Karoo Hoogland Municipality

Presentation: March 2014
**OVERVIEW : DEMOGRAPHICS**

**BACKGROUND DATA**
Karoo Hoogland Municipality consists of Sutherland, Williston and Fraserburg and surrounding rural area. The municipality comprises an area of 32 274 km² and falls within the area of jurisdiction of Namakwa District Municipality.

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Households</td>
<td>2204 (Households serviced)</td>
</tr>
<tr>
<td>Population</td>
<td>11601 (Sensus 2011)</td>
</tr>
<tr>
<td>Registered erven</td>
<td>4398</td>
</tr>
<tr>
<td>Total Households</td>
<td>3388 (Including Rural areas)</td>
</tr>
<tr>
<td>Indigents</td>
<td>1035</td>
</tr>
</tbody>
</table>

**Households with access to water and basic services : 2204**
- Households with access to sanitation : 2204
- Households with access to electricity : 1984
- Households with access to refuse removal: 2204
OVERVIEW : DEMOGRAPHICS

Karoo Hoogland Municipality have a total population of approximately 11 601 according to STATS SA Survey done in 2011. Karoo Hoogland is situated in the most Southern part of the Northern Cape and falls within the area of jurisdiction of Namaqua District Municipality with its head office located in Springbok.

Fraserburg: 23% of total population / Non Urban areas (Rural): 31% of total population
Sutherland: 19% of total population / Williston: 27% of total population

It is evident that the most significant portion of Karoo Hoogland’s urban population resides in Williston (27%). The Karoo Hoogland LM also has a large rural population, with 31% of its population residing in the non-urban (NU) regions within the Municipality which covers approximately 99% of the LMs geographical area.

A large number of residents are still dependant on government grants and is the unemployment rate currently 23.1%. This trend in itself have a negative influence on the payment of services. The Karoo Hoogland population can be regarded as having a high dependency ratio. With 10.6% of the population over the age of 65 and 24.5% are under 15 years. The latter youth group will be demanding education, housing and jobs in the near future. The Karoo Hoogland gender distribution is 47.8% males and 52.2% females.
MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT

OPERATION CLEAN AUDIT

- **AUDITOR GENERAL’S REPORT ON THE MUNICIPALITY**
  - DISCLAIMER OPINION FOR 9 YEARS UNTIL 2008/09
  - QUALIFIED OPINION FOR 2009/2010
  - QUALIFIED OPINION FOR 2010/11
  - CURRENTLY BEING AUDITED FOR 2011/12
  - WILL BE AUDITED FROM MAY 2014 FOR 2012/13
  - ALL EFFORTS ARE FOCUSED TO OBTAIN A CLEAN AUDIT ON 30 JUNE 2014

- **OVERALL FINANCIAL STABILITY & CAPACITY**
  - CASHFLOW HAS IMPROVED DRASTICALLY..
  - CASHFLOW POSITION AND INDICATION OF THE CURRENT MUNICIPAL RESERVES IN THE BANK
  - REPORT ON BAD DEBT WRITE OFF POLICY
  - PAYMENT LEVELS as at February 2014 are 64 %.
MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT

- AUDIT COMMITTEES & THEIR FUNCTIONALITY AS WELL AS MUNICIPAL AUDITING/INTERNAL AUDIT SHARED SERVICES
  - PLAN TO ENTER INTO AGREEMENT WITH HANTAM MUNICIPALITY FOR SHARED SERVICES FOR THE INTERNAL AUDIT UNIT

- MONTHLY REPORTING
  - SECTION 71 REPORTS UP TO DATE

- ANNUAL REPORTING
  - ANNUAL REPORT 2012/2013 (SUBMITTED IN JANUARY 2014)
Revenue collection remains a problem for most municipalities. While all households in the Karoo Hoogland Municipality jurisdiction area have pre-paid electricity meters, the collection of arrears for water, rates and sanitation remains a problem. Overall collection rates are significantly lower than the budgeted figures. This can mainly be attributed to the large number of households which are struggling financially.
Due to severe financial restrictions the revenue budget of the municipality had to be curtailed in order to be able to make tariffs more affordable. This however has placed a tremendous strain on the functionality of the municipality. Maintenance and training are amongst the first casualties.
MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT

**CASH FLOW POSITION**

- Due to stringent controls and the curtailing of expenditure the municipality is able to fulfil its obligations. Reserves are however only available to fund the current budget and any increase in expenditure will have a negative impact.

