

42/52

PROFILE AND ANALYSIS
DISTRICT DEVELOPMENT MODEL

SEDIBENG

DISTRICT MUNICIPALITY GAU

This region boasts several Heritage Sites related to the South African War of 1899-1902, the two World Wars, the Sharpeville Memorial Precinct and now building towards a developmental Metropolitan River City of choice.



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REPUBLIC OF SOUTH AFRICA



**STAY
SAFE**

SAVE SOUTH AFRICA

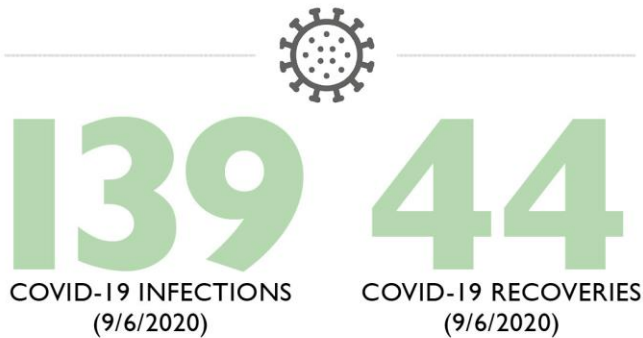
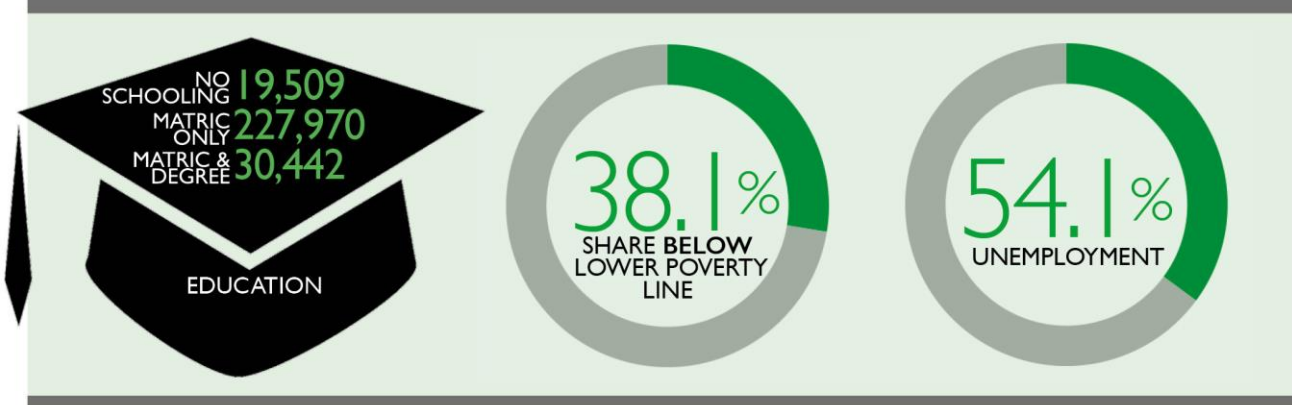
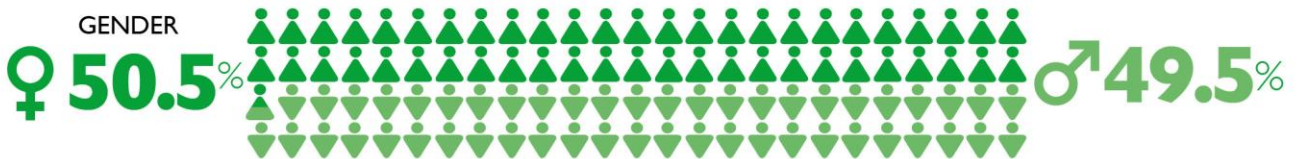


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SEDIBENG DISTRICT BY NUMBERS

1,039,908
POPULATION



THE VAAL RIVER & VAAL DAM MARK SEDIBENG



NEXT BIG THING
The Vaal River City which fosters industrialisation and tourism between the Sedibeng and Fezile Dabi Districts by taking advantage of the Vaal River and its tributaries

Executive Summary

The Sedibeng District is located in the southern parts of the Gauteng Province, and features three local municipalities. It features more than a wide variety of landmarks, such as the Vaal River (*constituting one of the most important sources of water in South Africa*) and Vaal Dam, the Suikerbosrand Nature Reserve, the Sasol refinery, the ArcelorMittal (previously ISCOR) factory, as well as the Emerald Casino and Safari Park.

At the centre of socio-economic challenges are the highest levels of unemployment, high inequality levels and the continuous poverty circle, with continued increase in the percentage of people living in poverty. However, it has one of the highest kidnapping rates and car theft crimes in South Africa (*Vereeniging ranked 23rd while Vanderbijlpark is ranked 15th*). Sedibeng had 11.2 deaths per thousand people in 2012 which rose to 11.7 deaths in 2016. High unemployment is the major contributor to the high crime rate, ranging from 32.2% to 50.2%.

Environmental quality has been an ongoing concern and mainly the pollution of water resulting from collapsed sewer network and this has had multiple effects on the socio-economy of the entire district (*halting development, affecting tourism, aqua-marine, fishing and other water sporting events etc.*)

In 2018, the manufacturing sector was the largest contributor to the regional economy, accounting for R 14.7 billion or 23.8% of the total GVA in the district's economy. The sector that contributes the second most to the GVA is the community services sector at 23.7%, followed by the finance sector with 20.5%. The sector that contributes the least is the agriculture sector with a contribution of R 668 million or 1.08% of the total GVA.

The largest part of the region, which is Emfuleni, is characterised by poor infrastructure such as a high number of potholes, sewer spillages, neglect of refuse collection and ageing road infrastructure. This is a reflection of poorly managed budgets as well as staff and skills shortages and clearly negatively impacts on infrastructure condition. The municipality is currently under Section 139(1)(b) of the Constitution for two years now and has regressed even further.

Sedibeng has the lowest cases of COVID-19 in Gauteng, at 139, with 44 recoveries and only recording the first death on the 9th of June.

The Vaal River Intervention and the Sedibeng Sewer Scheme remains the priority catalytic project to unlock socio-economic opportunities. This coupled with the prioritization of the urban renewal in the Central Business districts, especially Vereeniging as well as the critical (hard and soft) infrastructure such as tarring of

main roads, fixing of robots and streetlights, fixing of potholes, cleaning of the Vaal river, maintenance of parks and other related infrastructure to kick-start business investment and tourism. In the medium to long term, the Vaal river precinct provides immense opportunities for the development of a new economy with a potential to unlock additional socio-economic opportunities for the region. However, all of this depends on a functional municipality, which is Emfuleni that currently requires urgent and serious intervention from the national government.

The Growing Gauteng Together (GGT) 2030 states that where the regional economy has suffered significant deindustrialisation due to the collapse of the steel industry, government's goal will be to build a new economy in the Vaal, in both the Gauteng and Free State-side of the Vaal River. The GGT 2030 has identified the following catalytic investment projects in the Sedibeng District:

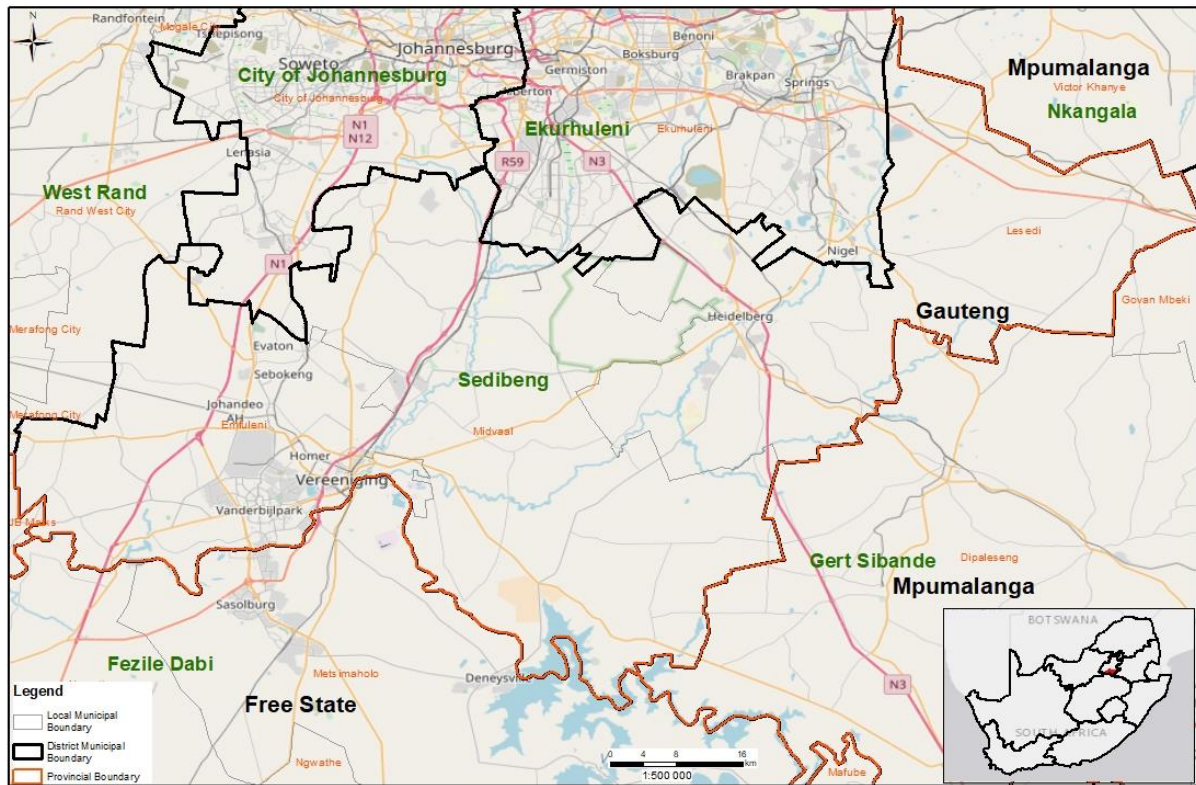
- The Savannah City.
- Vaal River City and the Vaal University Village precinct.
- A cargo airport and logistics hub.
- The Vaal Special Economic Zone.
- An AB InBev investment project.
- The Vaal Marina development and logistics and mining investments in Lesedi.
- The Gauteng Highlands projects.

