% high income or open market)	Township establishment stage.

The Municipality is currently intending to develop the Land Audit report in order to account on the opportunities that the land may impact looking beyond 2030 vision. The map below provides the developable properties within the register of the Municipality.

**LAND AVAILABILITY ANALYSIS**

The municipality owns a sizable number of land parcels within the urban area. This includes erven within proclaimed townships, farm portions, agricultural holdings and proclaimed townships for mixed housing developments primarily to cater for the housing gap which is outlined in detail in the Housing Chapter.

Land with Township Establishment in progress.

PROPERTY DESCRIPTION	SIZE
Portion of portion 7 of the Farm Palmiefontein 24KS	104.8367Ha
Farm Weltevreden 746 KS	Part of 5 980.00 Ha

Although the Municipality does not own land in the Tribal Authority’s area of jurisdiction, the provisions of the development objectives and development planning in general still vests within the Municipality’s guidelines and control. These processes are illustrated in detail in the Spatial Planning and Land Use Management Act16 of 2013 (SPLUMA) By-Laws as well as Proclamation R188 of 1969 regulations.

**2.15. SPATIAL INTERPRETATION OF THE POLOKWANE MUNICIPALITY**

**2.15.1 Key guiding policies and municipal By-laws**

- SDF
- EGDP
- URS/CBD Development Plan
- Density policies
- Rural Settlement Strategy
- Telecommunication mast policy
- Spaza and Tavern Policy
- IUDF

**2.15.2 Economic opportunities and growth**

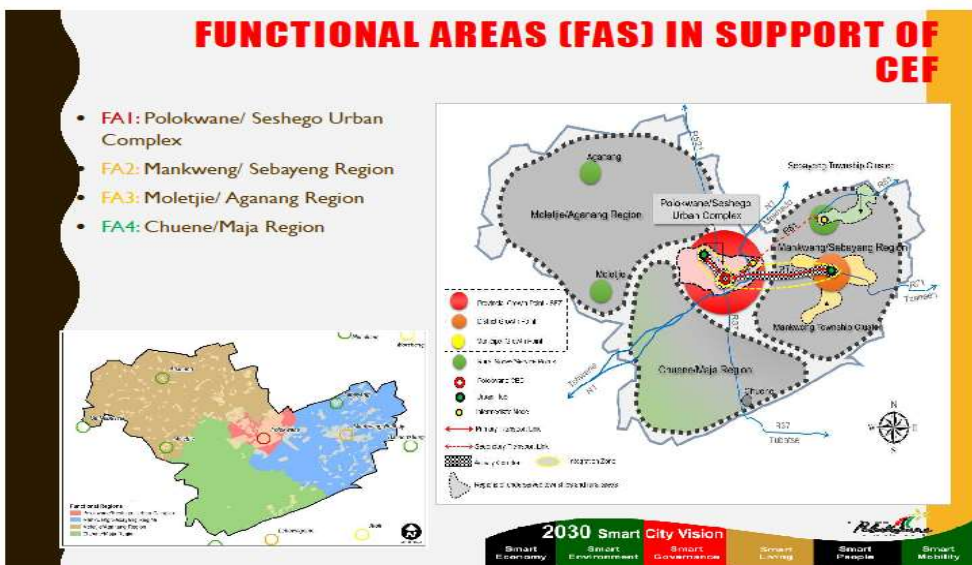
- Polokwane Municipality is a gate way to Africa
- SEZ/Industrial park development
- Post incubation hub at Polokwane extension 26
- Cargo Hub/Agro-processing HUB
- Truck-Inn/Logistic HUB
- Development of Science Park



The Integrated Urban Development Framework (IUDF) is a response to our urbanisation trends and the directive by the National Development Plan (NDP) to develop an urban development policy that will cater for the increasing numbers by ensuring proper planning and necessary infrastructure to support this growth. Polokwane Municipality has to develop its own Integrated Urban Framework Plan that will proposed a detail plan on the City Development Strategy looking towards on a sustainable urbanisation model at the following key policy levers:

- Integrated urban planning and management
- Integrated transport and mobility
- Integrated sustainable human settlements
- Integrated urban infrastructure
- Efficient land governance and management
- Inclusive economic development
- Empowered active communities.
- Effective urban governance.
- Sustainable finances

*The budget was allocated for the development of the said document but is subject to the finalisation of the Draft SDF in order to be aligned.*



**ECONOMIC SPIN-OFF DEVELOPMENTS**

Motor City Baobab Boulevard Development (Notorial long term lease)

Almost 50% of the development in this leased development has been constructed and is expected to be fully developed in the next 2-3 years for approved related development which is 60% Motor related business and 40% other retail businesses.



Motor City Baobab Boulevard Development

**2.18.3 Polokwane International Convention Centre (PICC)**

The Polokwane International Convention Centre will be located at Southern Gateway Extension 1 Township on Portions 407, 408, 409, 410, 411 and 412 of the farm Sterkloop 688 LS Limpopo Province. The property is situated on the corner of the N1 southbound (Pretoria road) and Lawton Road, in the south-western corner of Polokwane City adjacent to the Nirvana suburb and Ivydale Agricultural Holdings. Southern Gateway Extension 1 is a Municipal township located on portion 83, 84, 85, 86, 87 and 77 of the holding Ivydale, see attached map. As part of the township establishment process, an EIA scoping was conducted, a Geo-technical report

was prepared, a flood line certificate prepared and a Traffic Impact Assessment conducted.

The following uses were approved as part of the conditions of establishment of the township. The "Special" zoned Erf for a Convention Centre consisting of the following components:

- Tunnel Level
- Basement Level,
- Ground Floor
- First Floor
- Second Floor

The "Special" zoned Erf for a Hotel

The "Public Open Space" zoned Erf will be used as a Green Belt Buffer.

The set amendment provides opportunity for the opening of the Hi-Tech industrial park and mixed uses from the N1 South By-Pass to the N1 North By-pass in order to create a sense of sustainability to the city through which gates are connected as identified. In the past, the western by-pass proposal should be thorough review in order to deal with the connectivity and future land development.

Urban Renewal projects

#### **Major projects being embarked by the City of Polokwane:**

- The replacement of 177km of AC (asbestos cement) pipes in the municipality's jurisdiction;
- to replace conventional water and electricity meters with smart meters in a number of areas in the City;
- the introduction of a rapid bus service;
- a waste management project;
- as well as a major student accommodation drive to support the growing number of students in the city.
- Other Public Private Partnership on Mixed use development through a Long term development
- Water Master Plans
- Urban Renewal projects etc.

Key strategic/Catalytic development projects on the Long Terms Development leases and other Municipal initiative includes:

Development of the Polokwane Towers (office accommodation and other SOE)

Development of the Eco-estate on the part of the Game reserve or theme park

Proposed Sasol Depot at the proposed Polokwane Extension 136

Support initiatives for SEZ:



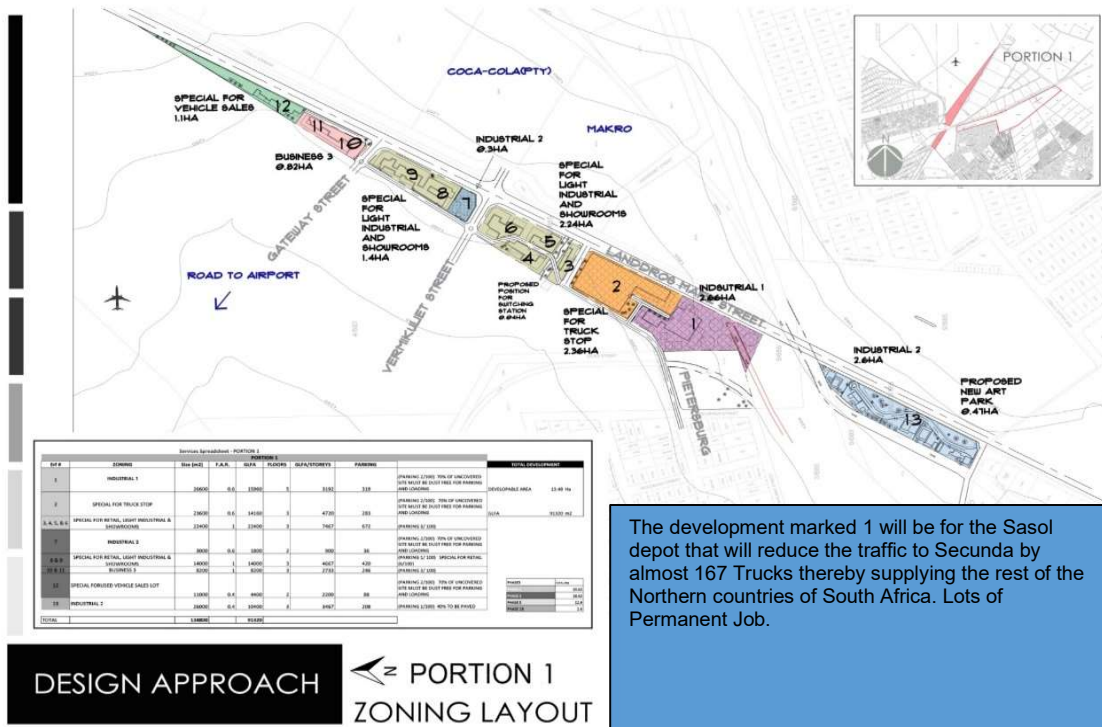
## Cargo and Logistic Hub

The State of Province Address 2019, the Limpopo Premier Honorable Mathabatha has highlighted the progress made with regard to the proposed SEZ in the province and the District and provincial SDF identified Polokwane for SEZ base on the Agro-processing and Logistics.

