

Sedibeng

District Municipality



Vaal 21
A RIVER CITY





Presentation
to
NATIONAL COUNCIL OF PROVINCES

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1. Introduction:

- Sedibeng District Municipality (SDM) forms the Southern Corridor of the Gauteng City Region (GCR) vision 2055.
- This corridor has been touted as the corridor responsible for *Food Security* through Agriculture related activities and industries, a *Tourism* destination by utilizing the Vaal River and Vaal Dam respectively and also as a *Logistics Hub* due to its close proximity to the Aerotropolis and Tambo Springs node.
- This therefore means that SDM has the responsibility to prioritize projects which are “Agricultural”, “Tourism” and “Logistics” related. It is therefore imperative to employ a paradigm shift in aid of diversifying the regional economy and implement catalytic projects that will have a greater GCR impact.



1. STATE OF THE MUNICIPALITY

- The District Municipality does not have authority to fully perform the Section 84 functions, instead these have been devolved to the local municipalities;
- The shrinking or lack of revenue streams to increase the tax base of the municipality to meet its developmental challenges;
- The economy of the district is heavily stifled and stagnated by lack of sufficient sewer capacity. The Sedibeng Regional Sanitation Scheme needs to be expedited at all costs.



STATE OF THE MUNICIPALITY

- The municipality is dependent on the equitable share. A significant portion of the revenue of the municipality is from this grant;
- Moreover, the Equitable share received from National Treasury does not grow at the same rate with the operational costs of the municipality;
- For instance the rate at which salaries have been increasing has always been far above the rate at which the equitable share has been increasing increasing.

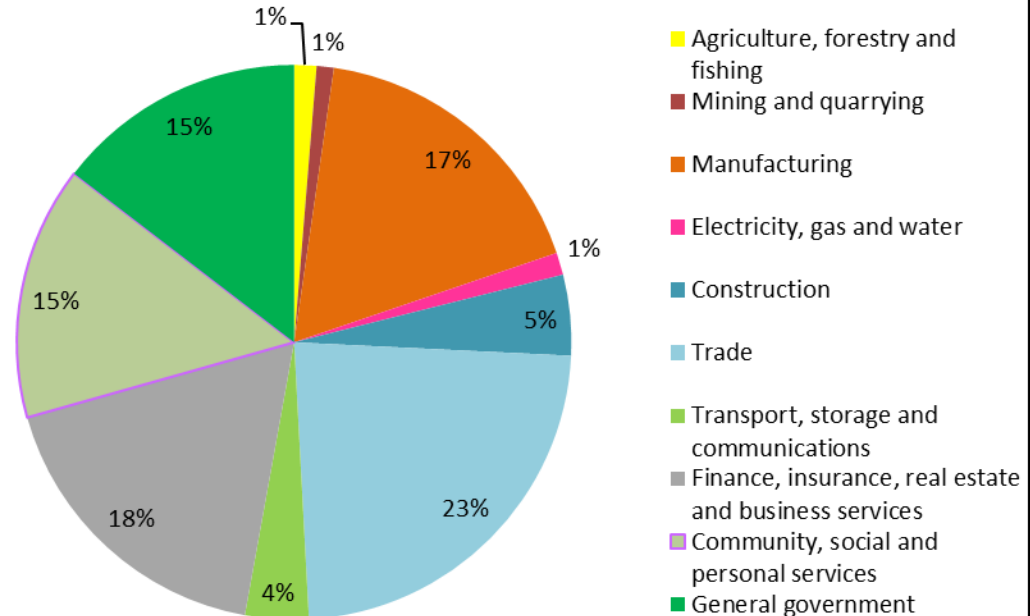


STATE OF THE MUNICIPALITY

- 54% of the population earns less than R1 600 per month or earns no income
- More than half of the contribution to the district economy is from the services sector (57.2%).
- The largest contributor to the Sedibeng economy, namely manufacturing, is shrinking
- Agriculture contributes less than 2% although the District has high potential agricultural land.
- The tourism sector is underperforming and not taking full advantage of potential

Sedibeng does not have the required infrastructure to support underperforming sectors

Employment per sector in Sedibeng



STATE OF INFRASTRUCTURE

- **The water infrastructure** in the entire region of the Sedibeng predates 1970 and is bearing state of collapse due years of gross neglect, poor maintenance and over stretched capacity. Rand Water supplies bulk water directly to each municipality in the district, who are responsible for local distribution.
- Emfuleni bulk water network is old and it is overworked due to the demand for potable water. The age of the networks varies between 60 -70 years across the municipal area.
- Average water losses are 48 percent (unaccounted and non revenue) which is way above average of 37% and global average of 25%



STATE OF INFRASTRUCTURE

- The Sebokeng Wastewater Treatment Works is the largest in the area and has a capacity of 119MI/day. The other two need to be upgraded and rehabilitated.
- The bulk sanitation network is old and it is overworked due to the demand for sanitation services. The age of the networks varies between 60 -70 years across the Municipal area.
- The short-term sanitation infrastructure plans involve the rehabilitation of existing infrastructure, including sewer pump stations to minimize sewer spills. While this will give a significant improvement to overall performance, problems which could result in raw sewage spillage cannot be ruled out.



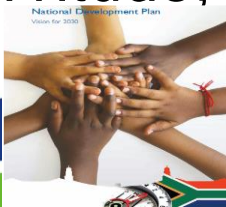
STATE OF INFRASTRUCTURE

- **Electricity Infrastructure Grid**
- There is sufficient bulk electricity bulk supply from the Lethabo Power Station
- The Coal fired power station was designed to supply the industrial base of the Vaal.
- Primarily SASOL, Arcelor Mittal, Cape Gate, Clotan Steel , Omnia and all major large industrial players were supplied by Lethabo Power Stations.
- The Municipalities are responsible for distribution. The network of Emfuleni Local Municipality is Old, stretched to capacity, and is failing to meet the current residential and industrial requirements.
- New substations need to be developed to guarantee supply of electricity for sustaining the regional growth and development



STATE OF INFRASTRUCTURE

- **Rail and Roads Infrastructure**
- Due to its history as the Manufacturing and industrial and mechanical engineering base of the country, the Vaal region is solidly covered by the rail infrastructure that connects major distribution centers and ports in the country.
- However, the decline in the manufacturing base led to the neglect of major infrastructure and subsequently the infrastructure was vandalized. Major improvement required among others includes rail siding capacity, rail servitude,



STATE OF INFRASTRUCTURE

- **Rail and Roads Infrastructure**
- Vaal region is decently catered for in terms of the road networks from National Freeways to municipal roads. R59, N1, N3 and Golden Highway are the major routes connecting the Vaal the major urban economic centers of Gauteng and Free State and subsequently the country.
- Sufficient Capacity for operations and maintenance need to be developed and accordingly funded



POLITICAL GOVERNANCE STRUCTURES

Council	Mayco	Section 80	PMT
Council is functional and holds meetings every quarter	Mayoral Committee is functional and holds meetings every month	Section 80 committees meets periodically	PMT meets regularly

POLITICAL GOVERNANCE STRUCTURES

Petition Committee	MPAC	Audit and Performance Audit Committee	
The committee meets regularly to consider petitions received	MPAC is functional and sits on a quarterly basis	The committee is functional and reports to Council regularly	

KEY QUESTIONS FOR CONSIDERATIONS

Promotion of Good Governance

- How do we improve service delivery considering the current financial conditions in the region?
- How do we address issues of good governance in relation to King IV Code?
- State of Municipal Buildings and aging infrastructure –:
- How can the region fast-track the issue of Powers and Functions of the District Municipality?
- The district's going concerns is seriously questionable. What more can we do to improve on this?
- What other revenue sources we can explore?
- How to deal with inter-municipality debt?
- Equitable Share will increase by 2% MTEF, CPI is 6.5%, staff salaries increase by +- 7% which takes about 73% of Equitable Share.
- Is there anything we can do for National Treasury to consider the variance as it is putting more financial strain to the municipalities?

KEY QUESTIONS FOR CONSIDERATIONS

Local Economic Development

- How do we ensure that we create a conducive environment to support Regional Tourism?
- How do we unlock agricultural potential of the region to serve as a Gauteng Food basket?
- How do we ensure development of Emerging Farmers?

IGR Structures and coordination

- How do we improve the effectiveness and the efficiency of the IGR Structures?
- How do we ensure the implementation, monitoring and the evaluation of the resolutions of the IGR Structures?
- How do we integrate resolutions implementation with Outcome 9 and Back to Basics?
- Are we progressing on the issue of Metropolitan Status and what is the current status and way forward

PROMOTION OF GOOD GOVERNANCE

This is based on ensuring that there is Political stability and functionality

The public participation and ownership in the development of Integrated Development Plans (IDPs)

Ensuring that vacancies are filled; and all other challenges relating to culture change; staff motivation and any such matter are addressed and any other matter that impedes on the smooth service delivery

Ensuring that issues relating to Audit findings and related matters are addressed; that there is a clear plan based on the development of the Audit Improvement Plan

LOCAL ECONOMIC DEVELOPMENT

Taking full advantage of the Tourism Sector and promote the hospitality industry (the highest employment sector has been retail, government and social sector).

Promotion of SMME, Cooperatives, small business enterprises and the implementation of the Local Economic Development Framework.

Unlock the agricultural potential of Sedibeng region to serve as Gauteng Food basket;

Upgrade the Fresh Produce Market facilities for food security;

Increase Agro-processing facilities in the region;

Embark on a Sedibeng waste-to-energy project initiative;

Implementation of renewable energy programmes in the district;

Implement Integrated Spatial Development & Land-use Management;

Promote residential and urban renewal projects.

INTERVENTIONS (SECTION 139 AND 154)

- In the Sedibeng District it is only at Emfuleni Local Municipality where Section 139 and 154 were instituted.
- It has become apparent, however, that these interventions were not well-supported by national and provincial governments or sufficiently institutionalised, due to the absence of post-intervention measurement of improvement, and the weak application of intergovernmental checks and balances.
- In its initial intervention, COGTA have been found to be under-resourced, poorly structured and capacitated, and often lacking a core focus on their oversight and governance directives. Their systemic weaknesses and low capacity has translated into poor responsiveness and structural ability to act as a responsive sphere of government.

IGR STRUCTURES AND COORDINATION

Strengthen District wide Intergovernmental Forums to bring together the district and local players to collaborate and integrate plans, budgets and delivery. The Joint Mayoral Committee forum and other sectoral forum are key instruments to be used as transactional forum to collaborate.

Acceleration of shared services model and integration between the District municipality and local municipalities.

Support and build capacity of our municipalities in all key areas – Spatial Planning and Economic Development, Infrastructure Delivery, Financial Management, Public Participation and Governance.

CLOSING REMARKS

The District has a very key and decisive role in ensuring and promoting Local Economic Development by being creative in terms of promoting economic hubs and tourism; which can be a flagship project.

That's the area that we would have to look at and work on ensuring that all the powers that the District Municipality should and can perform, that such powers are performed.

This can only be possible where sufficient capacity is built within the District municipality and the good governance practices are implemented and practised

The End



**Together Lets join Hands to fight
Unemployment, Poverty, and
Inequalities ...**

