



INTEGRATED DEVELOPMENT PLAN 2010/11 Review

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1 GLOSSARY OF TERMS

ABET	Adult Based Education and Training
ABSA	Amalgamated Banks of South Africa
AIDS	Acquired Immune Deficiency Syndrome
ASGISA	Accelerated and Shared Growth Initiative for South Africa
CASP	Comprehensive Agriculture Support Programme
CBO	Community Based Organization
CPF	Community Policing Forum
CSIR	Council for Scientific and Industrial Research
DBSA	Development Bank of South Africa
DEAT	Department of Environment and Tourism (Also known as DEA)
DFA	Development Facilitation Act No 67 of 1995
DLA	Department of Land Affairs
DLGH	Department of Local Government
DM	District Municipality
DME	Department of Mineral and Energy
DoALR	Department of Agriculture and Land Reform
DoE	Department of Education
DoH	Department of Health
DH	Department of Housing
DoSD	Department of Social Development
DoRT	Department of Roads and Transport
DPLG	Department of Provincial and Local Government (National)
DPW	Department of Public Works
DSAC	Department of Sport, Arts & Culture
DWAF	Department of Water Affairs and Forestry
ECA	Environmental Conservation Act
EIA	Environmental Impact Assessment
ES	Equitable Share (grant)
FBS	Faith Basic Services
ECDC	Eastern Cape Development Corporation
ECPGDS	Eastern Cape Provincial Growth & Development Strategy
EXCO	Executive Committee
GP	Gross Geographic Product
GIS	Geographical Information System
GTZ	German Technical Cooperation
GVA	Gross Value Added
HDI	Human Development Index
HIV	Human Immune Deficiency Virus
HR	Human Resource
IDC	Independent Development Corporation
IDP	Integrated Development Plan
IDT	Independent Development Trust
IT	Information Technology
ITP	Integrated Transportation Plan
IWMP	Integrated Waste Management Plan
LDO	Land Development Objectives
LED	Local Economic Development
MEC	Member of the Executive Committee
MIG	Municipal Infrastructure Grant
MFMA	Municipal Finance Management Act

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MSIG	Municipal Support & Institutional Grant
MSyA	Municipal Systems Act, 2000
MStA	Municipal Structures Act, 1998
NDC	National Development Corporation
NEMA	National Environmental Management Act
NER	National Electrification Regulator
NGO	Non Governmental Organizations
NSS	National Sanitation Strategy
PATA	Promotion of Administrative Justice Act
PMS	Performance Management System
PPP	Public Private Partnership
RDP	Reconstruction and Development Programme
REDS	Regional Electricity Distributors
RTP	Responsible Tourism Planning
SMME	Small Medium and Micron Enterprises
SOE	State Owned Enterprises
SoR	State of Environment Report
SADC	Southern African Development Community
SALGA	South African Local Government Association
SANDF	South African National Defense Force
SAPS	South African Police Service
SGB	School Governing Body
SMME	Small, Medium and Micro Enterprises
STDs	Sexual Transmitted Diseases
TB	Tuberculosis
TLC	Transitional Local Council
TRC	Transitional Rural Council
USAID	United States Agency for International Development
UYF	Umsobomvu Youth Fund
VAT	Value Added Tax
VIP	Ventilated Improved Pit (dry sanitation facility)
WSDP	Water Services Development Plan
ASGISA	Accelerated and Shared Growth Initiative of South Africa
BDS	Business Development Services
CASP	Comprehensive Agriculture Support Programme
CHARTO	Chris Hani Regional Tourism Organisation
CHDM	Chris Hani District Municipality
RTP	Responsible Tourism Planning
SMME	Small Medium and Micron Enterprises
SOE	State Owned Enterprises
SoR	State of Environment Report

EXECUTIVE SUMMARY

This document represent the revised IDP 2010/11 and has been formulated following a participatory process lead by a process plan.

It addresses municipal strategic planning by firstly looking at the development challenge under the situation analysis sections listed below:

- Why do we review?
- What are our demographic profiles?
- What is our LED challenges?
- What are our institutional challenges?
- What are our municipal transformation challenges?
- What are our financial viability and resource challenges?
- What are our Spatial development challenges?
- What are our governance challenges?

Once this is established, the document goes further to identify key priorities that we ask our council to focus on in 2010/11.

The review did not make any changes to our Vision, mission and values. It however, amended our development objectives, supporting strategies and targets based on the development choice – scenario dictated by our KPAs and financial resource constraints for 2010/11.

The document also explains how alignment and integration will be undertaken when implementing the IDP as well as outline the process followed in adopting this review document.

1 INTRODUCTION

This document represents a review integrated development plan (IDP) for 2010/11. It is drawn as a legal and planning management requirement in partial fulfilment of the requirements of the LG Municipal Systems Act (MSA) 32 of 2000. Section 34 of the Systems Act, states that a municipal council must review its IDP,

- i. Annually and in accordance with the assessment of its performance measurements
- ii. To the extent that changing circumstances warrant review

1.1 THE REVIEW FOCUS AREAS

A gap analysis was conducted on the current IDP document and it highlighted the need to:

1.1.1 Update current planning information

Following road shows held in with all our wards, a revised list of community needs was generated which then informed the current situation analysis. Further, sector departments were engaged via the IGF and representative forum to establish their commitments and plans for local development. This information necessitated changes in our current planning information and therefore our situation analysis and project sections of this document.

In addition, the planning information is also updated to accommodate recent changes in government restructuring which took place after the April 2009 elections.

1.1.2 Response to comments raised during MEC assessment

MEC for LG identified a couple of areas that needed to be strengthened to ensure that our document meets the credible status. These related to issues such as interpretation of our development challenges, representation of that view in the spatial development framework and our analysis of municipal financial viability.

This review has amended the report structure to align with the requirements of the assessment guide format focusing on the following government priority themes:

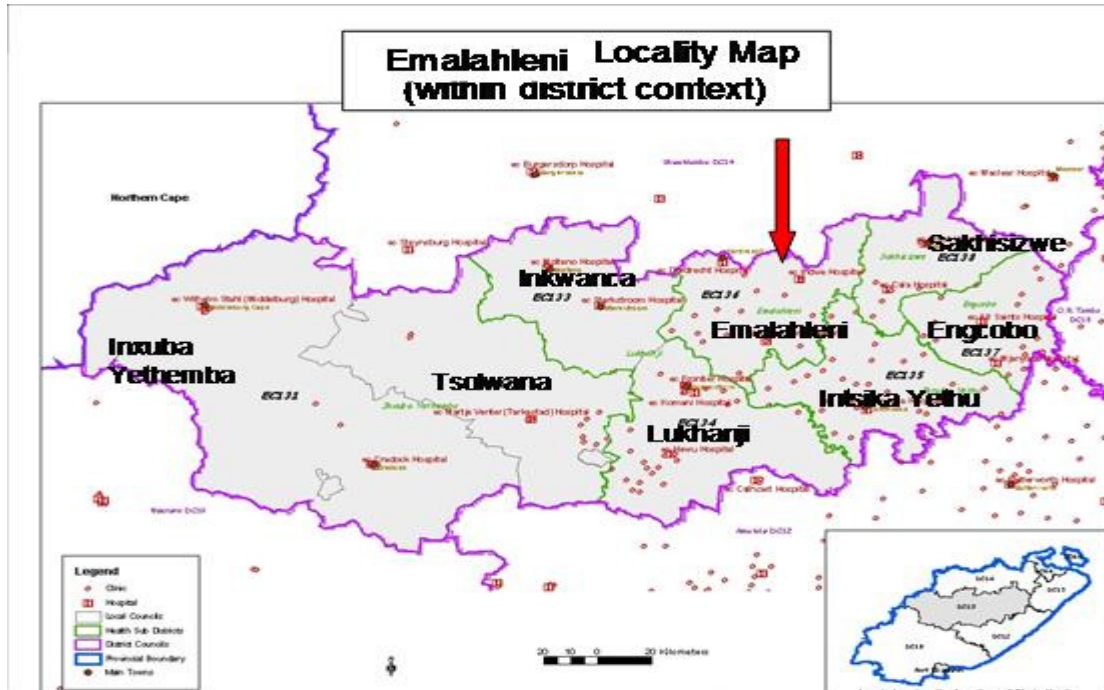
- Municipal Institutional Development and Transformation
- Financial Viability
- Local Economic Development
- Good Governance
- Service Delivery
- Spatial Development Framework

1.1.3 Response to issues raised by AG relating to IDP & PMS linkages

Auditor General has raised concern over shortfalls in certain aspects of our planning process. In particular, key concerns were raised relating to the alignment of PMS and IDP. This IDP review has been designed to ensure clear alignment between its IDP KPAs, development objectives and Targets used in our performance scorecards and SDBIPs. The document also provides an overview strategy to improve our audit outcome from its current disclaimer to a clean audit outcome.

2 LOCALITY CONTEXT

Emalahleni is a category B municipality situated within the Chris Hani District (see figure below) of the Eastern Cape Province. It is made up of the main towns of Lady Frere, Indwe and Dordrecht and surrounding villages.



PRE-PLANNING

3 REVIEW PROCESS PLAN

In line with the requirements of the Systems Act:2000, a process plan was adopted to guide the formulation of this review IDP 2010/11. In terms of the process plan the following institutional arrangements were adopted.

3.1 Organisational arrangements

3.1.1 Emalahleni Municipal Council

The Municipal Council is chaired by the mayor. Its role in the IDP formulation process shall include the following:

- Oversee the development and adoption of the IDP review
- Adopt final Integrated Development Plan and Budget

3.1.2 IDP Manager

The IDP Manager role resides with the Municipal Manager who has in turn delegated it to the IDP Manager. In terms of the process the IDP manager is tasked to:

- Ensure that the Process Plan is drafted and adopted by the Municipal Council;

- Manage the local municipal IDP by ensuring that all daily planning activities are performed within an efficient and effective consideration of available time; financial and human resources;
- Encourage an inclusive participatory planning process and compliance with action programme
- Facilitate the horizontal and vertical alignment of the various internal and external departmental programmes
- Ensure that the planning process outcomes are properly documented
- Manage service providers engaged in the municipal IDP process
- Chair the IDP Steering Committee
- Nominate persons in charge of different roles.
- Responds to comments on the draft reviewed IDP from the public.
- Adjusts the IDP in accordance with the comments of the MEC for local Government.
- The Municipal IDP Manager will coordinate with various government departments and other HODs to ensure that all the projects, strategies and objectives of the local municipality are shared and distributed amongst government departments so that they might incorporate them in their planning process and vice versa

3.1.3 IDP Steering Committee

The IDP steering committee comprising largely of internal senior management will be tasked to:

- Provide technical and advisory support to the IDP Manager
- Perform daily planning activities including the preparation and facilitation of events; documentation of outputs and making recommendation to the IDP Manager and the Municipal Council
- Prepare, facilitate and document meetings
- Act as the secretariat for the IDP Representative Forum.

Meetings shall be held as per the action programme or when considered necessary by the chairperson.

3.1.4 IDP Representative Forum

The IDP representative forum will be chaired by the Mayor and will be composed of representatives from the following institutions or interest groups:

- Secretariat of IDP steering committee
- Ward Committees
- Youth groups
- Rate payers
- Traditional Leaders
- Civic bodies & Entities
- NGO's and CBOs
- Sector Departments and the District Municipality
- IDP Steering Committee
- Community development workers

The task of the representative forum shall be to:

- Represent the interest of various constituencies in the IDP planning process
- Provide an organizational platform and mechanism for discussion, negotiation and decision making between stakeholders
- Provide a communication mechanism for the exchange of ideas and opinions among the various stakeholder interest groups
- Participate in the setting up of key performance indicators including the monitoring thereof in line with the performance Management Manual of the Local Municipality
- Monitor the performance of the planning and implementation process

3.1.5 Roles and responsibilities of stakeholders

The IDP planning process includes a wide range of role-players with certain key responsibilities. To enable smooth implementation of the IDP Review action plan the following roles and responsibilities have been allocated in the following manner.

ACTORS	ROLES AND RESPONSIBILITIES
<ul style="list-style-type: none"> • Council 	<ul style="list-style-type: none"> ▪ Consider and adopt reviewed IDP ▪ Encourage public participation ▪ Keep public informed about the contents of the IDP
<ul style="list-style-type: none"> • IDP Manager 	<ul style="list-style-type: none"> ▪ Ensure that the Process Plan and reviewed IDP are adopted by the Council ▪ Manage the local municipal IDP by ensuring that all daily planning activities are performed within an efficient and effective consideration of available time; financial and human resources; ▪ Encourage an inclusive participatory planning process and compliance with action programme ▪ Facilitate the horizontal and vertical alignment of the district IDP ▪ Ensure that the planning process outcomes are properly documented ▪ Manage service providers to the district or local municipal IDP ▪ Coordinate with various government departments and to ensure that all the projects, strategies and objectives of the local municipality are shared and distributed amongst government departments so that they might incorporate them in their planning process and vice versa
<ul style="list-style-type: none"> • Heads of Departments & Senior Management 	<ul style="list-style-type: none"> ▪ Provide technical and advisory support to the IDP Manager ▪ Perform daily planning activities including the preparation and facilitation of events; documentation of outputs and making recommendation to the IDP Manager and the Municipal Council ▪ Interact with the relevant cluster regarding the prioritization of their individual departments projects and programmes for the following years ▪ Provide clear terms of reference to service providers
<ul style="list-style-type: none"> • District Municipality 	<ul style="list-style-type: none"> ▪ Provide support and guidance on IDP Review process ▪ Assist municipalities to achieve the target dates ▪ Interact with service providers to ensure that a quality product is provided ▪ Assist with workshops ▪ Project Management and Implementation Support Services ▪ Ensure that clusters achieve integrated planning ▪ Ensure that an uniform reporting mechanism is devised
<ul style="list-style-type: none"> • Sector Departments 	<ul style="list-style-type: none"> • Ensure the participation of Senior personnel in the IDP review process

ACTORS	ROLES AND RESPONSIBILITIES
	<ul style="list-style-type: none"> • Horizontal alignment of programmes and strategic plans within the clusters • Provide technical support and information to the planning process • Contribute relevant information to support the review process within the clusters • Incorporate district and local municipal projects into departments planning within the clusters
<ul style="list-style-type: none"> • National & provincial governments 	<ul style="list-style-type: none"> • Monitor and evaluate the preparation and implementation process • Provide training and capacity building support to the local municipality - dplg guide for credible IDPs • Coordinate support programmes so that overlapping does not occur • Provide technical guidance and monitor compliance with provincial policy and legal framework • Provide financial support to the IDP planning and implementation process

3.1.6 Mechanisms and procedures for public participation, communication and workshop logistics

Community participation is pivotal to the sustainability of the entire IDP review and implementation process and will occur in the following manner as outlined in the table below:

PARTICIPATION MECHANISMS
<ul style="list-style-type: none"> ▪ Use of IDP Representative Forum to consult, discuss and prioritize issues for council adoption ▪ Use of Councillors to call meetings to keep communities informed on the IDP progress ▪ Publish Annual reports on municipal progress ▪ Newspaper advertisements to inform communities of the process ▪ Making the IDP available for public comment ▪ Making the IDP document accessible to all members of the public

- **Appropriate Language Usage**

Formal documentation and communication will be done in English but in meetings, participants would be encouraged to use their own language where this would enhance communication and

participation. In some instances, interpreters may be used to facilitate smooth communication. Facilitators of meetings would be encouraged to make use of simple language in explaining concepts so that people can understand the process and become empowered to participate in the IDP process.

- **Appropriate Venues, transport and refreshments**

Meetings will be held mainly in Lady Frere because of its relative centrality and ease of access. Transport will be provided for those councilors coming from outlying villages in line with council policy for rebates and stipends. The municipality will be responsible for organizing workshop logistics and venue equipment.

3.1.8 Mechanisms and Procedures for Alignment

The IDP Manager assisted by the technical adviser will be responsible for ensuring smooth integration and alignment of sector plans, sector departmental plans, budget, SDBIP, PMS and the implementation thereof.

What is aligned?	How?	With whom?
Internal Sector Plans	<ul style="list-style-type: none"> ▪ Link budget and implementation time plans ▪ Link monitoring mechanisms ▪ Link projects to IDP development objectives and priorities 	<ul style="list-style-type: none"> • Affected HoDs
Sector Departments	<ul style="list-style-type: none"> ▪ Recognize and plans and express commitments in the IDP ▪ Link plans to priorities ▪ Co-ordinate implementation via cluster meetings and IGF 	<ul style="list-style-type: none"> • Affected Gov Departments
Strategy and operations	<ul style="list-style-type: none"> ▪ Through PMS / SDBIP implementation ▪ Develop KPIs and Targets based on IDP PRIOTITIES ▪ Track IDP implementation through reporting on departmental operational plans 	<ul style="list-style-type: none"> • Departments + Contracted S57s
Cross Sectoral Issues	<ul style="list-style-type: none"> ▪ IDP implementation office to coordinate roll-out and inter-departmental collaboration on cross cutting issues (Finance, LED, Environment, Governance etc 	<ul style="list-style-type: none"> • Affected Gov Departments

3.2 Binding legislation

The Emalahleni Municipality's IDP formulation and implementation processes will be primarily bound by the following set of local legislations and policies:

- The Constitution of the Republic: 108 of 1996
- Development Facilitation Act: 1995

- LG Structures Act: 1998
- LG Systems Act: 2000
- LG Municipal Finance Management Act: 2003
- LG Property Rates Act: 2003
- Existing local by-laws and policies
- LG White paper: 1998
- Batho Pele policy: 1998
- Regulations on Systems Act: August 2001
- Guidelines on PMS: August 2006
- National Frameworks for Credible IDP, LED and Spatial Development
- EC Provincial Spatial Development Framework
- EC Provincial Growth and Development Strategy: 2004 –2014

The municipality and its IDP is also bound by all other sector specific pieces of legislation and policies affecting and regulating aspects of municipal functions and operations.

SITUATION ANALYSIS

This section provides our understanding of the composite development challenge facing Emalahleni Municipality based on our own analysis.

It highlights key issues and challenges relating to the Demographic, Institutional Transformation and Development, Financial Viability, Local Economic Development, Service Delivery profiles, the Spatial Development Framework and culminates into an agreed set of development priorities for 2010/11.

4 DEGRAPHIC PROFILE

4.1 Population size and household distribution

Emalahleni municipality has an estimated population of 116 000 people living in 30 000 households. This represents an estimated household average of 4 persons per household. The population density is estimated to be 33 people per square kilometre. However, it should be noted that this average density varies across specific place areas when comparing especially urban and rural areas. The largest number of inhabitants can be found within Lady Frere, followed by Nonesi, Cumakala and Mhlontlo. Lower numbers of people can be observed in Lebitsa, Ekhhohlo and Kwa-Ndungwana. Some 79 of the total 137 settlement areas have populations of less than 500 people each, with 115 settlements having less than 1000 people.

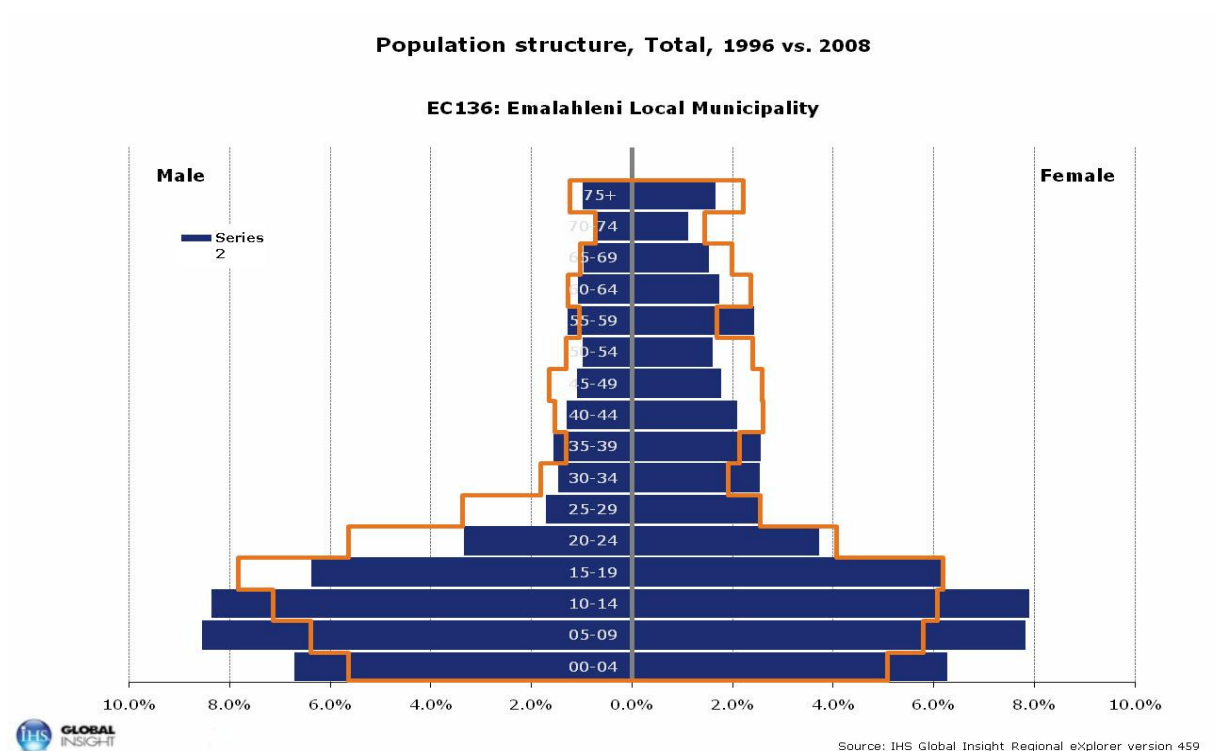
Emalahleni is a rural municipality with just over 14% of its households residing in the urban centre and peri-urban areas of Lady Frere, Indwe, Dordrecht, Glen Grey, Tyoksville etc.

With the majority of households in rural villages, it will be imperative for the council to adopt effective strategies for rural development as a matter of priority.

4.2 Population Gender distribution

There are more females (51%) than males (49%) in our population. This calls for dedicated programmes of integration and incorporation of women in key planning and decision making roles of our municipality. The figure below gives a comparative view of gender age distribution in our communities.

The analysis of gender age distribution shows that Emalahleni population is very youthful and comprise of a large number of school going age groups. Youth development and learner support programmes would have to be prioritised in order to deal with the needs of this majority section of our populations.



5 LOCAL ECONOMIC DEVELOPMENT

Local Economic Development is a key priority for 2010/11. The council is in the process of reviewing its current LED Strategy for implementation by 01 July 2010. The strategy is aimed at providing guidance in terms of interventions and implementation mechanisms needed to foster economic growth.

5.1 Overview of the local economy

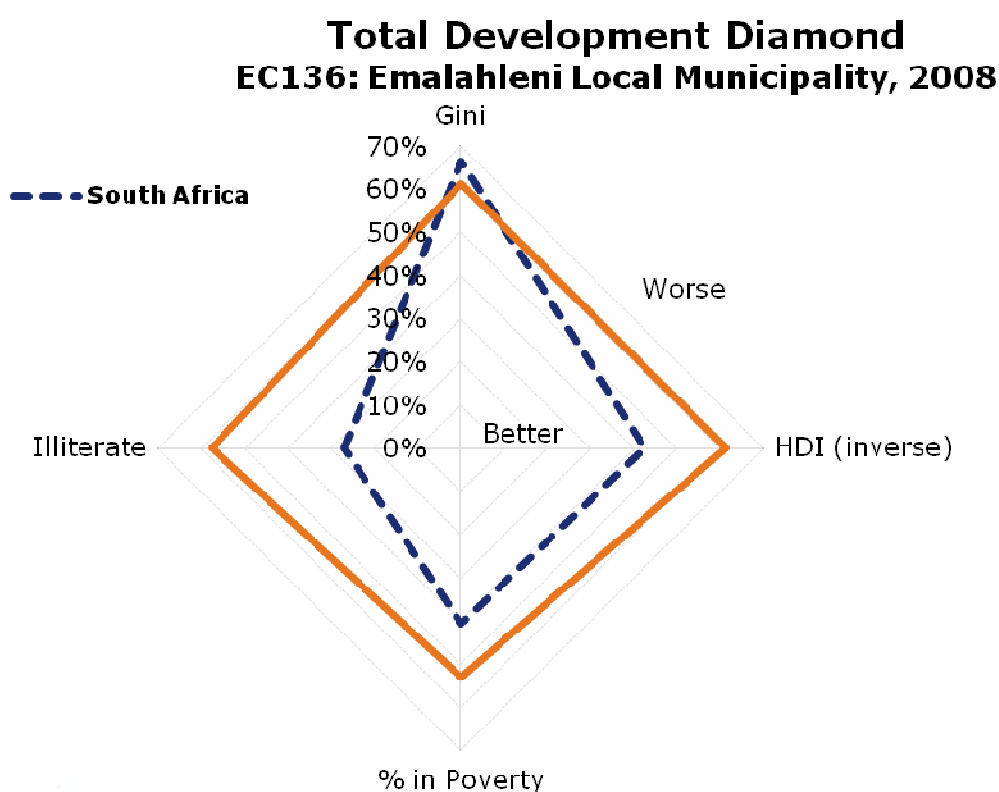
Emalahleni's economy has not grown exponentially over the last decade. It has experienced a steady growth of just under 2% between 1996 and 2008. The GDP is estimated by Global Insight to be around R439 million (2000 constant prices) by 2008. The buying power (ability of the market to absorb products) is around R405 million while the gross value add is estimated to about R608 million over the same period.

The average levels of payment for services remain as low as 23% by early 2010. This is in contrast to the growing trend of affordability when we consider that above 55% of households earn above R2500 per month. Therefore, vigilant revenue collection strategy must be implemented to improve the situation.

Our LED strategy identifies as strategic sectors with potential for growth include the community services, retail, agriculture and

tourism. However, as will be demonstrated here-below, their contribution to the economy is incongruent to their perceived potential. The review of the LED strategy will have to investigate the underlying causes for this problem and suggest creative ways of turning the situation around.

Generally, we are worse off when comparing our levels of development indices to that of the country South Africa. However, we enjoy much better levels of GAPs between rich and poor compared to RSA with a gini co-efficient of 0.61. The figure below illustrates this point by comparing our poverty, HDI and Gini Coefficient indices to those of the country.

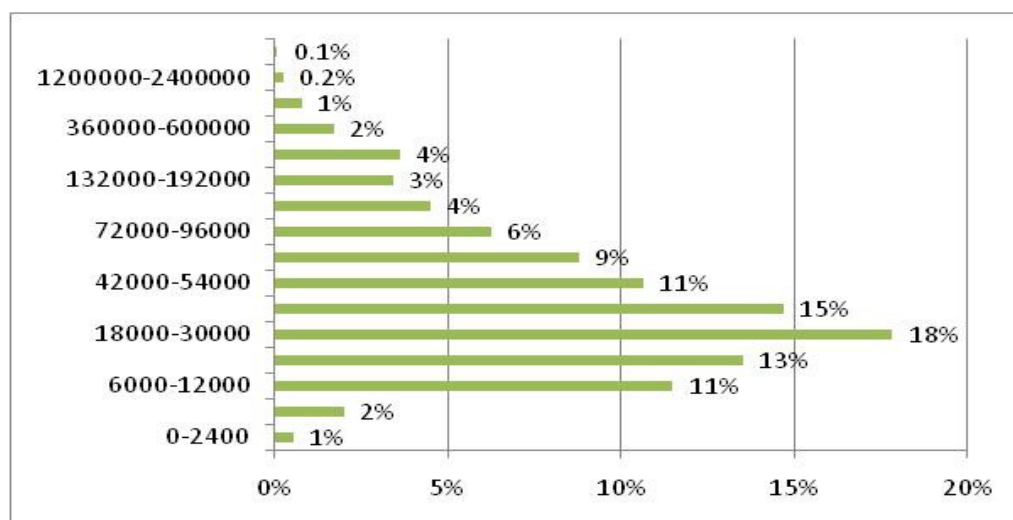


5.2 Economic Development Indicators

5.2.1 Income Distribution

Household income distribution provides a useful indicator for levels of economic development and exposure to poverty. A large number of households in Emalahleni can be deemed as indigent with gross monthly incomes of less than R1500 or an equivalent of 2 state pensions (R1600).

The figure below compares a distribution of household by incomes levels.

