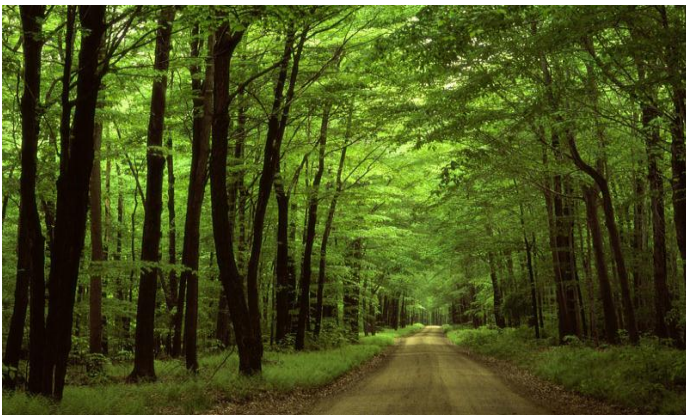




Engcobo Local Municipality: Revised Integrated Development Plan for 2013-2014



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GLOSSARY OF TERMS

ABET	Adult Based Education and Training
ABSA	Amalgamated Banks of South Africa
AIDS	Acquired Immune Deficiency Syndrome
ASGISA	Accelerated and Shared Growth Initiative for South Africa
BDS	Business Development Services
CASP	Comprehensive Agriculture Support Programme
CBO	Community Based Organization
CHARTO	Chris Hani Regional Tourism Organisation
CHDM	Chris Hani District Municipality
CPF	Community Policing Forum
CSIR	Council for Scientific and Industrial Research
DBSA	Development Bank of South Africa
DEAT	Department of Environment and Tourism (Also known as DEA)
DFA	Development Facilitation Act No 67 of 1995
DLA	Department of Land Affairs

DLG&TA	Department of Local Government and Traditional Affairs
DM	District Municipality
DME	Department of Mineral and Energy
DoRDAR	Department of Rural Development and Agrarian Reform
DoE	Department of Education
DoH	Department of Health
DH	Department of Human Settlements
DoSD	Department of Social Development
DoRT	Department of Roads and Transport
COGTA	Department of Corporative Government and Traditional Affairs
DPW	Department of Public Works
DSAC	Department of Sport, Arts & Culture
DWA	Department of Water Affairs
ECA	Environmental Conservation Act
EIA	Environmental Impact Assessment
ES	Equitable Share (grant)
FBS	Faith Basic Services
ECDC	Eastern Cape Development Corporation
ECPGDS	Eastern Cape Provincial Growth & Development Strategy
EXCO	Executive Committee
GP	Gross Geographic Product
GIS	Geographical Information System
GTZ	German Technical Cooperation
GVA	Gross Value Added
HDI	Human Development Index
HIV	Human Immune Deficiency Virus
HR	Human Resource

IDC	Independent Development Corporation
IDP	Integrated Development Plan
IDT	Independent Development Trust
IT	Information Technology
ITP	Integrated Transportation Plan
IWMP	Integrated Waste Management Plan
LDO	Land Development Objectives
LED	Local Economic Development
MEC	Member of the Executive Committee
MIG	Municipal Infrastructure Grant
MFMA	Municipal Finance Management Act
MSIG	Municipal Support & Institutional Grant
MSyA	Municipal Systems Act, 2000
MStA	Municipal Structures Act, 1998
NDC	National Development Corporation
NEMA	National Environmental Management Act
NER	National Electrification Regulator
NGO	Non Governmental Organizations
NSS	National Sanitation Strategy
PATA	Promotion of Administrative Justice Act
PMS	Performance Management System
PPP	Public Private Partnership
RDP	Reconstruction and Development Programme
REDS	Regional Electricity Distributors
RTP	Responsible Tourism Planning
SMME	Small Medium and Micron Enterprises
SOE	State Owned Enterprises

SoR	State of Environment Report
SADC	Southern African Development Community
SALGA	South African Local Government Association
SANDF	South African National Defence Force
SAPS	South African Police Service
SGB	School Governing Body
STDs	Sexual Transmitted Diseases
TB	Tuberculosis
TLC	Transitional Local Council
TRC	Transitional Rural Council
USAID	United States Agency for International Development
UYF	Umsobomvu Youth Fund
VAT	Value Added Tax
VIP	Ventilated Improved Pit (sanitation facility)
WSDP	Water Services Development Plan

Mayor's Foreword.

It's again an honor and a privilege for me as the Mayor of Engcobo Local Municipality to introduce this annual review of our Integrated Development Plan for 2013/2014 financial year as a product of public participation of all stakeholders and community members of Engcobo.

Developments and service delivery in the previous financial years have been taken into account and used as building blocks towards addressing the backlogs. No doubt much still needs to be done to alleviate poverty, to create an environment that is conducive to economic growth and to bring meaning and dignity to the lives of the diverse communities of Engcobo.

I must say that this process could not be where it is, if it was not for the active and maximum participation by communities, Ward Committees, Ward Councilors, Community Development Workers, the Office of the Speaker and IDP engagement forums that were held in setting the direction and pace of our development programs and strategies.

In this regard, our communities must be commended for heeding the call to come forward and take their rightful place and play a momentous role in becoming authors of their own development, in making direct input into the Integrated Development Plan of the municipality.

The IDP 2013/2014 shall set up a significant transformation agenda and forward thinking for Engcobo Local Municipality. In pursuit of an effective and efficient service delivery, the municipality undertakes to embark on a process of organizational re-alignment in order to create a conducive and a fulfilling environment for all involved to contribute and work.

We have a responsibility as far as ensuring extensive participation is concerned and we believe that as this sphere of government that is closest to the people, we carry an obligation to respond directly, positively and immediately to the needs and frustrations of our communities as well as our internal stakeholders.

I thank you!

Councilor L. Jiyose | Mayor

Foreword from the Municipal Manager.

Engcobo Local Municipality is required by Section 34 of Municipal System Act of 2000 (Act 32 of 2000) to undertake a stakeholder driven process to review its IDP annually. The IDP under review was adopted by Council during the 2012/2013 financial year and all the preceding IDP's were reviewed annually in terms of the Act.

The existing IDP is reviewed in order to set-up a service delivery and growth path for the next financial Year (2013-2014) as instructed by the Council. In keeping up with Section 34 of the Municipal Systems Act, the IDP will be reviewed annually in order to carry out continuous assessment and to give meaning and substance to our service delivery ambitions.

This document is the 1st review of the current IDP 2012/2017. It should be noted that the IDP is the superseding policy document for planning for the municipality, it is essential that the IDP is based on the real needs of the community which Engcobo Local Municipality is serving.

Therefore the fundamental principle and the overarching philosophy is that the IDP has to keep track of the changing priorities of the community. An extensive public participation process which involved all the stakeholders had been embarked on to determine those priority needs which are truly reflected within this document. The priority needs of the community have been used as a basis to inform the Municipal Budget Process for the 2013/2014 financial year.

I trust that this IDP Review will prove to be one more meaningful step towards paving a way that would enable Engcobo Local Municipality, a place where all of us can live fulfilling lives and achieve our full human potential within our existing capabilities.

Yours Faithfully,

S. Mahlasela | Municipal Manager

ACKNOWLEDGEMENT.

The compilation of an IDP was a team effort. The following persons need to be thanked for their contribution to this process and this specific document:

- The Executive Mayor of Engcobo Local Municipality.
- Office of the Speaker for assistance with the public participation process.
- The members of the Mayoral Committee for their continued support.
- All Ward Councillors for their inputs.
- The Municipal Manager for his inputs.
- All HOD's for their inputs in the process.
- The Eastern Cape Department of Local Government and Traditional Affairs.

- Engcobo LM's IPED Office.

The Engcobo Local Municipality IDP process forms the basis of all decision-making processes as well as the budgeting process of the Municipality. It acts as a strategic management tool integrating the activities of Departments at horizontal and vertical level.

Herewith the 2013/2014 IDP document.

EXECUTIVE SUMMARY.

Introduction.

The development of Integrated Development Plan (IDP) is a legislative requirement as entailed in terms of Section 25 of the Municipal Systems Act (MSA) Act (No 32) of 2000 and Engcobo Local Municipality is obliging to this piece of legislation. Reviewing of the IDP is also a legislative requirement in terms of Section 34 of Municipal System Act of 2000 (Act 32 of 2000).

An IDP is one of the key tools for Local Government to cope with its new developmental role. Furthermore it seeks to facilitate strategic decisions on issues of Municipal budgets for the following Key Performance Areas;

- Basic Service Delivery-(infrastructure and Community Services);
- Local Economic Development;
- Municipal Transformation and Organizational Development;
- Municipal Financial Viability and Management.

The Municipal Systems Act which provides a framework for the preparation of IDP's recommends that once in place, each IDP must be reviewed annually to re-

assess and re-evaluate Municipality's development priorities and challenges and to accommodate new developments in local government processes. Therefore, this particular document fulfils that review mandate for the ensuing financial year and beyond.

This IDP could be described as a single, inclusive and strategic plan for the development of the municipality, which:

- Links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;
- Aligns the resources and capacity of the municipality with the implementation of the plan;
- Forms the policy framework and general basis on which annual budgets must be based;
- Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.

The Reviewed Integrated Development Plan (IDP) consists of the following core components:

- The municipality's vision for long term development;
- An assessment of the existing level of development in the municipality (situational analysis) and Socio-Economic Analysis;
- The Council's development priorities and objectives;
- A Spatial Development Framework (SDF) and basic guidelines for a land use management system;
- The Council's development strategies, which must be aligned with national and provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;
- Projects and Programmes per Sector as prioritized;
- A Financial Plan with a budget projection for three years;
- Key performance indicators and performance targets (PMS);
- Service Delivery Plan;
- Public Involvement.

The Executive Summary provides a brief synopsis of 2013/2014 IDP and for more detail the complete document should be referred to.

The decrease in people with no schooling can be attributed to various factors, such as urbanization, free basic education as well as adult basic education programmes that have been introduced by government whilst the increase in school leavers with tertiary

education can be attributed to poor grades and lack of means to finance tertiary education.

VISION.

The following vision was adopted for the Engcobo Local Municipality:

“A result oriented and driven municipality, providing an environment that encourages stakeholder partnerships and citizen engagement in its quest to provide an improved service delivery to all its citizens using its available resources.”

KEY PERFORMANCE PRIORITIES.

The following is a summary of the Key Development Priorities identified for the Engcobo area from the Situational Analysis process:

- Enhance local economic development by adopting a coordinated & sustainable approach to agriculture, tourism and small business development.
- Enhance skills development in line with the Skills Development Act No. 97 of 1998.
- Correct the mismatch between the Organogram & the prevailing workplace environment.
- Introduce job grading for correct remuneration structuring.
- Align the workplace practices paying particular attention on compliance with employment equity provisions as prescribed by the EEA No. 5 of 1998.
- Improve basic working conditions for employees, such as provision of adequate office and workspace as well as furniture.
- Enhance information management & operational efficiency through provision of IT support (hard-ware & software and internet connectivity).
- Improve labour relations by democratizing the workplace in line with the LRA.
- Create an enabling environment for the introduction & engagement with workplace forums & collective bargaining in line with the LRA.
- Introduce workplace grievance processes for dispute resolution.
- Address service backlogs (water & sanitation, roads & bridges, storm-water & solid waste, electricity) needs to be addressed.
- Upgrading and maintenance of roads & stormwater, sewer and purification networks.

- ❑ Public transportation (building of bus & taxi rank).
- ❑ Upgrading of the town precinct along the main road (to be done with SANRAL).
- ❑ Improve revenue collection & broaden revenue base.
- ❑ Enhance indigent provision.
- ❑ Building of new and upgrading of existing sports facilities.
- ❑ Introduce water loss management practices.
- ❑ Introduce better financial management practices for a better & improved audit outcome.
- ❑ Comply with the purpose & scope of the Occupational Health and Safety Act No. 85 of 1993.
- ❑ Mainstream all the SPU programmes.
- ❑ Improve internal governance structures such the functioning of the Audit Committee.
- ❑ Improve all public participation practices and mechanisms.

OBJECTIVES, STRATEGIES AND PROJECTS

Objectives are the specific goals that have to be achieved, in order to bring the current situation including identified community needs closer to the Vision. The Strategies are the actions and interventions required to implement the Objectives and eventually culminate in a list of Projects.

There are nine Strategic Objectives to be achieved in the Engcobo Local Municipality, and as part of the Strategy to achieve these, several Programmes have been formulated per each of the Strategic Objectives.

The table below provides a summary of the various Strategic Objectives and Programmes as discussed in **Chapter 4** of the IDP.

The projects are prioritized and included in a Financial Plan for the municipality. Refer to the IDP document and specifically the Financial Plan (**Chapter 5**) for more information.

The IDP then concludes with a broad overview of the Performance Management System (**Chapter 6**) for the Engcobo Local Municipality which aims to measure progress with regards to the implementation of projects and programmes identified.

ENGCOBO IDP's STRATEGIC OBJECTIVES AND RELATED PROGRAMMES

IDP Strategic Objectives			
#	Strategic Objective	#	Programmes
1	Spatial Development and Integration	1.1.	Promotion of Spatial Integration
		1.2.	Formalize and Upgrade Informal Settlements
		1.3.	Provision of Housing
		1.4.	Provision of New Social Facilities
		1.5.	Enable Access to Land and Security of Tenure
		1.6.	Uniform Land Use Management
		1.7.	Public Transport Plan
2	Poverty Alleviation and Gender Equity	2.1.	Improve access to social facilities and infrastructure for rural communities and disadvantaged groups, particularly women, children and the elderly by way of Multi-Purpose Community Centres (Thusong Centres)
		2.2.	Provide Basic Engineering Services to existing Social Facilities; upgrade and maintain Existing Social Facilities
		2.3.	Raise Development Levels of Disadvantaged and Vulnerable Groups in Society
3	Economic Development	3.1.	Enhance the Tourism Potential of the Engcobo Area
		3.2.	Promote Local Economic Development Initiatives
		3.3.	Create an Entry Level into the Market System for Emerging Business, the Informal Sector and SMMEs

		3.4.	Promote a Diversity of Economic Activities throughout Engcobo
		3.5.	Maintenance and Improvement of Development Standards
		3.6.	Employment creation and income generation (Early Warning Report)
4	Environmental Management	4.1.	Implement Proactive Measures to Protect the Environment
		4.2.	Ensure that Mitigation Measures are considered in Development Proposals
5	Institutional Development	5.1.	Augment the Institutional Capacity of the Engcobo Municipality
		5.2.	Ensure that Mitigation Measures are considered in Development Proposals
		5.3.	Implement Performance Management System
6	Financial Viability	6.1.	Improvement of Revenue Base (Income stream)
		6.2.	Feasible tariff policy
		6.3.	Planned expenditure of Grants
		6.4.	Clear defined ratios between capital and operational budgets
		6.5.	Asset Management
		6.6.	Reduction and management of outstanding debts
		6.7.	Management of budget linked to PMS
		6.8.	Submission of financial statements
7	Community Development	7.1.	Improved Aids planning and implementation of Engcobo HIV/Aids Policy
		7.2.	Provision of Education facilities
		7.3.	Provision of Sports and Recreation facilities
		7.4.	Provision of Social and Community facilities
8	Safety and Security	8.1.	Ensure integration of safety and security agencies

		8.2.	Ensure proper implementation of Disaster Management Plan
		8.3.	Provision of safety to all residents
9	Engineering Services and Service Delivery	9.1.	Ensure integration of safety and security agencies
		9.2.	Provision and Upgrading of Basic Infrastructure to address Backlogs
		9.3.	Maintenance of assets and infrastructure to maintain and enhance service levels
		9.4.	Provision of New Engineering Infrastructure

THE WAY FOWARD

Government has a key challenge with the facilitation of transformation and improving service delivery, culminating into accountability and responsiveness. In an attempt to meet this challenge, National Government introduced performance management at local government through legislation in terms of **Chapter 6** of the Municipal Systems Act, 2000 (Act 32 of 2000) in August 2001.

The PMS system allows for the management of accountability within the Local Authority in order to improve performance. The system will assist in efficient and informed decision-making regarding the allocation of resources and improve the realization of the objectives of the IDP.

The Engcobo Local Municipality has a Performance Management System Policy, which is already actively being monitored in terms of its performance criteria.

The Engcobo Local Municipality will carry the IDP forward through the finalization of a 2013/2014 budget and the implementation of strategies and interventions forthcoming from the IDP.

Due to the limited internal financial capacity of the Municipality, it is reliant on funding from external sources, particularly the Chris Hani District Municipality, National Government and Provincial Government to ensure the implementation of capital projects.

The Representative Forum which was established as part of the IDP process must continue to be involved in the implementation and monitoring of the IDP. Meetings of the Representative Forum should therefore take place on a regular basis. Efforts will also be made to augment the Representative Forum to include a broader stakeholder base, particularly Provincial Departments and other service providers.

ENGCOBO LOCAL MUNICIPALITY'S INTERGRATED DEVELOPMENT PLAN: 2013-2014

1. CHAPTER 1: IDP OVERVIEW.

Since the first democratic elections in South Africa in 1994, the nature and functions of municipalities changed drastically, with more emphasis being placed on the developmental role of local authorities. Developmental local government means a commitment to working with citizens to find sustainable ways to meet their social, economic and material needs to improve the quality of their lives. A duty is also placed on local authorities to ensure that development policies and legislation are implemented.

Preference must therefore be given to this duty when managing the administrative and budgetary processes of the municipality.

The Constitution of the Republic of South Africa (1996) commits government to take reasonable measures, within its available resources, to ensure that all South Africans have access to adequate housing, health care, education, food, water and social security. The current goal of municipalities is to establish a planning process which is aimed at the disposal of the imbalances created by the apartheid era. Developmental local government can only be realized through integrated development planning and specifically the compilation of an Integrated Development Plan (IDP).

The IDP preparation and review processes are predominantly guided by various legislations, policies and guides as alluded above. These policy guides have to be carefully considered when the IDP is being developed and reviewed. These policies, guides and legislative frameworks include but not limited to the following;

- The Constitution of the Republic of South Africa.
- Municipal Structures Act No 117 of 1998.
- Municipal Systems Act No. 32 of 2000.

- Municipal Finance Management Act No. 56 of 2003.
- National Spatial Development Perspective.
- Accelerated Shared Growth Initiative for South Africa (ASGISA).
- Provincial Growth Development Strategy.
- Joint Initiative on Priority Skills Acquisition (JIPSA).
- Millennium Development Goals-2015.
- IDP Guides and Spatial Development Framework (SDF).

Section 25 of the Municipal Systems Act (Act 32 of 2000) stipulates that:

“Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which:

- a) links, integrates and co-ordinates 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 budgets 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 of legislation”.*

As far as the status of an integrated development plan is concerned, Section 35 states that an integrated development plan 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”.*

Section 36 furthermore 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”.

However, in terms of section 34 of the Municipal Systems Act, a municipal council “must review its integrated development plan annually ..”, and based on the outcome of the review process it “may amend its integrated development plan in accordance with a prescribed process”.

The MSA thus places a legislative duty on municipalities to adopt a single, inclusive and strategic plan (Integrated Development) for the development of the municipality which links; integrates and co-ordinates plans and takes into account proposals for the development of the municipality; aligns the resources and capacity of the municipality with the implementation of the plan; and forms the policy framework and general basis on which annual budgets must be based.

The compilation of Integrated Development Plans by municipalities is regulated in terms of the Municipal Systems Act (Act 32 of 2000).

1.2. The Mandate.

To ensure that Engcobo is a responsive, efficient, effective and accountable municipality, chapter 3 to 5 of the IDP will outline in detail how the long term vision translates into an effective plan that aligns the municipal budget, monitoring and evaluating mechanisms as well as timeframes for delivery. The municipality will ensure closer alignment between the long term development objectives (in context of National, Provincial and District development policies) and the IDP. The mandate for the municipality is guided by, but not limited to the following:

1.2.1. The National Government’s Based Approach to Delivery.

National Government has agreed on 12 outcomes as a key focus of work between now and 2014. These outcomes have been expanded into high-level outputs and activities, which in turn formed the basis of a series of performance agreements between the President and relevant Ministers.

Whilst all of the outcomes can to some extent be supported through the work of local government, **Outcome 9** (A responsive, accountable, effective and efficient local government system) and its 7 outputs are specifically directed at local government:

- ❑ **Output 1:** Implement a differentiated approach to municipal financing, planning and support;
- ❑ **Output 2:** Improving access to basic services;
- ❑ **Output 3:** Implementation of the Community Work Programme;
- ❑ **Output 4:** Actions supportive of the human settlement outcome;
- ❑ **Output 5:** Deepen democracy through a refined Ward Committee model;
- ❑ **Output 6:** Administrative and financial capability; and
- ❑ **Output 7:** Single window of coordination.

1.2.2. CoGTA: National Key Performance Areas for Municipalities.

Department of Cooperative Governance and Traditional Affairs (**CoGTA**) assess the progress made by municipalities against five Key Performance Areas (KPA) and cross-cutting interventions adopted in the 5-Year Local Government Strategic Agenda. The five KPAs that form the basis of the assessments are:

- ❑ **KPA 1:** Municipal Transformation and Organizational Development;
- ❑ **KPA 2:** Basic Service Delivery;
- ❑ **KPA 3:** Local Economic Development (LED);
- ❑ **KPA 4:** Municipal Financial Viability and Management; and
- ❑ **KPA 5:** Good Governance and Public Participation.

The above allow CoGTA to determine how well each municipality is performing, compare its performance to targeted goals, create measures to improve performance, identify the municipalities that have under-performed and propose remedial action to improve performance of municipalities.

1.2.3. The New Growth Path.

This National Policy Framework deals specifically with issues such as creating decent work, reducing inequality and defeating poverty through “*a restructuring of the South African economy to improve its performance in terms of labour absorption as well as the composition and rate of growth*”. Important and of practical consequence to local government, are the specific job drivers that have been identified:

- ❑ Substantial public investment in infrastructure both to create employment directly, in construction, operation and maintenance as well as the production of inputs, and indirectly by improving efficiency across the economy;

- ❑ Targeting more labour-absorbing activities across the main economic sectors – the agricultural and mining value chains, manufacturing and services;
- ❑ Taking advantage of new opportunities in the knowledge and green economies;
- ❑ Leveraging social capital in the social economy and the public services; and
- ❑ Fostering rural development and regional integration.

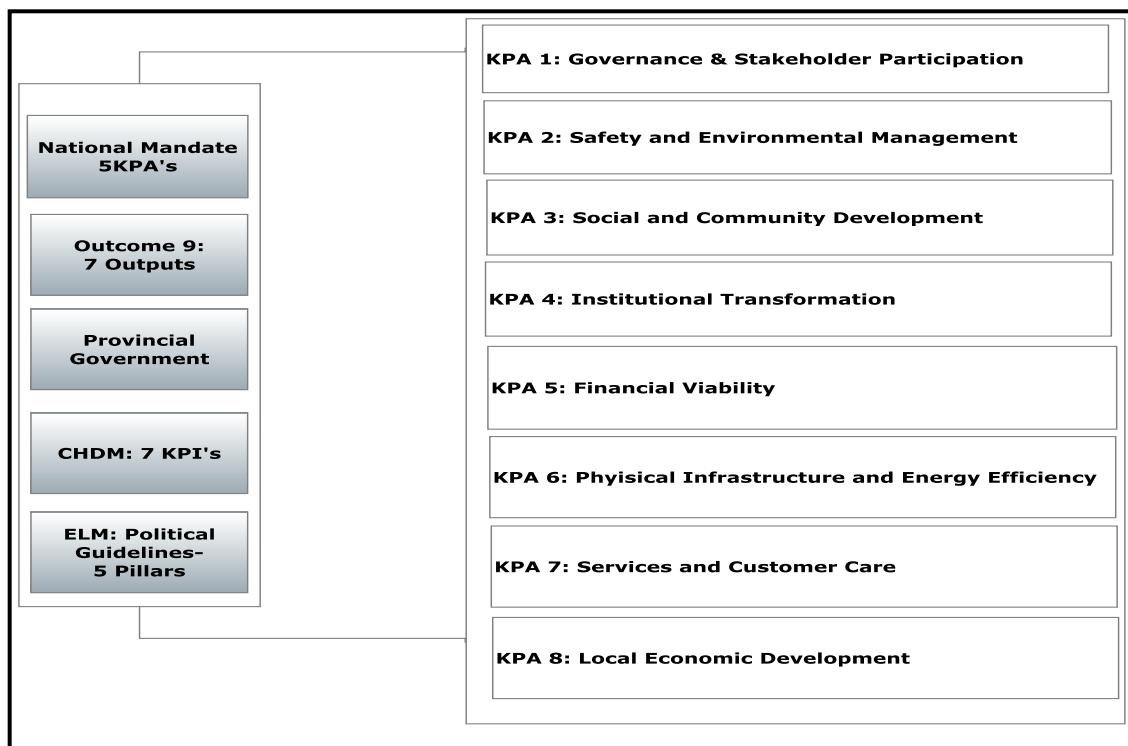
1.3. The Process Plan.

Item No.	Deliverable	Legislative Requirement & Information	Timeframe
1	Time Schedule: Tabling of Draft IDP and Budget time-schedule to Council	MSA 32 of 2000 & MFMA No. 56 of 2003	August
2	Public Engagement: <ul style="list-style-type: none"> ▪ Advertisement of time-schedule on website, local newspapers and notice boards ▪ Acknowledgement of inputs received 	MSA CH5 S29 MSA S28	October/ November
3	Annual Report: <ul style="list-style-type: none"> ▪ Tabling of Annual report to Council ▪ Annual report made public and submitted to PCs ▪ Council ▪ Public making of oversight report 	MFMA	January February March April
4	Provisional approval of Draft IDP (5 Year Plan) and Budget: <ul style="list-style-type: none"> ▪ Table draft IDP and Budget Report to MayCo and Council ▪ Advertise and publish final draft of IDP and Budget for public comment and submit to National and Provincial Treasury and others as prescribed 	MSA & MFMA s16(2)	March April
5	IDP and Budget Hearings: <ul style="list-style-type: none"> ▪ Conduct IDP/Corporate Scorecard / Budget Public Hearings to obtain public comment and inputs from communities, provincial government and other relevant stakeholders ▪ Acknowledgement of comments received ▪ Response to public comment i.r.o. Budget, tariffs and policies 	MSA s 74, 75 / MFMA s23	April May June
6	Approval of the Budget and IDP: <ul style="list-style-type: none"> ▪ Draft IDP and Budget consultation feedback to Portfolio Committees. ▪ Council must give final approval of the IDP/Corporate Scorecard and Budget document by resolution, setting taxes and tariffs, approving changes to the IDP and budget related policies, approve measurable performance objectives for revenue by source and expenditure by vote before the start of the financial year 	MFMA S23, MSA S25 & MFMA 24	April May
7	Public Communication of Budget and IDP	MSA and MFMA	June

	Section 57 (MSA) Performance Agreements:	MFMA s 16, 24, 26, 53	May
8	<ul style="list-style-type: none"> ▪ Submit performance agreements to the Executive Mayor within 10 days after approval of the IDP and Budget. ▪ Council to note New Section 57 Scorecards ▪ Notification of approved S57 (top management performance agreements) to the public. 	MFMA s 53	June August/ September
	Approval of SDBIP's:	MFMA	June
9	<ul style="list-style-type: none"> ▪ Executive Mayor to approve Municipal SDBIP within 28 days after approval of the budget ▪ Place all Directorate Executive Summaries and SDBIPs and Department Business Plans and SDBIPs on website 		

1.4. Key Performance Areas.

Taking into cognizance of the national, provincial and district policies and plans, the following KPAs were identified for the Engcobo Local Municipality:



The key performance areas are defined in the following table;

Key Performance Area	Definition
<i>KPA 1:</i> Governance and Stakeholder Participation	To promote proper governance and public participation.
<i>KPA 2:</i> Safety and Environment	To contribute to the safety of communities in Engcobo through the pro-active identification, prevention, mitigation and management of environmental health, fire and disaster risks.
<i>KPA 3:</i> Social and Community Development	To assist and facilitate with the development and empowerment of the poor and the most vulnerable. These include the elderly, youth and disabled.
<i>KPA 4:</i> Institutional Transformation	To provide an effective and efficient workforce by aligning our institutional arrangements to our overall strategy in order to deliver quality services.

KPA 5: Financial Sustainability.	To ensure the financial sustainability of the municipality in order and to adhere to statutory requirements.
KPA 6: Physical Infrastructure and Energy Efficiency	To ensure efficient infrastructure and energy supply that will contribute to the improvement of quality of life for all citizens within Engcobo.
KPA 7: Services and Customer Care	To improve our public relations thereby pledging that our customers are serviced with dignity and care.
KPA 8: Economic Growth and Development	To facilitate sustainable economic empowerment for all communities within Engcobo and enabling a viable and conducive economic environment through the development of related initiatives including job creation and skills development.

1.5. Key Focus Areas.

The eight (8) Key Performance Areas (KPA's) are supported by the following Key Focus Areas (KFAs):

KPA's	KFA's
KPA 1: Governance and Stakeholder Participation	KFA 1: Governance Structures KFA 2: Stakeholder Participation KFA 3: Risk Management KFA 4: Policies and Procedures KFA 5: Bylaws KFA 6: Monitor and Evaluation KFA 7: Inter Governmental Relations (IGR) KFA 8: Communications (Internal and External)
KPA 2: Safety and Environment	KFA 9: Traffic Control KFA 10: Environmental Management KFA 11: Disaster Management KFA 12: Fire Fighting Services KFA 13: Municipal Bylaw Enforcement KFA 14: Parks and Open Spaces
KPA 3: Social and Community Development	KFA 15: Sustainable Human Settlements KFA 16: Sport and Recreation KFA 17: Libraries KFA 18: Cemeteries and Crematoria

	KFA 19: Special Programs (Gender, Elderly, Youth and Disabled)
	KFA 20: Child Care Facilities
KPA 4: Institutional Transformation	KFA 21: Organizational Structure
	KFA 22: Human Capital Development
	KFA 23: Programme and Project Management
	KFA 24: Performance Management
	KFA 25: Systems and Technology
	KFA 26: Processes and Procedures
	KFA 27: Municipal Facilities
	KFA 28: Equipment and Fleet Management
KPA 5: Financial Sustainability	KFA 29: Capital Expenditure
	KFA 30: Expenditure and Cost Management
	KFA 31: Revenue Management
	KFA 32: Supply Chain Management
	KFA 33: Asset Management
	KFA 34: Financial Reporting
	KFA 35: Budgeting
	KFA 36: Funding
KPA 6: Physical Infrastructure and Energy Efficiency	KFA 37: Energy Efficiency
	KFA 38: Electricity Infrastructure
	KFA 39: Roads and Storm Water Infrastructure
	KFA 40: Water and Sanitation Infrastructure
	KFA 41: Landfill Sites Service Stations
	KFA 42: Local Amenities and Public Facilities
KPA 7: Services and Customer Care	KFA 43: Water and Sanitation
	KFA 44: Electricity
	KFA 45: Cleansing and Waste Management
	KFA 46: Customer Relations
	KFA 47: Building Regulations and Municipal Planning
KPA 8: Economic Growth and Development	KFA 48: Local Economic Development (LED)
	KFA 49: Capacity Building

1.6. The Report Structure.

CHAPTER 1 of the Engcobo Local Municipality IDP provides some background information pertaining to the concept of Integrated Development Planning, the legal context thereof, and the institutional structures and methodology followed in the Engcobo Local Municipality Integrated Planning Process during the review process.

CHAPTER 2 describes the Engcobo Local Municipality in national, provincial and local context and represents a multi-sectoral situational analysis highlighting some of the most salient features and key challenges of the municipality and progress made in addressing the key challenges.

It also provides a brief summary of the priority issues reported by communities in the various parts of the municipality.

CHAPTER 3 reflects on the Strategic Agenda of the Engcobo Local Municipality. It comprises a brief summary of national and provincial development policy guidelines which direct the Municipal Strategic Agenda, as well as the Engcobo Local Municipality Vision and Mission, and then the Key Priorities which were adopted by Council. It also includes the Municipal Spatial Development Framework.

CHAPTER 4 reflects a synopsis of the various Sectoral Objectives, Strategies and Projects aimed at addressing the priority issues identified in the municipal area.

CHAPTER 5 of the document summarizes the Financial Plan and **CHAPTER 6** contains an executive summary of the Performance Management System (PMS) of the Municipality.

1.7. 2013/2014 Process Plan.

1.7.1. Information.

It is necessary to briefly summarize the process followed for the 2013/2014 IDP process as prescribed in the IDP Process Plan. The components of the Process Plan are as follows:

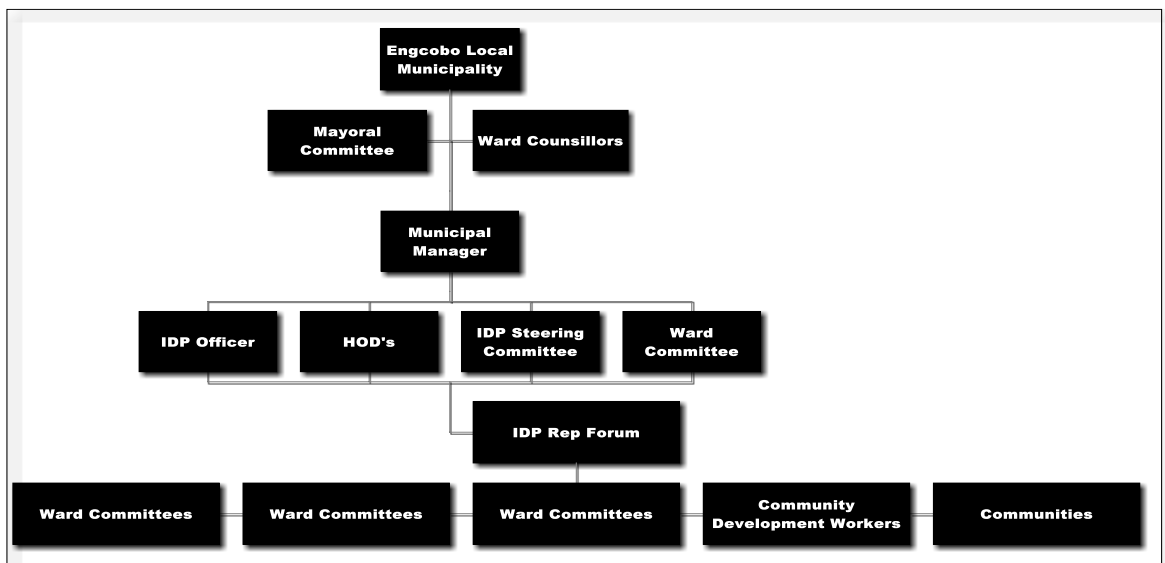
a) Institutional Arrangements and Public Participation;

b) Progress Reporting;

- c) Year Planner;
- d) Needs Collection;
- e) Updating of Projects;
- f) Final Document Compilation;

1.7.2. Institutional Arrangement and Public Participation.

The roles and responsibilities of the various parties involved in the IDP Revision are listed below:



1.7.2.1. Engcobo LM’s Council.

The Municipal Council is chaired by the Mayor and has the following role in the IDP review process;

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

1.7.2.2. IDP Officer.

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

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

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

1.7.2.3. IDP Steering Committee.

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

- Provide technical and advisory support to the IDP Officer;
- Perform daily planning activities including the preparation and facilitation of events; documentation of outputs and making recommendation to the IDP Officer and the Municipal Council;
- Commission feasibility studies and business plans for projects;
- Commission in depth studies;
- Interact with the Local steering committee local members regarding local projects;

- Prepare, facilitate and document meetings;
- Act as the secretariat for the IDP Representative Forum;
- Meetings shall be held as per the action programme or when considered necessary by the chairperson.

1.7.2.4. IDP Representatives Forum.

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

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

The task of the representative forum shall be to:

- Represent the interest of various constituencies in the IDP planning process.
- Provide an organizational platform and mechanism for discussion, negotiation and decision making between stakeholders.
- Provide a communication mechanism for the exchange of ideas and opinions among the various stakeholder interest groups.

- Participate in the setting up of key performance indicators including the monitoring thereof in line with the performance Management Manual of the Local Municipality.
- Monitor the performance of the planning and implementation process.

1.7.2.5. Roles and Responsibility of Stakeholders.

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

1.7.2.6. Needs Identification and Project Prioritisation.

After all the needs were collected, the projects/programmes were updated and finalized by the end of February 2012. The prioritization of projects will be included in the Budget process.

1.7.2.7. Community Participation.

All stakeholder and public participation engagements were undertaken through the guidance provided by the Public Participation Policy which was adopted by Council.

PHASE	PARTICIPATION MECHANISM & PLANNING EVENTS
Analysis	<ul style="list-style-type: none"> ▪ Use of workshops to verify data on community priorities ▪ Use of ward Committees to verify data
Projects	<ul style="list-style-type: none"> ▪ Use of workshops to verify data on community priorities ▪ Use of ward Committees to verify data
Approval	<ul style="list-style-type: none"> ▪ Use of workshops to verify data on community priorities ▪ Use of ward Committees to verify data

1.8. Mechanisms for Public Participation.

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

PARTICIPATION MECHANISMS
<ul style="list-style-type: none"> ▪ Use of IDP Representative Forum to verify data & add additional data. ▪ Use of IDP representative forum to ensure that community priorities are adequately

reflected in the IDP.

- Use of Councillors to call meetings to keep communities informed on the IDP progress.
- Publish Annual reports on municipal progress.
- Newspaper advertisements to inform communities of the process.
- Pamphlets/summaries on IDP's
- Making the IDP available for public comment.
- Making the IDP document accessible to all members of the public.

1.8.1. Appropriate Language Usage.

Formal documentation and communication will be done in English but in meetings, participants would be encouraged to use their own language where this would enhance communication and participation. In some instances, interpreters may be used to facilitate smooth communication. Facilitators of meetings would be encouraged to make use of simple language in explaining concepts so that people can understand the process and become empowered to participate in the IDP process.

1.9. Logistics Arrangements.

Meetings will be held in Engcobo and transport will be provided for those councilors coming from outlying villages in line with council policy for rebates and stipends. The municipality will be responsible for organizing workshop logistics and venue equipment.

1.10. Public Participation Process.

Public Participation forms an integral part of the Engcobo Local Municipality IDP process. The IDP process is a continuous process and therefore the process of public participation. During the 2001/2012 Engcobo Local Municipality IDP process, public meetings were conducted with each ward, chaired by the Ward Councilor.

The People's Assembly, comprising of, *inter alia*, 10 Ward Committees, Government Structures, parastatals and service providers, will be held during 2011, where the projects and programmes, SDF and Ward IDP's will be presented and inputs will be received.

1.10.1. Projects Identified During Ward Meetings for 2013/2014.

In addition to the existing ongoing projects and programs identified during the 2012/2017 IDP process, a large number of additional projects will be identified during the respective ward meetings and are included in the 2013/2014 IDP.

1.10.2. Communication Plan.

Engcobo Local Municipality utilizes several communication channels to convey information to the internal staff and to the community in general.

1.10.3. Communication to internal staff.

The staff is being informed of any important information by way of notices to individual desks [offices] or through the Council's notice boards. The notice boards serve both the internal staff and the public.

Memorandums are distributed to the Heads of Departments to inform their departmental staff regarding certain information.

1.10.4. Communication with unions.

There is continuously contact between the Local Authority and the local unions [SAMWU] in order to disseminate information to their members. This dissemination may take different forms ranging from meetings with union shop stewards to circulars to members. The Local Labour Forum is also functional.

1.10.5. Communication to the community.

The general public or the community is usually given information through their monthly bills. Notice boards are used to notify the public regarding vacancies available. The local newspaper is another media tool used to advertise vacancies, Council resolutions or any other important notice.

The Council Website is operational, which is a major information source to the members of the public.

1.10.6. Ward Committees.

Ward Committees are operational and Ward Committee meetings are being held every month.

1.10.7. The IDP Representatives Forum.

This forum is a combination of all major stakeholders in the Municipal area and includes the general public through representatives from Ward Committees, Service providers and other interested parties.

1.10.8. Audit Committee.

This committee is chaired by local residents with public involvement. This committee has as its function by the monitoring of the PMS and tender management.

