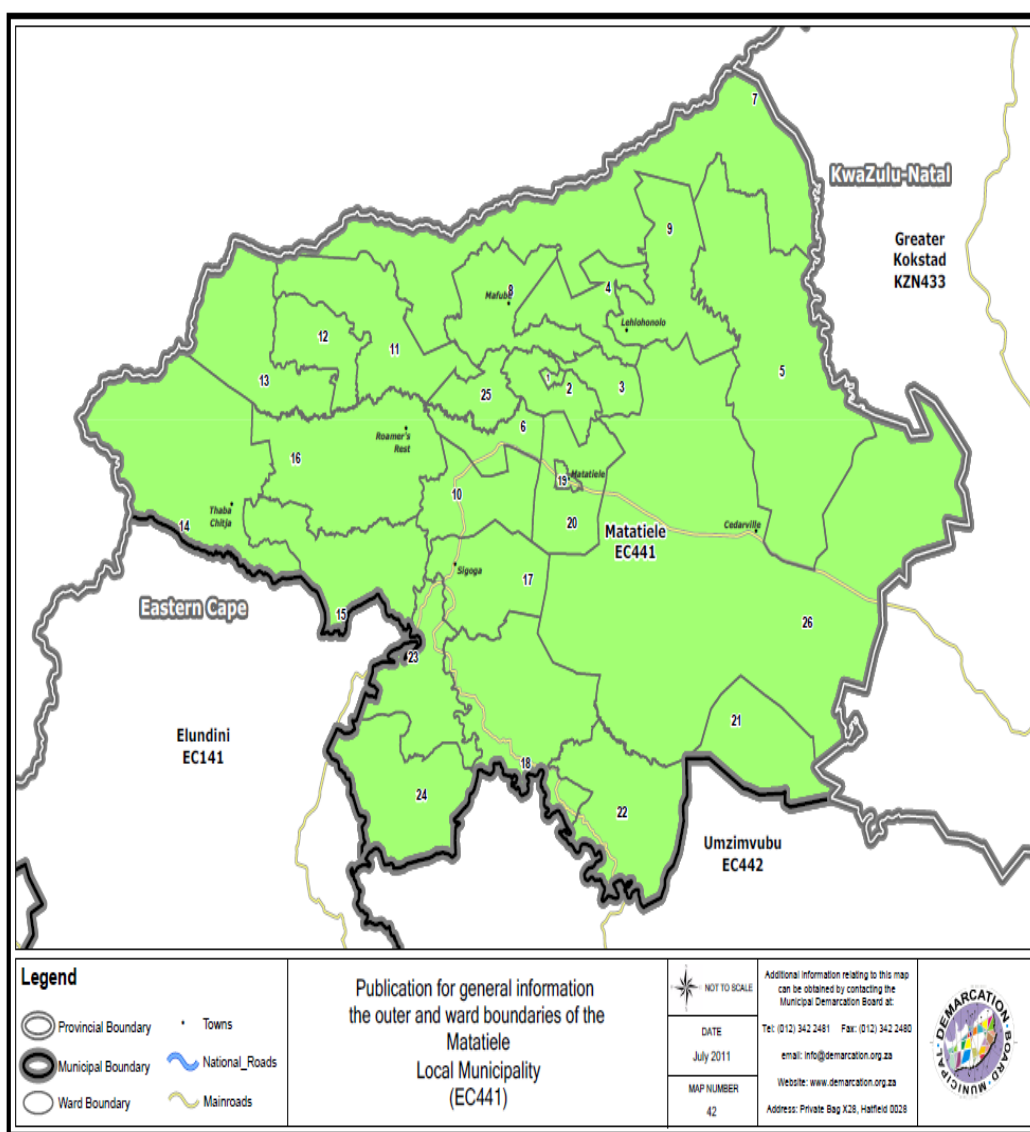


# 2013/2014 Adopted IDP Review



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## TABLE OF ACRONYMS AND ABRIVIATIONS

ISRDP	Integrated Sustainable Rural Development Program
ABET	Adult Basic Education and Training
ABP	Area Based Plan
AIDS	Acquired Immune Deficiency Syndrome
ANDM	Alfred Nzo District Municipality
ARC	Agricultural Research Council
BEE	Black Economic Empowerment
CASP	Comprehensive Agricultural Support Program
CBNRM	Community Based Natural Resource Management
CDW	Community Development Workers
CPF	Community Policing Forum
CIPS	Companies and Intellectual Property Commission
CPF	Community Policing Forum
CSC	Community Service Centre
DAFF	Department of Agriculture Forestry and Fisheries
DBSA	Development Bank of Southern Africa
DEAT	Department Environmental Affairs and Tourism
DECT	Digital Enhanced Cordless Telephone System
DEDEA	Department of Economic and Environmental Affairs
DFA	Development Facilitation Act
DLGTA	Department of Local Government and Traditional Affairs
DM	District Municipality
DME	Department of Minerals & Energy
DOA	Department of Agriculture
DOE	Department of Education
DoE	Department of Education
DOH	Department of Health
DORPW	Department of Roads and Public Works
DoT	Department of Transport
DRDAR	Department of Rural Development and Agrarian Reform
DRT	Department of Roads and Transport
DSD	Department of Social Development
DSL	Department of Safety and Liaison
DSRAC	Department of Sport, Recreation, Art and Culture
DTF	District Transport Forum
DWAF	Department of Water Affairs and Forestry
ECD	Early Childhood Development
ECDC	Eastern Cape Development Cooperation
EEP	Employment Equity Plan
EIA	Environmental Impact Assessment
EMF	Environmental Management Framework
EMP	Environmental Management Plan

EPWP	Extended Public Work Program
FET	Further Education and Training
FMG	Finance Management Grant
FSA	Forestry Service Aid
GBH	Grievous Bodily Harm
GGP	Gross Geographic Product
GIS	Geographical Information System
GVA	Gross Value Adding
HCT	HIV Counselling and Testing
HIV	Human Immune Virus
IDP	Integrated Development Plan
IGF	Inter Governmental Forum
IGR	Intergovernmental Relations Framework Act
ITP	Integrated Transport Plan
IWMP	Integrated Waste Management Plan
JTT	Joint Task Team
KZN	Kwazulu Natal
LED	Local Economic Development
LM	Local Municipality
LRAD	Land Reform/Redistribution for Agricultural Development
LTO	Local Tourism Organization
MDR	Multi-Drug Resistant
MDTP	Maloti Drakensberg Transfrontier Conservation and Development Project
MEC	Members of Executive Councillor
MIG	Municipal Infrastructure Grant
MLM	Matatiele Local Municipality
MSA	Municipal Systems Act
MTSF	Medium Term Strategic Framework
NSDP	National Spatial Development Framework
NGO	Non Governmental Organisation
PGDP	Provincial Growth and Development Plan
PMS	Performance Management System
PSF	Provincial Strategic Framework
PSDP	Provincial Spatial Development Plan
SANRAL	South African National Roads Agency Limited
SAPS	South African Police Service
SDF	Spatial Development Framework
SASSA	South African Social Security Agency
SMME	Small Medium and Micro Enterprises
TB	Tuberculosis
TSP	Tourism Safety Plan
WFTC	Working for the Coast
WPLG	White Paper on Local Government
WSA	Water Services Authority
WSDP	Water Services Development Plan

## MAYOR'S FOREWORD



The Municipality has geared itself to complement other spheres of government so as to reach the identified targets. We are proud to announce that the IDP remains our strategic document and is the key driver of our performance management and budgeting systems within the Municipality.

Through a process of reassessing National and Provincial priorities we have once again refined and refocused our strategic programmes so as to effectively respond to key challenges faced by the Municipality.

### **The six key strategic priorities for Matatiele are:**

- Reduction of Service Delivery Backlogs
- Local Economic Development, and Rural Development, Employment Creation through the Expanded Public Works Programmes (EPWP) and Community Work Programme (CWP)
- Proper Spatial Development Planning through the SDF and localized SDF's for the Nodal Areas of Maluti, Cedarville and Matatiele
- Sound Financial Management
- Good Governance, Enhancement of Public Participation, IGR and Protocol
- Institutional Arrangements and Developments

Therefore this IDP becomes essential towards the achievement of these strategic priorities.

Active public participation by all stakeholders (Communities, Workers, Business Community, various interested groups, sector departments together with Traditional Leaders is pivotal towards strengthening of the Local Government Development Agenda.

The participation and involvement of Designated Groups (Youth, People living with Disabilities, People living with HIV and AIDS) is also encouraged as this will ensure a robust debate that will positively influence future planning processes for Matatiele Local Municipality. The IDP is also in line with Outcome 9 and Vision 2030 of the National Development Plan (NDP).

A handwritten signature in black ink, appearing to be 'N.S. Nkopane', written over a horizontal line.

CLLR. N.S NKOPANE

HER WORSHIP THE MAYOR OF MATATIELE LOCAL MUNICIPALITY

## **EXECUTIVE SUMMARY**

The Municipal Systems Act (No.32) of 2000 requires that local government structures prepare Integrated Development Plans (IDPs). The IDPs serve as tools for transforming local governments towards facilitation and management of development within their areas of jurisdiction. In terms Chapter 5 and Section 25 of Local Government Systems Act, (Act 32 of 2000), that the municipal council must within a prescribed period after the start of its elected term, adopt a single all inclusive and strategic plan for the development of the municipality. The Local Government Systems Act also identifies the IDP as the vehicle to be used in the achievement of these goals. In conforming to the Act's requirements the Matatiele Council has delegated the authority to the Municipal Manager to prepare the IDP. The IDP Strategic Approach is to ensure that the Municipality is a more responsive, efficient, effective and accountable local government.

## **INTEGRATED DEVELOPMENT PLANNING IN MATATIELE**

Matatiele local Municipality IDP review (2013 – 2014) will serve a strategic guide during for the Municipality. It is based on the issues articulated by the stakeholders and is aligned with the National and Provincial development plan, MDG's, 12 National Outcomes, and the Provincial Growth the Development Strategy (PGDS).

## **KEY COMPONENTS OF THE IDP**

Section 26 of the Municipal Systems Act prescribes the key components of an IDP. In keeping consistency with this section of the Act, Matatiele Municipality's IDP presented main sections as follows:

- The Executive summary which gives the municipal overview and developmental challenges.
- An outline of the key development issues and trends based on an analysis of the current level of development (Situational Analysis).
- A strategic framework which outlines a council long term vision with specific emphasis on the municipality's most critical development objectives, actions plans and strategies.
- A capital program including a one year program, three year program aligned to the medium term Expenditure Framework and the five year plan.
- Implementation framework which includes sector plans particularly the financial plan, spatial development framework, organizational performance management system and an organizational transformation and institutional development plan.



## GENERAL KEY PERFORMANCE INDICATORS

Also drawing the attention on the background of **GENERAL KEY PERFORMANCE INDICATORS** as prescribed in terms of section 43 of the act, namely:

- (a) The percentage of households with access to basic level of water, sanitation, electricity and solid waste removal
- (b) The percentage of households earning less than R1100 per month with access to free basic services
- (c) The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial years in terms of the municipality's integrated development plan
- (d) The number of jobs created through municipality's local economic development initiatives including capital projects.
- (e) The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan;
- (f) The percentage of municipality's budget actually spent on implementing its workplace skills plan; and
- (g) Financial viability as expressed by the following ratios:

i. Where-

'A' represents debt Coverage

'B' represents total operation revenue received

'C' represents operating grants

'D' represents debt service payments (i.e interest + redemption) due within the financial year

ii. Where-

'A' represents outstanding services debtors to revenue

'B' represents total outstanding service debtors

'C' represents annual revenue actually received for services

iii. Where-

'A' represents cost coverage

'B' represents all available cash at a particular time

'C' represents Investments

'B' represents monthly fixed operating expenditures.

*The IDP is systemically aligned to the budget process, and the Performance Management System (PMS).*

## **CHALLENGES FACING THE MATATIELE AREA**

The Matatiele IDP through a consultative process identified various challenges that need to be addressed in order to meet the needs of the community and achieve sustainable development and the vision for the future development of the area. These challenges were identified as follows:

- Access to social facilities is considered to be a challenge. The existing police stations are considered to be inadequate and a need exists for satellite police stations. The health facilities are also said to be inadequate to cater for community needs. Furthermore, due to the remote and rural nature of other villages, access by even mobile clinics in some villages is a challenge. Shortage of sports and recreation facilities as well as other facilities such as banks, Post Offices are some of the issues that still require attention by the Municipality in partnership with sector departments, the District Municipality and other stakeholders.
- Due to the distance from service centers, other localities do require satellite municipal and government offices. Also, educational facilities are considered to be inadequate, particularly the technical skills centers and public schools. In addition, there is a major backlog with general maintenance of infrastructure and service delivery.
- There is a need to improve safety and security particularly for low cost townships. The provision of street lights as a means to reduce the incidents of crime has been suggested as a strategy. Stock theft is considered to be very high. Community Policing Forums (CPFs) need to be revived. An allowance needs to be made as compensation to the CPFs as a form of motivation.
- General moral regeneration is a need in the Matatiele municipal area. The level of alcohol consumption amongst the youth is attributed to the lack of entertainment and recreation centers.
- Land and Housing – land ownership and access to land is a severe problem. Limited land use management and development control makes it difficult to prevent and control land invasion. Upgrading tenure security is essential, particularly providing more secure rights for people that already occupy land. The need for rural planning is noted. There is a shortage of housing within the urban areas and access to funding is a major concern for middle income housing in particular. Settlements are mushrooming in an uncontrollable environment.
- Local Economic Development and Tourism – Due to the high rate of unemployment in Matatiele, there is a need to attract private sector investment. The local resources are underutilized due to poor skills base. The need to offer comprehensive skills development programmes that not only focus on technical skills but include business skills has been expressed. The tourism potential (heritage) is currently not being fully harnessed. Lack of access to Markets for SMMEs is glaring. The presence of an information centre at the entrance of Matatiele is critical.
- Environmental pressure – there are several environmental threats and limitations which if not addressed could contribute to decline in the supply of natural resources and livelihoods in the municipality. Key limitations include poor soil and highly erodible soils contributing to land degradation and poor crop yield. In addition to that the harsh climatic conditions such as high

temperature, heavy rainfall, and periodic strong winds which under favourable conditions could result in natural disasters such as floods and runaway bush fires. The highly rugged terrain can significantly reduce the development potential of the municipality. The management of wetlands is a critical issue.

- Encroachment of settlements onto high potential agricultural land affects the significantly limited land capability of the Matatiele local Municipality. Only an estimated 30% of the total land area of the municipality constitutes of land with minor limitations to agricultural production. The remaining 70% is either not arable or has severe limitations to agriculture. Unfortunately, the limited land for agriculture is decimated by extensive settlement and the associated uses. Currently, it appears that commercial agriculture is not a viable land use option for a development programme in most parts of the municipal area.
- Viable agricultural schemes have also proved to be difficult to implement in rural areas due to shortage of land.
- Uncontrolled settlements – the sprawl of rural settlements and growth of informal settlements in Maluti is considered a critical issue affecting the municipal area. This phenomenon could be ascribed to the factors such as the collapse of the land administration systems, lack of forward planning together with the tendency for people to be opportunistic and move to highly accessible areas (such as along R56 corridor and road to Lesotho).

## **OPPORTUNITIES WITHIN THE MATATIELE AREA**

The municipality has vast opportunities. These are inclusive of the following:-

- Heritage and eco-Tourism – The environment within Matatiele Municipality provides several opportunities for eco-tourism development provided these would be harnessed appropriately and utilized on a sustainable basis.
- The largely rural wilderness areas for the development of ecotourism and wilderness education.
- Rugged terrain with its relatively undisturbed and water sources environment for biodiversity conservation initiatives.
- Huge wetlands system that provide suitable habitats for wildlife and raw materials for local economic activities.
- The heritage resources in the municipality that could augment tourism and education.
- The LED Strategy identified a strong potential for the development and promotion of winter tourism, cultural tourism, eco-tourism, agricultural tourism, adventure tourism, avi-tourism (e.g. bird-watching) and water sports facilities for supporting tourism.
- Matatiele CBD as a potential vibrant and dynamic rural centre – Matatiele town plays a significant role within the municipal area. It is an administrative, service and main economic centre with a threshold that covers the full extent of the municipal area and beyond. It is a link between Matatiele and other towns within the district as well as the major provincial centres and beyond. As such, the town should be planned as a rural town and be structured and managed to enable it to perform its functions efficiently and effectively. The opening of road linkages between Matatiele with the neighbouring Ulundi Municipality, Lesotho as a potential trade and tourism route will improve access to Ukhahlamba, Maloti Drakensburg Transfrontier

Park. This will add further impetus to the need to the development Matatiele Town as a vibrant and dynamic rural centre.

- Value Adding Products – There is a strong potential for large-scale production, processing and marketing of local products in external markets (e.g. agricultural, forestry products and related products and sandstone) with the view to introduce value-addition activities in all economic sectors. The opportunities also exist for establishing and identifying new markets for locally-produced products and services. The need exists to explore opportunities for investment in activities, businesses or services currently not offered in Matatiele as well as exploring the potential for use of available underutilized land and other natural resources (e.g. rivers) resources for income generation purposes.
- High potential agricultural areas offer unique opportunities for cultivation and food security. Areas of high agricultural potential are identified as areas with inherent potential for cultivation based on the soil, slopes and climate of the area.  
It is recommended that activities that will result in the loss of agricultural potential such as the subdivision of land, settlement and extensive infrastructure development should not be undertaken in this zone.
- Ultimately these areas should not be developed for purposes other than agriculture, and should retain the opportunity for future agricultural production. As such, they should be maintained either for cultivation or grazing. In areas of high agricultural potential that also have high biodiversity value it will be important to attempt to identify land uses that may achieve both objectives such as grazing or less intensive cultivation that include areas to be set aside for biodiversity management. High potential agricultural land located within existing settlements but is too small or lack the appropriate infrastructure to become viable agricultural areas could be considered for small scale or intensive food production and urban agriculture. Agricultural development should be promoted based on latent potential with high production potential land being reserved mainly for agricultural purposes. The following agricultural activities are prevalent in the area:
  - Timber plantations should be established in areas where the adverse effects on the environment will be easily mitigated. Otherwise the area is too environmentally sensitive for timber plantations.
  - Extensive livestock farming should be promoted, particularly in communal areas. But, grazing land management programmes should also be introduced to address the increasing problem of soil erosion.
  - Crop production (irrigated and dry land) should be promoted in low - lying areas and irrigation along the main river tributaries.
  - Irrigation estates along the major rivers.
  - Pastures and dairy in and around Cedarville.
  - Farms stay within a five to ten kilometer radius from Matatiele Town and Cedarville should be considered for the establishment of smallholdings where limited processing of agricultural products and tourism facilities should be allowed. The same applies to farms located immediately along development corridors.
- Regional Access – R56 which runs through Matatiele in an east-west direction serves as the main regional access route that links Matatiele with other urban centres such as Kokstad to the east and Mount Fletcher to the south west. Secondary to the N2, it serves as the main link between the Eastern Cape Province and KwaZulu-Natal Province. It is identified in the Draft Provincial Spatial Development Plan (PSDP) - Eastern Cape as one of the Strategic Transport Routes. R56 is a multi-sectoral corridor as it facilitates access to agricultural zones in the Cedarville-Matatiele

Area, tourism zones in the Ongeluksnek area and commerce and industry in Matatiele. It forms the basis for a road system that connects different parts of the municipal area.

- Development along R56 Development Corridor should follow the following guidelines.
- R56 is a regional limited access and high speed public transport route; as such direct access onto this road is subject to the provincial road transport regulations.
- Higher order land uses should be accommodated in the nodes, but lower order land uses could develop in a linear fashion subject to alternative access opportunities; and
- A 15m buffer should be observed from the boundary of the road reserve. This has implications for settlements that have encroached onto the buffer areas.
- R56 also provides an alternative shorter route to Cape Town with views of scenic beauty, which can attract both domestic and International tourist thereby promoting LED projects at some locations.

## CHAPTER 1: INTRODUCTION & CONTEXTUALISATION

### INTRODUCTION

This Integrated Development Plan (IDP) Review is being prepared for the period 2013/2014 in accordance with the prescription of the Municipal Systems (Act 32 of 2000), requires that, all municipalities review their integrated development plans annually.

The development of this IDP will be based on three major principles namely, consultative, strategic and implementation oriented planning. In terms of the Municipal Systems Act (Section 25.1) the municipality is required to adopt a single, inclusive and strategic plan for the development of the Municipality which:

- Links, integrates and co-ordinates all development plans of the municipality
- Aligns the resources and capacity of the municipality with the implementation plan.
- Forms policy frameworks which constitute the general basis on which the annual budget must be based
- Is compatible with the National and Provincial development plans and planning requirements.

The IDP would have to be integrated with other plans and be aligned with the municipality's resources and capacity and must also be compatible with national and provincial plans and priorities. The IDP formulation and implementation process will therefore be guided by the following legislation and/ or policies:

Constitution of the Republic of South Africa 1996

Local Government: Municipal Systems Act, 2000

Local Government: Municipal Structures Act, 1998 as amended

Local Government Municipal Finance Management Act, 2003

White Paper of Local Government

The Provincial Growth and Development Plan (2010) as well as other National Policies

A good environment for the preparation of the IDP has been established.

As prescribed by Section 28 of MSA, a process plan was prepared and adopted by Council. The process plan made provision for institutional arrangements, roles and responsibilities, the organisational structure, procedures and mechanisms for public participation and for alignment of the IDP with that of the Alfred Nzo District Municipality.

## **1.1 BACKGROUND**

Matatiele Local Municipality (MLM) is located on the Northern part of the Eastern Cape Province. It adjoins onto Elundini Municipality to the South West, Greater Kokstad Municipality (KZN) to the East, Umzimvubu Municipality to the South, and Lesotho to the North.

It is one of the four local municipalities forming part of the Alfred Nzo District Municipality. The other municipalities are uMzimvubu, Mbizana and Ntabankulu Local Municipalities. With the changes in ward demarcation, Matatiele now consists of 26 municipal wards with a population of 203 843 people.

R56 road is a major arterial and trade route running through the municipality in an east-west direction linking Matatiele with Kokstad to the east and Mount Fletcher to the west. It links the municipality with KwaZulu-Natal Province and parts of the Eastern Cape Province located south of Matatiele Municipality. The western parts of the area (commercial agricultural farms) forms part of high production potential land stretching from Matatiele and Kokstad in the south through the KwaZulu-Natal Midlands to the north western parts of KwaZulu-Natal.

Matatiele Municipal area is composed of the commercial farmlands surrounding the service centre of Matatiele, the town of Cedarville together with the R293 township of Maluti. The municipality is predominantly rural in nature, with 91% of households classified as rural and only 9% as urban (ANDM, WSDP, 2010: 37). The district is dominated by expansive poorly developed rural villages.

While Matatiele Town serves as a service centre and/or the main economic hub for Matatiele Municipality and beyond, and is identified in the District Municipality SDF as a primary node, the settlement pattern is characterised by dispersed rural settlements surrounded by subsistence farmlands in the former Transkei region, which fell within the previous Umzimvubu boundary. The area is located at the foothills of Drakensburg Mountains. It adjoins onto the World Heritage site along its western boundary and was included in the Maloti-Drakensberg Transfrontier Conservation and Development Project (MDTP). The latter was a collaborative initiative between South Africa and the Kingdom of Lesotho to protect the exceptional biodiversity of the Drakensberg and Maloti mountains through conservation, sustainable resource use, and land-use and development planning. This area encompasses distinct landscape and biological diversity. It is quite rich in species and high in endemism.

## **1.2 IDP OBJECTIVES**

Integrated development planning is a process whereby municipalities prepare strategic development plans for a five-year period. These plans should inform planning, decision making, budgeting, land management, promotion of local economic development, and institutional transformation in a consultative systematic and strategic manner.

This Integrated Development Plan (IDP) seeks to achieve the following:-

- Speed up delivery through making more effective use of scarce resources
- Attract additional funds
- Strengthen democracy
- Overcome the apartheid legacy at local level
- Promote intergovernmental co-ordination

This IDP also aims to:-

- Create a higher level of focus and thereby improve the strategic nature of the document;
- Align this strategic document with the limited financial and human resources
- Align the IDP with the activities of the municipality's departments and other service providers in other spheres of government

*Align the IDP with the various sector and management plans of the municipality.*



### 1.3 DEVELOPMENT STRATEGY

The development strategy for Matatiele local Municipality is seeks to respond to the development issues facing the municipal area as outlined in the preceding sections of this document. It aligns with and seeks to contribute to the attainment of the Provincial and National development imperatives as outlined in the relevant policy documents. The Municipalities development vision is as follows:

#### 1.3.1. MUNICIPAL VISION

Matatiele Local Municipality has adopted the following vision;

**“WHERE NATURE, AGRICULTURE, AND  
TOURISM ARE INVESTMENTS OF CHOICE”**

The vision is guided by the constitutional imperatives, which generally require all local governments’ structures to be service delivery driven in nature, and continuously strive to empower their communities socially and economically.

#### 1.3. 2.MISSION STATEMENT

**Matatiele Local Municipality’s mission is:**

**“To create an awareness on nature  
conservation, To promote and support  
agricultural activities, To promote and  
market Local Tourism organizations and**

### 1.3.3 MUNICIPAL LOGO

During the 2012/2013 financial year, The Municipality embarked on the process of changing its logo. The decision came to effect due to the view that the logo should encompass the new vision and mission of Matatiele Local Municipality as per decision taken during the 2012 Strategic Planning Session. The process of developing this logo has been consultative, harnessing the talents and skills of the youth within the Municipality. This process was done as a form of competition among the high schools in the Municipal area. 17 High Schools participated and 2 of them won the competition. The combination of their ideas produced the new logo which was approved by Council on the 29<sup>th</sup> of January 2013.



# MATATIELE

LOCAL MUNICIPALITY

LOGO ELEMENTS	DISCRIPTION
<b>Mountains (three sisters)</b>	Symbolize the natural beauty of our mountainous landscape
<b>Snow</b>	Shows the snowy weather patterns of our area in winter
<b>Water (rivers )</b>	Shows the abundance of water in a form of rivers and wetlands
<b>Ducks with yellow colour patches potential</b>	(indigenous ducks found in Matatiele) this indicate the abundance of nature, tourism and a need for nature conservation
<b>Cattle pulling a plough</b>	The abundance of fertile agricultural land and signify agriculture as the cornerstone of Local Economy Development
<b>Protea tree</b>	Abundance of Protea tree in Matatiele which is a National Symbol

#### 1.3.4 CORE VALUES

The values of Matatiele Local Municipality are:

- Respect: observing the Batho Pele principles
- Accountability: Taking responsibility for decisions and actions taken.
- Transparency: openness and public involvement in municipal affairs.
- Integrity: professionalism, a commitment to ethics, and focus on justice and fairness and accountability.
- Commitment: persevere as we seek to fulfil our duties and responsibilities.
- Efficiency: results orientation, cost effectiveness, superior performance, customer satisfaction.

#### 1.3.5 DEVELOPMENT GOALS

Development strategy for Matatiele Municipality is based on the notion of developmental local government as introduced in the Constitution, and given effect in terms of various pieces of legislation establishing local government structures. This mandate could be Summarised as follows:

- Social development, which includes promoting access to social services, addressing vulnerability, discrimination and poverty, and broadening access to the assets base for the poor.
- Economic development geared towards creating opportunities for employment and sustainable livelihoods.
- Infrastructure development as a means to address service backlogs and create opportunities for economic development.
- Institutional transformation focusing mainly on democratization, shift from control to governance, etc
- Establishment of legal and financial management systems as a means to enable efficient allocation of scarce resources.
- Integrated development and concern with sustainability issues serves as supporting and guiding principles for the implementation of the development strategy and the IDP generally.

## 1.4 METHODOLOGY

The preparation of this IDP is based on a Process Plan, which Matatiele Municipality adopted by council on the 30 July 2012, council resolution number CR 283/30/07/2012 in terms of the Systems Act, and 32 of 2000 at the beginning of the review process. The plan establishes a firm foundation for the alignment of the IDP and budget preparation processes. As such, one all encompassing Process Plan was prepared for these two processes and adopted by Council to ensure proper management of the IDP planning process.

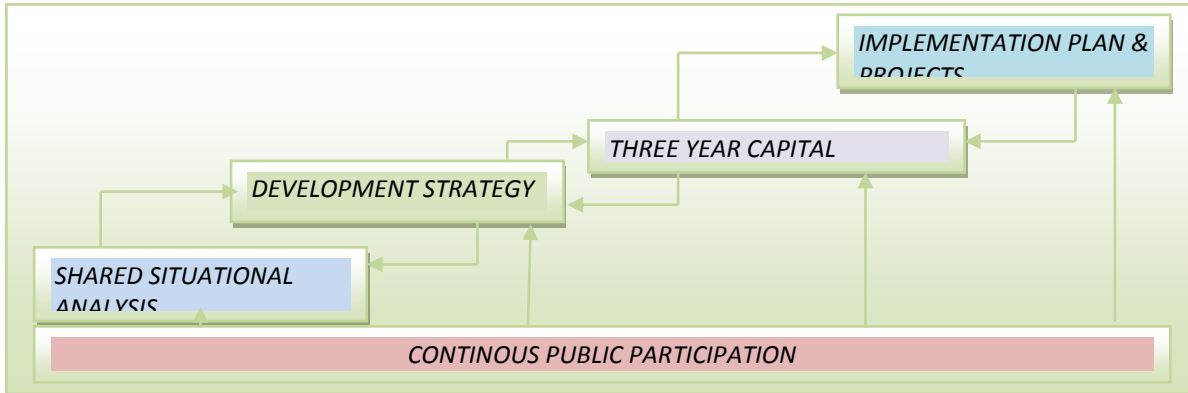
In addition, the preparation of the IDP preparation process took cognizance of the following:

- Preparation of the Executive Summary indicating the issues facing the municipality, development opportunities, municipal plans to address opportunities and constraints, institutional development programmes and five year service delivery programme.
- A shared and detailed analysis of the current situation. This should form the basis for the identification of key development issues, development opportunities and review of the strategic framework.
- Appropriate mechanisms, processes and procedures for consultation and participation of local communities, organs of state, traditional authorities, and other role players in the IDP drafting process.
- Development strategy clearly indicating the long, medium and short terms development vision. These are expressed in the form of long term vision, medium term development strategies and short term interventions – projects.
- An indication of the organisational arrangements for the IDP process.
- Binding plans and planning requirements, i.e. policy and legislation and mechanisms and procedures for vertical and horizontal alignment.
- Alignment of the budget and the IDP expressed in the form of a medium term (3 years) capital programme corresponding with the medium term expenditure framework, one year capital programme indicating the projects to be implemented in this financial year, etc.
- Spatial development framework indicating a link between the IDP policy framework and the site specific Land Use Management System (LUMS).

Further, the preparation of this IDP considered Section 26 of the Municipal Systems Act prescribes the key components of an IDP. In keeping consistency with this section of the Act, Matatiele Municipality IDP is presented four main sections as follows (refer to Figure 1):

- The Executive summary which gives the municipal overview and developmental challenges
- An outline of the key development issues and trends based on an analysis of the current level of development (Situational Analysis).
- A strategic framework which outlines a Council long term vision with specific emphasis on the municipality's most critical development objectives, actions plans and strategies.
- A capital program including a one year program, three year program aligned to the Medium Term Expenditure Framework and the Five (5) Year Plan.

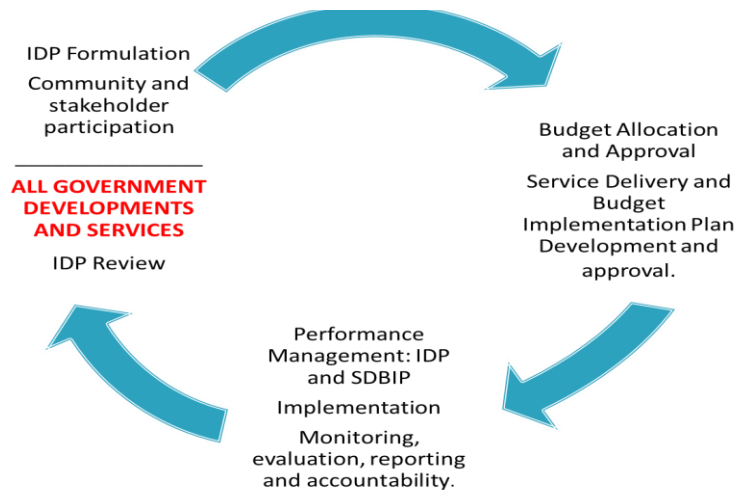
- Implementation framework which includes sector plans particularly the financial plan, spatial development framework, organizational performance management system and an organizational transformation and institutional development plan.



**Figure 1: Brief IDP Process**

### 1.5 ALIGNMENT OF THE IDP, BUDGET AND PERFORMANCE MANAGEMENT SYSTEM

The IDP is systemically aligned to the budget process, and the Performance Management System (PMS). The nature of the alignment is depicted on figure 2 below:



**Figure 2: The Matatiele Municipality IDP, Budget and PMS Linkages**

### 1.6 PUBLIC PARTICIPATION

The consultation and involvement of the general community in the development agenda of Matatiele is primary to the IDP. This informs the strategic planning process and ensures that planning responds to the root causes of development challenges, the ward based community needs

and ward based priorities. In essence, the fact that approximately ninety one percent of the population of Matatiele is rural, high levels of illiteracy, and is generally poor indicated the need for the Municipality to use means of participation that would be both relevant and maximize the impact of the participation. The municipality has prioritized the formulation of a public Participation Plan which will encompass the public participation policy and petitions policy in 2013/2014. As a result, whilst written media (newspapers, internet etc.) was utilized as a means of communication, other forms of communication that are relevant to the municipality were utilized to a greater extent. The use of radio, word of mouth and the use of the existing traditional structures like senior traditional leaders, together with the existing council support structures like the ward clerks and community development workers were effective. The following is a list of the tools that were utilized to consult with the community:-

- **IDP Representative Forum (IDP REP):** This forum represents all stakeholders and key interested and affected parties. This includes the Ward Committees, Senior Traditional leaders, Non-Governmental Organizations (NGOs), Community Based Organizations (CBOs), Organized Business and organized agriculture.
- **Media:** Local newspapers are used to inform the community of the progress of the IDP and planned meetings.
- **Radio Slots:** The community radio station is used to make public announcements where necessary.
- **The ANDM and Matatiele Website:** The Alfred Nzo DM's website will also be utilized to communicate and inform the community. Copies of the IDP and Budget will be placed on the website for people and service providers to download.
- **Ward Committees:** Matatiele Municipality has adopted the Ward Committee policy which has resulted to the establishment of ward committees. There are 260 Ward committees (each ward has 10).The municipality considers ward committees as one of the institutional bodies to fast-track service delivery. Ward committee meetings are held quarterly.They are represented in the IDP REP meetings and their input is always considered. They are also being used to disseminate the information about the developmental agenda of the municipality.
- **Traditional leaders:** As a rural community, the reliance of the majority of the community on the traditional leaders as the custodian of culture, state land and leadership cannot be overemphasized. Traditional leaders are considered and for an integral part of the planning and processes of this municipality. Ten (10) traditional leaders are part of the Municipal Council. IDP outreach meetings were also communicated through this institution.

The IDP Guide Pack recommends the following **ROLES AND RESPONSIBILITIES**:-

➤ **Mayor**

The Mayor coordinated and made the final decisions on issues regarding the process plan.

➤ **IDP Manager**

The IDP Manager as delegated by the Municipal Manager was given the responsibility to prepare, properly manage, monitor, organize and implement the planning process on a daily basis.

➤ **IDP Steering Committee (Technical Representation)**

The IDP Steering Committee is made up of technical specialists, such as the Municipal Manager, representatives from each municipal directorate (General Managers), Executive Committee members, and the Chairperson of the IDP Representative Forum. The IDP Steering Committee is chaired by the Municipal Manager. The Steering Committee assists the IDP Manager in driving the IDP process. They are a technical committee which provides direction to Representative Forum meetings.

➤ **IDP Representative Forum (Community Representation)**

The IDP Representative forum represents the broader community. They advise all stakeholders and assist in the IDP process by providing information for review and gap identification. They represent the interests of the organizations and contribute their knowledge and ideas towards identifying community priorities. The IDP Representative Forum is composed of the steering committee, all ward councillors and ward committees, youth, women, disabled, business, religious leaders and other recognized stakeholders. The Mayor chairs the IDP Representative Forum.

The Municipality in its process plan assigned roles and responsibilities to various stakeholders involved in the development of the IDP.

