

MBHASHE SMME DEVELOPMENT POLICY FOR 2025/2026 FY



APPROVED BY:

MR M NAKO
MUNICIPAL MANAGER
DATE: 19/06/25.....

APPROVED BY:

CLLR JANDA
EXECUTIVE MAYOR
DATE: 19/06/2025.....

1. BACKGROUND AND PURPOSE

Small, Medium and Micro Enterprises (SMME's) and Cooperatives across all economic sector remain a panacea to assist the government in its fight to ameliorate the challenges of underdevelopment such as poverty, inequality and joblessness. Millions of people are reliant on SMME sector for employment opportunities and livelihood as formal sector of economy continues to be stagnant and shredding employment. It is therefore again this backdrop that this policy (SMME Development) seeks to radicalize support and development of local SMME's, particularly women, disabled and youth-owned so that they continue being a cogwheel of driving inclusive economic growth that is pro-poor within the jurisdiction of Mbhashe. In addition, the policy takes into account harsh realities that have been exacerbated by emergence of Covid-19 pandemic, particularly for SMME's in the informal sector of economy, as many were forced to completely close their operations during hard-lock down. The government in terms of National Development Plan (NDP), has the following priorities:

- Radical economic transformation, rapid economic growth and job creation
- Rural development, land and agrarian reform and food security
- Ensuring access to adequate human settlements and quality basic services
- Improving the quality of and expanding access to education and training
- Ensuring quality health care and social security for all citizens
- Fighting corruption and crime
- Contributing to a better Africa and a better world
- Social cohesion and nation building.

In its focus on these priorities, and their elaboration into fourteen key outcomes and associated activities and targets, the MTSF has two over-arching strategic themes – radical economic transformation and improving service delivery.

Radical economic transformation

Government's programme of radical economic transformation is about placing the economy on a qualitatively different path that ensures more rapid, sustainable growth, higher investment, increased employment, reduced inequality and deracialisation of the economy.

The NDP sets an annual growth target of above 5% by 2030 and emphasises measures to ensure that the benefits of growth are equitably shared.

Achievement of economic transformation and inclusive growth will not result from a single intervention, but from a range of mutually supporting initiatives. In many cases, this does not require new strategies, but better implementation of existing ones.

More rapid private sector investment is critical for higher growth, as the private sector accounts for 80% of production and employment. The NDP indicates that South Africa needs to increase its level of investment to at least 30% of GDP by 2030. This requires an economic environment that encourages business investment and rewards competitiveness, especially in sectors that can catalyse longer term growth and job creation.

2. INTRODUCTION

The Mphashe LM's Policy Framework provide a comprehensive qualitative and quantitative framework for the development of small, medium and micro enterprises (SMMEs) in Mphashe Local Municipality. This seeks to encourage business investment and job creation in the area. It recognizes the unique roles performed by this diverse and dynamic sector in the area in the creation of employment, contribution to economic growth, and the provision of sustainable livelihoods.

This policy builds on the unique features of the LM and demonstrates the ways in which key national, provincial, district and local actors can work together. It displays the Municipality's commitment to innovation and strengthens its strategic positioning as an agricultural and tourism hub. The policy framework establishes a basis for the design, implementation and assessment of mechanisms and processes that support the development of a more competitive and sustainable SMME sector. It provides a basis for collaboration and coordination among public, private and community actors and creates the space for these actors to contribute to SMME development in Mphashe in a mutually reinforcing and synergistic manner, while enhancing the opportunities for mobilising resources that can be used to boost the contribution SMMEs make to sustainable social and economic development in the region.

This policy framework recognises the national policy and legislative framework in which SMMEs are defined, promoted and monitored. Thus, the definitions tabled in the National Small Business Act of 1996 are used to define the sector.

The Act defines a "small business" as a separate and distinct business entity, including cooperative enterprises and non-governmental organisations, managed by one owner or more which, including its branches or subsidiaries, if any, is predominantly carried on in any sector or subsector of the economy. The Act sets criteria that should be used to classify businesses into five categories as defined in the table below.

3. DESCRIPTION OF SMALL, MICRO MEDIUM ENTERPRISES (SMME's)

The National Small Business Act divides SMMEs into the following categories:

Category of SMME	Description
Survivalist enterprises	Operates in the informal sector of the economy. Mainly undertaken by unemployed persons. Income generated below the poverty line, providing minimum means to keep the unemployed and their families alive. Little capital invested, not much assets. Not much training. Opportunities for growing the business very small.
Micro enterprises	Between one to five employees, usually the owner and family. Informal - no license, formal business premises, labour legislation Turnover below the VAT registration level of R300 000 per year. Basic business skills and training Potential to make the transition to a viable formal small business.

Very small enterprise	Part of the formal economy, use technology Less than 10 paid employees Include self-employed artisans (electricians, plumbers) and professionals.
Small enterprise	Less than 100 employees More established than very small enterprises, formal and registered, fixed business premises. Owner managed, but more complex management structure
Medium enterprise	Up to 200 employees Still mainly owner managed, but decentralised management structure with division of labour Operates from fixed premises with all formal requirements.

4. WHY DEVELOP SMALL BUSINESS

Unemployment is one of the most important challenges facing the poor people in our country. This has been made worse by the fact that over the last two decades, the formal economy has been shedding jobs and many workers were retrenched. Furthermore, every year hundreds of thousands of new job seekers (the vast majority of them youth) join the army of unemployed.

It is accepted worldwide that the development and growth of small, micro and medium enterprises (SMMEs) can play an important role in turning this situation around. Policies and programmes to support the development of SMMEs are therefore an important part of the democratic government's programmes to create a better life.

A strategy was outlined in a White paper by the Department of Trade and Industry (the lead department for SMME development) entitled: "A National Strategy for the Development of Small Business in South Africa (May 1995)". A year later, the National Small Business Act was passed by Parliament, which provided for the institutions to implement this strategy.

5. PURPOSE

The purpose and objectives of the SMME development policy are as follows:

- Alleviating poverty, by making it possible for poor people to generate income to meet basic needs;
- Reducing poverty through employment creation;
- Redistribution of wealth, income and opportunities; and
- Contributing to economic growth, by improving innovation and thus competitiveness.
- Guide on how the 30% set aside on state procurement from SMMEs, co-operatives as well as township and rural enterprises will be distributed.

6. LEGAL FRAMEWORK

- 1) Broad-Based Black Economic Empowerment Act No 53 of 2003 of the Employment Equity Act No 55 of 1998;
- 2) Preferential Procurement Policy Framework Act No 5 of 2000
- 3) National Small Business Act 102 of 1996;
- 4) Skills Development Act 97 of 1998
- 5) Medium Term Strategic Framework (MTSF); 2014 – 2019

- 6) Preferential Procurement Regulations; 2017
- 7) Cooperative Act

7. CATEGORIES

For the purpose of this policy, SMMEs will be categorised according to the following:-

- 1) Suppliers and Contractors
- 2) Small Enterprises in the manufacturing sector
- 3) Agricultural sector / farming communities
- 4) Informal traders / hawkers
- 5) Co-operatives

Services or funding approaches applicable to each category is:-

1) SUPPLIERS AND CONTRACTORS

- The municipality is assisting the suppliers and contractors through a separate policy named "Incubation Policy"
- The municipality sets out guidelines for the beneficiation of local SMMEs on 30% procurement from local suppliers
- The municipality must create database of all the local SMMEs from the Mbhashe Municipal database.
- The SMMEs must then be categorised in terms of their areas of specialisation
- For the contractor's benefit; the Principal Contractor will request proposals from the list of suppliers per category as submitted by the municipality. The team comprised of the Principal Contractor representative, the LED official and the representative from the department where the project resides evaluate the bids.

2) SMALL ENTERPRISES IN THE MANUFACTURING SECTOR

- Many departments have specific strategies in place, for example developing SMMEs in the tourism sector, or developing small and emerging contractors by Housing and Public Works, Land and Agriculture, Arts and Culture and so forth.
- The promotion of SMMEs is also an important part of the different spatial development initiatives.
- As part of the National Skills Development Strategy, the Sector Education and Training Authorities (SETAs) also have a role to play in the development of SMMEs and are supposed to develop programmes that help develop small businesses in their respective sectors.
- There are a number of other government and parastatals which also support small businesses, though mainly at the upper end of the spectrum. These include:-
 - ✓ Independent Development Corporation (IDC): tourism development, venture capital, low interest empowerment and emerging entrepreneur schemes.
 - ✓ South African Bureau of Standards (SABS): through its missing links programme provide quality assistance and awareness to SMMEs.
 - ✓ Economic Development through LRED programs
 - ✓ SEDA
- Therefore, the role of the municipality is organisation of **workshops, training, roadshows** so that the above organisations could present their programs intended for SMME sector.

3) AGRICULTURAL SECTOR / FARMING COMMUNITIES

The farming community of Mphashe receive different funding, assistance, and support from the municipality through various means. They are the following:-

- MOUs signed in partnership with certain communities – funding will be transferred to them.
- Through IDP process; various commodities are prioritised and funded. In the process; the commodity groups are identified. For this particular group, the municipality procures inputs; renovate the dipping tanks, build and renovate shearing sheds, employ EPWP employees on their behalf, organise training and information days for farmers.

4) INFORMAL TRADERS /HAWKERS

- The informal trading is regulated by the Informal Trading by-law. The By-laws refers to registration by the informal traders and a tariff is reviewed on a yearly basis.
- Support of the informal traders therefore refers to only those who are legitimate street traders.
- Support for informal traders come in different forms as discussed with them.
- The following are some of the examples; (i) Training and capacity building (ii) Hawker Stalls (iii) Any other equipment / furniture that may be required from time to time by different categories of informal traders.

5) CO-OPERATIVES

- Co-operatives are regulated by the Co-operatives Development Act.
- The Act provides for support programmes that target emerging co-operatives, specifically those co-operatives that consist of black persons, women, youth, disabled persons or persons in the rural areas and that promote equity and greater participation by its members;
- This policy will ensure that the implementation of the co-operative development support programmes is linked to all the agencies of government including but not limited to Khula, NEF, NPI, SEDA, IDC, SAQI, SABS, CSIR, PIC, DBSA, SALGA, ECDC, LRED and SETA's, and compliance with uniform norms and standards prescribed by this Act.
- The municipality will assist co-operatives or those wishing to be co-operatives to register, proposal writing, and business plan writing and link them with funders outside the municipality.
- For direct funding by the municipality, the co-operative must fill in the application form. The Co-operative must demonstrate ability to sustain the business beyond funding i.e. a Break Even Analysis will have to be conducted before funding is approved.

8. BUSINESS MANAGEMENT SUPPORT SERVICES

- The municipality must provide a wide range of business management support services to entrepreneurs and small enterprises, such as:
 - ✓ Developing business plans
 - ✓ Doing market research
 - ✓ Managing a small business

- ✓ Legal requirements of small businesses
- ✓ Marketing
- ✓ Business development
- ✓ Advice on government tender processes, etc.

9. TARGETS

The targets for local SMME beneficiation shall be 30% of the total Municipal budget

10. REPORTING

In terms of the MTSF objectives; the SMME reports on local SMME spending should be done on a quarterly basis then on annual basis

11. POLICY REVIEWAL

The policy shall be reviewed on an annual basis




MBHASHE LOCAL MUNICIPALITY

All correspondence to be directed to the office of the Municipal Manager
454 Streatfield Street, Dutywa, Eastern Cape Province
Tel: 047 489 5864/34 • Email: info@mbhashemun.gov.za
www.mbhashemun.gov.za

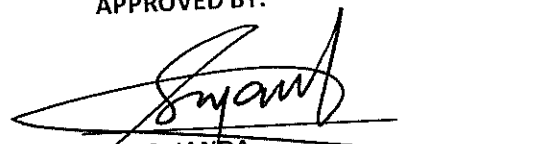
SMMEs/COOPERATIVES SUPPORT & FUNDING POLICY FOR 2025/2026 FY



APPROVED BY:


MR. M. NAKO
MUNICIPAL MANAGER
DATE: 19/06/25

APPROVED BY:


CLLR. S. JANDA
EXECUTIVE MAYOR
DATE: 19/06/2025



MBASHHE LOCAL MUNICIPALITY

All correspondence to be directed to the office of the Municipal Manager
454 Streatfield Street, Dutywa, Eastern Cape Province
Tel: 047 489 5864/34 • Email: info@mbhashemun.gov.za
www.mbhashemun.gov.za

INTRODUCTION

The Constitution of the Republic of South Africa Act No. 108 of 1996 clearly articulates that the municipality through its LED, have a constitutional obligation to promote social and economic development within its jurisdiction. Concurrently, the White Paper on Local Government of 1998 mandates the municipality to take active steps in ensuring creation of enabling and conducive environment for socio-economic development to take place. SMME and Cooperatives Funding policy serves as response to a developmental challenge of lack of funding that is faced by SMME's and Cooperatives to recapitalize their businesses that have been adversely affected by emergence of Covid-19 pandemic. The fund in line the demographics of the area, is more geared towards support of more marginalized groups – the youth, women and disabled people, who have commercially oriented businesses in the area of Mbashe and have a potential to help the fund to transcend its fight against the triple challenges which are poverty, unemployment and inequality that society at large is facing.