2. CHAPTER 2: SITUATIONAL ANALYSIS: MAJOR ISSUES AND PRIORITY DEVELOPMENT NEEDS/CHALLENGES.

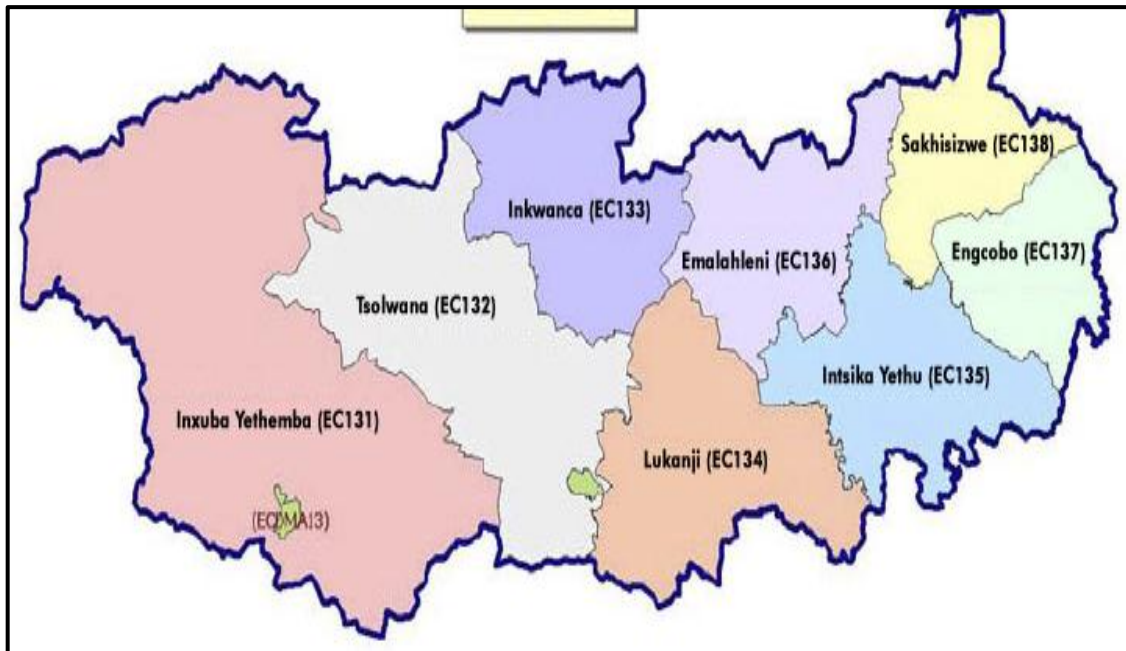
2.1. BACKGROUND.

Engcobo Municipality is located in the Eastern Cape Province, the second largest province in terms of land coverage, on the south eastern seaboard of South Africa.

The Eastern Cape Province has 6 District Municipalities and 38 local municipalities covering towns and surrounding rural areas with Engcobo falling within the Chris Hani District Municipality.

The Chris Hani District Municipality is located in the north-eastern sector of the Eastern Cape Province. Neighboring district municipalities within the Eastern Cape include the Joe Gqabi DM (to the North), Cacadu DM (to the south west), Amathole DM (to the south east), and OR Tambo (to the east).

The following graphic illustrates a Map of the local municipalities that make up the Chris Hani District Municipality;



The local municipalities are made up of the following urban nodes;

CHDM's Local Municipalities.		
#	Name of Municipality	Urban Nodes
1	Intsika Yethu LM	Cofimvaba and Tsomo
2	Lukhanji LM	Queenstown and Whittlesea
3	Engcobo LM	Engcobo
4	Sakhisizwe LM	Cala and Elliot
5	Emalahleni LM	Lady Frere, Dordrecht and Indwe
6	Tsolwana LM	Tarkastad and Hofmeyer
7	Inxuba Yethemba LM	Cradock and Middleburg
8	Inkwanca Local Municipality	Molteno and Sterkstroom

Engcobo consists of 20 wards, extends over 2258.78 KM² and has 40 councillors and 8 traditional leaders. The new leadership of Engcobo Municipality is acutely aware of the challenges confronting the municipality and has identified the provision of basic services and facilitation of socio-economic development of the area as key priorities supported by capable and modern infrastructure for social, economic and institutional development.

Engcobo faces high levels of poverty, unemployment, illiteracy and infrastructure backlogs, including roads, water, sanitation, electricity and housing. Other challenges are identified as crime, HIV and TB prevalence, poor integration and cooperation across civic, private and public bodies. The local financial sector has been on the decline over the last few years.

The population is overwhelmingly rural and most land is communally owned and fertile, yet only a small portion is fully utilised. Forestry (especially pine), agriculture and tourism (agri-tourism and cultural tourism, including arts and crafts) are said to be key for the area's economic stimulation.

Other identified strengths and opportunities include:

- Local resources (natural, human and information);
- Potential for new businesses and community private-public partnership;
- Availability of local technical expertise;
- Non-political and resourced NGOs and CBOs that provide aftercare; and
- A taxi industry and route between Umtata and Queenstown.

The following is a list of wards and villages;

1) Ward 1 – Ward 4.

Engcobo LM: Ward and Village Delineation			
Ward 1	Ward 2	Ward 3	Ward 4
Mandlaneni	Jingija	Kwa Hala	Sihlabeni
Toleni	Ngwaneni	Gotyibeni	Mtini
KwaSibonda	Komkhulu	Mazizini	eLalini
Jojweni	KuNgwevana	Qanguleni	Maloseni
Ndaba	Mmangweni	Qengqeleka	Endulini
Qabophezulu	Skolweni	Bekileni	Esikolwni
Manqoyi	Ntlakwevenkile	kwa Ndlangisa	KuNgcelelo
Bofolo	Ntlakwesikolo	Tora	Ntlakwevenkile
KuNgcataru	Maqamkazini	Mdeni	Ncityana
KwaTshatshu	Lubiza	Sokweba	eChibini
KwaNdungwane	Sigubudwini	Elalini	Ntabeni
Ngquthurha	eLalini		Singeni
Ematyabomvu	eNtlekiseni		Nqaphantsi

Nabileyo	Engasa		Ngqubusini
Ngxamangele	Engcotyeni		Mtshayelweni
Kunkani	eNtlakwesikolo		Chetyana
Manzini	eSikolweni		
Emamfeneni			
KwaMiya			

2) Ward 5 – Ward 8.

Engcobo LM: Ward and Village Delineation			
Ward 5	Ward 6	Ward 7	Ward 8
Engacu	Komkhulu	Gibeni	Tshatshu
Tywina	Nyandeni	Fama	eJojweni
Cwane	Ntlambo	Bodini	Ndlela
Kusigidi	KuGxwalibomvu	Tshatshatsha	Qithi
KuNqezantsi	Dala	kwaSigubudo	kwaQithi
KwaMdaka	eMangweni	kwaDlomo	Mzangweni
Ncango	eSilevini	Drayini	Macubeni
Lower Xuka	Kumageza	Nkalweni	Sigangeni
Upper Xuka	Mpindweni	Ntwashini	Embo
Upper Ngqokotho	Kunene	kwaGxubane	Lucwecwe
Nqutwaneni	Nkaleni	Upper Beyele	Nongadlela
KwaSitelo	eNtwashini	eSgangeni	eQolweni
Sidakeni	eKunene	Mafusini	Sgingqini
KwaNtondo	Kwelesha	KwaBhadi	Kunene
eQolweni	Eziqadini	Ntlakwendlela	Mtebele
Mbilini	eTaleneni	Ndalasi	Maxesibeni
Komkhulu	eMmangweni	Mandaweni	Skobeni
KuHleke	Ngqayi	Ntshingeni	Jojweni
KuMalangazana	Goso	Nyongweni	Bojane
	Ngxebe	Lundini	Madladleni
	MaNdlaneni	Tshobane	Drayini
	kwaGandu	Magotsini	Gwetyubeni
	Sgoboti	Lower Beyele	Sigodlweni
	eMamfeneni	Nkonkobe	
	Jojweni		
	eHukwini		

3) Ward 9 – Ward 12.

Engcobo LM: Ward and Village Delianation			
Ward 9	Ward 10	Ward 11	Ward 12
Miyeni	eNgcobo	Mkhenceni	Yakula
Mdeni	Zola	Madwaleni	Qolweni
Tsazo	Kole	Ngxingweni	KwaBinca
Upper Komkhulu	eDrayini	Machibini	Mthumeni
Luxeni	Gxojeni	Chefane	Nkwenkwezi
Sigangeni	Kalinyanga		Maqwathini
KwaBlaai	Mxesibe		Magqaqaleni
Mtshabela	All Saints Mission		Trust
Sikantini	Sdadeni		Mgwalana
Mgwali	Extention 5		Makhumeni
Manzana	Extention 6		Maxesibeni
Nduka	Extention 9		kuPahla
Enduku	Nkalweni		Gqutyini
Upper Nduku			Phesheya
Lower Nduku			Voyizana
Goboti			Mafusini
			Mkhanzi
			eMahlubini
			Mntuntloni
			Gotyibeni
			Mqobo
			Elithuthu
			Ziyekeni
			kuGxwalibomvu

4) Ward 13 – Ward 16.

Engcobo LM: Ward and Village Delianation			
Ward 13	Ward 14	Ward 15	Ward 16
Bulawayo	Efameni	Mdeni	Kwanqinwayo
Rantswini	KwaGcina	Ngxangxasi	Tafeni
Ematyholwni	Emdungunyeni	Sigidi	Mhlophekazi
Esingeni	eSixholosi	Qolweni	Mampondweni
Zwelitsha	Mateni	KuNquduvane	Mangxingweni
Kuntaka	Mbombombo	Sigangeni	Mkunjana
eGxojeni	Ndungunyeni	Ntwashini	KuMandebe
eSkhungwini	Lower Ndungunyeni	Mangqolweni	Manuneni
kuZilithole	KuKanyi	Gulandoda	Luxini

eMkhalweni	Lower Nzolo	Msintsana	Mpindweni
Zigandleni	Upper Nzolo	Mampingeni	Mqwbedu
Xokonxa	Ntlelelengwane	KuNyoka	kwaMhaga
Mthwazi	Xuka	Makhumeni	Mbokothwana
kuGilandoda	Ngxabane	Nkobole	Mandlaneni
Lubisi	Lower Mangxongweni	KwaNdobe	Ngqurhu
Ngquthurha	Ntwashini	Ntywenka	Ntseleni
Equthubeni	Luhewini	Caca	Clarkebury
Engqele	Kwavetyu	Mrhotshozweni	Tyeni
Lower Tsalaba	Esingeni	Madwaleni	
Komkhulu	Mhlontlo	Matyeni	
KwaBlangwe	Entabeni	Engxogi	
Gulandoda	Emafusini	KuNtaka	
Kwamqokoqo	Emadizeni	eChibini	
Eluqoloweni	eXuka	Kwanzolo	
Mayirheni	Mantlaneni	Kwantaka	
	eMantlwani	Rasmeni	
	KwaXoxo	Lalini	

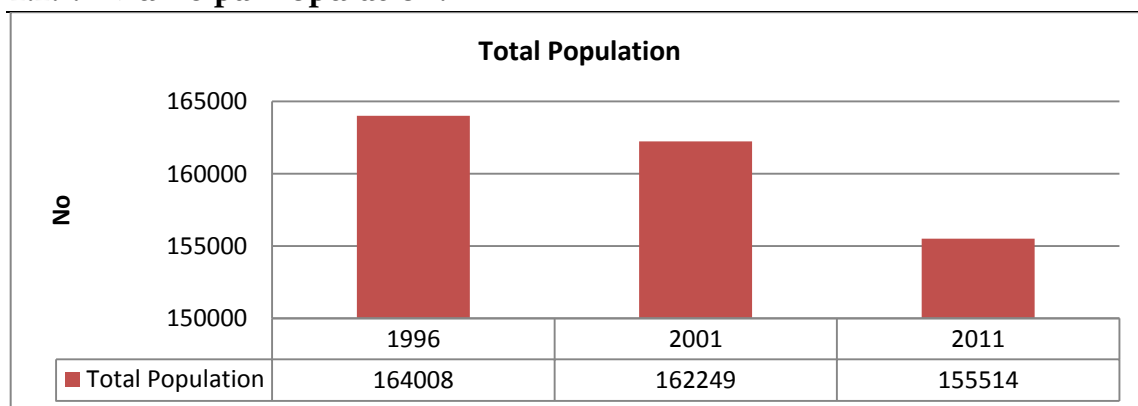
5) Ward 17 – Ward 20.

Engcobo LM: Ward and Village Delianation			
Ward 17	Ward 18	Ward 19	Ward 20
Mdeni	Mazimeni	Smit	Nqancule
Mpandeni	Emamvulaneni	Madwaleni	Singcukeni
Estishini	Komkhulu	Mdeni	Eluxeni
Tembisa	Amamvala	Sigqumeni	Sigangeni
Lower Manyisane	KwaNzolo	Mncwasi	eLixeni
Nkondlo, Ngxabane	Amanzolo	Daligqili	Sidikidini
Kumanyisane	kwaYawa	Mboleni	Lixeni
Kumanzikanyi	KuNtlanzi	Sidindi	Matyeni
Macwerheni	Lower Gqobonco	Mkonkotha	Taleni
Mangxongweni	Tshapile	Nqala	KuManzimdaka
Kungcebengwana	KwaFane	Jalisa	Tywaba
Mamfengwini	Mthini	Bula	Nkanga
KwaNdim, Gubenxa	Ntibaneni	Xhakonxa	Ngqayi
Ngwangwane, Qolo	Xhibeni	Ngwemnyama	Hlopekazi
Maqamkazeni	kwaZwelinzima	Lixeni	Sitshini
kwaMaya, Ntsinana	Sandile	KoMkhulu	Didiwayo

KuNgxabane	KwaKane	Gqaka	Ntsuba
Cwane, Mntukuma		Mahlahlane	Sigubudwini
Mission, Gcina, Didi		Bumbane	Sitishini
Mdaca, Mandlaneni		Ngaphezulu	Ludadeni
Upper Manyisane		Lwandlana	eMachibini
Ntibaneni, Xhebeni		Kuchibi	KuHlaba
Ngxabane, Ngcongci		Lancede	kwaMngqondo
Mangqeleni, Maya		Kungubo	Elabafazi
Mpindweni		Ndlunkulu	Caba
Taleni, Mvala		Zuburha	KuMqhayi

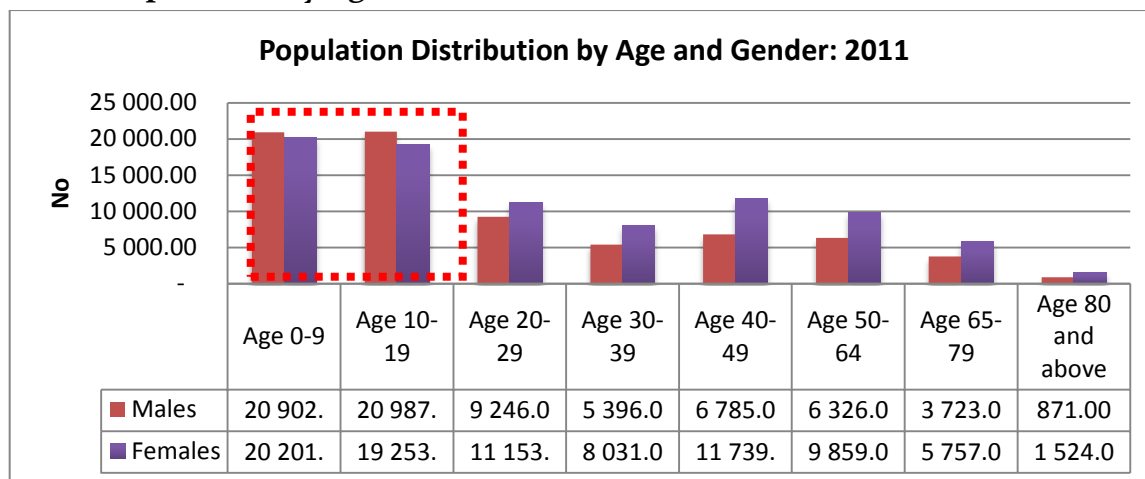
2.2. Population Composition.

2.2.1. Municipal Population.



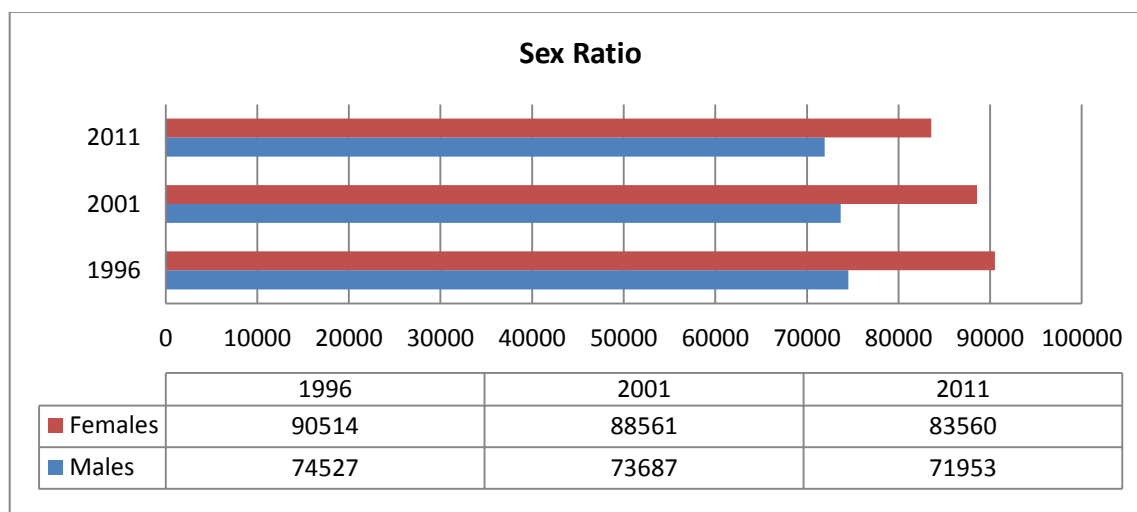
According to information supplied by Statistics SA from 2011 Population Census, Engcobo LM had a population of about 155,514 in 2011. Whilst the population has decreased by an average of 2% from 1996 to 2001, it is currently the second largest population in CHDM following Lukhanji LM. The population decline can be attributed to either a high death rate or low birth rate due effective family planning and other related variable for both variables. The other reason could be economic emigration to more affluent and developing economies in the country.

2.2.1. Population by Age and Gender.



The CHDM's population is predominantly children and teenagers from the age of 10 to 19 years old. The distribution between males and females is almost even with a marginal difference of less than 1% between both genders.

2.2.2. Population by Gender.



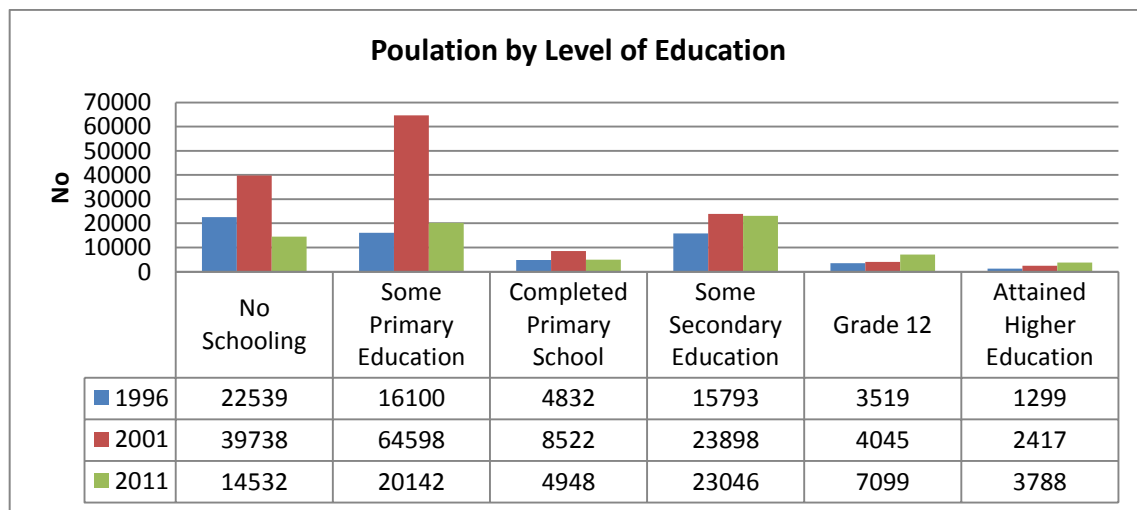
The population is predominantly female dominated at 56% with males constituting 44% of the population. There is a universal consensus that women have a longer life expectancy than males, therefore given the current male to female ratio, various programmes and campaigns need to be put in place by Engcobo LM in order to empower women in the short to medium term. The other fact is in society at large.

The situation as it stands suggests that there are more women-headed-households than the contrary owing to various human circumstances, thus the argument of women empowerment need to be started and intensified. Such empowerment, when properly conceived and implemented will further curb population growth, which is perceived as an outcome of women’s lack of economic opportunities.

If women’s health, education and economic well-being are improved along with their role and status in the community, the empowerment of women will inevitably lead to smaller families and lower or manageable population growth.

2.2.4. Population by Level of Education.

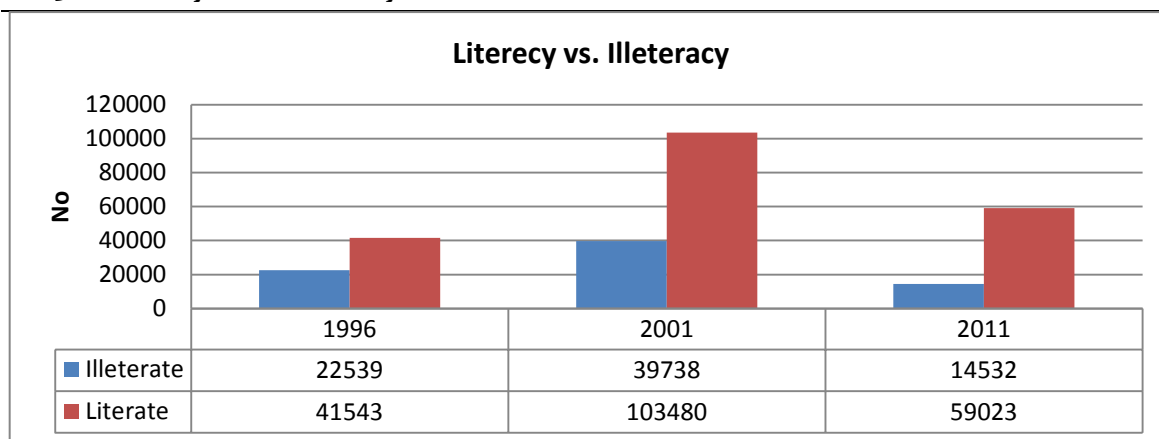
The number of people with less than Grade 12 has decreased by considerable margin from 1996 to 2011.



The decrease in people with no schooling can be attributed to various factors, such as urbanization, free basic education as well as adult basic education programmes that have been introduced by government whilst the increase in school leavers with tertiary education can be attributed to poor grades and lack of means to finance tertiary education.

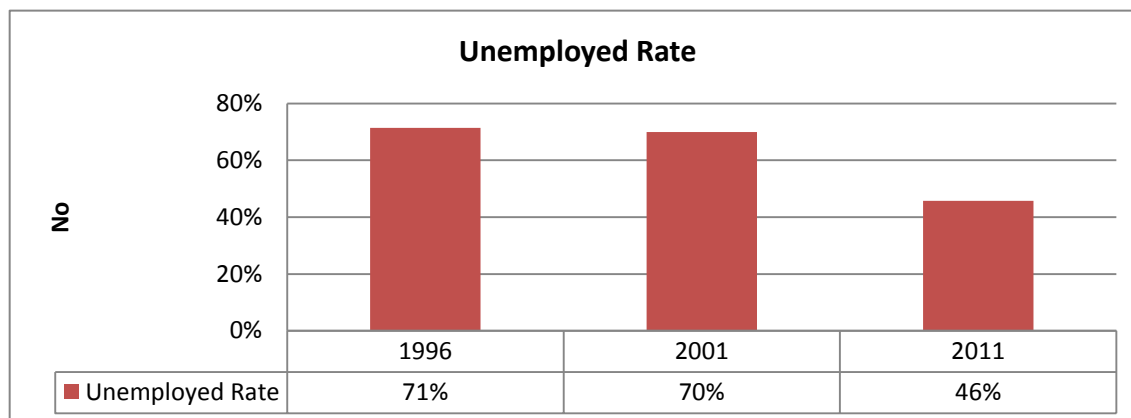
Grade 12 pass rates have seen a gradual increase Year-on-Year from 1996 to 2011 by a very small margin and this is far from the acceptable levels.

2.2.5. Literacy vs. Illiteracy.



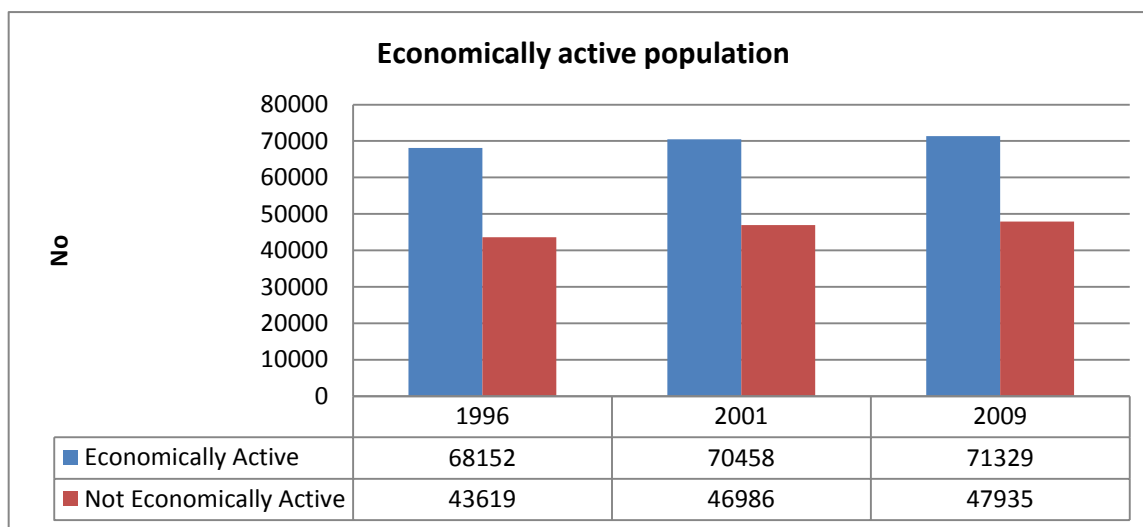
Literacy rate is fairly high amongst citizens whilst it has experienced decline between 2001 and 2011. The decrease in literacy rate will lead to lack of or poor comprehension of socio-economic variables.

2.2.6. Unemployment Rate



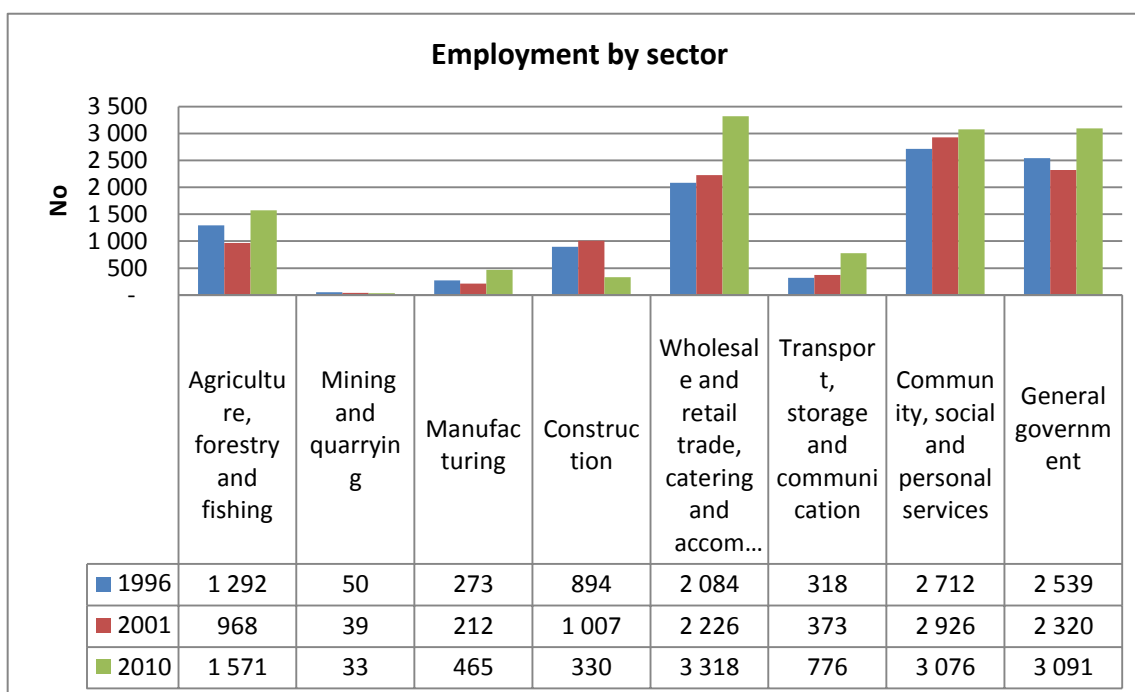
The ELM's economy felt the full impact of a negative economic growth on general employment, which is evident from the above graph. About 70% of the Engcobo population was unemployed in 2001 and that has decreased by 24% to 46% in 2011.

2.2.7. Economically Active Population.



40% of the ELM population is not economically active and therefore depends on the 60% of the economically active population. Thus every working person at Engcobo supports a minimum of 4 people per household.

2.2.8. Employment by Sector

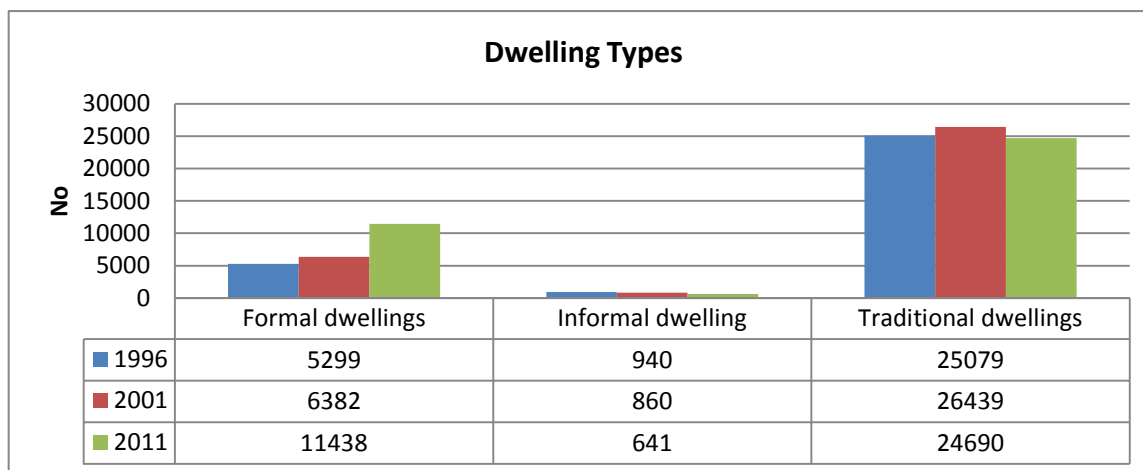


Despite it being generally a low wage sector, the trade sector shows a high labour absorption compared to the transport, business services and finance sector. This sector was followed by community, social and personal services as well as the general government sectors which accounted for more than 60% of the available jobs.

The agricultural sector has created just over 1000 jobs in 2010 followed by manufacturing, with just over 500 jobs. The mining and quarrying has performed poorly over the years and has an insignificant contribution to ELM's economy. The situation suggests that Engcobo produces very little or no commodities to support its retail sector and imports its goods from outside. The economic structure is not sustainable and depends on government to create jobs.

2.2.9. Dwelling Types.

As the municipality is rural in nature, it stands to reason that almost 80% of dwellings are traditional dwellings which are found in the most rural parts of the municipality.

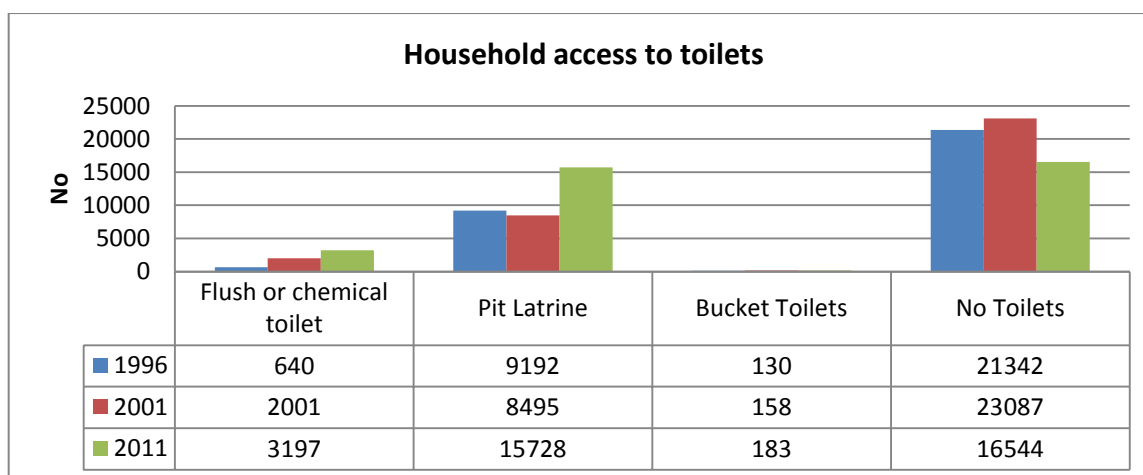


These traditional dwellings are characterized by the predominance of single-detached dwelling units.

2.3. Access to Services.

2.3.1. Household access to toilets.

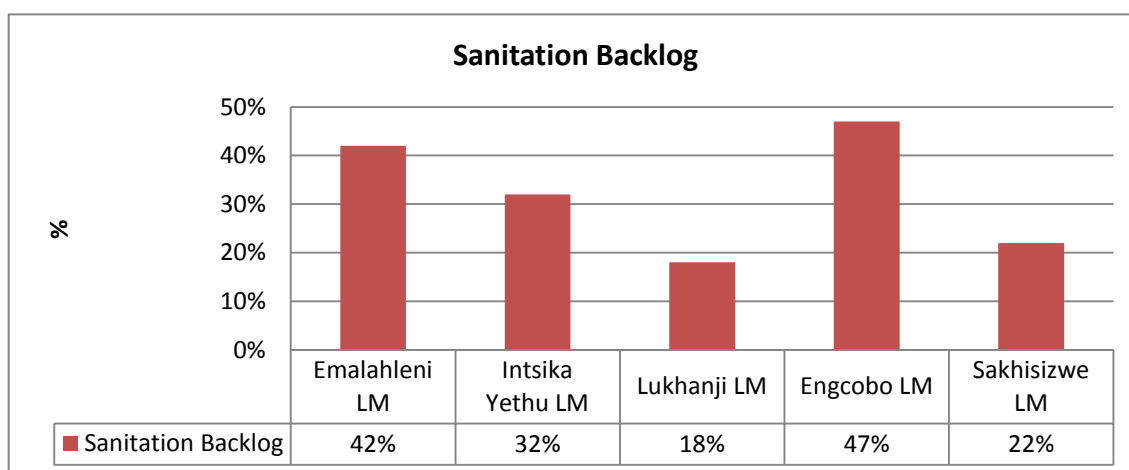
The municipality provides a supply of waterborne sanitation services through sewers provided that there are sufficient water resources and infrastructure to sustain such a service.



About 45% of the ELM population does not have access to either sanitation infrastructure or services. The consequence of lack of proper sanitation infrastructure and services will result in raw sewerage running on the streets, mixing with litter and garbage and contributing to environmental damage and spread of diseases.

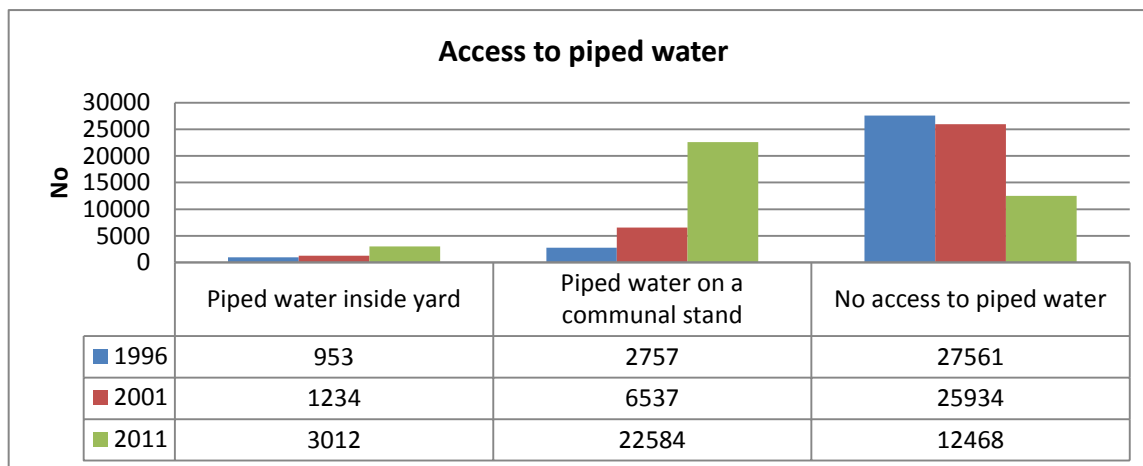
2.3.2. Sanitation Services Backlog.

According to the CHDM WSDP 2012 (*Sanitation Services Backlog, Page 9 of 143*), the current sanitation services backlog per municipality has been measured as follows;



The biggest proportion of the CHDM population with a high share of sanitation services backlog resides at Engcobo LM followed by Emalahleni and Intsika Yethu LM respectively. This could be attributed to spatial size of these municipalities and the fact that they are highly rural in nature. This trend is similar to the water services backlog, which is highest in the same municipalities.

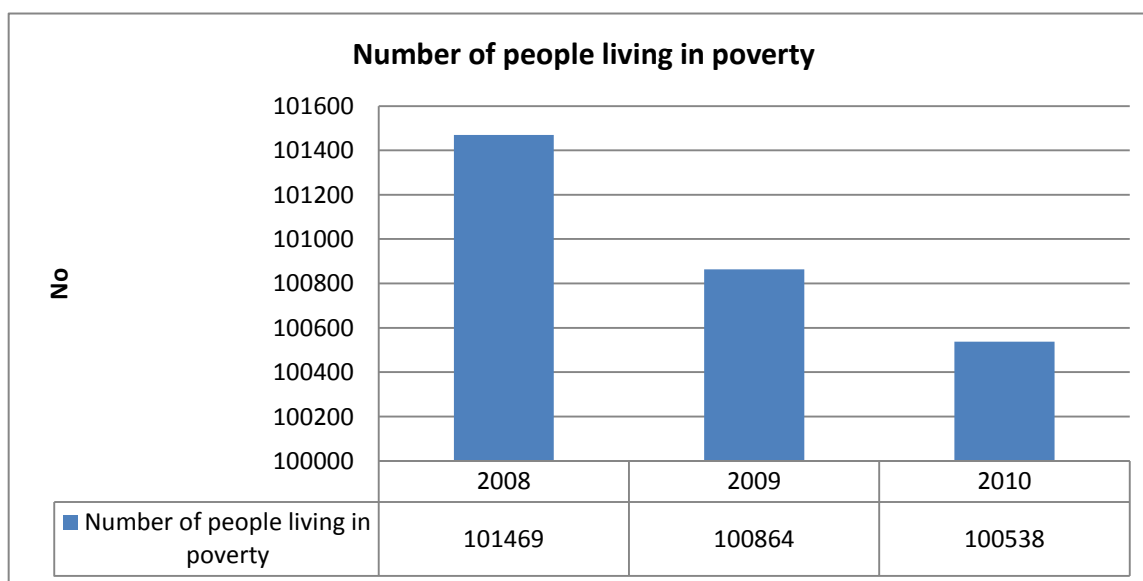
2.3.3. Household access to water.