IDP and Budget Process Plan which was adopted by Council and Implemented

MILESTONE	ACTIVITIES & PURPOSE	RESPONSIBILITY	TIMEFRAME
<b>PROCESS PLAN</b>			
	Council Adoption of the IDP Process Plan for the review 2013/2014 Council approval of Budget Timetable for 2013/2014	Municipal Manager/CFO/ IDP/M&E Manager	30 July 2012
	1 <sup>st</sup> IDP Steering Committee	Municipal Manager	15 August 2012
	1 <sup>st</sup> IDP Representative Forum meeting	IDP/ M&E Manager	
	Outlining and buy – in on the process plan		
	Draft Annual Performance Report to be inclusive of the Annual Financial Statements		
	Budget Steering Committee/BTO STANCO	CFO	22 August 2012
	Submit Process Plan to relevant authorities	Municipal Manager / CFO / IDP / M& E Manager	23 August 2012
<b>SITUATIONAL ANALYSIS</b>			
	Issue GM's with Budget Assumptions, Policy Guidelines and instructions as well as the IDP planning guidelines and requirements	Municipal Manager /CFO/IDP / M& E Manager	10 September 2012

	All IDP sector plans to be reviewed commence situation analysis	All Section 57 Managers	14 September 2012
	Advertise the IDP Community Based Plan Outreach	IDP/M& E Manager	30 August 2012
	IDP community Outreach -confirm community needs and priorities	Municipal Manager IDP / M& E Manager	11-13 September 2012
	2 <sup>nd</sup> IDP Steering Committee 2 <sup>nd</sup> IDP Rep Forum	Municipal Manager IDP/M& E Manager	10 October 2012
	Draft status quo report <ul style="list-style-type: none"> <li>• <i>service Delivery achievements and identified gaps</i></li> <li>• <i>Presentation of community needs</i></li> <li>• <i>Presentation of status quo on IDP sector plans</i></li> </ul>	ALL Departments	
	Review of budget policies e.g. Budget, Tarrifs of charges, Property Rates, Supply Chain Management, Indigent, Dept collection and Credit control	CFO	21-22 October 2012
<b>EXCO SITTING</b>	Draft IDP Status Quo Report to EXCO	Mayor/Municipal Manager IDP/M& E Manager	19 October 2012
<b>COUNCIL SITTING</b>	Draft IDP Status Quo Report to Council	Mayor, Municipal Manager, IDP/M& E Manager	30 October 2012
	Submission of budget requests from Municipal departments	All section 57 Managers	30 November 2012
<b>STRATEGIES</b>			
	Budget Steering Committee meeting	CFO	6 December 2012
<b>PROJECTS PHASE &amp; PRIORITISATION</b>			
	<ul style="list-style-type: none"> <li>• <u>Departmental Mid-year Assessment reports to reach the Municipal Managers Offices</u></li> <li>• <u>Municipal Budget, departmental request consolidated by Budget &amp; Treasury</u></li> </ul>	All Section 57 Managers CFO	<u>14 January 2013</u>
	<ul style="list-style-type: none"> <li>• <u>All project proposals finalized and submitted to the Municipal manager</u></li> </ul>	ALL Departments	<u>17 January 2013</u>
	<ul style="list-style-type: none"> <li>• <u>Presentation of draft budget to MANCO</u></li> </ul>	CFO	<u>18 January 2013</u>
<b>EXCO</b>	<ul style="list-style-type: none"> <li>• <u>Tabling of Annual Report, Mid-Assessment report</u></li> </ul>	Municipal Manager	<u>21 January 2013</u>
<b>COUNCIL</b>	<ul style="list-style-type: none"> <li>• <u>Tabling of Annual Report, Mid-Assessment report</u></li> </ul>	Mayor/Municipal Manager	<u>29 January 2013</u>
<b>STRATEGIC PLANNING</b>	<u>Strategic Plan Session</u>	ALL Section 57	<u>3-7 February 2013</u>



	<ul style="list-style-type: none"> <li><u>Evaluate the status quo</u></li> <li><u>Formulate Strategies and Indicators</u></li> <li><u>Review of Policies</u></li> <li><u>Align indicators with Performance framework</u></li> </ul>	<u>Managers</u>  <u>Municipal Manager</u>  <u>IDP/ M&amp;E Manager</u>  <u>Communications Manager</u>	
	<u>3<sup>rd</sup> steering Committee</u>  <u>3<sup>rd</sup> Representative Forum Meeting</u>  <u>Presentation of Strategies &amp; Projects</u>	<u>Mayor</u>  <u>Municipal Manager</u>  <u>IDP / M&amp; E Manager</u>	<u>21 February 2013</u>
<b>INTEGRATION</b>	<u>Integrate - interdepartmental &amp; sector projects</u>	<u>All Sector Departments</u>  <u>IDP/M&amp; E Manager</u>	<u>26-28 February 2013</u>
	Integrate all IDP sector Plans		
<b>EXCO SITTING</b>	Draft IDP, SDBIP/Budget to EXCO	Municipal Manager/CFO / IDP/ M&E Manager	14 March 2013
<b>COUNCIL SITTING</b>	Table Draft IDP, SDBIP/Budget to Council	Mayor, Municipal Manager, IDP/ M&E Manager	22 March 2013
<b>SUBMIT FOR MEC COMMENTS</b>	Forward Draft IDP/ Budget to Department of Local Government & Traditional Affairs for MEC comments and relevant departments for comments	Municipal Manager /CFO/ IDP / M& E Manager	26 – 30 March 2013
	Advertise draft IDP, Draft Budget, Outreach Programme & Tarrifs	Municipal Manager, CFO	29 March 2013
	Public Participation Draft Budget and IDP Outreach	Municipal Manager, CFO	10– 13 April 2013
	Incorporate Inputs into the IDP  Align Budget to IDP re: submission made by community, Provincial Treasury, National Treasury and others	Municipal Manager IDP/M&E Manager Chairperson Budget & Treasury Standing Committee/CFO	23- 27 April 2013
<b>EXCO SITTING</b>	Consideration of submission made by community, Provincial Treasury, National Treasury and other departments, Final IDP/Budget, SDBIP, Performance Framework to EXCO (Special EXCO)	Mayor Municipal Manager, IDP/ M&E Manager	22 May 2013
<b>COUNCIL SITTING</b>	Consideration of submission made by community, Provincial Treasury, National Treasury and other departments, Final IDP/Budget, SDBIP, Performance Framework (Special Council)	Mayor	29 May 2013
<b>PUBLICIZING AND SUBMISSION</b>	Advertise the Approved IDP, Budget and Tariffs and submit to relevant Stakeholders	MM/CFO	06 June 2013

### **Table 1: Schedule of 2012/2013 IDP Process Plan Meetings**

The development of the IDP is a consultative process, which incorporates inputs from the community, Representative Forums, Traditional Leaders, Sector Departments and other Stakeholders. The 2012/2013 IDP community outreach was conducted from the 11 to the 13 of September 2012. During this three-day period, all 26 wards were visited at their respective venues. The community members were given an opportunity to express their concerns regarding the service delivery and also to highlight some of the service delivery backlog, priorities and issues that should be prioritized.

A general observation with regards to the needs of the community is that almost all wards, the following issues are of concern:

- Water – in most wards, there are still villages that do not have access to clean drinking water. Some still draw water from streams and have to travel several kilometers to access water.
- There is also a concern as some schools also do not have access to water to drink. Some schools have water tanks but no water.
- Sanitation- toilets have been built in some villages, however in some wards there is still a great need for toilets.
- Access Roads- in most wards there are access roads although some need maintenance. There are however areas where the roads have not been constructed, making it virtually impossible for vehicles to travel especially during rainy seasons.
- Electricity- there seems to be a great urgency in most wards with regards to electricity. There are still a great number of villages that are in needs of electricity.
- Crime and Unemployment – a large percentage of the population of MLM is the youth. There are a great number of youths that are unemployed. There seems to be an increase in criminal activities, especially theft and robberies.

**Section A: Matatiele Local Municipality**

**Section B: Alfred Nzo District Municipality**

**Section C: Sector Department**

### Section A: Outreach Report Per Ward: Matatiele Local Municipality

ward	KEY ISSUES	Responsibility	comments
1	sports field	<b>Matatiele Municipality</b> <b>Local</b>	Sport field is not in a good condition
	roads to be maintained	<b>Matatiele Municipality</b> <b>Local</b>	internal roads to need to be maintained
2	access roads	<b>Matatiele Municipality</b> <b>Local</b>	access roads need to be maintained
	Job Opportunities within the ward	<b>Matatiele Municipality</b> <b>Local</b>	High rate of Unemployed youth is a concern, this leads to the high crime rates in the ward.
3	Indigents support	<b>Matatiele Municipality</b> <b>Local</b>	Awareness must also be done about indigent support.
	Bridge	<b>Matatiele Municipality</b> <b>Local</b>	Bridge is needed.
	Bridge at Mdeni	<b>Matatiele Municipality</b> <b>Local</b>	Slab Bridge in Mdeni is a hazard to students that use it when going to school and when they come back. Between Mdeni and Sehlabeng
	Community Hall	<b>Matatiele Municipality</b> <b>Local</b>	There is no Community hall in Zwelitsha.
	Access Road and Bridge	<b>Matatiele Municipality</b> <b>Local</b>	There is no access road and bridge in St. Bernard
	Unemployment	<b>Matatiele Municipality</b> <b>Local</b>	Job creation in Outspan
4	Job Opportunities within the ward	<b>Matatiele Municipality</b> <b>Local</b>	High rate of Unemployed youth is a concern, this leads to the high crime rates in the ward.
	Bridge	<b>Matatiele Municipality</b> <b>Local</b>	There is a need a for a bridge at tsitsong village
5	Gwala Bridge	<b>Matatiele Municipality</b> <b>Local</b>	This bridge needs to be built
	Mnqayi Bridge	<b>Matatiele Municipality</b> <b>Local</b>	This bridge is requested that be built together with Nqayi access road
6	T69- road to be completed	<b>Matatiele Municipality &amp; DPW</b> <b>Local</b>	The road is in a poor state, this needs to be given priority, the condition is bad.

<b>7</b>	Access Road	<b>Matatiele Municipality</b>	<b>Local</b>	access roads need to be maintained
	Pote Village	<b>Matatiele Municipality</b>	<b>Local</b>	Rural housing to be provided as the village was to be relocated.
<b>8</b>	Access Roads maintenance	<b>Matatiele Municipality</b>	<b>Local</b>	access roads need to be maintained
<b>9</b>	Maintenance of Access Road	<b>Matatiele municipality</b>	<b>local</b>	New Resh to Sihlabeng Access road
<b>10</b>	Access Road	<b>Matatiele Municipality</b>	<b>Local</b>	The road in Magoqolweni village needs to be maintained. and Sijoka access roads also need maintenance
				The Nzondweni access road need to be constructed.
	Indigent Support	<b>Matatiele Municipality</b>	<b>Local</b>	Alternatives means of energy while waiting for ESKOM to install electricity
<b>11</b>	Access Road	<b>Matatiele Municipality</b>	<b>Local</b>	Thotaneng Access Road
		<b>Matatiele Municipality</b>	<b>Local</b>	Madlangala access Road
	Access road maintenance	<b>Matatiele Municipality</b>	<b>Local</b>	Khaula Acess road Should be No 1 Priority
	Access Road	<b>Matatiele Municipality</b>	<b>Local</b>	Mabua Access Road need to be extended up to Phomolong Village
<b>13</b>	Access Road	<b>Matatiele Municipality</b>	<b>Local</b>	All access roads to be maintained
<b>14</b>	Access Road	<b>Matatiele Municipality</b>	<b>Local</b>	There is a need for an access road from Mateleni village to Avondale Police Station
	Community Hall	<b>Matatiele Municipality</b>	<b>Local</b>	The need for a Community Hall at Fatima village
	Storm Water Drains	<b>Matatiele Municipality</b>	<b>Local</b>	Storm water drains maintenance at Letlapeng
	Community Hall	<b>Matatiele Municipality</b>	<b>Local</b>	The need for a Community Hall at Moeketsi village
<b>15</b>	Access Road maintenance and bridge	<b>Matatiele Municipality &amp; DPW</b>	<b>Local</b>	3X Bridges needed along T415 Road until Likhethlane Village
	Bridge	<b>Matatiele Municipality</b>	<b>Local</b>	Bridge needed in Popopo
<b>16</b>	Houses	<b>Matatiele Municipality</b>	<b>Local</b>	Rural Housing for Majoro

	EPWP	<b>Matatiele Municipality</b>	<b>Local</b>	Tools for staff working under EPWP
	Road Upgrade	<b>Matatiele Municipality</b>	<b>Local</b>	Upgrading of the road from Dikhetlane to Mariazell
<b>17</b>	Access road	<b>Matatiele Municipality</b>	<b>Local</b>	access roads need to be maintained
	Sport-Fields	<b>Matatiele Municipality</b>	<b>Local</b>	there is a need for a sport filled
<b>18</b>	Access Road- Kwakhesa	<b>Matatiele Municipality</b>	<b>local</b>	There is no access road to this village; there is an urgent need for the road to construct.
	Access Roads Maintenance	<b>Matatiele Municipality</b>	<b>Local</b>	Some access roads within the ward are in a poor condition they needs to be maintained.
<b>19</b>	Hawker Stands/Stalls	<b>Matatiele Municipality</b>	<b>Local</b>	Hawker stools are raising issues, and the community of ward 19 that uses them are fighting because the issue is not clear.
	Railway Road –area	<b>Matatiele Municipality</b>	<b>Local</b>	Electric light in railway road, Road marking, road maintenance, and the sewer is also leaking.
	Dark City			There is no access road to Dark City and the sewer is leaking into houses.
	Homeless people			There are people sleeping on the pipes near the Bus Rank opposite the old KFC, there are people sleeping under those pipes and the rape and mug other people.
	Mountain View			We need a Drainage system in Mountain View and we also need a Bus stop for hiking.
				Grass cutting is not done in Mountain View.
				Speed humps Mountain View.

	Town			Street lights on the whole town – Urgent
<b>20</b>	Access Road- Masakala	<b>Matatiele Municipality</b>	<b>Local</b>	The road is in a bad state. This needs to be given priority.
<b>21</b>	Access road in Msukeni.	<b>Matatiele Municipality</b>	<b>Local</b>	The issue will be forwarded to the Infrastructure Services.
	Elderly forum is inactive in the ward; the elderly are not being assisted.	<b>Matatiele Municipality</b>	<b>Local</b>	The SPU has a planned target of formulating and Elderly forum.
	The ward 21 is still waiting for the formation Youth Forum.	<b>Matatiele Municipality</b>	<b>Local</b>	The SPU unit is committed to establishing 26 Functional youth and to hold 12 Youth Council Meetings this financial year.
	People living with disabilities are not supported nor represented in the Ward. The Ward was by Special Programmes Unit to come to the ward to formulate FORA for People living with Disabilities.	<b>Matatiele Municipality</b>	<b>Local</b>	The SPU targeted having quarterly meeting that will attend to the issues of the Disabled target group
	Need for Clarity on the Sanitation issue in the ward.	<b>Matatiele Municipality</b>	<b>Local</b>	The ANDM has appointed the new service provider that will continue with the Sanitation Project for the ward. Another service provider was appointed to rectify the Toilets that were already built in the ward.
	There is a need for Road Maintenance in Gwadane Access Road.	<b>Matatiele Municipality</b>	<b>Local</b>	The issue will be forwarded to the Infrastructure Serviced Department.
	There are no Sports fields in ward 21. There is a need for sports field and Sports facilities.	<b>Matatiele Municipality</b>	<b>Local</b>	The issue will be forwarded to the Community Services Department.
	An EPWP employee was sick for 4 month and another person took her place at duty but the person that was in her place was never paid until this point.	<b>Matatiele Municipality</b>	<b>Local</b>	The issue will be forwarded to the EPWP Supervisor.
<b>22</b>	Zitapile-access road	<b>Matatiele Municipality</b>	<b>Local</b>	Zitapile has no access road it

	Capital for projects	<b>Matatiele Municipality</b>	<b>Local</b>	Needs capital assistance in terms of the starting projects
	piggery project	<b>Matatiele Municipality</b>	<b>Local</b>	Epiphany Qolokazi project - piggery need assistance in funding.
	sport fields	<b>Matatiele Municipality</b>	<b>Local</b>	Sports Ground in Phalane
<b>23</b>	access road- Bethesda	<b>Matatiele Municipality</b>	<b>Local</b>	There is also an unfinished Access Road in Bethesda
	Disaster-relief	<b>Matatiele Municipality</b>	<b>Local</b>	People who were affected by disaster did not receive houses
<b>24</b>	access road	<b>Matatiele Municipality</b>	<b>Local</b>	Incomplete Access Road at Ramafole
	community hall	<b>Matatiele Municipality</b>	<b>Local</b>	The need for a community Hall at Mdeni
	access roads	<b>Matatiele Municipality</b>	<b>Local</b>	The need for an access road at Mahaseng
		<b>Matatiele Municipality</b>	<b>Local</b>	The need for as access road and water at Maqhatseng village
<b>25</b>	Youth Programmes	<b>Matatiele Municipality</b>	<b>Local</b>	Development programmes for youth
				Building of Sporting Facilities and maintenance thereof for youth
	programmes for people living with disability	<b>Matatiele Municipality</b>	<b>Local</b>	Access to Facilities in schools for children/people living with disabilities
				Provision of an interpreter in sign language in Outreaches
	EPWP	<b>Matatiele Municipality</b>	<b>Local</b>	Ned Farm Village: Need consultation for EPWP employment
<b>26</b>	Sports-field	<b>Matatiele Municipality</b>	<b>Local</b>	Sport field not completed
	upgrading road	<b>Matatiele Municipality</b>	<b>Local</b>	Black Diamond road needs maintenance as the road is very narrow
	fencing	<b>Matatiele Municipality</b>	<b>Local</b>	Emerging famers need fencing

**Section B: Outreach Report Per Ward: Alfred Nzo District Municipality**

<b>wards</b>	<b>Issues raised</b>	<b>Responsibility</b>	<b>comments</b>
<b>1</b>	Tholang water supply	<b>Alfred Nzo District Municipality</b>	When would the Tholang water project will be finished as it has been years waiting for water
	Sewerage	<b>Alfred Nzo District Municipality</b>	Most people have connected to sewerage line. When would the sewerage system be done? The people of Maluti demanded a time frame for the sewerage.
	sanitation	<b>Alfred Nzo District Municipality</b>	The Maluti residents requested for sewerage system to speedup, toilets and water pipes to be upgraded. It was also advised that departments should be invited to the outreach so that they can explain their budget
<b>2</b>	Water	<b>Alfred Nzo District Municipality</b>	Water project In progress
	Rockville	<b>Alfred Nzo District Municipality</b>	Water in this area runs out at times.
<b>3</b>	Sanitation	<b>Alfred Nzo District Municipality</b>	Outspan Sanitation did not reach other areas.
	water	<b>Alfred Nzo District Municipality</b>	In Mdeni there is absolute need of water, still do not have water.
<b>4</b>	Water- Tsitsong	<b>Alfred Nzo District Municipality</b>	The water situation in this village is urgent; people still draw water from streams.
<b>5</b>	Water – Mnqayi and Mavundleni	<b>Alfred Nzo District Municipality</b>	A temporary solution in the form of water tanks is needed. People have no access to clean water.
	Water- Mzongwana J.S.S	<b>Department of Education and Alfred Nzo District Municipality</b>	The school's water tanks need to be filled. Learners are suffering as at times there is no drinking water.
<b>6</b>	Toilets	<b>Alfred Nzo District Municipality</b>	in some villages in the ward, toilets were not completed.
	water	<b>Alfred Nzo District Municipality</b>	there is a request for water connections for a borehole



				to be made available
<b>7</b>	Water- whole ward	<b>Alfred Nzo Municipality</b>	<b>District</b>	Water is a challenge in the entire ward. There needs to be a temporary solution, while the water project is still underway. There are taps at Pamlaville, Goxe and Lufefeni but there are not working, there seems to be a problem with the boreholes.
<b>8</b>	Sanitation at Tseta (Pehong)	<b>Alfred Nzo Municipality</b>	<b>District</b>	sanitation at Tsita (Pehong) is needed
	Nchodu Village	<b>Alfred Nzo Municipality</b>	<b>District</b>	Sanitation not complete at Nchodu village
<b>9</b>	Water	<b>Alfred Nzo Municipality</b>	<b>District</b>	Water in Mphoshongweni is not drinkable- need solution
	water	<b>Alfred Nzo Municipality</b>	<b>District</b>	Gobizembe has taps but no water and Makhasela needs water
	Water	<b>Alfred Nzo Municipality</b>	<b>District</b>	Rantsiki and Mahangu have taps but no water, pipes are destroyed
	Water	<b>Alfred Nzo Municipality</b>	<b>District</b>	Gobizembe and Magasela need water and Tseolike J.S.S have tanks but no water
<b>10</b>	Magonqolweni- Water	<b>Alfred Nzo Municipality</b>	<b>District</b>	Water project in progress but has not yet been completed, there seems to be no progress in the last three months
	Hlomendlini and Caba	<b>Alfred Nzo Municipality</b>	<b>District</b>	Water is available, however the distance is still a problem, people still have to travel far to draw water.
	Hlomendlini, Lunda & Slindini	<b>Alfred Nzo Municipality</b>	<b>District</b>	toilets still need to be made available
<b>11</b>	Sanitation	<b>Alfred Nzo Municipality</b>	<b>District</b>	Sanitation at Tsekong not completed
<b>12</b>	Water	<b>Alfred Nzo Municipality</b>	<b>District</b>	There is challenge of water, the water supply is irregular. Sometimes there is no water for days.
	Water tanks to be filled at Moshesh High School.	<b>Department of Education and Alfred Nzo Municipality</b>	<b>of District</b>	The school's water tanks need to be filled. Learners are suffering as at times there is no drinking water.

<b>13</b>	Water	<b>Alfred Nzo Municipality</b>	<b>District</b>	Water is available in the ward, however at times the water supply is irregular.
<b>14</b>	Sanitation	<b>Alfred Nzo Municipality</b>	<b>District</b>	Sanitation at Fatima village
	water and sanitation	<b>Alfred Nzo Municipality</b>	<b>District</b>	there is an urgent need at Ongeluksnek J.S.S
<b>15</b>	Water needed in Paballong	<b>Alfred Nzo Municipality</b>	<b>District</b>	there is a great concern, needs to be given priority
<b>16</b>	Sketlane Sanitation	<b>Alfred Nzo Municipality</b>	<b>District</b>	The project was not completed: 79 toilets are outstanding
<b>17</b>	water	<b>Alfred Nzo Municipality</b>	<b>District</b>	These villages need water, Mgubho, Mbizeni, Nyanzela and Nkalweni.
	Sanitation	<b>Alfred Nzo Municipality</b>	<b>District</b>	Mango- toilets were not completed. The following villages still don't have toilets: Luxeni, Mbizeni, Sigoga, Polile, Lugada
<b>18</b>	Water – Kwakhesa and in most villages	<b>Alfred Nzo Municipality</b>	<b>District</b>	There is challenge of water, people draw water in dirty streams, they have to travel several kilometres to access clean water.
<b>19</b>	Recycling	<b>Alfred Nzo Municipality</b>	<b>District</b>	Water for re-cycling plant next to the landfill site.
<b>20</b>	Water – Masakala and Njongweville	<b>Alfred Nzo Municipality</b>	<b>District</b>	More Water Tanks are needed in Masakala. An uninterrupted water supply needs to be maintained and Njongweville and Masakala.
<b>21</b>	Water	<b>Alfred Nzo Municipality</b>	<b>District</b>	Water is available in the ward, however at times the water supply is irregular.
<b>22</b>	Water- Lukholweni	<b>Alfred Nzo Municipality</b>	<b>District</b>	Water runs out, the engine is not working well so the water gets finished at Lukholweni
	Water	<b>Alfred Nzo Municipality</b>	<b>District</b>	The pressure tank is small and it needs to be extended
	Water-Small Lokishi	<b>Alfred Nzo Municipality</b>	<b>District</b>	Small Location water pipes were not done properly
<b>23</b>	Water - Mangolong	<b>Alfred Nzo Municipality</b>	<b>District</b>	There is no water in Mangolong but water pipes pass through this villages to

			Fobane
	Water	Alfred Nzo District Municipality	The 2010 Water Scheme enrolled in the Ward was not successful
24	Mangolong	Alfred Nzo District Municipality	The need for water at Mangolong village
	Fobane	Alfred Nzo District Municipality	Fobane Village- The need for water
	Mdeni-Borehole	Alfred Nzo District Municipality	Borehole maintenance at Mdeni
	Water- Ramafole High School	Alfred Nzo District Municipality	The need for water taps at Ramafole High School
25	Jabulani Village need sanitation	Alfred Nzo District Municipality	there is an urgent need
	Water	Alfred Nzo District Municipality	There is challenge of water, the water supply is irregular. Sometimes there is no water for days.
26	Water- Black Diamond	Alfred Nzo District Municipality	There was a temporary provision through the Drought relief project; however a permanent water solution is needed.
	Water & sanitation Bultfontein	Alfred Nzo District Municipality	Water supply is irregular. There is a need for toilets , sanitation is still a problem

**Section C: Outreach Report Per Ward: Sector Departments**

WARD	COMMUNITY ISSUES RAISED	RESPONSIBILITY	COMMENT
1	REFER TO REPORTS FOR PROJECTS FOR MLM AND ANDM		
2	SASSA services	SASSA	Need SASSA back in the ward There needs to be better co-ordination on services offered by SASSA; people travel from far and are turned away without help.
	A need for a Dip tank	DRDAR	There is a need for a DIP. Tank. This needs to be given priority.
3	In Mdeni there is absolutely nothing, electricity is still an	ESKOM	Eskom will be informed about the shortage of

	issue.		electricity.
	Madimong and Sehlabeng have no electricity.	<b>ESKOM</b>	Eskom will be informed about the issue.
	Need for preschool in Madimong.	<b>DEPT. OF EDUCATION</b>	Education and department of Social
	Need for houses to people that were hit by Disaster in the Ward.	<b>DEPARTMENT OF HOUSING /DISASTER IN COMMUNITY SERVICES DEPARTMENT AND ALFRED NZO DISTRICT MUNICIPALITY</b>	ANDM will be informed about the issue
	There is no electricity in Likhutloaneng	<b>ESKOM</b>	The issue will be forwarded to Eskom
<b>4</b>	Electricity- Tsitsong	<b>ESKOM</b>	There is a concern over the period at which the electricity will be connected in the village; the community needs this to be a priority.
	Job Opportunities within the ward	<b>ALL</b>	High rate of Unemployed youth is a concern, this leads to the high crime rates in the ward.
	Assistance with ID's and Birth Certificates	<b>HOME AFFAIRS AND DEPARTMENT OF SOCIAL DEVELOPMENT</b>	Assistance is needed for children, with no mothers, and it becomes a challenge for them to get ID's and birth Certificates.
<b>5</b>	Water- Mzongwana J.S.S	<b>DEPARTMENT OF EDUCATION AND ALFRED NZO DISTRICT MUNICIPALITY</b>	The school's water tanks need to be filled. Learners are suffering as at times there is no drinking water.
	Assistance with application for social grants	<b>SASSA AND DEPARTMENT OF SOCIAL DEVELOPMENT</b>	There in a general concern that People travel long distances and then are turned away without being assisted.
<b>6</b>	T69- road to be completed	<b>PUBLIC WORKS &amp; MLM</b>	The road is in a poor state, this needs to be given priority, the condition is bad.
	Electricity	<b>ESKOM</b>	There were places that were left behind, when they were doing electricity connections when are they going to be

			connected.
	Assistance with application for social grants	<b>SASSA</b>	There needs to be better co-ordination on services offered by SASSA, people travel from far and are turned away without help.
<b>7</b>	Electricity- whole ward	<b>ESKOM</b>	There is still no electricity in the whole ward.
	Road Maintenance	<b>DEPT. OF PUBLIC WORK</b>	The T road from Matatiele to Mzongwana has just been maintained but already it in a bad condition.
	School extension	<b>DEPT. OF EDUCATION</b>	Nkawulweni school is in need of extra classes.
<b>8</b>	Proposal for assistance on Lima project	<b>DRDAR</b>	To be referred to DRDAR
	The need for a Clinic	<b>DEPT OF HEALTH</b>	To be referred to the Dept. Of Health
	The need for electricity	<b>ESKOM</b>	This is a concern and needs to be given priority
<b>9</b>	Tsoelike J.S.S have tanks but no water	<b>DEPT OF EDUCATION &amp; ANDM</b>	The school's water tanks need to be filled. Learners are suffering as at times there is no drinking water.
<b>10</b>	<b>Electricity</b>	<b>ESKOM</b>	Some villages still do not have electricity; this has been a concern for some time. Alternative means are requested.
	<b>Rural Housing</b>	<b>Dept. Of Housing and MLM</b>	<i>Why / what is the procedure for issuing RDP houses as households who can afford seem to benefit from the RDP houses even though they are meant for people who cannot afford</i>
<b>11</b>	The Fridge at the Queen's Mercy Clinic not working: No Immunization given at the Clinic	<b>DEPT OF HEALTH &amp; MLM</b>	To be referred to Dept of Health for auctioning
	The community needs a Maize Storage facility	<b>MLM: DEPT OF RURAL DEVELOPMENT &amp;</b>	This will assist in maize production.

		<b>AGRARIAN REFORM</b>	
	A Clinic is needed in 11 as they are using a clinic in ward 13 and it does not have the capacity to carry different wards	<b>DEPT OF HEALTH &amp; MLM</b>	Dept of Health & MLM
	1 High School is need in Ward 11; scholars have to be accommodated at Moshesh Senior Secondary School in ward 12.	<b>DEPT OF EDUCATION &amp; MLM</b>	To be referred to Dept of Education for auctioning
	The community needs Skills Development Programmes for Youth	<b>MLM, DEPT OF PUBLIC WORKS</b>	To be referred to Dept of Public Works
<b>12</b>	Address the issue of scholar transport	<b>THE DEPARTMENT OF EDUCATION AND MATATIELE LOCAL MUNICIPALITY</b>	The buses that transport are not road worthy. The law must be enforced on vehicles that are not road worthy
	Water tanks to be filled at Moshesh High School.	<b>DEPARTMENT OF EDUCATION AND ALFRED NZO DISTRICT MUNICIPALITY</b>	The school's water tanks need to be filled. Learners are suffering as at times there is no drinking water.
	Assist scholars with ID's at Moshesh High School	<b>HOME AFFAIRS ,DEPARTMENT OF SOCIAL DEVELOPMENT AND DEPARTMENT OF EDUCATION</b>	Assistance is needed for children, with no mothers, and it becomes a challenge for them to get ID's and birth Certificates.
<b>13</b>	Electricity	<b>ESKOM</b>	Electricity has been a concern for a long time. the request is that this be given priority for the ward
	T- road and access road to be maintained	<b>DEPARTMENT OF PUBLIC WORKS,</b>	The T- road needs to be maintained, it's in a poor condition. Access roads also need to be maintained.
<b>14</b>	Needs for Ongeluk's nek J.S.S: <ul style="list-style-type: none"> <li>• Foundation Phase (grade R-3) Toilets</li> <li>• Fencing</li> <li>• Renovation of all other toilets</li> <li>• Painting of all other toilets</li> </ul>	<b>THE DEPARTMENT OF EDUCATION</b>	These are needs submitted by the school as urgent needs to be prioritised.

	<ul style="list-style-type: none"> <li>• Computer Room</li> <li>• Kitchen</li> <li>• Grade R Classroom</li> <li>• Staff-room</li> </ul>		
	Youth assistance on ID issue	<b>HOME AFFAIRS ,DEPARTMENT OF SOCIAL DEVELOPMENT AND DEPARTMENT OF EDUCATION</b>	Assistance is needed for children, with no mothers, and it becomes a challenge for them to get ID's and birth Certificates.
	Proposing standby ambulances at the clinic	<b>DEPARTMENT OF HEALTH</b>	People still struggle to transport ill people to the hospital and ambulances take a long time to reach the area since it is far.
	Pre-school at Letlapeng	<b>DEPARTMENT OF EDUCATION</b>	There a is a need for a pre-school at letlapeng
<b>15</b>	<i>T Road until Likhethlane Village</i>	<b>PUBLIC WORKS &amp; MLM</b>	3X Bridges needed along T_Road until Likhethlane Village
	Electricity	<b>ESKOM</b>	A Large area of the ward does not have electricity, this is a concern, and needs to be given priority.
<b>16</b>	Road from Dikhethlane to Mariazell	<b>PUBLIC WORKS &amp; MLM</b>	The road in not in a good condition, it needs to be upgraded.
	Road from Sam Kirk to Mariazell to be tarred	<b>PUBLIC WORKS &amp; MLM</b>	The condition of the road is not good. People from ward16, 12, 13&14, use this road, and have it as a concern.
	T road from Xaxazana to Thabachina	<b>PUBLIC WORKS &amp; MLM</b>	Needs to be maintained.
<b>17</b>	Electricity	<b>ESKOM</b>	Some villages still need electrification: Mgubo.Mbizeni,Nyanzela, Nkalweni.
	Pre school	<b>DEPARTMENT OF EDUCATION</b>	There is a need for a preschools in the ward
	Clinic at Sigoga	<b>DEPARTMENT OF HEALTH</b>	The clinic is sometimes not opened; there staff shortages and sometimes no medicines.
	Sport field	<b>MATATIELE LOCAL</b>	There is a need for a sport

		<b>MUNICIPALITY</b>	field
	Assistance with application for social grants	<b>SASSA AND DEPARTMENT OF SOCIAL DEVELOPMENT</b>	There is a general concern that People travel long distances and then are turned away without being assisted.
<b>18</b>	Electricity	<b>ESKOM</b>	There is still a need for electrification, generally the whole ward
<b>19</b>	Taylor Bequest hospital	<b>DEPARTMENT OF HELATH</b>	There is a need for Radiographers
<b>20</b>	<b>REFER TO REPORTS FOR PROJECTS FOR MLM AND ANDM</b>		
<b>21</b>	There are no pre-schools in Nkalweni, Rhasheni, Magxheni.	<b>EDUCATION/SOCIAL DEVELOPMENT</b>	The issue will be forwarded to the relevant Sector departments.
	There is a case of R20 that were supposed to be returned to the people of ward 21 by Department of Public Works.	<b>PUBLIC WORKS</b>	The issue will be sent to the relevant department.
<b>22</b>	New projects	<b>MLM/DEDEAT</b>	Needs capital assistance in terms of the projects based on DEDEAT
	Masinedane Project.	<b>DRDAR/MLM</b>	need fencing of fields and need assistance with the funding of chicken project
	Epiphany Qolokazi project	<b>MLM/DEPARTMENT OF SOCIAL DEVELOPMENT/ DRDAR</b>	Piggery needs assistance in funding.
	Ludidi fields	<b>DRDAR</b>	Irrigation of fields is needed
	Shopping Complex project	<b>INVESTORS</b>	Establishment Shopping Mall
	Sisonke Organisation Development	<b>MLM/DEPARTMENT OF SOCIAL DEVELOPMENT/</b>	The organisation needs assistance with funding of their Brick making Project
<b>23</b>	LIMA – ward	<b>DRDAR</b>	LIMA Project not helping everyone, it only assists the elderly.
	EPWP	<b>DEPT. OF PUBLIC WORKS</b>	EPWP employees who are closing potholes along the access roads were promised to be supplied by gravel hips but that did not happen.



24	Clinic at Ramafole	<b>DEPT OF HEALTH</b>	The need for a Clinic at Ramafole
	Shopping Complex project	<b>INVESTORS</b>	Establishment of Ramafole Shopping Mall
	Police Station at Ramafole/Zingeni	<b>SAPS</b>	The need for a police station / satellite police station in the area.
	Massive Foods Production assistance	<b>MLM &amp; DRDAR</b>	Assistance is needed on projects for Massive Foods production in the ward.
	Ramafole High School	<b>DEPT OF EDUCATION &amp; ANDM</b>	The need for water taps at Ramafole High school
	Naledi JSS	<b>DEPT OF EDUCATION</b>	Additional classes are needed at this school. It is an urgent need.
	Mahlake Pre school	<b>DEPT OF EDUCATION</b>	The preschool needs to be Maintained, the conditions are not favourable.
	Maintenance of Mthumasi Clinic	<b>DEPT OF HEALTH</b>	The clinic needs to be maintained. This needs to be given priority.
	Assistance with the following, Ramafole Senior Secondary School in Umtumasi Administrator Area.  <ul style="list-style-type: none"> <li>✓ Additional classes (10)</li> <li>✓ A Computer Lab and Computers</li> <li>✓ Administration block</li> <li>✓ Sport Field</li> <li>✓ Hostel</li> <li>✓ Toilets</li> <li>✓ School Lab</li> </ul>	<b>DEPT OF EDUCATION</b>	These are urgent concerns and needs to be given priority. The school list has been submitted. The school currently has 818 learner's and is in urgent need for support in the form of these services
A School for Slow Learners	<b>DEPT OF</b>	<b>OF</b>	To be referred to Dept of Education

<b>25</b>		<b>EDUCATION &amp; MLM</b>	
	Virginity Testing for both Girls and Boys	<b>DSRAC</b>	To be Referred to DSRAC
	Rural Housing needed	<b>MLM &amp; HUMAN SETTLEMENT DEPT</b>	To be Referred with Dept of Human Settlement
	Access to Facilities in schools for children/people living with disabilities	<b>ALL SPU WITHIN SECTOR DEPTS</b>	All SPU within Sector Departments
	Ned Farm Village: Need consultation for EPWP employment	<b>MLM &amp; PUBLIC WORKS</b>	Need consultation for EPWP employment
	Provisioning of Electricity & water	<b>ESKOM &amp; MLM</b>	some villages still need water and electricity
	Tarring of T69 Road to Mpharane	<b>DEPT OF PUBLIC WORKS &amp; MLM</b>	The condition of the road is not good. People from ward16, 12, 13&14, use this road, and have it as a concern.
	Clinic	<b>DEPT OF HEALTH &amp; MLM</b>	Request for a clinic and land has been provided by the Traditional Leader
<b>26</b>	The community needs Electricity to be supplied by Matatiele Municipality	<b>MLM &amp; ESKOM</b>	To be given priority
	Emerging famers need fencing	<b>DRDAR</b>	To be given priority
	Electrification of Black Diamond	<b>ESKOM</b>	To be given priority

## 1.6 MUNICIPAL POWERS AND FUNCTIONS

The powers and function for Matatiele Municipality as well as Alfred Nzo District Municipality are indicated in the table below.