1. Introduction: Brief Overview

1.1 Location

Sedibeng District Municipality (SDM) is a category C municipality, it derives its name from Sesotho meaning 'the place of the pool', on account of the Vaal River which is a water source for Gauteng and beyond. The District covers 4 173 km² and is Gauteng's Southern Corridor. It consists of three local municipalities: Emfuleni, Midvaal and Lesedi. Towns within these municipalities include Vereeniging, Vanderbijlpark, Meyerton and Heidelberg. Townships include Evaton, Sebokeng, Boipatong, Bophelong, Sharpeville, Nigel and Devon.

Sedibeng district municipality is surrounded by three provinces. Free State province to the south, Mpumalanga to the east and North West to the western part. This makes the district and its development critical to the three provinces since there is inward and outward migration to and from the surrounding provinces and the districts of Gert Sibande (Mpumalanga), Fezile Dabi (Free State) and Dr Kenneth Kaunda (Northwest).



SOURCE: COGTA/NCDM

1.2 Historical Perspective

Sedibeng has its seat in Vereeniging the venue for the signing of a peace treaty between the British and Afrikaner, in 1902 named after the town, which ended the second Boer War paving a way for the exclusive white self-governance of Transvaal by the Boer. This would eventually see the establishment of the Republic of South Africa almost 8 years later.

But this was long after the richly endowed district had established itself with stone artefacts dating beyond 1.5million years ago and engravings in the Vaal-Klip Valley which bear testament to the burgeoning ability of humankind to give pictorial form to experiences and ideas. The area in varied periods is claimed by both the Ba Sotho and Pedi as an area that once formed their great nations.

It is also the site of the Sharpeville Massacre where apartheid police opened fire and killed 69 protestors on 21 March 1960, during the Pass boycott, which became a turning point in the liberation struggle. Consequently, the 21st March is Human Rights Day in South Africa.

Also, in the build-up to democracy and during negotiations two separate acts of violence became turning points; the 12 January 1991 Sebokeng Massacre (where more than 30 people were gunned down by impis whilst attending a funeral) and the

17 June 1992 Boipatong Massacre (where armed men gunned down 46 residents in the dead of night).

Consequently, because of its history, the district became the venue for the signing of South Africa's Constitution on 21 March 1996.

It is also the iron and steel industrial hub for Gauteng housing Vanderbijlpark Steel (previously part of ISCOR (Iron and Steel Corporation), now part of the global company ArcelorMittal). This all dates back when Dr HJ van der Bijl, a brilliant young scientist working in the United States at the time, was called back to South Africa in 1920 by the then Prime Minister Jan Smuts to advise the government on planning South Africa's industrial development. Van der Bijl oversaw the Iron and Steel Corporation's first plant at Pretoria. However, the steel works began operating in 1947 in the town that was named after him and the town was proclaimed in 1949. The town attained municipal status in 1952 when Governor General Dr EG Jansen opened ISCOR's second steel works.

1.3 Spatial Status



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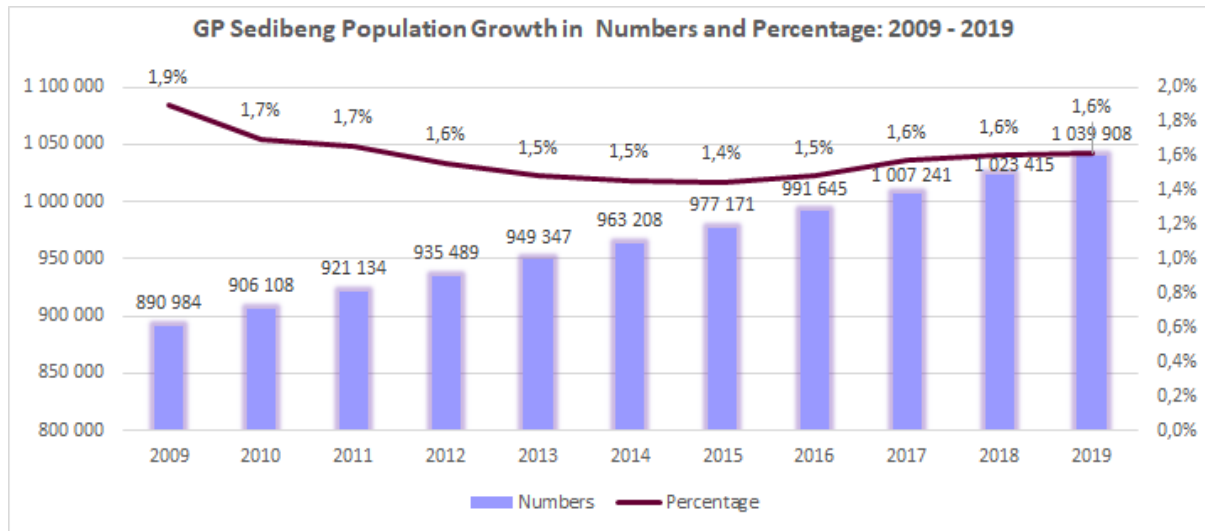
The Spatial Development Framework identifies key Primary, Secondary and Mixed Use Consolidation Nodes, which should be areas of strategic infill and high-density developments. The table below provides the categories of the nodes in the district.

Primary	Secondary	Mixed Use Consolidation
Vanderbijlpark Vereeniging Meyerton	Evaton Sebokeng Savanna City Waterval Elandsfontein	Heidelberg Ratanda Jameson Park

2. Social Development

2.1 Key Social Demographics

2.1.1 Population



Sedibeng District is home to 1 039 908 is 1.8% of South Africa's total population. Between 2011 and 2016, the population of Sedibeng increased by 4.5% from 916 484 to 957 528. The average growth was average 1.4 % growth between 2012 and 2016, and 1.6% between 2016 to 2019, indicating an increasing population size and inward migration flows.

2.1.2 Gender, Age and Race

50% of the residents are women. The median age in the District is 28, with over 62% of the population being of working age of between 18 and 64 years of age.

Age

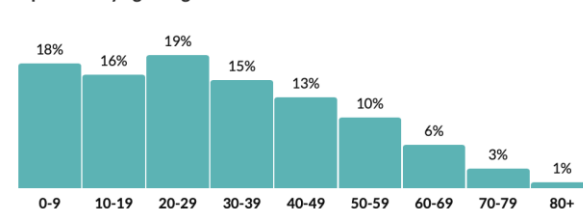
28

Median age

a little less than the figure in Gauteng: 29

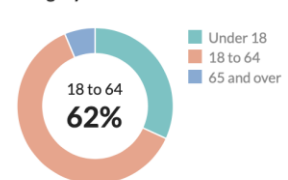
about 10 percent higher than the figure in South Africa: 25

Population by age range



Source: Community Survey 2016

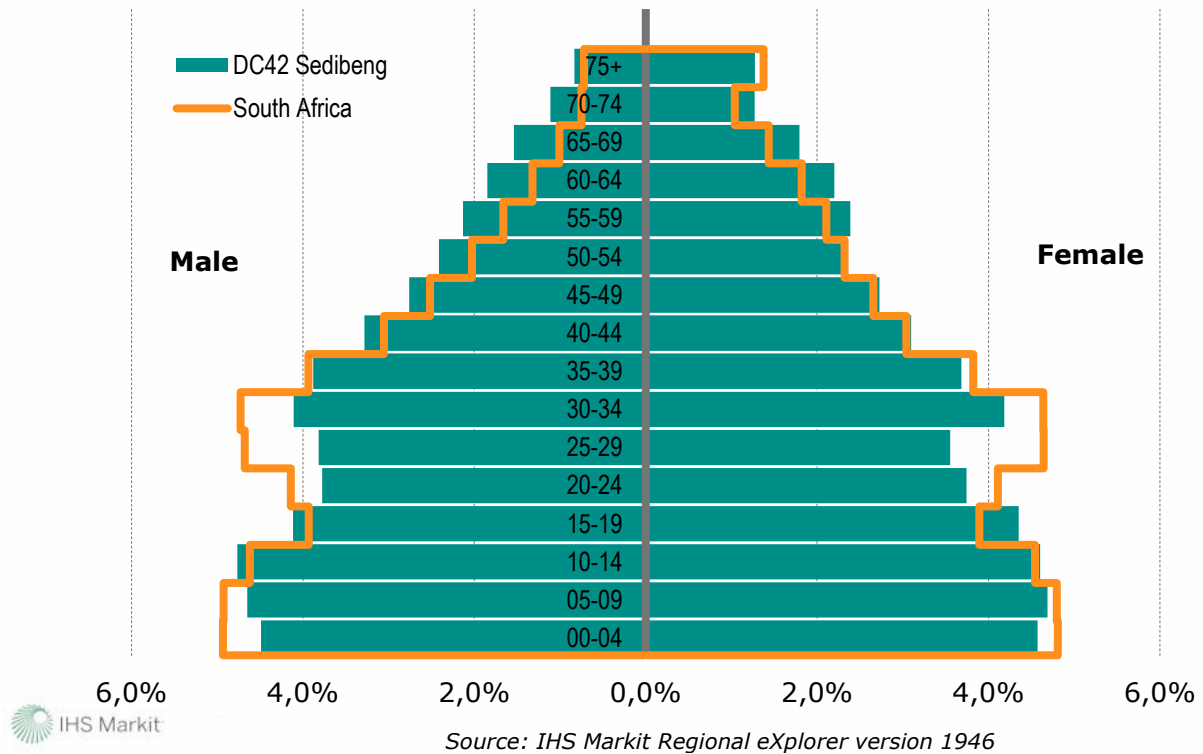
Population by age category



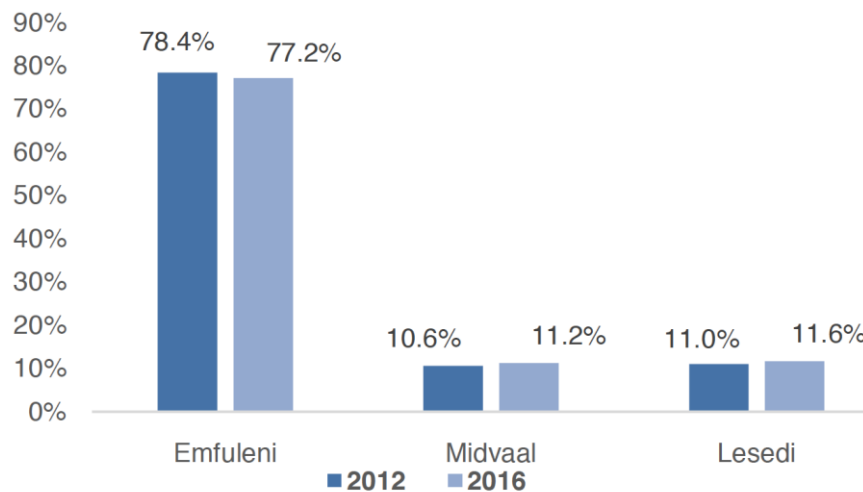
Source: Community Survey 2016

Significantly the District has proportionately more people above the age of 40 than the South Africa average with the exception of women above the age of 70.

