

# INTEGRATED DEVELOPMENT PLAN

## REVIEW 2010/11



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## ACRONYMS

AG	Auditor General
AIDS	Acquired Immune Deficiency Syndrome
AsgISA	Accelerated and Shared Growth Initiative
BBBEE	Broad-based Black Economic Empowerment
CASP	Comprehensive Agricultural Support Programme
CBO	Community-Based Organization
CIDB	Construction Industries Development Board
CTO	Community Tourism Organisation
DEAT	Department of Environmental Affairs and Tourism
DEDEA	Department of Economic Development Environment Affairs
DLA	Department of Land Affairs
DLGTA	Department of Housing, Local Government & Traditional Affairs
DM	District Municipality
DME	Department of Minerals and Energy
DoA	Department of Agriculture
DoE	Department of Education
DORA	Division of Revenue Act
DoRT	Department of Roads and Transport
DoSD	Department of Social Development
DPLG	Department of Provincial and Local Government
DPW	Department of Public Works
DSRAC	Department of Sports, Recreation, Arts & Culture
DTI	Department of Trade and Industry
DTO	District Tourism Organisation
DWAF	Department of Water Affairs and Forestry
ECDC	Eastern Cape Development Corporation
ECDOH	Eastern Cape Department of Health
ECPB	Eastern Cape Parks Board
ECSECC	Eastern Cape Socio Economic Consultative Council
ECTB	Eastern Cape Tourism Board
EIA	Environmental Impact Assessment
EPWP	Expanded Public Works Programme
ESTA	Extension of Security of Tenure Act
EU	European Union
GGP	Gross Geographic Product
GRAP	General Regulations on Accounting Practice
HDI	Human Development Index
HR	Human Resources
ICT	Information and Communication Technologies
IDP	Integrated Development Plan
IDT	Independent Development Trust
IGR	Intergovernmental Relations
IMATU	Independent Municipal and Allied Trade Union
ISRDP	Integrated and Sustainable Rural Development Programme
IWMP	Integrated Waste Management Plan
JGDM	Joe Gqabi District Municipality
JIPSA	Joint Initiative on Priority Skills Acquisition
KPI	Key Performance Indicator
LED	Local Economic Development
LM	Local Municipality
LRAD	Land Redistribution and Agricultural Development
LTO	Local Tourism Organisation
LUPO	Land-Use Planning Ordinance
M&E	Monitoring & Evaluation
MAFISA	Agriculture Microcredit Fund
MFMA	Municipal Finance & Management Act
MHS	Municipal Health Services

MIG	Municipal Infrastructure Grant
MoU	Memorandum of Understanding
MTEF	Medium Term Expenditure Framework
NAFCOC	National African Federation of Chambers of Commerce
NEMA	National Environmental Management Act
NSDP	National Spatial Development Perspective
OTP	Office of the Premier
PDI	Previously Disadvantaged Individual
PGDP	Provincial Growth and Development Plan
PHC	Primary Healthcare
PMS	Performance Management System
PPP	Public-Private Partnership
RDP	Reconstruction and Development Plan
RDS	Rural Development Strategy
RSS	Rapid Services Survey (conducted by Fort Hare for the Office of the Premier in 2006)
SAHRA	South African Heritage Resources Agency
SALGA	South African Local Government Association
SANRA	South African National Roads Agency
SAPS	South African Police Services
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
SEDA	Small Enterprises Development Agency
SETA	Sector Education and Training Authority
SLA	Service Level Agreement
SMME	Small, Medium & Micro Enterprises
SPU	Special Programmes Unit
TAS	Turn Around Strategy
TB	Tuberculosis
WSDP	Water Sector Development Plan

## FOREWORD BY THE EXECUTIVE MAYOR

The district area is moving forward in line with its Motto “Siyaphambile Asijiki” and during 2009/10 there have been significantly improvements in understanding of the way forward for development and renewed vigor to interact with stakeholders. All this has contributed to ensuring that this IDP review is an improvement on the previous year.

This year the District Municipality has spent more time develop its internal strategic direction, the direction it wishes to take around the water function as well as in the area of economic development so that it can also effectively deliver on the mandate of the ruling party and ensure good governance and service delivery.

Our focus is still the eight priority programmes defined in the GDS agreement of 2007 and the strategic direction defined in the IDP for this term of political office.

Let us work together to ensure that future investment and budget decisions are aligned to the vision of an **improved quality of life for all our residents**

I am confident that this reviewed IDP will strengthen our delivery, and become a measure of our future achievements.

CLLR T L MARAWU  
EXECUTIVE MAYOR

## FOREWORD BY THE MUNICIPAL MANAGER

Integrated Development Plans (IDP's) are a key tool of local government to tackle its developmental mandate. The IDP is meant to arrive at key decisions on issues (such as the budget allocations, spatial planning, priority interventions, institutional transformation, and economic development) in a consultative, systematic and strategic manner. Integrated Development Planning is the responsibility of the whole institution and government as a whole as it is the key tool for governance of the district area.

The Joe Gqabi District Municipality has compiled this reviewed IDP based on information provided by stakeholders and government as a whole.

The ability to compile this document was a direct result of the commitment of municipal officials, community members, political leaders and sector department officials through the compilation process.

We wish to express our gratitude to all those who gave input into this process.

This IDP is a living document that will continue to be reviewed on an annual basis and regular feedback will be provided to the representative forum meetings and public Imbizo's

ZA WILLIAMS  
MUNICIPAL MANAGER



## EXECUTIVE SUMMARY

Joe Gqabi District Municipality (JGDM) formally known as Ukhahlamba District Municipality is located within the Eastern Cape Province, borders Free State Province and country of Lesotho to the north, JGDM is located to the east and south of Alfred Nzo, OR Tambo and Chris Hani District municipalities and to the west of the Northern Cape Province. JGDM covers an area of 26,518 square kilometers.

The District accounts for 5.3% of the Eastern Cape's population. The total population of the District is 308,365 as of 2007 from 341,832 in 2001 according to StatsSA. Women constitute 54% of the population, while men comprise 46%. The education levels are low with approximately 25.5% of the population with no form of any training or education and 40.2% having completed grades 3-7. Only 3.3% of the population has completed Grade 12 compared to 6.6% in the Eastern Cape. Only 1.7% of the District population has obtained a tertiary qualification. The majority of residents have no schooling, or who only have primary schooling.

Of the potential economically active population, 34% are working, wishing to work and actively looking for work. This accounts for 19% of the total District population. A further 42% of the population falls within the under fifteen year's age group.

JGDM is one of the six District municipalities within the Eastern Cape, which due to its economic status, potential and the challenges was declared one of the 13 nodes within South Africa. Joe Gqabi District is made up of four local municipalities (LMs) namely:

- Gariep;
- Maletswai;
- Senqu; and
- Elundini.

Of the 13 towns in the District, Aliwal North is the largest with a population of around 20,000. Sterkspruit, Maclear and Mount Fletcher are secondary service and retail centres. Most towns and villages are small service centres providing for the daily needs of agriculture and living in the area.

Joe Gqabi District Municipality experiences huge infrastructure backlogs. As an example, Elundini is one of the 18 of 39 municipalities in the Eastern Cape that recorded lower percentages (24,7%) of households living in formal dwellings compared to the provincial average (54,7%). Low levels of incomes, unemployment and poverty, low levels of skills and poor economic infrastructure characterize the economy of the District. The District further faces low revenue base and is largely reliant on government grants.

Environmental challenges like snow, proneness to disaster, soil erosions environmental degradation, as well as socio-economic challenges related to Health and HIV and AIDS pandemic are experienced within the District.

Land reform and emerging farmers are critical to a new agrarian economy. New farmers tend to be very dependent on the state for financial support and advice and are usually unable to use land as collateral for obtaining loans. It is for this reason that the District needs to address access to land by its communities and the development of the agricultural economy.

The driving sectors of the economy of JGDM are trade, agriculture, forestry and tourism. Farming is mainly extensive livestock farming of sheep and cattle. There are areas of crop farming and forestry, especially in the wetter eastern area. Commercial farmers are the main economic drivers, complemented by subsistence/emerging farmers in the communal land areas. There is new forestry potential in the Elundini area, and a large timber processing plant was recently built in the District (at Ugjie). Tourism is also a growing industry within Joe Gqabi District and is a growth sector for the District, due to the unique attractions

like Tiffindell ski resort, which is the only ski resort in Southern Africa, hot springs at Aliwal North and the largest Gariep dam in South Africa as well as the dramatic scenery.

The District is placing more emphasis on capacity building and financial viability in order to stimulate economic growth through harnessing its agricultural potential within the context of the identified priority issues. These include economic growth, social growth, governance and administration, improved capacity to support local economic development, meeting the basic needs and improving the quality of service delivery. The District remains committed to the eight priority programmes developed and endorsed by all social partners at the Growth and Development Summit held in February 2007, namely:

- Agriculture Programme and improving livelihoods of emerging and subsistence farmers.
- Timber Programme that will create new jobs through new afforestation and timber processing.
- Tourism Programme, which will grow the tourism industry.
- Water and Sanitation Programme aimed at eradicating backlogs in line with national targets.
- Municipal Services Upgrading Programme, which seeks to improve municipal services to create sustainable human settlements.
- Social Safety Net Programme aimed at supporting the poorest, through EPWP, home gardens, etc.
- Linkages Programme focusing on improving roads and access to electricity and ICT, in support of economic development.
- Governance Programme aimed at improving government's performance, particularly in supporting economic development.

These programmes support the national programme of Accelerated Shared Growth Initiative South Africa (ASGISA) and combine contributions from government, business, civil society, labour and higher education.

Various programmes and projects aimed at making and reversing the challenges faced by the District have developed for implementation during the term of office of this council. It is anticipated that over the term of office, a remarkable change will have happened in the development landscape (and service delivery) of the District. The planned interventions are linked to the spatial development and environmental prescripts. The District will continue with the financial recovery plan embarked upon during 2008/2009 financial year. The financial recovery plan has yielded positive results in increasing revenue and promoting sound financial management.

The municipality will continue to respond to community needs by incorporating their aspirations and needs in all our planning processes and documents such as the IDP, sector plans, programmes and projects.

The municipality is continuing to commit most of its funding towards infrastructure development more especially water and sanitation, which is a core power and function of the municipality. In addition to this, there will be greater emphasis this year on the on mainstreaming of economic development as a further attempt to ensure the improved quality of life of the residents of the district area.

The District continues to place emphasis on monitoring progress made against its vision, mission, strategic objectives and targets through established monitoring and evaluation tools such as the Service Delivery and Budget Implementation Plan (SDBIP), Performance Management System (PMS) in order to promote a culture of accountability to the public, national and provincial governments and other stakeholders. The monitoring and measuring of municipal progress will occur within the legislative framework and policy imperatives as espoused by the MFMA. In addition, the District promotes governance processes that facilitate effective oversight processes not only by the executive over the administration but also by the legislature over the executive.

The IDP has been reviewed in line with the process plan and District framework including meaningful involvement of all stakeholders and communities. The District has developed numerous sector plans and embarked on various sector specific initiatives to guide integrated development and investment in the

District area. The district has been able to achieve the following during the 2010/11 year and this will go on to form the baseline to succeed even further:

- There has been a significant improvement in the state of finances and viability of the District Municipality despite a poor audit opinion. The District has been identified as being one of the most viable municipalities in the Eastern Cape.
- To further promote community participation in matters of local government, the district municipality has trained officials, councillors, CDWs, and involved government departments in the implementation of Community Based Planning.
- The District Municipality has supported the district Agricultural Development Forum, a forum recognised to be a pioneer in coordinating activities between the private and public spheres and laying a foundation of cooperation in the sector.
- It has been encouraging to note that on assessment the IDP and SDF were determined to be the best in the province during 2009/2010 financial year.
- It has been within the plans of this institution to approve and adopt the IDP, Spatial Development Framework, Budget and PMS within the legislated timeframes. And this has been achieved.
- The District Municipality and local municipalities undertook organised public participation in support of the IDP and budget processes and increased awareness around the activities of the municipality.
- Seven Hundred and Fifty five people (staff, councilors and members of the public) were trained during 2009/2010 financial year. This highlights the commitment of the institution towards skills development as a way of retaining and capacitating staff and communities
- The district municipality has been recognised as providing good quality road maintenance services in Gariep and Maletswai as part of the Service Level Agreement with the Dept of Roads and Transport and this has resulted in the extension of the contract for another 3 years
- Patient satisfaction survey determined the majority of patients were satisfied with the PHC services offered by the municipality
- The District was nominated at the National Water Conference for Excellence performance award with regard to the blue drop assessment
- Working for Water was again the best project in the Eastern Cape and second best in the country
- Working for Water and for Working for Wetlands good performance leading to the extension of the contract for the next 3 years
- Actively supported Maletswai Municipality around their greenest town initiative that led to the town being selected as the greenest town in its category in the province, allowing it to participate in the national programme.
- The District secured funding from the United Nations Environmental Programme for the extension of the Working for Water Programme to include payment for ecosystems services in the Mount Fletcher area
- The District secured funding to undertake innovative financial systems development to support SMMEs and the supply chain process of the institution.
- Had a District stand at the Tourism Indaba in Durban, marketing and promoting the Eastern Cape Highlands brand

## **SECTION A: INTRODUCTION AND OVERVIEW**

The concept of integrated development plan (IDP) entails a process by which the planning efforts of different spheres and sectors of government and other institutions are co-ordinated at local government level. This planning process brings together various economic, social, environmental, legal, infrastructural and spatial aspects of a problem or plan. The Integrated Development Plan (IDP) for the Joe Gqabi District Municipal Area is the over-arching strategic plan for the municipal area. The plan guides development within the area in order to achieve long sustainable development within the District area.

The IDP outline's Council value proposition to its communities. It lays the foundation for the development path that the municipality seeks to take. In this way, the IDP is not only meant to be the principal strategic planning instrument that guides and informs all planning, budgeting, management and decision-making in a municipality but also a magnet that attracts coordination, integration and cooperation between all spheres of government. The IDP gives impetus to the implementation of government's programme of action and the overall national and provincial development agenda.

As a planning instrument, the IDP sets the agenda for involving citizens and residents in matters of local government. In other words, the IDP fosters public participation. Through the IDP process, the District and its local municipalities is offered the opportunity to meaningfully engage communities in a process that is largely perceived as passive and episodic. The IDP process promotes accountability in local government and provides the structure to implement the municipality's performance management system and framework.

The IDP translates planning principles into practice for the attainment of the Provincial Growth and Development Strategy, AsgiSA and the UN Millennium Developmental Goals for 2014 amongst others.

The IDP is a tool to bridge the gap between the current reality and the vision of satisfying the needs of the whole community in an equitable and sustainable manner. Integrated development planning will guide Joe Gqabi to develop a District-wide strategic direction and planning framework. In addition, the concept of the IDP provides the basis to mobilise District resources and synergies in an integrated fashion over a five year period.

The IDP demonstrates Joe Gqabi's resolve to push the frontiers of poverty and create a better life for all.

# 1 LEGISLATIVE FRAMEWORK AND POLICY ENVIRONMENT

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The compilation of IDPs by municipalities is regulated in terms of the Municipal Systems Act (MSA), 32 of 2000. Section 25 stipulates that:

*“Each municipal council must, adopt as single, inclusive and strategic plan for the development of the municipality which:*

- (a) links, integrates and coordinates plans and takes into account proposals for the development of the municipality;*
- (b) aligns the resources and capacity of the municipality with the implementation of the plan;*
- (c) forms the policy framework and general basis on which annual budget must be based;*
- (d) complies with the provisions of this Chapter; and*
- (e) Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms legislation...”*

As far as the status an IDP is concerned. Section 35 states that an IDP adopted by the Council of a municipality-

- (a) is the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development, in the municipality;*
- (b) binds the municipality in the exercise of its executive authority, except to the extent of any inconsistency between a municipality’s integrated development plan and national or provincial legislation, in which case such legislation prevails; and*
- (c) Binds all other persons to the extent that those parts of the integrated development plan that impose duties or affect the rights of those persons have been passed as a by-law.*

In addition, section 36 stipulates that-

*“A municipality must give effect to its integrated development plan and conduct its affairs in a manner which is consistent with its integrated development plan.”*

The development of the IDP as legislated in Chapter 5 of the local government MSA, 32 of 2000, amongst others prescribes the content of the IDP as follows:

- Municipal councils vision for the long term development of the municipality with special emphasis on the municipality’s most critical development and internal transformation needs.
- An assessment of the existing level of development in the municipality including identification of communities which do not have access to basic services;
- The councils development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs
- The councils development strategies aligned with those of national and provincial sector plans and planning requirements binding on the municipality in terms of legislation;
- A spatial development framework including basic guidelines for land use management system for the municipality, the council’s operational strategies, applicable disaster management plans, a financial plan and budget projection for the next three year; and key the key performance indicators and performance targets determined in terms of section 41 of the Municipal Systems Act.

Section 34 of the MSA, 32 of 2000 states that a municipal Council **“must review its integrated development plan annually in accordance with an assessment of its performance measurements in terms of section 4 (i)”**, and based on the results of this of the review process it “may amend its integrated development plan in accordance with a prescribed process.’

Other key legislative provisions and policy documents which contain reference to the IDP are tabulated below (table 1):

**Table 1: Local Government Legislation and Policy provisions**

<b>Legislation and Regulations</b>	<b>Policies and Strategic Documents</b>
The Constitution of the Republic of South Africa Act 108 of 1996	The White Paper on Local Government, 1998
Auditor-General Act 12 of 1995	The Reconstruction and Development Programme (RDP)
Development facilitation Act, 67 of 1995	The National Spatial Development Perspective (NSDP)
National Water Act 36 of 1997	Eastern Cape Province Growth and Development Strategy (ECPGDS)
Housing Act 107 of 1997	Accelerated and Shared Growth Initiative (ASGISA)
The National Environmental Management Act, 1998 (Act 107 of 1998)	The Joint Initiative on Skills Acquisition (JIPSA)
Municipal Structures Act 117 of 1998	Provincial Spatial Economic Development Strategy (PSEDS)
Promotion of Access to Information Act 2 of 2000	Millennium Development Goals (MDG)
Preferential Procurement Act 5 of 2000	Credible IDP Framework
Municipal Systems Act 32 of 2000	Integrated Sustainable Rural Development Programme (ISRDP)
Disaster Management Act 57 of 2002	State of the Nation Address 2010
Municipal Finance Management Act 56 of 2003	State of the Province Address 2010
Local Government: Municipal Planning And Performance Management Regulations, 2001	State of the District Address 2010
Local Government: Performance Management Regulations of Section 57 of 2006	Growth and Development Summit ( GDS)
	The Provincial Growth and development Plan ( PGDP)
	The Rural Development Strategy
	Turn Around Strategy

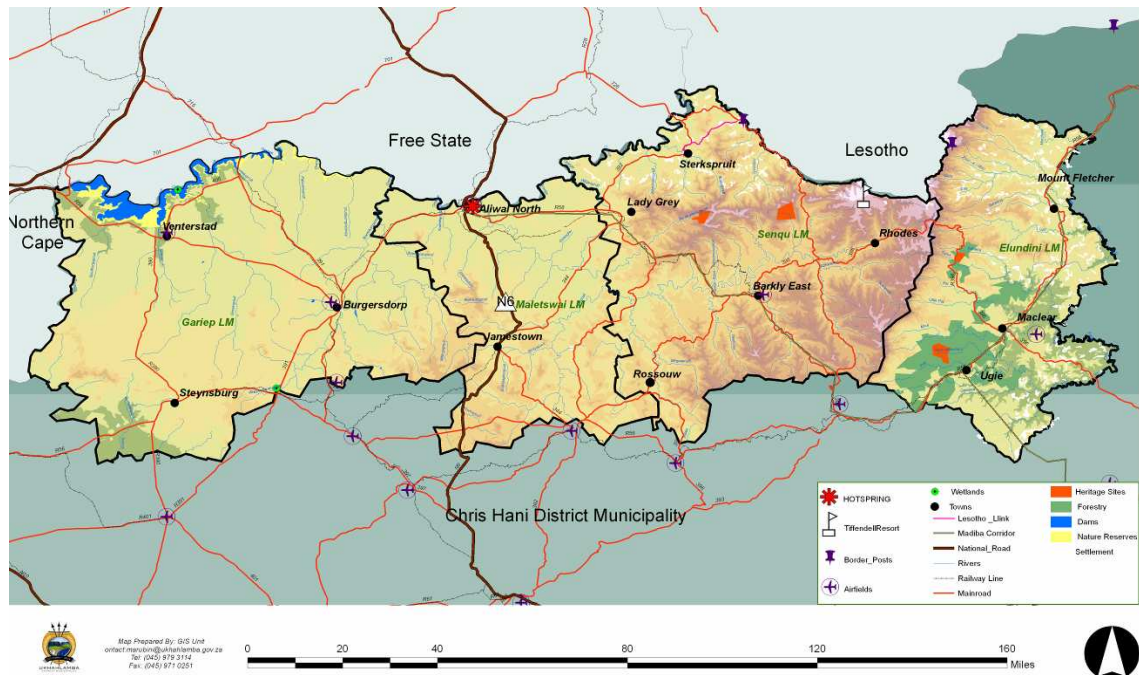
## SECTION B: SITUATIONAL ANALYSIS

Joe Gqabi District Municipality (JGDM) is located within the Eastern Cape Province, borders Free State Province and country of Lesotho to the north. JGDM is located to the west of Alfred Nzo, north of OR Tambo and Chris Hani District municipalities and to the east of the Northern Cape Province. JGDM covers an area of 26,518 square kilometres. The District accounts for 5.3% of the Eastern Cape's population. The total population of the District is 308,365 as of 2007 from 341,832 in 2001. Women constitute 54% of the population, while men comprise 46%. The education levels are low with approximately 25.5 % of the population with no form of any training or education and 40.2% having completed grades 3-7. Only 3.3% of the population has completed Grade 12 compared to 6.6% in the Eastern Cape. Only 1.7% of the District population has obtained a tertiary qualification.

Of the potential economically active population, 34% are working, wishing to work and actively looking for work. This accounts for 19% of the total District population. A further 42% of the population falls within the under fifteen year's age group. JGDM is one of the six District municipalities within the Eastern Cape which due to its economic status, potential and the challenges was declared one of the 13 Integrated Sustainable Rural Development (ISRDP) nodes within South Africa. Joe Gqabi District is made of four local municipalities (LMs), namely Gariep, Maletswai, Senqu, and Elundini (figure 1).

The District measures approximately 355km from east to west and 100km north to south and it lies approximately 34km north of Queenstown and its northern border is formed by the Orange River, which also forms the southern boundary of the Free State. Aliwal North is the main commercial and tourism centre, lying on the northern edge of the District on the N6 between Queenstown and Bloemfontein.

Figure 1: Map of Joe Gqabi District Municipal Area



There are several smaller urban service centres including Steynsburg, Venterstad, Burgersdorp, Jamestown, Barkly East, Lady Grey, Sterkspruit, Mount Fletcher, Maclear and Ugie. In total, the District has thirteen towns. In addition to the urban settlements, approximately 80% of the land area of the District is made up of commercial farming areas (freehold) and about 20% made up of dispersed rural settlements of the former Transkei (state-owned/communal land).



# **1 KPA 1: SPATIAL DEVELOPMENT FRAMEWORK**

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## **1.1 NATURAL ENVIRONMENT ANALYSIS**

### **RAINFALL**

The District can be divided into four rainfall zones. Some of the higher mountain peaks have between 0.8 meters (m) and 1.2 m of rainfall a year. The eastern part of the District has between 0.6m and 0.8m a year; the central area has between 0.4m and 0.5m; and the western area (Venterstad, Steynsburg and most of Burgersdorp) has less than 0.5m a year. Half a meter of rain a year is regarded as the minimum amount required for sustainable (dry land) crop production.

### **TEMPERATURE**

The District is well known for its temperature fluctuations, with temperatures ranging between 42 C and minus 11 C. On average, there are 150 days of frost during the year, usually between March and November and there is snow, usually in Senqu and Elundini, but the snow has also been known to fall on the higher lying areas of Maletswai and Gariiep. The District is affected by unseasonal frost and cold that has a negative impact on agriculture. The area is only suitable for less sensitive crops due to this harsh climate. Elundini is lower in altitude and experiences warmer winters; this enables this part of the District to be more suitable for cultivation.

### **TOPOGRAPHY**

Approximately 12% of the District area has slopes steeper than 1:8. From Aliwal North large flat plains of land are interspersed with steep mountains and hills. Topography influences the type of agricultural activities that occur. The open flat areas in the west allow for extensive agriculture whereas in the east, agriculture is limited to specific land pockets. Although very little land is suitable for cultivation, grazing for farming stock is feasible. The altitude of the District lies between 1000m and 1500m above sea level. Parts of Senqu and Elundini form part of the southern Drakensberg range. This area, due to its high altitude, is less suitable for farming. From Lady Grey the landscape flattens out towards the west. The mountainous terrain also limits accessibility and therefore hampers service and infrastructure delivery in the region. The southern Drakensberg creates a scenic environment conducive to adventure and nature tourism activities such as mountain biking, hiking, skiing etc.

### **HYDROLOGY**

The southern Drakensberg Mountains form a watershed that separates the eastern and western parts of the Joe Gqabi District. The Orange River is the most important source of water in the District, and the Orange River catchment area covers most of Gariiep, Maletswai and Senqu Local Municipalities. This catchment area drains towards the Atlantic Ocean. Elundini falls within the Umzimvubu catchment area, draining towards the Indian Ocean. The Gariiep dam is the largest dam in South Africa and is a major source of water for irrigation in the District as well as for the Fish River scheme (to the south west of the District). Smaller dams also provide the District with water, both for agricultural purposes and human consumption. Dams have a secondary usage and potential for recreational and other economic purposes. Boreholes are used by Barkly East, Burgersdorp and Steynsburg to augment supplies, and Jamestown and Mount Fletcher use boreholes for all their water requirements. Many commercial irrigation ventures are fed from groundwater. A study conducted for the DM concluded that many places in Senqu and Elundini have very high groundwater development potential.

### **SOILS**

Soils are generally shallow and weakly developed. Soils in the District are mainly sandy loam and clayey loam. As a broad generalization, there is an increase in soil depth and areas occupied by arable soils from west to east. Crop and horticultural production in Gariiep LM and in most of Maletswai LM is severely limited (even with irrigation) due to the dominant soil types. Elundini local municipality is the only area with soils suitable for cultivation. The Senqu area is one of the most degraded areas in the country due to communal



grazing lands not being well maintained or protected under the previous dispensation. Degradation is also high in the communal land areas of Elundini, and in small pockets within the Maletswai and Gariep local municipalities, with the primary cause found to be the overstocking of livestock and inappropriate grazing methods. The Department of Agriculture estimates that between 300 and 400 tonnes per hectare of soil are lost annually in the District. In addition to the provision of infrastructure to enable the practice of controlled grazing, it is necessary to prioritize the rehabilitation of severely degraded areas, in particular in the Senqu area.

## **VEGETATION**

Vegetation types represent an integration of the climate, soils and biological factors in a region and are a useful basis for land-use and conservation planning. There are nine vegetation types found in the District covering three biomes. Two of these biomes are of some national significance, namely the Alpine/Maloti mountain-type grasslands in the east and Eastern Mixed Nama Karoo in the west and all provide an interest for tourism development. The different biomes also have an impact on the type of agriculture practiced in the area.

## **LAND CAPABILITY**

There is only 233 hectares of high potential arable land (class 1) in Joe Gqabi District. Elundini has the highest percentage of arable land (with limitations) in its coverage (42.9%), and this is followed by Maletswai (32.9%). With the low levels of rain-fed arable land for crop production in the District, irrigation schemes and stock farming will play a significant role in agriculture. This is evident in Gariep where only 0.8% of the land is suitable for rain-fed crop production; however, agriculture contributed 38% to the GGP in 2001, in the form of sheep farming and irrigation-based agriculture along the Orange River and Fish River Tunnel.

It is important to note that although Elundini has the highest percentage of arable land, its agricultural sector has the lowest (4%) of GGP contribution. This is due to the subsistence nature of agriculture in the area and highlights the physical potential for commercial agriculture growth.

There is limited land available that can sustain intensive agricultural practices. Land identified as prime and unique agricultural land should be preserved for agricultural use in order to enhance food security and therefore economic welfare. It is therefore important that residential and industrial development does not expend these areas.

## **BIODIVERSITY**

The Joe Gqabi District Municipality is characterized by a diversity of vegetation types and land features. The eastern and northern areas (Senqu and Elundini) are featured by high lying mountainous terrain associated with high species diversity and unique wetlands. These areas are more specifically, covered by Southern Drakensberg and Lesotho Highland Basalt Grasslands (in the east) as well as Zastron Moist Grassland and Senqu Montane shrubland (in the north). The western parts of JGDM are dominated by Karoo Escarpment Grassland, Aliwal North Dry Grassland, Besemkaree Koppies Shrubland and Eastern Upper Karoo vegetation. All of these vegetation covers are classified as "Least threatened" but are for the most part poorly conserved.

Scattered in the north and east are Eastern Temperate Freshwater Wetlands, while in the west small patches of Lower Gariep Alluvial vegetation, which are classified as vulnerable, can be found.

An opportunity exists to formally protect the remaining intact grasslands, especially those classified as vulnerable and endangered, to ensure the important ecological functions they play in this area are preserved, and to build on the attractive and ecologically important landscape for tourism. One of the most important ecological ecosystem services provided by the study area is the provision of good quality water, and the large numbers of wetlands found in the upper elevations within a range of vegetation types are critically important in this regard. An opportunity to apply Payment for Ecosystem Principles for water resource protection therefore exists to ensure the protection of vegetation types dominated by wetlands.

## THREATS TO BIODIVERSITY

Unsuitable agricultural practices such as increasing irrigation in areas of poor soils and cash crop cultivation in marginal areas, is another threat to biodiversity in JGDM. The continuation of degradation of the District's land cover increases erosion throughout the district. This is especially evident in Senqu and Elundini, but also prevalent in Gariiep and Maletswai where there is an increase of the Karoo scrubland. Unsustainable agricultural practices such as increasing irrigation in area of erosive/loose soils also contribute to erosion and undermine cash crop cultivation in marginal areas. Very little is being invested into land-care in proportion to the amount of degraded land. Ongoing urbanization and the growth of informal settlements around urban centres is increasing pressure on the environment and stretching infrastructure beyond capacity limits. The municipal area has no dedicated persons looking at environmental issues. Fire, especially in the grassland areas to the east of the District is another factor affecting the environment. In addition, plantations continue to threaten wetlands and indigenous forest patches.

## ENVIRONMENTAL OPPORTUNITIES

Some areas of the District area are endowed with scenic beauty that has significant potential for agriculture and tourism sectors. In addition, a number of endemic species contributes to the potential of the District. In addition, climatic, soil and topographic aspects show that Elundini has an environment more suited to a variety of agricultural activities.

Environmental opportunities could present themselves in the form of aquaculture where farming aquatic species should be investigated. In addition, the production of clean-energy (solar and wind) and the feasibility thereof needs to be determined as it would result in the production of sustainable energy for the district. Opportunities also exist for clean development mechanism projects, directly related to sewage treatment and waste resource management.

### 1.2 DEMOGRAPHIC PROFILE

The population of JGDM is estimated to be approximately 308 363 in 2007. The HIV/AIDS epidemic is predicted to seriously affect the economically active 18-45 year age group, thus depleting the Joe Gqabi DM area of potential human resource capital. The Joe Gqabi DM IDP indicates a population growth as shown in the table below. The negative growth rates for Elundini, Maletswai, Gariiep and Senqu can be attributed to out migration and HIV/AIDS.

Because of the changing farming practices where less farm labour is required, farm workers migrate to larger towns e.g. Aliwal North, Burgersdorp and Steynsburg and as far as East London to seek employment opportunities. In the Gariiep LM for example, drought conditions are experienced and farmers are changing from livestock farming to game farming that can withstand drier conditions and needs less farm laborers.

**Table 2: Population Statistics**

Local Municipality	Population		
	Census 2001	Census 2006	CS 2007
Elundini	137,861	135,380	123,634
Senqu	135,351	134,924	118,174
Maletswai	37,320	32,256	42,846
Gariiep	31,290	34,258	23,709
Total	341,822	336,828	308,363

**Source: StatsSA Community Survey 2007**

## DEMOGRAPHIC TRENDS AND MIGRATION PATTERNS

Joe Gqabi District is experiencing a decrease of the population. This can be the result of out migration. Joe Gqabi District is one of the areas of South Africa that has provided substantial migrant labour to the mines, farms and commercial centres of the country. This pattern of migration has resulted in considerable cyclical population movements between the District and the major metropolitan centres.

According to the JGDM's IDP, the levels of out-migration from Joe Gqabi are higher than the provincial average. It is said the at least 18% of District households against 15.2% of provincial households reports of at least one migrant household member. Approximately, 7% of the District population overall migrates from their households, while the provincial migration rate amounts to 5.6% of the provincial population.

**Table 3: Household Migration.**

Area	Household Migration	
	% of population	% of households
Eastern Cape	5.6	15.2
Joe Gqabi	7	18
Elundini	4.3	11.6
Senqu	12.6	31.9
Maletswai	1.4	5.6
Gariep	2.5	9

**Source: RSS 2006**

#### AGE GENDER DISTRIBUTION

Approximately 46% of the JGDM population falls between the ages of 20 and 65 years, which are defined as the economically active sector of the population. Males and females account for approximately 46% and 54% respectively of the JGDM population. Again, one can attribute the high percentage of females to the high migration patterns highlighted below.

**Table 4: Age and Gender Profile.**

LMs	Age and Gender (2007)				
	Male	Female	Youth(<20yrs)	Economic Active (20-65)	Aged (>65yrs)
Elundini	53,134	65,040	65,558	46,381	10,695
	44.96%	55.04%	53.83%	37.515	8.65%
Senqu	53,134	65,040	61,310	45,261	11,603
	44.96%	55.04%	51.88%	38.30%	9.82%
Maletswai	20,456	22,390	18,110	21,897	2,939
	47.74%	52.26%	42.27%	51.11%	6.63%
Gariep	11,186	12,541	9,982	12,111	1,616
	47.10%	52.90%	42.10%	51.08%	6.82%
Total	<b>137,892</b>	<b>165,011</b>	<b>155,960</b>	<b>125,650</b>	<b>26,753</b>
	<b>45.52%</b>	<b>54.58%</b>	<b>50.58%</b>	<b>40.75%</b>	<b>8.68%</b>

Source: StatsSA Community Survey 2007

#### EDUCATIONAL LEVELS

According to the community survey 2007, the educational levels within Joe Gqabi District are above the provincial average (34%) and well above the national average of 28%. A relatively large portion of the District (10.8%) has no formal schooling. This level is highest in the Gariep local municipality where 13% of the population has no schooling. Maletswai local municipality has the highest number of people who have completed matric as a percentage of the educated population (11%). It also has the highest number of people with higher education as a percentage of the educated population (7%). Only 9% of the population have completed matric and or have some form of higher education. This is well below both the provincial (13.3%) and national averages (21.6%). The poor level of higher education in the District could be attributed to the lack of institutions of higher learning in the District. The low level of education amongst the inhabitants of the District clearly has a negative effect on both the employability of the labour force and the attractiveness of the District to external investment. The lower than average level of education in the District is attributable to the poor provision of education in the rural areas of the Eastern Cape. The majority of the population is without education due to a number of factors that include but are not limited to inadequate number of schools and institutes of higher learning, affordability and lack of access.

#### EMPLOYMENT AND INCOME

The 2007 StatsSA Community Survey indicated that over 86% of the residents of the area live in poverty. This was based on that the annual household income is below the basic annual substance level of R 19 200 per year. Of those of working age, only 18.3% are employed, 17.9% are unemployed and 41.6% are not economically active (that is that they have not sought work during the past six months).

Of those that are employed over 90% are employed by someone else and only a very small 2.2% are self-employed. This has a significant impact on the “spirit of entrepreneurship” where most people do not have the experience of running their own business and have a history of reliance and dependency on others for employment. There is also a perception among residents in the area that hawking, hairdressing, clothes washing, etc are not “real” jobs and they do not consider that this is a contribution to the economy. Many people still aspire to a government job as it is seen as secure.

These high unemployment and low-income levels imply a need for strategies to meet basic needs and to encourage economic development.

Due to the migrant labour system, downturns in the economy elsewhere (such as in the mining industry, Gauteng, Cape Town etc) have an impact on the District. There is still a heavy reliance on income from migrant workers.

According to the census of 2001 there were 12 600 families that have no source of regular income (purely hand to mouth subsistence). This comprised 17% of District households. Due to the expansion of social grants, this figure has fallen dramatically since then. These high unemployment and low-income levels imply a need for strategies to meet basic needs and to encourage economic development.

**Table 5: Employment Profile**

Settlement Type	Total	% of Total
<b>Eligible workforce (15-65 years)</b>	160,232	52.0%
<b>Employed (or not job seeking)</b>	131,620	82.1%
Permanent Residents - without jobs	35,598	22.2%
Seasonal Farm workers	1,537	1.0%
Temporary Domestic Workers	12,450	7.8%
Permanent Farm Workers	6,853	4.3%
Permanent Industry Workers	4,695	2.9%
Professional Workers	3,754	2.3%
<b>Unemployed</b>	28,612	17.9%
<b>Students</b>	NA	NA

Source: StatsSA Community Survey 2007

The unemployment rate in JGDM is higher than that of the province. A key constraint in planning for infrastructure delivery is household affordability. Knowing the existing situation regarding household incomes is a key part to understanding consumers’ affordability levels. These levels should be taken into account when setting service level targets. Approximately 72% of the District Households live below the poverty line (earning less than R800 p/m), with 41.9% households in Elundini earning no steady income at all. There are extremely low levels of employment in the District since only 18.5% of the potential workforce is employed, accounting for 10% of the total in JGDM.

The following table gives a breakdown of the number of households in each income bracket.

**Table 6: Household Earnings.**

	Household Earnings	No. of Households
01	No income	84,407
02	R1 - R400	7,824
03	R401 - R800	9,312
04	R801 - R1600	22,797
05	R1601 – R3200	4,973
06	R3201 – R6400	4,682

	Household Earnings	No. of Households
07	R6401 – R12 800	3,879
08	R12 801 – R25 600	956
09	R25 601 – R51200	98
10	R51 201 – R102 400	259
11	R102 401 - R204800	0
12	R204 801+	9

Source: StatsSA Community Survey 2007

It has been notable that there is very high unemployment rate in this District and the majority of the people are very poor. New investment opportunities that will improve the livelihoods of the people by creating opportunities are needed. The following business sectors have potential to offer future employment:

- Agriculture (Livestock farming, crop farming), Forestry, Tourism (Eco, Agri, Cultural, Adventure tourism)
- Construction and mining, Trade and business services, Catering, Accommodation

According to the census of 2001, 12,600 families have no source of regular income (purely hand to mouth subsistence). This comprised 17 % of District households. Due to the expansion of social grants, this figure has fallen dramatically since then.

**Table 7: Households with Income of less than R1500 per month.** Source: RSS 2006

LM	%
Elundini	80.6
Senqu	65.1
Maletswai	58.4
Gariep	58.1

Taking the extent of the poverty situation into account it is unlikely that the mean household income changes over the next five years. It is thus unlikely that the majority of the population will be able to afford higher levels of service.

Employment by the government is the largest economic sector in Joe Gqabi, comprising more than 40% of the GGP. Social grants are a very important component of household incomes. The informal sector is relatively small in the District and mainly relates to the sale of food and household goods.

The District contributes about 3% of the provincial Gross Geographical Product (GGP). There is still a heavy reliance on income from migrant workers.

#### **SOCIAL GRANTS IN JOE GQABI DISTRICT**

There is a serious reliance on various categories of government grants by both adults and children within the District area. The total monthly value of these grants is R42, 276,620. This can be aligned to the shortage of job opportunities and poverty.

**Table 8: Total Value of State Grants (Adult and Child) in Joe Gqabi**

TOTAL VALUE OF GRANTS	
Municipality	Monthly Value of State Grants
Elundini	R 8, 267,410.00
Senqu	R 6, 898,310.00
Maletswai	R 3, 377,950.00
Gariep	R 3, 732,950.00
Joe Gqabi DM	R 42,276,620.00

Source: South African Social Security Agency (SASSA), August 2008.

#### **SOCIAL INFRASTRUCTURE**

##### **Health Facilities**

There are 11 hospitals and 50 clinics, with at least 2 clinics in each magisterial District. The most densely populated Mt. Fletcher and Sterkspruit areas have 17 and 16 clinics respectively. The District has about 998 hospital beds, with a service supply average of about 328 people per bed. The population of the District receives health services from fixed and mobile clinics and in District hospitals.

There is one fixed clinic for every 6745 people and 1 hospital bed for every 338 people. This is within the norm but the distribution of these facilities leads to inequities in access to health care. There is a strong correlation between the incidence of diarrhea among children under 5 years and poor households i.e., those without clean water supply and formal sanitation. HIV/AIDS counseling has improved in the District with all fixed clinics in Joe Gqabi now offering Voluntary Counseling and Testing. The problem of re-infection and repeated treatment still exists with the low percent of STI contact tracing.

**Table 9: Number of Hospitals and Clinics**

Local Municipality	Number of hospitals		Number of fixed clinics		Number of mobile services	
	Provincial	Provincially Aided	Provincial	Municipality	Provincial	Municipality
Elundini	1	1	17	4	2	2
Senqu	3	1	17	2	4	4
Maletswai	3	2	1	9	2	2
Total	7	4	35	15	8	8
Ukhahlamba Total	11 Hospitals		50 Fixed Clinics		16 Mobile Clinics	

Source : Department of Health

Availability of emergency services is extremely limited in the district area. The service is controlled in Queenstown for Maletswai and Senqu sub district and controlled at Alfred Nzo District for Elundini Sub district. The district would like to have an ambulance control station within Ukhahlamba District to promote efficiency and easy access to ambulances. Insufficient vehicles and lack of competent staff negatively affect the quality of services provided.

#### **MUNICIPAL HEALTH**

From 1 July 2006, Health services were centralized to Joe Gqabi District Municipality. Municipal Health Services apart from port health, malaria control and the control of substances is the function of Joe Gqabi District Municipal Health Services, the following functions are also performed by municipal health:

- Water quality monitoring, Food Control, Waste Management Monitoring, Health Surveillance of premises
- Surveillance and prevention of communicable diseases, excluding immunizations
- Vector control, Environmental pollution control, Disposal of the dead, Chemical safety

Due to the non-availability of accessible waste sites, there are numerous cases of illegal dumping. At times community members with full knowledge and access to such facilities do this. Air and Noise pollution, especially in urban areas is not effectively monitored.

Sewerage spillages (water and land pollution) are also monitored. These are the most frequent type of environmental pollution. Unfortunately, their frequency is very high due to poor management and insufficient funding for maintenance of sewerage systems at different municipalities

Municipal Health Service prioritized areas for intervention:

- Development of appropriate by-laws and their implementation leading to the control of activities in the Municipal area.
- Water Quality monitoring and management in line with Department of Water Affairs (DWA) Blue Drop water quality systems
- Pollution control relating to sewerage spillages

- Food quality control as well as disposal of the dead
- Increased awareness and capacity building programmes for communities around all topics of municipal health and preventative health
- Strengthening of cooperative governance between all spheres of government so that there can be joint operations, and sharing of knowledge that may have impact on each others programmes
- Effective District and Local Joint Outbreak Committees/Communicable Diseases including identification of coordinators in each municipal area.
- Siting of any enterprise that could affect water quality (including dip tanks) should be done in consultation with municipal health services.

### SAFETY AND SECURITY

The prevalence of reported incidents of different categories of crime in the District reflects the general crime patterns seen in the whole of the Eastern Cape. There are 22 police stations in the District area.

Burglary and Assault are the most commonly reported crimes in all the municipalities. These crimes, combined, account for 71% of all crime in the Eastern Cape. Arson and Malicious damage to property is also quite high in this province. Stock theft will always be a major problem in poor rural communities and is highest in Elundini.

**Table 10: Crime Statistics**

No.	Category	% Of Total Crime Reported
1	Residential / Business Burglary	36.84%
2	Assault	33.25%
3	Stock-theft	9.10%
4	Arson / Malicious damage to property	7.00%
5	Robbery	5.44%
6	Rape / Indecent Assault	4.00%
7	Murder	1.91%
8	Motor Theft	0.94%
9	Attempted murder	0.74%
10	Residential/Business Robbery	0.32%
11	Neglect / abuse of children	0.24%

### HOUSING

The table below reflects the housing status quo in all local municipalities in the District. Based on this it can be seen that the majority of informal settlements are in the Maletswai area. It is however anticipated that with the rapid growth of the forestry sector in Elundini municipal area, this will increase the number of households living in informal housing in the municipality due to immigration of job seekers.

**Table 11: Housing Status Quo in the District**

LM/DM Name	House	Trad	Flat/Clust	BackYrd	InfYrd	Informal	Other	Total
<b>Elundini</b>	<b>5,819</b>	<b>25,953</b>	<b>2390</b>	<b>470</b>	<b>209</b>	<b>137</b>	<b>575</b>	<b>35,192</b>
Senqu	21,380	10,784	1,078	0	410	1,231	224	34,967
Maletswai	7,834	343	508	52	562	1,935	210	11,252
Gariep	6,819	36	100	932	104	206	11	8,208
<b>Total</b>	<b>41,852</b>	<b>37,116</b>	<b>4,076</b>	<b>1,454</b>	<b>1,285</b>	<b>3,509</b>	<b>1,020</b>	<b>89,619</b>

Source: StatsSA Community Survey 2007

### HOUSING BACKLOGS

The Provincial Housing Development Plan estimated the housing need in the District to be 36,330 households, of which 13,300 are urban families and 23,000 are rural residents needing homes and services. There has been a noticeable oversupply of low cost housing in the Gariep area. This can be attributed to, the impact of HIV and AIDS and the decline in the economy resulting in out-migration.



The local municipalities are currently planning and implementing the following projects in order to address the service delivery backlogs.

**Table 11c: Estimated Cash Flow for Housing Interventions**

LM/DM Name	Total	2009	2010	2011	2012	2013	2014	2015
Elundini	R 971.5			R 138.3	R 277.8	R 277.8	R 276.2	R 1.4
IGariep	R 139.7	R 40.9	R 94.9	R 3.8	R .0	R .0	R .0	R .0
Maletswai	R 486.7	R 78.8	R 84.3	R 84.3	R 84.3	R 84.3	R 65.3	R 5.4
Senqu	R 659.6	R 216.5	R 111.3	R 113.6	R 93.7	R 57.4	R 42.9	R 24.1
Total	R 2,257.50	R 336.20	R 290.50	R 340.00	R 455.80	R 419.50	R 384.40	R 30.90

**Table 11d: Housing budget**

<b>BUDGET</b>	<b>2011 (MIL RANDS)</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2012</b>
<b>HOUSING</b>	<b>R 357.8</b>	<b>R 478.1</b>	<b>R 423.2</b>	<b>R 383.9</b>	<b>R 31.0</b>

Source ( JGDM CIP 2009)

**Table 11e: HOUSING PROJECTS 2010/11-12**

Hss Project Number	Project Name	Conditional Grant Instrument/ Description	PROJECT TYPE	No of units	Serviced	MEC Approval	Activities 2010/2011	Activities 2011/12
CO9090011	Burgersdorp-Mzamohele	IRDP-Phase	New Projects 2010/2011	140	Yes	New	6 months needed for procurement/ Top Structure(60 units)	Top Structure (Project to be completed this fin year)
CO9100003	Steynsburg-Khayamnandi	IRDP-Phase	New Projects 2010/2012	530	Yes	New	6 months needed for procurement/ Top Structure(60 units)	Top Structure (Project to be completed this fin year)
CO9090010	Lady Grey-Edgar	??	New Projects 2010/2013	194	No	New	6 months needed for procurement/ Top Structure(60 units)	Top Structure (Project to be completed this fin year)
	Barkley East 802 (Services)		New Projects 2010/2014	802	No	01/05/09	Services	
CO9070005	Barkley East-802 Subs	IRDP-Phase	New Projects 2010/2015	802	No	27/06/08	Repair Top Structure Implementation	Top Structure (Project to be completed this fin year)
CO1100046	Steynsburg Phase3-R/L 2	Project linked-PHP	Rectification Projects	600	Yes	15-Sept-09		
CO1100045	Venterstad Nozizwe Phase 2	Project linked-PHP	Rectification Projects	500	Yes	15-Sept-09	Repair Top Structure Implementation	
	Burgersdorp		Rectification Projects	955	Yes	15-Sept-09	Repair Top Structure Implementation	
	Rhodes		Rectification Projects	30	Yes	15-Sept-09	Repair Top Structure Implementation	



Hss Project Number	Project Name	Conditional Grant Instrument/ Description	PROJECT TYPE	No of units	Serviced	MEC Approval	Activities 2010/2011	Activities 2011/12
	Aliwal North Dukathole 172		Rectification Projects	172	Yes	07/01/10	6 months needed for procurement/ Top Structure	
	Hilton 94		Rectification Projects	94	Yes	07/01/10	6 months needed for procurement / Top Structure	
	Jamestown 282		Rectification Projects	282	Yes	07/01/10	6 months needed for procurement / Top Structure	
COO110001	Maclear	Project Linked-PHP	Old /Running Projects	250	Yes		6 months needed for procurement / Top Structure	Top Structure (Project to be completed this fin year)
	Venterstad-360		Old /Running Projects	360	No	17/10/08	6 months needed for procurement / Top Structure	
	Aliwal North Dukathole 743		Old /Running Projects	743	No	27/11/08	6 months needed for procurement / Top Structure	
	Lady Grey Hillside 1000		Old /Running Projects	397	No	27-June-08	Top Structure	

Source : Joe Gqabi Planning Survey 2009

The state of readiness for the delivery Housing Units is as follows: From the List above Layout Plan, EIS Status, Township Establishment, General Plans, Township Registration, Bulk Infrastructure, NHBRC enrolment, GEO-TECH Phase 1 & 2 have been done for the above projects. These projects are part of the housing plans.

#### **PUBLIC FACILITIES**

Public facilities such as libraries, halls, sports fields, swimming pools etc are constructed and maintained by municipalities.

#### **MUNICIPAL PUBLIC FACILITIES**

In all municipalities there is recognition that municipal facilities are not at standards acceptable to communities. Maintenance of such facilities is one of the largest concerns. Over the past five years the following facilities have been built:

- Maletswai ward 3 Community Hall
- Jamestown sports field
- Multi-sports complex/facilities in Mt Fletcher and Sterkspruit. Phase 1 of facilities in Burgersdorp, Steynsburg and Dukathole and Venterstad .
- Community Halls in Elundini ( Maclear, Ugie, Wards 1, 7 & 16) and Senqu (Ward 3)
- Library in Mt Fletcher
- Clinics in Barkly East, Lady Grey, Mt Fletcher and Rhodes

- Municipalities are planning to upgrade/build new public facilities: the Library in Aliwal North and Phase 2 of Burgersdorp, Steynsburg and Venterstad Sport Facilities.
- Public Viewing area in Lady Grey for the 2010 world cup

The overall District area does not enjoy even supply of proper sports and recreation facilities except, those located in the main towns. Even those in towns need upgrading. The sports fields in the townships have been vandalised. This results in some sports teams such as for tennis, netball, cricket, volleyball and rugby, making arrangements with the schools and/or town facilities. Soccer has limited playing grounds.

**Table 12: Community Facilities in the District**

LM	Police Stations	Sports facilities	Halls	Libraries
Elundini	9	2		
Senqu	8	3		
Maletswai	2	12 facilities, soccer, tennis, netball, athletics	5, 1 planned	2
Gariep	3	3 sports fields, Golf course Oviston swimming pool and tennis courts 3 multi sports complexes	10	6

There is a demand to create more space in our libraries in order to enable students to study in a more conducive environment. In addition to creating more space for studying purposes, municipal clinics should also be upgraded including providing adequate facilities to conduct counselling services.

#### EDUCATION

According to the study prepared by the Monitor Group based on the 2001 Census there is very limited access to higher education facilities in the District.

Joe Gqabi has higher than the national average of people between 5-24 years attending school but lower than the national average for those attending tertiary education. Approximately 25.5% of the District population does not have any form of training or education, with 40.2% only having completed grades 3-7. Only 3.3% of the population has completed Grade 12 compared to 6.6% in the Eastern Cape. Only 1.7% of the District population has obtained a tertiary qualification.

Elundini has the largest proportion of people having only received primary education, while the Gariep area has the highest proportion of people (31.5%) having never received any form of education.

**Table: The number of schools in the District in 2007 (source: Dept of Education):**

Schools	Gariep	Maletswai	Senqu	Elundini	District
Combined	4	4	59	98	165
Primary	23	21	74	78	196
Secondary	4	5	17	19	45

DoE has allocated R149m over the present MTEF to upgrade 19 mud schools and 26 others. A new special school is to be built in Aliwal North costing R6.5m. This is insufficient to eradicate the 25 mud structures in Senqu and the 95 mud structures in Elundini, as well as the 7 schools affected by disaster in Elundini.

### **1.3 SPATIAL DEVELOPMENT FRAMEWORK**

In March 2009, Joe Gqabi District Municipality adopted a reviewed the Spatial Development Framework. The Spatial Development Framework has not been reviewed as there are no new proposed changes in land use. From a spatial point of view Joe Gqabi District cuts across several regions and the administrative boundaries do not enclose logical physical or socio-economic areas. There is wide diversity in physical landscape, disparity in density of land use, diversity in elevation above sea level and even extremities in relative affordability linked to poverty and access to economic opportunity across the District. The spatial character and diversity of the District presents a further challenge to the District Municipality in the vast distances to be travelled to service a relatively low density population in the west, compared with a larger population need in the east. The economic linkages reflect the spatial disparity of the District, with the western region being orientated largely towards Port Elizabeth, the central and northern area linking more closely with Bloemfontein (and to a lesser extent, Queenstown) and the east being influenced more by Kwa-Zulu Natal (Kokstad and beyond).

#### **FOCUS AREAS FOR INTERVENTION IN LAND USE MANAGEMENT**

##### **Institutional**

- Establish a sound system for ensuring that spatial planning and land use management is undertaken in a qualitatively sound manner in the District.
- Given the applicable human resource constraints in the District in this regard (within the District Municipality as well as the Local Municipalities), it is possible that a “Shared Service” approach to this issue may be most fruitful as a way forward.
- Provide aesthetic and architectural guidelines for urban development in order to inform building control function.

##### **Infrastructure**

- Link development approvals to provision of appropriate level of water services (water supply and sanitation/sewerage system) and waste management services
- New development should not be permitted where services availability are limited.

##### **Environment and conservation**

- Ensure environmental issues considered in the decision making process, as it relates to spatial planning and consideration of projects and developments
- Promote eco (nature reserves and game farms) and cultural tourism opportunities.

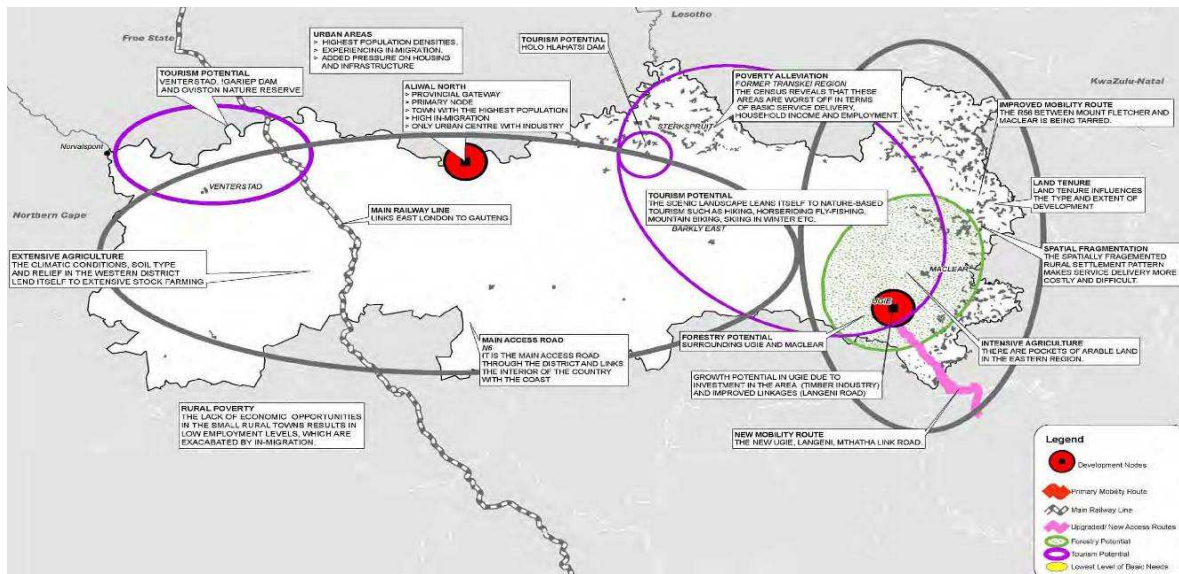
##### **Tourism**

- Promote tourism destinations as a foundation for tourism development and ensure that aesthetic guidelines are incorporated into land use management procedures in these areas

##### **Agriculture**

- Agricultural activities should be focused on areas of high agricultural potential.
- Agricultural projects should be located in suitable areas without compromising natural areas and other environmentally sensitive areas

## **Figure 2: SPATIAL PRIORITIES**



### ALIGNMENT OF THE IDP WITH THE NSDP

NSDP is essential in determining the following spatial guidelines:

**The National Spatial Development Framework (NSDP)** determines the following spatial guidelines:

- Coordination of government action and alignment.
- Maximise overall social and economic impact of government development spending.
- Provide a rigorous base for interpreting strategic direction.

The NSDP make a number of assumptions to guide development decisions:

- Location is critical to the poor in order to exploit opportunities for growth.
- Poor communities that are concentrated around economic centres have a greater opportunity to gain from economic growth
- Areas with demonstrated economic potential provide far greater protection due to greater diversity of income sources.
- Areas with demonstrated economic potential are most favorable for overcoming poverty
- The poor are making rational choices about relocating to areas of opportunity
- Government needs to ensure that the poor are able to benefit fully from growth and employment in these areas

The NSDP therefore suggests that the different spheres of government should apply the following principles when making decision on infrastructure investment and development spending:

- Economic growth is a prerequisite for the achievement of other policy objectives, key among which would be poverty alleviation
- Government spending on fixed investment, beyond the constitutional obligation to provide basic services to all citizens (such as water, electricity, health and educational facilities) should thus be focused on localities of economic growth and/or potential. The reason being that private sector investment must be attracted and that sustainable economic activities and/or the creation of long – term employment opportunities must be stimulated.
- Efforts to address past and current social inequalities should focus on people not places. In areas where there are both high levels of poverty and development potential, more fixed capital to provide basic services will be needed to develop the potential of these areas. In areas with low development potential, government spending should focus on providing social transfers, human resource development and labour market intelligence. Consequently people will become more mobile and will be able to migrate to areas that are more likely to provide sustainable employment or other economic opportunities

- In order to overcome the spatial distortions of apartheid, future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or link the main growth centres.

Development in Joe Gqabi is aligned with the National Spatial Development Perspective framework. The District has resolved that major developments will take place in areas of high potential and focus will be areas where infrastructure already exists. This decision to focus on areas with high potential and existing infrastructure implies the prioritisation of high potential and primary centres. Areas with low potential with high densities will still be provided with basic service delivery, skills and exposure to labour market opportunities

It should be noted that, as the Joe Gqabi District Municipality's range of assigned powers and functions do not extend to the everyday detail spatial planning and land use management, it is the intention of the Spatial Development Framework to present a broad and indicative spatial framework that provides decision-makers with a strategic picture of where limited investment is best targeted in the Joe Gqabi District.

As such, and in accordance with the Local Government Municipal Planning and Performance Management Regulations (R. 796 of 2001) made in terms of the Municipal Systems Act, the Spatial Development Framework has been reviewed in the period 2008 – 2009 and:

- Identifies the key spatial development features (trends and dynamics) currently applicable in the Joe Gqabi District Municipality;
- Establishes clearly the objectives of the Joe Gqabi District Municipality in relation to spatial development in its area of jurisdiction, with particular emphasis on clarifying the principles to be followed in the management of such spatial development in the area;
- Identifies the Municipality's strategies and policies that are adopted to achieve its spatial development objectives. These focus on establishing a clear hierarchy of settlement, identifying transport routes of strategic importance, and delineating Special Development Areas, which are: -
  - Areas where strategic development intervention is required (areas of particular development potential and/or areas where current development activities represent a development opportunity); and
  - Areas where priority spending is required (areas of special need).
- Illustrates the above information on maps; and
- Sets out basic guidelines for a land use management system in Joe Gqabi District Municipality (i.e. guidelines intended to assist Local Municipalities in formulating their own, more detailed Guidelines in respect of their specific areas).

The reviewed Joe Gqabi District Spatial Development Framework is intended to be a user-friendly "Manual" depicting the following information: -

- 1) **The Legal and Policy Framework for the SDF, comprising of: -**
  - The new approach to spatial planning in South Africa and its attendant legislation;
  - Policy direction and strategic approaches to managing public investment for development, drawn from the National Spatial Development Perspective, the Eastern Cape Provincial Growth and Development Plan, and the draft Provincial Spatial Development Plan;
  - Alignment imperatives with constituent Local Municipal Spatial Development Frameworks, and surrounding municipal Spatial Development Frameworks.
- 2) **The spatial development context of the Joe Gqabi District, including: -**
  - The District's locality and extent;
  - Its natural resources (bio-physical environment);
  - The current status of broad land uses in the District;
  - A broad perspective on the status of infrastructure provision
  - Developmental indicators, including population estimates and socio-economic data; and current land development and/or related project activities.

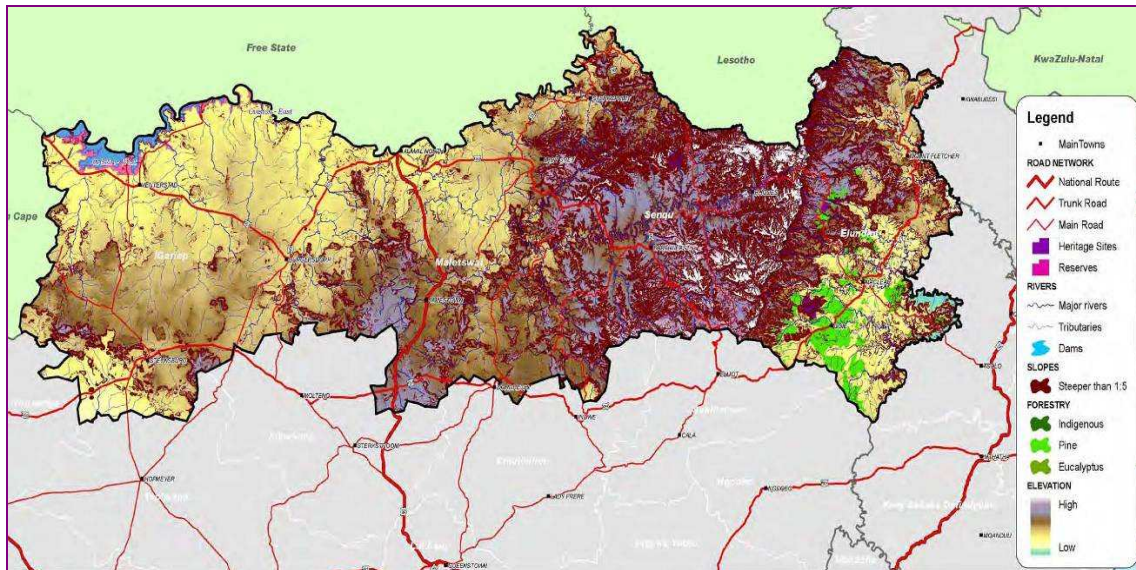
- 3) **The Strategic Framework for managing spatial development in the District, which: -**
- Draws on the Joe Gqabi Integrated Development Plan strategic approach and the identified 8 Priority Programmes contained therein;
  - Identifies key spatial issues and related spatial objectives and strategies, as set out overleaf: -

**Table 13: Spatial Key Issues, Objectives and Strategies in the District**

Key Issue	Objective	Strategy
Addressing Basic Needs	Ensure availability of minimum acceptable level of infrastructure and services throughout the DM Improved capacity in service delivery.	Identify and prioritize areas of greatest need Systematically link services and services supply networks to optimize efficiency Focus on involvement of all relevant stakeholders.
Overcoming Spatial Fragmentation	To create an efficient and integrated settlement pattern in Joe Gqabi.	Consolidate and densify settlements where appropriate. Promote the integration of sprawling settlements. Prioritize maintenance and upgrade of strategic link routes.
Ensuring Good Linkages and Access	Well-structured network system allowing for ease of movement. Efficient and effective links between identified nodes and relevant products and services.	Identify nodes and products (i.e. agric produce) that require linkage. Identify and prioritize areas where the need for improved access is greatest. Prioritize maintenance and upgrade of strategic link routes.
Managing Land Use	An appropriate Land Use Management System in operation across the DM Security of access to land for development	Support and implement a programme to develop appropriate new Zoning Schemes for Urban and Rural areas, in line with the direction of new legislation. Support land reform and settlement upgrade initiatives by identifying zones of opportunity according to land needs
Managing the Environment	Adhere to sound environmental practices in line with legislation. Protect environmentally sensitive areas	Implement the principles of Integrated Environment Management.