FUNCTION	MATATIELE LM	ALFRED NZO DM
Air pollution	X	
Building regulations	X	
Child Care facilities	X	
Electricity reticulation	X	
Fire Fighting	X	X
Local Tourism	X	X
Municipal airports	X	
Municipal planning	X	X
Municipal Health Services		
Municipal Public Transport	X	
Pontoons and Ferries		X
Stormwater	X	
Trading regulations	X	
Water (potable)		X
Sanitation		X
Schedule 5 part b		
Beaches and amusement facilities	X	
Billboards and the display of adverts in public places	X	
Cemeteries, Crematoria and funeral parlous	X	
Cleansing	X	
Control of public nuisances	X	
Control of undertakings that sell liquor to the public	X	
Facilities for the accommodation, care and burial of animals	X	
Fencing and fences	X	
Licensing of dogs	X	
Licensing and control of undertakings that sell food to the public	X	
Local amenities	X	
Local sport facilities	X	
Markets	X	
Municipal abattoirs	X	
Municipal parks and recreation	X	
Municipal roads	X	
Noise pollution	X	
Pounds	X	

Public places	X	
Refuse removal, refuse dumps and solid waste disposal	X	
Street Trading	X	
Street lighting	X	
Traffic and parking	X	

Table 2: Powers And Functions

### 1.7 MEC COMMENTS

The MEC comments on the 2012/2017 IDP review rated the Municipality with an overall high rating. However, ratings of Low were obtained in the KPA of institutional Arrangements.

The MEC Comments were also taken into account specifically looking at improvement of these areas, namely:-

Improvements to be done on Institutional Arrangements and Development.

The following are the assessment results for from 2008:

KPA	Rating 2008/9	Rating 2009/10	Rating 2010/11	Rating 2011/12	Rating 2012/13
Spatial development Framework	Low	low	medium	High	high
Service Delivery	Medium	high	medium	medium	high
Financial Viability	Low	high	high	high	high
Local Economic Development	Low	high	high	high	high
Good Governance & public Participation	Low	high	medium	medium	high
Institutional Arrangements	Low	low	high	high	low
Overall Rating	Low	medium	high	high	High

## 1.8 MATATIELE LOCAL MUNICIPALITY TURNAROUND STRATEGY

The Local Government Turnaround Strategy (As approved by Cabinet in December 2009) aims to ensure that local government has the correct management, administrative and technical skills. Towards this end, Local Government a ten- point plan was adopted by Government. Subsequently, Municipalities were expected to have developed their Municipal-specific turn-around implementation plans by 2012. Matatiele Local Municipality adopted the Local Municipality Municipal Turn-Around implementation Strategy in 2010. The table below portrays the progress on the Strategy to date.

### BACKGROUND

- In compliance with Local Government Turnaround Strategy (LGTAS) during the process of reviewing Matatiele Local Municipality's 2013/2014 IDP the municipality managed to prepare and adopt their Turnaround Strategies (MUTAS).
- Municipalities have been producing reports on a quarterly basis on progress on implementation of their turn Around Strategies (2011/12).

Achievements by the municipalities on Implementation of the Turnaround Strategy as approved by the Councils-2011/12 and reflect on challenges on implementation of their targets as well as area of interventions

<b>TURNAROUND STRATEGY</b>			
<b>KPA - INSTITUTIONAL TRANSFORMATION</b>			
Indicators	Targets	Achievements	Critical Interventions/ Challenges
Filling of Critical Posts	Matatiele LM (3 Critical posts)	Posts for 3 General Managers are vacant: General Manager: EDP, Infrastructure and Corporate Services	To be filled as soon as possible
HR Policies (Developed, Reviewed and implemented)	Matatiele LM (Development of HR Plan) and workshop of other HR Policies	Draft HR Plan has been developed	HR Plan to be adopted by May 2013.
Employment Equity Plan Implementation	Implementation of Employment Equity Plan	Matatiele Local Municipality is in the process to review its plan due to demographic changes due to the Census results	Implementation, reporting and monitoring.
Functional Local Labour Forum	Functional LLFs	All LLFs in place and functional.	None
Implementation of Job evaluation	Implementation of Task Grades	Job evaluation exercise not completed.	Delays experienced due to objections from affected stakeholders and suspension of other Committee members.

Performance Management System	Cascading PMS to the Middle Manager Level and the Supervisors Level	All General Managers have signed Performance Agreements and Plans Performance Assessments are done Performance Plans and Agreements have been developed for Middle Managers	
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**KPA- SERVICE DELIVERY**

Indicators	Targets	Achievements	Critical Interventions/ Challenges
Disaster, Fire and Rescue Services	Enhancement of capacity to deal with Disaster and Fire Emergencies	-Matatiele Local Municipality utilizes a Disaster Management Satellite Centre in Maluti	Insufficient funding and high backlogs on disaster housing.
	Disaster Management Plan	Draft Disaster Management Plan has been developed	More funding is needed
Access Roads	Provision of new and upgrading of existing Local Roads.	66.9 Km to be done	-Procurement of Plant for road maintenance is currently undergoing SCM Processes  -More funding is needed to address backlogs.
Electrification		<ul style="list-style-type: none"> <li>• 583 RDP Houses to be electrified</li> <li>• 2 Ring-feeds to installed</li> <li>• Application to extend License to Maluti and Cedarville</li> </ul>	More funding to extend license electrify rural areas
Free Basic Provision to indigents	-Provide subsidies to indigent households	-Indigent register is in place.  -Indigent policy is implemented  -Indigent households are receiving free basic electricity, Rates and Refuse removal	Indigent Committee to be established

		-others without electricity are receiving gel stoves.	
Community Facilities	Maintenance of Sports fields	4 Sports-fields have been maintained	
	Maintenance of 18 Community Halls	12 Community Halls have been maintained	3 Halls destroyed by snow
	4 Libraries in Matatiele	2 Libraries have established (Maluti and in Mango)	No books at Maluti Library No electricity and books at Mango Library
	Waste Management	-Integrated Waste Management Plan in place.  -Refuse Collection done in wards 1, 19, 20 and 26)  10 Skips have been purchased.  - <i>Food for waste project fully functional.</i> - <i>Buy back centre constructed and operational</i> - <i>Recycling fully operational.</i>	More funding required.
Community Facilities	Maintenance of Sports fields	4 Sports-fields have been maintained	

**KPA- LOCAL ECONOMIC DEVELOPMENT**

Indicators	Targets	Progress	Critical Interventions/ Challenges
Functional LED Forum /Local Action Team (LAT)	Functioning of LAT	-Local Action Team Revived and is fully functional	
LED Strategy Review (ANDM)	Adopted LED strategy	Implementation of the LED Strategy  Number of business plans for LED catalytic projects have been developed	Review of the LED Strategy  More funding needed  Lack of funding and delays in funding assistance by the Department of rural Development and Agrarian

			Reform  Lack of Socio-economic infrastructure to support all Local economic development initiatives.
Creation of sustainable jobs and promotion of SMMEs or Cooperatives	Hawker Stalls to be Constructed	Business Plans developed	Funding
Implementation of Community Works Programme (CWP)	Matatiele LM-Municipality to implement CWP in all 26 Wards	-CPW implemented in 26 wards. Nkhoesa Mofokeng project(EPWP Project) is operational in all wards	CPW covers all wards
Municipal Entity	Establishment of a Municipal Entity	Inception Report of the Feasibility Study	-More funding is required

#### **KPA- FINANCIAL VIABILITY**

Indicators	Targets	Progress	Critical Interventions/ Challenges
Revenue enhancement and Management	Debt Collection Management	Reduction of R42m  -Write off R1.4 on diseased with no Estates  Service Provider appointed	
	Daily banking, monthly bank reconciliation and expenditure controls	All activities are being performed as planned.	
Plans to achieve Clean Audits	Action Plan	-MRAS (Municipal Risk & Audit Service Unit established /Internal Auditors  -to establish Financial Reporting & Asset Management Unit	
	Effective Supply Chain Management	Fully functional Supply Chain Management Unit and all Bid Committees have been trained	



**KPA- GOOD GOVERNANCE, IGR AND PUBLIC PARTICIPATION**

Indicators	Targets	Progress	Critical Interventions/ Challenges
Functionality of IGR	IGR meetings held quarterly	Matatiele has a fully functional IGR Structure	
IDP Planning Process	Adopted IDP Process Plan and compliance with legislation	Drafted and tabled its 5 year IDPs (2012-2017) in line with approved Process Plans.  -In the process of IDP developments, public and other stakeholder's participation was ensured.  IDP was submitted to the Office of the MEC for assessment.	-Lack of participation by other Sector Departments  -Delays in receiving of MEC's comments on IDP assessments impacts negatively on the final IDPs.
Audit Committee functionality	Existence and functionality of Audit Committee	Audit Committees in place and functional.	
Compliance Issues	RISK_Management	Risk Management Plan has been developed	Whistle Blowing Policy needs to be developed
Customer Care	-Response by municipalities on all queries raised through The Presidential Hotline.	Community Liaison Desk has been established	Customer Care Software to be purchased to record complaints

## CHAPTER 2: CURRENT SITUATIONAL ANALYSIS

This section presents an analysis of the current development situation within Matatiele Municipality. It provides background to the strategic framework and identifies development trends and patterns. It is based on information collected by means of stakeholder interviews, review of secondary data in the form of records and sector plans, IDP Forum meetings and IDP Community Outreaches.

### 2.1. DEMOGRAPHIC PROFILE

#### 2.1.1 Population Growth and Trends

A comparative demographical analysis demonstrates that Matatiele Local Municipality has the largest geographical size at 4352 (within Alfred Nzo District Municipality). However Matatiele has a rather lower density within the ANDM.

Area	Area Size (Km <sup>2</sup> )	Population Estimate Census 2011	Population Density (persons per km <sup>2</sup> )
South Africa	1,221,037	51,770,560	42.4
Eastern Cape	168,966	6,562,053	39
Alfred Nzo DM	10,731	801,344	74.7
<b>Matatiele Local Municipality</b>	4,352	203,843	46.8
Umzimvubu Local Municipality	2,577	191,620	74.4
Ntabankulu Local Municipality	1,385	123,976	89.5
Bizana Local Municipality	2,417	281,905	116.6

**Table 3: Population, Census results 2011**

It is worth mentioning that the 2007 Community survey had estimated the population of Matatiele Local Municipality to be 258 758. The community survey is not as extensive as the census. It is therefore generally accepted and as such the Census results are taken as the official results. In reference to the table below, the Census 2011 shows a slight growth in the population. This slight growth can be attributed the migration patterns as, people tend to move to urban areas to look for work.

Population	2001 Census	2011 Census
<b>Matatiele</b>	194 628	203 843

**Table 4: comparison of the 2001&2011 population results**

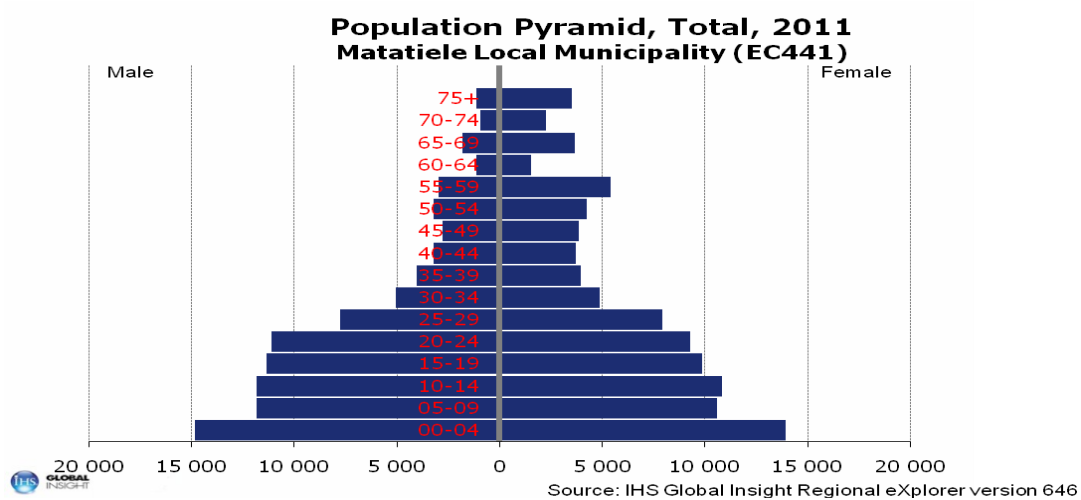
The following table details the population per ward for Matatiele Local Municipality;

<b>Wards</b>	<b>Population size per ward</b>	<b>Number of households in a ward</b>
1	6 434	1 330
2	13 574	3 069
3	7 811	1 880
4	8 324	2 006
5	8 474	2 037
6	7 399	1 968
7	7 611	1 684
8	9 747	1 207
9	6 605	1 659
10	8 864	2 155
11	11 421	2 815
12	6 626	1 643
13	8 241	1 672
14	6 586	1 678
15	6 715	1 855
16	6 405	1 652
17	8 509	2 200
18	7 253	1 921
19	4 124	1 378
20	11 816	3 548
21	7 142	1 625
22	6 288	1 752
23	6 344	1 553
24	5 570	1 378
25	7 067	1 659
26	8 894	2 202
<b>Grand Total</b>	<b>203 843</b>	<b>49 527</b>

**Source: STATSSA; SuperCROSS. Copyright © 1993-2013 Space Time Research Pty Ltd. All rights reserved.**

From the table above, it is evident that the population distribution per ward is fairly uneven. The number of villages per ward also varies in size and number. Ward 2 has the largest population within the Municipality, with ward 19 having the smallest population. It also to be noted that, in terms of the number of households; Ward 20 has the largest number of households within the municipality.

**Figure 2, Population Pyramid**



The Figure above shows the population growth per age group for the past ten years. It can be observed that the number of adult males between the ages of 35 and 50 compared to females seems to decline, since it is usually the males who go and find work in cities. The population Growth rate from 2001-2011 shows a growth of 0.46%

### 2.1.2 Population Size And Distribution

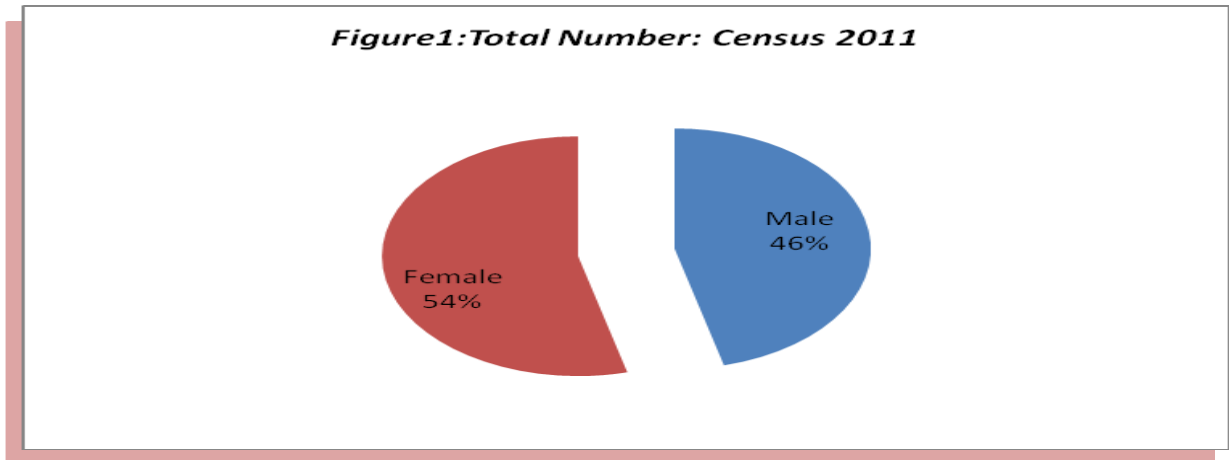
The total population of Matatiele is estimated to 203 843 people. The area accounts for 25% of the district population. The number of households is estimated at 49 527 households. (48491) is African, (410) is Coloured, and (403) is White, (149) is Asian/ Indian and (74) are classified as other. Population is spread unevenly amongst 26 municipal wards. The majority of the population is African and the majority of these reside in rural villages and formal townships around Matatiele, Maluti and Cedarville.

		Black African	Coloured	Indian or Asian	White	Other
<b>EC441: Matatiele</b>	1	12649	60	40	87	30
	2	7493	78	29	112	16
	3	7227	66	17	58	13
	4	6587	69	25	80	8
	5	5175	57	15	33	1
	6	3654	31	9	19	3
	7	2348	29	6	6	0
	8	1397	9	3	5	0
	9	860	4	0	1	0
	10+	1101	7	5	2	1
	<b>Total</b>		<b>48491</b>	<b>410</b>	<b>149</b>	<b>403</b>

**Table 5: Population by race: Census 2011:**

Population is spread unevenly amongst 26 municipal wards. The majority of the population is African and the majority of these reside in rural villages and formal townships around Matatiele, Maluti and Cedarville.

2.1.3 Gender Differentiation

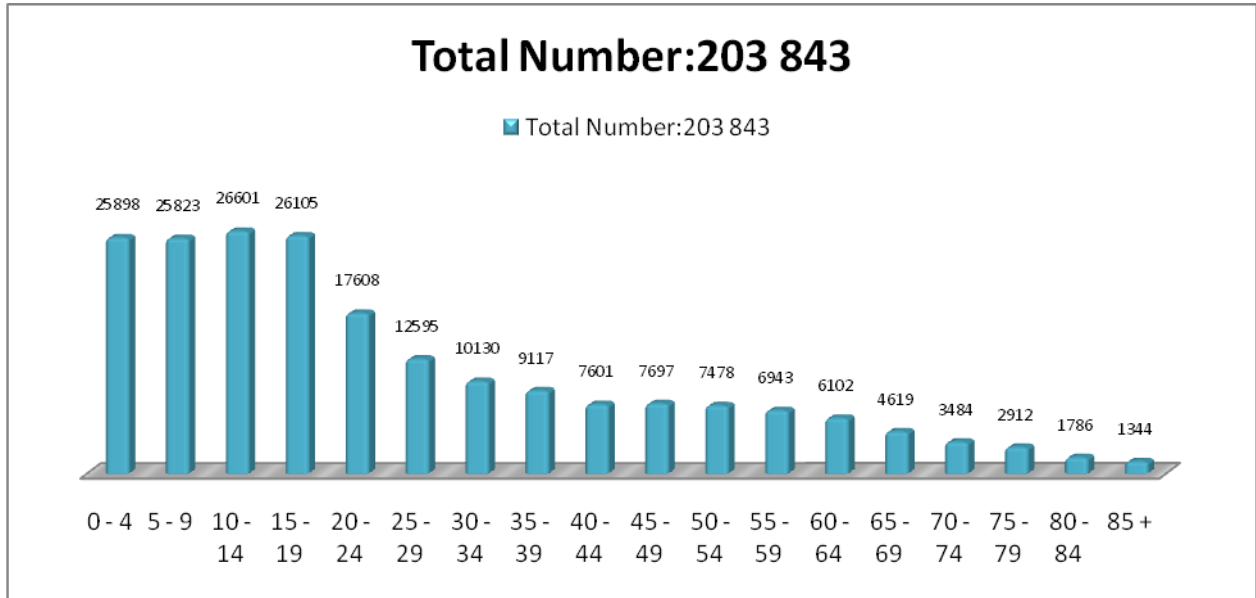


**Figure 3: population by group, Census results 2011**

With reference to figure 3, Matatiele has a slight imbalance between the females and the males. The females outnumber the males such that they constitute 54% (110167) of the population while the males amount to 46% (93675) of the population. Nevertheless this confirms with the national trends that a higher proportion of women are found in the dominant rural areas than men. On average, the households size in Matatiele Municipality is 4, and 55.3% of the households are female headed.

It can also be suggested that there is a need for a developmental agenda that should pro-actively target women empowerment within Matatiele Local Municipal Area.

### 2.1.4 Age Composition



**Figure 4: population by age group, Census results 2011**

The age composition or structure influences the kinds of economic activities within the locality. Different age groups have different economic needs and different spending patterns. According to the Census 2011, 71% of the population in Matatiele is younger than 35 years of age and only 7% are over 65 years of age. The age profile shows a large proportion of the population being young people between ages 0 and 34 yrs old.

This trend in age composition obliges the government departments and the municipality to ensure that a large percentage of the budget is allocated to social development facilities and the youth Empowerment in order to meet the needs of a youthful population and ensuring that people falling within this age acquire relevant skills and grow up to become responsible adults. The creation of more job opportunities should also be one of the key aspects of the developmental agenda by the municipality in partnership with the sector departments

## 2.2. SOCIO-ECONOMIC PROFILE

### 2.2.1 HIV and AIDS

The number of individuals infected with HIV/AIDS continues to be a major challenge for all spheres of government, and an attempt to stabilize the pandemic, is reflected in terms of budget allocations and programmes for implementation by the Department of Health. The estimated number of people living with HIV/AIDS in Matatiele was 20 285 in 2011. A comparison of this figure, which was 27,455 in 2009, shows a decline in this number.

Year	Total Population of Matatiele	Number of Residents Living with HIV	% of Population living with HIV	Number of AIDS Related Deaths in Matatiele	AIDS Related Deaths as a % of Population
2002	209563	15199	7.25	797	0.38
2003	216609	17134	7.91	979	0.45
2004	223670	18918	8.46	1129	0.5
2005	230740	20608	8.93	1253	0.54
2006	237655	22237	9.36	1387	0.58
2007	245229	23963	9.77	1530	0.62
2008	252711	25615	10.14	1659	0.62
2009	262638	27455	10.45	1811	0.69

**Table 6: Quantec research, 2009**

South Africa is one of the 17 countries that have adopted the Abidjan Declaration of 11997 to develop a response by municipal leaders to HIV and AIDS. The declaration recognizes that local government is the closest to the people and hence is responsible for addressing local problems. As such, its roles should include the following:

- Provide strong political leadership on the issue
- Create an openness to address issues such as stigma and discrimination
- Coordinate and bring together community centre multi sectoral actions
- Create effective partnerships between the government and civil society

At a national scale, the 2004 survey conducted by the National Department of Health indicates that 29.5% of women who visited antenatal clinics are HIV/AIDS infected.

### 2.2.2 Education Profile And Literacy Levels

Education plays a pivotal role on community development. It provides a set of basic skills for development, creativity and innovative abilities within individuals. The South African Constitution provides that everyone has a right to education, which includes Adult Basic Education. The Literacy levels within Matatiele Local Municipality have improved over the last ten years. There is a significant growth in the number of children attending school. The table below shows a comparison the last 10 years.

	EDUCATION (aged 20 +)							
	No Schooling		Higher Education		Matric		Primary Educational Enrolment aged 6-13	
	2001	2011	2001	2011	2001	2011	2001	2011
	<b>EC441: Matatiele</b>	23.2	9.4	4.0	3.1	8.3	12.7	90.9

**Table 7; education levels, census 2011 municipal fact sheet.**

The percentage of non scholars has dramatically declined from 23.2% in 2001 to 9.4% in 2011. This shows the progress that has taken place over this period. The percentage of Children between the ages 6-13 that have enrolled in school increased from 90.9% in 2001 to 94.4% in 2011. It is observed that although the percentage number of people with matric increased to 12.7%, the percentage number of people in higher education has declined from 4.0% to 3.1% between 2001 and 2011. The reason for this could be attributed to poor financial backgrounds, in that most students after Matric do not have the financial means to further their studies.

### 2.2.3 Employment Profile

The economically active population (EAP) is defined as the number of people who are able, willing and who are actively looking for, work and who are between the ages of 15 and 65. It thus includes both *employed* and *unemployed* people. The population which is economically active in Matatiele Local Municipality increased from 15,579 in 1996 to 21,799 in 2008. However, most of the economically active population is unemployed. 62.2% (13,550) of the economically active population in 2008 comprises of those without employment. 30.6% (6,680) were those employed in the formal sector and just 7.2% (1,569) were those employed in the informal sector.



### 2.2.4 Income Profile And Indigent Support

Matatiele Local Municipality is characterized by low levels of employment and unequal distribution of income, this however is a characteristic seen in the rest of the country.

HH Size	1	2	3	4	5	6	7	8+
2007	1023	1261	1634	1997	2380	2786	3155	3753
2008	1173	1448	1869	2279	2712	3173	3586	4257
2009	1260	1556	2005	2440	2902	3396	3833	4545
2010	1315	1626	2092	2544	3024	3538	3991	4729
2011	1376	1703	2187	2658	3158	3695	4164	4930

**Table 8; Rex Help Centre**

From the table above, for example, it is determined that a household with 1 person on average should survive on an income of R1376.00 Per month. Census 2011 indicates that an average household size in Matatiele Local Municipality is 4, therefore requiring a minimum of R2658.00 per month to survive. In reference to this, it is estimated that 58% households in Matatiele Local Municipality live below this average. This has created a large number of people with high dependency on social assistance in the form of grants. Municipal planning recognises the need to focus strongly on poverty alleviation mechanisms as well as job creation.

The Municipality presently has **11331** households registered as indigent. Currently the indigent support is in the form of free basic electricity, alternative energy and refuses removal. The following table explains these services per Ward:

WARD NO	Refuse	Rates	Eskom Electricity	Municipal. Elec	Non - grid Energy	Total Indigent
1	33	33	77	0	50	127
2	0	0	152	0	115	267
3	0	0	85	0	35	120
4	0	0	421	0	731	1152
5	0	0	0	0	622	622
6	0	0	112	0	63	175
7	0	0	0	0	931	931
8	0	0	83	0	487	570
9	0	0	0	0	465	465
10	0	0	1023	0	191	1214
11	0	0	69	0	30	99
12	0	0	75	0	245	320
13	0	0	0	0	166	166
14	0	0	0	0	312	312
15	0	0	0	0	96	96
16	0	0	0	0	101	101
17	0	0	274	0	241	515
18	0	0	38	0	741	779
19	41	41	0	41	0	41
20	474	474	65	474	164	703
21	0	0	343	0	23	366
22	0	0	0	0	460	460
23	0	0	215	0	384	599
24	0	0	70	0	331	401
25	0	0	58	0	44	102
26	434	434	244	0	384	628
<b>TOTAL</b>	<b>982</b>	<b>982</b>	<b>3404</b>	<b>515</b>	<b>7412</b>	<b>11331</b>

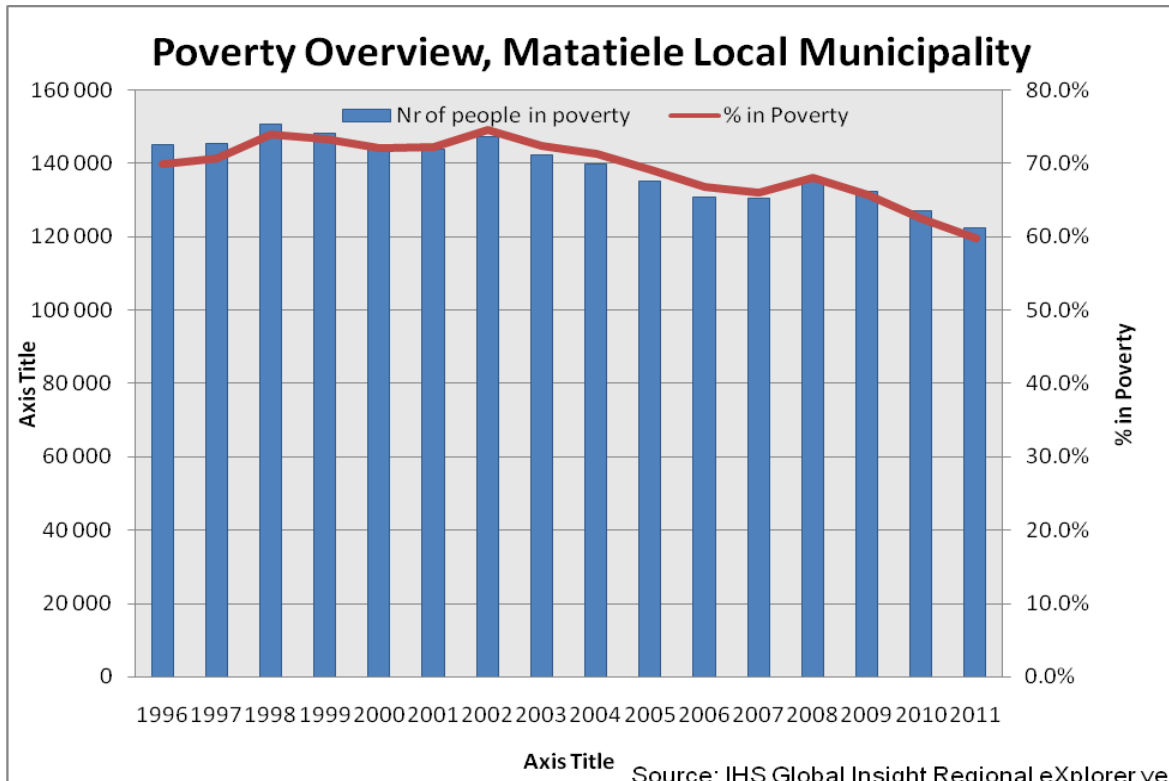
**Table 9; Indigent support services per ward**

### ***2.2.4 Poverty Levels and Indicators***

The number of people in poverty is the number of people living in households that have an income less than the poverty income, i.e the minimum income required to sustain a household according to the particular household size. The percentage of people in poverty is the number of people in poverty as a percentage of the total population in a region. IN Matatiele Local Municipality, there are still large numbers of people living in poverty. The estimated number of people living in poverty is 122 537, that is almost 60 percent of the population. The situation

gives rise to an even greater need for indigent support and also a high number of people who are grant dependant.

Looking at the poverty trends For Matatiele Local Municipality, the seems to be a decline in the number of people living in poverty over the years. Although the change is not significant, this however shows improvement in the efforts to eradicate poverty. The figure below highlights the Poverty Overview for Matatiele Local municipality form 1996 to 2011.



**Figure 5: Poverty Overview**

Looking at the graph, it gives an indication that the percentage of people living in poverty was at its lowest in 2011 since 1996, that being said, this percentage of approximately 60% is still high as it indicates that over half of the population of Matatiele still live in poverty.

The Poverty Gap indicates how much extra all of the poor households *combined* would have to earn each year to rise up to the poverty income. For Matatiele Local Municipality, the poverty gap is sitting at 427 (Rm).

## 2.2.5 MIGRATION

- **Background**

South Africa currently faces a scenario where unknown number of immigrants are living along the borders, creating insecurity and worsening the problem of porous borders. The escalation of this problem post the democratic breakthrough has amongst others worsened the political and security problems and the fraudulent and illegal entry into the National Population Register (NPR). migrants may be defined as foreign-born, foreign nationals, or people who have moved to South Africa over a period of time.

The Department has identified about 35 local municipalities across the country with varying degrees of concentration of border migrants. These include Musina, Lephalale, Phalaborwa and Thabazimbi (Limpopo); Phongolo, Golela, Umhlabuyalingana, Kwa-Sani, Mkhuze (KwaZulu-Natal); Maluti-a-Phofung, Dihlabeng, Setsotso, Maletswai, Mantsopa (Free State); and Matatiele (Eastern Cape). Of these, Matatiele and Kwa-Sani were identified as the first areas to kick-start project implementation followed by Mantsopa and Phalaborwa.

Awareness has been raised on the importance of integrating migration management into local planning processes as such some Government Departments and Municipalities have started integrating migration strategies into their programmes and plans. This has helped towards strengthening the social fabric of local communities and enhancing their social capital.

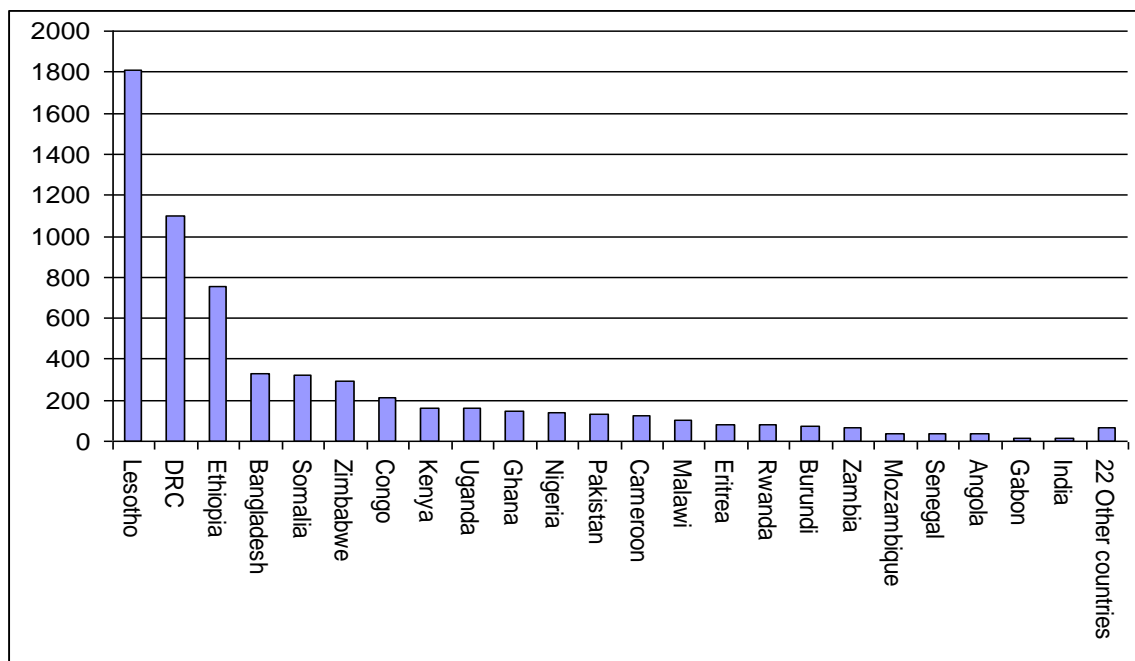
- **Profiling Of Foreign Nationals**

A survey was conducted in from April to August 2012 in Matatiele. The key strategic goal of the survey project was to build a secure and credible database of all immigrant communities and families who have settled in and around the border areas of the country. Such a database will contain the following key sets of information:

- Estimated number of immigrant communities and their families residing along the border lines;
- Countries of origin; duration of their stay in the country;
- Reasons why they are in the country;

- Types of documents in their possession and whether they are willing to return all documents obtained illegally to relevant authorities;
- Their current economic activities in the country etc.

The survey was voluntary and a total of 6,291 migrants participated in the survey in Matatiele. Of the participants, 29% came from Lesotho. This came not as a surprise since Matatiele Local Municipality is bound on the north by Lesotho. The rest come from other African countries, and some countries such as India. The figure below will show the the participants per country of Origin:



The finding of the Survey also revealed that migrants come to the contry for reasons such as looking for work opportunities, studying, wanting to start a new life, wars and conflict in their country of Origin, poverty amongst other things.

- **Migration Support Office**

Matatiele Local Municipality in partnership with Department of Home Affairs (DHA) and the United Nations Development Programme (UNDP) took an initiative to establish a Migration Support Office which will act as a single point of contact for migration related issues. The initiative to establish the Migration support office is part of the project to Support the South

African Government to Strengthen Communities of Diversity and Peace that is funded by the European Commission and implemented through the United Nations Development Programme.

A Help Desk office will be established with the main purpose of enhancing and advancing the current Home Affairs programme on documentation of citizens, both in land and cross border migrants. Through partnerships with the Department of Home Affairs the Desk will establish a database system that can be used by all relevant parties for planning and other related purposes. Three (3) staff members would be trained to provide the services. The launch of the Migration support office on the 16<sup>th</sup> May 2013.

## 2.3 ACCESS TO BASIC SERVICES

### 2.3.1 Water

The IDP Community Outreach conducted by the Matatiele Local Municipality in all 26 Wards during the month of September 2012, identified that there is still a great backlog in provision of water services. The table below shows the number of Households who have access to water by source.

#### **Figure 6: Water by source, Census results 2011**

From this graph, it is noted that almost 49% of the household have access to clean drinking water through a local water scheme. About 5441 and 4154 households still draw water from springs and dams respectively. In some areas people draw water from rivers and also rely on rain water. This presents a challenge during winter and seasons of draught.

The table below shows households who have access to piped water and access by distance.

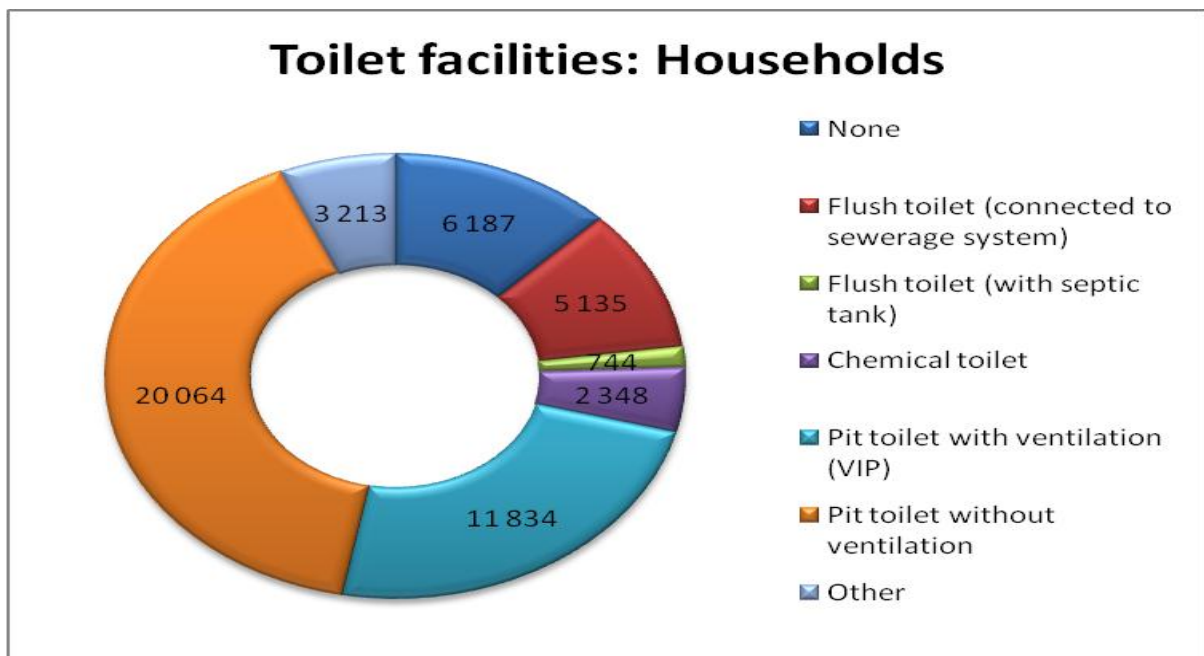
<b>Census 2011, Municipality, piped water by population group of head of the household</b>	
<b>EC441: Matatiele</b>	
Piped (tap) water inside dwelling/institution	6 034
Piped (tap) water inside yard	7 637
Piped (tap) water on community stand: distance less than 200m from dwelling/institution	14 323
Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution	5 279
Piped (tap) water on community stand: distance between 500m and 1000m (1km) from dwelling /institution	2 117
Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution	1 282
No access to piped (tap) water	12 855

**Table 10; piped water by household, Census 2011 municipal tables**

The backlog of RDP standard water provision in Matatiele is therefore sitting at 51%, this figure is less than the 64 % recorded in 2007. That being said, it is to be noted from table 8 that about 12855 households have no access to piped water. In some villages, people still travel several kilometres to access water, people in approximately 1282 households travel more than 1 km to access water. The District Municipality has identified this need and has commissioned a study to report on the implementation of a Rural Bulk Raw Water Supply Scheme for the area and feasibility studies are currently being conducted in wards such as ward 5& 7.

### 2.3.2 SANITATION

During the September 2012 IDP Community Outreach, it was identified that there is still a need for toilets in other villages. The District Municipality has made progress in that, a large number of households have been provided with ventilated pit toilets. Waterborne sanitation is only provided in urban areas. Toilets in rural areas comprise VIP toilets while the bucket system has been totally eradicated.



**Figure 7; toilets facilities by households, census 2011 tables**

Figure 7 above shows that approximately 6187 households have no form of toilets facilities. A hygienic toilet by definition includes flush toilets, chemical toilets and pit latrines with a ventilation pipe. It is therefore determined that only 36% of households have hygienic toilets. This leaves 64% of households with no hygienic toilets.

### 2.3.3 ENERGY

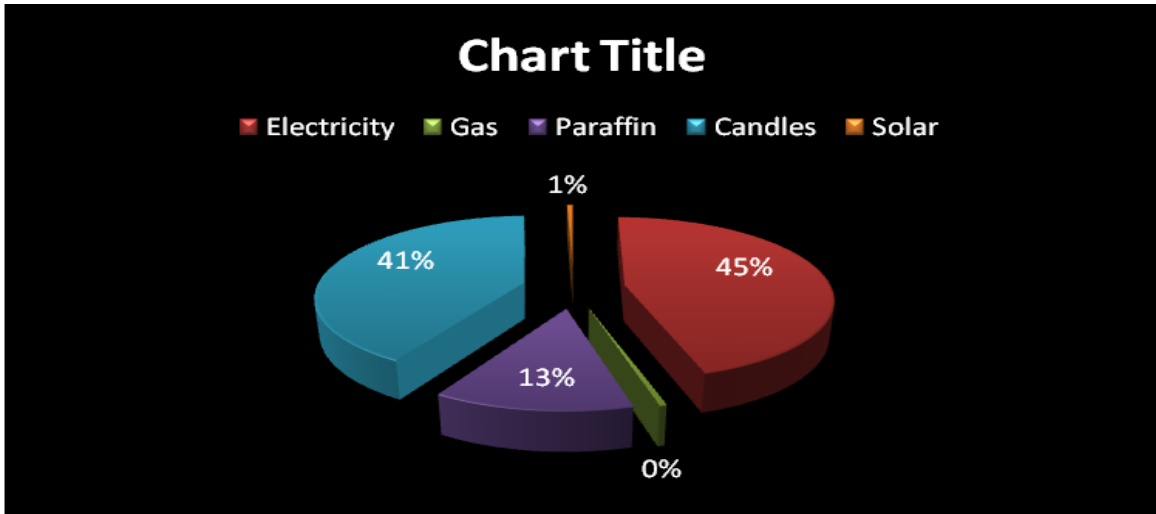
Eskom is the licensed distributor of electricity in the majority of the municipal area with the exception of the town of Matatiele where Matatiele Local Municipality is the licensed distributor. There is still a huge backlog, although progress has been made. The 2012 IDP Outreach revealed that in almost all the other 25 wards, Electricity is a priority. Currently 22 223 households use electricity for lighting, while about 20 139 still make use of candles for lighting.

<b>Census 2011 by Municipalities, energy or fuel for lighting by population group of head of the household</b>	
<b>EC441: Matatiele</b>	
Electricity	22 223
Gas	235
Paraffin	6 307
Candles	20 139
Solar	259
Other	0
None	364

**Table 11;Energy sources, Census 2011 municipal tables**

The electrification of houses by Matatiele Local Municipality is ongoing, but not at the desired pace, primarily because national demand for electricity has outstripped the available supply which is having a negative impact on meeting the set targets. Areas for prioritised intervention include the Upgrade existing sub-station feeding Matatiele, investigate means for rural communities to access alternative free basic energy and facilitate to accelerate access to electricity and lobby for funding to address backlogs for the provision of universal energy in rural areas . There are a few wards that have electricity, with the exception of ward 19 which is fully electrified; the other wards have various villages with no electricity. The municipality has made means to provide stoves and gels as a temporary solution to households which have no electricity.





**Figure 8; sources of energy, Census 2011 municipal tables**

Referring to the figure above, only 45% of households use electricity for lighting, leaving 55% of household's using alternative means of energy for lighting.

#### 2.3.4 Solid Waste

The Matatiele Local Municipality is responsible for waste management in their area of jurisdiction.

<b>Census 2011 by Municipality, refuse removal by population group of head of the household</b>	
<b>EC441: Matatiele</b>	
Removed by local authority/private company at least once a week	5 395
Removed by local authority/private company less often	940
Communal refuse dump	560
Own refuse dump	35 014
No rubbish disposal	5 973
Other	1 645

**Table 12, Census 2011 municipal tables**

The Matatiele Local Municipality is responsible for waste management in their area of jurisdiction.

The Municipality collects household refuse from all three urban areas on a weekly basis and has started removal in some rural areas. A newly developed and licensed waste disposal site came into operation in Matatiele in 2008. This site has the capacity to accommodate all the waste from the urban areas for at least the next 15 years. There is however a large number of

households who still use their own means of disposing waste; this puts the waste removal backlog at 86%.

MLM is also in the process of introducing an integrated waste management system that includes a recycling component that will contribute to local economic development and cleaning of the environment. Obtain a copy of the District WMP, coordinate initiatives, and investigate the expansion of refuse removal services and facilities to prevent indiscriminate dumping in rural

## **2.4. TRANSPORT INFRASTRUCTURE**

At a broad level, Matatiele has a well established road system comprising of provincial, district and local access roads. This improves accessibility and connectivity at a regional scale and serves as an opportunity for corridor based development. R56 is the main provincial road linking KwaZulu-Natal and Eastern Cape through Matatiele. The other provincial roads that play an important role in terms of linkages include P612 which link the area with Lesotho. There are also provincial routes that play a significance role in terms of linking various parts internally within Matatiele. These routes are P607, P604, P649 and P605.

District Roads connect different settlements and provide access to public facilities. These district routes include D639, D641, D642, D660, D643 and D611. There are also Local Access Roads which provide access within each village.

### **2.4.1 Road Network**

Construction and maintenance of access roads is the competency of the Local municipality. On

The other hand, the maintenance of provincial roads is the responsibility of the Department Of Roads and Public Works, and the district roads are maintained by the district municipality. Road

Maintenance includes re-gravelling, storm water drainage, bridges, pothole patching, paving, Road signs, road markings and foot paths. The main role player at Matatiele Local Municipality is the Infrastructure services department.

At a broad level, Matatiele has a well established road system comprising of provincial, district and local access roads. Although the municipality currently has not developed a Roads Master Plan as well as a Storm Water Management Plan, it will be embarking on the development of such a plans with assistance from the Department of Roads, Department of Transport as well as ANDM. This improves accessibility and connectivity at a regional scale and serves as an Opportunity for corridor based development. The estimated Access road backlog is 52% (Community base outcome).

The EPWP Programme (Nkhoesa Mofokeng) Programme was introduced in order to maintain local access roads, where there are 20 employees per ward who are rotated after every year and paid by the municipality Progress of this programme.

The modes of transport that are mainly used by the community are public transport and private transport. Matatiele Local Municipality is currently using the District Municipality's Integrated.

Transport Plan. There is an improvement traffic measures within Matatiele (town), over the past financial year, 2011/2012, traffic lights have been put in 4 major intersections.

#### 2.4.2 Public Transport

Despite some investments in new roads and maintenance there remain local communities who are isolated and disconnected due to poor road infrastructure. This has significant consequences in terms of local economic development as well as service delivery, especially accessibility to emergency ambulance services. Transport whether motorized or non-motorized faces many challenges within the Municipal area. These can be summarized as follows:

- Access roads need maintenance;
- Unavailability of adequate public transport facilities especially for the disabled;
- Lack of cooperation between public transport operators and the municipal authorities;
- Lack of institutional capacity at Local and District Municipal level to manage transport planning and implementation;
- Outdated / non-existent information at the taxi registrar; and
- Lack of pedestrian and non-motorized transport facilities.

The Department of Transport did initiate some rural transport initiatives including:

- The AB 350 which established 16 buses on various routes in Matatiele
- Scholar transport was operated by a number of schools in the Municipal area.

Areas of prioritised intervention include Maintenance of roads, improving on regulation to improve of road worth scholar transport. Investigate traffic calming measures within areas of high accidents, provision of additional traffic lights, and facilitate the provision of adequate public transport facilities especially for the disabled. Improve cooperation between public transport operators, the municipal authorities. Build and improve institutional capacity at Local and District Municipal level to manage transport planning and implementation. Create and update information in respect of the taxi registrar.

#### **2.4.3 Rail**

Matatiele does not have an established public and goods rail transport system. However, a railway line runs through the area connecting the area with KwaZulu-Natal towns (Kokstad and beyond) although it has not been in use for over three years.

#### **2.4.4 Air Transport**

Matatiele does not have an established and operational air transport system. A small landing Strip (airstrip) exists within both Matatiele and Cedarville. Both of these are currently in a bad Condition and are in the process of being upgraded. The municipality has attempted to solicit support from the Department of Roads and Public Works in order to upgrade these.

## **2.5. ACCESS TO COMMUNITY FACILITIES**

### **2.5.1 Health**

Matatiele has one (1) Hospital, Taylor Bequest Matatiele Hospital, two (1) Khotsong TB Hospital, Maluti Community Health Centre, 17 Clinics and 2 Mobile clinics. The application of the planning standards suggests that a population of 50 000 people needs to be provided with a Hospital while 6000 people need to be provided with a clinic. This therefore suggests that the Area is supposed to be serviced by 5 hospitals and 43 clinics which suggest a backlog of 2 Hospital and 19 clinics. Substantial inroads have been made in terms of the provision of health Care facilities including non-profit Organisations offering health care to communities.

There remain significant challenges in the provision of health services including:

- The provision of facilities falls short of the Departments desired norms of providing all inhabitants of the municipality with access to at least a primary health care facility within a radius of 5 km that has the capacity to serve between 8000 – 12000 people. This is largely attributable to the rural nature of the area.
- All most all facilities are short staffed and the vacancy rate is on average 60%.
- Clinics are unable to render the full range of services at this stage and many are hampered by a lack of communication with no telecommunication network within the area and electricity.
- Some clinics are underutilized and this is primarily attributable to the perception that the aim of clinics is to provide curative and not preventative services.

### **2.5.2 Education Facilities**

Maluti Education District is made up of 233 schools, five of which had closed down and thus bringing the total number of the District schools to 228. There are 27 High schools and 201 combined junior secondary schools and Primary Schools. There are no existing tertiary education facilities within the Municipal Area. An application of planning standards for education facilities, suggest that: 1 primary school per 600 households and 1 secondary school for every 1200 households. The backlogs in terms of both the primary schools and secondary schools can be determined based on these standards.

The PGDP identified education, agriculture and industrial development strategy as the main ingredients towards poverty eradication. Therefore education remains an important factor in the development of our country and the municipality. Through education, individuals are prepared for future engagement in the labour market, which directly affects their quality of life as well as the economy of the country.

The high unemployment rate is aggravated by a general lack of skills within the community. Further to that, the first of the twelve (12) distinct priority outcomes emerging from the Manifesto and the MTSF is quality basic education. The Provincial Strategic Priorities identifies Strengthening Education, skills and human resource base as one of the strategic priorities. The municipality therefore has to also prioritise skills development, particularly in areas where education levels are low. ABET is also provided.

A great deal of progress has been made in the construction of schools. During the IDP Community Outreach, a number of schools identified the need for new classrooms, admin block, toilets, fencing, water tanks, laboratory, library, electricity, security rooms and assembly slabs. There is also a great need for Crèches.

### ***2.5.3 Cemeteries***

The municipal cemeteries satisfy the existing service demand but there is urgent need to expand current capacity and ensure that all communities have access to adequate burial facilities. Cemeteries also need to be secured in order to ensure preservation of heritage and prevent vandalism of graves and tombstones, during the last quarter of 2011/2012 financial year; fencing of Maluti and Cedarville Cemeteries was done. The areas of prioritised intervention include the identification of all rural cemeteries which must be fenced and maintained. There is a need to look at options to expand current capacity or identify new site in Matatiele, Cedarville and Maluti (LUMS and Environmental Impact Assessment where necessary) and investigate the provision of extended cemetery services to ensure that entire area has access to services.

### ***2.5.4 Sports Facilities***

The municipality comprises of mainly of the youthful population and this warrant that specific Attention should be given to the development of sport and recreation facilities and initiatives. Currently there are only three (3) formal sport stadiums with limited facilities in the urban areas. The IDP Community Outreach reveals a greater need for Multipurpose Centres and Sports Fields in all wards; as such each ward has prioritised Sports fields as a need. All facilities are maintained as and when required, but require upgrading.

There is a need for a Sport complex in Matatiele (town) which will cater for a variety of sporting codes as well as indoor games.

### ***2.5.5 Community Facilities***

The municipality currently has (18) community halls which are available for the use by the Community, however during the recent snow Disaster, ward 10 community halls were destroyed. The condition of the majority of these facilities is fair. The Municipality does no longer prioritise the building of community halls since through community identification of priority needs; it has proven that there are more needs to be given priority prioritized such as roads, water & electricity.

### ***2.5.6 Libraries And Museums***

There is a need for libraries especially for the majority of learners in rural areas. Within the Municipality there are currently three libraries and one mobile library at Mango Village. Two libraries, one in Matatiele and one in Cedarville are functional where as the Maluti and Mango Libraries need books and electricity respectively. The provision of libraries and museums is the competency of DSRAC. There is one Museum in Matatiele Town.

### ***2.5.7 Other Social Services***

The Department of Social Development consists of 2 service offices: one office is located in Matatiele and the other in Maluti and a place of safety services. To improve the social welfare of the people of Matatiele the department currently operates the following Programmes:

<b>NAME OF THE PROJECT</b>	<b>PROGRESS</b>	<b>WARD</b>
<b>Skills Development</b>	Project members are engaged in ultimate printing of T-shirts, caps and fabrics for income generating program.	20
<b>Crime Prevention</b>	Awareness campaigns are conducted at schools and villages and children and adults are educated on effects of crime in partnership with relevant stakeholders	01
<b>Developmental foster care</b>	Four children are placed with foster parents and attend school regularly. These children are also assisted with developmental programs.	01
<b>Integrated ex-offenders</b>	Members have purchased welding material and are producing and installing gates and window burglars in their respective localities.	01
<b>Diversion and Mentoring</b>		01
<b>Makhoba TADA</b>	Implementation of TADA groups in schools, awareness campaigns, educational talks on effects of substance abuse	09
<b>Kwa-Mashu Victim support Group</b>	The support group is engaged in lay counseling to abused women in the families. Home visits to vulnerable homes and do referrals to relevant resources.	18
<b>Maluti Victim Support Centre</b>	The volunteers render counseling victims of violence relating to all types of abuse, referrals to Social Workers and preventative awareness campaigns.	01
<b>Maluti Family Resource Centre</b>	The volunteers do support to families, life skills to children, assist home work and after school program.	01
<b>Maluti Family Preservation</b>	Families were assisted with parenting skills, marital issues and family enrichment programs.	03
<b>Petals Day Care Centre</b>	Preventative programs care and support and material support to HIV/AIDs infected and affected and OVCs and payment of stipends	20
<b>Manguzela Thandanani HCBC</b>	Preventative programs care and support and material support to HIV/AIDs infected and affected and OVCs and payment of stipends	10
<b>Philisani Community &amp; Family Support Programme</b>	Preventative programs care and support and material support to HIV/AIDs infected and affected and OVC and payment of stipends	16
<b>Thusanang Development Organisation</b>	Preventative programs care and support and material support to HIV/AIDs infected and affected and OVCs and payment of stipends	26
<b>MvenyaneSinosizo</b>	Preventative programs care and support and material support to HIV/AIDs infected and affected and OVCs and payment of stipends	21
<b>Nchodu Community empowerment Program.</b>	Broiler production	08

<b>Mejametalana Agricultural Project</b>	Bakery	08
<b>Mphatlalatsane Community Development Project</b>	Agricultural food security project: Crop production	13
<b>Pheellang Development Organization</b>	Broiler production	03
<b>Sinethemba Home Base Care</b>	Crop production	17
<b>Sindezama Agricultural Cooperative</b>	Poultry farming: egg and broiler production	06

**Table13: initiatives by the Department of Social Development**

## 2.6. PUBLIC SAFETY AND SECURITY

### 2.6.1 Police Services

The South African Police Service Act as amended made provision for the establishment of Municipal police services and community police forums and boards. Within the municipal area, there are currently 6 police stations, serving the communities. Crime has the potential to impact negatively on the local economic development of the municipal area, and for this reason it is imperative that the Municipality play an active role in ensuring the safety of their Community. It is worth noting that the Military has returned to Matatiele Local Municipality and are responsible for the safe Guarding of the border's posts to Lesotho. The official hand over was done on 9 May 2012. The following table will show the type of crimes reported for the year 2011.

category	Code	Matatiele Local Municipality (EC441)
Murder	CCMRA11	78
Sexual crimes - Total	CCSTA11	198
Attempted murder	CCAMA11	17
Assault with the intent to inflict grievous bodily harm	CCASA11	635
Common assault	CCCAA11	237
Robbery with aggravating circumstances	CCRAA11	104
Common robbery	CCRCA11	99
Arson	CRARA11	25
Malicious damage to property	CRMDA11	160
Burglary at residential premises	CPBRA11	399
Burglary at business premises	CPBBA11	93
Theft of motor vehicle and	CPTVA11	29



motorcycle		
Theft out of or from motor vehicle	CPTMA11	84
Stock-theft	CPSSA11	586
Illegal possession of firearms and ammunition	CAIFA11	23
Drug-related crime	CADRA11	214
Driving under the influence of alcohol or drugs	CADIA11	110
All theft not mentioned elsewhere	COTOA11	311
Commercial crime	COCCA11	209
Shoplifting	COSLA11	139
Culpable homicide (Manslaughter)	CXCHA11	19
Public violence	CXPBA11	0
Crimen injuria	CXCIA11	36
Neglect and ill-treatment of children	CXCAA11	2

**Table 13: crime statistics by categories, Rex Model,2012**

From table 12 above, it is evident that Assault with the intent to inflict grievous bodily harm, stock theft, burglaries at residential areas is the highest in the area. Prioritised intervention include lobbying for increased visibility of SAPS in Maluti and Matatiele as It has been noted that crime seems to be high at Maluti, create awareness around police forums; and lobby for additional police stations or satellite police units. Efforts need to be put in place to encourage participation of other stakeholders and the community at large in the fight against crime, such as forums, the municipality community safety forum in place.

### **2.6.2 Disaster Management**

The District Municipality is responsible for the provision of Disaster Management and Fire Services in the District. The Municipality is currently using the District Municipality's Disaster Management plan in place to effectively manage disasters which stem primarily from natural causes (tornadoes, storms and winds etc.). Services are rendered from the central disaster management centre in Mount Ayliff and a Satellite centre in Maluti which serves the Matatiele Local Municipality.

### **2.6.3 Housing**

Even though housing is the competency of the Department Housing and Human Settlements, the Municipality plays an active role providing support to Human settlements development .The Municipality has a functioning Human settlements office providing services in the form of:

- Beneficiary identification & Administration
- Community Consumer Education
- Housing Demand Assessment & Management
- Project Management
- Emergency Human Settlement assessment and Applications

The backlog of housing is considered to be enormous in Matatiele. This backlog occurs mainly in the traditional areas as well as the informal housing settlements found in and around towns. A continuous flow of people from rural to urban areas – urbanization – has vast implications on the housing backlog.

Housing delivery is hindered by red tape bureaucracy in accessing funds and there is a lack in the variety of alternatives when it comes to housing projects within housing policies. The erection of houses is also affected by expenses related to the delivery of materials because of the geographic location. The rate at which houses are built is relatively slow. Housing delivery is affected by issues such as land invasion and non-conformity to approval standards. The provision of formal housing for low and middle income residents is a core function of provincial and national government, with local municipalities being spaces where implementation takes place.

Within the urban areas, housing development is generally occurring, but within the rural or communal areas, the provision of housing has still currently on going. When it comes to housing and housing delivery the Matatiele area stands to an advantage because the capacity in terms of skilled and qualified builders is available.

The IDP also reveals that the people are willing to be actively involved in housing programmes. It is predicted that with these advantages emerging building material suppliers may grow stronger and ultimately impact on the economic growth and job creation. Housing growth/subsidies by National Department of Housing and Provincial Government present an opportunity to improve Housing delivery through access of social grants. Public participation is an important component of housing delivery and fortunately as already mentioned above the people are generally willing to Participate. The Municipality has developed adopted the Department of Housing' housing sector plan. Development of a Housing needs register is in underway and as such capturing has started which will assist in identifying areas with housing needs. Lack of reliable data on housing demand and lack of uniformity in the current system has let to mal-administration and fraud regarding the allocation of housing subsidy financed dwellings surfaced. To over this problem or challenges we have to ensure the existence of consolidated lists and that there is integrity to the lists and that people have confidence in these lists. The target is that we should have a single intergrated database of potential beneficiaries captured and data verified for accuracy.

A land audit is currently underway which should be able to assist with additional information to the land asset register. The Municipality has a land and buildings register and a valuation roll. With regards to mechanisms to control land invasions, Matatiele Local Municipality is working with the Department of Rural Development and Land Reform to address the situation. It also recognised that the issue of controlling land invasions should be a joint effort including other stakeholders such as the Traditional leaders, SAPS, and the community in general. Day to day

inspections, awareness campaigns and workshops, have assisted the municipality to deal with land invasions.

The following is the status of current housing projects as well as the planned projects:-

DESCRIPTION	No of UNITS	STATUS
<b>Completed Projects</b>		
Harry Gwala (Topstructure)	583	Completed
Kwa-sibi Village	16	Completed
<b>Current Projects</b>		
Masakala	500	Pre-planning stage
Caba-Mdeni	300	295 houses complete
Thaba-chicha	500	Pre-planning stage
Mvenyane	500	Pre-planning stage
Maritseng	1500	Pre-planning stage
Mafube	300	Site handed over to the appointed contractor
Mehloloaneng	989	Beneficiary Administration
Queens mercy	300	Procurement stage
<b>TOTAL NUMBER OF UNITS</b>	<b>5 982</b>	

**Table 15: Completed and Current Housing Projects**

The housing backlog which occurs mainly in the traditional areas as well as the informal housing

Settlements found in and around towns, are considered to be enormous in Matatiele. Some of

The issues surrounding housing is:-

- Unmanaged urbanization has huge implications on the housing backlog. Housing delivery is hindered by red tape bureaucracy in accessing funds and there is a lack in the variety of alternatives when it comes to housing projects within housing policies. The erection of houses is also affected by expenses related to the delivery of materials because of the geographic location. The rate at which houses are built is relatively slow and the houses are prone to disaster.
- Housing delivery is also affected by issues such land invasion and non-conformity to approval standards. Within the urban areas, housing development is generally occurring, but within the rural or communal areas, the provision of housing has still not been addressed. When it comes to housing and housing delivery the Matatiele area stands to an advantage because of its capacity in terms of skilled and qualified builders.

As a rural Municipality, rural housing delivery has been prioritised as a key housing human settlements delivery strategy. The objective of the rural housing scheme is to give rural

communities an opportunity to benefit where they live in order to reduce urbanisation. The municipality has managed to develop few housing projects though there are still housing backlogs. Housing demand is defined as the number of households requiring formal housing. Traditional housing is perceived as an acceptable form of housing and the majority of the traditional population lives in this form of housing. The majority of the population in the municipal area reside in traditional houses with formal and informal houses concentrated mainly in urban areas. The community base plan estimates the current backlog of RDP houses to be 77%.

These are some of the challenges that are encountered in addressing housing backlogs:

- Difficulties in locating missing beneficiaries lead to delays in many housing projects. The Municipality should develop an effective policy to administer this issue. Thereby avoiding the enormous delays encountered.
- Land Claims are also posing challenges in addressing the rural Housing backlogs. Although in some areas land claims have been addressed, there are areas such as Mathjemola area. The issue of Land Claims has the potential to pose challenges even on future development plans.
- The delay in the payment of contractors is a risk. Projects that experience this challenge often fall behind schedule. The payment of Contractors is the responsibility of the Provincial Department of Housing. Systems for processing contractor claims should be improved.
- The delay in the finalising of rectification projects is a cause for concern. The condition of some of the houses that need reconstruction does not improve in the meantime. The Municipality should pursue the matter with the Provincial Housing Department.
- Lack of proof of ownership of sites in rural areas. Beneficiaries in Rural Housing Projects sometimes do not have the rights to the site. They acquire sites depending on verbal agreements with site owners. When site owners dishonour their agreements for approved subsidies, delays are encountered. Two of the rural housing projects were affected by this issue. This is an implementation risk for which there are minimal remedial actions that can be effected.
- Beneficiaries often decide on re-location after they have been approved in a particular project. This causes problems as such beneficiaries would have to be de-registered and new beneficiaries allocated. Delays become unavoidable as a result. This issue suggests that Communities are not static but indeed dynamic. It is also clear that, despite the consumer awareness workshops at registration of subsidies is sometimes not fully comprehended by Communities. Therefore, regular Consumer awareness should be conducted for Communities.

The table below indicates the type of dwelling facilities by households.

<b>Census 2011 by Municipality, type of main dwelling and Population group of head of household</b>	
<b>EC441: Matatiele</b>	
House or brick/concrete block structure on a separate stand or yard or on a farm	16 524
Traditional dwelling/hut/structure made of traditional materials	21 410
Flat or apartment in a block of flats	2 879
Cluster house in complex	75
Townhouse (semi-detached house in a complex)	132
Semi-detached house	290
House/flat/room in backyard	4 441
Informal dwelling (shack; in backyard)	444
Informal dwelling (shack; not in backyard; e.g. in an informal/squatter settlement or on a farm)	253
Room/flat let on a property or larger dwelling/servants quarters/granny flat	252
Caravan/tent	33
Other	2 793

**Table 16; types of dwellings by household Census 2011 municipal tables**

The table above shows that approximately 21 410 households live in Traditional dwelling/hut/structure made of traditional materials. A differential strategy will need to be followed in the development of human settlement, with particular focus in the urban areas to eradicate informal settlements and release of land for the establishment of new settlements and delivery of a range of housing products within the urban edge. Matatiele local municipality currently does not have a Migration plan. The plan is to be developed; assistance is will be sought from other stakeholders as well as the DLGTA. The following spatial planning directives will be applied in the implementation of slums vs. informal settlements clearance projects:

- Identify all informal settlements and quantify housing need.
- Mapping and assessment of informal settlements to establish whether they can be upgraded *in situ* or requires relocation.
- Develop and introduce a land invasion policy as a means to prevent development of new and expansion of the existing informal settlements.

The land tenure upgrading project in Maluti should be broadened to include the formalization and upgrading of the surrounding informal settlements.

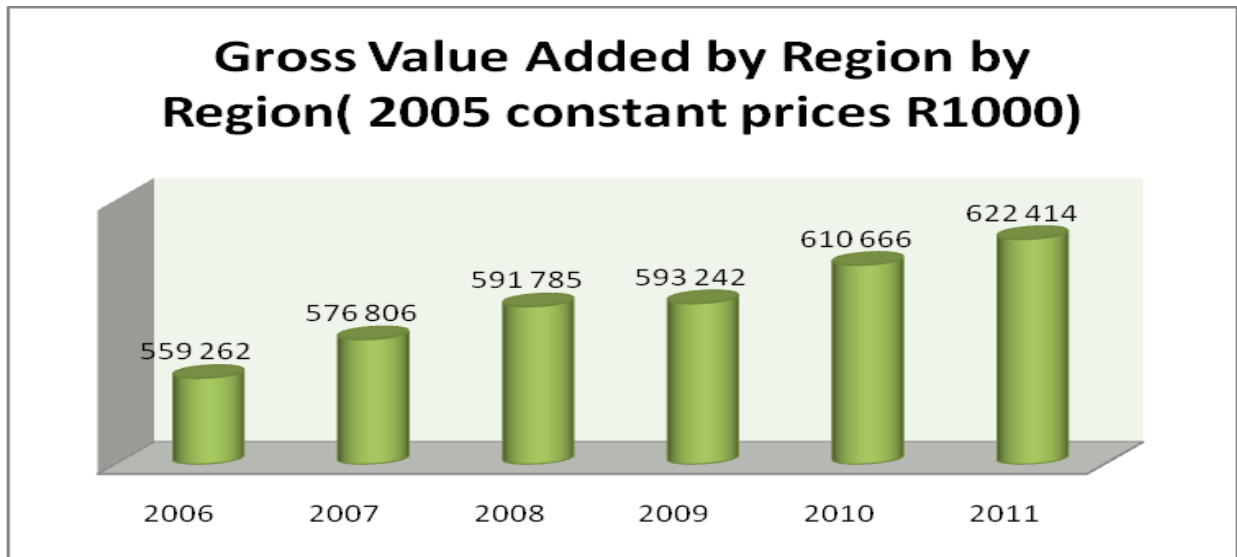
## **HOUSING SECTOR PLAN**

Matatiele Local municipality has reviewed a Housing Sector Plan for the period 2011-2016. This HSP has been reviewed and revised in accordance with the prescripts of the Blue Book for Municipal Housing Planning and the related National Treasury Planning dispensation. The methodology used to review the HSP consisted of the review of the current IDP, HSP, SDF and other relevant chapters of the IDP and sectoral plans. In addition to this, a desktop analysis was undertaken to better understand the demand for housing, the supply side study included primary level survey and collection of data related to land and land packaging, infrastructure planning and availability, organisation capacity and projects including, planned, current and blocked and lastly an integration study to establish cross cutting issues and related planning and availability especially as it relates to health, education, roads and transportation, social and recreational and safety facilities. The results of all these studies were used in the production of a situation analysis report which was utilised to inform the development of the HSP. The HSP consist of strategic goals and priorities for the Municipality which is detailed into programmes for year 1 of a 5 year horizon. Lastly, a project pipeline together with a project tracking tool was developed and provided to enable the Municipality to improve its planning, tracking and monitoring of projects.

## **2.8. ECONOMIC PROFILE**

### ***2.8.1 Size of the Local Economy***

Gross Value Added is a measure of output (total production) which measures the total output of a region by considering the value that was created within that region. One can think of GVA-R as the difference between the inputs obtained from outside the region and the outputs of the region – that is, the region's total "value added". (REX model)The real value of goods produced and services rendered totalled R622 414 (at 2005 constant prices (R1000)).the sectors that contributed the most to this output were government services, trade and financial services. Economic sectors that are major within Matatiele Local Municipality are mainly secondary and tertiary. There the Primary sector is explored on a small scale and primarily includes Agriculture. The table below shows that there seems to be a steady growth in GVA in over the past five years from 2006 - 2011.



**Figure 8: IHS ,Rex model,2012**

### 2.8.2 Sectoral Analysis

The following broad Economic Sectors are found within Matatiele Local Municipality. Reflected below is the detailed Labour Remuneration per Economic Sector. Labour remuneration measures the total amount paid out by firms to labourers working within the region. This amount is a total cost to company concept and includes worker's contributions to medical or pension schemes etc. This figure represents the total amount of production created by labour (REX Model).

IHS Global Insight	Code	H441		
Regional eXplorer 646 (2.5h)		Matatiele	Local	Municipality
		(EC441)		

#### Economic

##### Labour Remuneration

##### Broad Economic Sectors - 9 sectors (Current prices, R 1000)

2010

1 Agriculture	SRBAGR10	6 023
2 Mining	SRBMIN10	5 444
3 Manufacturing	SRBMAN10	11 601
4 Electricity	SRBELE10	4 302
5 Construction	SRBCON10	8 102
6 Trade	SRBTRA10	50 336
7 Transport	SRBTRN10	17 109
8 Finance	SRBFIN10	41 054
9 Community services	SRBCOM10	411 515
Total Industries	SRBTOT10	555 487

**Table 17: IHS, Rex Model,2012**

The share of the community services sector to the local municipality's economy was the highest compared to other economic sectors in 2012. The trade sector has consistently become the second largest value contributor to the region's economy, contributing 50 336. The dependency of the region on a small number of sectors increases its vulnerability to external factors. Drought, hailstorms, commodity price fluctuations, fires, etc. would negatively harm the agriculture sector, while activities such as labour strikes would adversely affect the government services sector.

The recently adopted Matatiele LED Strategy analysed the eight economic sectors which exist within Matatiele. This sub-section provides an overview of these sectors as they are considered important for current and future employment opportunities, economic growth and quality of life. It also attempts to describe the challenges facing them and opportunities to improve their contribution.

The following table shows the levels of economic growth over the last five years:

<b>Average annual growth (Constant 2005 Prices)</b>		
<b>2007</b>	SW0607	3.0%
<b>2008</b>	SW0708	1.1%
<b>2009</b>	SW0809	1.5%
<b>2010</b>	SW0910	10.0%
<b>2011</b>	SW1011	3.3%

### **Sector Comparative and Competitive Advantages**

The table below uses location quotients to indicate the competitive advantage of each of the sectors found within Matatiele Local Municipality in relation to the district. The location quotient is an indication of the competitive advantage of an economy. A location quotient that is greater than one indicates a relative competitive advantage in that sector.

<b>Sector</b>	<b>Location Quotient</b>
Agriculture, Hunting and Fishing	2.29
Mining and Quarrying	4.50
Manufacturing	0.24
Electricity, Gas & Water Supply	1.88
Construction	1.61
Wholesale & Retail Trade	1.23



Transport, Storage & Communication	0.68
Financial, Insurance, Real Estate & Business Services	0.80
Community, Social & Personal Services	1.39
Total	1.00

Competitive advantages in Matatiele are found in the following sectors:

Agriculture, Hunting and Fishing	2.29
Mining and Quarrying <sup>1</sup>	4.50
Electricity, Gas & Water Supply	1.88
Construction	1.61
Wholesale & Retail Trade	1.23
Community, Social & Personal Services	1.39

### 2.8.2.1 Agriculture

The most common farming activities in Matatiele are livestock and crop farming. The former is the dominant agricultural activity in this municipality. The main livestock farming activities in this municipality are cattle farming, sheep farming and goat farming. The Department of Agriculture provides support for emerging livestock farming in the area through various initiatives in the form of stock water-dams and boreholes, dipping tanks, shearing sheds, fencing, divisions of livestock camps and veterinary services. Poultry farming, fruit production and bee farming is also common in certain parts of the municipality.

The good quality of Matatiele soil and favourable rainfall conditions suggest that its agricultural sector has the potential to be more productive, efficient and competitive than it is at the moment. In view of the many opportunities and challenges facing emerging farmers in Matatiele, this sub-section devotes its attention to the discussion of emerging farming in the municipality. It is worth pointing out that emerging or semi-commercial farmers are previously disadvantaged farmers who aspire to increase their share of the commercial farming market.

**Cattle Farming** - Many emerging livestock farmers in urban Matatiele raise cattle on their farms mainly for their beef and their biggest customers, which they sell to local slaughter-houses, supermarkets and individuals. Some of them also sell their cattle to buyers from Durban, Howick and Pietermaritzburg in KwaZulu-Natal, and Port Elizabeth in the Eastern Cape through auctions organised by the Cedarville Farmers Association. A smaller number of them also sell their milk. Among their customers are local institutions such as crèches and individuals in both urban and rural areas. Cattle's farming is also a popular economic activity in rural Matatiele. However, commercial cattle farming activities are very limited in these areas. There are a number of

challenges that these farmers experience when trying to sell their cattle through these auctions. One of them is lack of ownership of selling facilities.

Since emerging Matatiele farmers do not own selling facilities, such as sale pens, they incur the costs of transporting their cattle to sales pens in Cedarville. Furthermore, since these sales pens are owned by the Cedarville Farmers Association, they are charged for keeping their cattle in them during auctions. In addition, they have to wait for the members of the Cedarville Farmers Association to sell their cows first during the auction sales. As a result, sometimes their cattle do not get sold because the buyers buy all the cattle that they want from the members of the association before their turn to sell theirs comes. In an effort to avoid paying for the transportation of these cattle back to their farms, they often end up settling for the next best solution, which is to sell them at low prices. In addition to these challenges, emerging cattle farmers in Matatiele generally face a number of difficulties that compromise the productivity of their cattle.

They are:

- Lack of proper stock-handling facilities,
- Lack of dipping facilities for protecting cows against diseases,
- Need for bulls to improve certain types of breeds and perpetuate those that are not found in large numbers, such as the Nguni breed,
- Shortage of grazing land for some cattle including Nguni cattle,
- Need for a feedlot for cows that are raised for commercial purposes,
- Lack of modern milking parlour,
- Poor access to economic-enabling physical infrastructure, such as electricity, roads and water infrastructure, which hamper productivity,
- Limited understanding of modern farming methods and practices, which compromises the quality of the cattle raised in the municipal area, especially in the rural areas, and
- Overgrazing, which increase the risks of:
  - Decreased grass or plant growth and reproduction,
  - Declining land or soil productivity,
  - Soil erosion, and
  - Desertification.

Goat and Sheep Farming – are important economic activities among the emerging farmers of Matatiele. They sell live goats and sheep to consumers and slaughter houses in Matatiele and some of its surrounding areas, such as Mount Ayliff. Some of them farmers in the area also shear mohair/wool from the animals and sell them through brokers such as BKB Limited/Beperk to local manufacturers in Port Elizabeth and Durban and to those based in other countries. A number of emerging goat producers and goat producers" organisations exist in the area. However, commercial goat product processing activities are very limited. Some of them were members of the Umzimvubu Goat Project, which collapsed recently.

Through the project, the meat from the goats was processed into various meat products and sold to local hypermarkets, such as Shoprite and Spar. The meat and/or meat products were also sold in various parts of Matatiele, including its rural areas. They were also sold in

Umzimvubu Local Municipality. Wool was also sheared from them and processed into fibre. It would then be sold to manufactures in China for further processing. Their skins were also processed into belts and shoes. Although many emerging goat producers in Matatiele would like to see a similar project started in Matatiele, it will be difficult to do so unless a number of challenges are first addressed. They include:

- Lack of machinery for meat and skin processing and for wool selection, grading and packing,
- Skill shortages,
- Shortage of land space for establishing a slaughter-house and processing plant(s), and
- A generally low demand for goat and sheep products.

Emerging goat and sheep producers in the area need to take advantage of the fact that no value is currently added to their farming activities by expanding them to include milk-processing. However, one of the biggest challenges that they are currently facing is that lack of modern milking facilities may compromise the quality of the milk that they may decide to produce.

- Available opportunities in livestock farming in Matatiele include:
- Dairy production
- Red meat production (beef, mutton and goat meat)
- Other cattle, sheep and goat products (leather products, wool, mohair, etc.)

There are currently 89 000 cattle, 83 000 sheep, 27 000 goats (all excluding commercial farmers) found in Matatiele Local municipal Area.

Crop Farming – These include maize, wheat, sorghum, beans, soya beans, canola, potatoes, butternut, green leafy vegetables (cabbage, spinach, turnip etc.), green, red and yellow pepper and sunflower. Many emerging farmers grow a variety various crops. They include grains (maize, wheat, and sorghum), highly perishable vegetables such as green, leafy vegetables (cabbage, spinach, turnip, etc.), other vegetables such as red, yellow and green pepper, as well as beans, potatoes, canola, butternut, sunflower sorghum beans, soya beans and hemp.

The markets for those who sell vegetables include local formal businesses, such as supermarkets, including Shoprite and Pick'n'Pay, local vegetable vendors and vegetable traders from Lesotho. In addition, there are opportunities for them to supply of crops/vegetables to local orphanages, hospitals and some primary schools. The availability of water resources in various parts of Matatiele, such as rivers, streams and wetlands, the good quality of its soil and rainfall render the area suitable for large-scale production of the above-mentioned crops. Despite this potential, Matatiele agricultural crop sales have been ranked among the lowest in the country for many years. Among the challenges that emerging crop farmers experience are:

- Lack of storage facilities for the preservation of crop products, especially maize: Many rural farmers who produce excess maize are forced to sell it at prices lower than its market value because they do not have storage facilities to protect it against harsh weather conditions and some insects,
- Lack of fuel (e.g. diesel) and/or electricity for the very few who own farming equipment

- Absence of milling plants in areas where they are needed the most: Mafube, Belfort in Ward 16 are among the areas that can benefit greatly from milling facilities,
- The existence of a vast area of under-utilised agricultural land under-utilised in many parts of the municipal area: Limited access to land to lack of title deeds and on-going land hamper crop production and productivity in this municipal area,
- Many emerging farmers who have been granted permission to use land in the rural areas for growing crops do not have modern farming machinery such as tractors and implements: As a result, they do not participate in most local projects, including those in the rural areas,
- Subsistence crop farming, especially in the rural areas,

Fruit Production – Matatiele fertile soil, particularly in the Ongeluksnek area, is good for a variety of fruits. There is good potential for large-scale production of a variety of fruits for commercial purposes. They include:

- Apples,
- Citrus fruit, and
- Peaches
- Pears
- Apricots
- grapes

Honey Production – Matatiele also has the potential to benefit economically from bee farming. There are many bees living in the mountains that surround the municipal area, including those closest to the Matatiele town area. They are of three types.

Several business people are already involved in the bee production business. However, the honey production sub-sector is hugely underdeveloped. For example, efforts have not yet been made to retain them, since they move from place to place. One way of doing this is to plant sunflowers where they are found in large numbers.

### **2.8.2.2 Tourism**

The abundant natural beauty that Matatiele has makes it an area of high tourism potential. Among its attractive features are its wide, open spaces, mountainous terrain, rivers, scenic botanic features, flora and fauna (biodiversity), wetlands, picnic spots, birds, including special bird species, and snowy winters. In addition, Matatiele is home to diverse cultures making. These features provide opportunities for the growth or expansion of the following existing forms of tourism in the municipality:

**Nature-based tourism:** The municipality boasts several unspoiled environments with a diversity of naturally occurring attractions.

**Cultural tourism:** There are opportunities for the showcasing of the various cultures that exist in the municipality.

**Agricultural tourism:** A number of festivals, all of which are associated with farms and agriculture, have been held in the municipality. They include agricultural shows, pumpkin festivals, fruit festivals, flower festivals, bird watching trips, hikes and wagon rides. The development of the educational aspect of this form of tourism should be considered since it has the potential to attract more tourists.

**Bird-watching/ Avitourism:** Since bird-watching has become one of the fastest growing recreational activities that attract international tourists, it can be used for boosting the economic performance of the municipality. One of the conditions for the success of avi-tourism in this municipality is that habitat protection and environmental education are incorporated into the strategic documents of the municipality.

**Eco and Adventure Tourism:** The area has the potential to become one of the most important econ-tourism and adventure travel tourist destinations in the country. Existing activities include rafting, hiking and 4X4 trips through the mountain passes that form the border between the municipality and the Southern districts of Lesotho. Qacha"s Nek, Ramats"eliso"s Pass and Ongeluksnek provide access to Lesotho.

**Winter Tourism:** Since snow is often experienced in winter, the municipality may consider exploring the possibility of introducing skiing as one of the tourism activities in the municipal area,

The following table shows the figure for 2011, it shows the number of trips by purpose. In 2011 68241 people (expressed by trips) visited Matatiele Local Municipal area. It is worth noting that 87% of these trips were for people coming to visit friends and relatives.

IHS Global Insight	Code	H441
<b>Regional explorer 646 (2.5h)</b>		Matatiele Local Municipality (EC441)
<b>Tourism</b>		
<b>Number of Trips by Purpose of trip</b>		
<b>2011</b>		
Leisure / Holiday	TSTPL11	1 833
Business	TSTPB11	1 388
Visits to friends and relatives	TSTPF11	59 776
Other (Medical, Religious, etc)	TSTPO11	5 244
Total	TSTPT11	68 241

**Table 18: IHS, REX Model,2012**

The Rural Nature of Matatiele: The rural setting of Matatiele renders it suitable for the development of tourism that is nature based, utilises the environment as a key resource, and places people development at the core of the planned tourism enterprises:

Matatiele tourism sector faces a number of challenges, which include:

- Poor tourism infrastructure along the R56 leading to the municipality. There is a general lack of services that most tourists may require, such as fuel, banking, restaurants, and rest stops with the internet. Matatiele is the only place that comes close but is still lacking in some of the aspects.
- There is also a general lack of outlets that cater for the foreign tourist market, including backpackers and adventure travellers.
- Public transportation problems: Lack of public transportation in the Alfred Nzo District, including Matatiele, hampers tourism progress. In addition, there are no well-defined places for vehicles to stop and for tourists to get off and stretch their legs. Furthermore, the poor condition of many local roads discourages self-drive.
- Lack of signage to encourage self-drive,
- Land disputes, which have led to very slow allocation of land for development,
- Generally poor infrastructure and lack of maintenance (roads, water, information, communications, shopping, quality of accommodation, etc),
- Lack of knowledge or understanding of tourism opportunities and threats facing local people.

### **2.8.2.3 Forestry**

Matatiele Local Municipality is one of the municipalities in the province that have areas that are biophysically suitable for commercial forestry. The total number of community forestry plantations in Matatiele Municipality was 408 in 2007. While none of them were owned by private individuals, 400 were state owned. Only 8 were owned by local communities. In terms of percentages, while privately-owned plantations accounted by 0% of the total number of plantations in the municipality, 98.04% were owned by the state (i.e. the municipality). Those that were owned by local communities accounted for only 1.96% of the total number of plantations in the municipality. Being the main facilitator of development and owner of the majority of forestry plantations in the area, the government has an indispensable role to play in the development of the local forestry sector. This includes the facilitation of the process of converting of some of the plantations that it owns into commercial forestry plantations through:

- Speedy processing of applications for commercialisation of local natural forests and plantations,
- Expediting of the process of transferring forests and forestry plantations to private operators,
- Feasibility studies and environmental impact assessments, and
- The development of policies and by-laws.

The following is a list of forestry products that can be produced from the natural forests and forestry plantations in Matatiele Local Municipality:

- Timber Products
- Manufacture of furniture, poles (e.g. sign-posts), etc.
- Manufacture of charcoal from timber waste products

- Non-Timber Forest Products (closely related to natural forests and forestry plantations)
- Beekeeping and honey production
- Basket-making
- Picking and packaging of edible plants
- Ferns, foliage and flowers
- Hiking trails
- Medicinal plants
- Picking and packaging of mushrooms

In response to the official recognition of Matatiele forestry sector growth potential, a number of applications for the use of some forestry plantations in Matatiele for commercial purposes were approved by the provincial Department of Agriculture and Forestry in recent years. Plans are underway for implementation of forestry projects. In spite of many proposals for the commercialisation of some forestry plantations in the area being approved by the Municipality, there are concerns over the potential negative impact of some of them on the supply of water.

Some of them are said to be located on some of the municipality's sources of water. Since some of the trees found near some of these areas are known to consume a lot of water, the likelihood that they will cause a reduction of the amount of water flowing to certain parts of the municipality is believed to be high<sup>23</sup>. If this happens, some of the development-oriented activities, such as agricultural and manufacturing processes might be negatively affected by water shortages.

It is also believed that they will have a huge negative impact on the tourism potential of the municipal area since some tourist attractions, including fishing rivers, need a constant supply of water. Like many other forestry plantations, Matatiele natural forests and forestry plantations face a number of threats, including: fire, disease, drought, strong winds, snow, trespassing by livestock, and vandalism.

#### **2.8.2.4 Commerce**

Over the past 10 years, there has been progress as far as developing the commercial sector of Matatiele. Formal business in Matatiele consists mainly of retail and commercial farming businesses. As far as the former are concerned, supermarkets, clothing stores and spaza shops are the most common types of business in the rural areas of this municipality. It is important to note that many businesses people are members of Sectoral-organised business co-operatives.

The area still faces the challenge of lack of formal shopping areas. While there are many informal businesses in the major centres of the municipality, which function as retail businesses, there is a shortage of retail services in the rural areas. Thus, many of the shopping needs of Matatiele communities have not yet been provided for and require attention. Matatiele towns, is the hub for services. People from rural area urban within the municipality, come to this town for day to day services such as buying groceries and household supplies.

The second most preferred shopping area is Kokstad, where clothing is the most preferred item, followed by shoes and furniture. Very few of the people buy shopping items from Cedarville and

Maluti; these mini towns do not have banking facilities, retail stores and super markets. This result implies that the variety of goods and services sold in these towns are very limited.

A number of businesses and/or business services are either not found or limited within the Local Municipal area. They include:

**Suppliers of agricultural inputs:** Farmers buy supplies from other municipalities, such as GKM Local Municipal area in KwaZulu-Natal;

**A tourism information or support office:** A tourism office is needed for the provision of Assistance to tourists;

**Limited Forex services:** since most local banks do not offer forex services, international tourists have to travel to the other commercial centre for foreign currency exchange.

The number of co-operatives within the municipality has increased since the initiative started, although the growth is not as great. The challenges are experienced and seem to hinder the growth of co-operatives:

- Lack of information of Funding Opportunities
- Uncertainty
- Stiff competition
- Lack of financial assistance
- Lack of skills
- Access to suppliers
- Financial institutions are reluctant to lend local entrepreneurs money to start or expand businesses because of their lack of access to land: Many applications for land are generally not successful due to on-going land claims

In addition to these challenges, some locals believe that Chinese businesses and, to a lesser extent, some businesses owned by citizens of some African countries, have a negative impact on the growth of local businesses. In their view, the quality of Chinese products is mostly poor and often fake copies of some of the brands that they themselves sell. As a result, they sell them at cheaper prices. This lowers the demand for goods sold by local businesses and deprives them of the opportunity to grow.

Business in Rural Matatiele – The dominant businesses in the rural areas are spaza shops (general dealers), transport businesses, cultural and eco-tourism activities, small-scale agricultural production and wood processing. One of the major challenges that they face is that their generally low density in these areas and a dispersed business population undermine their ability to access and benefit from knowledge transfer, which can help them grow.

### **2.8.2.5 Construction**

The construction industry in Matatiele is very small. Construction activities include road construction and the building of houses. This industry has the potential to provide more job



opportunities in the future, based on rapidly increasing fiscal allocations for public infrastructure. In essence Contraction job are available to on a large scale to semi-skilled and unskilled labourer. However this form of employment is not sustainable as once the project is complete, the labourer are left without work.

#### ***2.8.2.6 Manufacturing***

Matatiele manufacturing sector offers a number of services. Agri-processing is one of them. Current activities that fall under agri-processing include yoghurt-making and small scale dairy product production. A number of opportunities exist in manufacturing. These include the processing of wool and mohair into warm clothing since Matatiele is characterised by extremely cold winters. Other products that can be produced include charcoal, which can be produced from waste timber produced in this municipal area.

Below is an overview of the opportunities and challenges facing the manufacturing sector, among the major challenges that the manufacturing industry in Matatiele is facing is the generally low skills level. In some instances, the quality of products has been found to be poor. This has not only lowered their demand, but also increased the cost of producing them. Another challenge is that there is a general lack of innovation. It has been discovered that instead of producing what is not available in the municipality, a considerable number of local manufacturers produce the same types of products. Examples include corrugated water tanks and Seshoeshoe" garments. Another major challenge is limited of access to land for the manufacturing firms, including wood processing firms, brick-making.

#### ***2.8.2.7 The Informal Sector***

In urban parts of Matatiele, such as Matatiele Town and surrounding areas, Cedarville and Maluti, is heterogenic and ranges from street traders to mechanics. Since it falls outside the regulatory environment within which formal businesses operate, it poses a number of challenges. These include health problems and blocking of pavements and access to formal businesses nearby. These risks make it difficult for the government to offer sufficient support and protection to the local informal traders. There are many informal traders in the municipality who still operate in a dysfunctional uncoordinated environment that is characterised by lack of access to trading facilities, markets and other important commercial services.

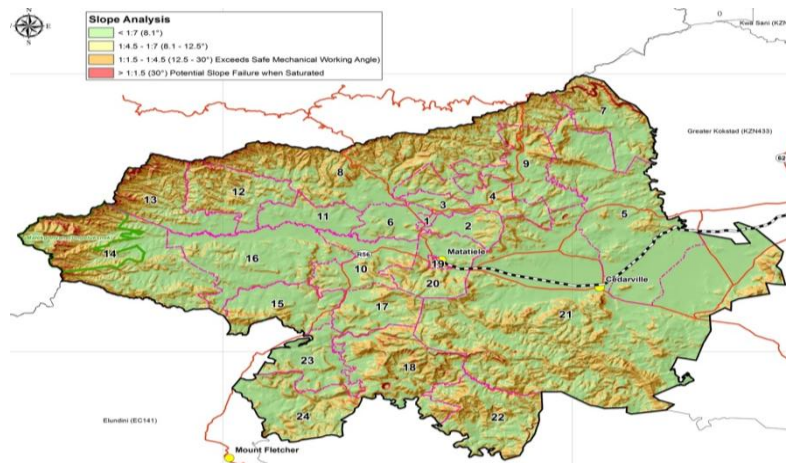
Those who have been provided with shelter and other necessary facilities still face challenges, some of which have a huge significant impact on their businesses. They include the fact that the metal facilities that they have been provided with do not provide protection from bad weather and that their design does not offer adequate security. Some informal traders in major centres, such as Matatiele Town, trade at taxi ranks and other places that attract many people. The informal economy of Matatiele supports the livelihoods of many residents; there is a need for the municipality to provide more support in terms of more proper facilities to trade amongst other things.

### 2.8.2.8 Mining

Little quarrying activity takes place in the municipality. However, the majority of operators, a significant number of them are not registered. The stone that is extracted is used in road construction projects and in building houses. There is a potential for exporting the stone to various parts of the country for building purposes. Since there is an abundance of river sand in the municipality, sand mining is a common activity in the municipality. Most of the sand obtained from the local river banks is exported to other municipalities for construction purposes. It is also believed a number of environmental management areas and eco-tourism with the potential for diamond, coal and paraffin mining exist in Wards 8 and 24. Its recommendation in this regard is that detailed investigations into these potentials should be undertaken.

## 2.9. STRATEGIC ENVIRONMENTAL ASSESSMENT

### 2.9.1 Topography



**Figure 10: Topographical Map of Matatiele**

Topography and slope within Matatiele Municipality varies from very steep gradients of 1:1,5 to a relatively gentle slope of less than 1:7 at the foothills of the mountain and river plans. Matatiele Municipality consists of two topographical regions, that is:

- A central plateau with relatively good soils and intermediate rainfall supporting a mixed agriculture with a lower population density; and
- A high plateau leading up to the Drakensberg Mountains with relatively good soils, a high rainfall supporting a mixed agriculture with a lower population density.

Very steep terrain occurs mainly along the western boundary as an extension of the Drakensberg Range and also along the south-eastern boundary. The farming areas that surround Cedarville and Matatiele tend to have a much gentler gradient. This is considered beneficial for possible future expansion of these urban areas and consolidation of commercial agriculture. Some of the rural settlements are located in the hilltop areas which renders access and delivery of services a major challenge. On the other hand, steep slopes, incised river valleys and the plateau create a splendid scenery, and give the area a comparative advantage in terms of tourism development.

### **2.9.2 Soil**

Matatiele Municipality is located on Karoo sediments, the south western portion on grey and reddish-brown Adelaide mud and sandstone, and in a north-westerly direction, followed by fine-grained Tarkastad sandstone and mudstone, coarse grained Molteno sandstone and by maroon, green or grey Elliot sediments. Later intrusions of dolerite are found throughout the municipal area. Matatiele IDP Review 2010/2011 Page 29 Alluvium is found along the Kinira and Tswereka rivers west of Matatiele and north of Cedarville. The soil types generally associated with these geological formations are: - Sedimentary rock (Ecca mud and Sandstone); Dolerite, and Alluvium.

**Sedimentary rock** – is a shallow greyish brown and yellow-brown soil on partially weathered rock. They may have prominent bleached layers in the upper subsoil. The latter in particular are extremely erodible and should normally not be cultivated. Rock outcrops are common. Much of these soils in the study area is cultivated or was cultivated in the past. According to the Natural Resource Conservation Act and subsequent legislation pertaining to the Eastern Cape, most of the soil in this category should not be cultivated, while some soil forms, only if the slope is less than 12%. Soils on plateaus are sometimes deeper and sandier with neocutanic properties and may have water tables that are perched. Because of their position on the landscape they are less erodible. They are normally arable provided the slope is less than 12% be the upper limit.

Alluvial soils are widely found along the major rivers and on the broad valley floor between Matatiele to the east of Cedarville. They consist of sandy and loamy soils that are deep or moderately deep with a granular or poorly developed blocky structure. Because of the even slopes on which they occur, they may have perched water tables in the lower lying topographical units. Because of the even topography the rivers meander and much of the soils have wetland properties (grey matrix colours on the subsoil that is gleyed below 500mm). These are normally high potential soil if not waterlogged. Most of the irrigated land falls in this group.

### **2.9.3 Geology**

Matatiele Municipality is located on Karoo sediments, the south western portion on grey and reddish-brown Adelaide mud and sandstone, and in a north-westerly direction, followed by fine-

grained Tarkastad sandstone and mudstone, course grained Molteno sandstone and by maroon, green or grey Elliot sediments. Later intrusions of dolerite are found throughout the municipal area.

#### **2.9.4. Grasslands**

The land cover within Matatiele is dominated by unimproved grasslands and degraded grasslands. 111,928 ha (25.7%) within the municipality is covered by degraded grasslands, which are generally associated with high levels of soil erosion and gullyng, and low livestock carrying capacities. Such degradation leads to siltation in water bodies, and general loss of ecosystem integrity within rivers and terrestrial areas. 56.1% of the municipality has retained its natural or near natural state (in other words unimproved grassland, water-bodies, wetlands etc). The concerning corollary is that 43.9% of the area is in a non-natural, transformed or degraded state (in other words urban/settlement areas, cultivated land, plantation and degraded grassland etc). This implies that a large proportion of the municipality has more or less lost its original ecosystem functioning and biodiversity status.

#### **2.9.5 Sensitive Vegetation**

Matatiele falls generally within the Sub-Escarpment Grassland Bioregion and the Drakensberg Grassland Bioregion. These bioregions are characterised by high species richness and a high rate of species turnover (or variation) associated with changing gradients, altitude and environmental conditions. The main vegetation types change from Lesotho Highland Basalt Grassland at highest altitude, to Southern Drakensburg Highland Grasslands, East Griqualand Grassland and finally Drakensburg Foothill Moist Grasslands at lower altitudes.

Within this pattern, Mabela Sandy Grasslands occur in two sections of alluvial/ saturated soils. East Griqualand (making up 57% of the area) and Mabela Sandy Grasslands (making up 10.8% of the area) are classified as vulnerable vegetation types in a national biodiversity context. Both these vegetation types are classified as “Hardly Protected” in terms of protection within declared reserves. In terms of Area Based Planning, ideally widespread development in endangered and vulnerable areas should be avoided or conducted in an environmentally sensitive manner.

#### **2.9.6 Land Cover**

Basal cover of the grasslands shrinks over time, exposing the soil to erosion forces, resulting in extensive sheet erosion over large areas. Loss of productive plant biomass as palatable, nutritious species is replaced by unpalatable, non-nutritious species.

Unimproved grasslands and degraded grasslands dominate the landscape in Matatiele Municipality. Degraded grasslands accounts for 111,928 ha (25.7%) and is generally associated with high levels of soil erosion, gullyng, and low livestock carrying capacities. This creates conditions for siltation in water bodies, and general loss of ecosystem integrity within rivers and terrestrial areas. 55 000 hacteres is arable of which 2 000 hacteres is unused. 75 000 hacteres are suitable for grazing around the Cedarville area however is not fully utelized.

This includes grassland, water-bodies, wetlands etc. It is however, concerning that 43.9% of the area is in a non-natural, transformed or degraded state (in other words urban/settlement areas, cultivated land, plantation and degraded grassland etc). This implies that a large proportion of the municipality has more or less lost its original ecosystem functioning and biodiversity status.

The majority of unimproved grassland is degraded. Significant impacts on the rural economy as productive land gradually becomes unproductive and fewer families are able to subsist on the land. The EMP identifies the following as indicators of this phenomenon:

Alien plants invade ecologically depressed grasslands.

Carrying capacity diminishes over time and quality and productivity of livestock deteriorates (lower calving rates, lower annual growth of individuals, lower wool returns).

Significant loss of plant diversity, especially of the palatable grasses and forbs (and presumable associated invertebrate and vertebrate species).

The reduced biomass associated with such over-grazing means that more pressure is placed on remaining grasslands and the process accelerates over time, leading to run-away erosion and further loss of plant material.

Changes in plant community structure from a diverse resilient composition to a vulnerable plant community composition unable to withstand climate change.

The following land uses taking place within Matatiele Municipality have a tremendous impact on the natural environment (ABP, June 2007): Cultivation of crops.

Grazing which can be one of the least damaging of land uses IF stocking rates are adhered to, and rotational grazing is practiced. The practice of annual burning to stimulate new green growth is prevalent because of the persistence of the stereotype that fires stimulate early growth.

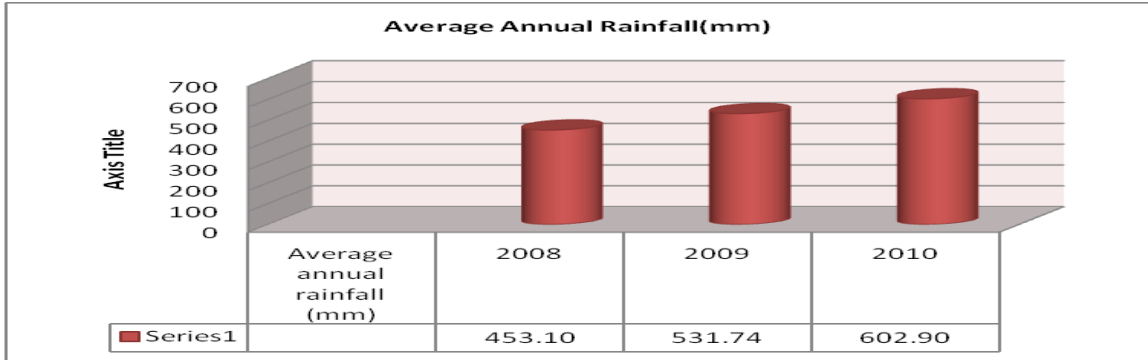
Forestry adjacent to grasslands can sometimes increase local animal species diversity as it provides another habitat along the margin of the plantation and grassland interface. Road construction is often the source of gully erosion due to creation of concentrated run-off from improperly designed road drainage systems.

The link between settlements and livestock concentrations, with heavy grazing and trampling in such areas, is a major threat to the health of groundcover in general

### ***2.9.7 Temperature And Rainfall***

The southern portion has a moderate climate with an average maximum in summer of 26°C which then falls to 1°C in mid winter. The average temperature at Matatiele is four degrees colder with an average maximum of 17°C in January which falls to 2°C in June. Minimum temperatures can fall well below zero.

The mountainous areas south of Matatiele and the border region in the north eastern parts can expect frost for more than 75 days. Snow at the latter is common. Average annual rainfall ranges from below 550 mm to more than 1 000 mm per year. a typical summer rainfall pattern commences in October and continues through to April.



**figure 9; rainfall,Rex model,2011**

A rain shadow is experienced in the northern valley area south of Cedarville and Matatiele. This is also where the reliability of the rain is at its lowest and the chances of consistently high crop yields are lowest. Runoff is exceedingly high in most of the study area because of poor vegetation cover. This has increased the erodibility of the soil.

## CHAPTER 3: INSTITUTIONAL ANALYSIS

Integrated development planning is also about focusing on strategic areas of intervention and concern with interventions with a high impact using the limited resources available to the municipality, with the aim to achieve appropriate and sustainable delivery of services and create an enabling framework for social and economic development. With this in mind and the current situational analysis, Matatiele Local municipality has identified key issues and areas of priority and intervention towards achieving sustainable social and economic development.

### 3.1 SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>• Abundant natural resources: fertile soil and favourable rainfall conditions, natural forests and forestry plantations, flora and fauna, mountains and water (i.e. wetlands, rivers, streams, lakes, etc.),</li> <li>• Livestock, crop, poultry, pigs and bees raised in the municipality</li> <li>• Large parcels of undeveloped land</li> <li>• Approved SDF, IDP and other plans, strategies and policies</li> <li>• Existing social facilities and services</li> <li>• Tourism destination and ecotourism</li> <li>• Productive land for ploughing gain products</li> <li>• Sufficient land for agro processing industry development.</li> <li>• Conducive areas for a forestation</li> <li>• Existence of access roads leading to various villages in the wards</li> <li>• Regular road transport to some major centres of South Africa, including Durban and Gauteng, and existence of rail network and an airstrip,</li> <li>• Relatively low crime levels</li> <li>• EPWP initiatives</li> <li>• Sufficient airspace capacity available for disposal of general waste</li> <li>• Approved organizational structure</li> <li>• Financial Management systems in Place</li> <li>• Unqualified Audit Reports</li> <li>• Established performance management system</li> <li>• Good relations with Traditional leaders</li> </ul>	<ul style="list-style-type: none"> <li>• Poor infrastructure and lack of infrastructure maintenance, complete lack of physical infrastructure and lack of access to municipal services, especially in the rural areas,</li> <li>• Skills shortages across economic sectors and limited scientific knowledge in the agricultural and forestry sectors</li> <li>• Debtors balance reduction.</li> <li>• 70% council grants dependency on budget</li> <li>• Limited financial resources to foster infrastructure development.</li> <li>• Ageing or infrastructure and equipment</li> <li>• The housing subsidy system to be in place and development of the municipal Management Plan.</li> <li>• town planning schemes and mapping (Cadastral planning)</li> <li>• Limited accommodation and few housing programmes for rental/middle income housing.</li> <li>• Sprawling rural settlements and Delays in resolving land claims</li> <li>• Poorly maintained Tourism Infrastructure and development of tourism development plan</li> <li>• Access to markets for fresh produce</li> <li>• No value addition for forestry.</li> </ul>

OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>• Potential for use of available underutilised land and other natural resources (e.g. rivers) resources for income generation purposes</li> <li>• Strong potential for the development and promotion of winter tourism, cultural tourism, eco-tourism, agricultural tourism, adventure tourism, avi-tourism (e.g. bird-watching) and water sports, and of facilities supporting tourism,</li> <li>• Grant funding: MIG &amp; INEP, also Financial Support from Sector Departments and Agencies</li> <li>• Political stability in the Municipality</li> <li>• Available programmes within DRDLR to assist in rural planning.</li> <li>• Available skills from existing commercial farmers to foster opportunities for crop production, meat and wool processing.</li> <li>• Training and participation of local communities in forestry potential to improve retail sector.</li> <li>• Funding opportunities for SMMES</li> <li>• Opportunities for introduction of self-help projects for unemployed community members in both urban and rural areas</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of access to land and demarcation disputes hamper development: Ongoing land claim matters lead to slow allocation of land that can be used for business purposes</li> <li>• Labour force migration, HIV/AIDS and low school completion rates may adversely affect labour force participation rates in the municipality: Low skill completion rates can lead to a rise in unemployment and crime rates, which hamper development.</li> <li>• Forests face many threats, including fire, disease, drought, strong winds, snow, vandalism and trespassing by livestock, which can lead to damage to drains, soil structure and the trees themselves.</li> <li>• Culture of non –payment for services</li> <li>• Electricity theft and tempering (electricity losses) and illegal connections</li> <li>• Occurrence of illegal activities; illegal dumping, illegal hunting and harvesting of flora &amp; fauna, unpermitted sand mining.</li> <li>• Slow capturing of rural housing beneficiaries</li> <li>• Stock theft, disease outbreaks and wild – fires.</li> </ul>

Table 19; Municipal Swot- Analysis

### 3.2 ORGANISATIONAL STRUCTURE AND STAFFING POLICIES/PLANS

Matatiele Local Municipality (EC441) is a Category B Municipality as determined by the Demarcation Board in terms of Section 4 of the Municipal Structures Act 1998. The Municipality functions under the Collective Executive system consisting of nine (9) Executive members of whom one is the Mayor. There are three women serving in the Executive Committee. The Council consists of 52 Councillors including the members of the Executive Committee and ten traditional leaders. Of the 52 Councillors, 26 are Ward elected Councillors. The Council has six (6) standing committees. The six (6) portfolio of the municipality are as follows:

- Budget and Finance – Portfolio Head: Cllr. S.A Selllo



- Community Services – Portfolio Head: Cllr. M.M Mbobo
- Corporate Services – Portfolio Head: Cllr. J. Magangana
- Local economic Development – Portfolio Head: Cllr. P.M Stuurman
- Infrastructure –Portfolio Head :Cllr. M.M Mbedla
- Special Programmes Unit- Cllr: G.M Letuka

### 3.2.1 Municipal Administration

The Municipality’s organisational structure comprises three hundred and twenty nine (329) positions which are divided into six (6) departments including the Office of the Municipal Manager. Matatiele Local Municipality has three offices located in the towns with the the municipal area. The main office is in Matatiele, with two other sub offices in Cedarville and Maluti.

DEPARTMENT	FUNCTIONS
<b>BUDGET AND TREASURY</b>	Budget and Financial Planning, Revenue collection & Expenditure ,Supply Chain Management, and Financial Information systems
<b>COMMUNITY SERVICES</b>	Public Safety Services, Disaster Management, Public Amenities ,Solid Waste, Environmental Management Services
<b>CORPORATE SERVICES</b>	General Administration Services, HR Development Services, Legal Services, and Council Support
<b>ECONOMIC DEVELOPMENT AND PLANNING</b>	Local Economic Development, CWP and Tourism, Development Planning & Building Control, EPWP & Human Settlement
<b>INFRASTRUCTURE SERVICES</b>	Electricity ,Operations & Maintenance ,Project Management Services
<b>OFFICE OF THE MUNICIPAL MANAGER</b>	Accounting Officer and Head of Administration, Communications, Inter-Governmental Relations (IGR) and Protocol, Internal Auditing, Integrated Development Planning and Monitoring & Evaluation, Special Programmes, IT Services.

**Table 20; department and functions**

The following table reflects the different categories of employment.

OCCUPATIONAL LEVELS	NO. OF EMPLOYEES	TOTAL
<b>Top Management</b>	<b>01 – MM</b>	<b>01</b>
<b>Senior Management - GM’s</b>	<b>02 – Filled</b>	<b>05</b>
	<b>02 – Acting</b>	
	<b>01 – Vacant</b>	
<b>Professionally Qualified &amp; Experienced specialists and Middle Managers</b>	<b>15</b>	<b>16</b>
	<b>2 acting</b>	

Skilled Technical & academically qualified workers, supervisors, foreman and superintendents	106	106
Semi –Skilled & Directory decision making	47	47
Unskilled & Defined decision making	132	132
Temporal Employees	22	22
<b>GRAND TOTAL</b>	<b>330</b>	<b>330</b>

**Table 21; number of employees**

Please take note that the Grand Total excludes Interns and In-service Trainees.

**INTERNS PER UNIT:**

**IN-SERVICE TRAINEES PER UNIT:**

HR Unit : 02

HR Unit : 01

Solid Waste : 02

Communication : 01

Risk & Audit Services : 03

EDP : 01

EDP : 01

SPU : 01

BTO : 04

BTO : 01

Electrical : 01

Electrical : 01

O&M : 01

**TOTAL : 16**

**TOTAL : 04**

### 3.3 KEY PERFORMANCE AREAS

#### 3.3.1 SPATIAL DEVELOPMENT FRAMEWORK

##### Introduction

The main purpose of the SDF is to guide the form and location of future spatial development. It is a legislative requirement and has a legal status. Matatiele Local Municipality has an adopted Spatial Development Framework, adopted on 10 May 2011 and will be reviewed in 2014/2015. SDF facilitates decision making with regard to the location of service delivery projects and guides public and private sector investment, it strengthens democracy and spatial transformation and facilitates effective use of scarce land resources. It promotes intergovernmental coordination on spatial issues and serves as a framework for the development of detailed Land Use Management Scheme (LUMS).

##### 3.3.1.1. Spatial Analysis

###### I. Settlement Patterns

- **Urban settlement:** comprises of three towns Cedarville, Matatiele and Maluti.
- **Administrative areas:** Serves as a basic spatial unit in the greater part of the Eastern Cape rural landscape
- **Dispersed rural settlements:** Municipal Area comprises of 238 dispersed rural villages occurring in small pockets of settlements within traditional authority areas.
- **Commercial farmlands:** The space that commercial agriculture occupies is characterized by widespread farm homesteads and clusters of farm workers accommodation (farm dwellers).
- **Settlement density:** low-density settlements with an average density of 50 persons per km<sup>2</sup>.

###### II. Current Land Use

Current land use pattern has evolved in response to the settlement pattern, rural character of the municipal area, applicable planning policies and land use management practices. A Land use pattern includes the commercial agriculture mainly to the east and west of Matatiele town. There are areas that are conserved and protected, which include natural ecological state and should remain as core areas for conservation of protective species. Rural villages with residential occurring in the form of a grid with sites being relatively equal in size. Urban land use pattern is characterized by a high level of spatial fragmentation and land use separation. Land uses in the urban area are commercial activities concentrated in the central business district (CBD). Industrial land Middle income residential located around the CBD and away from industrial land. Low-income residential situated in peripheral locations. Centrally located is a golf course, which serves as a buffer and inhibits spatial linkage of various parts of the town.

###### III. Access and Movement

Matatiele Municipality has a general good and well established road system comprising of provincial, district and local access roads, there is a non-operational railway running through the area. Small landing strips exist in Matatiele and Cedarville. Public transport is provided mainly through taxis, buses and vans.

#### **IV. Infrastructure**

Approximately 51% of households do not have water at the acceptable RDP standard. Waterborne sanitation is only provided in Matatiele and Cedarville urban areas. Toilets in rural areas mainly comprise of VIP latrines. Access to electricity is limited to areas around Matatiele Town and Cedarville and most rural areas are not connected. The general quality of the road infrastructure in Matatiele is poor; this includes R56 and other important routes such as the link road from Matatiele to Lesotho.

#### **Public Amenities**

There are 228 schools both primary schools and secondary schools. Matatiele has 1 DISTRICT Hospital (Tayler Bequest Matatiele Hospital), two TB Hospitals, 19 clinics. Currently there are only three (3) formal sport stadiums with limited facilities in the urban areas which are in use by the community. The municipality currently has nine (9) community halls.

#### **V. Spatial Economy**

In terms of spatial economy, Matatiele has restricted agricultural potential, it is ascribed to the limiting topographical features such as rugged terrain and steep slopes. Two forms of agriculture occur in Matatiele, namely commercial agriculture and subsistence agriculture. 6.8% of the area has potential for forestry. The remaining 93% (250,928ha) is classified as having moderate potential. Tourism development composed of natural beauty and a diverse range of cultural groups. These attributes complement the elements of eco-tourism, adventure tourism and cultural tourism.

#### **VI. Natural Environment**

Matatiele Municipality is located along the Drakensberg and Maluti Mountain Range, in an area that is characterized by a relatively high level of environmental sensitivity and highly endangered species. Umzimvubu River rises from this region, and its feeder tributaries are endowed with major wetlands which serve as habitat for rare and endangered species, and a source of water.

#### **VII. Physical Environment**

Topography and slope within Matatiele Municipality varies from very steep gradients of 1:1, 5 to a relatively gentle slope of less than 1:7 at the foothills of the mountain and river plains. Municipality consists of two topographical regions, central plateau and a high plateau leading up to the Drakensberg Mountains. Matatiele Municipality is located on Karoo sediments, the south western portion on grey and reddish-brown Adelaide mud and sandstone, and in a north-westerly direction. Soils generally found in Matatiele are highly erodible.

## **VIII. Biodiversity**

The area falls generally within the Sub-escarpment Grassland Bioregion and the Drakensberg Grassland Bioregion characterized by high species richness and a high rate of species turnover. Unimproved grasslands and degraded grasslands dominate the landscape in Matatiele Municipality and accounts for 111,928 ha (25.7%).

## **IX. Water Resources**

The municipality accumulates water from the catchment area, wetlands and springs. Available protected areas are:-

- Ongeluksnek Nature Reserve measures approximately 13 000ha.
- The Matatiele Nature Reserve (MNR)

### 3.3.1.2 Key Spatial Issues

Encroachment of settlement onto high potential agricultural land, only 30% of the total land area of the municipality has land with minor limitations to agricultural production. 70% has severe limitations to agriculture. Uncontrolled settlement results in sprawl of rural settlements and growth of informal settlement in commonage areas.

### 3.3.1.3 Spatial Planning Strategies

The municipality will give effect to the intentions of the SDF through a set of spatial planning strategies that indicates the desired future spatial situation, and broad policy positions to guide decision-making.

- Enhancing The Quality Of The Environment
- Protection Of High Value Agricultural Land
- Supporting An Efficient Movement System
- Development Corridors As Investment Routes
- Focusing Development In Strategic Nodal Points
- Integration Of Different Landscapes And Land Use Zones
- Developing Sustainable Human Settlements
- Establishing Framework For Growth And Development

### 3.3.1.4 Spatial Restructuring

The following are the key elements of a spatial restructuring program:-

- Hierarchy of corridors
- Hierarchy of nodes
- Settlement clusters.

#### 3.3.1.4.1 Hierarchy Of Development Corridors

- **Primary Node** - The Matatiele Town is a sub-regional centre servicing the entire Matatiele Municipality and beyond. Therefore this is a primary node for investment promotion and centre of supply of services in the Matatiele Municipality. It forms part of the district spatial systems and is identified in the district SDF as a primary node or main economic hub.
- **Secondary Node** - Two other areas present an opportunity for the development of secondary nodes with much less threshold/sphere of influence, namely, Maluti and Cerdaville.
- **Tertiary Centers** - In addition to the secondary centres, the vision for the future spatial development of Matatiele Municipality makes provision for the development of community centres within a cluster of settlements. These small centres will serve as location points for community facilities serving the local community such as Caba/Mdeni, Afzondeling, Outspan, Queens Mercy, Qili and Thaba Chicha /Sijoka.
- **Continuum of Settlement Clusters**
- **Urban Settlements** - Matatiele Town including the surrounding townships, Maluti and Cedarville
- **Peri-Urban Settlements** - Large and expansive settlements have developed around Maluti, including Ramohlakoana, Maritseng, Sikiti, Motsekoa
- **Dense Rural Settlements**
- **Scattered Rural Settlements** (liilali) and
- **Settlement Clusters**

The Implementation framework has identified some projects including the preparation of a strategic planning document to guide future development and expansion of Matatiele Town and CBD Master Plan.

- **Primary Development Corridors**

R56 which runs through Matatiele in an east-west direction serves as the main regional access route that links Matatiele with other urban centres such as Kokstad to the east and Mount Fletcher to the south west. Secondary to the N2, it serves as the main link between the Eastern Cape Province and KwaZulu-Natal Province. It is identified in the Draft Provincial Spatial Development Plan (PSDP) - Eastern Cape as one of the Strategic Transport Routes

- **Secondary Development Corridors**

Two existing roads have potential to develop as secondary or sub-regional development corridors, creating opportunities to unlock new development areas through the use of a network of secondary corridors.

- The road from Matatiele to Lesotho through Maluti - provides access to a large number

Of peri-urban and rural settlements located just outside of Maluti.

- Road to Ongeluksnek which branches nearly 15km outside of Matatiele - providing access to a tourist destination (tourism node) and block of high potential agricultural land.

- Proposed Maluti – Kingscote link road, to run along the foothills of the Drakensburg range and thus provide strategic linkages and unlock tourism development potential.

- **Tertiary Corridors**

Tertiary corridors which link service satellites in the sub-district also provide access to public and commercial facilities at a community level. Tertiary corridors are as follows:

- Road linking Matatiele and Ongeluksnek
- Road linking Swartberg with both Matatiele and Cedarville.
- Other district roads providing access to clusters of settlements.

### **3.3.2 SERVICE DELIVERY AND INFRASTRUCTURE PLANNING**

Matatiele Local municipality has a number of service delivery and infrastructure backlogs as evident in the current situational analysis. The following are the key issues/ needs raised during the community outreach.

- Need for clean drinking water in most wards is still a priority
- Electricity tends to be the most needed in most villages
- The sanitation facilities were listed amongst the areas of need
- Need for health facilities
- Accessibility (roads and bridges to be constructed) has been highlighted as one of the issues that limit development within the district
- Social Infrastructure in the form of schools, health, police stations and recreational facilities were cited as areas that need partnering between the public sector, the private and the communities

The reduction of Service Delivery Backlogs is one of the five (5) priorities for the municipality, thus striving to provide sustainable municipal services and infrastructure. In terms of water and sanitation, the district Municipality (ANDM) currently provides water and Sanitation to Matatiele Local Municipality.

#### **3.3.2.1 Goals For Water Provision**

##### **Rural**

The goal for rural level is that all households are provided with basic level of service. All households are provided with a “basic” sanitation facility, which does not have undue negative impact on the environment and which does not impose undue ongoing service requirements on ANDM, together with an ongoing service appropriate to the facility provided.

##### **Urban**

In the Urban Areas, all low income housing households are provided with a level of service which is appropriate to the area and which does not impose undue water service and sustainability impacts on ANDM, together with an ongoing service appropriate to the level of service provided. Middle and higher income housing within the Urban Edges is provided with a full level of service within the constraints of the location of the development and the capacity of the bulk services to support such development.

### **Residential Consumer Units in the Rural Areas**

Dependant on funding availability from National Government, the original ANDM objective was that all rural households would be provided with a basic service within the time-frames set by National Government (i.e. 2008/9 for water and 2010/2011 for sanitation). This has not been achieved so a new set of targets is required.

The aim in the low Income housing in the Urban is to remove all people currently residing in informal settlements by 2014 and to accommodate them in formal housing with appropriate levels of service. Middle and Higher Income Housing is delivered at rates dictated by the economy but within the confines dictated by infrastructure and water resource constraints.

### **Pit Emptying and Sludge Disposal**

- a) **Rural:** Effective and sustainable pit emptying and sludge disposal methodologies are developed and implemented.
- b) **Urban:** Investigate and implement where required, effective and sustainable pit emptying and sludge disposal methodologies. The 2010 Target for Basic Sanitation was set by National Government are met for all households located outside of the Urban Edges, to the extent to which funding, infrastructure and resources constraints permit. The remaining backlogs (those within the Urban Edges), will be addressed by the housing backlog delivery program.

#### **3.3.2.2 Availability Of Surface Water**

The Mzimvubu to Keiskamma WMA has the highest mean annual runoff in South Africa, and equates to almost 15% of the total river flow in the country. 40% of that occurs within the Mzimvubu River catchment. Consequently from a water availability perspective, it can be expected (and will be illustrated) that the water sources and the selection of sites for potential bulk storage within this Municipal Area are plentiful.

The Mzimvubu River with its main tributaries the Tsitsa, Tina and Mzintlava Rivers, is the largest river in the WMA and is also the largest undeveloped river in South Africa. Rainfall occurs mainly in summer and the mean annual rainfall (MAP) within the Municipal Area is fairly constant, varying from between 550 to 1000 mm. The surface water flows within this region are fed by conventional catchment runoff during wet periods, water from springs and seeps, as well as snow melt from snowfalls occurring on the higher ground.



The Mzimvubu to Keiskamma WMA has the highest mean annual runoff in South Africa, and equates to almost 15% of the total river flow in the country. 40% of that occurs within the Mzimvubu River catchment. Consequently from a water availability perspective, it can be expected (and will be illustrated) that the water sources and the selection of sites for potential bulk storage within this Municipal Area are plentiful. In general there are a vast number of wetlands, rivers, and dams providing water to the municipality

#### 3.3.2.3 Water Demand Management

- Implement efficient distribution management measures
- Zoning and zone management
- Monitor levels of Unaccounted for Water (UAW)
- Pressure management and active leak control management
- Night flow Analysis
- Implement efficient water effluent management measures
- Ensure adequate information to support decision-making process
- Database management
- Resources and training

#### 3.3.2.4 Water Conservation

- Promote the efficient use of water by consumers and customers
- Community awareness and the promotion of alternative water sources
- Develop and implement direct WCDM measures
- Prohibit the wasteful use of water by consumers and users
- Implement water tariffs that promote social equity and use of water.
- Adopt the ethos of partnerships and transparency
- Adopt Integrated Resource Planning (IRP) Principles
- Contribute to Catchment Management Strategies
- Ensure the implementation of WCDM best practices

#### 3.3.2.5 Roads, Transport And Storm Water

Infrastructure services Department is responsible for the provision of access roads and storm water and the maintenance thereof. Matatiele Local Municipality also supplies electricity in these three towns within the municipality.

Currently the Municipality is in the process of developing a Consolidated Infrastructure Plan. This plan will be comprised of an Electrification Master Plan, Integrated Roads & Stormwater Master Plan, Local Integrated Transport Plan. Consultation meetings will be carried out during the whole process and the plan will be complete by June 2014. Matatiele Local Municipality is currently using the District Municipality's Integrated Transport Plan.

### 3.3.2.6 Integrated Waste Management Plan (Iwmp)

The Municipality has IWMP was adopted in and is essentially a strategic planning document including background information on the current waste situation in the LM, a regulatory framework and objectives and strategies to improve the waste management system.

The primary objective of Integrated Waste Management Planning is to integrate and optimise waste management, in order to maximise efficiency and minimise the associated environmental impacts and financial costs, and to improve the quality of life of all South Africans including those in the Matatiele LM.

#### i. Current Waste Categories and Characteristics

- **General domestic waste:** This consists of paper, plastic, metal, glass, putrescibles / food waste, garden refuse and building rubble.
- **Commercial waste:** This waste is produced in insignificant quantities in the area and can also be categorised as general waste. Commercial wastes identified in the area include used cooking oil from restaurants and takeaways
- **Industrial waste:** This waste is derived from industrial activities taking place in Matatiele LM, such as waste from sawmills (sawdust, residual treatment chemicals, etc).
- **Medical waste:** This includes hazardous medical waste such as sharps, infectious waste.
- **Hazardous waste:** Includes waste such as sewage sludge, oil from workshops and putrescible organic matter.
- **Agricultural waste:** Includes combination of the above, but could also include waste such as pesticide, herbicide and fertilizer residues and containers.

#### ii. Waste Collection

Refuse is collected by the local authority/private company at least once a week in 5395 households. Approximately 86% of the households do not have access to refuse collection, mainly in rural areas. Domestic and commercial waste tends to be collected together, mingled and is transferred to the respective landfill sites. There are is licenced lands fill site in Matatiele.

#### Waste recycled or minimization

There is some evidence of limited recycling of cardboard in Matatiele LM; however, these activities are limited. In addition, there is no evidence of recycling of any measurable quantities of commercial, industrial, medical and hazardous waste generation in Matatiele LM.

#### iii. Priority issues with regards to waste management

- Recycling is not coordinated
- There appears to be a great deal of recyclable waste in urban centres such as Matatiele that is sent to the landfill (e.g. cardboard, paper, engine oil, tins, metal, plastics, tyres, etc.)
- Landfill site is filling up rapidly

- The IWMP must come up with recommendations to deal with the impact of VIP toilets on underground water, particularly in rural areas
- Widespread littering
- There appears to be a general lack of awareness among the public concerning good waste management practices
- Hazardous waste and medical waste entering landfill site
- Hospitals seem to have adequate waste management practices in place, including medical waste
- Clinics generally appear to have good practices for the disposal of medical waste (e.g. Maluti Clinic).
- Waste disposal from funeral parlours is unknown
- There is a problem of LMs not having a lot of input in the allocation of MIG funding from the district municipality. This funding will help LMs in implementing the waste management plan.

#### **iv. Proposed Waste Management Objectives and Strategies for Priority Issues**

- Integrated long term planning of waste management in a sustainable manner
- Increase waste management related capacity and awareness among LM officials and councillors and the public
- Make provision of extended sustainable waste services
- Promote broader public awareness concerning waste management issues and cleaner urban areas
- Establish an effective legal, regulatory and policy framework for waste management
- Reduce waste disposal to landfills or dump sites and promote waste minimization, reuse and recycling
- Promote better waste management practices in rural areas

#### **3.3.2.6 Disaster Management And Fire Services**

The District Municipality is providing Disaster Management services on a large scale within the Matatiele Local Municipality. Matatiele Local Municipality provides immediate Disaster relief, support and other initiatives throughout the local municipal area. The Municipality is currently developing the Disaster Management Plan, linked to the ANDM Disaster Management Plan. In recent years, there has been a prevalence of Disasters, natural and other. The following are some of the frequently occurring disasters in the Matatiele local Municipal Area;

- Wild fires
- Floods
- Heavy snow disasters
- Heavy Storms & tornados

Within Matatiele Local Municipality, The Disaster, Fire and Rescue unit functions to provide emergency and rescue services . although the unit is operational, there are challenges experienced which may hinder the sustainable progress on disaster Management. Some of these challenges are;

- Limited financial and human resources
- Lack of equipment and tools
- Awareness on disaster Management
- Lack of support and integration of services from other stakeholders

Although there are challenges being experienced, there are plans in place to address some of these challenges. In the coming financial year, the unit plans to get funds to carry out the proposed projects which will include: training of 260 volunteers in the wards, 10 fire fighters and also appointment of experts on fire and rescue.

### **3.3.3 FINANCIAL PLANNING AND BUDGETS**

#### FINANCIAL PLAN

#### **FIVE (5) YEAR FINANCIAL PLAN**

##### **Introduction**

In general usage a financial plan is a budget, in other words a plan for spending and saving future income. This plan allocates future income to various types of expenses, such as salaries, insurances and also reserves some income for short term and long term savings. A financial plan is also an investment plan, which allocates savings to various assets or projects expected to produce future income.

One of the key issues identified for the sustainability of Matatiele Local Municipality is expanding its revenue base whilst remaining financially viable and sustainable. The objectives are therefore to provide effective, efficient and co-ordinated financial management and financial accounting.

This financial plan includes therefore the assumptions used when compiling the budget, the operating and capital budget, financial strategies as well as the accounting policies.

#### **PURPOSE**

To advise Council about the budget process for 2013/2014 to 2015/2016 MTREF (Medium Term Revenue and Expenditure Framework).

To submit the 2013/2014 Draft Capital and Operating budget; proposed tariff increases and budget related policies for tabling by Council.

To advise council about items affecting budget and service delivery.

To provide budget information to council for more discussions to achieve approved budget within the legislative required time.

#### **LEGAL / STATUTORY REQUIREMENTS**

Municipal Finance Management Act 56 of 2003, Chapter 4.

Local Government Municipal System Act 32 of 2000.

National Treasury Regulations, MFMA Circulars and other relevant Guidelines.

MFMA Municipal Budget and Reporting Regulation.

#### **BACKGROUND AND REASONING**

The preparation process of the Medium Term Expenditure Revenue Forecast for 2013/2014 and Two Outer years 2014/2016 has commenced as required by Municipal Finance Management Act

by submitting the Budget and IDP Review process plan to Council for approval before 31 August 2012.

During these Budget and IDP Reviews the communities and other stakeholders have submitted their needs to be included in the IDP and their priorities to be budgeted for of which the Management have consolidated those budget proposals with alignment with the IDP to advise Council on Budget product.

### **BUDGET PREPERATION ASSUMPTIONS**

The following assumptions have been used to prepare the proposed final budget,

#### **Headline inflation forecasts**

On setting up increases on tariffs and increasing of budget expenditures, the National Treasury issued inflation forecast through MFMA circular No 66 for 2013/14 of 6.5% has been well considered and this resulted to all tariffs except electricity to be increased below 5.4%.

#### **Revision of rates, tariffs, and other charges**

As detailed on paragraph 1 above, when revising tariffs, rates and other charges, inflation forecast has been considered to ensure that all are proposed to increase not above 6.4%.

Further to the above, the labour and other input costs of services have been taken into account to ensure financial sustainability, local economic conditions and the affordability of services and also taken into consideration the municipality's indigent policy.

The proposed rates, tariffs and other charges have been tried to be kept as as low as practically possible.

#### **Eskom bulk tariff increases**

On announcement of Eskom bulk increases by NERSA, the municipality proposed increases on electricity tariffs is 14% as guided by NERSA and MFMA circular No 66 and final approved tariffs will be subject to NERSA. These will be only tariffs to increase above 5.4% and this is beyond municipality as electricity is purchased in bulk from Eskom.

#### **Funding choices and management matters**

Tough decisions on the expenditure side have been made by giving priority to ensure that service delivery is improved in all aspects as follows,

Supports of meaningful local economic development initiatives that foster micro and small business opportunities and job creation.

Day to day operations for provision of service delivery.

That there is expediting spending on capital projects that are funded by conditional grant and council revenue.

Supports of meaningful special programs for community groups.

### **The Municipal Budget and reporting Regulations**

Since 1 July 2009, the budgets have been prepared as per requirements of the regulations. The municipality has complied with the formats set out in schedule A, B and C and the relevant attachments to each of the schedules.

MFMA Circular No. 66 and 67

Circular No. 66 has provided guidance on budget preparations on many aspects on this current budget preparations, the inflation forecast for increases have been considered.

Circular No. 67 provides further guidance to municipalities for the preparation of 2013/14 Budgets and Medium Term Revenue and Expenditure Framework.

Main guidance provided is on need to ensure that the inputs into 2013/14 budget and MTREF safeguard the financial sustainability of the municipality. More specifically, the council is advised against unrealistically low tariff increases and over-ambitious capital expenditure programmes.

The following assumptions have been used to prepare the proposed final budget,

### **Capital & Operating Budget**

The five-year financial plan includes an Operating Budget and Capital Investment Programme for the five years ending June 2017.

#### a) Operating Budget

Table F1 details the Operating Budget for the five years starting 1 July 2013 and ending 30 June 2017.

### **Table F1 Operating Budget**

### **Draft Expenditure Budget**

	<b>Audited Outcome 2010/11</b>	<b>Audited Outcome 2011/12</b>	<b>ADJUSTED BUDGET 2012/13</b>	<b>BUDGET 2013/14</b>	<b>BUDGET 2014/15</b>	<b>BUDGET 2015/16</b>	<b>BUDGET 2016/17</b>
Employee related costs	37 770 574.00	52 549 389	63 037 806	77 377 533	81 246 410	85 308 730	89 574 167
Remuneration of Councilors	11 345 842.00	12 521 875	15 344 136	16 947 335	17 794 702	18 684 437	19 618 659
Bad Debt Provision	1 394 822.00	2 000 000	2 000 000	3 000 000	3 150 000	3 307 500	3 472 875
Depreciation	14 784 257.00	10 697 549	13 892 626	9 834 848	10 326 590	10 842 920	11 385 066
Repairs and maintenance	8 451 073.00	15 643 000	12 933 500	11 250 000	11 812 500	12 403 125	13 023 281
Interest external borrowings	784 861.00	1 431 790	3 000 000	2 000 000	2 100 000	2 205 000	2 315 250
Bulk purchases – Electricity	16 078 220.00	23 615 855	28 300 000	28 000 000	29 400 000	30 870 000	32 413 500
Contracted Services	5 710 645.00	9 539 917	11 351 438	14 932 984	15 679 633	16 463 615	17 286 796
Grants and subsidies paid	35 640 749.00	12 283 442	24 860 370	17 828 001	18 719 401	19 655 371	20 638 140
General Expenses	15 689 601.00	30 328 898	35 739 550	34 616 158	36 346 966	38 164 314	40 072 530
Internal Charges	-	302 500	28 500	0	0	0	0
<b>Sub-Total</b>	<b>147 650 644.00</b>	<b>170 914 215</b>	<b>210 487 025</b>	<b>215 786 859</b>	<b>226 576 202</b>	<b>237 905 012</b>	<b>249 800 262</b>
Capital Grants	25 755 376.00	90 851 050	43 390 026	52 815 783	55 456 572	58 229 401	61 140 871
Surplus		-5 307	-91 748	-14 438	-15 160	-15 918	-16 714
<b>TOTAL OPERATING EXPENDITURE</b>	<b>173 406 020.00</b>	<b>261 759 958</b>	<b>167 097 400</b>	<b>162 971 096</b>	<b>171 119 651</b>	<b>179 675 633</b>	<b>188 659 415</b>

**Break down of Employee Related Cost of R 77 377 533 per department:**

<b>Unit</b>	<b>Amount</b>
Municipal Manager's Office	8 742 930
Budget and Treasury Office	14 259 901
Corporate Services	17 377 245
Community Services	14 431 688
Economic Development Planning	7 877 992
Infrastructure	14 687 777
	<b>77 377 533</b>



Salary Budget

Description	Salary Budget	Total Operating Budget	Percentage of operational budget
	94 324 868	162 971 096	57%

Repairs and Maintenance

Description	Repairs and Maintenance	Total Operating Budget	Percentage of operational budget
	11 250 000	162 971 096	6.90%

Creditor's Turnover Rate:

Draft Income Budget

	AUDITED OUTCOME 2010/11	AUDITED OUTCOME 2011/12	ADJUSTED BUDGET 2012/13	BUDGET 2013/14	BUDGET 2014/15	BUDGET 2015/16	BUDGET 2016/17
Property Rates	12 775 595.00	25 173 298	25 900 000	27 040 000	28 392 000	29 811 600	31 302 180
Service Charges	33 900 466.00	43 331 139	43 624 028	49 813 718	52 304 404	54 919 624	57 665 605
Rentals of facilities and equipment	499 200.00	1 183 382	555 570	570 633	599 165	629 123	660 579
Interest earned – external investments	4 254 880.00	3 000 000	5 800 000	5 500 000	5 775 000	6 063 750	6 366 938
Interest earned – outstanding debtors	2 168 878.00	1 785 000	2 095 000	1 850 800	1 943 340	2 040 507	2 142 532
Fines	966 187.00	487 000	483 000	450 000	472 500	496 125	520 931
Licenses and permits	1 059 482.00	2 154 484	3 150 000	2 704 000	2 839 200	2 981 160	3 130 218
Government grants & subsidies	135 377 298.00	91 763 651	127 240 780	126 277 001	132 590 851	139 220 394	146 181 413

Capital Grants		90 851 050	43 390 026	56 328 800	59 145 240	62 102 502	65 207 627
Other	1 412 321.00	2 030 954	1 731 296	1 595 145	1 674 902	1 758 647	1 846 580
<b>TOTAL OPERATING INCOME</b>	<b>192 414 306.00</b>	<b>261 759 958</b>	<b>253 969 700</b>	<b>272 130 097</b>	<b>285 736 602</b>	<b>300 023 432</b>	<b>315 024 603</b>

Total Income:

Description	Budgeted Income 2009/2010	Actual Income for 2009/2010	Percentage	Budgeted Income 2010/2011	Actual Income for 2010/2011	Percentage
	174 234 829	147 359 445	84.58%	192 414 306	188 978 346	98.21%

**Debtor's turnover:**

95%

**Billing:**

Consumers are billed on a monthly basis.

**Valuation Roll:**

In terms of Municipal Property Rates Act of 2004, the municipality has a valuation roll and it has been implemented. The supplementary valuation roll has also been conducted and implemented.

**DRAFT OPERATING AND CAPITAL BUDGET SUMMARY BY MAIN VOTES**

Draft operating and capital budget is tabled as follows:

Table 5: Total Draft Budget Summary

DEPARTMENT	EXPENDITURE	INCOME	CAPITAL
Executive & Council	R 36 692 818	R 370 501	R 1 355 000
Budget & Treasury	R 39 572 872	R 146 401 500	R 5 300 000
Corporate Services	R 23 627 869	R 200 000	R 900 000
Community Services	R 34 775 559	R 15 448 978	R 6 620 000
Economic Development & Planning	R 13 779 914	R 6 993 404	R 20 255 000
Infrastructure & Housing Development	R 67 337 826	R 102 715 713	R 79 908 000
Capital Grants	R 56 328 800	R 0	R 0
<b>Total</b>	<b>R 272 115 658</b>	<b>R 272 130 096</b>	<b>R 114 338 000</b>
<b>Surplus/(Deficit)</b>		<b>R 14 438</b>	

## GRANTS AND SUBSIDIES

The municipal allocations from grants and subsidies for conditional purposes and operational purposes are tabled as follows for the medium term expenditure revenue forecast,

Table 6: Grants and Subsidies for MTERF

GRANT DESCRIPTION	DORA 2013/2014	DORA 2014/2015	DORA 2015/2016
Equitable Share	R 118 249 000	R 139 223 000	R 177 399 000
MSIG	R 890 000	R 934 000	R 967 000
FMG	R 1 550 000	R 1 600 000	R 1 650 000
MIG	R 40 457 000	R 45 792 000	R 49 174 000
EPWP	R 3 946 000	R 0	R 0
INEP	R 35 000 000	R 30 000 000	R 25 000 000
<b>Total</b>	<b>R 200 092 000</b>	<b>R 217 549 000</b>	<b>R 254 190 000</b>

EC441 Matatiele - Supporting Table SA18 Transfers and grant receipts

Description R thousand	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>RECEIPTS:</b>	1, 2									
<b><u>Operating Transfers and Grants</u></b>										
National Government:		35 940	48 217	73 767	83 160	94 689	94 689	107 628	118 311	129 897
Local Government						92	92	105		
Equitable Share		34 706	46 917	71 817	80 870	449	449	328	115 861	127 447
Finance Management		500	500	1 200	1 450	1 450	450	500	1 500	1 500
Municipal Systems Improvement		734	800	750	840	790	790	800	950	950
Other transfers/grants [insert description]										
Provincial Government:		23 924	1 883	2 872	-	-	-	-	-	-
Health subsidy		2 154	1 883	1 407	-	-	-			
Other transfers/grants [insert description]		21 770	-	1 465						
District Municipality: [insert description]		-	-	-	-	-	-	-	-	-
Other grant providers: [insert description]		-	-	-	-	-	-	-	-	-
Seeta Subsidy									-	-
Library Subsidy						-	-			
Museum Subsidy						-	-			
DBSA: Master Plan								-	-	-
<b>Total Operating Transfers and Grants</b>	5	<b>59 864</b>	<b>50 100</b>	<b>76 639</b>	<b>83 160</b>	<b>94 689</b>	<b>94 689</b>	<b>107 628</b>	<b>118 311</b>	<b>129 897</b>
<b><u>Capital Transfers and Grants</u></b>										
National Government:		12 891	16 070	51 905	67 734	28 791	28 791	28 794	31 673	34 841
Municipal Infrastructure Grant (MIG)		12 891	16 070	20 905	29 598	28 791	28 791	28 794	31 673	34 841
Regional Bulk Infrastructure				31 000	38 136	-	-	-	-	-
Other capital						-	-	-		

transfers/grants [insert desc]										
<b>Provincial Government:</b>										
Other capital transfers/grants [insert description]										
<b>District Municipality:</b>										
[insert description]										
<b>Other grant providers:</b>										
[insert description]										
<b>Total Capital Transfers and Grants</b>	5	12 891	16 070	51 905	67 734	28 791	28 791	28 794	31 673	34 841
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		72 755	66 170	128 544	150 894	123 480	123 480	136 422	149 984	164 738

References

1. Each transfer/grant is listed by name as gazetted together with the name of the transferring department or municipality, donor or other organisation

2. Amounts actually RECEIVED; not revenue recognised (objective is to confirm grants transferred)

3. Replacement of RSC levies

4. Housing subsidies for housing where ownership transferred to organisations or persons outside the control of the municipality

5. Total transfers and grants must reconcile to Budgeted Cash Flows

6. Motor vehicle licensing refunds to be included under 'agency' services (Not Grant Receipts)

## FUNDING FOR DRAFT CAPITAL BUDGET

Draft capital budget is projected at R114,3 million and this is inclusive of council revenue allocated for capital projects from operating budget as tabulated below:

Table 3: Summary of draft Capital Budget

DESCRIPTION	ADJUSTMENT BUDGET 2012/2013	DRAFT BUDGET 2013/2014	NET-CHANGE
Grants Rolled Over	R 31 282 370	R 3 000 000	-R 28 282 370
Electrification - DoE	R 4 000 000	R 10 000 000	R 6 000 000
Municipal Infrastructural Grant - MIG	R 38 107 656	R 43 328 800	R 5 221 144
<b>Sub-Total</b>	<b>R 73 390 026</b>	<b>R 56 328 800</b>	<b>-R 17 061 226</b>
Capital Replacement Reserve	R 54 406 509	R 46 510 000	-R 7 896 509
External Loans	R 30 000 000	R 11 500 000	-R 18 500 000
<b>Total</b>	<b>R 157 796 535</b>	<b>R 114 338 800</b>	<b>-R 43 457 735</b>

## DRAFT TOTAL CAPITAL AND OPERATING BUDGET

Total draft capital and operating budget for 2013/2014 is R386,5 million and reflects as reduction of R25 million which is 6% from the 2012/2013 adjustment budget.

Table 7: Total Draft Budget

DESCRIPTION	2012/2013 ADJUSTMENT BUDGET	2013/2014 DRAFT BUDGET	NET-CHANGE	%
Operating Budget	R 253 969 699	R 272 130 097	R 18 160 398	7
Capital Budget	R 157 796 535	R 114 338 800	-R 43 457 735	-28
<b>Total Budget</b>	<b>R 411 766 234</b>	<b>R 386 468 897</b>	<b>-R 25 297 337</b>	<b>-6</b>

In conclusion, this final budget for both capital and operating estimates as suggested by all the Municipal departments. The capital estimates have been compiled after taking into account the IDP projects.

Description	Capital Budget 2009/2010	Actual	Percentage	Capital Budget 2010/2011	Actual	Percentage
	R83 301 532	R35 845 847	43.03%	R121 930 101	R35 616 347	29.21%

#### 8.1.4 Financial Strategy

Matatiele Local Municipality is a developing municipality located in the rural areas of the Province of the Eastern Cape. Only 6.5% of its population is economically active which poses specific challenges regarding financial sustainability. Council operations must be conducted in a manner that will ensure that services will remain affordable and yet tariffs must be able to cover costs.

##### a) Revenue Raising Strategy

Outstanding debt amounts to R40 million. Drastic steps must be implemented to have this amount reduced as it will eventually lead to cash flow problems. The target is that 90% of all billing must be collected.

The following are some of the more significant programmes that have been identified:

**The review and implementation of the Credit Control & Debt Collection Policy.** This policy and the relevant procedures detail all areas of credit control, collection of amounts billed to customers, procedures for non-payment etc.

- **The review and implementation of the Indigent Policy.** This policy defines the qualification criteria of an indigent, the level of free basic services enjoyed by indigent households, penalties for abuse etc.
- **The review and implementation of the Tariff Policy.** This policy will ensure that fair tariffs are charged in a uniform manner throughout the Matatiele Local Municipality area. Tariffs must remain affordable but also insure sustainable services.
- **The review and implementation of the Property Rates and Valuation Policy.** This will ensure that a fair rates policy and an updated valuation roll is applied to the entire Matatiele Local Municipality area and will aim to ensure that all properties are included in the

municipality's records. Furthermore the policy will ensure that valuations are systematically carried out on a regular bases for all properties.

- **The review and implementation of the Customer Incentive Scheme.** This scheme will detail the incentives and prizes that will be made available to encourage customers to pay their accounts promptly.
- **The review and implementation of the Improved Payment Strategy.** This strategy aims at implementing innovative cost effective processes to encourage consumers to pay their accounts in full on time each month, including increasing the methods of payment and implementing on-line pre-payment systems.

#### b) Asset Management Strategy

The following are some of the more significant programmes that have been identified:

- **The implementation of an integrated asset management system.** This programme will involve the investigation, identification and implementation of a suitable integrated asset management system. It will also include the capture of all assets onto this system, the maintenance of this system and the production of a complete asset register in terms of GRAP requirements.
- **The implementation of the fixed asset infrastructure roadmap i.e. action plan.** This plan will involve a status quo assessment of current infrastructure assets, the implementation of individual action plans within the roadmap and the development of individual infrastructure asset registers. This project is contingent on various departments maintaining their respective infrastructure asset registers and supplying all the necessary information to the Asset Management Section to enable the necessary infrastructure asset information to be included in the asset register in terms of GRAP requirements



The review and update of asset and risk insurance procedures and the renewal of the insurance portfolio. This programme will involve the identification of risks in conjunction with insurers and all Departments and the review and update of the asset and risk insurance procedure manual. It will also include the review of the existing insurance portfolio and the renewal of the insurance policy as per the renewal terms.

c) Capital Financing Strategy

The following are some of the more significant programmes that have been identified:

- **The review and implementation of the debt capacity policy.** This policy will ensure that any borrowings taken by the Matatiele Local Municipality will be done in a responsible manner and that the repayment and servicing of such debt will be affordable.
- **The review and implementation of the policy for access finance (including donor finance).** This policy will ensure that all available funding sources are vigorously pursued.

d) Projected staff growth and costs

Matatiele Local Municipality provides limited services to its rural population. When refuse removal services, roads and storm water management, building and town planning control and other services affected in the 3 towns are extended to the 256 rural villages; the staff complement will have to increase. This will be done through the Extended Public Works Programme.

### **8.1.5 Financial Management Policies**

a) General Financial Philosophy

The financial policy of the Matatiele Local Municipality is to provide sound, secure and fraud free management of financial services.

The Budget and Finance Office has the following objectives:

- Implementation of LG MFMA
- Implementation of the LG Municipal Property Rates Act
- Management of the Budget Process
- Performance of the Treasury Function
- Management of Municipal Revenue
- Management of a Supply Chain Management Unit
- Establishment of a FBS/Indigent Support Unit
- Maintenance of Internal Financial Control
- Production of Financial Performance Reports
- To Retain the Financial Viability of the Municipality
- To have an Unqualified Audit Report

b) Budget Policy

The aim of the policy is to set out the budgeting principles which the municipality will follow in preparing each annual budget, as well as the responsibilities of the chief financial officer in compiling such budget.

c) Tariff Policy

A tariff policy must be compiled, adopted and implemented in terms of Section 74 of the Local Government: Municipal Systems Act 2000, such policy to cover, among other things, the levying

of fees for municipal services provided by the municipality itself or by way of service delivery agreements.

#### d) Property Rates Policy

In developing and adopting this rates policy, the council has sought to give effect to the sentiments expressed in the preamble of the LG Municipal Property Rates Act, namely that:

- the Constitution enjoins local government to be developmental in nature, in addressing the service delivery priorities of our country and promoting the economic and financial viability of our municipalities;
- there is a need to provide local government with access to a sufficient and buoyant source of revenue necessary to fulfill its developmental responsibilities;
- revenues derived from property rates represent a critical source of income for municipalities to achieve their constitutional objectives, especially in areas neglected in the past because of racially discriminatory legislation and practices; and
- it is essential that municipalities exercise their power to impose rates within a statutory framework which enhances certainty, uniformity and simplicity across the nation, and which takes account of historical imbalances and the burden of rates on the poor.

In applying its rates policy, the council shall adhere to all the requirements of the Property Rates Act no. 6 of 2004 including any regulations promulgated in terms of that Act.

#### e) Indigent Support Policy

The objective of Indigent Support Policy is to ensure the following:

- The provision of basic services to the community in a sustainable manner, within the financial and administrative capacity of the Council; and
- To provide procedure and guidelines for subsidization of basic provisions received from Central Government, according to prescribed Policy guidelines.

The Council also recognizes that there may be residents simply not able to afford the cost of full provision and for this reason the Council will endeavour to ensure affordability through:

- Settings tariffs in terms of the Council Tariff Policy; which will balance the economic viability of continued service delivery; and
- Determining appropriate service levels.

#### f) Credit Control & Debt Collection Policy

The purpose is to ensure that credit control forms an integral part of the financial system of the local authority, and to ensure that the same procedure be followed for each individual case.

#### g) Supply Chain Management Policy

The objective of this policy is to provide a policy framework within which the municipal manager and chief financial officer can institute and maintain a supply chain management system which is transparent, efficient, equitable, competitive, which ensures best value for money for the municipality, applies the highest possible ethical standards, and promotes local economic development.

By adopting this policy the council further pledges itself and the municipal administration, to the full

support of the Proudly SA campaign and to the observance of all applicable national legislation, including specifically the:

- Preferential Procurement Policy Framework Act No. 5 of 2000 and its regulations;
- Broad Based Black Economic Empowerment Act No. 53 of 2003 and any applicable code of practice promulgated in terms of that Act; and
- LG Municipal Finance Management Act No. 56 of 2003, including the regulations relating to the prescribed framework for supply chain management.

A paraphrase of the relevant provisions of the foregoing statutes is annexed to this policy.

Where applicable, the council also pledges itself to observe the requirements of the Construction Industry Development Board Act No. 38 of 2000 and its regulations.

#### h) Banking and Investment Policy

The objective of this policy is to gain the optimal return on investments, without incurring undue risks, during those periods when cash revenues are not needed for capital or operational purposes.

To provide effective cash management

To comply with Sect. 13 of the MFMA

#### i) Fixed Asset Management Policy

The objective to specify the duties of all role players involved in asset management.

To provide directives regarding the management, depreciation and acquisition of fixed assets.

#### j) Transport Policy

Vehicles allocated to officials for carrying out their official responsibilities or to use in the service of the municipality;

The officials designated by the municipal manager to control and allocate municipal vehicles;

The use by employees and councillors of official transport.

#### k) GRAP Framework Policy

The objective of the policy is to define the practical implementation of Generally Recognised Accounting Practice at the municipality, in accordance with the provisions of the Municipal Finance Management Act.

#### l) Risk Management Policy

Define roles and responsibilities and outlining procedures to mitigate risks,

Ensure pro-active, consistent, integrated and acceptable management of risk,

Define a reporting framework to ensure regular communication of risk management information,

Provide a system to accommodate the central accumulation of risk data, and,

Comply with Sect. 62 and 95 of the MFMA

#### m) Data Backup Policy

The objective of the policy is to provide guidelines on the backup procedures to be adhered to regarding all data utilised by the municipality in the normal course of business.

#### n) Cash Management Policy

The Council of the municipality is the trustee of the public revenues which it collects, and it therefore has an obligation to the community to ensure that the municipality's cash resources are managed effectively and efficiently.

#### Special Services Tariff Policy

The objective of the policy is to define the guidelines to be utilised regarding the reduction of tariffs for municipal services to qualifying institutions.

#### Grant & Donation Policy

The objective of this policy is to define the conditions under which grants and donations may be made to organizations or individuals from the municipal operating budget.

#### Donor Finance Policy

The objective of the policy is to provide guidance to the management team of the municipality on the actions required to attract donor finance, grants and donations from Government and the private sector, for projects identified by the municipality.

#### Procurement Policy

The objectives of this policy are as follows:

To create a procurement system that is uniform within the municipality;

To clarify procurement definitions;

To eliminate fraud or any other irregularities in the procurement of goods and services; and

To outline the code of conduct of municipal staff.

#### Payment Policy

The objective is to describe the process to be followed regarding payment of invoices from creditors.

#### Virement Policy

The objective of the policy is to provide the guidelines to be followed, to effect virements of approved budgeted expenditure during the course of a financial year.

#### Cash-up Policy

The objective of this policy is to provide the guidelines to all staff tasked with the collection of cash at the various cash-taking points.

#### Cash Shortage Policy

The objective of the policy is to describe the steps to be taken when there is a cash shortage subsequent to a cashing up procedure at any cash taking point of the municipality.

#### Electricity Token Policy

The objective of the policy is to provide guidance on the actions required regarding requests from electricity consumers to replace a lost token or refund unused capacity relating to a token purchased.

#### Credit Card Policy

The objective of the policy is to describe the conditions and methods relating to the use of Credit Cards by office bearers of the municipality.

#### Entertainment / Refreshment Policy

The objective of the policy is to provide guidance on the expenditure allowed on the provision of Refreshments and Entertainment to staff, visitors and the public.

#### Customer Incentive Scheme Policy

The objective of the policy is to provide a framework for attracting industrial development to the municipal area by offering financial incentives.

#### Strategy to improve Debtor Payment Policy

The demands on the municipality to deliver services within its powers and functions underline the urgency to recover the cost of delivery wherever possible, to ensure continuity and expansion of service delivery to the inhabitants within its area of jurisdiction.

A revenue enhancement strategy has been developed is being implemented on a day to day basis.

### Customer Care Policy

The objective of this policy is:

- ♦ To provide a reliable, responsive, competent, courteous, multi-optional, affordable quality service;
  - ♦ To define a manageable customer care framework;
  - ♦ To promote the culture of paying for services;
  - ♦ To protect Municipal services users who are paying; and
  - ♦ To encourage those not paying, to do so in the interest of sustainable services delivery.
- Aligned to Sect. 95 of the Municipal Systems Act

### Fraud Prevention & Response Plan Policy

Fraud prevention is about changing organisational features that allow fraud to occur and possibly go unnoticed or unreported. Fraud control is an essential element of sound corporate governance and is integral to internal risk control.

### Debt Capacity Policy

The objective of the policy is to define the circumstances under which the municipality can incur debt.

### Long-Term Financial Plan

- The above policies are reviewed on an annual basis as they form part of budget process.
- The budget related policies are promulgated into by-laws and are gazetted.
- On an annual basis, the municipality reviews its cash flow status on whether it is financially distressed or not.

### **Accounting Policies**

Matatiele Local Municipality has always submitted its Annual Financial Statements in time to the Auditor General. Regrettably, qualified audit reports were received for the 2005/2006 and 2006/2007 financial years. The Budget and Treasury Standing Committee has addressed the matters that caused the qualifications and corrective steps have been implemented, which includes amongst others the strict adherence to policies. Hence, an Unqualified Audit Report was received for the 2007/2008, 2008/2009, 2009/2010, 2010/2011 and 2011/2012 financial years.

These accounting policies were adopted in the preparation of the Annual Financial Statements;

#### **1. Basis of Presentation**

The Annual Financial Statements have been prepared on an accrual basis of accounting and are in accordance with the historical cost convention, except where indicated otherwise.

The Annual Financial Statements have been prepared in accordance with the Accounting Standards as prescribed by the Minister of Finance in terms of Government Gazette number 31021, Notice Number 516, dated 9 May 2008, and also in terms of the standards and principles contained in Directives 4 and 5 issued by the ASB in March 2009.

The Accounting Framework of the municipality, based on the preceding paragraphs, is therefore as follows:

GRAP 1	Presentation of Financial Statements
GRAP 2	Cash Flow Statements
GRAP 3	Accounting Policies, Changing in Accounting Estimates and Errors
GRAP 4	The Effects of Changes in Foreign Exchange Rates
GRAP 5	Borrowing Costs
GRAP 6	Consolidated and Separate Financial Statements

GRAP 7	Investments in Associates
GRAP 8	Interests in Joint Ventures
GRAP 9	Revenue from Exchange Transactions
GRAP 10	Financial Reporting in Hyperinflationary Economies
GRAP 11	Construction Contracts
GRAP 12	Inventories
GRAP 13	Leases
GRAP 14	Events after the Reporting Date
GRAP 16	Investment Property
GRAP 17	Property, Plant and Equipment
GRAP 19	Provisions, Contingent Liabilities and Contingent Assets
GRAP 21	Impairment of Non-cash-generating assets
GRAP 23	Revenue from Non-exchange Transactions
GRAP 24	Presentation of Budget Information in Financial Statements
GRAP 25	Employee Benefits
GRAP 26	Impairment of Cash-generating assets
GRAP 27	Agriculture (Replaces GRAP 101)
GRAP 31	Intangible Assets (Replaces GRAP 102)
GRAP 100	Non-current Assets Held for Sale and Discontinued Operations
GRAP 101	Agriculture (Replaced by GRAP 27)
GRAP 102	Intangible Assets (Replaced by GRAP 31)
GRAP 103	Heritage Assets
GRAP 104	Financial Instruments
GAMAP 9	Paragraphs relating to Revenue from Non-exchange Transactions
IPSAS 20	Related Party Disclosures
IPSAS 21	Impairment of Non Cash-generating Assets
IFRS 3	Business Combinations
IFRS 7	Financial Instruments: Disclosures
IAS 19	Employee Benefits
IAS 32	Financial Instruments: Presentation
IAS 36	Impairment of Assets
IAS 39	Financial Instruments: Recognition and Measurement
IFRIC 4	Determining whether an Arrangement contains a Lease

## **1. BASIS OF PRESENTATION (continued)**

### **1.1 Changes in Accounting Policy and Comparability**

**Accounting Policies have been consistently applied, except where otherwise indicated below:**

For the year ended 30 June 2009 the municipality has adopted the accounting framework as set out above. The details of any resulting changes in accounting policy and comparative restatements are given in Notes 40 and 41 to the Annual Financial Statements.

The municipality changes an Accounting Policy only if the change:

- (a) Is required by a Standard of GRAP; or
- (b) Results in the Annual Financial Statements providing reliable and more relevant information about the effects of transactions, other events or conditions, on the performance or cash flow.

### **1.2 Critical Judgements, Estimations and Assumptions**

The following are the critical judgements, apart from those involving estimations, that the management have made in the process of applying the municipality's Accounting Policies and that have the most significant effect on the amounts recognised in Annual Financial Statements:

#### **1.2.1 Revenue Recognition**

Accounting Policy on Revenue from Exchange Transactions and Accounting Policy on Revenue from Non-exchange Transactions describes the conditions under which revenue will be recorded by the management of the municipality.

In making their judgement, the management considered the detailed criteria for the recognition of revenue as set out in GRAP 9 (Revenue from Exchange Transactions) and GAMAP 9 (Revenue) as far as Revenue from Non-exchange Transactions is concerned (see Basis of Preparation above), and, in particular, whether the municipality, when goods are sold, had transferred to the buyer the significant risks and rewards of ownership of the goods and when services is rendered, whether the service has been rendered. The management of the municipality is satisfied that recognition of the revenue in the current year is appropriate.

#### **1.2.2 Financial Assets and Liabilities**

The classification of Financial Assets and Liabilities, into categories, is based on judgement by management.

#### **1.2.3 Impairment of Financial Assets**

Accounting Policy on Impairment of Financial Assets describes the process followed to determine the value with which financial assets should be impaired. In making the estimation of the impairment, the management of the municipality considered the detailed criteria of impairment of financial assets as set out in IAS 39: Financial Instruments - Recognition and Measurement. The management of the municipality is satisfied that impairment of financial assets recorded during the year is appropriate. Details of the impairment loss calculation are provided in Note 7 to the Annual Financial Statements.

#### **1.2.4 Useful lives of Property, Plant and Equipment**

As described in Accounting Policy clause 2.3, 4 & 5, the municipality depreciates its property, plant and equipment, Intangible Assets and Investment Property over the estimated useful lives of the assets, which is determined when the assets are brought into use. As mentioned in the said policy, the estimated useful life of the assets and the depreciation methods of the assets were however not reviewed during the current or prior financial years. The useful lives and residual values of the assets are based on industry knowledge.

### **1.2.5 Impairment: Write-down of PPE and Inventories**

Significant estimates and judgements are made relating to PPE impairment tests and write down of Inventories to Nett Realisable Values.

#### **Defined Benefit Plan Liabilities**

As described in Accounting Policy, the municipality obtains actuarial valuations of its Defined Benefit Plan Liabilities. The defined benefit obligations of the municipality that were identified are Post-retirement Health Benefit Obligations and Long-service Awards. The estimated liabilities are recorded in accordance with the requirements of IAS 19. Details of the liabilities and the key assumptions made by the actuaries in estimating the liabilities are provided in Note 18 to the Annual Financial Statements.

#### **Presentation Currency**

The Annual Financial Statements are presented in South African Rand, rounded off to the nearest Rand which is the municipality's functional currency.

#### **Going Concern Assumption**

The Annual Financial Statements have been prepared on a going concern basis.

#### **Offsetting**

Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by a Standard of GAMAP, GRAP or GAAP.

Standards, Amendments to Standards and Interpretations issued but not yet Effective

The following GRAP standards have been issued but are not yet effective and have not been early adopted by the municipality:

GRAP 18 Segment Reporting - issued March 2005

GRAP 23 Revenue from Non-Exchange Transactions (Taxes and Transfers) - issued February 2008

GRAP 24 Presentation of Budget Information in Financial Statements

GRAP 103 Heritage Assets - issued July 2008

Application of all of the above GRAP standards will be effective from a date to be announced by the Minister of Finance. This date is not currently available.

1.6 Standards, Amendments to Standards and Interpretations issued but not yet Effective (continued)

The following standards, amendments to standards and interpretations have been issued but are not yet effective and have not been early adopted by the municipality:

IFRIC 17 Distribution of Non-cash Assets to Owners - effective 1 July 2009

IAS 39 Financial Instruments: Recognition and Measurement - portions of standard effective 1 July 2009

Management has considered all the of the above-mentioned GRAP standards issued but not yet effective and anticipates that the adoption of these standards will not have a significant impact on the financial position, financial performance or cash flows of the municipality.

See Note 58 to the Annual Financial Statements for more detail.

## **2. PROPERTY, PLANT AND EQUIPMENT**

### **Initial Recognition**

Property, Plant and Equipment are tangible non-current assets (including infrastructure assets) that



are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one year.

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the municipality, and if the cost or fair value of the item can be measured reliably.

Property, Plant and Equipment are initially recognised at cost on its acquisition date or in the case of assets acquired by grant or donation, deemed cost, being the fair value of the asset on initial recognition. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Where an asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

The cost of an item of property, plant and equipment acquired in exchange for a non-monetary assets or monetary assets, or a combination of monetary and non-monetary assets is measured at its fair value. If the acquired item could not be measured at its fair value, its cost was measured at the carrying amount of the asset given up.

Major spare parts and servicing equipment qualify as property, plant and equipment when the municipality expects to use them during more than one period. Similarly, if the major spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

### **Subsequent Measurement**

Subsequent expenditure relating to property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery associated with the subsequent expenditure will flow to the entity and the cost or fair value of the subsequent expenditure can be reliably measured. Subsequent expenditure incurred on an asset is only capitalised when it increases the capacity or future economic benefits associated with the asset. Where the municipality replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component.

Subsequently all property plant and equipment, except for Infrastructure Assets, are measured at cost (or deemed cost), less accumulated depreciation and accumulated impairment losses.

or given up is included in surplus or deficit when the compensation becomes receivable.

### **Depreciation**

Depreciation on assets other than land is calculated on cost, using the straight-line method, to Depreciation only commences when the asset is available for use, unless stated otherwise.

**The depreciation rates are based on the following estimated useful lives:**

Asset Class	Years	Asset Class	Years
Infrastructure		Other	
Roads and Paving	10 - 100	Buildings	25 – 30
Pedestrian Malls	15 - 30	Specialist Vehicles	10 – 15
Electricity	15 - 60	Other Vehicles	5 – 15
Water	15 - 100	Office Equipment	3 – 15
Sewerage	15 - 60	Furniture and Fittings	5 – 15
Housing	30	Watercraft	15 – 20
		Bins and Containers	5 – 15
Community		Specialised Plant and	
Improvements	25 - 30	Equipment	10 – 15
Recreational Facilities	15 - 30	Other Plant and	
Security	15 - 25	Equipment	2 – 15

Residual values, estimated useful lives and depreciation methods were not reviewed in the previous and current financial years as required by GRAP 17. The municipality applied ASB directive 4 which states that the municipality need not comply with the measurement requirements of GRAP 17 for the years ending 30 June 2009 and 2010 but must comply with the measurement requirements for the year ending 30 June 2011. It must however identify and correctly classify all PPE on an assets register during the 2009 and 2010 years. depreciated as it is regarded as having an infinite life.

Regarding to their estimated useful lives.

### **Infrastructure Assets**

Infrastructure Assets are any assets that are part of a network of similar assets. Infrastructure assets are shown at cost less accumulated depreciation and accumulated impairment. Infrastructure assets are treated similarly to all other assets of the municipality in terms of the Asset Management Policy. recognition of Property, Plant and Equipment.

The carrying amount of an item of property, plant and equipment is derecognised on disposal, or Included in the Statement of Financial Performance as a gain or loss on disposal of property, plant and equipment.

### **Impairment**

#### **Impairment of Cash Generating Assets**

The municipality assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in surplus or deficit.

An impairment loss is recognised for cash-generating units if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment loss is allocated to reduce the carrying amount of the assets of the unit as follows:

To the assets of the unit, pro rata on the basis of the carrying amount of each asset in the unit.

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in surplus or deficit.

#### Impairment of Non-cash Generating Assets

The municipality assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

If there is any indication that an asset may be impaired, the recoverable service amount is estimated for the individual asset. If it is not possible to estimate the recoverable service amount of the individual asset, the recoverable service amount of the non-cash generating unit to which the asset belongs is determined.

The recoverable service amount of an asset or a non-cash generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable service amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in surplus or deficit.

An impairment loss is recognised for non-cash generating units if the recoverable service amount of the unit is less than the carrying amount of the unit. The impairment loss is allocated to reduce the carrying amount of the assets of the unit as follows:

To the assets of the unit, pro rata on the basis of the carrying amount of each asset in the unit.

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable service amounts of those assets are estimated.

The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in surplus or deficit.

#### **Transitional Arrangements**

The estimated useful lives and the depreciation methods were not reviewed in the previous financial year as required by GAMAP 17 as these requirements were exempted in terms of General Notice 522 of 2007. The estimated useful lives and depreciation methods have not been reviewed for the year ended 30 June 2009 in accordance with the transitional arrangements of ASB Directive 4.

### **3. INTANGIBLE ASSETS**

#### **Initial Recognition**

Identifiable non-monetary assets without physical substance which are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes are classified and recognised as Intangible Assets. The municipality recognises an intangible asset in its Statement of Financial Position only when it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality and the cost or fair value of the asset can be measured reliably.

Internally generated intangible assets are subject to strict recognition criteria before they are capitalised. Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when the following criteria are fulfilled:

It is technically feasible to complete the intangible asset so that it will be available for use;

Management intends to complete the intangible asset and use or sell it;

There is an ability to use or sell the intangible asset;

It can be demonstrated how the intangible asset will generate probable future economic benefits;

Adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and

The expenditure attributable to the intangible asset during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use on a straight-line basis over its useful life, not exceeding five years. Development assets are tested for impairment annually, in accordance with IPSAS 21 / IAS 36.

Intangible Assets are initially recognised at cost. Intangible assets acquired separately or internally generated are reported at cost less accumulated amortisation and accumulated impairment losses. Where an intangible asset is acquired at no cost or for a nominal consideration, its cost is its fair value as at the date it is acquired. Where an intangible asset is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

#### **Subsequent Measurement, Amortisation and Impairment**

Amortisation is charged on a straight-line basis over the intangible assets' useful lives, which are estimated to be between 3 to 5 years. Where intangible assets are deemed to have an indefinite useful life, such intangible assets are not amortised, for example servitudes obtained by the

municipality give the municipality access to land for specific purposes for an unlimited period – however, such intangible assets are subject to an annual impairment test.

The estimated useful lives and depreciation methods have not been reviewed for the year ended 30 June 2009 in accordance with the transitional arrangements of ASB Directive 4.

### **Derecognition**

Intangible Assets are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

### **Transitional Provisions**

Costs incurred on intangible assets (other than on computer software) were expensed and not capitalised in the previous financial year as required by IAS 38 as this requirement was exempted in terms of General Notice 522 of 2007. The municipality accounted for all costs incurred that meet the intangible asset definition and recognition requirements as intangible assets for the financial year ended 30 June 2009 (and retrospectively, where practicable) in accordance with the requirements of GRAP 102, GRAP 3 and ASB Directive 4.

## **4. INVESTMENT PROPERTY**

### **Initial Recognition**

Investment Property includes property (land or a building, or part of a building, or both land and buildings held under a finance lease) held to earn rentals and/or for capital appreciation, rather than held to meet service delivery objectives, the production or supply of goods or services, or the sale of an asset in the ordinary course of operations.

At initial recognition, the municipality measures investment property at cost including transaction costs once it meets the definition of investment property. However, where an investment property was acquired through a non-exchange transaction (i.e. where it acquired the investment property for no or a nominal value), its cost is its fair value as at the date of acquisition.

The cost of self-constructed investment property is the cost at date of completion.

Based on management's judgement, the following criteria have been applied to distinguish investment properties from owner occupied property or property held for resale:

All properties held to earn market-related rentals or for capital appreciation or both and that are not used for administrative purposes and that will not be sold within the next 12 months are classified as Investment Properties;

Land held for a currently undetermined future use (If the municipality has not determined that it will use the land as owner-occupied property or for short-term sale in the ordinary course of business, the land is regarded as held for capital appreciation);

A building owned by the municipality (or held by the entity under a finance lease) and leased out under one or more operating leases (this will include the property portfolio rented out by the Housing Board on a commercial basis on behalf of the municipality); and

A building that is vacant but is held to be leased out under one or more operating leases on a commercial basis to external parties.

The following assets do not fall in the ambit of Investment Property and shall be classified as Property, Plant and Equipment, Inventory or Non-current Assets Held-for-Sale, as appropriate:

Property intended for sale in the ordinary course of operations or in the process of construction or development for such sale;

Property being constructed or developed on behalf of third parties;

Owner-occupied property, including (among other things) property held for future use as owner-occupied property, property held for future development and subsequent use as owner-occupied property, property occupied by employees such as housing for personnel (whether or not the employees pay rent at market rates) and owner-occupied property awaiting disposal;

Property that is being constructed or developed for future use as investment property;

Property that is leased to another entity under a finance lease;

Property held to provide a social service and which also generates cash inflows, e.g. property rented out below market rental to sporting bodies, schools, low income families, etc; and

Property held for strategic purposes or service delivery.

#### **Subsequent Measurement**

Investment Property is measured using the cost model and is stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated on cost, using the straight-line method over the useful life of the property, which is estimated at 20 - 30 years. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately.

The gain or loss arising on the disposal of an investment property is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

#### **Transitional Provisions**

Investment Properties were not recognised in the previous financial year as required by IAS 40 as these requirements were exempted in terms of General Notice 522 of 2007. Investment properties are recognised, and subsequently measured in accordance with the cost model, in terms of GRAP 16 and have been disclosed for the financial year ended 30 June 2009 (and retrospectively, where practicable) in accordance with the requirements of GRAP 16, GRAP 3 and ASB Directive 4.

### **5. FINANCIAL INSTRUMENTS**

The municipality has various types of financial instruments and these can be broadly categorised as either Financial Assets or Financial Liabilities.

#### **Financial Assets – Classification**

A financial asset is any asset that is a cash or contractual right to receive cash. The municipality may have the following types of financial assets as reflected on the face of the Statement of Financial Position or in the notes thereto:

#### **Debtors**

##### **Other Debtors**

## Bank, Cash and Cash Equivalents

In accordance with IAS 39.09 the Financial Assets of the municipality are classified as follows into the four categories allowed by this standard:

Type of Financial Asset	Classification in terms of IAS 39.09
Listed Investments	Held at fair value through profit or loss
Unlisted Investments – Stock	Held at fair value through profit or loss
Bank, Cash and Cash Equivalents	Available for sale
Bank, Cash and Cash Equivalents – Call Deposits	Available for sale
Long-term Receivables	Loans and receivables
Consumer Debtors	Loans and receivables
Other Debtors	Loans and receivables
Investments in Fixed Deposits	Held to maturity
Bank, Cash and Cash Equivalents – Notice Deposits	Held to maturity

Financial assets at fair value through profit or loss are financial assets that meet either of the following conditions:

They are classified as held for trading; or

Upon initial recognition they are designated as at fair value through the Statement of Financial Performance.

Available-for-sale investments are financial assets that are designated as available for sale or are not classified as:

Loans and Receivables;

Held-to-Maturity Investments; or

Financial Assets at fair value through the Statement of Financial Performance.

Held-to-Maturity Investments are financial assets with fixed or determinable payments and fixed maturity where the municipality has the positive intent and ability to hold the investment to maturity.

Cash includes cash-on-hand (including petty cash) and cash with banks (including call deposits). Cash Equivalents are short-term highly liquid investments, readily convertible into known amounts of cash, which are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash-on-hand, deposits held on call with banks, net of bank overdrafts. The municipality categorises cash and cash equivalents as Financial Assets: Available for Sale.

### **Financial Liabilities – Classification**

A financial liability is a contractual obligation to deliver cash or another financial asset to another entity. The municipality may have the following types of financial liabilities as reflected on the face of the Statement of Financial Position or in the notes thereto:

Long-term Liabilities

Creditors

Bank Overdraft

Short-term loans

Current Portion of Long-term Liabilities

### **Consumer Deposits**

There are two main categories of Financial Liabilities, the classification based on how they are measured. Financial liabilities may be measured at:

Fair value through profit or loss; or

Not at fair value through profit or loss ('other financial liabilities')

Financial liabilities that are measured at fair value through profit or loss are financial liabilities that are essentially held for trading (i.e. purchased with the intention to sell or repurchase in the short term; derivatives other than hedging instruments or are part of a portfolio of financial instruments where there is recent actual evidence of short-term profiteering or are derivatives). Financial liabilities that are measured at fair value through profit or loss are stated at fair value, with any resulted gain or loss recognised in the Statement of Financial Performance.

Any other financial liabilities are classified as Other Financial Liabilities and are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

In accordance with IAS 39.09 the Financial Liabilities of the municipality are all classified as "Other Financial Liabilities".

Initial and Subsequent Measurement

### **Financial Assets:**

Held-to-maturity Investments and Loans and Receivables are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. Subsequently, these assets are measured at amortised cost using the Effective Interest Method less any impairment, with revenue recognised on an effective yield basis.

Financial Assets at Fair Value and Available-for-Sale are initially and subsequently, at the end of each financial year, measured at fair value with the profit or loss being recognised in the Statement of Financial Performance.

### **Financial Liabilities:**

Financial liabilities at fair value are initially and subsequently measured at fair value. Other financial liabilities are measured at amortised cost using the Effective Interest Rate Method.

### **Impairment of Financial Assets**

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence of impairment of Financial Assets (such as the probability of insolvency or significant financial difficulties of the debtor). If there is such evidence the recoverable amount is estimated and an impairment loss is recognised in accordance with IAS 39.

Initially Accounts Receivable are valued at fair value and subsequently carried at amortised cost

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the



use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the Statement of Financial Performance.

With the exception of Available-for-Sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the Statement of Financial Performance to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of Available-for-Sale equity securities, impairment losses previously recognised through profit or loss are not reversed through the Statement of Financial performance. Any increase in fair value subsequent to an impairment loss is recognised directly in equity.

Consumer Debtors are stated at cost less a provision for impairment. The provision is made in accordance with IAS 39.64 whereby the recoverability of Consumer Debtors is assessed individually and then collectively after grouping the assets in financial assets with similar credit risks characteristics. Government accounts are not provided for as such accounts are regarded as receivable.

#### **Derecognition of Financial Assets**

The municipality derecognises Financial Assets only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity, except when Council approves the write-off of Financial Assets due to non recoverability.

If the municipality neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the municipality recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the municipality retains substantially all the risks and rewards of ownership of a transferred financial asset, the municipality continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

#### **Derecognition of Financial Liabilities**

The municipality derecognises Financial Liabilities when, and only when, the municipality's obligations are discharged, cancelled or they expire.

#### **Transitional Provisions**

### **6. RISK MANAGEMENT OF FINANCIAL ASSETS AND LIABILITIES**

It is the policy of the municipality to disclose information that enables the user of its financial statements to evaluate the nature and extent of risks arising from financial instruments to which the municipality is exposed on the reporting date.

Risks and exposure are disclosed as follows:

#### **Credit Risk**

Each class of financial instrument is disclosed separately.

Maximum exposure to credit risk not covered by collateral is specified.

Financial instruments covered by collateral are specified.

## **Liquidity Risk**

A maturity analysis for financial assets and liabilities that shows the remaining contractual maturities.

Liquidity risk is managed by ensuring that all assets are reinvested at maturity at competitive interest rates in relation to cash flow requirements. Liabilities are managed by ensuring that all contractual payments are met on a timeous basis and, if required, additional new arrangements are established at competitive rates to ensure that cash flow requirements are met.

A maturity analysis for financial liabilities (where applicable) that shows the remaining undiscounted contractual maturities is disclosed in Note 48.7 to the Annual Financial Statements.

Risk management of Financial Assets and Liabilities were presented and disclosed in accordance with the requirements of the old version of IAS 32 in the previous financial year and not in accordance with the requirements of IFRS 7 as these requirements were exempted in terms of General Notice 522 of 2007. Risk management of Financial Assets and Liabilities are presented and disclosed for the financial year ended 30 June 2009 (and retrospectively, where practicable) in accordance with the requirements of IFRS 7 and GRAP 3.

## **7. INVENTORIES**

### **Initial Recognition**

Inventories comprise current assets held-for-sale, current assets for consumption or distribution during the ordinary course of business. Inventories are initially recognised at cost. Cost generally refers to the purchase price, plus taxes, transport costs and any other costs in bringing the inventories to their current location and condition. Where inventory is manufactured, constructed or produced, the cost includes the cost of labour, materials and overheads used during the manufacturing process.

Where inventory is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of the item on the date acquired.

Direct costs relating to properties that will be sold as inventory are accumulated for each separately identifiable development. Costs also include a proportion of overhead costs.

### **Subsequent Measurement**

Consumable stores, raw materials, work-in-progress and finished goods are valued at the lower of cost and net realisable value. In general, the basis of determining cost is the weighted average cost of commodities. If inventories are to be distributed at no charge or for a nominal charge, they are valued at the lower of cost and current replacement cost.

Unsold properties are valued at the lower of cost and net realisable value on a weighted average cost basis.

Redundant and slow-moving inventories are identified and written down from cost to net realisable value with regard to their estimated economic or realisable values and sold by public auction. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Differences arising on the valuation of inventory are recognised in the Statement of Financial Performance in the year in which they arise. The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The carrying amount of inventories is recognised as an expense in the period that the inventory was sold, distributed, written off or consumed, unless that cost qualifies for capitalisation to the cost of another asset.

## **8. NON-CURRENT ASSETS HELD-FOR-SALE**

### **Initial Recognition**

Non-current Assets and Disposal Groups are classified as held-for-sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

### **Subsequent Measurement**

Non-current Assets and Disposal Groups classified as held-for-sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

A non-current asset is not depreciated (or amortised) while it is classified as held-for-sale, or while it is part of a disposal group classified as held for sale.

Interest and other expenses attributable to the liabilities of a disposal group classified as held-for-sale are recognised in surplus or deficit.

## **9. REVENUE RECOGNITION**

### **General**

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the municipality's activities. Revenue is shown net of value-added tax, returns, rebates and discounts.

The municipality recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the municipality and when specific criteria have been met for each of the municipalities' activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The municipality bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

### **Revenue from Exchange Transactions**

Revenue from exchange transactions refers to revenue that accrued to the municipality directly in return for services rendered / goods sold, the value of which approximates the consideration received or receivable.

### **Service Charges**

Service charges relating to electricity are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption, based on the consumption history, are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced, except at year end when estimates of consumption up to year end are recorded as revenue without it being invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. In respect of estimates of consumption between the last reading date and the reporting date, an

accrual is made based on the average monthly consumption of consumers.

#### **Finance Income**

Interest earned on investments is recognised in the Statement of Financial Performance on the time proportionate basis that takes into account the effective yield on the investment.

Interest earned on the following investments is not recognised in the Statement of Financial Performance:

spent Conditional Grants, if the grant conditions indicate that interest is payable to the funder.

#### **Rentals Received**

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

#### **Tariff Charges**

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant advertised tariff. This includes the issuing of licences and permits.

#### **Sale of Goods**

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

The municipality has transferred to the buyer the significant risks and rewards of ownership of the goods.

The municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

#### **Revenue from Non-exchange Transactions**

Revenue from non-exchange transactions refers to transactions where the municipality received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

#### **Public Contributions**

Revenue from public contributions is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment are brought into use. Where public contributions have been received and the municipality has not met the condition, a liability is recognised.

#### **Other Donations and Contributions**

Donations and Contributions are recognised on a cash receipt basis or where the donation is in the form of property, plant and equipment, when such items of property, plant and equipment are available for use.

#### **Revenue from Recovery of Unauthorised, Irregular, Fruitless and Wasteful Expenditure**

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No 56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain. Such revenue is based on legislated procedures.

#### **Transitional Provisions**

Revenue was initially recognised at cost and not at fair value in the previous financial year as the

requirements of GAMAP 9.12 and SAICA circular 09/2006, which states that revenue should be recognised initially at fair value through discounting all future receipts using an imputed rate of return, have been exempted in terms of General Notice 522 of 2007. Revenue is initially recognised at fair value for the year ended 30 June 2009 (and retrospectively, where practicable) by discounting all future receipts using an imputed rate of return in accordance with the requirements of GRAP 9, GRAP 3 SAICA circular 09/2006.

#### **10. GOVERNMENT GRANTS AND RECEIPTS**

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met, a liability is recognised.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the municipality with no future related costs, are recognised in the Statement of Financial Performance in the period in which they become receivable.

Interest earned on investments is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor and if it is the municipality's interest it is recognised as interest earned in the Statement of Financial Performance.

The municipality accounted for government grants and receipts in the previous financial year in accordance with the requirements of IAS 20. Government grants and receipts is accounted for the year ended 30 June 2009 (and retrospectively, where practicable) in accordance with the requirements of GAMAP 9.42 – .46 and ASB Directives 4 and 5.

#### **11. PROVISIONS**

Provisions are recognised when the municipality has a present or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the obligation.

Future events that may affect the amount required to settle an obligation are reflected in the amount of a provision where there is sufficient objective evidence that they will occur. Gains from the expected disposal of assets are not taken into account in measuring a provision. Provisions are not recognised for future operating losses. The present obligation under an onerous contract is recognised and measured as a provision.

Provisions are reviewed at reporting date and the amount of a provision is the present value of the expenditure expected to be required to settle the obligation. When the effect of discounting is material, provisions are determined by discounting the expected future cash flows that reflect current market assessments of the time value of money. The impact of the periodic unwinding of the discount is recognised in the Statement of Financial Performance as a finance cost as it occurs.

A provision for restructuring costs is recognised only when the following criteria over and above the recognition criteria of a provision have been met:

The municipality has a detailed formal plan for the restructuring identifying at least:

The business or part of a business concerned;

The principal locations affected;

The location, function, and approximate number of employees who will be compensated for

terminating their services;

The expenditures that will be undertaken; and When the plan will be implemented.

The municipality has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

### **11.1 Reserves**

#### **11.1.1 Capital Replacement Reserve ( CRR)**

In order to finance the future provision of infrastructure and other items of property, plant and equipment from internal sources amounts are transferred out of the accumulated surplus/(deficit) into the Capital Replacement Reserve (CRR) in terms of a Council resolution. The cash allocated to the CRR can only be utilised to finance items of property, plant and equipment. The following provisions are set for the creation and utilisation of the CRR:

The cash which backs up the CRR is invested until it is utilised. The cash may only be invested in accordance with the investment policy of the municipality.

Interest earned on the CRR investment is recorded as part of total interest earned in the Statement of Financial Performance.

The CRR may only be utilised for the purpose of purchasing items of property, plant and equipment for the municipality and may not be used for the maintenance of these items.

The CRR is reduced and the accumulated surplus/(deficit) credited with corresponding amounts when the funds are utilised.

The amounts transferred to the CRR are based on the Municipality's need to finance future capital projects.

The Council determines the annual contribution to the CRR.

#### **11.1.2 Capitalisation Reserve**

On the implementation of GAMAP/GRAP, the balance on certain funds, created in terms of the various Provincial Ordinances applicable at the time, that had historically been utilised for the acquisition of items of property, plant and equipment have been transferred to a Capitalisation Reserve instead of the accumulated surplus/(deficit) in terms of a directive (budget circular) issued by National Treasury.

The balance on the Capitalisation Reserve equals the carrying value of the items of property, plant and equipment financed from the former legislated funds. When items of property, plant and equipment are depreciated, a transfer is made from the Capitalisation Reserve to the accumulated surplus/(deficit).

When an item of property, plant and equipment is disposed, the balance in the Capitalisation Reserve relating to such item is transferred to the accumulated surplus/(deficit).

#### **11.1.3 Government Grant Reserve**

When items of property, plant and equipment are financed from government grants, a transfer is made from the accumulated surplus/(deficit) to the Government Grants Reserve equal to the Government Grant recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Government Grant Reserve to the accumulated surplus/(deficit). The purpose of this policy is to promote community equity and facilitate budgetary control by ensuring that sufficient funds are set aside to offset the depreciation charges that will be incurred over the estimated useful life of the item of property, plant and

equipment financed from Government Grants.

When an item of property, plant and equipment financed from government grants is disposed, the balance in the Government Grant Reserve relating to such item is transferred to the accumulated surplus/(deficit).

#### **11.1.4 Public Contributions and Donations Reserve**

When items of property, plant and equipment are financed from public contributions and donations, a transfer is made from the accumulated surplus/(deficit) to the Public Contributions and Donations Reserve equal to the Public Contributions and Donations Reserve recorded as revenue in the Statement of Financial Performance in accordance with a directive (budget circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Public Contributions and Donations Reserve to the accumulated surplus/(deficit). The purpose of this policy is to promote community equity and facilitate budgetary control by ensuring that sufficient funds are set aside to offset the depreciation charges that will be incurred over the estimated useful life of the item of property, plant and equipment financed from Public Contributions and Donations.

When an item of property, plant and equipment financed from Public Contributions is disposed, the balance in the Public Contributions and Donations Reserve relating to such item is transferred to the accumulated surplus/(deficit).

#### **11.1.5 Revaluation Reserve**

The surplus arising from the revaluation of land and buildings is credited to a non-distributable reserve. Land and buildings are revalued every four years. The revaluation surplus is realised as revalued buildings are depreciated, through a transfer from the revaluation reserve to the accumulated surplus/(deficit). On disposal the net revaluation surplus is transferred to the accumulated surplus/(deficit) while gains or losses on disposal, based on current values, are credited or charged to the Statement of Financial Performance.

### **12. EMPLOYEE BENEFITS**

#### **Short-term Employee Benefits**

Remuneration to employees is recognised in the Statement of Financial Performance as the services are rendered, except for non-accumulating benefits which are only recognised when the specific event occurs.

The municipality has opted to treat its provision for leave pay as an accrual.

The costs of all short-term employee benefits such as leave pay, are recognised during the period in which the employee renders the related service. The liability for leave pay is based on the total accrued leave days at year end and is shown as a provision in the Statement of Financial Position. The municipality recognises the expected cost of performance bonuses only when the municipality has a present legal or constructive obligation to make such payment and a reliable estimate can be made.

#### **Defined Contribution Plans**

A defined contribution plan is a plan under which the municipality pays fixed contributions into a separate entity. The municipality has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to service in the current or prior periods.

The municipality's contributions to the defined contribution funds are established in terms of the rules governing those plans. Contributions are recognised in the Statement of Financial



Performance in the period in which the service is rendered by the relevant employees. The municipality has no further payment obligations once the contributions have been paid.

#### **Defined Benefit Plans**

A defined benefit plan is a plan that defines an amount of benefit that an employee will receive on retirement.

#### **Post-retirement Health Care Benefits**

The municipality has an obligation to provide Post-retirement Health Care Benefits to certain of its retirees. According to the rules of the Medical Aid Funds, with which the municipality is associated, a member (who is on the current Conditions of Service), on retirement, is entitled to remain a continued member of the Medical Aid Fund, in which case the municipality is liable for a certain portion of the medical aid membership fee. The other Medical Aid Funds, with which the Municipality is associated, do not provide for continued membership.

The defined benefit liability is the aggregate of the present value of the defined benefit obligation and unrecognised actuarial gains and losses, reduced by unrecognised past service costs. The plan is unfunded. The present value of the defined benefit obligation is calculated using the projected unit credit method, incorporating actuarial assumptions and a discount rate based on the government bond rate. Valuations of these obligations are carried out every year by independent qualified actuaries.

Actuarial gains or losses are accounted for using the “corridor method”. Actuarial gains and losses are eligible for recognition in the Statement of Financial Performance to the extent that they exceed 10 per cent of the present value of the gross defined benefit obligations in the scheme at the end of the previous reporting period. Actuarial gains and losses exceeding 10 per cent are spread over the expected average remaining working lives of the employees participating in the scheme.

Past-service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

#### **Long-service Allowance**

The municipality has an obligation to provide Long-service Allowance Benefits to all of its employees. According to the rules of the Long-service Allowance Scheme, which the municipality instituted and operates, an employee (who is on the current Conditions of Service), is entitled to a cash allowance, calculated in terms of the rules of the scheme, after 10, 15, 20, 25 and 30 years of continued service. The municipality’s liability is based on an actuarial valuation. The projected unit credit method has been used to value the liabilities. Actuarial gains and losses on the long-term incentives are accounted for through the Statement of Financial Performance.

#### **Exemption regarding defined benefit accounting in previous financial year**

Defined benefit accounting in accordance with the requirements of IAS 19, as far as it relates to defined benefit plans accounted for as defined contribution plans and the defined benefit obligation disclosed by narrative information, has been exempted in the previous financial year in terms of General Notice 522 of 2007. The municipality has applied defined benefit accounting to the defined benefit plans for the financial year ended 30 June 2009 in accordance with the requirements of IAS 19.

#### **Provincially-administered Defined Benefit Plans**

The municipality contributes to various National- and Provincial-administered Defined Benefit Plans



on behalf of its qualifying employees. These funds are multi-employer funds (refer to Note 49 of the Annual Financial Statements for details). The contributions to fund obligations for the payment of retirement benefits are charged against revenue in the year they become payable. These defined benefit funds are actuarially valued triennially on the Projected Unit Credit Method basis. Deficits are recovered through lump sum payments or increased future contributions on a proportional basis from all participating municipalities.

### **13. LEASES**

#### **The Municipality as Lessee**

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the municipality. Property, plant and equipment or Intangible Assets subject to finance lease agreements are capitalised at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. Corresponding liabilities are included in the Statement of Financial Position as Finance Lease Liabilities. The corresponding liabilities are initially recognised at the inception of the lease and are measured as the sum of the minimum lease payments due in terms of the lease agreement, discounted for the effect of interest. In discounting the lease payments, the municipality uses the interest rate that exactly discounts the lease payments and unguaranteed residual value to the fair value of the asset plus any direct costs incurred. Lease payments are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred.

Subsequent to initial recognition, the leased assets are accounted for in accordance with the stated accounting policies applicable to property, plant, equipment or intangibles. The lease liability is reduced by the lease payments, which are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred. The accounting policies relating to derecognition of financial instruments are applied to lease payables. The lease asset is depreciated over the shorter of the asset's useful life or the lease term.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are recognised as an expense in the statement of financial performance on a straight-line basis over the term of the relevant lease.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

#### **The Municipality as Lessor**

Amounts due from lessees under finance leases or instalment sale agreements are recorded as receivables at the amount of the Municipality's net investment in the leases. Finance lease or instalment sale revenue is allocated to accounting periods so as to reflect a constant periodic rate of return on the Municipality's net investment outstanding in respect of the leases or instalment sale agreements.

Operating lease rental revenue is recognised on a straight-line basis over the term of the relevant lease.

#### **Transitional Provisions**

The recognition of operating lease payments / receipts on a straight-line basis in accordance with

the requirements of IAS 17 has been exempted in the previous financial year in terms of General Notice 522 of 2007 (provided that the municipality recognised the lease amounts on the basis of the cash flows in the lease agreement). The municipality recognised operating lease payments / receipts on a straight-line basis for the financial year ended 30 June 2009 in accordance with the requirements of GRAP 13 and ASB Directive 4.

#### **14. BORROWING COSTS**

Borrowing costs incurred relating to qualifying assets and all other borrowing costs incurred were recognised as expenses in the Statement of Financial Performance in the previous financial year in accordance with the benchmark treatment in the old IAS 23, i.e. expensing all borrowing costs. The municipality capitalises borrowing costs incurred that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset only when the commencement date for capitalisation is on or after 1 July 2008, while all other borrowing costs incurred (including borrowing cost incurred on qualifying assets where the commencement date for capitalisation is prior to 1 July 2008) are recognised as an expense in the Statement of Financial Performance for the financial year ending 30 June 2009 in accordance with the requirements of GRAP 5 and ASB Directive 4.

It is considered inappropriate to capitalise borrowing costs where the link between the funds borrowed and the capital asset acquired cannot be adequately established - the municipality expenses borrowing costs when it is inappropriate to capitalise it. The municipality ceases the capitalisation of borrowing costs when substantially all the activities to prepare the asset for its intended use or sale are complete.

#### **15. GRANTS-IN-AID**

The municipality transfers money to individuals, organisations and other sectors of government from time to time. When making these transfers, the municipality does not:

Receive any goods or services directly in return, as would be expected in a purchase or sale transaction;

Expect to be repaid in future; or

Expect a financial return, as would be expected from an investment.

These transfers are recognised in the Statement of Financial Performance as expenses in the period that the events giving rise to the transfer occurred.

#### **16. VALUE ADDED TAX**

The Municipality accounts for Value Added Tax on the cash basis.

#### **17. CASH AND CASH EQUIVALENTS**

Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks and investments in financial instruments, net of bank overdrafts.

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdrafts are expensed as incurred.

#### **18. UNAUTHORISED EXPENDITURE**

Unauthorised Expenditure is expenditure that has not been budgeted for; expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state; and expenditure in the form of a grant that is not permitted in terms of the

Municipal Finance Management Act (Act No 56 of 2003). Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance. If the expenditure is not condoned by the Council, it is treated as an asset until it is recovered or written off as irrecoverable.

#### **19. IRREGULAR EXPENDITURE**

Irregular Expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No 56 of 2003), the Municipal Systems Act (Act No 32 of 2000), the Public Office Bearers Act (Act No 20 of 1998) or is in contravention of the Municipality's or Municipal Entities' supply chain management policies. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as an expense in the Statement of Financial Performance. If the expenditure is not condoned by the Council, it is treated as an asset until it is recovered or written off as irrecoverable.

#### **20. FRUITLESS AND WASTEFUL EXPENDITURE**

Fruitless and Wasteful Expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance. If the expenditure is not condoned by the Council, it is treated as an asset until it is recovered or written off as irrecoverable.

#### **21. CHANGES IN ACCOUNTING POLICIES, ESTIMATES AND ERRORS**

Changes in Accounting Policies that are affected by management have been applied retrospectively in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such cases the municipality restated the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable. Refer to Note 40 for details of changes in accounting policies.

The retrospective application, where practicable, of changes in accounting policies affected by management in accordance with the requirements of GRAP 3 was exempted in the previous financial year in terms of General Notice 522 of 2007 (providing that these changes in accounting policies were applied prospectively by the municipality). The municipality applied changes in accounting policies affected by management retrospectively, where practicable, for the financial year ended 30 June 2009 in accordance with the requirements of GRAP 3.

Changes in Accounting Estimates are applied prospectively in accordance with GRAP 3 requirements. Details of changes in estimates are disclosed in the Notes to the Annual Financial Statements where applicable.

Correction of Errors is applied retrospectively in the period in which the error has occurred in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the municipality shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable. Refer to Note 41 to the Annual Financial Statements for details of corrections of errors recorded during the period under review.

The identification and disclosure of the impact of GRAP standards that have been issued but are not yet effective was exempted in the previous financial year in terms of General Notice 522 of 2007. The municipality identified and disclosed the impact of GRAP standards that have been issued but are not yet effective for the financial year ended 30 June 2009 in accordance with the requirements of GRAP 3.

#### **22. RELATED PARTIES**

Individuals as well as their close family members, and/or entities are related parties if one party has the ability, directly or indirectly, to control or jointly control the other party or exercise significant influence over the other party in making financial and/or operating decisions. Key management personnel is defined as the Municipal Manager, Chief Financial Officer and all other managers reporting directly to the Municipal Manager or as designated by the Municipal Manager.

### **23. CONTINGENT ASSETS AND CONTINGENT LIABILITIES**

Contingent Assets and Contingent Liabilities are not recognised. Contingencies are disclosed in Notes 51 and 52 to the Annual Financial Statements.

### **24. EVENTS AFTER THE REPORTING DATE**

Events after the reporting date that are classified as adjusting events have been accounted for in the Annual Financial Statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in Note 56 to the Annual Financial Statements.

### **25. TREATMENT OF ADMINISTRATION AND OTHER OVERHEAD EXPENSES**

The costs of internal support services are transferred to the various services and departments to whom resources are made available.

### **26. COMPARATIVE INFORMATION**

#### **26.1 Current year comparatives:**

Budgeted amounts in respect of capital expenditure have been included in the Annual Financial Statements for the current financial year only.

#### **26.2 Prior year comparatives:**

When the presentation or classification of items in the Annual Financial Statements is amended, prior period comparative amounts are reclassified. The nature and reason for the reclassification is disclosed.

The municipality prepares its Financial Statements on a monthly basis.

#### **Supply Chain Management:**

The municipality has a functioning supply chain management which consists of three bid committees i.e Specification, Evaluation, and Adjudication committee.

#### **Turn-over Rate of the Procurement Process:**

Two (2) months

#### **Contract Management Unit**

The municipality does not have a unit called contract management rather a legal services unit where they are prepared and documented.

#### **Information and Communication Technology**

The ICT Software used by Matatiele Local Municipality is summarized in Table F6 below:

Table F6

COMPANY	PROGRAMME	APPLICATION
1. Fujitsu	1. Abakus	Billing Creditors Stores Ledger Assets Advances Cash Book Customer Care Audit Extracts Hot key
	2. SCO Unix	Operating System
	3. Corvu	1 Report Writer
2. Payday	1. Payday	Payroll Leave Equity Human Resource Post Third Party Cheque General Ledger Interface Skills WSP & Implementation Reports Employee Self Service Employee Photo Statistical Budget
3. Contour	1. Contour	Pre-paid Electricity Vending
4. Syntell	1. Syntell	Pre-paid Water Vending
5. Elster	1. Cash flow 2000	Pre-paid Water Vending
6. Microsoft	1. MS Office	Word Excel Power Point Presentations and Publisher Adobe Acrobat 6.0, 8 & 5
	2. MS Exchange	Email
	3. Ms Small Business Server	Fire wall
7. Windeed	1. Windeed	Property transfers
	2. Winsearch	Title deed searches
	3. Win Transfer	Report on property transfers
8. Standard Bank	1. CATS	Electronic Banking
9. SITA	1. eNatis	Motor Vehicle Registration
	2. Pals	Library Book issues
10. MAMS (PTY)LTD	1. MAMS	Municipal Asset Management System
11. Juta	1. Juta Law	Legislation searchers
12. First National Bank	Business Internet Solution	Electronic Banking

13.	Co-Driver	1.	Co-driver	Fleet Management
14.	Tradepage	1.	Web Host	Website hosting
15.	Coretalk	1.	Coretalk	SMS Facility & reporting
16.	Arch View	1.	Arch View	GIS
17.	TGIS	1.	Cemetery Register	Cemetery Register
18.	Juta Law	1.	Juta Law	Regulations of South Africa
19.	CQS Technology Holding (PTY)LTD	1.	Caseware	1 Report writer

### 3.3.4 LOCAL ECONOMIC DEVELOPMENT

#### 3.3.4.1 Matatiele Local Municipality's Main Economic Development Challenges

Based on the findings of the situation analysis as captured in the SWOT analysis in the preceding section the following main challenges faced by Matatiele's economy are identified:

- Matatiele's agricultural potential is not fully utilised;
- There is a need to expand and diversify the economy especially with respect to the secondary sector that includes manufacturing and tourism development;
- The low human development capacity of the population is a particular challenge to the economy;
- The poor provision of infrastructural services and access to basic resources is a constraint to the development of the economy of Matatiele.
- There is a weak business development system of commercial services, information and advisory services, skills access to resources;
- Emerging entrepreneurs requires access a participatory institutional structure that can facilitate and lead economic growth and development in Matatiele through partnership agreements;
- A serious challenge in Matatiele is the poverty and needs within the rural areas

Further to that, a concerted effort was applied towards the attainment of LED objectives.

#### ➤ **Improve public and market confidence**

The Municipality has a Spatial Development Framework (SDF) as adopted by Council in 2011. The SDF provides a guide for the location of future development projects. It also details the Spatial Planning strategies that guide the Development of the Municipality in general. For example, one of the strategies is the focusing of development on strategic Nodal Points so as to maximize the Public and Private sector investment.

#### ➤ **Investment and trading by laws**

The Municipality recognized the importance of improving the policy framework in order to attract investors. As a result funding was obtained towards the development of a trading by-law. The Municipality does have an investment policy. This policy does amongst other things seek to position the Municipality as an investment destination for the domestic and foreign investors.

#### ➤ **Exploitation of Comparative and Competitive advantages**

Exploiting sector comparative and competitive advantage of the Municipality is essential. As a result, enhancing and creating an enabling environment for the growth of these sectors is pursued. Funds are regularly sourced to assist in the financing of initiatives that are aimed at exploiting this competitive advantage, as discussed in Section 2.3.4. The various agricultural projects were assisted by the Municipality in terms of Management and Project monitoring.

#### **Intensify enterprise support and business development**

The Municipality is yet to develop an SMME development and support plan. This will entail methods of assisting Cooperatives, Informal Sector in the following:-

- *Skill Development /Training*
- *Financial Support*
- *Monitoring and Business Advice*
- *Access to funding*
- *Compiling Business Plans*
- *Newly Established SMMEs*

The Municipality also assisted in the establishment and continued support of 20 new Cooperatives. This figure could be more since more Cooperatives could have been established directly with Companies and Intellectual Property Commission (CIPC). Similarly three hundred and four (304) informal traders can be recorded as established.

#### 3.3.4.2 Existing Businesses

Some progress has been made as far as developing the commercial sector. However, this industry is still far from being fully developed. Formal business in Matatiele consists mainly of retail and commercial farming businesses. As far as the former are concerned, supermarkets, clothing stores and spaza shops are the most common types of business in the rural areas of this municipality.

Other than agriculture the dominant businesses in the rural areas are spaza shops (general dealers), transport businesses, cultural and eco-tourism activities, small-scale agricultural production and wood processing. One of the major challenges that they face is that their generally low density in these areas and a dispersed business population undermine their ability to access and benefit from knowledge transfer, which can help them grow.

A number of businesses and/or business services are not found in Matatiele. These include:

- Suppliers of agricultural inputs: Farmers buy supplies from other municipalities, such as Umvoti Local Municipality in KwaZulu-Natal;
- A tourism information or support office: A tourism office is needed for the provision of assistance to tourists; and

#### 3.3.4.4 Led Sectors

The LED Strategy was adopted in 2010 and aims to provide a strategic direction to guide the municipality in efforts towards achieving local economic development of the municipality. It suggests the following sectors as the ones that make the largest contribution to Matatiele's economy:-

- Commerce and industry
- Community, social and other personal services
- Wholesale & retail trade; catering and accommodation
- Finance and business services
- Transport and Communication
- Construction
- Agricultural and Agri-Tourism
- Manufacturing mining and quarrying

However, due to numerous challenges facing each of these sectors, creation of employment opportunities to adequately address poverty and to keep up with the economic needs of local



communities has been growing at a slow pace. As a result, the municipality is home to many poverty-stricken communities with high levels of poverty and unemployment, and generally low income levels. Many of these communities face the challenge of very limited access to basic services such as water and electricity. Many people living in the rural areas rely mainly on subsistence agriculture. On the other hand, the construction industry is very small. Construction activities include road construction and the building of houses. This industry has the potential to provide more job opportunities in the future, based on:-

- Rapidly increasing fiscal allocations for public infrastructure
- Expansion of the EPWP (there needs to be a District (i.e. Alfred Nzo) EPWP Plan, with an M&E capability).
- Increased house-construction (human settlements) and retail infrastructure.

### 3.3.4.5 EPWP

In Matatiele local municipality, the implantation of the Expanded Public Works Programme commenced with the registration of Nkhoesa Mofokeng Project in the Infrastructure Sector of EPWP. With the Expansion of the programme, additional EPWP programmes were introduced being; Rea-hloekisa programme, Food for Waste, Wattle removal Programme. Also an EPWP unit was established with 6 Cluster supervisors, an EPWP Co-ordinator and data Capturer.

The three programmes mentioned above, have contributed to the providing job opportunities and income opportunities in every ward within the municipality. To date the following opportunities have been created from the three programmes:

Programme	Number of workers
Nkhoesa Mofokeng	780
Rea-Hloekisa	312
Wattle removal	520
<b>TOTAL</b>	<b>1612</b>

### 3.3.4.6 Agricultural Development

The availability of water resources in various parts of Matatiele, such as rivers, streams and wetlands, the good quality of its soil and rainfall render the area suitable for large-scale production of a number of crops. Particular areas have been identified to be suitable for certain types of crops, for example, fertile soil, particularly in the Ongeluksnek area, is good for a variety of fruits such as apples, citrus fruit, and peaches. Despite this potential, Matatiele's agricultural crop sales have been ranked among the lowest in the country for many years due to a number of challenges:-

- Lack of storage facilities for the preservation of crop products, especially maize
- Lack of fuel (e.g. diesel) and/or electricity for the very few who own farming equipment.
- Absence of milling plants in areas where they are needed the most: Mafube, Belfort is among the areas that can benefit greatly from milling facilities.

- The existence of a vast area of under-utilised agricultural land in many parts of the municipal area Limited access to land as well as lack of title deeds hamper crop production and productivity.
- Lack of modern farming machinery such as tractors and implements
- Subsistence crop farming, especially in the rural areas is very dominant

Livestock farming and crop farming are the most common farming activities, the dominant of which is the livestock farming. The main livestock farming activities include cattle farming, sheep farming and goat farming. Many emerging livestock farmers in urban Matatiele raise cattle on their farms mainly for beef which they sell to local slaughter-houses, supermarkets and also to individuals. Some sell cattle to buyers from Durban, Howick and Pietermaritzburg in KwaZulu-Natal, and Port Elizabeth in the Eastern Cape through auctions organised by the Cedarville Farmers Association. Live sheep, goats and wool get sold to local manufacturers in Port Elizabeth and Durban and to manufacturers based outside the country. A need for provision of dipping tanks has been raised for fourteen wards.

Emerging farmers in Matatiele generally face a number of difficulties, including:-

- Lack of proper stock-handling facilities,
- Lack of dipping facilities for protecting cows against diseases,
- Need for bulls to improve certain types of breeds and perpetuate those that are not found in large numbers, such as the Nguni breed,
- Shortage of grazing land for some cattle including Nguni cattle,
- Need for a feedlot for cows that are raised for commercial purposes,
- Lack of modern milking parlour,
- Poor access to economic-enabling physical infrastructure, such as electricity, roads and water infrastructure, which hamper productivity,
- Limited understanding of modern farming methods and practices, which compromises the quality of the cattle raised in the municipal area, especially in the rural areas, and
- Overgrazing.

Crop farming includes mainly maize, wheat, sorghum, beans, soya beans, canola, potatoes, butternut, green leafy vegetables (cabbage, spinach, turnip etc.), green, red and yellow pepper and sunflower. The markets for those who sell vegetables include local formal businesses, such as hypermarkets, including ShopRite and Pick'n'Pay, local vegetable vendors and vegetable traders from Lesotho. In addition, there are opportunities for them to supply crops and vegetables to local orphanages, hospitals and some primary schools.

Opportunities also exist for honey production, although this sub-sector is highly underdeveloped. Efforts to retain bees could be made through planting of sunflowers in areas where most bees are found.

Approximately nine (9) wards indicated that they require fencing for their cultivate fields in order for them to better cultivate their land. Currently, the Department of Agriculture has committed funds towards economic development focussing on poverty alleviation and unemployment:-

#### **3.3.4.7 Forestry**

Land Was Secured In 2011 For New Forestation Purposes In The Jurisdiction Of Matatiele Local Municipality. Environmental And Rural Solutions Cc Were Appointed In 2011 To Conduct An EIA In

The Sites Identified For Forestation.

The Department of Rural Development and Land Reform, SAPPI, Department of Agriculture, Forestry and Fisheries has assigned consulting services to Department of Trade and Industry (DTI) to conduct feasibility studies to the identified community sites that have been approved for forestation. Subsequent to the feasibility and Environmental Impact Assessment will be undertaken, 17 villages licensed for the establishment of Forestry project while 48 villages applied and waiting for license

The following is a list of forestry products that can be produced from the natural forests and forestry plantations in the Municipality:

- **Timber Products**
  - ▶ Manufacture of furniture, poles (e.g. sign-posts), etc.
  - ▶ Manufacture of charcoal from timber waste products
- **Non-Timber Products** (closely related to natural forests and forestry plantations)
  - ▶ Beekeeping and honey production
  - ▶ Basket-making
  - ▶ Picking and packaging of edible plants
  - ▶ Ferns, foliage and flowers
  - ▶ Hiking trails
  - ▶ Medicinal plants
  - ▶ Picking and packaging of mushrooms

A number of challenges and threats facing the forestry sector were identified, including fires, diseases, drought, strong winds, snow, livestock trespassing and vandalism. There are also concerns about the potential impact on the water supply which could negatively affect existing agricultural and manufacturing processes and might also have negative impact on the tourism sector since some tourist attractions need a constant water supply.

#### **3.3.4.8 Tourism Development**

The abundant natural beauty of Matatiele makes it an area of high tourism potential. Among its attractive features are its wide, open spaces, mountainous terrain, rivers, scenic botanic features, flora and fauna (biodiversity), wetlands, picnic spots, birds, including special bird species, and snowy winters. In addition, Matatiele is home to diverse cultures. These features provide opportunities for the growth or expansion of the following existing forms of tourism in the municipality:-

- **Nature-based tourism:** The municipality boasts several unspoiled environments with a diversity of naturally occurring attractions.
- **Cultural tourism:** There are opportunities for showcasing various cultures that exist in the municipality.
- **Agricultural tourism:** A number of festivals, all of which are associated with farms and agriculture, have been held in the municipality. They include agricultural shows, pumpkin festivals, fruit festivals, flower festivals, bird watching trips, hikes and wagon rides. The development of the educational aspect of this form of tourism should be considered since it has the potential to attract more tourists.
- **Bird-watching/Avitourism:** Since bird-watching has become one of the fastest growing

recreational activities that attract international tourists, it can be used for boosting the economic performance of the municipality. One of the conditions for the success of avitourism is that habitat protection and environmental education are incorporated into the strategic documents of the municipality.

- **Eco and Adventure Tourism:** The area has the potential to become one of the most important econ-tourism and adventure travel tourist destinations in the country. Existing activities include rafting, hiking and 4X4 trips through the mountain passes that form the border between the municipality and the Southern districts of Lesotho. Qacha's Nek, Ramats'eliso's Pass and Ongeluksnek provide access to Lesotho.
- **Winter Tourism:** Since snow is often experienced in winter, potential exists for skiing as one of the tourism activities in the municipal area,
- **The Rural Nature of Matatiele:** The rural setting of Matatiele renders it suitable for the development of tourism that is nature based, utilises the environment as a key resource, and places people development at the core of the planned tourism enterprises

#### **3.3.4.9 Mining**

Limited quarrying activity takes place in the municipality with some of them not registered. The stone that is extracted is used in road construction projects and in building houses. There is great potential for exporting the stone to various parts of the country for building purposes. Since there is an abundance of river sand in the municipality, sand mining is a common activity. Most of the sand obtained from the local river banks is exported to other municipalities for construction purposes. According to the Matatiele Municipality IDP Review (2008-2010), a number of environmental management areas and eco-tourism with the potential for diamond, coal and paraffin mining exist in Wards 8 and 24. It is recommended in this regard that detailed investigations into these potential areas should be undertaken. Mining also has some potential but has to be further investigated.

#### **3.3.4.10 LED STRATEGY**

##### **Introduction**

The Matatiele LED strategy was adopted on 30 June 2010, council resolution number CR548/30/06/2010. S.A has adopted the Local Economic Development (LED) approach as a key element of integrated approach to development. LED is an integrated, multi-disciplinary approach that aims to ease poverty in a local area and to develop its economic ability to improve its economic and social conditions. Municipalities are mandated to develop LED strategies and plans to build up the economic capacity of their respective areas to improve their economic future and quality of life.

Matatiele Local Municipality recognizes that it has a significant role to play in addressing the developmental challenges that it faces and in promoting economic development and human welfare. LED strategy is as a result of the high unemployment and poverty levels experienced. This Local Municipality is endowed with a variety of natural resources, counting fertile soils, game reserves, historical sites, natural forests, rivers and mountains. These resources provide opportunities for the development of diverse sectors of the local economy.

##### **II. Purpose and Objectives**

The purpose of this LED Strategy is to provide a strategic direction to guide the Matatiele Local Municipality in its actions and efforts to lead local LED stakeholders towards achieving local economic development in the municipal area. It sets out actions that will help improve the strength

of the local economy and encourage its growth in a sustainable mode.

The objectives are to:

- Capacitate the Matatiele Local Municipality in carrying out its LED mandate
- Develop a strategic implementation plan that outlines the strategies and activities that the municipality and other LED stakeholders can employ
- Facilitate the creation of an enabling framework for private and public sector investment
- Provide an overall economic assessment for Matatiele in order to identify sectors or areas of high economic potential
- Identify and estimate the cost of projects that will potentially contribute to the improvement of both Matatiele local Municipality's economic future and quality of life within the municipal area
- Provide guidelines for implementing LED projects in Matatiele Local Municipality and for monitoring and evaluating them
- Identify the roles and responsibilities of local stakeholders in LED
- Provide guidelines for the monitoring and evaluation of the strategy.

The formulation and eventual implementation of the LED Strategy in this document takes place within the context of the national and provincial policy and strategy frameworks.

### **III. Situational Analysis**

An overview of the current demographic, socio-economic and economic profiles and trends of the municipality was done. Through this overview, it was possible to identify the development strengths, weaknesses, opportunities and threats of the economy of the municipality. This section accordingly deals with the following:

- ▶ Overview of Matatiele;
- ▶ Demographic and socio-economic profile of the area;
- ▶ Economic profile and trends
- ▶ Analysis of main economic sectors of the municipal area and
- ▶ Provision of services and resources impacting on the economy.

### **V. Strategic Framework for LED intervention**

Formulation of a strategic framework for the implementation of the LED Strategy consists of the following components:

- The identification of the main challenges facing MLM's economy as derived from the SWOT analysis;
- The formulation of an LED Vision as derived from the Municipal IDP vision
- The formulation of goals and objectives. The goals and objectives flow from the vision, the main challenges and the inputs received.

The above section contains the main components of the LED Strategy of the municipality. This is followed below with the implementation strategy indicating the actions and projects that should be implemented in order to achieve the vision, goals and objectives.

### **IV Implementation Strategy**

The purpose of the section is to unpack the actions and projects that need to be employed by the stakeholders in order to achieve the goals and objectives outlined in the previous section. The main components of this section are the following:

- Identification of prioritized actions and projects for implementation
- From the prioritized list of projects a set of key anchor projects has been developed for the implementation by the stakeholders;
- An implementation schedule is devised from the key projects identified indicating responsibilities and resource requirements;
- Identification of monitoring and evaluation criteria that would be used to assess progress in terms of the implementation of the LED Strategy;
- Project Implementation Guidelines.

**VI Implementation Guidelines** - This section aims to guide the MLM LED Unit when implementing this LED Strategy in general and the identified LED anchor projects in particular. It is intended to be used by the LED unit as a manual for implementing the LED strategy. The section is structured as follows:

- ❖ *Roles and responsibilities Of Programme and Project Level Institutions*
- ❖ *General step-by-step guidelines for project implementation, and*
- ❖ *Creation of an environment that is constructive for economic growth and development*

### **Stakeholder Involment and Community Participation**

Matatiele Local municipality considers the inputs of stakeholders and communities as valuable in developing strategies and plans towards developing and improving the Local Economy. Various methods and mechanisms are utilised to engage stakeholders and the public. Amongst others is the the:

#### ▶ **LED Forum**

An institutional arrangement that allows for participation and input at the community level will be critical to the successful implementation of this LED strategy. The key guiding principles of this LED Forum include the following:

- It must be inclusive and representative,
- It must be participatory,
- It must have a clear and transparent role,
- It must meet regularly (at least quarterly) and adhere to proper meeting procedures, and
- It must receive feedback from project level committees.

The LED Forum comprises a number of stakeholders from the public sector, private sector, NGOs, and the civil society, private individuals and associations such as the Matatiele Farmers associations, masibumbane hawkers association, uncedo taxi association, drakensburg taxi association, business unit and bus associations amongst others.

### **3.3.5 GOOD GOVERNANCE: PUBLIC PARTICIPATION, IGR ETC**

#### 3.3.5.1 Communication Strategy

Matatiele Local Municipality has an adopted communication strategy as reviewed in the (2012/2013) financial year. For the local sphere to fulfill its mandate effectively, the need for a consultative, democratic, integrated, participatory and developmental communication becomes central to the developmental agenda of local government in line with the local government turn-around strategy (LGTAS). A national effort has been initiated by the tripartite alliance of: SALGA, CoGTA and Gcis to develop a system of local government communication which will ensure effective and coordinated communication between the three spheres of government.

The main objectives of communication are:

- To promote transparency in the municipality
- To enhance maximum public participation
- To empower communities with information

To communicate successes in service delivery

- To coordinate internal and external communication
- To build good working relations with traditional leaders, NGO's, CBO's, FBO's and other civil society structures.
- To ensure compliance to communication policy and protocol

To brand and market the municipality

In line with the Batho Pele Principles the following are the communication Objectives:-

- To Promote Transparency in the Municipality
- To Enhance Maximum Public Participation
- To Empower Communities with Information
- To Communicate Successes in Service Delivery
- To coordinate internal and external communication
- To build good working relations with traditional leaders, NGO's, CBO's, FBO and other civil society structures.
- To ensure compliance to communication policy and protocol
- To brand and market the municipality

Communication environment has Positive Perceptions including business opportunities, tourism potential, cleanest town and clean audit reports. Public Perceptions on the other hand involve slow service delivery, lack of quick feedback to people's needs, politicians are only interested in people's votes - politicians are more with power struggle than service delivery, lack of local economic development support from the municipality, nepotism, high crime rate, poverty, corruption and poor public participation of NGO's, CBO's and FBO's.

Media relations with local and national needs to be strengthened through:-

- Minimal coverage on electronic and print
- Municipal support on local print media is still a challenge.
- Maximum utilization of community radio

### **I. Internal Communication Assessment**

Internal Communication Assessment done revealed the following:-

- Staff members are viewed to be the best marketers and implementers of institutional communications when they are well informed, once they are not well informed, they dent the institutional image.
- Lack of understanding of the communication role as well as the strategic or political role within the municipality

### **II. External communication assessment**

External communication assessment revealed a lack of information and understanding of government and municipal functioning in communities. A lack of public participation and lack of communication personnel in sector departments was also revealed.

Some of the communication challenges to be dealt with are:-

- Coordination of communication between sector departments and municipality (slow response on lcf by Sector departments)
- The geographic rural nature of Matatiele villages versus the semi-urban type of the town causes an imbalance on the rate of communication flow within the municipal area.
- Non availability of electricity and lack of network poles lack of network poles in most wards contribute to a slow flow of information dissemination
- Communicating in sign language is a challenge in the municipality.
- Internal communication flow and tools for communication is a challenge e.g. intranet and audiovisuals.
- