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Submission of inputs for Stellenbosch Municipality's Draft 2023/24 Budget

Date: 25 April 2023

Submitted by: Development Action Group (DAG) as part of the Asivikelane Western Cape Campaign representing informal settlement communities in Stellenbosch Municipality.

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1. Summary of Recommendations for Stellenbosch Budget 2023/24

Asivikelane Western Cape (WC) initiative conducted an analysis of the Stellenbosch Municipality's 2023/24 draft budget and Integrated Development Plan. Based on this, informal settlement residents in Stellenbosch along with Development Action Group (DAG), would like to submit the following recommendations to be considered in the final budget:

Municipal service	Stellenbosch 2023/24 IDP and Budget: Key Observations	Asivikelane WC Recommendations
Water	<p>The IDP says that water in informal settlements is a priority yet:</p> <ul style="list-style-type: none"> The 2023/24 budget does not include a specific allocation for water/standpipes to informal settlements. 	<ul style="list-style-type: none"> Set a target for taps in informal settlements, based on need. Asivikelane WC data shows that several informal settlements have no water

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	<ul style="list-style-type: none"> No targets are given for new standpipes in informal settlements. (See page 5-6) 	<p>and in some places there is not enough water.</p> <ul style="list-style-type: none"> Specify budget allocation for water/standpipe to informal settlements
Sanitation	<p>The IDP says that the construction of ablution facilities is a priority yet:</p> <ul style="list-style-type: none"> The target for waterborne toilet facilities has declined from 50 in 2022/23 FY to 20 in 2023/24 FY. The budget does not indicate a specific allocation for informal settlement ablution facilities. (See page 6-7) 	<ul style="list-style-type: none"> Increase the target for toilets in informal settlements, based on need. Asivikelane WC data shows that several informal settlements have no sanitation and in some places there are not enough toilets. Specify budget allocation for toilets in informal settlements
Solid waste	<p>The waste removal services budget increases by over 8% in 2023/24 FY. But neither the IDP and Draft Budget it clear whether the increase includes any dedicated allocation for waste collection services in informal settlements. (See page 7-8)</p>	<ul style="list-style-type: none"> Improve solid waste collection to informal settlements. Asivikelane WC data shows that several areas have no waste collection service, other have no skips and skips are overflowing in places. Specify budget allocation for waste collection in informal settlements
Repairs and maintenance	<p>The budget does not show a separate allocation for repairs and maintenance to informal settlement toilets, solid waste and standpipes. We assume that these services will be funded by the maintenance budget for water supply infrastructure, sanitation infrastructure and solid waste infrastructure.</p> <p>The municipality is spending less 1% of its Property, Plant and Equipment budget on repairs and maintenance. This is far less than the National Treasury norm on repairs and maintenance (which is 8%). (See page 9-10)</p>	<ul style="list-style-type: none"> Specify the plans and budget allocation for repairs and maintenance to water, sanitation and solid waste removal services in informal settlements A functional fault-reporting systems should be put in place Increase spending on repairs and maintenance to at least be in line with National Treasury norm of 8%.

2. Asivikelane Western Cape community assessment of informal settlement service delivery in Stellenbosch

Asivikelane Western Cape¹ is an initiative that gives a platform to informal settlement residents who face severe basic service shortages. Asivikelane Western Cape regularly collects data from participating residents in informal settlements in Stellenbosch Municipality. Residents answer questions and report on access and challenges to water, sanitation and refuse removal services. The campaign currently engages over 180 residents who are Asivikelane Western Cape participants, living in 8 informal settlements: Azania, Enkanini, Emaholweni, Kayamandi, Khwezi, Langrug, Mandela City and Strongyard.

Led by Development Action Group (DAG), Asivikelane Western Cape has held several engagements with Stellenbosch Municipality, which have resulted in some instances of improvements in water (2), sanitation (53) and waste collection (9) in informal settlements in 2022. **However, the need for safe, reliable access to water, sanitation and waste collection services remains urgent in many areas. We hope that these budget inputs will support the municipality's efforts to improve the quality of life of those living in informal settlements.**

Water: Informal settlements do not have enough taps

Data collected in February 2023 showed that 85% of residents use communal standpipes in their informal settlements. Residents have reported that communal taps/standpipes are far from their settlement section and they, therefore, collect water from neighbouring settlement sections. Some residents specifically reported that there are not enough communal taps to ensure sufficient water for all households in their settlement. In addition, 25% of the residents did not have enough water in their settlement for at least 7 days. Residents in Kwezi informal settlement said that they do not have water. The gap in water access has an impact on residents' health and hygiene.