Polokwane was identified and has positive factors that in terms of the regional logistics hub and business travel centre that will see the construction of an International Convention Centre being complemented to attract the events, conference and exhibition industry. The Municipality has begun with the process of the developing the feasibility study in order to determine if the SEZ looking at the key analyses and the use of the airport will suffice. Defining the spatial location becomes the key spatial issue for consideration by looking at the main economic centre such as the CBD, Industrial areas and the transportation linkages within and around the area. Polokwane position itself well since it intends to use its land parcels through a long term development leases to address the need of the Municipality.

## Truck-inn and Cargo HUB (Polokwane extension 136)

The Figure below illustrates the proposed Township with the uses as highlighted. The Long term development leases were awarded in line with the development of the Cargo and Logistic Hub concept. An industrial Township with the following uses:



Industrial zone properties for Sasol depot, Tankers park-inn, cargo truck-inn, Vehicle sales lot.  
Public Garage  
Special for other uses.

### **Municipal proposed Truck inn facility**

Planning and Economic development together with Transportation services has since completed feasibility study and obtain the Council recommendation for the release of land through PPP for the establishment of the Truck inn facility at portion 20 of the Farm Doornkraal 688LS.



### **Agro-Processing.**

#### **Industrial Development**

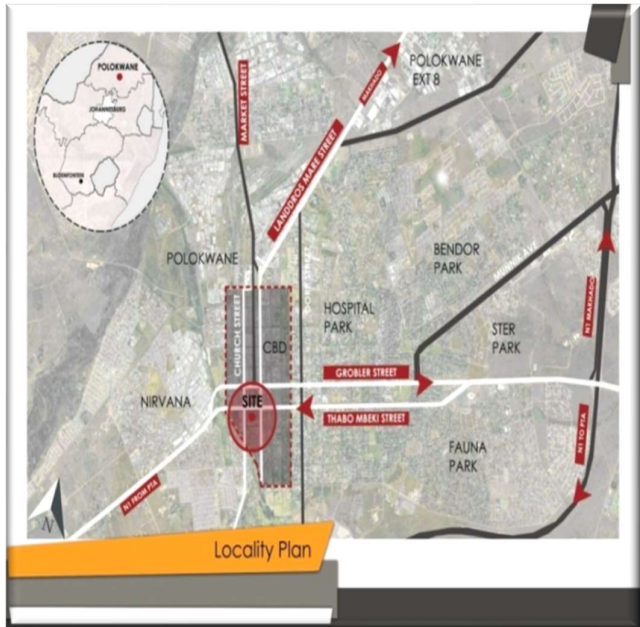
Polokwane Municipal Economic growth is being hampered by the less production in terms of the Manufacturing sector. The Municipality has dedicated the land on the Old N1 Road (North) now known as the Landros Mare Street as part of the Commercial and Industrial Development. In order to improve the Airport through SEZ establishment that will complement the Agro-processing and Logistic Hub within the area. The main issue for the success of the industrial

development is centered around the following key factors for the success of the industries:

- power supply.
- communications - including transport, telecommunications.
- labour supply - including workers with the right skills.
- access to market - where the goods are sold.
- grants and financial incentives - usually from governments.
- raw materials.

### **City wide Development initiatives**

The Municipality has developed the Urban Renewal Strategy and the CBD Development Plan, 2016. The ideal was to rejuvenate the city to be a functional business zone with Mixed Land Use Development that will complement the cities vision of being the SMART CITY. The Urban Development Framework developed by the National Department of COGTA laid a several levers that now incorporated in the CEF approved by CoGTA as presented above. The municipality strive to align the said Policy with the URS and CBD Plan for its identified projects. This includes re-investing in engineering for more compactable city through high density development and office and Business development. The first approach was to look at the development of the Municipal Towers with the current Municipal offices with major development such as the Hotel, restaurant, Cinema, Theatre to mentioned the few. Figure represents the Location and intended development within the Municipal Precinct.



The proposed idea will strengthen the attraction of the Investors and office accommodation on the scattered Municipal services points around the city. The down Town area is mostly affected by the illegal land uses. It is from the said plans that the Municipality must enable major urban regeneration through Private Public Partnership for developing the area. The Municipality has since started with the project for the assessment of the existing building, its life span and the structural integrity of the building and universal access to the building. This will enable to determine the future needs of the student accommodation and building funding source.

**Commercialisation of Municipal Facilities/Properties**

The municipality has number of the community facilities and other amenities that need urgent attention. This includes the Peter Mokaba stadium, the game reserve, Jack Botes hall Airport, Library Garden and Showground that may pose positive impact to the community if well managed. Some of these activities need expertise from the people who are specialising in such field. Learning from other cities that own such facilities, the majority are outsourced through the services of the private companies to generate more revenue and lessen the burden of expenditure by the Municipality. For example, the Game reserve may be turned in a Eco-estate that promote the men contact with the nature. The stadium for multipurpose centre Bakoni Malapa for Innovation art and cultural Hub as it is strategically located within the Corridors.


The Spatial Development Vision is set out in Chapter 6 of the SDF, 2010. In addition to the SDF vision, the Municipality adopted a new spatial agenda in support of the SDF. The first three years of the CEF aligns with the MTEF approved by the Polokwane Local Municipality. The 3-year capital expenditure programme does differentiate between funding sources, namely NDPG, IUDG, INEP, WSIG, RBIG etc. The majority of funding over the 3-year period is DoRA allocations, with the most significant contribution from the Regional Bulk Infrastructure Grant (RBIG).

While this alignment is crucial for sustainable service delivery provision it is imperative that the municipality adopts a planning model that supports integrated urban development as well as key municipal performance outputs per functional area.

**SPATIAL PLANNING PROJECT AS PRESENTED FOR THE CEF AND BUDGET FOR THE YEAR 2020 AND BEYOND.**

The projects planned as per the Capital expenditure framework as adopted are being prioritised as per the required revised and approved budget. The projects are within the functional area as per the IUDF spatial distribution of resources ranging from short term, medium term, and long term.

**List of Catalytic Land Development Projects**

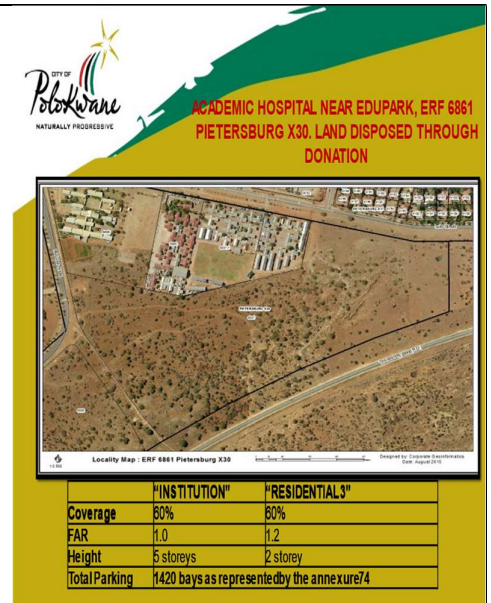
Project specification Catalytic	Narration and Term of development (short, Medium, long)	Development location & artistic view
<p><b>Science Park</b></p>	<p><u>Science and Research Park</u> to be establish at weltevreden Farm at the southern part of the new interchange at N1-By-pass.</p> <p>The Municipality has already awarded the land amount to 274ha land for development of the Science Park of which the studies has already commenced.</p> <p>The Township is now approved and the proposed bulk sewerage line will be passing connected as planned from Bakoni malapa.</p> <p>The development form part of the Dilokong Corridor in support of the National Development Plan (NDP).</p>	 <p>Locality Map: Proposed Science and Technology Park</p>

<p><b>Arts and Cultural Hub</b></p>	<p><u>Bakoni Malapa arts and cultural hub</u> as proposed will support the issues of artists in terms of the film and recording studio, theatre, incubation stall. This will increase tourism at the Municipal facility and the Township is at 95% to be completed by end of June 2022.</p> <p>The Feasibility study and Township Application processes are both funded by the Department (DSAC)</p> <p>Bulk engineering services to be provided by Polokwane Municipality to the area.</p> <p>This project is part of the CEF and DDM in demonstration of IGR.</p>	<p>OPTION 1 as recommended</p>
<p><b>Industrial Park or SEZ N1 North Corridor</b></p>	<p><u>Industrial Park or SEZ N1 North Corridor</u> site identification around the airport will be a key towards application for the expansion of the Municipal Boundary further to the North in order to cater for at least 200km<sup>2</sup> of land.</p>	
<p><b>Agro-processing</b></p>	<p><u>Agro-processing</u> - the support for the proposed development concept is centred on the Logistic and Agro-processing taking advantage of the transport modes available that includes:</p> <ul style="list-style-type: none"> <li>Air network (airport).</li> <li>Rail network (railway Station).</li> <li>Roads network (Bus, taxi station).</li> </ul> <p>Several MOU where signed for trade with the African Countries and the Municipality intend to participate in the market to boost in the Economic Growth through Manufacturing and processing of raw materials.</p>	
<p><b>TOD precinct</b></p>	<p>TOD precinct –will be development in support of the SEZ: airport corridor or industrial parks .</p> <p>The TOD precinct development will includes truck inn. All the roads from the SADC connects to Polokwane CBD.</p> <p>The massive industrial sites connects with the said modes of transport.</p> <p>Good positioning of the Land use with are compactable with each other.</p> <p>Vast land available for future development.</p>	