**INDIGENT**

- More than a third of the community in KHM is considered to be indigent. More than 1035 of the 2204 households have registered. The annual process of evaluation is currently under way.
- The registration is done on annual basis and community participation in the process is encouraged. While a cut-off date is set for administration processes, consumers are continuously invited to apply.
- Community Development workers and ward councillors are tasked to assist officials to evaluate applications.
OVERVIEW: ECONOMIC VIABILITY

• SPECIAL FOCUS ON LED
  - In the vision of Council it is stated that Karoo Hoogland Municipality must be an economical growth node and Council must create an environment that will enhance economic development with special focus on poverty alleviation and the creation of direct and indirect job opportunities. Special focus will also be placed on the development of life skills of people, infrastructure and education.

• ALIGNMENT WITH PROVINCIAL IDP AND LED STRATEGIES
  - The LED strategies of Council is directly aligned with the provincial growth and development strategies with special reference to the following:
    - To maintain economic growth
    - To address the unemployment rate
    - To reduce poverty
    - To improve literacy
    - To provide housing and proper water and sanitation services
    - To reduce crime
    - To redistribute agricultural land to PDI’s
    - To provide adequate infrastructure
<table>
<thead>
<tr>
<th>PROJECT NR</th>
<th>PROJECT NAME</th>
<th>LOCATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1.11</td>
<td>SMME DEVELOPMENT:</td>
<td>ALL WARDS</td>
</tr>
<tr>
<td></td>
<td>• Rehabilitation of Fauna and Flora</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Tulip Project</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Ouplaas Community Development</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Construction of Corbel House</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Stage and amphitheatre</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Williston Nature reserve</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Outdoor community recreational facility</td>
<td></td>
</tr>
<tr>
<td>Infrastructure Type</td>
<td>Percentage</td>
<td></td>
</tr>
<tr>
<td>-------------------------------------------</td>
<td>------------</td>
<td></td>
</tr>
<tr>
<td>Water Provision</td>
<td>64%</td>
<td></td>
</tr>
<tr>
<td>Sanitation</td>
<td>32%</td>
<td></td>
</tr>
<tr>
<td>Roads &amp; Storm Water</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electricity &amp; Street lighting</td>
<td>4%</td>
<td></td>
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<tr>
<td>Recreational &amp; sports</td>
<td></td>
<td></td>
</tr>
</tbody>
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**2013/14 & 2014/15 INFRASTRUCTURE PLANNING**
2013/14 IDP & BUDGET

- Break down of the total Capital Revenue for 2013/14 and 2014/15 year.
  MIG AMOUNT: 2013/14: R 10 805 000 / 2014/15: R 8 890 000

- Break down of the total Capital Expenditure for 2013/14 financial year.
  MIG AMOUNT: 2013/14: R 10 805 000

- What sort of investments do you have in your municipality and what is mainly used for?
  KAROO HOOGLAND MUNICIPALITY DOES NOT HAVE ANY INVESTMENTS
Break down of the 2013/14 Service Delivery and Budget implementation Plan

List of capital project per ward and including budgeted amount.

WARD 1: WILLISTON – HIGH MAST LIGHTING = R 1 788 730
WARD 2: FRASERBURG – STREET LIGHTING = R 780 572
WARD 2: FRASERBURG – UPGRADING OF OXIDATION PONDS = R 12 098 527

PROJECTS TO BE REGISTERED WITH MIG:
WARD 4: SUTHERLAND – STREET LIGHTING = R 743 701
ALL THREE WARDS: UPGRADE OF INTERNAL GRAVEL ROADS = R 8 000 000
ALL THREE WARDS: UPGRADE OF SPORT FACILITIES = R 7 411 140

Status of sectoral master plans: approval status and the targeted backlog

Spatial development Plan
(APPROVED ON 8 MARCH 2011, COMPILED BY UMSEBE)

Water Master
(FRASERBURG AND SUTHERLAND WATER PLANS DONE IN 2010/11)
(WILLISTON WATER PLAN IN PROCESS 2014/2015)