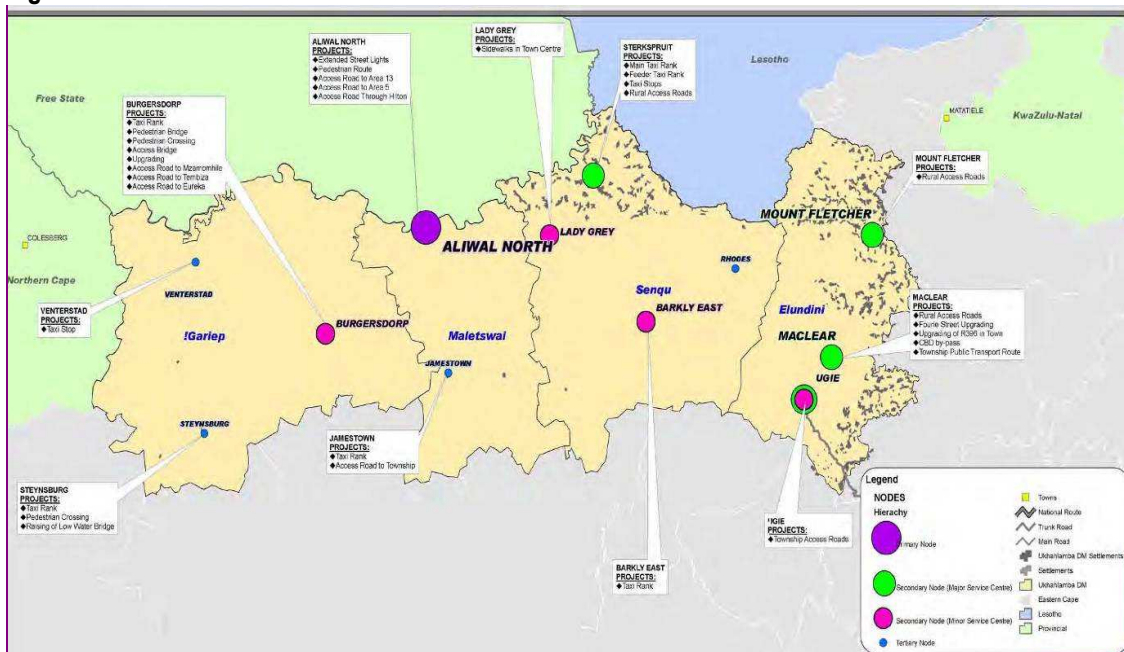
**Figure 3: Environmental Issues**





- 4) *Spatial Structuring Elements* applicable in the District, which are substantially informed by the strategic direction of the Joe Gqabi District Municipality's eight Priority Programmes identified in terms of the 2007 Joe Gqabi District Growth & Development Summit and adopted in the Municipality's IDP. These Elements include the nodes.

**Figure 4: Nodes**



In relation to the Municipal Services Upgrading Programme, the proposed hierarchy of urban settlements, distinguished as “Urban Nodes”; Aliwal North is the Primary Node in the District. Secondary Urban Nodes (Major Service Centres) are identified as: Sterkspruit, Ugie, and Mount Fletcher & Maclear. Secondary Urban Nodes (Minor Service Centres) are identified as: Burgersdorp, Lady Grey and Barkly East.

The Municipal Services Upgrading Programme further identified *rural nodal settlements* (that is, rural settlements of relatively higher importance in relation to their accessibility and potential for further development of facilities to serve surrounding communities).

In the Sterkspruit sub-region of Senqu Municipality, these are:

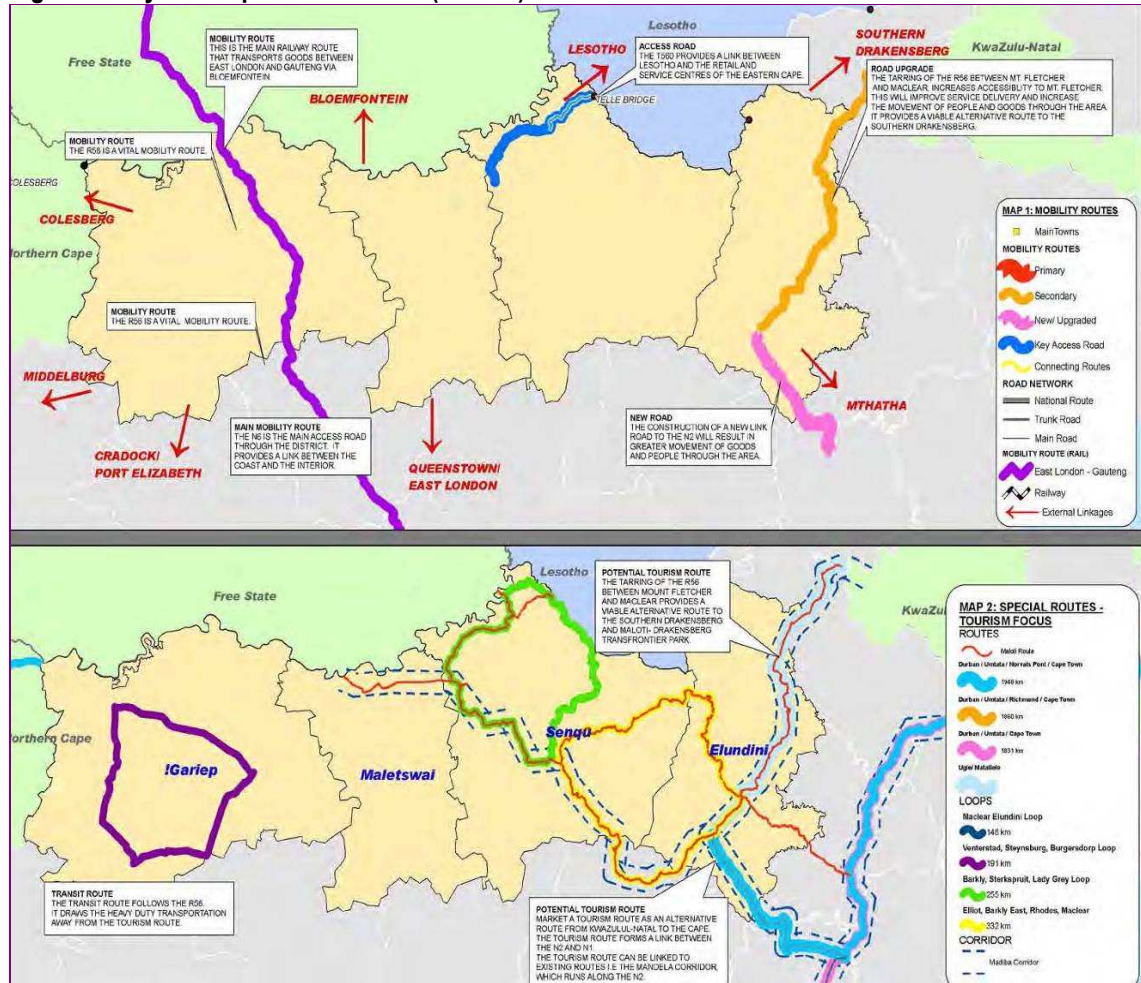
- N dofela, Qoboshane/Telle-B , Hillside-E ,Herschel

In the Mount Fletcher sub-region of Elundini Municipality, these are:

- Mangolaneng, Katkop, Ngcele

The Access and Linkages Programme has identified *Development Corridors*, as being the most important transport routes within the District. These nodes are categorised by their specific or potential defining function in terms of developmental objectives as either mobility routes or special routes (e.g. tourism routes).

Figure 5: Key Development Corridors (Routes)

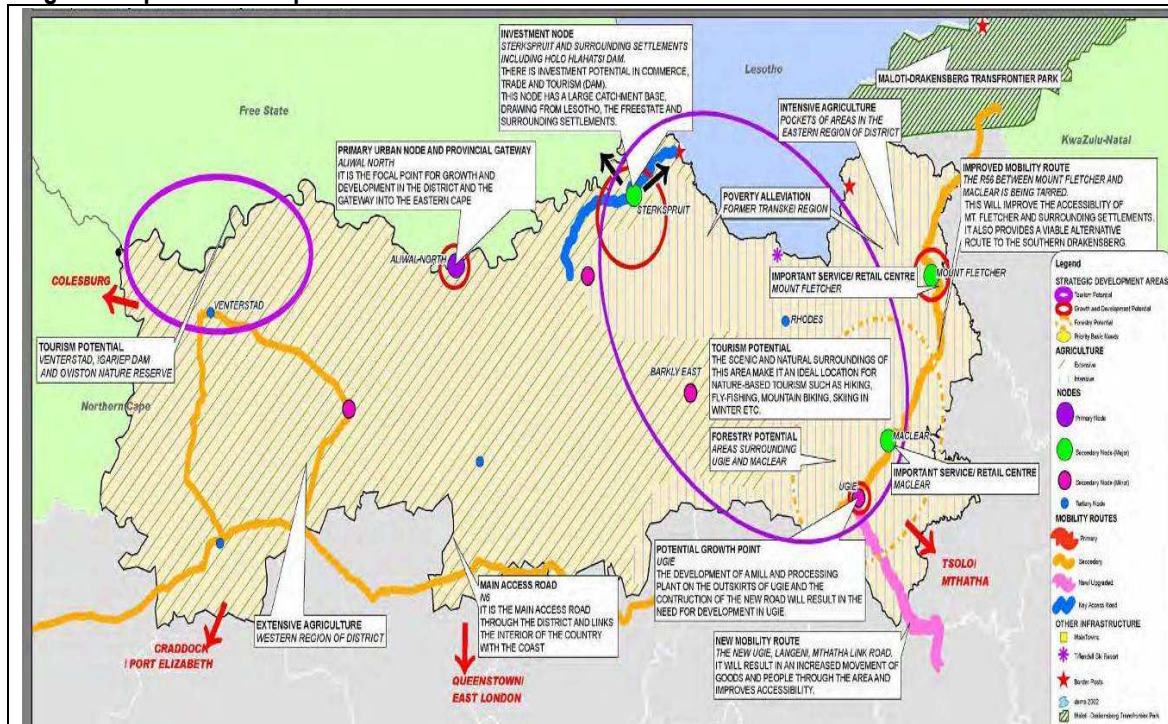


The main Tourism corridor identified is the so-called Madiba Corridor, which links the Joe Gqabi District to the current Madiba route via the new Ugie -Langeni road and extends it to the north-west along the R58 to Aliwal North, and along the R56 to the north-east through Mount Fletcher to the Maloti - Drakensberg National Park area.

- *Special Development Areas*, being areas where a specific development or potential for development based on a comparative advantage is noted as warranting strategic investment and institutional support.



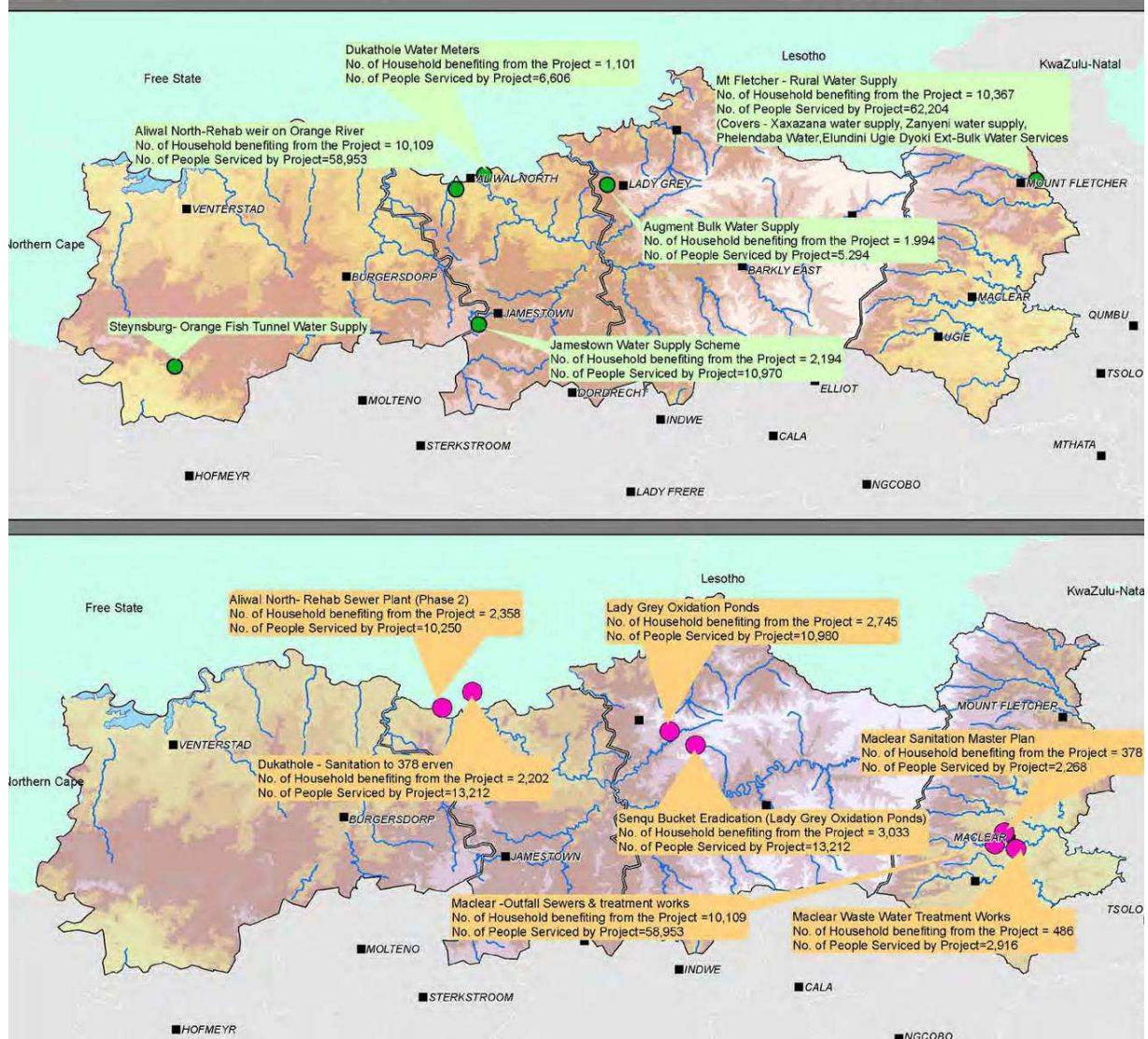
**Figure 6: Special Development Areas**



- These areas are also defined on the basis of the Priority Programmes identified in the Joe Gqabi District Municipality’s IDP and respond specifically to (i) the Timber Programme; (ii) the Tourism Programme; (iii) the Agricultural Programme; (iv) the Water & Sanitation Programme; and (v) the Social Safety Net Programme : -
  - Areas within the Elundini Municipality and centring on Ugie and Maclear are identified as the main focus areas for the Timber Programme;
  - Areas around Venterstad and the! Gariep Dam identified as a Special Tourism Development Area;
  - The area incorporating the highlands and including the towns of Lady Grey, Rhodes, Barkly East, Maclear and Ugie, Dam identified as a Special Tourism Development Area; and
  - Basic Needs and the upgrade of infrastructure, roads and social facilities remains a priority in the former Transkei areas of Herschel and Mount Fletcher sub-regions.
- 5) In relation to the Governance Programme, the Land Use management Guidelines proposed in the revised District SDF are intended to provide the Local Municipalities in the District with a starting point for the further elaboration of their Spatial Development Frameworks and Land Use Management Guidelines.
- 6) Proposals related to further implementation of spatial planning and land development, being made up of: -
- A proposed “shared service” approach to the provision of spatial planning and land use management services in the District;
  - The focus being placed on the distribution of a Land Use Management Procedures Manual and associated training for Local Municipal officials; and
  - The identification of some key actions and/or projects for implementation, in order to add detail to the District’s development initiatives and investment programmes.

The Joe Gqabi Spatial Development Plan identifies Nodes, Corridors and Special Development areas each requiring their own type of intervention.

**Figure 7: Water and Sanitation Programme**



## 2 KPA 2: SERVICE DELIVERY AND INFRASTRUCTURE

### 2.1 WATER AND SANITATION

#### WATER SERVICES DEVELOPMENT PLAN

The District municipality has a Water Services Development Plan (WSDP) which was approved in September 2008. Further review of this plan took place in 2009/10 financial year.

#### WATER AND SANITATION BACKLOGS

The extent of water sanitation service delivery backlogs can be gauged from DWAF Reference Framework for the number of people served to RDP standards. Significant inroads have been made in terms of extending water access in Joe Gqabi. Yet the more populous eastern parts of the District face the greatest challenges as far as water backlogs are concerned

**Table 14: Water backlogs in the District**

Local Municipality	Total Population	Water					
		POPULATION PERCENTAGE					
		No Water	Below RDP	Above RDP	No Water	Below RDP	Above RDP
Elundini	123,634	12,205	59,339	52,090	9,9	48	42,1
Senqu	118,174	15,586	21,330	81,258	13,2	18	68,8
Maletswai	42,846	35,5	27,7	42,214	0,8	0,6	98,5
Gariep	23,709	52,9	31,1	22,214	2,2	1,3	96,5
<b>Total</b>	<b>308,363</b>	<b>28,676</b>	<b>81,257</b>	<b>22,869</b>	<b>9,3</b>	<b>26,4</b>	<b>64,3</b>

Source: WSDP 2008

In addition, to water backlogs, there is a significant amount of sanitation backlogs that must be addressed by the District.

**Table 15: Sanitation backlogs in District**

LOCAL MUNICIPALITY	TOTAL POPULATION	SANITATION			
		Population		Percentage	
		Served	Un-served	Served	Un-served
Elundini	123,634	50,721	72,913	41.00%	59.00%
Senqu	118,174	69,714	48,460	59.00%	41.00%
Maletswai	42,846	29,908	12,938	69.8%	30.2%
Gariep	23,709	21,775	1,934	91.8%	8.2%
<b>Total</b>	<b>308,363</b>	<b>172,118</b>	<b>136,245</b>	<b>56.00%</b>	<b>44.00%</b>

Source StatsSA Community Survey 2007, Source: JGDM GIS Department, Source: JGDM Service Delivery Report (Sanitation ACIP March 2010)

There has been a light decrease in sanitation backlogs between the periods 2008 to 2009. The population serviced with sanitation has increased from 161,717 to 172,118 from 52.4% to 56%.

The eradication of sanitation and water backlogs is a national priority that is in line with the National, Provincial targets and the Millennium Development Goals. It is within this context that all attempts should be made in understanding the depth of this problem and the associated financial implications.



**Table 16: Estimated cost of eradicating water backlogs** Source WSDP 2008

LM	Rural HH Below RDP	Cost per HH Rural	Urban HH below RDP	Cost per HH urban	Cost backlog eradication
Elundini	14,378	15,000	6,572	11,300	R289,935,089
Senqu	7,419	15,000	3,391	11,300	R149,603,738
Maletswai	0	15,000	185	11,300	R2,090,500
Gariep	0	15,000	246	11,300	R2,779,800
<b>Total</b>	<b>21,798</b>		<b>10,393</b>		<b>R444,409,128</b>

**Table 17: Estimated cost of eradicating sanitation backlogs in Joe Gqabi** Source WSDP 2008

LM	Rural HH below RDP	Cost per HH Rural	Urban HH below RDP	Cost per HH urban	Cost of backlog eradication
Elundini	13,925	5,000	7,018	7,700	R 123,663,503.00
Senqu	9,852	5,000	5,038	7,700	R 88,051,795.00
Maletswai	0	5,000	2,685	7,700	R20,674,500
Gariep Total	0	5,000	1,834	7,700	R14,121,800
<b>Total</b>	<b>23,777</b>		<b>16,575</b>		<b>R 246,511,598.00</b>

In the light of limited and insufficient funding to eradicate backlogs, the national targets cannot be met. To meet the national targets will require the injection of financial and human resources as stipulated above and with due consideration of escalations. Universal access to these services can be achievable by 2016 (For the budgets for backlog eradication refer to WSDP pages 259 and 260). The backlogs and the budget include bulk infrastructure development. The WSDP and CIP address the bulk infrastructure development.

**Table 18: Backlog Eradication funding needs (in millions)**

YR	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
WATER	R152,691	R178,082	R89,699	R55,699	R55,699	R55,699	R55,699	R55,699
SANITATION	R67,246	R29,523	R34,199	R32,549	R34,176	R35,885	R38,038	R9,732
TOTAL	R219,937	R207,605	R123,898	R88,248	R88,248	R91,584	93,737	R65,431

Source: WSDP 2008

#### **BUCKET ERADICATION**

The bucket eradication programmes that Joe Gqabi District Municipality has been engaged in made 100% coverage of sanitation in the urban areas of this municipality. A total of R175,844,175.00 was spent to address bucket eradication in formal areas (at current prices). The buckets were eradicated in all formal housing areas in the District by the end of December 2007.

#### **WATER AND SANITATION CHALLENGES**

The current MTEF MIG allocations are committed and will not meet the backlog. The maintenance of water systems after they have been built is a critical issue. Poor water systems are influencing the health of communities

#### **OPERATION AND MAINTENANCE**

Operation and maintenance is covered through the recovery of costs from the sale of services to communities. Equitable share covers the costs of the indigent, while Water Service Providers implement tariffs and the recovered funds are used to run the service. Tariffs have previously been below the cost of producing and delivering water and sanitation across the District and there was a process during the preparation of the draft budget to reassess the existing tariffs to ensure that the service could be sustainable. Tariffs now address funding for the operation and maintenance of water and sanitation systems and to ensure that there is a capital replacement fund. While the proposed water tariff cost per kiloliter is higher than previous years the availability has been reduced. This strategy enables the consumer to control their water usage largely and encourages water conservation.

### **FREE BASIC SERVICES FOR WATER (FBS)**

Free basic services are implemented in the District area by the local municipalities and District municipality when providing services to communities. In terms of the District municipality, an indigent policy exists that guides the implementation of free basic services to people receiving water and sanitation services. The local municipalities have indigent registers and policies in place and implement free basic services for energy as well as waste disposal. The District municipality provides FBS within the provisions of the Indigent Policy. A process to update the indigent registers is underway in local municipalities (the DM uses the same registers for the implementation of FBS, as it is the LMs that are currently the Water Service Providers).

### **WASTE WATER TREATMENT PROGRAMME**

Semester, chemical samples are taken of final effluent from each wastewater treatment works (WWTW). Insufficient analysis of surplus currently takes place due to the lack of proper database. 22 permitted WWTW located in the four local municipalities (Elundini 6, Senqu 9, Maletswai 2, and Gariiep, 5). They consist of oxidation ponds and activated sludge systems. The staff is deployed to the local municipalities to perform this function and the District budget for this function within waste management budget.

### **WATER QUALITY MONITORING PROGRAMME**

Water quality monitoring forms an integral part of the mandate of the municipal health services, which is a power and function for the District municipality. Therefore, it is included as a programme and target in the municipality's IDP/ SDBIP. The District Municipal health service section has implemented a water quality monitoring programmes since October 2005. Since then monthly microbiological samples are taken from 120 domestic water sampling and monitoring points throughout the entire Joe Gqabi District Municipal area.

The database for the microbiological samples was internally developed. Currently health indicators ( DWAF minimum requirements -E.coli), and operational indicators are measured to determine the health risk and to direct the management decisions with regard to operational issues at water treatment works. While E.coli results are often within the norm the largest challenge exist in the improvement if operational indicators.

## **2.2 ROADS AND TRANSPORT**

### **INTEGRATED TRANSPORT PLAN**

The integrated transport plan is in place and was adopted by council in September 2008

### **RANK FACILITIES**

The District has three formal Taxi/Bus ranks in Aliwal north, Mt Fletcher, Maclear. In other towns, there is a dire need for these rank facilities. The Bus shelters are available in Barkley East Lady Grey and Venterstad

### **RAIL INFRASTRUCTURE**

A section of one of the premier rail lines in the country (East London to Bloemfontein), cross through the Joe Gqabi area. Some 111 km of this electric line (Bethulie to Stormberg) is located in the study area. The residents of Burgersdorp thus have access to the passenger trains of Shosholozza Meyl (National Department of Transport), on this route. Two former branch lines have now been closed in totality, namely: Rosemead – Stormberg (through Steynsburg) and Molteno – Jamestown. (In the case of the latter, the physical rails have been removed). One other branch line still enjoys very limited freight workings, namely the Burgersdorp – Aliwal North line. Aliwal North – Barkley East as well as the Sterkstroom – Ugie – Maclear lines have both been abandoned, but the rails are still in place.

### **ROAD NETWORK/ NATIONAL ROADS**

103 km of national road, the N6 from Aliwal North to the other side of the Stormberg Pass, fall under the jurisdiction of the South African National Road Agency Limited. This road section is in a good condition.

## **PROVINCIAL ROADS**

There are 3 314 km of road under the jurisdiction of the Eastern Cape Provincial Department of Roads and Transport in the District municipal area. These roads are classified as Trunk Roads and Main Roads. The most important trunk roads are Burgersdorp – R56

### **The most important main roads (surfaced):**

R58 - Norvalspont – Venterstad – Burgersdorp – Aliwal North Lady Grey – Barkly East.

R56 - Ugie – Maclear – Mount Fletcher

R56 - Steynsburg – R391

R393 - Lady Grey – Sterkspruit

R391 and R390 Orange River – Venterstad – Steynsburg

The condition of this road is now seriously deteriorating due to the increase in heavy loads.

The following two strategic road links have recently been upgraded:

- Sterkspruit – Tele Bridge (Lesotho); and
- Maclear – Mount Fletcher.

In terms of pavement conditions, the Bethulie – Venterstad – Steynsburg road is considered to be in poor to very poor condition. The same is also true of the Lady Grey – Sterkspruit road. Most of the other provincial roads, with the exception of isolated sections, are in a fair condition.

## **OTHER ROADS**

The 10 455 km of roads, currently classified as Access Roads, other than national and provincial roads, are the responsibility of the four local municipalities with only contracted help by the District Municipality. It is at this level that a chronic lack of funding has retarded the development of much needed access roads.

## **ROAD MAINTENANCE**

Joe Gqabi District Municipality manages a roving re-gravelling team in its area of responsibility. Joe Gqabi District Municipality has entered into a service level agreement with the Eastern Cape Department of Roads and Transport to provide certain specified road maintenance actions on the Proclaimed Provincial Gravel Roads in the LM areas of Gariiep and Maletswai. The Roads Section that includes a Mechanical Section will carry out these works: R 96m was provided for the maintenance of roads for the MTEF period starting from 2007/8- 2009/10.

## **AIRFIELDS**

The following information is provided on the South African aviation website with regard to airfields and landing sites in the study area:

The airfields exist in Aliwal North, Aliwal, Barkley East, Burgersdorp, Maclear, and Ugie. A new airstrip, primarily aimed at the tourism market for the Tiffindell Ski-Resort, is being planned.

## **NON MOTORIZED TRANSPORT**

The following pedestrian related problem areas have been identified within the District in the following area:

- Burgersdorp - Pedestrian bridge, trunk road, Raising of low water bridge and Mzamomhle
- Trunk road crossing and Raising of low water bridge – Steynsburg
- Pedestrian route and Extension of street lighting – Aliwal North

## **FREIGHT TRANSPORT**

The following are the characteristics of the movement of freight in the Joe Gqabi DM area:

- The only large generator of freight is the timber industry in the Ugie – Maclear area. The heavy-duty haulage trucks transport the wood to the P.G. Bison plant just outside Ugie. The new Ugie – Umtata road is seen as a future distribution road of wood products.
- The N6 road corridor through Aliwal North and the primary electrified rail line through Burgersdorp are both very important conduits of freight through the Joe Gqabi DM area and must be maintained as such.



- There are no other freight routes of specific importance in the area, although the newly upgraded R56 can develop as a new freight route through the area.

Freight infrastructure is the one that is lacking most through out the District. There are no weighbridges through out the District.

#### **SCHOLAR TRANSPORT**

The Department of Education has awarded 87 scholar transport contracts. The demand for this service outweighs the supply. This has surfaced strongly and eminently during the ward planning exercise.

#### **PUBLIC TRANSPORT AND FACILITIES**

Truck stop is planned at Ugie, Elundini for the new Ugie/Langeni road. There is still a need to improve public transport facilities in Senqu especially at Sterkspruit. Related to provision of public transport is the need for basic essential services such as water, sanitation and shelters at key facilities. There is a need to provide these services at all the nodes (rural and urban) as defined in the Spatial Development Plan. Areas with high dependency on public transport especially the primary and secondary nodes should receive priority.

In the District area there are ten taxi associations with 595 members, 340 vehicles and 147 permits. Only between 25% and 50% of vehicles are currently operated legally. In the District there is the large percentage of people not making use of public transport because of unemployment and high poverty levels.

Access roads are a problem (or the lack thereof) in many communities in the area, especially in the mountainous areas of the northeast. Because of this, the few operators offering services under these conditions are experiencing wear-and-tear. As a result, the unsafe “bakkies” taxis are predominantly in use in these areas.

#### **ROAD SIGNAGE**

Signage has been improved in some places. However there is still a sign proclaiming the Hendrik Verwoerd Dam outside Venterstad that has been highlighted as a concern for a number of years.

#### **STREETS**

Streets within towns are the responsibility of the relevant local authority.

#### **PAVEMENT MANAGEMENT SYSTEM**

During 2005/6 a pavement management system was developed for the District to set in place a system for effective maintenance of streets within urban areas. The plan covered an estimated 320km of unpaved roads and 80km of paved roads, and revealed that the condition of the urban road network of the District is generally poor.

#### **STORM WATER DRAINAGE**

Storm water drainage forms part of the maintenance of roads and as such is included in the budgets of the local municipalities for roads. The District through funding from the DBSA supported the local municipalities in the development of pavement management systems.

### **2.3 ELECTRICITY**

The District Municipality does not have an Electrification Plan. Several attempts have been made to request the relevant department and stakeholders dealing with this service to support the process of development of this plan. The major constraint in this regard is the lack of funds and capacity to develop the plan and lack of response and support from DME. The District municipality is in the process soliciting support and financial resources for developing the electricity plans. The other problem with this service is its administration by service agent, which is, located in other provinces (KZN, Free State, and Northern Cape) something, which makes it even more difficult to plan and manage this function. Some 16% of households in Joe Gqabi have been linked to the electricity grid between 2001-2006 with 70% and more

households in Senqu, Maletswai and Gariep now accessing electricity. Elundini however again faces the greatest challenges as far as a backlog is concerned.

**Table 19 a: Electricity service providers**

MUNICIPALITY	PROVIDER IN URBAN AREAS	PROVIDER IN RURAL AREAS
Elundini	Elundini Municipality	ESKOM
Senqu	Senqu Municipality	ESKOM
Maletswai	Maletswai Municipality	Eskom in farms
	Jamestown ESKOM	Eskom in farms
Gariep	Eskom	ESKOM in Farms

Gariep local municipality is in the process of taking over the electricity service provision from ESKOM. Eskom is the provider in the rural areas and some farms.

#### **ELECTRICITY BACKLOGS AND BUDGET**

Household electricity connections in Elundini more than doubled in the years 2001-2006. This however amounts to only slightly more than one quarter (28%) of households, which is significantly below the District and provincial averages (60% of households for Joe Gqabi and 67% of households for the Eastern Cape). A new 90km 132kV line (costing about R58m) is required from Mount Frere to Mount Fletcher to provide additional capacity to eradicate backlogs. For other electricity installation please refer to projects section.

Support from Eskom Southern Region towards rectifying backlogs is noticeable, however support from the Eastern Region which services Mount Fletcher is noticeably absent. The Elundini municipality is now attempting to proceed with off grid electricity provision in these areas.

**Table 19b : Energy Sources for lighting in Joe Gqabi for 2001-2006**

	Electricity		Gas		Paraffin		Candles		Solar and other	
	Census 2001	RSS 2006	Census 2001	RSS 2006	Census 2001	RSS 2006	Census 2001	RSS 2006	Census 2001	RSS 2006
	%	%	%	%	%	%	%	%	%	%
Eastern Cape	49.7	67.1	0.3	0.4	23.3	14.0	25.9	18.3	0.8	0.2
Joe Gqabi	43.1	59.8	0.3	0.2	18.9	15.7	36.7	24.1	1.1	0.1
Elundini	11.6	28.4	0.2	0.0	23.9	12.2	62.5	59.1	1.9	0.3
Senqu	62.1	78.7	0.3	0.3	14.9	16.3	22.1	4.7	0.6	0.0
Maletswai	57.5	70.7	0.3	0.0	22.7	27.4	19.0	1.9	0.4	0.0
Gariep	74.8	89.2	0.3	1.4	11.0	9.4	13.7	0.0	0.3	0.0

**Source (RSS 2006)**

The percentage of households with access to electricity in the District is between 4.5% and 84%. The Commercial farming community, as well as the urban areas, enjoy a relatively high level of access to electricity, while the rural settlements have limited access. The District has the third lowest rate of household electrification in the Eastern Cape (26%). The majority of households (72%) use candles and paraffin. The biggest backlogs are in the former Transkei areas in Elundini where 90% of households make use of candles and paraffin.

JGDM figures for electricity backlogs are 25,761 homes in Elundini, 15,444 in Senqu, 3,971 in Maletswai and none in Gariep. In most urban settlements the municipality is responsible for electrical reticulation and the service, however in the rural areas and some of the townships Eskom is the supplier. There are significant challenges where the municipality is the service provider mainly over systems of maintenance. A poor electrical service has a significant impact on the economic development of the area.

#### **BUDGET FOR ELECTRIFICATION**

The funding for electrification is provided by the Department of Minerals and Energy to ESCOM and providers. With large manufacturing development occurring in Ugie, Eskom has built new line from KwaZulu Natal to the area to serve the electrical demand. This may have other positive spin-offs in the area. A new

90km 132kV line at an estimated cost of R58 million is required from Mt Frere to Mt Fletcher to provide additional capacity required to eradicate backlogs in the Mount Fletcher areas. It is envisaged that the line would take four years to construct, subject to funding being available and completion of an EIA which would include possible expropriation processes. The Government's target is universal access to electricity by 2012. In order to meet the target in Joe Gqabi District alternative energy supplies such as solar systems will have to be considered, specifically in Elundini and Senqu rural areas which have the greatest backlogs as grid electrification is unlikely to cover them by the target date.

#### **FREE BASIC SERVICES: ELECTRICITY**

The providers are providing free basic services but there is a challenge to those receiving electricity in the commercial farming and rural areas that do not have this service.

#### **ELECTRIFICATION CHALLENGES**

- Maintenance in areas managed by municipalities
- Supply in the rural areas is not at a capacity to support economic growth
- The implementation of free basic services for electrical supply is still a challenge
- Some areas will need to be supplied with non- grid electricity particularly in Elundini and Senqu rural areas
- There are a number of schools, clinics and other social facilities that do not have a regular supply of electricity (if any supply at all) and this has an impact on the service they can offer.

#### **ELECTRICAL PRIORITIZED AREAS OF INTERVENTION**

All the nodes as identified in the spatial development framework (rural and urban nodes) must be effectively supplied with an efficient service. The District Municipality should be supported by the Department of Minerals and Energy in developing an electrification plan.

#### **ALTERNATIVE ENERGY SOURCES AND OPTIONS**

The District Municipality is exploring and considering generating electricity from the wind. Currently wind data is being sourced from P.G. Bison which will provide a clear indication on the feasibility of this option. Non-Grid electricity in form of solar system is another option which is being explored. Discussions are underway between the district municipality and the department of rural development and land reform as this type of energy would necessitate some hectares of land.

#### **REGULATED ELECTRICITY DISTRIBUTION (REDS)**

The permission to perform this function has been given to EDI holdings however, processes have not started around any transfer of services. The budget for the projects identified in the ITP comes from the department of Roads and transport. The Department of roads and transport has budgeted R96 million over the MTEF period for roads undertaken by the District municipality in Gariep and Maletswai.

## **2.4 WASTE MANAGEMENT**

The District municipality has prioritized the development of the environment and Waste Management Plan. The existing plan dates back to 2005. The District is in the process of soliciting support from Dedeia for the development of the waste management plan. Currently Waste Management Services (WMS) are rendered on a weekly basis to most of the residents in urban areas of the District by the four local municipalities, but there are substantial backlogs. Most backlogs occur in Elundini and Senqu. In Elundini, waste management services are rendered in the town of Mt Fletcher only to the commercial sector, and no other residents enjoy WMS. In Ugie, areas such as Mandela Park, Soccer field, Dyoki and other former black areas similarly have no service. The same applies to certain residential areas in Maclear e.g. Vincent Park and Peter Mokaba. In Senqu, the biggest backlogs are found in Sterkspruit where only 268 houses have a regular WMS and the residents of some 2,300 other houses in and around the town is left to their own devices. In areas where waste management services are rendered, the collection and transportation aspects are done to a reasonable standard, although certain problems do occur with the disposal function, especially in the Elundini and Maletswai and certain areas of Gariep. Most waste disposal sites are permitted. In Gariep garbage collection services are provided with convenient and affordable ways of collection like distribution

of garbage bags to all households, actual refuse removal. Public awareness campaigns regularly held with the assistance of DEDE A on health and safety hazards of illegal dumping and available options for garbage disposal. Cleanup of existing dumps and continuous erection of no dumping sign boards are done. Clean up illegal dumpsites to discourage other people from dumping is done on a continuous basis coupled with improved community awareness of the problem. Enforcement of by laws is still a greatest challenge as these bylaws are not yet effected therefore severe punishments cannot be imposed to offenders.

### **MANAGEMENT OF SOLID WASTE SITES**

This service is rendered with relatively few staff members with the suitable qualifications therefore capacity needs to be enhanced.

### **2.5 ENVIRONMENTAL MANAGEMENT**

Joe Gqabi District Municipality has an environmental plan, which dates back to 2005. The information contained in this document is based on that document, however Joe Gqabi is in the process reviewing the old environmental management plan. The review of the plan has begun which will presumably be ready by the time the final document is submitted.

### **EVALUATION OF AND IMPLEMENTATION OF ENVIRONMENTALLY FRIENDLY PRACTICES**

The recycling programmes that exist within the District are in Elundini, Mt Fletcher, Senqu in Sterkspruit. Maletswai has been active in attempting to improve services in Aliwal North and has received funding to plan and implement waste recycling initiatives. The District has been the winner of provincial cleanest town awards for two consecutive years in Lady Grey and Aliwal North respectively. Through the greening programme parks are being upgraded and developed in Elundini and Aliwal North

### **2.6 DISASTER MANAGEMENT**

The District Municipality has a Disaster Management Corporate Plan. The District Disaster Management Centre has been established to develop the District's capacity to deal with disasters. The roles and responsibilities of the centre is to coordinate, plan, capacity building, prevention and mitigation of potential disasters that the area is prone to such as tornados, floods, thunder storms, snow, swine fever, cholera and diarrhoea. In addition, local offices have been established by the District to perform the function at local municipality level. A proper and well equipped District disaster centre which meets all the requirements is in the process of being established in Barkley East and four satellite centres in Maclear, Burgersdorp, Aliwal North and Sterkspruit. Funding for these establishments has been sourced from MIG and department of Corporative Governance and Traditional Affairs. This funding will not be sufficient for making these centres function optimally hence further investment in this good cause would be very much appreciated. The municipality will conduct a comprehensive disaster risk assessment to identify and quantify the various risks the area is exposed to, and develop strategies on how prevention, mitigation and responses should be arranged and managed by all stakeholders. The outcome of the study will form an integral part of the reviewed disaster management plan that will follow. The disaster management centre is manned by seven employees (4 Disaster management officers, Technical advisor disaster reconstruction projects, the Disaster Manager. The organogramme provides for eight disaster management posts but due to insufficient funds and limited physical office space. The District municipality has installed an early warning system of disasters as a pilot project for provincial management centre. The disaster housing reconstruction programme is in progress with 49 houses completed. The District Municipality is also running a programme of 110 temporary structures in areas which were struck by disasters. The disaster management units have been established with a district centre and four satellite offices in each municipality, however this is not adequate considering the vastness of the municipal areas.

### **2.7 FIRE FIGHTING**

The District is prone to runaway veld fires as well as man made fires that affect properties and buildings. In performing its function with regard to fire fighting, the District municipality purchased fire fighting equipment which includes small fire engines for each local municipal area and two medium fire fighting engines for the areas with the highest fire risk namely Aliwal North and Ugie. Local government in the area currently has

inadequate capacity to undertake their responsibilities in terms of fire fighting. The situation is as a result of the function not being prioritised sufficiently by municipalities and therefore no budget appropriation thereof. Similarly, local government has limited ability to respond in cases of fire in the process making the District risky for any potential investment. The fact that infrastructure associated with the function such as fire hydrants do not exist in most settlements increase the risk even further. Fire fighting is a shared service between the District and the local municipalities but currently only the District is budgeting for this service. JGDM is in the process of signing up Fire Fighting Service Level agreements with neighbouring district municipalities to take care of villages adjacent them. The district municipality is trying to increase capacity to deal with fire incidents through establishing and training community fire fighting units in strategic areas. The staff complement is increasing in the unit as 29 fire fighters have been appointed. The district still lack search and rescue unit to deal with risks associated with drowning and structures that collapse. Various policies and bylaws have been developed which deal with fire related incidents namely tariffs, events management, fire dispensation policy, occupancy certificates and community safety bylaw. The services provided by the fire and rescue services centres are in accordance with the Fire Brigade Services Act of 1989.

## 2.8 TELECOMMUNICATIONS

Urban areas receive the best service. Parts of the commercial farming areas and rural areas are provided with telephone services based on radio linkages to towers, driven by solar panel technology. Cell phone services are used by a large proportion of the population. However this service does not cover the whole area. The mountainous nature of the area affects reception. Communities have raised the issue of improved telephone services as a key priority. There are also still police stations, clinics and schools without any telephone service and these impacts on their ability to deliver services. The more remote areas of Elundini and Senqu are the worst affected.

Investigation into the possibility of providing broadband internet connections in the District was funded by Thina Sinako. This service is felt to be a way of supporting economic activity in the District and it would then enable the District to attract labour-intensive activities such as call centres. This also supports the process being undertaken by the Department of Trade and Industry around the creation of Rural Industry Development Zones.

Television coverage is also poor in parts of Senqu and Elundini where due to the terrain some communities are not covered. This poses a challenge for development in these areas as well as for the build up to 2010 and the ability of communities to see and hear about development

## 2.9 INTEGRATED INFRASTRUCTURE INVESTMENT PLAN

The District municipality has a Comprehensive Infrastructure Plan (CIP) 2008. The District municipality, local municipalities and government departments fully participated in the development of the Comprehensive Infrastructure Plan for the District. For the investment plan Joe Gqabi utilizes, MIG grant over the MTEF period. Currently the District Municipality is dependant on grants as source of income for infrastructural programmes. The CIP currently covers the capital budget.

**Table 20: District Municipal Infrastructure Budget**

Intervention	2009 (R'mil)	2010 (R'mil)	2011 (R'mil)	2012 (R'mil)	2013 (R'mil)	2014 (R'mil)	2015 (R'mil)	Total (R'mil)
Housing	R 212.8	R 289.1	R 357.8	R 78.1	R 23.2	R 83.9	R 31.0	R 2,284.8
Roads: new	R 151.8	R 334.4	R 381.7	R 399.6	R 273.0	R 201.3	R 49.1	R 1,791.0
Sanitation Backlogs	R 120.7	R 124.0	R 71.5					R 316.2
Sanitation Bulk	R 2.5							R 2.5
Sanitation Refurbishment	R 18.0	R 2.0	R 2.7					R 22.6
Sanitation Treatment Works	R 2.1							R 2.1
Water Backlogs	R 36.5	R 78.3	R 78.9					R 193.8

Water Bulk	R 49.2	R 117.5	R 49.7					R 216.5
Water Refurbishment	R 13.3	R 16.4	R 6.9					R 36.6
Water Treatment Works	R 3.2	R 8.3	R 2.3					R 13.8
<b>Total</b>	<b>R 610.10</b>	<b>R 970.00</b>	<b>951.5</b>	<b>877.7</b>	<b>696.2</b>	<b>585.2</b>	<b>80.1</b>	<b>4879.9</b>

**Source: Comprehensive Infrastructure Plan**

Roads upgrading, Electricity Distribution, Electricity Refurbishment, Electricity Substations, Taxi facilities have no indicative figures as yet and have been deleted from the list (see CIP).

## **2.10 ALTERNATIVE SERVICE DELIVERY MECHANISMS**

The District Municipality is the process of establishing a special purpose vehicle which will focus on the economic development of the district area especially investor promotion and the development of public private partnerships. Joe Gqabi Development Agency will be utilized as a "Special Purpose Vehicle" to principally focus on catalytic (high impact) projects that would meaningfully contribute to the economic development and prosperity of Joe Gqabi District. The purpose of the Development Agency is to facilitate sustainable investment and economic growth and social transformation to the benefit of the whole Joe Gqabi District. The Development Agency would therefore initiate, promote and manage private and public investment and economic infrastructure programmes intended to transform the entirety of Joe Gqabi District into a growth and prosperity point in the Eastern Cape Province. The broad objectives of the Development Agency are:

- To promote economic growth through the initiation, promotion and facilitation of economic development and investment projects throughout Joe Gqabi District;
- To regenerate small towns and decaying areas of the District, so as to enhance their ability to contribute to the economic development of the District and the quality of life of its people;
- Generally act as the business arm or vehicle of Joe Gqabi District, acting for and on behalf of the entirety of Joe Gqabi District;
- To act as agent for and on behalf of Joe Gqabi District in the implementation and management of infrastructure, economic development, social and environmental projects;
- To effectively market and promote Joe Gqabi District as an attractive investment destination; and
- Present to all stakeholders an integrated economic and social perspective in respect of investment opportunities and projects.

The key anchor projects proposed for implementation by the Development Agency at inception phase are:

- Revival and Rejuvenation of the Aliwal Spa, +- R100 million;
- Aliwal North Private Hospital, 200 – 250 bed full service Private Hospital +- R250 million;
- Senqu Plastics Project +- R250 million;
- Commercial property development +- R100 million
- Residential Property Development District wide +- R150 million

## **2.11 EXPANDED PUBLIC WORKS PROGRAMME (EPWP)**

The District Municipality is implementing EPWP projects. There are nine Vukophile learner contractors currently on their third and last project, which will be completed in June 2009. Road Maintenance within Joe Gqabi is being done through EPWP programmes principles. In the District area, most government departments implement EPWP and some of the programmes include community health workers.

## **THE COMMUNITY WORK PROGRAM (CWP)**

This program is having a profound impact on the micro economy of the areas involved. The Community Work Program (CWP) is currently being implemented in a number of wards in Senqu LM, Elundini LM and now Gariiep, employing 3090 people 8 days per month over 18 months. The first module of the Community Work Program started in July '09 in the Walaza, Thaba Lesoba, Ndofela areas in Senqu. The programme will largely focus on food gardens to assist with food security among poverty stricken communities. 1254 gardens have been established in either the form of a key hole garden or a trench garden.



**Table: FEBRUARY 2010 COMMUNITY WORK PROGRAMME WORK OUTPUT SUMMARY**

	PEOPLE EMPLOYED		GARDENS	
	workers	supervisors	keyholes	Trenches
Senqu 1	1000	40	150	401
Senqu 2	960	40	114	342
Elundini (known by National Treasury as Senqu 3)	960	40	40	130
Gariep	480	20	4	83
TOTAL	3400	140	308	956

**LOCAL GOVERNMENT WORK PROGRAMME**

The municipalities of the district area have developed a concept document to role out job creation programmes linked to infrastructure development and municipal services so as to contribute towards poverty alleviation. This programme will be run on similar principles to the community work programme but will have some variances based on issues pertinent to local government.

### **3 KPA 3: LOCAL ECONOMIC DEVELOPMENT ECONOMIC**

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#### **3.1 INSTITUTIONAL ARRANGEMENT**

Joe Gqabi District Municipality, with partners like DEDEA, ECTB and the Department of Agriculture and local municipalities have a responsibility for ensuring local economic development does occur. The economic and infrastructure cluster is in place and functional. Joe Gqabi District Municipality has an LED section which forms part of the Department of Community Services and planning. The section is catered for in the organogram. Currently the section is composed of the led manager (socio-economic manager), coordinators for agriculture and forestry, tourism and marketing, social co-ordinator. There is an LED specialist whose appointment was funded by the department of coporative governance and traditional affairs. The Department of Economic Development and Environmental Affairs and Tourism, offers and facilitates the implementation of the following programmes:

- Led Projects 2010 Tourism Project , Enterprise Development
- Business Facilitation and Development ,

It is however the opinion of the municipality that LED is a mainstream issue and that all departments and organizations have a role to play in the creation of an enabling environment.

There is also a coordination system for economic activities by government these include the District LED Forum, the district support team (composed of all LED practitioners in the district including sector departments, Agric Forum, Round table forum for forestry for as well as the Economic and Infrastructure Cluster.

#### **PARTNERS FOR LED**

The District Municipality is partnering with Local Municipalities, DEDEA, DEAT, Department of Local Government and Traditional Affairs, Independent Development Trust and some private sector organizations.

#### **3.2 LED STRATEGY/PLAN**

The final LED Strategy for Joe Gqabi District Municipality has been adopted in January 2010. It is worth stating that the District has supported the development of led plans for the four municipalities within the District area. The development of the District LED Plan is based on the National Local Economic Development Framework, Growth and Development priorities as agreed upon by the social pact and compact, the PGDP pillars as well as the National Spatial Development Perspective principles. This is further entrenched in the activities of the clusters (government departments, organs of the state and donors) and all the IGR structures operating in the District. The LED plan is based on the existing information emanating from the policies as reflected upon above.

The objective of the LED Strategy is to contribute towards meeting the following targets:

- Reduce by 60-80% the number of households living below the poverty line
- Increase the number of jobs created locally through all municipal-run capital projects
- Increase the percentage of budget spent on implementing economic development programmes for a particular financial year in terms of the IDP
- Stimulate economic growth through government and private sector investment
- Increase the proportion of development activities that take into account the interests of vulnerable groups (i.e. women, elderly, youth and the disabled)
- Increase the amount of funds injected to the District Municipality by sector departments and other development agencies.

#### **3.3 PLATFORM FOR PARTICIPATION**

The following platforms or means are utilized for participation:

- Government departments , The community, Donors, Economic and infrastructure cluster Members
- Community Based Planning, representative forum, steering committee,
- Area Based Planning , District Led Forum, Co-operatives forum, SMME forum
- Tourism organizations , P. G. Bison Elundini forestry forums
- Joe Gqabi Agricultural Forum, Land Reform Screening Committee, District Support Team.

### 3.4 ECONOMIC PROFILE

#### GROSS GEOGRAPHIC PRODUCT

The Joe Gqabi GGP growth rate between 1996 and 2007 averaged 3.1%. This figure was in line with the provincial growth rate (3.1%) but below the national growth rate of 3.7%. It should however be noted that this growth is calculated off a low base. Total GGP for 2007 was R2.06 billion with the largest contributing local municipalities being Maletswai and Senqu. The government and community services sector is by far the largest contributor to GGP. Other significant contributors to GGP are the manufacturing and trade sectors. The Joe Gqabi economy exhibits a strong comparative advantage in the agricultural sector and a relative comparative advantage in the mining construction and government services sectors.

The agricultural sector is the largest private sector employer in Joe Gqabi. Livestock farming dominates throughout the District, with limited crop farming in Senqu and Elundini. Forestry is also a key growth point in the area. It is estimated that there are 56,681 hectares of good forestry potential and 133,363 hectares of moderate forestry potential in Elundini. The secondary and tertiary industries in the region are under developed. A limited amount of agricultural processing occurs in the District with most products transported by larger centres for processing. This suggests the need to encourage the establishment of manufacturing enterprises and stimulate private sector investment. Tourism is a growing industry. The economic impact of tourism has been small so far. It is however a growth sector for the District, due to the unique attractions: the only ski resort in southern Africa, hot springs and the largest dam in South Africa. The tourism industry in Joe Gqabi is fairly small and undeveloped with most tourism products concentrated in Senqu (around Alpine tourism) and Maletswai which captures the business tourism and transient markets. The District however has not yet exploited the full potential of the various tourism products throughout the district.

#### CONTRIBUTION BY SECTOR

Table 21: Sector contribution to GGP

Sector	% Contribution
Government Services	40,5%
Financing and business Services	13.0%
Trade, Catering, Accommodation	14.1%
Agriculture	6.6%
Manufacturing	18.8 %
Transport	8.3%
Construction	4.4
Electricity and Water	1.9
Mining	0.4

Source Joe Gqabi LED Strategy

#### NEW INVESTMENT SNAP SHORT

The key anchor projects proposed for implementation by the Development Agency at inception phase are:

- Revival and Rejuvenation of the Aliwal Spa, Modern Hotel, Entertainment facilities +- R100 million;
- Aliwal North Private Hospital, 200 – 250 bed full service Private Hospital +- R250 million;
- Senqu Plastics Project +- R250 million;
- Commercial and Residential Property Development District wide +- R150 million
- Regeneration of declining economies :Two towns Barkley East , Mt Fletcher have been identified for regeneration of rural economies. In Barkley East is identified as having declining economy that needs to be developed. Mt Fletcher has been identified as the regional service centre. Seven million has been budgeted from the Department of Housing Local government and traditional affairs

### **CONTRIBUTION BY SECTOR TO EMPLOYMENT**

The government employs 42.9% (up from 40.1% in 1996) of employed individuals in Joe Gqabi District, making it by far the largest employer. The economy is therefore highly reliant on the non-productive government sector to provide most of the Joe Gqabi Districts employment. This indicates that the private sector is underdeveloped, given that it is this sector that should be driving job growth.

- The agricultural sector is the second largest employer, employing 16.3% of the population. This sector is also the main private sector employer in the area, however it has experienced a 7.8% decrease in number of individuals employed since 1996. The large proportion of employment in the agricultural sector is significant in part because agriculture is a labour intensive sector, however it is also characterized by low skilled and low paying jobs. The labour intensiveness of this sector would account for the dominance of this sector in employing local residents.
- Other than government services only two sectors, namely the trade and financial and business services sectors, have shown employment growth since 1996. This can be attributed to the poor level of education in the District. Furthermore, the poor literacy rates and the low education levels serve as a deterrent for new economic ventures.
- The manufacturing, construction, mining and transport sector have all shown a decline in employment since 1996. It should however be noted that Figure 5.6 only illustrates formal employment in the District. The informal sector, not captured in the graph, is large as many people rely on subsistence farming and informal trading (e.g. hawking) for their livelihoods.
- Although the primary and secondary sectors have shown contraction in employment levels since 1996 the tertiary sector has exhibited employment growth of 11.5%, and now employs almost 70% of the workforce. This is a positive sign as it indicates that the more productive, value adding sectors are expanding. It should however be noted that the high contribution of the tertiary sector is probably attributable to the inclusion of the Government sector which accounts for 42.9% of total employment.

### **OPPORTUNITIES TO ENHANCE LOCAL COMPETITIVENESS**

The Competitiveness report also states that the provision of economic infrastructure and services that enhance factor mobility, reduce transport costs, promote linkages with neighbouring regions and reduce time spent in survivalist activities, such as collecting fuel and water, is the salient need in terms of Joe Gqabi's economic competitiveness. The District's stark topography and undisturbed landscapes in conjunction with low reported crime levels, creates the potential for tourism.

### **3.5 AGRICULTURE**

Agriculture within the Joe Gqabi area has distinct characteristics based on geographic location. There is the "above the mountain", "below the mountain" distinction, related to the divide created by the escarpment between Senqu and Elundini municipal areas. Additionally there is a biome differentiation between the east and west of the District which impacts on the type of agriculture.

Further to this there is an important distinction between commercial agriculture (practiced in 80% of the District) and subsistence agriculture (practiced in 20% of the District). In the Gariiep, Maletswai and part of Senqu municipal areas, commercial farmers are mainly small stock farmers (sheep and limited numbers of goats) but there is also some cattle farming. There is also some game farming especially to the west and this has positive synergies with the conservation areas of the Nama Karoo (Oviston Nature Reserve). In the wetter Elundini area more cultivation is practised, mainly maize and potatoes mixed with livestock farming.

## ***Agriculture's Importance as a Basis for Economic Activities***

The economy of Ukhahlamba is highly dependent on agriculture, as indicated by its large contribution to the GGP. Communal agricultural is practised in Elundini and to a small extent in Senqu, but for the most part the area is characterized by commercial agriculture and in some parts forestry.

The deterioration of road networks is impacting very negatively on farming in the whole region. Farmers are struggling to get their produce to the markets and farm workers have to pay higher taxi fees due to the bad condition of the roads. The closing down of the railway system also increases transport costs because all inputs and products now have to be transported by road. This places an ever-increasing burden on the road infrastructure.

In the communal farming areas of the Elundini and Senqu local municipalities, maize production is very important out of a food security perspective. Due to the high rainfall in these areas the potential for maize production is very good, but current production activities are such that very low yields are obtained in the most instances. This is mainly due to a lack of funds with which to buy inputs as well as the absence of mechanization. Projects like the financing of maize production through village banks can be considered as a solution to this problem.

The other main farming activities in communal areas are livestock farming and vegetable production. Poverty, a fundamental lack of skills, and difficulties in accessing loan funding pose enormous challenges in these areas.

Livestock farming is the most important activity with cultivation and cropping of secondary importance. The high incidence of stock theft in the region has forced many livestock farmers to change their focus from sheep to cattle farming. Cattle farming is also less labour intensive, but the returns are normally lower than for sheep farming.

Livestock in the area is field reared, resulting in a good quality product. Animals that are not sold directly via marketing agents for slaughter often leave the area for feedlots close to the main markets of South Africa. Most livestock is sold to markets outside of the District. The continued incidence of stock theft (and deaths due to small predators) has resulted in many farmers changing their focus from small stock to large stock (cattle) and game which require fewer input costs and are relatively easier to manage.

Wool is transported to Port Elizabeth for sale. Wool is sold into a global market and it has been difficult in the past to make an impact in this area.

Crop farming in Elundini area has high input costs (fertilizer, irrigation, harvesting) and tends to be quite labour intensive due to the low level of mechanization (such as potato harvesting). There is very little processing of agricultural products in the District. The downsizing of the commercial dairy in Aliwal North has reduced milk that is processed locally. This has resulted in a collapse of the local dairy industry and only those strong enough, and with sufficient capital have been able to transform and process their own dairy products.

Niche markets are starting to develop but are still in their infancy, such as walnuts along the Orange River and berries in Barkly East. There are also investigated potentials for soya beans, sugar beet and rape in Elundini.

Farmers having obtained land through land reform are struggling in the District. They lack farm infrastructure, often carry large debts, cannot afford input costs, are fearful of risks involved in agriculture, do not carry sufficient stock to make the enterprise viable and often lack skills and experience.

### **DISTRICT COMPETITIVENESS / COMPETITIVE AND COMPARATIVE ADVANTAGE**

Comparative advantage and associated opportunities do exist in the agricultural sector as a result of labour surpluses, pockets of fertile land under-utilised irrigation potential. An opportunity for new policies, projects and programs arises within regions, countries and globally, because of substantial differences between comparative advantage and competitiveness. This means that activities elsewhere in the Province directly influence the decisions for new projects and investments in JGDM. Wool processing (in Maletswai - which is advantaged by the N6 link to East London, and Gariiep), livestock

husbandry (Elundini and Gariiep), maize (Elundini, and Senqu) and dry land lucerne (Senqu) have all shown signs of being suitable. But commercializing these activities and enhancing productivity remains a major challenge. The relative humidity (particularly in Senqu and Elundini) and abundance of water creates the potential for forestry (wattle) enterprises in Elundini and for an expansion of the irrigated agricultural sector, provided the supporting infrastructure is available.

### **Sectoral Contribution to the Gross Geographic Product**

The total Gross Geographic Product (GGP) of the Ukhahlamba DM is R1 452.7 million, the second lowest in the Eastern Cape. Ukhahlamba contributes about 2.6% to the total GGP of the Eastern Cape (R55 133.5 million). In Ukhahlamba, the public sector is dominant, with education making the largest contribution (30%) to GGP. Agriculture contributes 17.5%, higher than in other provinces.

### **Employment in the Agricultural Sector**

Very low formal employment numbers are recorded for Ukhahlamba, again reflecting low literacy and education levels. The major employer in the Eastern Cape is community services, which provides 32% of formal jobs. In the Ukhahlamba District, 35% of the people in formal jobs work in community services. The sector is particularly dominant as an employer in the former homeland areas of Mount Fletcher and Sterkspruit, where 60% of working people are in community services. Approximately 83% of the population in Ukhahlamba earn less than R1500 per household per month. A large proportion of the population are therefore living below the poverty line.

### **COMMUNAL LAND AREAS**

On the communal land, there are different types of farming taking place. There is subsistence farming, which tends to be hand to mouth involving small amounts of cultivation, low input costs (high in kind human costs), and little profitability. There is also small scale commercial farming, whereby farmers may not have agriculture as their main source of income but use what they produce to bring income to the household. They may sell goods when in excess and plan to have excess to sell. There are very few fully commercial agricultural activities taking place in the communal land areas. This is due to the lack of ownership of land and therefore lack of control of its management. There is a lack of access to farm infrastructure such as fencing, water points, tractors etc.

The massive food production programme is being implemented in the Elundini area and is focusing on maize production. Where it is successful there is a need for storage facilities and value addition. Livestock improvement programmes especially in the wool/mutton sector are occurring to a large extent in the Elundini area and to a lesser extent in the Senqu area (mainly due to the better quality of stock in the Senqu area). It has been identified that Senqu has better wool sheep than Elundini and this should possibly influence livestock programmes between these areas. There has been support from the National Wool Growers Association and the Gold Fields Foundation in the improvement of livestock in these areas. There is still a shortage of agricultural facilities such as dipping tanks, loading ramps, sheds, water points and fences.