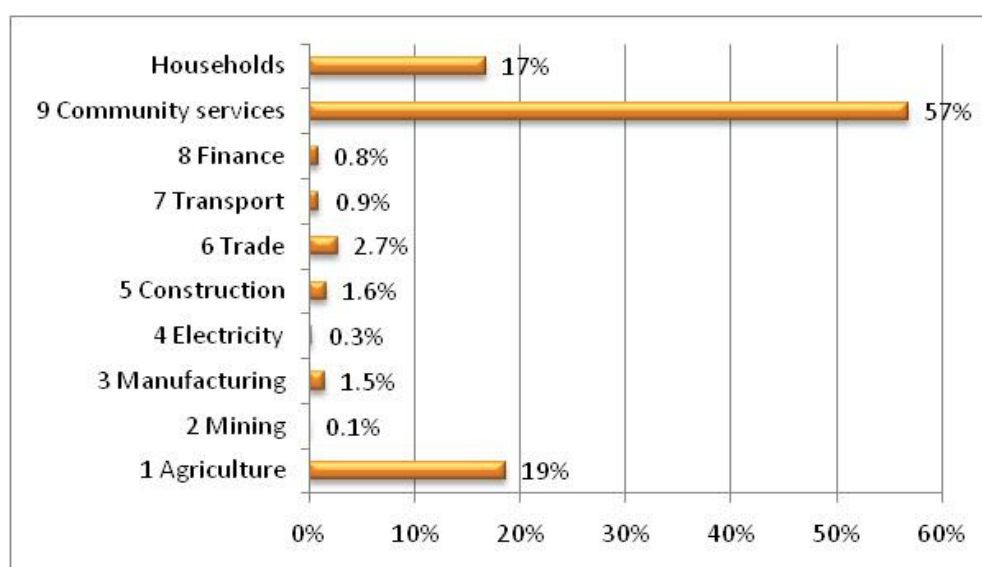


It shows that 28% of households earn between R1 and R1500 per month while another 18% earns between R1500 and R2500. The good news is that since 2008 an estimated 55% of households earn above R2500 per month.

5.2.2 Employment

Employment and unemployment levels are useful indicators for effective growth in the economy. Current estimates by Global Insight reflect that we have an unemployment (official definition) of about 50,3%. This must be considered very and undesired due to its impact on the ability of people to service their debt and contribute meaningfully to the economy. It is also undesired because it represents a threat to improved human development index.

The main sectors contributing to employment are shown in the figure below.



In the figure above, community services account for 57% of employment opportunities, followed by Agriculture and Households (domestic work) at 19% and 17% respectively. With the exception of trade (boosted largely by retail sub-sector) at 2.7%, all other major sectors contribute just under 2% each. This situation is unsustainable and cannot be relied upon to drive critical growth in the economy.

Underperforming sectors like Agric, mining, tourism and manufacturing need to be rejuvenated in order to yield qualitative and quantitative growth benefits in our local economy.

Agriculture

According to a study conducted by the ARC for Ruliv the following potential for Agriculture has been identified in Emalahleni Local Municipality.

- o Cattle (beef) production in the central and south western areas
- o Maize production north of the Xonxa Dam
- o Sorghum production in the south east
- o Sheep in most of Emalahleni
- o Irrigation potential of a further 5500 hectares at the Xonxa and Lubisi Dams as well as irrigation at the Guba Farms
- o Local projects such as
 - Home gardens
 - Small scale irrigation
 - Maize production
 - Woodlots
 - Beekeeping
 - Mushrooms
- o Freshwater fish production in the Doring River Dam
- o An Aloe Juice industry

Mining

For the past decade the municipality has been struggling to extract value out of the coal deposits discovered in its jurisdictional area. Coal mining remains an untapped potential in the area and can contribute immensely to employment creation if it can be properly mined and beneficiated. Many attempts to mine the coal near lady Frere and Indwe by the EC Provincial department of economic affairs and National department of Minerals and Energy have not yielded any benefits for local residents. The LED strategy must provide guidance on how the blockages in this potential can be unleashed.

There is also small-scale excavation mining happening near local rivers whereby people or operators adhocly mine sand without permits for purposes of building and brick-making. The lack of regulation of this activity poses an environmental threat. The municipality with the help of DEAT and DME need to develop a functional by-law to regulate and manage this activity so that it does happen at the expense of the environment.

Tourism

The municipality has a competence for local tourism. However, there is no dedicated section or plan responsible for driving our efforts for implementing local tourism development. A project has been identified for 2010 to develop and implement a local tourism plan.

The areas that have been identified with potential for tourism development include but not limited to:

- Aqua sport linked to existing Dams (Xonxa & Lubisi)
- Cultural tourism linked to the Liberation and Heritage Route
- Craft produce
- Rock art promotion and beneficiation
- Museum – Dordrecht

There is a limited amount of existing tourist attractions within the area including a resort in Indwe, which has accommodation facilities and Kloof (A viewing point).

There are a few places where Bushmen paintings exist which could also be developed into tourist attractions. Trout fishing trails and mountain bike races have become recent tourist attractions. The annual cultural games which occur in Lady Frere could also become an annual attraction as well as the Dordrecht festival.

HERITAGE RESOURCES

A list of heritage resources identified in Emalahleni Local Municipality is as follows:

Site Name	Significance	Conservation Status	Management
St Marks Mission on White Kei	Still functional mission church. Also the last habitation of Madolo, a San Chief - 1860	Well looked after	Church
Macubeni Coal Mine near Indwe	Washed out old coal mine showing early mining methods		
Glen Grey Falls near Lady Frere	A beautiful natural site		
The Kloof near Dordrecht	Natural site with some unique flora	Degraded due to plundering for firewood	
Cacadu River at Lady Frere			
Churches in Lady Frere	Two examples of 19 th Century Churches	Well looked after	Church

Site Name	Significance	Conservation Status	Management
Anderson Museum at Dordrecht			
Victorian Buildings at Dordrecht	Architectural example		Municipality / Private
Burgher Statue at Dordrecht			
San Rock Art at Dordrecht		Well kept	Private
Methodist Church at Dordrecht	Architectural example		Church
Doornriver Dam at Indwe	Leisure area	Could be better utilised	DWAF

Source: Chris Hani State of Environment Report

Manufacturing

Manufacturing is almost non-existent in our local economy. This is despite the existing potential for agro-processing and farming related opportunities in the wool & fruit processing, bio-chemicals, dairy etc. In order to release this potential and convert it into economic benefits, a dedicated investment framework will be needed to deal with issues of skills development, attraction of investments, concessions and partnership development.

For the start the municipality working closely with partners like ECDC, IDT and Trade and Industry department can target small scale manufacturing initiatives like recycling, brick making, wool processing, fruit juice production and so on which are readily available.

If this sector could be improved in terms of its contribution to GDP and employment, the economy can improve significantly since benefits are likely to impact or accrue to large numbers of families immediately.

5.2.3 Human Development Index

Human development index is a useful indicator of the levels of development, vulnerability to poverty and lifestyles in an economy. It provides a composite assessment of development factors such as levels literacy combined with incomes and poverty.

It is often measured as a number ranging between 0 and 1 where 1 represent a high level of development with people enjoying good education, better health and lifestyles choices. Emalahleni has a HDI of 0.39. This is lower and worse off than that of the district at 0.44. Local citizens do not enjoy high lifestyles and lag behind in terms of levels of literacy. For example it is estimated that only a

mere 43% of our population is functionally literate (ie Age 20+ who have attained a grade 7 education or higher).

Poverty is widespread in especially the rural areas with an estimated 1939 (Global Insight) people living below the threshold of 1\$ per day. In order to avert this situation, we need to strengthen partnerships for poverty alleviation with other government agencies like Social Development, SASSA and the District Municipality.

6 ENVIRONMENT AND CONSERVATION MANAGEMENT

CLIMATE

The northern areas of Dordrecht and Indwe are situated on the high plateau (1500-1800m above sea level) fall within the arid and semi-arid cold high lying land, whilst the rest of Emalahleni Local Municipality is situated on the arid and semi-arid moderate midlands.

RAINFALL

The rainfall on the high plateau ranges between 600 - 700mm per annum. Rainfall distribution in Emalahleni Local Municipality is poor and dry spells are a frequent occurrence. In his study, J.H van Wyk comes to the conclusion that the rainfall of the former Transkei shows little variation and can therefore be classified as reliable. He points out, however, that the variation of rainfall during the early summer months makes early planting of agronomic crops risky. (*Wood & van Schoor, 1976*).

This is a summer rainfall area with 70% - 80% of the precipitation occurring during the summer months in the form of thunderstorms. These storms are often of high intensity and are sometimes accompanied by hail. Only 20% - 30% of the rainfall occurs during the winter months.

EVAPORATION

Evaporation in the Emalahleni Local Municipality is much higher than the average annual rainfall. The area thus experiences a negative water balance. The evaporation on the northern high plateau is 2000 mm per annum, whereas it is approximately 1700 mm per annum in the Lady Frere district. This phenomenon complicates crop production as it requires moisture conservation for dryland cropping and sophisticated irrigation management.

TEMPERATURES

The temperatures on the high plateau range between 19 - 22°C in summer and 7 - 10°C in winter. The temperatures in the Lady Frere District

ranges between 18–22°C in summer and then drops to between 10–14°C in winter.

PREVAILING WINDS

The prevailing winds in the north are westerly and variable in the Lady Frere District.

GEOLOGY

The Geology of Emalahleni Local Municipality consists mainly of Beaufort sediments intruded by dolerite. These comprise shale, mudstone and sandstone. Commercial geology consists of coal and clay deposits near Indwe and decorative store (slasto) at Machubeni. The extent of mineral resources for commercial extraction is not known. As indicated in the LED section above, the potential in this sector remains untapped. The occurrence and extent of other minerals is also not known.

SOILS

The high plateau comprises predominantly Karoo sediments which suggest the prevalence of duplex or other shallow soils. In the Lady Frere District the low rainfall has resulted in a high proportion of duplex soils except where dolerite occurs.

TOPOGRAPHY, DRAINAGE AND WATER RESOURCES

Emalahleni Local Municipality drains from the north at an altitude of 1500–2000m above sea-level to the south with an altitude of 1000–1500m above sea-level. Drainage occurs via the White Kei River, which drains into the Xonxa Dam in the south.

DAMS

Emalahleni Local Municipality is characterized by a number of major dams, which serve the towns and the various irrigation schemes and are formally protected areas. The table below gives a list of existing dams.

Dam	Supply	Supply type	Live storage mm ³	Farm yield mm ³ / a	Owner
Machubeni	Domestic	Lady Frere	1.85	1.54	DWAF
Xonxa	Irrigation	Xonxa Irrigation Scheme	126	27.6	DWAF
Doring River	Domestic	Indwe	17.84	3.38	DWAF
Anderson	Domestic	Dordrecht	1.95	Unknown	Emalahleni

Source: Chris Hani State of Environment Report

WETLANDS

(a) Riparian Wetlands

Riparian wetlands refer to rivers and their marginal zones, such as floodplains. A list of some of these wetlands is given in the table below.

Name	Type	Toposheet	Location	River	Catchment	Veg Type
Bradfield Dam (North)	DW	3126BD	-31.365 26.9589	Holspruit		SE Mountain Grassland
Bradfield Dam (South)	DW	3126BD	-31.3687 26.9583	Holspruit		SE Mountain Grassland
Doring River Dam	DW	3127CB	-31.513 27.3316	Unknown		SE Mountain Grassland
Macubeni Dam	DW	3127CA	-31.5833 27.1833	Unknown		Sub-arid Thorn Bushveld & Valley Thicket
Xonxa Dam	DW	3127CC	-31.8387 27.1813	White Kei	Kei	Sub-arid Thorn Bushveld & Valley Thicket
Clarke's Siding	RW	3127AC	-31.41 27.0996	Unknown	Unknown	SE Mountain Grassland
Dordrecht Town	RW	3127AC	-31.3605 27.0454	Unknown	Unknown	SE Mountain Grassland
Driefontein 188	RW	3127AC	-31.4078 27.0562	Unknown	Unknown	SE Mountain Grassland
Lemoenfontein	RW	3126DB	-31.5003 26.985	Unknown	Unknown	Moist Upland Grassland

Source: Chris Hani State of Environment Report

(b) Springs

Springs are an important source of water in the Emalahleni Local Municipality

VEGETATION

The northern areas of Emalahleni Local Municipality consist of Themeda veld whilst the central and southern areas consist of Döhne Sourveld.

ENVIRONMENTAL CHALLENGES

- There are a number of sensitive environments such as Dams and Wetlands, which require protection and management.
- Only Dordrecht has an approved solid waste land lift site. Solid waste needs to be managed properly.
- There are a number of heritage sites which require protection and management
- Soil erosion is a big problem in Emalahleni Local Municipality and will require massive effort to address the root cause of

overgrazing to prevent soil erosion as well as the rehabilitation of existing dongas.

7 MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

7.1 Powers and functions analysis

The mandate of the municipality stems from section 152 & 156 of the constitution. Section 156 of the Constitution¹ provides for the powers and functions of municipalities and states that a municipality has executive authority in respect of, and has the right to administer:

- (a) the local government matters listed in Part B of Schedule 4 and Part B of Schedule 5; and any other matter assigned to it by national or provincial legislation.

These Schedules read together with section 84 of the Local Government: Municipal Systems Act² provide further for the distinction between those services which can be delivered by district municipalities and those which can be run by the local municipalities.

The Emalahleni Municipality has been allocated powers and functions in terms of the Constitution and the Municipal Structures Act no 117 of 1998. Accordingly, Emalahleni has been granted executive authority over its area of jurisdiction.

7.2 Constitutionally Allocated Functions

The table below illustrates the powers and functions that have been allocated to local government in terms of Part B of Schedules 4 and 5 of the Constitution.

Part B of Schedule 4	Part B of Schedule 5
1. Air pollution	16. Beaches and amusement facilities
2. Building regulations	17. Billboards and display advertisement in public places
3. Child care facilities	18. Cemeteries, funeral parlors and crematoria
4. Electricity and gas reticulation	19. Cleansing
5. Fire-fighting services	
6. Local tourism	

¹ Constitution of the Republic of South Africa, Act 108 of 1996

² Local Government: Municipal Systems Act, Act 32 of 2000

Part B of Schedule 4	Part B of Schedule 5
<p>7. Municipal airport</p> <p>8. Municipal planning</p> <p>9. Municipal health services</p> <p>10. Municipal public transport</p> <p>11. Pontoons, fairies, settees, piers and harbours excluding the regulations of international and national shipping</p> <p>12. Municipal public works only in respect of the needs of the municipalities</p> <p>13. Storm water management system</p> <p>14. Trading regulations</p> <p>15. Water and sanitation services (limited to potable water supply system, domestic waste water and sewerage disposal system)</p>	<p>20. Control of public nuisance</p> <p>21. Control of undertakings that sell liquor to the public</p> <p>22. Facilities for the accommodation care and burial of animals</p> <p>23. Fencing and fences</p> <p>24. Licensing and controlling of undertakings that sell food to the public</p> <p>25. Local amenities</p> <p>26. Local sport facilities</p> <p>27. Markets</p> <p>28. Municipal abattoirs</p> <p>29. Municipal parks and recreation</p> <p>30. Municipal roads</p> <p>31. Noise pollution</p> <p>32. Pounds</p> <p>33. Public places</p> <p>34. Refuse removals, refuse dumps and solid waste disposals</p> <p>35. Street trading</p> <p>36. Street lighting</p> <p>37. Traffic and parking</p>

7.3 Authorised Functions for Emalahleni

Section 85 of the Structures Act provides further that the MEC for local government in a province may, adjust the division of functions and powers between a district and a local municipality as set out in

section 84 by allocating, within a prescribed policy framework, any of those functions or powers vested-

- (a) *in the local municipality, to the district municipality; or*
- (b) *in the district municipality (excluding a function or power referred to in section 84 (1) (a), (b), (c), (d), (i), (o) or (p), to the local municipality.*

In addition, information supplied by the Municipal Demarcation Board³ suggests that ELM has been authorised by the provincial department to perform the following powers and functions.

Authorizations		Definition
Schedule 4		
Air pollution	Yes	Any change in the quality of the air that adversely affects human health or well-being or the ecosystems useful to mankind, now or in the future.
Building regulations	Yes	The regulation, through by-laws, of any temporary or permanent structure attached to, or to be attached to, the soil within the area of jurisdiction of a municipality, which must at least provide for: Approval of building plans, Building inspections etc
Child care facilities	Yes	Facilities for early childhood care and development which fall outside the competence of national and provincial government
Electricity reticulation	Yes	Bulk supply of electricity, which includes for the purposes of such supply, the transmission, distribution and, where applicable, the generation of electricity, and also the regulation, control and maintenance of the electricity reticulation network.
Fire Fighting	Shared with DM	In relation to District Municipality "Fire fighting" means: Planning, co-ordination and regulation of fire services; •specialized fire fighting services such as mountain, veld and chemical fire services; •co-ordination of the standardization of infrastructure
Local tourism	Yes	The promotion, marketing and, if applicable, the development, of any tourist attraction within the area of the municipality with a view to attract tourists; to ensure access, and

Authorizations		Definition
Schedule 4		
		municipal services to such attractions, and to regulate, structure and control markets
Municipal airport	Yes	A demarcated area on land or water or a building which is used or intended to be used, either wholly or in part, for the arrival or departure of aircraft which includes the establishment and maintenance of such facility including all infrastructure and services
Municipal Planning	Yes	The compilation and implementation of all municipal plans and integrated development plan in terms of the Systems Act.
Municipal Health Services	No	Subject to an arrangement with MECs to do the necessary authorizations, or alternatively, subject to amendments to the Structures Act, Municipal Health Service means environmental health services performed by a district municipality.
Municipal public transport	Yes	The regulation and control, and where applicable, the provision of: Services for the carriage of passengers, whether scheduled or unscheduled, operated on demand along a specific route or routes or, where applicable, within a particular area Scheduled services
Pontoons and ferries	Yes	Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matter related thereto, and matters falling within the competence of national and provincial governments
Storm water	Yes	The management of systems to deal with storm water in built-up areas
Trading regulations	Yes	The regulation of any area facility and/or activity related to the trading of goods and services within the municipal area not already being regulated by national and provincial legislation
Water (Potable)	No	The establishment, operation, management and regulation of a potable water supply system, including the services and infrastructure required for the regulation of water conservation,

Authorizations		Definition
Schedule 4		
		purification, reticulation and distribution; bulk supply to local supply
Sanitation	No	The establishment, provision, operation, management, maintenance and regulation of a system, including infrastructure, for the collection, removal, disposal and/or purification of human excreta and domestic waste-water to ensure minimum standard of service
Schedule 5		
Amusement facilities /Beaches	Yes	A public place for entertainment. The area for recreational opportunities and facilities along the sea shore available for public use and any other aspect in this regard which falls outside the competence of the national and provincial government.
Billboards and the display of advertisements in public places	Yes	The display of written or visual descriptive material, any sign or symbol or light that is not intended solely for illumination or as a warning against danger which: promotes the sale and / or encourages the use of goods and services found in:-streets-roads
Cemeteries, funeral parlours and crematoria	Shared with DM	The establishments conduct and control of facilities for the purpose of disposing of human and animal remains.
Cleansing	Yes	The cleaning of public streets, roads and other public spaces either manually or mechanically
Control of public nuisance	Yes	The regulation, control and monitoring of any activity, condition or thing that may adversely affect a person or a community
Control of undertakings that sell liquor to the public	Yes	The control of undertakings that sell liquor to the public that is permitted to do so in terms of provincial legislation, regulation and licenses , and includes an inspection service to monitor liquor outlets for compliance to license requirements.

Authorizations		Definition
Schedule 4		
Facilities for the accommodation, care and burial of animals	Yes	The provision of and/or the regulation, control and monitoring of facilities which provide accommodation and care for well or sick animals and the burial or cremation of animals, including monitoring of adherence to any standards and registration requirements
Fencing and fences	Yes	The provision and maintenance and/or regulation of any boundary or deterrents to animals and pedestrians along streets or roads
Licensing of dogs	Yes	The control over the number and health status of dogs through a licensing mechanism.
Licensing and control of undertakings that sell food to the public	Yes	Ensuring the quality and the maintenance of environmental health standards through regulation, a licensing mechanism and monitoring of any place that renders in the course of any commercial transaction, the supply of refreshments or meals for consumption
Local amenities	Yes	The provision, manage, preserve and maintenance of any municipal place, land, and building reserved for the protection of places or objects of scenic, natural, historical and cultural value or interest and the provision and control of any such or other facilities
Local sport facilities	Yes	The provision, management and/or control of any sport facility within the municipal area.
Markets	Yes	The establishment, operation, management, conduct, regulation and/or control of markets other than fresh produce markets including market permits, location, times, conduct etc.
Municipal abattoirs	Yes	The establishment, conduct and/or control of facilities for the slaughtering of livestock.
Municipal parks and recreation	Yes	The provision, management, control and maintenance of any land, gardens or facility set aside for recreation, sightseeing and/or tourism and includes playgrounds but excludes sport facilities.

Authorizations		Definition
Schedule 4		
Municipal roads	Yes	The construction, maintenance, and control of a road which the public has the right to and includes, in addition to the roadway the land of which the road consists or over which the road extends and anything on that land forming part of, connected with.
Noise pollution	Yes	The control and monitoring of any noise that adversely affects human health or well-being or the ecosystems useful to mankind, now or in the future.
Pounds	Yes	The provision, management, maintenance and control of any area or facility set aside by the municipality for the securing of any animal or object confiscated by the municipality in terms of its by laws.
Public places	Yes	The management, maintenance and control of any land or facility owned by the municipality for public use
Refuse removal, refuse dumps and solid waste disposal	Yes, including DM function	the removal of any household or other waste and the disposal of such waste in an area, space or facility established for such purpose, and includes the provision, maintenance and control of any infrastructure or facility to ensure a clean and healthy environment
Street trading	Yes	The control, regulation and monitoring of the selling of goods and services along a public pavement or road reserve
Street lighting	Yes	The provision and maintenance of lighting for the illuminating of streets
Traffic parking and	Yes	The management and regulation of traffic and parking within the area of the municipality including but not limited to, the control over operating speed of vehicles on municipal roads.
Municipal public works	Yes	Any supporting infrastructure or services to empower a municipality to perform its functions

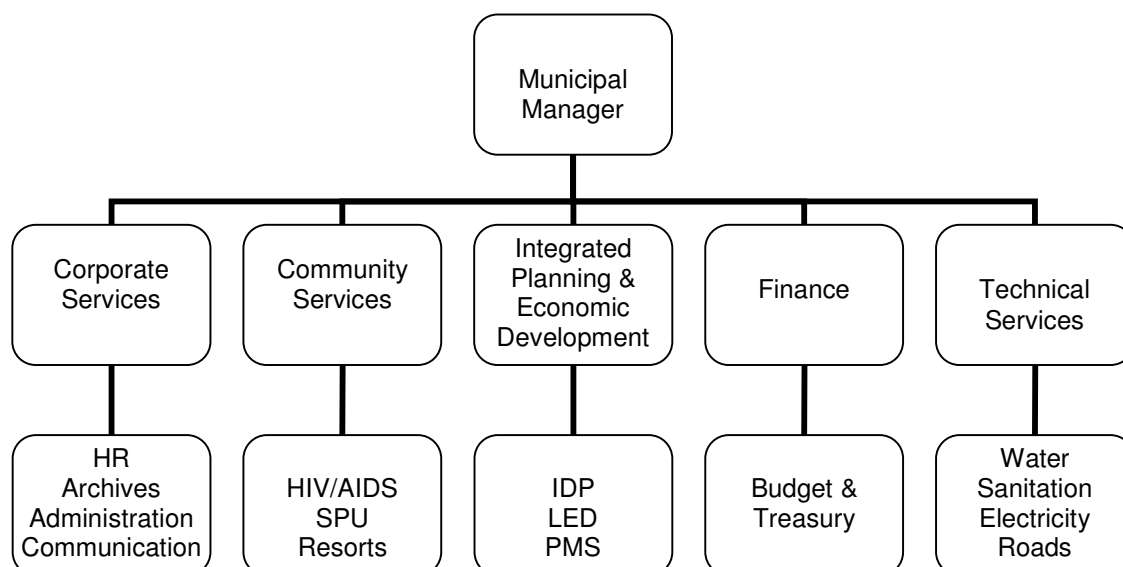
Notable from the analysis of functions currently being performed compared to those that are authorised, the municipality seems to be lagging behind in especially the capacity to undertake and effectively perform regulatory functions.

7.4 Organizational arrangements

The organogram approved in December 2007 and still implemented in 2010 reflects that ELM has the following 5 departments:

- Municipal Manager
- Finance Department
- Corporate Services Department
- Community Services Department
- Technical Services Department
- Integrated Planning and Economic Development (IPED) Department

Below is a diagrammatic illustration of the super structure prevailing in Emalahleni.



7.5 Human Resource Development

The municipality has a uniform Human Resources Manual which includes the following:

- Collective agreement: Conditions of service;
- Working hours, overtime and attendance records;
- Collective agreement: Disciplinary code and Grievance procedures;
- Housing subsidy policy
- Recruitment and selection policy;
- Fleet Management policy;
- HIV/AIDS workplace policy;

- Skills Development policy;
- Study assistance policy;
- Induction training policy;
- Acting allowance policy;
- User telephone policy; and
- Draft scarce skills and retention strategy

7.6 Work place skills plan

ELM has a functional skills development plan which it uses to guide interventions for skills development and raining of both officials and councilors. In the plan, the following are highlighted as scarce skills:

- Engineering + technicians (Infrastructure and service delivery)
- Accountants (Financial viability)
- Community Development facilitators and town planning (public participation and planning)

The plan also prioritizes implementation of adult basic education and early childhood learning as broad focus areas for general literacy and skills development. The plan is linked to the municipality's policy for scarce skills retention and recruitment.

7.7 Employment Equity

Emalahleni Municipality has an employment equity plan in place. The employment equity plan has been developed for a period of 3 years and will be reviewed yearly. The plan was submitted and approved by Council in 2008 and will be revised in 2010/11. Currently the municipality has a female and male representation of staff, which is as follows:

- Females 29,57% (including black, white)
- Males 70,43% (including black, white)

Out of the whole representation, people with disabilities represent 1,74%. Management has a fair representation of 28,57% females and males are at 71,43% of the total number of management.

Following are the employment equity targets for the year 2008/09 – 2010/11:

- Females 40,91% (including black, white)
- Males 56,82% (including black, white)
- People with disabilities 2,27% (including black, white)

7.8 Municipal By-laws and regulation

The analysis of assigned powers and functions vis-a-verse current provisions in our organogram and staff complement shows a weakness in the area of by-law enforcement and general regulation capacity.

For example, we currently do not have inspectors in our work force and rely on the district and DEAT for environmental management responsibilities. This has been identified as a critical area of attention in our operational systems and in the interim we shall continue to engage the DM and DEAT for support until we have build our internal capacity.

8 FINANCIAL VIABILITY

Financial viability is a key priority for 2010/11 and our main focus is on:

- Achieving a clean audit outcome
- Complying with all LG legislations
- Building capacity in the finance departments
- Improving our audit outcome
- Improving efficiency in our Supply Chain Management processes
- Implementing internal audit
- Implementing sound financial reporting and control mechanisms

8.1 Overview of financial viability

The municipality's financial management capacity is steadily growing. However, we are still unable to achieve as desired a clean audit outcome. This remains our strong resolve as the council. Due to low economic development, we are experiencing linked problems of:

- Poor payment levels (currently estimated at 23% by first quarter of 2010)
- A large pool of debt comprises the 120 and above debtor days category and this situation is compounded by historic debt that will not be recovered. Council needs to resolve on bad debt and write-off decision in order to cleanse our billing database
- No sustainable financial reserve to cushion us from bad debt and low payment levels
- Over reliance on national fiscal grants for to fund our programmes and IDP commitments
- Lack of sound partnerships with private sector for leveraging our service delivery funding
- Capacity constraints which compound our inability to settle and fully comply with all LG legislation requirements

8.2 Financial plans

The municipality has managed to put together and implement a suite of financial management plans and policies to guide its operations and financial services support to other departments.

8.2.1 Supply Chain Management

The council adopted and is currently implementing a supply chain management policy to inform its decisions for procurement (goods & services) and management of supplier relations.

The intention is to use this policy to foster economic growth through creative procurement and prioritization of local suppliers and SMMEs.

8.2.2 Revenue enhancement and collection strategy

ELM has a revenue enhancement and collection strategy which it developed and adopted in the previous year and will continue to implement in 2010/11.