LED FUND

The fund is aimed at financing the actual implementation of the projects not business plan preparation or feasibility studies. Project beneficiaries have to submit application for funding attaching.

Application letter from the project, letter from ward councillor, business plan, company profile and ID copies of beneficiaries of the project. Additional documents such as title deed or proof of ownership or approval letter from the owner of the land to be used, a cooperatives certificate, banking details and tax clearance certificate are also required, however should tax clearance certificate, cooperative certificate and proof of banking details be not available that will not prevent the project from receiving assistance.

To address the matter above the municipal officials should ensure that assistance is granted in order for project to access above mentioned documents. Should the project lack the above mentioned documents except for tax clearance, cooperative certificate and banking details, this will minimise the opportunities for funding of the project. The document provide solid grounds to gear the group or project to be a formal and recognised entity or structure and also indicate the determination and drive of the project. It is therefore the responsibility of the municipality to ensure that projects that are lacking any of the above documents are encouraged and orientated on the relevant processes to be followed in order to obtain the documents prior allocation of funding.

The fund will finance projects that appear in the IDP and are supported by the ward councillor and the community at large. The projects will be eligible for municipal support for 3 consecutive years that will be determined by the performance of the project. The time frame is categorised as follows.

2 SMMEs/ Cooperatives Support and Funding Policy for 2025/2026 FY



MBHASHE LOCAL MUNICIPALITY

All correspondence to be directed to the office of the Municipal Manager
454 Streatfield Street, Dutywa, Eastern Cape Province
Tel: 047 489 5864/34 • Email: info@mbhashemun.gov.za
www.mbhashemun.gov.za

- First Year - Municipality assist with funding and provide regular support to projects
- Second Year - Monitoring of project performance. This will determine further financial assistance from the municipality
- Third Year - Assistance with project evaluation. Based on performance project will be referred to other funding agencies for support and continuity, this is exit year for municipality.

During the three years relationship between the municipality and the project, the municipality reserve the right to repossess all material or equipment purchased for the project should the project cease to operate. The municipality will have consultations with the project prior to repossessing the material or equipment. The repossessed material or equipment will therefore be given to the identified project with similar activities and which has a need for such material or equipment. The main focus will be on projects that meet both developmental and technical criteria. The beneficiaries may be subjected to legal action from Mbhashe Municipality if they sell the assigned tools of trade.

DEVELOPMENT CRITERIA

The project should be in a position to create jobs, short and long term

The project through its business plan must demonstrate sustainability

The project must target the disadvantaged

It must also demonstrate availability of market for its products through its business plan

It must also show linkages to IDP, PGDP and NSDP

TECHNICAL CRITERIA

The project must have a credible business plan showing clear cash flow projections, clear budget breakdown with clear targets.

There must be a clear operations and maintenance plans

There must be clear reporting systems between the project and the municipality

There must be clear assessment report of the project prior approval of the budget by the council

There must be a council resolution allocating the budget

DUE DILIGENCE

3 SMMEs/ Cooperatives Support and Funding Policy for 2025/2026 FY



MBHASHE LOCAL MUNICIPALITY

All correspondence to be directed to the office of the Municipal Manager
454 Streatfield Street, Dutywa, Eastern Cape Province
Tel: 047 489 5864/34 • Email: info@mbhashemun.gov.za
www.mbhashemun.gov.za

Once the application is received by the municipality, a one day visit will be undertaken by the LED officials to do need analysis which involves the following:

- Verify authenticity of the application
- Investigate whether the project really needs the support from the municipality
- Investigate whether the project is in line with the mandate of the municipality and its funding criteria
- Solicit information about the existence of the project
- Understand the history of the project if it was already an existing project
- Assess available assets of the project, structures and leadership in the project
- Identify challenges to be addressed and provide support and referrals for assistance were possible

TARGETED BENEFICIARIES

The fund is more geared towards support of businesses that are owned and managed Historically Disadvantaged Individuals (HDI's) and that have been adversely affected by emergence of Covid-19 pandemic. Businesses that are supported need to demonstrate potential in terms of contribution in alleviating and ameliorating the triple challenges which are poverty, joblessness and inequality. More importantly, the business must create sustainable employment opportunities. The policy is pro-poor in terms of its approach towards:

- Women
- Youth
- Disabled

EXPECTED OUTCOMES

Short and long term jobs

Training and human resource development

Inter and intra-sectoral linkages

Rural development

Women development

Cooperative development

ROLES OF THE MUNICIPALITY

The municipality should enter into an agreement with project beneficiaries

Ensure sound financial management of the fund

4 SMMEs/ Cooperatives Support and Funding Policy for 2025/2026 FY



MBHASHE LOCAL MUNICIPALITY

All correspondence to be directed to the office of the Municipal Manager
454 Streatfield Street, Dutywa, Eastern Cape Province
Tel: 047 489 5864/34 • Email: info@mbhashemun.gov.za
www.mbhashemun.gov.za

Undertake periodic site visits

Provide technical assistance to the projects

Monitor and evaluate the financial and technical progress of the projects using key performance and the monthly progress reports

ROLE OF ENTERPRISE DEVELOPMENT

- Facilitate formalisation of cooperatives and SMME's
- Facilitate CSD registration
- Inspection of documents

ROLES OF THE PROJECT

To submit quarterly progress reports to the municipality

To ensure that funds are used for the intended actions

To ensure that all beneficiaries fully participate in the activities of the project

ROLE OF THE LED UNIT

The LED unit is the implementing agent of the LED budget and is directly accountable for the LED budget.

Monitors all LED funded projects.

Ensure effective, efficient and clean management of the funding.

Manage the performance of service providers and the payment of fees.

Attends project meetings when invited.

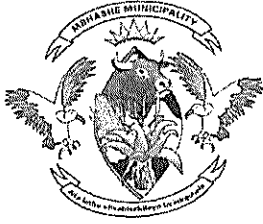
Submit quarterly reports to the LED Standing Committee.

METHOD OF PAYMENT

All payments will be made directly to the service providers after they have delivered to the site and proof of delivery and invoice have been submitted.

The payment will not be done directly to the project but the municipality will contract service providers to provide materials required by the project as per the business plan.

The sourcing of material or live stock should be done in line/communication with the project members and LED official pioneering the activity. This will avoid sourcing of irrelevant material for project.



MBHASHE LOCAL MUNICIPALITY

All correspondence to be directed to the office of the Municipal Manager
454 Streatfield Street, Dutywa, Eastern Cape Province
Tel: 047 489 5864/34 • Email: info@mbhashemun.gov.za
www.mbhashemun.gov.za

USAGE OF PROCURED TOOLS OT TRADE /EQUIPMENT

The municipality through this policy reserves the right to repossess all the tools of trade or equipment that it has been bought to support a particular SMME or Cooperative upon misuse, underuse or the items remain dormant. Subsequently, the municipality will re-allocate the items to another eligible entity from Mbhashe.

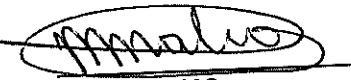
CONCLUSION

The requirements in this policy are required for purposes of compliance and accountability by the municipality to the national and provincial governments and the auditor general.

SALE AND DISPOSAL OF LAND POLICY FOR 2025/2026 FY



APPROVED BY:


MR M NAKO
MUNICIPAL MANAGER
DATE: 10/06/25

APPROVED BY:

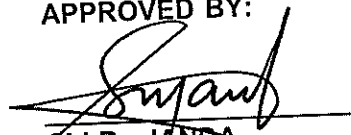

CLLR JANDA
EXECUTIVE MAYOR
DATE: 14/06/25

TABLE OF CONTENTS

1. Purpose of Policy.....	1
2. Objective of Policy.....	2
3. Scope.....	2
4. Policy Definition.....	2
5. Legislative Framework.....	2
6. Policy or Procedure Target.....	2
7. General policy provisions.....	3
8. Procedure for Implementing policy.....	3
9. Policy governance.....	4

1. PURPOSE OF POLICY

- Guide council of the procedures to be followed on the alienation of Municipal land;
- Ensure compliance with the applicable legislations, regulations and ordinances;
- Ensure fairness, equitable, transparency, cost effectiveness and competitiveness;
- Ensure speedy availability of land to developers and the residents;
- Ensure that Historically Disadvantaged Individuals are economically empowered;
- Ensure that a racial composition of property ownership is substantially changed;
- Ensure that the economic transformation of the municipality is promoted;
- Ensure the promotion of investment and development.

2. OBJECTIVE OF POLICY

- Income generation
- Empowerment of the Historically Disadvantaged Individual's
- Further the aims and objectives of the Spatial Development Framework (SDF) and the Town Planning Scheme of the Municipality

3. SCOPE

Any Immovable property that is to be disposed.

4. LEGISLATIVE FRAMEWORK

- Constitution of the Republic of South Africa, 1996
- Development Facilitation Act, 1995
- Local Government Municipal Systems Act 32 of 2000
- Local Government: Municipal Finance Management Act 56 of 2003
- Broad Based Black Economic Empowerment Act (Act 53 of 2003)
- Spatial Planning and Land Use Management Bill, 2001-2012
- Intergovernmental Relations Framework Act, 2005
- Housing Act, 1997
- National Development Vision and Plan, 2012
- Spatial Planning and Land Use Management Act 16 of 2013

- Preferential Procurement Policy Framework Act, 2000
- Preferential Procurement Regulations, 2001 as published in government gazette no 34350 dated 08 June 2011 effected from 07 December 2011

5. POLICY PROCEDURE

Public Tender Method

Council shall, in a case where there is an available piece of land to be alienated, place a notice on a local or national newspaper inviting for public to tender. Supply chain policy will also be adhered to, by sending the specifications to the Bid Specifications Committee before a notice and/or advert is done. Upon receipts of applications, tenders received are then referred to the bid committees for evaluation and adjudication.

The bid adjudication committee will recommend and motivate the Municipal Manager as to why the selected candidate is found suitable. The Municipal Manager will make a final decision. A 100% deposit is payable within a period of thirty (30) days by the successful tenderer upon signing of the Deed of Sale, for the property which is alienated. If the tenderer will be financed by financial institution through a bank guaranteed mortgage bond, the settlement of payment should be done within a period of three (3) months. Moreover, property which has been alienated by the municipality, its transfer remains the responsibility of buyer / purchaser and transfer should be concluded within six (6) months after its full payment has been received. Failure to adhere to this clause, the buyer / purchaser will forfeit the funds paid and property back to the municipality.

In terms of the preferential status of tendering, the principles and formulae as stated in the Preferential Procurement Policy Framework Act will be taken into consideration.

6.2. Public Auction Method

The Public Auction Method will be implemented where there is a higher demand for specialized land use e.g. shopping malls, etc, or where the application property is strategically located.

6.4 Residential properties

6.4.1 An advert is placed on the Local Newspaper calling all residents of the municipality to enlist their names as potential buyers for consideration in sale of

municipality sites. Sites then get services (if necessary), and get valued at market related price.

6.4.2 The sites then get sold on a first come bases using the data base. The sites get sold on cash basis using bank guaranteed cheque or any acceptable means of payment. or 10% deposit plus one year period to settle the balance or bank guaranteed mortgage bond is arranged by the buyer.

6.4.4 Bias will be for those who are first time buyers that is, those who don't appear on the municipal valuation roll.

6.4.5 Those who allege to have bought sites in the previous years with no valid proof to validate their claim will automatically lose those sites BUT the council may after listening to the allegation, revalue the land and sell it to the claimant on current values.

6.5 Business Proposals

Certain sites cannot be disposed of using one of the above methods, due to their nature and their intended use, e.g. a particular site is suitable for a big shopping complex development, which therefore excludes the interest of most residents, and might need investors from outside the municipality. A call for development proposal is then made on the Local and national newspapers for the development proposal regarding the subject property.

The proposal gets evaluated, and if necessary, the best applicants are called for presentation. The successful applicant gets awarded the right to purchase or lease the property and develop it in line with business proposal. This shall, amongst others, include the type of development and time frames for implementation.

6. GENERAL POLICY PROVISIONS

Any Immovable property that is to be disposed.

7. PROCEDURES FOR IMPLEMENTING POLICY

Public Tender Method

This method ensures that the public tender method does not favour purchasers with extensive capital resources to the disadvantage of the small businessman or man on the street but enables HDI's to acquire land.

