

WE DEMAND:

A FAIR, EQUAL & JUST BUDGET

SUBMISSION BY THE SOCIAL JUSTICE COALITION ON THE
CAPE TOWN 2016/17 DRAFT BUDGET - 29 APRIL 2016



THE CITY OF CAPE TOWN'S

The City makes capital allocations to build sanitation infrastructure like **flush toilets**



Only **R15M**

is proposed for all 204 informal settlements in 2016

The capital allocation for informal settlements **DECREASED** from 2014 to 2016



R20m R18m R15m

UNFAIR BUDGET



21%

of households are informal but get only

1%

of capital allocations



Meanwhile the water and sanitation capital budget for the city increased from 2014 to 2016



R1.5 bn

R1.1 bn

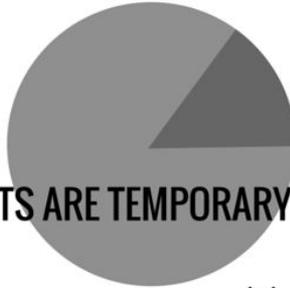
The City prioritises temporary services over

LONG TERM INFRASTRUCTURE



In four **Khayelitsha** communities:
CT Section, Enkanini, TR Section, RR Section

77%
OF TOILETS ARE TEMPORARY



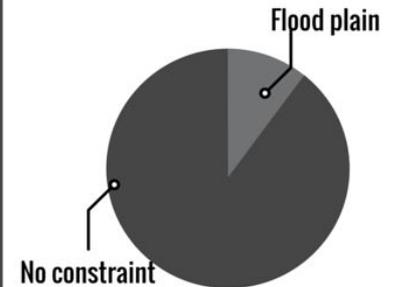
The City says it cannot install sanitation infrastructure because there are

constraints

But this is wrong

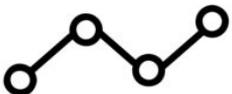
Constraints only affect a portion of each area and are not a barrier to infrastructure

E.g. Over 90% of CT Section informal settlement has no constraint



Over the long term temporary services are also the most

EXPENSIVE

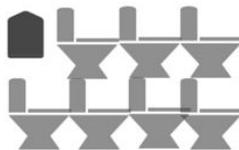


1 CHEMICAL TOILET

costs the same as installing and operating

9 FLUSH TOILETS

It is **IRRATIONAL** for the City to prioritise temporary, inferior toilets



Mayor de Lille

15M IS NOT ENOUGH!

Informal settlements need more resources for long term infrastructure

WE DEMAND



A FAIR, EQUAL & JUST BUDGET

Summary

On 31 March 2016, the Mayor of Cape Town, Patricia de Lille, tabled the draft 2016/2017 budget in Council and invited public submissions. This submission provides recommendations on sanitation capital allocations to informal settlements. In this submission we show that:

Capital spending for sanitation infrastructure is disproportionately low and declining:

- Direct capital allocations to informal settlements are extremely low and represent just 1% of the total water and sanitation capital budget.
- The allocations and share for informal settlements have decreased year on year, despite an increase in the total water and sanitation capital budget over the same period.

The City misrepresents the constraints to installing sanitation infrastructure in informal settlements in Cape Town:

- The City is providing toilets by increasing the number of temporary toilets.
- For this submission we focus in particular on CT Section, Enkanini, TR Section, and RR Section in Khayelitsha.
- Constraints only affect a portion of each area and are not a barrier to infrastructure.

Temporary services are irrational and unreasonable:

- Temporary, outsourced services are substantially more expensive than implementing long-term infrastructure such as flush toilets counting both capital and operating costs. This is the case even where there are constraints that need to be overcome.
- The City is choosing to implement temporary services in long-term environments, which is a violation of the constitutional rights of informal settlement residents.

Recommendations:

1. The Mayor must commit to implementing long-term sanitation infrastructure in CT Section, Enkanini, TR Section, and RR Section with the required increase to capital allocations for informal settlements in the 2016/17 budget.
2. Cllr Ernest Sonnenberg, MAYCO Member for Utilities Services, must publish a timeline for the development of a city-wide plan for implementing sanitation infrastructure in informal settlements in Cape Town, with the associated increases required for capital allocations for water and sanitation in informal settlements within the budget over the next three years.
3. The City of Cape Town must release a timeline for the development of a plan for the upgrading of Cape Town's informal settlements in terms of its obligations within the national Upgrading of Informal Settlements Programme (UISP).
4. The City of Cape Town must improve participation in the budget process through appropriate presentation of budget information, meaningful use of existing local mechanisms, and responding meaningfully to budget submissions.

“I AM EQUAL TO OTHERS”: TOILETS IN CAPE TOWN’S INFORMAL SETTLEMENTS

In Khayelitsha many residents of informal settlements do not have access to basic sanitation and are forced to share inadequate temporary facilities such as chemical toilets, container toilets, portable flush toilets (porta potties) and buckets.

A small number of residents have access to a full flush toilet that is shared amongst many people, and the vast majority have for years used temporary toilets. Many, who have no access at all, still use the nearest open field or bushes.

In his budget submission, Avela Sipiwo Mayekiso of BM, Khayelitsha, explains: “The bucket system that I use is unhealthy...I want [a] better service because I am equal to others...When you are doing the budget please consider me [and] the place that I stay in.”

Toilets are not safe. Azola Mgogo from Europe, Guguletu says, “It is difficult for us to use toilets at night because there are criminals who constantly target people on their way to the

**“...not Mshengu or the so-called ‘porta porta’ because these are of no use to human beings.”
- Xolani Mlonza**

toilets. We end up being forced to use buckets to relieve ourselves. I would like to ask the City of Cape Town to stop wasting money on outsourced toilets such as the Mshengu

chemical toilets and provide us with full flush toilets.”

Neliswa Tsengwa, of DT Section, explains, “I live in an informal settlement in Khayelitsha. I use Mshengu chemical toilets, I think it would be more beneficial for the City of Cape Town to provide us with full flush toilets because it currently spends more money on Mshengu toilets than on full flush toilets.”

CAPITAL SPENDING FOR SANITATION INFRASTRUCTURE IS DISPROPORTIONATELY SMALL AND DECLINING

Direct capital allocations for sanitation is money that is allocated to provide toilet infrastructure such as full flush toilets, connected to the City’s reticulation and sewerage systems. For the 2016/17 financial year the City’s total allocation for water and sanitation is R1,494,848,859.¹ This is an amount to cover both informal and formal areas in the City.

Out of this amount, only R15 million is allocated for direct capital allocations to the City’s 204 informal settlements for the 2016/17 financial year.² This represents just 1% of the City’s total allocation for capital spending on water and sanitation in Cape Town. This means that 21% of Cape Town’s households are getting just 1% of the capital water and sanitation budget.

The City is significantly increasing its total capital allocations to water and sanitation. Since 2014/15 it has increased from R1.1 billion to R1.5 billion. Yet during the same period, the allocations for informal settlements have in fact decreased by 25%. This is particularly disappointing given that in the 2015/16 adjustments budget - released in January and adopted in the 31 March council meeting - the City increased the 2015/16 capital allocation by R3 million.³ They further suggested that the R15 million allocation for 2016/17 was not enough and proposed that it be increased to R20 million, something they have failed to do in the 2016/17 draft budget tabled in March.

The share for informal settlements therefore also decreased, from 1.7% in 2014/15 to 1% in 2016/17. When adjusted for inflation, these small allocations decline further in real terms - this despite an average annual population growth of 2% in Cape Town’s informal households.

The City also allocates funds for bulk infrastructure, which is not included in the 1% share. These indirect capital allocations can be large. Bulk infrastructure is needed to increase the

capacity to provide full flush toilets. But without installing full flush toilet infrastructure in informal settlements, any new capital spending on bulk infrastructure is not in fact benefitting informal settlements. Also, there are only a select number of bulk facilities that service informal areas and bulk spending would need to be allocated to these facilities to provide any benefit to informal settlements.

THE CITY MISREPRESENTS THE CONSTRAINTS TO INSTALLING LONG-TERM SANITATION INFRASTRUCTURE IN INFORMAL SETTLEMENTS

The City's Informal Settlements Development Matrix shows that about two-thirds of informal settlements are older than 15 years. Around a quarter are older than 20 years. However, 73% of all toilet technologies provided to informal settlements are temporary,⁴ undignified, unsafe services meant for emergency environments, such as porta-pottis, bucket, chemical and container toilets.

In 2014 for example, the City awarded a contract of R205 million to a private service provider for the provision of chemical toilets over a 22-month period. They allocated only R38 million for full flush toilets over these two years.⁵

Across four communities in Khayelitsha - CT Section, Enkanini, TR Section, and RR Section - 77% of toilets are temporary and just 23% are full flush.⁶

The City argues that it cannot increase capital allocations and sanitation infrastructure because of constraints present in informal settlements, such as floodplains or railway buffers. In 2015, Councillor Ernest Sonnenberg, Mayco member for Utility Services, said that "up to 82% of informal settlements are either fully or partially affected by one or more of the above-mentioned constraints". Using this logic, he concluded, "Put simply, the City has already installed almost all the toilets and standpipes it is allowed to and can, meaning that large capital

allocations for the forthcoming year are not necessary."⁷

Deputy Executive Mayor Ian Neilson stated subsequently: "After careful consideration and calculation, we believe that the capital budget for informal settlement sanitation is sufficient for what can currently be achieved."⁸

"The City's own data on constraints in informal settlements however contradicts this logic."

When requesting further information on these constraints Cllr Sonnenberg stated:

"please be advised that the following informal settlements are each to some degree, encumbered by at least one constraint (not including high density) that prevents the City from being able to install permanent sanitation infrastructure on the land at this point in time" In that list (made up of 156 settlements) he included the four communities: CT Section, Enkanini, TR Section, and RR Section.⁹

Cllr Sonnenberg identifies the presence of a single constraint as a justification that the City is prevented from installing permanent sanitation infrastructure in the entire area - regardless of whether it affects 1% of an area or 70% of an area and regardless of the nature of the the constraint (a practical constraint or simply a cost constraint).

CT Section is roughly 20 years old.¹⁰ According to the City's data,¹¹ just 8.5% of CT section has a constraint: 7.5% is in a flood plain, 1% on a metro roads buffer. It is categorised as B2 by the City in the Informal Settlements Matrix, meaning that it is on provincial or national land with environmental challenges, but can be upgraded and does not require relocations. This means that more than 90% of CT Section is not affected by the constraints that the City says prevents the installation of full flush toilets.

Enkanini is just over 10 years old. Less than 10% of Enkanini has constraints: 2% is on metro roads buffer, 7.7% on a railway buffer. Neither privately owned land nor flood plains is a constraint in this area. Enkanini is categorised as A2 by the City, meaning that the City itself thinks that the area is suitable for upgrading.

TR Section is between 15 and 20 years old. Small portions of the area are affected by constraints such as metro road buffers. TR has two main constraints that would impact on the provision of sanitation in the area. First, 53% of the area is on privately owned land. Second, a small portion, 6%, is in a flood plain. TR is also categorised as A2, and so it can be upgraded.

RR section is over 20 years old. RR section is categorised as C by the City, ultimately requiring relocation, and yet this settlement has been in this area for over 20 years. RR is identified by the City as having numerous constraints. However, most of these can be overcome and have been in the past. There are however two main constraints that do impact on the provision of sanitation. The first is that 15% is located on privately owned land. The second, and less significant constraint is that a very small portion of RR, 3%, is in a flood plain.

In addition, none of these four areas are included in the list of settlements identified by Cllr Sonnenberg as being subject to extremely high density which he claims would prevent long term infrastructure.¹²

In CT and RR, the floodplains in fact affect a small portion of the area. It is possible to provide the affected households with access to full-flush toilets located on the periphery of the flood prone area, such as in toilet banks or ablution blocks. If necessary it is also possible to build full flush toilets in the flood prone area with some slight alterations to the engineering specifications of the pipes and other infrastructure, which would have cost implications as dealt with below.¹⁵ That said, the fact remains that the majority of these areas are not affected by this constraint.

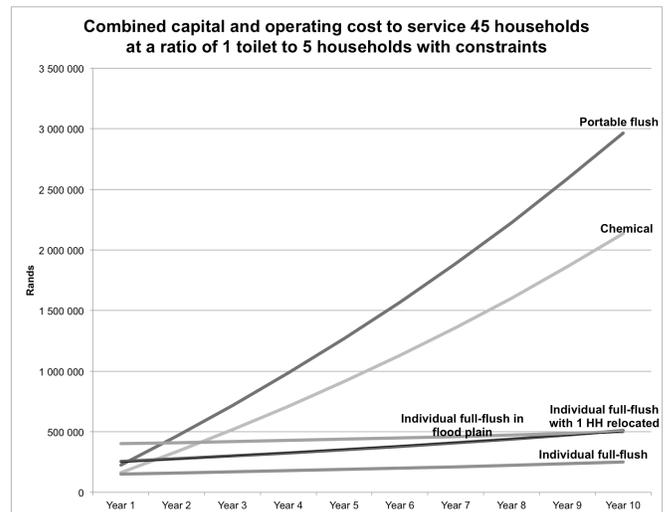
Private land ownership is a cost constraint, not a practical constraint and is present only in TR Section and RR Section. The Strategic Framework of Water Services (2003) provides that “Water service authorities have a responsibility to ensure that all people living within their jurisdiction (including those residents living on privately owned land) are progressively provided with at least basic water and sanitation services (first step up the ladder)”. The City also has the option to either register a servitude on the land or buy the land.

Indeed, the City categorises TR as A2 (suitable for upgrade),

even though it is partly on privately owned land. The City itself therefore does not view private land ownership as a barrier to permanent, long-term upgrading and infrastructure.

TEMPORARY SERVICES ARE IRRATIONAL AND UNREASONABLE: THEY ARE EXTREMELY EXPENSIVE AND VIOLATE RIGHTS TO DIGNITY AND EQUALITY

The figure below shows a full costing for a ten-year period of each sanitation option by Cornerstone Economic Research from its report on estimating the cost of sanitation infrastructure in Khayelitsha.¹⁴ Cornerstone is one of the foremost economic research firms in the country and its research is used by the National Treasury and various governments internationally.



Considering both capital and operational costs over a ten-year period, full-flush toilets are substantially more affordable than any of the other toilet solutions.¹⁵ The City currently provides just over 5000 chemical toilets across the 204 informal settlements. Portable flush toilets (porta-potties) are the most

expensive option over a ten-year period.

When the cost of constraints are factored in, the cost of full flush increases only marginally. Over the long term, and with the

**“For the cost of every
1 chemical toilet, the City
could build and operate
9 flush toilets”**

combined capital and operating costs, full flush toilets remain the most affordable of all the options. Even if the impact of constraints

doubled or tripled the initial capital cost of full-flush toilets, they would still be a more affordable option than any of the temporary services over a ten-year period.¹⁶

The City has an obligation to use the maximum available resources it has to progressively realise the right to sanitation. The use of these resources on extremely expensive temporary services is unreasonable and irrational.

The refusal to implement long term infrastructure is not based on any objective fact or reasoning and is rather a subjective policy choice being made by the City. The use of temporary toilets over extended periods of time in what have become long-term places of residence - coupled with the absence of a plan detailing how and when this service level is to be improved in these areas - falls short of the requirement to progressively realise adequate, basic sanitation to residents living in informal settlements. This is a violation of constitutional rights.

RECOMMENDATIONS

CT Section, Enkanini, TR Section, and RR Section, like other informal settlements, are long standing, established communities that require permanent infrastructure and long-term planning for sanitation. This requires capital expenditure to support those plans.

Considering the spatial legacy of apartheid and historical capital allocations preferencing formal areas, the City must not

only spend equitably, but more in informal settlements to ensure that the injustices of the past are redressed and substantive equality is achieved. It must also spend rationally and reasonably.

Therefore:

The Mayor must commit to implementing long-term sanitation infrastructure in CT Section, Enkanini, TR Section, and RR Section with the required increase to capital allocations for informal settlements in the 2016/17 budget.

Cllr Ernest Sonnenberg, MAYCO Member for Utilities Services, must publish a timeline for the development of a city-wide plan for implementing sanitation infrastructure in informal settlements in Cape Town, with the associated increases required for capital allocations for water and sanitation in informal settlements within the budget over the next three years.

The City of Cape Town must release a timeline for the development of a plan for the upgrading of Cape Town's informal settlements in terms of its obligations within the national Upgrading of Informal Settlements Programme (UISP).

The City of Cape Town must improve participation in the budget process through:

- Appropriate presentation of budget information in ways that are relevant and useful, such as geographical disaggregation.
- Meaningful use of existing local mechanisms, such as presenting and discussing specific budget priorities and decisions, and offering adequate space for members of the public to respond and engage.
- Responding meaningfully to the main proposals of budget submissions, acknowledging individual submissions and either implementing them or explaining why they cannot be implemented.

Endnotes

- ¹ City of Cape Town Draft Budget 2016/2017, Annexure 1.
- ² City of Cape Town Draft Budget 2016/2017, Annexure 1.
- ³ City of Cape Town 2015/16 Adjustments Budget, Annexure A.
- ⁴ Response to PAIA request for a list of all toilet types in Cape Town's informal settlements, 2015.
- ⁵ City of Cape Town Draft Budget 2016/2017 p. 188.
- ⁶ Response to PAIA request for a list of all toilet types in Cape Town's informal settlements, 2015.
- ⁷ Ernest Sonnenberg, 'Flushing out CTs budget realities'. *EWN*. (22 May 2015) <http://ewn.co.za/2015/05/22/OPINION-Ernest-Sonnenberg-Flushing-out-CTs-budget-realities>
- ⁸ Ian Neilson. 'Sanitation: SJC's analysis is faulty', *Groundup*. (8 April 2015) http://www.groundup.org.za/article/sanitation-sjcs-analysis-faulty_2817/
- ⁹ Ernest Sonnenberg, Email to Axolile Notwyala, 19 June 2015.
- ¹⁰ Informal Settlements Development Matrix, City of Cape Town
- ¹¹ Response to PAIA request for a list of all constraints in Cape Town's informal settlements, 2015.
- ¹² Ernest Sonnenberg email to Axolile Notwyala in response to request for list of settlements and associated constraints, 19 June 2015.
- ¹³ Cornerstone Economic Research. 'Estimating the cost of sanitation infrastructure for selected sites in Khayelitsha in City of Cape Town'. (April 2016). <http://www.cornerstonesa.net/reports/2016%20Khayelitsha%20Sanitation%20Costing%20Report.pdf>
- ¹⁴ Cornerstone Economic Research. 'Estimating the cost', p. 22.
- ¹⁵ In terms of the capital spending portion, the costing of full flush toilets includes all capital costs, disaggregated based on depth of sewage lines. Includes all on-site facilities and the sewer mains and sewerage treatment facilities. See Cornerstone. 'Estimating the cost'
- ¹⁶ Cornerstone Economic Research. 'Estimating the cost', p. 19-22.

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