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## INTEGRATED DEVELOPMENT PLAN 2011/2012

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## 1. PURPOSE OF INTEGRATED DEVELOPMENT PLANNING

The purpose of Integrated Development Planning is faster and more appropriate delivery of services and providing a framework for economic and social development in a municipality. The Department of Provincial and Local Government’s IDP Guidelines summarised the purpose of the Integrated Development Planning Process as follows:

- Eradicating the development legacy of the past
  - A mechanism to restructure our cities, towns and rural areas
  - A mechanism to promote social equality
  - A weapon in the fight against poverty
  - A catalyst in the creating of wealth
  
- Making the notion of developmental Local Government work
  - By devising a strategy on how to improve the quality of people’s lives through the formulation of integrated and sustainable projects and programmes
  - Laying the foundation for community building
  - Providing a strategic framework that facilitates improvement in municipal governance
  - Becoming an agent of Local Government transformation
  - Being an instrument to ensure more effective and efficient resource allocation and utilization
  - Becoming a vehicle to fast-track delivery
  - Being a barometer for political accountability and a yardstick for municipal performance
  
- Fostering co-operative governance
  - Through developing a mechanism for alignment and co-ordination between spheres of Government
  - By creating a mechanism for alignment and co-ordination within spheres of Go

### 1.2 LEGAL FRAMEWORK

The integrated development plan is a product of integrated development planning process and can also be defined as a transformative tool towards enhancing service delivery at local government level. The IDP is a principal strategic planning instrument which guides and informs all planning, budgeting, monitoring, management and decision making within Inkwanca municipality's areas of jurisdiction.

In terms of the Municipal Systems Act, Chapter 5, Part 3, a municipal council must review its IDP annually in accordance with its performance measurements in section 41; and to the extent that changing circumstances so demand and may amend its IDP in accordance with a prescribed process. The Mayor of a municipality must coordinate the annual revision of the Integrated Development Plan in terms of Section 34 of the Municipal Systems Act and determines how the IDP is to be taken into account or is to be revised for the purposes of preparing the annual budget (MFMA 53(1) (b))

## **CHAPTER 2**

# **EXTERNAL AND INTERNAL SITUATIONAL ANALYSIS**

## **SECTION A: THE PLANNING PROCESS**

### **2. INTRODUCTION**

This document represents the Integrated Development Plan as reviewed by INKWANCA Municipality. It is submitted and prepared towards the fulfilment of the Municipality's legal obligation in terms of the relevant sections of the Local Government: Municipal Systems Act, 2000 (Act 33 of 2000).

### **2.1 ORGANISATIONAL ARRANGEMENTS**

The IDP Review process includes a wide range of role players with certain key responsibilities. To enable smooth implementation of the IDP Review Inkwanca municipality has develop terms of reference that outline roles and responsibilities and provides action plan as well. The following arrangement has set out to institutionalise community participation and also to enable the municipality to manage the process of review.

- Inkwanca Municipal Council
- IDP Manager (The Municipal Manager) who has a delegated responsibility for drafting the IDP and will subsequently coordinate and manage the IDP Review process.
- IDP Steering Committee
- IDP Representative forum
- PIMSS Centre
- Chris Hani District Municipality
- National & Provincial Government Sector Departments

### **2.2 THE PLANNING PROCESS**

An IDP is one of the key tools for Local Government to cope with its developmental role. It seeks to arrive at decisions on issues such as municipal budgets, land management, promotion of local economic development, and institutional transformation in a consultative, systematic and strategic manner.

In terms of Section 27(2) of the MSA, each district municipality, within a prescribed period after the start of its election term and after a consultative period with local municipalities within its area, must adopt a framework for integrated development plan in its area as a whole.

The Framework plan provides the linkage for binding relationships to be established between the District and Local municipalities.

### 2.3. The process plan

Inkwanca Municipality developed a process plan that outlined all the activities that had to unfold during the development of the IDP. The Municipal Systems Act requires that the process be set out in writing and be adopted by the Municipal Council to guide, among other aspects, the IDP review process.

The IDP process was designed to include public participation, mainly through the

Community Based Planning and the Representative Forum set up specifically for that purpose. This forum includes Councilors, area committee members and all other stakeholders within the Inkwanca Municipal area.

Prior to the development of the IDP, Inkwanca Municipality prepared and adopted a process plan that served as a guide to the overall development of the IDP document. The process plan outlines in detail the way in which the municipality is to embark on the development or review of the IDP. The process plan outlines the time frames of scheduled events, structures involved and their respective roles and responsibilities

### 2.4. Schedule of meetings

In addition to various meetings, the following meetings are required for the IDP Review Process

Structure	Date	Time
Ordinary Council Meeting & Adoption of the process plan	20 September 2010	

IDP Steering Committee Meeting	15 October 2010	
IDP REP Forum (Analysis Phase)	21 October 2011	
IDP Steering Committee Meeting	16 November 2010	
IDP Rep forum meeting	19 November 2010	
IDP Steering committee meeting	01-04 December 2010	
IDP Rep forum	12 January 2011	
IDP Steering committee meeting	08 March 2011	
IDP REP Forum Meeting	17 March 2011	
Special Council Meeting ( Adoption of the IDP & First Draft Budget)	30 March 2011	

## 2.5. IDP STRUCTURES

- The Mayor to chair IDP Rep forum meetings;
- IDP Steering Committee,
- Councilors;
- Area Committees;
- Community - based organizations;
- Advocates for unorganized groups
- Non Governmental Organizations
- Business People
- Organised labour
- Sector Departments



### **2.5.1 Relevant Legislation**

- Municipal Systems Act and relevant regulations
- IDP Format Guide Pack: March 2008
- Chris Hani District IDP Process Plan
- Inkwanca IDP Process Plan
- Inkwanca IDP Review 2009/10
- Spatial Development Framework
- Performance Management Framework
- Water Sector Plan
- Provincial Growth and Development Plan (2004-2014)

## **SECTION B: SITUATIONAL ANALYSIS**

### **EC 133 INKWANCA LOCAL MUNICIPALITY**

#### **2.6. Introduction**

The chapter deals with the existing situation of Inkwanca Municipality. It considers the brief description of the study area, demographic indicators, socio-economic indicators, infrastructure, land use and related issues, institutional and finance, and the physical environment.