11.2 Evaluation of Tender

The Council will normally award the contract to the tenderer obtaining the highest number of points but will not bind itself to do so if reasonable and justifiable reasons prevail, which will have to be adjudicated upon the circumstances of each tender, however such reasons may not violate the provisions of the Preferential Procurement Policy Framework Act or the provisions of the Preferential procurement Regulations. The Council may however prior to the award of the tender cancel the tender if no acceptable tenders were received.

11.3 Residential Properties

The sites get sold on a first come bases using the database. The sites get sold on cash basis, mortgage bond, bank guarantee or 10% deposit plus one year period to settle the balance.

11.4 Public Auction Method

The purpose of this method is to make the alienation process as fair and transparent in the case of where there is high demand of interest on a particular piece of land e.g. for specialized land use like shopping malls, etc, or where the application property is strategically located.

11.5 Business Proposals

This method works more or less the same to the above-mentioned, e.g. a particular site is suitable for a big shopping complex development, which therefore excludes the interest of most residents, and might need investors from outside the municipality. The proposal gets evaluated, and if necessary, the best applicants are called for presentation. The successful applicant gets awarded the right to purchase the property and develop it in line with business proposal.

MBHASHE SMME INCUBATION POLICY FOR 2025/2026 FY



APPROVED BY:

MR M NAKO
MUNICIPAL MANAGER
DATE: 19/06/2025

APPROVED BY:

CLLR JANDA
EXECUTIVE MAYOR
DATE: 23/06/2025

A. POLICY HISTORY

Document Title	Policy on Incubation
Document Author	Development Planning Department
Document Owner	Development Planning and Supply Chain Management
Document Description	The policy addresses how Mphashe Municipality will ensure creation of an environment that enables the growth and development of small to medium sized enterprises and co-operatives to become sustainable enterprises.
Final Version	Volume 1: 2016
Number of Pages	12

B. LOCATION OF THE MASTER FINAL VERSION OF THE POLICY

(AFTER SIGNATURES BY THE MUNICIPAL MANAGER AND THE MAYOR)

To facilitate future access and use the master final version of any Development Planning Policies, the original signed policy will be archived on file in the Corporate Services Directorate, Records Management Section (Registry); an Adobe Acrobat (pdf) copy will be placed on the Mphashe Municipal website (www.mphashemun.gov.za).

ITEM	TABLE OF CONTENTS	PAGE
	ABBREVIATIONS	
	DEFINITION OF TERMS	
1.	INTRODUCTION	6
2.	POLICY STATEMENT	6
3.	STRATEGIC GOAL AND OBJECTIVES	6
4.	LEGISLATIVE FRAMEWORK	7
5.	SCOPE OF APPLICATION	7

6.	OPERATIONAL FRAMEWORK FOR THE INCUBATOR PROGRAMME	7
	6.1 Proposed Contractor Incubation	7
	6.2 Entry Criteria	8
	6.3 Results Envisaged	8
7.	ENTERPRISE DEVELOPMENT PROGRAMME	9
	7.1 Support Services	9
	7.2 Project Identification	9
	7.3 Access to Work Opportunities	10
	7.4 Access to Mentorship	10
	7.5 Access to Training	10
	7.6 Access to Finance	10
8.	SUPPLY CHAIN MANAGEMENT STRATEGY	10
	8.1 Procurement Strategy	10
9.	MONITORING AND EVALUATION	10
10.	EXIT STRATEGY	10
11.	POLICY REVIEW	12
12.	CONCLUSION	12

ABBREVIATIONS

C

CLLR	:	Councillor
CIP	:	Construction Incubation Programme
CIDB	:	Construction Industry Development Board
CETA SETA	:	Construction Education and Training Association

E

EDCP	:	Emerging Contractor Development Programme
------	---	---

H

HR	:	Human Resources
HDE	:	Historically Disadvantaged Enterprise

L

LED	:	Local Economic Development
-----	---	----------------------------

M

MFMA	:	Municipal Finance Management Act
------	---	----------------------------------

P

PPFA	:	Preferential Procurement Policy Framework Act
------	---	---

S

SACEM	:	South African Construction Excellence Model
SCM	:	Supply Chain Management
SDBIP	:	Service Delivery Budget Implementation Plan
SMME	:	Small Medium Micro Enterprise

DEFINITION OF TERMS

“Municipal Manager” means ‘Accounting Officer of the Municipality’;

“Mayor” means ‘Executive Authority of the Municipality’;

“Municipality” means ‘Local Government institution established in terms of Municipal Structures Act’.

“Incubation program” means a concerted and deliberate effort to promote the development of sustainable enterprises owned and controlled by Historically Disadvantaged Individuals.

1. INTRODUCTION

In terms of Economically Active Population (EAP) Indicator (total no. of people between the age of 15 and 65 who are able to work, willing to work and are actively looking for work), the area of Mbhashe was seating at 51 500 in 2020, which of course is 18.57% of its total population. In addition, the area in 2020 had a total of 25 000 unemployed people which translated into an unemployment rate of 50%, which is an increase of 16.1 percentage points. Translating this into reality, there are dominantly Historically Disadvantaged Individuals (HDI's) who are women, persons with disability and youth. Mbhashe SMME Incubation policy therefore serves as response to the glaring picture of socio-economic conditions that are confronted by the municipality as most people are unemployed and under-employed. In addition, through thee anticipated programmes under incubation, Mbhashe Municipality envisages an increased participation of previous historically disadvantaged small to medium sized construction companies and co-operatives into the mainstreams of economy.

2. POLICY STATEMENT

2.1 This policy is intended to clarify the position of Mbhashe Municipality regarding incubation as provided for in terms of the Supply Chain Management, Broad Black Base Economic Empowerment Framework, Preferential Procurement Policy and must be read with the provisions of the Municipal Finance Management Act.

3. STRATEGIC GOAL AND OBJECTIVES

3.1 The strategic goal is of Mbhashe SMME Incubation Programme are:-

- 3.1.1 Improve the grading status of contractors in targeted categories and grades
- 3.1.2 Increase the number of black, women, disabled and youth owned companies in targeted categories and grades
- 3.1.3 Create sustainable contracting enterprises by enabling continuous work through a competitive process
- 3.1.4 Improve the performance of previously disadvantaged contractors in terms of quality, employment practices, skills development, safety, health and environment
- 3.1.5 Improve the business management and technical skills of local SMMEs

- 3.1.6 Able to resource themselves accordingly, and
- 3.1.7 In possession of the necessary operational and financial framework, management skills, succession plan and ultimately execution capacity to make their vision a reality.
- 3.2 The objectives of this policy is to:
- 3.2.1 The objective of the policy is to provide a framework and procedure for the efficient and effective management, support and growth and development of small to medium sized construction enterprises and co-operatives to become sustainable companies.
- 3.2.2 The Policy also intend Mbhashe Municipality to create an enabling environment which is composed of steady access to work opportunities to ensure sustainability, supply side measures underpinned by an enterprise development programme including: mentorship, training, finance and information and an enabling environment namely: uniform and standard procurement and contract documentation and practices, and prompt payment.
- 3.2.3 The policy further intends to encourage private sector partnership with government to nurture SMMEs into sustainable small to medium sized construction enterprises and co-operatives that can provide employment and contribute to economic growth.

4. LEGISLATIVE FRAMEWORK AND OTHER MANDATES

- 4.1 Constitution of the Republic of South Africa Act No. 108 of 1996
- 4.2 Broad-Based Black Economic Empowerment Act No. 53 of 2003
- 4.3 The Construction Industry Development Board Act No. 38 of 2000
- 4.4 National Framework for Local Economic Development (LED) of 2018-2028
- 4.5 Municipal Finance Management Act, 2001 (Act No. 1 of 2001) (MFMA).
- 4.6 Preferential Procurement Policy Framework Act no. 5 of 2000

5. SCOPE OF APPLICATION

The policy is applicable to the following sectors:-

- Tourism and Hospitality
- Catering
- Manufacturing
- ICT/Networking
- Agriculture
- Electricity, Gas & Water
- Retail and Motor Trade Repair Services
- Wholesale Trade
- Transport Services
- Mining and Quarrying
- Tendering/Supply and Delivery
- Recycling

6. OPERATIONAL FRAMEWORK FOR THE INCUBATOR PROGRAMME

6.1 Proposed Contractor Incubation

The enabling environment should comprise of two elements. These programmes include Targeted Procurement and the Emerging Contractor Development Programme (ECDP).

- 6.1.1 Steady access to work opportunities achieved through sourcing suppliers on Incubator-designated projects from the Incubator Supplier Register. This will also be achieved to some extent by concentrating development efforts on a level of contracting enterprise that can operate in a sustainable range market identified. The number of players in the marketplace can be expected to be in line with the number of opportunities. Moreover, for Supply and Delivery Incubation Category, mark-up is capped at 30%. Thus, participating enterprises can add a range of mark-up from a range of 5% to 30%, depending on the economy of scale (market value) of items being procured.
- 6.1.2 Supply side measures for the support of growing enterprises through a structured mentorship-centered enterprise development programme with improved alignment of institutional support structures.
The key elements of the support measures being:-

6.1.2.1 Access to work opportunities,

6.1.2.2 Access to mentorship,

6.1.2.3 Access to training,

6.1.2.4 Access to financial support,

6.1.2.5 Access to support.

6.1.2.6 Access to any other development support that would be relevant for contractor development.

6.2 Entry Criteria

To participate in the CIP, prospective participants should adhere to the following acceptance criteria:-

6.2.1 Active CIDB Grading 1 – 3.

6.2.2 Must be eligible to be enrolled with CETA-SETA.

6.2.3 Proof of being a resident in the Mbashe Local Municipality.

6.2.4 Financial capability and track record (CIDB min criteria for Grade 1).

6.2.5 Access to skilled staff.

6.2.6 Preference will be given to locals, blacks, women, youth and the disabled.

6.3 Results Envisaged

To be considered sustainable, a contracting enterprise must meet the following criteria:

6.3.1 is legally established and appropriately registered;

6.3.2 has a market niche that is not stretched too widely across different types of work;

- 6.3.3 understands the various construction processes and has the required networks for contracting;
- 6.3.4 has the staff with the necessary technical and managerial skills and knowledge to carry out work;
- 6.3.5 has delivered consistently good results; and
- 6.3.6 has a stable and positive cash-flow and a growing assets base.

6.4 Programmes of Incubation

The Incubation Programme comprises of three sub-programmes which are:

- Construction – targeting 22 local SMME's
- Supply and Delivery – targeting 13 local SMME's
- Maintenance – targeting 4 local SMME's

7. TARGETED COMMODITIES OR ENTERPRISES

- 7.1 Production, supply and delivery of seedlings
- 7.2 Cleaning of toilets
- 7.3 Renovation of Community Halls
- 7.4 Production, supply and delivery of paving bricks
- 7.5 Repairs and maintenance of solar panels
- 7.6 Production, supply and delivery of toilet papers
- 7.7 Construction and maintenance of buildings
- 7.8 Paving of grounds
- 7.8 Catering

8. ENTERPRISE DEVELOPMENT PROGRAMME

8.1 Support Services

The Incubator will provide business support services throughout the entire project cycle, from planning to execution. The services will include but are not limited to:-

- 8.1.1 Business Administration,
- 8.1.2 Financial Management,
- 8.1.3 Technical Support,
- 8.1.4 HR Management,
- 8.1.5 Statutory Compliance,
- 8.1.6 Tender Phase Support,
- 8.1.7 Construction Phase Support,
- 8.1.8 Medium-long Term Sustainability

8.2 Project Identification

- 8.2.1 Identify potential projects through strategic planning and budgeting (SDBIP).
- 8.2.2 Categorise the projects by value, risk, priority, complexity and size.
- 8.2.3 Consideration for Match to existing contractors,
- 8.2.4 Size and value of the contracts (Grading 1-3),
- 8.2.5 Mbhashe Municipality priority,
- 8.2.6 Complexity (general building and structural civil).
- 8.2.7 Temporary (maintenance) projects are likely to be highly desirable for the construction incubation programme.

8.3 Access to Work Opportunities

- 8.3.1 Work opportunity not guaranteed.
- 8.3.2 Mbhashe Municipality to allocate work to CIP to enable project-based mentorship and training.
- 8.3.3 Ensure contractor sustainability.
- 8.3.4 Procurement with the PPPFA and Mbhashe Municipality Supply Chain Management Framework.
- 8.3.5 Closed tendering (nominated procedure).
- 8.3.6 Expression of interest.
- 8.3.7 Consolidation of interest and opportunities.
- 8.3.8 Inviting suitable participants to bid.