Population structure, Total, 2019 DC42 Sedibeng vs. National



As shown below, 8 out of every 10 people in Sedibeng live in Emfuleni. The vast majority (more than 700 000 people) live in the black township areas especially Sebokeng and Evaton, making the black African population the largest in the District at 81%. 17% of the residents are white, 1% are Indians and 1% are coloureds.



Source: IHS Markit, 2017

2.1.3 Household

There are 330 826 Households in the Sedibeng District of which 12.3% are informal households.

Households

330 826

Households

less than 10 percent of the figure in Gauteng:
4,951,135L

less than 10 percent of the figure in South Africa:
16,923,307L

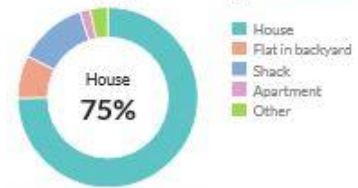
12.3%

Households that are informal dwellings (shacks)

about two-thirds of the rate in Gauteng: 17.74%

a little less than the rate in South Africa: 12.96%

Households by type of dwelling Chart Options



Source: Community Survey 2016

2.1.3.1 Child Headed

1 118 Households are headed by persons under 18 years old, with 20.5% Child-headed households that are informal dwellings (shacks), earning R2 400 average annual income.

Households headed by children under 18 years old

1 118

Households with heads under 18 years old

less than 10 percent of the figure in Gauteng:
15,241L

less than 10 percent of the figure in South Africa:
111,471L

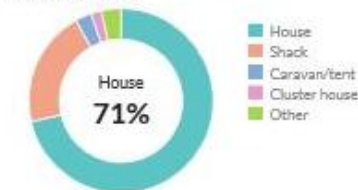
20.5%

Child-headed households that are informal dwellings (shacks)

about 80 percent of the rate in Gauteng: 25.92%

nearly double the rate in South Africa: 11.01%

Child-headed households by type of dwelling Chart Options



* Universe: Households headed by children under 18

Source: Community Survey 2016

2.1.3.2 Women Headed

Out of a total of 330 826 households in the Sedibeng, 29.9% are headed by women amounting to a total of 95 939 households.

Head of household

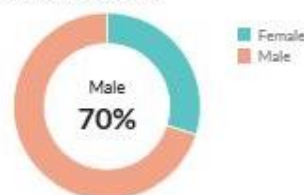
29.9%

Child-headed households with women as their head

about three-quarters of the rate in Gauteng:
40.93%

about 80 percent of the rate in South Africa:
38.18%

Head of child-headed household by gender Chart Options



* Universe: Households headed by children under 18

Source: Community Survey 2016

2.2 Health Profile

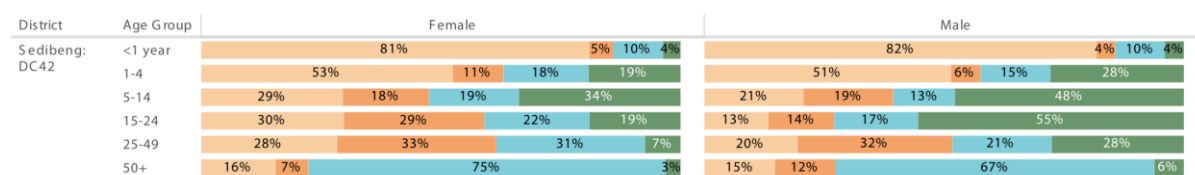
The leading causes of death for children under the age of 5 years are lower respiratory infections, diarrhoeal diseases and preterm birth complications. For males between the ages of 5 and 14 the leading cause of death is drowning (15%), whereas for females it is lower respiratory infection (18,5%). HIV/AIDS and

accidental threats to breathing are the second and third leading causes for females in that age category. Whereas for males it is lower respiratory infections and accidental threats to breathing.

For males between the ages of 15 and 24 the leading cause of death is interpersonal violence (22,3%), for females it is lower respiratory infections. The second and third causes of death for females in this category are HIV/AIDS (15,9%) and TB (15,8%). Whereas for males it is accidental threats to breathing and mechanical forces.

The top three leading causes of death for females between the ages of 25 and 64 are lower respiratory infections (18,2%), TB (12,7%) and HIV/AIDS (11,9%). Whereas for males it is TB (16,5%), lower respiratory infections (13,4%) and HIV/AIDS (10,4%).

For females above 65 the leading causes of death are cerebrovascular diseases (relating to the brain and its blood vessels), Ischaemic heart diseases, and hypertension. It is the same for males but for that lower respiratory infections are above hypertension.



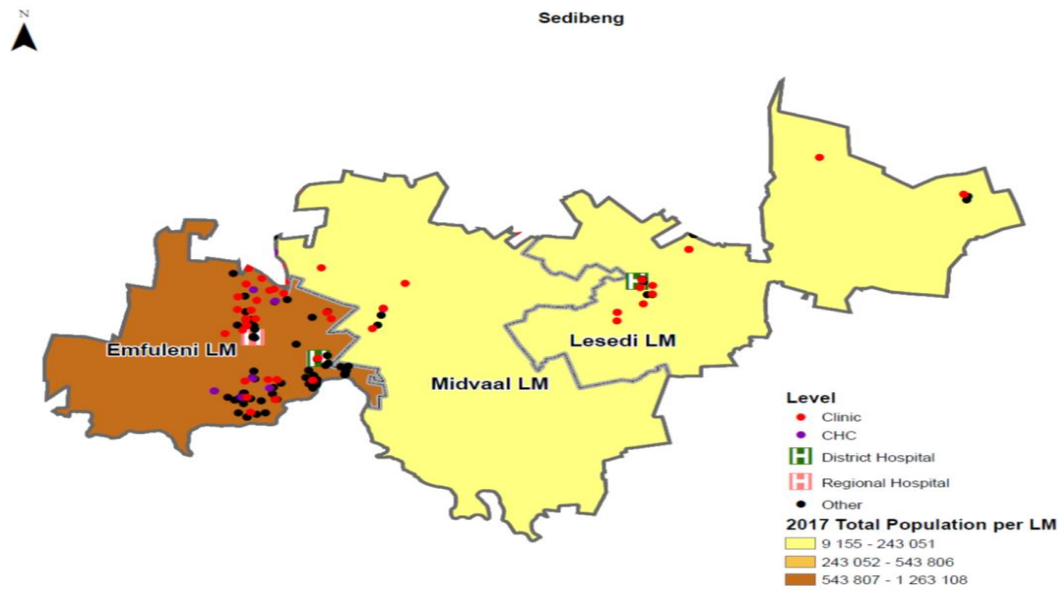
Source: Stats SA.

Broadcause
 Injury
 NCD
 HIV and TB
 Comm_mat_peri_nut

There are 33 clinics, 4 Community Health centres, 2 district hospitals and one regional hospital in Sedibeng.

Municipality	Ward Based PHC outreach Teams	Clinics	Community Day Centre	Community Health Centres	District Hospital	Regional Hospital	Other Hospitals
Emfuleni	55	20	1	4	1	1	6
Lesedi	14	8	0	0	1	0	2
Midvaal	5	5	1	0	0	0	1
Sedibeng	74	33	2	4	2	1	9

“FOR MALES BETWEEN THE AGES OF 15 AND 24 THE LEADING CAUSE OF DEATH IS INTERPERSONAL VIOLENCE (22,3%)”



Source: DHS

2.3 COVID-19

Sedibeng Covid-19 cases (10 June 2020)

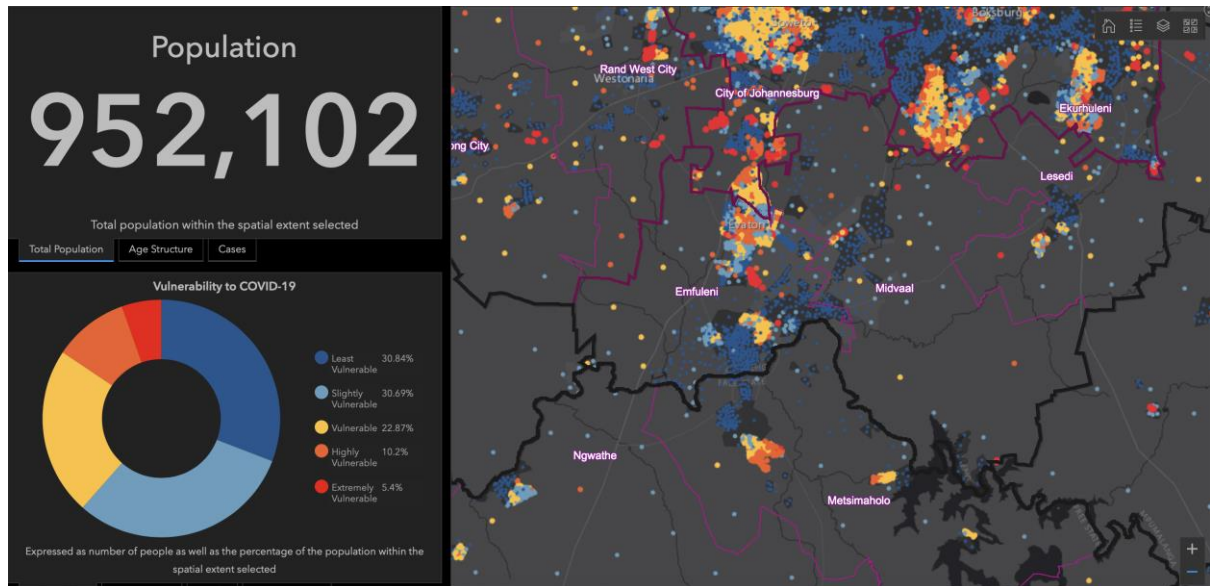
District	Total Cases	Total Deaths	Recoveries	Active
Sedibeng	139	1	44	95

Sedibeng has the lowest caes of the five districts thus far and only claimed its first fatality on the 9th of June.

The Council for Scientific and Industrial Research (CSIR) in collaboration with Albert Luthuli Centre for Responsible leadership have developed a set of COVID-19 Vulnerability Indicators using available data and knowledge. It identifies vulnerabilities present in communities and identifying areas in need of targeted coordinated interventions and early response. The purpose of the indicators is intended to support the early prevention/mitigation and preparedness phase of the disaster management cycle and informing disaster management decision making. It is not based on epidemiological modelling but a response to highlighting intervention areas due to underlying situation. The composition of the index follows two main factors, namely: transmission potential and health susceptibility.

Transmission potential areas identify areas that prevent social distancing to be practiced and where limitations of practicing good basic hygiene. The health susceptibility index denotes areas where large number of people are potential more susceptible to being adversely affected by COVID-10 due to factors such as age and underlying health conditions. The Sedibeng vulnerability profile is presented below.

The map shows low vulnerability areas (blue dotted areas) versus areas with higher vulnerability (red dotted areas)

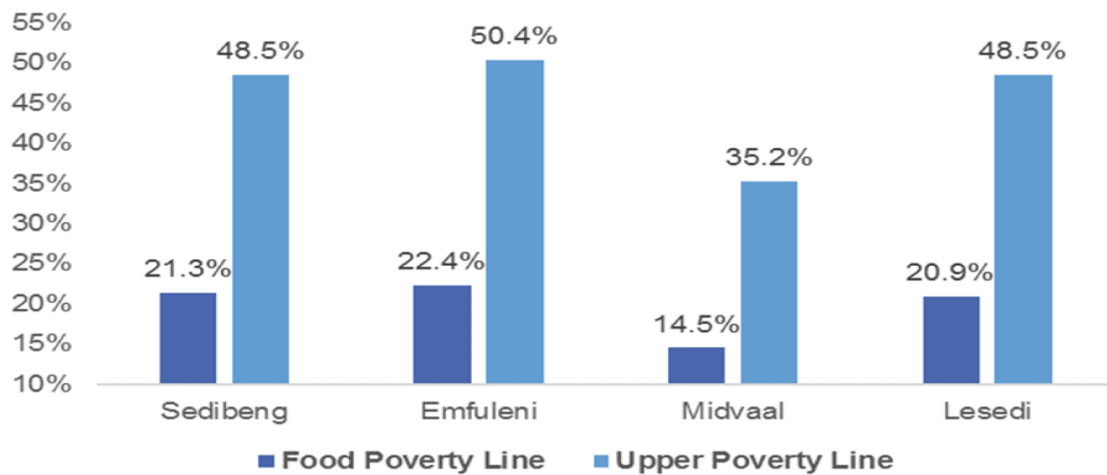


Consistent with vulnerability (including poverty and unemployment), limited access to healthcare, and population density the township areas in Emfuleni, which surround Evaton and Sebokeng display the highest vulnerabilities. In Midvaal it is Meyerton on account of relative density.

2.4 Poverty Dimensions

When using the food poverty line of R561 per person per month, the district and its regions tend to show relative lower proportions of residents in poverty. However, the upper poverty line of R1 227 per person per month shows that 48,5% of the population lives in poverty. All regions have shown an increase in the percentage of people living in poverty, with Emfuleni having the highest number of people living in poverty with over half of them living below the poverty line. Even though those that are living in Midvaal are relatively better of the percentage of people living in poverty has gradually increased by 4% annually over the past 20 years.

“WHEN USING THE FOOD POVERTY LINE OF R561 PER PERSON PER MONTH, THE DISTRICT AND ITS REGIONS TEND TO SHOW RELATIVE LOWER PROPORTIONS OF RESIDENTS IN POVERTY.”



2.4.2 Inequality

The Gini coefficient for Sedibeng indicates very little progress in reducing the level of income inequality that only improved from 0.630 to 0.635 between 2000 and 2017. In 2019 it 0.64. The improvement in health, especially life expectancy, has partly resulted into an improved reading of the HDI, over the years in Sedibeng, with any improvements in the educational achievement posing the potential to boost the regions HDI further.

2.4.3 Employment/Unemployment

Sedibeng District has experienced significant deindustrialization because of the decline in the steel industry which is one of the main employers in the district. This and other economic factors have had major negative effects on the region's economic growth rate resulting in high unemployment rate of 50.7% and a backlog of 120,218 job opportunities. Sedibeng region display some of the highest unemployment rates of between 34.2% and 56.2% in 2017 resulting in the highest poverty levels in the province of Gauteng. 42.6% (271 398) of the Sedibeng population is employed.

2.4.4 Crime

Sedibeng has one of the lowest crimes rate in the Gauteng and South Africa. However, Evaton (Emfuleni municipality) has one of the highest kidnapping rates in South Africa while Vereeniging and Vanderbijlpark (both in the Emfuleni municipality) has one of the highest car theft crimes in South Africa (Vereeniging ranked 23rd while Vanderbijlpark is ranked 15th) according to Crime Stats SA. In terms of crime rate as analysed and released by the South African Police Service, the following analysis was recorded for the 2017/18 – 2018/19:

- Total contact crime (Crimes against persons) – decrease of 5.3%. This include crimes such as Murder, Attempted Murder, Assault GBH, Common Assault, Robbery Aggravating and Common Robbery.
- Property related crimes (Burglary residences, Burglary Businesses, Stock theft, Theft of motor vehicles, Theft out of motor vehicles) – decrease of 10.4%
- Drugs related crimes increased by 29.8%, however; visible policing, awareness and educational crime prevention campaigns showed a positive impact with a decrease of about 14.1% in driving under the influence of drugs and/or alcohol.
- There is an increase of carjacking and truck hijacking of about 11.5% and 19.6%, respectively
- House robbery increased by 18.1%, whilst business robbery decreased by 22.2%
- Sexual assault increased by 4.9%, and though there was a slight decrease of 0.7% of rape incidents, there was an increase of 38.9% of attempted rape cases recorded.
- Businesses are also responding satisfactorily to crime prevention initiatives, and as a result; a decrease of about 14.6% has been recorded.

2.5 Education and Skills Profile

Sedibeng Local Municipality has a total of 9 combined, 3 intermediate, 149 primary schools and 82 secondary schools. At tertiary level the region hosts 8 tertiary institutions and 18 (other) colleges. 75.5% (480 664) Completed Grade 9 or higher and 47.3% (300 895) Completed Matric or higher.

While 4% of people in the district do not have any education, only 44% has primary school while 39% has matric. Only 4% of people in the district have an undergraduate qualification. All in all, the district has low skill levels which the majority of the population having only some primary qualification.

Educational level

75.5%

Completed Grade 9 or higher

a little less than the rate in Gauteng: 78.66%

a little higher than the rate in South Africa: 71.77%

47.3%

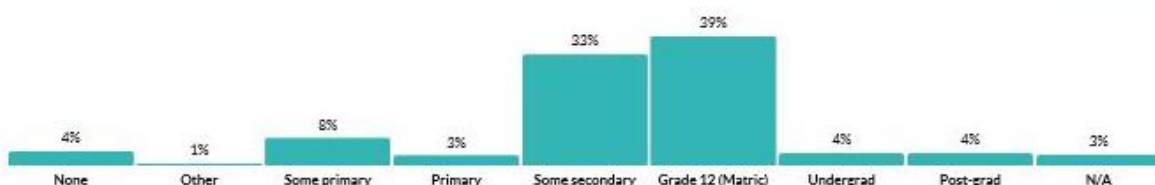
Completed Matric or higher

about 90 percent of the rate in Gauteng: 52.43%

about 10 percent higher than the rate in South Africa: 43.37%

Population by highest educational level

Chart Options



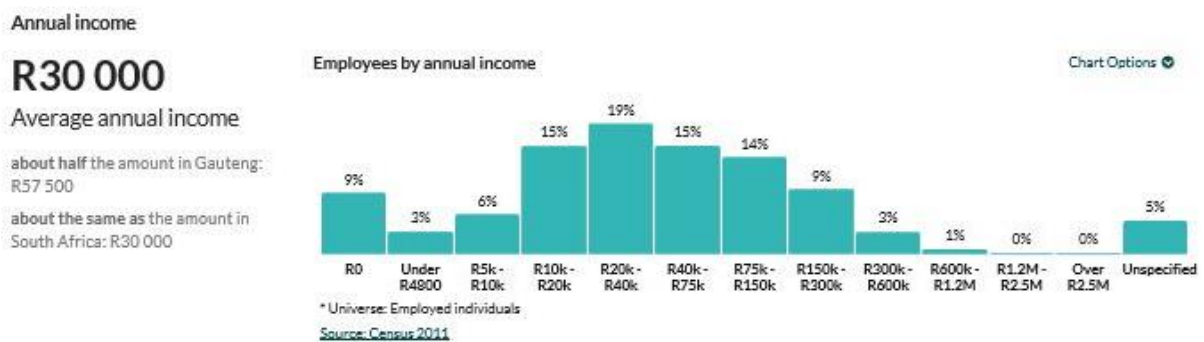
* Universe: Individuals 20 and older

Source: Community Survey 2016

3. Drivers of the Economy

3.1 Structure of the Economy

According to the graph below, the total annual average income in the Sedibeng district is R30 000. There is 9% of people in the district who do not earn any income. 24% of the economically active population earns between R4800 and R20 000 per annum, while a further 34% earns between R20 000 and R75 000 per annum.