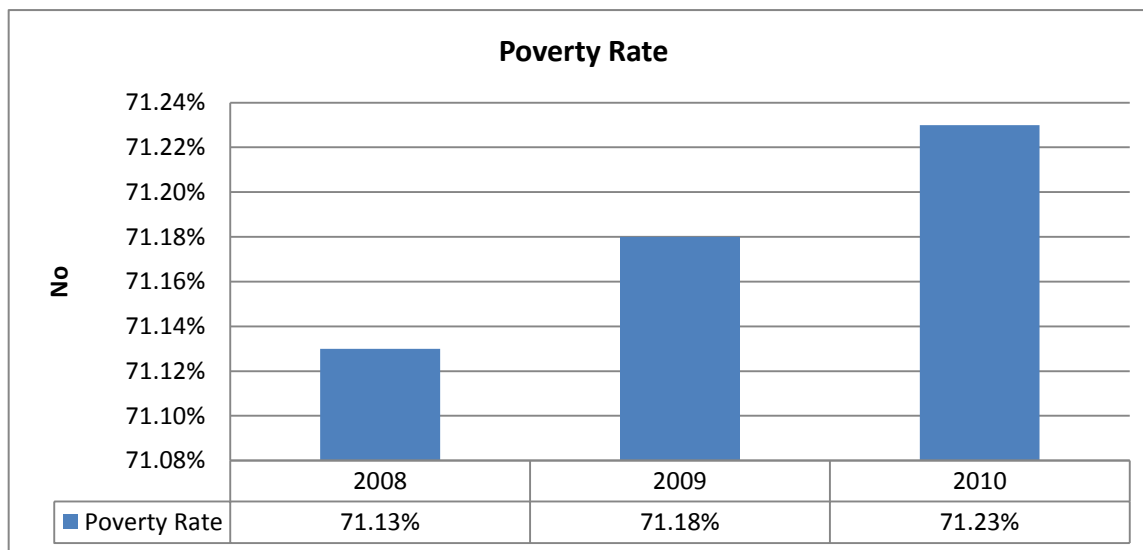
There is a considerable decrease in the number of people who do not have access to water. However about 5% of the ELM population still fetches water from dams and streams.

2.4. Poverty Indicators.

2.4.1. Number of People Living Poverty.



2.4.2. Number of People Living Poverty.



3. Situational Analysis of Engcobo Local Municipality.

3.1. Introduction.

IDP thematic clusters namely: Economic Development, Institution and Finance, Social and Environmental and Infrastructure and Spatial clusters conducted an in-depth analysis of the situation at Engcobo Local Municipality. The situation analysis has been categorized according to the five (5) Local Government Key Performance Areas namely:

Local Government Key Performance Areas	
Key Performance Area 1	Good Governance and Public Participation
Key Performance Area 2	Basic Service Delivery and Infrastructure Development
Key Performance Area 3	Local Economic Development
Key Performance Area 4	Municipal Financial Viability and Management
Key Performance Area 5	Good Governance and Public Participation

3.2. Key Performance Area One: Governance and Public Participation.

This section deals with the following key focus areas:

3.2.1. Corporate Governance & Structures.

Corporate governance is comprised of Risk Management and Fraud Mitigation, Internal Audit/ Audit Committee, Compliance Services, Legal Services, Communication and Development Cooperation, Public Participation and Special Programmes, Knowledge Management, Research and Policy.

The preamble to the Local Government: Municipal Systems Act provides inter alia for the “core principles, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities, to define the legal nature of a municipality as including the local community ... working in partnership with the municipality’s political and administrative structures; to provide for the manner in which municipal powers and functions are exercised and performed; to provide for community participation; to establish a[n] ... enabling framework for the core processes of planning, performance management, resource mobilization and organizational change which underpin the notion of developmental local government; to provide a framework for local public administration and human resource development to put in place service tariffs and credit control policies by providing a framework for the provision of services, service delivery agreements to provide for credit control and debt collection; and to provide for matters incidental thereto”.

The importance of good governance is widely recognized. Good corporate governance generates the goodwill necessary to enable sustainable value creation. Other pieces of the legislative framework impact on the activities of the Municipality and for the purpose of this cluster the King III Report is considered important. The introduction of the King III Report on Corporate Governance necessitates increased attention being paid to compliance issues. This covers activities such as Internal Audit, Fraud and Risk Management as well as Information Technology. In addition the implications of the introduction of a Municipal Public Accounts Committee should also be considered.

Within this overall framework fall activities such as risk and fraud management, internal audit, legal and compliance, knowledge management as well as public participation.

The sections set out hereunder all exhibit similar constraints. As a result, material backlogs in dealing with core governance issues develop, resulting in adverse findings by regulatory and oversight bodies. In all instances, backlogs cannot be quantified as the outcomes from this sector relate more to qualitative than quantitative issues.

3.2.2. Public Participation.

The goal of the Engcobo LM on Good Governance and Public Participation is to realize a viable and caring institution that will promote and support a consultative and participatory local government. Good governance is in the main a participatory, transparent, democratic and accountable system of governance.

Developmental local government legislation put in place mechanisms for community interface so as to create enablers to realize good governance within a municipality. The key focal area within good governance is that good governance is a responsibility of all service delivery directorates/units and as such must find a concrete expression in their operational plans. The strategic intent of good governance and public participation is to ensure that Engcobo LM is accessible to its citizens.

3.2.3. Risk and Fraud Mitigation.

Risk Management within the Municipality is considered to be in a developmental stage. It has not reached the level of being embedded within the Municipality. A Risk Management Framework is not in place and risk identification process are not conducted. There is a need to identify dedicated resources for this activity and resource capacity constraints hinder implementation of this strategy.

While risk assessments within specific activities are conducted, there is no overall co-ordination of the activity. This compromises the ranking and prioritization of risks.

A similar situation exists with Fraud Mitigation. There is a need to identify dedicated resources for this activity and resource capacity constraints hinder implementation of this strategy. The number of detected cases of fraud and related irregularities within the Municipality is cause for concern. The resources required for implementation will require to be considered during future budgetary cycles.

3.2.4. Policies and Procedures.

Policies and procedures are updated as and when they expire. All finance policies have expired and will be reviewed before the end of the financial year.

3.2.5. Bylaws.

Various bylaws have been developed and gazetted by provincial government.

3.2.6. Monitoring and Evaluation.

Performance Management fulfils the implementation of the Integrated Development Plan. The performance of an organization is integrally linked to that of its staff. It is critical and important for any organization to periodically review its own performance as well as that of its employees. In order to comply with legislation and to improve on good governance and service delivery it is essential for municipality to adopt a policy on Institutional and individual performance management.

In 2010/2011, Council approved a Framework for Institutional Performance Management. The Framework contains an annual work plan with processes to be followed in developing and implementing Performance Management.

Performance Management is a strategic approach through which the performance objectives of the Municipality are identified, defined, translated into business plans and cascaded into individual scorecards allowing for regular planning, monitoring, evaluating and reviewing of performance at both organizational and individual levels, effectively responding to inadequate performance and recognizing outstanding performance.

3.2.7. Inter-Governmental Relations.

Engcobo LM has a responsibility of forging relations with other spheres of government. The aim is to integrate planning, resource utilization and mobilization to maximize service delivery. Our multi-sphere engagements strive to comply with Act No 13. of 2005 of IGR Framework Act.

The concerns of the national and provincial government are also concerns of the municipality. Therefore going forward as metro concerted and coordinated efforts will be required so that Engcobo LM works with and leverages of all of government, parastatals, the private sector and civil society partners. It would also align the organization, strategy, budget and implementation programmes so that resources are used optimally and to enhancing service delivery.

3.2.8. Internal and External Communication.

The municipality has a communication strategy in place and uses it in its process of stakeholder communication and engagement.

3.2.9. Internal Audit Committee.

Engcobo LM Municipality has an established Internal Audit Unit which operates in accordance with an approved Internal Audit Charter. The Unit's mandate is spelled out in the Local Government Municipal Finance Management Act. This includes providing advice to the accounting officer and audit committee on matters relating to internal audits, internal controls, accounting procedures and practices, risk and risk management, performance management, loss control, and compliance with applicable legislation.

The unit is under capacitated, with two full-time employee. Consequently, not all activities can be subjected to audit, e.g. Fraud and Information Technical. This compromises the overall control environment within the Municipality. The Unit does not undertake investigations of fraud which is the responsibility of line management.

The Unit reports to the Audit Committee on its operations and administratively to the Accounting Officer.

The Municipality has a functioning Audit Committee in place. This Committee operates in accordance with an approved Audit Committee Charter and meets on a regular basis. The Committee reports quarterly in writing to the Audit Committee.

The mandate of the Committee covers matters such as advising the council, political office-bearers, accounting officer and management of the municipality, on matters relating to internal financial control and internal audits, risk management, accounting policies, adequacy, reliability and accuracy of financial reporting and information, performance management, effective governance, compliance with applicable legislation, etc.

In addition, the Committee reviews the annual financial statements and responds to the Council on issues raised by the Auditor-General in the audit report through its Chairperson.

3.2.10. Compliance.

Compliance is audited internally by the Audit Unit and there is no specific committee set-up to deal with this matter.

3.2.11. Legal.

The municipality does not have an internal unit dealing with legal issues nor a person with legal expertise to deal with internal legal issues. All legal issues

including litigation and drafting of legal instruments are outsourced to external legal expertise.

3.2.12. Challenges Facing Corporate Governance.

- a) Failure by management to respond to internal audit issues raised on the Internal Audit report which has a negative effect on the seating of Audit Committee meetings.

3.2.13. Special Programmes.

Engcobo LM must ensure that the MGDs are integrated/mainstreamed both internally as an employer and externally as a provider of service, so as to address the needs of the vulnerable and marginalized groups.

Within this IDP the following are termed cross-cutting issues;

- a) HIV and AIDS
- b) Local Agenda 21
- c) Poverty
- d) Gender
- e) Disability
- f) Older Persons
- g) Youth and Children
- h) Public Participation

Each of the Special Programmes Focal Areas namely HIV and AIDS, Youth and Children, Gender, Disability and Older Persons have dedicated Engcobo LM Strategies.

3.2.13.1. Institutional Challenges Facing Integrated Development Planning and Performance Management System.

- a) No up-to-date performance management framework and system.
- b) Performance is not measured.
- c) Performance management not cascaded to levels lower than Section 56/57 Managers.
- d) The municipality's performance management system was not in line with the priorities, objectives, indicators and targets contained in the integrated

development plan, does not relate to the municipality's performance management processes and does not provide for procedures by which the system is linked to the municipality's integrated development planning processes, as required by section 38(a) of the MSA and the Municipal Planning and Performance Management Regulations 7(2) (g).

- e) The municipality does not appropriate key performance indicators as a yardstick for measuring performance, including outcomes and impact, with regard to the municipality's development priorities and objectives set out in its integrated development plan;
- f) There are no set measurable performance targets with regard to each development priority and objective;
- g) The municipality does not monitor performance, with regard to each of those development priorities and objectives and against the key performance indicators and targets set;
- h) The municipality does not take steps to improve performance with regards to those development priorities and objectives where performance targets are not met as required by section 41 of the Municipal Systems Act.

3.2.13.2. Customer Relationship.

Successful customer relationship management (CRM) starts with a business strategy, which drives change in the organization and work processes, enabled by technology. It needs to be recognized as a cross cutting function whose main purpose is to see to the implementation of CRM initiatives in a consistent way across the political, corporate and functional dimensions of the organization.

Matters for consideration by Engcobo LM would include capacity, skills and resource constraints which remain a problem in the municipal environment. Internal streamlining will also need to be aligned as it provides a major stumbling block in providing adequate service delivery. Furthermore, blockages need to be removed, processes need to be streamlined and systems need to be put in place to avoid bottlenecks and misinformation. Customer relationship management can provide immense opportunity for turning negative perceptions into a positive image of the municipality.

3.3. Key Performance Area Two: Safety and Security.

This section will deal with the following key focus areas:

3.3.1. Traffic control.

Engcobo municipality is responsible for enforcing compliance with traffic regulations and testing of vehicles as well as issuing of licences to its local people.

The main concerns about this service that need attention relates to:

- Need to improve capacity and efficiency of systems in licensing and vehicle testing.
- Lack of visible policing in the CBD leading to frequent traffic transgressions for parking, overtaking and driving over speed limit.
- Lack of clear signage on streets (poor road markings and invisible lines to guide motorists).
- Poorly designed and almost non-existent pedestrian integration systems. Pedestrian compete with hawkers for space on the pavements resolving to walk inside streets and causing traffic congestion. There are not demarcated areas to facilitate safe pedestrian crossings or speed limiting means like humps in busy points where school kids and pedestrians are concentrated.
- Increasing number of noticeably illegal vehicles on our roads.

3.3.2. Environmental management.

Environmental management is a competency of Chris Hani District Municipality and Engcobo LM assists in cases of emergency where it has manpower and resources.

3.3.3. Disaster management.

Disaster management is a competency of Chris Hani District Municipality and Engcobo LM assists in cases of emergency where it has manpower and resources.

3.3.4. Firefighting services.

Engcobo LM has a fully functioning Fire and Rescue Service. The services rendered to Engcobo communities include provision of Fire & Rescue service, fire safety inspections, internal & external (public) training & risk assessments. Fire & Rescue services response times is governed by the South African National Standards (SANS) Code 10090: Community Protection against Fire.

3.3.5. Municipal by-law enforcement.

The municipality does endeavour to enforce all Council approved and gazetted bylaws.

3.3.6. Parks and open spaces.

Parks and open spaces are serviced regularly to acceptable operational standards.

3.4. Key Performance Area Three: Social and Community Development.

The following are the key focus areas for this KPA;

3.4.1. Sustainable Human Settlements.

Human settlements become sustainable when residents of the settlement have access to a variety of basic services, social services and housing.

Housing is the competency of the Provincial Department of Human Settlements, and Engcobo LM provides support in the form of land and bulk services through normal channels when requested to do so.

3.4.2. Sport and Recreation.

Engcobo LM has two sports fields (Engcobo and Nkondlo) in good working condition.

3.4.3. Libraries.

The municipality does not have libraries under its jurisdiction.

3.4.4. Cemeteries and Crematoria.

Engcobo LM has one cemetery and it is currently being fence. A new site will be required in the future (2 to 3 yrs.)

3.4.5. Special Programmes (Gender, Elderly, Youth and Disabled).

Support to the vulnerable groups is fragmented and not mainstream. There resource and capacity constraints facing the SPU Unit which affects the support to these groups.

3.4.6. Childcare Facilities.

The municipality doesn't have childcare facilities under its control.

3.5. Key Performance Area Four: Municipal Transformation and Development.

The legal framework guiding the institutional aspects of the IDP is contained in acts such as the Municipal Structures Act 117 of 1998, the Municipal Systems Act 32 of 200, the Municipal Finance Management Act 56 of 2003, as well as the labor legislation applicable to workplaces in the Republic of South Africa.

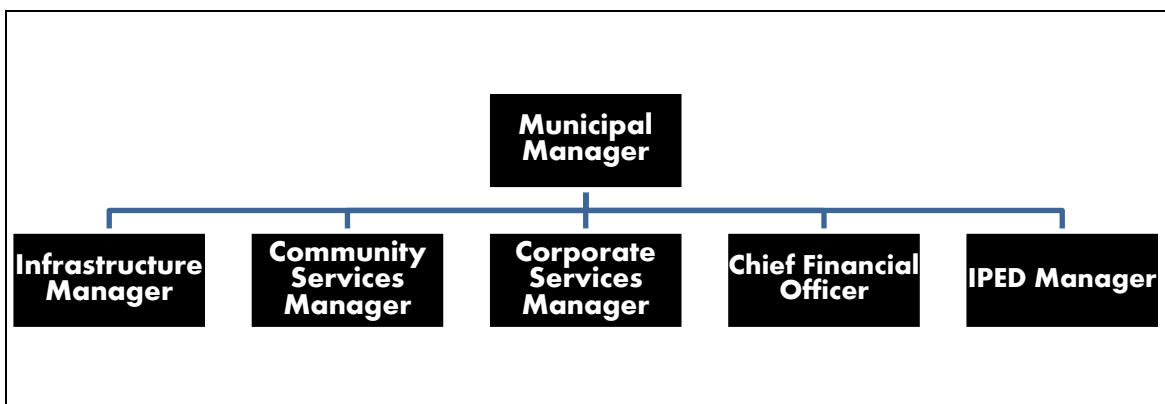
This section will deal with the following key focus areas:

3.5.1. Organizational structure of Engcobo Local Municipality.

Engcobo Local Municipality has an organizational structure albeit it not aligned to the IDP. The organizational structure comprises of a total of 164 funded posts. However, the organizational structure in its current format requires a review as it is not process driven and limits upward mobility and job descriptions need to be compiled.

Of these funded posts, 6 were vacant as at 30 May 2013. Engcobo Local Municipality has an office for the Municipal Manager and 5 Directorates.

The senior management structure of the municipality is illustrated by the Organogram;



Employment Equity Act (EEA) 55 of 1998 is meant to drive equality in the workplace through equitable representation of employees from designated groups to broadly reflect the national demographics of the Economically Active Population (*EAP*). The Act is intended to ensure that workplaces are free of discrimination and that employers take active steps to promote employment equity. Chapter 3 of the Act requires employers to take certain affirmative action measures to achieve employment equity. These are set out in an Employment Equity Plan.

Engcobo Local Municipality has developed a 5 year Employment Equity Plan, which was developed in 2010 and will expire in 2015. There are considerable gaps and shortcomings in the implementation of the Employment Equity Plan, some of which will be alluded to in the ensuing paragraphs of this document. Progress and targets in terms of appointing persons from designated groups at top management level has been not been achieved.

The municipality only has **One (1)** female Senior Manager at Section 57 Post Level instead of **Two (2)** as is provided in its Employment Equity Plan. This is due to the declining of employment offer by the appointed female manager resulting in re-advertisement of the post. A second female manager has been appointed and will assume duties in July 2013.

Persons appointed at top management level (0-1) are all from designated group, this is 100% in terms of race. 17% constitutes of females however there are still vacancies available.

Concerted efforts are now in place to attract more Engcobo Local Municipality therefore remains committed to attracting suitable qualified, dedicated personnel by endeavouring to achieve defined equity targets. There is still a room for improvement when it comes to meeting target of people with disabilities as they only constitute **1 %** of the total workforce.

3.5.2. Human Capital and Skills Development.

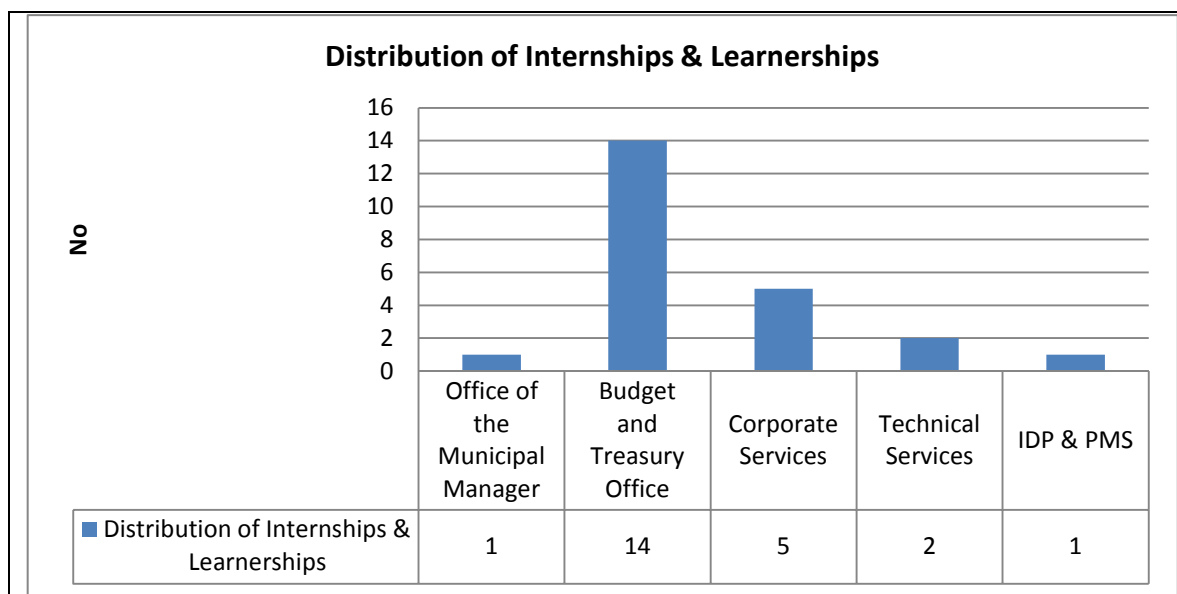
3.5.2.1. Skills Development.

Skills development of human capital is one of Engcobo Local Municipality's priorities. To this effect, Engcobo Local Municipality annually develops a Workplace Skills Plan which sets out the training needs and plans for the financial year for Councillors and staff. The Employment Equity and Training Committee was not in place during the 2011/2012 financial year and was only established in August 2012. Skills audit was not undertaken prior to the development of a Workplace Skills Plan.

This implies that the Workplace Skills Plan was not discussed by workplace forums but only submitted to Council and Local Government Seta.

At present, Engcobo Local Municipality has also implemented further human resources development initiatives such as Learnerships, internships and in-service training of students as well as bursaries to both members of the public and staff members.

The distribution of internships and Learnerships in illustrated in the following graphic;



The following are some of the challenges facing the Learnerships and internship programme;

- a) There is no communication between the municipality and the referring institutions to report on progress.
- b) No job descriptions for learners and interns.
- c) Confusion between Learnerships and internships.

The municipality has also offered bursaries to two (2) qualifying students to pursue studies in Finance and apply their skills at the municipality upon graduating.

3.5.2.2. Occupational Health and Safety.

Engcobo Local Municipality needs to comply with the requirements of the Occupational Health and Safety Act of 1993, and regulations, to provide for the Health and Safety of persons at work. All injuries must be investigated by Management in order to determine preventative measures and necessary action to rectify below standard work environment and employee behaviour.

The following are some of the challenges Occupational Health and Safety;

- a) The municipality does not have a Safety Committee and thus does not keep track of any outstanding accident reports or outstanding accident prevention measures that need to be implemented.

- b) Safety committee structures are not in place in all Departments and Safety representatives and Committee members were never appointed.
- c) There is no evidence of Monthly Departmental Safety meetings are being and there is no Safety plan.
- d) Municipal employees are currently not receiving Primary Health Care and there is no Occupational Health Services.

3.5.2.3. Employee Health and Well-Being.

The municipality currently does not have documented employee wellness and assistance programmes. There are currently no screening initiatives for harmful and contagious diseases. Voluntary counselling and testing as well as treatment campaigns do not take place.

3.5.3. Programme and Project Management.

The municipality does not have a stand-alone Project Management Unit and all projects are managed by designated divisions.

3.5.4. Performance Management.

The municipality has a performance management system albeit it not being fully implemented. Performance management is only limited to Section 56 and fully aligned with IDP.

3.5.5. Information and Communication Technology.

Engcobo Local Municipality's Information Communication Technology (ICT) division is responsible for providing Information, Communication and Technology support services to its internal clients.

From time to time, the Municipality engages in various initiatives with the intention of enhancing Information and Communication Technologies services that are delivered to support its delivery objectives.

The municipality currently runs its operations on the following IT platforms;

A. Promun Financial System.

A Linux based program integrated with the windows operating systems. It's mainly used by the finance and human resource departments and only relies on the technical part on the IT departments. It's not an internet based system which makes it highly secured as its sever managed with the use of secured passwords renewed monthly and it's also assigned under the domain policies where you have to enter your password not more than three times before its locked.

B. Internet Services.

Supplied by a contracted service provider by means of an ADSL solution 1MB every month. It has been programmed as a firewall for in and outgoing dials, VPN or remote access by means of a strong and guaranteed encrypted username and password.

C. Exchange Solution.

This is the solution only based on electronic mail system. The municipality manages this solution and gets access to the outside by means of an ADSL solution with an anti-spam and firewall configured and encrypted for security reasons.

D. Integrated Service Access.

Integrated Service Access (ISA), this solution is a server based solution which acts as a link between users and the web. It's a secured firewall that adds and removes unsecured websites for the purpose of dangerous web programs.

3.5.6. Processes and Procedures.

Some processes and procedures were derived from policies that are currently outdated and are therefore also outdated and require review.

3.5.7. Municipal Facilities.

Most municipal facilities such as buildings and offices are not in a good functioning state and do not support operational efficiency.

Equipment and Fleet Management.

There is no maintenance and operational plan for municipal fleet.

3.6. Key Performance Area Five: Municipal Financial Viability and Management.

A detailed situational analysis of the financial sustainability of the Municipality is contained in **Chapter 4: Financial Plan.**

This section deals with financial related key focus areas such as:

3.6.1. Capital Expenditure

Capital expenditure is being monitored by the Budget and Treasury Office.

3.6.2. Expenditure and Cost Management

The municipality has cost overruns on support services and needs to put cost containment mechanisms in place.

3.6.3. Revenue Management.

Revenue management is affected by poor payment of services by rate payers.

3.6.4. Supply Chain Management.

The SCM Unit is under resourced and the SCM Policy and Procedures are outdated.

3.6.5. Asset Management.

Asset management continues to be a problem, particularly the introduction of GRAP 17. An asset management plan needs to be put in place.

3.6.6. Financial Reporting.

Management reporting is done in-house on a monthly basis whilst external reporting is outsourced.

3.6.7. KFA 35: Budgeting.

Budgeting is done through the Budget and Treasury Office and subjected to the Budget Committee.

3.6.8. Funding.

The municipality has a low funding base and relies on MIG for capital expenditure and Equitable Share for operational expenditure.

3.7. Key Performance Area Six: Basic Service Delivery and Infrastructure Development.

Is responsible for the following activities;

3.7.1. Energy Efficiency.

The municipality currently does not have an electricity distribution license and thus energy efficiency is the function of Eskom.

3.7.2. Electricity Infrastructure.

Electricity is being rolled out at different wards through grant funding from the Department of Energy.

3.7.3. Roads and Storm water Infrastructure.

3.7.3.1. Roads Infrastructure.

The road network is one of the key components of the transportation system. The road network has a huge backlog and construction of access road does not meet the demand. At the same time the maintenance of road infrastructure is a challenge. The road network has not yet been classified as require by the legislation. The department of roads and public works has been request the assist as well as MISA.

Capital allocations are always insufficient and only a small percentage of the road network is adequately maintained or upgraded on an annual basis.

For the next two financial years **R185 million** is required for rehabilitation of surfaced roads so as to extend their life.

The municipality has developed a Three (3) Year Capital Plan which reflects extensively on all roads that still need to be constructed. The capital plan was subjected to public participation during the 2013/2014 IDP review is attached to this IDP document.

3.7.3.2. Storm water Infrastructure.

This infrastructure is provided and maintained regularly by Engcobo Local Municipality.

3.7.4. Water and Sanitation Infrastructure.

This infrastructure is provided and maintained regularly by Chris Hani District Municipality.

3.7.5. KFA 41: Landfill Sites Service Stations.

This infrastructure is provided and maintained regularly by Engcobo Local Municipality.

3.7.6. Local Amenities and Public Places

This infrastructure is provided and maintained regularly by Engcobo Local Municipality.

Engcobo Local Municipality		
Municipal Amenities		
Strategic Pillar	Type of Amenity	Condition and Required Action
Infrastructure	Sports fields	Engcobo LM has two sports fields(eNgcobo and Nkondlo)in good working condition
Infrastructure	Swimming pools	Engcobo LM has one swimming pool(Ngcobo town) and a working condition but needs to be refurbished
Infrastructure	Cemeteries	Engcobo LM has one cemetery and it is currently being fence. A new site will be required in the future(2 to 3 yrs)
Infrastructure	Halls	Engcobo LM has fourteen halls in different wards. More halls are required as not all wards have halls

3.8. Key Performance Area Seven: Services and Customer Care.

3.8.1. Water and Sanitation Services.

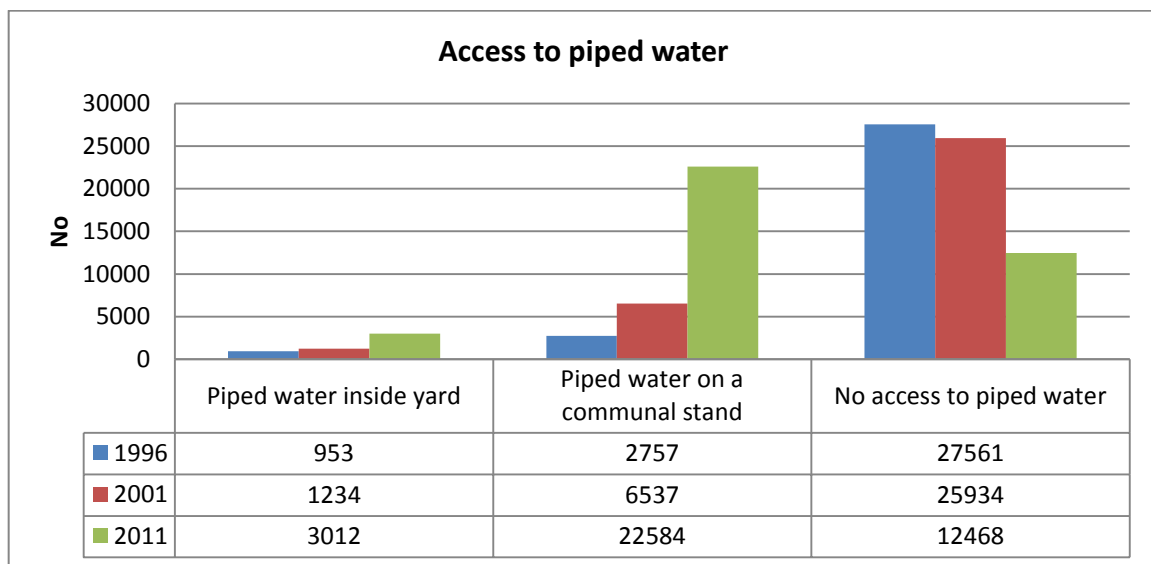
Provision and governance of water and sanitation services in all our areas is a competence of the district municipality. The Chris Hani District Municipality is a Water Services Authority, (“WSA”), whilst Engcobo Local Municipality is a Water Service Provider, (“WSP”).

The relation is governed through a medium of a service level agreement (“SLA”) between the two parties. Our role, on an agency basis is that of a service provider.

In order to achieve one of the Millennium Development Goals, (“MDG”), the water network and distribution has been extended to cover more than 20, 000 households in the area of Engcobo Local Municipality.

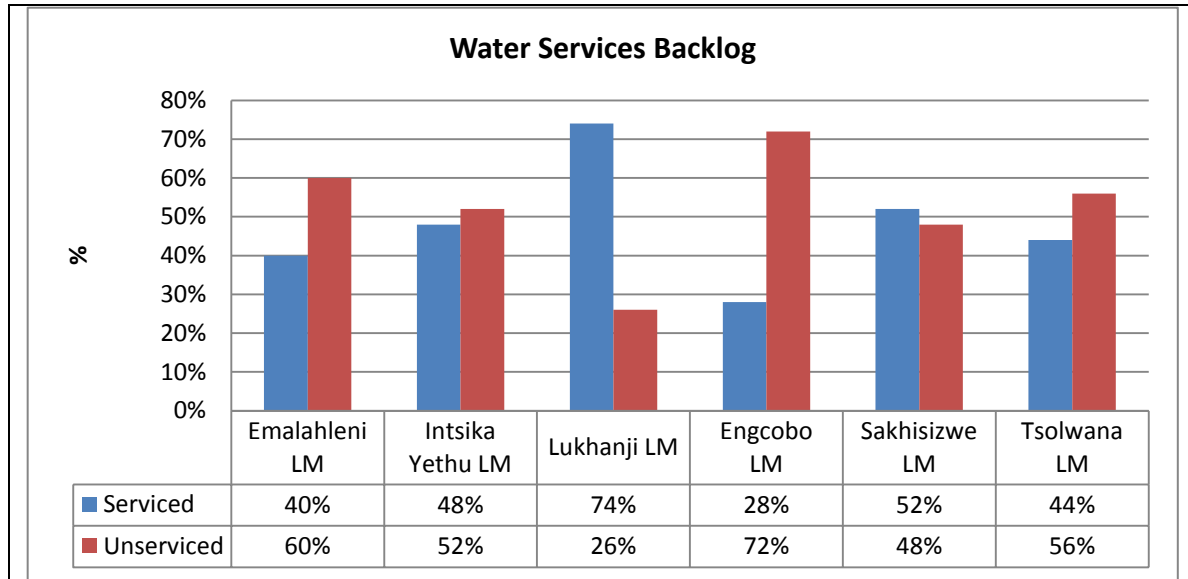
The figures below give a comparison of household access to different levels of service for water and sanitation:

Access to Water by household can be illustrated as follows:



The ELM uses the CHDM WSDP and is in the process of developing its own as the appointment of the service provider.

The following estimate of the extent of water service delivery backlogs has been derived from Chris Hani DM data on village service levels.



Source: Chris Hani DM Community Service Level Data 2007 escalated to 2012 estimated population levels and updated to incorporate projects completed since 2011 WSDP

3.8.1.1. Water Supply.

The municipality currently sources its raw water from Xuka River, Chefane River, Ngcotyana River and boreholes and purifies it at its Water Treatment Works which also contains a storage back-up.

The CHDM has done a water provision plans and came up with the Cluster programme which will see different Water Augmentation Schemes being integrated.

3.8.1.2. Water Demand Management.

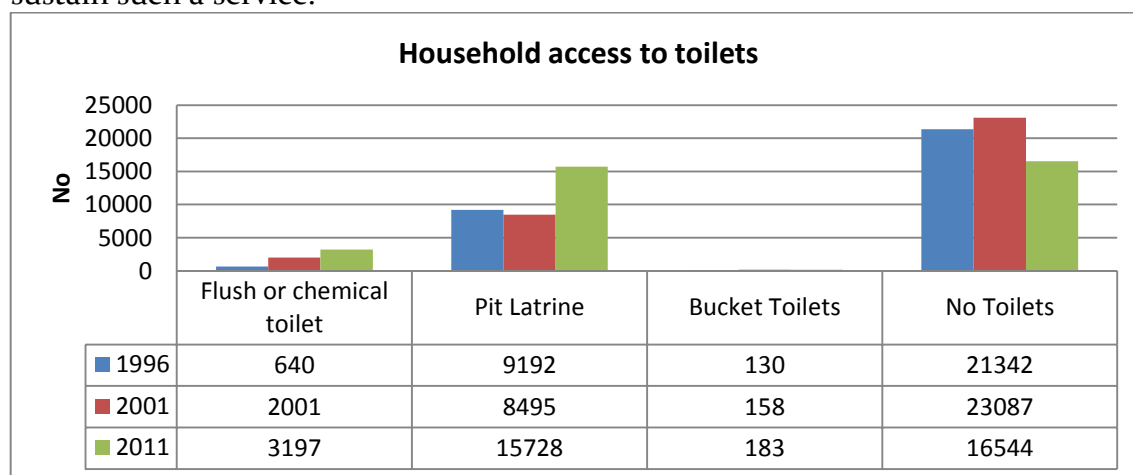
The municipality has had a relatively large incidence of ‘water loss’ or non-revenue water. This occurs either through physical losses (leaks etc.), billing inaccuracies, users who are not on the database or illegal connections and faulty water meters. The result is an unnecessary demand on water resources, wastage of water and loss of income.

3.8.2. Sanitation Services.

The municipality uses Oxidation ponds and they are near capacity. There are plans underway for a new WWTW (waste water treatment works). There is no deferred maintenance on the sewer system and minimum maintenance done due to the new WWTW.

3.8.2.1. Access to Sanitation Services.

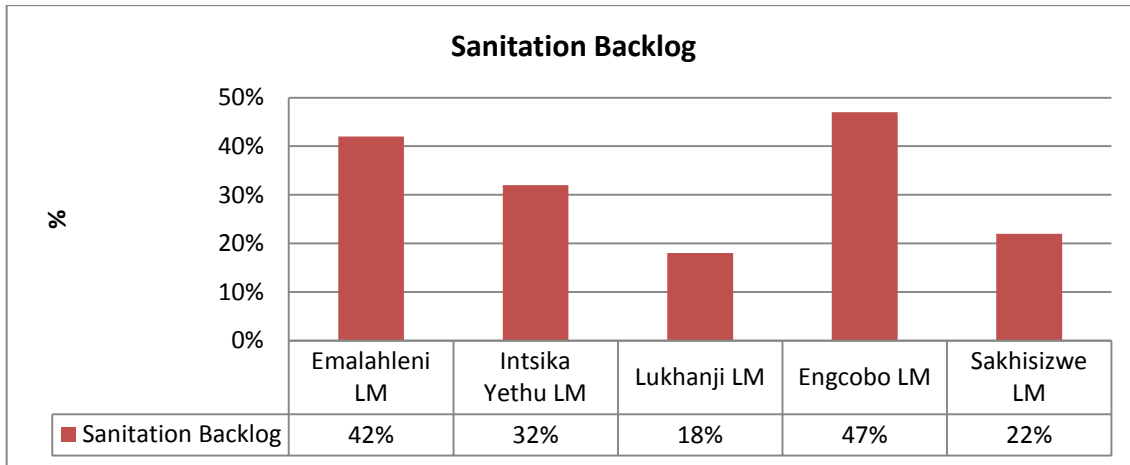
The municipality provides a supply of waterborne sanitation services through sewers provided that there are sufficient water resources and infrastructure to sustain such a service.



About 45% of the ELM population does not have access to either sanitation infrastructure or services. The consequence of lack of proper sanitation infrastructure and services will result in raw sewerage running on the streets, mixing with litter and garbage and contributing to environmental damage and spread of diseases.

3.8.2.2. Sanitation Services Backlog.

According to the CHDM WSDP 2012 (*Sanitation Services Backlog, Page 9 of 143*), the current sanitation services backlog per municipality has been measured as follows;



The biggest proportion of the CHDM population with a high share of sanitation services backlog resides at Engcobo LM followed by Emalahleni and Intsika Yethu LM respectively. This could be attributed to spatial size of these municipalities and the fact that they are highly rural in nature. This trend is similar to the water services backlog, which is highest in the same municipalities.

3.8.3. Electricity.

Electricity is provided directly by Eskom to the municipality, local businesses, other government departments as well as residents. It is provided both on prepaid and contract.

3.8.4. Cleaning and Waste Management.

In Solid Waste the following services are being rendered:

- Street sweeping
- Refuse removal
- Landfills
- Transfer Stations

- Waste Minimization

As per the National Domestic Standards, solid waste is collected from the CBD daily, residential areas Wednesdays, Thursday and Friday, All Saints Hospital Fridays.

3.8.5. Customer Relations.

Whilst customer complaints are handled as and when they are escalated, there is no documented and/or approved customer complaints management system.

3.8.6. Building Regulations and Municipal Planning.

Building regulations are contained on gazette bylaws.

3.9. Key Performance Area Eight: Economic Growth and Development.

The Economic Development cluster mandate is to create an enabling environment for economy, derived from the following legislations:

- a) Constitution of the Republic of South Africa, 1996;
- b) Municipal Systems Act, 32 of 2000;
- c) National Local Economic Development Framework;

Various interventions have been implemented in support of the Engcobo LM's economy; however the economic recession, macro and micro environmental challenges had a negative impact on economic growth in Engcobo Local Municipality.

Some of the undesirable consequences include, but not limited to the following:

- a) Job losses through retrenchments.
- b) Limited investment attraction.
- c) Declining economy.
- d) Business closures.
- e) Increasing numbers of unemployment.

3.9.1. Local Economic Development.

In fulfilling the Local Economic Development Key Performance Area, Engcobo Local Municipality has developed a five year Local Economic Development Strategy ("**LED**"). The LED Strategy was developed in 2010 and will be reviewed in 2014.

It ("LED Strategy") incorporates the following cross-cutting programmes;

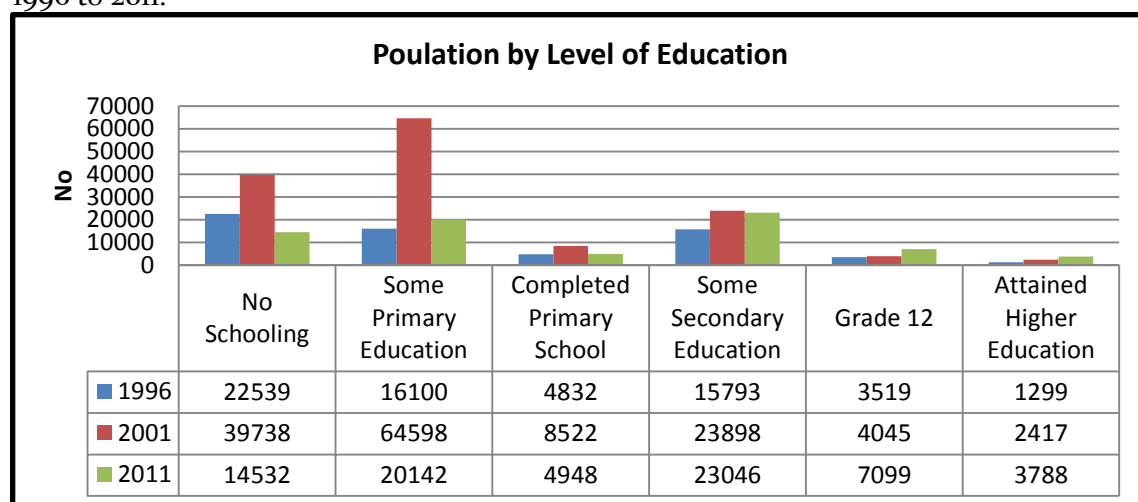
- a) Small and Medium Enterprise Development including cooperatives.
- b) Agricultural Development.

