



Submission on eThekweni Metropolitan Municipality's Draft 2023/24 Budget

Submitted by: Abahlali baseMjondolo, SASDI Alliance, Built Environment Support Group and International Budget Partnership South Africa as part of the Asivikelane campaign¹ representing informal settlements communities in the eThekweni Metropolitan Municipality.

Date: 12 May 2023

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We conducted an analysis of the eThekweni draft 2023/34 budget and the draft Integrated Development Plan (IDP). Together with informal settlement residents in eThekweni, we would like to submit the following recommendations to be considered in the final budget:

- 1. We would like the Metro to clarify the status of the provision of Communal Ablution Blocks (CABs), because its 2023/24 budget does not show any allocation for CABs.** It is unclear what this means for the delivery of new CABs, and for the servicing of existing CABs.
- 2. The City must provide detailed information on the Alternative Sanitation Technology project.** We note the significant increase in the amount allocated for the Alternative Sanitation Technology project. However, the budget doesn't provide any project details, nor which settlements will benefit from it. There are numerous areas, like Umlazi, that do not have any sanitation facilities, and residents would like to know if their settlements will be included in the plans for the Alternative Sanitation Technology Project.
- 3. The Metro must set aside a dedicated budget allocation to provide standpipes to informal settlements.** This will support the installation of new standpipes in settlements where residents currently do not have access to water and in settlements with an inadequate number of water access points.

- 4. The Metro must adjust the budget allocation for informal settlement refuse removal services and allocate money to ensure that all residents receive enough refuse bags.**

We do not think the current budget allocation is sufficient to ensure that all informal settlements receive a decent refuse removal service. We urge the Metro to show how much they are specifically budgeting for the provision of waste removal services, including the provision of refuse bags, to informal settlements. The allocation must be enough to ensure regular and adequate refuse removal in all settlements, the delivery of enough refuse bags for all households, the provision of enough refuse skips, as well as the regular cleaning of dumping sites. We welcome the 50% increase in the allocation for the provision of electricity to informal settlements, but we ask the Metro to provide the following information:

¹ www.asivikelane.org

- i. The names of settlements that will receive electricity in 2023/24.
 - ii. The extent to which this increased allocation will address the electricity backlog, specifically the backlog in informal settlements.
 - iii. The names of the informal settlements that will receive streetlights and lighting inside CABs.
 - iv. Confirm if the allocation for 2023/24 includes funding for settlements whose first phase of electrification has started but has not been completed.
- 5. We would like the Metro to provide a detailed budget and plans for informal settlements upgrading and a list of all informal settlements included in the budget for the coming financial year.**
- 6. The Metro must reconsider the decrease in the capital budget of the Human Settlements Unit and provide more information about the projects in this budget.** The total capital budget for the Human Settlements Unit has decreased by 18%, and while it is not clear from the budget documents which informal settlements are going to be upgraded in 2023/24, we assume that the decrease will have a negative impact on informal settlement service delivery. We ask the Metro to reconsider this decrease and provide more detailed information on the specific services that are going to be delivered to informal settlements funded by this budget.
- 7. We urge the Metro to provide more detailed information on the budget allocations to speed up the rehabilitation of informal settlement infrastructure after the floods and clarify whether any budget has been set aside to respond to future disasters.** It is encouraging to see that the Engineering Unit's budget has almost doubled from 2022/23, and that many projects seem to address flood and stormwater damage. We ask the Metro to provide more detail on these projects to enable informal settlement residents to see if damages in their areas are going to be addressed. The Metro must also clarify if there is any specific allocation to respond to damages to informal settlement infrastructure in future disasters.
- 8. We welcome the increase in the Metro budget for total repairs and maintenance, specifically for the repairs and maintenance of water supply and sanitation infrastructure. However, we would like the Metro to set aside a specific budget allocation for both routine and reactive maintenance and repairs of communal taps and toilets in informal settlements.**
- A. Asivikelane assessment of informal settlement service delivery in eThekweni Metropolitan Municipality**

SASDI, Abahlali baseMjondolo and Built Environment Support Group, along with partner organisations across South Africa, are part of the Asivikelane campaign.¹ This initiative gives a voice to informal settlement residents in South Africa's major cities who face severe basic service shortages. The campaign supports informal settlement communities to monitor the delivery of water, sanitation and refuse collection services and to engage with their municipality about these services.