The economy of Sedibeng District is made up of various components such as agriculture, mining, manufacturing, electricity, construction, trade, transport and finance.

Sector	2008	2013	2018	Average Annual growth
Agriculture	0.38	0.39	0.41	0.82%
Mining	0.62	0.67	0.62	0.04%
Manufacturing	11.38	10.58	10.33	-0.97%
Electricity	1.51	1.75	1.71	1.23%
Construction	1.16	1.48	1.57	3.06%
Trade	3.75	4.46	4.79	2.50%
Transport	2.53	2.83	3.07	1.95%
Finance	7.81	8.56	9.35	1.81%
Community services	7.07	8.41	8.90	2.33%
Total Industries	36.21	39.12	40.75	1.19%

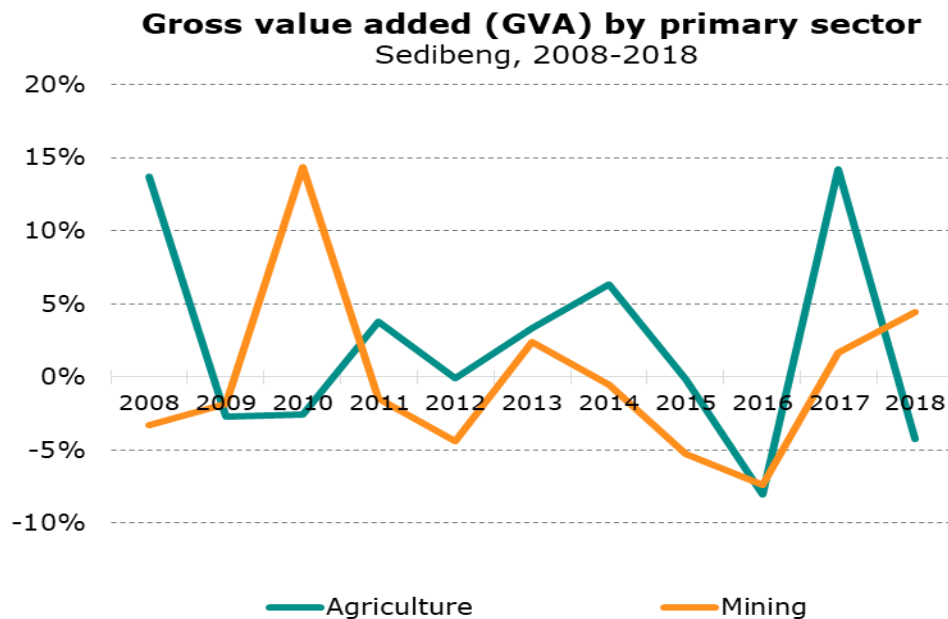
Source: HIS, 2018

An overview of a period from 2008 to 2018 indicates that the Growth Value Added (GVA) in the construction sector had the highest average annual growth rate in Sedibeng at 3.06%. The industry with the second highest average annual growth rate is the trade sector averaging at 2.50% per year. The mining sector had an

average annual growth rate of 0.04%, while the manufacturing sector had the lowest average annual growth of -0.97%. Overall a positive growth existed for all the industries in 2018 with an annual growth rate of 0.30% since 2017.

3.2 Primary Sector

Within Sedibeng District, the primary sector consists of agriculture and mining that are considered two broad economic sectors in the region.



Source: IHS Markit Regional eXplorer version 1803

The average growth rate in the GVA for both agricultural and mining sectors from 2008 to 2018 in Sedibeng District is depicted in the graph above. Between 2008 and 2018, the agriculture sector experienced the highest positive growth in 2017 with an average growth rate of 14.2%. The mining sector reached its highest point of growth of 14.3% in 2010. The agricultural sector experienced the lowest growth for the period during 2016 at -8.1%, while the mining sector also had the lowest growth rate in 2016 and experienced a negative growth rate of -7.4%. While both the agriculture and mining sectors contribute immensely to the GVA, these are generally characterised by volatility in growth over the period.

3.3 Secondary Sector

The Sedibeng DM has a significant manufacturing presence, with a share of 32% of total GVA-R. Due to its focus on manufacturing, the district is vulnerable to issues common to the country as a whole, such as electricity supply constraints and labour unrest. At 16% and 15% respectively, finance and community services also account for a large portion of the Sedibeng district economy.

According to IHS Global 2018, the manufacturing sector experienced the highest positive growth in 2010 with a growth rate of 5.5% between 2008 and 2018. The construction sector reached its highest growth in 2009 at 13.8%. The manufacturing sector experienced its lowest growth in 2018 of -17.8%, while construction sector reached its lowest point of growth in 2018 with -1.9% growth rate. The transport sector reached its highest point of growth in 2014 at 5.0%.

The manufacturing sector has a potential to be the largest sector within the Sedibeng District in 2023, with a total share growth of 24.9% of the total GVA (as measured in current prices), growing at an average annual rate of 1.0%. The construction sector is expected to grow by 1.64% in 2023 at an annual growth rate of 0.91% per annum. The transport sector is anticipated to have a slightly higher growth of 1.64% in 2023 with annual rate of 2.15% compared to construction sector.

During the period 2008 to 2018, the number of bed nights spent by domestic tourists decreased at an average annual rate of -2.97%, while in the same period the international tourists had an average annual increase of 8.71%. The total number of bed nights spent by tourists increased at an average annual growth rate of 3.44% from 1.91 million in 2008 to 2.68 million in 2018.

3.4 Tertiary Sector

The Sedibeng DM tertiary sector, which includes finance and business services, trade and retail, government services, and transport, accounts for most economic activity (63.6%) within the district. This is followed by the secondary sector (34.1%) which comprises of manufacturing, electricity and construction, and the primary sector (2.3%), which includes agriculture and mining. The local municipalities are characterised by a similar sectoral contribution profile

This sector entails finance, retail, government services, community social and personal services. The retail sector experienced the highest positive growth in 2011 with a growth rate of 6.1%. The finance sector experienced the highest growth rate in 2017 with 3.0% and recorded the lowest growth rate in 2010 at 0.9%. The trade or retail sector had the lowest growth rate in 2008 at -3.0%. The community services sector, which largely consists of government, experienced its highest positive growth in 2011 with 6.1% and the lowest growth rate in 2018 with 0.3%.

It is anticipated that the finance sector in Sedibeng District will likely grow fastest at an average of 2.16% annually from R 9.35 billion to R 10.4 billion in 2023. The manufacturing sector is estimated to be the largest sector in 2023, with a total share of 24.9% of the total GVA (as measured in current prices), growing at an average annual rate of 1.0%. The sector that is estimated to grow the slowest is the mining sector with an average annual growth rate of -3.52%.



4. Service Delivery

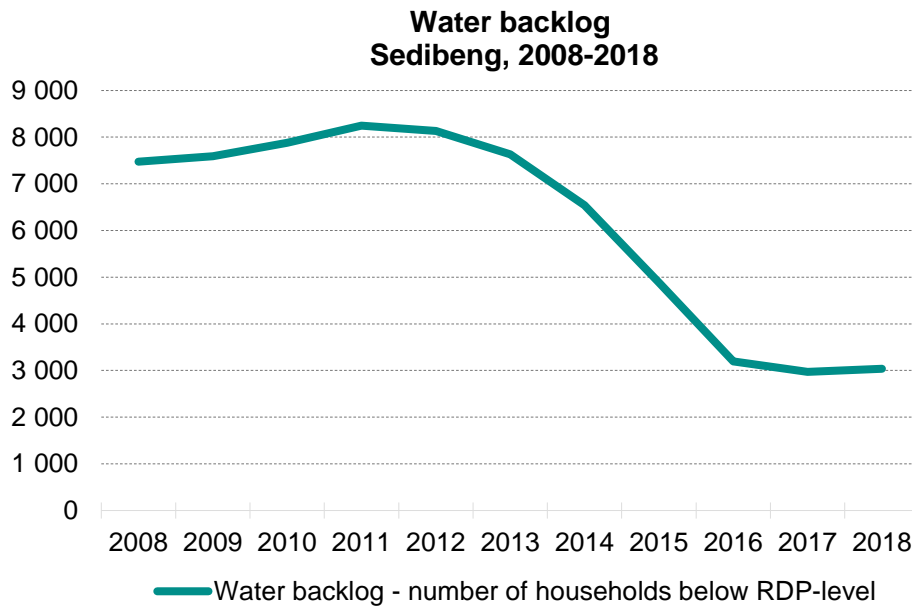
The table below indicates the while service delivery challenges still remain in the district, over time, i.e. since 1996, the Sedibeng District have seen some improvements. Sanitation in the district has improved from 84.6% in 1996 to 90.6% in 2015. Water infrastructure has improved from 94.9% to 96.4%. Electricity connections has improved from 85% to 86.5% and waste removal has improved from 59.7% to 89.2%.