3.9.2. Capacity Building.

This can be viewed from the level of civilian education and access to education facilities. The following is a summary of such education status;

3.9.2.1. Population by Level of Education.

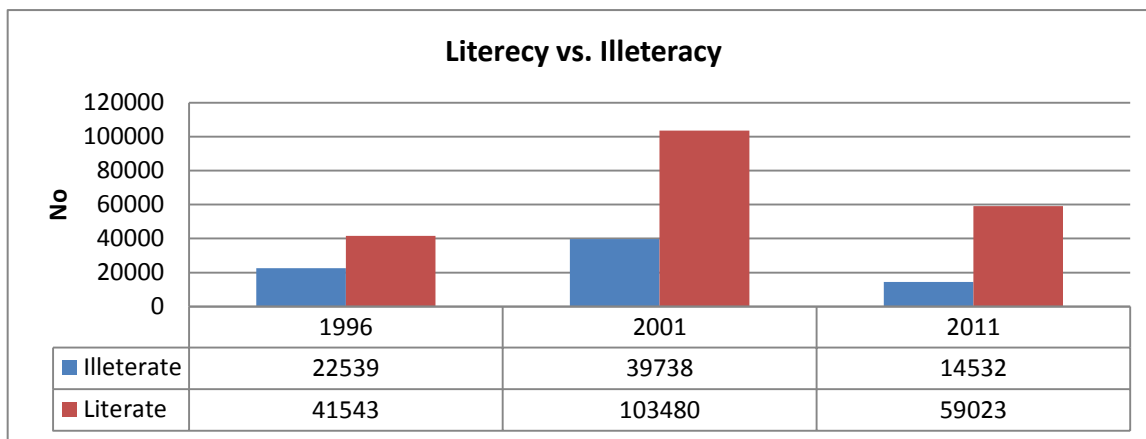
The number of people with less than Grade 12 has decreased by considerable margin from 1996 to 2011.



The decrease in people with no schooling can be attributed to various factors, such as urbanization, free basic education as well as adult basic education programmes that have been introduced by government whilst the increase in school leavers with tertiary education can be attributed to poor grades and lack of means to finance tertiary education.

Grade 12 pass rates have seen a gradual increase Year-on-Year from 1996 to 2011 by a very small margin and this is far from the acceptable levels.

3.9.2.2. Literacy vs. Illiteracy.



Literacy rate is fairly high amongst citizens whilst it has experienced decline between 2001 and 2011. The decrease in literacy rate will lead to lack of or poor comprehension of socio-economic variables.

3.9.3. Rural Development.

There are currently no documented rural development programmes at Engcobo and most rural based projects are not financially viable nor sustainable.

4. CHAPTER 3: Five (5) Year Development Plan.

This chapter outlines Engcobo’s strategic intent and key performance areas for the next five years. It aims to respond to some of the key issues and challenges highlighted in Chapter 2, as well as the National Policy imperatives outlined in Chapter 1.

4.1. The Vision Statement.

“A result oriented and driven municipality, providing reliable service delivery and facilitating development of Engcobo and its people within through effective use of the available resources and an environment that encourages stakeholder partnerships and citizen engagement.

4.2. The Mission Statement.

To improve the quality of lives of the Engcobo Community by providing basic and affordable services whilst alleviating poverty through social and economic development of the area thereby creating a safe, healthy and secure environment.”

4.3. The Values.

In addition to the Batho Pele principles, our municipality commits itself to upholding the following set of values:

- Ensuring municipal wide good governance.
- Accountable and responsible local government.
- Maximum public participation.
- Focus on economic growth and human resource development.
- Honesty and integrity.
- Tolerance to the diverse nature of our clientele and communities.
- Acting responsible in our dealings.
- Safety and secure living for all residents.
- Results orientation
- Acceleration of service delivery
- Effectiveness and efficiency in our approach
- Good governance, accountability, and public participation.

The values illustrated above are expected to serve as a guide in decision-making and operations of the municipality, more especially in relation to the following:

- ❑ Promote development which is in line with the Engcobo Spatial Development Framework.
- ❑ Protect the Engcobo Central Business District (CBD) as the primary node.
- ❑ Protect and promote public and private investment in the area.
- ❑ Preserve and protect natural resources and sensitive environmental areas.
- ❑ Support the socio-economic growth and development of the localities to the benefit of the entire Engcobo Local Municipality
- ❑ Promote physical, social and economic integration within the Engcobo Local Municipality.
- ❑ Ensure consistency in policies, strategies, land use management and by-laws.
- ❑ Promote gender equality and youth development.

The objectives, strategies and interventions forthcoming from the IDP support the vision and fundamentals. The Spatial Development Framework provides a spatial reflection of the vision, giving effect to the principles and fundamentals by guiding spatial development in the area.

4.4. The Strategic Objectives.

The aim of the IDP for the Engcobo Local Municipality is to move away from the idea of the IDP being a mere wish list and move towards a strategic and focused development plan. In order to achieve this, a series of Strategic Objectives have been formulated with each objective supported by strategies or interventions, which are to be implemented through projects and actions requiring budgetary allocations in the budgetary process of the Engcobo Municipality which is to follow from the Integrated Development Plan.

The Key Broad Strategic Objectives that will guide programs of the Municipality over the next five years are:

- a) To improve the physical and functional integration of the Engcobo Municipal area, thereby improving access to economic opportunities with a strong focus towards rural areas,
- b) To strengthen the municipality's capacity to provide basic services, facilitate the development of the area and coordinating the activities and programs of other spheres of government and other agencies,

- c) To actively facilitate the development of the Engcobo municipal area through well-developed catalytic programs, support of initiatives by communities, entrepreneurs by leveraging on our resources to secure support for initiatives that will ensure that we significantly reduce poverty, unemployment and create sustainable economic opportunities,
- d) To provide basic services that are affordable and reliable to the people of Engcobo within the available resources of the municipality,
- e) To ensure that the municipality becomes a viable and sustainable entity that has a reputation of effectively managing its scarce resources through a responsible, clean and accountable administration,
- f) To ensure that the municipality becomes a people-centered institution that creates space and platforms for its community and critical role-players to play a meaningful role in the planning, monitoring and evaluation of the performance of the organization.

4.5. Spatial Planning.

In terms of Section 26 (e) of the Municipal Systems Act (Act no. 32 of 2000), the Spatial Development Framework is a legally required component of the IDP. It therefore has the status of a statutory plan, and serves to guide and inform all decisions made by the Municipal Council on spatial development and land use management in the Engcobo Municipality.

The Spatial Development Framework for Engcobo Local Municipality aims to provide guidelines for settlement growth and development needs in the town of Ngcobo as well as providing guidance on where best to direct resources in upgrading the rural settlements. The Spatial Development framework also aims to highlight areas where strategic development intervention is required (areas of particular development potential and/or areas where current development activities represent a development opportunity).

The **Engcobo Spatial Development Framework** will apply to the whole area of jurisdiction of the Engcobo Local Municipality. This area is characterized by a composite settlement and land use pattern, incorporating urban, peri-urban and rural components, some of which were previously administered as separate local government entities.

The area covered by the Engcobo Municipality is approximately 22587 ha in extent. Political representation is based on 20 Wards within this area.

In an analysis of the economic development potential of the Municipality, the following sectors were identified as having development potential: -

- a) The Forestry Sector.
- b) The Agriculture Sector.
- c) The Tourism Sector.
- d) The Retail/trade Sector with a focus on the town of Ngcobo.

4.5.1. The Forestry Sector.

Forestry has the potential to become one of the most productive sectors in the local economy with approximately 5,455ha of forests. The development of a vibrant wood cluster is currently being investigated through the Integrated Sustainable Rural Development Programme.

The main type of wood found in the local plantations is soft wood commonly from pine trees. The table below gives an inventory of the existing types and names of forest plantations and indigenous forests in the municipal area:

	Area	Ward	
Commercial Plantations	Engcobo	11	3 733 ha
	Mbeni, Mboleni, Qulunqu	9	
	Manina	15	
	Mntuntloni	14	
	Nkobongo	4	
Indigenous Forests	Mxikixwa	14	1722 ha
	Gulandoda	15	
	Ngqongqotha	6	
	Mjanyane, Nkobongo, Mqabu		
	Mkhonkotha, Mhlahlane, Khovoti		
	Mngcozo, Waca, Dumba, Eliphakathi, Ntsunguzi		
	Ngquru, Nkcoyi		
	Haba		
	Khalinyanga		
	Qebe, Vakele, Ku "Ta", Mthala		
	Lubisi		
	Ngxangxasi, Nkotshe		
Dyubashe, Gqonci, Didwayo, Nqancule, Mgudu			
Sawmills	Transkei Timber		Various sizes.
	Maqwathini		
	Dyampi		
	Javi		
	Lottering		
Source Department of Agriculture, Forestry & Fisheries.			

4.5.2. The Agriculture Sector.

Agriculture, like forestry has the potential of being the primary active sector in the local economy. However this potential is not adequately utilized. Most households focus on subsistence farming with the most commonly kept livestock being cattle, sheep, goats, horses and donkeys.

There are a number of existing irrigation schemes that lie under-utilized in Ngcacu; Clarkebury; Gqutyini (currently installed) and Mhlophekazi. In addition, another four formal agricultural schemes have been identified in the areas of Mgwali, Ntibaneni, Madzikane and Xuka.

4.5.2.1. Opportunities in Agriculture

Engcobo has a number of opportunities in the subsistent farming environment that can be developed into sustainable cooperative ventures, namely:

- ✓ Cattle.
- ✓ Sheep.
- ✓ Maize
- ✓ Vegetable
- ✓ Poultry
- ✓ Water

Furthermore, there are a number of opportunities that exist for commercial agriculture including.

- Crop diversification into hemp, essential oils, spices
- Export of the honey bush teas and other high end products
- Export of cattle, sheep wool, pigs and poultry
- Organic livestock farming
- Dairy products

4.5.3. The Tourism Sector.

Local Tourism development is a competence of local municipal sphere but currently there is no comprehensive strategy to drive our interventions in this sector of the economy. It is a sector with proven potential but remains under-utilized. All tourism related activities are driven through a Tourism Sector Plan which was developed and adopted by the Council in 2008 and remain in application until 2013, when it will be reviewed.

Established tourist sites are limited although huge potential exists in the municipality to become an eco-tourist hotspot as a result of the scenic beauty, biodiversity richness and cultural tourism.

Potential in this sector exist in the following key areas:

#	Tourism Product	Definition	Location
1	Heritage Sites	Walter Sisulu History Centre	Quthubeni Village & Proposed Hero's Park
		Dr. AB Xuma History Centre	Manzana & Proposed Hero's Park.
		Clarkebury Institution	Clarkebury.
		Elucwecwe Rock Art	Elucwecwe
		Khalinyanga Rock Art	Nyanga.
		Nombihli Rock Art	Gubenza A/A
2	Rock Art & Caves	Sinqumeni Rock Art	Upper Gqaga A/A
		Dyobashe Rock Art	Upper Gqaga A/A
		Forests & Green Vegetation	All wards
		Birds	All wards
		Seasonal waterfalls	All wards
		Proposed Qoba Game Reserve	Qoba Village
		Cultural Background	where
3	Natural Tourism	Amakhosa Traditional Activities	All wards
		Qutubeni Cultural Village	Quthubeni Village

There are initiatives underway to develop the untapped potential in the following manner:

- 1) Conserve and develop Rock Art and develop trails;
 - Conserve these Rock Arts by protecting the sites by fence so that people do not destroy them.
 - Development of trails that will link these sites and use horses as the transporting mode for the tourists to these sites
 - Introduce entrance fees to these sites when they are protected.
- 2) Development of support facilities like Foot Bridge, accommodation and recreation next to the Water Falls for Tourists.
- 3) Tourism Facilities and Conference centre at Ixuka Drift Art Centre.
- 4) Establish and develop Walter Sisulu History Centre.

4.5.4. Land Use Management.

The formulation of land use management guidelines is a legally required component of a Spatial Development Framework. In complying with this requirement, it is important to be clear on what is understood by the term “*land use management*”, and therefore, how this is translated into a set of usable guidelines, relevant to the Municipality and its assigned roles and functions.

The following excerpt from the White Paper on Spatial Planning and Land Use Management (Dept Land Affairs, 2001) provides a broad definition of what, *in essence*, a **Land Use Management System** is expected to achieve in the new spatial planning system in South Africa, and how this **differs from the development control approach** that was central to the old planning system in this country: -

“The term land use management includes the following activities:

- ✓ The regulation of land-use changes such as, for example, the rezoning of a property from residential to commercial use;
- ✓ The regulation of ‘green fields’ land development, i.e. the development of previously undeveloped land;
- ✓ The regulation of the subdivision and consolidation of land parcels;
- ✓ The regulation of the regularization and upgrading process of informal settlements, neglected city centres and other areas requiring such processes;

- ✓ The facilitation of land development through the more active participation of the municipality in the land development process, especially through public-private partnerships.

Land-use management has two main underlying rationales. The first is the widely felt resistance to the idea of uncontrolled land development and the second is the commonly expressed wish by particular sectors in society to promote various types of desirable land development.

The resistance to uncontrolled development is motivated by:

- ❖ **Environmental concerns:** uncontrolled development of land can have adverse effects on natural habitats, cultural landscapes and air and water quality.
- ❖ **Health and safety concerns:** uncontrolled development can lead to overcrowding and unsafe building construction. Certain land uses can also be detrimental to the health and safety of neighbors.
- ❖ **Efficiency of infrastructure provision and traffic management:** increasingly it has become clear that where the granting of development permissions is not coupled with the provision of adequate infrastructure and traffic management the consequences can be severe. Similarly, where infrastructure is provided, generally at high financial cost, without taking into account likely and relevant land-use and settlement patterns the opportunity costs to society are very high.
- ❖ **Determination of property values for purposes of rating:** the market value of land is the basis on which property valuation is determined and the extent and nature of the development permitted on the land is a key factor in that determination.
- ❖ **Aesthetic concerns:** the control of land development enables government to prescribe certain design parameters for buildings.
- ❖ The wish to promote desirable development is also driven by a number of different concerns:
- ❖ **The land development needs of the market seldom match precisely the social and political needs of government:** government may well want to promote a type of land development in an area that the market neglects. It then has to take certain steps to facilitate that development or provide incentives.
- ❖ **Investment promotion:** changing the applicable land-use management instruments is often seen as a prerequisite for attracting certain types of investment to certain areas. This can take the form of both relaxing controls in those areas and increasing controls in other areas which might be more favored by the market. These strategies are likely to be linked to local economic development initiatives”.

4.5.4.1. Land Use Management and Engcobo Local Municipality.

In terms of the Land Use Regulation, Engcobo LM is a designated Land Use Regulator with a responsibility for Municipal Planning.

4.5.4.2. Current Legal Instruments Relevant To Land Use Management within Engcobo Local Municipality.

- The area covered by the Engcobo Municipality is a complex, composite area comprising a variety of landscapes and land types ranging from formal, planned urban settlement (Engcobo town), formal and informal peri-urban and rural settlement (villages), and transformed, less impacted and almost pristine natural areas.
- In the main, land use management across this variety of land forms is not undertaken in terms of a coherent and overarching or integrated land use management system. In legal terms, land uses are subject to monitoring and regulation in terms of environmental laws that apply across the country as a whole but that are, in reality, only enforced in certain areas.
- This “unevenness” of land use management monitoring and enforcement is also the result of a historically complex and “splintered” application of legislation across the study area.
- The relevant legislation to be employed to carry out land use management is the Transkei Townships Ordinance (Ordinance 33 of 1934). It should be noted that, in the interim before new, integrated land use management legislation is promulgated, the Development Facilitation Act (No. 67 of 1995) may be utilized as a planning tool for statutory planning purposes.
- These pieces of legislation are used in conjunction with a suite of environmental legislation that also has bearing on land use management and should strictly speaking, also be applied in rural areas.

4.5.5. Housing.

Housing is a national competence. It is a priority for our communities who have identified it during the broad consultation workshops as a critical need in short supply. Housing is also a basic need. The municipality has identified as part of this IDP’s project list, a need to develop a sector plan for guiding our role in facilitating the implementation of sustainable housing and settlement development.

The municipality is not a developer, but a facilitator with current role encompassing facilitating and processing of applications for low cost housing, planning for new settlements and implementing RDP housing delivery programme on behalf of the provincial housing and development board or the department of human settlements.

Our analysis estimates the housing demand to be as follows:

- a) 3500 low income units (RDP level)
- b) 500 middle to upper income units.

4.5.6. Land Reform.

Land reform is a central factor to economic development and especially rural development. There are two dominant forms of tenure or means of land ownership in our jurisdictional areas, namely freehold (identified through a registered mortgage and issuance of a formal title deed to the landlord) and communal (often found in rural village settlements and not linked to a single landlord through issuance of a title deed).

Freehold ownership patterns are common in urban and peri-urban areas of Engcobo and Clarkebury while other forms are dominant in rural settlement areas. The common tendency and legacy inherited from past government is for communal land to be under the control and authority of traditional leaders while not always but commonly the local municipal authority tends to have more control and rule over formalized freehold urban tenure systems. The co-existence of these tenure systems often creates confusion and difficulties in implementing uniform planning regulations and by-laws to govern land use management and development. Hence, the choice for 2012/17 to focus on building strong relationships with traditional authorities and putting in place mechanisms for implementing effective joint planning and land use administration.

Rural areas have often lagged behind urban centers when comparing their share of benefits for development in our municipality. This has been caused by historic reasons wherein services were delivered to areas with already developed networks and reticulated service distribution systems (e.g. Waterborne sanitation, refuse collection and electricity connections). This has led to urban-rural inequalities. To deal with this challenge the municipality has identified rural development as a new development priority for 2012/17 with emphasis on the following:

- ❑ Planning for improved household access to basic services
- ❑ Leveraging of rural service infrastructure installation
- ❑ Facilitation and mobilization of resources to achieve integrated delivery of government services via one-stop service centres to rural areas
- ❑ Coordination of poverty alleviation interventions and livelihood support

Integration of settlements to mainstream economic participation and contribution. Main focus here being on agriculture, farming, cultural tourism and agro-processing initiatives.

4.5.7. Land and Property Management.

In terms of the Municipal Finance Management Act municipalities are obliged to manage the assets under its control, section 78 of the Act specifically stipulates that senior management should take all reasonable steps within their respective areas of responsibility to ensure, inter alia, “that assets of the municipality are managed effectively and maintained to the extent necessary to derive maximum benefits from these assets both in providing basic infrastructure and generating revenue.

An immovable capital assets management and maintenance information system is in place and this is a comprehensive system which incorporates collection of all data related to municipal owned properties, verification of new and existing data, quality control and skills transfer. It also incorporate all property valuations that have obtained through the General Valuations as well as all maintenance and expenditure carried out on each municipal property.

4.5.8. Transportation.

Transport plays a critical role in economic development. Transport service has two levels. It includes public and physical transportation systems. The ELM’s role in transport is largely focused on planning for movement of goods and people across our landscape. We are not a transport authority and currently do not have a transport plan.

However, it the ELM’s intention to develop and adopt such a sector plan in order to guide how it intervene and play a role in facilitating public transport,

mobilization of transportation infrastructure support and coordination of movement patterns in support of our economic development objectives.

The physical transportation systems are poorly linked and overly rely on road based network. The lack of established rail systems linked to the municipality's road based networks is a huge obstacle to realizing the existing potential in underperforming yet promising economic sectors like forestry, manufacturing and agriculture production.

The lack of established rail transport network coupled with poorly maintained road infrastructure contributes negatively to our competitive advantage. It makes it difficult for industries to have effective distribution networks necessary to link out local produce to markets.

Public transport is also uncoordinated and poorly planned. For example, there is no functional public transport interchange that offers well designed and planned public facilities. There are currently no public ranking facilities and the town centre is characterized by many small informal ranks in street corners, shop fronts and parking spaces.

4.5.9. The development of Corridor Clusters.

4.5.9.1. The Forestry/Wood Cluster in the north by:-

- Providing new community forests especially near existing sawmills
- Providing new sawmills
- Establishing a wood manufacturing industry at Ngcobo
- This project on forests is now handled by Chris Hani because local municipalities cannot afford to manage.

4.5.9.2. The Agricultural Clusters in the south by:-

- Developing new irrigation schemes
- Maximizing production at existing schemes Providing a market and agro-industrial at Ngcobo

4.5.9.3. The Tourism Cluster.

- Conserve and develop bushman paintings and developing a bushman painting trail
- To develop the waterfalls for tourist visits i.e. parking area, ablution facilities etc.

- Develop dams for fishing and camping/overnight facilities
- A Tourism Centre at Ngcobo
- Tourism facilities and conference centre at Xuka
- Cultural village (horse and hiking trails, waterfalls and busmen painting)

4.5.9.4. The Beef & Dairy Cluster.

- Dairy production at Xuka
- Develop beef production at Xuka and other areas
- Dipping Tanks
- Stock Dams
- A beef auction and production facility at (Ngcobo)

In terms of the draft Land Use Management Bill, it is anticipated that the Engcobo Local Municipality will be required to formulate an integrated Land Use Management System within the next 5-year planning period.

In the interim, the Municipality will focus on the following actions:-

- Establishing appropriate land use management procedures to deal with all formal land development procedures in the Urban Areas in terms of currently applicable Town Planning Schemes.

Ensure the implementation of procedures in terms of the Environmental Conservation Act.

4.5.10. Spatial Development priorities.

Engcobo therefore aligns itself and adopts the following spatial priorities;

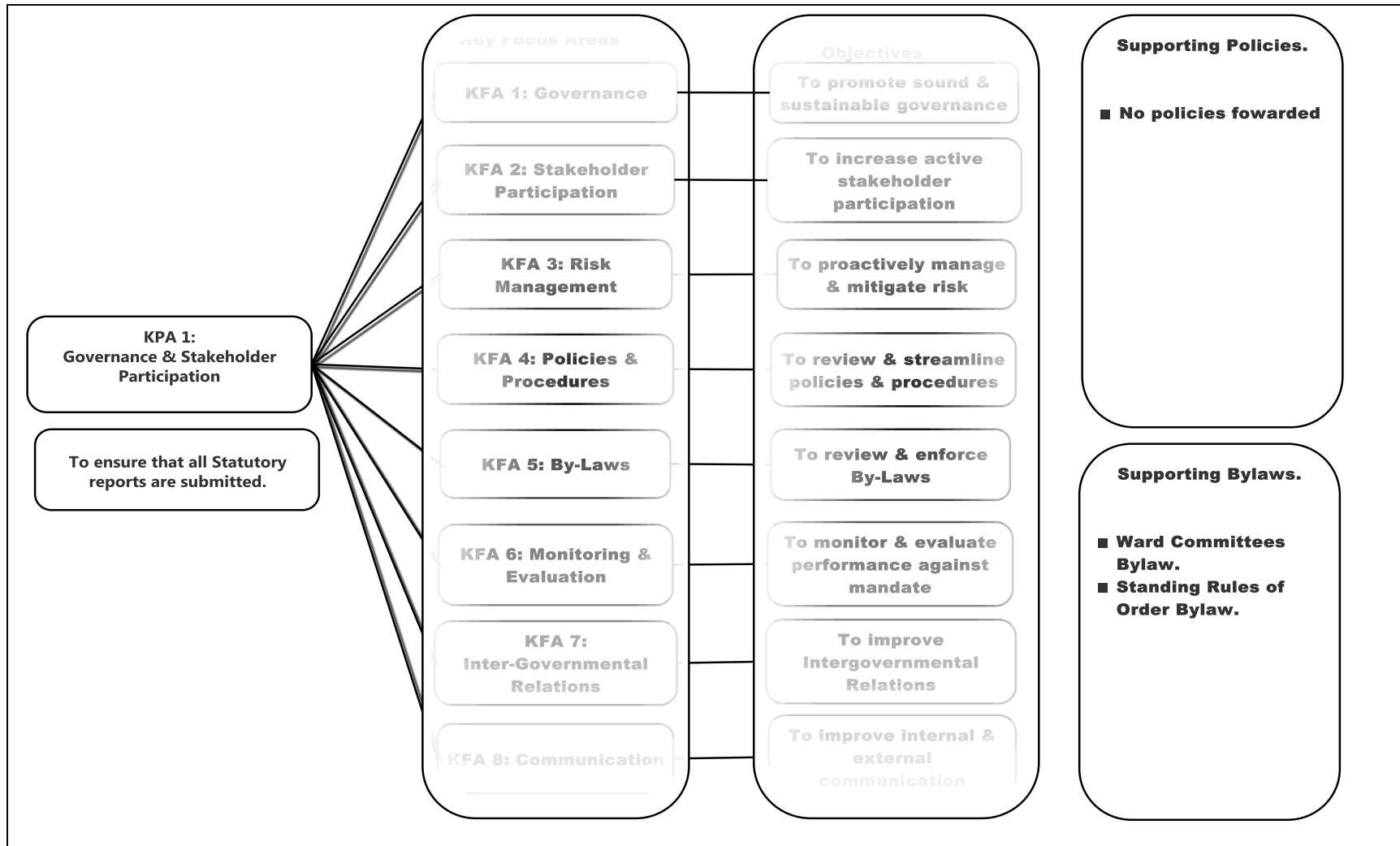
#	Priority	Priority Description
1	Priority 1	Which highlights the need to realize the potential for maize production and the need to priorities sustainable homestead production.
2	Priority 3	Which highlights the need to priorities the provision of a basic level of infrastructure BUT, importantly, also rural infrastructure (e.g. fencing, agricultural support infrastructure and facilities);
3	Priority 4	Which highlights the need to prioritize land reform (specifically tenure and agrarian reform) in communal land areas to better

		secure the asset value of land;
4	Priority 11	Which is aimed at enhancing support and technical assistance to small-scale farmers as well as strengthening linkages to rural development and land reform initiatives.
5	Priority 12	Which is crucial to provide a strategic framework for the development of the rural settlement areas, where much development potential remains thwarted due to capacity constraints, lack of clarity on institutional responsibilities, land tenure and land administration complexities and significant infrastructure backlogs.

4.6. Strategic Alignment of KPA's and KFA's.

The Engcobo LM's IDP is focusing on eight (8) Key Performance Areas (KPAs) and Strategic Objectives which are interrelated. The Key Focus Areas (KFAs) and predetermined Objectives as well as the activities, programmes and projects are supportive of each other, to ensure greater impact in delivery.

4.6.1. KPA 1: Governance and Stakeholder Participation.



KPA 1: Governance and Stakeholder Participation												
Strategic Objective To ensure good governance and participation of stakeholders											Delivery: Internal/External	Funding Source
Key Focus Area (KFA)	Description of Capital Projects, Programmes and Activities	KPI	Department	Annual Baseline	5 Year Target	13/14	14/15	15/16	16/17	17/18		
KFA 1: Governance Structures	Annual Risk Based Audit Plan	Reviewed Risk Based Audit Plan	Municipal Manager/CorpServ	1 Plan	Reviewed Risk Based Audit Plan	Reviewed Risk Based Audit Plan	Reviewed Risk Based Audit Plan	Reviewed Risk Based Audit Plan	Reviewed Risk Based Audit Plan	Reviewed Risk Based Audit Plan	Internal	Opex
KFA 1: Governance Structures	Auditor General's Report	% of AG's Audit Findings	Municipal Manager/CorpServ		90%	100%	100%	100%	100%	100%	Internal	Opex
KFA 1: Governance Structures	Annual Council Structures Year Planner	% of meetings held by Council Committees in terms of the approved annual planner(Council, MayCo, Portfolio Committees,Audit & Risk, MPACC)	Municipal Manager/CorpServ	None	100%	100%	100%	100%	100%	100%	Internal	Opex

KFA 1: Governance Structures	IDP Representative Forum	Established and functioning IDP Rep Forum	Municipal Manager/CorpServ	IDP Representative Forum	Established and functioning IDP Rep Forum	Established and functioning IDP Rep Forum	Established and functioning IDP Rep Forum	Established and functioning IDP Rep Forum	Established and functioning IDP Rep Forum	Established and functioning IDP Rep Forum	Internal	Opex
KFA 2: Stakeholder Participation	Develop a Public Participation Strategy	Public Participation Strategy developed	Municipal Manager/CorpServ	Public Participation Strategy developed	Public Participation Strategy reviewed	Public Participation Strategy reviewed	Public Participation Strategy reviewed	Public Participation Strategy reviewed	Public Participation Strategy reviewed	Public Participation Strategy reviewed	Internal	Opex
KFA 2: Stakeholder Participation	Advertising of all statutory meetings	Copies of newspaper adverts for advertised meetings	Municipal Manager/CorpServ	All newspaper adverts	Copies of newspaper adverts for advertised meetings	Copies of newspaper adverts for advertised meetings	Copies of newspaper adverts for advertised meetings	Copies of newspaper adverts for advertised meetings	Copies of newspaper adverts for advertised meetings	Copies of newspaper adverts for advertised meetings	Internal	Opex
KFA 2: Stakeholder Participation	Development of Ward Based Plans	Ward Based Plans developed & approved by Council	Municipal Manager/CorpServ	20	160	20	20	20	20	20	ELM/DPLGTA	ELM/DPLGTA

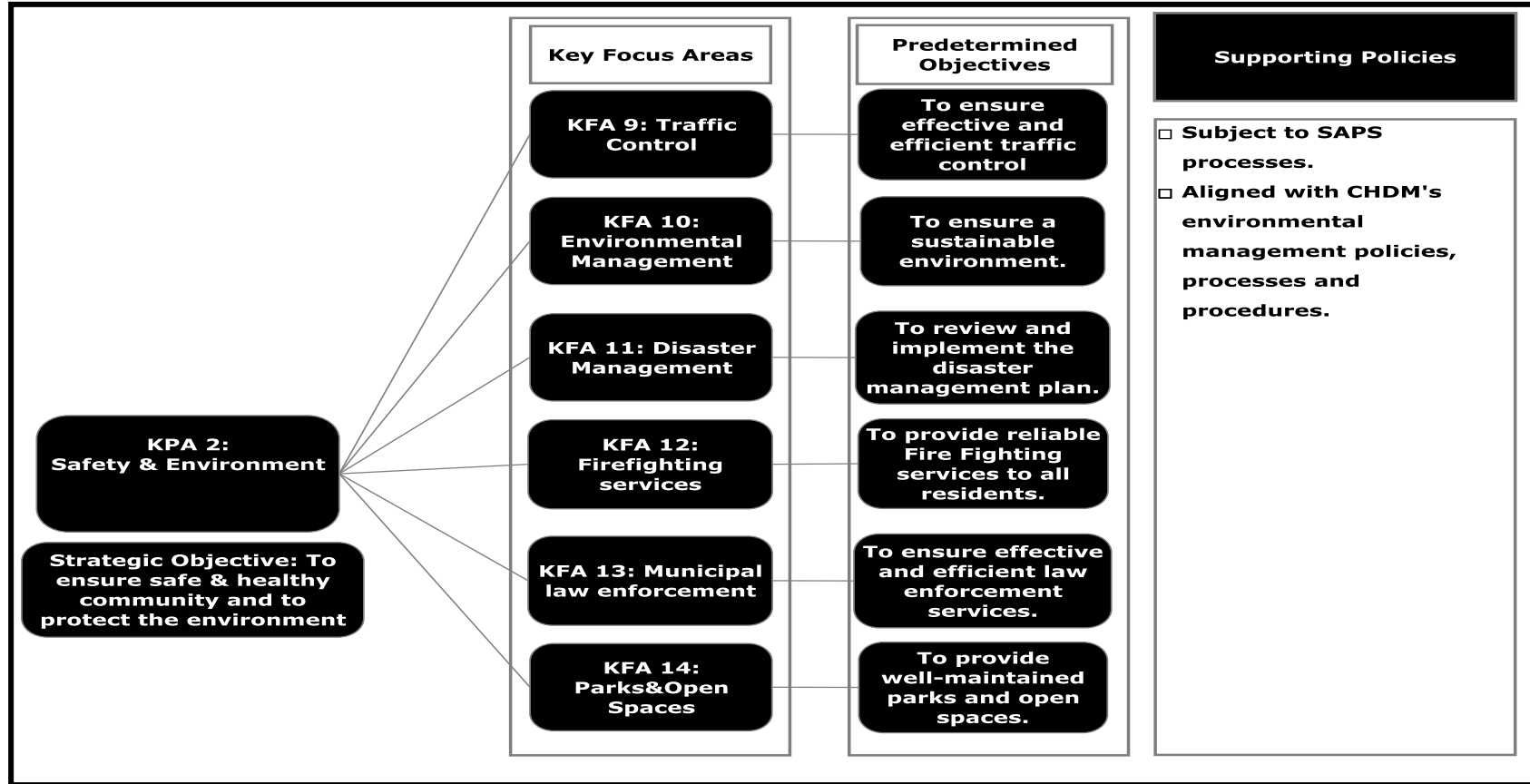
KFA 2: Stakeholder Participation	Assist CDWs on household profiling	% of households profiled	Municipal Manager/CorpServ	None	None	To be determined	To be determined	To be determined	To be determined	To be determined	ELM/DPLGTA	ELM/DPLGTA
KFA 2: Stakeholder Participation	Training of Ward Committees on Governance	All ward committees trained on governance	Municipal Manager/CorpServ	20	160	20	20	20	20	20	ELM/DPLGTA/LG Seta	ELM/DPLGTA/LG Seta
KFA 2: Stakeholder Participation	Ward Committee Annual Programme	% of ward committee meetings as per approved programme	Municipal Manager/CorpServ	None	100%	100%	100%	100%	100%	100%	Internal	Opex
KFA 2: Stakeholder Participation	Attendance of Ward Committee Meetings	% of ward committee members attending meetings	Municipal Manager/CorpServ	% of ward committee members attending meetings	100%	100%	100%	100%	100%	100%	Internal	Opex
KFA 2: Stakeholder Participation	Participation in IDP & Budget Processes	% utilization of available mediums (website, newspapers, posters, radio, memo's) informing public of meetings	Municipal Manager/CorpServ	None	% utilization of available mediums (website, newspapers, posters, radio, memo's) informing public of meetings	Utilisation rate of 50% of all available media	Utilisation rate of 50% of all available media	Utilisation rate of 50% of all available media	Utilisation rate of 50% of all available media	Utilisation rate of 50% of all available media	External	Opex

KFA 3: Risk Management	Update risk register	% of potential registered risks on the risk register	Municipal Manager/CorpServ	% of potential registered risks on the risk register	% of potential registered risks on the risk register	% of potential registered risks on the risk register	% of potential registered risks on the risk register	% of potential registered risks on the risk register	% of potential registered risks on the risk register	% of potential registered risks on the risk register	Internal	Opex
KFA 3: Risk Management	Establish risk and Fraud Management Committee	Risk and Fraud Management Committee established and approved by Council	Municipal Manager/CorpServ	None	Risk and Fraud Management Committee established and approved by Council	100% attendance of Risk and Fraud Management Comm. Meetings	100% attendance of Risk and Fraud Management Comm. Meetings	100% attendance of Risk and Fraud Management Comm. Meetings	100% attendance of Risk and Fraud Management Comm. Meetings	100% attendance of Risk and Fraud Management Comm. Meetings	Internal	Opex
KFA 3: Risk Management	Risk Management Policy	Development of a Risk Management Policy	Municipal Manager/CorpServ	None	Approved Risk Management Policy	Approved Risk Management Policy	Review Risk Management Policy	Review Risk Management Policy	Review Risk Management Policy	Review Risk Management Policy	Internal	Opex
KFA 3: Risk Management	Departmental Disaster Recovery Plans	Approve departmental disaster recovery plans	Municipal Manager/CorpServ	Approved departmental DRP's	Approved departmental DRP's	Approved departmental DRP's	Approved departmental DRP's	Approved departmental DRP's	Approved departmental DRP's	Approved departmental DRP's	Internal	Opex

KFA 4: Policies	Policies and Procedures	Submit list of policies and procedures up for review	Municipal Manager/CorpServ	Submitted List of Policies	Submitted List of Policies	Submitted List of Policies	Submitted List of Policies	Submitted List of Policies	Submitted List of Policies	Submitted List of Policies	Internal	Opex
KFA 5: Bylaws	Bylaw Awareness Programme	Approved bylaw awareness programme	Municipal Manager/CorpServ	Approved bylaw awareness programme	Approved bylaw awareness programme	Approved bylaw awareness programme	Approved bylaw awareness programme	Approved bylaw awareness programme	Approved bylaw awareness programme	Approved bylaw awareness programme	Internal	Opex
KFA 6: Monitoring & Evaluation	Departmental SDBIP's	% of Departmental SDBIP targets achieved	Municipal Manager/CorpServ	100%	100%	100%	100%	100%	100%	100%	Internal	Opex
KFA 6: Monitoring & Evaluation	Cascading of Performance Management System	% cascading of departmental targets	Municipal Manager/CorpServ	None	New	100% cascading	100% cascading	100% cascading	100% cascading	100% cascading	Internal	Opex

KFA 6:Monitoring & Evaluation	Perfomance Management Policy	Develop PMS	Municipal Manager/CorpServ	Approved PMS Policy	Approved PMS Policy	Approved PMS Policy	Approved PMS Policy	Approved PMS Policy	Approved PMS Policy	Approved PMS Policy	Approved PMS Policy	Internal	Opex
KFA 7:Inter- Governmental Relations	IGR Participation	% IGR activities attended	Municipal Manager/CorpServ	50%	50%	50%	50%	50%	50%	50%	50%	Internal	Opex
KFA 8:Communicati on	Communication Policy	Approved external communication plan	Municipal Manager/CorpServ	Approved external communication plan	Approved external communication plan	Approved external communicati on plan	Approved external communicati on plan	Approved external communicati on plan	Approved external communicati on plan	Approved external communicati on plan	Approved external communicati on plan	Internal	Opex
KFA 8:Communicati on	Website	Functional website	Municipal Manager/CorpServ	Functional website	Functional website	Functional website	Functional website	Functional website	Functional website	Functional website	Functional website	Internal	Opex

4.6.2. KPA 2: Safety and Environment.



KPA 2: Safety and Environmental Management

Strategic Objective												Delivery: Internal/External	Funding Source
To ensure safety within the community as well as healthy and protected environment													
Key Focus Area (KFA)	Description of Capital Projects, Programmes and Activities	KPI	Wards	Department	Annual Baseline	5 Year Target	13/14	14/15	15/16	16/17	17/18		
KFA 9: Traffic Control	Traffic law enforcement	Number of monthly reports on traffic offences	All wards	Community Services	12 reports	12 reports	12 reports	12 reports	12 reports	12 reports	12 reports	Internal	Opex
KFA 9: Traffic Control	Traffic law enforcement	% increase in traffic fines issued	All wards	Community Services	Target 10% increase of traffic fines issued	Target 10% increase of traffic fines issued	Target 10% increase of traffic fines issued	Target 10% increase of traffic fines issued	Target 10% increase of traffic fines issued	Target 10% increase of traffic fines issued	Target 10% increase of traffic fines issued	Internal	Opex
KFA 9: Traffic Control	Special operations (Heavy duty operation)	Number of heavy duty operations held	All wards	Community Services	4 Heavy Duty Operations per annum	4 Heavy Duty Operations per annum	4 Heavy Duty Operations per annum	4 Heavy Duty Operations per annum	4 Heavy Duty Operations per annum	4 Heavy Duty Operations per annum	4 Heavy Duty Operations per annum	Internal	Opex

KPA 2: Safety and Environmental Management

Strategic Objective												Delivery: Internal/External	Funding Source
To ensure safety within the community as well as healthy and protected environment													
Key Focus Area (KFA)	Description of Capital Projects, Programmes and Activities	KPI	Wards	Department	Annual Baseline	5 Year Target	13/14	14/15	15/16	16/17	17/18		
KFA 9: Traffic Control	Special operations (Public transport)	Number of public transport operations held	All wards	Community Services	4 Public Transport Operations	4 Public Transport Operations	4 Public Transport Operations	4 Public Transport Operations	4 Public Transport Operations	4 Public Transport Operations	4 Public Transport Operations	Internal	Opex
KFA 9: Traffic Control	Special operations (Road blocks)	Number of roadblocks	All wards	Community Services	4 road blocks	4 road blocks	4 road blocks	4 road blocks	4 road blocks	4 road blocks	4 road blocks	Internal	Opex
KFA 9: Traffic Control	Traffic income	Number of reports on monthly income generated	All wards	Community Services	12 reports	12 reports	12 reports	12 reports	12 reports	12 reports	12 reports	Internal	Opex
KFA 9: Traffic Control	Road safety education	Number of road safety campaigns	All wards	Community Services	4	32	4	4	4	4	4	Internal	Opex