<p><b>Softball stadium</b></p>	<p><u>International Softball stadium</u> - Polokwane Municipality has received funding from SRSA through the UIDG to design and construct an international softball stadium over the next 3 years.</p> <p>85M budget allocated for the 2019/20, 2020/2021 and 2021/2022 FY.</p> <p>Polokwane Municipality has made a pocket of land available within its sport precinct hub for this development.</p> <p>The Concept designs have been approved with all stakeholders.</p> <p>The municipality is engaging DCOG support on maximisation of this project to showcase Realtime spatial transformations,</p>	
<p><b>Post incubation Hub</b></p>	<p><u>Post incubation Hub</u> - the intention is to lease and develop a park with the aim of providing the alternative and opportunity to our incubates and investors that we attract during our Marketing . Pharmaceutical company ,charcoal Manufacturing Company supported by government have already shown interest.</p> <p>The project is budgeted and it is currently in finalisation of installation of services.</p> <p>Engineering assessment completed and the tarring and fencing already appointed for the construction.</p>	<p>The intention is to lease and develop the park with the aim of providing the alternative and opportunity for our incubates and investors that attract during our marketing. Already pharmaceutical company, charcoal manufacturing company supported by government showed interest</p>

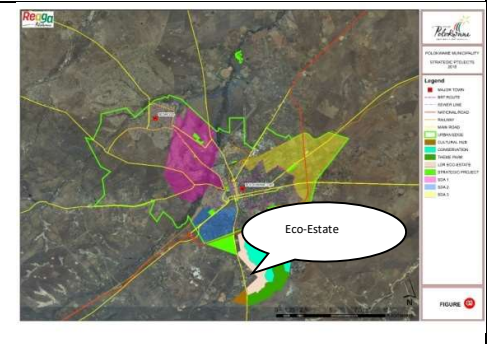
**Academic hospital**

Academic Hospital -  
 Polokwane Local Municipality and Edupark donated Remaining Extent of Erf 6861 Pietersburg Extension 30, measuring 19.90 Hectares. The aforesaid Donation was in line with a Council Resolution dated 28<sup>th</sup> of February 2012.  
 The aforesaid Council Resolution contain the conditions which the Donee must comply with before the transfer of the ownership such as rezoning and that was already adhered to.  
 The recent council resolution also provides conditions that the Donee should adhered to and has since started to communicate with the Municipality.  
 Progress to date, the DPW requested to either to amend the resolution for the use of their state attorneys in transfer of the property rather the use of Municipal conveyancer due to cost associated with development.



**Eco-Estate at Game reserve**

Eco-Estate at Game reserve -proposal for the Eco-estate will boost the Polokwane Game reserve for tourism and accommodation facilities and attract investors on the South eastern part of the City as the future expansion of the City.  
 This will be a high marketed residential development where man is in contact with nature.



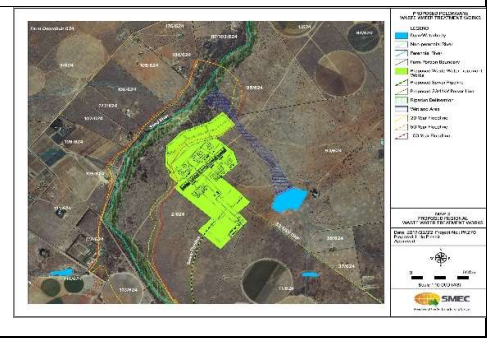
**Ga-Rena Phase 2**

Development of social housing at Annadale extension for rental now at construction phase.



**Regional Plant**

RWWTP- The construction of the Regional Waste Water Treatment Plant is there to support the city expansion and the future development. Continuation on the project will continue as from 2022/2023FY since affected by the COVID-19 Pandemic.





## **CITY DEVELOPMENT STRATEGY, 2040**

The Municipality plans to develop an Integrated City Development Strategy with a 2040 vision, which will be guided by the IUDF levers and programmes. The City Development Strategy is to provide a framework and strategy to unlock the development potential of Polokwane towards becoming a sustainable smart city.

The strategy should inter alia detail the following:

- Strategic land for investment (T.O.D, Compact City and Industrial development)
- Future growth of the City
- Revenue enhancement strategy
- Integrated Municipal Plans (Transport, Land Use (Commercial, Residential, Institutions and recreational), Infrastructure Master Plans.
- Creation of the Various precinct (Sports and Cultural precinct)

The consultant has already begin with the strategy that will enable possible showcase the investment opportunities that the City has in terms of the development. This will cover the land development that will enable to support the city to become a Metropolitan Municipality and expand the key section 2 of the Municipal Structures Act. According to the analyses, there is potential for the Polokwane Municipality to be self sustain Municipality.

## **SPATIAL TRANSFORMATION AGENDA AND TECHNICALASSESSMENTS**

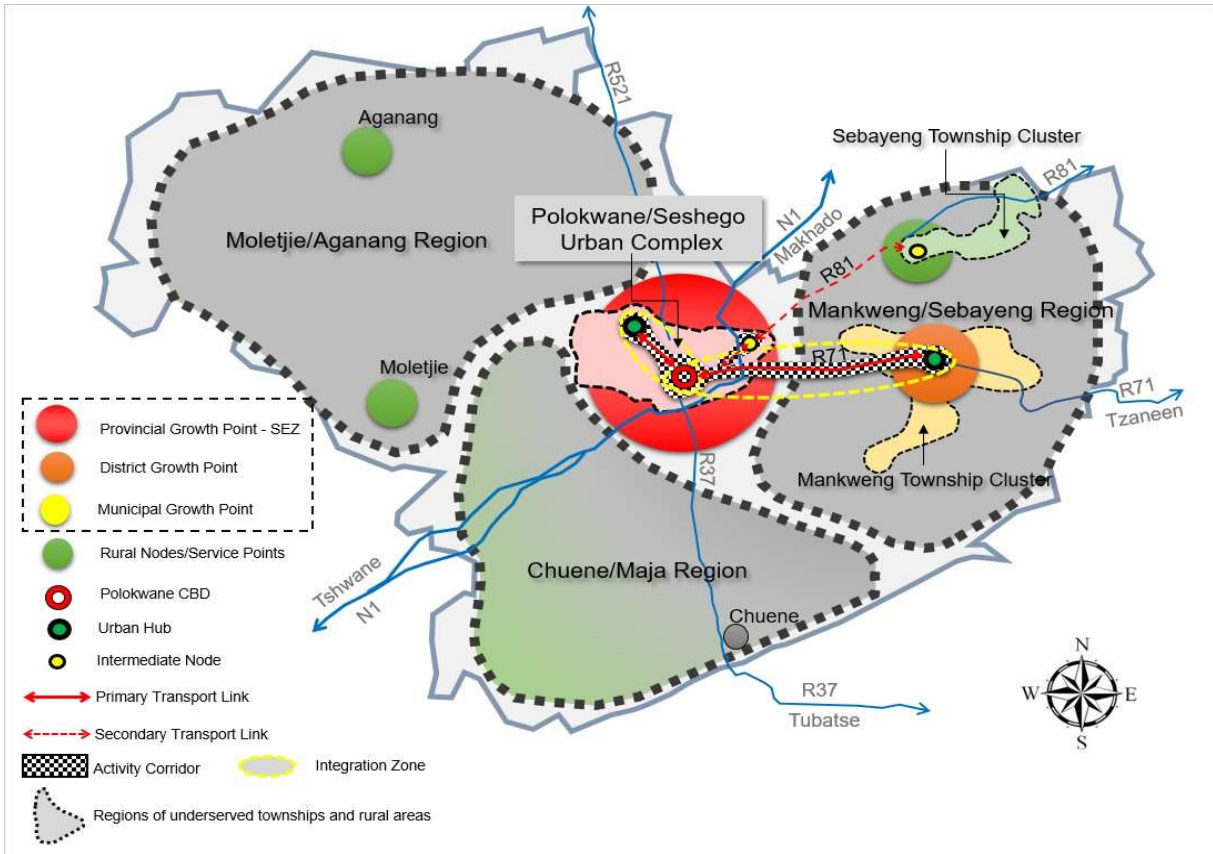
The Polokwane Municipal area has been divided into the following four (4) Functional Areas as shown in the conceptual map in Figure 19, namely:

- ▪ Polokwane/Seshego Urban Complex
- ▪ Mankweng/Sebayeng Region
- ▪ Moletjie/Aganang Region
- ▪ Chuene/Maja Region

The total population for 2017 for the municipal area is estimated at 900,909 people, of which 308,509 people (34%) are concentrated in the Polokwane/Seshego Urban Complex, followed by 283,983 people (32%) in the Mankweng/Sebayeng Region, 255,463 (28%) in the Moletji/Aganang Region and only 52,954 (6%) in the Chuene/MajaRegion.

It is projected that the population for 2030 will grow to 1,093,345 people with the following composition for the functional areas, namely:

- Polokwane/Seshego Urban Complex –439,858 people(40%);
- Mankweng Sebayeng Region–324,583 people(30%);
- Moletjie/Aganang Region –272,082 people(25%);and
- Chuene/Maja Region–57,139 people(5%).