Electricity Plan
(WILLISTON: 2006, FRASERBURG: 2011)
SUMMARY OF ALL INFRASTRUCTURE GRANTS RECEIVED AND PRIORITIZED

### SUMMARY OF ALL INFRASTRUCTURE GRANTS RECEIVED AND PRIORITIZED

<table>
<thead>
<tr>
<th>MIG FUNDS RECEIVED:</th>
<th></th>
</tr>
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<tbody>
<tr>
<td>2005/2006 MIG Allocation</td>
<td>-</td>
</tr>
<tr>
<td>2006/2007 MIG Allocation</td>
<td>-</td>
</tr>
<tr>
<td>2006/2007 Drought Relief</td>
<td>1 966 000.00</td>
</tr>
<tr>
<td>2007/2008 MIG Allocation</td>
<td>1 065 000.00</td>
</tr>
<tr>
<td>2008/2009 MIG Allocation</td>
<td>3 477 000.00</td>
</tr>
<tr>
<td>2008/2009 Namakwa DM</td>
<td>1 200 000.00</td>
</tr>
<tr>
<td>2009/2010 MIG Allocation</td>
<td>5 941 000.00</td>
</tr>
<tr>
<td>2010/2011 MIG Allocation</td>
<td>6 753 000.00</td>
</tr>
<tr>
<td>2010/2011 Namakwa DM</td>
<td>4 550 545.45</td>
</tr>
<tr>
<td>2011/2012 MIG Allocation</td>
<td>9 383 000.00</td>
</tr>
<tr>
<td>2011/2012 Namakwa DM</td>
<td>2 871 849.75</td>
</tr>
<tr>
<td>2011/2012 Electrification Projects DoE</td>
<td>2 500 000.00</td>
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<tr>
<td>2012/2013 Electrification Projects DoE</td>
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<tr>
<td>2012/2013 MIG Allocation</td>
<td>11 381 000.00</td>
</tr>
<tr>
<td>2013/2014 MIG Allocation</td>
<td>10 805 000.00</td>
</tr>
<tr>
<td>2013/2014 RBIG FUNDS</td>
<td>900 000.00</td>
</tr>
<tr>
<td>2013/2014 ACIP</td>
<td>600 000.00</td>
</tr>
</tbody>
</table>

Funds were allocated to District Municipality during these years.
SUMMARY OF ALL INFRASTRUCTURE GRANTS RECEIVED AND PRIORITIZED

Funds were prioritized in the different sectors as follows:

WATER

MIG: BULK WATER SUPPLY AT WILLISTON  727 HOUSEHOLDS
MIG: UPGRADE OF WATERNETWORK IN FRASERBURG  838 HOUSEHOLDS
MIG: UPGRADE OF WATERNETWORK IN SUTHERLAND  630 HOUSEHOLDS
MIG: CONSTRUCTION OF RESERVOIR AT FRASERBURG  838 HOUSEHOLDS
MIG: CONSTRUCTION OF TWO RESERVOIRS AT SUTHERLAND  630 HH
DWA FUNDS: INVESTIGATION FOR NEW BOREHOLES AT WILLISTON
(2013/2014)  R900 000  727 HOUSEHOLDS
DWA ACIP FUNDS: TESTING AND EQUIPMENT FOR THREE EXISTING BOREHOLES
(2013/2014)  R 600 000  727 HOUSEHOLDS
SUMMARY OF ALL INFRASTRUCTURE GRANTS RECEIVED AND PRIORITIZED

FUNDS WERE PRIORITIZED IN THE DIFFERENT SECTORS AS FOLLOWS:

SANITATION

- **MIG : ERADICATION OF BUCKETS IN WILLISTON, FRASERBURG AND SUTHERLAND**  (1100 HH)
- **MIG : CONSTRUCTION OF OXIDATION PONDS AT WILLISTON**  727 HH
- **MIG : CONSTRUCTION OF OXIDATION PONDS AT SUTHERLAND**  630 HH
- **MIG : PHASE I : CONSTRUCTION OF NEW OXIDATION PONDS (FRASERBURG)**  628 HH
- **PHASE II : STILL TO BE IMPLEMENTED AT THE OXIDATION PONDS**  838 HH
- **MIG : ERADICATION OF UDS : LIFE SPAN WAS 8 YEARS, IMPLEMENTED: 2004**  1100 HH

STREETLIGHTS / HIGH MAST LIGHTING

- **MIG : HIGH MAST LIGHTS IN AMANDELBOOM AT WILLISTON**  514 HH
- **MIG : STREET LIGHTS IN FRASERBURG AND SUTHERLAND**  1042 HH
OVERVIEW OF INFRASTRUCTURE GRANTS PERFORMANCE FOR 2013/2014

- SUTHERLAND STREETLIGHTING MIG 1262
  - 452 HH
- FRASERBURG STREETLIGHTING MIG 1263
  - 590 HH
- WILLISTON HIGH MAST LIGHTING MIG 1264
  - 514 HH
- FRASERBURG OXIDATION PONDS: PHASE II MIG 1136
  - 838 HH
THE MUNICIPALITY IS RELYING ON THE VARIOUS GRANTS TO FUND THEIR INFRASTRUCTURE DEVELOPMENT

- MIG
- DWA
- DoE
- Human Settlements
- District Municipality
INFRASTRUCTURE GRANTS OVER THE NEXT THREE YEARS