The strategy identifies critical areas that need urgent attention and proposes interventions that are needed as follows:

Problem	Action to be taken	Responsibility
Management of prepaid consumption is not in place and the purchasing of prepaid electricity is not managed. The municipality is at risk as there might be consumers who have by-passed their prepaid meters and are not paying for electricity used.	The Conlog Financial Management System used by the municipality has a report generation function for the management of prepaid consumption. This function needs to be installed and staff members need training on the use of the system. The Finance Section needs to ascertain the cost of staff training. A report on the matter needs to be submitted to Council as soon as possible.	The Finance Section.
Access to meters is restricted in some cases, making it necessary to use estimates for purposes of billing. The municipality is at risk of under recovering costs, making it very difficult to recover outstanding amounts once actual meter	The Municipal Systems Act states in Section 5 (2) (d) that members of the local community have the duty to allow municipal officials reasonable access to their property for the performance of municipal functions and in Section 101 that the occupier of premises in a municipality must give an authorised representative of the municipality or of a service	Director Support Services

Problem	Action to be taken	Responsibility
readings are available.	provider access at all reasonable hours to the premises in order to read, inspect, install or repair any meter or service connection for reticulation, or to disconnect, stop or restrict the provision of any service. Although it is not a criminal offence for a consumer to deny the municipality access to his property, the municipality may in terms of the Systems Act institute civil action against the consumer to have the right of access. It is therefore recommended that in cases where there is persistent denial of access, that the municipality institute civil proceedings. Furthermore that the bylaws of the municipality be amended to include the provisions as set out in the Municipal Systems Act.	
Streetlights in areas maintained by Eskom are not diligently repaired by the latter, resulting in dissatisfaction from residents in the affected areas.	A system should be put in place where calls for repairs logged with the service provider can be monitored. Non-performance by the service provider should be followed up in line with the contract between the service provider and the municipality.	Technical Manager – Technical Department
Bulk meters to monitor consumption per area.	The Electricity division needs to determine the cost implications of installing bulk meters and must set out the advantages of having such meters in place.	Technical Manager – Technical Department
Meter tampering.	By laws must be amended to increase penalties for meter tampering.	Technical Manager and Municipal Manager
There is a risk that every service point is not billed completely and the municipality may be losing significant	The billing database was investigated. A report setting out the anomalies will be submitted to the Finance Section for purposes of updating the database. It is	Revenue Accountant & Data Clerks

Problem	Action to be taken	Responsibility
income.	recommended that the Finance Section make available complete print outs of all service point to the Refuse and Sanitation Section. This section will then have to perform a review to ascertain completeness and correctness of the database. It will be expected of the Section to sign off the databases as being correct and a listing of anomalies must be forwarded to the Finance Section. It is good practice to repeat this exercise on an annual basis.	
Deposits are insufficient to cover the risks to the Municipality associated with non-payment. No differentiation in deposits. Deposits not increased annually.	The Municipality can make provision in its Tariff Policy for differentiation in tariffs. This process can be included in the Budget Process. The municipality can consider an annual increase in deposits as part of the Tariff Policy. Annexure A contains a schedule with possible deposit categories. Please note that values are illustrative only.	Budget Officer and Revenue Accountant
No proof of rental agreement or offer to purchase.	The application forms should make provision for this information, as it will have a direct influence on the deposit to be paid by the consumer.	
No previous municipal account required or clearance.	New connections must accompany the previous municipal account together with the clearance certificate or original statement which reflects a R0 balance.	Revenue Accountant & Data Clerks
No regular follow-up for change of ownership	Attorneys should be contacted on a regular basis to obtain information regarding change of ownership.	Recovery Section - to be established
No credit check	Credit checks should be performed on all new applicants.	Recovery Section - to be established
Tampering	By laws must be amended to increase penalties for meter tampering.	Technical Manager and Municipal

Problem	Action to be taken	Responsibility
		Manager
Limited access	Refer to 7. Above	
Meter data possibly outdated	Refer to 7. Above	
Lack of bulk meters	Refer to 7. Above	
Basic availability fee	The process of installing meters in Lady Frere where water is not metered must be addressed as a matter of urgency. Once meters are installed the tariff structure must be amended to recover the costs of unmetered water.	Budget Officer and Technical Manager
Limited follow-up on exceptions	Exception reports generated by the system should be followed up as soon as meter readings have been captured. Any irregularities should be amended.	Revenue Accountant
More resources can shorten the meter reading period	Employ extra meter readers to assist with the readings on a monthly basis.	
Too many estimates	Perform spot checks on a sample basis of meter readings taken during a specific period or obtain handheld electronic devices.	Data Clerks
Only one person that handles almost all processing	Appoint assistant to the Revenue Accountant to assist with the enormous workload.	Municipal Manager
Format of accounts	Contact the Financial Management System provider and make any changes to the current format of accounts.	Municipal Manager and Revenue Accountant
Folded by hand	Obtain a printer friendly system to prevent that accounts are folded by hand.	Municipal Manager
Stamps used	Consider the use of a franking machine instead of using the "old" stamping system.	
Staff arrears	Ensure that staff accounts are maintained and deducted of the payroll on a monthly basis.	Revenue Accountant and Data Clerks
Councillor arrears	Ensure that Councillor accounts are maintained and not exceeding periods longer than 90 days.	Revenue Accountant and Data Clerks
Rental properties	Inspect all municipal properties and compile a register of investment	Expenditure Accountant

Problem	Action to be taken	Responsibility
	property. Ensure that there are rental agreements between the Municipality and relevant the lessor and that amounts charged for rental is adequate and covers the cost of maintenance. Follow up on arrear rental and take legal action if necessary.	
Lack of defined procedures and guidelines	Design, implement and train staff on policies and procedures. Compile guidelines for the use of officials to ensure that the staff function at optimal levels.	Municipal Manager
Perceived Political interference	Inform Councilors and officials of their roles and responsibilities towards the community and make them aware of the requirements of the MFMA and the MSA. A specific communication protocol must be designed and implemented to deal with cases where consumers / community members communicate their concerns regarding arrears to Councilors. It has been found that some consumers abuse Councilors for their personal gain to the detriment of the Municipalities and the community at large.	Municipal Manager and Head of Departments
No water and electricity cut-off procedures	Establish a recovery section and implement strict debt recovery and credit control procedures. Determine the order of the billing code categories in terms of priority.	Municipal Manager and Technical Manager.
Prepaid meters are not managed	Generate monthly exception reports and perform immediate follow up procedures. Prevent consumers to purchase pre-paid electricity if other services are in arrears.	Revenue Accountant, Cashiers and Data Clerks
Indigent Support	Staff should be trained to make use of the indigent function on the financial management system. The status of approved indigents should be reviewed at least bi-annually. The indigent support policy should be	Finance Section and Data Clerks

Problem	Action to be taken	Responsibility
	reviewed annually and provision should be made for consumers and/or occupants under the age of 18.	
The 696 accounts with outstanding balances greater than R20 000.00 represents R22.5m of the outstanding debtors or 41% of debtors	These accounts must be investigated and reconciled. Consumers must be contacted and arrangements made to pay-off the arrears. In cases where consumers refuse to pay and they have the means to pay the accounts, action must be taken against such consumers in line with the Credit Control and Debt Collection Policies of the municipality.	Finance Section. Consideration could be given to outsourcing this service.
The remainder of the accounts with arrears.	Consumers must be systematically sensitized to the action which they can take to make arrangements for the settlement of arrears. Ward Councilors and the Ward Committee system must be used to communicate the importance of the payment of arrears and municipal accounts.	Finance Section. Consideration could be given to outsourcing this service.
Too little staff	Employ extra staff to assist with reconnections.	Municipal Manager, Manager Corporate Services, Technical Manager
Limited auditing of cut offs	Perform meter audits from time to time to identify problems or tampering with water and electricity meters.	Technical Manager

8.2.3 Indigent policy

The objective of this policy is to guide the council and municipal officials in ensuring that poor households have access to basic services in a sustainable manner. The policy aims to achieve this objective by providing guidelines on;

- i. The criteria for qualification as indigent
- ii. Procedures to recover arrears on municipal debt
- iii. Mechanisms for providing subsidy where conventional municipal services are not available.
- iv. Registration as indigent
- v. Exit strategy for indigents

Through this policy the council is able to reach out to poor household by subsidizing their consumption costs provided they pass a means testing process. The policy utilizes a gross household income as a proxy of poverty and requires a set of documentation and registration in order to ascertain such a status for a household to be deemed indigent.

The main challenge of this policy relates to the administrative burden associated with this means testing subsidization model (ie. That every twelve months households need to be verified and must themselves re-apply in order to be kept in the systems as indigent. This is a very cumbersome process and often stretches the already limited HR resources in the finance department.

8.2.4 Response plan to Auditor General concerns

In the last two years (2007/8 and 2008/9) we have seen a slight improvement from an adverse outcome to a qualified audit opinion. These are both undesirable outcomes and we have resolved to undertake specific projects to address the AG concerns in 2010/11.

Following the receipt of these audit opinions and the subsequent management report for the 2009/10 draft audit report, we have embarked on a reaction plan to address key concerns. Among the projects identified for implementation in this area are:

- Conversion of statements to be GRAP compliant
- Full implementation of the valuation roll in accordance with the requirements of the Property Rates ACT -2003
- Introduction of management systems to improve monitoring and internal financial controls
- Updating of our asset register in line with MFMA requirements
- Development and implementation of a risk management plan
- Updating of the tariff & rates policy in line with indigent register and new valuation roll
- Implementation of controls to and capacity building for supply chain management
- Regular updating and cleansing of our supplier and billing database and billing database

8.2.5 Missing plans

We currently do not have the following plans:

- Risk management plan
- ICT policy
- Fleet Management

9 GOOD GOVERNANCE

Good governance is a key priority for 2010/11. The council is committed to implementing and complying with good governance requirements.

There is a general perception of lack of solid good governance systems and culture in our organization. This is often fueled by political factors.

9.1 Disciplinary Measures

Currently there are not senior managers or exco councilors who are on suspension and facing disciplinary proceedings. There is general stability and cooperation between management and political leadership.

A Council has a code of conduct which governs all its employees and political office bearers. This code of conduct is monitored by council.

9.2 Intergovernmental relations

The municipality has consistent operational relations with other spheres of government including the district, business community and non-governmental sector. To facilitate these relations an IGF was established which is mainly constituted by government (sector departments and the municipality) and this structure meets on a regular basis to discuss and monitor progress implementation on commitments.

Current challenge with IGF is lack of effective and consistency in the participation of sector departments in municipal planning platforms like IDP rep forum and others. This poor participation often leads to undesired tensions and confusion of mandates as well as increased inefficiencies in service delivery efforts.

9.3 Public Participation & Customer care relations

Council is committed to promotion of local democracy through involvement of communities in its planning and decision making processes. This is done through continuous consultative engagements such as Rep Forum, Mayoral Imbizos, Ward committee meetings, CDW operations etc

Communities are also encouraged to take part in project implementation via their locally based organizations (co-ops, trusts, NGOs) and steering committees.

Relations with our stakeholders and customers are monitored and managed through planned activities like customer satisfaction surveys which will be conducted in 2010/11 and reported as part of our PMS annual report.

9.4 Special Programme

Council is committed to the promotion of active participation and protection of vulnerable groupings in our society such as women, youth, children, orphans and disabled. A dedicated unit exist to address the needs of these special groups and to guide their engagement and mainstreaming into economy and social cohesion. This programme is the responsibility of the office of the mayor.

9.5 Anti-corruption

Council has embarked on a campaign aimed at improving its profile and fighting perceived or existing corruption tendencies. A dedicated anonymous line for public complaints will be established to facilitate safe and protected reporting of corrupt incidences by anyone in our fold (politician or official). This line will be linked to SAPS for objectivity and effective response to complaints.

10 SERVICE DELIVERY

The primary role of a municipality is to provide and facilitate the delivery of services to its communities. It is therefore imperative for the municipality to understand the extent to which households in its areas of jurisdiction have access to the various services that are essential for their livelihood.

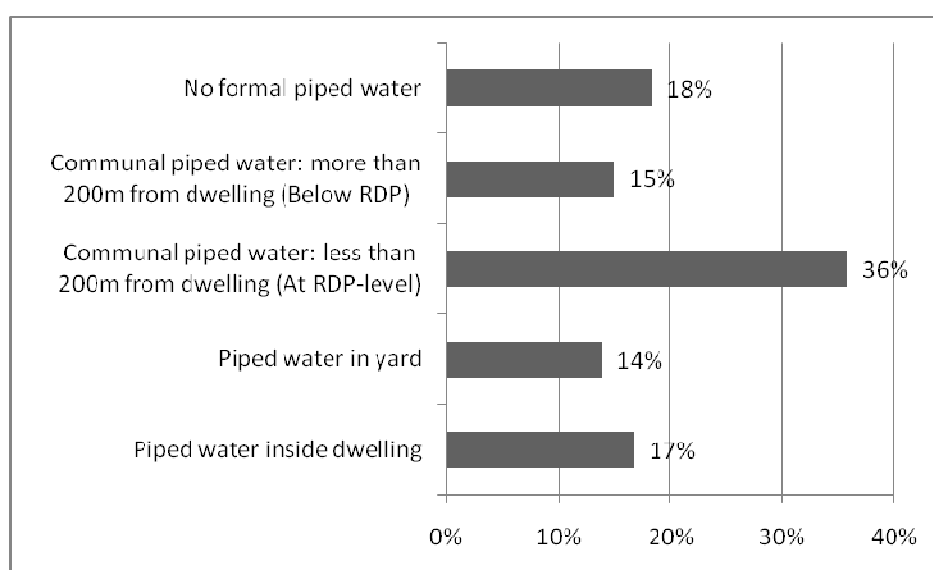
10.1 Water & Sanitation

Chris Hani District municipality is a water services authority and a water services provider for all the areas under the Emalahleni municipality. This means that the primary responsibility to ensure that local people have access to water and sanitation services & infrastructure rests with the district. Emalahleni municipality is neither responsible for operation nor maintenance of water services infrastructure in all its areas. However, as a developmental local government assigned powers to plan for its development the municipality has default responsibility to monitor provision of

household access to basic services and lobby relevant authorities to deliver such services at required quantities.

10.1.1 Access to Water Supply

Household access to water supply has slightly improved to an estimated 66,6% households having access to piped water at above RDP level by 2008. The current backlog for water supply is estimated at 33,4%. The figure below gives an overview of water supply by household access to a service level.

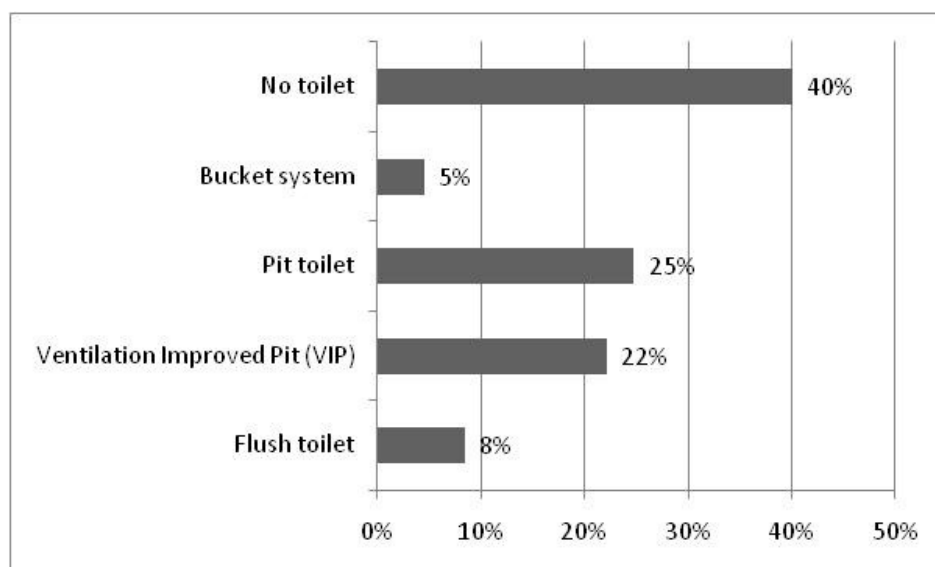


Source: Global Insight 2008

10.1.2 Access to Sanitation

By contrast to water service provision sanitation backlogs are still very high. Current estimates indicate that Emalahleni backlog for basic hygienic sanitation provision remains at 69,4%. Only 30,6% of households enjoy access to a basic hygienic level of sanitation provision. The majority of these households are concentrated in smaller towns of Lady Frere, Indwe and Dordrecht.

The figure below gives a picture of the state of household access to sanitation.



Source: Global Insight 2008

Formal sanitation services to the 3 main towns of Lady Frere, Dordrecht and Indwe are described below:

- **Lady Frere:** The town centre operates on a system of septic tanks and full water borne system. The outlying suburbs are serviced by a bucket system with effluent treatment in a maturation pond system. It is reported that the treatment system has recently augmented by the addition of some new oxidation ponds.
- **Dordrecht:** The central area of the town is serviced by a small-bore reticulation network, which feeds a maturation ponds treatment facility. The balance of the town is serviced by a bucket system.
- **Indwe:** The town centre and lower town are serviced by a system of septic tanks and full water borne system. The outlying suburbs are serviced by a bucket system and oxidation ponds treatment facility

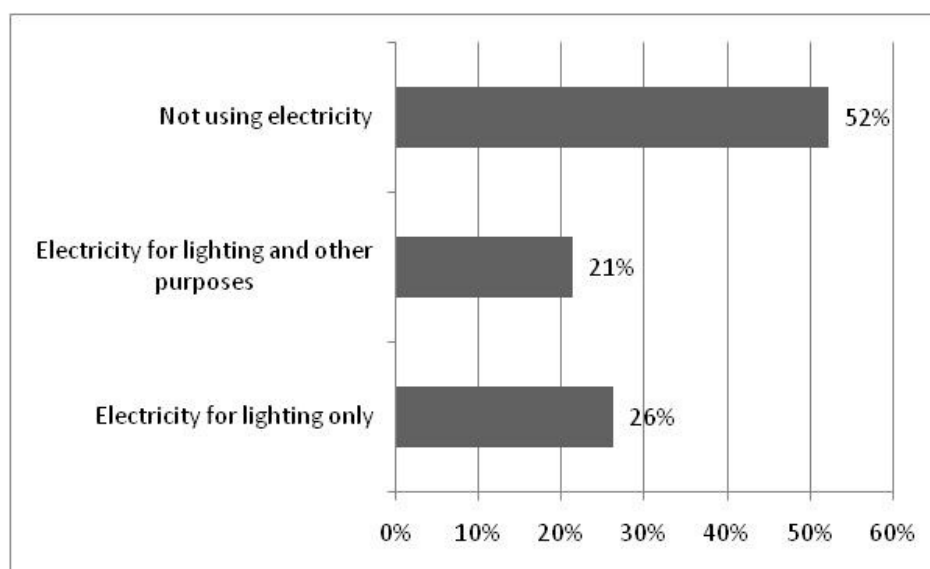
10.2 Electricity and energy supply sources

Eskom is responsible for providing electricity services in the Emalahleni jurisdictional areas especially to the business communities. The municipality's role is currently to facilitate the implementation and communicate with Eskom regarding areas of priority for connections while also assisting with household provision via brokerage for prepaid system.

Electricity service is currently provided to portions of 8 wards only. Eskom has planning in place to develop their network ultimately to all areas of Emalahleni. The following problems are constraining the development of the network:

- The high capital costs and operating costs and therefore affordability of connections to individual households and business premises. There are a large number of existing connections to dwellings which are not operating due to inability to pay monthly charges, or to top-up pre-paid meters.
- Theft of copper cables and vandalism of Eskom installations. Eskom has a public information programme in place to educate and thereby reduce / eliminate this practice.

Alignment of Eskom planning with Emalahleni Municipality for both the expansion and the positioning of new systems is essential and will require close co-ordination between both parties. The major critical challenge facing the electrification programme is the sudden reduction of the electrification budget by the Department of Minerals and Energy (DME). Emalahleni municipality is busy in negotiations with DME in an attempt to find a speedy solution. The figure below shows household access to connections.



About 26% households had electricity connections for lighting purposes only by 2008 while another 21% had connections for

lighting and other purposes. Solar systems are not popular options for energy supply while paraffin is largely used by over 38% (MDB: 2006) of households in both rural and urban areas. Household connection backlog is estimated at about 52% by 2008.

Backlog for businesses is unknown as they have a direct link to Eskom for their installations. However, anecdotal observations indicate that business connection backlogs are relatively low.

10.3 Roads & Stormwater

The municipality is responsible for the construction, maintenance and upgrading of local access roads and stormwater infrastructure. Other roads are a responsibility of the District, Province and National department of Transport.

The entire road network of mainly gravel roads is generally in poor conditions and need upgrading and maintenance. Projects of Provincial significance in the Emalahleni area included inter alia:

- The upgrading of the main road linking Cala to Lady Frere
- New access roads (listed under projects)

Department of Roads and Transport has undertaken to support with routine maintenance and construction of access roads to a tune of 4million for access roads and 12million for maintenance in 2010/11.

10.3.1 Road Network and Corridor Development

The various categories of roads are summarised as follows:

Trunk roads	65km
Main roads	90km
District roads	658km
Access/minor roads	313km

The trunk and main road network consists mainly of the R56 which runs through Dordrecht and Indwe towards Elliot in an east / west direction, and the main roads between Sterkstroom / Dordrecht (R344) as well as the Queenstown / Dordrecht (R392) link road.

The entire road network of paved and unpaved / gravel roads is in general in a relatively poor condition although some interventions are planned, as indicated in the physical infrastructure project lists included elsewhere in this report. Most of the gravel road surfaces are below standard and should be upgraded to allow for all weather road conditions.

Access across streams and watercourses is generally poor during rainstorms. There is a municipality-wide need for the construction of appropriate causeways and bridges. Apart from the significant tourism route between Dordrecht and Maclear/ Mount Fletcher, consideration should also be given to improve the integration of, and link roads between Queenstown, Glen Grey, Cala and Elliot to strengthen corridor development and accessibility. Services along this corridor should further be developed to facilitate densification, focused delivery, planning and funding. This will serve to sustain the economies of the towns and develop stronger linkages and integration between rural and urban areas.

10.3.2 Rail Network

The light density railway line between Sterkstroom – Dordrecht – Indwe – Maclear is currently being utilised at 8% of capacity for transportation of general freight commodities and timber. Limitations exist in regard to axle load carrying capacity of heavy freight and consideration is being given to reroute products such as timber to the East London – Umtata railway line which may further impact the utilisation of the line. Strategies could include outsourcing the operation of the line, or alternatively partial closure of the section between Sterkstroom and Elliot.

10.4 Household Access to Telephone communication

Telkom is a provider of the landline telephone services in the Emalahleni. The municipality's role is currently to facilitate the implementation and communicate with Telkom and other mobile network service providers regarding areas of priority for connections.

Information received from interviews with cellular telephone operators suggests that approximately 85% of areas in the Emalahleni municipality have adequate network signal coverage.

Significant improvements in household access to telephonic services have been registered over the last few years. Telkom is promoting their Digital Enhanced Cordless Telecommunication system (DECT) to rural areas to facilitate coverage. However the following problems and constraints are apparent to development of all of the networks:

- The high capital and operating costs and therefore affordability of individual household connections, as well

as of cellular phones. There are a large number of installed facilities which are disconnected due to non-payment of monthly service charges.

- Theft of and vandalism to existing infrastructure especially theft of copper cabling and solar panel installations and vandalism of public telephones. Communities in general prefer location of public telephone facilities within community meeting places / halls / multipurpose centres in order to limit vandalism.

It is considered essential that alignment of this planning for both the extent and positioning of new systems be put in place. This alignment will require close co-ordination between both Telkom and Emalahleni Municipality.

11 SOCIAL DEVELOPMENT

11.1 Social development programme

The department of social development together with its agency SASSA is primarily responsible for the coordination and delivery of social development programmes in Emalahleni. However, the delivery mechanisms are designed to be inclusive and participatory with the municipality playing an active role in the identification of needs and facilitation of project implementation. In particular the department has requested the municipality to contribute with building space or shelters for most of its projects such as day care centres and youth initiatives.

In 2010/8 the department of social development and SASSA will be running the following key targeted social development programmes in the areas of Emalahleni:

- Substance abuse
- Caring for the orphans
- Beneficiation migration (data cleansing)
- Reconstruction of missing files
- Victim support
- Food security

11.2 Solid waste

Solid waste removal service is a competence of Chris Hani district (waste/ landfill sites) and the province/ national DEAT (licensing, coordination, monitoring and support). The status of solid waste

systems for the Emalahleni Local Municipality is summarized for the main towns as follows:

- Lady Frere: No licensed solid waste site exists. No formal solid waste collection system is in operation.
- Dordrecht: Dordrecht operates a solid waste collection system in the town and their landfill site is reportedly approved by DWAF.
- Indwe: The town has a solid waste collection system - it is reported that the existing solid site waste site requires upgrading to enable licensing of the site by DWAF.

The balance of the Municipality is not serviced by solid waste collection and disposal systems. Main Problems facing the service are listed below:

- The legacy of apartheid and non-delivery in the former Transkei, which resulted in a backlog which takes years to overcome as well as a lack of services which is a constraint to develop an area with large potential.
- The land tenure, especially in the former Transkei which makes development that much more difficult.
- The lack of capacity of services in the towns is hampering residential development.
- The insecurity of the existing bulk water source for the town of Lady Frere, namely the Machubeni Dam is of serious concern.
- The low income in the Municipality, which results in low affordability for services.
- The poor road infrastructure, especially in the former Transkei which again makes development that much more difficult.
- The environment, especially the sensitive areas i.e. wetlands, rivers, dams.
- Inadequate space on the commonages of the towns of Lady Frere, Indwe and Dordrecht to supply in their residential and grazing needs of the inhabitants.
- The location, extent and viability of minerals for commercial extraction are not known.
- The lack of environmental control over strategic services such as waste and sewage, which is a health risk.
- The lack of adequate land for grazing on the commonages of the three towns

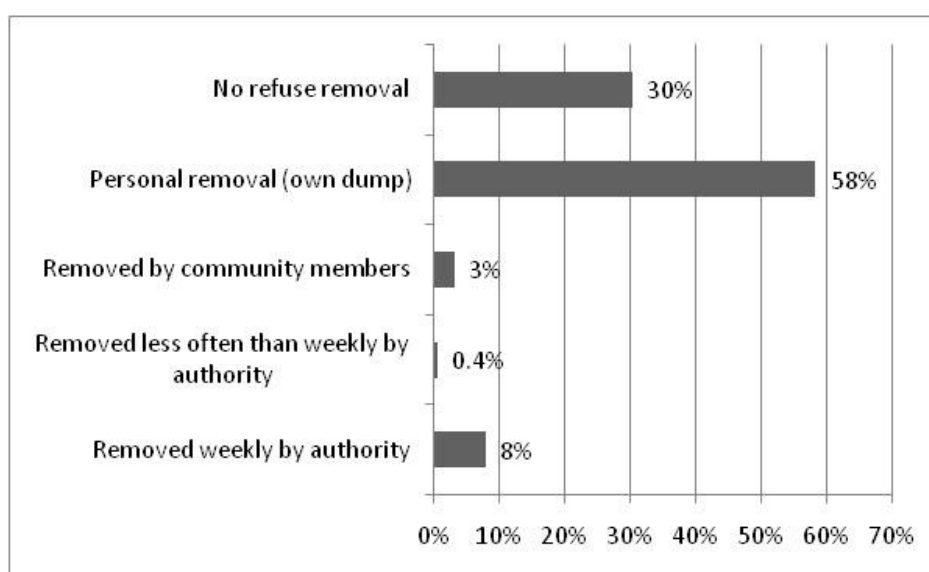
11.3 Household Access to Refuse Removal

Emalahleni municipality is responsible for providing refuse removal service to its areas of jurisdiction. Since the establishment of Emalahleni municipality in 2000, this service has generally been provided to urban areas of Lady Frere and Indwe / Dordrecht only.

Rural areas are generally using a range of temporary mechanisms such as own dump within the yard and illegal dump sites.

According to current statistics only 8,3% of households have access to weekly refuse removal. The percentage of households utilising communal and municipal skippers have is 3% by 2008 while those that are utilising own dumps are estimated to be 58%.

The figure below shows the state of household access to refuse removal services in the Emalahleni areas.



Source: Global Insight 2008

In terms of the above figure, the percentage of households who do not have access to any form of refuse removal is 30%.

11.4 Public Transport

11.4.12.6.1.6. Taxi and Bus ranks

Public transport is an assigned function of Emalahleni municipality, yet very little is being done to advance this service. Interventions are mainly limited to infrastructure development such as erection of bus / taxi shelters along public transport routes. These too are often of poor condition and quality. Taxi and bus facilities in Emalahleni Local Municipality are generally in a very poor condition and are often merely informal areas (embankments on roads, open fields

etc), in rare cases have there been attempts to formalize the ranks, which are characterized by:

- Lack of basic services such as water, sanitation, electricity, telecommunications
- Passenger shelters and seats are rarely available
- Parking surfaces are generally not marked and are very often dirt/gravel
- It is difficult to tell the difference between holding, loading and parking areas
- There are no wash bays
- Entrance/exits are not clearly marked
- Destination boards, and general signage is non-existent

11.4.2 Status Quo

- Taxi operators are complaining about over-subscription on routes and a decrease in income
- Bus operators are unhappy about what they see as extremely low subsidies and about the fact that they see themselves as being forced out by government
- The general condition of buses and taxis is very poor and often not in roadworthy state
- Commuters are generally unhappy with the services being provided by both taxis and buses
- Rail services for commuters have been decreased over the years.
- There are taxi ranks in Lady Frere and Dordrecht. The taxi ranks in Lady Frere are being upgraded. The taxi ranks in Dordrecht are not being used at all.
- The role of bakkies in rural areas is very significant and the approval and / or upgrading of these special category vehicles needs urgent attention. Appropriate road infrastructure and public transport facilities including taxi ranks and bus transport facilities are lacking and a comprehensive public transport strategy is required in this regard.

11.5 Education

The role of the Emalahleni municipality in Education is to facilitate and cooperate with the Department of Education for the provision of schools, education programs. In particular the municipality needs to communicate information in terms of key priority areas needing education infrastructure and services.

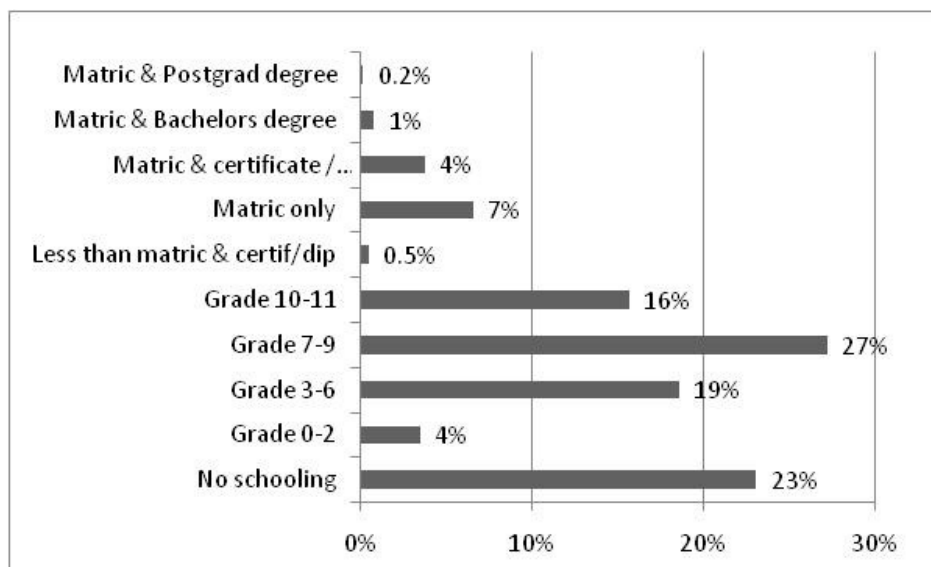
Most of the education institutions in the municipality cater for lower level schooling from grade nil up to grade 12. There are also

facilities that offer tertiary education in the form of FTE colleges like Mt Athur for example.

There are approximately 184 schools servicing our municipality. The main challenges raised by participants in the IDP process relate to issues of:

- Classroom backlogs
- Ineffective scholar transport system
- Inability of rural schools to attract skilled and appropriately competent educators for science subjects
- Poorly performing schools in terms of their matric pass rates resulting in trickle down problems for the labour market and local economy

The figure below gives a picture of the levels of literacy attainment in the local labour market.



As indicated in the figure above, levels of educational attainment are very low. This situation presents a major challenge for future economic growth because essential skills for growing the economy are limited and will be further reduced by this situation in which 23% of population has no schooling at all.

11.6 Safety and Security

Emalahleni does not have its own municipal police force therefore the responsibility for providing safety and security services in its areas rests with the South African Police Services Department (SAPS). There are at least three known police stations and a one prison located in the municipal areas.

Crime is a key concern in the municipality. Interview with the Lady Frere police station commissioner suggested that there are five main crimes that are common in the Emalahleni areas. According to the station commissioner these include in the order of priority, stock theft, domestic violence, burglary & house breaking, theft and aggravated robbery. In addition to this the representative forum also acknowledged that domestic violence is common among local people.

The representative forum acknowledged the existence of community policing initiatives but there was a concern that these forums are not functional in many areas. It is imperative for the municipality to lobby relevant authorities for improvements in the fight against crime because the failure to contain it may lead to undesired negative effects on the economy. Therefore, it is of interest to the municipality to facilitate conditions for effective law enforcement operations in all its areas of jurisdiction by cooperating with the SAPS.

11.7 Health

Health services in the municipal area are competence of the District and Province. Chris Hani DM is responsible for municipal health while the Provincial Department of Health (DoH) is responsibility for the primary and secondary health services. The department of Health is currently implementing the following programmes in the Emalahleni Municipal areas.

- HIV/ Aids monitoring and management
- Mother Child Women's health

- Management of the spread of Tuberculosis
- Health and Hygiene promotion in schools
- Conducting of environmental health surveys and tests
- Nutrition programme implementation at schools

HIV/Aids is a public health concern that the municipality should to at least monitor and proactively contribute to the reduction of the impact and the spread of HIV/Aids among its communities. Indications from interviews with the district health office indicate that the prevalence rate is increasing among those who voluntarily tests at local clinics. These are mainly females as men tend to be less open and proactive about knowing their status. According to nurses at Glen Grey hospital which is a nominated site for ARV roll-out, the biggest challenge is limited outreach and effectiveness of current public education about the risks and management of their exposure to diseases.

There are currently 35 medical & primary health care facilities in the Emalahleni municipality. Of these 32 are clinics and 3 are hospitals located in Lady Frere and Dordrecht.

11.8 Housing

The municipality is not a housing authority but it plays a key role in the administration of applications for low cost housing. A housing sector plan was developed and adopted some 3 years ago and has not been updated since.

The intention is to develop a comprehensive housing sector plan during 201/10/11 for implementation and to guide our intervention in housing delivery. The plan must provide clear and accurate assessment of:

- The extent of our housing demand
- Extent of our housing supply gap
- Size of demand by housing type and locality
- Funding model for housing delivery
- Capacity needs for facilitating housing delivery
- Role of the municipality in housing

12 SPATIAL DEVELOPMENT FRAMEWORK

The municipality does not have an updated and relevant SDF and need to develop it in 2010/11.

12.1 Provincial Spatial Development Plan (PSDP)

The Provincial Spatial Development Plan refers to “an embracing spatial policy that guides and co-ordinates such planning (IDP’s) according to sound norms and principles”.

The Spatial Management Approach adopted by the PSDP recognizes the limits of available resources in the Eastern Cape Province and therefore proposes a *targeted and phased development approach* in an effort to address basic needs and create the environment of local economic development (in either rural or urban context).

This strategy is termed an Integrated Spatial Development Strategy and is as follows:

- Focus investment and upgrade existing rural settlements, villages and towns on a phased basis according to available resources and development priorities;
- Target strategic investment at nodal points and reinforce development nodes and development areas though building on strengths and bulk infrastructure; and
- Focus on economic upliftment and employment creation through LED, Agriculture, SMME’s and industrial programmes.

Further more the PSDP plan proposes the following principles and strategies:

- Ensure the protection of natural systems and resources
- Promote tourism and areas of recreation
- Adopt an hierarchy of settlements policy approach for targeting investment
- Build on maintaining and developing an efficient and accessible transportation network

- Align development decisions and investment with other Spatial Development Initiatives (SDI's)
- Build on industrial and mining opportunities (according to competitiveness and resources)
- Conserve water resources
- Foster small scale and commercial agriculture as a cornerstone of rural development.
- Investment should target areas where the economic opportunities and returns are greatest.
- Social expenditure on basic infrastructure for basic needs should be specified as spin-offs from economic development investment, wherever possible.
- Development investment should create an enabling environment for private sector investment.
- Inter-Departmental investment linkages should be identified in order to maximize benefits and achieve a coordinated effort.

i. PSDP: Spatial Development Policies and Principles

In order to achieve the most significant results the PSDP suggests that policies of investment and management should be applied at three levels:

Firstly, investment should seek to address, basic needs - secondly, strengthen local capacity by building on existing strengths and thirdly, target development zones that have the potential to attract private sector investment.

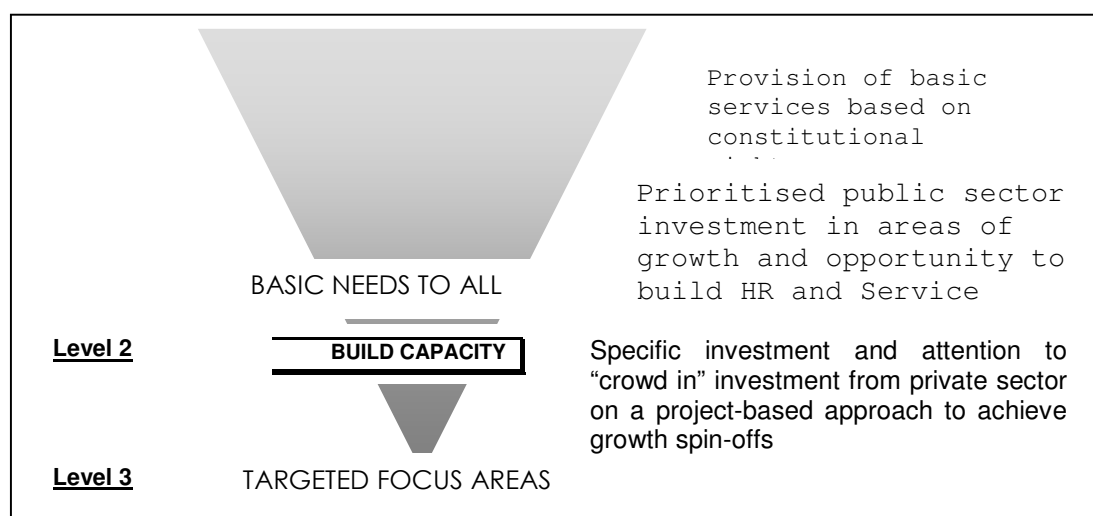
Accordingly the PSDP defines the following three levels of investment: -

Level 1: Basic Needs to All - This would fulfil basic human rights in the provision of basic services to both urban and rural areas, at a minimum level (as per minimum acceptable levels of service adopted by the Amatole District IDP Framework Committee). Backlogs in these

areas, the proximity of existing bulk services and local IDP priorities would guide this.

Level 2: Build Capacity - This ensures the managed investment of public sector funding in urban and rural areas in order to strengthen local capacity, build on the strengths and opportunities, which exist, and to maximize potential from the existing infrastructure and settlement system. Capacity building implies investment at a higher level in middle order services, infrastructure and needs such as institution building (human resource training, skill transfer and community empowerment) and provision of facilities such as secondary schools, market places, taxi ranks, etc.).

Level 3: Targeted Focus Areas - This would involve the provision of funding to strategically target development zones which have development potential. These will represent nodes or areas of opportunity, where a special focus of effort and investment will attract interest from the private sector to invest; either in joint ventures with Government or independently, in order to develop economic growth opportunities and potential which already exists. This investment includes higher order services and infrastructure (which includes non-essential needs) such as sports stadiums, tertiary and specialized education facilities as well as investment that is likely to generate significant socio-economic development spin-offs.



ii. Key Spatial Development Features

The development perspective is informed by the following:

- a) Settlement patterns and land tenure
- b) Socio economic trends: levels of poverty (poverty index)
- c) Current development planning initiatives in the area

12.2 URBANISATION, SETTLEMENT AND HOUSING

Housing within Emalahleni is characterised by more permanent forms of housing, where over 60% of all households reside within formal dwellings and some 35% within traditional structures. About 43% of people in Emalahleni Local Municipality live in a 1 or 2-roomed house. This indicates a mature settlement pattern especially within the areas of Mavuya, Indwe, Manyano, Dordrecht, Bakaneni, Mayalwini, Mphesheya/Gomora, Ngcalasi, Dophu, Mqonci and Platkop, where between 90 - 100% of dwellings are formal structures.

In the remaining settlement areas (including Lady Frere and Cumakala), increased numbers of traditional dwelling types can be found. Consequently, there are low levels of "homelessness" and informal shack development within the Emalahleni area (i.e. less than 4%). The average household size of 5, 0 people indicates a higher level of "settled living" than would normally be found in urban informal settlements (usually 3, 2 people per shack). The importance of existing rural settlements as "reproductive bases" to the majority of the population is therefore significant.

Maintaining the integrity of the natural resource and rural settlement base is a priority concern that requires policy acceptance that would allow existing rural households their subsidy entitlement to upgrade and retrofit existing dwellings. A shift towards more rational and systematic forms of subsidisation of existing poor households (formal and traditional) is required. This would help rural communities achieve improved infrastructure and upgraded homes.

With urbanisation, of importance is the availability of social security benefits (both Government and Private Sector). The existence of pensions as a basic "form of livelihood" within rural areas limits the propensity to migrate from an area with a weak economic base. Similarly, access to subsidised (or almost free) services and housing within nearby urban settlements could be seen as a deliberate act to distort migration patterns.

The emphasis, therefore, regarding levels of service within both traditional rural settlements and rural centres should be founded on

the principle of achieving an acceptable state of Public Health that is both environmentally and financially sustainable. The Municipality would also, through the Spatial Development Framework of the IDP, uphold sound principles of "development control" (i.e. building lines, minimum plot sizes, compatible land usage, etc) within all settlement areas to facilitate development "in compliance" with basic environmental and public health requirements. Uncontrolled settlement is unacceptable urban sprawl which will deplete the commonage area which is vital for agriculture and livestock grazing. The need for housing is expressed through housing projects approved by the Department of Housing and Local Government indicates that 4 305 housing subsidies have been approved and that a need exists for another 5 000 subsidies in the urban areas.

Project: City/Town	No of Subs	Future need express in IDP	
		Urban	Rural
Emalahleni Municipality			
DORDRECHT	1,000		
DORDRECHT: Phase 2 - R/L 1	1,000		
INDWE - R/L 1	513		
Indwe - 500 sites	500		
Lady Frere - 592 sites	592		
Lady Frere Ext. 5 - R/L 2	700		
	4,305	5,000	Nil

13 DEVELOPMENT PRIORITIES FOR 2010/11

1. SERVICE DELIVERY

- a. Water & sanitation
- b. Fencing,
- c. Roads & Storm water + bridges
- d. Electricity
- e. Safety & Security (CPFs, Satellite Police Stations, Regulation)
- f. Health (Clinics in Rural Areas + HIV/Aids)
- g. Education (Skills dev, Infrastructure)
- h. Waste Management + Refuse
- i. Housing
- j. Community facilities

2. LED (Growth, Jobs, Markets, SMME's, Tourism + Partnerships)

3. **Agricultural + Rural Development** (livelihood support + Commercial farming)
4. **Financial Viability** (Clean Audit + Improved revenue collection)
5. **Municipal Transformation** (Youth dev, SPU) + **Institutional development** (Internal business processes + systems)
6. **Good Governance** (Public participation, Cooperative governance + Corruption)
7. **Municipal Planning** (SDF, Urban Renewal +PMS)

14 INTRODUCING THE CLUSTER CONCEPT

The municipality has adopted a clustering approach to IDP implementation and facilitation. In terms of this approach, four clusters will be established and convened as follows:

- Finance, Governance and Administration - by Ms Ludick
- Economic Development and Planning - by Mr. Mntuyedwa
- Infrastructure Development - by Mr Mkuyana
- Social Needs - by Mr IDP manager

Each convener will be tasked to facilitate the drafting of a cluster programme and ensure that the cluster meets and discuss relevant issues at least once every quarter.

A decision was taken by the municipality to utilize the cluster arrangement in allocating budget to existing needs in line with the municipal vision and broad development targets.

PLANNING FOR THE FUTURE

This section describes the intended future development trajectory for Emalahleni. It deals with planning the future of Emalahleni taking into account the detailed analysis presented above and focuses on identifying a unifying vision, mission and values behind a common development agenda for Emalahleni. This section also identifies a detailed tabulation of the objectives, strategies and projects to be implemented in order to achieve the adopted vision and mission.

Further the section also addresses the alignment and integration of sector programmes and plans that are core components of this integrated development plan as well as outlining of the IDP approval process followed.

15 VISION

“A municipality that delivers sustainable and affordable services towards socio-economic growth and development”.

16 MISSION

Commitment of resources to co-ordinate and support programmes through effective partnerships and active community participation.

17 VALUES

17.1.1 Democracy

We shall respect and put into practise democratic values such as accountability, transparency and freedom of expression to ensure full participation in the affairs of the municipality.

17.1.2 Sound Administration and Financial Systems

We commit ourselves to setting up and maintaining an administrative and financial apparatus that will ensure an effective and efficient delivery of municipal programmes.

17.1.3 Inclusiveness

We shall strive to consider the needs of all the people first when formulating our policies, programmes and budgets irrespective of their sex, class, religion, beliefs, or any other form of social classification.

17.1.4 Responsiveness

We shall endeavour to respond timeously to service queries, complaints and inquiries by our clients.

17.1.5 Quality Service

The municipality will strive to provide affordable quality service through investing in human resource development.

17.1.6 Partnerships

Strategic partnerships will be entered into with private and public entities to ensure that the municipality is able to deliver on its mandate.

17.1.7 Batho Pele

We also subscribe fully and bind ourselves by the Batho Pele principles.

18 THE MACRO STRATEGY

The current reality analysis has shown that the municipality is faced with a daunting challenge marked by huge backlogs in service delivery, socio-economic problems of high unemployment and poverty levels. Solutions to these challenges can potentially be in conflict with or complement each other. For this reason, it is necessary for the municipality to have a macro strategy that will guide decision making

when there are conflicting strategic options and also provide a basis for the allocation of scarce resources.

The macro strategy gives a high level interpretation of the vision and is based on the following key drivers:

18.1.1 Maximising development impact

The strategy, in line with the vision, recognizes the need to achieve optimal impact with current resources and set of known constraints. In terms of this driver, the limited available resources must be directed towards interventions that will maximise development.

The strategy identifies the infrastructure cluster as the principal cluster on which larger capital budget resources and investments should be deployed in order to realise greater impact or outcomes.

18.1.2 Growing local economy

The situational analysis concluded that the municipality has very limited space to increase local revenue, mainly because of high levels of poverty. Therefore LED will not only help improve the lives of the citizenry, it will also improve the chances of their municipality to be a better resourced local government. However, it has to begin with an organization that can think and coordinate and/ or manage significant initiatives in terms of LED. It has to be able to get the municipality's initiatives to coordinate and synergise with others in a way that should lead to a major turnaround in the local economy.

18.1.3 Maintaining financial viability

The strategy identifies as central to turning around the current development situation, the need to maintain sound financial discipline and viability. This will ensure that available resources are protected from misuse and properly channelled to priorities. The strategy identifies the need to balance proportional split of budget between internal operational and external capital delivery needs. These initiatives may include introduction of some short to medium term "belt-tightening" measures.

18.1.4 Lobbying for authorities to compensate costs of delivery

The situational analysis has demonstrated that most of the development initiatives that the municipality would like to see being implemented in the municipal area are a competency of other role-players and in particular the District Municipality and Provincial government. In some cases the resources for implementation are in the hands of parastatals, such as ESKOM and TELKOM, and private, sector such cellphone services providers. It has also noted that there is no structured lobbying programme nor the necessary skills set that should develop such a programme and support the political structures in delivering on it in systematic way. Building this capacity is seen as a major driver of capacity building.

18.1.5 Capacity to regulate citizenry and deliver services

It was also noted in the situational analysis that the municipality is running the risk of not governing the municipal area. There is no enforcement of appropriate by-laws and the citizenry is beginning to act as if there is no local government. This is particularly the case with regard to actions that may harm the health of the citizenry. It was also noted that the municipality is not delivering on a number of its important powers and functions. There is clearly a need to build capacity in this regard.

19 OBJECTIVES, STRATEGIES & PROJECTS

The reviewed development objectives, Strategies and Projects are listed in the table below.

Key Priority Area (KPA)	Sub-result areas	Objective	Supporting Strategies	Project to be implemented	Source of budget	MTEF BUDGET		
						2010-11	2011-12	2012-13
Local Economic Development	Local Economic Development	To monitor, manage and conserve the environment	By facilitating implementation of programmes by DEAT and DEDEA	Implement Bathembu cultural calabash project	DEAT	R 12,000,000	R1000 000	R800 000
			By developing an investment framework for attracting new partnerships and resources for Economic development	Western Thembuland Cultural Village	DEAT	R 10,000,000	R 0	R 0
		To promote and support agrarian transformation	By facilitating implementation of projects by Department of Agric + Rural Dev	Xonxa Dam development project	DEAT	R 3,100,000	R 0	R 0
				Dairy Project	DEAET	R500 000	R 500 000	R 0
	Environment & Conservation management	To promote and support SMME Dev.	By facilitating implementation of projects by Department of Agric + Rural Dev	Support of mushroom project	DEAET	R 500 000	R 0	R 0
				Implement CASP Projects	Agric	R2,849,962	R 0	R 0
				Implement Sorgham plantation project	Agric	R 1,800,000	R 0	R 0
				Fencing in Zwart Water, Dubeni, C acadu Guba Hoek (31km)	Agric	R 920,000	R 0	R 0
				Implement Land Care Management Project	Agric	R 560 000	R 0	R 0

Key Priority Area (KPA)	Sub-result areas	Objective	Supporting Strategies	Project to be implemented	Source of budget	MTEF BUDGET		
						2010-11	2011-12	2012-13
	Agriculture & Rural development	To Facilitate Livestock marketing for local communal farmers Planning and Economic Dev Dept machinery is beefed-up To contribute to the reduction of poverty and creation of food security and livelihood initiatives	By facilitating the revitalization of existing agricultural schemes By constructing dipping tanks in our wards	Implement Siyazondla Program	Agric	R638 330	0	0
Implement Siyakhula Program				Agric	R 766 026.00	0	0	
Lobby DM and DoA for funding of revitalization of local schemes				CHDM	R 0	R 0	R 0	
Construction of Ngqanda Dipping Tank				DoA	R 750 000	R 0	R 0	
By constructing shearing sheds in our wards			lobby DoA to erect shearing sheds in priority areas	DoA	R 0	R 0	R 0	
By fencing lands and commonages			lobby DoA to fence lands and commonages in priority areas	DoA	R 0	R 0	R 0	
By promoting SMME Dev.			Provide necessary support to SMME's	ELM	R 400 000.00	R 600 000	1,000 000	
To promote branding and organized marketing of large livestock			To build the necessary infrastructure for branding, marketing and personnel	ELM-OPEX	R 316 270	R650 000	R1,000 000	

Key Priority Area (KPA)	Sub-result areas	Objective	Supporting Strategies	Project to be implemented	Source of budget	MTEF BUDGET		
						2010-11	2011-12	2012-13
			To ensure that necessary machinery is in place for dept operations	To buy computers for dept	ELM-OPEX	R20 000		
			Facilitate implementation of commitments by department of social development and others	Implement food security programmes	DoSD /SASSA	R 0	R 0	R 0
			By promoting SMME Dev.	Implement commitments by sector departments	DoSD/SASSA	R 0	R 0	R 0
	Tourism	To promote local tourism development	By implementing the local tourism sector plan	lobby resources for implementing priority projects	ELM	R 400 000	R 600 000	R1,000 000
			By supporting the promotion of local arts and cultural craft development and marketing	lobby DSAC to support local producers with linkages to markets	DSRAC	R 120,000	R 60,000	R 50,000
	Poverty Alleviation	To ensure that 80% of households have access to clean basic water supply by 2011/12 and 90% sanitation	By liasing with the DM for the implementation of funded projects	Facilitate implementation of water supply projects by the DM	CHDM	R 50,000,000	R 55,927,200	R 79,m100,856

Key Priority Area (KPA)	Sub-result areas	Objective	Supporting Strategies	Project to be implemented	Source of budget	MTEF BUDGET		
						2010-11	2011-12	2012-13
		To support poor households with a subsidy for water & sanitation	By facilitating the DM to provide water and sanitation services to households	Facilitate implementation of sanitation and water supply projects by the DM	CHDM	R 24,798 629	R 0	R 0
	Local Tourism	To implement our existing housing sector plan	By facilitating rectification of bad built houses	Implement approved projects for housing rectification	Provincial Dept of Housing	R 44,094,165	R 0	R 0
Service Delivery	Water and Sanitation	To facilitate sustainable provision of water and sanitation service	By facilitating implementation of commitments by CHDM and leveraging resources with own MIG	Support rural development in the Guba Farms	DLA	R 180,000	R 0	R 0
				Sanitation Project	ELM	R1,496,500		
				Redistribute 3565ha of land involving 13 FARMS in Indwe	DLA	R 0	R 0	R 0
	Housing & Land Reform	To provide and maintain basic access road network and stormwater	By utilizing MIG and also lobby DoR&T to construct and maintain	Construct and maintain approved access roads in our MIG	MIG	R7,543 955		

Key Priority Area (KPA)	Sub-result areas	Objective	Supporting Strategies	Project to be implemented	Source of budget	MTEF BUDGET		
						2010-11	2011-12	2012-13
		infrastructure	access roads and stormwater infrastructure	Planning survey	ELM-OPEX	R100 000		
				Area wide maintenance of access roads	DoR&T	R 12,000,000	R 0	R 0
				Surfacing of proclaimed roads	DoR&T	R 0	R 0	R 0
	Roads and Stormwater & Bridges	To mobilize funds for construction of bridges To ensure improved household and business access to electricity supply	By Facilitating Extended Public Works Program By mobilizing funds from relevant sector departments and leveraging with our MIG funds By providing free basic electricity through discount subsidy and installation of community lights in strategic points	Implementing EPWP Projects	ELM	R 1,239,000	R0	R0
Constrict bridges in priority areas				DoR&T	R 0	R 0	R 0	
Lobby funding for construction from other departments				DoR&T	R 0	R 0	R 0	
Provide free basic electricity to approved indigents				ES	R 1,500,000	R 0	R 0	

Key Priority Area (KPA)	Sub-result areas	Objective	Supporting Strategies	Project to be implemented	Source of budget	MTEF BUDGET		
						2010-11	2011-12	2012-13
			By Facilitating Extended Public Works Program	Facilitate delivery of commitment by Eskom	Eskom	R 0	R 0	R 0
	Bridges	To ensure proper construction and provision of bridges to connect communities and facilitate economic development	By lobbying Eskom for Fast-tracking rural electrification	Maintain community street lights	ELM	R 600,000	R 0	R 0
				Communicate to Eskom priority areas for rural electrification	ESKOM	R 27,202,000	R 0	R 0
	Electricity	To ensure that areas left behind from being electrified are attended to To ensure electrification of extension areas	Facilitate connections of in-fills By Lobbying for funding of existing extensions	Facilitate implementation of in-fills connections project	ESKOM	R 462 000	R0	R0
				Monitor implementation of extension connection project	Dept of Energy Resources	R5,200,000	R 0	R 0
			By lobbying Eskom for Fast-tracking rural electrification	Lobby Eskom for infrastructure development and maintenance	Eskom	R0	R0	R0

Key Priority Area (KPA)	Sub-result areas	Objective	Supporting Strategies	Project to be implemented	Source of budget	MTEF BUDGET		
						2010-11	2011-12	2012-13
		To ensure a proper town planning and land use management	To develop land use management systems	Monitor development of land use management systems	ELM-OPEX	R 300 000	R 200 000	R100 000
	Waste and Refuse collection	To provide affordable and reliable refuse and waste collection service	To facilitate land ownership By developing a waste management sector plan adapting the DM Plan	To conduct land audit	ELM-OPEX	R300 000	R	R 0
Localize existing DM waste management plan				ELM & CHDM	R 2,450,000	R 2,450,000	R2,450,000	
To ensure reduction of Allien species		By mobilizing resources for removal of alien species	Implement alien plants removal	CHDM / DEAET	R 1m	R 0	R 0	
	Town Planning	To provide effective cemetery service	By identifying and setting aside land for future cemeteries	Support rural and urban areas with fencing and land for burial	ELM	R 118,000	R 0	R 0
			To facilitate land ownership	Facilitate transfer of land and work closely with DLA to resolve land reform	DLA / OPEX	R0	R0	R0
	Collection and waste management	To facilitate provision and management of community facilities	By maintain and manage community halls	Manage and maintain existing halls	ELM	R 400,000	R 0	R 0

Key Priority Area (KPA)	Sub-result areas	Objective	Supporting Strategies	Project to be implemented	Source of budget	MTEF BUDGET		
						2010-11	2011-12	2012-13
	Cleansing		By construction of Pound for stray animals	Implement construction of Pound for stray animals	ELM	R 270 000	R 0	R 0
	Cemeteries	To facilitate provision of support for cemeteries and pauper burials	By managing and maintain existing municipal Sport Fields	Manage and maintain existing municipal Sport Fields	ELM	R50 000 -	R -	R -
By maintaining and managing Parks and open spaces			Child care facility	CAPEX	R200 000			
			Maintaining of parks Caravan & Open spaces	ELM	R 325 000	R0	R0	
			Fencing	ELM-OPEX	R 382			
			Cemeteries	ELM/CAPEX	R149 575			
	Community facilities	To construct and maintain municipal infrastructure using internal resources	By managing of existing libraries	Maintain and manage our libraries	ELM	R494 969 -	R 0 -	R 0 -
To build a Council Chamber that will be eligible for the public to observe council proceedings		By mobilizing resources and supporting other departments with infrastructure creation and maintenance	Implement all municipal infrastructure creation projects using internal plant	OPEX	R 2,000,000 -	R -	R -	
To ensure								

Key Priority Area (KPA)	Sub-result areas	Objective	Supporting Strategies	Project to be implemented	Source of budget	MTEF BUDGET		
						2010-11	2011-12	2012-13
	Municipal public works	effective response to disasters	To leverage resources for the construction of council chamber	Implement construction of council chamber	ELM-CAPEX	R 2,000,000	R3,000,000	
By building capacity for firefighting within our municipal towns			To lobby for establishment and equipping of a localized fire fighting centre in Lady Frere	OPEX	R 528,500.00	R -	R -	
		Civil Defence	ELM-OPEX	R23 641, 00	R -	R -		
		To ensure improved household access to health services	By facilitating and lobbying DoH to upgrade existing facilities (hospitals & clinics) and improve service	lobby DoH to maintain and improve services	DoH	R -	R -	R -