Demographic overview of Functional Areas

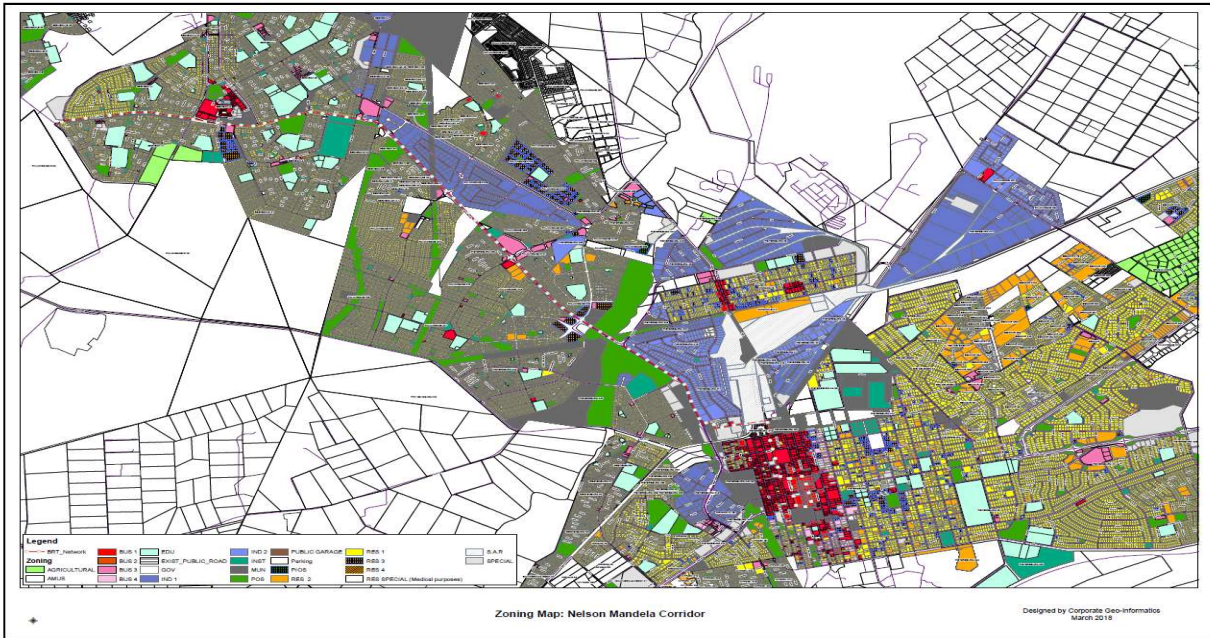
	Municipal Wide	Polokwane/Seshego Urban Complex	Mankweng/Sebayeng Region	Moletjie/Aganang Region	Chuene/Maja Region
Wards		8, 11, 12, 13, 14, 17, 19, 20, 21, 22, 23, 37, 39	3, 4, 5, 6, 7, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34	9, 10, 15, 16, 18, 35, 36, 38, 40, 41, 42, 44, 45	1, 2
Total Area (km <sup>2</sup> )	5,054	259 5%	1,469 29%	1,940 38%	1,387 27%
Geographical Area Type					
Population Urban	35.4%	97%	16%	0%	4%
Population Tribal or Traditional area	62%	1%	81%	99%	77%
Population Farm area	3%	1%	3%	1%	19%
Population					
Population 2011	728,632	222,036 30%	251,564 35%	219,794 30%	35,238 5%

Population2017	900,909	308,509	34%	283,983	32%	255,463	28%	52,954	6%	
Population2030(projected)	1,093,662	439,858	40%	324,583	30%	272,082	25%	57,139	5%	
PopulationDensity2017(people/km2)	178	1,190		193		132		38		
TotalPopulationGrowth2017to2030	21.4%	43%		14%		7%		8%		
PopulationAverageAnnualGrowthRate2017to2030	1.5%	2.8%		1.0%		0.5%		0.6%		
TotalPopulationGrowthinNumbers2017to2030	192,753	131,349	68%	40,600	21%	16,619	9%	4,185	2%	
<b>Households</b>										
Households2011	207,727	73,420	35%	68,474	33%	56,130	27%	9,703	5%	
Households2017	248,345	86,719	35%	77,576	31%	67,530	27%	16,520	7%	
Households2030(projected)	339,510	139,342	41%	99,263	29%	81,064	24%	19,841	6%	
HouseholdDensity2017(households/km2)	49	334		53		35		12		
HouseholdSize2017	3.6	3.6		3.7		3.8		3.2		
TotalHouseholdGrowth2017to2030	36.7%	61%		28%		20%		20%		
HouseholdAverageAnnualGrowthRate2017to2030	2.4%	3.7%		1.9%		1.4%		1.4%		
TotalHouseholdGrowthinNumbers2017to2030	91,166	52,623	58%	21,687	24%	13,534	15%	3,321	4%	
<b>HouseholdIncome</b>										
HouseholdIncome:LowLow	27%	68,224	20.6%	17,857	34.0%	26,408	28.7%	19,411	26%	4,264
HouseholdIncome:Low	41%	101,504	29.6%	25,662	43.9%	34,044	50.2%	33,907	51%	8,409
HouseholdIncome:Middle	26%	63,474	35.8%	31,011	20.1%	15,559	19.7%	13,330	21%	3,451
HouseholdIncome:High	6%	15,142	14.1%	12,190	2.0%	1,565	1.3%	882	2%	396
<b>HouseholdsDwellingTypes</b>										
DwellingType:Formal	90%	224,054	85.8%	74,396	92.7%	71,908	92.9%	62,742	90.0%	14,871

The highest population growth is expected for the Polokwane/Seshego Urban Complex, which is estimated to accommodate 68% of the total growth of the Municipality's population from 2017 to 2030. It is therefore the area with the highest pressure for investment and development. Notably, the Polokwane/Seshego Urban Complex is also the most urbanized area, with 97% of its population residing in urban areas, where the highest percentage of informal dwelling occurs. The Moletjie/Aganag and Chuene/Maja Functional Areas are primarily rural areas with low growth rates and high numbers of low-income households.

### **CATALYTIC URBAN DEVELOPMENT PROGRAMME**

The Municipality has identified catalytic projects to support their Vision 2030 and Smart City objectives. The IUDG presentation provide sin greater detail the catalytic projects, the progress with planning and design and cost requirements. The following provides a summary that illustrates the efforts already made in the City to move towards a Smart City.



The Municipality has identified a number of key spatial targeting areas that will further compliment the priority development areas and other areas within the municipality.

Brownfield Development	Greenfield Development
<p>Urban renewal projects in the CBD- Polokwane Towers.</p> <p>Urban renewal projects in the CBD - Mixed housing around Buite and Bok Streets.</p> <p>Urban renewal projects- Transit Oriented Development (TOD) around Etsoseng, bus station, Train station and Airport.</p> <p>Housing – Mixed housing (Social, Gap and Student housing).</p> <p>Industrial Development - Light industries development (small scale industries Ptb X26).</p>	<p>Polokwane Mixed Housing Development</p> <p>Annadale Ga-Rena Phase 2</p> <p>Commercialisation of the Strategic Assets such as the Game reserve and Eco-estate.</p> <p>Development of the Arts and Cultural HUB (Bakoni Malapa) (feasibility study by DSAC).</p> <p>Logistic or Cargo Hub and Agro-Processing Hub to support SEZ (Feasibility study).</p> <p>Softball stadium (On Going).</p> <p>Academic Hospital (Underway).</p>

**PROGRESS WITH THE CATALYTIC PROJECTS AND PROGRAM**

CATALYTIC PROJECT NAME	PROJECT STATUS	PROJECT OWNER & PROGRESS (MUNICIPAL OR PROVINCIAL DEPARTMENT)	INVESTMENT TO DATE and (area of projects as per the Spatial Plans)
1. Science Park	Conveyance Notaries is appointed for the drafting of the lease agreement and negotiation (Public to Public Partnership approach) The Record of Decision positive Basic Township establishment studies are underway and lodgement of the Township.	LEDA- Limpopo connection	Planning 100 % for Planning Within the Functional Area 1 Township approved
2. Arts and Cultural Hub	Appointed completed and inception report with draft studies submitted for preparation of the Township by 2021/2022 1 <sup>st</sup> Quarter. Land subdivision and zoning for a theatre has begun.	Municipal and Department of Sports Arts and Culture Land zoning and donation to the department (municipal) Development of the Provincial Theatre (Department) and will commence for construction in June/July	Planning and Social 80% on Planning 5% Engineering and designs Within the Functional Area 1
3. SEZ (Agro-processing and logistic) N1 North Corridor	Feasibility study commenced and inception report completed.	Polokwane Municipality (Budgeted)	Planning and Social 100% for planning Within the Functional Area 1 Council resolutions in progress
4. Softball stadium	Planning Completed and construction has commenced	Polokwane Municipality and National Department of Sports	Planning and Economic 100% Planning done 45% in Construction
5. Post incubation Hub	Engineering assessment completed and the construction taring and fencing of the park to be advertised for the contractor.	Municipality but to seek funding from Department of Small Business Development	Economic and Planning 100% spent for planning 10% spent on Construction and supervision Within the Functional Area 1
6. Academic hospital	Conveyancer finalise deed of donation to the Department of Public works. Zoning already approved	Department of Public Works, Health and social Development/Education.	Planning 100% for Planning 5% construction (preparations for building plans) Within the Functional Area 1

8.Urban renewal-Municipal Tours	Planning for the project to commence in 2021/2022 Financial Year as budgeted. (subject to Budget availability)	Polokwane Municipality	Planning 15%- Within the Functional Area 1
9.Housing – Mixed housing (Social, Gap and Student housing) (Municipal entity )	Annandale extension 2 construction commence for provision of rental housing. Student housing at 106 and 108 underway.	Municipal entity	Planning, Social and Economic Above 90% Within the Functional Area 1
10.Urban renewal projects-Transit Oriented Development (TOD): <u>Truck inn (Municipal).</u>	Truck inn land availability approved by Council. Feasibility to commence during 3 <sup>rd</sup> quarter. Incorporated in the reviewed ITPS and to be part of the freight Plan as project to be implemented in 2021/2022.	Polokwane Municipality Proposal for the PPP/Conditional approval	Planning and Economic 100% feasibility study adopted 50% Land release (intension) 0% Township/Zoning approval planning Within the Functional Area 1
11.Urban renewal projects in the CBD - Mixed housing around Buite and Bok Streets (Municipal)	Assessment of the land ownership is in progress and development of incentive for developers to be finalised. Application of UDZ underway and to be supported by Council Resolution .	Polokwane Municipality/Private Developers	Planning and Economic 5% Planning Within the Functional Area 1
12. Polokwane Mixed Housing Development (leased properties)	Polokwane extension 136, 138 and Bendor 126, East Ridge X 3 approved for mixed use development. Only one Township is not yet finalised due to Civil Aviation Authority (CAA).	Leased properties for revenue enhancement	Planning and Economic 75% Planning 100% Infrastructure financing by DBSA to private developer. All assets to be transferred to the Municipality as per the SLA.