Data collected in September 2022 showed that 84% of women said they are primarily responsible for collecting water and 98% of them do so more than once per day. Several women said they feel unsafe walking long distances to collect water and asked for more taps to be installed, closer to where they live.

Sanitation: Too few toilets and toilets are not cleaned often enough

In February 2023, 82% of residents said that they use communal flush/ablution block toilets and many residents said that there are **not enough toilets**. Several residents raised concerns about toilets being dirty and blocked. Forcing them to a different settlement section to use toilets. When residents were asked if the municipality has cleaned their toilets in the last 7 days, 10% of the **residents reported said the toilets were not cleaned**, and 12% of the residents indicated that this question was not applicable to them because they do not have toilets, these are residents in Mandela City and Khwezi.

¹ Asivikelane Western Cape website: <https://asivikelane.org/westerncape-releases/>

Safety is a major concern, especially for women. When toilets are placed in dark, isolated locations it's dangerous for women because they are targeted by criminals. In September 2022, 89% of women said they feel unsafe using communal toilets at night, and 38% feel unsafe during the day.

Residents want more toilets, closer to where they live, and 89% of women asked for separate toilets for men and women. This will be safer and more hygienic.

Refuse collection: Irregular waste collection and lack of skips is a health risk

In February 2023, Asivikelane Western Cape collected asked residents if they received refuse collection services in the last 7 days from the municipality. 13% of residents reported that their settlement does not receive refuse collection services. A further 16% of the residents reported that they usually receive refuse collection services, however, their **refuse was not collected in the last 7 days**. Residents also reported that there are not enough communal dumping skips. In settlements with skips, these are often not emptied. Several residents have resorted to burning their waste, which is both hazardous to health and the environment – just one of the negative consequences of the municipality's failure to collect waste.

Repairs and maintenance: municipality slow to fix broken services

Based on the data collected by Asivikelane Western Cape in November 2022, **36% of the residents reported that it takes the municipality between 1 to 3 months to fix a broken tap or toilet**, a further 26% of the residents reported that it takes a month or less and 14% reported that the municipality never fixed the broken tap or toilet. The lack of repairs means that more residents are relying on fewer services, reducing access levels and placing additional strain on infrastructure.

Asivikelane Western Cape #8 data

How_soon_municipality_fixes_taps_toilets?	Number	Percentage
Between_1_to_3_months	52	36%
In_a_month_or_less	38	26%
I_don't_know	23	16%
Never_they_don't_fix_it	20	14%
In_a_week_or_less	12	8%
TOTAL	145	100%

Source: Asivikelane Western Cape #8 data, collected in November 2022

Maintenance and repairs of existing service infrastructure are cheaper than installing new services and it increases the lifespan of the infrastructure.

3. Analysis of Stellenbosch Municipality's 2023/24 draft budget and Integrated Development Plan

Allocations for the provision of water to informal settlements

We were encouraged to see that Stellenbosch Municipality has identified the installation of standpipes in informal settlements and the construction of ablution facilities as some of the Integrated Development Plan (IDP) deliverables for the 2023/24 budget year.² However, the municipality's **draft 2023/24 IDP does not provide any targets for the delivery of standpipes in 2023/24**. In contrast, a target of 50 new standpipes were set for 2022/23. No information is provided about how the target of 50 standpipes was determined.

TABLE 1: Target for standpipes

	2022/23	2023/24	% change
Infrastructure Services Directorate: Installation of new standpipes	50 new standpipes installed by 30 June	No target	Unclear

Source: Service Delivery and Budget Implementation Plan (SDBIP), page 409

According to the Service Delivery and Budget Implementation Plan (SDBIP), the Infrastructure Services Directorate is responsible for the installation of standpipes. The Infrastructure Services Directorate's capital budget is planned to increase by 46.11% from its adjusted 2022/23 budget of R297 million to R433 million for the budget year 2023/24 as illustrated in Table 2 below.