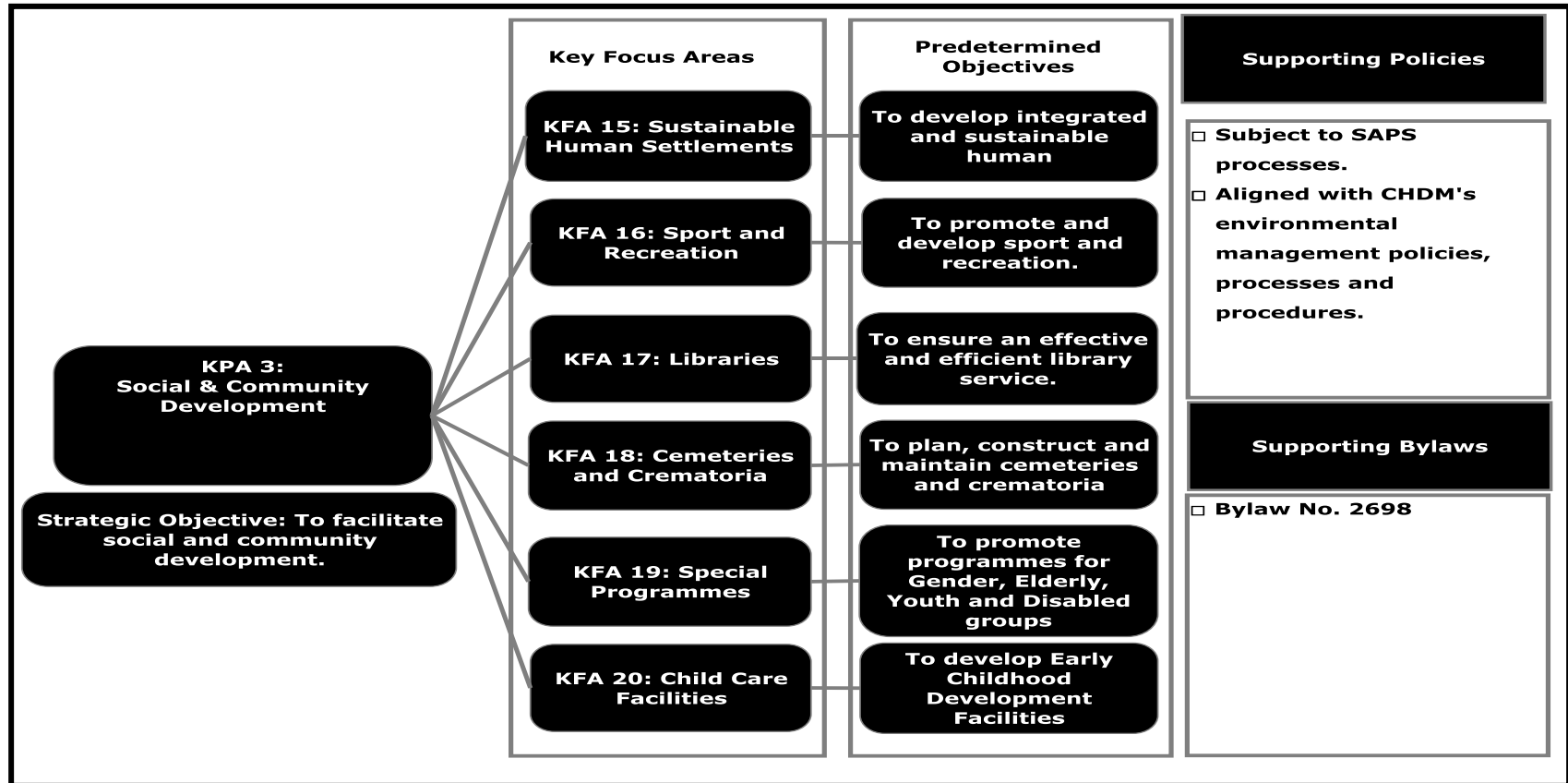
KPA 2: Safety and Environmental Management

Strategic Objective												Delivery: Internal/External	Funding Source
To ensure safety within the community as well as healthy and protected environment													
Key Focus Area (KFA)	Description of Capital Projects, Programmes and Activities	KPI	Wards	Department	Annual Baseline	5 Year Target	13/14	14/15	15/16	16/17	17/18		
KFA 9: Traffic Control	DLTC Services	Learners & drivers licence renewals, PDP's.	None	400 cases for all DLTC services	400 cases for all DLTC services	400 cases for all DLTC services	400 cases for all DLTC services	400 cases for all DLTC services	400 cases for all DLTC services	400 cases for all DLTC services	400 cases for all DLTC services	Internal	Opex
KFA 9: Traffic Control	DLTC Services and motor registrations	Number of motor vehicle registrations	None	400 vehicle registrations	400 vehicle registrations	400 vehicle registrations	400 vehicle registrations	400 vehicle registrations	400 vehicle registrations	400 vehicle registrations	400 vehicle registrations	Internal	Opex
KFA 10: Environmental Management	Environmental Management Framework	Enter into an MoU with CHDM to clarify roles and responsibilities	None	Community Services	None	Implement Environmental Management MoU	Implement Environmental Management MoU	Implement Environmental Management MoU	Implement Environmental Management MoU	Implement Environmental Management MoU	Implement Environmental Management MoU	ELM/CHDM/DEA	ELM/CHDM/DEA
KFA 11: Disaster Management	Test effectiveness of evacuation plan	Number of evacuation drills per annum	None	Community Services	2	16	2	2	2	2	2	Internal	Opex

KPA 2: Safety and Environmental Management													
Strategic Objective		To ensure safety within the community as well as healthy and protected environment										Delivery: Internal/External	Funding Source
Key Focus Area (KFA)	Description of Capital Projects, Programmes and Activities	KPI	Wards	Department	Annual Baseline	5 Year Target	13/14	14/15	15/16	16/17	17/18		
KFA 11: Disaster Management	Disaster Management Plan	Enter into an MoU with CHDM to clarify roles and responsibilities	None	Community Services	Implement Disaster Management MoU	Implement Disaster Management MoU	Implement Disaster Management MoU	Implement Disaster Management MoU	Implement Disaster Management MoU	Implement Disaster Management MoU	Implement Disaster Management MoU	ELM/CHDM	ELM/CHDM
KFA 12: Firefighting	Education and awareness campaigns	Hold public training & awareness campaigns	All	Community Services	2	16	2	2	2	2	2	Internal	Opex
KFA 12: Firefighting	Rcruitment & training of firefighting volunteers under EPWP	Number of volunteers recruited, trained and deployed.	All	Community Services	20	160	20	20	20	20	20	Internal	Opex
KFA 12: Firefighting	Liase with various stakeholders for development of firebelts on vulnerable wards	Firebelts done in all fire susceptible wards	11,13,17	Community Services	3	24	3	3	3	3	3	Internal	Opex

KPA 2: Safety and Environmental Management													
Strategic Objective	To ensure safety within the community as well as healthy and protected environment											Delivery: Internal/External	Funding Source
Key Focus Area (KFA)	Description of Capital Projects, Programmes and Activities	KPI	Wards	Department	Annual Baseline	5 Year Target	13/14	14/15	15/16	16/17	17/18		
KFA 12: Firefighting	Erection of fire hydrants	Firehydrants constructed or installed	11	Community Services	5	40	5	5	5	5	5	Internal	Opex
KFA 12: Firefighting	Procurement protective clothing and accessories	Procurement protective clothing and accessories	All	Community Services	2	16	2	2	2	2	2	Internal	Opex
KFA 12: Firefighting	Procurement fire detectors for municipal buildings	Procurement fire detectors for municipal buildings	All	Community Services	3	16	2	2	2	2	2	Internal	Opex
KFA 12: Firefighting	Erection and inspection of fire extinguishers to municipal buildings	Erection and inspection of fire extinguishers to municipal buildings	11	Community Services	12	96	12	12	12	12	12	ELM/MIG	ELM/MIG

4.6.3. KPA 3: Social and Community Development.



KPA 3: Social and Community Development

Strategic Objective												Delivery: Internal/External
To facilitate social and community development						Targets						
Key Focus Area (KFA)	Description of Capital Projects, Programmes and Activities	Key Performance Indicators (KPI's)	Wards	Department	Annual Baseline	5 Year Target	13/14	14/15	15/16	16/17	17/18	
KFA 16: Sport and Recreation	Promotion and development of Sports, Arts, Culture & Recreation	Activities linked to Sport, Arts, Culture & Recreation	All	Comm.Serv/MM	None	Activities linked to Sport, Arts, Culture & Recreation	Activities linked to Sport, Arts, Culture & Recreation	Activities linked to Sport, Arts, Culture & Recreation	Activities linked to Sport, Arts, Culture & Recreation	Activities linked to Sport, Arts, Culture & Recreation	Activities linked to Sport, Arts, Culture & Recreation	Internal
KFA 16: Sport and Recreation	Improvement and continuous support of the Mayor's Cup and inclusion of more sport codes	Expanding of sport codes under the Mayors Cup	All	Comm.Serv/MM	None	More sporting codes under Mayor's Cup	More sporting codes under Mayor's Cup	More sporting codes under Mayor's Cup	More sporting codes under Mayor's Cup	More sporting codes under Mayor's Cup	More sporting codes under Mayor's Cup	Internal
KFA 17: Libraries	Continuous maintenance of libraries	Functioning libraries	11	Comm. Serv	None	Functioning libraries	Functioning libraries	Functioning libraries	Functioning libraries	Functioning libraries	Functioning libraries	Internal
KFA 17: Libraries	Replenishment of library resources	Functioning libraries	12	Comm. Serv	None	Functioning libraries	Functioning libraries	Functioning libraries	Functioning libraries	Functioning libraries	Functioning libraries	Internal

KPA 3: Social and Community Development

Strategic Objective		To facilitate social and community development										Delivery: Internal/External
Key Focus Area (KFA)	Description of Capital Projects, Programmes and Activities	Key Performance Indicators (KPI's)	Wards	Department	Annual Baseline	5 Year Target	13/14	14/15	15/16	16/17	17/18	
KFA 17: Libraries	Continuous maintainance and calibration of IT services	Functioning libraries	13	Comm. Serv	None	Functioning libraries	Functioning libraries	Functioning libraries	Functioning libraries	Functioning libraries	Functioning libraries	Internal
KFA 18:Cemeteries and Crematoria	Fencing and cleaning of the cemetery	% spent on budget	11	Comm. Serv	None	100%	100%	100%	100%	100%	100%	Internal
KFA 18:Cemeteries and Crematoria	Identification of the new cemetery site & construction of cemetery	New identified & rezoned for new cemetery	11	Comm. Serv	None	New identified & rezoned for new cemetery	New identified & rezoned for new cemetery	New cemetery operational	New cemetery operational	New cemetery operational	New cemetery operational	Internal
KFA 19:Special Programmes (Gender, Elderly, Youth, Disabled)	Establishment of Youth Councils at ward level	Number of Councils established	1,2,3,4,5,7,8,9,10,11,12,13,14,15,16,20	Comm.Serv	4.00	32.00	4.00	4.00	4.00	4.00	4.00	ELM,DoE,DoH,SoCdev,DSRAC
KFA 19:Special Programmes (Gender, Elderly, Youth, Disabled)	Facilitate back to school campaigns for out-of-school youth	Number of campaigns organised	20,19,18,17,16	Comm.Serv	5.00	32.00	4.00	4.00	4.00	4.00	4.00	ELM,DoE,DoH,SoCdev

KPA 3: Social and Community Development												
Strategic Objective	To facilitate social and community development					Targets						Delivery: Internal/External
Key Focus Area (KFA)	Description of Capital Projects, Programmes and Activities	Key Performance Indicators (KPI's)	Wards	Department	Annual Baseline	5 Year Target	13/14	14/15	15/16	16/17	17/18	
KFA 19:Special Programmes (Gender, Elderly, Youth, Disabled)	Career shadowing to in-school-youth	Number of learners shadowed	All	Comm.Serv	6.00	32.00	4.00	4.00	4.00	4.00	4.00	ELM,DoE,DoH,Socdev
KFA 19:Special Programmes (Gender, Elderly, Youth, Disabled)	Facilitate career exhibitions in collaboration with the Department of Basic Education	Number of exhibitions organised and held	All	Comm.Serv	7.00	32.00	4.00	4.00	4.00	4.00	4.00	ELM,DoE,DSRAC,WSU,KS D FET, King Hintsa FET
KFA 19:Special Programmes (Gender, Elderly, Youth, Disabled)	Facilitate youth sports development.	Intergration with the Mayors	Intergration with the Mayors Cup	Comm.Serv	None	Intergration with the Mayors Cup	Intergration with the Mayors Cup	Intergration with the Mayors Cup	Intergration with the Mayors Cup	Intergration with the Mayors Cup	Intergration with the Mayors Cup	ELM/DSRAC
KFA 19:Special Programmes (Gender, Elderly, Youth, Disabled)	Organising of the Easter Tournament	Organise and Support Easter Tournament	7	Comm.Serv	None	Organise and Support Easter Tournament	Organise and Support Easter Tournament	Organise and Support Easter Tournament	Organise and Support Easter Tournament	Organise and Support Easter Tournament	Organise and Support Easter Tournament	Internal

KPA 3: Social and Community Development													
Key Focus Area (KFA)	Description of Capital Projects, Programmes and Activities	Key Performance Indicators (KPI's)	Wards	Department	Annual Baseline	5 Year Target	Targets					Delivery: Internal/External	
							13/14	14/15	15/16	16/17	17/18	nal	
KFA 19:Special Programmes (Gender, Elderly, Youth, Disabled)	Facilitate capacity building programmes	No of capacity building programmes on all designated groups	All	Comm.Serv	20	160	20	20	20	20	20	20	Internal
KFA 19:Special Programmes (Gender, Elderly, Youth, Disabled)	Facilitate means of ensuring safety and security of vulnerable groups.	Liase with Socdev, SAPS, DoH,DoE	All	Comm.Serv	20	160	20	20	20	20	20	20	Internal
KFA 19:Special Programmes (Gender, Elderly, Youth, Disabled)	Establishment of Women's Forum at ward level	Number of forums established & functioning	1,2,3,4,5,7,8,9,10,11,12,13,14,15,16,20		None	100%	100%	100%	100%	100%	100%	100%	Internal
KFA 19:Special Programmes (Gender, Elderly, Youth, Disabled)	Facilitate establishment of income generating projects	Number of income generating & sustainable projects established	All	Comm.Serv	20	160	20	20	20	20	20	20	ELM/SOCDEV/RDLR/CHDM/ND A/DRDAR
KFA 19:Special Programmes (Gender, Elderly, Youth, Disabled)	Provide temporal relief to women headed households	Establish projects targeting women headed households	All	Comm.Serv	20	160	20	20	20	20	20	20	ELM/SOCDEV/RDLR/CHDM/ND A/DRDAR

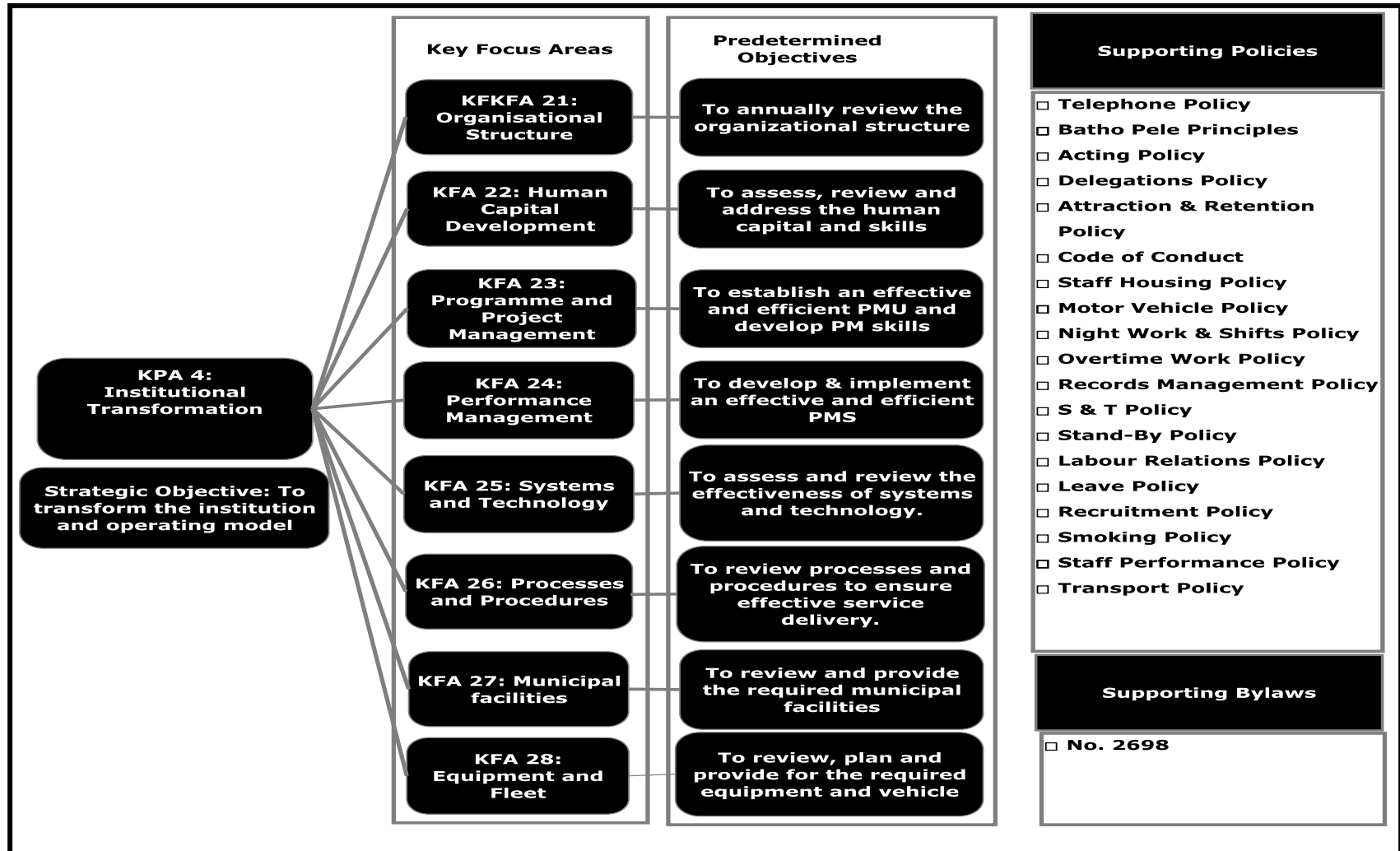
KPA 3: Social and Community Development												
Strategic Objective	To facilitate social and community development					Targets						Delivery: Internal/External
Key Focus Area (KFA)	Description of Capital Projects, Programmes and Activities	Key Performance Indicators (KPI's)	Wards	Department	Annual Baseline	5 Year Target	13/14	14/15	15/16	16/17	17/18	
KFA 19:Special Programmes (Gender, Elderly, Youth, Disabled)	Facilitate victim empowerment programmes to abused women.	No. of campaigns held against women abuse	All	Comm.Serv	20	160	20	20	20	20	20	ELM/SOCDEV/SAPS/DoH/Dept. of Women
KFA 19:Special Programmes (Gender, Elderly, Youth, Disabled)	Facilitate counselling and support for abused women	Scaling up of counselling & support for abused women	All	Comm.Serv	None	Scaling up of counselling & support for abused women	Scaling up of counselling & support for abused women	Scaling up of counselling & support for abused women	Scaling up of counselling & support for abused women	Scaling up of counselling & support for abused women	Scaling up of counselling & support for abused women	ELM/SOCDEV/SAPS/Dept. of Women
KFA 19:Special Programmes (Gender, Elderly, Youth, Disabled)	Coordination of support structures for testing & administration of Nevarapine, law enforcement, trauma counselling and intergration & support of rape victims	Coordinated support structures for testing & administration of Nevarapine, law enforcement, trauma counselling and intergration & support of rape victims	All	Comm.Serv	None	Coordinated support structures for testing & administration of Nevarapine, law enforcement, trauma counselling and intergration & support of rape victims	Coordinated support structures for testing & administration of Nevarapine, law enforcement, trauma counselling and intergration & support of rape victims	Coordinated support structures for testing & administration of Nevarapine, law enforcement, trauma counselling and intergration & support of rape victims	Coordinated support structures for testing & administration of Nevarapine, law enforcement, trauma counselling and intergration & support of rape victims	Coordinated support structures for testing & administration of Nevarapine, law enforcement, trauma counselling and intergration & support of rape victims	Coordinated support structures for testing & administration of Nevarapine, law enforcement, trauma counselling and intergration & support of rape victims	ELM, SAPS,DoH,Socdev, DoE
KFA 19:Special Programmes (Gender, Elderly, Youth, Disabled)	Establishment of Disability Councils at ward level	Number of councils established	1,2,3,4,5,7,8,9,10,11,12,13,14,15,16,20	Comm.Serv	None	100%	100%	100%	100%	100%	100%	Internal

KPA 3: Social and Community Development												
Strategic Objective	To facilitate social and community development					Targets						Delivery: Internal/External
Key Focus Area (KFA)	Description of Capital Projects, Programmes and Activities	Key Performance Indicators (KPI's)	Wards	Department	Annual Baseline	5 Year Target	13/14	14/15	15/16	16/17	17/18	
KFA 19:Special Programmes (Gender, Elderly, Youth, Disabled)	Disability Awareness Campaigns	Number of campaigns organised	All	Comm.Serv	None	100%	100%	100%	100%	100%	100%	Internal
KFA 19:Special Programmes (Gender, Elderly, Youth, Disabled)	Mainstreaming of disabled people.	Mainstreaming Strategy developed	All	Comm.Serv	None	Approved Mainstreaming Strategy	Approved Mainstreaming Strategy	Approved Mainstreaming Strategy	Approved Mainstreaming Strategy	Approved Mainstreaming Strategy	Approved Mainstreaming Strategy	Internal
KFA 19:Special Programmes (Gender, Elderly, Youth, Disabled)	Provide temporal relief to child headed households	Facilitate and organise relief mechanisms for child headed households	All	Comm.Serv	None	Relief Support provided to child headed households	Relief Support provided to child headed households	Relief Support provided to child headed households	Relief Support provided to child headed households	Relief Support provided to child headed households	Relief Support provided to child headed households	Internal
KFA 19:Special Programmes (Gender, Elderly, Youth, Disabled)	Facilitate children specific programmes	Organise early childhood development programmes	All	Comm.Serv	None	ECD programmes at ward level	ECD programmes at ward level	ECD programmes at ward level	ECD programmes at ward level	ECD programmes at ward level	ECD programmes at ward level	ELM/DSRAC/DoE/Dept. of Women

KPA 3: Social and Community Development

Strategic Objective	To facilitate social and community development											Delivery:
	Targets						Internal/External					
Key Focus Area (KFA)	Description of Capital Projects, Programmes and Activities	Key Performance Indicators (KPI's)	Wards	Department	Annual Baseline	5 Year Target	13/14	14/15	15/16	16/17	17/18	nal
KFA 19:Special Programmes (Gender, Elderly, Youth, Disabled)	Establishment of Older Persons Forums at ward level	Number of forums established & functioning	1,2,3,4,5,7,8,9,10,11,12,13,14,15,16,20	Comm.Serv	None	100%	100%	100%	100%	100%	100%	Internal
KFA 19:Special Programmes (Gender, Elderly, Youth, Disabled)	Establishment of elderly day care centres at ward level	Liase with DSRAC for ECD programmes	All	Comm.Serv	None	ECD programmes at ward level	ECD programmes at ward level	ECD programmes at ward level	ECD programmes at ward level	ECD programmes at ward level	ECD programmes at ward level	ELM/DSRAC/DoE/Dept. of Women
KFA 20: Childcare Facilities (ECD)	Establishment of early childhood development centres at ward level	Liase with DSRAC for ECD programmes	All	Comm.Serv	None	ECD facilities at ward level	ECD facilities at ward level	ECD facilities at ward level	ECD facilities at ward level	ECD facilities at ward level	ECD facilities at ward level	ELM/DSRAC/DoE/Dept. of Women

4.6.4. KPA 4: Institutional Transformation.



KPA 4: Institutional Transformation											
Strategic Objective										Delivery: Internal/External	Funding Source
To ensure Institutional Transformation				Targets							
Key Focus Area (KFA)	Description of Capital Projects, Programmes and Activities	Key Performance Indicators (KPI's)	Department	5 Year Target	13/14	14/15	15/16	16/17	17/18		
KFA 21: Organizational Structure	Review of the organisational structure	Revised org. structured discussed internally & approved by Council	Corp.Serv	1.00	1.00	1.00	1.00	1.00	1.00	Internal	Opex
KFA 21: Organizational Structure	Additional staff recruitment and vetting	% of vacancies filled & % of new staff vetted.	Corp.Serv	All new employees	All new employees	All new employees	All new employees	All new employees	All new employees	Internal	Opex
KFA 21: Organizational Structure	Implementation of the HR Plan	Approved HR Plan implemented	Corp.Serv	None	Approved HR Plan implemented	Approved HR Plan reviewed & implemented	Approved HR Plan reviewed & implemented	Approved HR Plan reviewed & implemented	Approved HR Plan reviewed & implemented	Internal	Opex
KFA 21: Organizational Structure	Conducting of job evaluation	% of jobs evaluated across all levels	Corp.Serv	None	% of jobs evaluated across all levels	% of jobs evaluated across all levels	% of jobs evaluated across all levels	% of jobs evaluated across all levels	% of jobs evaluated across all levels	Internal	Opex

KFA 21: Organizational Structure	Review of Employment Equity Plan	Reviewed and approved EEP	Corp.Serv	None	Reviewed EEP	Reviewed EEP	Reviewed EEP	Reviewed EEP	Reviewed EEP	Internal	Opex
KFA 22: Human Capital Development	Development of a training plan	Developed & approved training plan	Corp.Serv	None	Reviewed Training Plan	Reviewed Training Plan	Reviewed Training Plan	Reviewed Training Plan	Reviewed Training Plan	Internal	Opex
KFA 22: Human Capital Development	Identification of internal staff for career advancement	% of junior staff members ungergoing continuous professional & workplace development	Corp.Serv	None	% of junior staff members ungergoing continuous professional & workplace development	% of junior staff members ungergoing continuous professional & workplace development	% of junior staff members ungergoing continuous professional & workplace development	% of junior staff members ungergoing continuous professional & workplace development	% of junior staff members ungergoing continuous professional & workplace development	Internal	Opex/LGSETA
KFA 22: Human Capital Development	Develop a Succession	Developed & approved succession plan	Corp.Serv	None	Reviewed succession plan	Reviewed succession plan	Reviewed succession plan	Reviewed succession plan	Reviewed succession plan	Internal	Opex/LGSETA

KFA 22: Human Capital Development	Conduct staff training and development for staff, councillors & ward committees	Number of staff, councillors & ward committee members identified for training & trained	Corp.Serv	100%	100%	100%	100%	100%	100%	Internal	Opex/LGSETA
KFA 22: Human Capital Development	Conduct skills audit	Skills audit plan developed & implemented	Corp.Serv	1.00	1.00	1.00	1.00	1.00	1.00	Internal	Opex
KFA 22: Human Capital Development	Regular Induction of all Councillors & employees, on benefits and collective agreements	Number of meetings held with employees & employees	Corp.Serv	1.00	1.00	1.00	1.00	1.00	1.00	Internal	Opex
KFA 22: Human Capital Development	Proper implementation of SALGBC Collective Agreements	Proper implementation of SALGBC Collective Agreements	Corp.Serv	Proper implementation of SALGBC Collective Agreements	Proper implementation of SALGBC Collective Agreements	Proper implementation of SALGBC Collective Agreements	Proper implementation of SALGBC Collective Agreements	Proper implementation of SALGBC Collective Agreements	Proper implementation of SALGBC Collective Agreements	Internal	Opex
KFA 22: Human Capital Development	Monthly sitting of the LLF	Register and minutes of LLF meetings	Corp.Serv	12	12	12	12	12	12	Internal	Opex

KFA 22: Human Capital Development	Implementation of all labour related legislation	Reduction on actions resulting from non-compliance with labour legislation	Corp.Serv	Reduction on actions resulting from non-compliance with labour legislation	Reduction on actions resulting from non-compliance with labour legislation	Reduction on actions resulting from non-compliance with labour legislation	Reduction on actions resulting from non-compliance with labour legislation	Reduction on actions resulting from non-compliance with labour legislation	Reduction on actions resulting from non-compliance with labour legislation	Internal	Opex
KFA 22: Human Capital Development	Provide Employee Assistance Programme & HIV/AIDS in the workplace	% of employees under EAP & results thereafter.	Corp.Serv	% of employees under EAP & results thereafter.	% of employees under EAP & results thereafter.	% of employees under EAP & results thereafter.	% of employees under EAP & results thereafter.	% of employees under EAP & results thereafter.	% of employees under EAP & results thereafter.	Internal	Opex
KFA 22: Human Capital Development	Establishment and Training of Occupational Health & Safety Committee	Health & Safety Committee established	Corp.Serv	Health & Safety Committee established	Health & Safety Committee established	Health & Safety Committee established	Health & Safety Committee established	Health & Safety Committee established	Health & Safety Committee established	Internal	Opex
KFA 22: Human Capital Development	Development of OHS and EAP Policies	OHS & EAP Policy developed & approved by Council	Corp.Serv	Reviewed OHS & EAP Policy	Reviewed OHS & EAP Policy	Reviewed OHS & EAP Policy	Reviewed OHS & EAP Policy	Reviewed OHS & EAP Policy	Reviewed OHS & EAP Policy	Internal	Opex
KFA 23: Programme and Project Management	Conduct employee satisfaction survey	Levels of employee satisfaction measured in a systematic manner & recorded accordingly	Corp.Serv	Levels of employee satisfaction measured in a systematic manner & recorded accordingly	Levels of employee satisfaction measured in a systematic manner & recorded accordingly	Levels of employee satisfaction measured in a systematic manner & recorded accordingly	Levels of employee satisfaction measured in a systematic manner & recorded accordingly	Levels of employee satisfaction measured in a systematic manner & recorded accordingly	Levels of employee satisfaction measured in a systematic manner & recorded accordingly	Internal	Opex

KFA 23: Programme and Project Management	Develop an EPWP Strategy	EPWP Policy developed & approved by Council	Corp.Serv	Reviewed EPWP Policy	Reviewed EPWP Policy	Reviewed EPWP Policy	Reviewed EPWP Policy	Reviewed EPWP Policy	Reviewed EPWP Policy	Reviewed EPWP Policy	Internal	Opex
KFA 24: Performance Management	Development of Performance Management System	Approved PMS Policy	Corp.Serv	Approved PMS Policy	Approved PMS Policy	Approved PMS Policy	Approved PMS Policy	Approved PMS Policy	Approved PMS Policy	Approved PMS Policy	Internal	Opex
KFA 24: Performance Management	Cascading of performance management for positions below S56	% of Departmental Cascading	Corp.Serv	8.00	1.00	1.00	1.00	1.00	1.00	1.00	Internal	Opex
KFA 24: Performance Management	Develop performance plans and conduct performance assessments	% of employees with performance plans assessed	Corp.Serv	100%	100%	100%	100%	100%	100%	100%	Internal	Opex
KFA 24: Performance Management	Alignment of Scorecards and SDBIP	Scorecard & SDBIP aligned to IDP	Corp.Serv	Scorecard & SDBIP aligned to IDP	Scorecard & SDBIP aligned to IDP	Scorecard & SDBIP aligned to IDP	Scorecard & SDBIP aligned to IDP	Scorecard & SDBIP aligned to IDP	Scorecard & SDBIP aligned to IDP	Scorecard & SDBIP aligned to IDP	Internal	Opex

KFA 24: Performance Management	Submission of Monthly, quarterly, Mid and annual reports	Monthly reports submitted to relevant committees at predetermined dates	Corp.Serv	Monthly reports submitted to relevant committees at predetermined dates	Monthly reports submitted to relevant committees at predetermined dates	Monthly reports submitted to relevant committees at predetermined dates	Monthly reports submitted to relevant committees at predetermined dates	Monthly reports submitted to relevant committees at predetermined dates	Monthly reports submitted to relevant committees at predetermined dates	Internal	Opex
KFA 24: Performance Management	Conduct Mid - term and Annual Assessments	Peformance assesements carried out mid-term & annually	Corp.Serv	Peformance assesements carried out mid-term & annually	Peformance assesements carried out mid-term & annually	Peformance assesements carried out mid-term & annually	Peformance assesements carried out mid-term & annually	Peformance assesements carried out mid-term & annually	Peformance assesements carried out mid-term & annually	Internal	Opex
KFA 25: Systems and Technology Development	Implementation of System Audit Recommendations	System Audit Findings & Recommendations	Corp.Serv	1.00	1.00	1.00	1.00	1.00	1.00	Internal	Opex
KFA 25: Systems and Technology Development	Capacitate IT Personnel according to Skills needs analysis	% of IT personnel sent to continuing professional development programs	Corp.Serv	% of IT personnel sent to continuing professional development programs	% of IT personnel sent to continuing professional development programs	% of IT personnel sent to continuing professional development programs	% of IT personnel sent to continuing professional development programs	% of IT personnel sent to continuing professional development programs	% of IT personnel sent to continuing professional development programs	ELM/LGSETA	ELM/LGSETA
KFA 25: Systems and Technology Development	Procurement of Disaster Recovery Tools	Disaster recovery tools procured & deployed	Corp.Serv	Disaster recovery tools procured & deployed	Disaster recovery tools procured & deployed	Disaster recovery tools procured & deployed	Disaster recovery tools procured & deployed	Disaster recovery tools procured & deployed	Disaster recovery tools procured & deployed	Internal	Opex

KFA 26: Processes and Procedures	Reviewal of existing policies	All outdated polcies reviewed before the end of the financial year	Corp.Serv	All outdated policies reviewed before the end of the financial year	All outdated policies reviewed before the end of the financial year	All outdated policies reviewed before the end of the financial year	All outdated policies reviewed before the end of the financial year	All outdated policies reviewed before the end of the financial year	All outdated policies reviewed before the end of the financial year	Internal	Opex
KFA 26: Processes and Procedures	Develop New Policies	List of policies developed & approved by Council	Corp.Serv	Review of approved policies	Review of approved policies	Review of approved policies	Review of approved policies	Review of approved policies	Review of approved policies	Internal	Opex
KFA 27: Municipal Facilities	Procurement of Office Furniture and Working tools	Equipment procured & installed/distributed to employees for operational efficiency	Corp.Serv	Equipment procured & installed/distributed to employees for operational efficiency	Equipment procured & installed/distributed to employees for operational efficiency	Equipment procured & installed/distributed to employees for operational efficiency	Equipment procured & installed/distributed to employees for operational efficiency	Equipment procured & installed/distributed to employees for operational efficiency	Equipment procured & installed/distributed to employees for operational efficiency	Internal	Opex
KFA 28: Equipment and Fleet Management	Development of Equipment & Fleet Management Plan	Equipment & Fleet Management Plan developed & approved by Council	Corp.Serv	Review Equipment & Fleet Management Plan	Review Equipment & Fleet Management Plan	Review Equipment & Fleet Management Plan	Review Equipment & Fleet Management Plan	Review Equipment & Fleet Management Plan	Review Equipment & Fleet Management Plan	Internal	Opex

KPA 5: Financial Sustainability

Strategic Objective										Delivery: Internal/ External	Funding Source	
To ensure financial sustainability												
Key Focus Area	Description of Capital Projects, Programmes and Activities	Key Performance Indicators (KPI's)	Annual Baseline	5 Year Target	13/14	14/15	15/16	16/17	17/18			
KFA 29: Capital Expenditure	Prudent infrastructure capital budget expenditure	% spent of approved capital budget v.s. actual expenditure	100%	100%	100%	100%	100%	100%	100%	100%	Internal	Opex
KFA 29: Capital Expenditure	Capital budget expenditure	% of actual capex vs. budgeted capex	100%	100%	100%	100%	100%	100%	100%	100%	Internal	Opex
KFA 29: Capital Expenditure	Departmental Capital Projects	% of departmental capital budget spent	100%	100%	100%	100%	100%	100%	100%	100%	Internal	Opex
KFA 29: Capital Expenditure	IDP/SDBIP Approved Capital Projects completed	% of IDP/SDBIP Approved Capital Projects completed	100%	100%	100%	100%	100%	100%	100%	100%	Internal	Opex

KFA 30: Expenditure and Cost Management	Management of Purchase Requisitions & Purchase Orders	The requisition should be accompanied by the letter detailing the need signed by the manager.	None	None	Number requisitions v.s. purchase orders	Number requisitions v.s. purchase orders	Number requisitions v.s. purchase orders	Number requisitions v.s. purchase orders	Number requisitions v.s. purchase orders	Internal	Opex
KFA 30: Expenditure and Cost Management	Irregular Expenditure	All Heads of Department should be held accountable for irregular expenditure committed by their departments	None	None	All Heads of Department should be held accountable for irregular expenditure committed by their departments	All Heads of Department should be held accountable for irregular expenditure committed by their departments	All Heads of Department should be held accountable for irregular expenditure committed by their departments	All Heads of Department should be held accountable for irregular expenditure committed by their departments	All Heads of Department should be held accountable for irregular expenditure committed by their departments	Internal	Opex
KFA 30: Expenditure and Cost Management	Finance & SCM Process Deviations	Register & supporting documents for deviations should be submitted to Municipal Manager	None	None	Register & supporting documents for deviations should be submitted to Municipal Manager	Register & supporting documents for deviations should be submitted to Municipal Manager	Register & supporting documents for deviations should be submitted to Municipal Manager	Register & supporting documents for deviations should be submitted to Municipal Manager	Register & supporting documents for deviations should be submitted to Municipal Manager	Internal	Opex
KFA 30: Expenditure and Cost Management	Infrastructure maintenance budget expenditure	% spent on approved Infrastructure maintenance budget	100%	100%	100%	100%	100%	100%	100%	Internal	Opex
KFA 30: Expenditure and Cost Management	Cash Management Plan	Development of a cash management plan for Council approval	None	None	Cash management plan approved by Council	Cash management plan approved by Council	Cash management plan approved by Council	Cash management plan approved by Council	Cash management plan approved by Council	Internal	Opex

KFA 31: Revenue Management	Charging of interest on long outstanding debtors.	Number of long outstanding debtors handed over for collection vs. debts collected	80%	80%	80%	80%	80%	80%	80%	Internal	Opex
KFA 31: Revenue Management	Employment of Permanent Debt collector	Position advertised and filled	1.00	1.00	1.00	1.00	1.00	1.00	1.00	Internal	Opex
KFA 31: Revenue Management	Identification of debtors through door to door visits	No. of debtors vs debtors paid	80%	80%	80%	80%	80%	80%	80%	Internal	Opex
KFA 31: Revenue Management	Introduce once-off discounts certain debt categories.	Number of discounts offered vs debts collected	80%	80%	80%	80%	80%	80%	80%	Internal	Opex
KFA 31: Revenue Management	Review policy on debtors	Debtors Policy Reviewed	None	None	Reviewed Debtors Policy approved by Council	Reviewed Debtors Policy approved by Council	Reviewed Debtors Policy approved by Council	Reviewed Debtors Policy approved by Council	Reviewed Debtors Policy approved by Council	Internal	Opex

KFA 31: Revenue Management	Conduct meter audit for appropriate billing and water loss control.	% of meters audited	100%	100%	100%	100%	100%	100%	100%	Internal	Opex
KFA 31: Revenue Management	Implementation of a system and controls to ensure that all traffic fines issued are collected.	Number of traffic fines issued and % collected	100%	100%	100%	100%	100%	100%	100%	Internal	Opex
KFA 31: Revenue Management	Introduce and conduct daily reconciliation of traffic fines	Number of traffic fines issued and reconciled	100%	100%	100%	100%	100%	100%	100%	Internal	Opex
KFA 31: Revenue Management	Apply for electricity distribution licence	Business cases prepared and submitted to Nersa/DoE	Pending DoE/Nersa outcome	Pending DoE/Nersa outcome	Pending DoE/Nersa outcome	Pending DoE/Nersa outcome	Pending DoE/Nersa outcome	Pending DoE/Nersa outcome	Pending DoE/Nersa outcome	Internal	Opex
KFA 31: Revenue Management	Renovate Transido so that the municipality can start charging rent	Scope of work and costing for renovations	None	None	Scope of work and costing for renovations	Scope of work and costing for renovations	Fundraising & construction	Fundraising & construction	Operate & maintain	Internal	Opex