8.4 Access to Mentorship

Mentor Responsibilities:

- 8.4.1 Assists the contracting enterprise to assess its level of development and strengths and weaknesses,
- 8.4.2 Guides the contracting enterprise through a development programme,
- 8.4.3 Provides both technical (project related) and business (enterprise development) support and coaching based on development plans.
- 8.4.4 Selects appropriate training,
- 8.4.5 Facilitate (with Programme Management Team) access to the support mechanisms e.g. technology and institutional support,
- 8.4.6 Assesses the contracting enterprise for improvement on a monthly, quarterly, annually and upon exit to the programme.

8.5 Access to Training

Contractor assessments provide a framework for determining training requirements:

- 8.5.1 Training is incorporated in the contractor development plans.
- 8.5.2 All training interventions should be within the SAQA (& CETA) framework and guidelines

8.6 Access to Finance

- 8.6.1 Strategy for sustainable access to finance for small to medium sized construction companies to be developed,
- 8.6.2 Arrangement with financial institutions to facilitate efficient access to working and asset based capital (guarantee finance, purchase materials, pay labour).
- 8.6.3 Internal enabling environment (Mbhashe Municipality guarantees shorter payment intervals).

9. SUPPLY CHAIN MANAGEMENT STRATEGY

9.1 Procurement Strategy:

- 9.1.1 The municipality must make a call for locally based enterprises to be on the Incubation Provider List
- 9.1.2 SCM policy must make a provision for nomination from a pre-qualified Incubator Providers List.
- 9.1.3 The SCM policy must also allow for direct tendering, sub-contracting, joint ventures and other forms of tendering in line with applicable legislative prescripts.
- 9.1.4 The enterprises will be contracted on a rotational system

10. MONITORING AND EVALUATION

- 10.1 Incorporates contractor, mentor and project performance.
- 10.2 Contractor performance: SACEM assessments (reports and development plans).
- 10.3 Mentorship: mentor reports.
- 10.4 Project: project management reports.
- 10.5 Monthly, quarterly, annual and exit reports.
- 10.6 Interpretation of the contractor business results e.g. improvement of the financial bank rating, profitability, CIDB Grading.
- 10.7 The Senior Manager: Development Planning, other relevant Senior Manager Chief Financial Officer shall monitor compliance to the policy on an ongoing basis.
- 10.8 Contractors that have been assigned work through the programme, should be monitored to upgrade their CIDB grades and VAT compliance as per the assigned work.
- 10.9 Benefiting twice on Incubation Programme is totally not permissible. Thus, if a local SMME has been a participant in any of the three categories of incubation – which are Supply & Delivery, Maintenance and Construction, they must not re-apply to participate in any of the

incubation categories when their appointment contract expires. It is only permissible to re-apply for consideration to SMME's that are participants on Construction Category – strictly those who will be upgrading from CIDB Grade (1 & 2) to CIDB Grade (3 & 5).

11. EXIT STRATEGY

- 11.1 At the end of three years, the service provider will exit the program where the sustainability criteria have been met over the last three assessments.
- 11.2 In brief, for the contractors the exit criteria is:
CIDB grading at the level to which being mentored, i.e. satisfies CIDB criteria for grading one level higher than currently registered.
- 11.3 The afore-mentioned criterion is based on the contractor's potential and capability to profitably deliver projects as required by the clients.

12. IMPLEMENTATION

- 12.1 The municipality shall strive to find the incubator as a partner to the programme.
- 12.2 The municipality must also budget for the implementation of the programme through mentorship.

13. POLICY REVIEW

- 13.1 The Senior Manager: Development Planning shall evaluate and review policy when necessary to align with national policies, legislative developments and national SMME circulars.

14. CONCLUSION

- 14.1 The Incubator will function as an administrative head office for the beneficiaries and in addition to supporting enterprises in their business endeavors, will target work opportunities for enterprises by identifying appropriate contracts under procurements by primarily departments within the Mbashe Municipality as stipulated in (7) above.
- 14.2 It is anticipated that the Incubator will function as a comprehensive Resource Centre for associated contractors.
- 14.3 The resources available will range from the skills provided by staff and consultants, to administration back-up, legal and technical information and of course, access to projects.
- 14.4 The vision of the Incubator as a one-stop resource centre for contractors is one that needs to be pursued by all stakeholders.

INTEGRATED DISASTER MANAGEMENT RESPONSE POLICY FOR 2025/2026 FY



APPROVED BY:

MR M NAKO
MUNICIPAL MANAGER
DATE: 19.06.2025

APPROVED BY:

CLLR JANDA
EXECUTIVE MAYOR
DATE: 25.06.2025

TABLE OF CONTENTS

1. Definitions
2. Introduction
3. Legal Requirements
4. Vision
5. Purpose
6. Aim
7. Objectives
8. Structure of the Mphashe Disaster Management Plan
9. Directives
10. Approach to Disaster Management
11. Departmental Responsibilities
12. Disaster Management Advisory Forum

1. DEFINITIONS

Disaster	<p>A progressive or sudden, widespread or localized, natural or human-caused occurrence which causes or threatens to cause death, injury or diseases, damage to property, infrastructure or the environment; or disruption of a community; and is of a magnitude that exceeds the ability of those affected to cope using only their own resources.</p>
Disaster Risk Management	<p>The systematic process of using administrative decisions, organization, operational skills and capacities to implement policies, strategies and coping capacities of the society and communities to lessen the impacts of natural hazards and related environmental and technological disasters. This comprises all forms of activities, including structural and non-structural measures to avoid (prevention) or to limit (mitigation and preparedness) adverse effects of hazards.</p>
Disaster Management Centres (DMSs)	<p>The Disaster Management Centre is the physical location at which the coordination of information and resources takes place to support incident management activities. The DMC may be a temporary facility or may be lasted in a more central or permanently established facility, perhaps at the higher level of organization within a jurisdiction. DMSs may be organized by major functional disciplines (e.g. fire, law enforcement, and medical services).</p>
Early Warning System	<p>The set of capacities needed to generate and disseminate timely and meaningful warning information to enable individuals, communities and organizations threatened by a hazard to prepare and to act appropriately and in sufficient time to reduce the possibility of harm or loss. A people-centred early warning system necessary comprises four key elements; knowledge of the risks; monitoring, analysis and forecasting of the hazards.</p>

Hazard

A Hazard can be potentially damaging physical event, phenomenon or human activity that may cause the loss of life or injury, property damage, social and economic disruption or environmental degradation. Hazards can include latent conditions that may represent future threats and can have different origins: natural (geological, hydro meteorological and biological: or induced by human processes (environmental degradation and technological hazards). Hazards can be single, sequential or combined in their origin and effects. Each hazard is characterized by its location, intensity, frequency and probability.

Joint Operations Committee (JOC)

A standardized on-scene emergency management construct specifically designed to provide for the adoption of an integrated organizational structure that reflects the complexity and demands of single or multiple incidents, without being hindered by jurisdictional boundaries. JOC is the combination of facilities, equipment, personnel, procedures, and designed to aid in the management of resources during incidents it is used for all kinds of emergencies and is applicable to small as well as large and complex incidents. JOC is used by various jurisdictions and functional agencies, both public and private, to organize field-level incident management operations

Risk

The probability of harmful consequences, or expected losses (deaths, injuries, property, livelihoods, economic activity disrupted or environment damaged) resulting from interactions between natural or human-induced hazards and vulnerable conditions.

Vulnerability

The conditions determined by physical, social, economic and environmental factors or processes, which increase the susceptibility of a community to the impact of hazard.

2. INTRODUCTION

The approach to disasters and therefore disaster management in South Africa has changed and are aligned with international trends. This was accomplished by adopting measures to reduce or prevent the risk of disasters by integrating risk reduction strategies into future development project plans or (closing the gap between development and disasters) in order to create resilient communities rather than dealing with disasters once it occurred. The Disaster Management Act, Act No. 57 of 2002 (hereafter referred to as the Act), provides for an integrated and coordinated Disaster Management Policy that focuses on preventing and reducing the risk of disasters, mitigating and severity of disaster, emergency preparedness, rapid and effective response to disaster and post disaster recovery.

Mbhashe Disaster Management Policy must be read in conjunction with the Act, National and Provincial Disaster Management Framework respectively as well as the Amathole District Municipality Framework. The policy allows for the establishment of disaster management organization structures and capability at municipal level.

Inter-Governmental committees <i>IGRFA</i>	Advisory Forum <i>Section 37 Section 51</i>	Framework <i>Section 28 Section 42</i>	Disaster Management Centre <i>Section 31 Section 45</i>	Appoint Head of Centre <i>Section 31 Section 45</i>	Disaster Management Plans <i>Section 38 Section 52</i>
Disaster Forum Politicians	Disaster Forum Officials	Policy Documents	Powers & Functions (Facility)	Administration (Personnel)	Powers & Functions, Declaration of Disasters (IDP's)

Figure 1. Six Focal Areas of Disaster Management

Disaster management is a continuous and integrated multi-sectoral and disciplinary process of planning and implementation of measures aimed at prevention of, mitigation and preparedness for and recovery after a disaster. This policy tends to establish a disaster management culture, which focuses on risk reduction and prevention, mitigation, response and recovery. This will require a dedicated effort by all directorates and all its members to develop a proactive stance towards risk reduction and a proactive disaster management culture.

What is required is an institutional practice of communication, consultation and collaboration that will bring together the many important stakeholders involved in order to achieve a disaster management best practice methodology. Top management support and Disaster Management leadership in the Mbhashe will set the context for the successful institutionalization of appropriate integrated disaster management in the Mbhashe Municipality.

3. LEGAL REQUIREMENTS

3.1 The Act as well as the Disaster Management Framework of 2005 is very prescriptive with regard to the implementation of the disaster management functions

3.2 The Act requires, among others, that the municipality:-

3.2.1 Prepare a disaster management plan for its area

3.2.2 Co-ordinate the implementation of the plan with other role players

3.2.3 Regularly review and update the plan

3.2.4 Consult the local community on the preparation or amendment of the plan

3.2.5 Integrate their disaster management plan with their IDP

3.3 The Local municipality within the area of the district municipality must prepare their disaster management plans after consulting each other.

3.4 The Mbashe Municipality Disaster Management Plan must be prepared and executed in line with the National, Provincial and Amathole District Municipal Disaster Management Frameworks

3.5 A copy of the plan and any amendments must be submitted to the Disaster Management Centres of Amathole District Municipality and Eastern Cape Province.

4. VISION

The vision of disaster management in the Mbashe Municipality is to ensure a safe, secure, sustainable and resilient environment that is conducive to socio-economic growth and development.

5. PURPOSE

The purpose of disaster management is:-

5.1 To plan and execute disaster management operations in an integrated manner

- 5.2 To co-ordinate municipal resources through the assistance of line-function management
- 5.3 To assist with the co-ordination and facilitation of district or provincial resources and/or other resources.

6. AIM

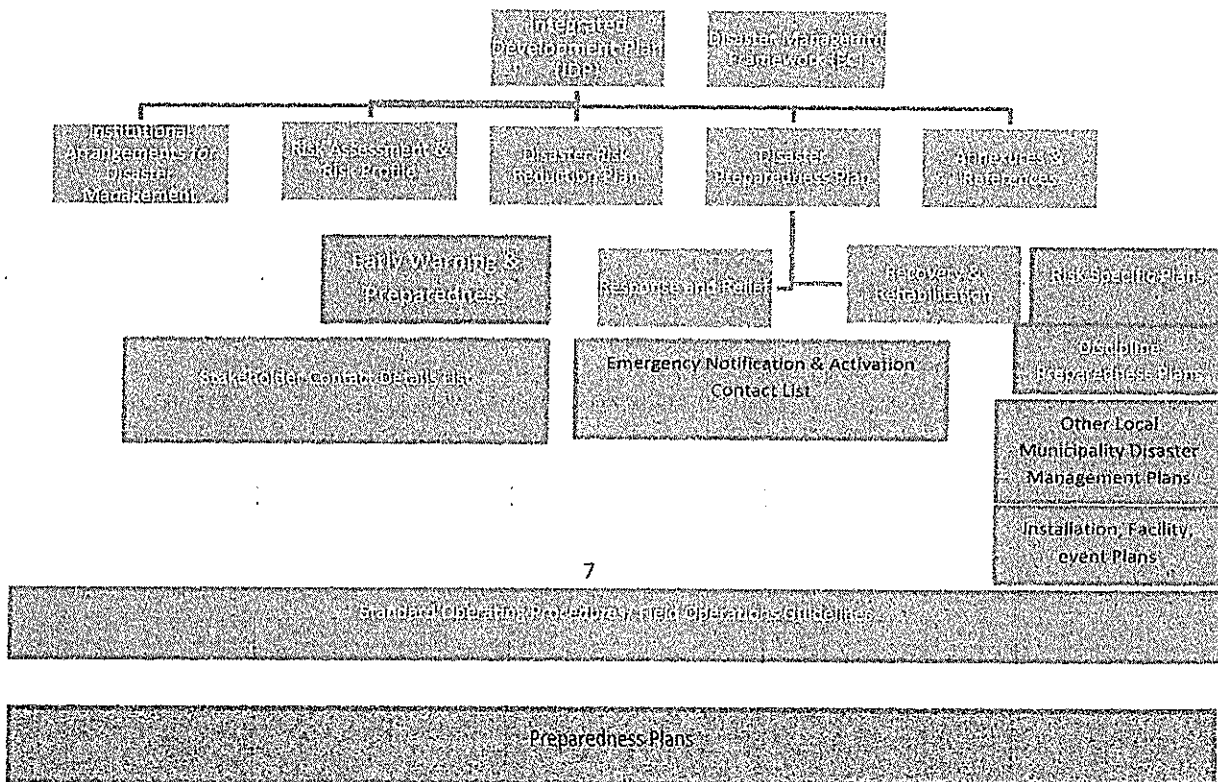
Disaster management aims to identify, reduce or prevent disaster from happening and soften the impacts of disasters that are inevitable

7. OBJECTIVES

The objectives of this policy is to co-ordinate the following functions:

- 7.1 Building of institutional capacity within the Mbhashe Municipality.
- 7.2 Perform disaster risk reduction initiatives to ensure safer and resilient communities;
- 7.3 Ensure implementation of community safety programs and campaigns to promote safe resilient sustainable communities
- 7.4 Establishing of efficient and timely early warning system.
- 7.5 Improving of emergency preparedness in vulnerable communities; and
- 7.6 Ensure appropriated response by relevant services to emergencies and disasters within the Mbhashe Municipality

8. STRUCTURE OF THE MBHASHE DISASTER MANAGEMENT PLAN



9. DIRECTIVES

9.1 The responsibility for reducing disaster risk, preparing for disasters and responding to disasters is shared among:-

9.1.1 All departments and employees of Mbashe Municipality.

9.1.2 Amathole District Municipality

9.1.3 Neighbouring local municipalities within the Amathole District.

9.1.4 All provincial and national organs of state operating within the borders of Mbashe;

9.1.5 All sectors of society within the municipality; and

9.1.6 All the residents of Mbashe

9.2 Although the Department: Development Planning Unit of the Mbashe Municipality is assigned with the disaster management function to direct and facilitate the disaster management process, it cannot perform the entire spectrum of disaster risk management activities on its own and therefore directives will be developed for all directorates.

9.3 The Disaster Officer: Mbashe Local Municipality is responsible to direct and facilitate the disaster management processes. However, it should be noted that disaster management is not a line function, but an advisory coordination function.

9.4 Disaster risk management is everybody's responsibility and forms part of everyday activities. It is required that each Director be the nodal point for disaster management activities in the particular directorate.

9.5. The disaster management activities performed within departments will include participating in disaster risk reduction strategies as well as preparedness and response.

9.6 The Disaster Officer: Mbashe Local Municipality will update quarterly contact details of responsible directors and managers to ensure that the information in the Disaster Management Plan remains current.

10. APPROACH TO DISASTER MANAGEMENT

Mbashe Local Municipality will make use of early warning systems; strategic direction, command and control systems; risk assessment and risk reduction systems; education, training and awareness systems, response and recovery systems. The planning and execution of disaster management operations in the Mbashe area will be through its Disaster Management (DMC), Joint Operation Centre (JOC) in an effort to optimize risk reduction efforts and ensure rapid response and recovery, as well as all related activities ensuing from such disasters.

10.1 Risk reduction project teams

A multi-disciplinary project team will be convened to address and reduce a specific disaster risk. It will be coordinated by the primary role-players for that risk and supported by Disaster Management. The primary role-players for specific disaster risks, in collaboration with the Disaster Officer will establish and manage risk-reduction project teams as required or requested.

10.2 Preparedness planning groups

A multi-disciplinary planning group will be convened to ensure a high level of preparedness for a specific disaster risk. It will be coordinated by the primary role-player for the risk and supported by Mbhashe Disaster Management.

10.3 Joint response and relief management teams

These teams, normally flowing from a preparedness planning group, are multi-disciplinary teams that will be mobilized to deal with the immediate response & relief required during or immediately after major incidents/disasters. Response and relief teams will convene in the Disaster Management Centre (DMC), Joint Operation Centre (JOC).

10.4 Recovery and rehabilitation project teams

Project teams will be convened to manage recovery and rehabilitation after disasters/major incidents, on a project management basis. Disaster recovery and rehabilitation must focus on risk elimination or mitigation. Departments who are responsible for the maintenance of specific infrastructure are responsible for the repair or replacement of such infrastructure after disaster.

11. DEPARTMENTAL RESPONSIBILITIES

- Departments must be responsible for specific hazards and disaster risk as a result of their core operating function. Where a department has primary responsibility for a specific hazard, the department must play a guiding role in managing the risk for that specific hazard.
- The department will have to lead risk reduction as well as preparedness activities due to its expertise in the field.
- Mbhashe Disaster Management can support such a department with advice, information, facilitation and coordination. The Disaster Officer will attend any relevant meetings as requested for the identification of disaster management mitigation projects and inputs.

11.1 Departmental Planning Groups

Planning groups must be established within directorates to deal with disasters related to departmental core business and function. It is envisaged that the Senior Manager of each department will establish these planning groups.

11.2 Assignment of responsibility to deal with specific disaster risks

Departments that are responsible for specific services in normal conditions will remain responsible for such services during disasters e.g. the ADM responsible for water or sewerage will remain responsible for such service during disasters.

The declaration of a state of disaster and the coordination instituted during disasters does not absolve any agency of its assigned responsibilities.

12. DISASTER MANAGEMENT ADVISORY FORUM

Amathole District Municipality has established a Disaster Management Advisory Forum as prescribed by section 51 of the Act. Meetings take place at least once a quarter or as required. Mbhashe Municipality, forms part of quarterly seatings of this forum and uses the forum to coordinate strategic issues related to disasters in the Mbhashe Municipal area. Moreover, Mbhashe Local Municipality must establish its own Disaster Advisory Forum, comprising of the following functionaries:

13.1 Municipal

- (a) Senior Manager: Development Planning
- (b) Officer responsible for disaster
- (c) Senior Manager or representative from Community Services, Infrastructure and
- (d) Mayor's office
- (e) Traffic control
- (f) Ward Councilors
- (g) Representatives from Ward Committees

13.2 External entities:

- (a) Local Department of Health
- (b) Provincial Government: Eastern Cape: Disaster Management
- (c) Provincial Government: Eastern Cape: Emergency Medical Services
- (d) Provincial Government: Eastern Cape: Traffic Control
- (e) Provincial Government: Eastern Cape: Social Development
- (f) South African Police Services (SAPS)
- (g) SASSA

- (h) Businesses
- (i) Animal Welfare Societies
- (j) Churches
- (k) Non-governmental Organizations like Humana, World Vision

13. PROCESS TO BE FOLLOWED IN RESPONDING TO DISASTER OCCURRENCES

- Urgent JOC meeting is called between Mphashe LM and ADM to determine whether to declare the occurrence as a "Local Disaster"
- If the occurrence is declared as "Local Disaster" both Councils of Mphashe LM and ADM need convene special Council meetings, so that the resolutions of declaration of "Local Disaster" can be submitted to Amathole Disaster Management Centre, which upon receipt of submission will then submit to Provincial Disaster Management Centre, for official declaration "Local Disaster".
- Simultaneously, in that process, an Emergency Response Team comprising of various role players from different institutions and agencies is dispatched to the affected areas to determine and assess the extent of damages.
- Subsequent to assessments on the ground, if the need arises, Disaster Emergency Applications are submitted to the relevant departments: Emergency Housing – Department of Human Settlement for Temporary Residential Units (TRUs)
- Moreover, if funding route is to be followed for the damaged economic infrastructure such as road networks and other infrastructure, project plans for Infrastructure Disaster Grants for each project are to be submitted to the relevant department.

INTEGRATED DISASTER MANAGEMENT RESPONSE POLICY FOR 2025/2026 FY



APPROVED BY:

MR M NAKO
MUNICIPAL MANAGER
DATE: 19/06/2025

APPROVED BY:

CLLR/ JANDA
EXECUTIVE MAYOR
DATE: 19/06/2025

TABLE OF CONTENTS

1. Definitions
2. Introduction
3. Legal Requirements
4. Vision
5. Purpose
6. Aim
7. Objectives
8. Structure of the Mbashe Disaster Management Plan
9. Directives
10. Approach to Disaster Management
11. Departmental Responsibilities
12. Disaster Management Advisory Forum

1. DEFINITIONS

Disaster

A progressive or sudden, widespread or localized, natural or human-caused occurrence which causes or threatens to cause death, injury or diseases, damage to property, infrastructure or the environment; or disruption of a community; and is of a magnitude that exceeds the ability of those affected to cope using only their own resources.

Disaster Risk Management

The systematic process of using administrative decisions, organization, operational skills and capacities to implement policies, strategies and coping capacities of the society and communities to lessen the impacts of natural hazards and related environmental and technological disasters. This comprises all forms of activities, including structural and non-structural measures to avoid (prevention) or to limit (mitigation and preparedness) adverse effects of hazards.

Disaster Management Centres (DMSs)

The Disaster Management Centre is the physical location at which the coordination of information and resources takes place to support incident management activities. The DMC may be a temporary facility or may be lasted in a more central or permanently established facility, perhaps at the higher level of organization within a jurisdiction. DMSs may be organized by major functional disciplines (e.g. fire, law enforcement, and medical services).

Early Warning System

The set of capacities needed to generate and disseminate timely and meaningful warning information to enable individuals, communities and organizations threatened by a hazard to prepare and to act appropriately and in sufficient time to reduce the possibility of harm or loss. A people-centred early warning system necessary comprises four key elements; knowledge of the risks; monitoring, analysis and forecasting of the hazards.

Hazard

A Hazard can be potentially damaging physical event, phenomenon or human activity that may cause the loss of life or injury, property damage, social and economic disruption or environmental degradation. Hazards can include latent conditions that may represent future threats and can have different origins: natural (geological, hydro meteorological and biological: or induced by human processes (environmental degradation and technological hazards). Hazards can be single, sequential or combined in their origin and effects. Each hazard is characterized by its location, intensity, frequency and probability.

**Joint Operations Committee
(JOC)**

A standardized on-scene emergency management construct specifically designed to provide for the adoption of an integrated organizational structure that reflects the complexity and demands of single or multiple incidents, without being hindered by jurisdictional boundaries. JOC is the combination of facilities, equipment, personnel, procedures, and designed to aid in the management of resources during incidents it is used for all kinds of emergencies and is applicable to small as well as large and complex incidents. JOC is used by various jurisdictions and functional agencies, both public and private, to organize field-level incident management operations

Risk

The probability of harmful consequences, or expected losses (deaths, injuries, property, livelihoods, economic activity disrupted or environment damaged) resulting from interactions between natural or human-induced hazards and vulnerable conditions.

Vulnerability

The conditions determined by physical, social, economic and environmental factors or processes, which increase the susceptibility of a community to the impact of hazard.

2. INTRODUCTION

The approach to disasters and therefore disaster management in South Africa has changed and are aligned with international trends. This was accomplished by adopting measures to reduce or prevent the risk of disasters by integrating risk reduction strategies into future development project plans or (closing the gap between development and disasters) in order to create resilient communities rather than dealing with disasters once it occurred. The Disaster Management Act, Act No. 57 of 2002 (hereafter referred to as the Act), provides for an integrated and coordinated Disaster Management Policy that focuses on preventing and reducing the risk of disasters, mitigating and severity of disaster, emergency preparedness, rapid and effective response to disaster and post disaster recovery.

Mbhashe Disaster Management Policy must be read in conjunction with the Act, National and Provincial Disaster Management Framework respectively as well as the Amathole District Municipality Framework. The policy allows for the establishment of disaster management organization structures and capability at municipal level.

Inter-Governmental committees	Advisory Forum	Framework	Disaster Management Centre	Appoint Head of Centre	Disaster Management Plans
<i>IGRFA</i>	<i>Section 37</i> <i>Section 51</i>	<i>Section 28</i> <i>Section 42</i>	<i>Section 31</i> <i>Section 45</i>	<i>Section 31</i> <i>Section 45</i>	<i>Section 38</i> <i>Section 52</i>
Disaster Forum Politicians	Disaster Forum Officials	Policy Documents	Powers & Functions (Facility)	Administration (Personnel)	Powers & Functions, Declaration of Disasters (IDP's)

Figure 1. Six Focal Areas of Disaster Management

Disaster management is a continuous and integrated multi-sectoral and disciplinary process of planning and implementation of measures aimed at prevention of, mitigation and preparedness for and recovery after a disaster. This policy tends to establish a disaster management culture, which focuses on risk reduction and prevention, mitigation, response and recovery. This will require a dedicated effort by all directorates and all its members to develop a proactive stance towards risk reduction and a proactive disaster management culture.