Below we share the most recent evidence from the Asivikelane surveys to support our recommendations.

- **Inadequate access to water**

In February 2023, 63% of eThekweni informal settlement residents participating in Asivikelane said that they did not have access to enough water in the previous week. In addition, 9% of residents indicated that they do not have any source of water in their settlement.

64% of residents use communal taps and, in some settlements, there are not enough taps to ensure enough water for all. Some residents also indicated that the communal taps are located far from their homes. A small share of residents relies on water tanks and trucks for water, and they reported that the water trucks do not

deliver enough water, and on some days do not come at all.

Many of the settlements highlight that some of the reasons they lack adequate access to water are that there are too few taps or JoJo Tanks, low water pressure, and the infrastructure is either broken or is not cleaned and serviced.

- **Inadequate access to sanitation**

In February, slightly more than a third of residents said that they have no toilets, with many of these residents relying on self-dug pit toilets.

49% of residents use communal flush toilets in the form of Communal Ablution Blocks (CABs). A relatively small numbers of residents use VIP and chemical toilets. 53% of residents indicated that in the previous 7 days their toilets were not cleaned or/and not drained (depending on the type of toilet).

- **Challenges with refuse removal**

Also in February, 30% of residents said that their refuse was not removed in the previous week. Some indicated that they do not receive any refuse removal service, while others said that they don't receive a regular, weekly service. In some communities, refuse is only removed in some parts of the settlement.

One of the key challenges that residents continue to raise is that the Metro does not provide plastic bags. In October last year, only 35% of residents said that they received plastic bags from eThekweni. Almost 70% of the residents that do get bags said that they don't get enough. Residents also indicated that there are not enough communal skips.

- **Inadequate repairs and maintenance**

The lack of maintenance and repairs remains a major challenge in the Metro's informal settlements, with residents often unable to use the services in their settlements because faults are not being repaired.

The most common issues include leaking or broken communal taps and water pipes, as well as low water pressure. In some settlements, the CABs or toilets inside the CABs are locked because the toilets are so badly damaged they cannot be used. Specific damages inside the CABs include blocked and broken toilets, leaking pipes, broken toilet doors and broken floors.

The Metro's fault reporting system also does not serve informal settlements adequately. In September 2022, 90% of residents said that they do report faults in their settlements, but 81% of these residents said that after a month the fault was still not fixed.

B. Evidence from eThekweni Municipality's 2023/24 draft budget and IDP

- **Basic services backlog in eThekweni**

According to the 2023/24 draft Integrated Development Plan (IDP), in May 2022 the housing backlog in the Metro stood at 469 500 dwellings, with 316 000 (or 67%) of these households living in urban and suburban informal settlements. The IDP further states that it will take over 90 years to address the housing backlog, given current funding levels and an estimated 1% annual population growth.²

The IDP also shows the backlogs for basic services, and these are exactly the same as in the draft 2022/23

² 2023/24 Draft IDP, page 314

IDP.³ The backlogs are given per “consumer units”. While the IDP does not provide a definition of consumer units, it is safe to assume that, like the housing backlog, the services backlogs include informal settlement households, as well as households living in backyards and traditional dwellings. The backlogs below confirm the evidence from Asivikelane, with the exception of refuse removal. While the Metro shows no backlogs for refuse removal, more than 30% of residents who participated in Asivikelane in February 2023 indicated that their waste was not removed in the previous 7 days, with some residents specifically saying that they do not receive the service at all.

The Metro’s own information also emphasises the severity of the basic service backlogs. It estimates that with its current budget allocations, it will take 27-47 years to provide all households with electricity, 63-94 years to provide all households with water and a massive 99-148 years to ensure that all households have access to sanitation.

Table 1: Basic services backlogs in eThekweni in December 2021

Basic Service	Existing Backlog (consumer units)	Delivery ranges per annum	Timeframe to address backlog based on current funding levels
Water	187 790	2 000 – 3 000	63 - 94 years
Sanitation	296 133	2 000 – 3 000	99 – 148 years
Electricity	374 544	8 000 - 14 000	27 - 47 years
Refuse removal	0	1 500 - 2 000	0 years

It should be noted that the backlogs only refer to households *without* access to these basic services. As discussed in Section 1.4, the lack of repairs and maintenance in informal settlements is a major ongoing challenge. This means that in many cases even though households technically have access to water and sanitation (in particular CABs) in their settlements, they cannot use the CABs because taps, toilet and pipes are broken. In some settlements, residents have been reporting that their CABs or certain parts of the CABs have been closed for months because toilets and taps are broken.