Household access to Infrastructure	Year	Emfuleni	Midvaal	Lesedi	Sedibeng
Sanitation: share of households with Hygienic toilets (%)	1996	86.0%	82.1%	74.0%	84.6%
	2011	90.6%	83.3%	88.2%	89.5%
	2015	90.9%	88.2%	91.0%	90.6%
Water infrastructure: share of households with piped water at or above RDP-level (%)	1996	96.4%	87.2%	89.0%	94.9%
	2011	96.9%	90.1%	94.1%	95.9%
	2015	97.6%	88.6%	95.6%	96.4%
Electricity connections: share of households with electrical connections (%)	1996	88.0%	78.4%	62.7%	85.0%
	2011	91.5%	78.1%	84.2%	89.3%
	2015	88.8%	74.9%	82.6%	86.5%
Refuse removal: share of households with formal refuse removal (%)	1996	58.8%	53.4%	75.6%	59.7%
	2011	89.4%	82.7%	86.2%	88.3%
	2015	90.2%	83.2%	88.1%	89.2%

“ACCORDING TO IHS GLOBAL 2018, THERE WERE 235 000 (OR 73.44%) HOUSEHOLDS WITH PIPED WATER INSIDE THE DWELLING”

4.1 Water and Sanitation

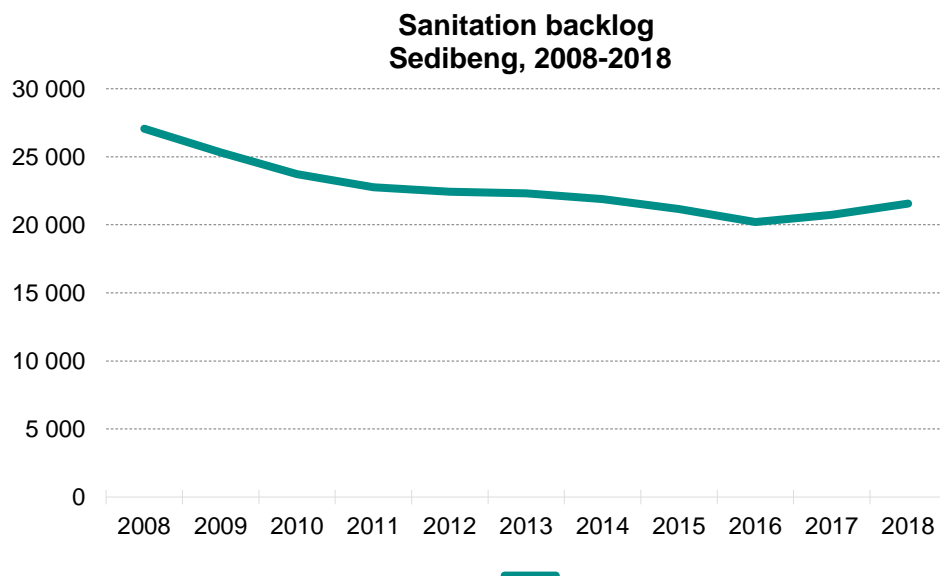
According to IHS Global 2018, there were 235 000 (or 73.44%) households with piped water inside the dwelling, a total of 72 000 (22.46%) households had piped water inside the yard and a total number of 582 (0.18%) households had no formal piped water.



Source: IHS, 2018

An overview of water backlog considering the number of households below RDP-level over time, shows that in 2008 the number of households below the RDP-level were 7 470 within Sedibeng District, this has since decreased annually at -8.61% per annum to 3 040 in 2018.

As in 2018, Sedibeng District had a total number of 297 000 flush toilets (i.e. 92.81% of total households), 1 480 (i.e. 0.46%) Ventilation Improved Pit (VIP) and 16 000 (i.e. 4.98%) of total households pit toilets.

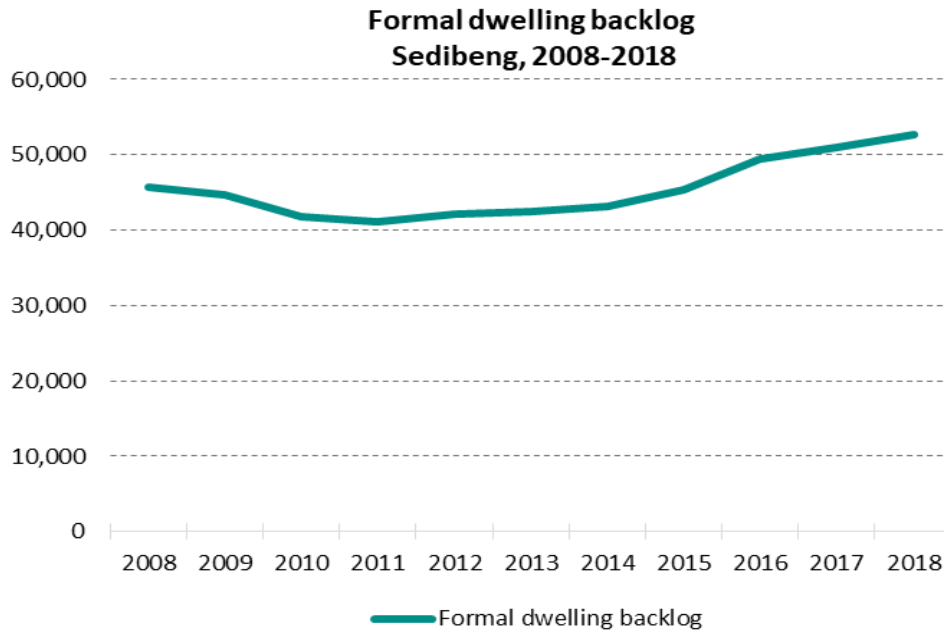


Source: IHS, 2018

The sanitation backlog (number of households without hygienic toilets) over time from 2008, the number of households without any hygienic toilets in Sedibeng District was 27 100. This decreased annually at a rate of -2.25% to 21 600 in 2018.

4.2 Human Settlements

According to *IHS Global 2018*, Sedibeng District had a total number of 208 000 (64.76% of total households) very formal dwelling units, a total of 60 300 (18.81% of total households) formal dwelling units and a total number of 35 600 (11.10% of total households) informal dwelling units.



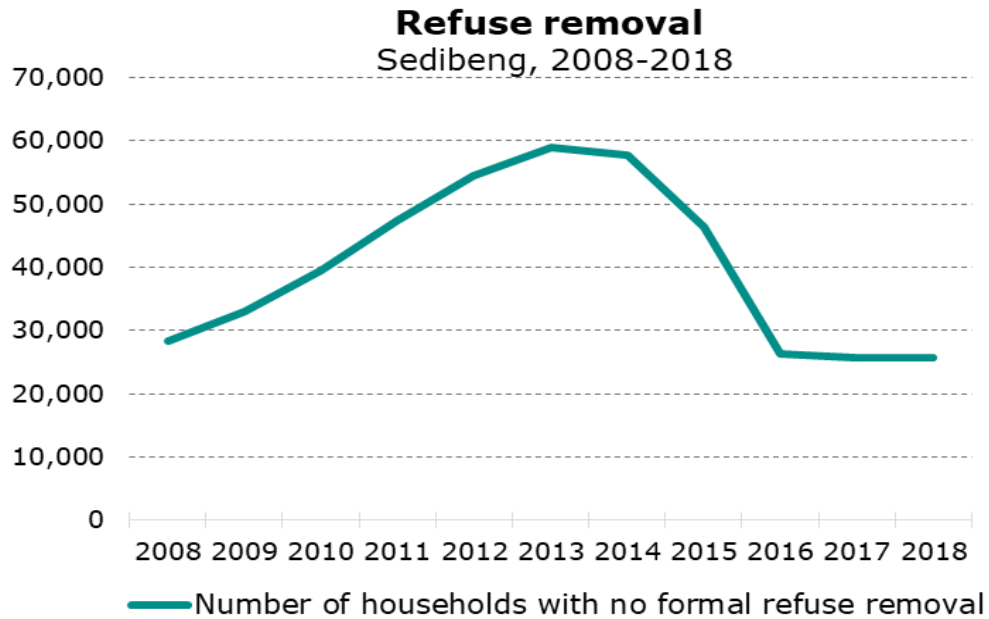
Source: IHS, 2018

When looking at the formal dwelling unit backlog (number of households not living in a formal dwelling) over time, it can be seen that in 2008 the number of households not living in a formal dwelling were 45 700 within Sedibeng District. From 2008 this number increased annually at 1.42% to 52 600 in 2018. The total number of households within Sedibeng District increased at an average annual rate of 1.95% from 2008 to 2018, which is higher than the annual increase of 2.13% in the number of households in South Africa

4.3 Waste Management

As indicated by *IHS Global 2018*, Sedibeng District had a total number of 292 000 (91.00%) households which had their refuse removed weekly by the authority. A total of 3 090 (0.97%) households had their refuse removed less often than weekly by the authority, while a total number of 15 200 (4.74%) households had to remove their refuse personally (own dump).

Recent service delivery challenges within Sedibeng District have affected the rate of waste collection in the area. However, as in 2018 the municipality within Sedibeng with the highest number of households where the refuse was removed weekly by the authority was Emfuleni Local Municipality with 226 000 or a share of 77.65%. This rate has dropped significantly as observed in waste disposed in various open spaces within Emfuleni municipal area.



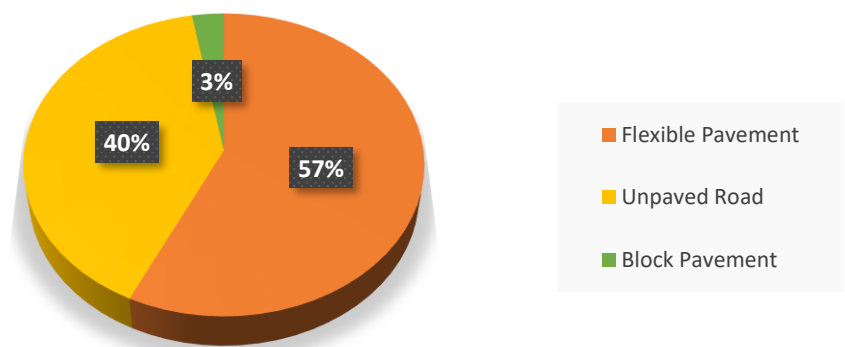
Source: IHS 2018

From 2008 the number of households with no formal refuse removal in Sedibeng District was 28 400. However, this decreased annually at -0.96% per annum to 25 800 in 2018. This figure is expected to rise in view of service delivery challenges especially in Emfuleni Municipality.

4.4 Roads and Transport

Sedibeng District road network is essential to economic development, township development, mobility, public transport and many other living standards in the area. There is a growing concern that the condition of the road network in the district is continuously declining due to poor workmanship on new construction and lack of maintenance.

Sedibeng District Total Road Network



Source: RRAMS Business Plan 2019-20

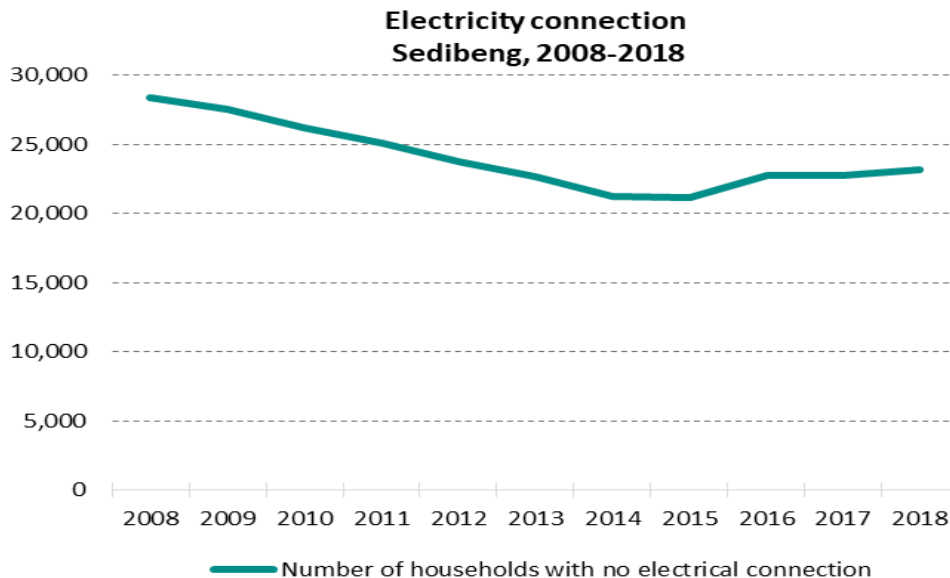
According to RRAMS Business Plan 2019-20, Sedibeng District has a total road network extent of 4 375km with flexible pavement of 2 500km (57,1%), unpaved road amounting to 1 754km (40,1%) and block pavement of 121km (2,8%).

The estimated budget for routine road maintenance in Lesedi LM is R59m for a total length of 107,019km, In Midvaal LM, the probable budget for routine maintenance on 734,683km of road length is R93m while that of Emfuleni LM is estimated at R289m for a total road length of 1 794,037km.

According to Sedibeng Travel Household Survey 2014, the non-motorized transport (NMT) was found predominant (45%) in SDM. A significantly high NMT was noted in Midvaal Rural West (60%), Lesedi Rural (53%) and Emfuleni Urban (48%) and so was public transport usage. Private transport mostly used in the high income areas of Midvaal Rural East (73%), Emfuleni Rural (63%) and Lesedi Urban (41%). Conversely, public transport usage in Midvaal Rural East and Emfuleni Rural was lowest at 13%.

4.5 Electricity

In 2018, according HIS Global, Sedibeng District had a total number of 5 970 (1.86%) households with electricity for lighting only, a total of 291 000 (90.91%) households had electricity for lighting and other purposes. A total number of 23 200 (7.23%) households did not use electricity.



Source: IHS, 2018

The number of households with no electrical connection over time from 2008, in Sedibeng District was 28 400. This decreased annually at -2.00% per annum to 23 200 in 2018. However, the mushrooming informal settlements especially in the north western side of Emfuleni area will increase this backlog.

5. Governance And Management

5.1 Municipality Performance

Audit outcomes

Municipality	2017/18	2016/17	2015/16	2014/15
Sedibeng	Unqualified	Unqualified	Unqualified	Unqualified
Emfuleni	Unqualified	Unqualified	Unqualified	Unqualified
Lesedi	Unqualified	Unqualified	Unqualified	Unqualified
Midvaal	Clean audit	Clean audit	Clean audit	Clean audit

The district's spending on salaries was at 57.06% of operating expenditure in 2018, which is more than the 40% norm, and currently has a potential to default on salary payments. Emfuleni recorded underspending on Capital Budget of 34.91% between July 2017 and June 2018, spent 0% on maintenance in 2017 and 2018, however overspent by 25.1% of the operating budget in the 2018 financial year. 15.4% was spent towards salaries in 2018, which is lower than the norm, hence the non-expenditure and poor service delivery.

5.2 Municipal Capacity

The district municipality has a full complement of senior manager positions and has been relatively stable at senior management. Lesedi has 4 acting senior managers, 2 of which is the CFO and MM, having been vacant for over a year. However, the biggest municipality in the region, which is Emfuleni, has been facing instability at senior management level over a period of 3 years, the most part of which there were no senior managers, including the Municipal Manager. The post have been recently filled. This municipality is currently under Section 139(1)(b) intervention.

6. Projects to Diversify and Grow People and the Economy

6.1 Social Development Projects

The Vaal River City precinct proposed by the province in the Growing Gauteng Together strategy, proposes the building Vaal University student village within the same precinct. Some of the social development projects earmarked include the facilitation of Sports development programmes through stakeholders' involvement, Coordination and support Regional Arts and Culture programmes and others.

6.2 Spatial Development

The Gauteng Spatial Development Framework (GSDF) has identified Vereeniging, Vanderbijlpark and Sebokeng as key urban development nodes of provincial significance. These nodes are to be linked via movement networks such as rail and road. Emfuleni major roads and rail infrastructure are well developed; these traverse the area and are as follows:

- The N1 linking Pretoria with the Free State continuing to Cape Town to the south
- The K178 linking Vereeniging with the N1 and the North West Province to the west
- The K53 linking Vereeniging in the south with Johannesburg in the north
- The K59 linking Vereeniging with De Deur, Walkerville and Johannesburg to the north
- The rail line that links Vereeniging and Johannesburg to the north.

Similarly, the SDF of the Sedibeng identifies Vanderbijlpark, Vereeniging, Meyerton and Heidelberg towns as the primary activity nodes, offering the highest order and widest range of goods and services to other towns and settlements as well as the rural parts of the District. These are also represented as nodes in provincial context in terms of the SDF.

The secondary nodes are all in the process of development serving local/ surrounding communities. Some of these nodes are located at strategic intersections e.g. Sebokeng and De Deur, while others represent activity nodes along development corridors e.g. Walkerville and the Waterval node

Savannah City is a new emerging node along the broader N1 corridor in the southern parts of Gauteng while the Evaton node is proposed in order to stimulate some local economic activity in this residential area and to provide a range of convenience goods and services to local residents.

The secondary nodes above, together with Vanderbijlpark, Vereeniging and Meyerton primary nodes, represent the master framework of a future urban conurbation to be established in line with the Sedibeng Vision.

The Ratanda and Jameson Park nodes in Lesedi LM are also intended to perform a similar function by functionally consolidating with Heidelberg (the primary node). Devon/ Impumelelo and Kwazenzele/ Vischkuil are the other two secondary nodes in the SDM. The two rural nodes in the SDM include Bantu Bonke in the Midvaal LM area and Langzeekoegat in the Lesedi LM – both of which are classified as Agri- villages.

Sedibeng District Priority Nodal Hierarchy	
Primary Nodes	
<ul style="list-style-type: none"> • Vereeniging • Vanderbijlpark • Meyerton • Heidelberg 	
Secondary Nodes	
<ul style="list-style-type: none"> • Sebokeng • Evaton • De Deur • Walkerville • Savannah City • Waterval • Ratanda • Jameson Park • Devon/ Impumelelo • Kwazenzele/ Vischkuil 	
Rural Nodes	
<ul style="list-style-type: none"> • Langzeekoegat • Bantu Bonke 	

6.3 Infrastructure Projects

6.3.1 Vaal River Systems Intervention (VRIS)

The Vaal River Systems Intervention (VRIS) is part of a broader Regional Sanitation Scheme, which is based on 2005 recommendations and approvals by Presidential Infrastructure Co-ordinating Council (PICC) to establish an eighteen (18) Strategic Implementation Project (SIP): Water and Sanitation Infrastructure which has two focus areas:

- Projects to provide new infrastructure, rehabilitate and upgrade the existing infrastructure and
- Project to improve management of water infrastructure

The VRIS project is a special intervention by the Department of Water and Sanitation (DWS) supported by Department of Cooperative Governance & Traditional Affairs (COGTA), Gauteng Provincial Government, MISA with Rand Water and ERWAT as Implementing Agents.

The aim of the project is eradicating the Vaal River sewer pollution through rehabilitation and upgrade of sanitation infrastructure in Emfuleni and Midvaal Local Municipalities.

The total budget for undertaking this intervention in Emfuleni is estimated at R 1,1bn. To this effect, the DWS has prioritised this project and allocated an amount of

R241m in 2019/20 financial year through the National Treasury rollover process, to address pollution of the Vaal River System. National Treasury through DORA has allocated a further R750 mil towards the efforts to stop the sewer pollution into Vaal River.

6.3.2 Sedibeng Regional Sewer Scheme

Linked to the intervention is an upgrading programme known as the Sedibeng Regional Sanitation Scheme (SRSS), which is a multi-faceted sanitation project that aims to:

- Develop sustainable bulk sanitation capacity (including capacity of WWTW) in the Sedibeng region;
- Deliver effective solutions to prevent pollution of strategic national water resources and
- Unlock development projects and economic opportunities in the region that require sanitation services.

An approach that combines the intervention to address pollution of the Vaal river system and upgrading of sanitation infrastructure is the most viable that will result into the following:

- Eradication of sewer spillages within communities,
- Compliant effluent to Vaal river system,
- Unlocking development projects and economic opportunities in the region that require sanitation services.

A full scale project of this nature will derive for government maximum benefit in achieving intended service delivery objectives and restore human dignity to the community. Furthermore, it is anticipated that revenue of the Municipality will increase as a result of additional investment and new development opportunities into the Emfuleni area (e.g. Savannah City and River City).

The total budget for undertaking the capacity upgrades is estimated at R 5.7 billion, with a grand total of R 6.8 billion to implement both the projects (Vaal River System Intervention and the upgrade programme) to address pollution of the Vaal River System.

**“AN APPROACH THAT COMBINES THE
INTERVENTION TO ADDRESS POLLUTION OF THE VAAL
RIVER SYSTEM AND UPGRADING OF SANITATION
INFRASTRUCTURE IS THE MOST VIABLE”**

6.4 Economic Projects

The long term revitalization of the Southern corridor is to build a new economy in the Vaal, in both the Gauteng and Free State-side of the Vaal River. The Sedibeng's catalytic investment projects to this effect include:

- The Savannah City
- Vaal River City and the Vaal University Village precinct to include:
 - cargo airport and logistics hub
 - the Vaal Special Economic Zone
 - AB InBev investment project
 - Vaal Marina development and logistics and mining investments in Lesedi
 - the Gauteng Highlands projects



GREEN ECONOMY	Natural gas hub	Department of Energy/ Sedibeng	Feasibility required
	Waste to power plant: Renewable energy (proposed \$ 500 million plant)	Earth Sea Corporation Energy	Implementation
AGRO-TOURISM	Waterfront precinct- Waterfront developments	Sedibeng District	Feasibility required
	Sharpeville and Vereeniging Precinct Framework	Emfuleni LM	Implementation
	Vaal rehabilitation	Sedibeng District	EMP development
	Recreation megacity-precinct in Sharpeville	Sedibeng District	Planning stage

6.5 Environmental Forecast

The most sensitive areas relating to the natural environment include the northern and central more mountainous parts of the district area around Walkerville and Suikerbosrant; the main drainage systems running through the District with the (Vaal River) being the most prominent; and the high potential agricultural land in the north-eastern, central and western parts of the District. Apart from general protection, the functional linkage of these features by way of ecological corridors in order to facilitate movement of fauna and flora, is also of critical importance.

In terms of spatial extent agriculture is the dominant land use in the Sedibeng DM covering an area of about 340 418 ha of land which represents about 81% of the total district area. Approximately 97 674 ha is under cultivation (crop farming), 4662 ha is irrigated and about 238 079 ha is utilised for grazing. Farmers produce a variety of commodities within each of the local municipalities, of which their performance is very dependent on climatic conditions and may fluctuate from year to year. The following list indicates the dominant commodities within the SDM:

- Maize
- Grain
- Sorghum
- Wheat
- Soya
- Dried beans
- Ground nuts
- Sunflower seeds
- Vegetables
- Milk
- Beef
- Pork/goat
- Mutton
- Lamb
- Eggs
- Poultry

Tunnel/ shade net farming is concentrated around route N1 in the vicinity of the Vaal River and around the Walker Fruit Farms and Homestead Apple Orchards areas in the Midvaal area.

Cattle and chicken farming occur extensively throughout the municipal area with the Karan feedlot to the south-west of Heidelberg being a prominent facility. The Eskort pig abattoir is located in the Springfield industrial area in Heidelberg

**IN TERMS OF SPATIAL EXTENT AGRICULTURE IS THE
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REPRESENTS ABOUT 81% OF THE TOTAL DISTRICT AREA.**

Grain silos are mainly concentrated in the rural area between Meyerton and Heidelberg (four silos), and between Heidelberg and the north-eastern border of the study area (five silos). The Agri Park initiative was also introduced to the Sedibeng District during 2015/16.

Part of the objectives of the Agri-Park project were to identify the four most feasible commodities within the district. Based on the analysis, the three priority commodities identified for the Sedibeng DM include vegetable, broiler and production. A detailed analysis was conducted of the local, global, capital and commodity markets for each of the selected commodities. It was proposed that the Rietkuil Agri-Hub (AH) and Sebokeng Agri-Park (AP) will be located in the Sedibeng DM.

7. KEY RECOMMENDATIONS

7.1 Prioritise Integrated Development Plan

- (a) The Vaal river intervention project to fix the sanitation spillage and the related sewer scheme upgrading is probably the most urgent and priority project for the region, as it currently holds all kinds of development at ransom, from human settlements to business investment. Therefore, any plan to address the socio-economic challenges of the region must first deal with this challenge, urgently.
- (b) Intricately linked to the above (*a risk to any investments in the region*), is the intervention in the Emfuleni municipality (*which is the largest contributor to socio-economic development of the region*), which is supposed to be the key driver of these catalytic projects. However, the municipality is currently under Section 139(1)(b) for two years now, and has not shown any improvements. In the two years, the municipality has failed to spend millions in grants, including a funding by the Department of Water and Sanitation as well as the National Treasury to fix the sanitation challenges. This municipality should therefore be taken over by National government through Section 139(7) and prioritise its functionality whilst resolving the sanitation challenges for the long term sustainability of any investments into the Vaal.
- (c) Other critical interventions include the urban renewal which includes roads and storm water, parks, street lighting and so on to attract investment back into the Central Business District. This should further include related social infrastructure investment, the cleaning of Vaal pollution to revive tourism and the economy to boost employment creation measures.
- (d) With a significantly young population in the district, pressure will continue to be exerted on the region's social infrastructure as the demand for Early

Childhood Development facilities, schools, hospitals and overall social and bulk services.

- (e) Sedibeng needs to capitalise on its opportunities and link it with the job market to retain and attract people to the district.
- (f) Approximately a third of people living in poverty with the figures increasing. There is a mismatch between opportunities that exist in the region and skills and ingenuity to take advantage of available opportunities. Targeted interventions are needed within specific sectors to capitalise on sectors and sub-sectors to ensure the population adequately equipped with employment opportunities and skills to live meaningful lives.

7.2 Investor and Sponsorship opportunities

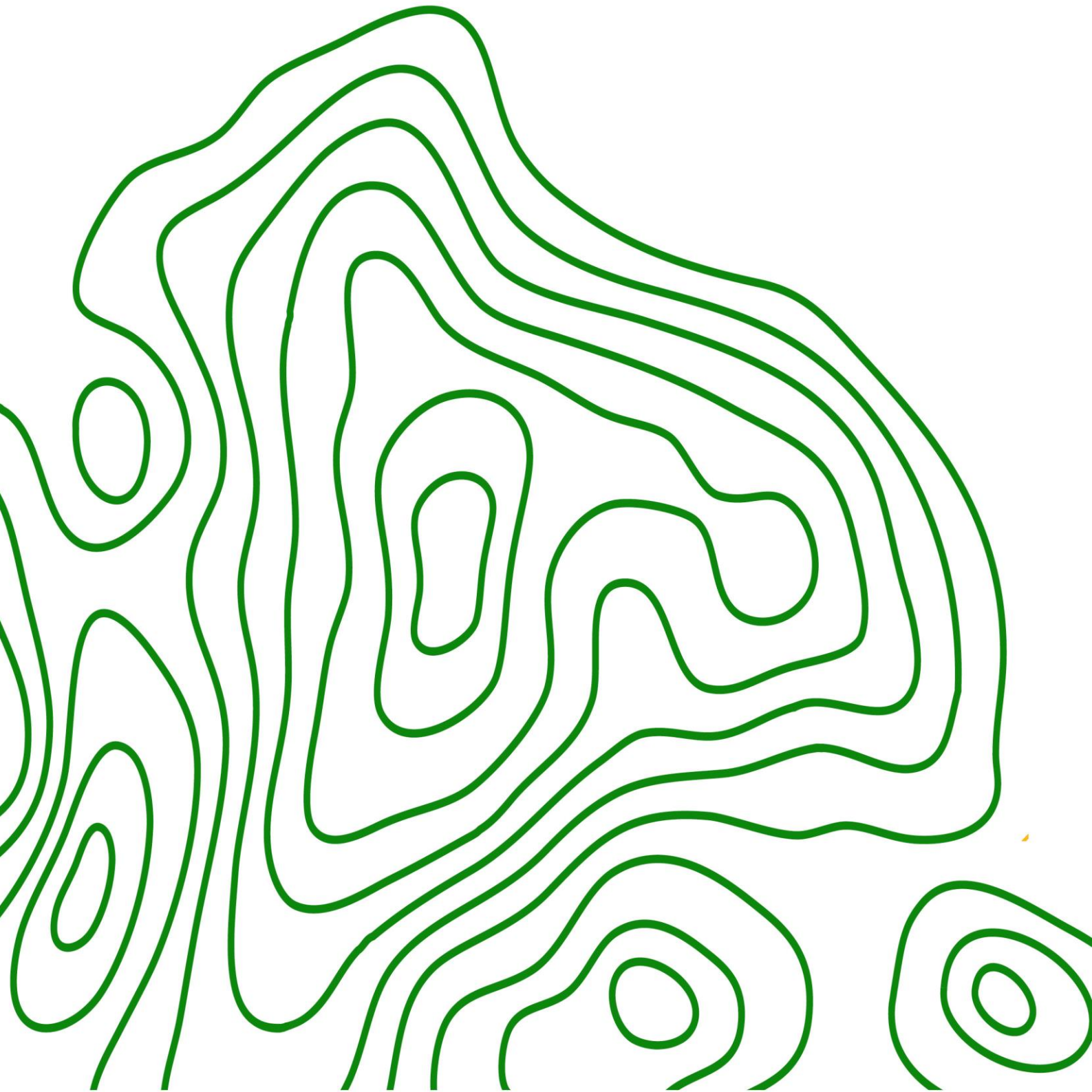
The province is looking to working with national government, the private sector, SOEs and universities to direct infrastructure initiatives and human capital development interventions towards the abovementioned economic programmes.

Investment opportunities also exist in the sanitation intervention, especially on the environmental clean-up of the river as well as other areas where no funding has been realized. Critically is the renewal of the main towns such as the Vereeniging CBD as well as other business centres, to attract more investment. The tourism potential can also be unlock through investment in hard and soft infrastructure and the sustainability of quality services, especially by Emfuleni municipality.

The Growing Gauteng Together (GGT) 2030 states that where the regional economy has suffered significant deindustrialisation due to the collapse of the steel industry, government's goal will be to build a new economy in the Vaal, in both the Gauteng and Free State-side of the Vaal River. The GGT 2030 has identified the following catalytic investment projects in the Sedibeng District:

- The Savannah City.
- Vaal River City and the Vaal University Village precinct.
- A cargo airport and logistics hub.
- The Vaal Special Economic Zone.
- An AB InBev investment project.
- The Vaal Marina development and logistics and mining investments in Lesedi.
- The Gauteng Highlands projects.

Gauteng government is working with national government, the private sector, SOEs and universities to direct infrastructure initiatives and human capital development interventions towards the same vision. Collectively, these projects will unlock over R20 billion investment into the Vaal economy.



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