What is required is an institutional practice of communication, consultation and collaboration that will bring together the many important stakeholders involved in order to achieve a disaster management best practice methodology. Top management support and Disaster Management leadership in the Mbhashe will set the context for the successful institutionalization of appropriate integrated disaster management in the Mbhashe Municipality.

3. LEGAL REQUIREMENTS

3.1 The Act as well as the Disaster Management Framework of 2005 is very prescriptive with regard to the implementation of the disaster management functions

3.2 The Act requires, among others, that the municipality:-

3.2.1 Prepare a disaster management plan for its area

3.2.2 Co-ordinate the implementation of the plan with other role players

3.2.3 Regularly review and update the plan

3.2.4 Consult the local community on the preparation or amendment of the plan

3.2.5 Integrate their disaster management plan with their IDP

3.3 The Local municipality within the area of the district municipality must prepare their disaster management plans after consulting each other.

3.4 The Mbhashe Municipality Disaster Management Plan must be prepared and executed in line with the National, Provincial and Amathole District Municipal Disaster Management Frameworks

3.5 A copy of the plan and any amendments must be submitted to the Disaster Management Centres of Amathole District Municipality and Eastern Cape Province.

4. VISION

The vision of disaster management in the Mbhashe Municipality is to ensure a safe, secure, sustainable and resilient environment that is conducive to socio-economic growth and development.

5. PURPOSE

The purpose of disaster management is:-

5.1 To plan and execute disaster management operations in an integrated manner

- 5.2 To co-ordinate municipal resources through the assistance of line-function management
- 5.3 To assist with the co-ordination and facilitation of district or provincial resources and/or other resources.

6. AIM

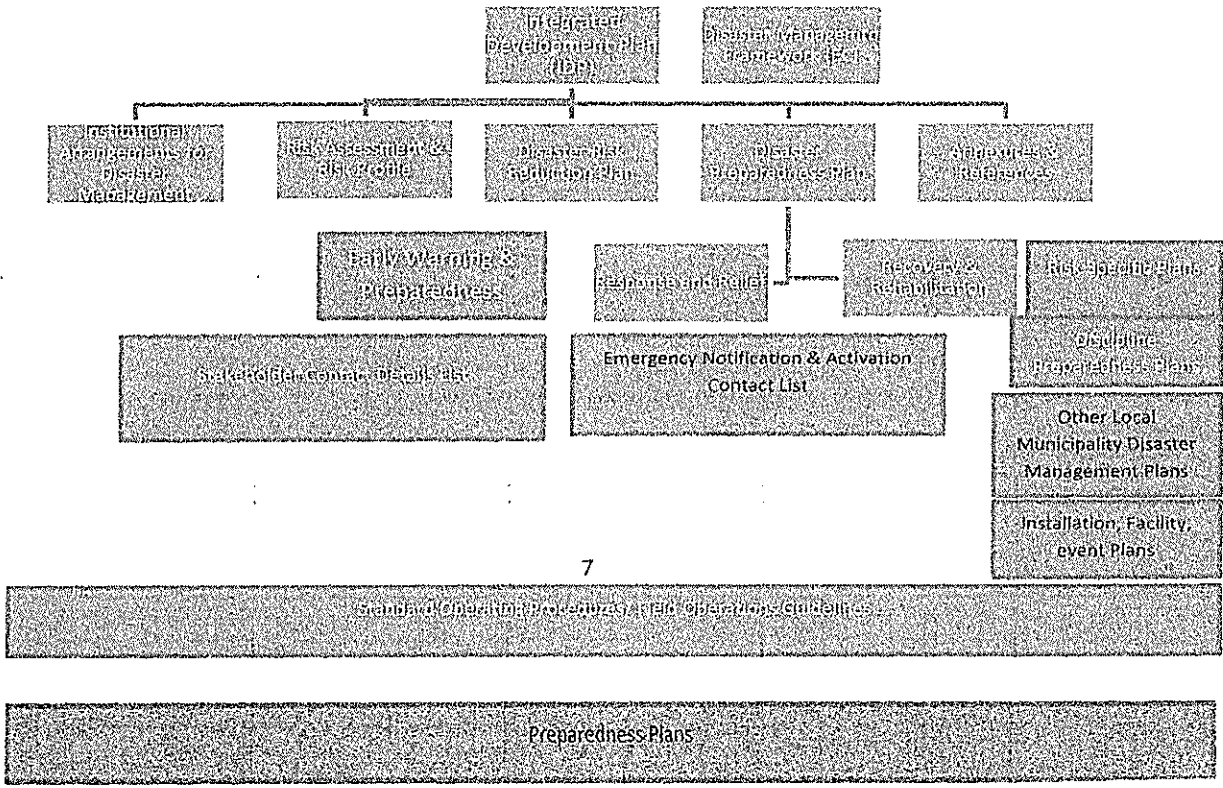
Disaster management aims to identify, reduce or prevent disaster from happening and soften the impacts of disasters that are inevitable

7. OBJECTIVES

The objectives of this policy is to co-ordinate the following functions:

- 7.1 Building of institutional capacity within the Mbashe Municipality.
- 7.2 Perform disaster risk reduction initiatives to ensure safer and resilient communities;
- 7.3 Ensure implementation of community safety programs and campaigns to promote safe resilient sustainable communities
- 7.4 Establishing of efficient and timely early warning system.
- 7.5 Improving of emergency preparedness in vulnerable communities; and
- 7.6 Ensure appropriated response by relevant services to emergencies and disasters within the Mbashe Municipality

8. STRUCTURE OF THE MBHASHE DISASTER MANAGEMENT PLAN



9. DIRECTIVES

9.1 The responsibility for reducing disaster risk, preparing for disasters and responding to disasters is shared among:-

9.1.1 All departments and employees of Mbhashe Municipality.

9.1.2 Amathole District Municipality

9.1.3 Neighbouring local municipalities within the Amathole District.

9.1.4 All provincial and national organs of state operating within the borders of Mbhashe;

9.1.5 All sectors of society within the municipality; and

9.1.6 All the residents of Mbhashe

9.2 Although the Department: Development Planning Unit of the Mbhashe Municipality is assigned with the disaster management function to direct and facilitate the disaster management process, it cannot perform the entire spectrum of disaster risk management activities on its own and therefore directives will be developed for all directorates.

9.3 The Disaster Officer: Mbhashe Local Municipality is responsible to direct and facilitate the disaster management processes. However, it should be noted that disaster management is not a line function, but an advisory coordination function.

9.4 Disaster risk management is everybody's responsibility and forms part of everyday activities. It is required that each Director be the nodal point for disaster management activities in the particular directorate.

9.5. The disaster management activities performed within departments will include participating in disaster risk reduction strategies as well as preparedness and response.

9.6 The Disaster Officer: Mbhashe Local Municipality will update quarterly contact details of responsible directors and managers to ensure that the information in the Disaster Management Plan remains current.

10. APPROACH TO DISASTER MANAGEMENT

Mbhashe Local Municipality will make use of early warning systems; strategic direction, command and control systems; risk assessment and risk reduction systems; education, training and awareness systems, response and recovery systems. The planning and execution of disaster management operations in the Mbhashe area will be through its Disaster Management (DMC), Joint Operation Centre (JOC) in an effort to optimize risk reduction efforts and ensure rapid response and recovery, as well as all related activities ensuing from such disasters.

10.1 Risk reduction project teams

A multi-disciplinary project team will be convened to address and reduce a specific disaster risk. It will be coordinated by the primary role-players for that risk and supported by Disaster Management. The primary role-players for specific disaster risks, in collaboration with the Disaster Officer will establish and manage risk-reduction project teams as required or requested.

10.2 Preparedness planning groups

A multi-disciplinary planning group will be convened to ensure a high level of preparedness for a specific disaster risk. It will be coordinated by the primary role-player for the risk and supported by Mbhashe Disaster Management.

10.3 Joint response and relief management teams

These teams, normally flowing from a preparedness planning group, are multi-disciplinary teams that will be mobilized to deal with the immediate response & relief required during or immediately after major incidents/disasters. Response and relief teams will convene in the Disaster Management Centre (DMC), Joint Operation Centre (JOC).

10.4 Recovery and rehabilitation project teams

Project teams will be convened to manage recovery and rehabilitation after disasters/major incidents, on a project management basis. Disaster recovery and rehabilitation must focus on risk elimination or mitigation. Departments who are responsible for the maintenance of specific infrastructure are responsible for the repair or replacement of such infrastructure after disaster.

11. DEPARTMENTAL RESPONSIBILITIES

- Departments must be responsible for specific hazards and disaster risk as a result of their core operating function. Where a department has primary responsibility for a specific hazard, the department must play a guiding role in managing the risk for that specific hazard.
- The department will have to lead risk reduction as well as preparedness activities due to its expertise in the field.
- Mbhashe Disaster Management can support such a department with advice, information, facilitation and coordination. The Disaster Officer will attend any relevant meetings as requested for the identification of disaster management mitigation projects and inputs.

11.1 Departmental Planning Groups

Planning groups must be established within directorates to deal with disasters related to departmental core business and function. It is envisaged that the Senior Manager of each department will establish these planning groups.

11.2 Assignment of responsibility to deal with specific disaster risks

Departments that are responsible for specific services in normal conditions will remain responsible for such services during disasters e.g. the ADM responsible for water or sewerage will remain responsible for such service during disasters.

The declaration of a state of disaster and the coordination instituted during disasters does not absolve any agency of its assigned responsibilities.

12. DISASTER MANAGEMENT ADVISORY FORUM

Amathole District Municipality has established a Disaster Management Advisory Forum as prescribed by section 51 of the Act. Meetings take place at least once a quarter or as required. Mbhashe Municipality, forms part of quarterly seatings of this forum and uses the forum to coordinate strategic issues related to disasters in the Mbhashe Municipal area. Moreover, Mbhashe Local Municipality must establish its own Disaster Advisory Forum, comprising of the following functionaries:

13.1 Municipal

- (a) Senior Manager: Development Planning
- (b) Officer responsible for disaster
- (c) Senior Manager or representative from Community Services, Infrastructure and
- (d) Mayor's office
- (e) Traffic control
- (f) Ward Councilors
- (g) Representatives from Ward Committees

13.2 External entities:

- (a) Local Department of Health
- (b) Provincial Government: Eastern Cape: Disaster Management
- (c) Provincial Government: Eastern Cape: Emergency Medical Services
- (d) Provincial Government: Eastern Cape: Traffic Control
- (e) Provincial Government: Eastern Cape: Social Development
- (f) South African Police Services (SAPS)
- (g) SASSA

- (h) Businesses
- (i) Animal Welfare Societies
- (j) Churches
- (k) Non-governmental Organizations like Humana, World Vision

13. PROCESS TO BE FOLLOWED IN RESPONDING TO DISASTER OCCURRENCES

- Urgent JOC meeting is called between Mbhashe LM and ADM to determine whether to declare the occurrence as a “Local Disaster”
- If the occurrence is declared as “Local Disaster” both Councils of Mbhashe LM and ADM need convene special Council meetings, so that the resolutions of declaration of “Local Disaster” can be submitted to Amathole Disaster Management Centre, which upon receipt of submission will then submit to Provincial Disaster Management Centre, for official declaration “Local Disaster”.
- Simultaneously, in that process, an Emergency Response Team comprising of various role players from different institutions and agencies is dispatched to the affected areas to determine and assess the extent of damages.
- Subsequent to assessments on the ground, if the need arises, Disaster Emergency Applications are submitted to the relevant departments: Emergency Housing – Department of Human Settlement for Temporary Residential Units (TRUs)
- Moreover, if funding route is to be followed for the damaged economic infrastructure such as road networks and other infrastructure, project plans for Infrastructure Disaster Grants for each project are to be submitted to the relevant department.

**REPLACEMENT OF BENEFICIARY POLICY FOR
2025/2026 FY**



APPROVED BY:

MR M NAKO
MUNICIPAL MANAGER
DATE: 17/06/25

APPROVED BY:

CLLR JANDA
EXECUTIVE MAYOR
DATE: 19/06/25

TABLE OF CONTENTS

1. PURPOSE	3
2. DEFINITIONS	3
3. POLICY ON MISSING BENEFICIARIES	3
4. PROCEDURE ON DECEASED BENEFICIARIES	4
5. WITHDRAWING BENEFICIARY NAMES FROM THE SYSTEM.....	4
6. REPLACEMENTS OF BENEFICIARIES BY BENEFICIARY ALLOCATION COMMITTEE .	4

1. PURPOSE

The policy on missing and deceased beneficiaries outlines the process that must be followed in cases where beneficiaries have gone astray and cannot come and sign their happy letters and took occupation of their houses.