Census statistics is the main source of information that is analyzed in this chapter pertaining to population, social, economic and institutional matters. (Census Statistics 2001 information)

Inkwanca Municipality is in a process of developing its sector plans that are supposed to be informing the Integrated Development Plan, some of the information has been derived from the Spatial Development Framework that will be reviewed in this financial year and the CHDM Water Sector Plan as well as the Housing Sector Plan

This chapter deals with existing situation of Inkwanca Municipality. It considers the brief description of the study area as well as municipal geo-political profile, physical profile, financial viability; powers and functions, land use and related issues.

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## **2.6.1 MUNICIPAL OBJECTIVES AND WARD PRIORITIES**

### **PRIORITIES PER AREAS/WARDS**

- BASIC SERVICES & INFRASTRUCTURE
- LOCAL ECONOMIC DEVELOPMENT
- INSTITUTIONAL DEVELOPMENT
- CROSS-CUTTING ISSUES

### **OTHER KEY PERFORMANCE AREAS**

- ✓ GOOD GOVERNANCE
- ✓ FINANCIAL VIABILITY

### **2.6.1. (A) THIS IS WHAT WAS PRIORITIZED FOR 2010/2011**

- Infrastructure and Services
  - Water and Sanitation
  - Roads and Storm water
  - Electricity
- Poverty Alleviation
- Health & HIV/AIDS
- Education,
  - Schools
  - Educare facilities
- Land
- Community/Social facilities
- Housing
- Environment & Tourism
- Transport
- Telecommunications
- Crime
- Disaster Management

### **2.6.1 (B) WARD ONE PRIORITIES**

❑ Basic Services & Infrastructure

- Roads and Storm water
- Housing
- Waste Removal
- Livestock management
- Cooperatives
- Institutional Trans
- PR Councilors
- Institutional equity
- Cross-cutting
- Poverty alleviation

**2.6.1(C) WARD TWO PRIORITIES**

- Roads & Storm water
- Water quality
- Housing
- Recreational facilities (Parks and multi-purpose centers)
- Upgrading of stadium
- Electricity – free basic services- access
- Urban renewal/regeneration
- Full-utilization of municipal land/farms or commonage
- Decentralization of municipal services
- Customer care
- Racial Equity
- Education
- ✓ FET College?
- Crime
- ✓ Police station
- ✓ Rehabilitation of ex-offenders
- HIV /Aids

**2.6.1(D) WARD THREE PRIORITIES**

- Roads & Storm water
- Water – access
- Community facilities (Parks Libraries Sport fields etc)
- Electricity
- Waste removal
- Revival of Koos Ras GR
- Job opportunities
- Brick- making
- Multi-skilling of youth
- Customer care
- Reconfiguration of municipal buildings
- Education
- HIV/Aids
- Housing

#### **2.6.1 (E) WARD FOUR PRIORITIES**

- Roads & Storm water
- Community Facilities
- Water & Sanitation
- Access to electricity
- Telecommunications
- Equity
- Skills development
- Alignment of municipal processes.
- Skills retention
- Community involvement in policy making
- HIV/Aids

#### **2.6.1 Inkwanca Geo - political profile**

The Inkwanca Municipal area is situated 60km North-West of Queenstown. The towns of Molteno and Sterkstroom comprise urban component of the municipal area with molten being the administrative town. The N6 access road between Bloemfontein and East London/Port Elizabeth play an important link through the region. On top of that the R56 route through Sterkstroom and Molteno towards Middelburg is also one of important road link.

The Inkwanca Municipal area has a rich historical background dating back to the 18<sup>th</sup> century. The area was very much active in politics “struggle for liberation”.

### **2.6.2. Brief political background**

Inkwanca municipal area was then known as Molteno and Sterkstroom, for numerous years prior 1994 it was political dominated by ANC<sup>1</sup> and PAC<sup>2</sup>. It is currently dominated by ANC due to a slight changed political landscape.

In general, the region is experiencing a low economic growth rate with high levels of unemployment and poverty in the towns. Commercial agriculture is one of economic activity in the region.

Queenstown urban area plays an important role with relates to economic hub of the region and a number of services to Inkwanca are obtained from Queenstown, and areas further afield like Bloemfontein and East London.

Two distinctive areas are identified, urban nodes and rural hinterlands.

#### **RURAL HINTERLAND**

Hinterland is the land or District behind borders of a river. The Inkwanca Municipal area is characterized by a large commercialized farm land with large scale cattle, sheep, goat and game farming. The area is suitable for this type of agriculture given its harsh climate conditions, rainfall and vegetation characteristics. The rural population comprise a small portion of the total population in the study area and most of the residents are urbanised with high proportional urban population figures. General the area is diverse.

#### **Urban Nodes**

The residential component of the municipal area is mainly concentrated in the two urban nodes.

- Molten, including Nomonde, Nkululeko, Molteno Town, Dennekruin and Nceduluntu
- Sterkstroom, including Masakhe, Sonwabile, Sterkstroom Town and Mqeshi location.

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<sup>1</sup> African National Congress

<sup>2</sup> Pan Africanist Congress

Settlement dynamics in these areas are characterized by high residential densities in the township areas with the business activity and lower residential densities in the old town areas. This urban form is typical of segregated planning measures and their level of integration has occurred over many years, with specific reference to subsidised housing projects.

## **2.7 PHYSICAL PROFILE**

### **2.7.1. Topography and Drainage**

- Inkwanca municipality is characterized by low lands with steep slopes and mountains in the north and north-west.
- Gradient range from approximately 1100m of Sterkstroom to 2200m in the Stormberg area.
- Slopes of less than 5% on 20% of the land in the Molteno area with more gentle slopes in the Sterkstroom Region, especially to the south.
- The area is mainly drained by the Hex River (Sterkstroom) and Stormberg Spruit (Molteno) with the Stormberg Mountains as a definite water shed.