- **The Metro’s approach to the delivery of basic services to informal settlements**

The eThekweni Metro uses two main programmes to deliver basic services to informal settlement residents.⁴ The *Housing Upgrading Programme* provides serviced sites and top structures in two different ways: (1) in-situ upgrading where informal settlements are upgraded in their current sites, and; (2) Greenfields projects where informal settlement residents are relocated and receive serviced sites and top structures on vacant land.

The Metro recognises, however, that a relatively small number of households are benefiting from these housing upgrading programmes, and that this programme will also take too long to address the housing backlog. It is therefore attempting to upscale its *Incremental Services to Informal Settlements Programme*, the second main programme delivering basic services to informal settlements.

The Incremental Service Programme provides interim basic services to settlements which are in the Metro’s Housing Plan, but not scheduled to receive full serviced sites or top structures in the short term. It should be noted that settlements that *have* been identified for relocation will not benefit from this programme and

³ 2022/23 Draft IDP, page 530 and 2023/24 Draft IDP, pages 177-180

⁴ eThekweni Municipality. 2022. Integrated Development Plan 2022/23 to 2026/27. 2022/23 Review. Available online <https://www.durban.gov.za/storage/Documents/Integrated%20Development%20Plans%20IDP%20-%20eThekweni%20Municipality/IDP%205%20Year%20Plan%202022%20-%202023.pdf> Page 526, 527

will not be provided with incremental services in the interim. The package of interim services includes:

- CABs that provide water *and* sanitation services
- Basic road networks and footpaths with stormwater controls
- Electricity connections
- Refuse removal services

The CABs provide toilets, shower and clothes washing facilities, and are connected to the municipal sewerage system. In areas where a connection to the sewerage system is unavailable, sanitation is provided by a toilet block with toilets and urinals only with no water supply. Such toilets are each connected to its own Ventilated Improved Pit (VIP) toilet. According to the draft 2022/23 IDP, the basic levels of access to water and sanitation are a standpipe for water and an ablution block/toilet, within 200 meters of each household's stand.⁵

The basic levels of access to electricity and refuse removal for informal settlements are less specific but appear to be connected to the main electricity supply and a weekly waste removal service.⁶

▪ **Budgeting for the provision of water and sanitation to informal settlements**

Unfortunately, the draft 2023/24 budget does not provide a total budget for the provision of basic services as part of the ***Incremental Services to Informal Settlements Programme***. This means that we must try and identify projects and budget items in the Metro's draft capital budget that could possibly be part of this programme.

Table 1 shows the budget allocations for the projects that provide water **and** sanitation services to informal settlements, namely the Community Ablution Blocks (CABs) and also for the Alternative Sanitation Technology Project. While the Metro has indicated that the Alternative Sanitation Technology project provides sanitation to informal settlements, we have not been able to determine the exact nature of the service this project will provide, and whether this alternative solution will provide both water and sanitation services.

There has been a large increase of 67% in the allocation to the Alternative Sanitation Technology project, from R30 million in 2022/23 to R50 million for the 2023/24 year. What is a big cause for concern is that no money has been allocated to the project that delivers CABs. While the overall capital budget allocation for informal settlement sanitation has increased marginally from R48,8 million to R50 million, it is worrying that money has only been allocated to an informal settlement sanitation project for which the draft budget does not provide any information. In addition, the budget also does not indicate which settlements are going to benefit from this project.

It should further be noted that that no estimates for 2024/25 and 2025/26 have been provided for the CAB project, while only an estimate for 2024/25 have been provided for the Alternative Sanitation Technology project. While the forward estimates are placeholders and the council does not vote on these, it is also worrying that there is no indication in the budget document that the Metro is thinking about budgeting for informal settlement sanitation provision in the longer term.

Table 1: Budget allocation for informal settlement water and sanitation provision

	2022/23	2023/24	% change between 2022/23 and 2023/24	2024/25	2025/26
R '000	Adopted budget	Draft		Estimate	Estimate

⁵ 2022/23 Draft IDP, Page 221

⁶ 2022/23 Draft IDP, Pages 541, 544

Community Ablution Blocks	10 000	-		-	-
Community Ablution Blocks	8 800	-		-	-
Alternative Sanitation Technology	30 000	50 000	67%	40 000	-
Total Sanitation Allocation	48 800	50 000	2%	40 000	

Note: For both projects above, no adjusted budget allocations could be found

Source: Adopted MTREF 2022/23 pages 319, 320; Draft MTREF 2023/24 page 317

While there are separate standpipes in some settlements, there is no separate capital budget for the provision of standpipes in eThekweni informal settlements. A specific cause for concern here is that, as mentioned, it is unclear if the Alternative Sanitation Technology Project will fund sanitation as well as water services.

▪ **Budgeting for Informal Settlement Refuse Removal**

According to the Metro, a weekly refuse removal service is provided to informal settlements and there is no service delivery backlog. Informal settlement residents, however, continue to report that waste is not collected regularly in their settlements and that some settlements do not receive a service at all. Residents who do receive the service have indicated that one of the biggest challenges is that they do not receive refuse bags.

The Cleansing and Solid Waste Unit uses community-based contractors to collect refuse and pick up litter. The Metro's draft 2023/24 budget provides estimates for the allocations to these contractors and for the provision of refuse bags. Both allocations are 3% higher than in 2022/23, but this is well below the current inflation rate (in February 2003, the National Treasury estimated an inflation rate of 5,3% for 2023).

The budget also doesn't specify how much of these two budgets has specifically been set aside for refuse removal in informal settlements. More importantly, it is not clear how such small budget increases will result in significant improvements in waste removal in informal settlements, as well as ensure that all residents receive enough refuse bags.

Table 2: Selected operating budget allocations for refuse removal

R million	2022/23	2023/24	% change
	Final budget	Draft budget	
Community based contractors	440	451	3%
Refuse bags	77	79	3%

Note: No adjusted 2022/23 budget allocations are available

Source: Adopted MTREF 2022/23 page 41; Draft MTREF 2023/24 page 34

▪ **Budget allocations for the provision of electricity**

On the more positive side, the budget for the Informal Settlements (Sundry EFA Informal Blocksum) project, which provides electricity to informal settlements, has increased by 50% from R20 million in 2022/23 to R30 million in 2023/24. However, for this project too, the budget does not provide information on which settlements will benefit.

The budget for the Ablution Floodlights project has more than doubled from R120 000 to R400 000. The budget document does not indicate if this project specifically provides floodlights to ablution blocks, and more information about this project would be helpful.

In the 2022/23 budget, there was a specific project for the provision of high mast lighting in KwaMashu. No money has been allocated for this project in the 2023/24 draft budget. Instead R1 million has been allocated to a multi-ward project called High Mast Lighting. The budget does not specify whether this is high mast

lighting for informal settlements and clarity on this will be welcomed.

Table 3: Budget allocations for the provision of electricity

	2022/23	2023/24	% change between 2022/23 and 2023/24	2024/25	2025/26
R '000	Adopted budget	Draft		Estimate	Estimate
Informal Settlements (Sundry EFA Informal Blocksum)	20 000	30 000	50%	30 000	29 750
Ablution Floodlights	120	400	233%	412	443
High Mast Lighting - KwaMashu	800	-		-	-
High Mast Lighting	-	1 000		1 500	1500

Note: For the projects above, no adjusted budget allocations could be found

Source: Adopted MTREF 2022/23 pages 314, 315; Draft MTREF 2023/24 page 315, 316

- **Budget allocations for informal settlement upgrading, stormwater, and flood damage.**

The eThekweni Metro's *Housing Upgrading Programme* provides serviced sites and top structures in two different ways: (1) in-situ upgrading where informal settlements are upgraded in their current sites, and; (2) Greenfields projects. The main implementing department is the Department of Human Settlements, Engineering and Transport Authority, and specifically the Human Settlements Unit and the Engineering Unit.

The Engineering Unit is responsible for basic road networks and footpaths with stormwater controls as part of the Incremental Services to Informal Settlements Programme. Importantly, this department is also responsible for unplanned emergency repairs to the stormwater and related infrastructure resulting from severe flooding events.

The capital budget lists all the infrastructure projects that are going to receive funding in the Human Settlements Unit and the Engineering Unit. The project names in the Engineering Unit generally include both the name of the area and a limited description of the issue that is going to be addressed (e.g., flood damage or stormwater damage). The project names in the Human Settlement Unit, in most cases, only include the area name and not what will be delivered to the area in the coming year. In addition, many areas can include both formal and informal settlements and the projects' names don't specify the type of settlement.

Finally, while the Engineering Unit is also responsible for unplanned emergency repairs to stormwater and related infrastructure, it is not clear if an amount has been set aside in the capital budget to deal with the impact of any flooding that might occur in 2023/34.

Table 4 shows that the budget for the Engineering Unit has almost doubled from R750 million in the adjusted 2022/23 budget to R1,46 billion in the draft 2023/24 budget. As indicated above, it is not clear which informal settlements will benefit from this increase, and specifically, what will be delivered. The capital budget of the Human Settlements Unit has however decreased by 18%, and again it is not clear how this will impact service delivery to informal settlements.

Table 4: Budget allocations for housing projects, stormwater and flood damage

R '000	2022/23	2022/23	2023/24	% increase between adjusted 2022/23 budget and 2023/24
	Adopted Budget	Adjusted Budget	Draft Budget	
Human Settlements Unit	1 091 340	1 174 252	958 011	-18%
Engineering Unit	600 737	750 018	1 463 805	95%

Source: Adopted MTREF 2022/23 pages 322, 335; Draft MTREF 2023/24 pages 296, 306

- **Maintenance and repairs of informal settlement taps and toilets**

Broken taps, toilets, pipes and damage to ablution blocks remain a huge challenge in eThekweni's informal settlements. Again, the draft 2023/24 budget does not provide any information on how much has been set aside for the repairs and maintenance of water and sanitation facilities in informal settlements.

The draft budget does provide estimates for how much of the water and sanitation operating budgets have been set aside for maintenance and repairs generally (all areas, not just informal settlements). Both allocations have increased by 79% between the final 2022/23 budget and the 2023/24 draft budget.

Table 5: Budget allocations for maintenance and repairs in the water and sanitation operating budgets

R million	2022/23	2023/24	% change
	Final budget	Draft budget	
Water	383	685	79%
Sanitation	202	362	79%

Note: No adjusted allocations for 2022/23 are available

Source: Adopted MTREF 2022/23 pages 41, 42; Draft MTREF 2023/24 pages 34, 35

The Metro also provides an estimate of how much is being spent on repairs and maintenance by asset class (a standard measure across all municipalities). According to this classification, the Metro is planning to spend 72% more on the repairs and maintenance of water infrastructure and 24% more on sanitation infrastructure.

The overall maintenance and repairs budget is set to increase by 10%, and as a result the Metros expenditure on maintenance and repairs as a share of the value of its Property, Plant and Equipment (PPE) increases from 7,1% in its full year forecast for 2022/23, to 7,2% in its 2023/24 draft budget. According to the National Treasury guideline, municipalities should budget 8% of the value of their Property, Plant and Equipment (PPE) for maintenance and repairs of infrastructure.⁷ We applaud the Metro for bringing its repairs and maintenance spend closer to that benchmark.

However, we urge the Metro to set aside a ringfenced share of its repairs and maintenance budget for informal settlements and show in the budget what that share is.

Table 6: Repairs and Maintenance by Asset Class (water and sanitation only)

	2022/23		2023/24	
[R' 000]	Adopted Budget	Full Year Forecast	Draft Budget	% change between 2022/23 full year forecast and 2023/24 draft budget
Total Repairs and Maintenance	3 769 861	4 073 317	4 473 947	10%
<i>Water supply infrastructure</i>	380 116	455 705	783 827	72%
<i>Sanitation infrastructure</i>	353 051	298 767	369 459	24%
R & M as % of PPE	6,5%	7,1%	7,2%	

Source: Adopted MTREF 2022/23 page 101; Draft MTREF 2023/24 page 88

⁷ See <http://mfma.treasury.gov.za/Circulars/Pages/Circular71.aspx>

C. References

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