### **COMMONAGE AREAS**

Commonages are agricultural areas around towns that are reserved for use by the poorest of the poor and which are owned and controlled by municipalities. These areas are very poorly managed, extensively overgrazed and poorly maintained. There are many instances whereby large stock owners (well beyond subsistence farmers) utilize the commonage land for profit at the expense of subsistence farmers. Commonage agriculture tends to be very biased towards large stock owned by men. Women have very little access to commonage areas.

Plans have been developed for some commonage areas but lack of buy-in and unwillingness to change current practices has resulted in very few ideas being implemented.



## **AGRICULTURAL SKILLS**

The requisite agricultural skills within the established commercial farming sector are quite extensive. However there are few skilled middle level workers and a large proportion of unskilled labour. There are no public agricultural training facilities within the District and people need to leave the area in order to get skills. The lack of public agricultural training facilities has led to a low skills base that impacts negatively on productivity and efficiency and therefore on profitability. In addition as the result of the District's remoteness it is also hard to attract skilled professions to the area.

## **LAND REFORM**

The prime purpose of the country's land reform programme is to address the skewed land ownership patterns that were given effect by the 1913 Land Act. The key objectives of the land reform programmes are:

- (a) Redistribution of 30% of white owned land by 2014 for sustainable agricultural development.
- (b) Provision of tenure security to create socio-economic opportunities for those who have less formal forms of tenure.
- (c) Provision of land for sustainable human settlements, industrial and economic development.
- (d) Provision of efficient state land management that supports development.
- (e) Provision of efficient land use and land administration services.
- (f) Settlement of all outstanding land claims by 2008 and implementation of restitution awards.
- (g) Development of programmes for empowerment of women, children, disabled, People Living with Aids, youth and the aged within DRD & LR mandate.

## **LAND REFORM AND AGRICULTURE**

The government envisaged that Land Reform Programme would stimulate an agrarian economy. On the contrary, evidence suggests that there has been a high rate of failure of agricultural enterprises set up through the land reform programme. This is attributable to a number of interdependent factors such as:

- Limited post-settlement support in terms of both redistribution and restitution due to poor co-ordination between National Department of Rural Development & Land Reform and Provincial Agriculture on LR projects.
- Lack of agricultural management experience by the new land owners.
- The sector is skills intensive and in most instances beneficiaries lacked these skills.
- Entry into the agricultural sector requires intensive investment in medium term finance for equipment, and short-term operating finance for production that beneficiaries cannot access or afford, and thus require further subsidies from government.
- The beneficiary groups are often not a cohesive group as originally presented resulting in social conflicts that undermine the project objectives.
- The land acquisition tools applied, such as Land Redistribution for Agricultural Development Grant (LRAD) subsidises individuals at an amount that ranges between R20 000 and R100 000. This has not changed since 2001 despite land price hikes. The net effect of this is that a large number of beneficiaries are settled on land that previously supported a single commercial farmer and labour force, which has implications for its carrying capacity and consequently its productivity.
- The change of emphasis from land rights based reform to production based commercial farming also now sees a number of earlier projects as failures against the new criteria.
- Commonages are frequently poorly managed and as result they don't serve their purpose of providing training to emerging farmers.

## **REDISTRIBUTION STRATEGY**

Although PLAS should be the major tool in accelerating land acquisition and redistribution, it is important that the other redistribution programmes (LRAD, State Land Disposal, and Commonage Extension) are also accelerated. Similarly, rural restitution settlements also need to be urgently completed.

Pre-requisites for an accelerated, sustainable redistribution programme in each Local Municipality are to:

- Complete a land needs survey;
- Quantify the 30% target in hectares as illustrated in Table 22 below;
- Locate the LR focus areas as identified in the following Chapter 5;
- Identify farms for sale with the help of farmers / farmer's associations/ Agri-EC;
- Identify and match potential beneficiaries to farms.

**TABLE : LAND REDISTRIBUTION 30% TARGET IN HECTARES PER LM TO 2014**

	GARIEP	MALETSWAI	SENQU	ELUNDINI	JGDM
30% TARGET (ha)	263 500	129 000	166 000	61 000	620 000
per annum	52 000	26 000	33 000	12 000	124 000
Number Farms per annum	26	10-15	25	6-10	75
Acquisition Cost per annum (R2500/ha)	R132 mill	R65 mill	R83 mill	R30 mill	R310 mill per annum

**TABLE : POTENTIAL PROJECTS IN UKHAHLAMBA DISTRICT**

	Municipality	Name of the Project	Project Description	Funders	Economic Sector
1	Elundini	Tofile CPA			Agriculture
2	Elundini	Mapikana CPA			Agriculture
3	Elundini	Southern Storm Properties 244			Agriculture
4	Senqu	Holo Hlahatsi Dam Irrigation	Crop production		Agriculture
5	Senqu	Mangali Agricultural Project			Agriculture
6	Senqu	CW Properties			Agriculture
7	Maletswai	Nutri Gardens	Crop production		Agriculture
8	Gariep	Lake Gariep Irrigation	Crop and fodder production		Agriculture
10	Elundini	Umnga Farmers Cooperative	Livestock and crop production	Thina Sinako	Agriculture
11	Elundini	Elundini Livestock Improvement Programme		Private - TEBA	Agriculture
12	Elundini	Masifuye Farmers Project	Livestock and crop production		Agriculture
13	Elundini	Woolclip Project	Wool production	WGSA	Agriculture

Source :draft AREA BASED PLAN 2009

### 3.6 FORESTRY

#### EXISTING FORESTRY PLANTATIONS

Forestry plantations in Ukhahlamba total 25,487 ha and represent 20% of the plantations in the Eastern Cape. These plantations cover 1% of the total land area of the Ukhahlamba District. Forestry plantations in Ukhahlamba are located exclusively in the Elundini Local Municipal area and cover 5% of the total land area of Elundini Municipality. There are also three state owned forestry plantations in the area which are managed by the Department of Agriculture Forestry and Fisheries (DAFF), the Ntywenka, Fort Usher and Lehana plantations. The largest of these plantations is the Ntywenka Forestry Plantation, which is situated 25 km from Maclear. This forestry plantation comprises mainly pine trees which account for about 65% of the plantation's total plantable area of 1,045 hectares. The remainder of the plantation is planted with gum trees. The Fort Usher and Lehana are eucalyptus plantations as well as being community plantations. They are both significantly smaller than Ntwenka at only 250 and 94 hectares respectively

#### TIMBER PRODUCTION

The PG Bison chipboard plant in Ugie started production in April 2008. The current intake of the board mill is 317,000 tons /annum and produces 650 m3 of finished boards daily.

## Forestry Ownership

DISTRICT MUNICIPALITY	LOCAL MUNICIPALITY	PRIVATE OWNERSHIP	STATE OWNERSHIP	COMMUNITY OWNERSHIP	TOTAL
UKHAHLAMBA	ELUNDINI	23907	1476	54	25437

Source: Eastern Cape Forestry Profile, DWAF, 2007

### FORESTRY CONTRIBUTION TO EMPLOYMENT

It is estimated that 2,430 people are currently employed in the forest sector in the Ukhahlamba district, of which 2,060 are directly or indirectly employed by PG Bison. This estimate is based on the following information sourced through key informant interviews:

- The chipboard factory currently employs 231 permanent staff and 60 contractors. These contractors include SMMEs to conduct waste management, gardening and cleaning at the chipboard plant. A total of 100 people are employed by these SMME's.
- PG Bison employs 1,670 people directly and indirectly in the plantation operations. All PG Bison's harvesting, transport and security operations are done in-house. However, PG Bison does employ five contractors (3 black and 2 white on 5 year contracts) to do silviculture work and fire management. PG Bison has also contracted
- Private growers and small sawmillers employ no more than a total of 25 people.
- State plantations employ 125 people
- The Working for Water (WfW) programme in the District currently employs 12 emerging contractors to remove alien trees. These contractors employ teams of between 15 and 20 workers, who are recruited locally. These contractors receive mentorship and training under the EPWP programme and many of them have become established small-scale entrepreneurs that also service the commercial forestry industry.

PG Bison has publicly committed itself to create 3000 direct and indirect jobs in the local forest sector by 2013 and a further 940 jobs would need to be created to reach this target<sup>1</sup>.

### FORESTRY CONTRIBUTION TO EMPLOYMENT CONTRIBUTION TO THE ECONOMY

The contribution of the forestry sector to the province's economy has yet to be fully established. Without detailed analysis of the income statements and costing reports of companies and government departments, the impact can be partially estimated with regard to revenues generated, and salaries and wages. The Eastern Cape Forestry Sector Plan calculates that annual revenues of almost R1 billion (R 902 million) were generated by the forest sector in the Eastern Cape in 2007.

### TIMBER PRODUCTS

The most significant private investment in the forest industry in Ukhahlamba has been the construction of the PG Bison chipboard mill in Ugie in Elundini. This investment was worth more than R1.4 billion and created an estimated 1,600 direct jobs during the construction phase. The board mill produces chipboard and laminated panels. The current intake of the board mill is 317,000 tons /annum. At full rotation the plantations owned by PG Bison this will produce an estimated 460 000m<sup>3</sup>/annum, but the plant need 560 000 m<sup>3</sup>/annum to run at full capacity. Currently the plant produce 650 m<sup>3</sup>/day of finished boards, but can produce 1000 m<sup>3</sup>/day. Chipboard for export is transported to Durban, while chipboard for domestic sale is transported to Johannesburg and Cape Town. Other timber processing activities in the District are limited to 2 small sawmills that produce wet off-saw timber products. One small sawmiller, Mr. Denis De Kock sources timber from Ntywenka Plantation and produces rafters and untreated poles to the local economy. The other is owned by a private grower (Mr Mathee) who produces his own timber building products which he supplies to hardware stores as far as Mthatha. Another private grower (Mr Roberts) also use to operate a small sawmill (woodmizer) but is busy replanting all his stock and is therefore not operating at present. In the past wattle was used to manufacture charcoal. However, all charcoal operations in the district have come to and end.

### **RURAL DEVELOPMENT PROGRAMMES**

Forestry is also regarded as a catalyst for rural development and therefore its development needs to talk to policy directives in this regard. Rural development is seen as a function that cuts across government departments and different spheres of government. In this context government has highlighted the need for collaboration between the Departments Rural Development and Land Reform and Agriculture, Forestry and Fisheries.

### **ASGISA-EC**

The AsgiSA-EC is working with the DAFF in fast-tracking the forestry licensing process and in identifying opportunities for new afforestation linked to the rehabilitation of existing state forest plantations. Two areas being investigated in this regard are the Katkop-eLundi area north east of Maclear and the area surrounding the Ntywenka plantation

## **3.7 TOURISM**

**Joe Gqabi District Municipality has adopted its District tourism plan in October 2009.** The tourism sector within the District is comparatively underdeveloped in relation to other Districts within the Eastern Cape. According to statistics provided by the Eastern Cape Tourism Board (2007 Statistics), there are 153 of which 30%, 60, 1 % and 9 % are 2, 3, 6 star and un- graded respectively. They fall in three distinct categories, self-catering, bed and breakfasts and lodges/hotels. There are few formalized tourism products (apart from accommodation) in the area. There are few skilled people participating within the tourism sector due to lacking training facilities providing tourism related skills.

Most visitors (52%) come from the Eastern Cape and Gauteng (23%). Joe Gqabi is sometimes used as an overnight stay between Gating and the Eastern Cape coast. This kind of accommodation tends to be easily accessible. The towns benefiting from this include Aliwal North, Venterstad and Steynsburg.

The market for ecotourism and adventure tourism tends to be fairly affluent. People tend to stay several nights. The Elundini and Senqu areas tend to benefit from this. In Aliwal North (but also in some limited other venues) there is a government sector market for people attending meetings and conferences. This tends to be during the week. There are two main route developments in the District namely: the Maloti and the Friendly N6 Tourism Routes. There is a smaller Lake Gariep Dam Route around the Gariep Dam. It is done in conjunction with the Free State and Northern Cape. The Friendly N6 stretches from Bloemfontein in the Free State through the Joe Gqabi District to East London. The Maloti Route is a cross border effort in conjunction with Free State and Lesotho.

### **.TOURISM NODES**

The most active tourism node is that of mountain tourism. Tiffindell ski resort forms a key node within this sector. There are linkages to the Rhodes, Barkly East, Maclear, Ugie and Lady Grey areas. This node tends to be seasonably active. There is strong winter adventure tourism as well as Christmas and Easter activities.

The Aliwal North tourism node tends to focus on a different market: government officials and travellers. The Gariep Dam area is a developing tourism area and is strongly linked to conservation initiatives and establishment in the area as well as the Gariep Dam.

There are limited tourism opportunities within the Sterkspruit and Mount Fletcher areas. However the Sterkspruit CTO is operational and accommodation is provided for government officials and short stay visitors. There is no tourism accommodation in Mount Fletcher. It is expected that the Holo Hlahatsi dam in the Sterkspruit part of Senqu may provide some limited tourism attraction.

### **LED MARKETING AND COMMUNICATION**

Through the tourism plan the district municipality has initiated marketing of the district . Funding (R1,2m) to implement this plan have been received from Thina Sinako

### **.TOURISM THREATS AND CHALLENGES**

- The biggest challenge facing the development of tourism in the District is the quality of roads and the area's accessibility.
- Few community based tourism enterprises have not succeeded and have not been sustainable, mainly due to a lack of skills, a lack of market, high establishment costs and community challenges.
- There is very little being invested in tourism development where there has been investment by government in tourism development it has not necessary been sustainable, well planned and executed.
- As tourism organisations are usually run by volunteers and the tourism industry is not yet a large income generator, it is difficult to keep people involved and driven, especially for issues that may not directly benefit their own tourism establishment. Lack of long term commitment to tourism is a significant challenge. For more information please refer to the tourism plan

### 3.8 JOE GQABI DISTRICT MUNICIPALITY GDS PROGRESS

The table below largely reflects the achievements of the District Municipality and its key stakeholders. It does not reflect all the achievements.

**Table 22: GDS progress to date by Joe Gqabi District Municipality.**

Priority programme	Actions to be taken	Progress to date
Timber cluster	Fast-track access to suitable housing, health care, public transport, recreation, water and sanitation in support of the Ugie-Maclear Forestry development, and in anticipation of a significant influx of people into the area in anticipation of the 3000+ jobs.	Water and Sanitation is being implemented but there is still a need to still upgrade the PHC. Housing has been provided but there is still a need for more housing. The land for the PHC had been identified by the Elundini L.M, Public Works will be informed as they are the ones who will construct the PHC.
Timber cluster	Installation and commissioning of water and sanitation to the PG Bison Plant and residential development needs.	Infrastructure to the plant is installed; water and sanitation issues in Ugie will be complete in the new financial year.
Timber cluster	LED strategy for Elundini municipal area.	Completed.
Tourism Cluster	Create a dedicated fund for the upgrade and maintenance of tourism infrastructure, and roads.	Being considered in the new budget.
Tourism Cluster	Expedite the revitalization of Aliwal North Spa.	Currently DEAT funding is utilized to upgrade Aliwal SPA, for infrastructure upgrade Thina Sinako application is suggested which can include "public infrastructure"
Tourism Cluster	Establishment and revival of functional tourism institutions such as District, local and community tourism organizations.	LTO's revived but functioning on varying degrees. DTO established and CTO's operational.
Tourism Cluster	Improve Tourism expertise in municipal institutions.	The District's building capacity : this year on monitoring and evaluation of programmes
Tourism Cluster	Develop a District tourism strategy	The tourism strategy was completed and adopted in October 2009.
Tourism Cluster	Improve data management around tourism and undertake research around tourism in the Joe Gqabi District.	database being developed as part of the strategy

Priority programme	Actions to be taken	Progress to date
Tourism Cluster	Identify and collect information around heritage sites within the District area, and motivate for their declaration as heritage sites.	Completed.
Tourism Cluster	Initiate and prioritize processes that will lead in the identification of issues and opportunities arising from the 2010 World Cup	Work streams established. The District is doing coordination.
Tourism Cluster	Collaborate on destination planning, product development, quality management and marketing the District as a tourism destination.	Forms part of the tourism strategy.
Tourism Cluster	Set targets for mainstreaming in tourism enterprises.	Mainstreaming strategy should be implemented this year.
Tourism Cluster	Drive the processes around the amalgamation and possible expansion of provincial parks around the Gariep dam initiative and explore possibilities around the expansion and coordinated development with the adjacent provinces.	Business plan on the table for lake Gariep
Agricultural cluster	Expand support for emerging farmers and household food production through efficient implementation of massive food production programmes, homestead food production and livestock improvement programmes.	District is implementing livestock programme - will be finishing this year. Continuation of the programme is through Thina Sinako funding. The Thina Sinako funding for the programme finished and programme completed. The implementation of massive food and household production programmes implemented by Asgisa-EC and the Department of Agriculture, Forestry and Fisheries.
Agricultural cluster	Increase investment in agricultural infrastructure.	Information will be collected as part of the agricultural plan. The Agricultural Sector Plan is still under development.
Agricultural cluster	Establishment of an all encompassing District wide agricultural structure	The District Agricultural forum established and functional, but still having a challenge with the agricultural forums in Local Municipalities, they need to be revived.
Agricultural cluster	Implement SDF, Land Use Planning, Management and Land Care programmes in the District that seek to preserve the natural wealth of the land.	Spatial Development Framework for the District reviewed.
Agricultural cluster	Investigate the Umzimvubu Mega Basin Programme.	Elundini and JGDM working together with Mhlontlo and AsgiSA.
Agricultural cluster	Cognizance of environmental issues are taken into account in planning, implementation and monitoring of all programmes	The Environmental Plan is still under review.
Agricultural cluster	Enforce compliance with environmental legislation and by-laws along the lines of best practice.	By laws under review in some municipalities. Implementation and compliance still a challenge.
Water and Sanitation	Lobby National Government for additional MIG funds.	Motivations submitted



Priority programme	Actions to be taken	Progress to date
	Enhance capacity local government to plan, project manage, implement and spend funds effectively and efficiently for water and sanitation service delivery.	Resources obtained to support a process of improve implementation of effective water and sanitation delivery.
Water and Sanitation	water and sanitation backlogs eradication	Bucket eradication target achieved, cannot meet the water target 2008.
Municipal upgrading	Service Upgrade and refurbish water and sanitation infrastructure	Maximum budget being given for water and sanitation infrastructure.
	Ensure efficient and effective operations and maintenance of the water and sanitation infrastructure	
Municipal upgrading	Service facilitate the provision of mass housing programmes and create sustainable human settlements in their areas of jurisdiction	District providing water for housing projects.
	implement environmental management systems in their areas of jurisdiction	Reviewing the environmental management plan.
	develop by-laws on land management and administration for their areas of jurisdiction and develop systems for the management and expansion of urban area	
Municipal upgrading	Service Planning for middle income housing in the primary and secondary nodes	Water and sanitation being planned for urban expansion
Municipal upgrading	Service Improvement in health and hygiene among hawkers through training and monitoring.	Programme underway.
Municipal upgrading	Service Enforcement of by-laws to create a conducive trading environment for the retail sector.	Municipal Health services are currently implementing bylaws that relate to health and hygiene.
Municipal upgrading	Service Improve capacity among municipalities to enforce by-laws.	Little progress as yet, EHPs trained as peace officers.
Access and linkages	Increase the number of Thusong (Multi Purpose) Service Centres in the District.	Included in the communications plan.
Access and linkages	Support the local media in the dissemination of information.	Budget suggested for the new year to increase use of local media.
Access and linkages	Prioritize road infrastructure as the basis for economic growth.	Included in the roads plan.
Access and linkages	Participate in the District roads forum as coordinated by the JGDM.	Underway.
Social safety net	Remain organized, increase their representation, improve their lobbying skills, and undertake their own fundraising.	District structures still functioning to varying extents.
Social safety net	Issues of vulnerable groups are integrated or mainstreamed into their programmes.	Mainstreaming strategy should be implemented this year.
Social safety net	Integrate and mainstream HIV and AIDS in all programmes.	Should be part of the mainstreaming plan.
Social safety net	Develop a District multi-sectoral plan for HIV and AIDS	Strategic plan for the next 5 years in place.
Social safety net	Develop and implement workplace HIV and AIDS programmes, and extend these into the community where the employees live.	EAP planned in the budget and in the organogram. EAP activities in place.
Social safety net	Implement the labour-intensive Expanded Public Works Programme (EPWP) in rolling out the priority projects and programmes in this agreement.	DM implementing: contractors on water and sanitation projects as well as using CHW

Priority programme	Actions to be taken	Progress to date
		in primary health services.
Social safety net	Develop a coordinated EPWP programme	Limited information from all sectors.
Social safety net	Intensify skills development and skills transfers within the EPWP.	Limited information from all sectors.
social safety net	Develop a cooperative development and support strategy.	Sourced funds from Thina Sinako for a strategy to be undertaken by the cooperatives organization. National LED strategy emphasizes the use of cooperatives so further development is needed.
social safety net	Promote cooperatives as a form of enterprise in the District and agree to procure goods and services from cooperatives where possible.	Strategy should deal with this.
social safety net	Developing and strengthening disaster risk management and mainstreaming disaster risk assessment into strategic development programmes.	Workshops held around disaster management to improve understanding. Framework plan being updated.
social safety net	All stakeholders agree to participate in Disaster Management Forums	Poor attendance at meetings at present.
Governance administration and	Strengthening the District and local municipality IDPs,	Capacity is being provided: training and funding.
Governance administration and	Improving the operation of the IGR structure in the District area.	Structures nearly all established.
Governance administration and	Implement a pilot community-based planning process for planning and IDP development at local municipal and ward level	Implemented.
Governance administration and	Strengthening public participation in all matters of municipal planning and governance through training of ward councillors and officials and strengthening community capacity.	Ward committee functioning funding is provided. Public participation funding is suggested and budgeted for
Governance administration and	Revised Local Economic Development (LED) Strategy	Programme underway.
Governance administration and	Fill section 57 posts and critical service delivery posts by July 2007.	All underway.
	Review municipal organograms in line with powers and function and objectives of this agreement.	
	Accelerate the implementation of workplace skills plans within the public service.	
Governance administration and	Arrange economic development training for the representatives of all stakeholders to further understanding of economic development within the District.	Have engaged Thina Sinako to assist and the IDT.
Governance administration and	Develop a skills retention strategy for the Joe Gqabi District.	Draft for the DM in place.
Governance administration and	Identify and agree on the skills needed for growth and development across the priority sectors in the District.	Skills plan completed, forum established, alignment to NSF and JIPSA established, PPPs participating in programme.
	Finalize a District skills development plan,	
	Establish a District Skills Development Co-coordinating forum	

Priority programme	Actions to be taken	Progress to date
	Facilitate learner ships in the identified sectors	
	Increase investment within public and private sector in apprenticeships, internships, and skills programmes.	
Governance administration and	Engage the higher education sector and Thina Sinako around research, knowledge management, and best practice in growth and development.	Engaged ECSECC and Thina Sinako, and tender out for best practice recording.
Governance administration and	Local procurement of goods and services.	Must be in the review of the SCM policy and LED strategy.
Governance administration and	Develop and implement a supply chain management and procurement policy that targets local contractors and	Must be in the review of the SCM policy and LED strategy.
Governance administration and	Implement national economic empowerment Sector Charters targets and agree to adhere to the principles of Broad Based Black Economic Empowerment.	Used in the SCM policy.
Governance administration and	Improve registration of businesses operating in the District and ensure payment of taxes and levies through use of local government by-laws.	MHS has a database and is able to certify businesses -- the payment of this is still an issue.
Governance administration and	Expand business affiliation networks to all sectors in business, resulting in municipal wide and then District wide business structures	District in process of engaging key roll players about the matter
Governance administration and	Implement the principles of Batho Pele and zero-tolerance of corruption, characterized by the desire to provide quality services.	Workshops with municipal officials on Batho Pele undertaken.
Governance administration and	Implementing the national LED guidelines.	District activities in line with the policy.
Governance administration and	Promote the creation of sustainable decent jobs.	SCM and HR practices in place.

### 3.9 ACHIEVEMENTS AGAINST THINA SINAKO PROGRAMMES

The District municipality has numerous programmes, which are funded by funded by the European Union through Thina Sinako as an agent for implementing these programmes. The achievements of this programme are reflected in the table below:

#### STATUS OF PROJECTS AWARDED IN 2007-2008

NAME OF THE PROJECT	BENEFICIARY	STATUS
Baseline Economic Observatory	Joe Gqabi District Municipality	Closed out
ICT Implementation	Joe Gqabi District Municipality	Closed out
Heritage Management Plan	Senqu Local Municipality	Failed
Co-ops Development and Management Strategy	Senqu Local Municipality	Closed out
Compiling a Local Economic Development Strategy for Maletswai while piloting the Community Based Planning (CBP) Approach	Mthombo Sediba Development Agency	Final report pending
Development of a Business Plan for an Educational Resource Centre in Ugie, Elundini Local Municipality	PG Bison LTD	Closed out

NAME OF THE PROJECT	BENEFICIARY	STATUS
Rhodes Guest House Training Centre	Ntombi Guest House- Sandra Reeders	Closed out
Training Design for Ugie Forestry Development	Idyoki Public School	Closed out
Ekhephini Community Radio Station	Joe Gqabi District Municipality	Closed out
Sinenjongo Cultural Craft Centre	Sinenjongo Cultural Craft Project	Closed out
Rock Cliff Community Tourism Development Research	Yezinyanya Research cc	Closed out
Rhodes Airfield	Walkerbouts Country Retreat (Pty) Ltd	Closed out
Business Plan for a Peach and Vegetable Processing Facility	Senqu Local Municipality	Closed out
Inxu Agricultural Cooperative Development	Umnga Farmers Training Group	Closed out
Elundini Livestock Improvement Project	Teba Development	To be completed
New phased incremental training, mentorship and micro lending approach to development entrepreneurs in the Joe Gqabi District	Thlolo Entrepreneur Support Centre (TESC)	Problems
Organisational development and capacity for long term sustainability	Thlolo Entrepreneur Support Centre (TESC)	Problems

#### FUNDING APPLIED FOR IN 2009

NAME OF PROJECT	NAME OF BENEFICIARY	FUND	GRANT AMOUNT
Rhodes Airfield	Walkerbouts Country Inn	LCF Implementation	3.5 million
Community Radio Station Marketing campaign	Ekhephini Community radio station	LCF Implementation	0.9 million
Idyoki School Training Centre	Umnga Farmers	LCF Implementation	5.5 million
Intombi Guest House Training Centre	Intombi Guest House	LCF Implementation	5.5 million
Senqu Plastics Plant	Senqu Municipality	LCF Implementation	5.5 million
Working for water implementation project	Joe Gqabi District Municipality	LCF Implementation	4.7 million
Red tape reduction exercise	Joe Gqabi District Municipality	LGSF	85 0000
District Skills retention strategy	Joe Gqabi District Municipality	LGSF	68 5000
Mainstreaming of women & youth into the economy	Joe Gqabi District Municipality	LGSF	49 5000
Marketing and promotion of tourism in Joe Gqabi	Joe Gqabi District Municipality	LGSF	1million

**PROPOSAL FOR NOV DEADLINE**

NAME OF PROJECT	NAME OF BENEFICIARY	FUND	GRANT AMMOUNT
Senqu Livestock Improvement Programme	Teba	LCF Implementation	5.5 million
Implementation of ICT Strategy	Joe Gqabi District Municipality	LCF Implementation	5.5 million
Rockcliff Community Tourism Project	Yezinyanya	LCF Implementation	5.5 million
Thaba Lesoba Cultural Village	Yezinyanya	LCF Implementation	5.5 million
Knowledge management strategy development	Joe Gqabi District Municipality	LGSF	1.1 million
Development of B& B coop for Mount Fletcher	Elundini Municipality	LGSF	1million
Development Agency Investment corridors	Joe Gqabi District Municipality	FIF	1million

**PROJECTS AWARDED IN 2009**

NAME OF PROJECT	NAME OF BENEFICIARY	FUND	GRANT AMOUNT
Thaba Lesoba Tourism Cultural and Heritage economic strategy	Yezinyanya Research cc	LCF ID and Design	390000
Tiffendell Women's Aquaculture	Yezinyanya Research cc	LCF ID and Design	751664
Development of Tourism opportunities for Rhodes tourism node	Walkerbouts Country Retreat (Pty) Ltd	LCF ID and Design	347548
Forestry outgrowing development	Teba Development	LCF ID and Design	722171
Feasibility study for the development area within Joe Gqabi District	S.A National Parks Board	LCF ID and Design	1060000
Strategic Planning assessment of alpine tourism	JGDM	LGSF	620951
Development of a strategic competitive action plan for Gariep Municipality	Gariep Local Municipality	LGSF	539015
Waste Management and LED	MSDA	LGSF	474525
Elundini Hawkers Project	Elundini Local Municipality	LGSF	4343335
Upper Tsitsa falls Tourism and Agriculture	Landmark foundation	LCF Implementation	5500000

**Table : Thina Sinako Programmes.**

<b>Name of project</b>	<b>Beneficiary</b>	<b>Funds transferred to date</b>
Strategic Planning Assessment of Alpine Tourism	Joe Gqabi District Municipality	R310,475.50
ICT Implementation	Joe Gqabi District Municipality	R351,600.00
Development of a Strategic Competitive Advantage Action Plan for Gariiep Local Municipality	Gariiep Municipality	R269,507.80
Elundinni Hawkers Project	Elundini Municipality	R217,167.50
Thaba Lesoba Tourism, Cultural & Heritage Economic Strategy	Yezinyanya Research cc	R195,332.50 + R117,199.50
Tiffindell Women's Aquaculture Research	Yezinyanya Research cc	R375,832.00
Development of Tourism Opportunities for the Rhodes Tourism Node	Walkerbouts Country Retreat (Pty) Ltd	R75,341.13
Forestry Outgrowing Development	Theba Development	R361,085.50
Feasibility Study for the Development of a Conservation and Development Area within the Ukhahlamba District	South African National Parks Board (SANParks)	R530,000.00
Upper Tsitsa Falls Tourism and Agriculture Project	Landmark Foundation	R1,100,000.00
Automated Invoice-Based (Factor) Finance to Increase SME Participation in Joe Gqabi Municipal Contracts	Joe Gqabi DM	R 2.735.000.00
R Joe Gqabi Heritage and Tourism Economic Strategy	Joe Gqabi DM	R 482.289.72



## **4 KPA 4: GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

### **4.1 POLITICAL GOVERNANCE**

Political Joe Gqabi District Municipality is governed by the executive mayor who is the political champion of the IDP processes, chairs the DIMAFU and reports politically to the council on the implementation of the IDP programmes, including monitoring and evaluation processes. The District has four standing committees which are chaired by political heads who are port folio councillors who head different port folios ranging from community services and planning, corporate services, finance and technical services, these standing committees report to the mayoral committee which is chaired by the mayor. The mayor report on the progress of implementation processes council meetings which are chaired by the speaker of the council The political administration consist of the Executive Mayor, the Speaker, and 23 councillors including the portfolio councillors.

### **4.2 THE PLANNING PROCESS**

Joe Gqabi District Municipality is reviewing its IDP in terms of section 34 of the Municipal Systems Act 32 Of 2000. The review has been done in line with section 41 of the same Act. This document is submitted in partial fulfilment of this legal obligation and as a strategic plan and guide for the development of Joe Gqabi District. For the review of the IDP the process plan and the District framework were prepared and adopted on the 28 August 2009.

#### **THE DISTRICT FRAMEWORK**

The District Municipality adopted the IDP framework on the 28 August 2009. The framework provide guidelines for alignment and monitoring and the evaluation of the review process. The Framework Plan provides the linkage and binding relationships to be established between the District and local municipalities in the region for the budget and IDP processes. This ensures proper consultation, coordination and alignment of the IDP review and budget processes of the District Municipality and various local municipalities. The District Framework set guiding timeframes and activities for the preparation of IDPs, Budgets and Performance Management across the District.

#### **IDP PROCESS PLAN**

In terms of section 28 of Municipal Systems Act 32 of 2000 “each municipal council , within a prescribed period after the start of its elected term , must adopt a process set out in writing to guide the planning, drafting, adoption, and review of its integrated development plan.” In fulfilment of this requirement and other legal prescripts JGDM adopted the Process Plan and District Framework on 28 August 2009 to guide the planning and review processes. The process plan outlines the structures to be involved, roles and responsibilities, the scheduled events, action programme and time frames. It reflects a detailed program of action for the review of the IDP from beginning in August until the end in May 2010.

#### **SCHEDULE OF MEETINGS**

**Table 24: Schedule of Meetings**

<b>NO.</b>	<b>TYPE OF MEETING</b>	<b>DATE</b>
1	Council Meeting (To adopt Process Plan and Framework)	28 August 2009
2	Steering Committee	14 September 2009
3	Representative Forum	29 September 2009
4	Steering Committee	22 October 2009
5	Representative Forum	27 November 2009
6	Steering Committee	29 January 2009
7	Representative Forum	04 March 2010
8	Standing Committee	30 March 2010
9	Council Meeting ( approval/ adoption draft IDP)	31 March 2010

#### **ROLES AND RESPONSIBILITIES**

The Municipal Systems Act, 2000 requires both District and local municipalities to do integrated development planning. The JGDM is responsible to draft an IDP for the District municipality as a whole, including provision of a framework for the IDP's of the 4 local municipalities within its area of jurisdiction. Each of the 4 local municipalities is responsible to draft an IDP for its municipal area, inter alia, Gariiep, Maletswai, Senqu, and Elundini.

The following structures were put in place as per the Process Plan and all legislative prescripts were adhered to. Of particular note have been the effective and efficient operations of structures such as DIMAFO, IDP Representative Forum, IDP Steering Committee, The ward Committees, The IGR Structures (The District Technical Support Group) and clusters.

The IDP process requires that all role-players are fully aware of their own, as well as other role-players' responsibilities in the execution of the IDP process. The roles and responsibilities of the various spheres of government and other relevant stakeholders are as follows:

**Table 25: Roles and Responsibilities.**

Actors	Roles and Responsibilities
Mayoral Committee	<ul style="list-style-type: none"> <li>• Recommend the Process Plan to Council</li> <li>• Overall management, coordination and monitoring of process and drafting of IDP</li> <li>• Approve nominated persons to be in charge of the different roles, activities and responsibilities</li> <li>• Overall management and coordination of planning process</li> <li>• Public participation</li> <li>• Ensure the annual business plans, budget and land use management decisions are linked to and based on the IDP</li> </ul>
Municipal Council	<ul style="list-style-type: none"> <li>• Political decision making body</li> <li>• Consider, adopt and approve process plan and IDP</li> <li>• Ensure the annual business plans, budget and land use management decisions are linked to and based on the IDP. Adjust IDP in accordance with the MEC for Local Government</li> </ul>
Local Municipalities (Including Ward Councillors/Ward Committees and Assisted by CDWs)	<ul style="list-style-type: none"> <li>• Major link between municipal government and residents</li> <li>• Link the planning process to their wards or constituencies</li> <li>• Organizing public consultation and participation</li> <li>• Play a key role in mobilizing communities for public participation</li> <li>• Documenting ward related activities</li> <li>• Serve as local government structure within communities, which prepares for the proper running of Community Based Planning and prioritization processes.</li> </ul>
Municipal Manager / IDP Manager	<ul style="list-style-type: none"> <li>• Prepare the Framework and Process Plan</li> <li>• Undertake the overall management and co-ordination of the planning process;</li> <li>• Ensure that all relevant actors are appropriately involved,</li> <li>• Nominate persons in charge of different roles;</li> <li>• Be responsible for the day- to-day management of the drafting process;</li> <li>• Ensure that the planning process is participatory, strategic and implementation orientated and is aligned with and satisfies sector planning requirements;</li> <li>• Respond to comments on the draft IDP from the public, horizontal alignment and other spheres of government to the satisfaction of the municipal council;</li> <li>• Ensure proper documentation of the results of the planning of the IDP document; and</li> <li>• Adjust the IDP in accordance with the MEC for Local Government's proposals.</li> <li>• The Municipal Manager may delegate some of these functions to an IDP Manager</li> </ul>
Municipal and Government Officials	<ul style="list-style-type: none"> <li>• Provide relevant technical, sector and financial information for analysis for determining priority issues;</li> <li>• Contribute technical expertise in the consideration and finalization of strategies and identification of projects;</li> <li>• Provide departmental operational and capital budgetary information;</li> <li>• Be responsible for the preparation of project proposals, the integration of projects and sector programmes; and</li> <li>• Be responsible for preparing amendments to the draft IDP for submission to the municipal council for approval and the MEC for Local Government for alignment.</li> </ul>

Actors	Roles and Responsibilities
	<ul style="list-style-type: none"> <li>Charged with the responsibility of preparing business plans for different programmes and projects.</li> </ul>
Community at Large	<ul style="list-style-type: none"> <li>Represent interests, contribute knowledge and ideas (Representative forum)</li> <li>Inform interest groups, communities and organizations</li> <li>Analyze issues, determine priorities, negotiate and reach consensus</li> <li>Participate in designing project proposals</li> <li>Discuss and comment on the draft IDP</li> <li>Monitor performance in implementation</li> <li>Conduct meetings with group's communities etc to prepare for and follow-up on relevant planning activities.</li> </ul>

There are a number of other internal structures that play a key role in the development of the IDP. These include:

- IDP and Budget Steering Committee, Finance Sub Committee,
- IDP and Budget Representative Forum, Manager IDP and planning, and
- Manager Budget and Treasury office.

#### **MECHANISMS AND PROCEDURES FOR ALIGNMENT**

The IDP Manager for the District will be responsible for ensuring smooth coordination of local municipal IDP reviews and their alignment with the District IDP review using workshops and bilateral discussions with affected sector departments or municipalities. The Inter-Governmental Forum will also be used to ensure that beneficial alignment of programmes and project occur.

#### **ALIGNMENT PROCESSES**

**Table 26: Alignment Processes.**

Phase	Alignment Activity	LM/DM	Local Government/ Sector Departments.	Dates
1	Joint decision on localized guidelines	√	√	27 Sept 2009
2	District level strategy workshop	√	√	22-24 Nov 2009
3	Sector programmes under responsibility of Prov/Nat sector Departments	Coordination	√	27 Nov 2009
4	Technical inputs to project planning	√	√	4 February 2010
5	Submission of draft IDP	√		31 March 2010
	Comment on Draft IDP	Communities	√	April 2010
	Compiling District-level Summary of local IDPs	√	√	May 2010

#### **MECHANISMS AND PROCEDURES FOR COMMUNITY AND STAKEHOLDER PARTICIPATION**

The District Council adopted a Public Participation Strategy, which outlines the programme for public participation. The strategy guides community participation and engagement in the District. The strategy promotes a number of participation mechanisms to enhance meaningful community involvement in matters of local government. Amongst the participation mechanisms utilized by the District municipality is community based planning, outreach programmes, representative forum and direct communication through ward structures, traditional leadership, adverts, print and radio including ward committees and Community Development Workers (CDWs).

The Constitution stipulates that one of the objectives of municipalities is "to encourage the involvement of communities and community organizations in the matters of local government". The White Paper on Local Government also put emphasis on public participation. Through the Municipal Systems Act, participation in the decision-making processes of the municipality is determined to be a right of communities, residents and ratepayers. The IDP has largely addressed these legal requirements.

In the quest for sustained communication and engagement with local communities and other stakeholders, the District embarked on Community Based Planning and engagement processes. The community based

planning processes targeted communities in specific forums (Agricultural, led, disaster, etc) in order to allow communities an opportunity to outline their needs and priorities to be incorporated into the reviewed IDP.

### **4.3 THE PUBLIC PARTICIPATION STRATEGY**

Joe Gqabi District Municipality has a council approved public participation strategy. The strategy was adopted in October 2008 and is currently being implemented. It outlines the processes to be followed in communicating with the public and modes for communication. The municipality utilizes ward committees and Community Development Workers, traditional leadership and special programmes forums, Local economic development forums, and agricultural forums for public participation. The ward committee meetings are held on a quarterly basis for reporting progress to communities. The municipalities within the District ensure community consultation through Community Based Planning and constant report backs. The following methods are being utilized for reaching out to communities:

- IMBIZO focus weeks are set by the cabinet and enable the community to interact with politicians and officials, from all spheres and to discuss the service delivery and government programmes and opportunities available for the public. The local municipalities and the District municipality work together in planning these events and liaise with the Office of the Premier and Government Information Systems for the deployment of Ministers and MECs. Outreach programmes are held twice a year in August and February to interact with the public around service delivery and development issues
- In line with the legal prescripts of the Municipal Systems Act, the establishment of the Representative forum is advertised in local newspaper calling upon interested parties to be part of these forums.
- Language use is observed to limit the language barrier that could cause the public not to participate fully in matters of government. Four languages are being utilized in communicating with the public namely (English, Africans, Xhosa, and Sotho)
- IDP Budget outreach programmes are conducted after the draft IDP and Budget has been finalized for comment by the public.
- The Ward Committees, the CDWs, the community liaison officers and ward councilors assist in mobilization of communities towards ward meetings.
- The comments of the public to the IDP and Budget are noted and the responses to the public comments are minuted for further feedback.
- These comments are further disseminated to other government departments through intergovernmental relations structures to take appropriate actions.
- The public is further consulted through other forums and following methods: Information days, Advertisements, Agricultural forum, District Tourism Organisation, District Roads Forum, District Health Advisory Committees, District Mayors forum, Standing committees, ward meetings and Special Program forum Meetings. Community Based Planning, Disaster Management meetings and outreach, Area Based Planning Meetings. IDP Representative Forum. The District Councilors are deployed to local municipal areas to support local municipal public participation processes. All stakeholders had an opportunity to participate effectively in all the phases of the IDP process.

To ensure effective participation the following structures were entrusted with the following tasks:

- Municipal Manager – To co-ordinate participation by all structures
- Council – To Ensure the democratic involvement of people in governance
- Steering Committee – To serve as a resource to the representative forum by advising and integrating the forum input
- Representative Forum – To serve as a public forum for debates where various interests groups influenced government decisions.

#### **WARD COMMITTEE INVOLVEMENT IN THE DEVELOPMENT OF IDP**

The District Municipality does not have wards; it gets information for the preparation of the IDPs from the Local Municipalities, which involve the Ward Committees in their activities. Ward Committees have played a major role in the preparation of the ward-based plans.

#### **COMMUNITY DEVELOPMENT WORKERS ( CDWS)**

The ratio of Wards to CDWs is 1:1 . There is a CDW for each ward. The CDWs support the Community Based Planning processes. The functioning for this structure and the reporting systems needs to be improved to ensure integration of efforts and its management.

#### **INVOLVEMENT OF TRADITIONAL LEADERS**

The traditional leader's forum is in place. Its main purpose is to bring on board and ensure that participation of traditional leadership to matters of local government does take place. The municipality has strategies to involve traditional leaders and their communities in the IDP process. Engagement processes are outlined in the communication and Public Participation strategies. The municipality involves traditional leaders through its representative forums and targeted involvement through a committee specifically aimed at bringing traditional leaders on board to development matters.

The IGR structures within the District have proposed that traditional leaders be part of the DIMAFU. This is the direction which is being mooted for which is unique and highly supported by the District TSG.

#### **4.4 COMMUNICATION STRATEGY**

Joe Gqabi District Municipality developed and approved a communication strategy in November 2008. This strategy has been reviewed to suite the necessary changes and adjustments for 2010/11 financial year and the world cup. The communication strategy has been developed in line with planned meetings that were arranged with the communicators from local municipalities. Some of the activities from the strategy were implemented with the assistance of both the Provincial and National governments. The Communications strategy was reviewed during this financial year. Part of the strategy involves the dissemination of information through CDWs and ward councillors. The objective of the communication strategy is to raise awareness amongst citizens in the District about initiatives aimed at bettering the lives of people through job creation, agrarian reform and poverty eradication programmes.

#### **INSTITUTIONS FOR COMMUNICATING**

The municipalities, libraries, tribal authorities, **Thusong centres**, ward committees, communication offices schools, clinics, radio are utilized for communication with the communities ward committees, CDWs and on a limited basis papers are utilized for communication with communities. Presently we have three community radios Ekhephini covering Barkly East, Takalani which covers the whole of Joe Gqabi except for Elundini and Radio Unique covering Gariep municipality.

The Joe Gqabi Media Board is being launched. It also acts as an information management tool for the district.

#### **THE THUSONG CENTRES**

The District has two Thusong Centres which are located in Sterkspruit and Burgersdorp respectively. The Thusong centre in Sterkspruit is a first generation type while the one in Burgersdorp is a second generation Thusong centre. These centres are aimed at providing information and services closer to the communities. Most towns and communities have requested Thusong centres as value is seen in the services they offer in bringing services closer to communities. Funding however for the establishment of the infrastructure for these centres is a challenge.

#### **COMPLAINTS MANAGEMENT SYSTEM**

The institution utilizes a complaints book for registering complaints. This book is placed on the front desk. These complaints are attended to by the communication section. The other methods of dealing with customer complaints are outreach programmes where the complaints are noted and dealt with through finding information and evidence for responding to complaints. Feedback to communities is done through structured meetings with communities.

A pilot customer service center is being established in Senqu Municipality to deal with water and later other municipal service complaints. It is expected in time that this will service the whole district area as a shared service among the municipalities.

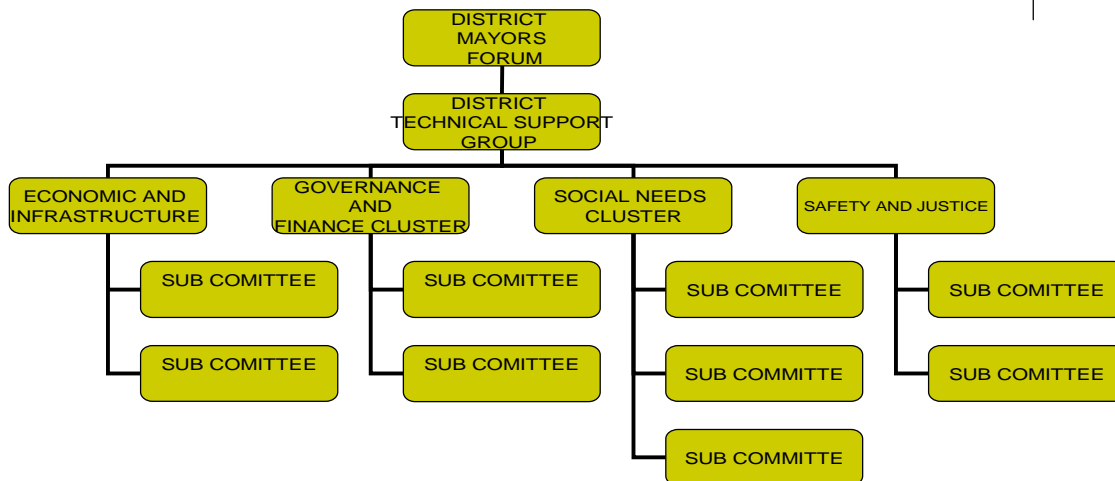
Posts have been included in the organogram to oversee and facilitate customer service related issues in each of the local municipal areas where District services are delivered. While there is currently insufficient budget to fill these posts these will in time be filled.

**4.5 INTERGOVERNMENTAL RELATIONS**

An intergovernmental relations framework policy was adopted by Joe Gqabi District Municipality as a means to strengthen relations between all spheres of government. The Intergovernmental Structures exist. The cluster that are functional and reporting are the social needs cluster, the economic and infrastructure cluster, and the safety and Justice cluster. The governance cluster is in the process of reorganizing itself.

All clusters have started to sit Bi- monthly while their subcommittees meet monthly to discuss service delivery, policy issues, integration, coordination, monitoring, and evaluation issues. All clusters have terms of reference in place and clearly spelt out roles and responsibilities. The other existing and functional structures are District Technical Task Group and the District Mayors Forum (DIMAFU). These structures meet quarterly and have special meetings as and when the need arises (see annexure 6 for the schedule their meetings). The same process is being cascaded to the local municipalities.

- The District Mayors Forum of Joe Gqabi sits quarterly to align key programmes and issues between municipalities. DIMAFU is a Section 79 Committee. This is a special committee of council made up of councillors (in this case the Mayors of the local municipalities and the Executive Mayor) that deals with issues within the Municipal Managers office (communications, IGR, Special Programmes dealing with Women, Youth, Disabled, People living with AIDS, Elderly and Children) as well as internal audit functions and statutory compliance issues.



**OTHER COMMITTEES WITHIN THE DISTRICT**

- Tri-District Alliance is a forum between the municipalities of the three provinces bordering Gariep Dam.
- The District Liaison Committee deals with the cross boundary issues with Lesotho and involves the SAPS. The committee is concerned with livestock theft and preparations to reduce theft.
- Inter cluster interaction within Joe Gqabi this has not been found to operate well. Provincial clusters do not meet on a regular basis and so there is little coordination between their programmes. There is some micro level cooperation but when it is at the regional level this seems to be poor.

#### **4.6 STATE INSTITUTIONS IN THE DISTRICT**

Many National Government Departments do not have regional offices within the District, which makes it difficult for the communities to access some services. The alignment of some provincial departments to municipal boundaries is still a problem and most of them combine the municipalities of Gariep and Maletswai into one area. Additionally the Department of Education has a separate regional office in the Elundini area, and administers the Senqu, Gariep and Maletswai areas from Sterkspruit.

#### **4.7 OVERSIGHT**

##### **INTERNAL AUDIT**

The internal audit function is performed through outsourcing and is in line with section 125 of the Municipal Finance Management Act. This function is being performed within the parameters of the audit charter, which was approved by council on the 29 September 2008. The function covers risk assessment, internal control, compliance and regularity audit, and performance auditing etc. There is a code of ethics for this function, policies, procedures which are implemented in line with the prescripts of external audit.

##### **EXTERNAL AUDIT**

The District Municipality got an adverse opinion and qualified report from the Auditor General during 2006/7 and 2007/8 financial years respectively.

##### **THE AUDIT COMMITTEE**

An Audit committee has been in existence and functional for three years. The municipality developed an internal audit committee charter which was approved by the council on the 29 September 2008. The audit committee assist Joe Gqabi District Municipality in fulfilling its oversight responsibilities. The committee evaluate matters relating to: Financial reporting process and accounting practices, the system of internal control, adequacy and effectiveness of risk management, internal and external audit processes, the process of monitoring compliance with laws and regulations, effective corporate governance. This committee is advisory in nature and as such not responsible to for administrative functions and making decisions. The committee has a year planner that provides allowance for the four sittings per annum. These sittings are planned to suit appropriate times preceding the submission of audit matters to council meetings. The internal audit committee charter allows for the special meetings as and when necessary.

##### **PERFORMANCE AUDIT AND APPRAISAL COMMITTEE**

The performance audit committee was appointed by the council on the 23 September 2008. It was established in terms of section 27 (4) (d) & (e) of the local Government Municipal Performance Regulations. It comprises of the Executive Mayor, Chairperson of the performance Audit Committee, the mayoral committee, the Mayor of Amathole District Municipality and the member of the ward committee.

It meets to discuss the annual performance report, reports by the internal auditor on performance implementation, and to assess and appraise the performance of section 57 managers and make recommendations to council if performance bonuses are to be paid.

##### **OVERSIGHT COMMITTEE**

Joe Gqabi District Municipality has the oversight committee in place. The role of this committee is to ensure compliance with MFMA in so far as the submission of annual reports, dealing with reportable items, adjustment budgets and the general monitoring of the implementation of council resolutions. The oversight reports are available for reference purposes.

For the 2008/9 financial year the oversight committee has managed to sit four times with four reports emanating from such sittings. The dates of the meetings range from 29 August 2008, 24 October 2009, 17 June 2009 and 24 June 2009. In the 2009/10 financial year the committee has met on 23 March 2010.

The draft annual report was adopted by the council in January 2010 and subsequently advertised for community comments in public spaces including municipalities, libraries and the website. The Mid Year



Performance reports have been prepared and this assessment has informed adjustment budgeting processes.

#### **4.8 MAINSTREAMING**

##### **HIV AIDS MAIN STREAMING**

The HIV and AIDS Plan are in place. This strategy was adopted in September 2008. The strategy captures Nutrition, Treatment, Care and support for people living with HIV and aids, Care and support for Orphans and vulnerable children, Promotion of Human rights and Justice. The plan specifies the budget and time framed activities aimed at dealing with HIV and AIDS pandemic. Joe Gqabi District Municipality is aligned to the main streaming framework. Joe Gqabi and Nelson Mandela have been utilized as pilots for HIV and AIDS mainstreaming. The executive Mayor in the state of the district address stressed that “everyone in the Joe Gqabi DM has a responsibility to do their part in making an impact on this massive national crisis. Some municipalities still appear to see HIV and AIDS as not being their responsibility or part of their mandate, or believe that HIV and AIDS is a 'soft' issue or a health issue. However it must be much higher on the local government priority list than it is at the moment. The broad scope of the known remedies to the impact of HIV and AIDS suggests the need for active multi-sectoral approach in halting and reversing the epidemic. As the district, we have done a lot of work to fight the spread of HIV and its impact. We have implemented quite a number of awareness campaigns. We have developed an HIV and AIDS multi-sectoral strategic plan (2008 - 2011), which is now being implemented by all stakeholders. “

Joe Gqabi District Municipality and Nelson Mandela Metro have been selected in the Eastern Cape Province as pilots for HIV and AIDS mainstreaming to implement the Framework for an Integrated Local Government Response to HIV and AIDS. The process of implementing this programme is at the introductory phase. All, Mayors, Councilors, Municipal Managers, Directors and managers will receive training on the framework for an Integrated Local Government Response to HIV/AIDS and the new handbook for facilitating development and governance response to HIV/AIDS.

The district has six accredited ARV sites ie. Senqu (Empilisweni hospital, Umlamli hospital, and Cloete Joubert hospital), Maletswai ( Aliwal North hospital), Gariiep (Burgersdorp hospital), Elundini (Tailor Bequest) . We are planning to open three more ARV sites in Maclear, Steynsburg and Lady Grey during the current year 2010. We also have seven down referral clinics and we planned to have twenty clinics to implement down referral this year 2010. We have recently launched a High Transmission Area programme in all three sub-districts of. Elundini, Senqu and Maletswai- Gariiep sub districts. We are implementing the Prevention of Mother to Child Transmission Accelerated plan in Senqu to decrease the infection rate from positive mothers. We have managed to drop the HIV and AIDS prevalence rate from 29,9% down to 27,9% according to the District Information system (DHIS). The District's message is clear. “We have to stop the spread of HIV & AIDS”

##### **GENDER MAINSTREAMING**

Gender equity is considered in lined with the Employment Equity Plan; though improving it has not reached an acceptable stage.

##### **SPECIAL GROUP MAINSTREAMING**

The special programmes are currently being mainstreamed within the procurement processes of the municipality. The institutional arrangements supporting the youth, women, disabled, the elderly and the children (special groups) exist within the municipality. The Special programmes unit is in place but lacks funding to implement some of the programmes necessary for these groups. The youth, People with Disability and Women Development plans exist but have to be reviewed. The plans for developing the special groups have to be revised as the special group needs and aspirations must have changed over time. The review of these plans will have to be considered in the current budget. The special groups are accorded special preferential procurement treatment and mainstreamed in the supply chain management policy of the institution. The programmes which are as result of the activities of the special groups in development are

tiresome project for the disabled, Multipurpose Youth Centre, and Community Garden in Venterstad. The activities of the special groups and the review of their plans have been budgeted for in the 2009/10 budget.

#### **4.9 ANTI CORRUPTION**

The District Municipality has a council adopted anti- corruption policy / strategy. This policy was adopted in November 2008. The aim of the policy is to ensure that the Council concentrates its efforts in preventing fraud and corruption, rather than responding to it. The policy requires all role-players within the municipality and dealing with the municipality to refrain from committing fraud and other acts of dishonesty against the institution assist in the nurturing of a fraud free environment at the work place, maintain absolute integrity in all dealings with the institution, comply with all internal controls, adhere to the principles and directives of the Code of Conduct and the Code of Ethics and the law.

#### **4.10 APPROVAL, MONITORING AND EVALUATION TOOLS**

Monitoring tools for the implementation of the IDP will include, Monthly Budget Statements that will be submitted to the Executive Mayor and Provincial Treasury, Quarterly reports to Council reporting on service delivery and the financial state of the municipality, mid year budget and performance assessment report and annual report. These reports, once adopted by Council, are public documents and are made available to ward communities through ward councillors. They will also be published in the municipality's website.

**Table 27: Approval, monitoring and Evaluation Tools**

Frequency		Contents	Submitted to
Budget Statement	Monthly	Municipality's monthly expenditure, revenue, borrowings and income.	Executive Mayor & Provincial Treasury
Quarterly Reports	4 Quarters of the financial year	Quarterly progress on service delivery and financial state of the municipality.	Council
Mid-year Budget and Performance Assessment report	Half yearly-by 25 January of each year	Municipality's service delivery performance during the first half of the financial year.	Executive Mayor, National and Provincial Treasury
Annual Report	End of each financial year	Municipality's annual performance on service delivery.	Council

The performance Management system is in place for monitoring performance in line with the IDP. This system will also be utilized for monitoring, measuring and evaluating performance against set objectives, strategies, targets, programmes and projects.

#### **4.11 IDP APPROVAL AND MARKETING**

The draft IDP, PMS, SDBIP and the budget were taken to the council for adoptions on the 31 March 2010. This process was following a joint standing committee of all sections within the District municipality, the mayors of local municipalities and the members of the executive committees from which was held on the 25 of March 2010 to precisely check and agree on the contents of the IDP. The marketing of these documents will be undertaken through physically delivering them to libraries, to the municipalities, tribal authorities, and announcing their availability in convenient and accessible places over the radio. The community's members who are not able to write their comments will be assisted by the IDP offices, CDWs, as well as the ward committee members.

## **5 KPA 5: FINANCIAL VIABILITY**

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### **5.1 STATE OF FINANCIAL ADMINISTRATION IN LOCAL MUNICIPALITIES**

- Senqu Local Municipality: Within the Joe Gqabi District, the most stable municipality in terms of financial administration and security has been Senqu. This has been due to historic as well as current management factors. The stability of finances in a municipality has a positive impact on the ability of the municipality to deliver services. The staff can be contented and respond effectively to community needs.
- Gariep Local Municipality: This municipality had challenges around the amount of income available for them to deliver services. There have been times over the past five years when the financial viability as municipality has been questioned. Due to the small population size they receive only an amount of equitable share that should be sustainable. The total revenue collected versus the budget is affected by the payment of services of only 86%. This is coupled with the fact that they have urban areas with old infrastructure, which is of a high level of service, but which still needs to be maintained. The municipality is not drawing in much income from the sale of services to these communities. The tax basis must be addressed as they have not managed to implement systems around levying rates on the commercial farmland and this has negatively affected their income.
- Maletswai Local Municipality: In general the financial affairs of this municipality improved as stricter financial control is now exercised. Financial reporting and monitoring is contributing to keep expenditure within the limits of what the municipality can afford. Challenges were experienced around the spending of funds in this municipality, which has been more skewed towards the previously disadvantaged, has meant that maintenance of some of the higher level services in other areas (such as tarred roads in Aliwal North) have deteriorated beyond reasonable repair. This impact on the ability of the municipality to attract and or retain commercial enterprises that could generate income for the municipality.
- Elundini Local Municipality: In Elundini there has been income (higher population and that means higher equitable share) but the efficient and strategic management of the funding has in the past been a challenge. The turn around of Elundini financial management status is in process and this is expected in turn to have an improved impact on service delivery to communities.

### **5.2 STATUS OF THE FINANCIAL POSITION OF JOE GQABI**

#### **5.2.1 ACCUMULATED SURPLUS/DEFICIT**

A surplus of R3 900 454 was budgeted for in the 2009/2010 financial year. An adjustment Budget for 2009/10 was tabled to council with an adjusted surplus of R180 505. Taking into account the audited opening surplus of R38 330 573 the total expected surplus of the municipality will be R38 511 077 at 30 June 2010.

According to the 2010/11 Annual Budget to be submitted to council for approval, the budgeted surplus for the year will be R500 440. The offset of depreciation of assets funded from Government Grant Reserve of R9 million must be taken into account and therefore an accumulated surplus of R48 011 517 is envisaged at 30 June 2011.

The total amount of assets of R38 449 061 as stated in the Annual Financial statements ending 30 June 2009, does not reflect the actual value of assets of the municipality. The Joe Gqabi District Municipality as a Water Service Authority must include all Assets relating to the water and sanitation function. All these assets, totalling R320 million as pertained in the adjusted asset register will be concluded in 2010/11.

According to the submitted financial statements the projected accumulated surplus of R32 994 557 have been achieved at 30 June 2009. The Auditor General concluded the 2008/09 Audit Report on 15 December 2009, and the amounts in the Annual Financial Statements are confirmed.

The result of the 2008/09 Financial Statement is now known and the result of the Financial Position can be derived from the 2009/10 Adjustment Budget as well as the proposed 2010/11 Draft Budget. The result will show the projected Balance of the accumulated surplus at year-end, 30 June 2010 and 30 June 2011

### 5.3 NET BALANCE ACCUMULATED SURPLUS

The nett result of Accumulated Surplus will be R38 511 077 (2009/2010) and R48 872 594 (2010/11) is shown in the table below.

Accumulated Surplus	Adj Budget	Budget	% of Total	Increase %	Budget Year +1	Budget Year +2
	2009/10	2010/11	2010/11	09/10 - 10/11	2011/12	2012/13
Opening balance –	(38,330,573)	(38,511,078)		0.47%	(48,011,518)	(52,242,899)
Acc (Surplus)/Deficit	(455,839,406)	(491,396,755)		7.80%	(429,545,516)	(480,912,656)
Plus: Total Revenue						
<b>Sub total</b>	(494,169,979)	(529,907,833)		7.23%	(477,557,035)	(533,155,555)
Less: Operational Expenditure	322,008,588	323,904,819		0.59%	294,471,136	314,559,836
<b>Sub total</b>	(172,161,392)	(206,003,014)		19.66%	(183,085,899)	(218,595,718)
Less: Capital Budget – Funded from revenue	133,650,314	166,991,496		24.95%	130,843,000	159,385,105
<b>Sub total</b>	(38,511,078)	(39,011,518)		1.30%	(52,242,899)	(59,210,613)
Offsetting of depreciation	-	(9,000,000)		0.00%	-	-
<b>Balance Accumulated (Surplus)/Deficit</b>	(38,511,078)	(48,011,518)		24.67%	(52,242,899)	(59,210,613)

For Budget and plan, refer to the section on Financial Plan.