## ILLEGAL LAND USES

### What is “illegal land use”

An illegal land use occurs when a piece of land and/or building is used by an owner for a different use or under different conditions than specified or provided for in the land use scheme.

In general, the scheme provides for different use zones (zoning) which permits certain uses under each use zone. For example, if a property is zoned “Residential 1” the property may only be used to erect a dwelling unit (house) and to be used by a single family for residential purposes. If the owner now uses it for an office and/or to conduct business, it becomes “illegal” and inconsistent with provisions of the use zone.

### **The different strategies of handling of illegal land uses**

#### Two basic processes

There are two basic processes to follow in order to enforce the town planning scheme and to ensure that an owner conducts the land use as specified under the specific zoning applicable to his property, namely:

- Civil prosecution through the Magistrate Court; and
- Civil procedures through the High Court.

Under prosecution through the Magistrate Court an owner can be fined or sentenced to imprisonment by a Magistrate should he be found guilty of an illegal land use.

Under prosecution through the High Court the courts will grant an order preventing such an owner to continue with an illegal land use.

#### The Magistrate Court v.s. the High Court process

Magistrate Court in order to combat illegal land uses. This process was not very successful due to the following constraints, namely:

- Fines issued by Magistrates were small and didn’t discourage owners to discontinue with illegal land use. Owners just incorporated fines as part of their operating costs;

- State prosecutors were not always informed about town planning schemes, the operation and technical aspects which lead to unsuccessful prosecution and the municipality lost several cases;
- Prosecution was not always swift and not within the management of the municipality. The municipality had to wait prosecution by the State Prosecutor.

Prosecution through the High Court. The high Courts will grant a court order preventing such an owner to continue with an illegal land use. This process seems to be much more successful because:

- The High Court is much more knowledgeable on town planning matters which resulted in a greater success rate in prosecution.
- Court orders will prevent owners to continue with the land use and is not only a “fine”;
- Costs orders granted against transgressors is much higher than a mere fine, which is a bigger deterrent.
- The process and management of the case is much more in the hands of the municipality’s lawyers and advocates.

**THE TOWN PLANNING SCHEME AREA OF OPERATION.**

Currently two town planning scheme, namely the Polokwane/Perskebuilt Town Planning Scheme, 2016 and Mankweng/Sebayeng/ Aganang and Rural Areas are in operation covering the areas of Polokwane City. Soon the integration of the Scheme will open an opportunity in managing land uses within the rural areas as part of spatial transformation. The new Land Use Scheme is at Public participation stages.

**Current statistics on illegal land uses**

The composition of the type of illegal land uses which commonly occur are as follows:

Type of illegal use	Percentage of total illegal uses
Offices	33%



Guest houses and boarding houses/Student accomodation	22%
Mechanical work shops, panel beaters, wood works etc	11%
Household enterprises	8%
Place of instruction	7%
Taverns	4%
Others	15%

The detailed land use survey is at 30% and soon it will be finalized. That will have more on the backroom development since situation has worsen due to the hard lockdown.

**ISSUES, OPPORTUNITIES AND CONSTRAINTS**

The following issues can be summarized as the most relevant facts pertaining to the handling of illegal land uses and the opportunities and constraints evident in the case of Polokwane Municipality, namely:

- The municipality has a well-established and competent Town Planning Unit who will be able to enforce land use regulations subject thereto that sufficient strategy exist and that the necessary resources are provided;
- The city of Polokwane has large pool of expert consultants (e.g. Town Planners and Lawyers) which can advise the municipality on all aspects relevant to combating illegal land uses;
- Despite the competency i.r.o. the SBU and consultants, it appears that the different roles are not clearly defined in the current prosecution of cases. Current operational procedures and communication methods are also cumbersome. Clearly defined procedures and channels of communication should be introduced in order to expedite the legal process;
- The use of land within the current town planning scheme area is relatively under control and can still be managed compared to the situation in larger cities such as Tshwane. The municipality should guard against a situation whereby it gets out of control and whereby the order could not be restored easily;
- The expansion of the scheme and or incorporation of other schemes may put an additional burden on municipal resources. A clear direction and base is

- necessary in order to succeed in proper land use management in the future;
- The municipality should process application whereby owners wish to change the land use (rezoning) promptly, because ignorance from the municipality's side lead to a situation where owners "take the law in their own hands" and conduct uses illegally;
  - Uncontrolled land use lead to the erosion of the municipality's tax base over the long term with drastic results;
  - Currently, there exist no clear measurement of performance in order to determine the success or failure of combating illegal land uses;
  - Currently, there exist no real database which indicate the total extent of illegal land uses in the scheme area. The only database in existence is based on reported cases, which may only represent a fraction of the real extent;
  - There exist a lack of clear direction with this project. Basically officials and Council knows what to do, but definite actions and realistic targets are not set. The current targets set out in the Service Delivery and Budget Implementation Plan is not clear neither realistic;
  - The general public and sometimes even management, is misinformed about the importance of enforcement of the land use scheme and what illegal land uses entails;
  - The issue of illegal land use is commonly regarded as a town planning matter only, whilst the origin of illegal land uses mostly start during other processes and/or the lack of strict enforcement by other units within the municipality. For example, illegal buildings and or conversion of houses into offices finally lead to the illegal use thereof. Another example is the illegal conversion of outbuildings into second dwelling units and/or residential buildings;
  - The municipality receives the necessary support from certain property owners and established community stakeholder groups (e.g. SAPOA) in dealing with illegal land uses and town planning matters in general;
  - Reporting of illegal land uses by members of the public is not always well recorded. A logging system would improve the management.
  - Currently, there exist no clear measurement of performance in order to determine the success or failure of combating illegal land uses;
  - Currently, there exist no real database which indicate the total extent of illegal land uses in the scheme area. The only database in existence is based on reported cases, which may only represent a fraction of the real extent;

In submission

The Municipality will be conducting the land use survey in order to deal with the illegal

land uses across the urban and semi-urban area in order to provide a long term solution in relation to the illegal land use.

### **STRATEGIC OBJECTIVES (POLICY MAKING LEVEL)**

- The municipality must determine the real extent of illegal land uses. This will provide the necessary information in order to make the necessary management decisions;
- The municipality must put a clear and realistic program of action in place to deal with illegal land uses. This program must be agreed upon between all parties concerned with the project in order to determine realistic targets;
- The municipality must also consider a long-term strategy how to deal with illegal land uses i.r.o. new areas to be added under control of a town planning scheme;
- The municipality must be able to measure performance in order to see if illegal land use increases or decreases. This will further inform the budgeting process in order to secure sufficient resources for this action
- The municipality must focus on those areas and type of illegal land uses where the maximum results are possible.
- The municipality must put a comprehensive and multi-disciplinary strategy in place to deal with all aspects of illegal issues, such as illegal land uses and occupation of buildings/land, since they effect each other;
- Initiate a process and campaign whereby the public, councilors and top management is informed about the impact of illegal land uses and why it is necessary to enforce land use regulations.
- Initiate a process of discussion with provincial government on the issue pertaining to the dualistic planning system in order to ensure that the municipality has autonomy over land use control.

### **OPERATIONAL OBJECTIVES (MANAGEMENT LEVEL)**

- Appoint a project management officer responsible for co-ordination of the complete project (illegal land uses);
- Appoint a project Steering Committee responsible for steering of the project (illegal land uses) and which will be able to report back to Council structures in order to measure performance, obtain resources and inform the public of the progress and issues in this regard;
- Introduce a system (Interdepartmental co-coordinating committee) whereby all the different SBU's are involved in the handling and co-ordination of various

illegal issues, namely illegal land uses, illegal buildings, dumping, illegal occupation of land and unsafe buildings and living conditions etc

- Undertake a comprehensive land use survey in the whole area covered by the town planning scheme in order to determine the real extent of illegal land uses. This will provide the necessary information in order to make the necessary management decisions;
- Assign experienced professionals and/or staff (permanent and/or consultants) in order to deal with illegal land uses and to compile a detail program of action;
- After results of the survey is submitted, a clear and realistic program of action should be submitted to the Steering Committee on how the illegal land uses will be reduced and what resources are required to meet targets;
- Define the roles of the different parties involved and assign clear tasks.
- Secure sufficient resources by means of finances to deal with illegal land uses and actions to support the project;
- Introduce proper channels of communication with the media in order to report the progress of combating illegal land uses to the general public which will also count as deterrent for other owners who are using property illegally.
- Introduce a logging system whereby reported cases are properly recorded and whereby the process can be managed and monitored;
- Clearly defined procedures and channels of communication should be introduced in order to expedite the legal process
- Introduce a system where consent uses granted are monitored in order to ensure that conditions are being complied with;
- Apart from all the above (new) strategies, the current system must be maintained in order not to create an extensive backlog of cases and ensure continuity.