Key Priority Area (KPA)	Sub-result areas	Objective	Supporting Strategies	Project to be implemented	Source of budget	MTEF BUDGET		
						2010-11	2011-12	2012-13
	Disaster management	To support early childhood development	By facilitating and supporting establishment and operation of crèches	Conduct inventory of existing crèches (Childhood Centers)	OPEX	R 200,000 -	R -	R -
				Disasters management Funding	OPEX	R 528 500	R -	R -
			By supporting DoSD to implement their early childhood development programmes	Facilitate delivery of committed projects	DoSD	R -	R -	R -
	Health	To facilitate sustainable household access to primary health care and facilities	By lobbying DoE to upgrade and maintain existing educational facilities	lobby DoE to improve existing infrastructure	OPEX	R -	R -	R -
	Education and Early childhood development	To contribute to crime prevention and public safety To manage municipal financial resources and provide effective oversight and support to other sections	By participating in local policing forums	Participate in the local policing forums	OPEX	R -	R -	R -
			By lobbying relevant departments for introduction of mobile police stations in	Lobby SAPS to introduce mobile police stations in priority crime spots	OPEX	R 0	R 0	R 0

Key Priority Area (KPA)	Sub-result areas	Objective	Supporting Strategies	Project to be implemented	Source of budget	MTEF BUDGET		
						2010-11	2011-12	2012-13
Financial Viability			critical areas					
			By building capacity to comply with LG legislation and financial controls	Implement GRAP and update asset register	MSIG	R 250,000?	R 0	R 0
			By lobbying DoE to upgrade and maintain existing educational facilities	Train finance staff on new legislation and treasury guidelines	FMG	R 80,000	R 30,000	R 0
	Traffic, Safety and security	To fight crime	By providing financial oversight and support to our departments	Implement strict financial control measures	OPEX	R 0	R 0	R 0
			By lobbying relevant departments for introduction of mobile police stations in critical areas	Audit Committee-Professional fees	OPEX	R 50 000	R 0	R 0
Financial Viability	Financial Management	To improve municipal revenue base	By regularly and timeously providing	Develop and implement functional risk	FMG	R 200,000	R 0	R 0

Key Priority Area (KPA)	Sub-result areas	Objective	Supporting Strategies	Project to be implemented	Source of budget	MTEF BUDGET		
						2010-11	2011-12	2012-13
			financial reports to management and council	management plan and asset register				
				Produce regular monthly and Quarterly financial reports (s71 MFMA)	OPEX	R 0	R 0	R 0
			By providing financial oversight and support to our departments To achieve clean audit outcome by 2011/12	Issue memos for management inputs on s72 report by 31 October 2010	OPEX	R 0	R 0	R 0
				To produce 2008/9 s72 report (Annual) by January 2010	OPEX	R 0	R 0	R 0
				Ensure audited financial statements 09/10 by November 2010	FMG	R 1,050	R 0	R 0
			By regularly and timeously providing financial reports to management and council	Action plan for responding to audit queries 09/10	OPEX	R 0	R 0	R 0
				implement existing revenue and credit control strategy	MSIG	R 250,000?	R 0	R 0

Key Priority Area (KPA)	Sub-result areas	Objective	Supporting Strategies	Project to be implemented	Source of budget	MTEF BUDGET		
						2010-11	2011-12	2012-13
			By improving billing and payment levels	Verify meters and repair faulty ones	MSIG	R 250,000?	R 0	R 0
				Back-up Generator/ Server Upgrade/Computers	CAPEX/ELM	R 500 000	R 0	R 0
				Updating of supplier database	OPEX	R 0	R 0	R 0
	Revenue Management	To review existing organizational structure and align with assigned powers and functions mandate	By improving turnaround times for payment of suppliers and servicing of debt	Monitor and report trends via PMS scorecard and SDBIP	OPEX	R 0	R 0	R 0
				Expand scope of internal audit to include PM auditing (Audit Committee)	OPEX	R 0	R 0	R 0
		To implement fleet management policy Ensure provision for undertaking of good labour relations, occupational	By revising the organogram	Implement Review organogram	OPEX	R 0	R 0	R 0
			Installation & maintenance of fleet management system	Develop fleet management plan	OPEX	R 30,000	R 0	R 0

Key Priority Area (KPA)	Sub-result areas	Objective	Supporting Strategies	Project to be implemented	Source of budget	MTEF BUDGET		
						2010-11	2011-12	2012-13
		health compliance and legal services to the council	By building capacity	Implement WSP and training for councilors and officials	OPEX	R 350,130	R 371,838	R393,777
			Ensure continuous conducting of compliance inspections for occupational health	Customise existing CHDM plan for local application	OPEX	R 0	R 0	R 0
	Organizational development	To establish a functional record and archiving system	By installing a record and archiving management system	Install record management and archive system(Clocking System)	ELM	R 300,000	R 150,000	R 150,000
			Clocking system		ELM-OPEX	R150 000		
		To implement special programmes	By working with affected designated groups to implement SPU Programs	Monitor implementation of SPU programs	ELM	R 1,150,000	R0	R0
			By introducing Field Band Project?	Monitor implementation of field band project	ELM	R400 000		

Key Priority Area (KPA)	Sub-result areas	Objective	Supporting Strategies	Project to be implemented	Source of budget	MTEF BUDGET		
						2010-11	2011-12	2012-13
	Special Programmes Unit	To develop and transform our human capital	By implementing an employment equity plan	Review EEP and set equity targets and report	OPEX	R 0	R 0	R 0
		To ensure effective public participation in our processes of planning and decision making	By involving communities in planning and service delivery implementation	Public participation and capacitating of Ward Committees	ELM	R 1,000,000	R 0	R 0
	Human Resource development & Transformation	To develop and improve our human capita	By reinforcing cooperative governance through the support of IGF	Review and implement communication strategy	OPEX	R 585,000	R 0	R 0
				Exco Workshop on functioning of IGF	ELM	R 100,000	R 0	R 0
				Mayoral Cup	ELM-OPEX	R250 000, 00	R0	R0
	Good Governance	Public participation	To develop and enforce local by-laws and policies	By implementing SPU	SPU -Women Forum	ELM OPEX	R150 000	
Youth Day						R250		
District World Aids day					OPEX	R25 000		

Key Priority Area (KPA)	Sub-result areas	Objective	Supporting Strategies	Project to be implemented	Source of budget	MTEF BUDGET		
						2010-11	2011-12	2012-13
				Material Communication	OPEX-ELM	R200 000		
				Mid-Term Progress Review	ELM-OPEX	150 000		
				Project Launch	ELM-OPEX	R163 005.		
			By providing functional administrative support to council and its associated structures including CDWs	Provide continuous secretariat to council and its structures	OPEX	R 0	R 0	R 0
			By identifying critical areas needing by-laws and develop them	Develop by-laws and policies and publicize	ELM	R 175,000	R 0	R 0

20 CONTRIBUTIONS BY SECTOR DEPARTMENTS

DEDEA: Projects funded 2009/10 Financial Year					
Name of project	Budget allocated	Location of project	Progress to date	Implementing Agent	Project output
Alien species eradication	R3 000 000	Emalahleni LM, Wards 7, 8, 12, & 16 Lukhanji LM, Wards 12, 13, 14, 5 & 27 Intsika Yethu LM, Wards 4, 5, 6 & 7	Implementation stage-R900 000 spent 84 employed 85 employed 51 employed	CHDM	Lapesi eradicated

DEDEA: Projects planned for 2010/11 Financial Year					
NAME OF THE PROJECT	INDICATIVE BUDGET AS PER DRAFT APP	LOCATION OF THE PROJECT	IMPLEMENTING AGENT	PROJECT DURATION AND TOTAL BUDGET ALLOCATION	
				DURATION	BUDGET
DORDRECHT CLEAN UP PROJECT	R1 500 000	Dordrecht Township	Emalahleni LM	WASTE REDUCTION	12 MONTHS

DLGTA: Projects funded 2009/10 Financial Year					
Name of Project	Budget allocated	Location of the project	Progress to-date	Implementing Agent	Project output

Integrated Development Plan	1 281 000	Chris Hani District Municipality	Funds have been transferred to the District	Chris Hani District Municipality	All IDP processes/phases conducted in the district and 8 local municipalities Adoption of a reviewed IDP Submission of electronic and hard copy IDPs
Performance Management System	627 582	Chris Hani District Municipality	Funds have been transferred to the District	Chris Hani District Municipality	To have functional PMS in place

LED Capacity Building	R 671 000	Chris Hani District Municipality	<p>Funds have been transferred to the Chris Hani District Municipality for the LED Capacity Building (LED experts: Corridor expert and Forestry expert).</p> <p>A concept document for the development of the corridor has been developed and certain LM municipalities within the district engaged on the concept. Furthermore a Stakeholder profiling for the Tree Nursery Project was done and the following stakeholders were identified and engaged to support forestry development initiatives within the DM i.e. DEAET, ASGISA-EC, DBSA, DAFF, DEDEA etc.</p>	Chris Hani District Municipality	Deployed human capacity to assist in leveraging forestry and corridor presented opportunities .
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DLGTA: Projects planned for 2010/2011 Financial Year

Chief Directorate	Name of Project	Budget allocated	Location of the project	Implementing Agent	Duration
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Municipal Development & Planning	Integrated Development Plan	1 342 000	Chris Hani District	All IDP processes/phases conducted in the district and 8 local municipalities Adoption of a reviewed IDP Submission of electronic and hard copy IDPs	
Municipal Infrastructure, Disaster Management and Free Basic services	Promotion of effective disaster	1 184 000	Chris Hani District	Effective fire & emergency services	2010/2011
Municipal Infrastructure, Disaster Management and Free Basic services	Fire and Emergency Services	1 500 000	Chris Hani District	Effective fire & emergency services	2010/2011
Municipal Governance	Development of HR Plan/Recruitment and Retention	0	Chris Hani District area	HR Plan/Recruitment and Retention Strategy in place	2009/10/11
Local Economic Development Facilitation	LED Corridor Experts	705 000	Chris Hani District	LED Corridor Expert	2010/2011
	LED Strategy/Profiling/economic plan	405 000	Chris Hani District	Economic Plan	2010/2011

Municipal Support & Monitoring Services	Performance Management System	765 000	Chris Hani District Municipality	Chris Hani District Municipality	2010/11
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**Department of Education: Projects funded 2009/10 Financial Year
Infrastructure projects**

Name of project	Budget allocated	Location of the project	Progress to-date	Implementing Agent	Project Output
Dum-Dum SPS	5,109,232.37	Emalahleni	Under Construction	CDC	new 6 clsrms, Demolition of 6 existing clsrms in mud structures, Admin&recclsrms, 11 tlts, sec & stk fnc, Concrete walkways, 6 wtr tnks, Flagpoles, Electrical installation, Demolition of prefabricated structures, Site works with concrete pavings.

**Department of Education: Projects planned for 2010/2011 Financial Year
Infrastructure projects**

Name of project	Indicative Budget	Location of the project	Implementing Agent	Project Output	Project Duration & Total Budget Projections
Qutubeni JSS	7,613,172.33	Emalahleni	Under Construction	CDC	ren to 6 existing clsrms, New 4 clsrms, New adminrec clsrm, 18 tlts, Concrete walkways, 6 wtr tnks, Flagpoles, Electrical Installation, Demolitions of existing structures, Site works with pavings.
Bozwana JSS	632,766.42	Emalahleni	Under Construction	CDC	ECD Centre , 3 pit tlts, 2 wtr tnks, fnc, site wkks
Emaqwatini JSS	756,649.50	Emalahleni	Under Construction	CDC	ECD Centre , 3 pit tlts, 2 wtr tnks, fnc, site wkks

Mnikina JSS	632,766.42	Emalahleni	Under Construction	CDC	ECD Centre , 3 pit tlts, 2 wtr tnks, fnc, site wkks
Upper Ngonyama JSS	596,752.37	Emalahleni	Under Construction	CDC	ECD Centre , 3 pit tlts, 2 wtr tnks, fnc, site wkks
Xonxa JSS	636,013.75	Emalahleni	Under Construction	CDC	ECD Centre , 3 pit tlts, 2 wtr tnks, fnc, site wkks

**Department of Health: Projects funded for 2009/2010 Financial Year
Infrastructure projects**

Name of project	Budget allocate	Location of the project	Progress to-date	Implementing Agent	Project Output

**Department of Housing: Projects planned for 2010/2011 Financial Year
PRIORITY 6: PLANNING AND SERVICING OF SITES**

PROJECT /S	LOCATION	SCOPE	BUDGET 10/11	TARGET 10/11	COMMENT/S
LADY FRERE 700	EMALAHLE NI - LADY FRERE	700 (Roads & storm-water)	R 2,0m	Complete construction started in 09/10	Existing settlement - maintenance
LADY FRERE 564	EMALAHLE NI - LADY FRERE	401 (Sewers)	R 2,0m	Complete construction started in 09/10	Existing settlement Water supply interruptions

**Department of Housing: Projects planned for 2010/2011 Financial Year
PRIORITY 7: INTEGRATED RESIDENTIAL DEVELOPMENT PROGRAMME (NEW HOUSES TO BE DELIVERED)**

PROJECT /S	LOCATION	SCOPE	BUDGET 10/11	TARGET 10/11	COMMENT/S
SINAKOZ WELETHE MBA	EMALAHLE NI - DORDRECHT	289	R 12,9m	289 HOUSES	N/A - INFILL
MAVUYA PHASE 1 & 2	EMALAHLE NI - INDWE	462	R 12,4m	262 HOUSES	N/A - INFILL

Department of Housing: Projects planned for 2010/2011 Financial Year PRIORITY 7: INTEGRATED RESIDENTIAL DEVELOPMENT PROGRAMME (DEFECTIVE HOUSES TO BE RECTIFIED)					
DORDREC HT	1 000	070 600	2	Assessment for Rectification in 2011/12	DORDRECHT
DORDREC HT : Phase 2 - R/L 1	1 000	070 600	2	Assessment for Rectification in 2011/12	DORDRECHT : Phase 2 - R/L 1
Indwe - 500 sites	500	032 500	1	Assessment for Rectification in 2011/12	Indwe - 500 sites
Lady Frere Ext. 5 - R/L 2	700	660 000	16	Rectification Top structure over 2yrs & services rectification in 2010/11	Lady Frere Ext. 5 - R/L 2

Department of Safety & Liaison: Projects funded for 2009/2010 Financial Year					
Name of Project	Budget allocation	Location of the project	Progress-to-date	Implementing Agent	Project output
Establish and support District Community Safety Forum	R10 000	CHDM	The project is still in the initial stages	CHDM with Safety & Liaison and other criminal justice departments and agencies	District Community Safety Forum with direct influence on local community safety forums

Support Safer Schools Program in the identified schools	R70 000	Lady Frere District; Mtirara; Lukhanyo; Nzimankulu; Nsonkotha	All respective schools have been consulted and workshops held but the establishment of safety committees is still outstanding	DoE supported by SAPS and Safety & Liaison	Safe & secure schools Reduction of violence in schools
Capacity Building for the Community Police Forum	R40 000	All police clusters within the CHDM and those whose accounting police station are within the district municipality	For this current financial year only 11 stations have been trained and we had to monitor the elections of executive committees in various stations	Safety & Liaison with SAPS	<ul style="list-style-type: none"> Enhanced community policing mass mobilization against crime

SASSA: Projects funded for 2009/2010 Financial Year

Name Of project	Budget Allocated	Location of the Project	Progress to date	Implementing Agent	Project output
CSG Extension	R43 050 240	All Local municipalities in Chris Hani	Exceeded Target	SASSA Local office	Reinstatement of 14948 Children aged 14-15
Age Equalization	R26 894 280	All Local municipalities in Chris Hani	Exceeded Target	SASSA Local office	Uptake of 2219Man aged 63-61

SASSA: Projects planned for 2010/2011 Financial Year

Name Of project	Budget Allocated	Location of the Project	Implementing Agent	Project output	Project Duration & total Projections	
					Duration	Budget

CSG Extension	R44 844 000	All Local municipa lities in Chris Hani	SASS A Loca l offi ce	Rein stat emen t of 1494 8 Chil dren aged 15- 16	12 Months	R44 844 00
Age Equalization	R34 272 000	All Local municipa lities in Chris Hani	SASS A Loca l offi ce	Upta ke of 2800 Man aged 60	12 Months	R34 272 000

Department of Roads and Transport: Projects funded for 2009/2010 Financial Year

Name of project	Budget allocated	Location of the project	Progress to-date	Implementing Agent	Project Output
Ngcalasoyi Access Road	3, 019 259.79	Emalahleni Local Municipali ty @ Lady Frere: Tsembeyi Village 48kms from Queenstown	Completed waiting close out report from the Consultant Project Manager	Pilani/N omsakhum zi Construc tion and Qamani Plant Hire, under Departme nt of Roads & Transpor t EPWP/CBT	Constructio n of 8kms Access Road

Ntlanjeni to Qoboshana Access Road	3,645 106.24	Emalahleni Local Municipality @ Lady Frere: Macubeni Village 36kms from Lady Frere	Completed waiting close out report from Consultant Project Manager	ILA Construction and Plant Hire under Department of Roads & Transport EPWP/CBT	Construction of 13kms Access Road
Construction of Supply & Erection of Stock Proof Fencing	3,314,741.53	Emalahleni & Lukhanji Local Municipalities: Along R396 from Queenstown to Lady Frere	The project is under implementation 23kms had been completed on both sides of the Road	ILA Construction and Plant Hire. EPWP/CBT	Supply and Erection of 45kms of Stock Proof Fencing
Supply and Erection of Stock Proof Fence	8,000,000.00	Emalahleni /Lukhanji Municipalities on R392 from Queenstown to Dordrecht	Department of Roads and Transport: EPWP/CBT	Supply & Erection of 57kms Stock Proof Fence on R392	6 months
Ngqoko Access Road	8,000,000.00	Emalahleni Local Municipality @ Lady Frere is 3kms from Lady Frere Town towards Bengu	Department of Roads and Transport: EPWP/CBT	Construction of 15kms Access Road at Ngqoko Village	6 months

INTERGRATION & ALIGNMENT

This section outlines how the municipality will ensure alignment and integration of sector plans, PMS, SDBIP, BUDGET and IDP implementation plan.

It highlights existing plans and gaps for attention by relevant line functions.

20.1 Sector Plans

This IDP recognises all existing sector plans and ensures that their implementation budgets, timelines and projects are in support of the reviewed development objectives.

20.1.1 Integration and alignment with other spheres of government

SPHERE	PROGRAMMES & GUIDELINES	EMALAHLENI RESPONSES
National	Legislation & Policies	Process Plan recognises the list that informs our IDP approach
	National Spatial Development Perspective	Resolved to revise its SDF to incorporate objectives of NSDP
	Millennium Development Goals	Have set target for water & sanitation backlogs – which must be facilitated with OR Tambo DM
	National LED Framework	Will utilise the framework as guide in its current process of formulating LED Strategy
	National KPAs	Incorporated and mainstreamed into adopted KPAs + form part of PMS
Province	Provincial Growth & Development Strategy	Have identified key strategic localised projects in response to the EC Provincial 24 PRIORITIES
		Have also taken into account the new priorities like Rural development which came after the April 2009 elections
	Provincial Spatial Development Framework	Have adopted the hierarchy principle in determination of nodal areas
Sector Departments	5 Year plans	Have acknowledged all key projects that are budgeted and conformed for implementation in 2010/11 within Emalahleni areas.

SPHERE	PROGRAMMES & GUIDELINES	EMALAHLENI RESPONSES
		Formal letters of confirmation of commitments to be issued by Mayor as part of lobbying departments to act on their commitments – 2010/11
District	IDP Framework	Informs our Process Plan activity schedule
	Water services Development Plan	Informed by our target priorities for meeting millennium goals – lobby DM to implement
	Disaster Management Plan	Informs our localised fire fighting responses – work closely at operational level
	Occupational Health and Safety plan	Decided to use the DM plan to modify and customize for our application
	Waste Management Plan	Informs our localised refuse collection strategies – work closely at operational level
	LED Strategy	Key district commitments relating to the DM Economic summit to be reinforced by our revised LED strategy

20.1.2 Integration & Alignment of sector plans / policies 2010/11

CLUSTER	Department	Sector Plan / Policy	Status of sector plan / policy		
			Exist. IMPLEMENT & MONITOR	Exist. NEED REVIEW	Does not exist. FORMULATE
Finance & Institutional	Finance	Credit control & revenue collection strategy	X		
		Indigent policy		X	
		Budget 2010/11	X		
		Risk Management plan			X
	Corporate services	HR Manual & Policies	X		
		Organisational design plan	X		
		Employment equity plan			X
		Workplace skills plan	X		

CLUSTER	Department	Sector Plan / Policy	Status of sector plan / policy		
			Exist. IMPLEMENT & MONITOR	Exist. NEED REVIEW	Does not exist. FORMULATE
	Office of Municipal Manager	Performance Management Policy	X	X	
		Service Delivery Budget Implementation Plans	X	X	
Economic & Environment	Planning & Economic Development	Integrated development plan	X	X	
		Spatial Dev Framework		X	
		LED Strategy	X		
		Environmental sector plan			X
		Tourism sector plan			X
		Housing sector plan			X
Community services & social needs	Community services	HIV/ Aids workplace strategy		X	
		Waste management sector plan (adapt DMs plan)			X
		Communication strategy	X		
		Youth Development Plan	X		
		Disaster management plan (adapt DMs plan)			X
Infrastructure	Technical services	Capital Investment plan			X

21 Local Economic Development

This section provides a brief executive summary of the current LED strategy draft review which will be implemented in 2010/11.

21.1 Defining Local Economic Development

Local economic development or LED is a locally driven process by which government, business and communities work collectively to stimulate and transform the economy and create new job opportunities. It is not the responsibility of any one stakeholder alone. Rather it is a collective responsibility. In addition, LED is not one specific project or programme; rather it is an approach that includes the sum total of the individual and collective contributions that build on opportunities and/or address economic development constraints. The aim is to enhance the area and the community's ability to adapt to and cope with changing economic conditions.

Local government's LED mandate arises out of a legislative commitment to developmental local government and the progressive realization of socio-economic rights as defined in the Constitution. This mandate has been further elaborated in the local government White Paper, various pieces of local government legislation such as the Municipal Systems Act, policies such as *Breaking New Ground* and the economic targets laid out in ASGISA and the Presidential Programme of Action. (A full list of the various mandates is included in Part B: Annexure 1.)

21.2 The National LED Context

Flowing out of the Reconstruction and Development Programme (RDP) and then the Growth, Employment and Redistribution (GEAR) strategy, government has further elaborated its national economic strategy in the Accelerated and Shared Growth Initiative of SA (ASGISA). This outlines a series of strategies to accelerate growth and ensure it is both balanced and sustainable. Much of these resources will be used to leverage further economic activity from state-owned enterprises and the private sector, in order to achieve a targeted 6% national growth.

Of the priority sectors in the developed economy which were identified, tourism, call centres and business process outsourcing (BPO), biofuels, downstream mineral beneficiation, agricultural and agrarian reform and information communication technology (ICT) some of which are relevant at Emalahleni. In

the second economy / economies of the poor, crafts, fresh produce, waste, street trading, small and medium enterprise (SMME) support and the Expanded Public Works Programme (EPWP) are all critical.

21.3 Provincial

The economy of the Emalahleni Local Municipality cannot be discussed outside of the economic imperatives of the Eastern Cape and more particularly the economies of the Chris Hani area. The Emalahleni Local Municipality's LED Strategy will be interfaced with the economic thrusts defined by the Province in the Provincial Growth and Development Plan (PGDP).

Of the priority sectors in the developed economy which were identified in the PGDP, agricultural transformation, poverty eradication, manufacturing diversification, infrastructure development, transforming the public sector and developing human resources are all relevant in Emalahleni Local Municipality. In the second economy / economies of the poor, crafts, fresh produce, waste, street trading, small and medium enterprise (SME) support and the Expanded Public Works Programme (EPWP) are all critical. The following graphic illustrates the PGDP Priority Sectors.

Eastern Cape Provincial Growth and Development Plan (PGDP)					
Systematic Poverty Eradication	Agrarian Transformation.	Manufacturing Diversification	Infrastructure Development	Human Resource Development	Public Sector & Institutional Capacity
<ul style="list-style-type: none"> <input type="checkbox"/> Expanded Public Works. <input type="checkbox"/> Water & Sanitation. <input type="checkbox"/> Housing. <input type="checkbox"/> Comprehensive HIV/AIDS & TB Programme. <input type="checkbox"/> Victim Empowerment 	<ul style="list-style-type: none"> <input type="checkbox"/> Massive Food Production. <input type="checkbox"/> Siyazondla Homestead Food Production. <input type="checkbox"/> Comprehensive Nutrition. <input type="checkbox"/> Integrated Agricultural Infrastructure. 	<ul style="list-style-type: none"> <input type="checkbox"/> Tourism Development. <input type="checkbox"/> Automotive Industry Development <input type="checkbox"/> Industrial Support <input type="checkbox"/> Enterprise Development. <input type="checkbox"/> Agro-processing support. <input type="checkbox"/> Timber Industry Development. <input type="checkbox"/> 2010 Tourism Industries 	<ul style="list-style-type: none"> <input type="checkbox"/> Transport Infrastructure. <input type="checkbox"/> Strategic Rail Infrastructure. <input type="checkbox"/> Spatial Development Initiatives. 	<ul style="list-style-type: none"> <input type="checkbox"/> Scarce skills for the public sector. <input type="checkbox"/> FET Transformation. <input type="checkbox"/> ABET Programme. <input type="checkbox"/> ECD. <input type="checkbox"/> Comprehensive HR Development Strategy. 	<ul style="list-style-type: none"> <input type="checkbox"/> Improved Service Delivery. <input type="checkbox"/> Local Government Capacity Development. <input type="checkbox"/> Strengthening the Centre of Governance
Source: PGDP					

The PGDP provides a detailed overview of the various economic sectors, their potential and constraints, to inform future investment and resource allocation across the Eastern Cape.

Within the province, Emalahleni Local Municipality is especially well placed in terms of a number of the sectors identified as priorities in the PGDP, namely tourism, small, medium and micro enterprises (SMME), infrastructure development and agriculture & agro-processing. While these are all sectors with great growth potential, there is no guarantee that the benefits will be shared among local people. Indeed, the benefits of enterprise and economic development at Emalahleni have been characterized by leakages largely to the Lukhanji area predominantly.

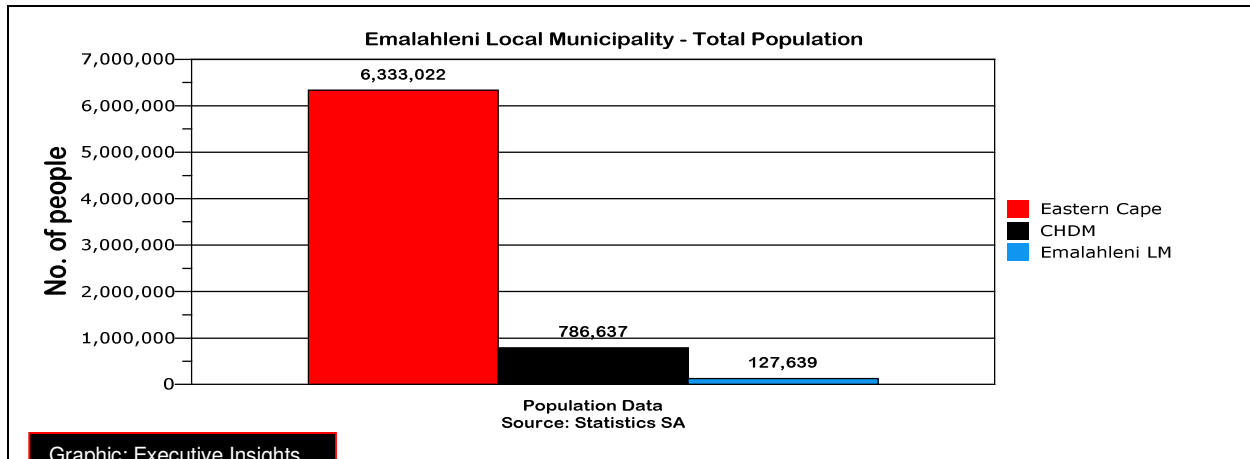
Within the Chris Hani District, the key economic sectors are the agricultural sector, manufacturing, and tourism, retail and business sector. Opportunities exist for developing downstream activities associated with food processing, especially given Emalahleni Local Municipality's agrarian characteristics.

There are national and provincial plans to invest significant amounts of capital into upgrading the infrastructure capacity of the area, namely, the upgrading of the road link between Lady Frere and Cala and as well as considerable public sector investment being made. Municipal infrastructure around water & sanitation and electricity supply capacity is a key constraint to growth, particularly in the rural areas and smaller towns such as Dordrecht. In addition, there is a need to halt the degradation of the existing infrastructure as well as re-calibration of existing economic infrastructure.

21.4 Brief Socio-Economic Profile.

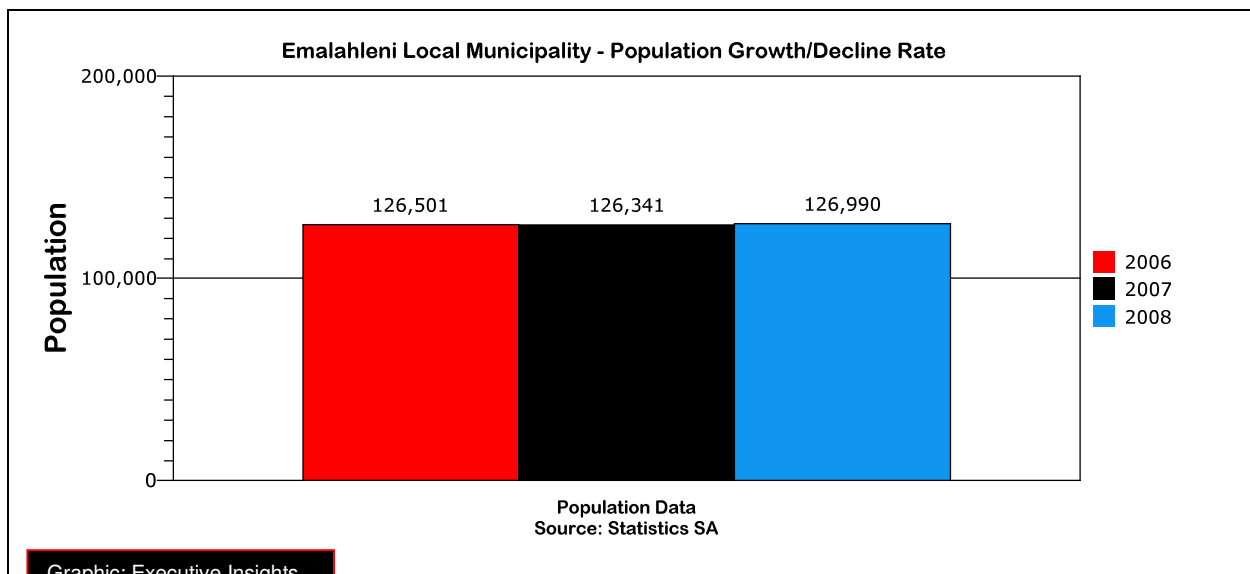
21.4.1 Population, Employment & Income.

Emalahleni has the fourth largest population (14% of the district) in the Chris Hani district and extends over an area of approximately 3 840 square kilometers, includes more than 200 rural villages and comprises sixteen wards. The seat of the Municipality is Lady Frere.



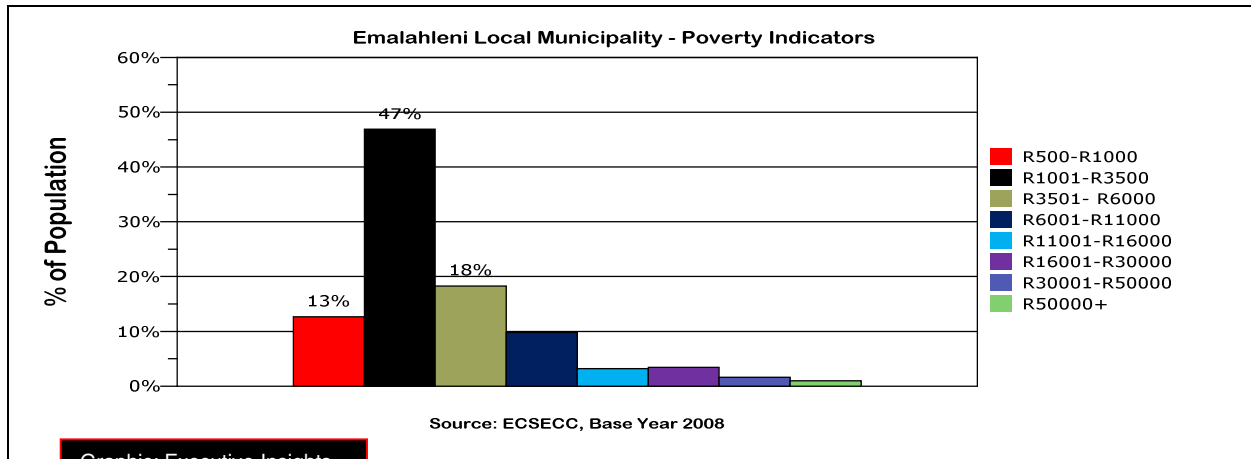
Graphic: Executive Insights

Growth trend analysis shows that Emalahleni population had a marginal growth of between 2% to 5% over the last 5 years. The marginal growth could be attributed to a variety of factors such as death, poverty, HIV/AIDS and/or family planning.



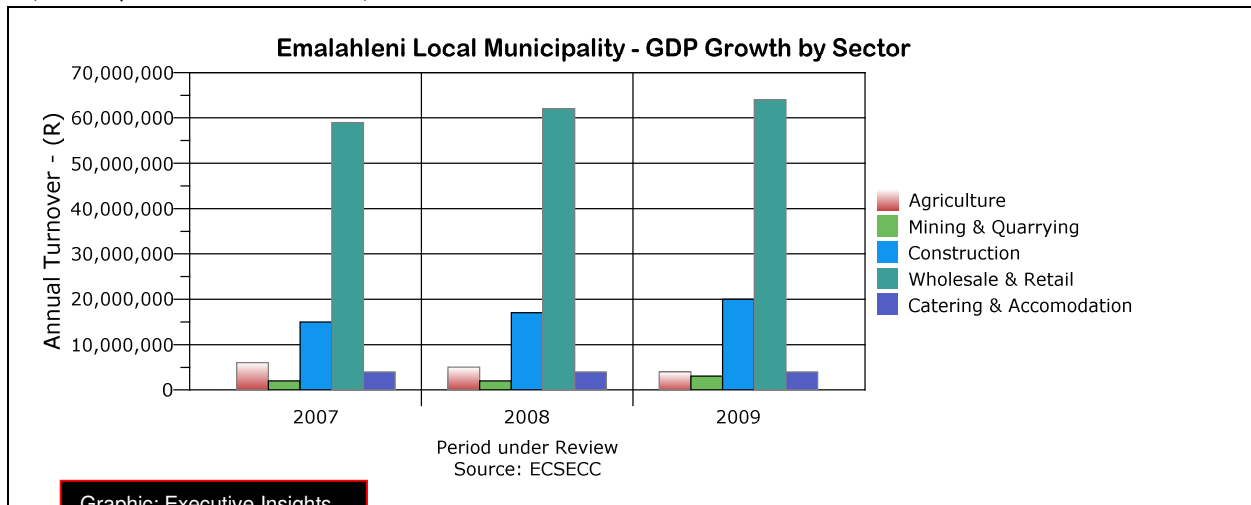
Graphic: Executive Insights

According to statistics released by ECSECC, about 47% of the population earns just under R3500.00 and 13% of the population lives under the bread line and would therefore not be able to afford housing or other services and rely on state subsidies. Emalahleni thus can be classified as a low wage economy which is a factor of low or negative growth.



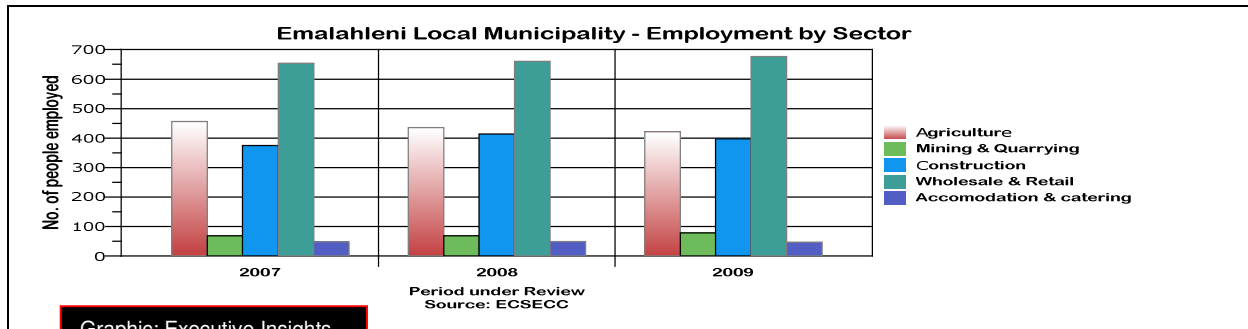
Graphic: Executive Insights

Bye-and-large, the GDP of Emalahleni has been anchored by the wholesale and retail sector which has contributed a higher percentage in terms of Real Money. The wholesale and retail sector has contributed about 80% to the Gross Domestic Product and has seen a steady growth for the past three financial years (2007, 2008 & 2009).



Graphic: Executive Insights

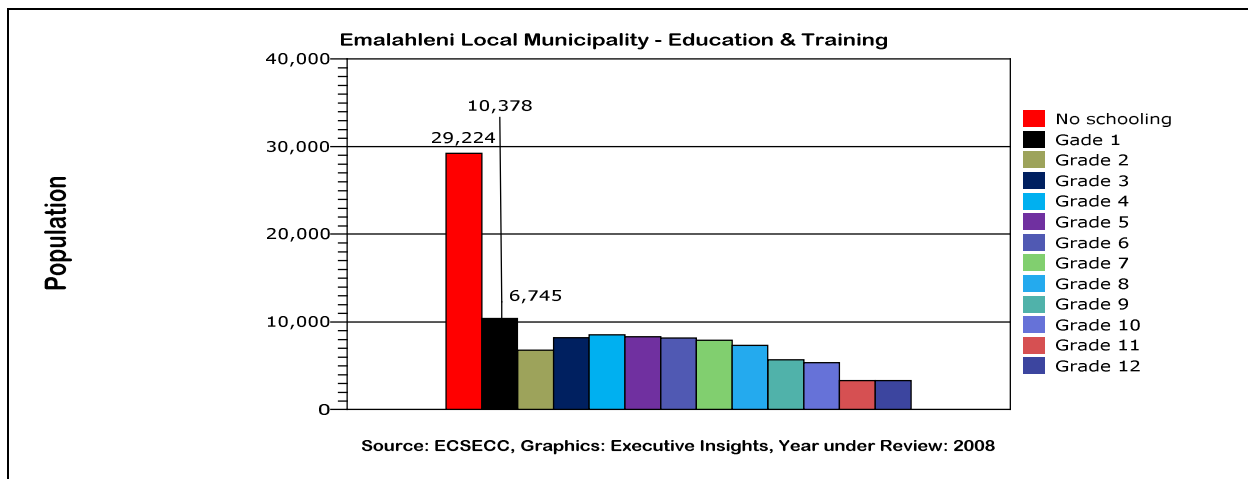
According to data released by Statistics South Africa for the Year 2007, 2008 & 2009 indicates that the economy of Emalahleni has been shedding jobs except for the wholesale & retail sector which maintained a low but steady growth in terms of employment figures.



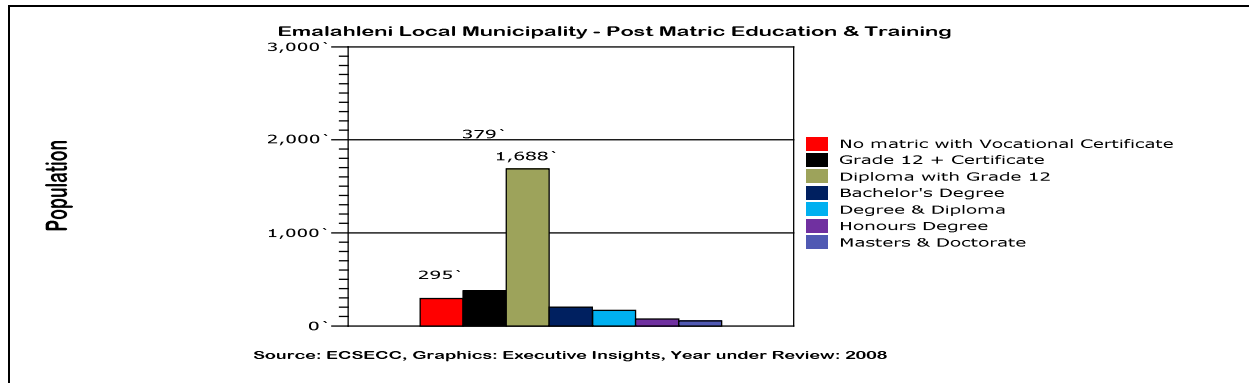
Graphic: Executive Insights

21.4.2 Education and Skills.

About 35% of the entire population has no schooling whilst only 5% of the population has a matric (Grade 12) qualification. As indicated in graph below, the levels of educational attainment are very low. This situation presents a major challenge for future economic growth because essential skills for growing the economy are limited and will be further reduced by this situation in which 37% of population has no schooling at all¹.



The numbers provided by ECSECC indicate that there is a considerable low post matric education. There is a mix of diploma, degree and honors graduates wherein the municipality can draw the much needed expertise.



22 Communication Policy

Emalahleni Local Municipality (ELM) acknowledges that it has an obligation to establish appropriate mechanisms and procedures to communicate with the local community and to enable the local community to communicate with the municipality. This Developmental and Integrated Communication Policy must be read in conjunction with the municipality's Community Participation and Empowerment and Customer Care Policies.

The municipality further notes that the activities listed below are primarily matters of community participation but may also demand special measures to ensure effective community communication:

- The development, implementation and review of the municipality's Integrated Development Plan;
- The establishment, implementation and review of the municipality's performance and the functioning of its Performance Management System;
- The preparation and monitoring of the budget;
- Proposed tariffs as contemplated in section 74 of the Municipal Systems Act;
- Policy development and in particular Credit Control and Debt Collection policies;
- The development of by-laws and regulations;
- Strategic decisions relating to the provision of municipal services or functions including the outsourcing of such functions;
- The implementation of projects and other initiatives;

2. PURPOSE OF DEVELOPMENTAL AND INTEGRATED MUNICIPAL COMMUNICATION POLICY FRAMEWORK (D&IMCP)

1. To ensure that the Emalahleni Local Municipality's governance agenda and programmes are communicated in an effective, integrated and co-ordinated manner.
2. To provide a streamlined system for ELM which governs all its communication functions including:
 - Formal statements to the media and the procedures for compiling these
 - Dealing with requests for information or interviews
 - General messages and publicity orientated releases
 - Special notices or information dissemination aimed at facilitating development and good governance
 - Systems for receiving public input where such input is not clearly part of a public participation exercise
3. To provide a framework for communicating the municipality's plans, projects and programmes;
4. To facilitate efficient and relevant responses to public queries and information requests in a manner that builds confidence in the ELM as an institution and an entity of local governance;
5. To account to local citizens with respect to the municipality's achievements, failures and challenges;
6. To empower, through the provision of relevant information, youth, women, the disabled, and those living with HIV and AIDS as well as other sectors of the local populace. Such information is aimed at assisting these groups to effectively engage with the municipality's core service and development functions;

3. POLICY FRAMEWORK FOR MUNICIPAL COMMUNICATION

Effective municipal communication is a key element of developmental local governance as envisaged by the Constitution of the Republic of South Africa. The definition of developmental local government as contained in Section B of the White Paper on Local Government reads as follows:

"Developmental Local Government is local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives."

The Municipal Systems Act gives effect to the vision of "developmental local government" as envisaged in the White Paper on Local Government. The Act elaborates the core principles and processes that are necessary to enable municipalities to move progressively towards the social and economic improvement of communities, and ensure universal access to quality services that are affordable to all. The Act extends the definition of municipality to include residents and communities within the municipal area, working in partnership with the municipality's political and administrative structures. Clearly this established the basis for a municipal communications policy that is open, truthful and transparent and as widely inclusive of local citizens as possible.

Communication is an integral part of good governance and the responsibility for effective communication whilst primarily a management function, also falls on the political component of the municipality. With respect to both council and the administration, the promotion of dialogue and interaction with local citizens contributes to the municipality's success. In this context, dialogue requires two-way interaction and sharing of information between the municipality and the public. Through communication, relationships with citizens and "role-players" are nurtured; thereby improving the understanding of community needs and enabling the municipality to respond.

Legislative Provisions

Communication in a local governance setting is guided by Constitution of the Republic of South Africa Act, 1996 (Act 108 of 1996), the Local Government Municipal Systems Act, 2000 (Act 32 of 2000) and the Access to Information Act, 2000 (Act 2 of 2000).

a) The Constitution includes the following guidelines with regard to Local Government Communication:

- Section 32 (1) (a) "everyone has the right to any information held by the State"
- Section 152(1) (e) "in setting out the objects of Local Government, municipalities must encourage the involvement

of communities and community organisations in matters of developmental local government. Section 160(7) “a municipal council must conduct its business in an open manner, and may close its sittings or those of its committees only when it is reasonable to do so.”

- Section 162(3) “municipal by-laws must be accessible to the public.”
- Section 6(3) (b) “municipalities must take into account language usage and preferences of their residents when communicating with them.”

b) Local Government: Municipal Structures Act, 1998 (Act 117 of 1998): Section 19 sets out Municipal Objectives:

- Subsection 2(c): A municipal council must annually review its processes for involving the community;
- Subsection (3): A municipal council must develop mechanisms to consult the community and community organizations in performing its functions and exercising its powers.
- Subsections 56(3)(g) and (h) (3): The executive mayor in performing the duties of office, must:
 - annually report on the involvement of communities and community organizations in the affairs of the municipality, and
 - ensure that regard is given to public views and report on the effect of consultation on the decisions of the council.

c) The Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) includes the following guidelines: Communication of information concerning community participation must be undertaken with the understanding that the local community consist of that body of persons comprising:

- Residents of the municipality
- Ratepayers of the municipality
- Civic organisations and non-governmental, private sector or labour
- organizations or bodies which are involved in the local affairs within the municipality, and
- Visitors and other people residing outside the municipality who, because of their presence in the municipality, make use of services of facilities provided by the municipality,

and includes, more specifically, the poor and other disadvantaged sections of such body of persons.

d) Further provisions of the Local Government: Municipal Systems Act:

- In terms of subsections 2 (b) and (c) 2. the legal nature of a municipality consist of (i) the political structures and administration of the municipality; and (ii) the community of the municipality;
- Section 4 (1) & (2): Sets out the rights and duties of municipal councils. The council of a municipality, within the municipality's financial and administrative capacity and having regard to practical consideration, has the duty to:
 - Encourage the involvement of the local community;
 - Consult the local community about - (i) the level, quality, range and impact of municipal services provided by the municipality, either directly or through another service provider; and (ii) the available options for service delivery;
- Section 18: Communication of information concerning community participation: A municipality must communicate to its community information concerning:
 - the available mechanisms, processes and procedures to encourage and facilitate community participation;
 - the matters with regard to which community participation is encouraged;
 - the rights and duties of members of the local community; and
 - municipal governance, management and development.

e) The Municipal Systems Act also contains provisions relating to communication around the Integrated Development Plan (Section 29) and the Performance Management System (Section 42). These however are best considered as part of the Community Participation Policy rather than the Communication Policy.

f) Similarly the Municipal Finance Management Act (Act 56 of 2003) has provisions relating to the preparation of the budget (Section 21) and the release of the budget for community input (Sections 22-23) which are also best dealt with as matters of Community Participation. The MFMA (Section 75 (1) does however have the following important provision relating to documentation to be placed on the municipal website:

- The annual and adjustments budgets and all budget-related documents;
- All budget-related policies;
- The annual report;
- All performance agreements required in terms of section 57 (1)(b) of the Municipal Systems Act;
- All service delivery agreements;
- All long-term borrowing contracts;
- All supply chain management contracts above a prescribed value;
- An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14(2) or (4) during the previous quarter;
- Contracts to which subsection (1) of section 33 apply, subject to subsection (3) of that section;
- Public-private partnership agreements referred to in section 120;
- All quarterly reports tabled in the council in terms of section 52(d); and (1)

g) The Batho Pele principles constitute a further framework of principles and values that must shape the communication strategy of the municipality:

- Establishing an institutional culture that is responsive and customer- driven;
- Recruiting and selecting the right communicators;
- Training and developing for the right set of skills;
- Implementing formal and dynamic communication processes (local and provincial) ;
- Developing enabling information technology; and
- Formally integrating other government business functions with communication

h) Access to Information Act: The Act is intended to give effect to the Constitutional right of access to information held by the state or another person where such information is required

for the exercise or protection of a Constitutional Right. All municipalities must have an Access to Information Manual in terms of the Promotion of Access to Information Act, 2000 (Act 2 of 2000).

4. PRINCIPLES GUIDING COMMUNICATION

Quality of Information

Because communication cannot occur without the exchange of information, it is critical that such information is readily available and in a format that allows productive interaction. The quality of information is determined by whether it is accurate, up-to-date, relevant and presented in a format that is understandable and relevant to the receiver.

Accessibility

Accessible information is information that is not hard to secure and is easily understood by those who need it. Accessibility is also a consideration when citizens seek an appointment, meeting or to transact other business within the municipality. The barriers to effective communication typically involve 'red tape' i.e. entrenched procedures, policies and even the attitude of personnel.

Internal Communication

A municipality cannot communicate effectively with stakeholders and the public if its internal communication is weak. Internal communication refers to those systems and procedures within the administration and within council and between these two entities and their respective sub-structures. An effective organisation depends on, amongst others, informed personnel. This means that personnel are knowledgeable about the functions of the organisation and who is responsible for particular functions. Informed personnel have a positive mindset and are better equipped to provide an improved service and answers queries from the public.

Internal communication can be improved through mechanisms such as in-house bulletins which distribute information such as council resolutions, project news, personnel appointments, promotions and general departmental news. In addition it can be used as a forum to address personnel queries and concerns.

External Communication

Whenever possible, external forms of communication should be decentralised and handled by those staff with expertise in the subject matter. The system of having a single municipal spokesperson on all municipal topics and line functions is widely used but has had limited success and frequently contributes to a poor public perception of the municipality. Unnecessary centralisation often creates the impression that technical and professional expertise is lacking within the municipality or that the municipality is unwilling to engage with key issues. There should be clear simple criteria for staff to assess whether they have the authority and competence to answer media queries and issue statements on behalf of the municipality.

Goal Oriented Communication

Communication should be designed and conducted according to specific aims. The following examples illustrate this:

- Councillors can assist in communicating council decisions and policies. They should be empowered to liaise with citizens regarding council projects and initiatives citizens should know about. Personnel should provide Councillors with the necessary support (be it administrative or technical) in preparation for and at the meeting.
- Staff plays an important role in assisting with communication and improving the accessibility of council to citizens.
- Within the staffing component, communication responsibilities need to be differentiated. Attention should be given to those personnel directly involved with citizens, namely front-line personnel, Community Liaison Officers and Communication Officers. The respective roles should be clarified, for example effective communication is more than public relations and marketing and it is often important to distinguish which purpose is being served.

Dissemination of Information via the Metro Website and the Intranet

The dissemination of information should be timely. The municipal website and the intranet can be used to effectively disseminate information to a large majority of municipal personnel and the public. Council can therefore be assured that personnel receive information not distorted by rumours and

misinterpretations caused by the internal “grapevine”. Websites are a highly effective means of placing important information e.g. shifts in policy, new by-laws and important public statements in the public domain at very short notice. Apart from the statutory publications which must appear on the website, the following should also be loaded:

- Council agendas and minutes,
- Council policies,
- Press releases
- Information on the responsibilities and structure of municipal departments together with contact names
- Tender notices
- Personnel vacancies
- Tourist attractions
- Business opportunities
- Programme and project updates

Municipal Accounts

Because of its routine and large scale circulation, the municipal account offers a handy form of information dissemination. It is now common practice for the account to function as a mini-newsletter to account holders. Monthly municipal accounts can be used to effectively provide the following information to all citizens of the municipality:

- Explain credit control policies and procedures;
- Inform account holders about service charges/rates increases;
- New services;
- New projects, policies, etc.

Training of Front-line Personnel

In order to improve the quality of information given to citizens, the role of front-line personnel is essential. They play an important role in the promotion of council’s image and it is at this first point of contact that the image and service reputation of the municipality is secured or damaged. Front-line personnel should be trained in public relations and service orientation skills and empowered with knowledge of council and services rendered. This knowledge should also include the names

of contact people within the organisation and an overview of municipal systems and procedures.

Monthly Ward Meetings

Depending on the strength of the municipality's ward committee system, ward committee meetings offer an effective way of communicating with area specific communities and possibly also neighborhood specific interest groups. Such meetings should aim to update communities on developments in the municipality especially those that impact the ward. These meetings can also encourage communities to voice their concerns and needs. Information received from these meetings should be relayed to the relevant department for attention. Personnel should assist ward councillors with preparation for such meetings and also be on hand when key line function issues are discussed.

Database of Organized Interest Groups

A database of all organised interest groups, role-players and stakeholders in the municipality will enable council to establish linkages and interact and communicate with key stakeholder groups as and when required. The database will provide a listing of all organized groups with information on the area or field of interest, membership numbers and contact names. This information should also establish whether these organisations would be interested in becoming involved in Council affairs, registering as potential service providers or project partners and provide the basis for further exchange and networking.

The Annual Report

The Annual Report is a statutory obligation and is often overlooked as a key municipal tool for communication. The Municipal Systems Act requires a municipality to prepare and table an Annual Report for adoption for each financial year. The Report must include:

- A performance report;
- The financial statements for the financial year and
- Any other reporting requirements in terms of other applicable legislation.

The Municipal Systems Act also requires the municipal manager to give notice in the media and inform the local community of the

meeting at which the report is to be tabled and requires that such meeting be open to the public.

5. PROCEDURES

Planning and Review

- a) As an integral part of its IDP Review process, the municipality shall undertake a regular audit of its communication functions in terms of the statutory requirements described in this policy document and other applicable benchmarks contained within the municipal performance management system
- b) Council will establish the necessary ad hoc committee to oversee the process described in point a)
- c) The ad hoc committee mentioned in b) is responsible for drafting and budgeting for an annual communication plan that outlines and schedules all key events and activities

Administrative Responsibility

- d) In terms of the municipal administration it is not economically feasible for a dedicated post to be created for the communication function. Communication will therefore form part of the job description of the affected post
- e) Although it is not feasible to guarantee full support to the communication function, it should be recognized that ideally communication is supported or accompanied by:

- Research and Information Management
- Communication and Marketing
- Outreach and Community Liaison

Communication strategies must clearly differentiate between and be adapted to the above objectives. Partnerships or contracts with outside service providers will be considered from time to time.

Communication with the Public

- f) The official responsible for communication should ensure:
 - Regular submission of articles on municipal issues to local and regional publications
 - Regular and consistent profiling of the municipality's activities and accomplishments in both in-house publications and other media.

g) When engaged in public communication activities, the municipality will make provisions for:

- A suitably equipped staff member to help members of the community who cannot read or write;
- Appropriate communication formats for people with physical disability; and
- Where necessary, a translator, competent in the preferred language of those in attendance

h) Petitions and Complaints lodged by the local community:

- Will be received by the council at a clearly designated facility at the municipal offices
- The Municipal Manager must assess such complaints and notify the council of all important petitions and complaints lodged
- The petitioners / complainants will receive a reply within 7 (seven) working days. Where necessary the reply will indicate a timeframe in which the matter will be more fully discussed and responded to.

i) In respect of any public meeting or hearing convened by the municipality for the express purpose of communicating with the public and receiving public input, the municipal official responsible for communication shall:

- Compile a full report thereon reflecting public input and any response or recommendations the council may deem necessary or desirable.
- Make copies of the report available to the community in one or more of the following ways:
 - i. by publication in the local newspaper;
 - ii. lodging a copy at all the municipal offices and libraries in the municipal area
 - iii. providing every councilor of each ward with copies for distribution at the next ward committee meeting

j) Over and beyond other municipal communication priorities, the municipality must provide accessible means for the public to query or verify accounts and metered consumption, and appeal procedures which allow persons to receive prompt redress for inaccurate accounts.

Communication with the Media

The municipality recognizes the important Constitutional role of independent media and commits to establishing a constructive relationship with local, regional and national media. Accordingly the municipality will:

- Issue clear and written guidelines to all staff that clarifies their scope of competence in responding to media queries or in pro-actively issuing press / media statements. These guidelines will reflect the principles outlines previously in this policy.
- Ensure that all public relations and public communication events are properly planned and conducted and reflect proper notice of the event. Such events must include clear and relevant briefings backed by accurate and detailed information and the prioritization of no-partisan content directly related to municipal service and development priorities.
- Staff responsible for communication must develop an understanding of how the media works and what constitutes a newsworthy event. This should be used to build a long-term relationship with the media based on trust and a sound understanding of the respective interests at play.

6. APPLICATION AND AMENDMENT

This policy is applicable within the jurisdiction of ELM. Non-compliance to this policy will result in the disciplinary action being taken against any employee who contravenes the stipulations of this policy.

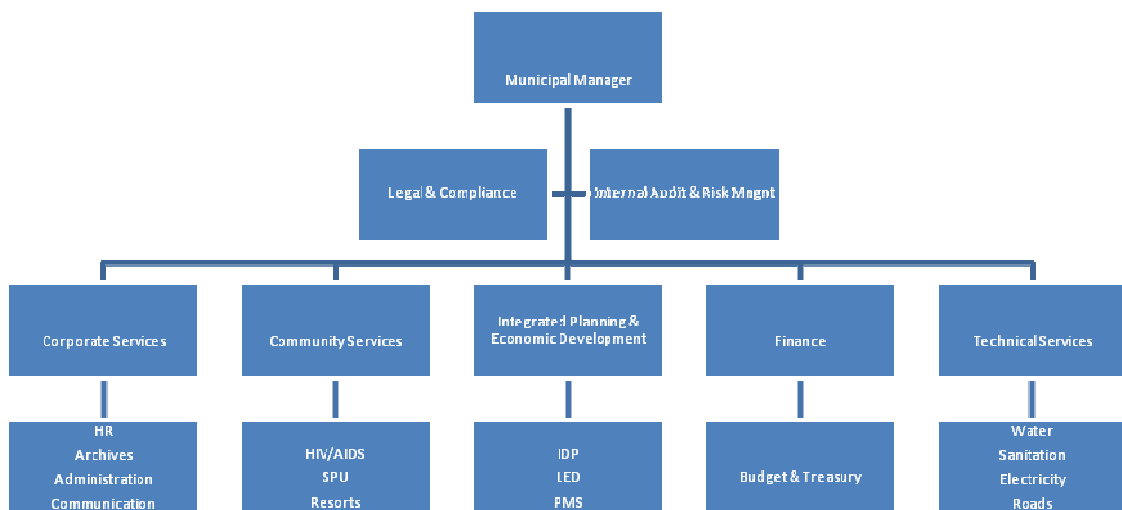
23 Institutional Plan

The organogram was approved in May 2009 and reflects that ELM has the following 5 departments:

- Municipal Manager
- Finance Department
- Corporate Services Department
- Community Services Department
- Technical Services Department

- Integrated Planning and Economic Development (IPED) Department

Below is a summary of the organogram for Emalahleni, but a populated organogram is attached.



The municipality has a uniform Human Resources Manual which includes the following policies:

- Collective agreement: Conditions of service;
- Overtime policy;
- Collective agreement: Disciplinary code and procedure;
- Housing subsidy policy
- Recruitment and selection policy;
- Fleet Management policy;
- HIV/AIDS workplace policy;
- Skills Development policy;
- Study assistance policy;
- Induction training policy;
- Acting allowance policy;
- User telephone policy; and
- Retention policy

Human Resource strategy / plan

The municipality does not have a Human Resource Strategy / Plan. In order for us to develop the strategy, we have requested assistance from the Department of Local Government and Traditional Affairs.

Workplace Skills Plan (WSP)

The municipality submitted its Workplace Skills Plan for 2009/10 last year in June 2009. The WSP submitted has training interventions planned for the 2009/10 financial year in order to address capacity challenges. The municipality has budgeted for the following interventions:

- IDP
- Certificate Programme in Management Development for Municipal Finance (CPMD)
- ABET
- Electricity reticulation
- Water treatment
- Plumbing
- Local Government Law and Administration
- Advanced Local Government Law and Administration
- Executive Leadership Management Development Programme
- Councillor Development Programme

Scarce skills

Local Government SETA has identified the following as scarce skills for Local Government Sector:

- Infrastructure and service delivery
- Financial viability
- Community participation and planning
- Management and leadership
- ABET (remains a fundamental priority area as it defines an employee's ability to access further education and training opportunities and career pathing)

Emalahleni Municipality has identified the following as their scarce skills for 2009/10:

The following positions within the local authority are generally considered to be in short supply:

-
- Technical staff e.g. Technicians (all levels) within water, electrical, engineering and civil engineering.
 - Artisans - within the fields of plumbing, electrical, welding, heavy plant operators, mechanical and operational environments.
 - Water provision skills
 - Municipal Town Planning (within civil engineering, town planning, architecture, surveyors and the like).
 - Safety and Health Practitioners - within the areas of nursing, safety, pharmacy and HIV/AIDS.
 - IT Skills
 - Financial Management Skills
 -
 - Management skills
 - Project management skills
 - Agricultural skills

Employment Equity

Emalahleni Municipality has an employment equity plan in place. The employment equity plan has been developed for a period of 3 years and will be reviewed yearly.

The plan was submitted and approved by Council in 2009.

Currently the municipality has a female and male representation of staff, which is as follows:

- Females 30,71% (including Black, White, Coloured, Indian)
- Males 69,29% (including Black, White, Coloured)

Management has a fair representation of 42,86% females and males are at 57,14% of the total number of management.

Following are the employment equity targets for the year 2009/10:

- Females 45,45% (including black, white)
- Males 54,54% (including black, white)
- People with disabilities 4,55% (including black, white)

Other Issues

Other matters which the municipality must address as part of its institutional transformation include the following:

- Roles and responsibilities of political structures and office bearers;
- Delegation of powers;

By-laws have been developed and adopted by Council. Public comments were invited before the adoption of by-laws. The by-laws have been sent to the DHLG & TA for promulgation.

24 PERFORMANCE MANAGEMENT FRAMEWORK

The Municipal Systems Act (MSA)

Chapter 6 of the Municipal Systems Act of 2000 sets out requirements in terms of the establishment, development, monitoring and review of performance management systems for municipalities. The Act specifies the core components of the system as well as community involvement requirements. It further requires the setting of appropriate key performance indicators and targets, performance measurement audits and performance reporting.

In terms of the MSA, the Municipal Planning and Performance Management Regulations (2001) were published, setting out the requirements for a municipal PMS. The Regulations also contain the general indicators prescribed by the Minister responsible for local government. A further set of Regulations were published in 2006 and they deal with Performance Management for municipal managers and managers that are directly accountable to municipal managers.

The Municipal Finance Management Act (MFMA)

The MFMA requires municipalities to annually adopt a Service Delivery and Budget Implementation Plan (SDBIP), stating the service delivery targets and performance indicators. Whilst approving the annual budget, the Municipality should also set measurable performance targets for each revenue source and vote. They should also compile an

annual report, which entails a performance report that is compiled in terms of the MSA.

Performance Management Regulations (2001)

The Municipal Performance Management Regulations (2001) defines a municipality's performance management as "...a framework that describes and represents how the municipality's cycle processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different role-players."

The Regulations describes the nature of performance management systems required in municipalities as follows:

- complies with all the requirements set out in the MSA;
- demonstrates how it is to operate and be managed from the planning stage up to the stages of performance review and reporting;
- defines the roles and responsibilities of each role-player, including the local community, in the functioning of the system;
- clarifies the processes of implementing the system within the framework of the integrated development planning process;
- determines the frequency of reporting and the lines of accountability for performance;
- links organisational performance to employee performance;
- provides for the procedure by which the system is linked with the municipality's integrated development planning processes; and
- shows how any general key performance indicators envisaged in section 43 of the MSA will be incorporated into the municipality's planning and monitoring processes.

Performance Management Regulations (2006)

The Performance Management Regulations (2006) is applicable to section 57 managers. It sets out how the performance of municipal managers will be uniformly directed and monitored. It addresses the job description, employment contract, as well as the performance agreement that is entered into between a municipality, its MM and the managers directly accountable to the MM.

The job description sets out the main accountabilities and inherent job requirements; the employment contract provides the terms of employment including regulating the performance bonuses; whereas the performance agreement provides assurance to the municipal Council of what can and should be expected from the senior managers.

1. The Concept of Performance Management

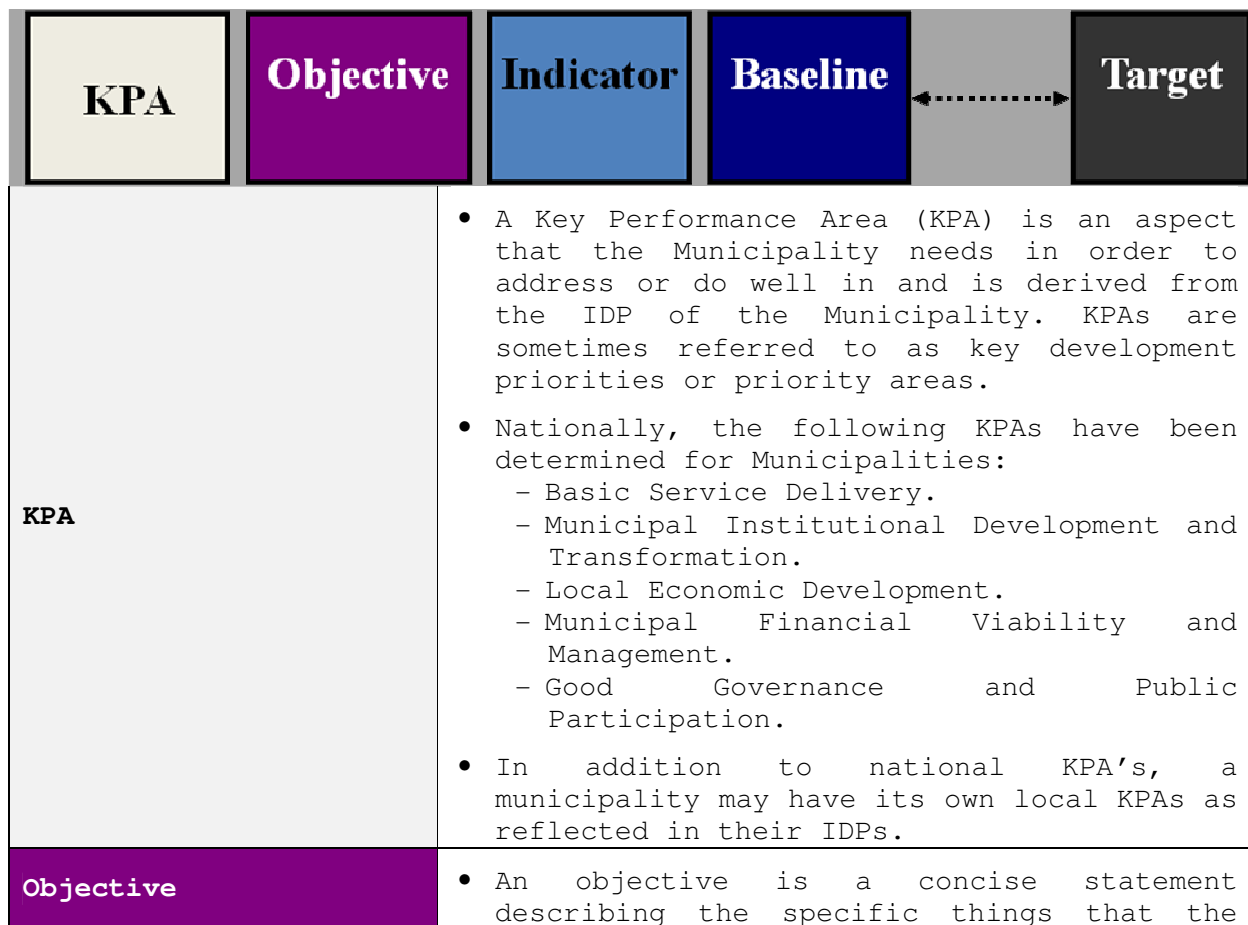
The **dplg** defines performance management as a strategic approach to management that equips all stakeholders with tools to:

- plan,
- monitor,
- measure and
- review performance in terms of set indicators & targets for efficiency, effectiveness and impact.

Performance management is essentially a mechanism to measure the implementation of the IDP. As such, it can be applied to any level within the municipality. Through ensuring accountability at all levels, the following results should be attained:

- Meeting of strategic objectives
- Improvement of the overall municipal performance
- Improved service delivery
- Getting value for money
- Meeting the needs of people
- Creating a performance culture
- Achieving organisational transformation

It is important to take note of PM concepts that are persistently used in the development and implementation of the PMS. They are shown and explained in Figure 1.



	<p>municipality must do well, in order to execute its strategy. It needs to be clear, concise and measurable, with deadlines. In addition, it should be outcome & impact focused; and indicate the scope and nature of desired change.</p>
Indicator	<ul style="list-style-type: none"> • Indicators are measures that tell whether progress is being made in achieving the objectives. Indicators are statements with a quantitative value (number, percentage, ratio) that allows progress to be quantified. They are of important because they do the following: <ul style="list-style-type: none"> - enable the review of objectives; - provide a common framework for measuring and reporting; - translate complex concepts into simple operational measurement variables; - help to provide feedback to the organisation, its staff and stakeholders; - help when comparing the municipality's performance to that of other municipalities.
Baseline	<ul style="list-style-type: none"> • Baseline measurements measure the status quo before a project or programme is implemented. Ideally, they should precede finalisation of targets.
Target	<ul style="list-style-type: none"> • Targets are the planned level of performance or the milestones that are set for each indicator. They need to be challenging, realistic, measurable and in line with the resources and capacity of the municipality. Targets are usually expressed in terms of quantity.

2. Objectives of the Performance Management System

PMS is the primary mechanism to monitor, review, improve the implementation of the IDP and gauge the progress made in achieving the objectives set out in the IDP. The PMS process plan outlines the following objectives of the PMS:

- **Facilitate increased accountability**

The PMS should provide a mechanism for ensuring increased accountability between the local community, politicians, the Municipal Council and the municipal management team.

- **Facilitate learning and improvement**

The PMS should facilitate learning in order to enable the Municipality to improve delivery.

- **Provide early warning signals**

The PMS should ensure that decision-makers are timeously informed of performance related risks, so that they can facilitate intervention, as appropriate.

- **Facilitate decision-making**

The PMS should provide appropriate management information that will allow efficient, effective and informed decision-making, particularly on the allocation of resources.

The fore listed functions are not exhaustive but also provide a summary of the intended benefits of the PMS. They should also be used for evaluating and reviewing the PMS.

3. Principles Governing the PMS

The following principles inform and guide the development and implementation of the Emalahleni PMS.

- **administratively managed** in terms of its day-to-day implementation;
- **implementable** within any current resource constraints;
- **integration** of the PMS with the other management processes within the Municipality;
- **politically acceptable** to the political role players of the municipality and allow political office bearers & their structures to execute their responsibilities within their defined roles;
- **provision of clarity to all employees** in terms of their role in the achievement of municipal and departmental targets;
- **fostering of cooperation** between the administrative and political wings;
- **provision of early warning signals** in terms of inherent risks for the full implementation of the IDP;
- **public participation** in terms of granting community members their constitutional right to participate in the process;
- **reliability** of the information provided on the progress in achieving the objectives as set out in its IDP.
- **simplicity** in order to facilitate implementation within any current capacity constraints;
- **transparency and accountability** both in terms of developing and implementing the system;
- **empowerment of Council with information** to exercise its powers and authority within reason.

4. The Preferred Performance Management Model

A performance management model can be defined as the grouping of performance indicators into logical categories often called perspectives. The grouping can be based on the type of indicator⁴ but is used as a means to enhance the ability of the municipality to manage and analyse its performance. A model therefore provides a common framework for understanding the aspects of performance that will be measured and managed. It further ensures that a balanced set of measures are employed and are not relying on only one facet of performance.

A number of performance models are available and any of them could be applied by the Municipality. The Municipality has chosen the Key Performance Area model. In the said model all indicators are grouped together under the national key performance areas as per the MSA and the local key performance areas as per the Emalahleni IDP. The said model therefore enables the Municipality to assess performance based on the national and local KPA's. The model is graphically shown in the Municipal Scorecard in Annexure 4.

The legislative framework (*in Section 2*) provides for municipal performance management at various levels, including **organisational** (sometimes also referred to as municipal, corporate or strategic level), **departmental** (also referred to as services, operational or section/team level) and lastly, **individual** level.

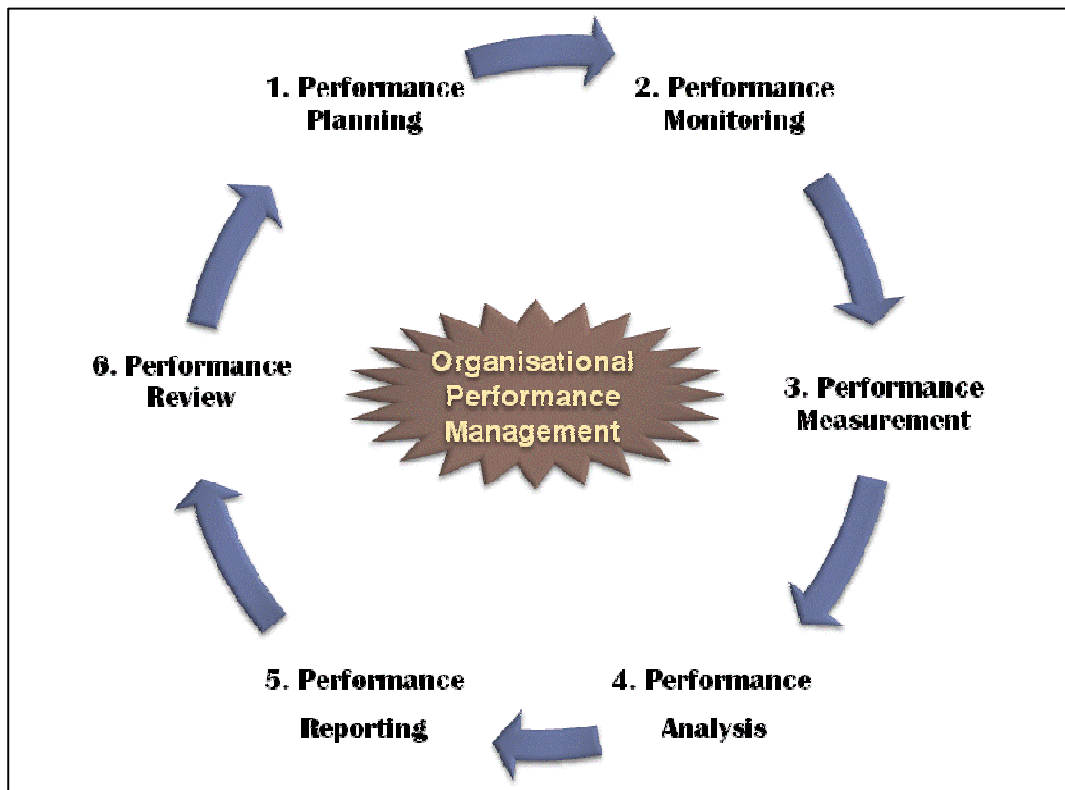
At **organisational** level, the five-year IDP forms the basis for performance management, whereas at operational level the annual SDBIP forms that basis. The performance measures associated with the IDP have a long-term focus, whereas those associated with the SDBIP are short-term and focus on reviewing the progress made in implementing the current budget and achieving the annual service delivery targets. The measures that are set for the Municipality are captured in the organisational scorecard. Annexure 4 provides a sample municipal scorecard.

At **departmental** level, the measures are captured in the SDBIPs of the various departments that operate within the Municipality. Performance management should occur at the various levels and relate to one another, as required by the Municipal Planning and Performance Regulations. By cascading performance measures from organisational to departmental level, both the IDP and the SDBIP eventually link with individual performance management. Regarding performance management at **individual** level, the MFMA specifically requires that the annual performance agreements of managers must be linked to the SDBIP and the measurable performance objectives approved with the budget.

⁴ The **dplg** Performance Management Guidelines (2001) suggests different types of indicators for local government, e.g. *Input, Output, Composite and Baseline* Indicators.

5. The Process of Managing Performance

The PM process at organisational level in the Municipality is characterized by the steps that are set out in Figure 2. Although the steps and what follows relate mainly to performance management at organisational level, the principles and approaches as espoused could also be applied to performance management at departmental level.



8.1 Performance Planning

Performance will be managed in terms of the IDP and the process of compiling the IDP. Therefore, the annual review of the IDP constitutes the process of planning for performance. From Figure 2 it should be noted that the last step of the cycle is "performance review" and the outcome thereof should inform the next cycle of IDP compilation/review by focusing the planning processes on the areas in which the Municipality has under-performed.

8.2 Performance Monitoring

Performance monitoring is an ongoing process by which a manager accountable for a specific indicator as set out in the organisational scorecard (and a service delivery target contained in a SDBIP) continuously monitors current performance against the set targets. The aim of the monitoring process is to take appropriate and immediate action where it appears that a target will not be timeously met. The same will apply to the various SDBIPs. Performance monitoring requires

appropriate action to be taken should it become evident that a specific performance target is not going to be met. In undertaking performance monitoring processes, the following aspects need to be determined and provided for:

- The data that must be collected in order to assess performance.
- The methods that must be employed in the collection, storage, verification and analysis of that data.
- The processes and formats that must be used in compiling reports on that data.
- Corrective measures that will be employed when poor performance has been detected.
- Mechanisms to compare current performance with baseline indicators and performance during the previous financial year.

Monitoring reports should be submitted as follows:

Submitted to	Frequency
Executive Committee	at least quarterly
Municipal Manager	at least monthly

Managers should track performance trends against targets for those indicators that lie within their area of accountability at least once per month. That will allow them to identify performance related problems and take appropriate remedial action in time. In addition, each senior manager should delegate to the direct line manager the responsibility to monitor the performance for his/her sector.

8.3 Performance Measurement

Performance measurement refers to the formal process of collecting and capturing performance data to enable reporting to take place for each KPI and against the target set for such indicator. A manual process will be used to measure performance at Emalahleni municipality. The municipal and SDBIP scorecards should spell out the name of an official who will be reporting on each indicator. The said official will, when performance measurement is due, have to collect and collate the necessary performance data or information and capture the result against the target for the period concerned. As such, they need not be accountable for performance on the said performance indicator.

8.4 Performance Analysis

Performance analysis involves the process of making sense of measurements. It requires interpretation of the performance measurements to determine whether targets have been met / exceeded and to project whether future targets will be met or not. Where targets have not been met, the reasons thereof should be examined and corrective action recommended. Where targets have been met or exceeded, the key factors that resulted in such success should be documented and shared so as to ensure organisational learning.

The manager responsible for each indicator should, therefore, do the following:

- (i) Capture the performance data against targets on the scorecard.
- (ii) Analyse reasons for meeting or not meeting a target.
- (iii) Capture a summary of findings on the scorecard.
- (iv) Recommend remedial actions, as appropriate.

The completed organisational and SDBIP scorecards should be submitted to a formal meeting of the senior management team for further analysis and consideration of draft recommendations from the relevant managers. This level of analysis should examine performance across the municipality in terms of all its priorities with the aim to reveal and capture whether there are any broader organisational factors that are limiting the ability to meet any performance targets.

Such analysis should also ensure that quality performance reports are submitted to the Executive Committee and that adequate response strategies are proposed in cases of poor performance. After reaching agreement on the analyses, the management team can take the scorecards to the Executive Committee for consideration and review.

8.5 Performance reporting and review

The next two steps in the process of performance management (i.e. *Performance Reporting and Performance Review*) will be dealt with at the same time. This section is further divided into three sections dealing with the requirements for **in-year** versus **annual** reporting and reviews respectively and lastly a summary is provided of the various reporting requirements.

8.5.1. In-year Performance Reporting and Review

The submission of the scorecards to the Executive Committee for consideration and review of the entire municipal performance is the next step in the process. The first such report is a major milestone in the implementation of any PMS and it marks the beginning of what should become a regular event (i.e. using the performance report as a tool to review the Municipality's performance and to make important political and management decisions on how to improve).

Performance review is the process where the leadership of an organization reviews the results and decides on appropriate action, after the performance of the organisation has been measured and reported. In reviewing the organisational and departmental scorecards, the Executive Committee will have to ensure that the committed targets have been met; and where they have not, that satisfactory and sufficient reasons have been provided and that the proposed corrective action is adequate. If satisfied with the proposed corrective action, those should be adopted as formal resolutions of Council, minuted and actioned accordingly.

As indicated earlier, the organisational and SDBIP scorecards should be submitted to the Executive Committee for consideration and review

on a quarterly basis. The reporting should therefore take place as follows within a financial year:

Quarter	Period Under Review	Month of Reporting
1 st	July to end of September	October
2 nd	October to the end of December	January
3 rd	January to the end of March	April
4 th	April to the end of June	July

The review in January will coincide with the mid-year performance assessment as per section 72 of the MFMA. The said section determines that the Accounting Officer must, by 25 January of each year, assess the performance of the municipality and report to the Council on, *inter alia*, its service delivery performance during the first half of the financial year and the service delivery targets and performance indicators as set out in the SDBIP.

8.5.2 Annual Performance Reporting and Review

On an annual basis a comprehensive report on the performance of the Municipality also needs to be compiled. The requirements for the compilation, consideration and review of such an annual report are set out in chapter 12 of the MFMA. In summary it requires that:

- All municipalities for each financial year compile an annual report.
- The annual report should be tabled within seven months after the end of the financial year.
- Soon after the annual report has been tabled, it should be made public and the local community should be invited to submit representations thereon.
- The municipal Council should consider the annual report within nine months after the end of the financial year and adopt an oversight report containing the Council's comments on the annual report.
- The adopted oversight report should be made public.
- The annual report as tabled and the Council's oversight report should be forwarded to the Auditor-General, the Provincial Treasury and the department responsible for local government in the Province.
- The annual report as tabled and the Council's oversight report should be submitted to the Provincial legislature.

The oversight report to be adopted provides the opportunity for full Council to review the performance of the Municipality. The requirement that the annual report once tabled and the oversight report be made public similarly provides the mechanism for the general public to

review the performance of the Municipality. However, the Municipality will budget for the compilation of a user-friendly citizens' report. The citizens' report should be a simple, easily readable and attractive document that translates the annual report for public consumption.

Over and above the legal requirements of the MSA and the MFMA, there should be an annual public campaign that involves the community in the review of municipal performance. Such a campaign could involve all or any combination of the following methodologies:

- Various forms of media should be used to convey the annual report e.g. radio, newspapers, notice boards (in shops and community halls) and billboards.
- The public should be invited to submit comments on the annual report via physical visits to the municipality offices, telephone, fax and email.
- Public hearings could be held in a variety of locations to obtain input of the annual report.
- Making use of existing structures such as ward committees to disseminate the annual report and invite comments.
- Hosting a number of public meetings and roadshows at which the annual report could be discussed and input invited.
- Producing a special issue of the municipal newsletter in which the annual report is highlighted and the public invited to comment.

The public review process should be concluded by a formal review of the annual report by the IDP Representative Forum of the Municipality.

The annual performance report should be compiled and completed no later than two months after financial-year end. That will ensure that its outcomes can timeously inform the next cycle of performance planning.

8.5.3 Summary of Various Performance Reporting Requirements

The following table, derived from both the legislative framework for performance management and this PMS framework, summarises the various performance reporting deadlines as they apply to Emalahleni Municipality.

Report	Frequency	Submitted for Consideration and / or Review to	Remarks
1. SDBIPs	Quarterly	ExCo	See MFMA Circular 13 of National Treasury for further information
2. Monthly budget statements	Monthly	Mayor (in consultation with ExCo)	See sections 71 and 54 of the MFMA
3. Organisational	Quarterly	ExCo	This PMS framework (see

Scorecard			section 8.5.1 above)
4. SDBIP mid-year budget and performance assessment	Annually in Jan of each year	<ul style="list-style-type: none"> • Mayor + ExCo • Council 	See sections 72 and 54 of the MFMA
5. Performance report	Annually	Council	See section 46 of the Municipal Systems Act as amended. Said report to form part of the annual report
6. Annual report	Annually	Council	See chapter 12 of the MFMA

9. The Auditing of Performance Measures

9.1 The Role of Internal Audit in Terms of Performance Management

The MFMA requires that the Municipality must establish an internal audit section which could be outsourced (depending on municipal resources and specific requirements). Section 45 of the MSA stipulates that the results of the municipality's performance measures should be audited by the said internal audit section as part of the internal auditing process and annually by the Auditor-General. For, Emalahleni, the internal audit function will be outsourced in liaison with the Chris Hani District Municipality.

The Municipal Planning and Performance management Regulations stipulates that the internal audit section must, on a continuous basis, audit all performance and the auditing must include an assessment of the following:

- (i) The **functionality** of the municipality's performance management system. The internal audit section must therefore on a regular basis audit whether the PMS of the Municipality is functioning as developed and described in this framework.
- (ii) Whether the municipality's performance management system **complies** with the Act. This compliance check would require that the Municipality's internal audit unit, at least on an annual basis,

verify that the Municipality's PMS complies with the said legal requirements.

(iii) The extent to which the municipality's performance measurements are **reliable** in measuring the performance of municipalities by making use of indicators. The Municipality should have a proper information management system (electronically or otherwise) so that the internal audit function is able to access information regularly and to verify its correctness.

The Municipality's internal auditors must submit quarterly reports on the audits undertaken to the Municipal Manager and the Audit Committee.

9.2 Audit Committee

The MFMA and the Municipal Planning and Performance Management Regulations require that the municipal Council should establish an audit committee consisting of a minimum of three members, where the majority of members are not employees of the municipality. No Councillor may be a member of an audit committee. Council should also appoint a chairperson who is not an employee of Emalahleni municipality.

The Regulations give municipalities the option to establish a separate performance audit committee whereas the MFMA provides only for a single audit committee. Emalahleni municipality will share the audit committee with Lukhanji local municipality and Sakhisizwe local municipality within the district. The operation of this audit committee when dealing with performance management is governed by section 14 (2-3) of the Regulations which require the audit committee to do the following:

- review the quarterly reports submitted to it by the internal audit unit.
- review the municipality's PMS and make recommendations in this regard to the Council of the Municipality.
- at least twice during a financial year submit an audit report to the municipal Council.

In order to fulfill their function, a performance audit committee may, according to the MFMA and the Regulations:

- communicate directly with the Council, municipal manager or the internal; and external auditors of the municipality concerned;
- access any municipal records containing information that is needed to perform its duties or exercise its powers;
- request any relevant person to attend any of its meetings and, if necessary, to provide information requested by the committee; and
- investigate any matter it deems necessary for the performance of its duties and the exercise of its powers.

9.3 Performance Investigations

The Audit Committee should also be able to commission in-depth performance investigations where there is either continued poor performance or a lack of reliability in the information being provided. Those performance investigations should assess the following:

- The reliability of reported information.
- The extent of performance gaps from targets.
- The reasons for performance gaps.
- Corrective action and improvement strategies.

The outsourced internal audit section will be used to conduct these investigations and should ensure the involvement of people who are experts in this area. For each investigation, clear terms of reference will need to be adopted by Council.

10. Stakeholder Roles and Responsibilities

Figure 3 outlines the key roles and responsibilities to be discharged by the various role players in the process.

STAKEHOLDER	ROLE
Council / ExCo	<ul style="list-style-type: none"> ➤ Adopt the PMS Framework & PMS ➤ Adopt the Municipal Scorecard ➤ Conduct Annual Review ➤ Commission Performance Audits ➤ Report to the public and Province
Management Team	<ul style="list-style-type: none"> ➤ Plan for PM ➤ Adopt the PMS Framework & PMS ➤ Draft Scorecards ➤ Approve Departmental Scorecards ➤ Conduct Performance Measurements ➤ Commission Performance Reviews ➤ Produce PM Reports ➤ Commission Performance Audits
Audit Committee	Audit PM Reports & make recommendations
Internal Audit	Audit the results of Performance Measurements
IDP Steering Committee	Participate in PM Planning, Monitoring & Review
IDP Rep. Forum	
Ward Committees	

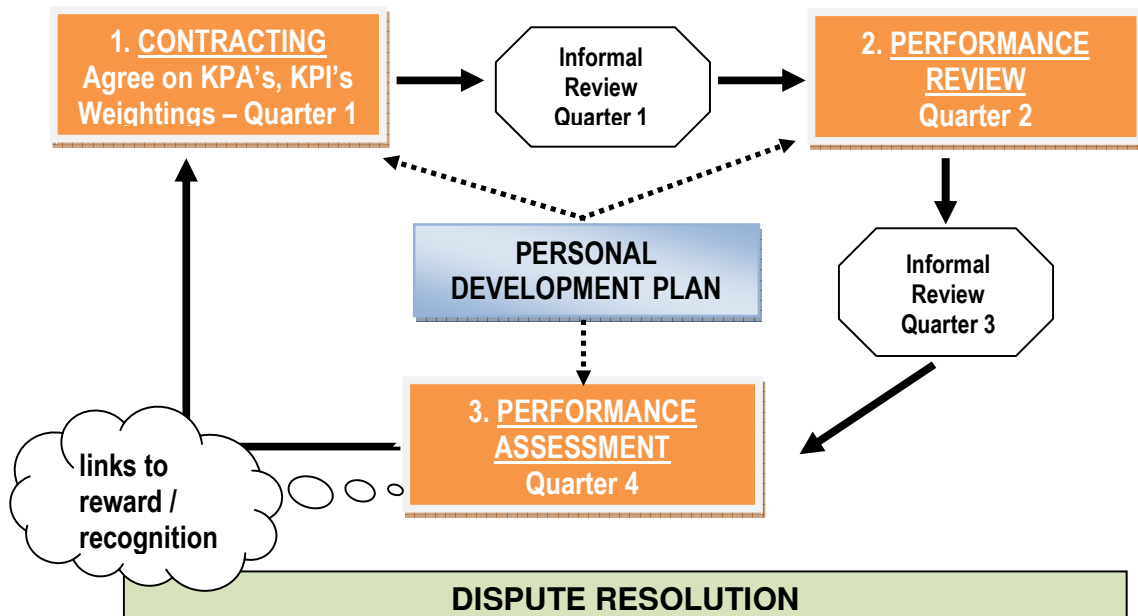
11. Performance Management at Individual Level

The reality is that the municipality is an institution that employs people, thus its performance is highly dependent on employees. It

therefore follows that performance needs to be managed at individual employee level. The individual performance management system is a vehicle for implementing the operational plans emanating from the municipal / SDBIP targets. At individual level, PM is meant to improve linkages between individuals, functions and the broader Municipal objectives. The PMS is aimed at providing specific standards to assist the employer, management and municipal staff to perform to the required standards. Emalahleni will use the individual PMS to:

- Manage and measure behaviours that contribute to organisational and individual success.
- Recognise levels of actual performance in relation to agreed targets.
- Encourage continuous improvement and efficiency.
- Identify and act on areas for individual development.
- Provide a platform for communication on performance between superiors and employees.

This section discusses the structured process for managing performance of the municipal manager and the employees that directly report to him; and separately discusses the process of managing performance for the rest of municipal staff. Albeit, the foundation for both levels is similar as summarised in Figure 4 and explained in the balance of this section.



Performance Management for Section 57 Managers

Performance management for the municipal manager and the employees that directly report to him will strictly adhere to the provisions of

the Municipal Performance Regulations (2006) shown in Annexure 3. The key phases are, namely, Performance Contracting; Performance Review; and Performance Assessment. This section will also discuss disputes relating to PM.

(i) Performance Contracting

Performance contracting is characterized by the consultation between the employer⁵ and the employee⁶ regarding specific performance standards that should be adhered to during the given financial year. Being the first of the three key phases, Performance Contracting entails the signing of the Performance Agreement within one month after commencement of each financial year, with the purpose to:

- comply with the contract of employment;
- comply with section 57 of the MSA;
- specify the agreed objectives and targets; and communicate the municipality's performance expectations in line with the IDP, the SDBIP and the budget;
- specify accountabilities that are drawn in the Performance Plan⁷;
- serve as a basis of the municipality's commitment to a performance orientated relationship;
- provide a platform for monitoring, evaluating and measuring performance against targeted outputs and subsequently rewarding good performance.

At this phase, the employee will commit to focusing on implementing the key objectives [i.e. KPA's, including any relevant special projects and the Core Competency Requirements (CCRs)]. The KPAs and CCRs are assigned a weight, respectively. Such weighting (as it is known) denotes the relative importance of the key objectives to each other. The KPAs would cover the main areas of work and would account for 80% whereas the CCRs would account for 20% of the final performance assessment (which is discussed in Phase 3 of this section). For the MM, the KPAs are as follows:

- Basic Service Delivery
- Municipal Institutional Development and Transformation
- Local Economic Development (LED)
- Municipal Financial Viability and Management
- Good Governance and Public Participation

⁵ In this context, **employer** refers to “the municipality employing a person as a MM or as a manager directly accountable to a MM and as represented by the Mayor, Executive Mayor or MM as the case may be.”

⁶ In this context, **employee** refers to “a person employed by a municipality as a MM or as a manager directly accountable to a MM”

⁷ The Performance Plan sets out the performance objectives and targets; and timeframe within which the employee should meet them.

For managers that directly account to the MM, the KPAs that are related to the functional areas of that manager's position, should be negotiated between that manager and the municipal manager. The CCR that are critical for the employee's job should be selected from the following list and must also note the compulsory Core Managerial Competencies.

Core Managerial Competencies

- Strategic Capability and Leadership
- Programme and Project Management
- Financial Management (*compulsory*)
- Change Management
- Knowledge Management
- Service Delivery Innovation
- Problem Solving and Analysis
- People Management and Empowerment (*compulsory*)
- Client Orientation and Customer Focus (*compulsory*)
- Communication
- Honesty and Integrity

Core Occupational Competencies

- Competence in Self-Management
- Interpretation of and implementation within the legislative and national policy frameworks
- Knowledge of developmental local government
- Knowledge of Performance Management and Reporting
- Knowledge of global and South African specific political, social and economic contexts
- Competence in policy conceptualization, analysis and implementation
- Knowledge of more than one functional municipal field / discipline
- Skills in Mediation
- Skills in Governance
- Competence as required by other national line sector departments
- Exceptional and dynamic creativity to improve the functioning of the municipality

Figure 1: List of Core Competency Requirements (CCRs) for Employees

In order to address the development gaps that support the achievement of set performance targets, a Personal Development Plan (PDP) will be developed and form part of the Performance Agreement. A sample PDP is shown in Annexure 5. In line with the MFMA, the Performance Agreements will be made available to the public.

(ii) Performance Review

Performance review is aimed at checking and monitoring progress of the employee in satisfying the key objectives and their targets. Performance reviews will happen at the end of the first, second and third quarters of the year, as noted below.

Quarter	Period Under Review	Month of Conducting Review
1 st	July to end of September	October
2 nd	October to the end of December	January
3 rd	January to the end of March	April

Emalahleni may elect to conduct verbal reviews for the first and third quarters, particularly if performance is deemed satisfactory. During any of the reviews, the municipality will, however, make use of the assessment tools that will be ultimately used in the Performance Assessment phase (4th Quarter). Despite the fore stated performance review intervals, the employer reserves a choice to review performance at any stage (for as long as the employment contract is still valid). For operational reasons and also based on agreement with the employee, the employer will be entitled to making changes to the provisions of the Performance Plan. In addition, performance feedback will be based on the employer's assessment of the employee's performance.

The performance review will entail the "stock taking" of the achievements on KPAs and CCRs. Each of the two will be reviewed as follows:

Key Performance Areas

- Using the performance plan, each KPA will be reviewed in terms of the extent of meeting the KPIs and *ad hoc* tasks associated with that KPA.
- The following five-point scale will be used to rate performance on each KPA:

Level	Terminology	Description	Rating				
			1	2	3	4	5
5	Outstanding performance	Performance far exceeds the standard expected of an employee at this level. The appraisal indicates that the employee has achieved above the fully effective results against all performance criteria and indicators as specified in the PA and Performance Plan and maintained this in all areas of responsibility throughout the year.					
4	Performance	Performance is significantly					

Level	Terminology	Description	Rating				
			1	2	3	4	5
	significantly above expectations	higher than the standard expected in the job. The appraisal indicates that the employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.					
3	Fully effective	Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the employee has fully achieved effective results against all significant performance criteria and indicators as specified in the PA and Performance Plan.					
2	Performance not fully effective	Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job. The review / assessment indicates that the employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the PA and Performance Plan.					
1	Unacceptable performance	Performance does not meet the standard expected for the job. The review / assessment indicates that the employee has achieved below fully effective results against almost all of the performance criteria and indicators as specified in the PA and Performance Plan. The employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.					

c) The rating calculator will be developed and used for adding the scores for each KPA thus giving a final KPA score.

Critical Competency Requirements

- a) Each CCR will be reviewed in terms of the extent to which the specified standards have been met.
- b) The fore going five-point scale will be used for each CCR.
- c) The rating will be multiplied by the weighting for each CCR and result in a score.
- d) The rating calculator will be used to add the scores and calculate the final CCR score.

It should be noted that for the mid-year review (i.e. October - December) it is important for the employer to keep records.

(iii) Performance Assessment

Performance assessment is aimed at concluding the employee's performance measurement and development against set objectives. It will happen during the fourth quarter of the financial year. For purposes of practicality, performance assessment will be executed similar to the Performance Review (explained above), save the following important variations:

- a) It will not be "stock take" but a "final evaluation" exercise for the financial year.
- b) The minimum composition requirements of the evaluation panels will be as follows:

EVALUATION OF THE MM	EVALUATION OF MANAGERS ACCOUNTABLE TO THE MM
Mayor	MM
Chairperson of the audit committee	Chairperson of the audit committee
Executive Committee member	Executive Committee member
Mayor or MM from another municipality	MM from another municipality
Ward committee member nominated by Mayor	HR Manager
HR Manager	

- c) Performance assessment will form the basis of rewarding outstanding performance and correcting unacceptable performance.
- d) Using the rating calculator, the range of performance bonus will be allocated as follows, as a percentage of the all-inclusive remuneration package:

Performance Score	Performance Bonus
150% +	10% - 14%
130% to 149%	5% - 9%

- e) Unacceptable performance will be handled through providing remedial support to improve the employee's performance for an agreed timeframe (with the employer). If such structured attempts prove to be unsuccessful, the employer should take steps to terminate the contract on grounds of unfitness or incapacity. In that case, there should be adherence to the provisions of the Labour Relations Act.
- f) Within 14 days of concluding the assessment of the MM's performance, the results thereof will be submitted to the MEC for Eastern Cape local government and the national Minister for local government.

(iv) Dispute Resolution

Disputes will be distinguished and handled as follows:

a) Disputes Pertaining to Performance Agreement

Where a dispute involves the MM, as an employee, such a dispute should be formally lodged by the MM to the Provincial MEC for local government. The MEC or his / her designate will mediate within 30 days of receipt of a formal dispute. The decision therefore will be final and binding on both the MM and the municipality.

Where a dispute involves a manager who directly accounts to the MM, such dispute should be formally lodged to the Mayor who will mediate within 30 days of receipt of a formal dispute. The Mayor's decision will be final and binding on both the manager and the MM.

b) Disputes Pertaining to the Outcome of Performance Evaluation

Where a dispute involves the MM, as an employee, such a dispute should be formally lodged by the MM to the Provincial MEC for local government. The MEC or his / her designate will mediate within 30 days of receipt of a formal dispute. The decision therefore will be final and binding on both the MM and the municipality.

Where a dispute involves a manager who directly accounts to the MM, such dispute should be formally lodged to a member of the municipal Council who was not part of the evaluation panel. Such member will mediate within 30 days of receipt of a formal dispute and his / her decision will be final and binding on both the manager and the MM.

Performance Management for all Other Municipal Staff Members

At this level of the municipality, performance will also be managed in accordance with the phases shown in Figure 3. The objectives of the above phases are individually provided below.

(i) Contracting

Contracting will entail the conclusion of a new performance agreement in a new financial year. That will take place within one month after the commencement of the new financial year. Specific objectives are, namely:

- To provide details of expected performance for the particular financial year in line with the Departmental objectives.
- To set the scene for developing a Personal Development Plan (PDP) for the employee in order to ensure performance improvement.
- To give clear and detailed targets for the employee with regard to Key Performance Areas, Key Performance Indicators, target dates and weightings.

(ii) Performance Review

The aim of the performance review is to check and monitor progress of the employee on each KPA, by checking the difference between the actual and expected performance. The performance reviews are scheduled as follows:

Quarter	Period Under Review	Month of Conducting Review
1 st	July to end of September	October
2 nd	October to the end of December	January
3 rd	January to the end of March	April

In addition, the performance review is aimed at the following:

- To discuss corrective action where it is necessary.
- To check and monitor the progress of the employee on their PDP.
- To update and customize the PDP, where necessary.

(iii) Performance Assessment

Performance assessment will be based on the individual's performance in terms of the outputs / outcomes (KPI's) that are linked to KPA's which were agreed during the performance contracting phase. It will take place during the last quarter of the financial year. Specific objectives are as follows:

- To conclude an employee's performance measurement and development for each semester in that particular financial year.
- To assign KPA and final ratings/scores for the performance cycle.

- To determine the impact of the employee's development on his/her performance.
- To rate the employee's performance, using the rating scale that the municipality will develop.
- To recognize employee performance by assigning non-financial rewards which are guided by scores from the performance rating scale.

In support of the developmental nature of PMS, the municipality will ensure application of developmental support throughout all phases of the PM cycle. That will be in the form of PDP's whose primary focus will be on ensuring that the employee is well capacitated to deliver on the set performance targets. Albeit, performance feedback will be based on the employer's assessment of the employee's performance.

All phases of the PM cycle will leave room for addressing disputes that may arise. Disputes will be handled in line with the provisions of the municipal Disciplinary Code and / or the Collective Agreement, as applicable.

12. General Issues Relating to Performance Management

This section highlights some general issues related to performance management that need to be taken into account in implementing the PMS in the Municipality.

12.1 Annual Review of the Performance Management System

After the full cycle of the annual review and reporting is complete and the audit committee has met as required, the internal audit function will compile a comprehensive assessment / review report. The report will be on whether the Municipality's PMS meets the system objectives and principles as set out in this framework and whether it complies with the MSA, PMS Regulations and the MFMA. The report will need to be considered by the audit committee who will then submit any recommendations to the Executive Committee.

The review undertaken and recommendations made by the audit committee could serve as input into the wider municipal review of the PMS. After the full cycle of the annual review, the Municipal Manager should initiate an evaluation report that includes inputs from departments. The report will then be discussed by the management team and finally submitted to the Council for discussion and approval. All those steps will also fulfill the MSA's requirement that the Municipality should annually evaluate its PMS.

12.2 Amendments to KPI's and Targets

The Municipality will need to adopt a policy on amendments to performance indicators and targets. As a policy area, such amendments may be proposed but will be subject to the approval of the Executive Committee in consultation with the Municipal Manager.

12.3 Integrating PMS with the Council's Existing Management Cycle

International best practice indicates that PMS stands the best chance to succeed if it is integrated with the current management cycle of the Municipality. The purpose of such a cycle would be to guide the integration of important processes e.g. the strategic planning or development process in terms of the IDP methodology, the annual budget process and the formal process of evaluating and assessing Council's performance in terms of the approved PMS and this framework. Emalahleni municipality will develop and adopt a similar cycle that is suitable to its own circumstances and requirements.

12.4 Institutional Arrangements

The implementation of the PMS in terms of this framework would require coordination at organisational level and that will be the task of the IPED Manager's position, which will be acting on behalf of the municipal manager. Those duties will therefore form part of the IPED Manager's Performance Agreement.

For PMS at an individual level, the responsibility for co-ordination, administration and record keeping will be the responsibility of the position that is responsible for human resource management. Likewise, such duties will form part of the Corporate Service Manager's Performance Agreement.

The Municipality will ensure that its outsourced internal audit section has expertise in dealing with performance management responsibilities which are practically over and above the traditional financial audit responsibilities.

13. Conclusion

There are no definitive solutions to managing municipal performance. The implementation of the performance management system will be an incremental process. It is important to note that for the 2008/09 financial year, there will be compliance gaps which will be remedied with the implementation of the PMS for the 2009/10 financial year.

16 IDP APPROVAL

Following the draft DIP review report tabled to and adopted by council in March 2010, comments were invited from all stakeholders and interested parties during the month of April. All received inputs were considered and consolidated into this final document. The main inputs came from communities, provincial government, sector departments, internal municipal department and the Municipal Turn-Around Strategy initiative which took place during the same period.

In addition, a round of ward consultative meetings were held to present the draft IDP and budget 2010/11 to our communities and invite their comments and inputs. Not much new issues arose out of these session and any new inputs were also considered in the drafting of this final report.

Having given all stakeholders an opportunity to air their views and influence municipal decision making regarding this plan and the intended development programme for the next financial year 2010/11, the Emalahleni Municipal council is satisfied that all necessary planning activities as envisaged in the IDP review process plan were carried out accordingly and therefore RESOLVES to adopt this document as our 2010/11 IDP review and thereby instructs our administration to implement the plan using the agreed and adopted 2010/11 budget then monitor progress and report to council via adopted performance management scorecard and SDBIP.

DECLARATION OF ADOPTION

COUNCIL RESOLUTION NUMBER FOR IDP ADOPTION:

SIGNATURES

.....
Mr. J Kwepile
MUNICIPAL MANANGER

.....
DATE

.....
MAYOR

.....
DATE

ANNEXURE 01: COMMUNITY NEEDS LIST**PRIORITIES WARD 1****ELECTRICITY**

- For better living standards of communities.
- Developments projects needs electricity

ACCESS ROADS

- Some roads are not easily accessible which makes the flow of transport inaccessible.
- There is no access road in the Skwanqeni area.
- Footbridge should be constructed for communities
- Area Wide programme is too slow.
- The road from Lumko to Rwantswana needs to be regavelled.
- There are no bridges and when it rains the ground becomes too muddy.

WATER

- Water for drinking is not enough and it is too far.
- The irrigation scheme is not properly monitored and maintained.

FENCING

- The ploughed fields should be fenced to prevent livestock from intruding.
- Communities needs to plant vegetable gardens.

CLINIC

- The current clinic is not opened and the mobile clinic takes about three months to visit.
- The mobile clinic is not reliable because there are no regular visits.
- The clinic is too far and you have to spend R40 to go to town.

PRIORITIES WARD 2**SANITATION**

- Construction of toilets in the whole area will create a healthy environment for communities.

WATER

- Some areas are drinking dirty water which could endanger their lives.

ACCESS ROADS

- Access road to Ntsinga project is not accessible is in a bad condition and is not easily accessible.
- Schools are not easily accessible.
- The road to Maqhashu to Lanti is extremely bad because of erosion.
- The road that links Emalahleni with Intsikayethu Municipality should be tarred.

ELECTRICITY

- There is a high crime rate because the area is too dark.
- Schools have computers but are displayed because there is no electricity.

FENCING

- For protecting ploughed fields from livestock.

PRIORITIES WARD 3**STORMWATER DRAINAGE** Stoney Croft, Lamoen, Hala 1 & Hala 2

- To drive away water flow from the households.
- To create smaller dams for irrigation purposes.

ACCESS ROAD Zingqolweni, Lower Ndonga, Qaqeni

- For Scholar transport and health services accessibility.

SANITATION

- Toilets should cover the whole areas of Ward 3 for healthy purposes.

BRIDGE Zingqolweni to Qaqeni, Greyspan to Maqhubela

- Namlele Bridge should be constructed.
- Students can not access school when its raining
- Patients can not access Clinic when its raining.

ERADICATION OF ILAPESI

- For improvement of the grazing lands.
- To create job opportunities for unemployed communities.

PRIORITIES WARD 4**ELECTRICITY** Cacadu Extention, Ngcuka and Ngqoko

- It would be much safer to use electricity than paraffin.

- It would also reduce crime rate in the dark areas.

WATER AND SANITATION

- The engine that pumps water is damaged at Percy.
- The taps should be inside households.
- The constructions of Cacadu toilets are not complete.

COMMUNITY HALL Ngcuka, Cacadu, Ngqoko, Percy

- Pension Payouts are not safe for elders.
- There are no places to hold meetings.

SHEARING SHEDS

- To shear domestic animals.
- It could be a relief to poverty.
- It can be a place to hold meetings.

ACCESS ROADS

- Some areas are not accessible.
- There should be an easy access road for ambulance, schools and police.
- Construction of Mthwakazi Bridge should be completed.

PRIORITIES WARD 5**ACCESS ROADS**

- Cumakala access road need maintenance.

WATER AND SANITATION

- The water needs to be purified for health purposes.

BRIDGES

- Construction of a high bridge from the Lady Frere Township to Cumakala.

CONSTRUCTION OF NOMPUCUKO SCHOOL

- The school needs to be rebuilt and not renovated.

ELECTRIFICATION

- There is a high crime rate in the dark areas.
- Kavala Extention and Panatyipthu does not have electricity.

PRIORITIES WARD 6**ACCESS ROADS**

- There should be foot bridges to make accessibility to households much easier.
- There is no access to Gqebenya and other areas.

FENCING Holani, Mzi, Gqebenya and Sokolani

- For protecting ploughed fields from stray animals.

SANITATION

- The project is not completed and there are no toilets.

BRIDGES

- The access to the bridges is incomplete.
- All villages should have access to the bridges.

IRRIGATION SCHEME Mackaysnek, Kundulu and Matyhantya

- Water irrigation should be provided nearer for poverty alleviation.
- There are projects that will create employment opportunities in the rural areas.

PRIORITIES WARD 7**ACCESS ROAD** Blangwe

- There is no access for ambulance and police services in the area.

ACCESS ROAD Ethambekile

- There is no access for schools and health services in the area.

FENCING Bozwana, Dubeni, Qoqodala

- The cultivated fields need fencing to prevent livestock from intruding

CLINIC Bozwana

- The existing Clinic is far from the communities this result to rape cases.
- Mobile Clinic takes three months to visit the area.

COMMUNITY HALL

- There is no place to convene meetings.
- It can be used as the paypoint for elders.
- It can be useful for Youth activities.

PRIORITIES WARD 8**ELECTRICITY**

- There is no electricity for lighting.

WATER

- There is no water for drinking.

FENCING

- There cultivated land needs fencing to prevent livestock from intruding.

SANITATION

- There are no toilets in the area for healthy purposes.

SHEARING SHED

- There is one shearing and its too far for the communities.
- Sorting Center should be available

PRIORITIES WARD 9**WATER**

- There is no water for drinking at Mayeye.
- Zwaartwater project is not complete.
- Vaalbank new extension.

ACCESS ROADS

- Vaalbank School to Laphumilanga, via Cawe, Gantsho via alibuzwe to Mayeye Village Qoboka to Sdwadweni village, Zwaartwater to Qumbu village, Vaalbank School to Bhadi Village.
- Access of schools, health services and pay points.
- Area Wide is blading the roads but regravelling

SANITATION

- There are no toilets in the area for healthy purposes.

ELECTRIFICATION Vaalbank, Buffelsdoring

- There is no electricity for better lifestyle of communities.

CLINIC

- There is no Clinic near the area communities spend about R200, 00 to transport their patients to the Clinic or Hospital.
- Mobile Clinic takes three months to visit the area.

PRIORITIES WARD 10**ELECTRICITY**

- There is no electricity for better living standards of communities.

ACCESS ROAD Khayelitsha to Matyabomvu

- For school and health services access.

MULTI -PURPOSE CENTER

- There is no place to hold meetings.

FENCING OF CULTIVATED FIELDS

- The cultivated land needs fencing to prevent livestock from intruding.

BRIDGE Fini

- There is no footbridge for communities cross upon.

PRIORITIES WARD 11**ELECTRICITY** Harry Gwala, Zwelethemba

- Communities needs Apole highster lights to be maintained then very dark areas should be installed with Street lights that resulted to that crime rate.

CLINIC

- Old Clinic at Zwelethemba should be renovated to accommodate large numbers of patients because the space was too small.
- The Town Clinic should not be rented.
- Medicine for HIV / AIDS should be available in Dordrecht and not only in Lady Frere.
- Mobile Clinic for Harry Gwala should be available temporarily.

POLICE STATION

- Street committees were needed as they were very effective in reducing crime.
- Existing Police Station is too far when a person had been injured.
- Capacity of existing Police Station needed upgrading.

PRIMARY SCHOOL

- The kids are very young they can not travel alone between the hills
- Transportation of children to school can be another option to protect and assist children to go to school.

LIBRARY

- Not everyone has access to the existing library.
- The library is always closed when the people want to use it.
- The current Library is not accessible to the public.

PRIORITIES WARD 12**SANITATION** Mkapusi, Ebhomeni, Ngqanda, Ncalukeni

- Construction of the toilets should be made for healthy purposes.

BRIDGES

- There should be a bridge from the tarred road to Dopu for easy access of services and schools.

DIPPING TANK

- Construction of a dipping tank at Luxeni.
- The current dipping tanks in Ngqanda and Mkapusi need renovations.

SHEARING SHED

- All villages except Mkapusi need shearing sheds.

ACCESS ROAD

- Construction of access road from Nzolo to Qwepte via Ngxingweni.
- There should be access for ambulances and other services.

PRIORITIES WARD 13**WATER**

- Water is needed for irrigation, consumption, to improve livestock so that it can be sold.

FENCING

- Fencing of grazing camps, arable land, over crowded livestock causes soil erosion and that is what fencing is needed for.

BRIDGES

- Bad condition of bridges causes it difficult to get to health facilities, schools and other services rendered by government.

ACCESS ROADS

- Causes difficulty to get to other villages and even in town, and to get to other services rendered by government.

CLINIC

- There is only two clinics in the whole Ward and the Ward is too big for the two clinics.

PRIORITIES WARD 14**MGWALANA CLINIC**

- There is transport costs involved when there is a need to visit the clinic.
- The mobile clinic does not come regularly and it takes almost three months to visit the area.
- There are five locations that are being serviced by one clinic in Indwe.
- The clinic is only able to service about 30 people a day.
- The clinic is understaffed and more staff should be appointed.

KALFONTEIN CLINIC

- The existing clinic's service is poor (Roman Satellite Clinic).
- There is not enough medication.
- The present building is too small and can accommodate very few people.

TARRED MAIN ROAD (Dordrecht)

- There are potholes in the gravel road and the soil is eroded when it's raining.
- Tarring of main road from Zola to Tyoksville for access of communities.

ACCESS ROADS

- There are no access roads since Transitional Rural Council.
- There are no access to service points, pre schools and health posts.
- The area wide programme is too slow.

SPORTS FIELD DORDRECHT

- There is water in the fields at Youth Centre.
- The Municipality requires rent for the field.

PRIORITIES WARD 15**CEMETRIES**

- Limited land space in existing cemetery.

TARRED MAIN ROAD AND CIRCLE

Mavuya and Nomzamo

- There are lot of potholes when its raining.
- Circles should be constructed in the intersections.

MULTI PURPOSE CENTRE

- There is no site available to build the centre.
- There is no place to train people and do business.

COMMUNITY HALL Mceula and Ida

- The public meetings are currently held in the school and church.

ACCESS AND PROCLAIMED ROADS

- Nkuzo stop to Chamama is very dangerous because there is a soil erosion and the bridge is flooded by the storm water and it's too muddy.
- Students have to break early at school when it's raining.

PRIORITIES WARD 16**CEMETRY**

- Limited land space in existing cemetery.

TARRING OF ACCESS ROADS

- When it has rained the roads are very muddy therefore Indwe Town and the main streets should be tarred and circles should be constructed.
- The road is too muddy when it's raining.
- There is a need for speed humps from Nomzamo to Sonwabile area to slow down traffic since it's a high zone accident area.

STREET LIGHTS

- Installation and maintenance of the street lights should be made in the Sonwabile and Pumlani areas.
- The area is too dark and there is a high crime rate.

STORM WATER DRAINAGE

- There is a rush of storm water coming from the mountain into the Manyano area.

YOUTH INFORMATION CENTRE

There is a high crime rate caused by the youth which is unemployed and the centre could assist in reducing crime rate.

25 ANNEXURE 02: BUDGET 2010/11

ⁱ Emalahleni Local Municipality's IDP – 2009/2010 Review.