### **Climate/Rainfall**

Moderate to fairly harsh climate conditions prevail with rainfall averages between 470 and 550mm per annum.

### **Temperatures**

- Summer temperatures from 30 degrees C to an average minimum of 15 degrees C.
- Winter temperatures from 15C to as low as – 5C. The lowest ever temperature in South Africa was recorded in this municipality – 18, 6 degrees Celsius.
- Extreme winter temperatures with snow is common is north-westly with south-easterly to south-westerly winds prevailing during winter months.

### **2.7.2 Vegetation**

Vegetation in the study area is typical of Grassland Biome, which is a characteristic on the high central plateau of South Africa. A single layer of grasses dominates grasslands; however, the amount of cover depends on rainfall and the degree of grazing. The study area is characterized by the South-eastern Mountain Grassland, which dominates most of the area, Subarid Thorn Bushveld and Moist Upland Grassveld in the southern region, Eastern Mixed Nama Karoo and Dry Sandy Highveld Grassland in the small portions of the northern region.

### **South-Eastern Mountain grassland**

- **Key Environmental Parameters:** This sweet grassland type is important land owing to suitable winter grazing. However, injudicious, selective grazing can convert it to sourveld or result in the invasion of karriod of Fynbos elements.
- **Economic Uses:** Mainly grazing for sheep and cattle.

### **Dry Sandy Highveld Grassland**

- **Key Environmental Parameters:** This grassland merges with the bordering Kalahari Thornveld to the west. Ackocks mapped the area west of Wesselsbron as Kalahari Thornveld, probably due to the sandy soils of Kalahari origin, but floristically and structurally the vegetation today is Dry Grassland.
- **Economic Uses:** The erratic summer rainfall makes this a high-risk area for agronomy. Crops, such as maize, have replaced the grazing for which this area is better suited.

### **Eastern Mixed Nama Karoo**

- **Key Environmental Parameters:** The north east region of Eastern Mixed Nama Karoo is the only Karoo type in which fire is important in shaping the communities. This type has the highest rainfall of all the Karoo types and thus ecotonal to grassland. As a result it is very sensitive to grazing pressure and, depending on stocking density and rainfall conditions may resemble either grassland or Karoo.

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- **Economic Uses:** It is too dry for crop production; however, this is the prime sheep and goat grazing area, producing much wool and meat. Irrigation along the Orange River is important; some of the dams on the range River occur in this vegetation type.

### **Moist Upland Grassland**

- **Key Environmental Parameters:** This vegetation type is often evident on disturbed, ploughed or heavily overgrazed and degraded sites, indicating the secondary status of many of the representative plant communities. Poor grazing management of

these grasslands encourages unpalatable grasses and the invasion of herbaceous weeds.

- **Economic Uses:** The area is mainly used for grazing, though crop farming (maize) and forestry are also important economic activities. Hiking trails are popular in the Eastern Cape.

### **Sub arid Thorn Bushveld**

- **Key Environmental Parameters:** Fire and grazing are ecological processes within this vegetation type. This summer rainfall grassland, which is invaded by Sweet Thorn Acacia Karroo.
- **Economic Uses:** The economic uses of this vegetation are mainly grazing

### **2.7.3 Geology**

A detailed geotechnical survey of the municipal area has not been conducted. It should be noted that detailed geotech surveys would be required for all developments as a general rule.

According to the available geological map, four geological maps, four geological units occur in the municipal area, namely alluvium, dolerite, sedimentary rocks of Molteno and Burgersdorp Formations and sedimentary rocks of Molteno Formation.

A layer of alluvium blankets the banks of the Stormbergspruit and Hex River. The alluvium can be highly variable both laterally and vertically, as erosive and depositional forces are continually at work. The nature of the unconsolidated alluvium deposited by the rivers depends in the type of parent material.

Dolerite forms a form the ribbon-like features on the western and central parts of Molteno whilst the large dolerite area to the south is a sill. Dolerite dykes occur in the northern parts of Sterkstroom with dolerite sills occurring in the east, west, and south-west.

The Eastern portion of the municipal area, around Sterkstroom is generally classified as arable land with limited crop production potential.

### **2.7.4. Agricultural Land Capability**



→The North-Western portion of the municipal area, i.e. the area surrounding Molteno are generally classified as non-arable with limited potential.

→Farming potential therefore is the highest in the Eastern section of the municipal area with options for communal farming.

→This land capability index is a general guideline and should be investigated on a individual case basis.

### 3. INSTITUTIONAL PROFILE

#### INSTITUTIONAL DEVELOPMENT

- **Established in terms of Section 12 Municipal Structures Act 117 of 1998**
- **Council has 6 councilors headed by the mayor who is also the speaker of the council.**
- **Its category B municipality i.e. it's a plenary executive type of system – council operates as one unit with no sub –committees or portfolio committees**
- **The municipality has 162 positions but due to fiscal constraints has not been able to fill positions. Only 150 budgeted positions filled so far**
- **Approved organizational structure 162 positions and 150 of those positions are filled. Due to financial constraints we are unable to fill all positions.**
- **In order to ensure service delivery is not hampered the municipality has resorted to the use of casual workers. Other positions are not filled because they require scarce skills such as Electrician, Technician.**
- **Staff turnover is still the biggest challenge however a staff retention strategy has been developed and further more work needs to be done in ensuring that our municipality is adequately staffed.**

#### 3.1. Employees Profile

OCCUPATIONAL CATEGORIES		BLACK			WHITE		COLOURED		Total
		Female	Male		Female	Male	Female	Male	
Senior Management		4							4
Professional & Technicians	1	2	1						4
Clerical staff	9	9	1		1		1		21

Semi-skilled		10					10
Elementary occupations	3	69		1			73
<b>SUBTOTAL</b>	13	94	2	1	1	1	112
Non-Permanent	5	72					77
<b>TOTAL</b>	19	165	2	1	1	1	189

Black males constitute 84% of the entire municipal staff and they also occupy all 4 senior managerial positions (the situation has since changed with appointment of a black female as the chief finance officer). The fact that there are only 16 (4%) women in the permanent employ of the municipality is a major cause of concern.