TABLE 2: Infrastructure Services Directorate Capital Budget

	2022/23		2023/24	
[Rands]	Adopted Budget	Adjusted Budget	Draft Budget	% change
Infrastructure Services Directorate Capital Budget	290 468 879	296 643 879	433 423 363	46.11%

Source: Medium Term Revenue and Expenditure Framework for the Financial Period 2023 – 2026, page 19

Within the Infrastructure Services Directorate capital budget, there is a specific allocation for the Water Network, responsible for supplying water provisioning infrastructure to households. The 2023/24 draft budget indicates an increase of 40.25% from its adjusted budget of R84 million to R117 million for the Water Network for the 2023/24 budget year, illustrated in Table 3 below. However, despite the installation of standpipes in informal settlements being a priority for the 2023/24 budget year for the municipality, **we cannot see**

² Stellenbosch Municipality Draft 2023/24 IDP & SDBIP: <https://stellenbosch.gov.za/download/5th-generation-integrated-development-plan-2022-2027-v22-consolidated-amended/?ind=1680165465897&filename=5th-Generation-Integrated-Development-Plan-2022-2027-v22-Consolidated.amended.pdf&wpdmdl=20735&refresh=64342c04733eb1681140740>

a specific allocation of how much of the Water Network budget is for standpipes and for water supply to informal settlements.

TABLE 3: Vote 3 - Infrastructure Services Directorate: Water Network

	2022/23		2023/24	
[Rands]	Adopted Budget	Adjusted Budget	Draft Budget	% change
Vote 3 - Infrastructure Services Directorate: Water Network	49 669 000	83 531 000	117 150 000	40.25%

Source: Medium Term Revenue and Expenditure Framework for the Financial Period 2023 – 2026, page 38

The IDP further indicates: “Communal standpipes represent the weakest part of a network’s water supply services. Standpipes are often constructed in ways that cannot withstand excessive use (and abuse) and are often neglected in terms of operation and maintenance, adversely affecting the health of their already vulnerable and poor users.”³

The municipality acknowledges that standpipes are the weakest part of its water network and are constructed in a way that cannot withstand excessive use. In addition, many residents have reported that there are not enough communal taps/standpipes. However, both the draft IDP and budget don't provide any evidence that the municipality plans to install more standpipes (see Table 2 above) that can potentially reduce the household-to-standpipe ratio and alleviate the excessive use per standpipe.

Allocations for sanitation in informal settlements

Stellenbosch Municipality makes the construction of ablution facilities in informal settlements a priority for the budget year 2023/24. The municipality has set a target of 20 waterborne toilet facilities for the budget year 2023/24, in contrast to the previous year’s target, which was 50 waterborne toilet facilities, as illustrated in Table 4. This is 60% less than the previous year’s target, the reduction in the target does not support the municipalities statement that the construction of ablution facilities is a priority for 2023/24. **No reasons are provided for the decrease in the sanitation target as set by the Department: Integrated Human Settlements.** It is also not clear how many households will be served by these ablution facilities and where they will be installed.

TABLE 4: Target for communal ablution facilities

	2022/23	2023/24	% change
Provision of waterborne toilet facilities in informal settlements as identified by the Department: Integrated Human Settlements	50	20	-60%

Source: Service Delivery and Budget Implementation Plan (SDBIP), page 409

³ Source: Stellenbosch Municipality Draft 2023/24 IDP, page 151: <https://stellenbosch.gov.za/download/5th-generation-integrated-development-plan-2022-2027-v22-consolidated-amended/?ind=1680165465897&filename=5th-Generation-Integrated-Development-Plan-2022-2027-v22.-Consolidated.amended.pdf&wpdmdl=20735&refresh=64342c04733eb1681140740>

The Infrastructure Services Directorate provides sanitation services to households via the sewerage network. We see a positive increase of 15.53% from the adjusted budget of R46 million to R53 million for the budget year 2023/24 in the Infrastructure Services: Sewerage Network, shown in Table 5 below.

However, the IDP nor the capital budget does not include a dedicated project for the provision of informal settlement ablution facilities and **it is not clear if the sewerage network budget allocation includes sanitation services to informal settlements.**

TABLE 5: Vote 3 - Infrastructure Services Directorate: Sewerage Network

[Rands]	2022/23		2023/24	% change
	Adopted Budget	Adjusted Budget	Draft Budget	
Vote 3 - Infrastructure Services Directorate: Sewerage Network	57 000 000	45 738 000	52 840 000	15.53%

Source: Medium Term Revenue and Expenditure Framework for the Financial Period 2023 – 2026, page 38

Allocation for the provision of Refuse Removal services to informal settlements

It is encouraging to see the budget for mini waste drop-off facilities at informal settlements has increased from R100 000 in the adopted 2022/23 budget to R200 000 in the 2023/24 draft budget. There are two further capital projects that might benefit informal settlements but those budgets have decreased, skips decrease from R300 000 in the 2022/23 adopted budget down to R200 000 in the 2023/24 draft budget, and street refuse bins from R500 000 in the adopted 2022/23 adopted budget down to R300 000 in the 2023/24 draft budget.

TABLE 6: Refuse Removal Capital Projects

Project	[Rands]	Department	Adopted 2022/23	Draft 2023/24	% change
Mini Waste drop-off facilities at Inf Settlements		Waste Management: Solid Waste Management	100 000	200 000	100%
Skips (5,5kl)		Waste Management: Solid Waste Management	300 000	200 000	-33.33%
Street Refuse Bins		Waste Management: Solid Waste Management	500 000	300 000	-40%

Source: Medium Term Revenue and Expenditure Framework for the Financial Period 2023 – 2026, page 38

Table 7 below illustrates the Trading Services Expenditure for Waste Management as allocated in the 2023/24 draft operating budget. We see an increase from R139 million in the adjusted 2022/23 budget to R151 million in 2023/24 in the draft budget, this is an 8.03% increase. Waste removal services are usually provided either directly by the municipality or through contract services and both will be funded from the operating budget (trading services). **The IDP and Draft Budget do not make it clear whether the increase in the Waste**

Management budget includes any dedicated allocation for waste collection services in informal settlements.

TABLE 7: Trading Services Expenditure

	2022/23		2023/24	
[Rands]	Adopted Budget	Adjusted Budget	Draft Budget	% change
Waste Management	131 508 000	139 418 000	150 616 000	8.03%

Source: Medium Term Revenue and Expenditure Framework for the Financial Period 2023 – 2026, Table A2, page 25

Allocation of Municipal Grants for Informal Settlements

The Informal Settlement Upgrading Partnership Grant (ISUPG) is a funding source dedicated to upgrading of informal settlements and this is allocated by the Western Cape Provincial government to the Municipality. The Integrated Urban Development Grant (IUDG) is also a funding source that can be used to provide basic service delivery to informal settlements. The IUDG is directly allocated to the Municipality by National Government.

ISUPG is set to decrease by 10.63% of its 2022/23 adopted budget of R21 million down to R19 million of the 2023/24 draft budget as well as the IUDG decreases by 4.88% of its 2022/23 adopted budget of R62 million down to R59 million of the budget for 2023/24. **This suggests that less money will be available for informal settlement services.**

TABLE 8: Municipal Grant Funding

	2022/23		2023/24	
[Rands]	Adopted Budget	Adjusted Budget	Draft Budget	% change
Integrated Urban Development Grant (IUDG)	62 460 000	-	59 410 000	-4.88%
Informal Settlement Upgrading Partnership Grant (ISUPG): Provinces (BENEFICIARIES)	20 850 000	-	18 633 000	-10.63%

Source: Integrated Development Plan 2022-2027, page 381, and Adjusted 2022/23 Capital Budget

The Kayamandi Zone O Housing Project is currently underway, and the IDP indicates that ±711 services/number of housing opportunities will benefit from the project. The project is funded from the ISUPG. Kayamandi is one of the Asivikelane Western Cape participating settlements.

The municipality has indicated in the IDP that project is at its initial stages, and engagements with the community have commenced. The construction period is estimated to be 9 months after the contractor has been established on-site. Site establishment is dependent on the successful relocation of the families residing currently on the site identified for construction⁴.

⁴ Source: Stellenbosch Municipality Draft 2023/24 IDP, page 104 and 134:

<https://stellenbosch.gov.za/download/5th-generation-integrated-development-plan-2022-2027-v22->

However, the relocation of families was not achieved. The contractor could not activate it. Construction funding was removed from the adjustment budget (illustrated in Table 9 below). The adopted 2022/23 budget is R13 million and the adjusted 2022/23 budget is R6 million. The 2023/24 draft budget is R13 million, the municipality, in the IDP, has indicated that they are allocated the same amount of money for the next budget year and the current budget year. There have been delays in the Kayamandi housing project as people are still being relocated.