MIG ALLOCATION

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013/2014</td>
<td>R10 808 000,00</td>
</tr>
<tr>
<td>2014/2015</td>
<td>R 8 890 000,00</td>
</tr>
<tr>
<td>2015/2016</td>
<td>R 8 113 000,00</td>
</tr>
</tbody>
</table>
• 80 KM OF ROADS TO BE PAVED (10 KM POOR CONDITION TAR ROAD, 70 KM GRAVEL ROAD)
• 12 KM WATER BULK SUPPLY : WILLISTON
• ERADICATION OF UDS IN ALL THREE TOWNS (APPROX 20KM OF SEWERAGE PIPELINES)
• UPGRADING OF SPORT FACILITIES IN ALL THREE TOWNS
THE ALLOCATION OF THE MIG FUNDING IS NOT ADEQUATE TO COMPLETE MOST OF THE PROJECTS IN ONE FINANCIAL YEAR. THIS LEAD TO APPLYING FOR ROLL OVER OF FUNDS AND THIS REFLECTS AS POOR SPENDING FOR THE PARTICULAR FINANCIAL YEAR.
• **OXIDATION PONDS : PHASE II (FRASERBURG)**
  This project will be funded over a period of three financial years due to the allocation of MIG.
  **BUDGET**: Total amount for the above project is **R 12 098 572,88**
  This project is ready to be implemented.

• **UPGRADE OF BULK WATER SUPPLY AND INTERNAL NETWORK (WILLISTON)**
  This project is already submitted to MIG, but has not yet been approved by DWA due to the information/results that is still outstanding to complete the registration (RBIG)
TECHNICAL CAPACITY

• KAROO HOOGLAND MUNICIPALITY DOES NOT HAVE IT’S OWN PMU

• WE FORM PART OF THE NAMAKWA DISTRICT PMU

• THE MUNICIPALITY RELY ON ENGINEERING FIRMS FOR THE VARIOUS TECHNICAL SUPPORT IN EACH PROJECT

• MISA IS ACTIVE IN THE MUNICIPALITY SINCE NOVEMBER 2013 AND HAS COMPLETED TWO PROJECTS FOR REGISTRATION.
REPORTS

• THE MUNICIPALITY SUBMIT MONTHLY, QUATERLY AND ANNUALLY THE VARIOUS REPORTS AS REQUIRED.
• TRAINING NEEDED FOR SUBMISSION OF SOME OF THE REPORTS

MAINTENANCE

• 6 % OF THE ANNUAL BUDGET IS ALLOCATED FOR REPAIR AND MAINTENANCE
WATER SERVICES

- All Households have access to water, sanitation and that is above the level of RDP
- Bulk water and reticulation of water network for Williston and Sutherland must still be done
- Internal sewerage pipelines to eradicate UDS toilets in all three towns
- Sufficient water is needed for waterborne system toilets to replace the UDS toilets.
- The UDS toilets is not acceptable for the community and is not used correctly
- The Municipality is currently using three sewerage removal trucks at a high cost and is not efficient to deliver an effective service (the demand is greater than the service that the municipality can provide)
10 km of tar road must be resealed and 70 km of gravel road must be paved.

- Potholes will be repaired with EPWP funding and the gravel roads are graded.
  - The current graders is in a poor condition and the maintenance cost is high and it is not possible to do maintenance on the gravel roads as much as it should be done.
  - The maintenance of the tar road is very costly due to the distance from the suppliers that the materials have to be brought in.
- All registered erven have an electrical connection
- Eskom receives the income for the service provided in Sutherland and in Amandelboom (Williston)
- High mast lights were installed in Amandelboom (Williston) and street lights in Fraserburg and Sutherland
- The infrastructure of Fraserburg is currently in a poor condition and is in need of urgent upgrading
- The infrastructure in Williston is in a good condition
INTEGRATED WASTE MANAGEMENT PLAN
- There is no WMO
- The IWMP has not been developed yet
- The IWMP is incorporated in the IDP
- There is no progress regarding the implementation of infrastructure as per IWMP

WASTE SERVICES AND RECYCLING INFRASTRUCTURE
- There is no backlog regarding the collection of waste
- Currently there is no plan to implement waste separation

DISPOSAL INFRASTRUCTURE
- Two of the 3 sites are not licensed
- Jobs in Waste Project is registered in the municipality at the landfill site in Williston
- There is no project registered with MIG regarding landfill sites
SPORT AND RECREATION

COMMUNITY INFRASTRUCTURE

- **Sutherland**: No sport facilities
- **Fraserburg and Williston**: Limited sport facilities available

- Limited sport facilities are currently provided and only a few sport disciplines can be participated in
- Council have a limited budget for the maintenance of these facilities

- Sport facilities at Williston and Fraserburg need to be upgraded
All MIG projects is done according to the EPWP principles to create work.