CATEGORY	None	NQF1	NQF2	NQF3	NQF4	NQF5	NQF6	NQF7	NQF8
Leadership (Councillors)				3		1	2		
Management						1	1	2	
Professionals						1	1	2	
Clerical staff					9	10	1		
Semi-skilled		7	1		2				
Elementary	28	31	9	3	2				

The above statistics show that almost 25% of the municipality's total workforce had neither literacy and nor numerical skills. The other 28% had very limited formal education to grade 3-this is a result of our ABET intervention programme

### **3.2. STRATEGIC OBJECTIVE: KPA 4: INSTITUTIONAL TRANSFORMATION**

STRATEGIES	PROJECT DESCRIPTION	LOCATION	PERFORMANCE INDICATOR	ESTIMATED COST		
				2010/2011	2011/2012	2012/2013

### **INSTITUTIONAL DEVELOPMENT**

	PMS			R80 000.00	R100 000.00	
	Training & Capacity Building			R170 000.00	R200 000.00	
	By-Law & Policy Development	STKTM & MLTN	Ensure sustainable infrastructure	R100 000.00		
	Development Of Staff Retention Plan					
	Upgrading Of The IT System			R25 000.00		
	Furniture & Equipment	Inkwanca		R200 000		
	Internship & Leaderships Programme			R250 000.00	R280 000.00	

#### 4. FINANCIAL ANALYSIS

Sections 153 of the Constitution oblige a municipality to structures and manage its administration, budgeting and planning processes to give priority to the need of the community.

**TO GIVE EFEFCT TO THE ABOVE, INKWANCA MUNICIPALITY HAS**

**DEVELOPED AND APPROVED A FINANCE POLICY THAT:**

- Ensure financial viability and long – term financial sustainability
- Sets out a framework for allocating resource for short – term to medium – term;
- Provide linkages and synergy between planning and budgeting; and
- Outlines revenue and expenditure forecasts

**4.1.THE MUNICIPALITY HAS A FULLY FLEDGE BUDGET AND TREASURY OFFICE**

**WHOSE OBJECTIVE CAN SUM UP AS FOLLOWS**

- Ensure full compliance with all legal , statutory and accounting requirement and standards;
- Provision of accurate and reliable financial information to all users;
- Provision, maintenance and implementation of sound financial management, system and controls.
- Provision of effective system of revenue collection and expenditure control;
- Develop and implement an effective system to manage municipal

## Devise strategies to expand the municipal

### Revenue base asset

Inkwanca municipality is a small municipality. Its revenue base is small. The sources of income are mainly rates and taxes.

However the majority people of the municipality are indigent. This means that we do not get much from the rates. As our revenue base is very small, this impacts badly on our ability as the municipality to achieve our objectives.

### Revenue collection

- One of the most serious challenges facing our municipality is revenue collection. Inkwanca municipality is one of the poor municipalities in the province, we do not have big industries and we are therefore faced with a high unemployment rate. We do have a credit control policy revenue collection strategy in place, but due to the high unemployment rate, we are unable to implement it as we wish.

#### 4.2 INCOME AND INCOME RESOURCES ARE INDICATED IN THE TABLE BELOW:

No.	Revenue	Source
1.	Conditional and Unconditional Grants	National & Provincial Dept
2.	Municipal Services: <ul style="list-style-type: none"> <li>⌚ Electricity</li> <li>⌚ Refuse</li> <li>⌚ Water</li> <li>⌚ Sanitation</li> </ul>	Municipal consumers
3.	Rates & Taxes	Municipal Consumers
4.	Parks & Recreation	Municipality
5.	Traffic Services: <ul style="list-style-type: none"> <li>⌚ Fines</li> <li>⌚ Registration</li> <li>⌚ Roadworthy certificates</li> <li>⌚ Learners &amp;</li> </ul>	Municipality

	Drivers Licences ⌚ Motor registration etc	
6.	Municipal Leases	Municipality

### 4.3. Summary of Budgeted Revenue

VOTE	2009/2010	2010/2011	2011/2012	2012/2013
Council	1,735,657	1,224,815	1,335,048	1,441,852
Municipal Manager's Office	150 2312	3,367,000	3,670,000	3,964,000
Budget & Treasury	8,877,577	8,923,000	10,002,000	10,381,000
Technical Services	3,793,382	4,367,020	4,760,052	5,140,856
Community Services	3,975,702	5,522,000	6,018,000	6,500,000
WSSP	7,221,000	10,350,000	11,641,000	12,782,000
Corporate Services	0	0	0	0
<b>Total</b>	<b>27, 106,630</b>	<b>33,753,835</b>	<b>37,426,100</b>	<b>40,209,708</b>

#### Billing System

- Inkwanca Municipality has currently approximately 6000 registered households on the billing system. Meter readers take readings on a monthly basis and the Installation of water meters is in full swing for houses which don't have water meters.

#### Provision of Free Basic Services

- The municipality provides Free Basic Water to all the households at Inkwanca municipality.
- With electricity only those that have been registered as indigent and have applied are provided with Free Basic Electricity. At the moment only 2267 households are provided with this service.
- An indigent register is in the process of review as it was found not to be credible. The finance section at the moment is in the process of updating our indigent register. So far, only 2267 households have been registered as indigent.

### Asset Management

- Inkwanca Municipality has Asset Management Policy but it is outdated it needs to be reviewed. Our corporate services division is handling the process of ensuring that this policy is reviewed.
- The municipality has got immovable properties and is in the process of registering all its assets. The cost benefit analysis of all municipal assets needs to be undertaken to ascertain whether how feasible will be for the municipality retaining some of their properties. The municipality has just developed its bar code system. The process of converting the municipal assets to be GRAP compliant has just started.

### Fleet Management

Inkwanca municipality has the following vehicles in its possession

- Opel Zafira
- Isuzu Bakkies x 2
- Toyota Bakkies x2
- Nissan Bakkie x 1
- Tractors x2
- Trucks x2 (at sterkstroom one is stolen not yet recovered)
- Compactor Truck
- Chevrolet Aveo x 1

The challenge is the inadequate control of vehicles. Current the fleet management policy has been developed but, it is not yet taken to the Council for adoption. Another challenge is high maintenance and fuel consumption on old fleet.

- The municipality does not have SCM unit as envisaged by the MFMA. It is currently administered by an intern.
- The SCM policy of the municipality applies when the municipality procures goods and services disposes goods that are no longer needed. Committees that deal with SCM processes have been set as stated in policy and they are functional. The municipality has developed a database of suppliers which is updated from time to time.

#### **4.4.Financial Policy environment**

The following policies were tabled before the Council for approval with the budget on 31 May 2010.

- Accounting policy
- Fixed Asset management policy
- Cash receipts and banking
- Cash management
- Supply Chain Management
- Risk Management strategy
- Performance Management
- Credit control
- Arrangements
- Inkwanca Comprehensive Human Resources
- Inkwanca Bursary
- Inkwanca Amended final write – off
- Gifts
- Employment Equity
- Disaster Recovery
- Rates
- Delegation of powers
- Computer and Internet usage
- Language policy
- Wellness policy
- Staff retention policy
- Employment Equity plan
- Petty cash policy
- Tariff policy

Most of the financial policies will be reviewed in 2011 to ensure compliance with GRAP and other applicable legislations.

#### **The audit outcomes**

These outcomes are still pending.

#### **5. ACCESS TO BASIC SERVICES**

The access to basic services has considerable influence in changing the standard of living and the quality of life of people living within the municipal area. The level of service in a particular area is influenced by affordability as well as community needs. If the service cost is too high so will be the price the municipality will charge its customers.

## **5.1.REVENUE CONSISTENCE**

The municipal revenue gained from billing the customer plus the government allocation of equitable share are the two pieces that build the municipal fiscal budget structure.

The equitable share is an unconditional allocation from the government to the

Municipalities to use for service delivery. The revenue collection relies on the mood and condition of the customer in the area. High cost of service delivery might ignite Resistance from the customers to pay their services. Giving an excuse of high service charges even though they are utilizing the services.

## **AREA OF SERVICE DELIVERY**

The area of service is composed of two towns demarcated into four wards. All the wards are Interlinked because the demarcation cuts across the townships of each town area. Both Towns are serviced from the municipal offices in Molteno and Sterkstroom. Complaints of Violations of service delivery are reported at the offices of both towns.

## **BULK SERVICES**

The municipality is responsible for the delivery of bulk services such as

### ***WATERSERVICES, RAOD AND STORM WATER, REFUSE REMOVAL AND ELECTRICITY***

To the communities within its area of jurisdiction. The above mentioned are currently subsidized by the government through equitable share.

## **ADDITIONAL DUTIES WITHOUT EQUITABLE SHARE**

Additional duties that are squeezed into the allocated equitable share are cemeteries, sports ground and parks. All these responsibilities are included in the service delivered to the customers within the municipality.

## **6. ACCESS TO BASIC SERVICES**

### **6.1 ELECTRICITY**

#### **Electricity Supply**

For non grid consumers 50 watts per non grid connection connected to a non grid system is supplied to the consumers and the unit is sold at the municipal office. The service type in the area is only intermediate meaning that the electricity supplied is above the 5-8 Amps or non grid electricity. It ranges from 20 Amps to 60 Amps. Free basic electricity is already



Intergraded into the units of electricity purchased per every indigent household.

### **Free Basic Electricity**

The free basic electricity for consumers commenced in phase a manner from July 2003 after Municipalities received their equitable share from the Department of Provincial and Local government. Meaning this is not free electricity but a Free Basic Electricity. After the free basic electricity units are used it is the responsibility of the consumer to top the units up. The free basic electricity volume is 50kWh per household per month for a grid based system

## **6.2. WATER SUPPLY**

### **Water Supply**

The entire household in Inkwanca Local Municipality have access to potable water and sanitary systems. The difference is the type used in each household within the area. The service type in the area is from intermediate to full. Some of the houses have yard taps and others have in house connection. Water Services is under the control of WSA in this situation being Chris Hani District Municipality. The usage of the budget is controlled by CHDM and the Expenditure is monitored by the Municipal Manager through the WSP UNIT Manager who reports to the Technical Services Manager.

### **Free Basic Water**

In Water Services free basic water according to the policy implemented by the Local Government households are entitled to 6000 litres of clean consumable water every month at no cost. But if the 6000 litres of clean consumable water is used up it is the responsibility of the consumer to pay for the excess usage. The gap in this arrangement is the omission of free basic sanitation policy. The implementation is under discussions.

## **6.2.1ROADS AND STORMWATER**

### **Roads and Storm Water Management**

The Inkwanca Local Municipality has provided the area with roads that falls within the acceptable condition. Unfortunately the functionality of the road has reached its aged period and require upgrading or replacement. Also it is considered that the service provision for roads in the area is for free with no revenue collection. MIG funds are utilized to repair and upgrade the roads and storm water drainage. The service type is from level one

to level three. Some of the roads in the area are gravelled and others are tarred. Due to the Funding delays, upgrading the remaining roads in the township and replacing those that has aged is a huge challenge. This is because the allocated budget is facing backlog in Operations and maintenance.

## **HOUSING**

### **RDP Houses**

Housing is the Provincial Department of Housing's obligation. They control the expenditure of the allocated budget and monitor the implementation of the program. The program is through the municipal application for housing needs in the area. The Department then selects those qualifying to get a house and send the list to the relevant municipality.