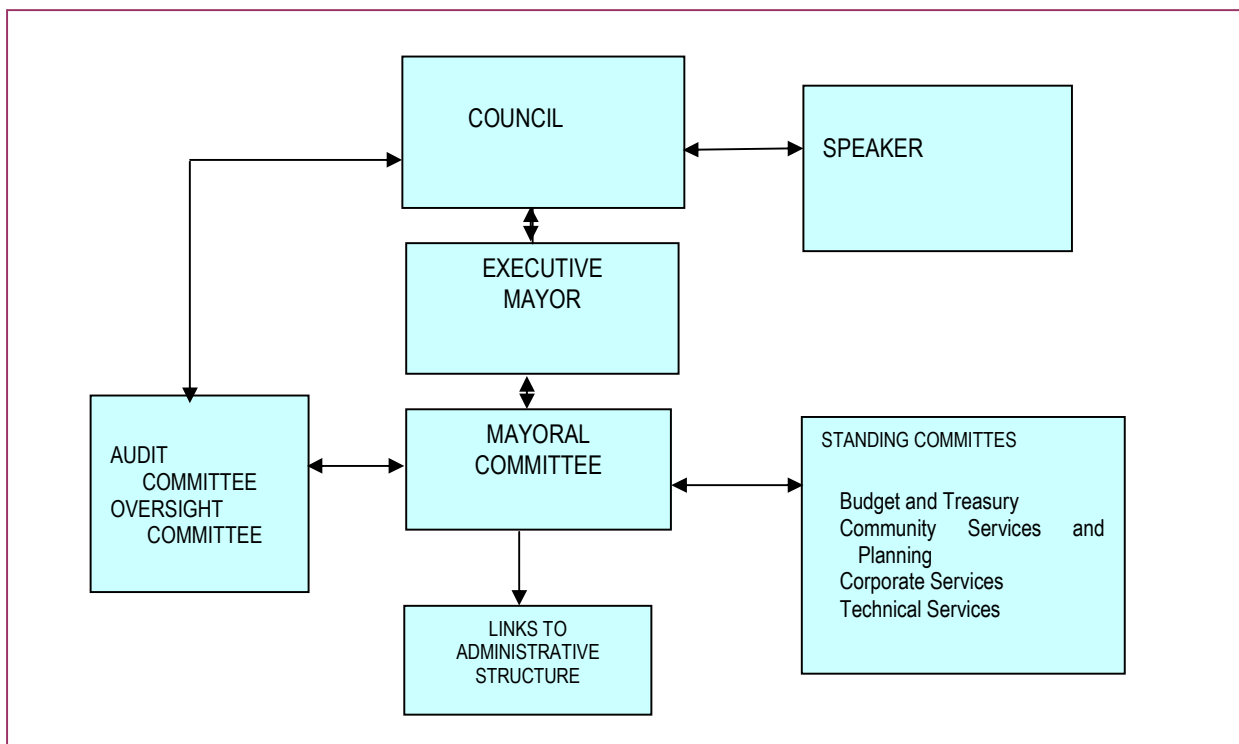
## 6 KPA 6: INSTITUTIONAL ARRANGEMENTS

### DISTRICT POLITICAL STRUCTURE

Joe Gqabi District Municipality is a category C municipality with four municipalities within its jurisdiction. The political structure is as follows:

**Table 29: Political structure**

Municipality	Mayors	Speaker	No of wards	No. of councilors	PR councilors
Joe Gqabi	Executive 1	1	None	13	10
Elundini	1	1	16	16	16
Senqu	1	1	16	16	16
Maletswai	1		6	6	6
Gariep	1		4	5	3



The district has a history of stable councils.

### 6.1 MANAGEMENT STRUCTURES AND SYSTEMS

The Council has an Executive Mayor and the following four standing committees:

- Finance Standing Committee;
- Community Services and Planning Standing Committee;
- Corporate Services Standing Committee; and
- Technical Services Standing Committee.

A meeting of top management (all the section 57 managers) occurs on a monthly basis. This meeting flows into the preparation of the agenda for the standing committees, which then flow into the Mayoral committee agenda, which flows into the Council agendas. The council meets quarterly excluding special councils, which meet as and when necessary. Standing committees meet monthly.

### DELEGATION FRAMEWORK

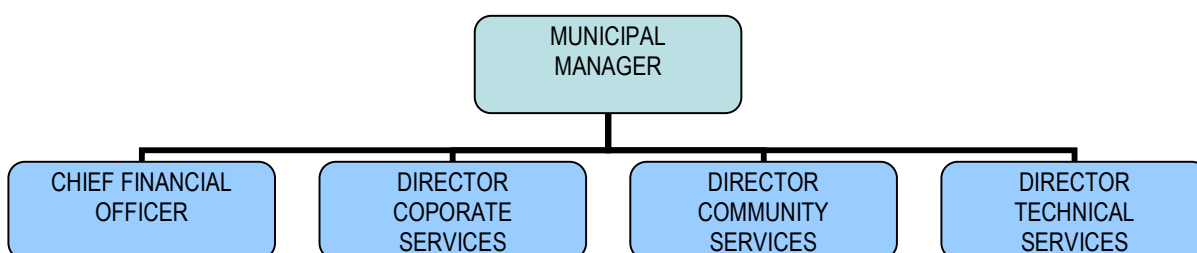
Joe Gqabi District municipality has a council adopted delegation framework which was adopted on the 26 November 2009. The framework covers the delegation of functions between the political and administrative arms of the institution.

## 6.2 ADMINISTRATIVE STRUCTURE

The administrative structure of Joe Gqabi District municipality is consisting of the municipal manager (the accounting officer) four directorates. The municipal manager and the directors have performance contract, which they have signed with the institution and are reviewed in line with the IDP. The draft organogram proposes a new directorate of strategic support services.

### HIGH LEVEL STRUCTURE

The administrative structure of Joe Gqabi District municipality is currently consisting of the municipal manager (the accounting officer) four directorates. The municipal manager and the directors have performance contract, which they have signed with the institution and are reviewed in line with the IDP.



A post has been created for a Manager in the office of the Municipal Manager to oversee the day to day functioning of those aspects that relate directly to the function of the municipal manager.

The local municipalities' high-level structure is developed in the same fashion as that of the District. This means all the LMs have Municipal Manager heading five directorates namely Corporate Services, Finance, Technical Services, Community Services and Strategic Support that is the section, which falls within the office of the Municipal Manager. The directorates are headed by Section 57 directors below them are various sections/units. For the detailed reviewed organizational structure, reference should be made to the approved organogram. The Detailed approved organogram is provided separately.

The local municipalities' high level structure is developed in the same fashion as that of the District. This means all the LMs have Municipal Manager heading five directorates namely Corporate Services, Finance, Technical Services, Community Services and Strategic Support, which is the section that falls within the office of the Municipal Manager. The directorates are headed by Section 57 directors below them are various sections/units.

## 6.3 POWERS AND FUNCTIONS

The JGDM is legislated to perform a number of functions. The core service delivery functions of the District municipality are water, sanitation, Municipal health Services, disaster management and transportation planning. In addition the District shares the responsibility on tourism, planning, and fire fighting with its local municipalities. The District is also responsible as per legislation for the provision of some District wide services (if applicable) such as District wide waste sites and abattoirs but as no such activities exist within the District and these functions are not being performed.

Additional powers and functions are allocated to the District municipality through service level agreements.:

- Roads is a function of the DoRT and through a service level agreement the District Municipality will provide a service in the Gariiep and Maletswai areas and regraveling in the rest of the District.
- Primary health care is a function of the Dept of Health which is regulated by a service level agreement. The district mainly provides services to the commercial farming communities across the district area as well as fixed clinics in Barkly East, Maclear and Ugie.

**Table 30: Powers and Functions of the Joe Gqabi and its Local Municipalities.**

<b>FUNCTION</b>	<b>JOE GQABI</b>	<b>ELUNDINI</b>	<b>MALETSWAI</b>	<b>SENQU</b>	<b>GARIEP</b>
Air pollution		Yes	Yes	Yes	Yes
Building regulations		Yes	Yes	Yes	Yes
Child Care facilities		Yes	Yes	Yes	Yes
Electricity reticulation					
<b>Fire Fighting</b>	<b>Yes</b>	Yes	Yes	Yes	Yes
<b>Local Tourism</b>	<b>Yes</b>	Yes	Yes	Yes	
Municipal airports		Yes	Yes	Yes	Yes
<b>Municipal Planning</b>	<b>Yes</b>	Yes	Yes	Yes	Yes
<b>Municipal Health Services</b>	<b>Yes</b>	Yes	Yes	Yes	Yes
Municipal Public Transport	<b>Regulation</b>	Yes	Yes	Yes	Yes
Pontoons and Ferries					
Storm water		Yes	Yes	Yes	Yes
Trading regulations		Yes	Yes	Yes	Yes
<b>Water (potable)</b>	<b>Yes</b>				
<b>Sanitation</b>	<b>Yes</b>				
Schedule 5 part b					
Beaches and amusement facilities		NO	NO	NO	NO
Billboards and the display of adverts in public places		Yes	Yes	Yes	Yes
Cemeteries, Crematoria and funeral parlors		Yes	Yes	Yes	Yes
Cleansing		Yes	Yes	Yes	Yes
Control of public nuisances		Yes	Yes	Yes	Yes
Control of undertakings that sell liquor to the public		Yes	Yes	Yes	Yes
Facilities for the accommodation, care and burial of animals		Yes	Yes	Yes	Yes
Fencing and fences		Yes	Yes	Yes	Yes
Licensing of dogs		Yes	Yes	Yes	Yes
<b>Licensing and control of undertakings that sell food to the public</b>		Yes	Yes	Yes	Yes
Local amenities		Yes	Yes	Yes	Yes
Local sport facilities		Yes	Yes	Yes	Yes
<b>Markets</b>		Yes	Yes	Yes	Yes
Municipal abattoirs		Yes	Yes	Yes	Yes
Municipal parks and recreation		Yes	Yes	Yes	Yes
<b>Municipal roads</b>	<b>Yes</b>	Yes	Yes	Yes	Yes
Noise pollution		Yes	Yes	Yes	Yes



FUNCTION	JOE GQABI	ELUNDINI	MALETSWAI	SENQU	GARIEP
Pounds		Yes	Yes	Yes	Yes
Public places		Yes	Yes		Yes
Refuse removal, refuse dumps and solid waste disposal		Yes	Yes	Yes	Yes
Street trading		Yes	Yes	Yes	Yes
Street lighting		Yes	Yes	Yes	Yes
Traffic and parking		Yes	Yes	yes	Yes
<b>ADDITIONAL FUNCTIONS PERFORMED</b>					
Licensing of vehicles		Yes	Yes	Yes	Yes
<b>Primary Health Care</b>	<b>Yes (Agent :DOH)</b>	No	Yes	Yes	Yes
<b>Road maintenance</b>	<b>Yes (Agent :DORT)</b>	Yes	Yes	Yes	Yes
Libraries		Yes	Yes	yes	Yes

#### 6.4 ROLE OF THE DISTRICT MUNICIPALITY

##### SUPPORT TO LOCAL MUNICIPALITIES

The District Municipality has provided technical and financial support in Community Based Planning, Legal Services, Information Technology, and technical assistance around water services management to local municipalities. The District municipality is also supporting in developing inclusive plans and policies such as public participation strategies, PMS strategies and LED plans for some municipalities. The District is in the process of commissioning a study aimed at assessing service delivery gaps and identifying the service delivery requirements of the local municipalities. This process is being conducted in partnership with the Development Bank of Southern Africa. This process is expected to culminate into the targeted support for the local municipalities which the District will utilize for sourcing funding. The District has further exposed three IDP managers to IDP training and PMS trainings as part of the broad skilling of local municipalities. The focus on the support to local municipalities in the 2010/11 financial year will be on improving audit reports.

##### COORDINATION OF ACTIVITIES IN THE DISTRICT AREA

The District has established IGR clusters (as explained under the governance section of the document). The municipality also coordinates through the development of higher level strategies such as LED strategies, waste plans etc which then are localised by the local municipalities. Efforts are made through the development of District strategies to also include sections for each local municipality so that the plans are easy to read and understand by the local municipalities.

It is important to note that the District does not see itself as a gatekeeper of the local municipalities and they are encouraged to develop linkages with outside bodies and funders. The District is also keen to see that funding goes direct to local municipalities (as per council resolution) or to where the implementation should take place. It has been identified that it is very difficult for the District to become the implementer of projects within local municipal areas as the local municipality has the contact with the ward committees and local structures. Therefore the District prefers to enter into service level agreements and transfer funding to local municipalities if it is relevant for them to implement the activity.

The District is also at present developing a District wide PMS so that there can be the monitoring of the coordinated activities across the District area.

**Table 31: Institutional Issues**

INSTITUTIONAL ISSUE	JOE GQABI	ELUNDINI	MALETSWAI	SENQU	GARIEP
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INSTITUTIONAL ISSUE	JOE GQABI	ELUNDINI	MALETSWAI	SENQU	GARIEP
Staff establishment	701	379	424	304	379
Vacancies and posts budgeted for	254	1449	12 (budgeted) 148	125	144
Filled Positions	362	235	276	179	235
	59%	62%	65	58	65
Salaries As a % Of Total Budget.	29.53 %	29.3%	30.77%		57%
Free basic Services	Yes	Yes	Yes	Yes	Yes
By Laws	Yes	Yes	Yes	Yes	Yes
Audit Committees	Yes	Yes	Yes	Yes	Yes
Revenue Collection	No	Yes	Yes	Yes	Yes
AFS	Yes	Yes	Yes	Yes	Yes
Budgets	Yes	Yes	Yes	Yes	Yes
Audit Reports	Yes	Yes	Yes	Yes	Yes
MFMA Compliance	Yes	Yes	Yes	Yes	
GRAP Compliance	Yes	No	No	No	In Progress
SCM Compliance	Yes	Yes	Yes	Yes	Yes
Asset Register	Yes	Yes	Yes	Yes	
MM	1	1	1	1	1
CFO	1	1	1	1	1
Section 57 Managers	4	4	4	4	4
Information Management System	Yes	Yes	No	Yes	No
Delegations	Yes	Yes	Yes	Yes	Yes
PMS	Yes	Yes	Yes	Yes	Yes
Skills Development Plan	Yes		Yes	Yes	Yes
Employment Equity Plan	Yes	Yes	Yes		Yes
Employee Assistance Programme	Yes	No	No	Yes	No
Occupational Health and Safety	Yes	Yes	Yes	Yes	Yes
Website	Yes	Yes	Yes	Yes	Yes
Communication Plan	Yes	Yes	Yes	Yes	Yes
Indigent Policy	Yes	Yes	Yes	Yes	Yes
HIV Aids Plan	Yes	Yes	Yes	Yes	Yes
Clusters	Yes				
Disaster Management Plan	Yes	N/A	N/A	N/A	N/A
Organizational Structure	Yes	Yes	Yes	Yes	Yes
Capital expenditure Budget	Yes	Yes	Yes	Yes	Yes
Operational Budget	Yes	Yes	Yes	Yes	Yes

## 6.5 HUMAN RESOURCE STRATEGY

The District Municipality has a Draft Human Resource Strategy. The Human Resource Development Strategy has been developed to support a holistic approach to human resource training and development in JGDM and to enable it to actualize its constitutional mandate of ensuring creation of jobs. The HRD Strategy aims at regulating the development of competencies of staff through Education, Training and Development. The following programmes serve as a guide for the type of programmes that could be instituted to address the problem of skills shortage in the district age among other activities learnership, skills programmes, voluntary internships, specialized training to support relevant sectors and local organizations. The strategy seeks to address the institutional requirements and challenges in the short, medium and long term. The

District Municipality has assessed its short to medium strategic and operational objectives (as contained in other sections of the IDP) and has developed an organogram which is believed would satisfy the functional needs of the institution. Joe Gqabi Joe Gqabi believes that it required a staff compliment of 701 to implement its functions. Job descriptions for all the positions have been developed.

It has been determined through the financial strategy that posts that are funded through grants will be contractual posts as well posts in environments where there is insecurity about the future need, future funding or ability to attract staff to the posts.

Joe Gqabi District municipality is working with the reviewed organogram which was adopted in March 2009 financial year and is reviewing it constantly. Joe Gqabi District Municipality is working with the DLGTA to reassess the implementation of the proposed organogram so that it is more realistic and related to the financial constraints of the institution. It is anticipated that once there is the restructuring of the water services function some of the financial constraints on the institution may be lessened but this will be assessed as part of the long term financial plan of the institution.

Currently the costing of the organogram is being undertaken and this may result in reduction in the size of the organogram. The PJEC process is likely to also result in some changes and from the experience of other municipalities in the area this seems to result in a reduction in post level and this may have positive impacts on the budget vs. organogram relationship.

Some areas of the organogram that are likely to change will be in the area of fire services as this is a shared function with local municipalities and their structures have not been taken into account ( mainly as they do not exist at this stage) and this may lessen the financial burden on the District Municipality.

In order to manage the financial impact of new posts, it is likely that the majority will be contract based posts so that the long term financial burden on the institution can be better managed.

Critical posts to be filled in the new financial year are in the areas of fire services, water and sanitation services, LED, Municipal Health Services, financial management, council support / auxiliary services, IDP / PMS, communication and risk management

The administration of is headed by the Municipal Manager (appointed in January 2007) and his appointment is formalized by an Employment Contract and an annual performance agreement. The top management consists of four Section 57 Managers that report directly to the Municipal Manager. The senior management team's strength lies in their versatility both in terms of skills and experience. The political and administration governance are driven by the same goals which has resulted in a close relationship between the two structures.

**Table: 32: Annual Staffing Levels 2003 – 2008 (Actual Results) (MDB Assessment 2008)**

MDB Code	Municipality	Employees 2003	Employees 2004	Employees 2005	Employees 2006	Employees 2007	Employees 2008	Employees 2009
DC14	Joe Gqabi	224	318	394	394	281	321	334
EC14 1	Elundini	164	146	138	132	158	235	246
EC14 2	Senqu	152	171	164	180	190	179	187
EC14 3	Maletswai	248	256	280	274	238	276	283
EC14 4	Gariep	199	181	161	204	215	235	241

The trend in annual staffing reflects the upwards and downward movements at the beginning and later in the years an increasing trend.

Current staff has many of the competencies to deliver on the municipality's mandate however there are a number of areas that need to be filled. It was identified during this past financial year that there was a large gap between the operational staff and the senior management and this impacted on supervision and management. The new organogram attempts to deal with this by ensuring that there is a spread of posts across post levels so that there can be upward mobility and better management of staff.

**Table 33: Proposed staffing Levels**

DIRECTORATE	PROPOSED STAFF COMPLIMENT (DEMAND)	CURRENT STAFF COMPLIMENT (SUPPLY)	% OF ORGANOGRAM CURRENTLY FILLED (RELATIVE TO DEPT)	% OF THE NEW ORGANOGRAM FILLED RELATIVE TO THE WHOLE ORGANOGRAM
OFFICE OF MM	39	14	36%	2%
CORPORATE SERVICES	48	18	38%	3%
TECHNICAL SERVICES	344	202	59%	33%
COMMUNITY SERVICES	158	69	44%	11%
BUDGET AND TREASURY	28	19	68%	3%

It has also been identified that there are some lower level essential staff that are on contract and that these should be converted to permanent posts so as to retain the skills in the institution.

There were no areas identified in the assessment of the organisational structure where staff was superfluous and as such issues such as retraining are not necessary to be considered. However efforts have been made to ensure that skills transfer takes place when external service providers are providing support to the institution so that there can be the ongoing growth of staff competency levels.

The draft employment equity plan for the 2009/10 financial year has indicated that there is a shortage of women and some racial groups in the makeup of the institution and this will therefore influence the type of HR demand for the MTEF period. There are currently 84% black, 6% coloured and 10% white staff members and of all staff employed 34% are women. There are also some areas where there are definite shortages of skills such as male health professionals and female technicians and engineers.

It must also be recognized that staff within the institution are also affected or infected by HIV and Aids and this is likely to amount to about 25% of the staff. Over time this may have an impact on the staffing of the institution and the turn over of staff.

Whilst it must be acknowledged that there are shortages of skills within the market generally, it must also be acknowledged that there are very specific challenges attached to sourcing specific work related skills within small towns, as compared with larger cities – where career opportunities for families as a whole may be far more prevalent.

Additionally, recruitment is not simply about the attraction of suitable staff. It is also about ensuring that staff is retained and every effort must be made to ensure that strong retention strategies are in place, in order to ensure that this occurs.

The following positions within Joe Gqabi are generally considered to be in short supply:

- Technical staff e.g. Technicians (all levels) within water and civil engineering.
- Artisans – within the fields of plumbing, welding, mechanical and operational environments.
- Municipal Town Planning (within civil engineering and town planning).
- Safety and Health Practitioners – within the areas of nursing, safety, pharmacy and HIV/AIDS.
- Information Technology

- Financial Management Skills

In terms of critical posts, all section 57 positions have been filled and this year within the Water Service Function, the Head Water Services provision, Water Quality Scientist, project technicians, Project Management Unit technicians were appointed.

While these represent generally accepted levels of scarcity nation wide, it must be reiterated that scarcity issues within JGDM are further exacerbated by the need to attract skilled personnel to the District especially as the municipalities is too more remote and is not necessarily in close proximity to large towns or cities. In this regard, what may not necessarily be regarded as a scarce skill nationally may be experienced as such locally due to the difficulties associated with attracting and retaining staff within this location.

From a skills competency basis, the DPLG Skills audit assessment undertaken of S57 managers at the end of 2008 places the District municipality in a higher competency level than most other Districts. Of the nine areas assessed the District had only 2% within the below basic area, 43% in the basic area, 48% in the intermediate area and 7% in the advanced area.

There is a gap of 254 between the current staff compliment and what is needed to effectively implement the IDP. This amounts only 46% of posts being filled. There is a significant concern that there are not the finances available to employ the staff needed in order to implement the functions of the institution effectively and as such good financial management and HR management is needed in the future to ensure that there are the funds to spend and that the existing staff are efficient and effective in the work environments. Skills gaps and audit have also been identified in the Workplace Skills Plan as well as the Employment Equity plan

#### **WORKPLACE SKILLS DEVELOPMENT PLANNING**

The institution has a Work Skills Development Plan in place. Joe Gqabi District Municipality submitted a Work Skills Plan annually to the LGSETA, and the 10/11 Work Place Skills plan is place awaiting submission on 30 June 2009. The plan identifies training needs aligned to the scarce skills and IDP implementation processes. The Work Place Skills plan also addresses the scarce skills. The scarce skills in this District mainly revolve around technical, planning, financial and municipal health issues.

Joe Gqabi District Municipality has a skills development unit whose role is to provide accredited tuition, trainings and workshops to employees of all municipalities, councilors and the community members. This service is provided with due adherence to the Skills Development Act No. 97 of 1998, Employee Equity act No 55 of 1998 , and South African Quality Assurance Act No. 58 of 1995.

The following trainings have been undertaken within the municipality in an attempt to improve the programme implementation, monitoring and evaluation. The trainings have focused on councilors, senior management and the staff. Members of the public have also been trained on entrepreneurship skills. The District municipality has the following learnership programmes for community skills development:

- IT Security Management, Contract Management, Policy development Training Protocol & Body Guard, OHS Training, EAP Programme, Bricklayers/Plumbing, GAMAP, MFMA, Project Management, IDP, Asset Management, CPMD section's 57, Small Business Entrepreneurship, Records Management, Law Enforcement, Local Government &Municipal &Admin, Policy development, HIV/Aids integrated development, Training on Principles of Payroll & Leave Modules, Leadership & management Skills Programme, and Learnerships on Finance and Administration, New Venture Creation , Farm and plant production.
- The members of the public, councilors and officials and were trained through these programmes. Capacity building is of vital importance to the institution but funding the trainings has always been a challenge. The other challenge is scarcity of locally based trainers. The terrain does not attract most trainers and skilled people. Despite the challenges JGDM is offering some bursaries.

### **EMPLOYMENT EQUITY PLANNING**

Joe Gqabi District Municipality addresses the Employment Equity requirements through continuous assessment and improvement in employment equity and provides reports on constant improvements to the council and the department of labor. Departments within the municipality are required to align themselves with employment equity and as such recruitment processes are monitored in line with the employment equity requirements. The employment equity report is being submitted for perusal. The District municipality acknowledges the need to develop a comprehensive employment equity report and as soon as the resources become available this plan will be developed.

### **RECRUITMENT, SELECTION AND APPOINTMENT POLICY**

Joe Gqabi has a council approved recruitment selection and appointment policy. The overall aim of the recruitment, selection and appointment process is to attract, obtain and retain people with required competencies at minimum cost in order to satisfy the Human Resources needs of the Council. The policy is aimed at giving effect to the Affirmative Action Policy Principles and adheres to the Employment Equity Act and the Labour Relations Act 66 of 1995. The policy covers fair and equitable recruitment, recruitment processes, recruitment procedure, selection and appointment process, as well as screening

### **CODES OF CONDUCT AND ENFORCEMENT**

The institution adheres to the codes of conduct for municipal officials and councilors. It also implements the disciplinary code of practice as defined by the South African Local Government Bargaining council. These codes of conduct are signed by new employees and placed in their personnel files. Discipline is done in line with the SALGBC process and sanctions are implemented as recommended either through line function disciplinary processes or through formal disciplinary processes where hearings are held. Most disciplinary matters relate to absenteeism.

There is concern in the wider public about the process undertaken when an official is suspended. No such incident occurred in Joe Gqabi during the past year. The institution implements this sanction if it is suspected that his presence would affect availability of evidence or the investigations to be conducted. Such a person is usually suspended with immediate effect with full pay or without pay depending on the seriousness of the offence and usually without notice.

### **SCARCE SKILLS AND RETENTION STRATEGY**

The scarce skills and retention policy for JGDM has been in existence since council approval on 27 September 2008. The Policy Purpose is to provide suitable incentives and recognition to staff in order to facilitate the provision of a working environment which is conducive to meeting the needs of staff and which will ensure that required talent is sourced, acknowledged and retained.

### **SUCCESSION PLANNING**

The incumbent and immediate Supervisors/Managers are required to identify skills gaps and gaps in experience in order to determine the necessary steps to be taken, which will ensure that these incumbents achieve the necessary skills and experience necessary, to be able to be eligible for future positions of this nature. Formal Personal Development Plans are established and incorporated into the Performance Management System thereby ensuring every effort is made towards realizing these aspirations and potential.

### **EMPLOYEE ASSISTANCE PROGRAMME**

The municipality as an employer is committed to look after the physical, emotional, psychological and social well being of its employees. To this end an Employee Assistance Programme (EAP) was established in HRM to provide support to employees. The proposed organogram also provides a dedicated person to assist with the implementation of this function.

### **OCCUPATIONAL HEALTH AND SAFETY**

The District municipality is committed to the safety of all its customers and employees and considers that in all circumstances safety is critical to the well being of its customers and employees. It is the aim of the policy to prevent as far as possible any accident or injury to customers or employees. On the other hand the

District Municipality believes that it is the personal duty of every employee to avoid injury to customers, to themselves and to others and to bring to the attention of the management any potential hazard that may exist. The District will strive at all times to improve safety conditions and handling methods in consultation with its customers and employees. This will be achieved through adherence to policy Occupational safety and health policy imperatives. The District municipality has an Occupational Health and Safety Policy in place. Within the organisational structure the HR manager is the designated Occupational Health and Safety officer and further to that within the technical services department there is a dedicated post for OHS related to the implementation of capital infrastructure projects.

#### **ORGANIZATIONAL PMS**

The OPMS is in place and is being implemented (see **SECTION E: PMS**) The OPMS is aligned with annual IDP and annual plan indicators. The PMS is currently only implemented at the level of S57 managers and is being cascaded to lower levels within the institution. Currently the institution up to the level of sectional head is being assessed through their SDBIP reports provided on a quarterly basis. The new organogram provides for two posts specifically to assist with the management of the organisational PMS. The organogram provides for the appointment of two PMS officers the appointment will take place before the end of April.

The performance agreements were signed by all section 57 managers and the municipal manager. Performance reporting is taking place on a monthly quarterly and annually. This is adherence to the reportable items section 72 and 73 reports quarterly and annual reports. Performance reviews in terms of the strategic score cards are being adhered to. The district score card has been adopted while the strategic (organizational score card) is being implemented. The process of cascading the PMS to the individual employees ( individual score cards) has been initiated.

The draft 2008/9 annual performance report was compiled and tabled with the Annual financial statements in August 2009. This was also attached to the draft Annual Report tabled to council on the 28 January 2010. Was submitted for section 46 & 47 reporting during the same month 2010.

#### **HR STRUCTURES TO SUPPORT LABOUR RELATIONS**

At the District Municipality the Local Labour Forum has been established in terms of the bargaining council agreement. It meets on monthly basis. District has two unions operating, South African Municipal Workers Union (SAMWU) and IMATU. These unions are also present in all the local municipalities. In both cases there are no full time shop stewards and this impacts on the work of staff within the executive of the union (who also tend to be key staff members in terms of the municipalities) as they are required to attend to union matters during working hours.

#### **LEGAL SERVICES**

The institution has a legal services section which is forms part of Corporate Services Directorate. The section composed of Manager legal services, legal services practitioner, and legal services clerk. This is the section that deals with the development of contracts, service level agreement and checking legal compliance, monitoring the progress of litigations, provides legal advice to council. The litigations are dealt with by external service providers while the internal legal services section monitor progress of litigations. Three bylaws have been developed published and adopted namely the Water, Fire and Transport bylaws. Three litigation cases are being dealt with.

#### **WORKPLACE HIV AND AIDS POLICY**

A Workplace HIV and Aids Policy is being revised and developed into a Workplace HIV and AIDS plan so that action can support the implementation of the policy. The HIV and AIDS unit together with the HR section are working on this document at present. These documents will then localise the Multi sectoral HIV and Aids strategic plan for the District area into a document suitable for the municipality as an institution.



## **HUMAN RESOURCE POLICIES**

The following policies have been developed to improve the management of the institution:

Recruitment and Selection Policy, IT Policy, Overtime, Relocation, Health and Safety, Harassment policies, Alcohol and Drug, Working Hours policy, Attendance Register Policy, Gifts and Gracia Policy, Rent Subsidy policy, Promotion and transfer policy, Employee Assistance Policy, Standby Policy, Subsistence and travel, Uniform and protective clothing, Supply Chain Management Policy. This is not an exhaustive list of the policies available for the better management of the institution. The Human Resource policies are reviewed on an annual basis and during the 2009/10 financial year the policies are also being assessed by the DLGTA support team so as to ensure that all gaps and cross referencing is compliant and congruent.

## **6.6 INFORMATION MANAGEMENT**

### **IT SYSTEMS**

IT systems in place are as follows:

- Financial Systems, Payroll System, document management system, GIS System Application, Productivity suite ( both open source and propriety software)
- Antivirus system, Internet Access Management and Control system, Website (Content management system)
- Costing System, Calendaring, File sharing, Backup systems
- Security System (network access control system),
- Intrusion detection system, IT Disaster recovery system

An IT disaster recovery plan is preparation and it is proposed that an IT Master Plan be undertaken in the new financial year. This plan will assess the suitability of the current systems for the size, function and responsibility of the institution, its expected growth or change over time and then within this context develop plans to ensure maximum efficiency and effectiveness of the IT system.

The IT systems are where possible is open source systems.

The new organogram is proposing more staff for the IT unit so that there can be greater separation of functions between the IT systems management and the IT user support

In terms of the 2009 adjustment budget an amount was allocated for the purchase of a new server system, as IT was experiencing two key problems

- That the disk space required to maintain an effective backup system was insufficient to cater to the needs of the Municipality.
- A diverse infrastructure in terms of Operating System availability was required in order to cater to the needs of those departments that had procured systems that required a Microsoft Windows Server infrastructure to function.

To this end a Server with an external storage system was procured. This included VMWare virtualisation infrastructure software. This allowed the Municipality to leverage the use of the new and more advanced hardware systems in a more efficient manner.

This virtualised server environment has now has been configured to:

- Manage 1 Microsoft Windows 2003 servers
  - Technical Services MIG reporting software
  - Sophos Antivirus corporate edition
- Manage 2nd Microsoft Windows 2003 servers
  - Terminal server services
- Manage 1 Linux Server
  - Internet Mail services
  - Internet website services
  - Intranet web services
- Manage a 2nd Linux Server

- Internal network security services
- Internet proxy management services
- User accounting services (in terms of internet access)

An offsite server infrastructure was procured from MWEB. This server is located on the MWEB network infrastructure and serves the following function

- Offsite backups of the data from the Financial and HR systems.

This offsite storage of critical data is required in case of a catastrophic or similar occurrence that would make the Joe Gqabi server infrastructure unavailable.

Out of office connectivity requirements

- 3g solution was procured from internet Solutions in order to supply the required connectivity options to Municipal employee's that were required to work out of office. This in order that communications could be facilitated for those staff that required this service.
- This service was preferred as a management option accompanied the data bundles, where user level management of data usage can be monitored and controlled.

Security Software procured

- Sophos Antivirus corporate solutions was procured and installed as a solution to control the virus problems experienced by the users of MS Windows as an OS.

In terms of the Municipalities Statutory obligations this IT infrastructure allows the Municipality to comply with all legislative requirements:

- The keeping of financial records
- HR management
- Financial reporting
- The production of all statutory reports etc

Please note that a decision has been taken that it is a requirement that ISO 26300 is to be implemented as a working document standard.. The Municipality is making an attempt at compliance however this is being hampered by other government entities that do not comply, as well as consultants working for the Municipality that do not comply.

During the year under review, the following issues were identified as needing attention.

#### **IT STEERING COMMITTEE**

The institutions IT management structures required an IT Steering committee. This led to the formation of the Ukhahlamba DM IT SteerCom, consisting of the directors of each department and the IT Manager of the Institution.

Municipal Manager

- Chief Financial Officer
- Community Services and Planning
- Technical Services
- Corporate Services
- IT Manager

This Steering Committee is tasked with the overall responsibility for overseeing IT planning and development. This in order that all the institutions IT needs can occur in a co-ordinated fashion and serve the best interests of the Municipality, while taking into account the need to comply with other level of governments policy and developmental requirements.

#### **IT POLICY AND PLANS**

The Institutions IT policies continue to be developed in line with the changing needs of the Municipality taking into account the growth and development of the systems, that are required for adequate management of the various functions of departments within the Municipality.

The absence of a Master Systems Plan for future IT development in the Municipality was considered a concern, and approaches were made to the Nelson Mandela Metropolitan Universities (NMMU) IT

Governance specialists in order to identify and suggest improvements to the IT governance structures of the Municipalities IT infrastructure. This required that a budget be sourced before the appointment of these specialist could go ahead.

#### **INTERNAL IT SYSTEMS**

Financial System. ABAKUS Financial System distributed by Fujitsu South Africa. Due to the negative reports that were received from both auditors Internal Auditors and Council it was decided that an investigation would be embarked upon to evaluate the offering in the market place. The area's of concern that have been raised are

- The inadequate segregation of duties. The Fujitsu Representative that was contracted to service the Municipality was granted unlimited rights within the financial system and as such no oversight could be instituted.
- The statutory reporting to Council and other institutions could not be verified as a large percentage of these reports were exported out of the system to a spreadsheet where it would be possible to edit without trace.
- The system is not completely integrated with various modules requiring a further step of "integration" before the balances reflect correctly. This leads to errors in the accounting system that must be corrected by the passing of large numbers of journals. Further casting doubt on the veracity of the final statements.
- No procurement module is available for the system.
- No management tools are integrated into the system that will allow management overviews of the current status of various critical financial indicators
- Bank, Creditor, and Debtor reconciliation's are not done in the system.
- The asset register is not held and managed in the system.
- The Human Resources system (PayDay) while adequate in function for HR purposes, does not integrate with ABAKUS, and again journals must be manually passed in order to reflect the transactions generated by PayDay

The investigation would be required to take into consideration all the following points raised by the relevant parties and attempt to fully address the issues raised in order that a comprehensive system could be identified that would provide a credible accounting structure for the Municipality.

- Adequately meet the requirements for Generally Accepted Accounting Practices
- Ensure that adequate separation of duties could be implemented
- Manage the Asset register within the financial system.
- Ensure bank reconciliation's could be managed in a satisfactory manner
- Manage an electronic procurement system.
- Ensure integration of any modules that may be used by other departments eg: HR module
- Allow the Municipality to extract data if required to pass through to external systems in order that this process could be automated and not done on a manual basis or vice versa

To this end funding for such a change would be required and investigations to this end have commenced.

#### **IT DISASTER RECOVERY AND DATA PRESERVATION**

It has been noted that an offsite storage system was required in order that system backups could be stored on a site that is remote from Ukhahlamba DM. This so that the risks associated with loss due to any disaster may be mitigated by the distance between the sites.

To this end a remote offsite server was procured from MWEB. This server is located in the MWEB secure server room in Johannesburg. This server is completely under the control of the Ukhahlamba IT management, with no access from anyone that is not authorised. All reasonable measures have been put in place so that data that resides on this server will not be compromised. All critical data is transferred to this server on a weekly basis, where it remains for as long as is required.

## **6.7 STAKEHOLDER PRIORITIES**

Priority issues as raised by stakeholders across the municipality over the past few years include the following issues. These priorities should be addressed by all in the community.

### **STIMULATION OF THE ECONOMY:**

- Sustainable employment creation linked with skills training, and mentorship
- Plugging the leaks in the local economy
- Establishment of cooperatives
- Access to credit and banking services
- Business support services
- Marketing of the District
- Co-ordination, integration and alignment of budgets to enable comprehensive environmental planning that can stimulate economic growth
- Bringing marginalized groups into the mainstream of the economy;
- Diversification of the economy and broadening of the tax-base (develop clear strategies to deal with informal economy: hawkers);
- Focus areas: Agriculture (livestock improvement, agro-processing), Tourism (transformation and development), Labour-based programmes, Small and Medium business development (by-laws and support), Forestry.

### **SKILLS DEVELOPMENT**

- Increase skills levels especially among women, youth and the disabled
- Lack of access to further education
- Lack of technical skills e.g. engineers etc, as well as the retention of skills
- Focus skills development in areas of potential economic and social development
- Improve coordination between the Seta's

### **ENVIRONMENTAL PROTECTION**

- The natural environment must be taken into account in all stages of project cycles
- Environmental sustainability must be taken into account.
- Efforts be made to conserve and rehabilitate land, biodiversity and historic places
- The protection of the environment is key to the economic growth of the area
- Waste Management, food hygiene, cleanliness and health safety should receive attention

### **ECONOMIC INFRASTRUCTURE**

- Access to telecommunication services especially in remote areas
- Facilities to support economic development, including among others, agricultural infrastructure, hawker shelters, taxi facilities, airfields, SMME business premises, etc
- Fast-tracking the pace of electricity connections especially in rural areas
- Maintenance of electricity reticulation.
- Access to safe reliable water supplies
- Water for irrigation and agriculture
- Exploring alternative methods of service delivery
- State of streets in urban areas
- State of provincial trunk and main roads both tarred and gravel
- State of access roads in rural areas
- The need for the reclassification of roads
- The provision of accessible roads, especially to all social facilities and also, to the areas of high economic potential;
- The co-ordination of road maintenance, functional integration and alignment of budgets and programmes; and
- Emphasis on roads in the Elundini and Senqu municipal areas.

#### **WATER AND SANITATION PROVISION ACROSS THE DISTRICT:**

- Eradication of the bucket system
- Provision of potable water
- Improved Operation and Maintenance of all water and sanitation schemes;
- Extension of water services to those areas where there is a high risk of waterborne disease
- Provision of improved sanitation where there are currently bucket systems or dense rural communities;
- Drought relief
- Recovery of payment for services
- Sourcing of additional funds in order to meet targets

#### **SOCIAL INFRASTRUCTURE**

- Facilities to support social development including among others sports fields, housing, libraries, clinics, hospices, schools etc
- Accessibility to basic facilities by the elderly and disabled
- Maintenance of social facilities such as clinics and schools
- Exploring alternative methods of service delivery

#### **ADDRESSING OF SOCIAL ISSUES**

- Mainstreaming of HIV and AIDS issues in a holistic manner, taking into account the dimensions of poverty, health, prevention and effective treatment of disease
- Land Reform; including commonage issues, acquisition of land for black farmers (particularly women), and land claims;
- Welfare services especially in support of people accessing Identity Documents and social grants
- Provision of adequate sporting opportunities and facilities
- Facilities or systems development for the care of elderly, orphans, vulnerable children and youth;
- Safety and security issues, addressing crime and the prevention of disasters;
- Ensure the social plight of women, youth and disabled receive attention and that programmes are responsive to their needs;
- Protection of the socio-economic rights of residents (as defined in the constitution, including housing, healthcare, food, water, social security, education and just administrative action);
- Effective response to disasters
- Improvement of health services to all communities.
- Retraining and attracting qualified professionals especially doctors, nurses and teachers

#### **BUILDING OF PARTNERSHIPS AND RELATIONS AND IMPROVING COOPERATION AND COORDINATION**

- Co-ordination of sector department activities, functional integration and alignment of budgets and programmes;
- Streamlining of programmes between government departments so that the impact on the ground is larger
- Realignment of some government departments and community activities to fit the District boundary (e.g. Department of Justice and Constitutional Affairs and Correctional Services)
- Co-ordination of other District municipalities activities, functional integration and alignment of budgets and programmes;
- Co-ordination of local municipality activities, their functional integration into District-wide systems and alignment of budgets and programmes between the local municipalities;
- Functional integration of specific interest groups into municipal affairs
- Support and capacity building to the four local municipalities.
- Building of partnerships with external organisations especially in the areas of economic development.
- Use of joint ventures to enable local organisations to partner with other larger external partners when procuring

### **ACCESS TO INFORMATION**

- Improved communications from government
- Improved communication between spheres and sectors of government
- Improved awareness by communities around programmes being implemented

### **INSTITUTIONAL CAPACITY DEVELOPMENT**

- Improve systems and processes to support local government and the way communities operate
- Organisational restructuring of government to address the priority needs
- Financial efficiency of government improved to facilitate conduits for flows of money
- Build better customer relationship with the public, government and other stakeholders
- Improve the way in which government money is being spent to maximize its impact.
- Increase the proportion of women, youth and disabled being employed in government
- Support the development of District wide organisations
- Increase the ability of government to deliver on its mandates
- Improve the capacity which traditional leaders and designated groups

### **DEMOCRATIC GOVERNANCE**

- Support for the improvement of democracy and Local Government leadership;
- Improve the ethics used in management and governance
- Improve skills in governance.
- Improved understanding of developmental local government
- More participation in affairs of government by communities
- Stronger political drive in implementation of programmes

### **COMMUNITY BASED PLANNING RELATED PRIORITIES**

Public and community participation processes achieved through Community Based Planning have revealed that the communities within the Districts have the following needs/priorities.

The priorities with direct impact on the District Municipality are as follows:

1. Water and sanitation
2. Economic development
3. Access to information
4. Roads
5. Rural development
6. General development of women, youth and disabled
7. Health Services
8. Fire response
9. Disaster management response
10. Ward committee functioning
11. Environmental management
12. Urban Regeneration

### **OUTREACHES TO COMMUNITIES MARCH 2010**

Concerns raised during the outreach that had impact on the district include:

- Water and sanitation – quality, availability, reliability, plans for future years
- Repairs of disaster struck houses
- Lack of drugs, ambulance services, and clinic staff
- Community work programme implementation challenges
- Contractor management and supervision
- Distance to fire services
- Support for ward committees
- Support to local municipalities

**“An improved quality of life for all residents”**





## C SECTION: MISSION

“Fight poverty through stimulating the economy and by meeting basic needs, improving service delivery quality and capacitating government and communities within a sustainable environment.”



The mission is shown diagrammatically as reflected above

### 6.1 VALUES OF JOE GQABI DISTRICT MUNICIPALITY

The Joe Gqabi District Municipality will adhere to the following values:

- Integrity
- Honesty,
- Teamwork,
- Communication,
- Perseverance,
- Competence

### 6.2 ALIGNMENT TO KEY NEW NATIONAL STRATEGIES

#### RURAL DEVELOPMENT STRATEGY

“Sustainable growth and development for improved quality of life ”

Strategy is based two goals and six objectives, which give rise to six pillars namely:

Goal 1: Socio-economic and ecological development and transformation of rural areas

Objective 1: Implement agrarian reform programmes

Objective 2: Increase the rate of implementation of the land reform programme

Objective 3: Create decent jobs through farm and non-farm employment outside urban areas. The strategic priorities of this pillar are agro-processing, forestry, marine and aqua-culture, tourism, and LED and small scale industry

Objective 4: Fast track development of social and economic infrastructure

Objective 5: Growing the agricultural sector, ensure household food security for all and contribute significantly to national food security

Goal 2: Enabling institutional environment for rural development

Objective 6: Create necessary institutional capacity to implement the rural development strategy

The main pillars on which the RDS rest are Land Reform; Agrarian Transformation and Food Security; Non-Farm Rural Economy; Infrastructure, Social Protection and Enabling Environment, Institutions, Capacity and Resources. Given the social, political, ecological and economic situation in the Eastern Cape and South Africa rural development should address the following issues

- (a) Ownership: rural development should contribute to changing the ownership patterns of natural resources and assets, particularly land. However, transformation should not be limited to ownership, but also the relations of production.
- (b) Employment: Rural development interventions should be aimed at creating decent and sustainable jobs or interventions that enable people to generate an income that is equal or more than what they would have earned in the labour market.
- (c) Poverty and inequality: Rural development should aim to end the reproduction of racial and class inequality in rural areas.
- (d) Social development and basic rights: As a minimum, the strategy should aim to meet the constitutionally granted rights of people in rural areas. Rural development needs to be anchored on social and human development in its broadest sense, where people live dignified lives.
- (e) Entrepreneurship and beneficiation: Rural development should have a particular focus on local beneficiation and value-add. The vision of rural development is not one of concentrated ownership, value extraction and a mass of labourers. Rural economies are made up of both farm and non-farm economies as well as multi-faceted livelihoods strategies.
- (f) Natural resource access, use and management: Who controls, uses and distributes natural resources are central questions in rural development and should be addressed by a rural development strategy.
- (g) Organization and mobilization: Rural development should address the process of de-mobilisation of people that has taken part due to dispossession and oppression. The organization or re-organisation of people and communities through democratic processes is essential for any process of rural development. The state should facilitate partnerships and create an enabling environment for development to take place. Community institutional reconstruction programmes with high level of organization should be encouraged and supported by the state, for example cultural heritage, sport and recreation activities.

#### ALIGNMENT OF THE RURAL DEVELOPMENT STRATEGY AND THE IDP

Rural Development Strategy	IDP
Vision	Vision
Sustainable growth and development for improved quality of life	Improved quality of life for all
<p>Comment on the alignment: Both strategies reflect on improved quality of life but the Rural Strategy brings in the element of sustainable growth which while implied in the IDP is not as clearly defined.</p>	
<p>Goal1: Socio-economic and ecological development and transformation Goal2: Enabling institutional environment for rural development</p>	<p>Mission: Fight poverty through stimulating the economy, meeting basic needs, improving service delivery quality and capacitating government and communities</p>
<p>Comment on the alignment A diagrammatic depiction of the mission shows it within the context of the environment. The mission has therefore been recommended to be amended to include the words, " within the context of sustainable environmental development".</p> <p>The 2 goals of the RDS can be seen reflected in the Mission of the IDP through the element "fight poverty through stimulating the economy, meeting basic needs" and through the more detailed objectives that talk specifically to the transformation of the socio-</p>	

<p>economic environment.</p> <p>The goal in the RDS of an enabling institutional environment for rural development aligns somewhat to the element of the mission “capacitating government and communities”. It is also further reflected in the more detailed objectives.</p>	
<p>Objective 1: Implement agrarian reform programmes</p> <p>Objective 2: Increase the rate of implementation of the land reform programme</p> <p>Objective 3: Create decent jobs through farm and non-farm employment outside urban areas . The strategic priorities of this pillar are agro-processing, forestry, marine and aqua-culture, tourism, and LED and small scale industry</p> <p>Objective 4: Fast track development of social and economic infrastructure</p> <p>Objective 5: Growing the agricultural sector, ensure household food security for all and contribute significantly to national food security</p> <p>Objective 6: Create necessary institutional capacity to implement the rural development strategy</p>	<p>To increase agricultural production and related potentials to maximise economic opportunities of the District by 2011  To increased participation of previously disadvantaged people in agricultural sectors by 2011  To improved long range planning for agriculture and related sectors by 2011</p> <p>To expand afforestation where economically and environmentally optimal in the district by 2011  To improved long range planning for timber by 2011  To increased participation of previously disadvantaged people in the timber and related sectors by 2011  To increase the economic spin-offs from forestry and timber related activities</p> <p>To increased tourism through maximising potentials of the district area  To improved long range planning for the growth of tourism and related sectors  To increase participation of previously disadvantaged people in the tourism and related sectors</p> <p>To improve road infrastructure and related facilities to support the economic and social requirement of the district by 2011  To develop electricity to meet the basic needs of communities  to proactively plan for future transport and electrification infrastructure requirements so as to create an enabling environment for growth</p> <p>To reduce backlogs in water and sanitation by 2011  To improve water and sanitation quality and continuity of services to residents  to proactively plan for future water and sanitation needs of the district so as to improve the quantity and quality provided</p> <p>to focus on the improvement of delivery of core powers and functions of local government  to improve waste collection and disposal across the district area by 2011  to eradicate informal settlements by 2014  to expand municipal services to rural nodes by 2011</p> <p>Increase in the number of programmes/ projects being implemented using the principles of the extended public works programmes (EPWP) in the District by 2011  Improving basic service delivery and infrastructure investment by provincial and national government  improved service delivery quality in education, health, social development and public works programmes so as to meet national targets  To halt and begin to reverse the spread of HIV/Aids by 2014;</p> <p>Strengthening Good Governance, Community Participation and Ward Committee Systems in local government</p>

	<p>Improvement in the Financial Viability and Financial Management of local government;  Refining the local government policy environment and giving more attention to enforcement of the law  Improved human resource of local government by 2011  Improved human resource and capacity development among communities  Improved operation of pro-poor economic organisations to adequately represent their membership and engage with other stakeholders by 2011  Local government to obtain clean audit reports by 2011</p>
<p>Comment on alignment:  There is a clear alignment between the 6 objectives of the RDS and the objectives of the IDP especially as the IDP reflects on the economic priorities of Agriculture, forestry and tourism as well as infrastructure development and institutional capacity development of local government. It is the opinion of the District Municipality that the IDP links and supports the direction of the Rural Development Strategy.</p>	

## **IMPLEMENTATION OF THE RURAL DEVELOPMENT STRATEGY**

The Rural Development Pilot of Ukhahlamba District Municipality has identified Elundini Local Municipality in Ward 6 Three villages have been identified namely:

- Mqokolweni,
- Siqungqwini
- and Lower Sinxako.

The programme will incorporate Agrarian transformation and food security, infrastructure, social and human development, non farm rural economy and land reform. The focus will be on agriculture, agro processing, construction and linkages to forestry and tourism sectors.

### **6.3 LOCAL GOVERNMENT TURNAROUND STRATEGY**

The Local Government Turnaround Strategy (LGTAS) launched in January 2010 has five key strategic objectives of the LGTAS, namely:

- a) Ensure that municipalities meet the basic service needs of communities
- b) Build clean, effective, efficient, responsive and accountable local government
- c) Improve performance and professionalism in municipalities
- d) Improve national policy, oversight and support
- e) Strengthen partnerships between local government, communities and civil society

### **IMPLEMENTATION FRAMEWORK**

The LGTAS is 'everybody's business.' This refers to each sphere of government, working both vertically and horizontally, and with key stakeholders, to realize the objectives of the LGTAS. This means that detailed intergovernmental reporting will be required for the immediate pre-2011 and post 2011 implementation.

The implementation will comprise of the following:

- A Short term focus up to March 2011
- A Medium term focus March 2011 to 2014

#### **Immediate: pre-2011**

- a) Address immediate financial and administrative problems in municipalities
- b) Regulations to stem indiscriminate hiring and firing
- c) Ensure & implement a transparent municipal supply chain management system
- d) Strengthen Ward Committee capacity & implement new ward committee governance model
- e) National and provincial commitments in IDPs

- f) Differentiated responsibilities and simplified IDPs (agreement with each municipality on the ideals scope of functions to be provided and how best the State can support service delivery through intergovernmental agency arrangements).
- g) Funding and capacity strategy for municipal infrastructure (funding and capacity strategy for municipal infrastructure in rural areas including extending MIG grant to 2018 and utilising annual allocations to municipalities for repayment of loans in order to accelerate delivery)
- h) Intergovernmental agreement with metros on informal settlement upgrade including alignment of MIG (Cities) and Housing Subsidy grants
- i) Review and rearrange capacity grants & programmes, including Siyenza Manje support for a more effective support and intervention programme including Rapid Response Teams and Technical Support Units
- j) Upscale Community Works Programme to ensure ward based development systems;
- k) Implement the Revenue Enhancement – Public Mobilisation campaign
- l) Launch the “good citizenship” campaign, focusing on governance values to unite the nation and mobilize involvement in local development affairs
- m) Preparations for next term of local government inspire public confidence including commitment by political parties to put up credible candidates for elections.

**Post 2011 priorities:**

- a) A single election for national, provincial and local government (benefits: single manifesto, one financial year, single public service, common 5 yr medium term planning, aligned human resource and budgeting frameworks)
- b) All citizens must have access to affordable basic services
- c) Eradication of all informal settlements
- d) Clean cities, through the management of waste in such a way that it creates employment and wealth
- e) Infrastructure backlogs should be reduced significantly
- f) All schools, clinics and hospitals and other public facilities have access to water, sanitation and electricity;
- g) Each of the wards has at least one sporting facility
- h) Each municipality has the necessary ICT infrastructure and connectivity
- i) All provinces and municipalities should have clean audits
- j) Violent service delivery protests are eliminated
- k) Municipal debt is reduced by half
- l) Empowered and capacitated organs of people’s power (Street, Block / Section, Village & Ward Committees)
- m) Trained and competent councillors, traditional leaders, officials, Ward Committee members, CDW’s and community activists

**ALIGNMENT BETWEEN THE LOCAL GOVERNMENT TURN AROUND STRATEGY AND THE IDP**

<b>ALIGNMENT BETWEEN THE LOCAL GOVERNMENT TURN AROUND STRATEGY AND THE IDP</b>	
<b>Local Government Turn Around Strategy</b>	<b>IDP</b>
Vision	Vision
Functional local government	Improved quality of life for all
<p>Comment on the alignment: Both visions look at an improvement from the current circumstances to the future</p>	
<p><b>ENSURE THAT MUNICIPALITIES MEET THE BASIC SERVICE NEEDS OF COMMUNITIES</b></p> <p>Build clean, effective, efficient, responsive and accountable local government Improve performance and professionalism in municipalities Improve national policy, oversight and support Strengthen partnerships between local government, communities and civil society</p>	<p>Mission: Fight poverty through stimulating the economy, meeting basic needs, improving service delivery quality and capacitating government and communities</p>
<p>Comment on the alignment The IDP mission aligns to the meeting basic needs goal of the TAS. Improving service delivery quality aligns to the statements of improved performance and professionalism in municipalities as well as to the goal to build clean, effective, efficient, responsive and accountable local government Capacitating government and communities aligns to the strengthening of partnerships between local government communities and civil society.</p>	
<p>Immediate: pre-2011 Address immediate financial and administrative problems in municipalities Regulations to stem indiscriminate hiring and firing Ensure &amp; implement a transparent municipal supply chain management system Strengthen Ward Committee capacity &amp; implement new ward committee governance model National and provincial commitments in IDPs Differentiated responsibilities and simplified IDPs (agreement with each municipality on the ideals scope of functions to be provided and how best the State can support service delivery through intergovernmental agency arrangements). Funding and capacity strategy for municipal infrastructure (funding and capacity strategy for municipal infrastructure in rural areas including extending MIG grant to 2018 and utilising annual allocations to municipalities for repayment of loans in order to accelerate delivery) Intergovernmental agreement with metros on informal settlement upgrade including alignment of MIG (Cities) and Housing Subsidy grants Review and rearrange capacity grants &amp; programmes, including Siyenza Manje support for a more effective support and intervention programme including Rapid Response Teams and Technical Support Units Upscale Community Works Programme to ensure ward based development systems; Implement the Revenue Enhancement – Public Mobilisation campaign Launch the “good citizenship” campaign, focusing on</p>	<p>To increase agricultural production and related potentials to maximise economic opportunities of the District by 2011 To increased participation of previously disadvantaged people in agricultural sectors by 2011 To improved long range planning for agriculture and related sectors by 2011</p> <p>To expand afforestation where economically and environmentally optimal in the district by 2011 To improved long range planning for timber by 2011 To increased participation of previously disadvantaged people in the timber and related sectors by 2011 To increase the economic spin-offs from forestry and timber related activities</p> <p>To increased tourism through maximising potentials of the district area To improved long range planning for the growth of tourism and related sectors To increase participation of previously disadvantaged people in the tourism and related sectors</p> <p>To improve road infrastructure and related facilities to support the economic and social requirement of the district by 2011 To develop electricity to meet the basic needs of communities to proactively plan for future transport and electrification infrastructure requirements so as to create an enabling</p>

<p>governance values to unite the nation and mobilize involvement in local development affairs Preparations for next term of local government inspire public confidence including commitment by political parties to put up credible candidates for elections.</p> <p>Post 2011 priorities: A single election for national, provincial and local government (benefits: single manifesto, one financial year, single public service, common 5 yr medium term planning, aligned human resource and budgeting frameworks) All citizens must have access to affordable basic services Eradication of all informal settlements Clean cities, through the management of waste in such a way that it creates employment and wealth Infrastructure backlogs should be reduced significantly All schools, clinics and hospitals and other public facilities have access to water, sanitation and electricity; Each of the wards has at least one sporting facility Each municipality has the necessary ICT infrastructure and connectivity All provinces and municipalities should have clean audits Violent service delivery protests are eliminated Municipal debt is reduced by half Empowered and capacitated organs of people's power (Street, Block / Section, Village &amp; Ward Committees) Trained and competent councillors, traditional leaders, officials, Ward Committee members, CDW's and community activists</p>	<p>environment for growth</p> <p>To reduce backlogs in water and sanitation by 2011 To improve water and sanitation quality and continuity of services to residents to proactively plan for future water and sanitation needs of the district so as to improve the quantity and quality provided</p> <p>to focus on the improvement of delivery of core powers and functions of local government to improve waste collection and disposal across the district area by 2011 to eradicate informal settlements by 2014 to expand municipal services to rural nodes by 2011</p> <p>Increase in the number of programmes/ projects being implemented using the principles of the extended public works programmes (EPWP) in the District by 2011 Improving basic service delivery and infrastructure investment by provincial and national government improved service delivery quality in education, health, social development and public works programmes so as to meet national targets To halt and begin to reverse the spread of HIV/Aids by 2014;</p> <p>Strengthening Good Governance, Community Participation and Ward Committee Systems in local government</p> <p>Improvement in the Financial Viability and Financial Management of local government; Refining the local government policy environment and giving more attention to enforcement of the law Improved human resource of local government by 2011 Improved human resource and capacity development among communities Improved operation of pro-poor economic organisations to adequately represent their membership and engage with other stakeholders by 2011 Local government to obtain clean audit reports by 2011</p>
<p>Comment on alignment: The priorities in the TAS are at a mixed level, at times a project level and at times a high level objective. Despite this there is a clear alignment between the IDP and the TAS. The IDP however focuses on a wider range of activities than just those of the TAS and more detail is included in the IDP activity lists and the SDBIP.</p>	



## TAS IMPLEMENTATION PLAN

PRIORITY	INTERVENTION
Ward Committee strengthening	DPLG to provide stipend and funding for training
Water Infrastructure backlogs and refurbishment	strategy on how to access unspent infrastructure funds from National Treasury . Assistance required to access the Regional BIG from DWA.
Supply chain is under staffed and this results in supply chain processes being too lengthy and delay the implementation processes. Municipal funding needs to be increased. Bulk infrastructure is in need for upgrade and refurbishment	National Treasury should review and streamline SCM processes in order to accelerate service delivery
Access to Free Basic Water 26.4% Access Free Basic Sanitation 30%Inaccessibility of electricity is major concern in rural areas of Elundini and Senqu	More funds will be requested from National Treasury to deal with both Free Basic Water and Free Basic Sanitation backlogs.
Establishment of Disaster Management Centres	An additional R3 million is required to enable the projects to be carried out. (Min MIG)
The uncertainty regarding the recognition of Water and Sanitation assets	Appoint an asset manager to coordinate all aspects of assets
GRAP compliant Asset register	Funds to be made available for Valuer by DLGTA, DWA, DBSA

STATUS QUO	TARGET	CHALLENGES	MUNICIPAL ACTION
Households having access to water are 42186 (64.2%) out of 65609 hh 34379 (52.4% ) households with access to sanitation out of 65609 hh	Target for December 2010 is 12111 and for June 2011 its 3600 hh. The target for Dec 2010 is 3500 and also for Jun 2011 its 3500	Supply chain is under staffed and this results in supply chain processes being too lengthy and delay the implementation Processes. Municipal funding needs to be increased. Bulk infrastructure is in need for upgrade and refurbishment	Appoint more people to capacitate the section. Investigating other avenues of sourcing funding. Investigating other avenues of sourcing funding
Total no. of h/h 65 609 Total no. of indigent hh – 57 244 No. of Indigent H/H accessing Free Basic Water – (FBW) 17 320 No. of Indigent H/H accessing Free Basic Sanitation –(FBSan.) 19 683	Annual targets for Dec 2010 and June 2011 which is 15 % for both FBW – 9 841 FBSan -9841	Lack of an FBS unit and dedicated personnel Inaccurate Indigent register. Struggling with cleansing and verification of Indigent data. Communities are not yet aware of FBS. Lack of infrastructure to roll out FBS	Meanwhile the FBS unit is not established, ISD officials are currently dealing with the management of FBS. DM is also planning to fine tune their organogram to accommodate for FBS personnel. ISD officials are currently conducting FBS awareness raising campaigns in communities. The municipality will look for other sources of funding.

## **D SECTION: STRATEGIC OBJECTIVES**

Based on agreeing on the future vision for the District and the quantification of this vision into high-level targets, the strategy for how to achieve the vision was determined. This strategy is closely aligned to the Provincial Growth and Development Plan as well as to the District economic potentials identified. It also takes into account all the priority issues.

The strategy for development in Joe Gqabi is based on six key elements. Three are strongly connected to the economy, while and three are connected as a support for the growth of the economy. Economic growth forms the basis for the development strategy of the Joe Gqabi area. The goal is to change the economic direction of the District, to bring in more investment to the area. This will have an impact on poverty through retention of existing job opportunities as well as the creation of an environment in which new investments can occur, so more jobs can be created. The intervention looks at the District economy as a whole rather than micro focuses on projects. For this to work there needs to be cooperative effort focused on key areas of potential. The economy is not based on only one sector, department or sphere but a collective effort by all.

In order to stimulate the District economy to fight poverty and increase economic benefits, there needs to be a supportive environment. This will be achieved through supporting existing business and helping the establishment of new community-based enterprises. For this to happen, Municipalities will have to focus on increasing economic development support capacity, coordinating economic effort, District marketing, and facilitating access to funding.

It is emphasized that poverty eradication will only be achieved through a coordinated effort focused on the outstanding District opportunities in the agriculture and tourism sectors. Land reform and productive land programmes, skills and mentorship are fundamental to achieving this strategy.

The objectives set out in the PGDP form overarching targets that guide the strategic goals for the development of Joe Gqabi District Municipality.

Based on a comprehensive analysis of the District (Section B) and the Strategic Goals and Objectives (Section E), the District has designed eight "Priority Programmes" to drive growth and development in the District over the next five to ten years. These priority programmes were endorsed by all the social partners at the Growth and Development Summit held in February 2007 as well as in subsequent public meetings

The eight priority programmes are

- Agriculture Programme: Aims to improve livelihoods of emerging and subsistence farmers.
- Timber Programme : Aims to create new jobs through new afforestation and timber processing
- Tourism Programme : Aims to grow the tourism industry
- Water and sanitation Programme: Aims to eradicate backlogs in line with national targets
- Municipal Services Upgrading Programme: Aims to improve municipal services to create sustainable human settlements, particularly in the seven new rural nodes.
- Social Safety Net Programme: Aims to support the poorest, through EPWP, home gardens etc
- Linkages Programme: Access Aims to improve roads and access to electricity and ICT, to support Economic development.
- Governance Programme: Aims to improve Government's performance, particularly in supporting economic development and improving service delivery (Co-ordination, health, education etc).

These are summarized with the objectives on the next page.

**Table 33: High level Strategy, Priority Programmes and High level Objectives**

<b>high level strategy</b>	<b>priority programmes</b>	<b>high level objectives</b>
<p><i>Vision of Joe Gqabi</i>  <b>Improved quality of life for all residents</b>  <i>Mission</i>  <b>“Fight poverty through stimulating the economy and by meeting basic needs, improving service delivery quality and capacitating government and communities.”</b></p>	<b>Agriculture</b> (stimulate the economy, improve service delivery quality, capacitate government and communities)	To increase agricultural production and related potentials to maximize economic opportunities of the District by 2011. To increased previously disadvantaged persons participation in agricultural sectors by 2011. To improved long range planning for agriculture and related sectors by 2011.
	<b>Forestry</b> (stimulate the economy, improve service delivery quality, capacitate government and communities)	To expand afforestation where economically and environmentally optimal in the District by 2011. To improved long range planning for timber by 2011. To increased previously disadvantaged persons participation in the timber and related sectors by 2011. To increase the economic spin-offs form forestry and timber related activities.
	<b>Tourism</b> (stimulate the economy, improve service delivery quality, capacitate government and communities)	To increased tourism through maximizing potentials of the District area To improved long range planning for the growth of tourism and related sectors. To increase previously disadvantaged persons participation in the tourism and related sectors.
	<b>access and linkages</b> (basic needs, improved quality of services, capacitate local government and communities)	To improve road infrastructure and related facilities to support the economic and social requirement of the District by 2011. To develop electricity to meet the basic needs of communities. To proactively plan for future transport and electrification infrastructure requirements so as to create an enabling environment for growth.
	<b>Water and Sanitation</b> (basic needs, improved quality of services, capacitate local government and communities)	To eliminate backlogs in water and sanitation by 2014 To improve water and sanitation quality and continuity of services to residents. To proactively plan for future water and sanitation needs of the District so as to improve the quantity and quality provided.
	<b>Municipal services upgrade.</b> (basic needs, improved quality of services, capacitate local government and communities)	To focus on the improvement of delivery of core powers and functions of local government. To improve waste collection and disposal across the District area by 2011. To eradicate informal settlements by 2014. To expand municipal services to rural nodes by 2011.
	<b>social safety net</b> (basic needs, improved quality of services, capacitate local government and communities)	To halt and begin to reverse the spread of HIV/Aids by 2014. Improving basic service delivery and infrastructure investment by provincial and national government. Improved service delivery quality in education, health, social development and public works programmes so as to meet national targets. Increase in the number of programmes/ projects being implemented using the principles of the extended public works programmes (EPWP) in the District by 2011.
	<b>governance and administration</b> (improved quality of services, capacitate local government and communities)	Strengthening Good Governance, Community Participation and Ward Committee Systems in local government. Improvement in the Financial Viability and Financial Management of local government. Refining the local government policy environment and giving more attention to enforcement of the law. Improved human resource of local government by 2011. Improved human resource and capacity development among

<i>high level strategy</i>	<i>priority programmes</i>	<i>high level objectives</i>
		communities
		Improved operation of pro-poor economic organizations to adequately represent their membership and engage with other stakeholders by 2011.
		Local government to obtain clean audit reports by 2011.

## E SECTION: DEVELOPMENT STRATEGIES

Within the context of the Vision, Mission and Strategic Objectives, the municipality has developed strategies to address these. The information below is only focusing on the high level processes of the District Municipality. Some of these matters have been significantly simplified since the review of the previous year because of the some activities being fairly low level. Only high level issues are now contained in these strategies. This does not mean the information from the previous years is lost rather those become reflected in more low level action plans within the institution.

In order to maintain the linkage to the priority programmes and high level objectives, these have been included here again at the top of each section. The programmes and sub programmes and then the indicators of action directly relate to these issues.

As an improvement to the IDP of last year, only the high level indicators of action are included here as previous IDPs included too many low level administrative issues that were now found to be pertinent to the desired output.

### 1 KPA1: SPATIAL DEVELOPMENT

The detail of these development strategies are contained within the section dealing with the SDF in the situational analysis and parts are also cross cutting within the other KPAs.

### 2 KPA 2: BASIC SERVICE DELIVERY

**Table 35: Basic Service Delivery (access and linkages)**

Priority programme	high level objective
access and linkages	To improve road infrastructure and related facilities to support the economic and social requirement of the District by 2011
	To develop electricity to meet the basic needs of communities
	to proactively plan for future transport and electrification infrastructure requirements so as to create an enabling environment for growth
programme name ( KPA)	Indicators of action
road maintenance	Compliance with SLA with DoRT
transport planning	status of review of transport plan

**Table 35b: Basic Service Delivery (water and sanitation)**

Priority programme	high level objective
Water and Sanitation	To eliminate backlogs in water and sanitation by 2014
	To improve water and sanitation quality and continuity of services to residents
	to proactively plan for future water and sanitation needs of the District so as to improve the quantity and quality provided
programme name ( KPA)	Indicators of action
water management	% water quality compliance of tested water with SANS 241 for e.coli
water management	Number of blue drops achieved
water management	Operation and maintenance of bulk water and sanitation treatment plants to achieve compliance with SANS 241 for drinking water quality and effluent
water management	operation and maintenance of all waste water services
water management	operation and maintenance of all water services
water management	Develop a baseline of water loses for the water system in each of the towns
water management	Development of a district water and sanitation refurbishment master plan
water management	Development of a district wide bulk infrastructure master plan to guide investment

water management	Development of Standard Operating Procedures for water management
water management	Development of water safety plans the water system in each of the towns.
water management	Development of a repairs and maintenance programme for all water and sanitation assets
water management	%of households with access to basic level of water
water management	% of households with access to basic level of sanitation
water management	Annual reviewal of the Water Services Development Plan as required by the Water Services Act
water management	Monitor service providers for water and sanitation services for compliance with technical, legal and financial aspects as per the SLA
water management	Compliance with the SLA for Working for Water as per the National financial year.
water management	Compliance for the SLA for Working for Wetlands as per the National financial year.
water management	Reviewal of the community infrastructure development plan (CIP)
infrastructure planning	% expenditure of MIG funds as per the National financial year.
infrastructure development	% water quality compliance of tested water with SANS 241 for e.coli

**Table 36: Basic Service Delivery (Municipal Services upgrade)**

Priority programme	high level objective
Municipal services upgrade.	to focus on the improvement of delivery of core powers and functions of local government
	To improve waste collection and disposal across the District area by 2011
	to eradicate informal settlements by 2014
	to expand municipal services to rural nodes by 2011
<b>programme name ( KPA)</b>	<b>Indicators of action</b>
fire services	status of the development of fire plans
fire services	Development of a programme to enforce fire bylaws and implement fire bylaws
disaster management	Number of disaster simulation excercises and awareness programmes held
disaster management	Status of development of a district disaster risk management plan
disaster management	reconstruction of houses affected by disaster
intergovernmental relations	establishment of a interdistrict disaster management forum
municipal health services	Number of formal urban waste sites that were evaluated for which a monthly updated evaluation report was issued to relevant role-players / stakeholders.
municipal health services	Number of formal food premises (FP) with a certificate of acceptability (CoA)
municipal health services	Number of Formal Food Premises that were evaluated using the standardised evaluation tool that received an investigation report that was reported to the relevant role-players / stakeholders.
municipal health services	Number of hawkers receiving health and hygiene training
municipal health services	Number of public facilities monitored on a regular basis
municipal health services	Implement systems to improve data management in the Municipal Health Services section

**Table 37: Basic Service Delivery (Social Safety Net)**

Priority programme	High level objective
social safety net	To halt and begin to reverse the spread of HIV/Aids by 2014;
	Improving basic service delivery and infrastructure investment by provincial and national government
	improved service delivery quality in education, health, social development and public works programmes so as to meet national targets
	Increase in the number of programmes/ projects being implemented using the principles of the extended public works programmes (EPWP) in the District by 2011
<b>programme name ( KPA)</b>	<b>Indicators of action</b>
primary health care	compliance with the PHC SLA
asset management	Implement a PHC large asset renewal / renovation / extension programme
HIV and Aids	% attainment of implementation of the District wide HIV and Aids strategy activites planned for the year
Job creation	the number of jobs created through municipality's local, economic development initiatives including capital projects
Job creation	Number of job opportunities created through formal EPWP capital projects

### 3 KPA 3: LOCAL ECONOMIC DEVELOPMENT

**Table 38: Local Economic Development**

Priority programme	high level objective
Agriculture	To increase agricultural production and related potentials to maximize economic opportunities of the District by 2011.
	To increased black participation in agricultural sectors by 2011.
	To improved long range planning for agriculture and related sectors by 2011.
Forestry	To expand afforestation where economically and environmentally optimal in the District by 2011.
	To improved long range planning for timber by 2011.
	To increased black participation in the timber and related sectors by 2011.
Tourism	To increase the economic spin-offs form forestry and timber related activities.
	To increased tourism through maximizing potentials of the District area.
	To improved long range planning for the growth of tourism and related sectors.
programme name ( KPA)	To increase black participation in the tourism and related sectors.
	<b>sub-programme</b>
	<b>Indicators of action</b>
social and economic development	status of implementation of agricultural plan ( actions defined for the year)
social and economic development	status of implementation of forestry sector plan ( actions defined for the year)
alternative service delivery models	status of establishment of development agency
social and economic development	status of preparation of district cooperative and SMME strategy development
social and economic development	Status of implementation of the tourism strategy ( actions defined for the year)
social and economic development	% expenditure of funds on planned marketing as contained in the tourism marketing strategy
skills development	status of roll out of mentoring and capacity building programme for new and emerging businesses in all sectors
stakeholder mobilisation	The number of the economic forums - tourism, agricultural, forestry, trade, construction, cooperatives meeting at least 4 times a year

### 4 KPA 4: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

**Table 39: Good Governance and public participation (Governance and Administration)**

Priority programme	High level objective
GOVERNANCE AND ADMINISTRATION	Strengthening Good Governance, Community Participation and Ward Committee Systems in local government.
	Improvement in the Financial Viability and Financial Management of local government.
	Refining the local government policy environment and giving more attention to enforcement of the law.
	Improved human resource of local government by 2011.
	Improved human resource and capacity development among communities.
	Improved operation of pro-poor economic organizations to adequately represent their membership and engage with other stakeholders by 2011.
	Local government to obtain clean audit reports by 2011.
<b>Programme name ( KPA)</b>	<b>Indicators of action</b>
integrated planning	status of reviewal of the Integrated development plan
integrated planning	Source resources to develop: waste management plan, biodiversity plan, air quality plan and electrification plan
integrated planning	status of the mid year performance and budget review
integrated planning	status of development of the high level SDBIP
integrated planning	Status of the annual report
integrated planning	implementation of District wide PMS
integrated planning	status of institutional annual performance report
communications and	% implementation of communication strategy



marketing		
communications and marketing	and	development of a centralised system of events management
communications and marketing	and	% compliance of the website with legal prescriptions
communications and marketing	and	% development of a complaints mechanism for community concerns
communications and marketing	and	% implementation of annual district awards
communications and marketing	and	% expenditure on the DM marketing and branding
communications and marketing	and	% development of a Service Delivery Charter
intergovernmental relations		% functioning of IGR systems including DIMAFU, DSTG, Clusters, DM/LM working groups
stakeholder mobilization		Number of meetings of the Traditional leaders forum
intergovernmental relations		Number of meetings of the tri-district alliance
intergovernmental relations		establishment of a interdistrict disaster management forum
stakeholder mobilization		% expenditure of budget on public participation
stakeholder mobilization		% expenditure of funding set aside for ward committee development
Audit		programme developed to support local municipalities to improve their audit reports
Audit		% implementation of risk assessment
Audit		% of scheduled meetings of the audit committee sitting
Audit		% of scheduled meetings of the performance audit committee sitting
Audit		% implementation of the audit action plan and audit strategy
Audit		% development and implementation of a fraud prevention plan
stakeholder mobilization		% expenditure of budgets for HDI groups
stakeholder mobilization		% development of a mainstreaming plan and policy
stakeholder mobilization		% establishment of an SPU monitoring and coordination forum

## 5 KPA 5: FINANCIAL MANAGEMENT AND VIABILITY

Table 40: Financial Management and Viability (Governance and Administration)

Priority programme	High level objective
<b>GOVERNANCE AND ADMINISTRATION</b>	Strengthening Good Governance, Community Participation and Ward Committee Systems in local government
	Improvement in the Financial Viability and Financial Management of local government;
	Refining the local government policy environment and giving more attention to enforcement of the law
	Improved human resource of local government by 2011
	Improved human resource and capacity development among communities
	Improved operation of pro-poor economic organizations to adequately represent their membership and engage with other stakeholders by 2011
	Local government to obtain clean audit reports by 2011
<b>programme name ( KPA)</b>	<b>Indicators of action</b>
audit	% attainment of a clean audit
	Respond to all internal & external audit enquiries and implement all recommendations within 30 days or give explanation why additional time is needed
financial management	preparation of annual financial statements
financial management	Enter into an MFMA compliant SLA with Water service providers
Monitor and control the municipality's budget and management accounts	the percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan
	status of development of a budget
	Submission of Budget and IDP Process Plan
	the percentage of households earning less than R1100 per month with access to free basic services
	% of allocated operating budget spent year to date, excluding staff costs



	Submission of Section 71 Reports
	Budget Control & monitoring systems implemented
	Installation of new Financial Systems and software
	Submission to Council of Quarterly Withdrawals
	Implementation of monthly grant reconciliations
	Development of Investment Strategy
	Ensure a 3 month cash backup
	number of activity based costed business plans for sections within the municipality
	% compliance with the finance turn - around strategy
	Report on the implementation Priorities MFMA
	Management of Investment accounts on a monthly basis
Manage Revenue	debt coverage ratio
	outstanding service debtors to revenue ratio
	cost coverage ratio
	Review of Financial Policies
	Conduct a review of the Tariff Policy by 30 June 2011 and submit via the Portfolio Committee to EXCO and Council for approval.
	Conduct a review of the Investment and Cash Management Policy by 30 June 2011 and submit via Portfolio Committee to EXCO and Council for approval
	Conduct a review of Credit and Debt Control Policy by 30 June 2011 and submit via Portfolio Committee to EXCO and Council for approval
	Submit monthly Grant reports on all DORA reportable grants received to the CM within 10 days after receipt of payment from National Treasury
	% development of a revenue enhancement strategy focusing but not only being limited to the water function
Control Expenditure	payment of valid invoices within 30 days of receipt of a valid tax invoice as well as monthly salary payments
	Report to Council on Staff Benefits on legislated timeframes
	Submit annual review report on the Supply Chain Management policy by 30 August 2010 and submit via the Portfolio Committee to Exco and Council for approval
	Submit annual review report on the Fixed Asset Management policy to the Portfolio Committee by 30 June 2011
	Submit quarterly SCM reports to the Portfolio Committee within 30 days of end of each quarter.
	Ensure submission of annual stock count report to Portfolio Committee by 30 August 2010. (2009/10 financial year)
	vat review
Assets and insurance	% establishment of an integrated asset management system for the institution
	Capture all water and sanitation assets on an integrated asset management system
	determine fair value of all assets
	% compliance of asset register to GRAP standards
	Appoint a new Insurance broker by 30 June 2011

## **KPA 6: MUNICIPAL TRANSFORMATION**

**Table 41: Municipal Transformation (Governance and Administration)**

Priority programme	High level objective
<b>GOVERNANCE AND ADMINISTRATION</b>	Strengthening Good Governance, Community Participation and Ward Committee Systems in local government
	Improvement in the Financial Viability and Financial Management of local government;
	Refining the local government policy environment and giving more attention to enforcement of the law
	Improved human resource of local government by 2011
	Improved human resource and capacity development among communities

	Improved operation of pro-poor economic organizations to adequately represent their membership and engage with other stakeholders by 2011
	Local government to obtain clean audit reports by 2011
<b>programme name ( KPA)</b>	<b>Indicators of action</b>
organisational development	% of critical vacant positions filled
organisational development	status of performance agreements of section 57 managers
skills development	% expenditure of the training/skills budget spent
skills development	Number of learnerships in the institution
skills development	% expenditure on the training budget for councillors
skills development	% expenditure on the mayoral bursary fund
skills development	% submission of Workplace Skills Implementation Plan
organisational development	status of development of a human resource development plan
organisational development	% compliance with the employment equity plan in the 3 highest levels of management
organisational development	% submission of Employment Equity report to Department of Labour
employee assistance	status of review of a workplace aids plan
organisational development	% implementation of institutional PMS
employee assistance	% development of an employee wellness programme
organisational development	Resolution of all transfers of staff for the water function
organisational development	Resolution of all transfers of staff for the municipal health services function
organisational development	Resolution of provincialisation matters relating to primary health
asset management	Buildings maintenance and renovations programme developed for satellite offices
organisational development	% improvement in compliance with the OHSA
employee assistance	% development of feasibility study on staff rental accommodation
asset management	extend the DM main office building to accommodate staff needs
council support	number of council meetings sitting
legal services	MHS bylaws gazetted
information technology	status of development of a comprehensive IT strategy
information technology	% completion of an audit of ICT environment in each municipality
information technology	IT compliance -- for audit purposes
information technology	IT renewal and capital replacement strategy developed and implemented
information technology	Number of meetings of the IT steering committee
organisational development	% development of in Institutional Disaster risk strategy
organisational development	Development of a consolidated institutional Standard Operating Procedures file
organisational development	% Submission of Human Resources Policies
organisational development	% Review of efficiency of implementation of Human Resources SOP's
organisational development	% Submission of leave report to internal departments
organisational development	% review of delegation frameworks
asset management	% review of security of depots and council buildings
legal services	% submission of report to Mayco on compliance with labour legislations
legal services	% disciplinary cases dealt with successfully
legal services	% litigations handled successfully
legal services	development of a compliance framework as per MFMA and other legislated guideline

legal services	Review all municipal policies on a an annual basis
council support	number of tracking reports of the implementation of Mayco/concil resolutions
council support	% compliance with archives act
council support	% review of archives procedures and processes

## F SECTION: PRIORITY PROGRAMMES AND PROJECTS

### 1 JOE GQABI DISTRICT PROJECTS

The tables below reflect the projects, the implantation plan as well as the targets. The projects with specific budgets (usually from a grant source) are indicated. This could also be construed as the low level SDBIP and may change according to the operational requirements of the institution.

**Table 42: Priority Programmes and Projects**

IDP Objective (*)	Project number	programme	indicator of performance (output indicator)	budget 2010/2011	budget 2011/2012	budget 2012/2013
<b>KPA 1: Local Economic Development</b>						
<p>To increase agricultural production and related potentials to maximise economic opportunities of the District by 2011.</p> <p>To increased previously disadvantaged participation in agricultural sectors by 2011.</p> <p>To improved long range planning for timber by 2011.</p> <p>To increased previously disadvantaged participation in the timber and related sectors by 2011.</p> <p>To increased tourism through maximising potentials of the district area.</p> <p>To improved long range planning for the growth of tourism and related sectors.</p> <p>To increase previously disadvantaged participation in the tourism and related sectors.</p>	LED01	Job creation	the number of jobs created through municipality's local, economic development initiatives including capital projects	2,400,000		
	LED02	Job creation	Number of job opportunities created through formal EPWP capital projects			
	LED03	supply chain management	% of tenders awarded to HDIs under R1million			
	LED04	supply chain management	% of tenders awarded to HDIs over R1million			
	LED05	supply chain management	Reports to National Treasury and Council in line with the regulations and Section 74 of the MFMA on Supply Chain			
	LED06	supply chain management	Transformation of the SCM system to support SMME development and encourage suppliers to plough back to the community	1,436,000	This is a part allocation of the Thina Sinako funding. The rest is allocated under the finance department. We are still awaiting ECDC signing their commitment of R2750000	
	LED07	supply chain management	Number of supplier awareness programmes being implemented			
	LED08	supply chain management	Implement a supplier contract management performance system by March 2011			
	LED09	Job creation through LED strategy implementation	status of implementation of agricultural plan ( actions defined for the year)	\$\$\$	This is a part allocation of budget allocation for LED programme implementation which amounts to R2500000	

IDP Objective (*)	Project number	programme	indicator of performance (output indicator)	budget 2010/2011	budget 2011/2012	budget 2012/2013
(*) The IDP objectives for economic development are broad and not necessary in the control of the municipality. The indicators of performance relate to the municipality creating an enabling environment for economic development	LED10	Job creation through LED strategy implementation	status of implementation of forestry sector plan ( actions defined for the year)	\$\$\$	This is a part allocation of budget allocation for LED programme implementation which amounts to R2500000	
	LED11	Job creation through LED strategy implementation	Reports from development agency in line with the MFMA	3,000,000		
	LED12	Job creation through LED strategy implementation	status of preparation of district cooperative and SMME strategy development	\$\$\$	This is a part allocation of budget allocation for LED programme implementation which amounts to R2500000	
	LED13	Job creation through LED strategy implementation	Status of implementation of the tourism strategy ( actions defined for the year)	2,267,611	This includes grant allocations for various Thina Sinako Projects as well as budgets for marketing	
	LED14	Job creation through LED strategy implementation	status of planned roll out of mentoring and capacity building programme for new and emerging businesses in all sectors	\$\$\$	This is a part allocation of budget allocation for LED programme implementation which amounts to R2500000	
	LED15	Job creation through LED strategy implementation	The number of the economic forums - tourism, agricultural, forestry, trade, construction, cooperatives meeting at least 4 times a year	400,000		
	<b>KPA 2: Service Delivery</b>					
To improve water and sanitation quality and continuity of services to residents	SD01	water management	% water quality compliance of tested water with SANS 241 for e.coli			
	SD02	water management	Number of blue drops achieved			
	SD03	water management	Operation and maintenance of bulk water and sanitation treatment plants to achieve compliance with SANS 241 for drinking water quality and effluent			
	SD04	water management	operation and maintenance of all waste water services	38,356,239	41,975,659	45,139,361
	SD05	water management	operation and maintenance of all water services	84,472,372	80,859,517	86,144,852
	SD06	water management	Develop a baseline of water loses for the water system in each of the towns			
	SD07	water management	Development of a district water and sanitation refurbishment master plan			

IDP Objective (*)	Project number	programme	indicator of performance (output indicator)	budget 2010/2011	budget 2011/2012	budget 2012/2013
	SD08	PMU	Development of a district wide bulk infrastructure master plan to guide investment			
	SD09	water management	Development of Standard Operating Procedures for water management			
	SD10	water management	Development of water safety plans the water system in each of the towns.			
	SD11	water management	Development of a repairs and maintenance programme for all water and sanitation assets			
To reduce backlogs in water and sanitation by 2011	SD12	water management	%of households with access to basic level of water			
	SD13	water management	% of households with access to basic level of sanitation			
to proactively plan for future water and sanitation needs of the district so as to improve the quantity and quality provided	SD14	water management	Annual reviewal of the Water Services Development Plan as required by the Water Services Act			
	SD15	water management	Monitor service providers for water and sanitation services for compliance with technical, legal and financial aspects as per the SLA			
	SD16	water management	Compliance with the SLA for Working for Water as per the National financial year.	13,000,000	13,000,000	13,000,000
	SD17	water management	Compliance for the SLA for Working for Wetlands as per the National financial year.	8,000,000	8,000,000	8,000,000
	SD18	infrastructure planning	Reviewal of the community infrastructure development plan (CIP)			
	SD19	infrastructure development	% expenditure of MIG funds as per the National financial year.			
			<b>WASTE</b>			
	SD20		MIG - Aliwal North Area 13 Bulk Sewers Phase 2	4,686,746	This budgeted amount excludes VAT	
	SD21		MIG - Maclear Waste Water Treatment Works	1,754,386	This budgeted amount excludes VAT	
	SD22		MIG - Steynsburg Waterborne Sanitation	2,762,268	This budgeted amount excludes VAT	
	SD23		MIG - Jamestown Eradication of Buckets and Sanitation	3,816,679	This budgeted amount excludes VAT	
	SD24		MIG - Barkly East Bucket Eradication	2,744,705	This budgeted amount excludes VAT	
	SD25		MIG - Lady Grey: Kwezi Naledi Sanitation	3,508,772	This budgeted amount excludes VAT	

IDP Objective (*)	Project number	programme	indicator of performance (output indicator)	budget 2010/2011	budget 2011/2012	budget 2012/2013
	SD26		MIG - Rural Sanitation Programme	8,771,930	This budgeted amount excludes VAT	
	SD27		MIG - Aliwal North Bulk Sewer upgrade	438,696	This budgeted amount excludes VAT	
	SD28		MIG - Lady Grey Bulk Water Infrastructure	8,771,930	This budgeted amount excludes VAT	
	SD29		MIG - Steynsburg Waterborne Sanitation	2,762,268	This budgeted amount excludes VAT	
	SD30		ECDC - Ugie New dam	8,000,000		
	SD31		ECDC - Ugie Truck Stop Booster Pump	1,100,000		
	SD32		ECDC - Ugie Truck Stop Sewer Connection	3,400,000		
	SD33		ECDC - Ugie Truck Stop Reticulation	2,500,000		
	SD34		ECDC - Ugie project	22,000,000		
	SD35		MIG - Orange Fish Tunnel Pumping Scheme	8,771,930	This budgeted amount excludes VAT	
	SD36		MIG - Mt Fletcher Villages - Bulk Water Supply Scheme	30,701,754	This budgeted amount excludes VAT	
	SD37		MIG - Sterkspruit: Upgrading of WTW and Bulk Lines	13,966,853	This budgeted amount excludes VAT	
	SD38		MIG - Burgersdorp Water Services Master Plan	7,017,544	This budgeted amount excludes VAT	
	SD39		MIG - PVA - Bulk water meters	1,500,000		
			MIG - PVA - Sterkspruit Services for new houses	2,000,000		
	SD40	fire services	status of the development of fire plans	544,478		
	SD41	fire services	Development of a programme to enforce fire bylaws and implement fire bylaws			
	SD42	disaster management	Number of disaster simulation exercises and awareness programmes held			
	SD43	disaster management	Status of development of a district disaster risk management plan	36,266		
	SD44	disaster management	reconstruction of houses affected by disaster	4,517,003		
	SD45	intergovernmental relations	establishment of a interdistrict disaster management forum			
	SD46	municipal health services	Number of formal urban waste sites that were evaluated for which a monthly updated evaluation report was issued to relevant role-players / stakeholders.			

IDP Objective (*)	Project number	programme	indicator of performance (output indicator)	budget 2010/2011	budget 2011/2012	budget 2012/2013
	SD47	municipal health services	Number of formal food premises (FP) with a certificate of acceptability (CoA)			
	SD48	municipal health services	Number of Formal Food Premises that were evaluated using the standardised evaluation tool that received an investigation report that was reported to the relevant role-players / stakeholders.			
	SD49	municipal health services	Number of hawkers receiving health and hygiene training			
	SD50	municipal health services	Number of public facilities monitored on a regular basis			
	SD51	municipal health services	Implement MHS programmes and the systems to improve data management in the Municipal Health Services section	2,027,689	this includes drinking water quality, MHS database acquisition, and implementation of the various programmes relating to MHS	
To improve road infrastructure and related facilities to support the economic and social requirement of the district by 2011	SD52	road maintenance	Compliance with SLA with DoRT as per the National financial year	28,000,000		
	SD53	transport planning	Annual review of the Integrated Transport Plan in terms of the National Road Transport Transitional Act (NRTTA)			
improved service delivery quality in education, health, social development and public works programmes so as to meet national targets	SD54	primary health care	compliance with the PHC SLA	13,043,603	This does not include cofunding from the district for operational matters but does include a R1m allocation for capital infrastructure development	
	SD55	asset management	Implement a PHC large asset renewal / renovation / extension programme			
To halt and begin to reverse the spread of HIV/Aids by 2014;	SD56	HIV and Aids	% attainment of implementation of the District wide HIV and Aids strategy activities planned for the year	950,000		
<b>KPA 3: Municipal Transformation and institutional development</b>						
Improved human resource of local government by 2011	MTID01	organisational development	% of critical vacant positions filled	200,000	This allocation is for the vetting of the applicants for posts in the institution	
	MTID02	organisational development	status of performance agreements of section 57 managers			
	MTID03	skills development	% expenditure of the budget spent on implementing the workplace skills plan	750,000	This amount includes allocations for staff, councilors and the public as well as mentoring	



IDP Objective (*)	Project number	programme	indicator of performance (output indicator)	budget 2010/2011	budget 2011/2012	budget 2012/2013
					costs	
	MTID04	skills development	finance staff training	300,000		
	MTID05	skills development	Number of learnerships in the institution			
	MTID06	skills development	% expenditure on the training budget for councillors	100,000	This is also included under the workplace skills plan implementation	
	MTID07	skills development	% expenditure on the mayoral bursary fund	200,000	This is also included under the workplace skills plan implementation	
	MTID08	skills development	% submission of Workplace Skills Implementation Plan			
	MTID09	Performance Management	Continue to facilitate the defining and development of KPI's by the target date			
	MTID10	Performance Management	Continue to Develop and implement a computerized performance management system			
	MTID11	Performance Management	Perform an internal organization /employee climate survey			
	MTID12	Performance Management	Co-Ordinate the compilation and review Performance Contracts and Performance Plans for the MM and S57 managers			
	MTID13	organisational development	status of development of a human resource development plan	300,000		
	MTID14	organisational development	% compliance with the employment equity plan in the 3 highest levels of management			
	MTID15	organisational development	% submission of Employment Equity report to Department of Labour			
	MTID16	employee assistance	status of review of a workplace aids plan			
	MTID17	organisational development	% implementation of institutional PMS	200,000		
	MTID18		cascade PMS implementation to LMs	200,000		
	MTID19	employee assistance	implement an employee wellness programme	200,000		
	MTID20	organisational development	Resolution of all transfers of staff for the water function			
	MTID21	organisational development	Resolution of all transfers of staff for the municipal health services function			

IDP Objective (*)	Project number	programme	indicator of performance (output indicator)	budget 2010/2011	budget 2011/2012	budget 2012/2013
	MTID22	organisational development	Resolution of provincialisation matters relating to primary health			
	MTID23		finalise job evaluations	200,000		
	MTID24	asset management	Buildings maintenance and renovations programme developed for satellite offices	200,000		
	MTID25	organisational development	improvement in compliance with the OHS Act	500,000		
	MTID26	employee assistance	development of feasibility study on staff rental accommodation	100,000		
	MTID27	asset management	extend the DM main office building to accommodate staff needs	5,000,000		
	MTID28	asset management	implement an access control system	500,000		
Local government to obtain clean audit reports by 2011	MTID29	council support	number of council meetings sitting			
	MTID30	legal services	MHS bylaws gazetted	200,000		
	MTID31	legal services	Events management bylaws	50,000		
	MTID32	information technology	status of development of a comprehensive IT strategy			
	MTID33	information technology	% completion of an audit of ICT environment in each municipality			
	MTID34	information technology	IT compliance -- for audit purposes			
	MTID35	information technology	IT renewal and capital replacement strategy developed and implemented	1,000,000	This includes capital and operational allocations	
	MTID36	information technology	Number of meetings of the IT steering committee			
	MTID37	organisational development	% development of Institutional Disaster risk strategy			
	MTID38	organisational development	Development of a consolidated institutional Standard Operating Procedures file			
	MTID39	organisational development	% Submission of Human Resources Policies			
	MTID40	organisational development	% Review of efficiency of implementation of Human Resources SOP's			
	MTID41	organisational development	% Submission of leave report to internal departments			
	MTID42	organisational development	% review of delegation frameworks			

IDP Objective (*)	Project number	programme	indicator of performance (output indicator)	budget 2010/2011	budget 2011/2012	budget 2012/2013
	MTID43	asset management	% review of security of depots and council buildings			
	MTID44	legal services	% submission of report to Mayco on compliance with labour legislations			
	MTID45	legal services	% disciplinary cases dealt with successfully			
	MTID46	legal services	% litigations handled successfully	400,000		
	MTID47	legal services	development of a compliance framework as per MFMA and other legislated guideline			
	MTID48	legal services	Review all municipal policies on an annual basis			
	MTID49	council support	number of tracking reports of the implementation of Mayco/council resolutions			
	MTID50	council support	% compliance with archives act			
	MTID51	council support	% review of archives procedures and processes			
<b>KPA 4: Financial management and viability</b>						
Local government to obtain clean audit reports by 2011	FMV01	audit	% attainment of a clean audit			
	FMV02		Respond to all internal & external audit enquiries and implement all recommendations within 30 days or give explanation why additional time is needed			
	FMV03	financial management	preparation of annual financial statements	300,000		
	FMV04	financial management	Enter into an MFMA compliant SLA with Water service providers			
Improvement in the Financial Viability and Financial Management of local government;	FMV05	Monitor and control the municipality's budget and management accounts	the percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan			
	FMV06		status of development of a budget			
	FMV07		Submission of Budget and IDP Process Plan			
	FMV08		the percentage of households earning less than R1100 per month with access to free basic services			

IDP Objective (*)	Project number	programme	indicator of performance (output indicator)	budget 2010/2011	budget 2011/2012	budget 2012/2013
	FMV09		% of allocated operating budget spent year to date, excluding staff costs			
	FMV10		Submission of Section 71 Reports			
	FMV11		Budget Control & monitoring systems implemented			
	FMV12		Installation of new Financial Systems and software	2,457,000	This includes some of the allocation from Thina Sinako for the transformation of the SCM as well as own allocations	
	FMV13		Submission to Council of Quarterly Withdrawals			
	FMV14		Implementation of monthly grant reconciliations			
	FMV15		Development of Investment Strategy			
	FMV16		Ensure a 3 month cash backup			
	FMV17		number of activity based costed business plans for sections within the municipality			
	FMV18		% compliance with the finance turn - around strategy			
	FMV19		Report on the implementation Priorities MFMA			
	FMV20		Management of Investment accounts on a monthly basis			
	FMV21	Manage Revenue	debt coverage ratio			
	FMV22		outstanding service debtors to revenue ratio			
	FMV23		cost coverage ratio			
	FMV24		Review of Financial Policies	200,000		
	FMV25		Conduct a review of the Tariff Policy by 30 June 2011 and submit via the Portfolio Committee to EXCO and Council for approval.			
	FMV26		Conduct a review of the Investment and Cash Management Policy by 30 June 2011 and submit via Port Folio Committee to EXCO and Council for approval			

IDP Objective (*)	Project number	programme	indicator of performance (output indicator)	budget 2010/2011	budget 2011/2012	budget 2012/2013
	FMV27		Conduct a review of Credit and Debt Control Policy by 30 June 2011 and submit via Portfolio Committee to EXCO and Council for approval			
	FMV28		Submit monthly Grant reports on all DORA reportable grants received to the CM within 10 days after receipt of payment from National Treasury			
	FMV29		% development of a revenue enhancement strategy focusing but not only being limited to the water function			
	FMV30	Control Expenditure	payment of valid invoices within 30 days of receipt of a valid tax invoice as well as monthly salary payments			
	FMV31		Report to Council on Staff Benefits on legislated timeframes			
	FMV32		Submit annual review report on the Supply Chain Management policy by 30 August 2010 and submit via the Portfolio Committee to Exco and Council for approval			
	FMV33		Submit annual review report on the Fixed Asset Management policy to the Portfolio Committee by 30 June 2011			
	FMV34		Submit quarterly SCM reports to the Portfolio Committee within 30 days of end of each quarter.			
	FMV35		Ensure submission of annual stock count report to Portfolio Committee by 30 August 2010. (2009/10 financial year)			
	FMV36		vat review	200,000		
	FMV37	Assets and insurance	% establishment of an integrated asset management system for the institution	400,000	This includes capital and operational allocations	
	FMV38		Capture all water and sanitation assets on an integrated asset management system			
	FMV39		determine fair value of all assets	200,000		
	FMV40		% compliance of asset register to GRAP standards			
	FMV41		Appoint a new Insurance broker by 30 June 2011			

IDP Objective (*)	Project number	programme	indicator of performance (output indicator)	budget 2010/2011	budget 2011/2012	budget 2012/2013
	FMV42	Departmental Management	Monitor the implementation of SOP's in finance department			
<b>KPA 5: Good governance and Public participation</b>						
Strengthening Good Governance, Community Participation and Ward Committee Systems in local government	GGPP01	integrated planning	Adopted Reviewed IDP	900,347		
	GGPP02	integrated planning	provide support to LMs around IDP	200,000		
	GGPP03	integrated planning	implement municipal systems improvement grant programme	750,000		
	GGPP04	integrated planning	Source resources to develop: waste management plan, biodiversity plan, air quality plan and electrification plan	1,000,000		
	GGPP05	integrated planning	status of the mid year performance and budget review			
	GGPP06	integrated planning	status of development of the high level SDBIP			
	GGPP07	integrated planning	Council Approved of the annual report	150,000		
	GGPP08	integrated planning	status of institutional annual performance report			
	GGPP09	communications and marketing	implementation of communication strategy	1,220,000	This includes the Mayoral Cup, communications forum, media relations, communication infrastructure, events and newsletters	
	GGPP10	communications and marketing	development of a centralised system of events management			
	GGPP11	communications and marketing	% compliance of the website with legal prescriptions			
	GGPP12	communications and marketing	Complaints mechanism for community concerns			
	GGPP13	communications and marketing	Report on implementation of annual district awards ( internal institutional awards and external district wide awards)	100,000		
	GGPP14	communications and marketing	disseminate information on the change of the name of the district municipality	450,000		
	GGPP15	communications and marketing	Develop a DM marketing and branding strategy and implement			
	GGPP16	communications and marketing	Development of a Service Delivery Charter	300,000		

IDP Objective (*)	Project number	programme	indicator of performance (output indicator)	budget 2010/2011	budget 2011/2012	budget 2012/2013
	GGPP17	intergovernmental relations	Functioning of IGR systems including DIMAFU, DSTG, Clusters, DM/LM working groups	50,000		
	GGPP18	stakeholder mobilization	Number of meetings of the Traditional leaders forum			
	GGPP19	intergovernmental relations	Number of meetings of the tri-district alliance			
	GGPP20	stakeholder mobilization	Number of consultative forums held			
	GGPP21	stakeholder mobilization	implement measures to improve public participation in municipal processes	500,000		
	GGPP22	stakeholder mobilization	support ward committee development	500,000		district area
	GGPP23	mayoral special programmes	expenditure of the mayoral funds to support special programmes	128,000		
	GGPP24	mayoral projects	expenditure of the mayoral funds to support mayoral projects in line with the policy	500,000		
	GGPP25	traditional leaders	expenditure of funds to support the programmes relating to traditional leaders	500,000		
Local government to obtain clean audit reports by 2011	GGPP26	audit	programme developed and implemented to support local municipalities to improve their audit reports	800,000		
	GGPP27	audit	Implement risk assessment plan actions for the 2010/11 year			
	GGPP28	audit	Number of scheduled meetings of the audit committee sitting	40,000	This includes the performance audit committee and the audit committee	
	GGPP29	audit	Number of scheduled meetings of the performance audit committee sitting			
	GGPP30	audit	Implementation of the audit action plan and audit strategy	600,000	This covers the internal audit services rendered by service providers	
	GGPP31	audit	Review of the fraud prevention plan			
Improved operation of pro-poor economic organisations to adequately represent their membership and engage with other stakeholders by 2011	GGPP32	stakeholder mobilization	Number of awareness campaigns for HDI groups	820,000	This includes allocations for women, youth, disabled, elderly, children and the celebration of key days and events pertaining to these groups	
	GGPP33	stakeholder mobilization	Development of a mainstreaming strategy plan and policy	500,000		

IDP Objective (*)	Project number	programme	indicator of performance (output indicator)	budget 2010/2011	budget 2011/2012	budget 2012/2013
	GGPP34	stakeholder mobilization	Establishment of an SPU monitoring and coordination forum and multidisciplinary team	650,000		



2 GOVERNMENT DEPARTMENT PROGRAMMES AND PROJECTS

**2.1 DEPARTMENT OF ECONOMIC AND ENVIROMENT AFFAIRS**

NUMBER	PROGRAMME/PROJECT	AMOUNT
	LOCAL ECONOMIC DEVELOPMENT PROJECT 2010/2011	R 6, 121 500
	ALIWAL SPA 2010/2011	R 4.905 035
	TOTAL	R11. 026 535

**2.2 WATER AFFAIRS ( WORKING FOR WATER)**

Name of project	Location of the project	Implementing Agent	Project Output	Project Duration & Total Budget Projections	
				Duration	Budget
Barkly East	Senqu Ward 15	Joe Gqabi D.M	Water conservation & biodiversity	2011	R 1,046,229.00
Mooi River	Elundini Ward 4	Joe Gqabi D.M	Water conservation	2011	R 379,921.00
Ntywenka	Elundini Ward 5	Joe Gqabi D.M	Water conservation	2011	R 1,426,517.00
Pott River	Elundini ward 4	Joe Gqabi D.M	Water conservation	2011	R 476,109.00
Pott Tsitsa	Elundini ward 3	Joe Gqabi D.M	Water conservation	2011	R 1,711,212.00
Umnga 1	Elundini ward 2	Joe Gqabi D.M	Water conservation	2011	R 950,842.00
Umnga 2	Elundini ward 1	Joe Gqabi D.M	Water conservation	2011	R 950,834.00
Xuka Ukd	Elundini ward 11	Joe Gqabi D.M	Water conservation	2011	R 1,188,320.00

**2.3 DEPT OF AGRICULTURE**

LOCAL MUNICIPALITY	TOWN/VILLAGE	WARD	PROJECT NAME	ALLOCATED BUDGET
SENQU	LADY GREY	14	VEZAMAFA	220,000.00
SENQU	KHIBA	13	KHIBA	100,000.00
SENQU	WALAZA	1	WALAZA	350,000.00
SENQU	STERKSPRUIT	6	PELANDABA	850,000.00
ELUNDINI	UGIE	1	UMNGA	500,000.00
ELUNDINI	UGIE	1	GLENCOLE	360,000.00
ELUNDINI	UGIE	1	GLENCOLE	350,000.00
ELUNDINI	MOUNT FLETCHER	15	KENDAL	550,000.00
ELUNDINI	MOUNT FLETCHER	15	LUZIE (MAQALANENG)	477,000.00
ELUNDINI	MOUNT FLETCHER	15	LABOUR (PITSENG FARMS)	450,000.00
ELUNDINI	QURANA AREA	6	QURANA FARM (MACLEAR EMERGING)	400,000.00
ELUNDINI	QURANA AREA	6	NTLANGANO FARM (MACLEAR EMERGING)	400,000.00
ELUNDINI	QURANA AREA	6	MNCETYANA (MACLEAR EMERGING)	400,000.00
ELUNDINI	QURANA AREA	6	SINXAKO (MACLEAR COMMUNAL)	477,000.00
MALETSWAI	ALIWAL NORTH		BORDER GLEN	450,000.00
MALETSWAI	ALIWAL NORTH		TUBELA FARM	210,000.00
MALETSWAI	ALIWAL NORTH		VAALBANK	450,000.00
MALETSWAI	ALIWAL NORTH		VAALBANK	250,000.00
MALETSWAI	ALIWAL NORTH		GOEDEHOOP	479,000.00
MALETSWAI	ALIWAL NORTH		GOEDEHOOP	250,000.00
GARIEP	VENTERSTAD		KAREEDOUW FARM/SANDBULT	490,000.00

LOCAL MUNICIPALITY	TOWN/VILLAGE	WARD	PROJECT NAME	ALLOCATED BUDGET
GARIEP	VENTERSTAD		KAREEDOUW FARM/SANDBULT	273,000.00
SENQU	STERKSPRUIT		VUKANI MANGWE	3,494,000.00
ELUNDINI	MACLEAR	3	ROSEDALE	117,925.00
ELUNDINI	MACLEAR	3	THE FALLS	117,925.00
ELUNDINI	UGIE	3	SAND & PERSEVERANCE	117,925.00
ELUNDINI	MACLEAR	6	SQHUNGQWINI	117,925.00
ELUNDINI	UGIE	1	NKALWENI	47,170.00
ELUNDINI	UGIE	1	LUTHUTHU NYIBIBENI	47,170.00
ELUNDINI	UGIE	1	MTHONJENI FARM	94,340.00
ELUNDINI	UGIE	1	CAVENS NO. 356	94,340.00
ELUNDINI	UGIE	1	WESTBELL	70,755.00
ELUNDINI	UGIE	1	ONNEILE FARM	70,755.00
ELUNDINI	UGIE	1	GLENCOLE	47,170.00
ELUNDINI	UGIE	1	EVIAN FARM	94,340.00
ELUNDINI	UGIE	1	NARROWVALE	94,340.00
ELUNDINI	UGIE	1	MIDDLERIDGE	94,340.00
ELUNDINI	MACLEAR	1	MEADOWS	117,925.00
ELUNDINI	MACLEAR	7	NONTSO (TYENI)	94,340.00
ELUNDINI	MACLEAR	7	DIPHINI ARABLE LAND	94,340.00
ELUNDINI	MACLEAR	7	RHAMLANE	47,170.00
ELUNDINI	MACLEAR	4	LOWER TSITSANA & QOBENI	117,925.00
ELUNDINI	MACLEAR	5	STHANA	117,925.00
ELUNDINI	MACLEAR	5	ST. AUGUSTINE	235,849.00
ELUNDINI	MOUNT FLETCHER	5	MOUNTAIN (NGXAZA) & MTSHEZI	117,925.00
ELUNDINI	MOUNT FLETCHER		TINANA	235,849.00
ELUNDINI	MOUNT FLETCHER		FLETCHERVILLE	235,849.00
ELUNDINI	MOUNT FLETCHER		LOWER TOKWANA	235,849.00
ELUNDINI	MOUNT FLETCHER		LUNDINI	235,849.00
ELUNDINI	MOUNT FLETCHER		MAKWATLANA	117,925.00
ELUNDINI	MOUNT FLETCHER		MOHABATSANE	235,849.00
ELUNDINI	MOUNT FLETCHER		VUVU	235,849.00
ELUNDINI	MOUNT FLETCHER		LUZIE	235,849.00
ELUNDINI	MOUNT FLETCHER		MFANTA	235,849.00
ELUNDINI	MOUNT FLETCHER		UPPER NXAXA	117,925.00
ELUNDINI	MOUNT FLETCHER		PITSENG	471,690.00
ELUNDINI	MOUNT FLETCHER		NGOLILOE	235,849.00
ELUNDINI	MOUNT FLETCHER	8	INTUTHUKO	41,913.04
ELUNDINI	MACLEAR	3	Z NDABENI FARMING	62,869.55
ELUNDINI	UGIE	2	WESTBELL FARM	41,913.04
ELUNDINI	MOUNT FLETCHER	15	ERFENIS	99,615.00
ELUNDINI	MACLEAR	6	ST AUGUSTINE	100,591.29
ELUNDINI	MACLEAR	3	COLDSTREAM	62,869.55
ELUNDINI	MOUNT FLETCHER	15	GREENLAND	62,869.55
ELUNDINI	MOUNT FLETCHER	14	BETHANIA FARM PROJECT	100,591.29
ELUNDINI	UGIE	1	GQAQHALA MASSIVE	100,591.29
ELUNDINI	MOUNT FLETCHER	12	IPUPENG MAIZE	125,739.11
ELUNDINI	MOUNT FLETCHER	15	PITSENG 15	83,826.07
ELUNDINI	MOUNT FLETCHER	10	MASAKHANE	125,739.11
ELUNDINI	MOUNT FLETCHER	10	ZINGONYAMENI	139,039.11
ELUNDINI	MOUNT FLETCHER	12	MAHANYANENG A	113,165.20
ELUNDINI	MOUNT FLETCHER	12	MAHANYANENG B	113,165.20
ELUNDINI	MACLEAR	7	KATKOP MASSIVE	113,165.20
ELUNDINI	MACLEAR	7	RAMATEE	167,652.15

LOCAL MUNICIPALITY	TOWN/VILLAGE	WARD	PROJECT NAME	ALLOCATED BUDGET
ELUNDINI	MACLEAR	7	NGQAYI MASSIVE	100,591.29
ELUNDINI	MOUNT FLETCHER	15	GLADWIN	125,739.11
ELUNDINI	UGIE	1	SONGCA FAMILY TRUST	62,869.55
ELUNDINI	MOUNT FLETCHER	15	DN SPAMBO	41,913.04
ELUNDINI	UGIE	2	PHAKAMANI	104,782.59
ELUNDINI	MACLEAR	3	EASTWARD HO FARM	167,652.15
ELUNDINI	UGIE	1	MAGLONA FARM	167,652.15
ELUNDINI	MOUNT FLETCHER	15	COLON	83,826.07
ELUNDINI	MACLEAR	4	EBDEN	62,869.55
ELUNDINI	MOUNT FLETCHER	10	LUZIE FARM	125,739.11
ELUNDINI	UGIE	1	EVIAN FARM	41,913.04
ELUNDINI	MACLEAR	3	WAINRIGHT	62,869.55
ELUNDINI	UGIE	1	GOEDEHOOP	41,913.04
ELUNDINI	MACLEAR	3	ULAPWA	69,621.04
ELUNDINI	MACLEAR	3	OSCAR	201,642.33
MALETSWAI	ALIWAL NORTH	1	WILGESPRUIT FARM	200,000.00
MALETSWAI	ALIWAL NORTH	1	KLIPKRAAL FARM	200,000.00
MALETSWAI	ALIWAL NORTH	1	KLEINKLIPKRAAL FARM	200,000.00
MALETSWAI	ALIWAL NORTH	1	ELSIESKRAAL FARM	200,000.00
GARIEP	VENTERSTAD	1	VAALRAND FARM	200,000.00

## 2.4 SOCIAL DEVELOPMENT

### SOCIAL DEVELOPMENT : PROJECTS PLANNED FOR 2010/2011 FINANCIAL YEAR

Name of project	Location/Ward	Municipality	Type	Focus	Amount
Zithande Garden and Maintenance	Aliwal North(ward 5,6)	Maletswai	Develop Youth	Cleaning gardens of homes and offices as well as small maintenance works	R 500 000
Mlawu Printing and design	Burgersdorp (Ward 3,4)	Gariep	Youth Development Top up	Printing and embroidering of t-shirts, overalls and general printing, faxing, internet for the community	R 250 000
Uphomlo Ma-Afrika restaurant and take away	Jamestown Ward 1	Maletswai	Women Co-op New	Restaurant and take away	R 500 000
Masimanyane Makhosikazi Butchery	Jamestown Ward 1	Maletswai	Women Co-op Top Up	Butchery, rendering fresh meat produce to the community	R 250 000
Lilitha Lethemba Primary Woodwork)	Burgersdorp Ward 3,4	Gariep	Women Co-op Top Up	Woodwork project that had to change name due to CIPRO registration	R 250 000
Masizame Bakery	Steynsburg Ward 2	Gariep	Women Co-op Top Up	Bakery delivering fresh bread to the community	R 250 000
Zenzile Women Co-op (leather products)	Venterstad Ward 1	Gariep	Women Co-op Top Up	Making leather products and cushions	R 250 000
Kuyasa Community	Venterstad	Gariep	Women Co-	A dual purpose centre that	R 250 000

Name of project	Location/Ward	Municipality	Type	Focus	Amount
Centre	Ward 1		op Top Up	have to be changed to a women coop making poultry	
Reathusana Group	Aliwal North Ward 5,6	Maletswai	Food Security New	A food security program producing fresh vegetables at a farm	R 750 000
Sivuyile community development project	Ntatyana locality, Ward11	Elundini local municipality	Women Co-operative	Poultry farming	R500 000.00
Itsokolele food security project	Staka locality, Ward12	Elundini local municipality	Food Security	Crop production	R750 000.00
Khuthalani poultry project	Luthuthu village, Ward 01	Elundini local municipality	Women Co-operative	Poultry farming	R500 000.00
Ikamvalethu food security project	Hlankomo locality, Ward 16	Elundini local municipality	Food Security	Crop production	R750 000.00
Qinamama poultry project	St Augustines, Ward 05	Elundini local municipality	Women Co-operative	Poultry farming	R500 000.00
Ukhanyo poultry project	Katlehong location, Ward 09	Elundini local municipality	Youth Entrepreneurship	Poultry farming	R500 000.00
Gugwini women's empowerment project	Ngcele locality, Ward 05	Elundini local municipality	Women Co-operative	Crop production	R250 000.00
Sisonke brick making project	Ncembu a/a, Ward 01	Elundini local municipality	Women Co-operative	Brick making	R358 000.00
Arefe-Matla Poultry Project	Jozana's Hoek/Ward12	Senqu local Municipality	Women Co-operative(Imbumba)	Poultry farming focusing in layers	R500 000
Lathi-tha Youth Project	Tyinindini/Ward 4	Senqu local Municipality	Youth Project	Poultry farming focusing in layers	R500 000
Mgxojeni Poultry Project	Macacuma/Ward 7	Senqu local Municipality	Women Co-operative	Poultry farming focusing in layers	R500 000
Umsobomvu Women Project	Palmietfontein/Ward2	Senqu local Municipality	Women Co-operative	Poultry farming focusing on broilers	R500 000
Ambassador Youth Development	Barkly East/Ward15	Senqu local Municipality	Youth Project	Events Management	R250 000
Ikhwezi Lokusa Project	Lady Grey/Ward14	Senqu local Municipality	Women Co-operative	Textile production	R250 000
Tswelopele Communal Property Association	Zava/Ward13	Senqu local Municipality	Food Security	A food security program producing fresh vegetables at a farm	R375 000
Zizamele	Herschel/Ward1	Senqu local	Youth	Carpentry	R 500 000

Name of project	Location\Ward	Municipality	Type	Focus	Amount
Development Centre	3	Municipality	Project		

### COMMUNITY DEVELOPMENT

Name of project	Location\Ward	Municipality	Type	Focus	Amount
Zithande Garden and Maintenance	Aliwal North, Ward 5,6	Maletswai	Youth Development	Cleaning gardens of homes and offices as well as small maintenance works	R 500 000.00
Mlawu Printing and design	Burgersdorp, Ward 5,6	Gariep	Youth Development	Printing and embroidering of t-shirts, overalls and general printing, faxing, internet for the community	R 250 000.00
Uphumlo Ma-Afrika	Jamestown, Ward 1	Maletswai	Women Co-op	Restaurant and take away	R 500 000.00
Masimanyane Makhosikazi Butchery	Jamestown, Ward 1	Maletswai	Women Co-op	Butchery, rendering fresh meat produce to the community	R 250 000.00
Masizame Bakery	Steynsburg, Ward 2	Gariep	Women Co-op	Bakery delivering fresh bread to the community	R 250 000.00
Zenzile Women Co-operative	Venterstad, Ward 1	Gariep	Women Co-op	Making leather products and cushions	R 250 000.00
Reathusana Group	Aliwal North, Ward 5,6	Maletswai	Food Security	A food security program producing fresh vegetables at a farm	R 750 000.00
Sivuyile Community Development Project	Ntatyana Locality, Ward 11	Elundini	Women Co-operative	Poultry farming	R500 000.00
Khuthalani Poultry Project	Luthuthu Village, Ward 01	Elundini	Women Co-operative	Poultry farming	R500 000.00
Ikamvalethu Food Security Project	Hlankomo Locality, Ward 16	Elundini	Food Security	Crop production	R750 000.00
Qinamama Poultry Project	St Augustines, Ward 05	Elundini	Women Co-operative	Poultry farming	R500 000.00
Sisonke brick-making Project	Ncembu A/A, Ward 01	Elundini	Women Co-operative	Brick making	R358 000.00
Arefe-Matla Poultry Project	Jozana's Hoek, Ward 12	Senqu	Women Co-operative	Poultry farming focusing in layers	R500 000.00
Lathi-tha Youth Project	Tyinindini, Ward 4	Senqu	Youth Project	Poultry farming focusing in layers	R500 000.00

Mgxojeni Poultry Project	Macacuma, Ward 7	Senqu	Women operative	Co-	Poultry farming focusing in layers	R500 000.00
Umsobomvu Women Project	Palmietfontein, Ward 2	Senqu	Women operative	Co-	Poultry farming focusing on broilers	R500 000.00
<b>TOTAL</b>						<b>R7,358 000.00</b>

## 2.5 DEPARTMENT OF HEALTH

Name of project	Location of the project	Implementing agent	Project duration and total budget projections	
			Duration	Budget
Steynsburg hospital renovation	Steynsburg	BroadReach NGO to donate	2 years	R489,000/ R2M
Keti-keti clinic	Ward 16	Clinic construction	1year	R4.2
Mdeni clinic construction	Ward 16	Clinic construction	1year	R4.2
Ngxoshana clinic construction	Ward 13	Clinic construction	1year	R4.2
Taylor Bequest hospital staff accommodation	Ward	Hospital programme revamping	2 years	R979,000/R5M
Taylor Bequest hospital upgrade	Ward	Hospital programme revamping	2years	R4.893M

## 2.6 ESKOM SOUTHERN REGION ELECTRIFICATION PROGRAMME

MUNICIPALITY	WARD	CONNECTIONS	YEAR OF IMPLEMENTATION		
			10/11/01	11/12/01	2012/13
Senqu	6,9,10	1460	152 332 32.09		
Senqu	1,7,8	1087		103 057 48.8	
Senqu	4,5	337			35 81 500.00
Rosseau		350			24 50 000.00

2009/2010		2010/2011		2012	
Project Name	Households	Project Name	Households	Project Name	Households
Elundini Phase 1	2502	Elundini Phase3 ( ward1)	2785	Elundini Phase 4 (wards 4 & 16)	3773
		Elundini Phase 2 (part of wards 7 &8)	1990		

## 2.7 DSRAC- 2010/11 PROGRAMMES

### ARTS & CULTURE R212 000

PROJECT	ALLOCATED BUDGET	AREA OF IMPLEMENTATION	QUARTER
Dance & Drama Auditions	10 000	All Joe Gqabi District Towns	1 <sup>st</sup>
District Dance & Drama Festival	50 000	Lady Grey (PVA)	2 <sup>nd</sup>
Visual Art & Craft Exhibition	10 000	Sterks Pruit	1 <sup>st</sup>

Product Development & marketing workshop	30 000	Senqu	2 <sup>nd</sup>
Choral Music & Jazz workshop	10 000	Aliwal North	1 <sup>st</sup>
Advanced Interpreting workshop	26 000	Aliwal North	3 <sup>rd</sup>
District Wordfest	26 000	Maclear	1 <sup>st</sup> & 2 <sup>nd</sup>
Choral Music Festival	40 000	Maclear	2 <sup>nd</sup>
Indegenous Music Festival	10 000	Mt Fletcher	3 <sup>rd</sup>

#### LIBRARIES & INFORMATION SERVICES

PROJECT	ALLOCATED BUDGET	AREA OF IMPLEMENTATION	QUARTER
Library subsidy	R2,2m	Joe Gqabi DM	
Distribution of library on wheels	Conditional Grant	Senqu	3 <sup>rd</sup>
Library promotion	40 000 40 000	Maletswai, Braamspruit Senqu-Winterbergen	1 <sup>st</sup> 3 <sup>rd</sup>
Special service to library	Conditional Grant	Old Age Homes, Hospices	
Allocattion of library material to libraries (16 libraries)	Conditional Grant	Elundini 3, Senqu, 5 Gariep 6, Maletswai 2	1 <sup>st</sup> 2 <sup>nd</sup> , 3 <sup>rd</sup> , 4 <sup>th</sup>
Distribution of library on wheels	Conditional Grant	Elundini Solomzi JSS Katkop Old Age Home Senqu-Winterbergen Barkly East Gariep B/dorp Prison	2 <sup>nd</sup>  3 <sup>rd</sup> 4 <sup>th</sup>
Literacy day	-	Gariep	3 <sup>rd</sup>
LIASA Conference	25 000		
District Library Week	-	Gariep Steynsburg	4 <sup>th</sup>

#### MUSEUMS & HERITAGE

PROJECT	ALLOCATED BUDGET	AREA OF IMPLEMENTATION	QUARTER
Museum Transformation (Purchasing artcrafts)	16 800	Barkly East & Burgersdorp	
District Heritage Day	150 200	Sterkspruit (Actual Venue to be confirmed)	2 <sup>nd</sup>

#### RECREATION DEVELOPMENT

PROJECT	ALLOCATED BUDGET	AREA OF IMPLEMENTATION	QUARTER
Wellness Programme	50 000	Barkly East	1 <sup>st</sup>
Senior Sangala	20 000	Aliwal North	
Public Sector Sport	20 000	Maclear	1 <sup>st</sup> , 2 <sup>nd</sup> , 3 <sup>rd</sup>
Hub Festivals	50 000 50 000	Senqu Elundini	
Mini Olympics	152 000	Lady Grey	1 <sup>st</sup>
Recreation explosion	40 000	Sterkspruit Esilindini	3 <sup>rd</sup>
Outdoor games: Eco-Challenge	25 000	Elundini Ugie	3 <sup>rd</sup> , 4 <sup>th</sup>
Outdoor games: Horse racing	20 000	Elundini Mt Fletcher	3 <sup>rd</sup> , 4 <sup>th</sup>

### SPORT DEVELOPMENT

PROJECT	ALLOCATED BUDGET	AREA OF IMPLEMENTATION	QUARTER
Mini Olympics	140 000 voted funds 150 000 living legacy	Lady Grey	1 <sup>st</sup>
All ages	30 000	Lady Grey	1 <sup>st</sup>
Football Explosion ( 5 aside festival District Football	100 00	Senqu Maletswai Gariiep Elundini	1 <sup>st</sup> , 2 <sup>nd</sup> , 3 <sup>rd</sup>
Cricket League for Juniors & Seniors		Barkly East Sterkspruit	3 <sup>rd</sup> , 4 <sup>th</sup>
Indoor Soccer	15 000	Steynsburg	
Club Development League	200 000	Gariiep	3 <sup>rd</sup>
Squad Camp-soccer, rugby, netball & athletics	60 000	Aliwal North	1 <sup>st</sup> , 2 <sup>nd</sup>
Fly flag for football	200 000	Aliwal North	1 <sup>st</sup> ,
Four nations Cup u/14 Gariiep, Motheo, Prixley kaSeme & Joe Gqabi	60 000	Aliwal North	1 <sup>st</sup> ,
Coaching & Refereeing course level 4	70 000	Aliwal North	1 <sup>st</sup> ,
Ladies rugby tournament	10 000	Mt Fletcher	1 <sup>st</sup> ,

### MASS PARTICIPATION PROGRAMME

PROJECT	ALLOCATED BUDGET	AREA OF IMPLEMENTATION	QUARTER
Coaching Clinics	50 000	4 LM	1 <sup>st</sup> 3 <sup>rd</sup>
District Festival	100 000	Lady Grey	1 <sup>st</sup>
Hub Festival	100 000	22 hubs- Senqu 9 Elundini 10, Maletswai1, Gariiep 2	1 <sup>st</sup> , 2 <sup>nd</sup> , 3 <sup>rd</sup> , 4 <sup>th</sup>
League matches in hubs and clusters	100 000	22 hubs – Senqu 9, Elundini 10, Maletswai1, Gariiep 2	1 <sup>st</sup> , 2 <sup>nd</sup> , 3 <sup>rd</sup> , 4 <sup>th</sup>
Kicking AIDS out Women on the move age in action	40 000	Lady Grey	3 <sup>rd</sup>
Movement for all	25 000 25 000 25 000	Sterkspruit: Esililindini Barkly East Aliwal North	2 <sup>nd</sup> 2 <sup>nd</sup> 3 <sup>rd</sup>

### UPCOMING 2010 FIFA WORLD CUP MASS MOBILISATION EVENTS:

- Hubs Mini World Cup on 09 June 2010 in Lady Grey
- Schools Mini World Cup on 09 June 2010 in Aliwal North
- Ukhahlamba District Football Tournament 04-07 June 2010 in Lady Grey
- Mini Olympics 04 – 11 June 2010 in Lady Grey
- Coaching Course Level 1 in Aliwal North
- Indoor Soccer in Steynsburg



## 2.8 TRANSPORT SAFETY & LIASON: PROJECT

The department of Transport has set aside R5, 9 00 000,00 for Rural Development Based on better Quality Transport Systems in contribution to a better life for all. Given R59 000,000,00. These funds are for the construction of bicycle paths and side walks.

### CONSTRUCTION OF BICYCLE PATHS AND SIDE WALKS

Municipality	Budget 2010/11
	Budget
Maletswai	R885 000, 00
Gariep	R885 000, 00
Elundini	R2 065 000, 00
Senqu	R2 065 000,00
<b>Total</b>	<b>R5 900 000, 00</b>

## 2.9 DEPARTMENT OF SOCIAL DEVELOPMENT

BUDGET ALLOCATION FOR 2010/11 MTEF (R'000) SUMMARY		
FINANCIAL YEAR		
No	SUB-PROGRAMS	ALLOCATION
1	SUBSTANCE ABUSE	342,000.00
2	CRIME PREVENTION AND SUPPORT	3,600,000.00
3	VICTIM EMPOWERMENT	895,000.00
4	HIV AND AIDS	7,592,700.00
5	SOCIAL RELIEF	4,992,000.00
6	CARE AND SUPPORT SERVICES TO FAMILIES	425,000.00
	TOTAL	17,846,700.00
	DEVIATION	

### SUBSTANCE ABUSE

BUDGET ALLOCATION (R'000)							2010/11/01
FINANCIAL YEAR							
DISTRICT MUNICIPALITY	LOCAL MUNICIPALITY	AREA OFFICE	PROJECT NAME	NUMBER OF BENEFICIARIES	PURPOSE/ACTIVITY	LOCATION /TOWNSHIP	ALLOCATION
Joe Gqabi	Maletswai	Aliwal North	Aliwal North TADA	5	Teenagers Against Drug Abuse PROG		110,000.00
Joe Gqabi	Elundini	Mt Fletcher	Mt Fletcher TADA	6	Teenagers Against Drug Abuse PROG		122,000.00
Joe Gqabi	Senqu	Sterkspruit	Sterkspruit TADA	5	Teenagers Against Drug Abuse PROG		110,000.00
TOTAL							<b>342,000.00</b>

### CRIME PREVENTION

DISTRICT MUNICIPALITY	LOCAL MUNICIPALITY	AREA OFFICE	PROJECT NAME	ALLOCATION 2010/11
Joe Gqabi	Senqu	Sterkspruit	Crime Prevetion	200,000.00
Joe Gqabi	Elundini	Mt Fletcher	Crime Prevetion	200,000.00
Joe Gqabi	Elundini	Mt Fletcher	Developmental Foster care	250,000.00
Joe Gqabi	Senqu	Sterkspruit	Developmental Foster care	250,000.00
Joe Gqabi	Elundini	Mt Fletcher	Diversion and Mentoring	200,000.00
Joe Gqabi	Senqu	Sterkspruit	Diversion and Mentoring	200,000.00
Joe Gqabi	Maletswai	Aliwal North	Reception Assessment & Referral Centre	800,000.00
Joe Gqabi	Maletswai	Aliwal North	Re-Integartion Of Offenders	300,000.00
Joe Gqabi	Senqu	Sterkspruit	Re-Integartion Of Offenders	300,000.00
Joe Gqabi	Elundini	Mt Fletcher	Re-Integartion Of Offenders	300,000.00
Joe Gqabi	Senqu	Sterkspruit	Skill Development	300,000.00
Joe Gqabi	Elundini	Mt Fletcher	Skills Development	300,000.00
TOTAL				<b>3,600,000.00</b>

### VICTIM EMPOWERMENT

DISTRICT MUNICIPALITY	LOCAL MUNICIPALITY	AREA OFFICE	PROJECT NAME	LOCATION 2010/11
Joe Gqabi	Maletswai	Aliwal North	Maletswai One Stop Centre	300,000.00
Joe Gqabi	Maletswai	Aliwal North	Aliwal North Victim Support	80,000.00
Joe Gqabi	Gariep	Aliwal North	Burgersdorp Safe Home & Community Based	140,000.00
Joe Gqabi	Gariep	Aliwal North	Venterstad Victim Support Centre	70,000.00
Joe Gqabi	Senqu	Sterkspruit	Sterkspruit Victim Support Centre	85,000.00
Joe Gqabi	Senqu	Sterkspruit	Macacuma Victim Support Centre	85,000.00
Joe Gqabi	Elundini	Mt Fletcher	Zingonyameni Survivor Support Centre	85,000.00
Joe Gqabi	Elundini	Mt Fletcher	Mt Fletcher Advice Centre	50,000.00
TOTAL				<b>895,000.00</b>

### HIV AND AIDS

DISTRICT MUNICIPALITY	LOCAL MUNICIPALITY	AREA OFFICE	PROJECT NAME	PURPOSE/ACTIVITY	ALLOCATION
Joe Gqabi	Gariep	Aliwal North	Nazareth Haven Hospice	HCBC	469,300.00
Joe Gqabi	Maletswai	Aliwal North	Noncedo Home Community Based Care	HCBC	469,300.00
Joe Gqabi	Maletswai	Aliwal North	Caring Hands	HCBC	469,300.00
Joe Gqabi	Maletswai	Aliwal North	Living Waters Hospice	HCBC	469,300.00
Joe Gqabi	Gariep	Aliwal North	Ilitha Lethemba Home Community Based Care	HCBC	541,800.00
Joe Gqabi	Elundini	Mt Fletcher	Khanya HCBC	HCBC	350,000.00
Joe Gqabi	Elundini	Mt Fletcher	Mpilonhle HCBC	HCBC	469,300.00
Joe Gqabi	Elundini	Mt Fletcher	Ukhozi Lwempilo	HCBC	469,300.00
Joe Gqabi	Elundini	Mt Fletcher	Harepeleng HCBC	HCBC	350,000.00
Joe Gqabi	Elundini	Mt Fletcher	Someleze HCBC	HCBC	469,300.00

DISTRICT MUNICIPALITY	LOCAL MUNICIPALITY	AREA OFFICE	PROJECT NAME	PURPOSE/ACTIVITY	ALLOCATION
Joe Gqabi	Elundini	Mt Fletcher	Zamulwazi HCBC	HCBC	469,300.00
Joe Gqabi	Senqu	Sterkspruit	Lady Grey Community Based Organisation	HCBC	469,300.00
Joe Gqabi	Senqu	Sterkspruit	Sinobom Wellness HIV&AIDS Information Centre	HCBC	469,300.00
Joe Gqabi	Senqu	Sterkspruit	Empilweni Community Health Care Centre	HCBC	469,300.00
Joe Gqabi	Senqu	Sterkspruit	Masiphilisane Home Based Care	HCBC	469,300.00
Joe Gqabi	Senqu	Sterkspruit	Masabelane Education for Life	HCBC	719,300.00
<b>TOTAL</b>					<b>7,592,700.00</b>

#### SOCIAL DISTRESS

DISTRICT MUNICIPALITY	LOCAL MUNICIPALITY	AREA OFFICE	PROJECT NAME	ALLOCATION
Joe Gqabi	ELUNDINI	MT FLETCHER	ZENZELE WOOD PRODUCTION	300,000.00
Social Relief of Distress to Families suffering undue hardships and affected by disasters in all 7 Districts				4,692,000.00
<b>TOTAL</b>				<b>4,992,000.00</b>

#### CARE AND SUPPORT TO FAMILIES

DISTRICT MUNICIPALITY	LOCAL MUNICIPALITY	AREA OFFICE	PROJECT NAME	ALLOCATION
<b>FAMILY PRESERVATION PROGRAMME</b>				
Joe Gqabi	ELUNDINI	MT FLETCHER	ELUNYAWENI FAMILY PRESERVATION	100,000.00
<b>FAMILY RESOURCE CENTRES</b>				
Joe Gqabi	GARIEP	ALLIWAL NORTH	STEYNBURG FAMILY RESOURCE CENTRE	200,000.00
<b>SINGLE PARENTS ASSOCIATION</b>				
Joe Gqabi	ELUNDINI	MOUNT FLETCHER	MT.FLETCHER SINGLE PARENTS ASSOCIATION	125,000.00
<b>TOTAL</b>				<b>425,000.00</b>

**PROGRAM 3 – COMMUNITY DEVELOPMENT  
FUNDING 2010/2011**

<b>Name of project</b>	<b>Location\Ward</b>	<b>Municipality</b>	<b>Type</b>	<b>Amount</b>
Zithande Garden and Maintenance	Aliwal North, Ward 5,6	Maletswai	Youth Development	R 500 000.00
Mlawu Printing and design	Burgersdorp, Ward 5,6	Gariep	Youth Development	R 250 000.00
Uphomlo Ma-Afrika	Jamestown, Ward 1	Maletswai	Women Co-op	R 500 000.00
Masimanyane Makhosikazi Butchery	Jamestown, Ward 1	Maletswai	Women Co-op	R 250 000.00
Masizame Bakery	Steynsburg, Ward 2	Gariep	Women Co-op	R 250 000.00
Zenzile Women Co-op	Venterstad, Ward 1	Gariep	Women Co-op	R 250 000.00
Reathusana Group	Aliwal North, Ward 5,6	Maletswai	Food Security	R 750 000.00
Sivuyile community development project	Ntatyana Locality, Ward 11	Elundini local municipality	Women Co-operative	R500 000.00
Khuthalani poultry project	Luthuthu Village, Ward 01	Elundini local municipality	Women Co-operative	R500 000.00
Ikamvalethu food security project	Hlankomo Locality, Ward 16	Elundini local municipality	Food Security	R750 000.00
Qinamama poultry project	St Augustines, Ward 05	Elundini local municipality	Women Co-operative	R500 000.00
Sisonke brick making project	Ncembu A/A, Ward 01	Elundini local municipality	Women Co-operative	R358 000.00
Arefe-Matla Poultry Project	Jozana' s Hoek, Ward 12	Senqu local Municipality	Women Co-operative	R500 000.00
Lathi- tha Youth Project	Tyinindini, Ward 4	Senqu local Municipality	Youth Project	R500 000.00
Mgxojeni Poultry Project	Macacuma, Ward 7	Senqu local Municipality	Women Co-operative	R500 000.00
Umsobomvu Women Project	Palmietfontein, Ward 2	Senqu local Municipality	Women Co-operative	R500 000.00
<b>TOTAL</b>				<b>R7,358 000.00</b>

**PROGRAM 2 SOCIAL WELFARE**

**DIRECTORATE : OLDER PERSONS**

<b>DISTRICT MUNICIPALITY</b>	<b>LOCAL MUNICIPALITY</b>	<b>AREA OFFICE</b>	<b>LOCATION/TOWNSHIP</b>	<b>PROJECT NAME</b>	<b>PURPOSE/ACTIVITY</b>	<b>ALLOCATION</b>
Joe Gqabi	Senqu	STERKSPRUIT	STERKSPRUIT	Phuthanang Old Age	Service Centre	67,200.00
Joe Gqabi	Maletswai	ALIWAL NORTH	Aliwal North	Songuluntu Serv. Centre	Service Centre	72,000.00
Joe Gqabi	Elundini	MOUNT FLETCHER	MOUNT FLETCHER	Kopanang Aged Club	Service Centre	108,000.00
Joe Gqabi	Maletswai	ALIWAL NORTH	Aliwal North	Masakhane Serv. Centre	Service Centre	72,000.00
Joe Gqabi	Maletswai	ALIWAL NORTH	Aliwal North	Masakhane Old Age Serv. Centre	Service Centre	72,000.00
Joe Gqabi	Elundini	MOUNT FLETCHER	MOUNT FLETCHER	Siboneleleni Aged Club	Service Centre	36,000.00
Joe Gqabi	Senqu	STERKSPRUIT	STERKSPRUIT	Luvellwano Old Age	Service Centre	52,800.00
Joe Gqabi	Senqu	STERKSPRUIT	STERKSPRUIT	Morning Star Old Age	Service Centre	48,000.00
Joe Gqabi	Senqu	STERKSPRUIT	STERKSPRUIT	Siyaphambili Old Age	Service Centre	62,400.00
Joe Gqabi	Senqu	STERKSPRUIT	Sterkspruit	Masibambisane Serv. Centre F	Service Centre	48,000.00
Joe Gqabi	Senqu	STERKSPRUIT	STERKSPRUIT	Noncedo Aged Community Service	Service Centre	132,000.00
Joe Gqabi	Senqu	STERKSPRUIT	STERKSPRUIT	Thembelihle Old Age Service Ce	Service Centre	120,000.00
Joe Gqabi	Maletswai	ALIWAL NORTH	Aliwal North	Ikwezi Mphatlalatsane	Service Centre	50,400.00
Joe Gqabi	Elundini	MOUNT FLETCHER	Mt Fletcher	Siyakhathala Project	Service Centre	81,600.00
Joe Gqabi	Senqu	STERKSPRUIT	Sterkspruit	Semphethe Lena Old Age Serv. Centre	Service Centre	76,800.00
Joe Gqabi	Gariep	STEYNSBURG	Steynsburg	Nceduluntu Old Age Serv. Centre	Service Centre	108,000.00
Joe Gqabi	Elundini	MOUNT FLETCHER	Mt Fletcher	Zingisa Adult Care	Service Centre	84,000.00
Joe Gqabi	Maletswai	ALIWAL NORTH	Aliwal North	Siyeza Adult Association	Service Centre	108,000.00
Joe Gqabi	Maletswai	ALIWAL NORTH	Aliwal North	Tamara Adult Association	Service Centre	84,000.00
Joe Gqabi	Elundini	MOUNT FLETCHER	Mt Fletcher	Vukuzenzele Aged	Service Centre	76,800.00
Joe Gqabi	Elundini	MOUNT	Mt Fletcher	Bukho Adult Care	Service	

		FLETCHER			Centre	62,400.00
Joe Gqabi	Elundini	MOUNT FLETCHER	Mt Fletcher	Leratong	Service Centre	84,000.00
<b>TOTAL</b>						<b>1,706,400.00</b>

DISTRICT MUNICIPALITY	LOCAL MUNICIPALITY	AREA OFFICE	LOCATION/TOWNSHIP	PROJECT NAME	PURPOSE/ACTIVITY	ALLOCATION
Joe Gqabi	Gariep	Aliwal North	Aliwal North	Marais Steyn Home For The Aged	Home for Aged	510,000.00
Joe Gqabi	Maletswai	Aliwal North	Aliwal North	HUIS VAN DER HORST	Home for Aged	1,428,000.00
Joe Gqabi	Gariep	Aliwal North	Aliwal North	HUIS DIRK POSTMA VIR BEJAARDES	Home for Aged	612,000.00
<b>TOTAL</b>						<b>2,550,000.00</b>

#### PEOPLE WITH DISABILITIES

DISTRICT MUNICIPALITY	LOCAL MUNICIPALITY	AREA OFFICE	PROJECT NAME	PURPOSE/ACTIVITY	Maximum Capacity	Rate	ALLOCATION
Joe Gqabi	Maletswai	Aliwal North	Vukuzenzele	Special Day Care Centre	11	17	49,368.00
Joe Gqabi	Gariep	Aliwal North	Qhayiyalethu	Special Day Care Centr	27	17	121,176.00
<b>TOTAL</b>							<b>170,544.00</b>

#### DIRECTORATE: CHILDREN

DISTRICT MUNICIPALITY	LOCAL MUNICIPALITY	AREA OFFICE	LOCATION/TOWNSHIP	PROJECT NAME	PURPOSE	ALLOCATION
Joe Gqabi	Maletswai	ALIWAL NORTH	Aliwal North	Goodwill Safety Shelter	Shelter for Children	1,130,880
<b>TOTAL</b>						<b>1,130,880</b>

#### DIRECTORATE: CHILDREN

DISTRICT MUNICIPALITY	LOCAL MUNICIPALITY	AREA OFFICE	PROJECT NAME	PURPOSE	ALLOCATION
Joe Gqabi	Senqu	STERKSPRUIT	Barkley East Child Welfare ( Surkey )	Day Care	62,280.00
Joe Gqabi	Senqu	STERKSPRUIT	Bhongolethu Pre-School	Day Care	51,900.00
Joe Gqabi	Elundini	MOUNT FLETCHER	Bongani Pre School	Day Care	124,560.00
Joe Gqabi	Elundini	MOUNT FLETCHER	EKUPHUMLENI PRE-SCHOOL	Day Care	124,560.00
Joe Gqabi	Maletswai	ALIWAL NORTH	Emmanuel dcc	Day Care	62,280.00
Joe Gqabi	Elundini	MOUNT FLETCHER	ESIDIKIDINI PRE-SCHOOL	Day Care	124,560.00
Joe Gqabi	Maletswai	ALIWAL NORTH	FEZEKA CRECHE	Day Care	124,560.00
Joe Gqabi	Elundini	MOUNT FLETCHER	Ikhwezi Lomso	Day Care	62,280.00
Joe Gqabi	Maletswai	ALIWAL NORTH	INKQUBELA EDUCARE CENTRE	Day Care	124,560.00
Joe Gqabi	Maletswai	ALIWAL NORTH	JOAN OBERHOLZER CRECHE	Day Care	124,560.00
Joe Gqabi	Elundini	MOUNT FLETCHER	Khanya Day Care	Day Care	124,560.00
Joe Gqabi	Senqu	STERKSPRUIT	Khanya Pre school	Day Care	62,280.00
Joe Gqabi	Elundini	MOUNT FLETCHER	KHANYISA CRECHE	Day Care	124,560.00
Joe Gqabi	Maletswai	Aliwal North	Khulani Day Care	Day Care	62,280.00
Joe Gqabi	Maletswai	ALIWAL NORTH	KOINONIA KLEUTERSKOOL	Day Care	103,800.00
Joe Gqabi	Elundini	MOUNT FLETCHER	Kuyasa Creche-Pre-School	Day Care	124,560.00
Joe Gqabi	Maletswai	ALIWAL NORTH	Lingelethu dcc	Day Care	62,280.00
Joe Gqabi	Elundini	MOUNT FLETCHER	Lingelihle Day Care	Day Care	41,520.00
Joe Gqabi	Elundini	MOUNT FLETCHER	LONWABO CRECHE	Day Care	124,560.00
Joe Gqabi	Maletswai	ALIWAL NORTH	LUTHANDO	Day Care	124,560.00
Joe Gqabi	Senqu	STERKSPRUIT	LUYOLO PRE-SCHOOL	Day Care	62,280.00
Joe Gqabi	Maletswai	ALIWAL NORTH	MASIBULELE CRECHE	Day Care	124,560.00
Joe Gqabi	Senqu	STERKSPRUIT	Masibulele pre school	Day Care	62,280.00
Joe Gqabi	Elundini	MOUNT FLETCHER	Masikhanyiseni Pre-School	Day Care	91,344.00
Joe Gqabi	Elundini	MOUNT FLETCHER	Masiphathisane Pre-School	Day Care	45,672.00
Joe Gqabi	Elundini	MOUNT FLETCHER	NCEDANANI PRE SCHOOL PROJECT	Day Care	124,560.00
Joe Gqabi	Senqu	STERKSPRUIT	NDOFELA PRE-SCHOOL	Day Care	51,900.00
Joe Gqabi	Senqu	STERKSPRUIT	Noluncedo Pre-School	Day Care	91,344.00
Joe Gqabi	Maletswai	ALIWAL NORTH	NOLUNDI CRECHE	Day Care	49,824.00
Joe Gqabi	Elundini	MOUNT FLETCHER	Noluvuyo.Preschool	Day Care	80,964.00
Joe Gqabi	Senqu	STERKSPRUIT	Noluya Pre-School	Day Care	83,040.00
Joe Gqabi	Senqu	STERKSPRUIT	Nompumelelo Pre-School	Day Care	103,800.00
Joe Gqabi	Senqu	STERKSPRUIT	NONCEDO I PRE-	Day Care	33,216.00

			SCHOOL		
Joe Gqabi	Senqu	STERKSPRUIT	Noncedo II Pre-School	Day Care	80,964.00
Joe Gqabi	Elundini	MOUNT FLETCHER	NONKQUBELA PRE-SCHOOL	Day Care	124,560.00
Joe Gqabi	Elundini	MOUNT FLETCHER	NOXOLO PRE-SCHOOL	Day Care	103,800.00
Joe Gqabi	Elundini	MOUNT FLETCHER	Noxolo Pre-School	Day Care	103,800.00
Joe Gqabi	Elundini	MOUNT FLETCHER	PHAKAMANI PRE SCHOOL	Day Care	124,560.00
Joe Gqabi	Elundini	MOUNT FLETCHER	PHAPHAMANG PRE-SCHOOL	Day Care	83,040.00
Joe Gqabi	Elundini	MOUNT FLETCHER	Pumlani-Noxolo Pre-School	Day Care	41,520.00
Joe Gqabi	Senqu	STERKSPRUIT	Reamohetswe Pre-School	Day Care	60,204.00
Joe Gqabi	Senqu	STERKSPRUIT	Rhodes Preschool	Day Care	62,280.00
Joe Gqabi	Maletswai	ALIWAL NORTH	SACRED HEART COMMUNITY CRECHE	Day Care	124,560.00
Joe Gqabi	Senqu	STERKSPRUIT	Sakhakude Pre-School	Day Care	49,824.00
Joe Gqabi	Senqu	STERKSPRUIT	Sebatatso Pre-School	Day Care	51,900.00
Joe Gqabi	Senqu	STERKSPRUIT	Sibabalwe Pre school	Day Care	62,280.00
Joe Gqabi	Elundini	MOUNT FLETCHER	Sicelinceba Pre School	Day Care	60,204.00
Joe Gqabi	Elundini	MOUNT FLETCHER	Sinethemba Pre School	Day Care	62,280.00
Joe Gqabi	Senqu	STERKSPRUIT	Sinethemba Pre-School	Day Care	91,344.00
Joe Gqabi	Elundini	MOUNT FLETCHER	Siyabulela Pre School	Day Care	41,520.00
Joe Gqabi	Senqu	STERKSPRUIT	Siyakhula Pre-School	Day Care	91,344.00
Joe Gqabi	Elundini	MOUNT FLETCHER	Siyazama Pre-School	Day Care	62,280.00
Joe Gqabi	Senqu	STERKSPRUIT	Sondelani pre school	Day Care	62,280.00
Joe Gqabi	Maletswai	ALIWAL NORTH	ST FRANCIS CRECHE	Day Care	124,560.00
Joe Gqabi	Maletswai	ALIWAL NORTH	St Pauls Creche	Day Care	62,280.00
Joe Gqabi	Senqu	STERKSPRUIT	SUNDUZA PRE-SCHOOL	Day Care	87,192.00
Joe Gqabi	Senqu	STERKSPRUIT	Thembehle Pre-School	Day Care	89,268.00
Joe Gqabi	Senqu	STERKSPRUIT	Transwilgier pre school	Day Care	62,280.00
Joe Gqabi	Elundini	MOUNT FLETCHER	Tshepang Pre-School	Day Care	62,280.00
Joe Gqabi	Elundini	MOUNT FLETCHER	Tswelopele Day Care	Day Care	78,888.00
Joe Gqabi	Senqu	STERKSPRUIT	VULINDLELA PRE-SCHOOL	Day Care	31,140.00
Joe Gqabi	Elundini	MOUNT FLETCHER	Vusisizwe DCC	Day Care	62,280.00
Joe Gqabi	Elundini	MOUNT FLETCHER	Vuyolwethu Day Care	Day Care	124,560.00
Joe Gqabi	Elundini	MOUNT FLETCHER	VUYOLWETHU EDUCARE CENTRE	Day Care	124,560.00
Joe Gqabi	Maletswai	ALIWAL NORTH	YOLUNTU EDUCARE CENTRE	Day Care	124,560.00



## DIRECTORATE CHILDREN

DISTRICT MUNICIPALITY	LOCAL MUNICIPALITY	AREA OFFICE	LOCATION/TOWNSHIP	PROJECT NAME	PURPOSE/ACTIVITY	ALLOCATION
Joe Gqabi	Senqu	STERKSPRUIT	HERSCHEL	LUKHANYO CHILDRENS' HOME	Childrens Home	816,000.00
TOTAL						<b>816,000.00</b>

### **3 LOCAL MUNICIPALITIES**

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**Table 49: Senqu Programmes and Projects**

NO	PRIORITIES/PROJECTS	WARD	BUDGET
1000	Upgrading of electricity networks and metering	Lady Grey, Sterkspruit & Barkly East	R 3m
1001	Obtaining additional commonages (Land Acquisition)	10, 15 & 16	R 1m
1002	Construction of access roads	7, 8, 9 & 12	5,255,815
1003	Construction of access roads	1, 2 & 3	4,219,125
1004	Solid Waste Site - Sterkspruit	10	736,000
1005	Paving in Barkly East (Phase 1)	15 & 16	142,260
1006	Sportfield Lighting (BE & LG)	14 & 16	R 2m
1007	Construction of Solid Site Waste (Rhodes; Herschel & Rossouw)	11; 14 & 16	R 3m
1008	Increasing of height & width of Transwilger Bridge	14	1,037,610
1009	Extension of Office Building	Whole Area	9,345,680
1010	Khwezi-Naledi Storm Water	14	6,700,000
1011	Building of storage facility for assets	All Wards	300 000
1012	Vehicle tracking system	All Wards	R 500 000
1013	Repairs and maintenance of all community halls	All Wards	R 400 000
1014	Neighbourhood Development Partnership Grant	All Wards	15,943,120
1015	Job creation project	All Wards	R 4,m
1016	Settlement upgrade of 8000 erven	8, 10, 11 & 12	18, 175, 156. 80
1017	Sterkspruit Treatment Works	10	R 9m
1018	Call centre	All	R 500 000
1019	Herschel Housing	11	6,578,610
2000	Complete road surfacing in Sterkspruit	10	4,083,025
2001	Maintenance of Senqu Roads	4; 5; 6 & 10	9,900,000
2002	Surfacing of Musong Road	3	13,000,000
2003	Surfacing of Mlamli Hospital Road	6; 9 & 10	5,000,000
2004	Electrification of 330 houses	6; 9 & 10	4,363,920

**Table 50: Maletswai Programmes and Projects**

		Source of funding	Amount
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Project Name	Project Description	Internal	Mig	Other Source	
Construction of public toilets	Construction of new water borne Public toilets 4 units			WSA	R 610,000.00
Construction of the tower reservoir	Construction of elevated tower reservoir for pressure and storage capacity increase and Springs reticulation assessment in relation to elevated reservoir.			WSA	R 3,000,000.00
Upgrading of water purification plant (Treatment works)	Installation of higher volume size water pumps and motors			WSA	R 3,700,000.00
Electrification of 743 RDP houses	Electrification and house connection to 743 RDP houses and street lights provision			DE	R3,700,000.00
Installation of new high mast lights in Jamestown	Installation and commissioning of 3 new high mast lights in Jamestown.	X			R 400,000.00
Installation of street light in Sebolaoa Street	Installation and commissioning of street lights in Dukathole sebolaoa street	x			R 65,000.00
Jamestown Sports field	Sarah Morosi sports field construction, sloping the natural ground to 4%, Planting of grass, erection of pavilion, installation of irrigation system, construction of ablution facilities, and erection Palisade fencing	X			R1,000,000.00
Jamestown Cemetery	Construction of a new cemetery in Jamestown		MI G		R 770,000.00
Hospital road	Construction of 1.6km of paved road, 60mm of interlock paving blocks, 6.5m wide and related storm water channels.		x		R4,692,828.43
Marete Street	Construction of 1.4km of paved road, 60mm of interlock paving blocks, 6.5m wide and related storm water channels.		x		R4,500,000.00
Upgrading of the main sewer line from springs	Upgrading of 2km Springs sewer pipe line. Replacing of old clay sewer pipe line with Ø200mm for with manholes at regular intervals			WSA	R3,000,000.00
Upgrading of the Block F sewer pumping main	Upgrading of Ø400mm sewer pump from Block F to the Dukathole pump station			WSA	R6,000,000.00
Upgrading of the Dukathole pump station	Upgrading of a Dukathole pump station to an appropriate capacity to sufficiently pump raw effluent.			WSA	

**Table 51: Gariep Programmes and Projects**

NO	PROJECT	2010/11/	2011/12	2012/13
1	Document Management System	R80 000.00		
2	Review and implementation of By-Laws	R100 000.00		
3	Installation of HR Electronic System			
4	Development of Retention & Succession Plan	R150 000.00		
5	Training and development of staff			
6	Steynsburg Greening field Access road	R8 600.000		
7	Equipment and Furniture			
8	Improve Signage	R100 000.00		
9	Beautification of Towns	R200 000.00		
10	Repairs & Maintenance of Child Care Facilities	R100 000.00		
11	Fencing of Municipal Parks			
12	Fencing of refuse site	R110 000.00		
13	Consolidation 140 Houses Mzamomhle Burgersdorp	R 10,188,598.00		
14	Upgrading Electricity Network Burgersdorp and Power Station	R 18,000.00		
15	Bulk Water Supply Steynsburg	R40 606 730		
16	Consolidation 360 Houses Nozizwe Venterstad	R18,021 394.00		
17	Reticulation 1000 Houses Burgersdorp			
18	Furniture and Equipment and Software Project Management	R150 000.00P		
19	Procurement of Furniture and Equipment	R50 000		
20	Procurement of Software Project Management	R50 000		

**Table 52: Elundini Programmes and Projects**  
**Elundini Local Municipality**

Project Description	Project Cost	Ward	2010/11	2011/12	Funding source
<b>GOOD GOVERNANCE AND PUBLIC PARTICPATION</b>					
Development of Communication Plan					ELM
Develop Master Systems Plan	250,000.00				ELM
Develop fixed Asset Register	150,000.00				ELM
Data Cleaning	100,000.00				ELM
DevelopemEnt of Rates Policy					ELM
Skills Audit	150,000.00				ELM
Maintenance Plan for IT infrastructure	100,000.00				ELM
Align Organisational Structure with Powers and Functions			200,000.00		ELM
Review and Update Policies			200,000.00		ELM
Review Current Municipal Grading			200,000.00		ELM

Enhance Productivity of Staff			500,000.00		ELM
ICT Strategy Framework			200,000.00		ELM
Fast track building suitable office accommodation			500,000.00		ELM
Develop Long Term Financial Plan			200,000.00		ELM
Data Cleansing & Revenue Enhancement Strategy			500,000.00		ELM
Develop a Debt Management Strategy			200,000.00		ELM
Review & Update all Policies & By-laws			200,000.00		ELM
Fixed Asset Register			200,000.00		ELM
<b>LOCAL ECONOMIC DEVELOPMENT</b>					
Identify Suitable Land for Afforestation			100,000.00		
Strategy for Rehabilitation of DWAF Plantations			100,000.00		
Strategy for Rehabilitation of Jungle Wattle			50,000.00		
Feasibility Study for Value Adding Enterprises			250,000.00		
Feasibility Study for Readiness for 2010 Viewing Site			100,000.00		
Unique Selling Products Plan			300,000.00		
Viable Dry Land Cropping Areas Development Plan			100,000.00		
Viable Irrigation Areas Development Plan			100,000.00		
Viable Livestock Potential Development Plan			100,000.00		
SMME Support Development Plan			500,000.00		
SMME Linkage to Business Opportunities Plan			50,000.00		
GoldFields Livestock Improvement Programme					GF
The Tsitsa River Basin Project (Cross-Boundary Irrigation Scheme)					
		3			
Maclear Emerging Farmers – Fencing	700,000.00				
Umnga –Fencing	1,100,000.00				
Pitseng (Mt Fletcher) - Fencing/ Stockwater	400,000.00				
Siluilima Secondary Co-Operative		All			
Elundini Women's Hospitality Co-operative Development		All			
Ward 14 Environmental Management Project		14	2,000,000.00		DWA
Mt. Fletcher Tourism		9			
Elundini Water Bottling Project	1,500,000.00	All			
Vuvu Community Agriculture & Tourism Project	5,300,000.00	14			
		4			
Tsitsana Agricultural Cooperative - Agriculture	250,000.00				
upper tsitsana Tourism and Agriculture project	9,000,000.00	7	5,500,000.00		EU
Eastward Ho Farm (Maclear) - Silo Massive	200,000.00				
	4.3m for all projects				
<b>MASSIVE FOOD PRODUCTION:</b>					
Eastward Ho					
Weinright					
Fees Sondernaam					
Eden farm					
<b>Ugie Farms</b>					
Cavens No.	7,014,330.00				
<b>SIYAZONDLA PROGRAM</b>					
Maclear	95,000.00				
Tsitsa Basin	3,135,200.00				
Nxotshana 25 -Fencing Massive	75,000.00				
Phirintu (Mt Fletcher) - Fencing Massive	90,000.00				
Tractors	400,000.00				
Siyazondla Homestead Food Security and Homestead Gardens	1,000,000.00				
Elundini Tourism Information	4,591,320.00				DEAT
Merchandising					DEAT

	30,000.00				
<b>SOCIAL NEEDS</b>					
Aids Sufferers Farm					
Resource Centre	360,000.00				Thina Sinako
Improve indigenous skills					ELM/DoE
Establish a formal relationship with Thina Sinako					ELM
Entrepreneurial Skills Development	500,000.00				ELM. SETAs
School of Weaving					
Development of Career Guidance					DoE
Mt Fletcher Tada			84,000.00		DOSD
Maclear TADA			84,000.00		DOSD
Siboneleleni Ward 10			112,000.00		DOSD
Kopanang			112,000.00		DOSD
Luvuyo Disable Children Centre			61,210.00		DOSD
Silwasonke Crime Prevention			83,000.00		DOSD
Bakhusele Diversion Project			65,000.00		DOSD
Mt Fletcher Skills Development			150,000.00		DOSD
Mt Fletcher Ex-Offender Re-Integration			160,000.00		DOSD
Ntataise Women Co operative					DOSD
Mt Fletcher Single Parent Association			110,000.00		DOSD
Bambisanani Cluster Foster Home			240,000.00		DOSD
Mpilontle HSBC			556,097.00		DOSD
Ukhozi Lwempilo			556,097.00		DOSD
Zamulwazi			556,097.00		DOSD
Someleze			556,097.00		DOSD
Imihlali Women Co operative			500,000.00		DOSD
Sisonke Women Co operative			500,000.00		DOSD
Zimele Youth Project			500,000.00		DOSD
Vukani Ramatee Food Security Project					DOSD
Reaiphepha Mabenyeng Food Security Programme					DOSD
<b>Social Facilities</b>					
Renovation of Town Hall – Maclear Ward 3					ELM
<b>Upgrade of Parks in towns</b>			700,000.00		
Informal Traders Policy			150,000.00		UKDM
Open Market Phase 2			1,200,000.00		DEDEA
<b>SPATIAL</b>					
Commanage Master Plan			600,000.00		DBSA/ELM
<b>SERVICE DELIVERY AND INFRASTRUCTURE</b>					
Develop & implement a Basic Maintenance Plan			200,000.00		
<b>Project Management Unit</b>			<b>934,000.00</b>		<b>MIG (OPEX)</b>
Construction of Ntabalanga - Nkamane Road Link	7,128,028.00	8			MIG
Construction of Peter Makhaba River Crossing	1,322,369.39	3			MIG
Development of Mount Fletcher Internal Streets	5,994,010.00	9			MIG
Construction of Sethathi of Mashata Access Road	3,076,552.20	12			MIG
Rehabilitation of Kuebung Access Road	1,630,364.96	13			MIG
Upgrading of Nxotshane Access Road and bridge	2,957,112.33	13			MIG
Upgrading of Ilisolomzi Access Road	1,646,662.35	9			MIG

Construction of Gobho to Esixhotyeni Access Road	1,110,000.00	13			MIG
Construction of Zwelitsha, Sondaba & Tsolobeng Access Road	1,085,215.75	10			MIG
Upgrading of Access Roads	1,971,215.26	1,5,6			MIG
Construction and rehabilitation of Ugie Streets	3,993,420.00	2			MIG
Construction of Mahayaneng Access Road & Bridge	3,700,000.00	12			MIG
Access Road & Bridge to Lenana High School	4,741,297.62	9			MIG
Alterations and Renovations to MT Fletcher Town Hall	1,170,968.00	9	1,170,968.00		MIG
Construction of Tinana Access Road	1,770,000.00	11	1,770,000.00		MIG
Alterations and Renovations to Maclear Town Hall	997,039.00	3	997,039.00		MIG
Upgrading of Mount Fletcher Access Road	1,827,250.12	9	1,827,250.12		MIG
Construction of Mangoloaneng East Access Road	1,609,020.41	12	1,609,020.41		MIG
Mpharane Access Road	684,000.00	10	684,000.00		MIG
Construction of T83 to Matugulo via Tsikarong	7,148,384.74	4	3,574,192.37		MIG
Construction of Maroqa to Sophania Access Road	11,995,374.20	7	5,997,687.10		MIG
Construction of Lehana to Upper Tokoana Access Road	13,718,961	15	6,859,480.50		MIG
Construction of access road from R56 to Dengwane Access Road	3,901,895.57	11			
Construction of Nondzaba- Chevy Chase Access Road	1,500,000	16			
Construction of access road from T78 to Zanyeni	4,895,398.57	14			
Upgrading of Popopo Access Road	1,566,849.91	12			
Upgrading of Ntabelanga Access Road	R 792,000.00	13			
Construction of Mount Fletcher Open Market	2,599,610.00	9			
Construction of access road from T83 to Platana	4,485,000	4			
Construction of Mhlonlto JSS to Koloni SPS Access Road	3,491,930.68	16			
Construction T18 to Pitseng Access Road	4,739,731.33	1			
Construction of Tsitsa River to Sophania Access Road	15,335,986	7			
Construction of Vuvu- Nkumandeni Access Road		14			
Construction of Ugie Open Market	2,389,950.00	2			
Upgrading of Zamuxolo Access Road	1,200,395.80	10			
Upgrading of Kinirapoort Access Road	1,937,573.42	12			
Affordability Study for Acquisition of Construction Plant			300,000.00		
Formulate a Plant Utilisation Policy			100,000.00		
Storm Water Maintenance Plan			100,000.00		
Report on extension of Electricity into Rural Areas			300,000.00		
Maintenance of Electrical Infrastructure			300,000.00		
Minimise Electricity Losses & Revenue Protection			500,000.00		
Street Lighting, Mount Fletcher			10,000.00		
<b>Water</b>					
Purification Plant	1,083,000.00				ELM

Mt Fletcher - Rural water supply	148,000,000		16,872,308		MIG
Elundini ward 7 Preschool (Masiphathisane village)	407,132				
Elundini Ward 7 Rural Water Services	5,016,434				MIG
Elundini: Xaxazana water Phase 2	1,523,383				MIG
Elundini:Zanyeni Water Phase 2	1,718,239				MIG
	18,235,578		7,500,000		MIG/Counter Funding
Elundini: Providing upgrading water infrastructure Ugie					
Elundini -Wards 1,5,6 Rural Water Supply Phase 2	6,000,000		3,000,000		MIG
Bulk Water Supply Connection – Vincent Park					UKDM
Maclear Raw Water Storage Facility Ward 3 EIA & Implementation Purification Plant	800,000.00		10,000,000.00		
Develop & Implement a Basic Maintenance Plan			200,000.00		ELM
Affordability Study for Acquisition of Construction Plant			300,000.00		ELM
Formulate a Plant Utilisation Policy			100,000.00		ELM
Storm Water Maintenance Plan			100,000.00		ELM
Report on extension of Electricity into Rural Areas			300,000.00		ELM
Maintenance of Electrical Infrastructure			300,000.00		ELM
Minimise Electricity Losses &Revenue Protection			500,000.00		ELM
Street Lighting, Mount Fletcher			10,000.00		ELM
<b>Sanitation</b>					
	4,861,544				MIG/Counter Funding
Maclear- outfall sewer & Treatment Works					
Elundini ward 12 Sanitation	2,273,507				MIG
	9,025,768				MIG/Counter Funding
Elundini Maclear Waste Water Treatment Works					
Elundini Ward 11 Sanitation Phase 2	2,950,642				MIG
Elundini Ward 10 Sanitation Phase 2	2,102,978				MIG
Elundini Ward 8 Sanitation Phase 2	1,881,701				MIG
Elundini Ward 12 Sanitation Phase 2	1,512,061				MIG
	70,149,611		7,500,000		MIG/Counter Funding
Elundini: Providing and Upgrading Sanitation in Ugie Ward 2					
<b>Energy &amp; Electricity</b>					
Establish formal Relationship with Eskom					ELM
Electrical Infrastructure	4,233,400				ESKOM
Energy Extension Plan - Grid Extension					
Operation & Maintenance Plan			100,000.00		
Alternative Sources (e.g. Solar Power) Plan			200,000.00		
High Mast Lighting Business plan to be prepared			80,000.00		
<b>Roads</b>					
	23,000,000,00				DPA
Roads and Streets Maintenance					
Business Plan for Roads	250,000,00				ELM
	2,421,740				MIG-09/10
Completion of Maclear Streets Upgrade Ward 3					
Wards 14, 15: Upgrading of Access Roads	15,269,080				MIG-09/10
Wards 9 – 13: Upgrading of Access Roads	16,606,650				MIG-09/10
Paving of Sonwabile Access Road Ward 3	6,000,000				MIG-09/10
Development of Mt Fletcher streets Phase 2	8,000,000				MIG-09/10
Wards 1, 5, 6 Upgrading of Access Roads Phase 2	12,164,000				MIG-09/10
Wards 1, 5, 6 Upgrading of Access Roads Phase 3	10,000,000				MIG-09/10



Peter Mokaba township river crossing -ward 3	5 000,000				Disaster Fund
Mnga - Ntushu-Ntushu Villages Bridge -ward 6	4,000.00				Disaster Fund
Mcwangele Access roads No. AC30402 & AC30401 -ward 6	1,700,000.00				Disaster Fund
Ntabalanga - Nkamane road link- ward 8	1,850,000.00				Disaster Fund
Luzi Poort - Claude Makeng road link- ward 8	500,000.00				Disaster Fund
Hospital Street Mt Fletcher Town -ward 9	400,000.00				Disaster Fund
Dengwane Village Bridge - ward 11	500,000.00				Disaster Fund
Sithathi Bridge approaches- ward 12	1,000,000.00				Disaster Fund
Mbizeni Village Bridge - ward 15	300,000.00				Disaster Fund
Ward 1, 5, 6: Upgrade of Access Roads Phase 1	Completion				MIG
Upgrading of streets in Ugje			6,648,850		MIG
Upgrading & Rehabilitation of Streets in Maclear			3,144,140		MIG
Pitsing Pass DR 08018	250,000.00				
A Grade Testing Station	2,000,000.00				
Refurbish Testing Station in Maclear	1,000,000.00				
Testing Station in Mount Fletcher	50,000.00				
<b>PLANNING</b>					
Geographic Information Systems	600,000.00				
Environmental Management Plan	200,000.00				
Informal Settlement Audit	300,000.00				ELM
Sonwabili Formalisation & Ext 1, 2, 3	300,000.00				
Environmental Study Impact on Water and Agriculture	1,500,000.00				DWAF
Facilitation of Forestry Licence Application					ELM, PG Bison
Design of Zoning Scheme	300,000.00				DLA
WI-FI City					ELM
<b>Solid Waste</b>					
Solid Waste Management	1,237,000.00				ELM
New and Bigger Solid Waste Site in Ugje	1,850,000.00				ELM
Town Beautification	1,900,000.00				ELM
Create and maintain garden around Welcome sign in Ugje and Mount Fletcher	1,900,000.00				ELM
Training Design for Ugje Forestry Development	485,000.00				Chamber of Commerce
<b>Cemeteries</b>					
Cemetery Study			82,000.00		

## **G SECTION: FINANCIAL PLAN**

### **1 FINANCIAL MANAGEMENT STRATEGY**

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#### **1.1 INSTITUTIONAL LEVEL**

Joe Gqabi has reviewed on a yearly basis its financial policies and has implemented a tariff restructuring for the water and sanitation function since 2007/8 so that income at least matches expenditure (and so that there is funding for replacement costs and maintenance). The municipality is also in process of investigating the recovery of some service costs for Municipal Health Services through the implementation of fines and certificate of acceptability (MHS policies to be developed and linked to bylaws)

There are many vacancies and or posts that are filled by staff that cannot effectively undertake the job due to capacity constraints (this could be skills, management or physical resources such as no vehicle to take meter readers to remote areas to take water readings). It is intended that all critical posts be filled that relate to the collection and management of revenue. Training should be provided to those involved in this process so that their skill and competency level is increased and contracts with service providers should ensure that skills are transferred to the appropriate personnel

The Service level agreements in place around the provision of water and sanitation do not sufficiently reflect on the issue of financial management which leads to a number of conflicts between the District and local municipalities. It is intended that service level agreements around the supply, maintenance and revenue control of the provision of water and sanitation be finalized before the start of the new financial year and then reviewed on an annual basis

Joe Gqabi District Municipality has identified that the asset register should be reviewed continually and that they be a true reflection of the actual value be reflected in the records. All unused, irrelevant or obsolete assets should be disposed.

#### **1.2 FINANCIAL ENVIRONMENT**

Few staff have been effectively trained on the financial system and coupled with staff turn over this leads to capacity gaps and a lack of ability to process payments. To deal with this matter it is intended that a pool of staff be trained on the finance system.

The debtors on our financial system is in process of being assessed so that those that the historical unrecoverable debtors can be written off.

It is not only the public that needs to pay towards the running costs of the institution there is also a responsibility on other spheres of government as well as also employees who contribute their share. Employees make use of telephones and other resources of the institution for private benefit and are charged for these services. Joe Gqabi District Municipality is limiting the length of telephone calls and has installed a system of individual phone billing.

It was also identified by the municipality that large debts were outstanding from provincial government for agency services. The Department of Roads and Transport owed the municipality R31million and Dept of Health R4, 5million. The non-payment of this revenue has impacted on the viability of the institution and required a special intervention at the level of the Premier to resolve the matter. The municipality will continue to attempt to recover these debts.

The reduction in wasteful or fruitless expenditure also enhances the revenue of the institution. This can include basic issues such as interest charged by creditors for late payment of accounts. Joe Gqabi has strict controls to prevent the payment of interest on overdue accounts.

It has been noted in the past that the recovery of VAT was fairly poor and ad hoc or when recovered lots of mistakes were made that in some cases limited the amount that could be claimed ( such as invoices not saying "tax invoice" and including the Vat number of the service provider and the institution). As this is a fairly routine matter, that once corrected should result in appropriate VAT recovery it has been recommended that; a VAT audit was undertaken to recover any under claimed VAT. Systems have also been put in place to ensure that all invoices where the creditor is a VAT vendor can be reclaimed from SARS.

### **1.3 SERVICE DELIVERY**

Service delivery in itself is another area that has an impact on financial management. If services are not delivered to an area, that community cannot be billed (even if it is by a Water Service Provider). To manage perceptions it is recommended that customer satisfaction surveys be undertaken on a regular basis and that customer care services be improved so that interaction with potential payers is improved. This issue was also thoroughly discussed in the strategic planning session of the District Municipality in November 2008 and December 2009.

In some cases services are provided to residents but there is no way of measuring the service and therefore billing. This is experienced in most of the townships of the Joe Gqabi District there are no bulk or individual meters for water so bills for this service cannot be distributed to those who can pay. To better manage this is service delivery of infrastructure that can be billed for (as identified in the IDP) should be implemented in the shortest time possible and meters should be installed for water

Poor service delivery results in inefficient services or waste of resources from which costs could be recovered. This includes issues such as water which due to poor maintenance is allowed to flow freely from broken pipes, dripping taps etc which if better managed could be kept in the system therefore reducing the amount of water processed and reducing costs. The Water Services Authority must implement water demand and conservation management systems to reduce water loss and conserve existing water resources.

Indigent registers are significant area that impacts on revenue enhancement and financial management. In the case of water and sanitation service delivery the Joe Gqabi has standardized the free basic services policy across the municipalities and has engaged the Water Services Providers ( who also bill for the water used) to check the indigent registers on a yearly basis.

### **1.4 EXPENDITURE MANAGEMENT**

In respect of Cash Outflow (Expenditure side) the following is critical because how the municipality spends is just as important as collecting revenue. Responsible spending is important and the following are questions Joe Gqabi uses to determine the relevance of the expenditure

- Is the expense budgeted?
- Does the expense provide value for money?
- Is the expense necessary?
- Is the expense to the benefit of the wider community?
- Would the expense, if not incurred create a health hazard or threaten lives?
- Is the expense a statutory requirement?
- Is it a funded mandate?
- Is there a contractual commitment?
- Is the expense income-generating?
- Is the expense the best option?

Joe Gqabi District Municipality went through severe financial crisis in 2006/7 financial year and had to dramatically enhance its financial management. Some of the expenditure related issues that were addressed that enhanced the revenue of the municipality are as follows:

- Focusing on Core powers and functions (Water and Sanitation, Disaster Management, Fire Fighting, Municipal Health Services and Tourism) and only contributing minimally to unfunded mandates such as special programmes, economic development and HIV and Aids,
- If a grant allocation was received and it was for a core power and function then they could staff the function linked to the duration of the grant but if a grant was received for a non-core power and function then staff could not be sourced and the section then had to rely on the current structure. This was to ensure that staff employed by the institution were focused on the core powers and functions and not the “fluff” of nice to have issues
- Cut overtime to only emergency issues and pre-approval would need to be obtained by a senior manager prior to this happening. Overtime was also not paid as cash but rather in kind by crediting the leave register.
- Significantly reduced leave encashment ( it was limited to only when the employee left the institution)
- A moratorium was placed on the filling of “new posts” (meaning posts that are new on the organogram) instead the institution had to make use of staff rotation, succession planning and redeployment.
- All luxuries were cut including meals for meeting and all entertainment allowances stopped.
- Insistence on sharing of transport by officials and councillors to reduce travel costs
- Payments were only made 30days from the date of invoice so that the maximum amount of interest could be achieved by the institution before payment
- Strict budgetary control and fiscal discipline was implemented so that no expenditure could occur unless budgeted and the funds received and no over expenditure was allowed.

## 2 Result 2010/11 MTREF Draft Budget

In terms of the Municipal Finance Management Act (Act 56 of 2003), the MFMA, Amendment Act to the Local Government Transition Act, Second Amendment Act, 1996, local authorities are not permitted to budget for an accumulated deficit.

As no deficit is envisaged, this Act does not apply and the Joe Gqabi District Municipality is financially sound according to the budget and the projected accumulated surplus.

Nett Result (Surplus)	Adj Budget	Budget	% of Total	Increase %	Budget Year +1	Budget Year +2
	2009/10	2010/11	2010/11	09/10 - 10/11	2011/12	2012/13
<b>Expenditure</b>						
Operational Budget	322,008,588	323,904,819	65.98%	0.59%	294,471,136	314,559,836
Capital Budget - Funded from Revenue	133,650,314	166,991,496	34.02%	24.95%	130,843,000	159,385,105
Total Expenditure	455,658,902	490,896,315	100.00%	7.73%	425,314,136	473,944,941
<b>Revenue</b>						
Total Revenue sources	(455,839,406)	(491,396,755)	100.00%	7.80%	(429,545,516)	(480,912,656)
<b>Total Revenue</b>	<b>(455,839,406)</b>	<b>(491,396,755)</b>	<b>100.00%</b>	<b>7.80%</b>	<b>(429,545,516)</b>	<b>(480,912,656)</b>
<b>Surplus</b>	<b>(180,505)</b>	<b>(500,441)</b>			<b>(4,231,380)</b>	<b>(6,967,715)</b>

### 2.1 OPERATIONAL BUDGET

Assumptions were made to compile the 2010/11 Budget, but the main criteria of National Treasury per their Circular 48 and 51 were used. The Economic climate and inflation rates given were applied.

The estimated operating expenditure budget for the 2010/2011 financial year is R323 904 819. This is a increase of 0.59% on the previous year's adjustment budget.

Operating Expenditure by type	Adj Budget	Budget	% of Budget	Increase %	Budget Year +1	Budget Year +2
	2009/10	2010/11	2010/11	09/10 - 10/11	2011/12	2012/13
Employee related costs	77,612,187	88,042,611	27.18%	13.44%	95,262,801	102,989,944
Remuneration of Councilors	3,746,144	4,131,996	1.28%	10.30%	4,462,556	4,797,329
Bad Debts	1,024,402	1,406,600	0.43%	37.31%	1,547,250	1,701,990
Depreciation	21,601,456	21,601,456	6.67%	0.00%	21,601,456	21,601,456
Repairs and Maintenance	25,249,040	25,180,272	7.77%	-0.27%	26,686,288	28,546,001
Interest paid	815,000	996,040	0.31%	22.21%	996,040	996,040
Contracted Services	17,957,508	20,958,288	6.47%	16.71%	25,987,711	28,411,546
Grants and Subsidies paid	109,223,401	72,903,185	22.51%	-33.25%	42,118,560	45,387,499
General Expenses	56,398,333	79,837,540	24.65%	41.56%	66,410,833	70,073,954
Small Assets purchased	0	0	0.00%	0.00%	20,000	20,000
Internal Charges	8,381,118	8,846,832	2.73%	5.56%	9,377,642	10,034,077
<b>Total Operating Expenditure by type</b>	<b>322,008,588</b>	<b>323,904,819</b>	<b>100.00%</b>	<b>0.59%</b>	<b>294,471,136</b>	<b>314,559,836</b>

## 2.2 CAPITAL BUDGET

As shown in the tables below, the main content of the JGDM 2010/11 Capital Budget is based on infrastructure programs funded from MIG for Water and Sanitation backlogs.

The capital budget for 2010/2011 is an amount of R166 991 496. This comprises mainly of Water and sanitation projects funded from MIG Grant and represents a 24.95% increase compared to the 2009/10 Adjustment Budget amount. No external funding is needed.

Capital Budget by Vote	Adj Budget 2009/10	Budget 2010/11	% of Budget 2010/11	Increase % 09/10 - 10/11	Budget Year +1 2011/12	Budget Year +2 2012/13
Executive & Council Budget & Treasury Office	790,000	58,000	0.03%	-92.66%	22,000	22,000
Corporate Service	193,000	1,875,721	1.12%	871.88%	37,000	37,000
Planning & Development	460,000	5,627,000	3.37%	1123.26%	5,055,000	5,055,000
Health Community & Social Services	230,000	108,000	0.06%	-53.04%	11,000	11,000
Waste Management	790,000	1,207,000	0.72%	52.78%	141,000	141,000
Road Transport	17,207,314	17,094,314	10.24%	-0.66%	533,000	533,000
Water	20,173,900	28,484,182	17.06%	41.19%	62,000,000	75,542,105
Other	250,000	27,000	0.02%	-89.20%	22,000	22,000
<b>CAPITAL EXPENDITURE BY VOTE</b>	<b>93,486,100</b>	<b>112,492,279</b>	<b>67.36%</b>	<b>20.33%</b>	<b>63,000,000</b>	<b>78,000,000</b>
	<b>70,000</b>	<b>18,000</b>	<b>0.01%</b>	<b>-74.29%</b>	<b>22,000</b>	<b>22,000</b>
	<b>133,650,314</b>	<b>166,991,496</b>	<b>100.00%</b>	<b>24.95%</b>	<b>130,843,000</b>	<b>159,385,105</b>

As the Joe Gqabi District Municipality is, the Water Services authority all projects related to water infrastructure will be included in the capital program, as these projects will become the asset of the JGDM. The 2010/11 Capital Budgeted amounts shown in the above table now show the projects previously included in the Operational Budget. These projects have been identified to become the JGDM assets. These projects that is included in the Capital Budget are funded from MIG Funds

- The percentage capital expenditure is 33.98%
- The percentage operational expenditure is 66.02%
- The percentage budget spent on work place skills plan 0.67%

## 2.3 REVENUE

The estimated revenue budget for the 2010/11 financial year is R491 396 755. This is a increase of 7.80% on the previous year's adjustment budget. The decrease is the result of the indicated Grant Funding to be received from National and Provincial Government.

The table below will show the budgeted amounts per GFS (Main vote)

Revenue by Vote (GFS function)	Adj Budget 2009/10	Budget 2010/11	% of Total 2010/11	Increase % 09/10 - 10/11	Budget Year +1 2011/12	Budget Year +2 2012/13
Executive & Council Budget & Treasury Office	(17,844,468)	(22,209,927)	4.52%	24.46%	(24,797,155)	(27,127,812)
Corporate Services	(28,866,047)	(31,281,363)	6.37%	8.37%	(31,935,528)	(33,469,241)
Planning & Development	(7,439,136)	(9,678,367)	1.97%	30.10%	(13,438,487)	(17,337,173)
Health Community & Social Services	(3,558,802)	(4,593,834)	0.93%	29.08%	(5,187,140)	(5,708,272)
Waste Management	(13,719,145)	(16,383,581)	3.33%	19.42%	(16,368,316)	(17,271,331)
Road Transport	(39,658,966)	(44,030,890)	8.96%	11.02%	(17,733,094)	(18,633,195)
	(30,641,649)	(35,133,139)	7.15%	14.66%	(39,164,731)	(43,113,066)
	(30,626,000)	(33,743,800)	6.87%	10.18%	(30,560,528)	(30,598,641)

Revenue by Vote (GFS function)	Adj Budget	Budget	% of Total	Increase %	Budget Year +1	Budget Year +2
Water	(85,415,357)	(87,848,712)	17.88%	2.85%	(83,699,930)	(89,804,429)
Other	(198,069,837)	(206,493,143)	42.02%	4.25%	(166,660,606)	(197,849,496)
<b>Totals</b>	<b>(455,839,406)</b>	<b>(491,396,755)</b>	<b>100.00%</b>	<b>7.80%</b>	<b>(429,545,516)</b>	<b>(480,912,656)</b>

The Joe Gqabi District Municipality has very few significant sources of discretionary or sustainable revenue. With the abolishment of RSC Levies, which was the main revenue source, the JGDM is totally dependant on Grant Funding from National and Provincial Government.

The following table shows revenue sources budgeted by source:

Revenue by source	Adj Budget	Budget	% of Budget	Increase %	Budget Year +1	Budget Year +2
	2009/10	2010/11	2010/11	09/10 - 10/11	2011/12	2012/13
Service Charges	36,516,755	41,758,659	8.50%	14.35%	46,281,776	51,295,423
Regional Service Levies - Turnover	100,000	50,000	0.01%	-50.00%	10,000	0
Regional Service Levies - Remuneration	50,000	20,000	0.00%	-60.00%	5,000	0
Rental of facilities and equipment	11,000	11,660	0.00%	6.00%	12,360	13,101
Interest earned - External investments	8,900,000	8,900,000	1.81%	0.00%	7,400,000	6,900,000
Interest earned - Outstanding Debtors	214,739	207,000	0.04%	-3.60%	204,000	202,000
Fines	100,000	106,000	0.02%	6.00%	112,360	119,102
Income for agency services	3,159,050	1,584,918	0.32%	-49.83%	1,680,013	1,780,814
Government Grants and Subsidies	397,383,243	428,835,998	87.27%	7.91%	363,328,136	409,364,133
Other Income	1,023,902	1,064,102	0.22%	3.93%	1,121,948	1,190,865
Internal Recoveries	8,380,718	8,858,419	1.80%	5.70%	9,389,924	10,047,219
<b>Total Revenue By Source</b>	<b>455,839,406</b>	<b>491,396,755</b>	<b>100.00%</b>	<b>7.80%</b>	<b>429,545,516</b>	<b>480,912,656</b>

In addition, there are four areas of particular concern to the municipality:

- Service charges
- Equitable Share
- Municipal Infrastructure Grant (MIG)
- RSC Replacement Grant

#### SERVICE CHARGES

Joe Gqabi District Municipality is the Water Services Authority (WSA) and the local municipalities in the district are the Water Services Providers (WSP's). A service level agreement was entered between the two parties to provide water for the community.

The disclosure of Service charges will in future be shown in the JGDM financial records. The financial transactions will now appear on the WSA's records. This will be changed on submission of the 2009/10 AFS to there Auditor General

#### EQUITABLE SHARE

While previous financial models have been based on the premise that the JGDM Equitable Share would increase at similar rates to the increase in national funds for this purpose, this has not proved to be the case. Unless these funds can be increased, JGDM will be very restricted in the range of services and support it can be deliver.

The equitable share allocation to the local sphere of government takes account of the fiscal capacity, fiscal efficiency, developmental needs, extent of poverty and backlogs in municipalities, to the extent that such information is available. An additional amount is granted for the increases in Councillor's remuneration.

Financial year	As per formula	Council Remuneration	% increase
2007/2008	54,626,000	822,000	
2008/2009	63,339,000	857,000	15.78%
2009/2010	87,573,000	1,140,000	38.19%
2010/2011	111,705,000	1,278,000	27.36%
2011/2012	126,132,000	1,200,000	12.70%
2012/2013	138,804,000	1,272,000	10.01%

The Division of Revenue Act DORA 2010/2011 does reflect a significant increase over the next three financial years.

GOVERNMENT GRANTS & SUBSIDIES - ALLOCATIONS1	Adjusted Budget (2009/10 allocations)	Division of Revenue Bill - 2010/11
	R	R
1. Equitable share (Formula)	87,573,000	111,705,000
2. Equitable share (Contribution Cll allowances)	1,140,000	1,278,000
3. Equitable share (RSC Replacement levy)	11,889,000	12,960,000
4. MIG	107,174,000	119,694,000
5. FMG	750,000	1,000,000
6. MSIG	735,000	750,000
7. Infrastructure Backlog (Clinics & schools)	10,000,000	0
8. EPWP	2,126,000	5,215,000
9. Drought relief	0	7,756,000
<b>Total - National Grant Allocations</b>	<b>221,387,000</b>	<b>260,358,000</b>

### National and Provincial Grant Funding

Grant Allocations	Adj Budget 2009/10	Budget 2010/11	% of Total 2010/11	Increase % 09/10 - 10/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>National Grant Allocations<sup>2</sup></b>						
<b>Division of Revenue Act (DoRA)</b>						
1. Equitable share (Formula)	87,573,000	111,705,000	25.28%	27.56%	126,132,000	138,804,000
2. Equitable share (Contribution councillors allowances)	1,140,000	1,278,000	0.29%	12.11%	1,359,000	1,427,000
3. Equitable share (RSC Replacement levy)	11,889,000	12,960,000	2.93%	9.01%	14,127,000	15,398,000
4. MIG	107,174,000	119,694,067	27.09%	11.68%	143,957,000	175,038,000
5. FMG	750,000	1,000,000	0.23%	33.33%	1,250,000	1,250,000
6. MSIG	735,000	750,000	0.17%	2.04%	790,000	1,000,000
7. Infrastructure Backlog (Clinics & schools)	10,000,000	0	0.00%	-100.00%	0	0
8. EPWP	2,126,000	5,215,000	1.18%	145.30%	0	0
9. Drought relief	0	7,756,000	1.76%	0.00%	0	0
<b>Sub Total - DoRA allocations</b>	<b>221,387,000</b>	<b>260,358,067</b>	<b>58.93%</b>	<b>17.60%</b>	<b>287,615,000</b>	<b>332,917,000</b>
<b>Other National Grant Allocations</b>						
1. Department of Transport	28,000,000	28,000,000	6.34%	0.00%	30,000,000	30,000,000
2. Working for Water	10,277,567	13,000,000	2.94%	26.49%	13,000,000	13,000,000
3. Working for Wetlands	3,908,529	8,000,000	1.81%	104.68%	8,000,000	8,000,000
4. Disaster Management	10,027,134	10,027,134	2.27%	0.00%	10,027,134	10,027,134
<b>Sub Total - National Grant Allocations</b>	<b>285,726,230</b>	<b>332,356,201</b>	<b>75.23%</b>	<b>16.32%</b>	<b>348,642,134</b>	<b>393,944,134</b>
<b>Provincial Grant Allocations<sup>2</sup></b>						
1. Department of Economic Development and Environmental Affairs	0	14,054,000	3.18%	0.00%	14,686,000	15,420,000
2. Department of Health	10,889,600	5,265,930	1.19%	-51.64%	0	0
3. DPLG - Center	5,450,000	6,145,000	1.39%	12.75%	0	0



4. DPLG - Grant	6,145,000	83,985,867	19.01%	1266.74%	0	0
5. Other- Include Previous years unspend	101,298,413		0.00%	-100.00%		
<b>Sub Total - Provincial Grant Allocations</b>	<b>123,783,013</b>	<b>109,450,797</b>	<b>24.77%</b>	<b>-11.58%</b>	<b>14,686,002</b>	<b>15,419,999</b>
<b>TOTAL GRANT ALLOCATIONS</b>	<b>409,509,243</b>	<b>441,806,998</b>	<b>100.00%</b>	<b>7.89%</b>	<b>363,328,136</b>	<b>409,364,133</b>

#### REGIONAL SERVICES (RSC) LEVIES REPLACEMENT GRANT

Recognizing that the RSC levies performed poorly concerning the generally accepted principles of sound taxation (equity, efficiency, certainty, simplicity, ease of administration), the Minister Finance announced in the 2005 Budget that RSC levies would be phased out on 1 July 2006. However, for municipalities to meet their expenditure obligations, especially in terms of poverty alleviation and social and economic development, it is important to maintain existing levels of revenue. The 2005 Medium Term Budget Policy Statement indicated that national government would compensate municipalities for lost revenue within the national budget framework, and those options for alternative tax or revenue-sharing arrangements are under consideration.

To ensure a smooth transition from the old to the new system, allocations in the short-to-medium term will be historical RSC levy income collected. Actual RSC levies collected as obtained from audited financial statements 2004/2005 financial year were used (and were not available, unaudited ones were used) and converted to a base 2005/2006 financial year using actual growth rates in RSC levies income for the last three years. Growth rates were to 5 percent in instances where lower growth rates were realized.

Financial year	RSC replacement Amount	% increase
2007/2008	9,898,000	
2008/2009	11,136,000	12.51%
2009/2010	11,889,000	6.76%
2010/2011	12,960,000	9.01%
2011/2012	14,127,000	9.00%
2012/2013	15,398,000	9.00%

In terms of the DORA 2010/2011, the RSC Levy Replacements Grants for the 2010/11 is shown in the above table.

#### MUNICIPAL INFRASTRUCTURE GRANT

The largest infrastructure transfers over the MTEF years – are through the MIG, which supports government's objectives of expanding the delivery of basic services to poor households and alleviation of poverty. The grant also seeks to stimulate local economic development and job creation over the medium term. Municipalities are required to dedicate a portion of their capital budgets to labour-based infrastructure methods to meet the objectives of the expanded public works programme. This grant is listed on Schedule 4 of the Division of Revenue Bill, as it supplements municipal allocations for infrastructure.

In the past years, these grants (MIG) have been allocated to JGDM, which has in turn managed these projects prior to handling them over to the LM's. To this end, a Project management Unit (PMU) was established within JGDM, which was funded by a 10% fee for managing projects.

Financial year	MIG Amount	% increase
2007/2008	92,880,000	
2008/2009	85,002,000	-8.48%
2009/2010	107,174,000	26.08%
2010/2011	119,694,000	11.68%
2011/2012	143,957,000	20.27%

2012/2013	175,038,000	21.59%
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The 2010/11 allocations is shown in the table above

#### OTHER GRANTS AWARDED BY THE DIVISION OF REVENUE ACT

The Division of Revenue Act made provision for additional Grant funding for specific purposes. These Grants are listed below:

- FMG : Finance management grant. This grant will be used to employ interns in the Budget and Treasury office and to fund the improvement of financial records

Financial year	FMG Grant Amount	% increase
2007/2008	500,000	
2008/2009	500,000	0.00%
2009/2010	750,000	50.00%
2010/2011	1,000,000	33.33%
2011/2012	1,250,000	25.00%
2012/2013	1,250,000	0.00%

- MSIG: The Municipal Systems Improvement Grant is allocated to the JGDM for projects included in submitted business plans.

Financial year	MSIG Grant Amount	% increase
2007/2008	1,000,000	
2008/2009	735,000	-26.50%
2009/2010	735,000	0.00%
2010/2011	750,000	2.04%
2011/2012	790,000	5.33%
2012/2013	1,000,000	26.58%

- EPWP: The Expanded Public Works program initiated a grant for jobs created. The number of jobs as per the DoRA is indicated as 317.
- Drought relief: As a result of the ensuing drought especially in the astern part of the district, a once of grant was approved in the DoRA

#### DONOR FUNDING

In the light of the funding uncertainties described above, Council is keen to pursue options for accessing other funds notably from donors, both internal (i.e. Development Bank of South Africa) or external (overseas aid such as through the Thina Sinako programme). It needs to be noted, however, that even if the JGDM should prove successful in its attempts to ensure such funds, they can only ever be regarded as short term and unsustainable sources of revenue.

#### 2.4 EXPENDITURE PER TYPE

The decrease is the direct result of the limitations set by grant funding and to correct GRAP principles but to facilitating functions allocated to the Joe Gqabi District Municipality.

Operating Expenditure by type	Adj Budget	Budget	% of Budget	Increase %	Budget Year +1	Budget Year +2
	2009/10	2010/11	2010/11	09/10 - 10/11	2011/12	2012/13
Employee related costs	77,612,187	88,042,611	27.18%	13.44%	95,262,801	102,989,944
Remuneration of Councillors	3,746,144	4,131,996	1.28%	10.30%	4,462,556	4,797,329
Bad Debts	1,024,402	1,406,600	0.43%	37.31%	1,547,250	1,701,990
Depreciation	21,601,456	21,601,456	6.67%	0.00%	21,601,456	21,601,456
Repairs and Maintenance	25,249,040	25,180,272	7.77%	-0.27%	26,686,288	28,546,001

<b>Operating Expenditure by type</b>	<b>Adj Budget</b>	<b>Budget</b>	<b>% of Budget</b>	<b>Increase %</b>	<b>Budget Year +1</b>	<b>Budget Year +2</b>
Interest paid	815,000	996,040	0.31%	22.21%	996,040	996,040
Contracted Services	17,957,508	20,958,288	6.47%	16.71%	25,987,711	28,411,546
Grants and Subsidies paid	109,223,401	72,903,185	22.51%	-33.25%	42,118,560	45,387,499
General Expenses	56,398,333	79,837,540	24.65%	41.56%	66,410,833	70,073,954
Small Assets purchased	0	0	0.00%	0.00%	20,000	20,000
Internal Charges	8,381,118	8,846,832	2.73%	5.56%	9,377,642	10,034,077
<b>Total Operating Expenditure by type</b>	<b>322,008,588</b>	<b>323,904,819</b>	<b>100.00%</b>	<b>0.59%</b>	<b>294,471,136</b>	<b>314,559,836</b>

There are three aspects of expenditure that deserves special attention:

- Salaries (Employee related costs)
- Repairs and Maintenance
- Unfunded mandates

### **SALARIES**

Not taking into account the costs of projects that are included in the operational budget under general expenses and maintenance costs, salaries are the largest expenditure of the municipality. Care is therefore taken that the budget for salaries is accurate.

The source document for the salary budget is the approved organogram. This vital document is currently being revised. Care is taken that all the tasks functions that must be performed by personnel to fulfill the JGDM mandate are incorporated.

New critical posts to be financed in the 2010/11 year include

- PMS: individual
- Water superintendent
- Waste water manager

As can be seen from the above table, the Employee Costs (Salaries and allowances) comprises 29.53% of the total operational expenditure. This percentage falls well into the norm of 33%.

### **REPAIRS AND MAINTENANCE**

As the Joe Gqabi DM is the Water Services Authority of the district all water assets have been identified and included in the financial records of the municipality. These assets will need a substantial maintenance budget as part of the operational budget. Proper maintenance programmes and an Asset Maintenance Policy will have to be adopted. Care will be taken to take the norm into account that 15% of the value of the assets should be included as maintenance costs for assets.

### **UNFUNDED MANDATES**

In previous budgets the concept of budgeting for unfunded mandates were not applied correctly. The inclusion of huge expenditure, with no substantiated revenue for these services resulting in huge losses for the municipality.

This will be a significant drain of resources if the concept of a zero rated budget is not applied. Care will be taken to include expenditure for these mandates, which the municipality can afford.

## **2.5 CASH FLOW PROJECTION**

Cash Flow	Budget 2010/11	Budget 2011/12	Budget 2012/13
<b>Cash Operating Receipts by Source</b>			
Service Charges	(40,533,598)	(44,934,207)	(49,813,656)
Regional Service Levies - Turnover	(50,000)	(10,000)	0
Regional Service Levies - Remuneration	(20,000)	(5,000)	0
Rental of facilities and equipment	(11,660)	(12,360)	(13,101)
Interest earned - External investments	(8,900,000)	(7,400,000)	(6,900,000)
Interest earned - Outstanding Debtors	(216,604)	(226,180)	(237,511)
Fines	(106,000)	(112,360)	(119,102)
Income for agency services	(1,591,518)	(1,687,009)	(1,788,230)
Government Grants and Subsidies	(350,898,001)	(365,676,002)	(412,266,999)
Other Income	(1,064,102)	(1,121,948)	(1,190,865)
Internal Recoveries	(8,858,419)	(9,389,924)	(10,047,219)
<b>Cash Operating Receipts by Source</b>	<b>(412,249,902)</b>	<b>(430,574,990)</b>	<b>(482,376,681)</b>
<b>Other Cash Receipts by Source</b>			
Depreciation	(21,602,456)	(21,602,456)	(21,602,456)
Bad Debts			
<b>Total Cash Receipts by Source</b>	<b>(433,852,358)</b>	<b>(452,177,446)</b>	<b>(503,979,137)</b>
<b>Cash Operating Payments by Type</b>			
Employee related costs	85,864,249	92,741,884	100,174,780
Remuneration of Councilors	4,131,996	4,462,556	4,797,329
Bad Debts	682,582	682,582	682,582
Depreciation	21,602,456	21,602,456	21,602,456
Repairs and Maintenance	25,605,883	27,142,236	29,042,192
Interest paid	815,000	815,000	815,000
Contracted Services	29,224,532	32,375,774	36,171,526
Grants and Subsidies paid	40,415,861	23,840,000	23,250,000
General Expenses	72,081,320	63,511,680	66,844,796
Small Assets purchased	1,459,674	275,255	294,523
Loss on disposal of property, plant & equipment	8,846,832	9,377,642	10,034,077
Internal Charges			
<b>Cash Operating Payments by Type</b>	<b>290,730,385</b>	<b>276,847,065</b>	<b>293,729,261</b>
<b>Other Cash Payments by Type</b>			
Capital Expenditure	120,158,000	144,800,000	175,881,000
Loans Repaid	1,132,215	1,132,215	1,132,215
<b>Total Cash Payments by Type</b>	<b>121,290,215</b>	<b>145,932,215</b>	<b>177,013,215</b>
<b>NET (INCREASE) IN CASH INVESTEMENTS</b>	<b>(21,831,758)</b>	<b>(29,398,167)</b>	<b>(33,236,661)</b>

## 2.6 TARIFFS

On closer examination of the water tariffs, it was decided to investigate the current tariffs raised by the local municipalities, as the district was realizing a deficit on its water account. Maintenance and replacement of infrastructure is essential. Therefore, the water tariffs will have to be revised to include the above-mentioned costs.

The Water and sanitation tariffs, to be more cost effective had to be raised with 11% as proposed in the 2010/2011 Draft Budget.

All other tariffs be increased with 6%. I.e.:

- Tariffs for plant hire
- Tariffs for Corporate Services
- Tariffs for Community Services

## **2.7 DEBT CONTROL AND COLLECTION**

The municipality has instituted processes to monthly reconcile the debtors of the municipality. A significant number of debtors that were irrecoverable were written off at the end of the 2008/9 financial year. This means that the current debtors book is now realistic.

In terms of water services provision the local municipalities who are also the water services providers are responsible for the collection of water and sanitation levies. The policy to collect this has been developed by the District Municipality but is implemented by the WSPS. There is a significant concern that the local municipalities are not effectively implementing the policy and discussions are underway at present through the IGR structure to manage this. Part of the concern is that services (water and sanitation) cannot be cut off due to the health and hygiene issues that can arise.

As part of this issue the auditor general raised the concern about the placement of the risk and reward, as up until now the risks around water related debtors was with the district while reward was with the local municipalities. This has been corrected in the adjustment budget of 2009/10.

## **2.8 SPATIAL DEVELOPMENT BUDGET**

In the District Municipality's budget for the 2010/11 financial year and beyond, cognizance has been taken of the spatial development strategy. It is however at times difficult to actually state the exact amount of funding allocated for each of the spatial development dimensions and as such the description below will focus on where or how they are budgeted for and not the actual budget.

Nodal areas are budgeted for under the capital projects such as water upgrading in Ugie and in Aliwal North. Nodal areas are also targeted for other municipal services such as water quality monitoring, fire fighting services, disaster management services and many of the urban nodal areas are covered by the full extent of the municipal health services function.

Corridors have been budgeted under the roads section (but only for the gravel roads in the Gariiep and Maletswai areas, which are the Districts agency function).

Special development areas have been included through support to the economic sectors such as tourism, agriculture and forestry. The lesser developed areas of the previous Transkei have also been addressed through water and sanitation schemes such as the one being implemented in the rural areas of Mount Fletcher

In assessment of the budget and its relationship to the Spatial Development Plan, there is a very strong correlation between the two and there are no issues in the budget not related to the SDF.

## **2.9 BUDGET FOR COMMUNITY PARTICIPATION**

The budget has taken into account the need for community participation and empowerment in the activities of the District Municipality and a number of budgetary amounts have been included that cater for this need. There is over R700 000 provided for this activity across various votes.

There is a specific allocation under the communications section for public participation, but there are also budgetary amounts for supporting Women, Youth, Disabled, the elderly and children ( over R1,9million). Budgets have also been set aside for the economic forums such as the LED forum, Agricultural Forum, District Tourism Organisation and Cooperatives ( over R200,000). Activities have also been included such as the functioning of clinic committees, support for ward committees as well as the coordination of EPWP processes, which also involve community participation.

Budgets have been set aside for communication related issues such as communication strategy, use of the media to disseminate information as well as for events and Imbizo's. These assist in community participation as information enables interaction and engagement.

Public participation is seen as an essential part of good governance and as such is included in the activities and plans in that area of the IDP and SDBIP.

## 2.10 BUDGET FOR SUPPORT TO LOCAL MUNICIPALITIES

Within the budget of the Joe Gqabi District Municipality there are a number of areas where support is provided to local municipalities (these are unspecified as support to local municipalities). Some of these issues include tourism awareness, training of fire fighters, development of forestry, agriculture, sector plans, PMS, involvement of women youth and disabled and Integrated development planning etc.. There are also those that are specific allocations to local municipalities. In the area of water and sanitation, direct allocations for the function is included in the budget and these allocations are to cover the implementation of the indigent policy for water and sanitation.

Table 63: DM Grants to LMs and others (Sources of Funds)

Allocations to Other Municipalities	Adj Budget 2009/10	Budget 2010/11	% of Total 2010/11	Increase % 09/10 - 10/11	Budget Year +1 2011/12	Budget Year +2 2012/13
<b>Sanitation</b>						
Elundini	3,629,611	4,685,236	6.76%	29.08%	5,290,347	5,821,848
Gariep	5,770,028	7,448,166	10.75%	29.08%	8,410,117	9,255,049
Maletswai	2,463,489	3,179,963	4.59%	29.08%	3,590,664	3,951,404
Senqu	5,759,667	5,214,705	7.52%	-9.46%	5,703,612	6,180,770
<b>Water</b>						
Elundini + Rural	9,110,350	11,759,978	16.97%	29.08%	13,278,811	14,612,882
Gariep	4,027,381	5,198,693	7.50%	29.08%	5,870,118	6,459,866
Maletswai	2,597,954	3,353,535	4.84%	29.08%	3,786,653	4,167,084
Senqu	22,057,002	4,071,385	5.87%	29.08%	4,448,956	4,808,482
Senqu + Rural		24,400,611	35.20%		24,400,300	24,400,300
<b>TOTAL ALLOCATIONS TO MUNICIPALITIES</b>	<b>55,415,482</b>	<b>69,312,272</b>	<b>100.00%</b>	<b>25.08%</b>	<b>74,779,578</b>	<b>79,657,685</b>

Over and above this, an amount of R500000 is budgeted for the development of ward committees in local municipalities from the MSIG grant and this will be distributed to local municipalities.

An amount of R800 000 has been set aside to assist local municipalities with the improvement of their audit processes in line with the LGTAS. This funding is for the benefit of the local municipality but is not likely to be transferred, rather the services of support persons will be procured by the district for the benefit of the LM.

The District Municipality is not in a financial position whereby it can fund the operations of the local municipalities or implement projects or processes that are of their request. As the municipality has a very large dependency on grants, it is not possible for the District to make many of its own decision about the use or allocation of funding to local municipalities as funds are covered by grant conditions.

### **3 FINANCIAL PRUDENCE BY COUNCIL**

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Whilst these points have been highlighted previously in this finance plan, to achieve this plan the Council must be committed to:

- All outstanding valuation and identification of assets to be concluded.
- All moveable assets to be managed to ensure that they are being used productively
- That obsolete equipment be sold.
- Effective budget management to provide cost savings where at all possible
- The introduction of a revised organogram and still achieving the target of staff expenditure not being more than 33% of total budgeted operational expenditure
- Clearing the debtor's ledger that only supports collectable accounts.
- Paying all creditors within 30 days as the projected positive cash flow. Is positive
- Compile a five-year maintenance plan to ensure that equipment is always in a good condition.
- Finalizing the Financial Turn Around Strategy of the municipality
- The budget strategy is always to follow a Zero based budget
- Conservative approach to budgeting linked to critical needs that have significant positive impact on the institution and/ or community
- Portion of equitable share to be used for infrastructure projects
- Surplus required as a end result of the budget process
- Equitable share is an unconditional grant used for the implementation of DM powers and function

### **4 FINANCIAL POLICIES**

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#### **4.1 INDIGENT ASSISTANCE (INCLUDING FREE BASIC SERVICES)**

The District municipality has an indigent assistance policy because of the level of unemployment and subsequent poverty in the municipal area; there are households, which are unable to pay for normal municipal services. The

Municipality has therefore adopted this indigence management policy to ensure that these households have access to at least basic municipal services.

#### **4.2 ASSET MANAGEMENT POLICY**

The municipality has a an asset policy that is to facilitate the effective management control and maintenance of assets

It will:

- Ensure the accurate recording of asset information
- The accurate recording of asset movement
- Excising strict physical control over all the assets
- Provide correct and meaningful information
- Ensure that insurance is provided for all assets
- Ensure maintenance of council assets

The policy is reviewed on a yearly basis

#### **4.3 CREDIT CONTROL AND DEBT COLLECTION POLICY**

The municipality has a credit control policy to ensure with the MFMA and MSA.

The Council is committed to the recovery of outstanding debt regarding the provision of services. To achieve this goal, procedures have been implemented to control and manage the recovery of outstanding debt due to Council. This policy largely relates to the activities of the Water Services Authority but is also applicable to the rest of the institution.

The policy is reviewed on a yearly basis

#### **4.4 BANKING AND INVESTMENT POLICY**

The Council is the trustee of the public revenues, which it collects, and it therefore has an obligation to the community to ensure that the municipality's cash resources are managed effectively and efficiently.

The Council therefore has a responsibility to invest these public revenues knowledgeably and judiciously, and must be able to account fully to the community about such investments.

The investment policy of the municipality is therefore aimed at gaining the optimal return on investments, without incurring undue risks, during those periods when cash revenues are not needed for capital or operational purposes. The effectiveness of the investment policy is dependent on the accuracy of the municipality's cash management programme, which must identify the amounts surplus to the municipality's needs, as well as the time when and period for which such revenues are surplus.

The policy is reviewed on a yearly basis

#### **4.5 BUDGET POLICY**

The purpose of the policy is to set out the budgeting principles, which the council will follow in preparing each annual budget as well as the responsibilities of the chief financial officer in compiling each budget.

The policy defines the process, the public participation, the institutional structures and the principles to be utilized in budgeting.

The policy is reviewed on a yearly basis

#### **4.6 THE FRAUD AND ANTI-CORRUPTION POLICY**

This Anti-Corruption Strategy and Fraud Prevention Plan have been developed because of the expressed commitment of Government to fight corruption. It is also an important contribution to the National Anti-Corruption Strategy of the country and supplements both the Public Service Anti-Corruption Strategy and the Local Government Anti-Corruption Strategy.

This policy is established to facilitate the development of controls, which will assist in the prevention and detection of fraud and corruption, as well as provide guidelines as to how to respond should instances of fraud and corruption be identified. This policy is also established to give effect to the various legislative instruments as described in the previous section.

The policy is reviewed on an annual basis

#### **4.7 TARIFF POLICY**

The objective of the tariff policy is to ensure the following:

- The tariffs of the Municipality conform to acceptable policy principles;
- Municipal services are financially sustainable;
- There is certainty in the Council, of how the tariffs will be determined;
- Tariffs of the Municipality comply with the applicable legislation; and
- Tariffs should take into consideration relief to the indigent.

The policy is reviewed on an annual basis



#### 4.8 SUPPLY CHAIN POLICY

The Policy will achieve the Empowerment goals of the institution by providing employment opportunities to HDI's and communities, enabling socio-economic transformation objectives to be linked to fair, transparent, equitable, competitive and cost effective procurement practices. In this regard, the following empowerment goals are proposed to be used as measures by Council in assessing the impact of its policy in realizing the socio-economic transformation agenda of government in all spheres.

The policy is reviewed on an annual basis

## 5 AUDIT REPORTS

### *History of audit reports*

Disclaimed reports 2000-1, 2001-2, 2002-3, 2003-4, 2004-5, 2005-6

Adverse report 2006-7

Qualified report 2007-8

Disclaimer 2008-9

As can be seen in the abovementioned history of audits, Joe Gqabi will have to significantly improve in the areas of asset management especially those assets related to the water services authority function as well as ensure that the agreements it has with its water service providers are in terms of recognized accounting standards.

The following table represents the summary of issues raised in the audit report as well as high-level corrective steps undertaken to rectify matters. Over and above these corrective actions, an audit strategy has been developed for the new financial year to prepare for audits and cover issues not directly related to the previous years audit.

**Table 64: Auditor-General's Report and Municipal's Response**

### AUDIT ACTION PLAN 2008/2009 AUDIT

QUALIFICATION BY AUDIT (reflecting the paragraph of concern)	CORRECTIVE ACTION
8) On 1 July 2003, Ukhahlamba District Municipality assumed responsibility for the provision of water and sanitation services in its district in terms of Government Notice 852 issued in terms of section 84(3)(a) of the Municipal Structures Act, 1998 (Act No.117 of 1998). In terms of the agency agreements entered into with the local municipalities, the water and sanitation Infrastructure Assets of the local municipalities within the district were transferred to Ukhahlamba District Municipality. Infrastructure Assets, belonging to the Municipality, with a net book value of R 319 million, were not recorded in the Annual Financial Statements. Furthermore, I could not determine whether this amount is correct as we did not have the information available to audit it.	Enter into the Service Level Agreement for the 2009 2010 year.  CFO meeting required to understand the financial implications of the agreement on the Annual Financial Statements.
9) Included in Property, Plant and Equipment of R 38 million is an amount of R 22 million in respect of Infrastructure Assets administered by external parties. We did not obtain the information required to confirm whether the assets exist, whether all these assets are included in the records of the Municipality and whether the assets were in good working order. These assets were also not valued in accordance with the relevant accounting framework, as the assets were recognised at actual or estimated actual cost at date of construction and were brought into the books of account at a net book value as opposed to being recognised at the fair value of the assets as at date of transfer of functions. In addition, the useful lives of these assets were incorrectly estimated at date of the unbundling of	Determine fair value of assets at date of transfer of functions. Appoint a Service Provider to determine these costs.

QUALIFICATION BY AUDIT (reflecting the paragraph of concern)	CORRECTIVE ACTION
<p>the fixed asset register as assets with a cost of R 7.2 million were already fully written off on this date. These assets are still in use. This is indicative of a misstatement in the entire population of Infrastructure assets as the useful lives assigned to assets do not represent the period of time over which an asset is expected to be used by the entity. Depreciation of R 1.8 million was recognised on Infrastructure assets in the current year. I am unable to quantify the extent of misstatement in the population. As a result, I am unable to determine whether the amount recorded in respect of Infrastructure Assets administered by external parties is correct. In addition, it was found that these assets are not insured by the Municipality. This matter was also reported on in the prior year audit report.</p>	<p>Correct the resultant depreciation budget provisions</p> <p>Ensure that they are insured (get proof that insurance has been obtained).</p> <p>If however a SLA is entered into these must be reflected in the asset register of the WSP at these standards</p>
<p>10) The Land on which the unrecorded Infrastructure Assets, as referred to in paragraph 8 above, are situated has not been recorded by the Municipality, contrary to the intention of Government Notice 852 and the agency agreements. The amount of this Land cannot be quantified. The Municipality does not have adequate accounting records to permit the application of alternative auditing procedures. As a result I am unable to determine whether all the Land belonging to the Municipality has been recorded in the Annual Financial Statements.</p>	<p>Ensure that land parcels on which there are water assets, are recorded on our asset register or ensure that there is an agreement around the use of the land on which the assets are placed.</p> <p>If however a SLA is entered into for WS provision these assets should be included in the asset register of the WSP</p>
<p>11) Included in Property, Plant and Equipment of R 38 million is an amount of R 9.7 million in respect of Land and buildings. It was noted that a large number of items are being carried at what appears to be nominal amounts as opposed to having been valued at the fair value on date of acquisition. A valuation by a qualified valuer is required for valuation purposes on adoption of the relevant reporting framework. In addition, Land recorded in the fixed asset register could not be reconciled to that confirmed by the deeds registry. As a result of this, it was not possible to trace the Land and buildings to title deeds to confirm ownership in the name of the Municipality. As a result, I am unable to determine whether the amount as disclosed in the Annual Financial Statements is correct.</p>	<p>· Need assistance of a qualified valuer to determine fair value of all land and buildings.</p> <p>· There must be a correlation of the UKDM land assets and the deeds registry needs to take place.</p> <p>· There must be a correlation of the UKDM land assets and the deeds registry needs to take place.</p>
<p>12) Investment properties of R 1 million has been incorrectly classified and disclosed as Property, Plant and Equipment. The valuation of these properties may be material if fairly valued in terms of the relevant accounting framework.</p>	<p>Request the internal auditors for a technical opinion on the determination of what is an investment property and then implement the outcome</p>
<p>13) Included in Property, Plant and Equipment of R 38 million is an amount of R 6 million in respect of Other Assets. The fixed asset register used to prepare the financial statements was not updated with the results of the asset count. Furthermore, numerous assets were not tagged, asset descriptions were not sufficiently detailed to facilitate positive identification and in some instances no unique identification numbers were recorded in the fixed asset register. Depreciation to the value of R 1.7 million was recognised in the Statement of Financial Performance in respect of Other Assets. It was found that residual values and useful lives assigned to these assets were not correctly determined in accordance with the relevant accounting framework resulting in the amount of depreciation being incorrectly reflected. The amount of the misstatement could not be quantified. As a result, we were unable to determine whether depreciation and the value of Property, Plant and Equipment have been correctly stated in the Annual Financial Statements.</p>	<p>All assets tagged will be included the asset register and details to each asset will be included.</p> <p>Residual values need to be determined by the asset manager on an annual basis. Apply appropriate depreciation.</p>
<p>14) In the category of Other Assets is a variety of different classes of assets namely, furniture and fittings, motor vehicles, computer equipment, office equipment, fire engines, special vehicles and tools. In terms of the relevant accounting framework all different classes of assets should be separately disclosed.</p>	<p>Each asset class will be separately disclosed</p>

QUALIFICATION BY AUDIT (reflecting the paragraph of concern)	CORRECTIVE ACTION
15) As a result of the disagreement referred to in paragraph 8 above, the Municipality failed to record Water Stock as at year-end. The amount of Water Stock cannot be quantified. Consequently, I am unable to determine the amount that should have been recorded in respect of water stock.	If assets of water and sanitation are recorded on our asset records the corresponding water stock must be recorded at the end of the financial year. If the SLA around water is in place the WSPs should reflect this on their records.
16) Included in Other Receivables from Non-Exchange transactions of R 31 million are receivables to the value of R 7.9 million. We were unable to confirm whether these receivables exist and whether they pertain to the entity, as they relate to debts prior to 2006, and as such have prescribed and should have been adjusted through the Accumulated Surplus account. The full amount has been included in the Provision for the Impairment of Receivables. As a result, there is a misclassification between Other Receivables from Non-Exchange transactions, Provision for Impairment and Accumulated Surplus. This matter was also reported on in the prior year audit report.	In the layout of the AFS there will be a correction in the classification around other receivables
17) No evidence could be provided to substantiate Other Receivables from Non-Exchange Transactions to the value of R 2.7 million. A significant amount of this debt has been included in the Provision for the Impairment of Receivables. The Municipality does not have adequate accounting records to permit the application of alternative auditing procedures. As a result, I am unable to determine whether the amount is correctly stated. This matter was also reported on in the prior year audit report.	In the layout of the AFS there will be a correction in the classification around other receivables. Evidence will be given around other receivables from non exchange transactions in future audits
18) In the current year, a net bad debt write-off of R 18 million was processed through the Provision for the Impairment of Receivables account. It related both to receivables in debit as well as receivables with credit balances. A significant portion of this write-off related to receivables that did not exist in the prior year. We were unable to quantify the amount that should have been recorded and disclosed as a prior period error in terms of the relevant accounting framework. The Municipality does not have adequate accounting records to permit the application of alternative auditing procedures.	Improvement in the systems of writing off of bad debt will be done to show the year in which the debt originated.
19) We were unable to verify an amount of R 7.7 million of the total amount disclosed in the Statement of Financial Performance in respect of the Reversal of Provisions for Impairment to the amount of R 30 million. The Municipality does not have adequate accounting records to permit the application of alternative auditing procedures. As a result we cannot determine whether or not the reversal of the impairment relates to the current and / or prior periods.	When reversal of provision for impairment are processed care will be taken that the correct year in which the provision originated with will be reflected
20) A prior period error, increasing Other Receivables from Non-Exchange transactions of R 7.7 million was disclosed in the current year. This item does not meet the definition of an error in accordance with the relevant accounting framework. The amount should have been recognised in the Statement of Financial Performance in the current year.	Corrections will be done and included in the Statement of Financial Performance for the appropriate year.
21) Value Added Taxation is stated as a receivable to the amount of R 5.7 million. We could not satisfy ourselves as to the appropriate recording of this receivable, due to the numerous instances of non-compliance with the Value Added Taxation Act. Consequently, I was unable to determine the impact on amounts recorded in respect of expenditure, accounts payable and Value Added Taxation, due to the incorrect processing thereof. A similar matter was also reported on in the prior year audit report.	Undertake a VAT review.  The VAT issues that relate to the financial system will be corrected
22) The Municipality has entered into agency agreements with the Department of Water Affairs and Forestry in respect of two projects, namely: Working for Water and Working for Wetlands. There is a misclassification between Unspent Conditional Grants and Trade and Other Payables of R 1.5 million and R 6 million respectively.	The classification between unspent and Trade and other payables will be corrected

QUALIFICATION BY AUDIT (reflecting the paragraph of concern)	CORRECTIVE ACTION
23) Included in Unspent Conditional Grants are receipts totalling R 5.9 million and a grant expense of R 3 million that we were not able to verify to supporting documentation. The Municipality does not have adequate accounting records to permit the application of alternative auditing procedures.	Systems to improve supporting documentation provision will be established. A file of conditions for each grant must be established Grant reconciliation must be done monthly
24) Included in Trade and Other Payables of R 22.5 million is an amount of R 3.1 million relating to payables in respect of the deficit between water and sanitation revenue and expenditure in the local municipalities. These amounts could not be confirmed. In addition the revenue and expense transaction streams from which the balance is derived was qualified on by the auditors of some of the local municipalities.	CFOs meeting to discuss the SLA will also discuss the claims and deficit between water and sanitation
25) Supporting documentation related to Unknown Receipts of R1.9 million was not presented for audit purposes and as a result it was not possible to carry out all the required audit procedures or to obtain all the information and explanations considered necessary to verify the amount. As a result, I am unable to determine the correct and complete recording of any related revenue, conditional grant receipts and / or payment by debtors.	All efforts will continue to determine the origin of unknown receipts. A policy around the treatment of Unknown Receipts will be developed to give guidance to council
26) Creditors statements and reconciliations were not presented for audit purposes and as a result it was not possible to carry out all the required audit procedures or to obtain all the information and explanations considered necessary to verify an amount of R 8.5 million or to confirm whether all necessary amounts were included in the creditors balance.	The finance system will be changing to be able to record open orders related to approved projects. Reconciliation of each creditor on a monthly basis will be undertaken..
27) As a result I am unable to verify whether all Trade and Other Payables are recorded at the correct amounts in the financial statements.	General comment by AGSA
28) As a result of the disagreement referred to in paragraph 8 above, the Municipality failed to record Revenue in respect of the water and sanitation services rendered on their behalf by the local municipalities. The amount of the related revenue cannot be quantified.	If no SLA is signed we must amend the budget to effectively reflect expenditure and income. Expenditure reports from local municipalities are then required in order to appropriately record income and expenditure. If a SLA is in place then local municipalities must effectively record and declare income and expenditure
29) Included in Government Grants and Subsidies revenue of R 256 million is an amount of R 7.9 million that could not be verified. The Municipality does not have adequate accounting records to permit the application of alternative auditing procedures. As a result, I am unable to determine whether the amount is correctly recorded and classified in the current year.	Improved record keeping around grants and subsidies will be undertaken
30) As a result of the matter raised in paragraph 22 above, the Municipality incorrectly recognised Government Grant Revenue and Government Grant Expenditure in the amount of R 15.7 million and R 2 million respectively. This has resulted in the Municipality having overstated Government Grant Revenue and Government Grant Expenditure.	Get technical opinion from the internal auditors around improving the recording of Grant Revenue and Expenditure for Working for Water and Working for Wetlands.
31) Adjustments were made to the Annual Financial Statements submitted on 15 September 2009. An updated general ledger showing all journal entries passed between the first and final submission was not received from the Municipality. We were unable to verify an increase in Other Assets of R 1 million, as well as an increase of R 0.5 million in Other Operating Grant Expenditure and General Expenses. As a result, Government Grant Revenue may also be overstated by R 1.6 million. This matter appears to be related to the matter reported in paragraph 23.	Skills to effectively use the financial system will be improved so that reports can be provided and so that journals can be recorded and shown to the auditors.

QUALIFICATION BY AUDIT (reflecting the paragraph of concern)	CORRECTIVE ACTION
32) As a result of the disagreement referred to in paragraph 8 above, the Municipality failed to record expenditure in respect of the water and sanitation services rendered on their behalf by the local municipalities. The amount of the related Expenditure cannot be quantified.	If no SLA is signed we must amend the budget to effectively reflect expenditure and income. Expenditure reports from local municipalities are then required in order to appropriately record income and expenditure. If a SLA is in place then local municipalities must effectively record and declare income and expenditure
33) Included in Contracted Services is an amount of R 74 million for the current year and R 116 million for the prior year that was recognised as a result of the disagreement referred to in paragraph 8 above. Contracted Services are thus overstated by the respective amounts. Furthermore, the Municipality failed to provide supporting documentation to substantiate the relevant amounts. As a result, I am unable to determine whether the amounts are correctly stated.	This will be corrected in the new AFS depending on the status of the signing of the new service level agreement. Improved record keeping to substantiate all expenditure. SOP on financial record keeping must be developed and implemented and the Records policy updated
34) Supporting documentation relating to Expenditure to the estimated value of R 4.3 million could not be provided for audit purposes. This amounts to a scope limitation for which no alternative audit procedures were available. As a result, I am unable to determine whether the amounts are recorded at the correct amount and classified correctly.	Corrections to the system have been made and continued improvements will be done. Supporting documentation relating to expenditure Record keeping is to be improved.
35) Employee Related Costs per the payroll do not agree to that recorded in the Annual Financial Statements by R 1.2 million. No reconciliation was provided. The Municipality does not have adequate accounting records to permit the application of alternative auditing procedures. As a result, I am unable to determine whether the amount reflected in the Statement of Financial Performance is correctly stated and correctly classified.	Reconciliations between payday and abacus were provided but in future the reconciliation process will be improved to satisfy audit. Support of the internal auditor will be called upon to improve this information.
36) Due to inadequate leave records and discrepancies in such records, I am unable to verify the accrual for leave pay in the amount of R 3.9 million, included in the Current Employee Benefits of R 7 million as disclosed in the Statement of Financial Position and note 4 of the Annual Financial Statements. In addition, we were unable to verify the amount to be recorded in the Statement of Financial Performance. The Municipality does not have adequate accounting records to permit the application of alternative auditing procedures. As a result, I am unable to determine whether the amount disclosed in the Annual Financial Statement is complete and correct.	A leave roster and correct implementation of leave based on the collective agreement / BCEA will be implemented. An electronic system of leave application and approval is to be investigated.
37) The Municipality failed to account for the obligation and / or disclose in accordance with the relevant accounting framework, the reasons for not recording the obligation in respect of the part defined benefit plan under the Cape Joint Pension and Cape Joint Provident funds.	Use the internal auditors or appoint an actuary to determine the obligation for record purposes and establish a system to do this in the future.
38) The Municipality did not to comply with all the provisions of the International Accounting Standards (IAS) 32 and 39 in respect of the disclosure, classification and measurement of financial instruments. Due to a lack of documentation it was not possible to assess the impact of this non-disclosure on the financial statements. Furthermore, the Municipality did not disclose all items required by the International Financial Reporting Standard (IFRS) 7, either in the Statement of Financial Position or in the notes to the Annual Financial Statements.	Corrections to the reporting in terms IAS 32 and 39 will be made in the next financial statements based on the advice on the AG.
39) The Municipality did not comply with all the disclosure requirements of the relevant accounting framework for prior period errors and changes in accounting policies.	All corrections around previous errors and changes will be disclosed in the next AFS



QUALIFICATION BY AUDIT (reflecting the paragraph of concern)	CORRECTIVE ACTION
<p>40) In terms of the definitions in chapter 1 of the MFMA, any Expenditure incurred in contravention of the Supply Chain Management Policy is regarded as Irregular Expenditure and should be reported as such. Goods and Services to an estimated value of R 65 million were identified as procured from suppliers without having followed the required Supply Chain Management Policy. These amounts were also not disclosed as Irregular Expenditure as required by section 125(2)(d)(i) of the MFMA.</p>	<p>A Supply Chain turn around strategy is to be prepared and implemented.</p> <p>The new finance system must have an integrated supply chain module and comply with the MFMA and necessary regulations.</p> <p>Train staff on supply chain matters.</p>
<p>42) Attention is drawn to the disclosure of Unauthorised Expenditure to the amount of R 75.7 million in note 29.1 of the Annual Financial Statements.</p>	<p>Noted: We are not sure why this matter was included in the audit report, as council approved this matter.</p>
<p>43) As disclosed in note 23 and 24 to the financial statements, the corresponding figures for 30 June 2009 have been restated as result of changes in accounting policies and errors discovered during the 30 June 2009 financial year in the financial statements of Ukhahlamba District Municipality.</p>	<p>Changes because the implementation of GRAP 3 will continue and will be corrected retrospectively to the year of origin as part of the preparation of 2009/10 statements</p>
<p>44) The supplementary information set out on pages XX to XX do not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly I do not express an opinion thereon.</p>	<p>Only compulsory schedules will be attached to future financial statements</p>
<p>45.1. All monies owing by the Municipality were not paid within 30 days of receiving the relevant invoice or statement as required in terms of section 65 (2)(e) of the MFMA.</p>	<p>Improvement in the speed of payments (30 days) will take place in line with the improvement of the provision of appropriate supporting documentation</p>
<p>45.2. The Municipality failed to submit signed and electronic returns on conditional grant spending to National Treasury in terms of section 74 (1) of the MFMA.</p>	<p>All requirements by National Treasury in terms of section 74 will be met</p>
<p>45.3. The Municipality failed to make public the revenue and expenditure projections for each month and the service delivery targets and performance indicators for each quarter as well as to submit the performance agreements of the municipal manager, senior managers and any other categories of officials to council and the MEC for local government in terms of section 53 (3) (a) and (b) of the MFMA.</p>	<p>Will ensure public notification of the information.</p>
<p>45.4. No reports were submitted in respect unauthorised and fruitless and wasteful expenditure as required by section 32(4) of the MFMA.</p>	<p>Reporting will be improved to comply with the MFMA.</p>
<p>45.5. Disclosures of non-compliance with the MFMA were not made in the Annual Financial Statements as required by section 125.</p>	<p>Disclosures will be improved in the next AFS in line with requirements of the MFMA</p>
<p>45.6. Over-payments to councillors, section 57 managers and contract employees. In terms of section 164 (1) (c) (i) of the MFMA, loans to councillors or officers of the Municipality are forbidden. At year end a receivable of R 415 747 (included in Other Receivables from non-exchange transactions of R 30.6 million) is recognised in respect of salary overpayments to section 57 managers and contract employees over many years. Over-payments were also made to Councillors in contravention of gazetted rates in prior years. At the time, the over-payments totalled R 158 150. However, due to lack of an audit trail, the amount of the outstanding balance at year-end could not be quantified.</p>	<p>The amount owed by councillors and employees will be recovered in line with the period stipulated in the MFMA and recommendations by the Auditor General</p>
<p>46) Preferential Procurement Policy Framework Act, 2000 (Act No 5 of 2000)</p>	<p>The tax implications of Mayor's official accommodation should be determined. The tax implication will be based on market related costs in line with the Supply Chain regulations.</p>

QUALIFICATION BY AUDIT (reflecting the paragraph of concern)	CORRECTIVE ACTION
<p>46.1. Supply Chain Management Regulation 40 (2) (c) stipulates that a supply chain management policy must provide that immovable property is let at market related rates except when the public interest or the plight of the poor demands otherwise. Supply Chain Management Regulation 44 determine that a member of any municipal council or a municipal official is regarded as "in the service of the state" and that the Supply Chain Management policy of a municipality must state that awards to a person "in the service of the state" is prohibited. The mayor occupies a house owned by the Municipality and does not pay market related rentals. In addition, the Income Taxation Act, Schedule 7 (9) requires that the cash equivalent of the value of the taxable benefit derived from the occupation of residential accommodation be added to the taxable income of a staff member. This benefit is included as a nil benefit in the taxable income of the mayor, contrary to this Act.</p>	<p>Develop a policy on the management and use of the Mayors official accommodation.</p>
<p>Section 62(1) (c) (i) of the MFMA states that the accounting officer must ensure that the Municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control. The table below depicts the root causes that gave rise to the deficiencies in the system of internal control, which led to the adverse opinion. The root causes are categorised according to the five components of an effective system of internal control. (The number listed per component can be followed with the legend below the table.) In some instances deficiencies exist in more than one internal control component</p>	<p>Referring ; to previous paragraphs.</p> <p>Control activities: Risk assessment to be undertaken by the internal auditor to determine places to mitigate risk for financial reporting</p> <p>Internal Controls: information collection, documentation and appropriate reporting will be improved so as to satisfy financial reporting</p>
<p>47) Basic control activities to ensure the accurate processing of expenditure and Value Added Taxation such as independent checks, isolation of responsibilities and the performance of data integrity checks were found to be either ineffective or non-existent.</p>	<p>New job descriptions give clear control activities to line managers and ensure the isolation of responsibilities. Data integrity checks will need to be improved</p>
<p>48) Basic control activities to ensure the complete processing of accruals such as creditor reconciliations were found to be non-existent. There were no controls in place and insufficient oversight of management to identify the risks associated with the completeness of transactions.</p>	<p>The system of capturing payments should be outlined in standard operating procedures.</p> <p>Supervision within the finance section needs to be improved through spot checks and reviews.</p>
<p>49) The lack of isolation of responsibility in the finance department in the past year led to numerous control breakdowns.</p>	<p>This is being improved through the filling of the organogram.</p> <p>Supervision within the finance section needs to be improved through spot checks and reviews.</p>
<p>50) In addition, the Municipality did not prepare a risk assessment which should have identified the weaknesses.</p>	<p>Risk assessment should be done by March</p>
<p>51) Adequate financial information is either not available, is not reliable or when available is not interpreted in a manner to ensure that the accounting substance of transactions are accounted for in all instances.</p>	<p>Replace the finance system by July 2010.</p> <p>Intensively train a staff member to deal with reporting on the current system so as to deal with the 2009/10 audit</p>
<p>52) Vacancies, limited training and exposure in the finance department resulted in the numerous instances of non-compliance with the relevant accounting framework (having failed to interpret and utilise financial information correctly).</p>	<p>Fill all vacancies by end of March 2010</p> <p>Replace the finance system and ensure transfer of skills, SOPs and mentoring be included in the new service to be obtained</p> <p>Intensively train a staff member to deal with reporting on the current system so as to deal with the 2009/10 audit</p>

QUALIFICATION BY AUDIT (reflecting the paragraph of concern)	CORRECTIVE ACTION
53) In addition, the level of reliance placed on consultants without adequate oversight by management impacted on the accurate recording of balances and transactions.	Internal skills development and mentoring around key issues is to be undertaken. Greater oversight to be given through clear written instructions and corresponding reports
54) The Municipal Finance Management Act tasks the accounting officer with a number of responsibilities concerning financial and risk management and internal control. Fundamental to achieving this is the implementation of certain key governance responsibilities, which I have assessed as follows ( <i>only negatives reflected</i> )	Audit strategy to be developed to enable an improved audit to take place next time.
a. Significant difficulties were experienced during the audit concerning delays or the availability of requested information.	Improve the quality of the AFS from the point of drawing up the documents
c. The annual report was not submitted for consideration prior to the tabling of the auditor's report.	The draft annual report is only required by the MFMA to be tabled to council in January.
d. The Annual Financial Statements were not submitted for auditing as per the legislated deadlines section 126 of the MFMA.	The change in the financial system should support improved reporting and meeting of deadlines. Deadlines will be met.
e. Key officials were unavailable throughout the audit process	We will endeavor to make staff available. The audit strategy will improve the availability and planning for the audit and therefore reduce the need for constant availability of staff.
f. The audit committee did not substantially fulfilled its responsibilities for the year, as set out in section 166(2) of the MFMA	The audit committee action plan will be improved
g. The internal audit function did not substantially fulfill its responsibilities for the year, as set out in section 165(2) of the MFMA.	A new internal audit function has been established
h. There are significant deficiencies in the design and implementation of internal control in respect of financial and risk management.	A risk assessment is required for the institution, with a strategy to monitor
i. There are significant deficiencies in the design and implementation of internal control in respect of compliance with applicable laws and regulations.	Stricter oversight by management for compliance improvement.
	Training of staff to be undertaken on legislative compliance
j. A risk assessment was not conducted on a regular basis nor a risk management strategy, which includes a fraud prevention plan, is documented and used as set out in section 62(c)(i)/95(c)(i) of the MFMA.	A risk assessment is required for the institution
55) Management's attention is specifically drawn to the following key governance responsibilities which, according to the above table, have not been effectively addressed:	Comment
56) Significant delays were experienced during the execution of our audit as a result of the absence of the core finance staff component during key periods of the audit process, the Municipality not providing documentation and explanations required for audit purposes on a timely basis. A structured process was followed in an attempt to obtain the documentation and explanations. Management was regularly informed of the delays experienced. Most documentation and explanations required were only submitted after several attempts. This was due to inadequate systems, monitoring and supervision in place throughout the financial year. Material adjustments were made to the Annual Financial Statements after first submission. These related to the processing of material items on the bank reconciliation, recognising obligations in respect of gratuities and bonuses and correcting disclosures so as to be aligned with the requirements of the relevant accounting framework.	While every effort has been made to provide information timeously, there were instances where information was provided a number of times and still not acknowledged as received by the auditors. To reduce this we will ensure that all information (requests and resultant responses) goes through the designated Audit Manager of the district.
	Fill the organogram.
	Prepare an audit strategy to have a structured response and plan to support the auditing process



QUALIFICATION BY AUDIT (reflecting the paragraph of concern)	CORRECTIVE ACTION
57) The annual report has not been submitted for consideration prior to the audit report being signed as the Municipality is still in the process of preparing the annual report.	The annual report is being submitted in line with the legislation
58) The Annual Financial Statements were submitted on 15 September 2009, due to failure by the Municipality to keep full and proper records throughout the financial year.	Financial systems improvement will enable better reporting in future and therefore the deadlines to be met
59) As mentioned above, we experienced difficulties with staff availability throughout the audit process. The accounting officer and mayor did not attend a sufficient number of audit steering committee meetings.	Improvement of attendance will be ensured in the new financial year. Written delegation will otherwise be provided.
60) The audit committee was ineffective in the performance of its duties in terms of its mandate. Amongst other things, the audit committee failed to identify the numerous instances of non-compliance with Statements of GRAP in the Annual Financial Statements, the effectiveness of the internal control function was not assessed, the chairman of the audit committee did not attend meetings regularly, the risk of fraud and error was not considered and the audit committee did not reprimand management for failure to respond to the findings of internal audit on a timely basis.	The audit committee will be strengthened during the year to improve on its performance
61) The Internal Audit function was ineffective in performance of its duties in terms of the Internal Audit Charter. The main concerns are that Internal Audit did not report quarterly on the Performance Management System, no reports were submitted detailing performance against annual plans and no follow-up audits were performed mainly due to failure by management to respond timeously to internal audit findings.	New internal auditors have been procured. Internal Audit charter will be monitored more closely by management.
62) The significant deficiencies in the design and implementation of internal control in respect of financial and risk management were attributed to a lack of approved and implemented policies being in place for the whole of the year under review, isolation of responsibility and to key internal controls and processes that were either not in place or not functioning as intended.	Policy review and improvement will be undertaken under guidance of the internal auditors. The risk assessment will direct as to where deficiencies should be corrected to reduce risk
63) As reported in "Other Matters" above, as well as in the Management Report, numerous instances of non-compliance with legislation were identified. This is due to a lack of monitoring of compliance by management.	Finalisation of job descriptions will assist with the determining of responsibility. If noncompliance, disciplinary processes will be initiated.
	Snr Management will focus more on monitoring and compliance
64) The fraud prevention plan was not in force throughout the financial year. In addition, the top 20 risks identified during the risk assessment process did not sufficiently address the numerous financial risks identified throughout the audit process. Ongoing monitoring and supervision are not undertaken to enable an assessment of the effectiveness of internal control over financial reporting.	The fraud prevention plan should be reviewed.
	Risk assessment should be undertaken and monitored on a monthly basis by management
65) To 69 - comments	n/a
70) Contrary to the requirements of Sections 23 – 34 of the MSA, the Municipality did not ensure that the amendments to the Integrated Development Plan (IDP) were discussed in the mid-year budget and performance review.	This is being corrected with the mid year review of 2009 / financial year
71) Contrary to the requirements of Section 25 (4) of the MSA, the Municipality did not, within 14 days, after adoption of its IDP, give notice to the public of the adoption, however it did provide the document on its website.	Document will be made public

QUALIFICATION BY AUDIT (reflecting the paragraph of concern)	CORRECTIVE ACTION
72) Contrary to the requirements of Section 26 (i) of the MSA, the key performance indicators in the IDP did not relate logically and directly to the development priority and / or objectives. Furthermore, the key performance indicators are not consistent between the IDP and the SDBIP, the targets are not consistent between the IDP and the SDBIP and the inconsistencies have not been approved.	Document already corrected in the 2009/10 IDP
73) Contrary to the requirements of Section 32 (1) (a) of the MSA, the Municipality did not have proof that it submitted a copy of the adopted IDP to the Member of the Executive Council for Local Government in the Eastern Cape, within 10 days of the adoption or the amendment of the plan.	Proof will be kept in the audit file
74) Contrary to the requirements of Section 38 (a) of the MSA, the Municipality did not ensure that the Performance Management System that was being implemented was fully commensurate with its resources and best suited to its circumstances as it only adopted a policy near the end of the financial year.	Implementation of the new policy and the organogram will have worked towards mitigating this matter
75) Contrary to the requirements of Section 38 (c) of the MSA, the Municipality did not ensure that the Performance Management System was designed to administer its affairs in an economical, effective, efficient manner as it only adopted a policy near the end of the financial year.	Implementation of the new policy and the organogram will have worked towards mitigating this matter
76) Contrary to Section 40 of the MSA, the Municipality did not ensure that it had council adopted mechanisms in place to monitor and review its Performance Management System as prescribed in terms of section 40 of MSA.	Mechanisms to review all policies are in place including to review the PMS
77) Contrary to Section 41 (b) and regulation 12 (2) (c-d) of the MSA, it was noted that the Municipality did not ensure that the performance targets set in the Integrated Development Plan corresponded with available resources and with the Municipality's capacity as reflected by the lack of linkage between the IDP and the budget of that year.	This has been corrected in the 2009/10 IDP and budget
78) Contrary to Section 41 (2) of the MSA, the Municipality did not ensure that there were sufficient staff and support for the efficient and effective implementation of Performance Management System as well as the fact that there is no operational performance audit committee at the Ukhahlamba District Municipality. Therefore the Performance Management System applied by the Municipality is not devised in such a way that it serves as an early warning indicator of under-performance as prescribed in terms of section 41 (2) of MSA.	The performance audit committee must improve its functioning. Organogram is to be filled
79) Contrary to the requirements of Section 43 (1) of the MSA, the Municipality did not include certain specific required key performance indicators within their Integrated Development Plan.	Corrected in the 2009/10 IDP
80) Contrary to the requirements of Section 46 of the MSA, the Municipality did not ensure that a comparison of performance with targets set for the current and previous financial years was disclosed in the annual performance report, nor was mention made of the measures to improve the performance.	This will be corrected in the new annual performance report
81) Contrary to section 72 (1) of the MFMA, no evidence could be found in the Half Yearly Narrative Report that the past year's annual report and progress on resolving problems were identified and discussed as prescribed in terms of section 72 (1) of the MFMA.	The information will be included in the half year assessment of 2009/10
83) An assessment could not be performed of the reliability of the Performance Information, since it was found that the actual performance reported in the performance report could not be accurately verified in all instances as there is a poor audit trail, due to a lack of electronic audit evidence that links the different reporting structures.	Investigate an integrated PMS and finance system to be implemented in the new financial year

## **H SECTION: PERFORMANCE MANAGEMENT SYSTEM**

During the 08/09 financial year, Joe Gqabi District Municipality has reviewed its Performance Management System. This review has been done in line with Municipal Systems Act, and the related Municipal Planning and performance Management Regulations (2001) as Amended in (2006). PMS is now implemented in line with the PMS policy

Joe Gqabi District views the Performance Management System to be:

- a strategic approach which provides a set of tools and techniques to plan regularly, monitor, measure and review performance of the District area, the District Municipality as an organization, the local municipalities as well as individual employees in the municipalities;
- part of an ongoing process to identify, evaluate and develop the area to ensure that the role players meet the strategic and operational objectives as defined in the IDP effectively and efficiently;
- part of ensuring that the principles of integration and coordinated effort as defined in the Joe Gqabi Intergovernmental Relations policy and IDP are monitored and evaluated against the objectives and targets set; and
- a way to facilitate increased:
  - accountability against the commitments made,
  - Learning, improvement and early warning of problems as record in then kept of progress, success and failure of action against targets

In Joe Gqabi it will be structured as follows: a District Wide scorecard, a Strategic (as an organizational) scorecard and then SDBIP (individual) scorecards.

The Municipal Scorecard Model that will be used in the area is:

- Tightly aligned to the strategic planning and IDP processes of the municipality;
- Directly relevant to the notion of developmental local government;
- A balanced view of performance based on municipal inputs, outputs, outcomes and process;
- A simple portrayal of performance, where inter – relationships can be mapped (municipal – wide, sectoral /departmental and unit/programme levels);
- Compliant with the requirements of the Municipal Systems Act (2002) and its subsequent regulations (2001 and 2006);
- Based on the five (5) Key Performance Areas for Local Government as determined in the Five Year Local Government Strategic Agenda and used in the Regulations and Vuna Awards for Performance Excellence.

The PMS will make use of the five (5) Key Performance Areas for Local Government, which are:

- Infrastructure Development and Service Delivery
- Municipal Transformation and Organizational Development;
- Local Economic Development;
- Municipal Financial Viability and Management; and
- Good Governance and Public Participation.

## **1 LEVELS OF PERFORMANCE MANAGEMENT**

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### **1.1 THE DISTRICT WIDE SCORECARD**

This scorecard is for the whole of the JGDM area. The scorecard includes government departments and the local municipalities. This measures the whole District IDP. The District through the IDP representative forum and the IGR structures will develop a District wide scorecard which includes a synthesis of the strategic scorecards of the local municipalities and this will include activities and functions of other spheres and agencies of government that function within the District municipality.

There are structures that conduct reviews on the District wide scorecard these are District Mayors Forum (DIMAFO), Public Reviews (done by IDP rep forum section 42 of MSA) as required by legislation and forums with representatives of others spheres of and agencies of government.

While the District policy is proposing that the District wide score card be developed it cannot at this stage be finalized due to the lack of information in this draft version of the IDP from local municipalities and sector departments.

The District score card has been finalized through consultative sessions with relevant stakeholders , the private sector and the government departments. The score card have been approved by the stakeholders to be involved in its implementation. Tthough approval may not guarantee implementation

### **1.2 THE STRATEGIC SCORECARD/ ORGANIZATIONAL SCORECARD**

This scorecard is for the District Municipality as an organisation to see if it is performing against the targets set by council ( namely the IDP).. Organisational Performance Management is concerned with the overall performance of the Joe Gqabi District Municipality in relation to giving effect of the actions defines as its responsibility in the Joe Gqabi Integrated Development Plan. This scorecard reflects on the corporate level performance for the municipal organization. The development perspective of this scorecard will therefore provide a basis for the municipality to assess the extent of the impact of its strategies as an organization. The strategic scorecard indicators of this scorecard will be corporate output focused.

The Municipal Manager will use it as a basis for reporting to the Mayoral and the Mayor to the Council and the public. The Municipal Manager is primarily responsible for the performance on the Strategic Scorecard and it forms the largest component of how his performance will be managed. Due to the level of information available, this is the scorecard that has been developed, that sets out how the institution will be measuring its performance. As this issue is still in preparation, the institution has rather for the purposes of the draft IDP included in the project tables all the projects/ programmes as well as their measurable indicators and targets. This should still be developed further to include the baseline as well as input, output and outcome indicators for each of its core programmes.

In the interim while this is being developed, the District has resolved to include the general key performance indicators as outlined in the Local Government: Municipal Planning and Performance Management Regulations, 2001 (No. R. 796 of 2001) as part of the institutional or strategic scorecard. These indicators of performance are outlined below:

- (a) the percentage of households with access to basic level of water, sanitation, electricity and solid waste removal;
- (b) the percentage of households earning less than R1100 per month with access to free basic services;
- (c) the percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan;
- (d) the number of jobs created through municipality's local, economic development initiatives including capital projects;
- (e) the number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan;
- (f) the percentage of a municipality's budget actually spent on implementing its workplace skills plan; and
- (g) Financial viability as expressed by a set of ratios.

The scorecard for the district municipality and effectively the scorecard for the Municipal Manager of the District Municipality is as follows:

<b>KPA 1: Local Economic Development</b>					
<b>IDP Objective (*)</b>	<b>programme</b>	<b>input indicator</b>	<b>indicator of performance (output indicator)</b>	<b>outcome indicators</b>	<b>annual target (output)</b>
To increase agricultural production and related potentials to maximise economic opportunities of the District by 2011	Job creation	Number of DM capital programmes where short term jobs can be created	the number of jobs created through municipality's local, economic development initiatives including capital projects	stimulated economy as more people are employed	400 (LED), 100 (capital projects)
To increase previously disadvantaged participation in agricultural sectors by 2011	Job creation	Number of formal EPWP programmes implemented in the District area	Number of job opportunities created through formal EPWP capital projects	stimulated economy as more people are employed	300
To improve long range planning for timber by 2011	supply chain management	Rand value of programmes requiring tenders	% of tenders awarded to HDIs under R1million	stimulated economy as more HDI people are employed	70%
To increase previously disadvantaged participation in the timber and related sectors by 2011	supply chain management	Rand value of programmes requiring tenders	% of tenders awarded to HDIs over R1million	stimulated economy as more HDI people are employed	50%
To increase tourism through maximising potentials of the district area	supply chain management	reporting system established to capture information	Reports to National Treasury and Council in line with the regulations and Section 74 of the MFMA on Supply Chain	improved capacity of government as reports are provided	compliance monthly
To improve long range planning for the growth of tourism and related sectors	supply chain management	Number of posts filled in the SCM unit	Amendment to the SCM policy to encourage suppliers to plough back to the community	improved capacity of communities as social responsibility programmes are implemented	100%
To increase previously disadvantaged participation in the tourism and related sectors	supply chain management	Number of posts filled in the SCM unit	Number of supplier awareness programmes being implemented	stimulated economy as more people understand the opportunities of tendering	4
	supply chain management	Number of posts filled in the SCM unit	Implement a supplier contract management performance system by March 2011	improved service delivery quality as suppliers are monitored on what services they render	100%
	Job creation through LED strategy implementation	budget allocation towards agricultural programmes	status of implementation of agricultural plan ( actions defined for the year)	stimulated economy as agricultural matters are being addressed in a wholistic manner	100%

KPA 1: Local Economic Development					
IDP Objective (*)	programme	input indicator	indicator of performance (output indicator)	outcome indicators	annual target (output)
	Job creation through LED strategy implementation	budget allocation towards forestry programmes	status of implementation of forestry sector plan ( actions defined for the year)	stimulated economy as forestry matters are being addressed in a wholistic manner	100%
	Job creation through LED strategy implementation	budget allocation towards development agency	Reports from development agency in line with the MFMA	stimulated economy as alternative mechanism for service delivery are implemented	monthly, quarterly and annual reports
	Job creation through LED strategy implementation	Number of posts filled in the LED unit	status of preparation of district cooperative and SMME strategy development	stimulated economy as more people employed in SMMEs have access to business opportunities and support	100%
	Job creation through LED strategy implementation	budget allocated towards tourism	Status of implementation of the tourism strategy ( actions defined for the year)	stimulated economy as tourism matters are being addressed in a wholistic manner	100%
	Job creation through LED strategy implementation	budget allocated towards mentoring and capacity building of enterprises	status of planned roll out of mentoring and capacity building programme for new and emerging businesses in all sectors	stimulated economy as skills are improved in all sectors	100%
	Job creation through LED strategy implementation	willingness of private sector to participate	The number of the economic forums - tourism, agricultural, forestry, trade, construction, cooperatives meeting at least 4 times a year	stimulated economy as information is shared among stakeholders	3

(\*) The IDP objectives for economic development are broad and not necessary in the control of the municipality. The indicators of performance relate to the municipality creating an enabling environment for economic development

KPA 2: Service Delivery					
IDP Objective	programme	input indicator	indicator of performance (output indicator)	outcome indicators	annual target (output)

**KPA 2: Service Delivery**

IDP Objective	programme	input indicator	indicator of performance (output indicator)	outcome indicators	annual target (output)
To improve water and sanitation quality and continuity of services to residents	water management	Number of WTW where chlorine is administered	% water quality compliance of tested water with SANS 241 for e.coli	improved service delivery quality as water quality is improved	99%
	water management	Number of WTW where chlorine is administered	Number of blue drops achieved	improved service delivery quality as confidence in water quality as a wholistic system is achieved	2
	water management	Signed SLA with WSP	Operation and maintenance of bulk water and sanitation treatment plants to achieve compliance with SANS 241 for drinking water quality and effluent	improved service delivery quality and improved capacity of government as WSPs can deliver on their agreements with the DM	100%
	water management	Signed SLA with WSP	operation and maintenance of all waste water services	improved service delivery quality and improved capacity of government as WSPs can deliver on their agreements with the DM	100%
	water management	Signed SLA with WSP	operation and maintenance of all water services	improved service delivery quality and improved capacity of government as WSPs can deliver on their agreements with the DM	100%
	water management	Number of bulk water meters installed	Develop a baseline of water loses for the water system in each of the towns	improved service delivery quality as there will be fewer leaking pipes and waste of water	10 reports
	water management	budget of water and sanitation refurbishment plan	Development of a district water and sanitation refurbishment master plan	improved service delivery quality as preplanning for water and sanitation will allocate resources to priorities	100%
	PMU	budget for masterplan	Development of a district wide bulk infrastructure master plan to guide investment	improved service delivery quality as there will be enough bulk water to meet the needs of people in time	100%
	water management	Staff trained in water Management	Development of Standard Operating Procedures for water management	improved service delivery quality as processes will be followed to ensure quality of water	100%
	water management	Budget to respond to key risks	Development of water safety plans the water system in each of the towns.	improved service delivery quality as water quality management will be improved	2 water systems planned
	water management	Signed SLA with WSP	Development of a repairs and maintenance programme for all water and sanitation assets	improved service delivery quality as there will be less down time due to poor maintenance	100%
To reduce backlogs in water and sanitation by 2011	water management	budget for the extension of existing services	%of households with access to basic level of water	meet basic need as number of facilities without the service should be decreasing	70%
	water management	budget for the extension of existing	% of households with access to basic level of sanitation	meet basic need as number of facilities without the service should be decreasing	65%



**KPA 2: Service Delivery**

IDP Objective	programme	input indicator	indicator of performance (output indicator)	outcome indicators	annual target (output )
		services			
to proactively plan for future water and sanitation needs of the district so as to improve the quantity and quality provided	water management	budget review to the WSDP	Annual review of the Water Services Development Plan as required by the Water Services Act	improved capacity of government as they know where to allocate resources to resolve problems	100%
	water management	human resources with financial skills to monitor WSPs	Monitor service providers for water and sanitation services for compliance with technical, legal and financial aspects as per the SLA	improved capacity of government as contracts would be managed to ensure improved service delivery	100% compliance
	water management	Finance system with ability to provide required reports	Compliance with the SLA for Working for Water as per the National financial year.	improved capacity of government to deliver on its mandate to eradicate alien species in waterways	100% compliance
	water management	Finance system with ability to provide required reports	Compliance for the SLA for Working for Wetlands as per the National financial year.	improved capacity of government to deliver on its mandate to rehabilitate wetlands	12 reports for the year
	infrastructure planning	budget available for the development of community infrastructure plans	Reviewal of the community infrastructure development plan (CIP)	improved capacity of government and communities as the needs and plans for community infrastructure is known	100%
	infrastructure development	Tenders awarded within 90 days	% expenditure of MIG funds as per the National financial year.	meet basic need as more infrastructure to provide water to people is achieved	100%
		fire services	staff appointed and trained in fire planning	status of the development of fire plans	improved capacity of government to plan and allocate resources to priority areas
fire services		number of peace officers appointed	Development of a programme to enforce fire bylaws and implement fire bylaws	improved capacity of government to implement its mandate around fire	100%
disaster management		budget allocated	Number of disaster simulation exercises and awareness programmes held	improved service delivery quality, meet basic needs	8
disaster management		staff appointed and trained in fire planning	Status of development of a district disaster risk management plan	improved capacity of government to plan and allocate resources to priority areas	100%
disaster management		sufficient budget to construct houses	reconstruction of houses affected by disaster	improved service delivery quality as commitments around services will be maintained	100%



**KPA 2: Service Delivery**

IDP Objective	programme	input indicator	indicator of performance (output indicator)	outcome indicators	annual target (output)
	intergovernmental relations	posts filled on the organogram	establishment of a interdistrict disaster management forum	improved capacity of government and communities to coordinate around issues of priority concern and prepare for joint operations in the event of a disaster	100%
	municipal health services	waste management plans in LMs	Number of formal urban waste sites that were evaluated for which a monthly updated evaluation report was issued to relevant role-players / stakeholders.	improved service delivery quality so that there is a track record of monitoring of waste services so that people have a healthier environment in which to live	100%
	municipal health services	systems to record data and history of sites	Number of formal food premises (FP) with a certificate of acceptability (CoA)	meet basic needs as people have confidence in the health of the food sold at formal food premises	20%
	municipal health services	systems to record data and history of sites	Number of Formal Food Premises that were evaluated using the standardised evaluation tool that received an investigation report that was reported to the relevant role-players / stakeholders.	improved service delivery quality so that there is a track record of monitoring of food premises so that people have a healthier environment in which to live	60%
	municipal health services	number of posts filled on the MHS organogram	Number of hawkers receiving health and hygiene training	stimulate the economy so that the public has more confidence in food sold from hawkers	200
	municipal health services	systems to record data and history of sites	Number of public facilities monitored on a regular basis	improved service delivery quality so that there is a track record of monitoring of public premises so that people have a healthier environment in which to live	50%
	municipal health services	budget allocation	Implement systems to improve data management in the Municipal Health Services section	improved capacity of government to monitor the service that it renders	100%
To improve road infrastructure and related facilities to support the economic and social requirement of the district by 2011	road maintenance	Finance system with ability to provide required reports	Compliance with SLA with DoRT as per the National financial year	stimulate the economy as people will have better road access	100%
	transport planning	budget allocation	Annual review of the Integrated Transport Plan in terms of the National Road Transport Transitional Act (NRTTA)	improved capacity of government to allocate resources to priority areas	100%
improved service delivery quality in education, health, social development and public works programmes so as to meet national targets	primary health care	budget allocation sufficient to implement the SLA	compliance with the PHC SLA	improved capacity of government to deliver on its mandate and meet basic needs in the primary health sector	90%

**KPA 2: Service Delivery**

IDP Objective	programme	input indicator	indicator of performance (output indicator)	outcome indicators	annual target (output)
	asset management	budget allocation	Implement a PHC large asset renewal / renovation / extension programme	improved capacity of government to have facilities that are appropriate for the service they render	100%
To halt and begin to reverse the spread of HIV/Aids by 2014;	HIV and Aids	budget allocation	% attainment of implementation of the District wide HIV and Aids strategy activities planned for the year	capacitate government and communities to mainstream HIV and AIDs issues into their normal functioning so reducing its impact and effect	100%

**KPA 3: Municipal Transformation and institutional development**

IDP Objective	programme	input indicator	indicator of performance (output indicator)	outcome indicators	annual target (output)
Improved human resource of local government by 2011	organisational development	budget and accommodation for new posts	% of critical vacant positions filled	improved capacity of government to deliver on its mandates as vacancies are reduced	100%
	organisational development	number of posts filled	status of performance agreements of section 57 managers	improved capacity of government to monitor the performance of its senior management	100%
	skills development	WPSP approved	% expenditure of the budget spent on implementing the workplace skills plan	improved capacity of government to do the work required	100%
	skills development	WPSP approved	finance staff training	improved capacity of government to do the work required	200%
	skills development	budget and accommodation for new posts	Number of learnerships in the institution	improved capacity of government and communities through building skills of communities while assisting government service delivery	10
	skills development	WPSP approved	% expenditure on the training budget for councillors	improved capacity of government to undertake the role given to elected persons	100%
	skills development	number of applications received	% expenditure on the mayoral bursary fund	improved capacity of government and communities through increasing skills in the JGDM area	100%
	skills development	posts filled on the organogram	% submission of Workplace Skills Implementation Plan	improved capacity of government to comply with legislated requirements	100%
	Performance Management	skilled staff	Continue to facilitate the defining and development of KPI's by the target date	improved capacity of government to comply with legislated requirements	100%
	Performance Management	budget and skilled staff	Continue to Develop and implement a computerized performance management system	improved capacity of government to comply with legislated requirements	100%

KPA 3: Municipal Transformation and institutional development					
IDP Objective	programme	input indicator	indicator of performance (output indicator)	outcome indicators	annual target (output )
	Performance Management	skilled staff and implemented systems	Perform an internal organization / employee climate survey	improved capacity of government to comply with legislated requirements	100%
	Performance Management	skilled staff	Co-Ordinate the compilation and review Performance Contracts and Performance Plans for the MM and S57 managers	improved capacity of government to comply with legislated requirements	100%
	organisational development	skills to develop the HRD plan	status of development of a human resource development plan	improved capacity of government to plan and respond to HR requirements	100%
	organisational development	Racial grouping of the persons applying	% compliance with the employment equity plan in the 3 highest levels of management	improved capacity of government to correlate their employment of senior managers to the population dynamics of the community	100%
	organisational development	posts filled on the organogram	% submission of Employment Equity report to Department of Labour	improved capacity of government to comply with legislated requirements	100%
	employee assistance	budget allocation	status of review of a workplace aids plan	improved capacity of government to allocate resources to priority areas	100%
	organisational development	budget and staff allocations to the function	% implementation of institutional PMS	improved capacity of government to monitor the performance of its staff members	80%
			cascade PMS implementation to LMs		
	employee assistance	posts filled on the organogram	implement an employee wellness programme	improved capacity of government to respond to concerns of staff in the workplace	100%
	organisational development	budget allocation	Resolution of all transfers of staff for the water function	improved capacity of government to fulfil its legislated mandates in the water and health sectors	100%
	organisational development	budget allocation	Resolution of all transfers of staff for the municipal health services function	improved capacity of government to fulfil its legislated mandates in the water and health sectors	100%
	organisational development	budget allocation	Resolution of provincialisation matters relating to primary health	improved capacity of government to fulfil its legislated mandates in the water and health sectors	100%
			finalise job evaluations		
	asset management	budget allocation	Buildings maintenance and renovations programme developed for satellite offices	improved capacity of government to provide facilities that enable the delivery of their functions	100%
	organisational development	budget allocation	improvement in compliance with the OHSA	improved capacity of government to protect the occupational health of its employees	50%
employee assistance	budget allocation	development of feasibility study on staff rental accommodation	improved capacity of government to provide a conducive workplace environment	100%	

KPA 3: Municipal Transformation and institutional development					
IDP Objective	programme	input indicator	indicator of performance (output indicator)	outcome indicators	annual target (output)
	asset management	budget allocation	extend the DM main office building to accommodate staff needs	improved capacity of government to provide facilities that enable the delivery of their functions	50%
	asset management	budget allocation	implement an access control system	improved capacity of government to provide facilities that enable the delivery of their functions	
Local government to obtain clean audit reports by 2011	council support	number of council meeting called	number of council meetings sitting	improved capacity of government to meet its legislated mandates around council functioning	100%
	legal services	budget allocation	MHS bylaws gazetted	improved capacity of government to implement actions in the area of MHS	1
	legal services	budget allocation	Events management bylaws	improved capacity of government to implement actions in the area of MHS	1
	information technology	budget allocation	status of development of a comprehensive IT strategy	improved capacity of government to allocate resources to priority areas	100%
	information technology	posts filled on the organogram	% completion of an audit of ICT environment in each municipality	improved capacity of government to understand the dynamics of ICT so as to inform decisions as to where to allocate resources to priority areas	100%
	information technology	posts filled on the organogram	IT compliance -- for audit purposes	improved capacity of government to meet its legislated mandates around ICT	
	information technology	budget allocation	IT renewal and capital replacement strategy developed and implemented	improved capacity of government to provide resources for staff to deliver on its mandates	100%
	information technology	posts filled on the organogram	Number of meetings of the IT steering committee	improved capacity of government to make decisions around ICT	4
	organisational development	budget allocation	% development of Institutional Disaster risk strategy	improved capacity of government to respond to institutional disasters	100%
	organisational development	posts filled on the organogram	Development of a consolidated institutional Standard Operating Procedures file	improved capacity of government through having clear procedures for all to follow ensuring efficiency and effectiveness of action	100%
	organisational development	posts filled on the organogram	% Submission of Human Resources Policies	improved capacity of government as HR actions will be consistent, fair and effective	100%
	organisational development	posts filled on the organogram	% Review of efficiency of implementation of Human Resources SOP's	improved capacity of government through having clear procedures for all to follow ensuring efficiency and effectiveness of action	100%
	organisational development	integrated finance system	% Submission of leave report to internal departments	improved capacity of government to manage staff leave enabling better control	100%
	organisational development	posts filled on the	% review of delegation frameworks	improved capacity of government to comply with legislated	100%

<b>KPA 3: Municipal Transformation and institutional development</b>					
<b>IDP Objective</b>	<b>programme</b>	<b>input indicator</b>	<b>indicator of performance (output indicator)</b>	<b>outcome indicators</b>	<b>annual target (output )</b>
		organogram		requirements	
	asset management	posts filled on the organogram	% review of security of depots and council buildings	improved capacity of government to secure its assets	100%
	legal services	posts filled on the organogram	% submission of report to Mayco on compliance with labour legislations	improved capacity of government to ensure that its labour is being protected and provided for according to legislation	100%
	legal services	posts filled on the organogram	% disciplinary cases dealt with successfully	improved capacity of government to manage its staff	100%
	legal services	posts filled on the organogram	% litigations handled successfully	improved capacity of government to effectively manage litigation	100%
	legal services	posts filled on the organogram	development of a compliance framework as per MFMA and other legislated guideline	improved capacity of government to ensure that it meets all the prescribed legislation requirements	100%
	legal services	posts filled on the organogram	Review all municipal policies on a an annual basis	improved capacity of government to ensure that its policies are up to date	100%
	council support	System to monitor council resolutions	number of tracking reports of the implementation of Mayco/concil resolutions	improved capacity of government to track resolutions and ensure decisions are being implemented	4
	council support	budget allocation	% compliance with archives act	improved capacity of government to protect its documents	100%
	council support	posts filled on the organogram	% review of archives procedures and processes	improved capacity of government to ensure compliance with document management and access to information	100%

<b>KPA 4: Financial management and viability</b>					
<b>IDP Objective</b>	<b>programme</b>	<b>input indicators</b>	<b>indicator of performance (output indicator)</b>	<b>outcome indicators</b>	<b>annual target (output)</b>
Local government to obtain clean audit reports by 2011	audit	compliance with the audit strategy	% attainment of a clean audit	improved capacity of government to effectively, efficiently and economically use government resources	100%
		Sufficient departmental response to internal and external audits	Respond to all intenal & external audit enquiries and implement all recommendations within 30 days or give explanation why additional time is needed	improved capacity of government to effectively, efficiently and economically use government resources	100%
	financial management	Finance system with ability to provide	preparation of annual financial statements	improved capacity of government to effectively, efficiently and economically use	100%

KPA 4: Financial management and viability					
IDP Objective	programme	input indicators	indicator of performance (output indicator)	outcome indicators	annual target (output)
		required reports		government resources	
	financial management	willingness of WSPs to cooperate	Enter into an MFMA compliant SLA with Water service providers	improved capacity of government, improved service delivery quality	100%
Improvement in the Financial Viability and Financial Management of local government;	Monitor and control the municipality's budget and management accounts	tenders awarded within 90 days	the percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan	improved capacity of government to deliver on all its mandates	100%
		filling of posts on the organogram	status of development of a budget	improved capacity of government to plan and manage its budgets	100%
		filling of posts on the organogram	Submission of Budget and IDP Process Plan	improved capacity of government to organise its programme over the year in order to meet statutory deadlines	100%
		budget allocation	the percentage of households earning less than R1100 per month with access to free basic services	improved capacity of government to know how many people are getting free basic services so that sufficient provision can be made to cover these services	100%
		budget allocation	% of allocated operating budget spent year to date, excluding staff costs	improved capacity of government and financial information critical to decision making is then available	100%
		human resources and finance system able to produce reports	Submission of Section 71 Reports	improved capacity of government to comply with the legislative standards and be aware of financial status	100%
		human resources and finance system able to produce reports	Budget Control & monitoring systems implemented	improved capacity of government to manage its finances	100%
		budget allocation	Installation of new Financial Systems and software	improved capacity of government through access to information and confidence in the financial system	100%



**KPA 4: Financial management and viability**

IDP Objective	programme	input indicators	indicator of performance (output indicator)	outcome indicators	annual target (output)
		human resources and finance system able to produce reports	Submission to Council of Quarterly Withdrawals	improved capacity of government to comply with legislated standards	100%
		human resources and finance system able to produce reports	Implementation of monthly grant reconciliations	improved capacity of government to account for funding from other government sources	100%
		skill and budget allocation	Development of Investment Strategy	improved capacity of government to plan for long term funding scenarios	100%
		budget allocation	Ensure a 3 month cash backup	improved capacity of government to be financially viable	100%
		human resources with finance skills to develop budgets	number of activity based costed business plans for sections within the municipality	improved capacity of government to accurately cost and fund activities in the institution therefore improving efficiency, effectiveness and economy of funding	3
		institutional will and allocation of effort	% compliance with the finance turn - around strategy	improved capacity of government to be financially viable	80%
		human resources and finance system able to produce reports	Report on the implementation Priorities MFMA	improved capacity of government to comply with requirements of the national treasury	100%
		human resources and finance system able to produce reports	Management of Investment accounts on a monthly basis	improved capacity of government to effectively manage investments for the greatest benefit to the institution and service delivery mandates	100%
		Manage Revenue	human resources and finance system able to produce reports	debt coverage ratio	improved capacity of government and financial information critical to decision making is then available
		human resources and finance system able to produce	outstanding service debtors to revenue ratio	improved capacity of government and financial information critical to decision making is then available	0.00

**KPA 4: Financial management and viability**

IDP Objective	programme	input indicators	indicator of performance (output indicator)	outcome indicators	annual target (output)
		reports			
		human resources and finance system able to produce reports	cost coverage ratio	improved capacity of government and financial information critical to decision making is then available	4.26
		human resources with finance skills to improve policies	Review of Financial Policies	improved capacity of government through having clear policies to guide action	100%
		human resources with finance skills to improve policies	Conduct a review of the Tariff Policy by 30 June 2011 and submit via the Portfolio Committee to EXCO and Council for approval.	improved capacity of government through having clear policies to guide action	100%
		human resources with finance skills to improve policies	Conduct a review of the Investment and Cash Management Policy by 30 June 2011 and submit via Portfolio Committee to EXCO and Council for approval	improved capacity of government through having clear policies to guide action	100%
		human resources with finance skills to improve policies	Conduct a review of Credit and Debt Control Policy by 30 June 2011 and submit via Portfolio Committee to EXCO and Council for approval	improved capacity of government through having clear policies to guide action	100%
		human resources with finance skills to improve policies	Submit monthly Grant reports on all DORA reportable grants received to the CM within 10 days after receipt of payment from National Treasury	improved capacity of government through having clear policies to guide action	100%
		human resources with finance skills to improve policies	% development of a revenue enhancement strategy focusing but not only being limited to the water function	improved capacity of government to meet the service delivery needs of the public especially in the area of water	100%



**KPA 4: Financial management and viability**

IDP Objective	programme	input indicators	indicator of performance (output indicator)	outcome indicators	annual target (output)
	Control Expenditure	efficient staff to manage SCM and payment processes	payment of valid invoices within 30 days of receipt of a valid tax invoice as well as monthly salary payments	improved capacity of government to meet its obligations to service providers	100%
		human resources and finance system able to produce reports	Report to Council on Staff Benefits on legislated timeframes	improved capacity of government through providing legislated information to council	100%
		human resources with finance skills to improve policies	Submit annual review report on the Supply Chain Management policy by 30 August 2010 and submit via the Portfolio Committee to Exco and Council for approval	improved capacity of government through having clear policies to guide action	annual report
		human resources with finance skills to improve policies	Submit annual review report on the Fixed Asset Management policy to the Portfolio Committee by 30 June 2011	improved capacity of government through having clear policies to guide action	30-Jun-11
		human resources and finance system able to produce reports	Submit quarterly SCM reports to the Portfolio Committee within 30 days of end of each quarter.	improved capacity of government through providing legislated information to council	4
		human resources and finance system able to produce reports	Ensure submission of annual stock count report to Portfolio Committee by 30 August 2010. (2009/10 financial year)	improved capacity of government through providing legislated information to council	30-Aug-10
		human resources and finance system able to produce reports	vat review	improved capacity of government through providing legislated information to council	

**KPA 4: Financial management and viability**

IDP Objective	programme	input indicators	indicator of performance (output indicator)	outcome indicators	annual target (output)
	Assets and insurance	human resources and finance system able to produce reports	% establishment of an integrated asset management system for the institution	improved capacity of government as the assets of the institution will be able to be correctly linked into the finance system	100%
		human resources and finance system able to produce reports	Capture all water and sanitation assets on an integrated asset management system	improved capacity of government as the water and sanitation assets will have been able to be identified allowing for better maintenance and management	100%
		budget allocation	determine fair value of all assets	improved capacity of government as the water and sanitation assets will have been valued enabling better financial recording and provision for depreciation	100%
		suitable system and skilled staff	% compliance of asset register to GRAP standards	improved capacity of government to comply with the legislative standards	100%
		budget allocation	Appoint a new Insurance broker by 30 June 2011	improved capacity of government to comply with the legislative standards	30-Jun-11
	Departmental Management	skilled staff	Monitor the implementation of SOP's in finance department	improved capacity of government to follow standard procedures and systems	100%

**KPA 5: Good governance and Public participation**

IDP Objective	programme	input indicators	indicator of performance	outcome indicators	annual target (output)
Strengthening Good Governance, Community Participation and Ward Committee Systems in local government	integrated planning	posts filled on the organogram	Adopted Reviewed IDP	improved capacity of government and communities to plan collectively around priorities	100%
	integrated planning	budget availability and posts on the organogram	provide support to LMs around IDP	improved capacity of government and communities to plan collectively around priorities	100%
	integrated planning	posts filled on the organogram	implement municipal systems improvement grant programme	improved capacity of government and communities to plan collectively around priorities	100%

**KPA 5: Good governance and Public participation**

IDP Objective	programme	input indicators	indicator of performance	outcome indicators	annual target (output )
	integrated planning	budget allocation	Source resources to develop: waste management plan, biodiversity plan, air quality plan and electrification plan	improved capacity of government to meet statutory obligations for planning and allocate resources in the most appropriate manner	100%
	integrated planning	posts filled on the organogram	status of the mid year performance and budget review	improved capacity of government and communities to know the performance and related budget status during the year so that improved decisions can be made	100%
	integrated planning	posts filled on the organogram	status of development of the high level SDBIP	improved capacity of government and communities to know the actions that will be performed by the JGDM during the year	100%
	integrated planning	posts filled on the organogram	Council Approved of the annual report	improved capacity of government to meet statutory obligations and provide information to the public and other stakeholders	100%
	integrated planning	posts filled on the organogram	status of institutional annual performance report	improved capacity of government to meet statutory obligations	100%
	communications and marketing	posts filled on the organogram	mplementation of communication strategy	improved capacity of government and communities to know what is happening in the district area	100%
	communications and marketing	posts filled on the organogram	development of a centralised system of events management	improved capacity of government to coordinate government events in the area improving their efficiency, effectiveness and economy	100%
	communications and marketing	posts filled on the organogram	% compliance of the website with legal prescriptions	improved capacity of government and communities to access knowledge and information about the institution	100%
	communications and marketing	posts filled on the organogram	Complaints mechanism for community concerns	improved capacity of government and communities to have a clear channel for redress in line with the batho pele principles	100%
	communications and marketing	budget allocation	Report on implementation of annual district awards ( internal institutional awards and external district wide awards)	improved capacity of government and communities through motivation and recognition of achievements	100%
	communications and marketing	budget allocation	disseminate information on the change of the name of the district municipality	improved capacity of government and communities through motivation and recognition of achievements	100%
	communications and marketing	budget allocation	Develop a DM marketing and branding strategy and implement	improved capacity of government to increase awareness and add value to the image of the district municipality	100%
	communications and marketing	budget allocation	Development of a Service Delivery Charter	improved capacity of government and communities to know the quality of service to be provided	100%

KPA 5: Good governance and Public participation					
IDP Objective	programme	input indicators	indicator of performance	outcome indicators	annual target (output )
				by government	
	intergovernmental relations	willingness of gov partners to cooperate	Functioning of IGR systems including DIMAFU, DSTG, Clusters, DM/LM working groups	improved capacity of government to integrate among spheres therefore improving efficiency, economy and effectiveness	100%
	stakeholder mobilization	posts filled on the organogram	Number of meetings of the Traditional leaders forum	improved capacity of government and communities to engage with local government of issues of concern	400%
	intergovernmental relations	posts filled on the organogram	Number of meetings of the tri-district alliance	improved capacity of government and communities to engage with local government of issues of concern	200%
	stakeholder mobilization	budget allocation	Number of consultative forums held	improved capacity of government and communities to add value and be aware of th programmes of government	6%
	stakeholder mobilization	budget allocation	implement measures to improve public participation in municipal processes	improved capacity of government and communities to add value and be aware of th programmes of government	
	stakeholder mobilization	budget allocation	support ward committee development	improved capacity of government and communities through improved capacity of wards to advise government, report effectively and protect the interests of their area	100%
	mayoral special programmes	budget allocation	expenditure of the mayoral funds to support special programmes	improved capacity of government and communities to add value and be aware of th programmes of government	100%
	mayoral projects	budget allocation	expenditure of the mayoral funds to support mayoral projects in line with the policy	improved capacity of government and communities to add value and be aware of th programmes of government	100%
	traditional leaders	budget allocation	expenditure of funds to support the programmes relating to traditional leaders	improved capacity of government and communities to add value and be aware of th programmes of government	100%
Local government to obtain clean audit reports by 2011	audit	plan of action developed	programme developed and implemented to support local municipalites to improve their audit reports	improved capacity of government to meet statutory obligations	100%
	audit	risk assessment completed	Implement risk assessment plan actions for the 2010/11 year	improved capacity of government to plan and prioritise interventions so as to reduce potential loss to the institution	80%
	audit	calender of audit committee meetings	Number of scheduled meetings of the audit committee sitting	improved capacity of government to meet statory obligations but also to protect the interests of the public	100%

<b>KPA 5: Good governance and Public participation</b>					
<b>IDP Objective</b>	<b>programme</b>	<b>input indicators</b>	<b>indicator of performance</b>	<b>outcome indicators</b>	<b>annual target (output )</b>
	audit	calender of audit committee meetings	Number of scheduled meetings of the performance audit committee sitting	improved capacity of government to meet statory obligations but also to protect the interests of the public	100%
	audit	budget allocation for audit improvement	Implementation of the audit action plan and audit strategy	improved capacity of government to meet statutory obligations around auditing	100%
	audit	posts filled on the organogram	Review of the fraud prevention plan	improved capacity of government to reduce inappropriate actions and undue influence in its decision making and allocation of resources	100%
Improved operation of pro-poor economic organisations to adequately represent their membership and engage with other stakeholders by 2011	stakeholder mobilization	budget allocation	Number of awareness campaigns for for HDI groups	improved capacity of communities to participate in the activities of government	
	stakeholder mobilization	posts filled on the organogram	Development of a mainstreaming strategy plan and policy	improved capacity of government and communities to plan and allocate resources so that the marginalised groups are proactively part of the system of goverenmnt	100%
	stakeholder mobilization	posts filled on the organogram	Establishment of an SPU monitoring and coordination forum and multidisciplinary team	improved capacity of government to effectively manage special programmes therefore improving efficiency, effectiveness and economy	100%

### **1.3 THE SDBIP OR MUNICIPALITY DEPARTMENT SCORECARDS**

The Service Delivery and Budget Implementation Plan capture the performance of each municipal department and provide a comprehensive picture of the activities of each department. It consists of objectives, indicators and targets derived from the organizational scorecard (which is also linked to the budget and the IDP). The departmental Directors (S57 managers) will be primarily responsible for performance on the SDBIP Scorecard and as such is it will be their performance indicator.

In addition to the requirements of the Municipal Finance Management Act and the National Treasury Guidelines for Dips, the SDBIP scorecard approach thus provides an additional opportunity to set objectives, indicators, and targets for, as well as report against service outcomes, institutional transformational issues and stakeholder relations. Performance in the form of a SDBIP Scorecard will be reported to the Management Team and the relevant portfolio committee/ cluster on a quarterly basis respectively.

Furthermore, the SDBIP Scorecard will be cascaded down to sections where they will be monitored by the section head (effectively becoming the section head's performance report). Sections heads within departments will be responsible for reporting to the Directors. SDBIP Scorecards and performance reports must be formulated at section meetings or departmental meetings constituted at least by the Director and Section Heads. The SDBIP Scorecard must inform section planning and performance reporting must feed into the SDBIP Scorecard report. Each section must then have its own implementation plan for each of the issues on the SDBIP scorecard that contributes to the overall implementation of the SDBIP Scorecard.

### **1.4 INDIVIDUAL SCORECARDS**

Linked to the Organizational Performance Management System are the individuals who contribute to the success or failure of the Municipality/Organization. Each individual will have performance objectives, targets and standards that are linked to objectives of his/her Section, Department and Municipality (strategic scorecard) and this ultimately cascades up into the District scorecard.

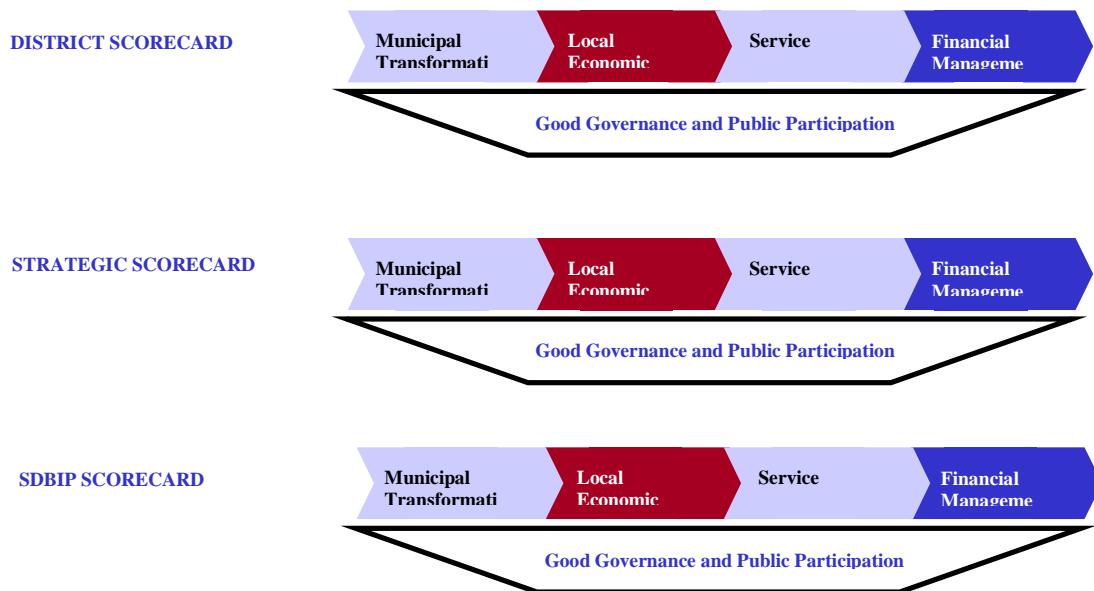
The strategic scorecard will form the basis of measurement for the Municipal Manager whilst the SDBIP scorecard will form the basis for measurement for the Directors. The section scorecard will form the basis for the individual performance measurement of the sectional heads under SDBIP scorecards. The strategies will then be cascaded down to the lower structures within the municipality on a functional and job description basis.

Joe Gqabi District Municipality adopted a Performance Management System on 31 March 2009. The System has been designed to fulfill both the organisational and individual performance management. It complies fully with the legislation and ensures that the reporting function is aligned both to the high-level objectives of the organisation and the output and outcome targets set in departmental SDBIPs:

The Model that the District municipality has adopted is the Municipal Scorecard Model and aims to achieve simplicity, transparency, accountability and objectivity. The five KPAs of the 5-year Local Government Strategic Agenda forms the performance focus areas or perspectives of the model and these will be weighted according to importance.

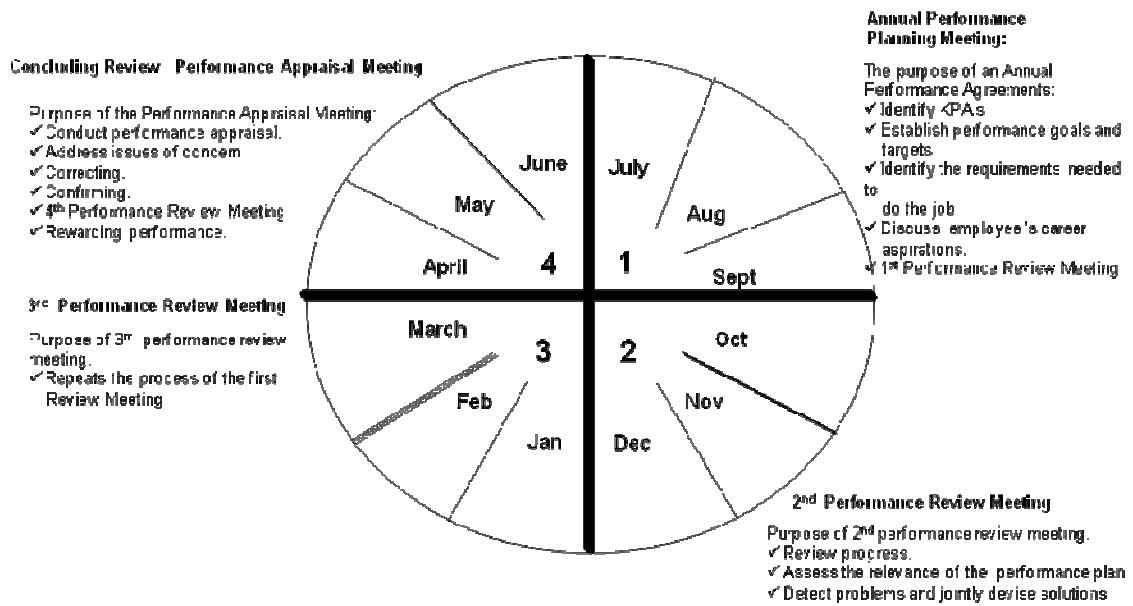
The Performance Policy is attached as an annexure to the IDP, therefore only areas of alignment between the PMS and IDP will be highlighted and key areas raised in the form of schematic frameworks projecting the process issues are reflected below:-

**Figure 8: Schematic representation of the MSM**



Performance planning will encompass the processes as depicted in the diagram below:

Figure 8: processes of performance management



## 2 MONITORING AND EVALUATION

The Performance management System also regulates the process and roles and responsibilities to manage performance in Joe Gqabi District including identifying structures to monitor and review of performance as indicated:-

Table 65: Monitoring and Evaluation

Structures	Activity / Responsibility
Executive Mayor	Oversight of the coordinating of the District PMS
Municipal Manager	Implementation of the PMS
DIMAFO	Measure and Review IGR cluster report of performance against District Scorecard.
Public reviews	Annual public campaign
Planning and Reporting	District PMS manager
Council Reviews	Review - Twice a year
Auditor General	Performance Audit

### 2.1 IMPLEMENTATION OF THE PMS

The performance agreements were signed by all section 57 managers and the municipal manager. Performance reporting is taking place on a monthly quarterly and annually. This is adherence to the reportable items section 72 and 73 reports quarterly and annual reports. The 08/09 annual report nearing finalization Performance reviews in terms of the strategic score cards are being adhered to. The district score card has been adopted while the strategic (organizational score card is being implemented. The process of cascading the PMS to the individual employees has been initiated. The performance audit committee was appointed by the council.



## **I SECTION: SECTOR PLANS**

This section will also include sector specific policies. Numerous sector plans and policies were utilized in the compilation of this IDP namely:

### **1 THE DISASTER MANAGEMENT PLAN**

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Joe Gqabi District Municipality embarked on a process of developing a District disaster management plan, with the assistance of suitably qualified service providers in the field. Subsequent to that a Generic Disaster Management Plan and a Corporate Disaster Management Plan was developed. At present the Joe Gqabi District Municipality continues to use the Generic Disaster Management Plan and the Corporate Disaster Management Plans to enforce its powers and conduct its duties in disaster management. The Joe Gqabi District Disaster Management Centre in 2006 has embarked on a process to develop and establish a Scientific Based and Proven District Disaster Management Plan, by how to identify, classify, ensure proper prevention, mitigation and response mechanisms should be arranged and managed by all stakeholders.

The Joe Gqabi District Disaster Management Centre in 2006 has embarked on a process to develop and establish a Scientific Based and Proven District Disaster Management Plan, by conducting a Scientific Disaster Risk Assessment throughout Joe Gqabi District Municipality. The process has been embarked upon solely to identify and quantify the various risks to which the District is exposed to, and develop strategies on how to identify, classify, ensure proper prevention, mitigation and response mechanisms should be arranged and managed by all stakeholders.

The outcome of the study will form an integral part of the District disaster management plan that will follow it.

### **2 AREA BASED PLAN FOR LAND REFORM**

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The Department of Land Affairs has come up with a new strategy for land reform, which conceptualizes land reform as a multi faceted process aimed at creating sustainable economic development and improving the quality of life of the previously disadvantaged. This strategy is a result of deliberations from the Land Summit held in 2005 which provided for an inclusive review of land and agrarian reform with a view to accelerate the pace of delivery. The land summit was subsequently incorporated by the Department of Land Affairs into GDS agreements. They have also provided funding and procured service providers to prepare these plans for the District Area.

Area Based Plans are land plans for municipal areas that deal with the needs of land for economic development and transformation. The framework makes planning for land and agrarian reform central to the formulation of Integrated Development Plans by local government. Land reform must be informed by Integrated Development plans with implementation occurring at a municipal level. Alignment between sector departments, para-statal and the municipal development agenda is critical in ensuring a holistic and sustainable development outcome from land and agrarian implementation programmes.

The Plan is aimed at redistributing 30% of land to the land less for development. The objectives of the plan are:

- Redistribute 30% of white-owned agricultural land by 2014 for sustainable agricultural development.
- Provide tenure security that creates socio-economic opportunities for people living and working on farms and in communal land areas
- Provide land for sustainable human settlements, industrial and economic development.
- Provide efficient land use and land administration services.
- Provide efficient State Land management that supports development.
- Provide skills development framework for land and agrarian reform to all relevant stakeholders
- Development programmes for the empowerment of women, children, people with disabilities and those living with HIV/ AIDS and older persons within the context of the Department's mandate



### **3 INTEGRATED TRANSPORT PLAN**

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According to the guidelines for the Preparation of Integrated Transport Plans in the Eastern Cape Province, the Joe Gqabi District Municipality is classified as a Type 2 Planning Authority and needs to prepare a District Integrated Transport Plan. Linked to this requirement the provincial department of Roads and Transport has supported the Joe Gqabi District Municipality through preparing a transport plan. The information reflected below has been sourced from the transport plan. The plan covers backlogs, implementation plan and the following aspects:

- Ranking facilities and
- Completed Public Transport Facility Projects
- Rail infrastructure
- Road network aspects, Road Maintenance
- Airfields
- Non-Motorized Transport, Pedestrian bridge – Burgersdorp, Trunk road crossing – Burgersdorp, Trunk road crossing – Steynsburg, Pedestrian route – Aliwal North, Raising of low water bridge Mzamomhle (Burgersdorp), Raising of low water bridge (Steynsburg) , Extension of street lighting – Aliwal North
- Freight Transport, Freight Infrastructure
- Scholar Transport, and Public transport facilities

### **4 INTEGRATED WASTE MANAGEMENT PLAN**

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The District municipality have prioritized the review of the Waste Management Plan for 2009/10 financial year. Due to the lack of funds and the necessary capacity and support from the relevant departments the review of this plan has delayed. Currently Waste Management Services (WMS) are rendered on a weekly basis to most of the residents in urban areas of the District by the four local municipalities, but there are substantial backlogs. Most backlogs occur in Elundini and Senqu. In Elundini, waste management services are rendered in the town of Mt Fletcher only to the commercial sector, and no residents enjoy WMS. In Ugie, areas such as Mandela Park, Soccer field, Dyoki and other former black areas similarly have no service. The same applies to certain residential areas in Maclear e.g. Vincent Park and Peter Mokaba. In Senqu, the biggest backlogs are found in Sterkspruit where only 268 houses have a regular WMS and the residents of some 2,300 other houses in and around the town is left to their own devices. In areas where waste management services are rendered, the collection and transportation aspects are done to a reasonable standard, although certain problems do occur with the disposal function, especially in the Elundini and Maletswai and certain areas of Gariiep. The recycling programmes that exist within the District are in Elundini in Mt Fletcher and in Senqu in Sterkspruit

### **5 WATER SERVICES DEVELOPMENT PLAN**

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Progress has been made in JGDM area since the last draft of the WSDP (2005), but Water and Sanitation Services continues to face critical challenges. These include eradication of bucket system, basic water and sanitation services backlog, achieving the essential targets for reducing water demand, implementation of FBS, meeting the wastewater effluent standards and thereby reducing the impact on the water quality of urban rivers, asset management and ensuring that infrastructure is extended timeous to meet the development growth demands. Financial sustainability of the service is a particular challenge: ensuring full cost recovery and debt management at a fair tariff, and financing of capital investment. In order to optimally achieve this and thus meet key policy and legislative requirements, new and effective institutional arrangements and other strategies continue to be put in place. The national Strategic Framework for Water Services, Sept 2003, is a critical policy document setting out the future approach to the provision of water services. Of the national targets set, the most critical for JGDM are:

- All people are to have access to functioning basic water supply by 2008, this has subsequently been changed to all people have access to some water by 2008 and all people has access to basic water supply by 2010

- All people are to have access to functioning basic sanitation by 2010
- Investment in water services infrastructure should total > 0,75% of GDP
- Annual reporting on key performance indicators to be started.

From the information contained in this WSDP, it is clear that in order to meet the above targets; additional grant funding will have to be sourced. The current estimated figures are much higher than the annual MIG allocations. Following the current trends, availability of Funding and resources, water and sanitation backlogs will only be eradicated by 2014.

## **6 PAVEMENT MANAGEMENT PLAN**

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The pavement management system was developed in 2006 for all the streets in towns in the District. Conditions assessments were done on some of the existing streets and the software was subsequently loaded onto computers of the four local municipalities

The pavement management system was primarily provided to the local municipalities for planning purposes with regard to streets in town. There is a need that the PMS software be extended to capture condition of rural roads as well.

## **7 HIV AND AIDS PLAN**

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Joe Gqabi District Municipality embarked on a process of Developing a multi-sectoral HIV and AIDS plan that seek to ensure:

- Collective identification of challenges, areas of great need, integration of programmes and involvement of all sectors in response to HIV and AIDS;
- The development of common approaches based on common and shared vision;
- The development of practical and realistic strategic implementation plans based on practical experiences of various role-players;
- Mobilization and identification of roles and responsibilities force various stakeholders; and

Improve sectoral collaboration and commitment with emphasis on implementation.

## **8 JOE GQABI WOMENS DEVELOPMENT PLAN**

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The women Development Plan is in place as developed by the Joe Gqabi Women Economic Empowerment forum. The council endorsed the plan in August 2007.

Its purpose is to: set targets and guidelines to facilitate economic empowerment of women, to package support programmes for emerging women entrepreneurs within the area.

## **9 COMMUNICATION STRATEGY**

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Joe Gqabi District Municipality developed and approved a communication strategy in November 2008

The communication strategy has been developed in line with planned meetings that were arranged with the communicators from local municipalities. Some of the activities from the strategy were implemented with the assistance of both the Provincial and National governments. The Communications strategy was reviewed during this financial year. Part of the strategy involves the dissemination of information through CDWs and ward Councillors. The objectives of the communication strategy are to raise awareness amongst citizens in the District about initiatives aimed at bettering the lives of people through job creation, agrarian reform and poverty eradication programmes. To provide a framework for strengthened coordination and cooperation of various spheres and sectors of government and to ensure that all residences/communities of the District, especially the poor and rural, are part of, and participate in programmes aimed at bettering their lives. The communication strategy outlines the stakeholders to be communicated with; the channels of communication,

the time framed communication plan, the institutional arrangements and modes of communication. There is provision for engagement with communities through information days, political outreaches and support and assistance to local municipalities

Communication to the public is done through media (Taka lane community radio stations coverage, which includes Maletswai, Gariiep, Senqu and Elundini Community Radio Station. Unique Community Radio Station in Burgersdorp is operating and covering the Burgersdorp area of Gariiep. Mayors have bought time slots and at times get community interest slots for free in all Community Radio Stations. The community Outreach Programme of the District is communicated through the community Radio.

## **10 WORKPLACE SKILLS DEVELOPMENT PLAN**

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The institution has a Work Skills Development Plan in place. Joe Gqabi District Municipality submitted a work skills plan for 2008/09 to the LGSITA, and the 09/10 Work Place Skills plan is in place, awaiting submission on 30 June 2009. The plan identifies training needs aligned to the scarce skills and IDP implementation processes. The work place skills plan addresses the scarce skills. The scarce skills in this District mainly revolve around technical, planning, financial and environmental practitioners. To address the question of rewarding the scarce skills the contract option is resorted to ease the remuneration of such employees possessing these scarce skills. Additional incentives are being provided for in order to attract scarce skills like rental allowance

## **11 EMPLOYMENT EQUITY PLAN**

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Joe Gqabi District Municipality addresses the Employment Equity requirements through continuous assessment and improvement in employment equity and provides reports on constant improvements to the council and the department of labour. Department within the municipality are required to align themselves with employment equity and as such recruitment processes are monitored in line with the employment equity requirements. The employment equity report is being submitted for perusal. The District municipality acknowledges the need to develop a comprehensive employment equity report and as soon as the resources become available, this plan will be developed.

## **12 HUMAN RESOURCES AND INSTITUTIONAL DEVELOPMENT PLAN**

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The District Municipality has developed a Human Resource Strategy which will be adopted as a draft for comment on the 30 March 2010. The Human Resource Development Strategy was adopted to support a holistic approach to human resource training and development in JGDM and to enable it to actualize its constitutional mandate of ensuring creation of jobs. The HRD Strategy aims at regulating the development of competencies of staff through Education, Training and Development. The following programmes serve as a guide for the type of programmes that could be instituted to address the problem of skills shortage in the district age among other activities learnership, skills programmes, voluntary internships, specialized training to support relevant sectors and local organizations. The strategy seeks to address the institutional requirements and challenges in the short, medium and long term. The District Municipality has assessed its short to medium strategic and operational objectives (as contained in other sections of the IDP) and has developed an organogram which is believed would satisfy the functional needs of the institution.

## 13 TOURISM PLAN

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The Joe Gqabi District has council adopted tourism plan for the region. Major tourist attractions for Joe Gqabi range from the scenic beauty of the District, Tiffendell the only mountain ski resort in SA, Aliwal hot SPA, to areas renowned for hunting, fishing, hiking, mountain biking and other adventure tourism activities. Tourism has been identified a growth sector within Local Economic Development , and has the potential to increase economic opportunities, be a source of employment to many and lower poverty levels within the District. Thus, tourism is of vital importance to the District and has enormous potential for job creation with direct benefits to local communities, as well as economic benefits for the region as a whole. Joe Gqabi has developed a tourism plan, which focuses on product development, marketing, infrastructure development , human resource development, enabling environment, the tourism marketing and development. The tourism strategy identifies the tourism products and the financial and human resources for the each financial year. The District tourism programmes budget is R38, 877,500 covering the next five financial years. R34 233, 000 out of R38 877,500 is the capital budget and the rest is the operational budget.

Tourism has been identified as growth sector in the LED and thus has the potential to increase economic opportunities, be a source of employment to many and lower poverty levels within the District. Thus tourism is of vital importance to the district and has enormous potential for job creation with direct benefits to local communities, as well as economic benefits for the region as a whole. The proposed vision to drive the Joe Gqabi District Tourism Plan is

“To develop the Joe Gqabi District to become a leading tourist destination where all tourists can experience its unique natural and cultural heritage in a secure and unspoiled environment, and where the tourism sector operates in a coordinated, integrated and all inclusive manner for the benefit of all citizens”

The tourism objectives are amongst others the following:

- The establishment of tourism routes and tours, with a clustering of tourism products that explore the diverse natural and cultural heritage within the District
- Development of Meetings, Incentives, Conventions, Exhibitions and events tourism in the District
- Development of iconic products in the District to attract more tourists
- Develop the arts and crafts sector in the District
- Further develop and market cultural/heritage/historical attractions in the District
- Development of tourism service providers.
- Encouragement of budget tourism in the District
- Promote and assist the development of the Freedom Trail and the Freedom Challenge
- Promote adventure, nature based and sports tourism in the District.
- Development and promotion of rail tourism

The following programmes will be implemented

- Assist in tourism development along the Maloti Route.
- Facilitate the development of scenic and mountain pass routes in the District. The Joe Gqabi District has a number of scenic and mountain pass routes within its boundaries.
- Facilitate the development of a heritage tour within the District.
- The Joe Gqabi District has a diverse cultural heritage and the development of a heritage tour that encompasses all these unique cultures and histories could include the following:
  - Anglo Boer war heritage , Freedom fighter history, San culture and heritage, Xhosa culture and heritage, Palaeontology etc.
- Incorporate township tours into the tourism sector.
- Facilitate the development of historical, cultural and architectural walking tours within main towns within the District.
- Facilitate the establishment of yearly events, especially in low season months, and assist in the promotion of existing events in the District
- Facilitate the development of exhibition venues in the District.

- District to promote sports tourism products and sports events.
- Facilitate the development of more conference facilities in the District.
- Renewed development of the Aliwal North Spa.
- To develop mountain/alpine tourism in the District
- To facilitate the development of Lake Gariep as a key tourist destination in the District (Gariep Complex Project). Lake Gariep is the largest fresh water lake in South Africa and has significant potential for further
- Facilitate the development of craft hubs in the District. For more programmes, ( please make a refer to the tourism plan).

## **14 LOCAL ECONOMIC DEVELOPMENT STRATEGY**

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It is worth stating that the District has supported the development of led plans for the four municipalities within the District area. The final LED Strategy for Joe Gqabi District Municipality has been adopted at the end of February 2010. The development of the District is based on the National Local Economic Development Framework, Growth and Development priorities as agreed upon by the social pact and compact, the PGDP pillars as well as the National Spatial Development Perspective principles. This is further entrenched in the activities of the clusters (government departments, organs of the state and donors) and all the IGR structures operating in the District. The LED plan is based on the existing information emanating from the policies as reflected upon above.

The objective of the LED Strategy is e to contribute towards meeting the following targets:

- Reduce by 60-80% the number of households living below the poverty line
- Increase the number of jobs created locally through all municipal-run capital projects
- Increase the percentage of budget spent on implementing economic development programmes for a particular financial year in terms of the IDP
- Stimulate economic growth through government and private sector Investment
- Increase the proportion of development activities that take into account the interests of vulnerable groups (i.e. women, elderly, youth and the disabled)
- Increase the amount of funds injected to the District Municipality by sector departments and other development agencies

The LED Strategy identifies the following projects

- Develop and implement district marketing and development plans around key sectors agriculture, Forestry, tourism, and skills development
- Value chain analysis around Tourism and other sectors
- SMME and Micro-enterprises Strategy
- District LED Support Structures (i.e. Tourism Organizations, Chambers of Commerce, Agricultural Associations)
- Local procurement and supply chain policies
- Tourism Routes
- Implement Tourism Sector Plan
- Expansion of EPWP (i.e. working for water, working for wetlands)
- Identify and support strategic partnerships
- CBD Revitalization in Primary Node and Secondary nodes
- Needs assessment of government departments
- Signage

## 15 ENVIRONMENTAL MANAGEMENT PLAN

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The District municipality developed an environmental plan in 2005 it was then adopted and currently is in the process of reviewing the plan. The Environmental management Plan covers:

*The Physical and Biophysical Environments (physiography, geology, soils, climate, hydrology and soil erosion, fauna and flora, the land use, land cover, land capability and conservation and the built environment).*

The information in the plan was provided to enable the identification of environmental aspects that cause impacts on the natural and social environment. The identification of cause and effect is an important step in developing an Environmental Management System, as it focuses attention on the specific components of the environment and/or human actions (or the lack thereof) that require some form of management intervention. This management would be required to either reduce or minimize any harmful effects on the environment, by ensuring that appropriate actions are taken, or it could be used to optimize or improve the current situation with respect to natural and other resource users.

The environmental management forum has been established. The environmental plan is currently being reviewed. An Environment Enabling the identification of environmental aspects that cause impacts on the natural and social environment. The identification of cause and effect is an important step in developing an Environmental Management System, as it focuses attention on the specific components of the environment and/or human actions (or the lack thereof) that require some form of management intervention.

- Emergency Management System (EMS) is a formalized and structured framework that will enable an organization to improve its environmental performance through the systematic control and management of an organizations environmental risks and responsibilities. It assists organizations to:
  - Formulate an environmental policy and prioritize environmental risks and responsibilities over which it has control;
  - Develop actions plans and procedures to respond to and manage significant environmental risks and responsibilities;
  - Facilitates compliance with environmental policy and legislative requirements.
  - Provides a framework for measuring progress in achieving better environmental performance

## 16 AGRICULTURAL PLAN

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The main farming activities on commonages and traditional land are sheep, goat and cattle farming. The contribution of these sectors are seldomly reflected in official data, but thousands of families depend on income from this sector . In the communal farming areas of the Elundini and Senqu local municipalities, maize production is very important out of a food security perspective. Due to the high rainfall in these areas the potential for maize production is very good, but current production activities are such that low yields are obtained in the most instances. This is mainly due to a lack of funds with which to buy inputs as well as the absence of mechanization. **The massive food program and ASGiSA contributed much to increase production outputs the past few years.** The main commodities produced in JGDM are wool, mutton, and meat (cattle) followed by grains (maize, soybeans, drybeans, wheat) in the Elundini district and ostriches in the !Gariiep district and game farming in !Gariiep and Maletswai districts. Commercial Agriculture in JGDM is very stable with few land transactions due to the low risk nature of farming.

A conservative estimate of GGP contribution from Agriculture shows that more than R1,45 billion is contributed by agriculture. The survey amongst businesses in JGDM shows that out of their 2009 turnover of R1,8 billion, agriculture contributes 72%. It is therefore clear that the economy of most towns depend on agriculture. Agriculture is the next largest employer and, as indicated in Table 9, provides 16.3% of formal jobs (Down from 24.1% in 1996). Alarming is the decline in agricultural jobs versus the increase in government jobs.



The composite competitive index for competitive advantage in Joe Gqabi District is low (43.55%), and only better than OR Tambo, and Alfred Nzo in the Province. Within the District, Malethswai (52.45) and Gariep (55.44), display significantly more competitive capacity than Elundinini (39.97) and Senqu (47.33), and are less poor. Unemployment is high at 60.4% and 82.94% of District residents live in poverty. Forty three per cent of the population live on less than R 1,000 per month. The main reason for the region's lack of competitive activity appears to be the death of basic services and economic infrastructure. Only 43.1% of the population has access to electricity and almost 60% of the population does not have access to reticulated water. Further constraints on the District's competitiveness include prevailing tenure insecurity and ambiguous tenure arrangements, which act as a deterrent to private sector investment and complicate public sector efforts to address the infrastructure backlog. There is a clear need for an approach to communal tenure that is conducive to attracting investment.

The municipal economies of Joe Gqabi District are highly concentrated. There is excessive reliance on two sectors - agriculture and government and community services. This renders these economies dependent on outside goods and services (sixty per cent of purchases are produced and manufactured outside of the region) and vulnerable to change. Gariep is the only municipality that does not rely on community services as the primary contributor to revenue and employment. Comparative advantage and associated opportunities do exist in the agricultural sector as a result of labour surpluses, pockets of fertile land under-utilised irrigation potential. An opportunity for new policies, projects and programs arises within regions, countries and globally, because of substantial differences between comparative advantage and competitiveness. This means that activities elsewhere in the Province directly influence the decisions for new projects and investments in JGDM.

According to the 2003 official data, JGDM contributes about 2.6% to the total GGP of the Eastern Cape and that contribution declined to 2.34% for 2007 (URBAN-ECON, 2009).

The total of land transferred or sold to black farmers until 2010 is 2.528123 hectares of which 2.463, 581 is agricultural. The total number of transferred farms is 111 farms.

#### Summary of opportunities and recommendations for commercial agriculture

Opportunities	Action plans	Costs
Feedlot	Due-diligence Must be a private sector initiative. Municipality should provide enabling environment such as electricity, access to roads and services.	R100,000  Private sector investment of R45 mil.
Abattoir	Cost benefit analyses to either upgrade current smaller abattoirs or build large abattoir near proposed feedlot.	
Grain silos in Elundini	Due diligence of best method and place for storage. Also private sector investment. OVK or ECAC might be interested to invest. ASGiSA also possible agent to drive process	R100,000  Private sector investment of R30 million depending size.
Grain mill	Investigate possibility of small mills in hands of small entrepreneurs or one large mill. Whatever the case; marketing of products should be of high quality and establish combined marketing Cooperative if micro mills option is followed. Again a large mill should be privately owned.	Small mills R100,000 up to millions depending on size and additional infrastructure
Apple production at selected locations	Agree and adopt strategy to produce apples between private sector and investors. Obtain interest from commercial producers and or companies. Decide on action plans and prepare detailed business plans	Buss. Plan: R1 mil. Investment: R150,000 per ha x 200 ha minimum = R30

		mil. Small packhouse: R10 mil.
Agri tourism	<ul style="list-style-type: none"> <li>• Integrated planning</li> <li>• Develop routes</li> <li>• Branding of area</li> <li>• Upgrade facilities</li> </ul>	
Production of niche products such as berries or other high value produce for the export market	<ul style="list-style-type: none"> <li>• Identify markets</li> <li>• Develop business plans</li> <li>• Branding of region and products</li> </ul>	
Small scale processing for niche and processed products	<ul style="list-style-type: none"> <li>• Small-scale processing of wool, weaving of special products and marketing at international markets. Need for hand-made products are huge in Europe</li> </ul>	
Medicinal plants and essential oils	<ul style="list-style-type: none"> <li>• Explore possibilities, find markets and develop business plans for implementation</li> </ul>	
Cultivation methods adapted to new technology	<ul style="list-style-type: none"> <li>• Increase in fertilizer and high fuel prices increased inputs. Adoption of new technology such as minimum or no tillage on cultivated land should be promoted and implemented. This will increase biological activity in soil with net positive effect in long run – and reduction in input costs.</li> </ul>	

## 17 FORESTRY PLAN

The development of the Eastern Cape Forestry and Timber Processing sector has been identified as an ASGISA initiative and as being central to realizing the Provincial Growth and Development Plan (PGDP) targets of achieving a 6% growth rate and halving unemployment by 2014. The importance of the forestry and timber processing sector for the rural Eastern Cape economy is also highlighted in other policy processes, including the National Industrial Policy Framework (NIPF), the Industrial Policy Action Plan (IPAP) as well as the Regional Industrial Development Strategy for the Eastern Cape.

The Ukhahlamba Municipal District has the potential to play a key role in the Eastern Cape Forestry and Timber Processing sector. In the Elundini Local Municipal area 25,500 hectares is already under plantation forestry, while the Strategic Environmental Assessment for the Umzimvubu Basin identified a further 24,000 hectares as having a high potential for forestry in this area. The construction by PG Bison of a major timber processing plant at Ugie that opened in 2008 has firmly established a forestry market in the area.

### POTENTIAL FOR NEW AFFORESTATION

The eastern portion of the Eastern Cape has large areas which are biophysically suitable for commercial forestry. In 2003, the former DWAF (now DAFF) commissioned a Strategic Environmental Assessment (SEA) of areas that are biophysically suitable for forestry in Water Management Area 12 (WMA12) (Umzimvubu – Keiskamma). This area covers large portions of the district municipalities of Amathole, Ukhahlamba, Alfred Nzo, O. R. Tambo and Chris Hani.



## 18 SUMMARY OF SECTOR PLAN RELATED INFORMATION

Table 66: Summary of sector plan related information

NO	SECTOR PLANS & POLICIES	STATUS OF THE PLAN	YEAR REVIEW	OF	COUNCIL APPROVAL
1	SPATIAL DEVELOPMENT FRAMEWORK	REVIEWED	2009		YES
2	THE DISASTER MANAGEMENT PLAN	OLD			YES
3	AREA BASED PLAN ( ABP) FOR LAND REFORM	NEW	2009		YES
4	INTEGRATED TRANSPORT PLAN (ITP)	NEW	2009		YES
5	TOURISM PLAN	NEW			
6	ENVIRONMENTAL MANAGEMENT PLAN	REVIEW IN PROGRESS	2009		YES
7	WATER SERVICES DEVELOPMENT PLAN ( WSDP)	NEW	2008		YES
8	INTEGRATED WASTE MANAGEMENT PLAN				
9	PAVEMENT PLAN	DEVELOPED	2005		YES
10	PUBLIC PARTICIPATION STRATEGY				
11	HIV AND AIDS PLAN	NEW	2008		YES
12	JOE GQABI WOMEN'S DEVELOPMENT	NEW	2008		YES
13	COMMUNICATION STRATEGY	NEW	2008		YES
14	WORKPLACE SKILLS DEVELOPMENT PLAN	REVIEWED	2008		YES
15	PUBLIC PARTICIPATION STRATEGY	NEW			YES
16	SOUTHERN DRakensBURG SUSTAINABLE PLAN				YES
17	EMPLOYMENT EQUITY PLAN	REVIEWED	2008		YES
18	HUMAN RESOURCES AND INSTITUTIONAL DEVELOPMENT PLAN	UNDER PREPARATION			
19	PERFORMANCE MANAGEMENT PLAN	REVIEW	2009		
20	RECRUITMENT, SELECTION STRATEGY	NEW	2008		YES
21	SCARCE SKILLS AND RETENTION STRATEGY	NEW	2008		YES
22	SUCCESSION PLAN	NEW	2008		YES
24	ORGANIZATIONAL PERFORMANCE MANAGEMENT SYSTEM	NEW	2009		YES
25	EMPLOYEE ASSISTANCE PROGRAMME	NEW	2008		YES
	TOURISM STRATEGY ( FINAL DRAFT)	NEW	2009		YES
26	OCCUPATIONAL HEALTH AND SAFETY PLAN	NEW	2008		YES
27	ANTI CORRUPTION STRATEGY	REVIEWED	2009		YES
28	PUBLIC PARTICIPATION STRATEGY	NEW	2008		YES
29	ORGANIZATIONAL STRUCTURE	REVIEWED	2009		
30	TOURISM STRATEGY/PLAN	NEW	2009		Yes
31	LED STRATEGY	NEW	2009		
32	COMPREHENSIVE INFRASTRUCTURE PLAN	NEW	2008		
33	OTHER DOCUMENTS				
34	HR, FINANCE POLICIES				
35	HIGH LEVEL AND DETAILED BUDGET		2010		
36	PROCESS PLAN AND FRAMEWORK PLAN		2009		
37	DELEGATION FRAMEWORK	NEW	2009		
38	SDBIP		2010		
39	STRATEGIC SCORECARD		2010		
40	DRAFT AGRICULTURAL PLAN	DRAFT	2010		
41	DRAFT FORESTRY PLAN	DRAFT	2010		
42	DRAFT ENVIRONMENTAL MANAGEMENT PLAN	DRAFT	2010		