KFA 31: Revenue Management	Revise pound fees and ensure proper collection	Pound fees revised	None	None	Revised pound fee structure approved by Council	Revised pound fee structure approved by Council	Revised pound fee structure approved by Council	Revised pound fee structure approved by Council	Revised pound fee structure approved by Council	Internal	Opex
KFA 31: Revenue Management	Build municipal housing to generate revenue	Planning, designs, approval & registration with MIG	None	None	Building plans approved by Council	Project registerd with MIG	Fundraising & construction	Fundraising & construction	Operate & maintain	Internal	Opex
KFA 31: Revenue Management	Apply for higher grading of our testing ground.	Application for higher grading prepared & submitted	None	None	Due dilligence & approval/decline for higher grading	Due dilligence & approval/decline for higher grading	Due dilligence & approval/decline for higher grading	Implementation, management & maintanance	Implementation, management & maintanance	Internal	Opex
KFA 31: Revenue Management	Introduction of CBD Parking	Parking meters should be introduced and there should be a proper plan in place.	None	None	Feasibility Study & Business Plan Development	Feasibility Study & Business Plan Development	Fundraising & instalation	Implementation, management & maintanance	Implementation, management & maintanance	Internal	Opex
KFA 31: Revenue Management	Identification of an Open Parking Space	Open parking space (s) identified at Engcobo	None	None	Feasibility Study & Business Plan Development	Feasibility Study & Business Plan Development	Fundraising & construction	Fundraising & construction	Fundraising & construction	Internal	Opex

KFA 31: Revenue Management	Development of Revenue Strategy	Revenue Enhancement Strategy developed	None	None	Revenue Enhancement Strategy approved by Council	Revenue Enhancement Strategy implemented & reviewed	Revenue Enhancement Strategy implemented & reviewed	Revenue Enhancement Strategy implemented & reviewed	Revenue Enhancement Strategy implemented & reviewed	Internal	Opex
KFA 31: Revenue Management	Indigent Policy	Monthly subsidies to indigents	3.00	3.00	3.00	3.00	3.00	3.00	3.00	Internal	Opex
KFA 31: Revenue Management	Property valuations	Conduct General Valuations on Properties(MPRA implementation)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	Internal	Opex
KFA 31: Revenue Management	Rates (Tarrif & rates)	Review tarrifs and rates	1.00	1.00	1.00	1.00	1.00	1.00	1.00	Internal	Opex
KFA 32: Supply Chain Management	Review of SCM Policy	SCM Policy fully reviewed & aligned	None	None	Reviewed SCM Policy implemented	Reviewed SCM Policy implemented	Reviewed SCM Policy implemented	Reviewed SCM Policy implemented	Reviewed SCM Policy implemented	Internal	Opex

KFA 32: Supply Chain Management	Development of SCM Policies, Procedures and Tools	SCM Processes & Procedures developed	None	None	New SCM Processes & Procedures implemented	New SCM Processes & Procedures implemented	New SCM Processes & Procedures implemented	New SCM Processes & Procedures implemented	New SCM Processes & Procedures implemented	Internal	Opex
KFA 32: Supply Chain Management	Training of municipal officials on SCM policy & procedures	Number of Municipal officials trained for better understanding & implementation of SCM Policy	All S56 Managers & Assistant Managers	All S56 Managers & Assistant Managers	All S56 Managers & Assistant Managers	All S56 Managers & Assistant Managers	All S56 Managers & Assistant Managers	All S56 Managers & Assistant Managers	All S56 Managers & Assistant Managers	Internal	Opex
KFA 32: Supply Chain Management	Capacity building within SCM Unit	Develop on operational structure for SCM	None	None	Operational structure aligned with organogram	Organogram approved by Council & Implemented	Organogram approved by Council & Implemented	Organogram approved by Council & Implemented	Organogram approved by Council & Implemented	Internal	Opex
KFA 32: Supply Chain Management	Implementation of a Contract Management Register	Maintaining of a Contract Management Register	None	None	Up-to-date and maintained contract management register	Up-to-date and maintained contract management register	Up-to-date and maintained contract management register	Up-to-date and maintained contract management register	Up-to-date and maintained contract management register	Internal	Opex

KFA 32: Supply Chain Management	SCM turnaround time	SCM turnaround time	SCM turnaround within 30 days	SCM turnaround within 30 days	SCM turnaround within 30 days	SCM turnaround within 30 days	SCM turnaround within 30 days	SCM turnaround within 30 days	SCM turnaround within 30 days	Internal	Opex
KFA 32: Supply Chain Management	Annual Procurement Plans	Develop departmental APP's	5.00	5.00	5.00	5.00	5.00	5.00	5.00	Internal	Opex
KFA 32: Supply Chain Management	Supplier database	Development and maintenance of a supplier database.	1.00	1.00	1.00	1.00	1.00	1.00	1.00	Internal	Opex

KFA 33: Asset Management	Appoint a ward committee member that will be responsible for a hall who will work hand in had with the official from the municipality	Ward Committee member appointed	None	None	Ward committee member assigned to ward based assets	Ward committee member assigned to ward based assets	Ward committee member assigned to ward based assets	Ward committee member assigned to ward based assets	Ward committee member assigned to ward based assets	Internal	Opex
KFA 33: Asset Management	Movable assets for community hall should be hired out .	Inventory of municipal assets and rates	100%	100%	100%	100%	100%	100%	100%	Internal	Opex
KFA 33: Asset Management	Maintanance plan should be developed.	Asset Maintainance Plan developed	None	None	Asset Maintance Plan approved & implemented	Asset Maintance Plan approved & implemented	Asset Maintance Plan approved & implemented	Asset Maintance Plan approved & implemented	Asset Maintance Plan approved & implemented	Internal	Opex
KFA 33: Asset Management	Review asset register to ensure that all assets are insured.	Reviewed asset register	None	None	Reviewed Asset Register presented to Audit Committee & AG	Reviewed Asset Register presented to Audit Committee & AG	Reviewed Asset Register presented to Audit Committee & AG	Reviewed Asset Register presented to Audit Committee & AG	Reviewed Asset Register presented to Audit Committee & AG	Internal	Opex

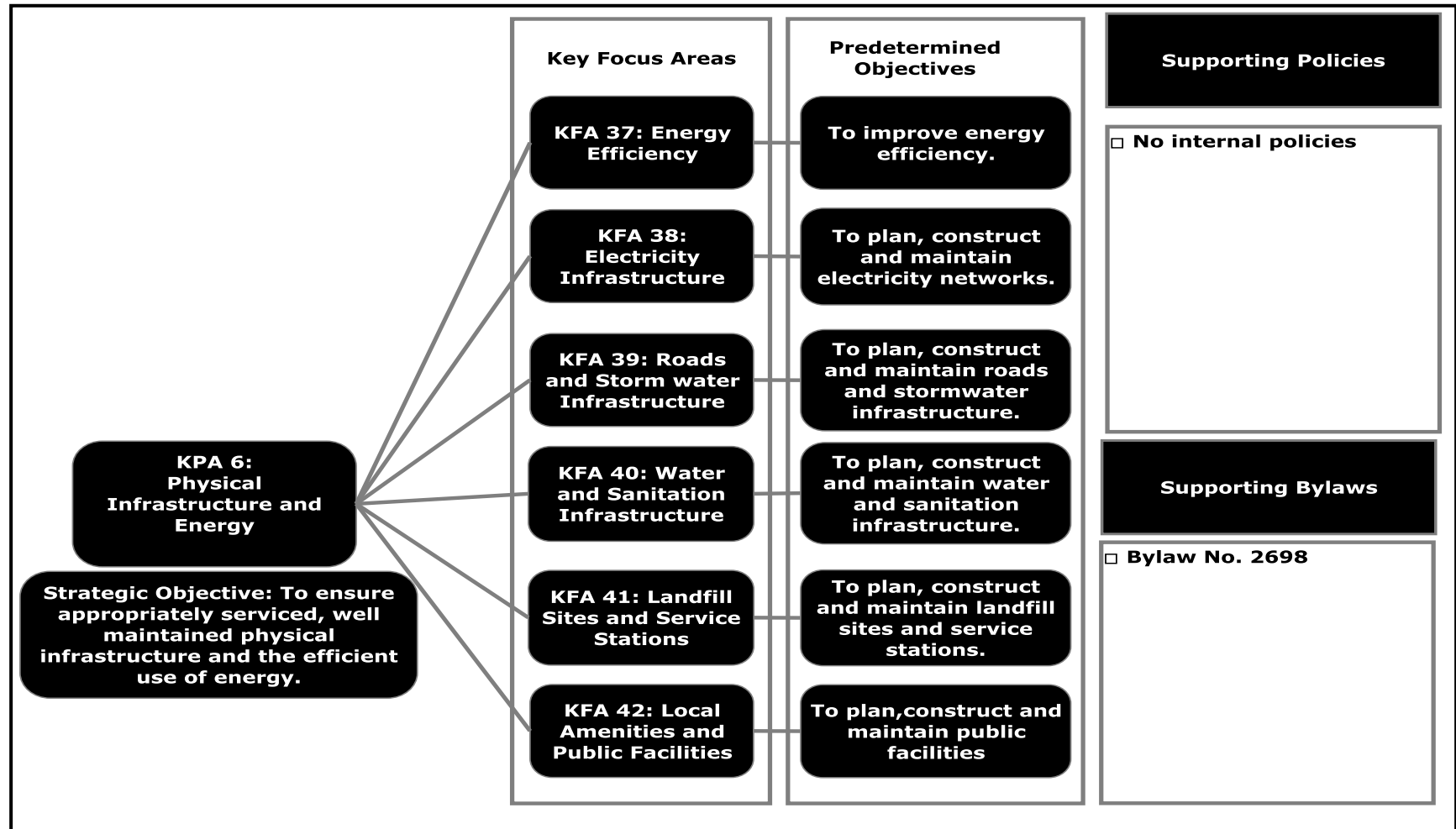
KFA 34:Financial Reporting	Prepare monthly management accounts with analysis.	Management accounts prepared and subitted to EXCO	12	96	12	12	12	12	12	12	Internal	Opex
KFA 34:Financial Reporting	Conduct month-end procedures monthly and run a trial balance.	Trial Balance drawn monthly and presented with management accounts	13	96	12	12	12	12	12	12	Internal	Opex
KFA 34:Financial Reporting	Conduct monthly bank reconciliations	All bank accounts reconciled monthly	14	96	12	12	12	12	12	12	Internal	Opex
KFA 34:Financial Reporting	Clean audit action plan	Approved clean audit action plan	Reviewed Clean Audit Action Plan	Reviewed Clean Audit Action Plan	Reviewed Clean Audit Action Plan	Reviewed Clean Audit Action Plan	Reviewed Clean Audit Action Plan	Reviewed Clean Audit Action Plan	Reviewed Clean Audit Action Plan	Reviewed Clean Audit Action Plan	Internal	Opex
KFA 34:Financial Reporting	Section 71 Reports	Preparation and submission of S71 reports	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	Internal	Opex

KFA 34:Financial Reporting	Annual Financial Statements	Preparation and submission of AFS to the AG	1.00	1.00	1.00	1.00	1.00	1.00	1.00	Internal	Opex
KFA 34:Financial Reporting	Audit Action Plan	Facilitate the Implementation of the Action Plan developed for the 2011/12 audit report.	1.00	1.00	1.00	1.00	1.00	1.00	1.00	Internal	Opex
KFA 34:Financial Reporting	Capturing of opening balances	Capture opening balances for the 2013/14 financial year	Once-off	Once-off	Once-off	Once-off	Once-off	Once-off	Once-off	Internal	Opex
KFA 34:Financial Reporting	Capturing of budget figures	Capture the budget figures for 2013/14 on eVirus	Once-off	Once-off	Once-off	Once-off	Once-off	Once-off	Once-off	Internal	Opex
KFA 35: Budgeting	Alignment between budget and IDP	% IDP alignment	100%	100%	100%	100%	100%	100%	100%	Internal	Opex

KFA 35: Budgeting	Implement monthly budget reports.	Number of reports	12	12	12	12	12	12	12	Internal	Opex
KFA 35: Budgeting	Conduct workshop for officers how expenditure is allocated to the budget.	Workshop attended by all S56 Managers & Assistant Managers/Officers	1.00	1.00	1.00	1.00	1.00	1.00	1.00	Internal	Opex
KFA 35: Budgeting	Involve all internal stakeholders in the budget process	Proof of meetings of stakeholders for budgeting process	1.00	1.00	1.00	1.00	1.00	1.00	1.00	Internal	Opex
KFA 35: Budgeting	Ensure that budget is aligned to KPA's and KFA's.	Golden trend between IDP, Budget, KPA's & KFA's, SDBIP's	Golden trend between IDP, Budget, KPA's & KFA's, SDBIP's	Golden trend between IDP, Budget, KPA's & KFA's, SDBIP's	Golden trend between IDP, Budget, KPA's & KFA's, SDBIP's	Golden trend between IDP, Budget, KPA's & KFA's, SDBIP's	Golden trend between IDP, Budget, KPA's & KFA's, SDBIP's	Golden trend between IDP, Budget, KPA's & KFA's, SDBIP's	Golden trend between IDP, Budget, KPA's & KFA's, SDBIP's	Internal	Opex
KFA 35: Budgeting	Tabling to council	To develop a Budget and IDP process plan in line with MFMA requirements.	1.00	1.00	1.00	1.00	1.00	1.00	1.00	Internal	Opex

KFA 35: Budgeting	Council approved Adjustments Budget	Compilation of an Adjustments Budget.	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	Internal	Opex
KFA 35: Budgeting	Council approval of policies	Ensure the Review of Budget Related Policies in preparation for the next years budget.	Once-off	Once-off	Once-off	Once-off	Once-off	Once-off	Once-off	Once-off	Internal	Opex
KFA 35: Budgeting	Tabling to council by 31 March 2013	Compilation of the Draft Budget for 2013/16 MTEF period.	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	Internal	Opex
KFA 35: Budgeting	Approval by council by 31 May 2013	Submission of final budget for 2013/16 MTEF period for approval by council.	Once-off	Once-off	Once-off	Once-off	Once-off	Once-off	Once-off	Once-off	Internal	Opex
KFA 36: Funding	Funding Plan	Funding Plan	None	None	Reviewed Funding Plan approved by Council	Reviewed Funding Plan approved by Council	Reviewed Funding Plan approved by Council	Reviewed Funding Plan approved by Council	Reviewed Funding Plan approved by Council	Reviewed Funding Plan approved by Council	Internal	Opex
KFA 36: Funding	Cost coverage	Maintain an acceptable ratio	Ratio 2:1	Ratio 2:1	Ratio 2:1	Ratio 2:1	Ratio 2:1	Ratio 2:1	Ratio 2:1	Ratio 2:1	Internal	Opex

4.6.5. KPA 6: Physical Infrastructure and Energy.



KPA 6: Physical Infrastructure and Energy Efficiency

Strategic Objective		To ensure appropriately serviced, well maintained infrastructure and efficient use of energy									Delivery: Internal/ External	Funding Source
Key Focus Area (KFA)	Description of Capital Projects, Programmes and Activities	Key Performance Indicators (KPI's)	Wards	Department	5 Year Target	13/14	14/15	15/16	16/17	17/18		
KFA 38: Electricity Infrastructure	Rural Electrification Project (Komkhulu, Silevini, Mageza, Thafeni)	Number of households supplied with electricity	6	Infrastructure	384 Households supplied with electricity	384 Households supplied with electricity	384 Households supplied with electricity	Preventative maintenance	Preventative maintenance	Preventative maintenance	External	Dept. of Energy
KFA 38: Electricity Infrastructure	Rural Electrification Project	Number of households supplied with electricity (Cobosi, Gotyibeni)	4	Infrastructure	450 Households supplied with electricity	450 Households supplied with electricity	450 Households supplied with electricity	Preventative maintenance	Preventative maintenance	Preventative maintenance	External	Dept. of Energy
KFA 38: Electricity Infrastructure	Rural Electrification Project-Lower Qebe	Number of households supplied with electricity (Lower Qebe, New Rest)	13	Infrastructure	228 Households supplied with electricity	228 Households supplied with electricity	228 Households supplied with electricity	Preventative maintenance	Preventative maintenance	Preventative maintenance	External	Dept. of Energy

KFA 38: Electricity Infrastructure	Rural Electrification Project-Luhewini	Number of households supplied with electricity (Luhewini)	5	Infrastructure	140 Households supplied with electricity	140 Households supplied with electricity	140 Households supplied with electricity	Preventative maintanance	Preventative maintanance	Preventative maintanance	External	Dept. of Energy
KFA 38: Electricity Infrastructure	Rural Electrification Project (Lower Gqaga, Upper Gqaga, Ndlunkulu, Mkhonkotho, Mmangeni, Mgudu)	Number of households supplied with electricity (Mkhonkotho)	19	Infrastructure	100 Households supplied with electricity	100 Households supplied with electricity	100 Households supplied with electricity	Preventative maintanance	Preventative maintanance	Preventative maintanance	External	Dept. of Energy
KFA 38: Electricity Infrastructure	Rural Electrification Project (Sinqumeni)	Number of households supplied with electricity	20	Infrastructure	529 Households supplied with electricity	529 Households supplied with electricity	529 Households supplied with electricity	Preventative maintanance	Preventative maintanance	Preventative maintanance	External	Dept. of Energy
KFA 38: Electricity Infrastructure	Msawawa High Mast	Number of high master lights installed & functioning	11	Infrastructure	3 functioning high mast lights	3 functioning high mast lights	3 functioning high mast lights	Preventative maintanance	Preventative maintanance	Preventative maintanance	ELM/MISA	MIG

KFA 39: Roads and Stormwater Infrastructure	Hala-Silindini access road	Numer of kilometers of road with acceptable gravel surface & associate works	13	Infrastructure	4 KM gravel surface road	4 KM gravel surface road	4 KM gravel surface road	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM/MISA	MIG
KFA 39: Roads and Stormwater Infrastructure	Chibini-Lunda Access Road	Numer of kilometers of road with acceptable gravel surface & associate works	1	Infrastructure	11 KM gravel surface road	11 KM gravel surface road	12 KM gravel surface road	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM/MISA	MIG
KFA 39: Roads and Stormwater Infrastructure	Mtwaza access road	Numer of kilometers of road with acceptable gravel surface & associate works	13	Infrastructure	5KM gravel surface road	5KM gravel surface road	5KM gravel surface road	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM/MISA	MIG
KFA 39: Roads and Stormwater Infrastructure	Ndulwini-hlaba access road	Numer of kilometers of road with acceptable gravel surface & associate works	20	Infrastructure	4,5KM gravel surface road	4,5KM gravel surface road	4,5KM gravel surface road	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM/MISA	MIG
KFA 39: Roads and Stormwater Infrastructure	Gqutyini-Zadungeni	Numer of kilometers of road with acceptable gravel surface & associate works	12	Infrastructure	None	None	None	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM/MISA	MIG

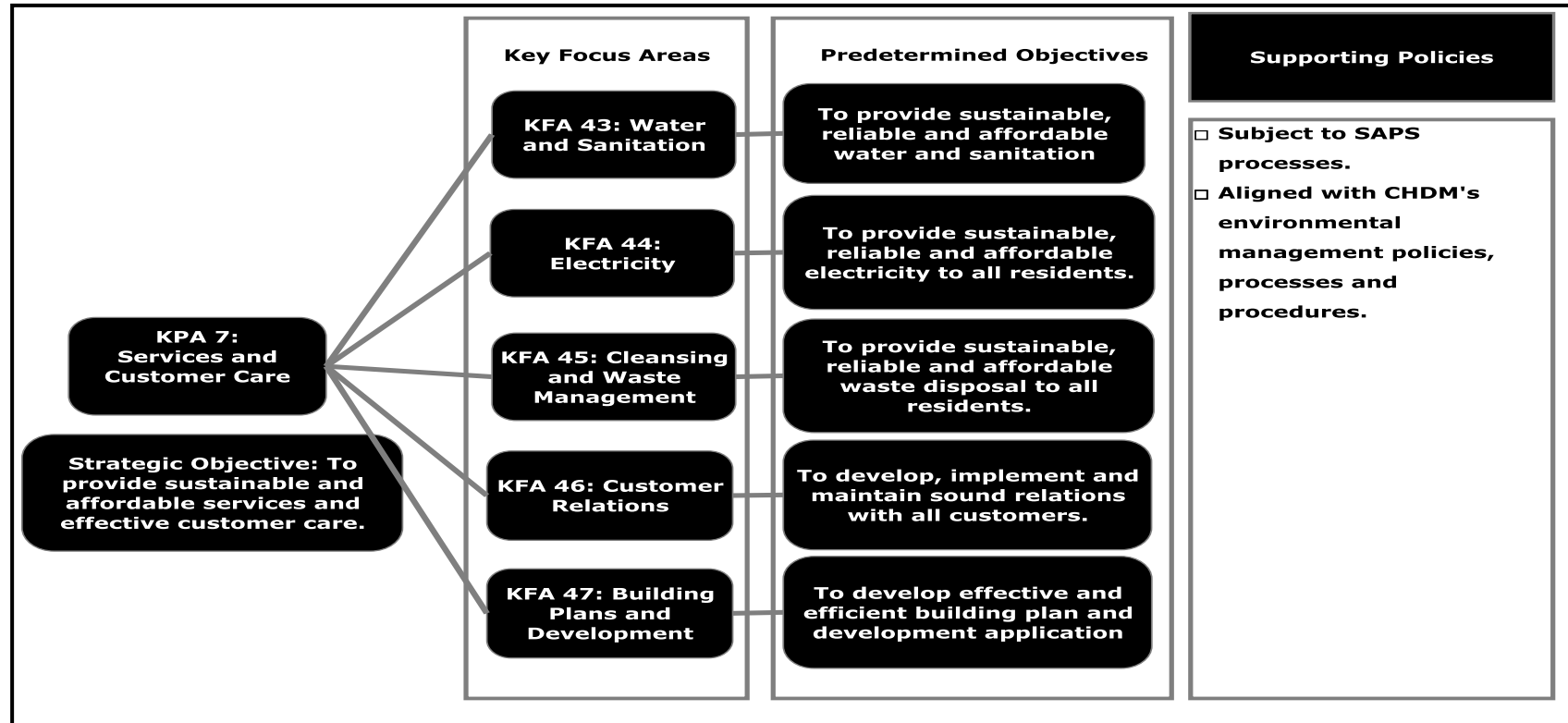
KFA 39: Roads and Stormwater Infrastructure	Gqobonco-Majjia-Fane	Numer of kilometers of road with acceptable gravel surface & associate works	18	Infrastructure	12 KM gravel surface road	12 KM gravel surface road	None	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM/MISA	MIG
KFA 39: Roads and Stormwater Infrastructure	Cottage Access road	Numer of kilometers of road with acceptable gravel surface & associate works	9	Infrastructure	1.5 KM gravel surface road	1.5 KM gravel surface road	None	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM/MISA	MIG
KFA 39: Roads and Stormwater Infrastructure	Clarkebury Access	Numer of kilometers of road with acceptable gravel surface & associate works	16	Infrastructure	4.6 KM gravel surface road	4.6 KM gravel surface road	None	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM/MISA	MIG
KFA 39: Roads and Stormwater Infrastructure	Gubenxa Access Road	Numer of kilometers of road with acceptable gravel surface & associate works	20	Infrastructure	4.5 KM gravel surface road	4.5 KM gravel surface road	None	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM/MISA	MIG
KFA 39: Roads and Stormwater Infrastructure	Mntintloni Access Road	Numer of kilometers of road with acceptable gravel surface & associate works	12	Infrastructure	3 KM gravel surface road	3 KM gravel surface road	None	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM/MISA	MIG

KFA 39: Roads and Stormwater Infrastructure	Sentube Access Road	Numer of kilometers of road with acceptable gravel surface & associate works	15	Infrastructure	8.5 KM gravel surface road	8.5 KM gravel surface road	None	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM/MISA	MIG
KFA 39: Roads and Stormwater Infrastructure	Masonwabe Access Road	Numer of kilometers of road with acceptable gravel surface & associate works	11	Infrastructure	5 KM gravel surface road	5 KM gravel surface road	None	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM/MISA	MIG
KFA 39: Roads and Stormwater Infrastructure	Chibini Access Road	Numer of kilometers of road with acceptable gravel surface & associate works	8	Infrastructure	2 KM gravel surface road	2 KM gravel surface road	None	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM/MISA	MIG
KFA 39: Roads and Stormwater Infrastructure	Ngcobo Street Upgrade	Numer of kilometers of road with acceptable black top surface & associate works	11	Infrastructure	1.2 KM black-top surface road	1.2 KM black-top surface road	1.2 KM black-top surface road	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM/MISA	MIG
KFA 39: Roads and Stormwater Infrastructure	Msingathi Clinic Access Road	Numer of kilometers of road with acceptable black top surface & associate works	5	Infrastructure	2.5 KM gravel surface road	2.5 KM gravel surface road	2.5 KM gravel surface road	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM/MISA	MIG
KFA 39: Roads and Stormwater Infrastructure	Lahlangubo-Mampingeni Access Road	Numer of kilometers of road with acceptable black top surface & associate works	8	Infrastructure	6 KM gravel surface road	6 KM gravel surface road	6 KM gravel surface road	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM/MISA	MIG

KFA 39: Roads and Stormwater Infrastructure	Ngwevana Access Road	Numer of kilometers of road with acceptable black top surface & associate works	2	Infrastructure	3.5 KM gravel surface road	3.5 KM gravel surface road	3.5 KM gravel surface road	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM/MISA	MIG
KFA 39: Roads and Stormwater Infrastructure	Paving project	Number of square meters of paved surfaces	11	Infrastructure	200 square meters	200 square meters	200 square meters	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM/MISA	MIG
KFA 41: Landfill Sites Service Stations	Maintanance and cleaning of Engcobo Dumping Site	Dumping site operating to acceptable environmental standards	11	Infrastructure	Dumping site operating to acceptable environmental standards	Dumping site operating to acceptable environmental standards	Dumping site operating to acceptable environmental standards	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM	Capex
KFA 41: Landfill Sites Service Stations	Sorting and recycling of solid (off-site recycling)	Waste sorted into different classes & recycled accordingly	11	Community Services	Waste sorted into different classes & recycled accordingly	Waste sorted into different classes & recycled accordingly	Waste sorted into different classes & recycled accordingly	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM	Capex
KFA 41: Landfill Sites Service Stations	Completion of building of a Guard House	% of budget spent & percentage of actual progress	11	Infrastructure /Comm. Serv	100%	100%	100%	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM/MISA	MIG

KFA 41: Landfill Sites Service Stations	Licencing of Landfill Sites	Landfill sites licenced by relevant authority	11	Community Services	Site operating to licencing standards	Site operating to licencing standards	Site operating to licencing standards	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM	DEA
KFA 42:Local Ammenities and Public Facilities	Maintainance of Town Hall and Indoor Sports Centre	Facilities maintained to acceptable operational standards	11	Infrastructure /Comm. Serv	Facilities maintained to acceptable operational standards	Facilities maintained to acceptable operational standards	Facilities maintained to acceptable operational standards	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM	Capex
KFA 42:Local Ammenities and Public Facilities	Ronovation of Esikobeni Hall	% of budget spent & percentage of actual progress	11	Infrastructure /Comm. Serv	100%	100%	100%	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM/MISA	MIG
KFA 42:Local Ammenities and Public Facilities	Ronovation of Bodini Hall	% of budget spent & percentage of actual progress	11	Infrastructure /Comm. Serv	100%	100%	100%	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM/MISA	MIG
KFA 42:Local Ammenities and Public Facilities	Continuous maintance of swimming pool	Pool maintained to acceptable operational standards	11	Infrastructure /Comm. Serv	Pool maintained to acceptable operational standards	Pool maintained to acceptable operational standards	Pool maintained to acceptable operational standards	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM	Capex
KFA 42:Local Ammenities and Public Facilities	Renovation of Ngcobo Stadium	% of budget spent & percentage of actual progress	11	Infrastructure /Comm. Serv	100%	100%	100%	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM/MISA	MIG
KFA 42:Local Ammenities and Public Facilities	Community Halls	% of budget spent & percentage of actual progress	3	Infrastructure	100%	100%	100%	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM/MISA	MIG
KFA 42:Local Ammenities and Public Facilities	Ngcobo Sports Field	% of budget spent & percentage of actual progress	11	Infrastructure	100%	100%	100%	Preventative maintainance	Preventative maintainance	Preventative maintainance	ELM/MISA	MIG

4.6.6. KPA 7: Services and Customer Care.



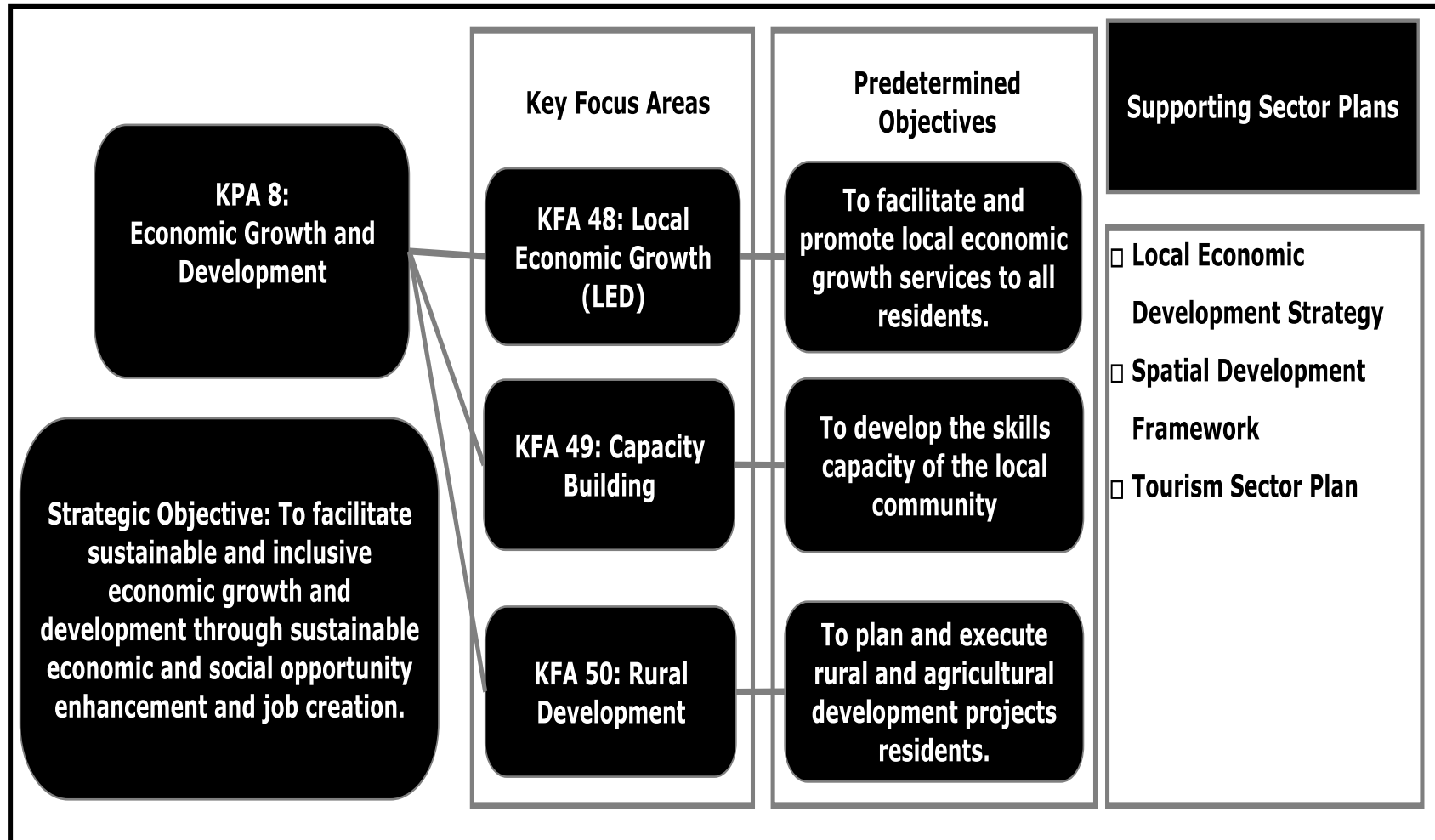
KPA 7: Services and Customer Care

Strategic Objective		To provide sustainable and affordable services and effective customer care										Delivery: Internal/ External	Funding Source	
Key Focus Area (KFA)	Description of Capital Projects, Programmes and Activities	Key Performance Indicators (KPI's)	Wards	Department	Annual Baseline	5 Year Target	Targets					17/18		
							13/14	14/15	15/16	16/17	17/18			
KFA 43: Water & Sanitation	Reduction of water losses	% reduction	All	Infrastructure	15%	15%	15%	15%	15%	15%	15%	15%	Internal	Capex
KFA 43: Water & Sanitation	Blue Drop Certification Programme	% reduction	All	Infrastructure	93%	93%	93%	93%	93%	93%	93%	93%	Internal	Capex
KFA 45: Cleansing and Waste Management	Refuse removal	Number of points	Ngcobo town, Time Housing, Donnville, Extention 5 & 9,	CommServ	122	122	122	122	122	122	122	122	Internal	Capex
KFA 45: Cleansing and Waste Management	Street cleaning	Number of kilometres	Ngcobo Town	CommServ	49	49	49	49	49	49	49	49	Internal	Capex

KPA 7: Services and Customer Care

Strategic Objective												Delivery:	Funding
To provide sustainable and affordable services and effective customer care												Internal/	Source
Key Focus Area (KFA)	Description of Capital Projects, Programmes and Activities	Key Performance Indicators (KPI's)	Wards	Department	Annual Baseline	5 Year Target	13/14	14/15	15/16	16/17	17/18	External	
KFA 46: Customer Care	Grievance Management Process	Grievance Management Procedure Manual	All	CorpServ	Grievance Management Procedure Manual	Grievance Management Procedure Manual	Grievance Management Procedure Manual	Grievance Management Procedure Manual	Grievance Management Procedure Manual	Grievance Management Procedure Manual	Grievance Management Procedure Manual	Internal	Capex
KFA 47: Building Regulations and Municipal Planning	Enforcement of by-laws	Enforcement of by-laws	All	CorpServ	Enforcement of by-laws	Enforcement of by-laws	Enforcement of by-laws	Enforcement of by-laws	Enforcement of by-laws	Enforcement of by-laws	Enforcement of by-laws	Internal	Capex

4.6.7. KPA 8: Economic Growth and Development.



KPA 8: Economic Growth and Development

Strategic Objective	Facilitation and support for creation of economic opportunities that create jobs and alleviate poverty within the Engcobo Municipal Area											Delivery: Internal/ External	Funding Source
Key Focus Area (KFA)	Description of Capital Projects, Programmes and Activities	Key Performance Indicators (KPI's)	Wards	Department	Annual Baseline	5 Year Target	13/14	14/15	15/16	16/17	17/18		
KFA 48: Local Economic Development	Food Security Programme for agricultural sector at Engcobo LM	Approved Food Security Programme	All	IPED	None	Food Security Programme Developed & approved by Council	Food Security Programme Developed & approved by Council	Review Food Security Programme	Review Food Security Programme	Review Food Security Programme	Review Food Security Programme	Internal/External	ELM/RDLR/DEDEA/CHDM/ECRDA/DoARD
KFA 48: Local Economic Development	Review LED Strategy	Reviewed LED Strategy	All	IPED	None	Reviewed LED Strategy adopted by Council	Reviewed LED Strategy adopted by Council	Implement reviewed LED Strategy implemented	Implement reviewed LED Strategy implemented	Implement reviewed LED Strategy implemented	Implement reviewed LED Strategy implemented	Internal/External	ELM/DEDEA/CHDM/DPLGTA
KFA 48: Local Economic Development	Small Town Revitalization Programme	Construction of the Big Rank	11	IPED/Infrastructure	None	Construction of the Big Rank	Construction of the Big Rank	Construction of the Big Rank	Operate & maintain Big Rank	Operate & maintain Big Rank	Operate & maintain Big Rank	Internal/External	MIG/DPLGTA/CHDM/ELM
KFA 48: Local Economic Development	Small Town Revitalization Programme	Engcobo Town Beautification	11	IPED/Infrastructure	None	Engcobo Town Beautification	Engcobo Town Beautification	Engcobo Town Beautification	Engcobo Town Beautification	Maintain aesthetic look of the town	Maintain aesthetic look of the town	Internal/External	MIG/DPLGTA/CHDM/ELM

KFA 48: Local Economic Development	Small Town Revitalization Programme	Construction of the Relief Road		IPED/Infrastructure	None	Construction of the Relief Road	Construction of the Relief Road	Construction of the Relief Road	Maintenance of the Relief Road	Maintenance of the Relief Road	Maintenance of the Relief Road	Internal/External	MIG/DPLGTA/CHDM/ELM
KFA 48: Local Economic Development	Socioeconomic Analysis	Engcobo Socioeconomic Analysis approved by Council	All	IPED	None	Economic analysis in line with LED Strategy	Economic analysis in line with LED Strategy	Continuous updating of datasets	Continuous updating of datasets	Continuous updating of datasets	Continuous updating of datasets	Internal/External	ELM/STATS-SA,DPLGTA
KFA 48: Local Economic Development	LED Strategy	Number of stakeholders involved in reviewing LED Strategy	All	IPED	8	40	5	5	5	5	5	Internal/External	ELM/CHDM/DPLGTA/Business Forum/Sector Depts.
KFA 48: Local Economic Development	Socioeconomic Status Database	Develop a socioeconomic database on the status of Engcobo economy	All	IPED	None	None	Develop & maintain socioeconomic database	Review Socioeconomic Database	Review Socioeconomic Database	Review Socioeconomic Database	Review Socioeconomic Database	Internal/External	ELM/STATS-SA,DPLGTA/CHDM
KFA 48: Local Economic Development	LED Projects	Number of LED projects identified in line with LED Strategy and approved by EXCO/MayCo	All	IPED	None	160	20	20	20	20	20	Internal/External	ELM/DRDAR/DEDEA/ECDC/CHDM/SEDA/ECRDA

KFA 48: Local Economic Development	Crop production	Number of hectares cultivated for maize, soya beans & seasonal vegetables	17	IPED	2500ha	2500ha	500ha	500ha	500ha	500ha	500ha	Internal/External	ELM/DRDAR/CHDM/ECRDA/ECDC/CDC
KFA 48: Local Economic Development	Crop production	Number of hectares cultivated for maize, soya beans & seasonal vegetables	20	IPED	2500ha	2500ha	500ha	500ha	500ha	500ha	500ha	Internal/External	ELM/DRDAR/CHDM/ECRDA/ECDC/CDC
KFA 48: Local Economic Development	Mining	Quarry development for crush stone	2,3,11,12.	IPED	None	None	Quarry business case, licence application, EIA, business plan	Quarry business case, licence application, EIA, business plan	None	None	None	Internal/External	ELM/DoE/DEA/CHDM
KFA 48: Local Economic Development	Biomass Production	Turnaround of the charcoal producing projects to become self-sustainable & financially viable	6	IPED	None	None	Turnaround of the charcoal producing projects to become self-sustainable &	Support & monitor charcoal projects	Support & monitor charcoal projects	Support & monitor charcoal projects	Support & monitor charcoal projects	Internal/External	ELM/CHDM/ECDC/C SIR
KFA 48: Local Economic Development	Biomass Production	Turnaround of the Nursery Project to become self-sustainable & financially viable	7	IPED	None	None	Turnaround of the Nursery Project to become self-sustainable & financially viable	Support & monitor the Nursery Project	Support & monitor the Nursery Project	Support & monitor the Nursery Project	Support & monitor the Nursery Project	Internal/External	

KFA 48: Local Economic Development	Biomass Production	Production & processing of soya beans	17	IPED	500ha	2500ha	500ha	500ha	500ha	500ha	500ha	Internal/External	ELM/DRDAR/CHDM/ECRDA/ECDC/CDC
KFA 48: Local Economic Development	Tourism	Improvement of Heroe's Park, Interpretation Centre	11	IPED	None	None	% of budget spent	Operate & maintain				Internal/External	ELM/DSRAC/DEA/ECDC/CHDM
KFA 48: Local Economic Development	Tourism	Renovation of a monument and Chief Ngubengcuka's grave & upgrading of historical buildings	16	IPED	None	None	Relocation & renovation of a monument and Chief Ngubengcuka's grave & upgrading of historical buildings	Relocation & renovation of a monument and Chief Ngubengcuka's grave & upgrading of historical buildings	Undertake preventative maintenance	Undertake preventative maintenance	Undertake preventative maintenance	Internal/External	ELM/CHDM/DEA/DSRAC/ECTB
KFA 48: Local Economic Development	Tourism	Operationalisation of the LTO	11	IPED	None	None	Operationalisation of the LTO	Operationalisation of the LTO	Operationalisation of the LTO	Operationalisation of the LTO	Operationalisation of the LTO	Internal/External	ELM/CHDM
KFA 48: Local Economic Development	Tourism	Establishment & construction of Qoba Game Reserve	7	IPED	None	None	Establishment & construction of a game reserve	Operate & maintain	Operate & maintain	Operate & maintain	Operate & maintain	Internal/External	ELM/CHDM/DSRAC/ECTB/DoE/ECDC
KFA 48: Local Economic Development	Tourism	Renaming & gazetting of streets at Engcobo Town	11	IPED	None	None	Renaming & gazetting of streets at Engcobo Town	Renaming & gazetting of streets at Engcobo Town	None	None	None	Internal	Opex