The ISUPG budget for 2023/24 is R19 million and since the housing project budget of R13 million is funded by the ISUPG, this means 68.4% of the ISUPG budget will go towards the Kayamandi housing project. **Services to other informal settlements (beneficiaries of the ISUPG) may be neglected.**

TABLE 9: Kayamandi Zone O Housing Project

[Rands]	2022/23		2023/24
	Adopted Budget	Adjusted Budget	Draft Budget
Kayamandi: Zone O (±711 services) Funding source: ISUPG	13 350 000	5 850 000	13 350 000

Source: Integrated Development Plan 2022-2027, page 104

Allocation of Repairs and maintenance of informal settlements infrastructure

The municipality has indicated in the IDP that communal standpipes are the weakest part of a network's water supply services. Standpipes are often constructed in ways that cannot withstand excessive use and are often neglected in terms of operation and maintenance, adversely affecting the health of their already vulnerable and poor users.

The total budget allocation for repairs and maintenance for the 2023/24 budget year is increased by only 9.72%. We are seeing small percentage increases for water supply infrastructure (10.78%), sanitation infrastructure (4.77%) and solid waste infrastructure (4.35%), as shown in Table 11 below. The budget does not show a separate allocation for repairs and maintenance to informal settlement toilets, solid waste and standpipes. We assume that these services will be funded by the maintenance budget for water supply infrastructure, sanitation infrastructure and solid waste infrastructure.

The municipality is spending less than the National Treasury norm on repairs and maintenance (which is 8%). The analysis shows that 0.0% of the Property, Plant and Equipment (PPE) will be spent on repairs and maintenance. This does not mean that the municipality is spending nothing on R & M, but we assume that the amount is so small in comparison to the value of PPE that it comes to less than 1%.

TABLE 11: Repairs and maintenance

	2022/23		2023/24	
[Rands]	Adopted Budget	Full Year Forecast	Draft Budget	% change
Total Repairs and Maintenance	107 541 000	103 582 000	113 659 000	9.72%
Water Supply Infrastructure	12 423 000	12 423 000	13 750 000	10.68%
Sanitation Infrastructure	10 800 000	10 800 000	11 316 000	4.77%
Solid Waste Infrastructure	4 344 000	4 344 000	4 533 000	4.35%
R&M as a % of PPE	0.0%	0.0%	0.0%	-

Source: Medium Term Revenue and Expenditure Framework for the Financial Period 2023 – 2026, Table A2, page 45

Conclusion

In conclusion, it is our hope that Stellenbosch Municipality utilises these inputs to strengthen its budget with an emphasis on fair, inclusive allocations for services to informal settlements. For further engagement with Asivikelane Western Cape, please contact us using the detail below:

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Thank you for the opportunity to make inputs into the budget.

References

1. Asivikelane Western Cape Data #8 and #10. Available online: <https://asivikelane.org/westerncape-releases/>
2. Stellenbosch Municipality. March 2023. Draft 2023/24 Budget. Medium Term Revenue and Expenditure Framework for the Financial Period 2023/2024 to 2025/2026. Available online: <https://stellenbosch.gov.za/download/appendix-1-mtref-2023-2024-march-2023/?ind=1680604398118&filename=Appendix-1-MTREF-2023-2024-March-2023.pdf&wpdmdl=20874&refresh=64342b80e90671681140608>
3. Stellenbosch Municipality. March 2023. Integrated Development Plan 2022-2027. Available online: <https://stellenbosch.gov.za/download/5th-generation-integrated-development-plan-2022-2027-v22-consolidated-amended/?ind=1680165465897&filename=5th-Generation-Integrated-Development-Plan-2022-2027-v22.-Consolidated.amended.pdf&wpdmdl=20735&refresh=64342c04733eb1681140740>
4. Stellenbosch Municipality. February 2023. Adjusted 2022/23 Capital Budget. Available online: <https://stellenbosch.gov.za/download/adjustments-budget-documentation-february-2023/?ind=1677653896562&filename=WC024-Adjustments-Budget-Documentation-February-2023.pdf&wpdmdl=20492&refresh=6434611d686201681154333>