### **Existing Houses**

The types of houses in the area are town house, above RDP type of house and RDP houses. All these houses are serviced and charged for the service rendered. Unfortunately it is not all the billed services paid for.

## **WASTE MANAGEMENT**

### **Refuse Removal**

Refuse removal is taking place in Inkwanca local Municipality. A new truck equipped with the latest technology has been purchased with the aim of improving refuse collection in the area. The old goods truck utilized for refuse removal is an additional transport and a backup for When the new truck is taken in for service. The budget for refuse removal is allocated by the Local Government's Equitable Share Programme.

### **Landfill Site**

The refuse removed is dumped at the existing landfill site. The rehabilitation of the existing Landfill site will happen if there is a budget put aside for the process.

## **CEMETERIES**

The entire cemetery site provided by the local municipality is in compliance with the by-laws adopted by the council. They allow for traditions and cultures of the inhabitants of the area. The only problem of the cemeteries is their position which might affect the ground water quality.

## **LAND USE**

The Land Use Management Systems and Zoning maps are in process of being updated to Accommodate the wards.

## **CHALLENGES**

Although the municipality is prepared to provide services to the inhabitants of the Local municipality although there are challenges faced. The challenges might be financially or human resource related. The municipality has intentions to resolve this issue as quickly as possible, although unforeseen obstacles might delay the process. But they will be resolved.

### **6.2.2.SUMMARIZED CHALLENGES**

#### **WATER SUPPLY**

Water Supply Mitigation Strategies

The water supply infrastructure has sections that are old and require rehabilitation.

Some areas of the water infrastructure needs to be assessed because of the pressure problem during the water supply.

Drilling of boreholes to supplement the existing water supply.

Metering of all the household with the aim of regulating and monitoring water usage (Water Demand Management)

Water Supply Mitigation Strategies

Restriction or charge regulation for all high water users.

Building of water treatment process to remove colour from the water supplied to Sterkstroom Township.

Water Borne Mitigation Strategies

Upgrading of the Electricity supply to reduce frequent power failures.

Upgrading of the infrastructure where frequent spillages occur.

Building backup manholes with generator pumps to assist during power failures.

Improving the pipeline from the over loaded septic tank in Sterkstroom.

#### **6.2.3.ELECTRICITY SUPPLY**

Electricity Supply Mitigation Strategy

Our network is in a terrible state, transformer/s are in a bad state. The High Voltage yard needs a special attention (Maintenance Plan Implementation Programme).

## Electricity Supply Mitigation Strategy

Factors that increase the strain on the current status of the Infrastructure are summarised as Unavailability of Qualified artisan, Resources Shortage, Attempt of Cable and the Electricity Theft incidents reported by Linesman.

A special budget is required to rehabilitate the state of the electricity supply in the area (MIG Funds will be requested for this purpose). To reduce the unreliability of the power supply in the area.

### **6.2.4.ROADS AND STORM WATER DRAINAGE**

There was general concern that some of the roads in some sections of the township are in a very bad state. The roads lack storm water drainage systems and during heavy rain the roads are flooded. In some streets, especially the untarred streets, the residents are unable to enter their own yards as the water is overflowing and making holes in the road.

#### Roads and Storm water mitigation Strategy

The projects to address the road and stormwater backlogs have been identified. The programme to rehabilitate them is in the pipeline. All the blocked drains and calvets will be cleared by the casuals employed under the EPWP program from Public Works. The roads and storm water maintenance plan has already been developed.

### **CEMETERIES.**

Future space of the cemeteries should consider the borehole sites to avoid pollution. The budget to fence all the existing grave yards and the site to be allocated for the new ones should be considered.

### **LAND USE**

Lack of adequate land for future housing and communal farming purposes. Lack of commonage and management plans and future development strategies.

## **7. LOCAL ECONOMIC DEVELOPMENT**

### **7.1. CURRENT STATUS**

- Municipality does not have a fully fledged LED UNIT

- STAFF : LED Coordinator  
SMME / Tourism Officer  
Agriculture Development Officer
- HOD Post still vacant & when filled the UNIT will be:
- INTEGRATED PLANNING & STRATEGIC SERVICE

(IPASS)

- Manager ( IPASS)
- LED Coordinator
- SMME / TOURISM officer
- AGRICULTURE development officer
- IDP Coordinator
- Special Programmes officer
- Communication & Public Participation Officer
- Women & Youth Empowerment Officer
- HIV / AIDS Officer X 2
- Spatial Development Officer

#### 7.2. Plans / documents available

- TOURISM SECTOR PLAN
- LED STRATEGY

#### Plans / documents to be developed

- SMME DEVELOPMENT PLAN
- COMMONAGE MANAGEMENT PLAN

#### 7.3. AGRICULTURE DEVELOPMENT PLAN

- EMPLOYMENT
- Very high levels of Unemployment
- Declining economic profile which is evident throughout the district
- ECONOMIC SECTOR
- Agriculture & Hunting still high at 39.2%
- Community, Social & personal services 17,9%
- Then other categories

- INCOME PER HOUSEHOLD
- 20% of families have no INCOME
- 62% of families have no INCOME or below R10, 000 Per Annum.
- The above indicates high levels of dependency on:
  - 1. Subsidies
  - 2. Subsistence Farming initiatives
- Low economic growth & high levels of Unemployment contributes to this dependency

#### 7.4. EXISTING & POTENTIAL TOURISM PRODUCTS

- Hunting
- Adventure
- Rock Art
- Water Sports
- Hiking Trails
- Historical & Cultural product elements
- Eco-tourism ( nature reserves, mountains etc)
- SMME's
- Far less developed environment in the District
- No dedicated support programmes such \as
- Accredited small business support institutions
- No SMME STRATEGY ( as yet)
- STRENGTHS
- Clean Air ( unpolluted)
- Political Stability
- Historic Attractions
- Winds ( Generate Energy)
- WEAKNESSES
- LED not "budgeted"
- Capacity issues on staff
- No active LED structures
- Absence of Feasibility & Sustainable Studies (eg. No documented tourists attractions)

- N6 Bi-passes the Municipality ( i.e. Location)
- OPPORTUNITIES
- Land-for Massive Food Production
- Dilapidated Economic Infrastructure ( re-used)
- Tourism ( Game / Hunting, Rock Art)
- Winds ( to generate energy)
- Clay / Coal Mining
- THREATS
- No policies / By-laws to regulate businesses
- Limited local consumer spending
- High percentage of unemployment
- Limited entrepreneurial culture
- Access to Market for agriculture & other products
- Community Development rather than Economic Development focused. ( expensive poverty alleviation type projects )
- Two main businesses dominate ( Manufacturing)

## 8. TECHNICAL SERVICES: Objectives & Strategies

### 8.1. Roads and storm water

Current Objective	Current Strategy	Proposed Objective	Proposed Strategy
To ensure improved roads and storm water drainage	Lobby additional funding to upgrade and maintain roads	To ensure that all households have access to roads and effective storm water system	Lobby additional funding to upgrade and maintain roads and storm water system

### 2. Electricity

Current Objective	Current Strategy	Proposed Objective	Proposed Strategy
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To provide and effective electricity service	Allocate sufficient funds to upgrade the power station.	To ensure that communities have appropriate community lighting	To lobby for more funds from M.I.G and D.M.E to upgrade our old dilapidated infrastructure
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### 8.2 WATER

Current Objective	Current Strategy	Proposed Objective	Proposed Objective
To ensure that old water infrastructure is rehabilitated by 2011 and maintained	Identify sources (donors) that can realistically be approached for Additional funding.	Facilitate management of water demand Provide high level of water service	To engage in water demand management programme To regularly conduct water quality test as per the requirements from DWEA

### 8.3. SANITATION

Current Objective	Current Strategy	Proposed Objective	Proposed Strategy
To ensure that old sanitation infrastructure is rehabilitated by 2011 and maintained	Identify sources (donors) that can realistically be approached for Additional funding.	Ensure that all households have access to affordable and appropriate sanitation services Contribute towards improved hygiene practices	We need to increase capacity of our Sewer ponds to accommodate for future developments Conduct awareness campaigns in order to prevent the outbreak of communicable Diseases like cholera.

### 8.4. TECHNICAL SERVICES PROJECTS

2010/11	2011/12	2012/13
Completion Masakhe Community Hall		



Street lighting for Molteno and Sterkstroom		
	Masakhe Sokoyi Bridge	
	Surfacing of taxi route at Molteno	
		Surfacing of taxi route at Sonwabile.
		Paving of internal streets at Molteno and Sterkstroom phase one.
<b>R 6,848,000.00</b>	<b>R 8,236,000.00</b>	<b>R 10,015,000.00</b>

#### 8.5. OPERATIONS & MAINTENANCE

Re gravelling of internal streets at Nomonde, Dennekruin and Masakhe townships.

Unblocking of Storm water channels at Molteno and Sterkstroom areas.

Excavation of a Storm water channel at Sonwabile Township and re opening of the existing storm water channel at Masakhe Township.

Upgrading of electricity infrastructure

Upgrading of water & sanitation infrastructure

### **9. Budget and treasury Objectives & Strategies and Projects**

OBJECTIVE	STRATEGIES
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<ul style="list-style-type: none"> <li>Improve Revenue collection and ensure what is due to the council is collected</li> </ul>	<ul style="list-style-type: none"> <li>implementation of the revenue enhancement strategy</li> <li>Review and implement the debt collection strategy</li> <li>Proper identification/expansion of revenue sources for the municipality</li> </ul>
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OBJECTIVES	STRATEGIES
<ul style="list-style-type: none"> <li>Ensure that revenue sources are properly accounted for</li> <li>Ensure sound financial management practices for both revenue and expenditure</li> </ul>	<ul style="list-style-type: none"> <li>Proper classification of debtors and their consumption patterns</li> <li>Develop and implement strong financial (internal ) control systems in line with the MFMA requirements and other prevailing legislation.</li> <li>Prudent expenditure and analyse expenditure trends.</li> <li>Adherence and implementation of the SCM POLICY</li> </ul>

OBJECTIVES	STRATEGIES
Improve accountability and financial governance	Adherence to the MFMA requirements and reporting monthly, quarterly, mid yearly and annually .

OBJECTIVES	STRATEGIES
<ul style="list-style-type: none"> <li>Improvement of the overall control and Corporate Governance Environment</li> </ul>	<ul style="list-style-type: none"> <li>Institute proper controls, systems and procedures.</li> </ul>
<ul style="list-style-type: none"> <li>Ensure that the municipal assets are properly accounted for</li> </ul>	<ul style="list-style-type: none"> <li>appoint personnel to focus on asset and inventory management</li> <li>Maintenance of a GRAP Compliant Asset Register</li> </ul>

## 9. Projects

- ASSET REGISTER MAINTANANCE (REVALUATION)
- MUNICIPAL GENERAL VALUATION
- UPGRADING OF THE MUNICIPAL FINANCIAL SYSTEM(S)

#### 9.1. BUDGET AND TREASURY OFFICE CAPITAL PROJECTS IN TERMS OF MTREF

NO	PROJECT NAME	Location	Cost Estimations	2011/2012	2012/2013	2013/2014	Funder
	UPGRADEMENT OF FINANCIAL SYSTEM	Finance	R2000 000	R1000 000	R1000 000		FMG/MSIG
	Finance		R2 000000	R2000000			MSIG & LOCAL GOVERNMENT
	Finance		R3 000 000	R500 000	R1000 000	R1500 000	FMG/MSIG
	<b>R 7 000 000</b>	<b>R3500 000</b>	<b>R 2 000 000</b>	<b>R1500 000</b>			

#### 10. IDP OBJECTIVES AND STRATEGIES FOR COMMUNITY SERVICES DEPARTMENT

##### HOUSING

Current Objectives	Proposed Objectives	Current Strategies	Proposed Strategies
Ensure efficient housing delivery is supervised and managed by skilled labour	Facilitate the provision of adequate housing by 2014 Facilitate rectification of all poorly built houses.	Capacitate the existing staff members and employ staff with the necessary skills	Engaging the department of Human Settlement to ensure that houses wrongly built are rectified. Allocate and avail land for human settlement development

##### 10.1. WASTE MANAGEMENT

<b>Current Objectives</b>	<b>Proposed Objectives</b>	<b>Current Strategies</b>	<b>Proposed Strategies</b>
To adhere to sound environmental practices and to protect environmentally sensitive areas.	Provide for proper and safe disposal of solid waste within the Municipality	Adhere to demarcation of areas that have been identified for biodiversity conservation in the SDF	Proper management of our landfill sites by ensuring compliance with the legislation
	To ensure compliance with the National Environmental Act: Waste Act,59 of 2008		By providing for the rehabilitation of our landfill sites. Recycle, re-use to optimise life span of land fill sites

## 10.2. NEW IDP OBJECTIVES

<b>NEW IDP OBJECTIVES</b>	<b>STRATEGIES</b>
<b>COMMUNITY FACILITIES</b>	
To ensure that all community facilities are accessible to all and we must provide management, control and maintenance	By allocating resources for the upgrading and renovation of our facilities
<b>PARKS &amp; PUBLIC PLACES</b>	
To ensure beautification of parks, open spaces and pavements. Ensure that every ward has a park, or a community recreation centre.	Through clearing of unsightly areas and converting them into parks. Allocate resources
<b>LIBRARIES</b>	
To provide management, control and maintenance of all libraries at Inkwanca	Engaging the Department Sports Recreation Arts and Culture all allocate resources for our libraries
<b>CEMETERIES</b>	
We must provide facilities for the dignified and	By ensuring that our graves are demarcated and

environmentally safe disposal of human remains	numbered
<b>TRAFFIC SERVICES</b>	
To provide holistic traffic services	By having a well-capacitated traffic officials and a fully fledged traffic unit.

### 10.2.1 PROJECT SUMMARY

PRIORITY	PROJECT NAME	Location	Cost	2011/2012	2012/2013	2013/2014	Fu
Housing	Construction of IDT remaining site 136	Ward 4	R4256 000	<b>R4256 000</b>			Dept of Human Settlement
	Upgrading of 400 units in Mdantsane in Molteno	Ward 1					Dept of Human Settlement
	Molteno 1127 units	Molteno	R73 255 000	<b>R2275 000</b>			Dept of Human Settlement
	Molteno 800 units	Molteno	R6 720 000				Dept of Settlement
	Sterkstroom 435 units	Sterkstroom	R13 920 000				Dept of Human Settlement
	Construction of houses in	Ward 1 &					Dept of

	serviced sites in Zola & Nomonde T/ships	Ward 3					Human Settlements
	Rectification of houses built between 1994 and 2002. 2121 houses	Ward 4 and Ward 3	R65000 000	<b>R65000 000</b>			Dept of Human Settlements
	Middle income - 50 units	Ward 2	R2800 000				Private Development
	Middle income - 50 rental units	Ward 2	R2800 000				Private Development
	Swimming pools	Ward 1 & 3	R150 000	<b>R50 000</b>	R50 000	R50 000	INKWATOPE LM
	Construction of public parks	Ward 3 & 4	R100 000				Dedebe
	Tree planting	All Wards	R50 000	<b>R 25 000</b>	R25 000		DWAF
	Building of Public Toilets	Sterkstroom	R25 000				INKWATOPE LM
	Maintenance of existing sports grounds, Municipal Buildings	Wards 1,2&3	R500 000 00	<b>R250 000</b>	R250 000		INKWATOPE LM
	Upgrading of Molteno Dam Resort	Ward 2	R7m				DEDEBE
Environment/ Natural Resources	Anti-littering Campaign	All Wards	R50 000				

	Fencing of cemeteries	Ward 1 & 3	R300 000				Inkwan LM
Waste management	Provision of wheelie Bins	All wards	R1,7m	R600 000	R600 000	R500 000	INKWAN LM
	Cleaning Campaign(EPWP)	All wards	R312 000	R312 000	R350 000	R375 000	Inkwanca Public W
Libraries	Building of New Libraries	Ward 1,3 & 4	R6 m	R2m	R2m	2m	DSRAC

## 11.LED STRATEGIES & OBJECTIVES AND PROJECTS

### Plans / documents available

- TOURISM SECTOR PLAN
- LED STRATEGY ( approved on 15<sup>th</sup> Dec /2010
- SPATIAL DEVELOPMENT FRAMEWORK

### Plans / documents to be developed

- SMME DEVELOPMENT PLAN
- COMMONAGE MANAGEMENT PLAN
- AGRICULTURE DEVELOPMENT PLAN
- LAND USE MANAGEMENT PLAN

<b>Grow agriculture &amp; Agro-processing</b>	<b>Lobby for FUNDS to upgrade infrastructure</b>	<b>MOLTENO COMMONAGE DEVELOPMENT</b>
	Develop SMME value chain analysis model Develop growth plan for local agriculture	SOURCE FUNDING FOR SMME'S SUPPORT
Facilitate land availability	Prepare commonage management & expansion plans for both towns Promote community gardens and food	DEVELOPMENT OF COMMONAGE MANAGEMENT PLANS

	security projects Revise and refine Spatial Development Framework Annually	
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<b>OBJCETIVES</b>	<b>STRATEGIES</b>	<b>PROJECTS</b>
JOB CREATION	Establish Local Tourism Organization (LTO) and expand tourism products	ESTABLISHMENT OF THE LOCAL TOURISM ORGANISATION
	Promote local business and facilitate SMME's training	CLAY / BRICKS MAKING
	Ensure all projects are labour intensive	
	Establish cooperatives	ENCOURAGE COOPS ESTABLISHMENTS