KFA 48: Local Economic Development	SMME Development	Identification of programmes & projects for SMME Development per ward	All	IPED	20	160	20	20	20	20	20	Internal/External	ELM/CHDM/SEDA/CDC/DEDEA
KFA 48: Local Economic Development	Livestock Improvement Programme	Breeding of high quality cross and pure-breed sheep	20	IPED	None	None	Continuous monitoring & improvement of output	Continuous monitoring & improvement of output	Continuous monitoring & improvement of output	Continuous monitoring & improvement of output	Continuous monitoring & improvement of output	Internal/External	ELM/DRDAR/CHDM/ECRDA/CDC
KFA 48: Local Economic Development	Livestock Improvement Programme	Breeding of Nguni Cattle at Mjanyana	4	IPED	None	None	Continuous monitoring & improvement of output	Continuous monitoring & improvement of output	Continuous monitoring & improvement of output	Continuous monitoring & improvement of output	Continuous monitoring & improvement of output	Internal/External	
KFA 49: Capacity Building	Capacity Building Programmes	Number of IPED employees	All	IPED/CorpSe rv	5	40	5	5	5	5	5	Internal/External	ELM/CHDM/DPLGTA
KFA 49: Capacity Building	Capacity Building Programmes	Number of people capacitated at ward level	All		20	160	20	20	20	20	20	Internal/External	

KFA 50: Rural Development	Job Creation Programme	Number of reports on jobs created	All	IPED	4	20	4	4	4	4	4	Internal/External	ELM/CHDM/Sector Depts.
KFA 50: Rural Development	Establishment of Rural Development Forum	Number of meetings held by Rural Development Forum	All	IPED	4	20	4	4	4	4	4	Internal/External	ELM/DRDAR/CHDM/ECRDA/CDC
KFA 50: Rural Development	Comprehensive Rural Development Plan	Approved Comprehensive Rural Development Plan	All	IPED		Approved Comprehensive Rural Development Plan	Draft Rural Development Plan	Reviewed Rural Development Plan	Reviewed Rural Development Plan	Reviewed Rural Development Plan	Reviewed Rural Development Plan	Internal/External	ELM/DRDAR/CHDM/ECRDA/CDC

4.6.8. Municipal Budget summary (MTEF period)

Description R thousands	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Financial Performance										
Property rates	3 275	3 373	3 315	3 680		3 680	3 680	3 800	3 994	4 189
Service charges	588	681	769	2 020	3	– 020	3 020	3 078	3 235	3 393
Investment revenue	1 267	1 291	2 231	1 650		1 650	1 650	1 700	1 787	1 874
Transfers recognised - operational	38 441	82 150	121 169	103 494	(19 672)	83 822	83 822	101 092	106 248	111 456
Other own revenue	3 658	10 355	5 067	3 585		3 585	3 585	4 134	4 344	4 557
	47 230	97 850	134 551	115 430	(19 672)	95 758	95 758	113 803	119 607	125 470
Total Revenue (excluding capital transfers and contributions)										
Employee costs	20 275	21 029	27 683	34 757	(1 737)	33 020	34 408	36 073	37 913	39 771
Remuneration of councillors	6 586	6 624	9 131	9 438		10 303	10 303	10 041	10 553	11 070
Depreciation & asset impairment	135	19 550	23 720	20 500	(15 500)	5 000	5 000	10 000	10 510	11 025
Finance charges	–	37	46	–	–	–	–	–	–	–
Materials and bulk purchases	–	–	–	12 968	(1 845)	11 123	11 123	11 481	12 066	12 657
Transfers and grants	–	–	–	1 568		2 168	2 168	3 000	3 153	3 307
Other expenditure	90 046	62 700	88 680	42 793	(4 321)	38 472	38 472	43 208	45 412	47 639
Total Expenditure	117 041	109 939	149 261	122 024	(21 938)	100 087	101 475	113 803	119 607	125 469

Description R thousands	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Surplus/(Deficit)	(69 812)	(12 089)	(14 709)	(6 595)	2 266	(4 329)	(5 717)	1	(1)	1
Transfers recognised - capital	83 939	15 250	74 565	62 169	2 068	64 237	64 237	47 672	70 046	72 350
Contributions recognised - capital & contributed assets	–	–	–	–	3 438	3 438	3 438	–	–	–
Surplus/(Deficit) after capital transfers & contributions	14 127	3 161	59 856	55 575	7 771	63 346	61 958	47 672	70 046	72 350
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	14 127	3 161	59 856	55 575	7 771	63 346	61 958	47 672	70 046	72 350
Capital expenditure & funds sources										
Capital expenditure	13 355	222 100	277 588	67 492	67 116	67 675	67 675	47 672	70 046	72 350
Transfers recognised - capital	13 355	222 100	277 588	67 492	2 068	64 237	64 237	38 909	60 837	62 690
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	–	–	–	–	3 438	3 438	3 438	8 763 47	9 209	9 661
Total sources of capital funds	13 355	222 100	277 588	67 492	5 506	67 675	67 675	672	70 046	72 350
Financial position										
Total current assets	19 999	39 938	68 232	117 123	56 696	117 123	117 123	123 564	129 866	136 229
Total non current assets		225	281	281		281	281	296	311 675	326 947

Description R thousands	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
	–	100	116	091	–	091	091	551		
Total current liabilities	19 073	29 684	48 995	51 055	(45 917)	–	9	10 428	10 960	11 497
Total non current liabilities	1 177	1 066	1 924	2 029	–	2 029	2 029	2 141	2 250	2 360
Community wealth/Equity	254	230 636	298 676	298 676	3 424	3 424	298 676	315 103	331 188	347 439
Cash flows										
Net cash from (used) operating	19 411	38 715	59 243	76 984	(9 700)	67 284	67 284	47 672	50 103	52 558
Net cash from (used) investing	(14 737)	(25 389)	(29 006)	(67 492)	116	(67 376)	(67 376)	(47 672)	(50 103)	(52 558)
Net cash from (used) financing	–	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	13 115	26 441	56 678	35 933	16 858	35 841	26 349	26 349	26 349	26 349
Cash backing/surplus reconciliation										
Cash and investments available	13 132	26 458	56 696	110 085	56 696	110 085	110 085	116 140	122 063	128 044
Application of cash and investments	12 237	12 722	35 258	44 350	(45 917)	(6 705)	(1 567)	(14 420)	(15 155)	(15 898)
Balance - surplus (shortfall)	895	13 736	21 438	65 735	102 613	116 790	111 653	130 560	137 219	143 942
Asset management										
Asset register summary (WDV)	–	222 370	277 859	250 597	–	250 597	12 240	12 240	12 877	13 508
Depreciation & asset impairment	135	19 550	23 720	20 500	(15 500)	5 000	10 000	10 000	10 510	11 025

Description R thousands	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Renewal of Existing Assets	- 2	- 28	- 7	- 12	- (1	- 11	- 11	- 11	-	-
Repairs and Maintenance	323	602	135	297	175)	043	981	981	12 195	12 411
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	700	000	000	-	000	000	1 000	1 000	1 000
Households below minimum service level										
Water:	28	26	12	12	-	12	26	26	26	26
Sanitation/sewerage:	21	23	17	18	-	18	18	18	18	18
Energy:	6	11	10	10	-	10	10	10	10	10
Refuse:	30	30	31	31	-	31	31	31	31	31

5. CHAPTER 4: Financial Plan.

5.1 Operating management systems and processes

At the moment the municipality does not have an adopted Performance Management System and is currently operation on a Performance Management Framework. The municipality has not been implementing the system effectively in that regular performance reviews as required by the PMS policy are not held and reporting is not fully complied with as per the legal requirement. The council intends to track progress in the implementation of its development goals and vision as outlined in the IDP and resourced through the approved Budget.

A system of Delegation, with a Delegation Matrix, is in place and utilised in guiding how the transfer of authority from the Municipal Manager to a delegated official takes place. This allows for consistent oversight and decision making in the daily administration of the municipality.

Financial accountability takes place through regular monthly reporting to Exco and treasury on budget performance, SCM processes and expenditure issues.

5.2 Skills Development, Training and capacity building

Training and capacity building has a dedicated budget and is government through the adopted Workplace Skills Plan (“WSP”). This plan provides for identification, prioritization of skills development needs and relevant training or capacity building support required by both officials and councillors.

Each manager is expected by the plan (WSP) to audit skills requirements in its areas of authority and formulate a proposal for training and capacity development for submission to the HR Manager who in turn is expected to draft an overall programme for training and capacity building then advise Council.

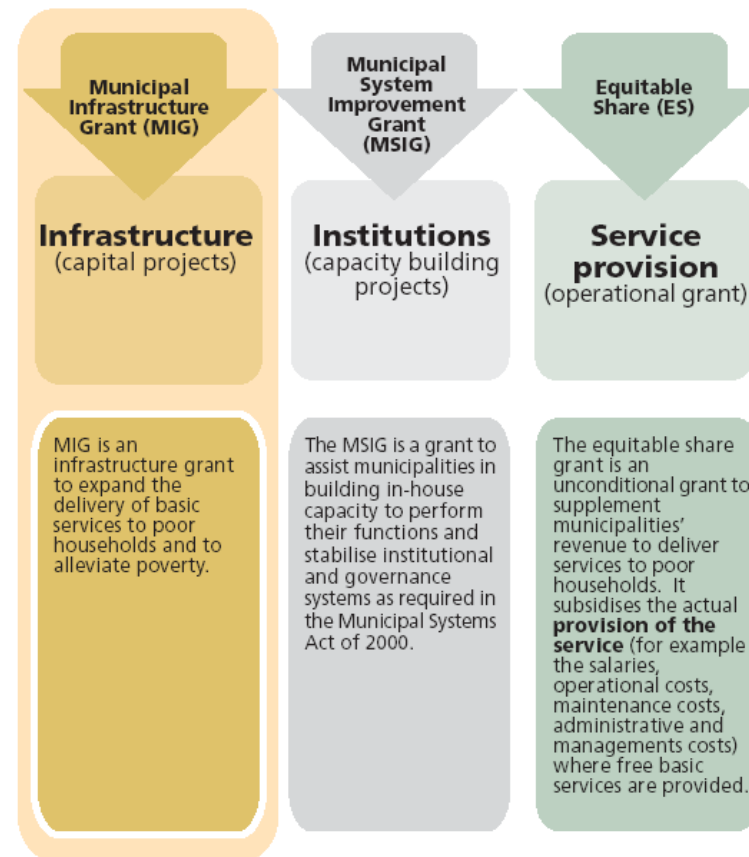
5.3 Transformation Goals

The municipality has an Employment Equity plan drawn in line with the act. The plan provides for the tracking of council intensions for employment equity and reporting on performance against set targets. Currently, there is one out of 3 section 56 managers who is female. None is disabled. All are previously disadvantaged incumbents.

The intention of the council is to utilise the human resource recruitment vehicle to ensure transformation of the current employment demographics in line with its targets.

5.4 Grants Allocated for Service Delivery.

The figure below indicate the different types of grants which are available to Municipalities, however such grants are subject to business plans being submitted to National DPLG and the approved from the NDPLG (MIG).



The Financial Plan forms the cornerstone of any planning and financial strategy of Council. The principle within such a financial plan is depending on the resources available to the Council.

5.5 Revenue Base

The municipality's revenue base relies on the following;

- Assessment rates and taxes;
- Refuse removal;
- Motor vehicle licensing and traffic fines,
- Water sales;
- Sanitation
- Hire of halls
- Tender fees
- Learners license and Driver's license fees
- System reticulation.

5.6 Funding Streams

As a municipality with low revenue levels, we depend almost entirely on national grants for all our operations. This situation is not sustainable, however we are acknowledging that the solution lies in turning around our local economy's performance and hence our resolve to make LED one of the top-10 priorities of the municipality.

Our current activities are funded through the following mechanisms:

- **Equitable Share:** which we utilise largely to fund our operations
- **MIG:** which is a conditional grant for funding all our infrastructure development programmes
- **MSIG:** which is a grant to fund institutional development and installation of systems and governance plans
- **FMG:** grant aimed at funding the building of capacity in the financial management and system procurement

- **DM Transfers:** moneys received from the district to carry-out planning and implementation of functions that we undertake on their behalf with a service level agreement
- **Extended Public works program:** Grant aimed at poverty alleviation through short term job creation.
- **Electrification Grant:** Grant aimed at electrification of previously disadvantaged rural areas.
- **Other:** moneys that are not received every year but on an ad-hoc basis from various national departments for activities relating to their functions or specific projects that they've asked the municipality to deliver on their behalf.

5.7 Application of Funds

The municipality has a 3 year operating budget as a guide on what resources are available or required over the next three years in order to deliver on its mandates. The council adopted a budget for 2012/17 in May of 2012 and also adopted a budget process plan for the review and adjustment of that budget later in the same year. In May 2013, the council adopted a review IDP and budget for 2013/114 implementation.. We have so far managed to put in place key institutional systems and processes including:

- a 3 year capital budget and operational budget
- an SDBIP
- review and completion of our finance policies
- an Indigent Policy , credit control & debt collection an Internal audit function

5.8 Internal Sources of funding

Internal sources of income are expected to contribute as follows to overall income of the municipality:

	2013/2014	2014/2015	2015/2016
Budgeted Income from internal sources of funding	12 710 132	13 358 349	14 012 908

<u>Rates and Service Charges</u> DETAILS	2013/14	2014/15	2015/16

Assessment Rates : General	3 800 000.00	3 993 800.00	4 189 496.20
Refuse Service Charges	700 000.00	735 700.00	771 749.30
Sewerage Fees	833 885.00	876 413.14	919 357.38
Water	1 543 699.00	1 622 427.65	1 701 926.60
TOTAL	6 877 584.00	7 228 340.78	7 582 529.48

Other RevenueDETAILS	2013/14	2014/15	2015/16
Approval Of building Plans	20 000.00	21 020.00	22 049.98
Agency Fees - Water Services	200 000.00	210 200.00	220 499.80
Blocked Drains	5 300.00	5 570.30	5 843.24
Cemetery fees	3 348.00	3 518.75	3 691.17
Connection Fees	20 000.00	21 020.00	22 049.98
DLTC & VTS Fees	2 600 000.00	2 732 600.00	2 866 497.40
Interest on Investments	1 700 000.00	1 786 700.00	1 874 248.30
Pound Fees	10 000.00	10 510.00	11 024.99
Reconnection Fees	15 900.00	16 710.90	17 529.73
Registration & Licence Fees	800 000.00	840 800.00	881 999.20
Rental : Eskom	72 000.00	75 672.00	79 379.93
Rental : Halls	50 000.00	52 550.00	55 124.95
Rental : Leasehold	72 000.00	75 672.00	79 379.93
Septic Tanks	5 000.00	5 255.00	5 512.50
Swimming Pool	2 000.00	2 102.00	2 205.00
Tender Fees - Projects	150 000.00	157 650.00	165 374.85
Toilets	7 000.00	7 357.00	7 717.49
Traffic Fines	100 000.00	105 100.00	110 249.90
TOTAL INCOME	5 832 548.00	6 130 007.95	6 430 378.34

5.9 External Sources of Funding

DETAILS	2013/14	2014/15	2015/16
Electrification Project	-	20 000 000.00	20 000 000.00
Equitable Share	86 604 000.00	104 165 000.00	135 276 000.00
Finance Management Grant (MFMA Grant)	1 550 000.00	1 600 000.00	1 650 000.00
CHDM Grant	26 430 589.00	27 778 549.04	29 139 697.94
EPWP	1 000 000.00	1 051 000.00	1 102 499.00
Library fees	589 000.00	-	588 000.00
Municipal Infrastructure Grant (5% for PMU)	31 257 000.00	32 851 107.00	34 460 811.24
Small Town Revitalisation	350 000.00	342 000.00	239 000.00
Systems Improvement Grant	890 000.00	930 000.00	961 000.00
LG Sita	94 000.00	98 794.00	103 634.91
TOTAL INCOME	148 764 589.00	188 816 450.04	223 520 643.09

CAPITAL FUNDING BY SOURCE

DETAILS	2013/14	2014/15	2015/16
Municipal Infrastructure Grant	31 257 000.00	32 851 107.00	34 460 811.24
Own Revenue	16 414 881.00	17 252 039.93	18 097 389.89
TOTAL	47 671 881.00	50 103 146.93	52 558 201.13

5.10 Expenditure by Vote

Expenditure by Vote for the MTERF Period can be tabulated as follows:	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
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Department			
Executive & Council	15 031	15 840	16 662
Municipal manager	10 925	11 468	12 015
2.1 - Accounting officer Admin	3 821	4 016	4 213
2.2 - Local economic development	7 104	7 452	7 802
Corporate Services	9 396	9 875	10 359
Community services	14 566	15 308	16 059
Financial Services	30 087	31 623	33 164
Infrastructure	33 798	35 521	37 262
Total Expenditure by Vote	113 803	119 635	125 520

In order to support the financial plan various policies were developed, reviewed and adopted on the 31 May 2013 by Council.

These policies are listed below:

5.11 Revenue enhancement and Collection Policy

The Local Government Municipal Systems Act no. 32 of 2000, Section 96, rules as follows:

- a) must collect all money that is due and payable to it, subject to this Act and any other applicable legislation; and
- b) for this purpose, must adopt, maintain and implement a credit control and debt collection policy which is consistent with its rates and tariff policies and complies with the provisions of this Act.”

Engcobo Local Municipality has adopted a Credit Control and Indigent Policy that ensure full compliance to relevant legislation. The principles and objectives of the above are as follows:

- a) Provide for indigents as determined in SALGA guidelines. Council’s policy is very sensitive towards these households.
- b) Ensure that all monies due are collected.
- c) Provide for credit control procedures and mechanisms for debt collection.
- d) Ensure that By-Laws as developed are enforced by officials and public.

The current projections in our budget are realistic and are based on projected revenue for the current financial year based on the collection levels to-date and actual revenue collected in previous financial years.

5.12 Banking & Investment Policy

The Council has adopted a policy to ensure that monies received by Council are accounted for as required by Section 64 (b) – (e) of MFMA no. 56 of 2003.

- a) that revenue due to the municipality is calculated on a monthly basis;
- b) that accounts for municipal tax and charges for municipal services are prepared on a monthly basis, or less often as may be prescribed where monthly accounts are uneconomical;
- c) that all money received is promptly deposited in accordance with this Act into the municipality's primary and other bank accounts;
- d) that the municipality has and maintains a management, accounting and information system which-
 - i. recognises revenue when it is earned;
 - ii. accounts for debtors; and
 - iii. accounts for receipts of revenue;"

Where surplus funds realise or grants are received, Council invests these funds as determined in the investment policy to ensure that minimum risk is realised on these funds.

5.13 Supply Chain Management Policy

Council has developed a policy as required by chapter 11 of MFMA no. 56 of 2003. The municipality has established the following Supply Chain Management Committees:

- Specifications Committee
- Evaluation Committee
- Adjudication Committee

5.14 Asset Management Policy

The Generally Accepted Municipal Accounting Principles [GAMAP] requirement indicates that it will no longer be good enough merely to have an entry in the financial statement reflecting the value of assets. The requirement is for an asset register substantiating the financial entry. The municipality has a GRAP compliant Asset Register.

Section 35[g] of the Local Government: Municipal Finance Management Bill, 2000 defines one of the responsibilities of the Municipal Manager as being responsible for the management of:

- The assets of the municipality, including the safeguarding and the maintenance of those assets; and
- The liabilities of the municipality.

Council has already adopted a Fixed Asset management Policy. Such a policy mainly incorporates and defines the following concepts:

- Definition of a fixed asset.
- Role of the Municipal Manager and the Chief Financial Officer.
- Format and classification of the fixed asset register.
- Recognition of heritage and donated assets.
- Identification and safekeeping of fixed assets.
- Procedure for loss, theft, destruction, or impairment of fixed assets.
- Capital criteria: Material value, Intangible items: Reinstatement and maintenance expenses.
- Maintenance Plans, Deferred maintenance, General maintenance.
- Depreciation: Rate, Method, Alternative methods.
- Amendment of asset lives.
- Creation of Non-Distributable Reserves.
- Carrying values and Revaluation of fixed assets.
- Verification, Alienation and Write offs of fixed assets.
- Insurance of fixed assets and Replacement norms.

5.15 Indigent policy

Council adopted its indigent policy in 2009 in order to guide how it plans to manage the subsidization of services to households who are poor and defined indigents. This policy forms a foundational element of our comprehensive billing operations. The main challenge for effective implementation of the indigent policy is the costly administration process of continuous updating and verification of the register.

5.16 Tariff policy

Tariffs are revised annually as we review and adopt a new budget and in accordance with necessary changes linked to CPIX (CONSUMER PRICE INDEX) and inflation adjustments. Our current policy has been revised to ensure compliance with the new valuation roll (Property Rates Act -2003) requirements. Changes have had to be made in determining rates to the indigent as well as to the generally billed properties. Additionally, changes were effected on the services and municipal facilities that are often rented or provided for a fee.

5.17 Auditor General Concerns.

The audit outcome for the financial year 2011/2012 has improved from Disclaimer to Qualified Audit Opinion. Auditor general has raised some issues that are concerns in our current approach to accounting and reporting. A large number of these relate to Receivables as well as internal control in supply chain processes.

We have since developed and adopted a management response plan to these issues which will be coordinated and led by the CFO. However, each manager is expected to commit a plan of action towards resolving key concerns in the AG report relating to his/her function or processes then report regularly in the management meeting on how he/she is progressing on resolving those items.

The council remains focused in its intention to achieve a clean audit outcome within 2 years and would continue to build necessary capacity in our internal audit, risk management and financial reporting operations. In order for this to happen, efforts will be emphasized on:

- Need for full compliance with all aspects of the MFMA (GRAP compliant statement) and Property Rates Act (tariff policy linkages to the updated Valuation Roll)
- Improvement of asset management policy and register
- Improvement of revenue and billing turnovers / performance
- Improvement of supply chain management policy compliance
- Improvement of in year reporting in terms of section 71 and 72 of the MFMA in order to be able to compile year-end report.

AUDIT ACTION PLAN FOR 2012/2013

ISSUES RAISED	PLAN OF ACTION	TIME FRAME	REVISED TIME FRAME	RESPONSIBLE OFFICIAL	PROGRESS TO DATE	COMMENTS
<p>1. IRREGULAR EXPENDITURE</p> <p>The municipality did not have adequate systems in place to identify and disclose all irregular expenditure incurred during the year as required by section 112(1) of the MFMA. The irregular expenditure disclosed in note 28.3 to the financial statements is understated in respect of amounts incurred during the year, as identified by the audit process, of R48,9 million (2011: R1.2 million). Due to the lack of systems and of sufficient appropriate audit</p>	<p>All payments made during the period will be visited as to identify all irregular payments. This will be disclosed in the comparative on the AFS</p>	<p>30/04/2013</p>		<p>CFO</p>		

<p>evidence for all awards, it was impracticable to determine the full extent of the understatement of irregular expenditure disclosed at R34 million (2011: R8,4 million). I was unable to confirm irregular expenditure by alternative means. Consequently, I was unable to determine whether any further adjustments were necessary to the irregular expenditure disclosure note.</p>						
<p>2. UNAUTHORISED EXPENDITURE</p> <p>The municipality could not provide sufficient appropriate audit evidence supporting unauthorized expenditure of R36,6 million disclosed in</p>	<p>Reconciliation between note 28.1 and supporting documentation will be prepared to ensure that it reconciles</p>	<p>30/04/2013</p>		<p>CFO</p>		

<p>note 28.1 to the financial statements. Due to an inadequate budgeting system it was impracticable to determine the full extent of the misstatement. I was unable to confirm the disclosure by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the amount disclosed as unauthorized expenditure.</p>						
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<p>3. COMMITMENTS:</p> <p>The municipality did not have a contract management system in place for identification and recognition of contracted commitments and did not include all commitments of the municipality in the amounts disclosed in note 30 to the financial statements. Due to the lack of systems in place, it was impracticable to determine the full extent of the understatement. In addition, sufficient appropriate evidence was not available for the commitments that were disclosed, totaling R33,6 million, in disclosure note 30 to the financial</p>	<p>Contract register will be updated to ensure its completeness. All tender awarded as per adjudication books and tender registers will be traced to contract register.</p>	<p>30/04/2013</p>		<p>CFO/Technical manager</p>		
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<p>statements. I was unable to confirm the disclosure by alternative means. Consequently, I was unable to determine whether any adjustments to the commitments disclosure note were necessary.</p>						
<p>4. VAT RECEIVABLE VAT receivable of R4.5 million disclosed in the financial statements could not be confirmed. The absence of adequate reconciliations between the accounting records and the VAT returns and the absence of supporting documentations for variances prohibited confirmation of the balance by alternative</p>	<p>VAT transaction will be written off as these amounts could not be traced to the relevant transaction. In Addition to that VAT amounts were incorrectly calculated in our system, this was due to incorrect mapping of accounts and suppliers on the system. VAT on the System will be mapped correctly to ensure that is correctly accounted for.</p>	<p>30/04/2013</p>		<p>CFO</p>		

<p>means. Consequently, I was unable to determine whether any VAT corrections on expenditure disclosed in the financial statements were necessary.</p>						
<p>5. DEBT IMPAIRMENT</p> <p>The municipality did not have adequate systems in place for the calculation and recognition of impairment losses on receivables. Impairment losses on receivables were not recognized and disclosed in the financial statements. Due to lack of systems and of sufficient appropriate audit evidence in support of receivables, it was impracticable to determine the extent</p>	<p>Comparatives will be adjusted on AFS,</p> <p>So that impairment losses will be included on the AFS.</p>	<p>30/04/2013</p>	<p>15/05/2013</p>	<p>CFO</p>		

<p>of the understatement of the debt impairment expense. Consequently, I was unable to determine whether any adjustments were necessary to the impairment expenses and debt impairment provision recognized,</p>						
<p>6. PROPERTY ,PLANT AND EQUIPMENT</p> <p>SA Standards of GRAP, GRAP 17, Property, plant and equipment requires the financial statements to disclose the reconciliation of the carrying amount at the beginning and the end of the period for each class of property, plant and equipment. Included in note 5 of the financial statements under infrastructure</p>	<ul style="list-style-type: none"> - Note 5 of the financial statement will be adjusted so that landfill site will be separately disclosed on the AFS. - Asset register will updated to correct errors identified and respectively AFS will be adjusted to include the corrections made on the 	<p>30/04/2013</p>		<p>CFO/COMMUNITY SERVICES MANAGER</p>		

<p>acquisitions is a landfill site to the value of R7 million. In addition, property, plant and equipment and depreciation is understated by R1,3 million and R0.9 million respectively, due to the cumulative effect of numerous uncorrected misstatements.</p>	<p>asset register.</p>					
<p>7. TRADE AND OTHER RECEIVABLES FROM EXCHANGE AND NON EXCHANGE TRANSACTIONS.</p> <p>Sufficient appropriate audit evidence was not available for trade and other receivables from exchange transactions amounting to R4, 5 million (R4, 3 million) and trade and other receivables from non-financial exchange</p>	<ul style="list-style-type: none"> - Long outstanding debtors will be followed up and be handed over to the attorneys if there are no movements in their accounts. - Statements will be sent to debtors on a monthly basis. - The municipality has employed employee who 	<p>30/04/2013</p>		<p>CFO</p>		<p>.</p>

<p>transactions amounting to R2, 2 million (R0, 5 million) as disclosed in the financial statements. Due to the lack of sufficient appropriate audit evidence, I was unable to confirm these balances. Furthermore, inadequate management of debtor accounts prohibited confirmation through alternative means. Consequently, I was unable to determine whether any adjustments to trade and other receivables were necessary.</p>	<p>will be responsible to follow up non-paying debtors. Reconciliation of indigent register and Promun system will be performed to ensure completeness of the system.</p> <p>-</p>					
<p>8. WATER SERVICES Accounts receivable relating to water and sanitation services</p>	<p>- AFS will be adjusted to include CHDM debtors at fair value.</p>	<p>30/04/2013</p>	<p>15/05/2013</p>	<p>CFO/technical manager</p>		

<p>and consumer deposits amounting to R2,3 million included in note 2 to the financial statements were incorrectly transferred at carrying value from CHDM to Engcobo LM. The municipality did not recognize the transferred balances at fair values, as required. In addition, sufficient appropriate audit evidence was not available supporting the amount disclosed in note 2 to the financial statements as the CHDM debtor, amounting to R1,9 million. This was due to the contradictions noted between accounts at the DM and a confirmation received in support of the closing balance. I</p>	<ul style="list-style-type: none"> - CHDM debtor as disclosed on the AFS will be written off as CHDM did not include this debtor in their books during 2011/2012 financial year. 					
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<p>was unable to confirm the valuation of these debtors and consumer deposits by alternative means. Consequently, I was unable to determine whether any adjustments to these debtors and consumer deposits were necessary.</p>						
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<p>through alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the fruitless and wasteful disclosure note contained in the financial statements.</p> <p>9.2 In addition to the above, as disclosed in note 28.2 material losses to the amount of R2,8 million were reported by the municipality as a result of fraudulent transactions discovered during the financial year.</p>						
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<p>10. BUDGET INFORMATION</p> <p>The municipality did not present budget information as required by SA Standards of GRAP, GRAP 1, and Presentation of financial statements. Actual amounting to R206 million in note 39 does not agree to the total revenue of R209,1 million disclosed in the statements of financial performance. Similarly, expenditure per note 39 amounting to R155 million does not agree to R149,2 million disclosed for total expenditure in the statement of financial performance.</p>	<p>- Comparative amount on the AFS will be adjusted to ensure that note 39 and revenue on the statement of financial performance do reconcile</p>	<p>30/04/2013</p>		<p>CFO</p>		
<p>11. CASH FLOW</p>	<p>Cash flow comparative amount on the AFS will</p>	<p>30/04/2013</p>	<p>30/05/2013</p>	<p>CFO</p>		

<p>STATEMENT</p> <p>The municipality includes non-cash movements in the cash flow statement. This is contrary to the requirements of SA Standards of GRAP, GRAP 2, cash flow statements. Comparative amounts disclosed for asset additions were also inappropriately adjusted and do not agree with amounts disclosed in the audited financial statements from the prior year.</p>	<p>be adjusted to ensure that non-cash items are not included on the cash flow.</p>					
<p>12. WATER DISTRIBUTION LOSSES</p> <p>The municipality does not have adequate systems in place to identify, monitor and disclose water</p>	<p>Meters from the main reservoir will be taken on a daily basis to monitor the movement of water, these movement will be reconciled with meter readings, as to verify water losses. This will be corrected moving</p>	<p>30/04/2013</p>	<p>15/05/2013</p>	<p>Technical manager/Water services coordinator /CFO</p>		

<p>distribution losses. Sufficient appropriate audit evidence was not available and I was unable to confirm the water losses by alternative means. Consequently, I was unable to determine whether any adjustments relating to distribution losses were necessary.</p>	<p>forward as no readings were taken from the main tanks in prior year.</p>					
<p>13. CORRESPONDING FIGURES</p> <p>During 2010-11 I was unable to obtain sufficient audit evidence concerning. :</p> <p>(i) Revenue from property rates R3,4 million,</p> <p>(ii) Revenue from licences, permits and fines R3,4 million.</p> <p>(iii) Accumulated</p>	<p>These are income statement comparatives which are not carried forward; these qualifications will not be an issue on the current year as these will not be comparatives in the current year AFS.</p>	<p>30/04/2013</p>		<p>CFO</p>		

<p>surplus R3,2 million.</p> <p>I was unable to obtain sufficient appropriate audit evidence for the above by the alternative means. Consequently, I was unable to determine whether any adjustments to these amounts and the accumulated surplus were necessary. My audit opinion on the financial statements for the period ended 2010-11 was modified accordingly. My opinion on the current period's financial statements is also modified because of the possible effect of these matters on the comparability of the current period's figures.</p>						
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<p>14. AGGREGATION OF UNCORRECTED MISSTATEMENTS.</p> <p>The financial statements as a whole are materially misstated due to the cumulative effect of numerous individually immaterial uncorrected misstatements in the following elements making up the statement of financial performance, statement of financial position and the statement of changes in net assets.:</p> <p>(i) Revenue reflected as R206,9 million is overstated by R0,4 million.</p> <p>(ii) Interest income reflected as R2,2 million is understated</p>	<p>AFS comparative amounts(Revenue, general expenses, employee cost, unspent conditional grant and accumulated surplus) will be adjusted to correct these errors identified by Auditor General</p>	<p>30/04/2013</p>	<p>15/05/2013</p>	<p>CFO</p>		
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<p>by R0,5 million.</p> <p>(iii) General Expenses reflected as R79,1 million is understated by R0,5 million.</p> <p>(iv) Employee cost reflected as R27,7 million is understated by R0,7 million.</p> <p>(v) Unspent conditional grants reflected as R43,5 million is understated by R0,7 million.</p> <p>(vi) Accumulated surplus reflected as R295,2 million is overstated by R1 million.</p>						
<p>15. MATERIAL UNDERSPENDING OF CONDITIONAL GRANTS</p> <p>As disclosed in note 10.1 to the financial statements, the</p>	<p>The Management has developed a grant register which monitors the spending per each grant; this is reported on a monthly basis to the municipal manager. Contractors who are</p>	<p>Ongoing</p>		<p>Technical Manager</p>		

<p>municipality has materially underspent the allocated Municipal Infrastructure Grant and other grants by an amount of R10.6 million and R32,9 million respectively. The majority of this under-spending relates to capital expenditure for infrastructure development and maintenance.</p>	<p>behind their plan are called to the municipality as to account why the project is behind.</p>					
<p>16. USEFULNESS OF INFORMATION: PRESENTATION.</p> <p>16.1 Improvement measures in the annual performance report for a total of 100% of the planned targets not achieved were not disclosed as required by section 46 of the Municipal</p>	<p>The Management will meet and review the scorecard</p>	<p>28/02/2013</p>		<p>CORPORATE SERVICES MANGER</p>		

<p>Systems Act (MSA). This was due to inadequate internal policies and procedures over the processes pertaining to the reporting of performance information.</p>						
<p>16.2 Section 46 of the MSA requires the disclosure of measures taken to improve performance in the annual performance report where planned targets were not achieved. Adequate and reliable corroborating evidence could not be provided for 32% of measures taken to improve performance as disclosed in the annual performance</p>	<p>The Management will meet and review the scorecard and performance reports</p>	<p>28/02/2013</p>		<p>CORPORATE SERVICES MANAGER</p>		

<p>report. This was due to the absence of information systems. Consequently, I did not obtain sufficient appropriate audit evidence to satisfy ourselves as to the validity, accuracy and completeness of the measures taken to improve performance.</p>						
<p>17. CONSISTENCY</p> <p>Section 41C of the MSA requires the integrated development plan to form the basis for the annual report, therefore requiring the consistency of objectives, indicators and targets between planning and reporting documents. A total of 100% of the reported indicators were not consistent between the</p>	<p>The Management will meet and review the scorecard and reports</p>	<p>28/02/2013</p>		<p>CORPORATE SERVICES MANAGER</p>		

<p>approved integrated development plan and the annual performance report. A total of 75% of the reported targets were not consistent as per the approved IDP and the annual performance report. This was due to the lack of adequate internal policies and procedures over the processes pertaining to the reporting of performance information. This was also due to a lack of review of and oversight over the development of the annual performance report.</p>						
<p>18. MEASURABILITY 18.1 The National Treasury Framework for managing programme</p>	<p>The Management will meet and review the scorecard</p>	<p>28/02/2013</p>		<p>Municipal Manager</p>		

<p>performance information (FMPPPI) requires that performance targets be measurable. The required performance could not be measured for a total of 36% of the targets relevant to the following objectives:</p> <ul style="list-style-type: none"> (i) Spatial Development (ii) Local Economic Development (iii) Financial Viability (iv) Community Services <p>This was due to the fact that management was not aware of the requirements of the FMPPPI.</p>						
<p>18.2 The FMPPPI requires</p>	<p>The Management will meet and review the</p>	<p>28/02/2013</p>		<p>CORPORATE SERVICES MANAGER</p>		

<p>that indicators or measures should have clear unambiguous data definitions so that data is collected consistently and is easy to understand and use. A total of 40% of the indicators relevant to the following objectives were not well defined as clear, unambiguous data definitions were not available to allow for data to be collected consistently.:</p> <ul style="list-style-type: none"> (i) Spatial Development (ii) LED (III) Financial viability (iv) Community Development. <p>This was due to the fact that management was aware of the</p>	scorecard					
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<p>requirements of the FMPPI but did not receive the necessary training to enable application of the principles.</p>						
<p>18.3</p> <p>The FMPPI requires that it must be possible to validate the processes and the systems that produce the indicator. A total of 40% of the indicators relevant to the following objectives were not verifiable in that valid processes and systems that produce the information on actual performance did not exist.</p> <p>(i) Spatial development</p> <p>(ii) LED</p>	<p>The Management will meet and review the scorecard</p>	<p>28/02/2013</p>		<p>CORPORATE SERVICES MANAGER</p>		

<p>(iii) Financial Viability</p> <p>(iv) Community Development</p> <p>This was due to the lack of key controls in the relevant systems of collection, collation, verification and storage of actual performance information.</p>						
<p>19 RELEVANCE</p> <p>The FMPPI requires that the indicator should relate logically and directly to an aspect of the institutions mandate, the realization of strategic goals and objectives. A total of 28% of indicators did not relate logically and directly to an aspect of the institutions mandate and realization of</p>	<p>The Management will meet and review the scorecard, SDBIP and performance reports</p>	<p>28/02/2013</p>		<p>CORPORATE SERVICES MANAGER</p>		

<p>strategic goals and objectives as per the three-year integrated development plan. This was due to the lack of development and implementation of proper performance planning and management practices to provide for the development of performance indicators and targets included in the annual performance plan. The details of the relevant indicators are relevant to the following. Financial viability.</p>						
<p>20. RELIABILITY OF INFORMATION:</p> <p>VALIDITY:</p> <p>The FMPPI requires that processes and systems which produce the indicator</p>	<p>All Managers should compile Portfolios of Evidence for verification purposes</p>	<p>28/06/2013</p>		<p>CORPORATE SERVICES MANAGER</p>		

<p>should be verifiable. I was unable to obtain all the information and explanations I considered necessary to satisfy ourselves as to the validity of the actual reported performance relevant to 100% of the following objectives:</p> <ul style="list-style-type: none"> (i) Spatial Development (ii) LED (iii) Financial viability (iv) Community Services (v) Service Delivery and Engineering Services. <p>This was due to limitations placed on the scope of my work due to the absence of information systems and the institution's</p>						
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records not permitting the application of alternative audit procedures.						
<p>21. ACCURACY:-</p> <p>The FMPPI requires that the indicator be accurate enough for its intended use and be responsive to changes in the level of performance. I was unable to obtain all information and explanations we considered necessary to satisfy myself as to the accuracy of the actual reported performance relevant to 100% of the following:-</p> <p>(i) Spatial Development</p> <p>(ii) LED</p>	All Managers should compile Portfolios of Evidence for verification purposes	28/06/2013		CORPORATE SERVICES MANAGER		

<p>(iii) Financial viability</p> <p>(iv) Community Services</p> <p>(v) Service Delivery and Engineering Services</p> <p>This was due to limitations placed on the scope of my work by the absence of information systems and the institutions records not permitting the application of alternative audit procedures.</p>						
<p>22. Completeness</p> <p>The FMPPI requires that documentation addressing the systems and processes for identifying, collecting, collating, verifying and storing information be properly maintained. The municipality could</p>	<p>All Managers should compile Portfolios of Evidence for verification purposes</p>	<p>28/06/2013</p>		<p>CORPORATE SERVICES MANAGER</p>		