2. DEFINITIONS

“Family member” means a relative of the deceased tenants or a relative of the deceased tenant’s spouse or paternal, if such relative is part of the original family housed or born on the property and has been living with the deceased tenant for an unbroken period of two (2) years immediately prior to the death of the tenant.

“Housing Subsidy System” means the National database managed by the National Department of Human Settlements which contains the names and numbers of the persons who have been uploaded from the National Housing Database.

3. POLICY ON MISSING BENEFICIARIES

This policy can be applied in the following two (2) scenarios:

3.1 SCENARIOS

Scenario 1

When a beneficiary has concluded a Sale Agreement with the Municipality, but the transfer has not taken place. This beneficiary has been approved and entered on the Housing Subsidy Scheme but now is missing.

POLICY PROCESS

The Municipality working with the Department of Human Settlement must try to locate the beneficiary or his/her family by placing a notice in the local newspaper requesting the beneficiary to take occupation of the property within the period of 90 days. Moreover, in the process of beneficiary replacement, there should be issuance of Legal Notice, for beneficiary to be fully replaced.

Should the beneficiary not respond within the given period then, he/she is in breach of contract since he/she has not taken transfer of the property. The sale can therefore be cancelled, and the property be reallocated.

3.2 SCENARIO 2

When a subsidy has been approved and the beneficiary has taken transfer of the property but the Municipality cannot find him/her to sign the happy letter.

POLICY PROPOSALS

In this case the Municipality working with the Department of Human Settlement must try to locate the beneficiary or his/her family at the last given address allowing the beneficiary a period of Ninety (90) days to respond.

The Municipality working with the Department of Human Settlement must also place a notice in the local newspapers requesting the beneficiary to take occupation of the property within the period of ninety (90) days.

Should the beneficiary not respond within the given period; the Municipality working with the Department of Human Settlement can furnish a confirmation indicating that all reasonable and necessary steps have been taken to locate the beneficiary.

The confirmation should also declare that a notice was placed in the local newspapers and a copy of notice should be made available.

There remains the possibility that the beneficiary cannot be traced whilst the property has been transferred into that beneficiary's name. Such situation implies that an empty house will be exposed to vandalism.

Once the Municipality working with the Department of Human Settlement have followed the necessary procedures, the completed house will be handed over to another potential beneficiary.

Another option, the house can be rented out to another potential beneficiary and the Municipality will be liable for maintenance of the property whilst the Municipality working with the Department of Human Settlement are following due legal processes for de-registration or expropriation.

4. PROCEDURE ON DECEASED BENEFICIARIES

The procedure on deceased beneficiaries will apply:

4.1 SCENARIO 1

If a sale agreement has been concluded with a beneficiary but the beneficiary's subsidy application for a subsidy has not been approved by the National Department of Human Settlements.

POLICY PROPOSAL

The sale should be cancelled and site be reallocated.

4.2 SCENARIO 2

If a sale agreement has been concluded and the deceased beneficiary's subsidy application has been approved.

The Municipality working with the Department of Human Settlement must find out the deceased beneficiary dependants. If the deceased beneficiary's spouse or other dependant is over the age of 18 years, then the beneficiary should be replaced and the process continued thereafter.

5. WITHDRAWING BENEFICIARY NAMES FROM THE SYSTEM

The persons whose names appear on the approved list and have been unfounded after a series of steps have been taken should be reported to the Department of Human Settlements for withdrawal.

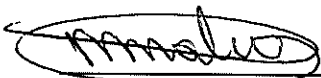
6. REPLACEMENT OF BENEFICIARIES BY THE BENEFICIARY ALLOCATION COMMITTEE

National guidelines on allocation of beneficiaries should remain as the regulatory framework in alignment with Municipal beneficiary replacement policy. The Municipal Beneficiary Allocation Committee shall source the potential beneficiaries for replacements from the National Housing Needs Register as required by the guidelines

**INFORMAL SETTLEMENT AND UPGRADING POLICY
FOR 2025/2026 FY**



APPROVED BY:


MR M NAKO
MUNICIPAL MANAGER
DATE: 10/06/2025.....

APPROVED BY:

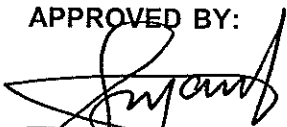

CLLR JANDA
EXECUTIVE MAYOR
DATE: 19/06/2025.....

TABLE OF CONTENTS

1. Purpose of Policy.....	1
2. Objective of Policy.....	2
3. Scope.....	2
4. Policy Definition.....	2
5. Legislative Framework.....	2
6. Policy or Procedure Target.....	2
7. General policy provisions.....	2
8. Procedure for Implementing policy.....	3
9. Policy governance.....	4

1. PURPOSE OF POLICY

The purpose of this policy is to guide the process to be followed when managing and controlling authorized and unauthorized informal settlement located in Mbashe Local Municipality.

2. OBJECTIVE OF POLICY

The policy gives a guide on managing and controlling authorized and unauthorized informal settlements.

3. SCOPE

Any illegal occupation of Municipal Land.

4. POLICY DEFINITION

Authorized informal settlement means any informal settlement which is recognised by the Municipality as an authorized informal settlement and which will be legalised and upgraded as a formal township in terms of the Municipality's applicable policies, regulations and legislations.

Consent means the express or implied consent of the owner or person in charge to the occupation of land by a resident of a shack, irrespective of whether such consent was given in writing or otherwise.

Contractual agreement means the contractual agreement entered into between the head of a household and the Municipality in terms of which the household is authorized to occupy a shack in an authorized informal settlement.

Court means any division of the High Court or the Magistrate's court whose area of jurisdiction the land is situated.

Eviction means the permanent removal of a court order, of a person and his or her personal property from occupation of a shack or the land on which the shack is constructed, and includes the demolition and removal from the land of any building materials used to construct the shack, and **evict** has a corresponding meaning.

Head of household means-

- (a) The father in a household, where the father and mother of the household are legally married;
- (b) The single parent, where the household has only one parent with dependants living permanently with him or her in the household ; and
- (c) Any person in the household who has legal capacity to act and is recognised by the majority of the other persons in the household as the person responsible for the maintenance of the welfare and discipline within the household.

“Informal settlement” means one shack or more constructed on land, with or without the consent of the owner of the land or the person in charge of the land;

“land” means any land within the area of jurisdiction of the Municipality, irrespective of whether such land belongs to the National Government, the Provincial Government, the Municipality or a private individual, company or other legal entity;

“land invasion” means the illegal occupation of the land or any settlement or occupation of people on land without the express or tacit consent of the owner of the land or the person in charge of the land , or without any other right in law to settle on or occupy such land;

“Law enforcement officers” means a group of officers or workers consisting of any combination of one or more of the following components;

- (a) *Members of the South African Police Service;*
- (b) Members of the Municipality’s Traffic Police Service;
- (c) Members of the staff of the sheriff or messenger of the court with jurisdiction in the area;
- (d) Members of a private security company contractually engaged by the Municipality to perform certain duties on its behalf; and
- (e) Any combination of employees of the Municipality,

Which group is designated by the Municipality to assist the Strategic Manager Development Planning: in the execution of his or her duties and to execute any eviction order to terminate an unauthorised informal settlement;

“Municipality” means the Mbashe Local Municipality established by General in terms of the provisions of the Local Government: Municipal structures Act, 1998 (Act 117 of 1998);

“owner” means the registered owner of the land , irrespective of whether such owner is the National Government, the Provincial Government, the Municipality or a private individual, company or other legal entity;

“person in charge”, in relation to land, means a person who has the legal authority to give permission to another person to enter or reside on the land;

“shack” means any temporary shelter, building, hut, tent, dwelling, or similar structure which does not comply with the provisions of the National Building Regulations and Building

Standards Act, 1997 (Act 103 of 1997), the regulations promulgated under that Act and the Municipality's Building Regulations By-Laws and which is primarily used for residential purposes; and

“unauthorised informal settlement” means any informal settlement which is not recognised by the Municipality as an authorised informal settlement and which will not be legalised and upgraded as a formal township in terms of the Municipality's existing housing policies, but will be demolished and removed in terms of this policy.

5. LEGISLATIVE FRAMEWORK

- The Constitution of the Republic of South Africa, Act 108/196
- National Building Regulations and Standards Act, Act 103/1977
- Townships Ordinance 33/1934
- Health Act, Act 63/1977
- National Environmental Management Act (NEMA), Act 107/1998
- Prevention of illegal Eviction and Unlawful Occupation of Land Act, (PE) Act 19 of 1998
- Removal of Restrictions Act, Act 84/1967
- Restitution of Land Rights Act, Act 22 f 1994
- Housing Act, Act 107/1997 plus the housing Amendment Act, Act 4/2001
- Upgrading of Tenure Rights Act, 1991 (Act 112/1991)
- SANRAL and National Road Act 7/1998
- Interim Protection of Informal Land Rights Act, Act 31/1966
- National Housing Consumer Protection Measures Act, Act 95/1998 (NHBRC)
- Spatial Planning and Land Use Management Act, Act 16/2013.

6. POLICY PROCEDURE

1.1 The Municipality must, within a period of 24 hours after it becomes aware of an incident of land invasion or the existence of a newly established informal settlement, irrespective of whether such informal settlement was established as a consequence of an incident of land invasion or not-

- (a) Make a determination of the status of the informal settlement as an authorised or an unauthorised informal settlement in terms of the Municipality's existing policies/bylaw; and
- (b) Inform the residents of the informal, settlement of the status of the informal settlement.

- a. In the event of the status of an informal settlement as an authorised informal settlement, the Municipality must deal with the matter in accordance with the applicable provisions and procedures.
- b. In the event of the status of an informal settlement being determined as an unauthorised informal settlement, the Municipality: must deal with the matter in accordance with the applicable provisions and procedures.

7. GENERAL POLICY PROVISIONS

1.2 The Municipality must, within a period of 24 hours after it becomes aware of an incident of land invasion or the existence of a newly established informal settlement, irrespective of whether such informal settlement was established as a consequence of an incident of land invasion or not-

- (c) Make a determination of the status of the informal settlement as an authorised or an unauthorised informal settlement in terms of the Municipality's existing policies/bylaw; and
- (d) Inform the residents of the informal, settlement of the status of the informal settlement.
- c. In the event of the status of an informal settlement as an authorised informal settlement, the Municipality must deal with the matter in accordance with the applicable provisions and procedures.
- d. In the event of the status of an informal settlement being determined as an unauthorised informal settlement, the Municipality: must deal with the matter in accordance with the applicable provisions and procedures.

8. PROCEDURES FOR IMPLEMENTING POLICY

- a. As soon as a determination of the status of an authorised informal settlement has been made the Municipality through its officials must visit the informal settlement and notify the residents of the status of the authorised informal settlement by means of a letter delivered to each shack in the informal settlement, whichever is appropriate in the circumstances.

- b. The Municipality must compile a comprehensive register of all the residents who are entitled to reside in the authorised informal settlement and the following details must be entered in respect of each shack in the authorised informal settlement:
 - 1. The number allocated to the stand or site on which the shack is constructed;
 - 2. The name and identity number of the head of the household who is entitled to occupy the shack;
 - 3. The names, identity numbers and relationships to the head of the household of each and every other person occupying the shack as a member of the household;
 - 4. The reference number of the file of the Manager: Informal Settlements that contains a copy of the contractual agreement in respect of the shack
 - 5. The previous address of the house that is entitled to occupy the shack and
 - 6. The names, addresses and telephone numbers, if any, of at least two family members of the head of the household who do not live at the same address as the household that is entitled to occupy the shack.

- c. The Municipality must ensure that the names, addresses and other relevant details of all the residents living in an authorised informal settlement are registered in the Municipality's Housing Waiting List with the purposes of upgrading the informal settlement.

- d. The Municipality must allocate to each site or stand in an authorised informal settlement a unique number as the temporary address of the site or stand and must ensure that the number is legibly painted or inscribed in a prominent place on the site or stand.

- e. Special meetings of residents may be convened from time to time by a residents' committee to communicate with and inform the individual residents of matters relating to the authorised informal settlement.

- f. A residents' committee must give notice of a meeting of the residents of the authorised informal settlement by placing the notice prominently on the official notice board at a venue whose location has been determined by the residents' committee and communicated to the residents at an official meeting of the residents.

2. Procedures relating to the termination of unauthorised informal settlements

2.1 As soon as determination of the status of an unauthorised informal settlement has been made and within the period of the municipality through its officials designated, visit the informal settlement and notify the residents of the status of the unauthorised informal settlement by means of a written notice hand-delivered to each shack in the informal settlement.

- a. The written notice must-

- a) Notify the residents of a shack in the unauthorised informal settlement that their occupation of the shack and the site or stand on which it is situated is illegal; and
 - b) Request the residents of the shack to vacate the shack and remove any building materials and other personal property from the unauthorised informal settlement within a period of 24 hours after receipt of the written notice.
- 2.2 If the residents notified cooperate and vacate their shacks and remove their building materials and other personal property from the site or stand in the unauthorised informal settlement, the Municipality must take such steps as it may deem appropriate to prevent a recurrence of any incident of land invasion or illegal land and occupation on that site, stand or unauthorised informal settlement and must regularly monitor the situation to ensure the non-recurrence of such land invasion or illegal land occupation.
- 2.3 If the residents fail to cooperate and vacate their shacks and remove their building materials and other personal property from the site or stand in the unauthorised informal settlement, the Municipality must immediately institute the necessary legal procedures to obtain an eviction order.
- 2.4 Within a period of 24 hours after the expiry of the period stipulated in the written notice the Municipality must lodge an application in a competent court to obtain an eviction order contemplated in section 4, 5 or 6 of the prevention of Illegal Eviction from and Unlawful Occupation of Land Act, 1998 (Act 19 of 1998), against any person or persons, jointly or severally, occupying or residing in a shack or on a site or stand in the unauthorised informal settlement.
- 2.5 The Municipality must, within a period of 24 hours after obtaining the eviction order deploy the Municipality Law enforcement officers / Sheriff of the court to execute the eviction order and to terminate the unauthorised informal settlement by;
- a) Evicting the residents of the informal settlement;
 - b) Demolishing and removing all shacks and removing all building materials and other personal property from the unauthorised informal settlement; and
 - c) Disposing of the building materials and other personal property in accordance with the provisions of these by-laws.

**PREVENTION OF LAND INVASION POLICY FOR
2025/2026 FY**



APPROVED BY:

MR M NAKO
MUNICIPAL MANAGER
DATE: 10/06/25

APPROVED BY:

CLLR JANDA
EXECUTIVE MAYOR
DATE: 19/06/25

TABLE OF CONTENTS

1. Purpose of Policy.....	1
2. Objective of Policy.....	2
3. Scope.....	2
4. Policy Definition.....	2
5. Legislative Framework.....	2
6. Policy or Procedure Target.....	2
7. General policy provisions.....	2
8. Procedure for Implementing policy.....	3
9. Policy governance.....	4

1. PURPOSE OF POLICY

The purpose of this policy is to deal with all land invasions occurring onto Municipal land.

2. OBJECTIVE OF POLICY

- To assist municipality to control and manage the land available in terms of open spaces.
- To curb the chaotic nature that surrounds the commonage in all the Mbhashe towns.

3. SCOPE

Any invasion that occurs onto municipal commonages will be dealt with in this policy.

4. LEGISLATIVE FRAMEWORK

4.1 Constitution Act 108 of 1996

4.2 illegal Eviction form and Unlawful occupation of Land Act (Act 19 of 1998)

4.3 Extension of Tenure Security Act (Act 62 of 1997).

5. POLICY PROCEDURE

- a) Council will number and capture the personal details of residents of existing informal settlements into its administrative systems.
- b) Council henceforth will endeavour to demolish and impound any shack or structure that is being erected within area of jurisdiction without its consent.
- c) Where a shack or structure has been put up for more than three (3) days and the action of immediate eviction was not taken, a notice of illegal occupation of land shall be issued, advising the occupant to remove the structure or shack immediately. The Legal Section is to be notified and same must prepare and urgent application to the Court for and eviction order. This action must be accomplished within three (3) months.
- d) Council is to identify a particular area which will be a reception area for all new comers and when such areas have been established, no new comers into the existing settlement will be allowed.

- e) The residents of the reception area will have to sign the standard service agreement and to pay for services rendered. The size of each "site" allocated to a person will be limited to 200sqm.
- f) For housing opportunities Council will endeavour to prioritise the needs of residents of existing informal settlement and those leaving in the back yards at established townships. A housing opportunity includes relocation to a stand in Formal Township.
- g) Persons accommodated in a reception area have a housing opportunity while living or residing in that area. If such a person move out of the area, unless same is buying a stand elsewhere, ceases to be on the list of housing opportunity.
- h) Notice boards are to be put up at entrance of effected township informing prospective migrant into the area that they must consult the local municipal office to obtain a registration permit and site allocation before relocating.
- i) Where livestock is involved, permission to bring them along and to be put in grazing farms must be obtained from the designated health officer who when deemed necessary, may require medical examination of such livestock by a registered veterinary surgeon at the cost of the owner. If such an office is satisfied that such livestock has no diseases that may be infectious to others; livestock may direct that the livestock be kept in an area to be indicated by him for such a duration as he may prescribe subject to the availability of such stock-yard or land.

6. GENERAL POLICY PROVISIONS

- No person is allowed to have a shack or structure that he/she does not use it or to lease it to someone else anywhere in the existing informal settlements or reception area.
- No person is allowed to have a shack or structure unoccupied by him/herself for more than three months, without written permission of the manager responsible for housing matters

7. PROCEDURES FOR IMPLEMENTING POLICY

- 1) The town planning section must satisfy themselves of the invasion; then report to the Municipal Manager
- 2) The ward councillor will then be made aware of the invasion taking place in his/her area so that he/she coordinates the engagement process with the occupiers and advise them not to do so.

- 3) Concurrently, the ward councillor will try to make the invaders aware of the consequence and advise them not to do so; in the same vein, the legal proceedings will start ensuring that the invasion stops.
- 4) Upon court order being granted by the court; the Sheriff of the court by the instruction of the Legal Services Office will be authorised to proceed with demolition; then the council will be made aware of the demolish through the office of the Mayor. decision to demolish the structures will be taken for implementation

**STREET AND PLACE NAMING POLICY FOR
2025/2026 FY**



APPROVED BY:

MR M NAKO
MUNICIPAL MANAGER
DATE: 10/06/25.....

APPROVED BY:

CLLR JANDA
EXECUTIVE MAYOR
DATE: 19/06/2025.....

TABLE OF CONTENTS

1. Purpose of Policy.....	1
2. Objective of Policy.....	2
3. Scope.....	2
4. Policy Definition.....	2
5. Legislative Framework.....	2
6. Policy or Procedure Target.....	2
7. General policy provisions.....	2
8. Procedure for Implementing policy.....	3
9. Policy governance.....	4

1. PURPOSE OF POLICY

To recognise legends and important species in the Mbashe Local Municipality, by preserving their names through the naming and provision of public place and street names”.

2. OBJECTIVE OF POLICY

3. To standardize, transform and correct the naming of Public Places and street names in the area of jurisdiction of the Mbashe Local Municipality, in line with the national and provincial legislation.

4. SCOPE

All unnamed streets and Townships will be covered under this policy.

5. POLICY DEFINITION

Cul-de-dac means a street with a single entry, which is also the exit, into the street

Duplication of street names means the repetition or near repetition (identical or similar in spelling or pronunciation) of already approved street names within the jurisdictional area of the Mbashe Local Municipality, with a radius of 20 km and/or within the same postal code.

Geographical name means the name of any terrestrial feature within the borders of the Republic of South Africa, together with the area of jurisdiction of the Republic acquired by treaty, whether:

- a) Natural or man-made adapted by human agency; or
- b) Populated or unpopulated.

Geographical Names bank means a database consisting of approved geographical names within the area of jurisdiction of the Mbashe Local Municipality.

Local competence is taken to apply, in terms of section 3 (1) of regulation 339 of 2003, on the standardisation of geographical names when:

- a) The area is situated within the jurisdiction of the local authority; and
- b) Streets, municipal buildings and squares, local parks and cemeteries are to be named

Municipality means the ‘Mbashe Local Municipality’ established and instituted in terms of Notice 6770 of 2000, promulgated in terms of section 12(1) of the Local Government Structures Act, 1998 (Act 117 of 1998), as amended.

Municipal property means an asset that is owned by the Municipality. This will include buildings, parks, libraries, museums, clinics, stadiums, community halls etc.

Panel of external advisers means people who are nominated and appointed by the council and who are experts on history, culture, linguistics, town planning, toponymy, reconciliation and religion.

Policy means a set of guidelines that assists a public authority, such as a municipality, to make decisions in terms of its legislative authority and is therefore part of its constitutional and legislative framework.

(What is imperative, though, is the principle that the decision-making authority must in all instances and in all matters before it, still consider every individual matter on merit, and that no policy of the Municipality is supposed to be a rigid and inflexible set of rules.)

Public Open Place means land which falls under, or is intended to come under the ownership of the local authority, which is not leased or intended to be leased on a long term basis and which is utilized as an open space, park, garden, playground or square and include a public place (Section 8 of the Land Use Planning Ordinance 15 of 1985)

Public Place means any land in respect of which the ownership as such vests in a local authority in terms of section 28 Land Use Planning Ordinance (15 of 1985).

Private Street means a street that is not a public street that is inside a sectional title complex or a Section 21 homeowner's association complex. A body corporate/home owners association will thus be the owner of the street. Private streets also include rights of way registered in favour of private users.

Public Street means any street, road or thoroughfare shown on the general plan of a township, agricultural holding or other division of land or in respect of which the public has acquired a prescriptive or other right of way registered and/or zoned as a street in favour of the public.

Toponymy means the science or discipline with the study of place names, which is apparent from the word itself, which is derived from the Greek "topos" meaning 'place' and "onama" meaning 'name'. The objective of Toponymy is anything that can pass as a geographical name, i.e. Names of cities, towns, provinces, regions, districts, mountains, rivers, farms, roads, buildings etc.

Township zone name means a distinct name reserved for a broader area in which township development can take place. (All new township establishments will then bear the same distinct zone name as well as a unique extension number. If a township zone does not have an approved name, a township zone name needs to be approved before new townships can be reserved.)

Township name means the name allocated to a new township establishment. (This name is made up of the name of the township zone name and the next available extension number. Names of new township developments have to be allocated by issuing a reservation letter.)

6. LEGISLATIVE FRAMEWORK

- Constitution of the Republic of South Africa, 1996
- South African Geographical Names Council Act, 1998 (Act 118 of 1998)
- Regulations on the standardization of geographical names published in Government Gazette 24999 of 7 March 2003 by Notice R339
- Land Survey Act, 1997 (Act 8 of 1997)
- Land Use Planning Ordinance 15 of 1985 (Ordinance 15 of 1985)
- Local Government: Municipal Structures Act, 1998 (Act 117 of 1998)
- Local Government: Municipal Systems Act, 2000 (Act 36 of 2000)
- Development Facilitation Act, 1995 (Act 67 of 1995)

7. POLICY PROCEDURE

A panel of external advisers who advises the PPSNC must be established.

7.1 The panel will submit comment and/or recommendations on spelling, meaning, language and origin of names proposed for naming and renaming applications that have been submitted for consideration.

7.2 The panel must consist of members, selected by public nominations received through a process of advertising for a period of 28 days.

7.3 Nominations to serve on the panel must include the permission of the nominee and his/her full particulars, including contact details, relevant expertise and qualification(s), and a full justification by the nominator(s).

7.4 The demographic profile and cultural composition of the Mbhashe Local Municipality must be reflected in the profile of the panel.

7.5 The nominee must have expertise, experience and a qualification in two or more of the following areas, history, culture, linguistics, town planning, toponymy, reconciliation and religion.

7.6 The panel will meet at the discretion of the Chairperson of the Committee.

7.7 The Chairperson of the Committee will invite representatives of the appointed external advisers to meetings of the Public Place and Street Names Committee to ensure continuity. The external advisers will however be only ex officio members of the meeting.

8. GENERAL POLICY PROVISIONS

- a) All matters concerning the naming of new streets vest in the Municipality and must be submitted in writing to the Department.
- b) Any person, community or organization within the boundaries of the Mbhashe Local Municipality is entitled to propose new names. These names must be forwarded to the Councillor of the ward in order to add the naming as an item on the Ward Committee meeting.

9. PROCEDURES FOR IMPLEMENTING POLICY

- 1) The Head of Department of his/her delegate must evaluate the proposed names against the provisions of this policy.
- 2) The Office of the Speaker will facilitate the public participation process as provided for in the Council's policy.
- 3) If no reply concerning the community's acceptance or non-acceptance of the names is received from the Ward Committee within 30 days from the day the request for acceptance of the names was sent, the names are deemed to have been accepted, and the Council is entitled to consider the proposals.
- 4) Any comments or objections regarding the proposed name changes must be forwarded to the Department for inclusion in the final report to the Council.
- 5) All names must be referred to the Panel of External Advisors by the Chairperson at his/her discretion: their comments, if any, must be included in the report to the Council
- 6) All names must be referred to Council for consideration.
- 7) Proposed names (on reports) could only be amended once proof of the correct spelling and the resource thereof has been received.
- 8) The relevant parties (municipal departments, the Surveyor – General and the developer or applicant) must be notified of approved names.