## **COMMUNITY SERVICES**

### **BY-LAW ENFORCEMENT AND SECURITY**

## THE ACHIEVEMENTS

The SBU has successfully planned and completed the following Capital Projects in the 2021/22 financial year:

- Installed of CCTV camera sets at nine (9) municipal areas (8 traffic intersections and Nirvana library).
- Procured ten (10) two way radios.
- Installed access control equipment at three (3) municipal sites.
- Procured 40 x National Flags (180 x 120cm), 6 x ground mounted flag poles and 12 x flag pole ropes
- Procured and installed 50 x single sided ABS prohibited signs, 80 x single sided chromadek plat prohibited signs; and 80 x magnetic prohibited sign stickers.

## PROJECTS FOR 2022/23

There is only one capital project in the SBU for the installation of CCTV camera and fibre network in the next financial year. The project amount is R 541,814.00; and only three (3) sets of CCTV cameras will be installed at three traffic intersections.

## IMPACT OF COVID 19

- Law Enforcement Officers had to reduce chances of physical contact for contamination.
- That affected the visibility of Law Enforcement Officers as they had to enforce compliance at municipal cemeteries.
- The SBU lost two Law Enforcement Officers and two Security Officers during Covid 19.
- High rate of overtime usage due to the enforcement of COVID 19 compliance at cemeteries and gatherings at scattered hours.

## CULTURAL SERVICES

Libraries: The Installation of Theft Detector Systems in 10 libraries.

- A budget of R1.3 million was allocated for the 2021/2022 financial years
- The budget was cut by R700 000 during the adjustments budget cycle
- A service provider has not been appointed
- No budget allocation for the 2022/2023 financial years

## DISASTER MANAGEMENT AND FIRE SERVICES

The SBU will continue to respond to incidents as per reported calls, that includes performing extrications in car crashes and extinguishing all types of fires.

1. Fire prevention system like fire hydrants and extinguishers for municipal buildings will be serviced in line with budget allocations.
2. Disaster management will continue to distribute relief material items and provide temporary shelters where possible.
3. The Unit will further conduct awareness campaigns to Traditional Authorities in the municipality.

## **WASTE MANAGEMENT SBU**

### **ACHIEVEMENTS**

1. Improvement of waste collection in City by renewal of contractors and introduction of in-house waste collection with five new purchased compactors in Seshego and Mankweng. Cleaning and clearing of illegal dumping and servicing of rural skips using new Two (02) grab trucks.
2. Constructed rural transfer station for temporary storage of waste in:
  - Vaalkop
  - Dikgale
  - Makotopong
  - Westenburg still under planning
  - Molepo, still under planning
3. Extension of rural waste management to four new villages which amounts to 51 villages in coverage.
4. Placement of sixty (60) waste skip bins to counteract illegal dumping especially disposal of nappies.

### **IMPLEMENTATION OF THE BUDGET**

No	Project name	Descriptions/ Activities	Budget	Achievements	Challenges & mitigations
1	Weltevreden landfill site	Planning( Designs)	R1m	ROD ISSUED	Erroneous ROD issued Re-submitted new application documents and waiting reissuing of correct ROD and Licence
2	Purchase of skip containers	Acquisition of skip containers	R226 525	All funds removed during the adjustment budget	To be re-budgeted in 2022/3
3	Purchase of education and awareness materials	Acquisition of education and awareness material	R350 001	All funds removed during budget adjustment	To be budgeted in 2022/23
4	Westenburg transfer station	Planning( Designs)	R556 098	Site identified Consultant appointed Planning and Designs completed	To be budgeted for construction in outer years
5	Seshego transfer station	Planning( Designs)	R906 098	Consultant appointed Planning and Designs completed	To be budgeted for construction in outer years
6	Molepo Transfer station	Construction of the transfer station	R1m	Planning and Designs completed	Funds were not adequate for construction, funds removed. Re-budgeted in the 2022/3
7	Purchase of no-illegal dumping boards	Procurement of no-illegal dumping boards	181 220	Funds were removed during the budget adjustment	To be budgeted in 2022/23

The projects to be implemented according to the demand management with milestone per each quarter.

**IMPACT OF COVID-19**

Waste management has been providing refuse removal since outbreak of Covid-19 throughout levels as part of essential service in all clusters

- All employees continued to be on duty without changes to the waste collection service
- All operators, drivers and labourers were provided with Masks, gloves, sanitisers

## SPORT AND RECREATION



Many sporting and recreational programmes were affected by the Covid-19 health and safety regulations including total ban on any contact sport during the lockdown from March 2020 till January 2021. Many professional and amateur sporting bodies started their training and played matches in various facilities.

Key amongst the sporting programmes is the PSL games especially Nedbank Cup matches 4 hosted at the New Peter Mokaba Stadium and Old Peter Mokaba Stadium.

95% of the PSL matches were played without spectators until April 2022 when the ban on fans to the stadium was partially lifted to accommodate 50% of the fans to the facilities. To this date (May 2022) Sport and Recreation has generated

Revenue Generated by all facilities amounts to R 3,4m less performance as compared to 2019/2020



The Sport and Recreation SBU manages all sporting and recreational facilities within Polokwane Municipality. The SBU also manages sport development programmes throughout the entire municipality. A snapshot of facilities was performed, and the results are not positive in some of the sport and recreational facilities due to lack of maintenance over years.

Facilities in demand for professional and amateur sport development relates to Football activities right across the entire municipality including the villages. The following facilities are in constant demand and use:

**New Peter Mokaba Stadium.** The facility hosts professional football teams and national events. Currently the facility is not overused.

**Old Peter Mokaba Stadium.** The facility hosts professional and semi-professional teams including development teams participating in competitions. The facility is currently home ground for Polokwane City FC, TMM FC, Sekhukhune United FC alternative home ground venue. The facility also hosts provincial and national athletics. Its use is not constraint now.

**Noordelike Rugby grounds.** The facility is currently used as training grounds for Polokwane City FC, Ma-Indies Ladies FC and First Touch Ladies FC.

**B & C Rugby field.** The facility is used by TTM F.C and Dorp Rugby Club as their practice venue.

**Seshego Stadium.** Main stadium field pitch has been rehabilitated in the March 2022-May 2022 in order to enable us to qualify for the PSL standard. The B field is used by three development teams, Mighty F.C(amateur in regional league) and Polokwane Over 60 soccer team.

**Ngoako Ramahlodi Indoor Sport Centre.** The facility hosts more none sport and recreation activities (funerals, weddings, meetings) than sports and recreation related activities. Only karate and basketball practice sessions are held in the facility. The facility has the capacity to host more indoor sports and recreation activities like, hockey, soccer, netball, badminton, volleyball, judo, boxing, table tennis, chess, dance. The playing surface and ablution facilities need refurbishment. All the entrance and emergency doors are damaged and need to be replaced. The position of the fire hose reels in the oval playing area need to be changed as per the fire safety report. The water pressure from the borehole needs to be increased for usage in the ablution facilities during water shortages.

**Polokwane Recreation Centre.** The facility host gymnastics, karate, cage fighting, badminton, squash, and gymnasium (virgin active). The facility steel structure need refurbishment. The air conditioning system plant need major servicing and planned maintenance. The squash courts playing surface and court lights need to be refurbished.

**Polokwane Netball and Volleyball courts.** The courts host community development clubs and corporate teams. The playing surface need to be refurbished.

**Korfball and Ring Tennis facility.** The facility host community development clubs. The korfball playing surface and lights need to be refurbished.

**Cricket Club grounds.** Facility is leased out to Limpopo Impala Cricket for a period of 4 years and 11 months. The facility is currently overused as majority of the development teams within Polokwane Municipality are using it for practice and sometimes matches. The development teams should be moved to alternative venues such as Nirvana and Westernburg.

**Nirvana Soccer and Cricket Stadium.** The soccer field has not been in use for a period of 7 years and the integrity of the facility has deteriorated including the pitch. The fence around the soccer pitch has been decimated and requires rehabilitation. The cricket facility is in a better condition, but the fence and the practice nets need rehabilitation.

**Westernburg Stadium** is used by Magezi F.C (amateur in regional league) and community-based development teams. The parameter fence needs rehabilitation.

**Zone 6 Grounds.** The field is used by community development teams and regional league teams. The two soccer fields are not in a good playable condition due faulty irrigation system. The toilet facilities need rehabilitation.

**Zone 1 soccer and Rugby field.** The field is in a bad condition due to over usage and damaged irrigation system. The parameter fence need rehabilitation.

**Mohlonong Stadium.** The facility is used by the community for sports and recreation activities. The roof of the main building has been damaged by storm. The Athletics and soccer field construction project still not finished.

**Tibane Stadium.** The facility is not used due to construction of the field which has been ongoing for years. The water supply is still a challenge due that is vandalised borehole that is far from the facility. The All-weather courts need to be refurbished. The Pit latrines need regular maintenance.