<p>not provide sufficient appropriate evidence to support any of the following objectives:</p> <ul style="list-style-type: none"> ● Spatial Development ● Local Economic Development ● Financial Viability ● Community Development ● Service Delivery and Engineering Services <p>This was due to limitations placed on the scope of our work by the absence of information systems and the institution`s records not permitting the application of alternative audit procedures</p>						
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<p>23. STRATEGIC PLANNING AND PERFORMANCE MANAGEMENT</p> <p>23.1.The municipal council did not consult with the local community in the drafting and implementation of the municipality's IDP, through a forum that enhances community participation, as required by section 28 of the municipal Systems Act and Local Government: Municipal Planning and Performance Management regulations 15(1)(a)(i).</p>	<p>Schedule for IDP representation forum has been done</p>			<p>IDP/Communications Officer</p>		
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<p>23.2 The municipality did not afford the local community at least 21 days to comment on the final draft of its integrated development plan before the plan was submitted to council for adoption, as required by regulation 13(3) of the Municipal planning and Performance Management Regulations.</p>	<p>A plan for public comments has been done</p>			<p>IDP/Communications Officer</p>		
<p>23.3 The municipality did not conduct its affairs in a manner which was consistent with its integrated development plan, as required by section 36 of the MSA and the Municipal Planning and Performance Regulation 6.</p>	<p>Corrective measures have been done</p>			<p>IDP/Communications Officer</p>		

<p>23.4 The municipality's performance management system was not in line with the priorities, objectives, indicators and targets contained in its integrated development plan, did not relate to the municipality's performance management processes and did not provide for procedures by which the system is linked to the municipality's integrated development planning processes, as required by section 38(a) of the MSA and the Municipal Planning and Performance Management Regulations 7(2)(g)</p>	<p>An IDP aligned PMS framework has been done</p>			<p>IDP/Communications Officer</p>		
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<p>the key performance indicators and targets set;</p> <ul style="list-style-type: none"> ● Take steps to improve performance with regards to those development priorities and objectives where performance targets are not met as required by section 41 of the Municipal Systems Act. 	<p>Plan is in place</p>					
<p>24 Budgets</p>						
<p>24.1 Quarterly reports were not submitted to the council on the implementation of the budget and financial state of affairs of the municipality within 30 days after the end of each quarter, as required by section 52(d) of the MFMA.</p>	<p>Budget Quarterly reports are submitted to the council on the implementation of the budget and financial state of affairs of the municipality within 30 days after the end of each quarter</p>	<p>Ongoing</p>		<p>CFO</p>		

<p>24.2 Revisions to the service delivery and budget implementation plan were not approved by the council after the approval of the adjustments budget, as required by section 54(1)(c) of the MFMA.</p>	<p>Revisions to the Service delivery and budget implementation plan will be approved by the council during the approval of the adjustments budget.</p>	<p>29/01/2013</p>		<p>CORPORATE SERVICES MANAGER</p>		
<p>24.3 Monthly budget statements were not prepared and submitted to the mayor, as required by section 71(1) of the MFMA.</p>	<p>- This exception will be corrected moving forward ,</p>	<p>Ongoing</p>		<p>CFO</p>		
<p>25 Annual financial statements, performance and annual report</p>						
<p>25.1 The financial statements submitted for auditing were not prepared in all material respects in accordance with the</p>	<p>The municipality will implement all recommendations of Auditor General as to ensure that AFS reflects true affairs of the</p>	<p>30/04/2013</p>		<p>Municipal Manager</p>		

<p>requirements of section 122 of the MFMA. Material misstatements of non-current assets, current assets, current liabilities, net assets, revenue, expenditure and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.</p>	<p>municipality</p>					
<p>25.2 the annual performance report</p>	<p>Current year annual performance report will</p>	<p>25/01/2013</p>	<p>30/05/2013</p>	<p>MUNICIPAL MANAGER</p>		

<p>for the year under review does not include the performance of the external service providers:</p> <ul style="list-style-type: none"> ● a comparison of the performance with set targets; ● a comparison with the previous financial year and measures taken to improve performance, as required by section 46 (1)(c) of the MSA 	<p>include performance external service providers</p>					
<p>26. Audit committee</p>						
<p>26.1 The audit committee did not respond to the council on the issues raised in the audit reports of the Auditor-General, as required by section 166(2)(c) of the MFMA.</p>	<p>The audit committee will respond to the council on the issues raised in the audit reports of the Auditor-General for the year 2011/2012.</p>	<p>28/02/2013</p>		<p>Internal Auditor</p>		

<p>26.2 The audit committee did not review the municipality's performance management system or make recommendations to the council, as required by Municipal planning and Performance Management Regulation 14(4)(a)(ii)</p>	<p>The audit committee will review the municipality's performance management system or make recommendations to the council for the year 2012/2013</p>	<p>30/04/2013</p>	<p>30/06/2012</p>	<p>Internal Auditor</p>		
<p>26.3 The performance audit committee did not submit at least twice during the financial year a report on the review of the performance management system to the council, as required by the Municipal planning and Performance Management Regulation 14(4)(a)(iii).</p>	<p>The performance audit committee will at least twice during the financial year a report on the review of the performance management system to the council</p>	<p>30/04/2013</p>		<p>Internal Auditor</p>		

<p>26.4 The audit committee did not advise the council, accounting officer and the management staff on matters relating to the adequacy, reliability and accuracy of financial reporting and information, as required by section 166(2)(a)(iv) of the MFMA</p>	<p>The audit committee will advise the council, accounting officer and the management staff on matters relating to the adequacy, reliability and accuracy of financial reporting and information , this will be done on 2012/2013 financial year</p>	<p>Ongoing</p>		<p>Internal Auditor</p>		
<p>26.5 the audit committee did not advise the council, accounting officer and the management staff on matters relating to compliance with the MFMA, DoRA and other applicable legislation, as required by section 166(2)(a)(vii) of the MFMA.</p>	<p>The audit committee will advise the council, accounting officer and the management staff on matters relating to compliance with the MFMA, DoRA and other applicable legislation</p>	<p>Ongoing</p>		<p>Internal Auditor</p>		
<p>26.6 The audit committee did not</p>	<p>The audit committee will advise the council,</p>	<p>Ongoing</p>		<p>Internal Auditor</p>		

<p>advise the accounting officer on matters relating to internal financial control and internal audits, risk management, accounting policies, effective governance, performance management and performance evaluation as required by section 166(2)(a) of the MFMA.</p>	<p>accounting officer and the management staff on matters relating to internal financial control and internal audits, risk management, accounting policies, effective governance, performance management and performance evaluation</p>					
<p>27. Internal audit</p>						
<p>27.1 The internal audit unit did not function as required by section 165(2) of the MFMA, in that it did not advise the accounting officer and report to the audit committee on matters relating to internal audit, accounting procedures and practices, risk and risk management and loss</p>	<p>The internal audit reports will be discussed with the municipal manager every quarter before being sent to the Chairperson of the Audit Committee for further discussions. These reports contained matters relating to internal controls, accounting procedures and practices risk and risk management.</p>	<p>Ongoing</p>		<p>Internal Auditor</p>		

control						
27.2 The internal audit unit did not audit the performance measurements on a continuous basis and submit quarterly reports on their audits to the municipal manager and the performance audit committee, as required by Municipal Planning and Performance Management Regulation 14(1)(c)	The internal audit unit will audit the performance measurements on a continuous basis and submit quarterly reports on their audits to the municipal manager for the year 2012/2013	Ongoing		Internal Auditor		
27.3 The internal audit unit did not assess the functionality of the performance management system and whether the performance management system complied with the requirements of the MSA, the extent to	The internal audit unit will assess the functionality of the performance management system for the year 2012/2013	30/04/2013		Internal Auditor		

<p>which the performance measurements were reliable In measuring the performance of the municipality on key and general performance indicators, as required by Municipal planning and Performance Management Regulation 14(b)(i)(ii) and (iii)</p>						
<p>28. Procurement and contract management</p>						
<p>28.1 Goods and service with a transaction value of below R200 000 were procured without obtaining the required price quotations as required by SCM regulation 17(a) and (c).</p>	<p>The management has implemented SCM policy in the 2012/2013 financial year. All goods procured does have three quotations in case of emergency, motivational letter is required and is approved by the Municipal Manager.</p>	<p>Ongoing</p>		<p>CFO</p>		

<p>28.2 Quotations were accepted from prospective providers who are not registered on the list of accredited prospective providers and do not meet the listing requirements prescribed by the SCM policy in contravention of SCM regulation 16(b) and 17(b).</p>	<p>The Municipality has started afresh the data base to ensure its completeness and its accuracy. All quotations are requested from prospective providers who are registered on the list of accredited prospective providers in 2012/2013. The process started on the 1/07/2012</p>	<p>Ongoing</p>		<p>CFO</p>		
<p>28.3 Goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM regulation 19(a)</p>	<p>All Goods and services of a transaction value above R200 000 are procured through invitation of competitive bidders during 2012/2013. The process started on the 1/07/2012</p>	<p>Ongoing</p>		<p>CFO</p>		
<p>28.4 Bid specifications for procurement of goods and services through competitive bids were drafted in a biased manner that did not</p>	<p>Bid specifications for procurement of goods and services through competitive bids are drafted in a manner that allow all potential suppliers to offer their</p>	<p>Ongoing</p>		<p>CFO</p>		

allow all potential suppliers to offer their goods or services, in contravention of SCM regulation 27(2)(a).	goods or services, this has been implemented as from 1/07/2012					
28.5 Contracts were awarded to bidders based on points given for criteria that differed from those stipulated in the original invitation for bidding, in contravention of SCM Regulations 21(b) and 28(1)(a) and the Preferential Procurement Regulations.	Contracts are awarded to bidders based on point as stipulated in the original invitation for bidding	Ongoing		CFO		
28.6 Bid adjudication was not always performed by committees which were composed in accordance with SCM regulation 29(2)	This will be tabled to the council as this is due to the lack capacity within the municipality.	29/01/2012		Municipal Manager		
28.7 Awards were made to bidders other	The bid adjudication committee writes	Ongoing		Municipal Manager		

than those recommended by the bid evaluation committee without ratification by the accounting officer, as required by SCM regulation 29(5)(b)	differences with Evaluation committee and submits it to the municipal manager.					
28.8 The preference point system was not applied in all procurement of goods and services above R30 000 as required by section 2(a) of the Preferential Procurement Policy Framework Act and SCM regulation 28(1)(a).	The preference point system is applied in all procurement of goods and services above R30 000 for 2012/2013 financial year	Ongoing		CFO		
28.9 Sufficient appropriate audit evidence could not be obtained that contracts were awarded to suppliers based on preference points that were allocated and	In 2012/2013 contracts are awarded to suppliers based on preference points that were allocated and calculated in accordance with the requirements of the Preferential Procurement policy Framework Act	Ongoing		CFO		

calculated in accordance with the requirements of the Preferential Procurement policy Framework Act and its regulations.	and its regulations.					
28.10 Sufficient appropriate audit evidence could not be obtained that contracts were awarded to bidders that scored the highest points in the evaluation process, as required by of section 2(1) (f) of preferential Procurement Policy Framework Act.	Contracts are awarded to bidders that scored the highest points in the evaluation process	Ongoing		CFO		
28.11 Construction contracts were awarded to contractors that did not qualify for the contract, in accordance with section 18(1) of the CIDB regulations 17	The management has implemented AG recommendation on t CIDB when it comes to Joint ventures.	Ongoing		CFO		

and 25(7A)						
28.12 Construction projects were not always registered with the CIDB, as required by section 22 of the CBD Act and CIDB regulation 18	The management has implemented AG recommendation on t CIDB when it comes to Joint ventures.	Ongoing		CFO		
28.13 Sufficient appropriate audit evidence could not be obtained that contracts were only awarded to providers whose tax matters have been declared by the South Revenue Service to be in order as required by SCM regulation 43	All suppliers trading with the municipality provide their tax clearance certificates, In 2012/2013 financial year	Ongoing		CFO		
28.14 Contracts and quotations were awarded to bidders who did not submit a declaration on whether they are employed by the state or connected to any	Declaration form will be developed to ensure that suppliers declare their interest.	30/01/2013		CFO		

person employed by the state, as required by SCM regulation 13(c)						
28.15 Awards were made to providers who are persons in service of other state institutions or whose directors and principal shareholders are persons in service of other state institutions, in contravention of SCM regulation 44. Similar awards were identified in the prior year and no effective steps were taken to prevent or combat the abuse of the SCM regulation 46(2)(e).	Declaration form will be developed to ensure that suppliers declare their interest.	30/01/2013		CFO		
28.16 persons in the service of the municipality who had a private or business interest in contracts awarded by the	Declaration form will be developed to ensure that suppliers declare their interest.	30/01/2013		CFO		

municipality failed to disclose such interest, as required by SCM regulation 46(2)(e).						
28.17 persons in service of the municipality whose close family members had a private or business interest in contracts awarded by the municipality failed to disclose such interest, as required by SCM regulation 46(2)(e) and the code of conduct for staff members issued in terms of the Municipal System Act.	Declaration form has been developed to ensure persons in service of the municipality whose close family members had a private or business interest in contracts awarded by the municipality declare their interest.	02/07/2012		CFO		
29. Human Resources management and compensation						
29.2 The chief financial officer directly accountable to the municipal manager did not sign	All managers performance contracts has been signed for 2012/2013	02/07/2012		CORPORATE SERVICES MANAGER		

a performance agreement, as required by section 57(2)(a) of the MSA.						
30. Expenditure management						
30.1 Money owing by the municipality was not always paid within 30 days of receiving an invoice or statement, as required by section 65(2)(e) of the MFMA	Management has implemented a control which identifies all outstanding invoices this was done with the help of R-DATA the system providers. This helps to ensure that all invoices are paid within 30 days.	Ongoing		CFO		
30.2 Payments were made without the approval of the accounting officer or a properly authorized official as required by section 11(1) of the MFMA	During the current year Payments are authorized by the CFO	Ongoing		CFO		
30.3 An effective system of expenditure control, including procedures for the	2012/2013 An effective system of expenditure control, including procedures for the	Ongoing		CFO		

approval, authorization, withdrawal and payment of funds, was not in place as required by section 65(2)(a) of the MFMA.	approval, authorization, withdrawal and payment of funds, is in place.					
30.4 The accounting officer did not take effective steps to prevent unauthorized expenditure, irregular expenditure and fruitless and wasteful expenditure, as required by section 62(1)(d) of the MFMA.	The municipality has developed unauthorized expenditure, irregular expenditure and fruitless and wasteful expenditure.	Ongoing		CFO		
31. Conditional grants						
31.1 Sufficient appropriate audit evidence could not be obtained that monthly budget statements included: ● the amount received by the	Grant Reconciliation has been developed.	Ongoing		CFO		

<p>municipality;</p> <ul style="list-style-type: none"> ● the amount of funds stopped or withheld from the municipality; ● the extend of compliance with the DoRA and with the conditions of the allocation ● an explanation of material problems experienced by the municipality and a summary of the steps taken to deal with such problems; 						
<p>31.2 The municipality did not evaluate its performance in respect of programmes funded by the allocation and submit the evaluation to the transferring national officer within two months after the</p>	<p>This will be implemented in the current year</p>	<p>31/07/2013</p>		<p>CFO</p>		

end of the financial year, as required by section 12(6) of DoRA.						
31.3 The municipality did not prepare and submit quarterly performance reports to the transferring national officer, the provincial treasury and the National treasury , within 30 days after the end of each quarter, as required by section 12(2)(c) of the DoRA.	This will be implemented in the current year.	30/04/2013		CFO		
32. Revenue management				CFO		
32.1 Interest was not charged on all accounts in arrears as, required by section 64(2)(g) of the MFMA	The management has not implemented this, processes are in progress to charge interest on long outstanding debtors. R-DATA has been engaged to ensure that this is up and running on our system.	30/04/2013		CFO		

32.2 A credit control and debt collection policy was not implemented, as required by section 96(b) of the Municipal Systems Act and section 62(1)(f)(iii) of MFMA	A credit control and debt collection policy has been implemented in 2012/2013 financial year.	Ongoing		CFO		
32.4 Revenue received was not always reconciled on a weekly basis, as required by section 64(2)(h) of the MFMA	Revenue is reconciled on a weekly basis as from 01/07/2012	Ongoing		CFO		
32.5 An adequate management, accounting and information system was not in place which accounted for debtors and accounted for receipts of revenue, as required by section 64(2)(e) of the MFMA	The management has implemented the Debt and credit control policy. Debtors are followed up on a regular bases and handing over long outstanding debtors is in progress	30/04/2013		CFO		
33. Asset Management						

33.1 An adequate management, accounting and information system which accounts for assets was not in place, as required by section 63(2)(a) of the MFMA	R-DATA has been engaged to ensure that the municipality has good accounting system which accounts for assets.	30/04/2013		CFO		
34. Leadership						
34.1 Management did not adequately exercise oversight over external audit findings and implement the recommendations as contained in the prior year management report as evidenced by the re-occurrence of audit findings	All exceptions are distributed per department, Audit steering committee will be established to ensure that these exceptions are corrected.	30/04/2013		All Managers		
34.3 Compliance with laws and regulations was not adequately monitored throughout	Management has put controls in place to ensure that it complied with laws and	Ongoing		Municipal Manager		

the year, resulting in non-compliance being undetected, therefore no corrective action or control was implemented in order to prevent the reoccurrence of compliance findings.	Regulations.					
34.4 Management did not promote the establishment of an IT governance framework that would support and enable service delivery and improve and monitor financial performance	Management has established an IT governance framework that would support and enable service delivery and improve and monitor financial performance	01/07/2012		Cooperate services Manager.		
35. Financial and performance management						
35.1 The financial statements submitted for audit purpose were not appropriately reviewed for accuracy and completeness	2012/2013 AFS will be prepared on time to allow the internal audit, audit committee and external firm to review it.	31/07/2013		CFO		

resulting in the identification of numerous material audit adjustments. Pertinent information was not captured timeously and in a form which supports accurate financial reporting.						
35.2 The municipality did not have sufficient and appropriate monthly controls and processes in place to support accurate and complete interim and final financial statement reporting. Extensive reconciliations of accounting records and supporting schedules were performed at year end	Daily and monthly reconciliations have been implemented as from 1/07/2012	Ongoing		CFO		
35.4 The municipality did not design and implement formal controls over IT	Telkom has been engaged to ensure that all Recommendations of Auditor General are	30/04/2012		CORPORATE SERVICES MANAGER		

systems to ensure the reliability of the systems and the availability, accuracy and protection of information.	Implemented.					
36. Governance						
36.1 The municipality did not perform an annual risk assessment do not have a risk management strategy in place and did not implement a fraud prevention plan. IT risk and fraud prevention process were inadequate to prevent and detect, fraudulent and irregular transactions incurred.	The Department of Local Development was engaged to assist the municipality to develop risk assessment ,and plan Is in place	Complete		Internal Auditor		
36.2 The audit committee is in place and meets regularly however the shortcomings in risk	The Department of Local Development is engaged to assist the municipality to overcome the shortcomings in risk	Ongoing		Municipal Manager		

<p>management and internal audit within the municipality seriously hamper the ability of the audit committee to dispense with its duties contained in the MFMA</p>	<p>management and internal audit</p>					
<p>36.3 The audit committee failed to fulfill their legislative and mandated purpose. The committee's inability to drive the internal audit function and the inability to obtain adequate responses from management limited the effectiveness of the committee and their impact on the strengthening of the overall governance within the municipality.</p>	<p>Management will ensure that they respond on time to internal audit queries and create a conducive environment for the audit committee to dispense with its duties</p>	<p>Ongoing</p>		<p>Municipal Manager</p>		

37. Investigations						
<p>37.1 During the year fraudulent transactions were disclosed at the municipality which resulted in the suspension of employees in the finance department subsequent to year end. Fraudulent payments to the value of R2.8 million were identified during this investigation. Fruitless and wasteful expenditure was incurred by the municipality for goods and services that were never received. The investigation is still underway and disciplinary procedures have been instituted against the officials. No outcome of the investigations</p>	<p>This was reported to the AG</p>	<p>20/08/2012</p>		<p>Municipal Manager</p>		

can be determined at the date of this report.						
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5. Annexures.

Annexure A: Municipal Service Delivery & Budget Implementation Plan

Annexure B: Municipal Scorecard

Annexure C: Risk Register

Annexure D: Policy Register

Annexure E : Risk Register

Annexure F : Bylaw Register

Anexxure G : Unfunded Projects

Annexure H: Perfomance Management Systeme

Annexure I: Spatial Development Framework

6.1. Annexure C: Risk Register

2012/2017 STRATEGIC RISK REGISTER FOR ENGCOBO LOCAL MUNICIPALITY																					
Priority Area	Link to objective	Risk No	Risk Description	Risk Causes	Consequences	INHERENT RISK ASSESSMENT					RESIDUAL RISK ASSESSMENT					Result	Risk owner	Action to improve management of the risk	Action owner	Timeline	Portfolio of evidence
						Impact Value (1-5)	Likelihood Value (1-5)	Inherent Risk Value	Result	Current controls	Control Effectiveness	Impact Value (1-5)	Likelihood Value (1-5)	Residual Risk Value							
Spatial Development and Integration	To improve physical and functional integration within the Engcobo area and	1	Unavailability of land	1. The land does not belong to the municipality	1. Lack of access to urban opportunities 2. Ineffective implementation of the Spatial Development Framework 3.	4	4	16	H ig h	1. Spatial Development Framework (SDF) 2. Local Economic Development	Satisfactorily	3	3	9	Me di u m	Municipal Manager	More engagements with Public Works	Strategic Planning Coordinator	30 June 2013		

improve access to economic opportunities in the rural areas				Unimproved access to economic opportunities in the rural areas.					nt Strategy (LED)										
	2	Land invasion	1. Lack of Land Use Management Plan 2. Financial Constraints	1. Mushrooming of informal settlements. 2. Non compliance with the environment laws of the country.	4	4	16	High	1. Conducted survey of comona ge	Weak	4	4	16	High	Municipal Manager	To tender for township establishment	Strategic Planning Coordinator	30 June 2013	
	3	Lack of Integrated Transport Plan	Lack of funds	1. Informal public transport facilities 2. Invasion of packing space	5	4	20	High	1. District Integrated Transport Plan	Weak	4	4	16	High	Municipal Manager	To budget for Public Transport facility initial	Strategic Planning Coordinator	30 June 2013	

					3. Density of main road 4. High accident rate												plans			
Poverty Alleviation	To empower communities and specific disadvantaged groups in communities by providing access to social	4	Inability to develop small scale irrigation schemes	1. Lack of infrastructure 2. Lack of funding	1. High unemployment rate 2. High poverty rate	4	4	16	H i g h	1. Conducted surveys to install irrigation systems at a small scale 2. Agricultural Development documents 3.	Satisfactorily	4	3	12	Me d i u m	Municipal Manager		Strategic Planning Coordinator	30 June 2013	

	engi neeri ng infra struc ture. To allevi ate pove rty and uplift rural com muni ties								LED Strat egy										
Local Economic Development	To create employment opportunities and attract investment and so to promote a	5	Ineffective implementation of tourism initiatives	1. Lack of funding 2. Lack of partnership with various stakeholders 3.	1. Poor economic development 2. Lack of job creation 3. High poverty rate	4	4	16	H igh	1. Business Plans 2. Tourism Sector Plans 3. LED Strategy 4. SDF 5. Appo	Satisfactor y	4	3	12	Me di u m	Strategic Planning Coordinator	1. Strengthening engagements with Sector departments to assist in the fast tracking of	Tourism Officer	30 June 2013

vibrant local economy in the Engcobo Area.			Lack of tourism awareness						intment of the tourism officer							the tourism development 2. Development of a business plan to enhance the Qoba Game Reserve			
	6	Ineffective implementation of the LED Strategy	1. Lack of participation by communities 2. Lack of funds	1. High unemployment rate 2. High poverty rate	4	4	16	High	1. LED Strategy 2. SDF	Satisfactory	4	3	12	Medium	Municipal Manager	1. Development and approval of the Master Plan 2. Development	Strategic Planning Coordinator	30 June 2013	

			ng 3. Infrast ruct ural probl ems (LED) 4. Unav ailabil ity of land													nt and appro val of Socio Econ omic Profil e.				
		7	Mini mal suppo rt to enha nce SMM E's skills	1. Lack of Secto r Plan and Strate gies 2. Lack of fundi ng 3. Lack of exper tise to prepa re the plans	1. Economic leakage 2. Poor service delivery 3. Inability to promote local business	4	4	16	H igh	1. SMM E datab ase 2. LED Strat egy	Satisf actor y	4	3	12	Me di um	Mu nici pal Man ager	1. Engag emen t with Econ omic Affair s to devel op SMM E plans 2. Devel opme nt of busin ess plans (taxi and	Strate gi c Plan ning Coo rdin ator	30 June 2013	

		9	Non implementation of the PMS framework	1. Non submission of PMS reports. Lack of understanding of the PMS framework 3. Non cascading of the PMS to all levels 4. Insufficient reporting of PMS information (reported	1. Non compliance to Laws & Regulations 2. PMS information may not be analysed 3. Ineffective PMS monitoring	5	4	20	High		Weak	4	4	16	High				30 June 2013	
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				target s not suppo rted)																
Financial Viability	To promote and ensure that Engobo Local Municipality is managed on a sound economic and financial feasi	10	Poor Debt Collection	1. Lack of Revenue Strategy 1. Lack of structures and processes in the financial management system 3.	1. Sustainability of the municipality is questionable (Going concern) 2. Poor revenue collection 3. Service Delivery is compromised.	5	5	25	H i g h	1. Indigent policy 2. Debt and Credit Control policy 3. Issuing of monthly statements to customers	Satisfactor y	4	5	20	H i g h	Chief Financial Officer	1. Review of the indigent policy 2. To Intensify the implementation of the Debt and Credit Policy and full implement	Revenue Officer	31-Dec-12	

ble basis in compliance with the MFM A			Non - Compliance with relevant legislation. 5. Culture of non - payment of services.													ation of internal controls 3. To develop the Revenue Enhancement Strategy			
	11	Non compliance with relevant SCM Legislation (i.e. SCM policy , PPPF etc)	1. Inadequate SCM policy in place 2. Lack of Contract management 3. Procurement	1. Risk of Fraud 2. Irregular expenditure 3. Negative audit outcomes 4. Litigations 5. Compromised service delivery	5	5	25	H i g h	1. SCM policy 2. Bid Committees 3. Centralisation of SCM processes 4. Train	Weak	4	4	16	H i g h	Chief Financial Officer	1. Continuous training sessions to SCM staff 2. Annual review of SCM policy and inten	SCM Officer	30-Sep-12	

			reporting of the update on the Asset Register													asset register and other logistics			
			7. Lack of capacity																
		1 2	Possible corruption and fraud	1. Non implementation of Fraud Prevention Plan 2. Diberate by-pass of the inter	1. Financial loss 2. Negative impact on the reputation of the municipality	5	5	25	High	1. Fraud prevention plan	Weak	5	5	25	High	Municipal Manager	I. Implementation of the Fraud Prevention plan and proper monitoring of SCM contr	Chief Financial Officer	31-Dec-12

			nal contr ols 3.By- passi ng of SCM policy													ols			
1 3	Lack of disast er recov ery plan	1.Lack of integr ated ICT strate gy2. Lack of capac ity (reso urces & skills)	Loss of informati on	5	4	20	H igh	1. Appo intm ent of the Inter n	Wea k	5	4	20	Hi gh	Cor pora te Serv ice Man ager	1. Appoi ntme nt of the IT office r2. Appoi ntme nt of the servic e pprov ider to assist the IT unit in the imple ment ation of IT	Assi stan t IT Man ager	#### #### ###		

				unit															
Community Development	To promote sustainable community development focused on the less privileged portion of the community	15	Ineffective implementation of the HIV/Aids policy	1. Lack of human capital 2. Lack of monitoring and supervision	Lack of mainstreaming of HIV/AIDS (Internally and Externally)	5	4	20	High	1. HIV/AIDS Workplace policy 2. Assistance by Department of Health 3. Employment of HIV/AIDS officer	Good	4	3	12	Medium	Community Service Manager		HIV/AIDS Officer	30 June 2013

	ty								4. Door to door tool to determine the status of health awareness campaigns									
		16	Vandalism of Sports and Recreation facilities	1. Ineffective security systems 2. Non-cooperation of communities	Financial loss	5	4	20	High	1. Security services on public amenities 2. Ward Committees	Satisfactory	4	4	16	High	Community Service Manager		30 June 2013

Safety & Security	To promote and provide a safe and secure physical environment for all the communities.	17	Ineffective implementation of the Disaster Management Plan	1. Lack of uniform incident and early warning systems2. Ineffective implementation of the awareness campaigns3. Lack of training	1. Non implementation of the emergency support process2. Unsafe environment	4	5	20	High	1. Disaster Management Plan2. Training of Sector Departments3. Education & awareness campaigns on local communities4. Disaster Management Framework	Satisfactory	4	3	12	High	Community Service Manager	1. Review of the Disaster Management Act2. International Strategy for Disaster Risk awareness at schools, hospitals etc.3. Appointment of a Disaster Officer	Disaster Officer	30 June 2013	

Service Delivery and Engineering	To promote and ensure the provision of services on an acceptable level to all residents of Engcobo and in accordance with the national targets set	18	Inability to address infrastructure backlog	1. Inexistent of a roads classification network	1. Unhappy communities 2. Compromised service delivery	5	5	25	High	1. Draft Road Maintenance Plan 2. Road maintenance equipment 3. Appointment of service providers for the construction of access roads 4. Adhoc backlog	Weak	5	4	20	High	Technical Manager	1. To submit the Draft Road Maintenance Plan to the Council for approval 2. To procure 2 graders 3. To perform the verification of the length of road network in each ward	Roads Technician /Assistant Technician	8 December 2012	30 June 2013
				2. Changes in demarcation	3. Financial Constraints															

out in Visio n 2014								og data										
	1 9	Poor maint enanc e of infras truct ural assets	1. Lack of maint enanc e plan 2. Finan cial Const raints	Dilapidat ed roads	5	5	25	H igh	1. Priori tisati on by the Stand ing Com mitte e on roads to be priori tised. 2. Muni cipal road equip ment used on main tenan	Wea k	5	4	20	Hi gh	Tec hnic al Man ager	1. Facili tation of the appro val of the Draft Maint enanc e Plan by the Coun cil	Tec hnic al Man ager	8 Dece mber 2012

Housing	21	Inability to deliver adequate sustainable housing	1. Lack of implementation of the Breaking New Ground programme 2. Lack of implementation of Rural Housing 3. Lack of Integrated housing development	Increased protests and negative public perception	5	5	25	High	1. Facilitation of the housing provision with Department of Human Settlements 2. Avail housing land for settlement development 3. Appointment of service	Weak	5	5	25	High	Technical Manager	1. Facilitate meeting with Senior Department of Human Settlement officials	Technical Manager	30 June 2013	

				Plan						provi ders										
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6.2. Annexure D: Policy Register

HUMAN RESOURCES POLICIES

- a. Acting and Acting Allowance Policy
- b. Disciplinary procedure policy
- c. Leave Policy
- d. Code of Conduct
- e. Night Work & Shift Allowance Policy
- f. Overtime and Work on Sundays and Public Holidays Policy
- g. Recruitment, Selection and Placement Policy
- h. Attraction and Retention Policy and Strategy
- i. Smoking Policy
- j. Standby Policy
- k. Integrated Telephone Usage and Cellphone Policy
- l. Transport and Vehicle Usage Policy
- m. Motor Vehicle Acquisition Policy
- n. Performance Management System Policy

FINANCE POLICIES

- Cash & investment management
- Budget control
- Credit control & debt collection
- Fraud management
- Subsequent event
- Risk
- Tariff
- Expenditure
- Asset Management
- Provision for bad debts
- Contingency liability
- Subsistence & Travelling (SNT)
- Petty Cash
- Supply Chain Management Policy
- Indigent
- Delegation

6.3. Annexure E: Bylaw Register

- 1. Credit Control and Debt Collection by-law**
- 2. Indigent by-law**
- 3. Caravans and mobile homes**
- 4. Cemeteries**
- 5. Parking Attendants**
- 6. Accommodation Establishments**
- 7. Swimming Pools**
- 8. Lease of Municipal Halls**
- 9. Ward Committees**
- 10. Street Trading**
- 11. Advertising Signs**
- 12. Use of Liquor**
- 13. Control of Stray Animals**
- 14. Keeping of dogs**
- 15. Slaughtering of Animals**
- 16. Keeping of wild animals**
- 17. Nuisance by-law**

Annexure F: Unfunded Projects														
Strategic Objective												Delivery: Internal/External	Funding Source	
Key Focus Area (KFA)	Description of Capital Projects, Programmes and Activities	Key Performance Indicators (KPI's)	Type of Indicator {Input (I), Output (O), Outcome}	Wards	Department	Annual Baseline	Year Target	13/14	14/15	15/16	16/17	17/18		
KFA 39: Roads & Stormwater	Comprehensive Integrated Development Plan (IDP) + Transportation Network Plan with Road & Stormwater Management System	*TBD	*TBD	Ward 1,2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	One Stop Shopping Mall + All Engineering Services + Fuel/Filling Station + Offices + v) Accommodation (Rental Stock _ Community Residential Units (CRU) + GAP/FLUSP Houses + vii) Establishment of Brick and Block Making Firm Social Houses + Up Market Houses + Block of flats) + vi) Opening up a hard rock quarry and establishment of a crusher plant to produce stone and crusher dust in Nkobongo Mountain/Forest + Establishment of Brick and Block Making Firm + Plant Water Bottle: Natural Water Bottled from Emchatha Spring (Ntsimba Sub-Village) and Natural Water from Nkobongo Mountain (Deberha Area) + Associated Engineering Services Including Bulk Services	*TBD	*TBD	Ward 1,2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM

KFA 42: Local Amenities & Public Facilities	Industrial Development and Associated Engineering Services Including Bulk Services	*TBD	*TBD	3	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Establishment of brick and block making firm	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Preparation of an Agricultural and Farming Development Plan + General Agriculture and Farming Developments _ A holistic Comprehensive Development Programme	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Construction of a private senior secondary boarding school that commence from grade 7 to grade 12 which will accommodate at least 1000 students in both classes and boarding accommodation	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM

KFA 42: Local Amenities & Public Facilities	Hotel and all associated	*TBD	*TBD		Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Construction of Community Halls in each centre of each Administrative Area (Community Hall x 9No of AA)	*TBD	*TBD	Ward 1.2.3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Construction of a new police station with holding cells at Mqonci/Ngquthurha Developmental Area	*TBD	*TBD	Ward 1.2.3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Construction of a new clinic at Mqonci/Ngquthurha Developmental Area	*TBD	*TBD	Ward 1.2.3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Upgrading of Mjanyana hospital	*TBD	*TBD	Ward 1.2.3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Upgrading of Nosimo Technical School and Provision Necessary Resources	*TBD	*TBD	Ward 1.2.3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM

KFA 42: Local Amenities & Public Facilities	Construction of Bazindlovu Junior Secondary School which will accommodate at least 800 students in both classes and a hall and a staff room	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Construction of Ntlalukane Junior Secondary School which will accommodate at least 800 students in both classes and a hall and a staff room	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 39: Roads & Stormwater	Upgrading and/or construction of the existing gravel access roads into surface standard (120x20km/village)	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 39: Roads & Stormwater	Upgrading of the existing major gravel road network to surfaced standard	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 39: Roads & Stormwater	Upgrading and/or construction of the existing gravel internal loop roads in the villages (120x20km/village)	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM

KFA 39: Roads & Stormwater	Upgrade and/or construction of new bridges_14No.	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 39: Roads & Stormwater	14 new pedestrian Bridges	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 40: Water & Sanitation Infrastructure	Holding Dam	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 40: Water & Sanitation Infrastructure	Construction of a new water treatment plant, service reservoirs and reticulation to the communities	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 40: Water & Sanitation Infrastructure	Sanitation –Septic Tanks System for all households (Average household per village is 300HH, total number of villages is 90 villages)	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM

KFA 42: Local Amenities & Public Facilities	Construction Cultural Village	*TBD	*TBD	Ward 1.2.3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Construction of Hala Traditional Council	*TBD	*TBD	Ward 1.2.3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Construction of 12 clinics + All Engineering Services	*TBD	*TBD	Ward 1.2.3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Construction of descent sport centres in each centre of each administrative area of 9 administrative areas to accommodate Soccer, Rugby, Netball, Cricket, Baseball, Athletics, Recreation, Arts and Culture	*TBD	*TBD	Ward 1.2.3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Upgrading of Bekileni Junior Secondary School	*TBD	*TBD	Ward 1.2.3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM

KFA 42: Local Amenities & Public Facilities	Upgrading of Nkala Junior Secondary School	*TBD	*TBD	Ward 1.2.3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Upgrading of Nkala Junior Secondary School	*TBD	*TBD	Ward 1.2.3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Upgrading of Qengqeleka Junior Secondary School	*TBD	*TBD	Ward 1.2.3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Upgrading of Sobuza Junior Secondary School	*TBD	*TBD	Ward 1.2.3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Upgrading of Tora Junior Secondary School	*TBD	*TBD	Ward 1.2.3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Upgrading of Kidstone Junior Secondary School	*TBD	*TBD	Ward 1.2.3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM

KFA 42: Local Amenities & Public Facilities	Upgrading of Quluqu Junior Secondary School	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Construction of Laphethuka Junior Secondary Schools	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Upgrading of Zama-zama Senior Secondary School	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Upgrading of Dabulingwe Junior Secondary School	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Upgrading of Zwelihle Senior Secondary School	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Establishment of 200 computer laboratory at Zwelihle High School	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM

KFA 42: Local Amenities & Public Facilities	Establishment of 200 computer laboratory at Bekileni J.S.S.	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Establishment of 200 computer laboratory at Bekileni J.S.S.	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Establishment of 200 computer laboratory at Nosimo S.S.S.	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Establishment of 200 computer laboratory at Qengqeleka J.S.S.	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Construction of Silimela Primary School which will accommodate at least 800 students in both classes and a hall and a staff room	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Establishment of 200 computer laboratory at Sobuza J.S.S.	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM

KFA 42: Local Amenities & Public Facilities	Establishment of 200 computer laboratory at Tora J.S.S.	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Establishment of 200 computer laboratory at Quluqu J.S.S.	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Establishment of 200 computer laboratory at Kidstone J.S.S.	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Establishment of 200 computer laboratory at Laphethuka J.S.S.	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Establishment of 200 computer laboratory at Zama-zama S.S.S.	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Establishment of 200 computer laboratory at Silimela Primery School	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM

KFA 42: Local Amenities & Public Facilities	Establishment of 200 computer laboratory at Bazindlovu S.S.S.	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Construction of acceptable play grounds in each sub-village of Hala Area to accommodate Soccer, Rugby, Netball, Cricket, Baseball, Athletics, Recreation, Arts and Culture (111 sub-villages)	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
KFA 42: Local Amenities & Public Facilities	Community Hall x 81No.	*TBD	*TBD	Ward 1.2,3,4,5	Infrastructure & IPED	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	*TBD	Internal & External	Hala Community Development Trust & ELM
Legends	*TBD - To Be Determined													
	ELM - Engcobo Local Municipality													

2014/2015
Ward 11 Makaleni(Macebeni-Komkhulu)
Ward 19 Ngwemnyama-Upper Gqaga

Ward 03 Dlomo Via Dabulingwe -Bekileni
Ward 06 Tafeni
Ward 17 Didi Evenkileni-Gubenxe-Ntsinana
Ward 10 Ttholweni-Mcinga
Ward 04 Madasa
Ward 05 Ngqokoto-Ngcacu School
Ward 02 Nkomponi Via Mqonci J.S.S-Zweloxolo P.J.S
Ward 13 Lubisi-Nkencezi
Ward 07 Nkalweni-Ntwashini
Ward 08 KwaDlomo-Gubenxa
Ward 16 Manuneni-Mbhashe
Ward 18 Tribal-Zibute
Ward 14 Caca
Ward 12 Nombewu-Komkhulu
Ward 01 Ntimeni-Roma-Komkhulu
Upgrading

2015/2016
Ward 01 Nxamagele-Mandlaneni
Ward 02 Cwecweni-Xonya
Ward 03 Shushwane-Mazizini
Ward 04 Mafilika-Lalini
Ward 05 Malangazana-Maqanda
Ward 06 Ngqaba-Ngxebe
Ward 07 Qolweni-Zamxolo P.J.S

Ward 08 Tshatshu-Emampingeni
Ward 10 Mxesibe
Ward 11 Sinaba-Chefane
Ward 12 Maabo J.S.S-Diphini
Ward 13 Komkhulu Upper Sitholeni Via Lower Sitholeni
Ward 14 Ndungunyeni-Farming
Ward 16 Zihlangu-Mandlaneni
Ward 17 Mbashe Bridge-Ndima-Mamfeneni
Ward 18 Tshapile-Upper Gqobonco-Yawa
Ward 19 Mgudu-Makhumeni
Ward 09 Sgangeni-Luxeni
Ward 15 Gxojeni-Siphambukeni
Ward 20 Zabegilana
Sport Fill
Community Hall