**Manamela Stadium.** The facility is used by the community and for a sport and recreation programmes. The soccer field is fitted with artificial grass.

**Polokwane Swimming Pool.** The facility is open to the public the whole year due to a water heating system and also host local, provincial and national swimming competitions. The heating system malfunctions most of the time due to lack of proper maintenance plan. The ablution facilities experience blockages when used to full capacity. The main Olympic pool has leaks losing a lot of water. The entire pool 's plant rooms and chlorine gas rooms need to be refurbished including the purchasing of pool maintenance equipment. The baby pool is closed. The damaged plastic scum channels grids need to be replaced with aluminium grids. The borehole system need to be connected to the main water supply line to assist during water shortages. The parking area need to be fenced off for access control.

Westenburg pool. The pool plant room and chlorine gas area were refurbished in 2020 but still experiencing challenges with the plant room. The plastic scum channels need to be replaced with aluminium scum channel. The parking area need to be closed off for access control. Refurbishment of the first aid room and equipment. Fix geyser and leaking showers and taps.

Nirvana Swimming pool. The pool is closed, and the entire plant room need to be refurbished. The pool also needs pool maintenance equipment and machinery. The pool is also leaking. Parking area need to be closed off for access control.

Seshego Swimming pool. The pool is closed due to maintenance challenges in the plant room. The baby pool need refurbishment. The borehole water needs to be connected to the main system to assist during water shortage. Purchasing of swimming pool maintenance equipment and machinery.

Jimmy Moulder Shooting range (Dalmada): The facility is currently used as training or shooting practise by the South African National defence force and the South African Police Services. The facility buildings need to be renovated\refurbished, electrified and fencing around the shooting range.

## **Halls**

Mankweng Hall-The hall is used for community related activities like weddings, meetings, funerals and as pay point for SASSA. The major challenge is the parking area space, roof

leakage which is caused by lack of maintenance. The doors locking systems need to be changed.

Jack Botes Hall-The hall is used by the community, government, and business sector. The hall is in high demand due to its location in the city centre. The roof needs to be refurbished to stop leakages. The emergency exit and entrance doors need to be fixed as they don't close properly. The air vent smoke extraction system is faulty and malfunctions during fire safety inspections. The control room fire communication system also needs service. The stage is dilapidating and the project for rehabilitation was stopped.

Nirvana Hall-The hall is used for community related activities like weddings, meetings, funerals and is also in high demand. The major challenge is the parking area space, roof leakage which is caused by lack of maintenance. The doors locking systems need to be changed. The curtains opening and closing control mechanism need to be serviced.

Westernburg Hall- The hall is used for community related activities like weddings, meetings, funerals and as mobile clinic. The major challenge is the parking area space and roof leakage which is caused by lack of maintenance.

Aganang (Ceres) Hall-the hall is used by the community and schools. The roof need structural integrity testing due to the frequent damaged. The ceiling is falling and need to be fixed. Water supply and water pressure is a challenge and causes regular blockages to the toilet system. The windowpanes are broken and main entrance doors locking system need to be changed.

Seema Hall-The hall is used for community related activities like weddings, meetings and school events. The hall is mostly used for free by the traditional authority. The hall uses pre-paid electricity which creates a challenge every time when recharging. The kitchen units need refurbishment. Replacement of damaged chairs and tables.

Jupiter Hall-The hall is used for community related activities like weddings, meetings, funerals and as a clinic. The facility used conventional pit latrine toilet system which need regular maintenance. The kitchen units need refurbishment. Replacement of damaged chairs and tables.

One -Stop Centre (Matlala) hall-the hall is closed due to damaged roof (3-4 years)

Moletji hall-The hall can accommodate 100 people and is mostly used for small meeting and religious events.

### **General Challenges**

1. Over utilisation of facilities
2. No occupation certificate and Safety grading certificates.
3. Vandalism caused shortage of security
4. Maintenance plans

### **Newly Developing/Developed Facilities**

Mankweng Stadium: Phase two completed in October 2021

Maja Chuene Sports Complex: Facility currently does not have Occupational certificate due to no water provision which hinders operation

Molepo Sports Complex: Currently being constructed to finalise on outstanding works

International Softball Stadium: In May 2022 the construction was at 43% Completion

Dikgale Sports Complex: Project delayed due to lack of budget in 2021/2022

Extension 44/78 Sports Complex: Completed, to be handed over to Sport and Recreation in the 2021/2022 financial year.

Moletjie Sports Complex: Project Completed have water challenges and difficult to operationalise

### **PROJECTS FOR 2022/23**

There is only one Capital Project in 2022/2023

### **COVID-19 IMPACT**

Sport and Recreation lost 5 due to Retirement and 2 due to Covid-19 and 2 death which means in total we have lost 9 employees

## **ENVIRONMENTAL MANAGEMENT**

### **1. GRASS CUTTING EQUIPMENT**

Report:

- 30 heavy duty brushcutters procured
- 6 heavy duty chainsaw procured
- 2 Hedge trimmers procured
- 4 heavy duty 1.8-meter tractor mounted slashers procured

Programme Plan:

- Machine needed
- 80 heavy duty brushcutters needed
- 10 chainsaws needed
- 15 pole punners
- 1 heavy duty stump grinders
- 2 x 9 meters long cherry pickers
- 1 x heavy duty chipper
- 15 x walk behind mowers
- 2 x ride on
- 5 x Hedge trimmers
- 7 x 9-meter-long customer made heavy duty trailers
- 70 x labourers

### **GREENING PROGRAMME**

Report:

- No of trees planted 2330

Programme:

- No of trees to be planted 3000
- 3 x 10 000 litres water tankers
- 2 x 3 drivers
- 10 labourers

### **2. NEW MANKWENG CEMETRY**

Report:

- Land Identified
- The negotiation with Bjatjadi Tribal office is at advance stage
- Budget needed to purchase the identified land

Programme plan

- To budget for acquisition of identified land

### 3. UPGRADING OF MUNICIPAL NURSERY

Report:

- Quotation for renovation of cooling system received
- The shade net is worn out
- Slab in shaded area not sufficient

Program:

- Repair cooling system
- Procure and installation of new net
- Construction of slab in shaded area

### 4. UPGRADING OF GAME RESERVE

Report:

- Routine maintenance of game reserve was done,

Programme:

#### Conservation

- Construction of Rhino Boma
- Upgrading of fence
- Upgrading the Warthog picnic area
- Upgrading of the Game Reserve road signs
- Rangers requesting fire arm
- Rangers requesting hand cuffs
- Rangers requesting paper spray
- Rangers requesting bullet proof vest
- Rangers requesting quad bikes
- Rangers requesting night vision binoculars
- Rangers requesting torch lights
- Rangers requesting first aid kit
- Rangers requesting Binding wire
- Rangers requesting Phanga
- Rangers requesting risk allowances
- Rangers requesting Saw with handle

#### Hospitality

- Thatched roof at the Chalets, Dries Lapa and Birds Park needs to be fixed
- New roof and ceiling needed at Kudu Guest House
- Carports are needed at Game Reserve and Kudu Guest House.
- New door locks in all chalets are needed.
- New microwaves and fridges are needed in some chalets.
- New floor tiles are needed in all chalets
- New kitchen cupboards are needed in all chalets and Kudu House
- All the chalets and Kudu house need to be painted

- New beds, pillows, blankets and linen needed in all chalets including Kudu Guest House
- New curtain needed in all chalets including Kudu House
- New couches are needed are needed in the chalets
- New wardrobes are needed in all chalets
- Vanishing of doors needed in all the chalets
- Re-glazing of bathtub, toilets, urinary basins and basins for both chalets, kudu house and ablution blocks
- Addition of pots, cutlery and crockery chalets
- New bath towels, toilet set mats, floor rugs and bathroom curtains needed for chalets
- New flat screen TVs needed for the chalets.

#### 5. FENCING OF MUNICIPAL PARKS

Report:

- No fencing was done to municipal parks except routine maintenance of ranch fencing

Programme:

- Fencing of the following parks, Florah park, Tom Naude and Mankweng Unit C Park.

#### 6. CONSTRUCTION OF ABLUTION FACILITIES IN VARIOUS MUNICIPAL PARKS

Report:

- The master plan for construction of ablution facilities in municipal parks is done

Programme:

- Construction of ablution facilities in Tom Naude Park, Mankweng Unit A and C parks and Sebayeng Park

#### 7. UPGRADING OF ZONE 4 PARK

Report:

- The routine maintenance is done but most of play equipment is old.

Programme:

- To replace old playing equipment, order sand for sand pit, pave the walkway, install braai area, install outdoor gym, construct shades, plant more trees and develop water wise flowerbed.

#### 8. UPGRADING OF KGOROSHI PARK



Report:

- Routine maintenance of parks was done at the following areas
- Kgoroshi park, Ga -hlahla village park, Aganang entrance Routine maintenance of parks was don Routine maintenance of parks was done, Moletji library, Moletji tribal office, Moletji Clinic, one stop library, Aganang traffic department a Aganang transfer station, Maraba tribal office Matlala tribal office, Mophonong office, Aganang office and Magaga transfer station

Programme:

- Fixing of ablution facility
- Purchasing and Installation of playing equipment, benches and braaistand
- Construction of shade roofs
- Fixing of building facilities
- Planting of trees
- Installation of information board

## 9. MAINTANACE PLAN OF PARKS

Report:

The following activities are done when maintaining of parks: -

- Turf Care/veld grass care – Mowing, aeration, top dressing and weed control
- Disease and insect control- prevention, correction and management of deceases and insects on turf, shrubs and floral plants by cultural or chemical method
- Hardscape Surface- sweeping, blowing of walk ways and parking lots
- Repair of park amenities
- Inspection- Physical examination of park facilities, equipment, safety and proper operation
- Floral planting- watering, mulching, fertilization, pest control, weeding
- Rest room cleaning- cleaning, sanitizing, all vandalism and graffiti are reported to the office
- Playground equipment- inspection and maintenance of playground equipment on monthly basis.

Programme:

- Human resource needed
- 200 X Labourers for all municipal parks

## 10. UPGRADING OF FLORAH PARK DAM PARK

Report

- Routine maintenance of park

Programme

- Replacement of damaged play equipment
- Repair existing play equipment
- Procure more sand for the sand-pit
- Installation of out-door gym
- Fencing of park with clear view fence
- Cleaning of silt at the dam
- Removal of alien plant
- Paving of parking area
- Installation of shades
- Paving of walk-ways
- Renovation of ablution facilities

### 11. CEMETRIES MAINTANANCE

Report:

- Routine maintenance of cemeteries is done
- Levelling of block A and B was done at Church Street Cemetery

Programme

- Erecting of internal boundary fence at Zone 8 Cemetery
- Proclamation of Zone 8 Cemetery
- Construction of Berms all Cemeteries
- Repair of damaged wall
- Repainting of grave numbers
- Hiring of 30 labourers
- Hiring of 3 Cemeteries clerks
- Upgrading of network point at Church Street Cemetery

### 12. UPGRADING OF MANKWENG UNIT A AND UNIT C PARKS

Report:

- Routine maintenance of parks is done

Programme:

- Replacing and repair of old swings,
- Repairing of fence at zone 1 park
- installation of a small gate where they opened an illegal entrance.
- Develop an outdoor gym at Unit C park.
- Access control need .to be enforced due to taxis that are parking inside the park.
- Parks are not only for community members they are for dogs too especially in urban community where backyards are space is rare, we must develop a small portion that will include dogs ramp, dogs jumping hooks, dog steppers, dog agility weave poles
- Establishment of free Library: The pleasure of reading books and magazine at the park is unparalleled, a small portion of our parks must be reserved for that.

- Open field for sports and other types of play: Whether we have a small plot or undeveloped land or patch of grassland we can turn that unloved open space into lush green areas for instance a volley ball court can be done developing sand pits.
- Create rooms in the parks such as pavilions, terraces, overlook shelters where people can gather and converse, include a variety of activities like walking trails.

### 13. VEGETATION AND VELD MANAGEMENT PLAN

Report:

- Nothing achieved yet budget needed

Programme:

- To appoint consultant to conduct study and produce vegetation and veld Management Plan

### 14. ALIEN PLANT CONTROL MANAGEMENT PLAN

Report:

- Control of alien plant was done along florah park dam channel towards RSA park
- Alien control business plan developed

Programme:

- Training and control of alien plants

### 15. WETLAND MANAGEMNT REPORT

Report:

- Wetlands identified in most areas of municipal area which is under tribal land

Programme:

- Funding needed for Rehabilitation of wetlands and protection of wetlands

### 16. SECURITY MANAGEMENT PLAN

Report:

- None

Programme:

- To appoint consultant to conduct survey and produce security management plan of Game reserve.

### 17. TREE INVENTORY REPORT

Report:

- We have developed tree inventory with the assistance of GIS unit

Programme:

- To provide training of staff on the use of GIS system in order to continue capturing of trees on the system.

### 18. SILICON CEMETERY GIS REPORT

Report:

- The GIS unit is busy plotting existing graves on the GIS system

Programme:

- To finalise the plotting of graves on the system

### 19. GRASS CUTTING REPORT IN TERMS OF SQUARE KILOMETER COVERED

Report:

- A total area of 880 square kilometres of grass is cut per annum

Programme:

- To cut grass on 1000 square kilometres as we will be extending to tribal land

### 20. BIODIVERSITY PLANS FOR BULL FROG EUPHOBIA PLANT SPECIES

Report:

- We are part of Capricorn district technical team on bio-regional plan
- Plan developed to develop botanical garden Is in place

Programme:

- Need funding to protect our reach biodiversity
- To develop botanical garden at Sterkpark hill where Euphoria was discovered

## WATER AND SANITATION

### PLANNED UPGRADING OF THE WASTEWATER TREATMENT PLANTS

The City has **three (3)** Wastewater Treatment Plants i.e.

**Polokwane,  
Seshego and  
Mankweng.**

Polokwane Wastewater Treatment Plant is the **biggest** with **26 MI/day** capacity and the current load standing at **34 MI/day**.

Plans are in place to construct the **100 ML/day Regional Wastewater Treatment Plant** for the whole Polokwane Municipal **sewage load** and to cater for new developments (however there is limited budget).

A memorandum of agreement to **refurbish and upgrade** the **over loaded** Polokwane Wastewater Treatment Plant has been signed by the Municipality and **Anglo American. The upgrade is now complete and has been commissioned.**

For the purposes of increasing the capacity of the Wastewater Treatment Plants to support **current and future development**, the municipality is currently in a process of building:

**New** Regional Wastewater treatment 20MI/day (At Tender Stage)

**Seshego** Wastewater Treatment Plant (Refurbishment - Planning completed awaiting funding to implement).

**Mankweng** Wastewater Treatment Plant (Refurbishment - Planning completed awaiting funding to implement).

**Polokwane** Wastewater Treatment Plant (Refurbishment - Planning completed awaiting funding to implement).

### NUMBER OF HOUSEHOLDS TO BE PROVIDED WITH CLEAN PORTABLE WATER IN PREVIOUSLY DISADVANTAGED AREAS.

In line with the with approved SDBIP the municipality intends to Increase percentage of Households with access to sanitation by 0.75% (1800HH) by the 30 June 2023.

In line with the with approved SDBIP the municipality intends to Increase percentage of Households with access to Water by 0.90% (2160HH) by the 30 June 2023

## **CORPORATE AND SHARED SERVICES**

### **Information and Communication Technology Capital Budget**

#### **Provision of Laptops for employees**

In the previous Financial Year, the Information and Communication Technology was allocated a budget of **R 2 569 147** to procure tools of trade for both Municipal employees and Councillors. With the allocated 146 laptops, 20 desktop printer and other peripheral devices such as secondary storage.

However, with the allocated budget and the achievements in the previous financial year we still have additional requests of laptops and there is still a need to replace old computers that are not in good condition. The SBU is allocated a budget of **R 2 500 000** for the coming Financial Year.

#### **Network Upgrade**

The City of Polokwane has a resolution to decentralize services to cluster offices for easy access for community members. As a result, there is a need for network connectivity to the cluster offices to ensure that employees deployed to these offices have access to all the ICT services offered at the Municipal Civic Centre. The Leeto La Polokwane project also brought a need for a stable connectivity that is capable of handling real-time Video Surveillance streaming along the routes. For the Financial Year we plan to install overhead Fibre to Seshego Cluster along the BRT route. For this project we are allocated **R 3 000 000** for the coming Financial Year.

#### **Implementation of ICT Strategy**

During the audit of the 2019/20 financial year by the AGSA they noted some security vulnerabilities on Municipal ICT network infrastructure. With the previous year's budget, we managed to procure a Network Security Vulnerability to address the issues as stated in the Audit report. For the 2022/23 Financial Year ICT has been allocated a budget of **R 188 048**, the amount will be used to procure a ServiceDesk application that will assist the ICT unit to improve its IT Service Management as outline in ITIL best practise standards.

## ENERGY SERVICES



- INEP grant is listed under operational budget as assets are transferred to Eskom after completion. The grant for next year is R 13 million rand for rural with a request of R11 100 000 for urban under CRR.
- Finance is running the project with the Service Provider CigiCell to replace only faulty Electrical Meters, with Smart Electrical Meters. We here at Energy Services does not have the figures and we were informed that CigiCell were not appointed to replace Conventional Meters with Smart Electrical Meters, that was the previous Project which Finance ran with ELDO Blocks – ELDO Blocks never completed the project. Finance must assist with the information.
  - According to CigiCell, there might be ± still 2800 Conventional Electrical Meters to be converted to Pre-paid, but they will only replace faulty ones, not a blanket approach.

- According to our own data, we have ± 800 Bulk Meters, which in essence, are all “Smart Meters” already, however, only 600 of these Meters are connected to Modems for two-way communication, done by ELDO Blocks. Cigicell converted all the meters to their portal. All meters are functioning well and integration to the municipal system is completed.
- The backlog is approximately 18000 and 2500 for rural and urban respectively. The challenge in urban is to cope with electrification of RDP houses provided by COGHTA while capacity is the main issue in rural. Our annual target is 1500 households depending on the availability of capacity in the Eskom supply areas.
- The first phase of the PowerBank project is to find Service Providers who can install PowerBanks and then they must provide estimated costs for the Installation. The second phase will be the physical installation of the units.
- The municipality is also investigating the development of a Solar Farm which can augment/reduce the bulk supply from Eskom. A feasibility process has been done based on the old allowable capacities before National Government has amended the regulations to 100MW installations without applying for generation licences. The feasibility studies therefore need to be extended to take into consideration the new limits.





# **ANNEXURE A**

**Municipal annual budget MTREF & Supporting tables**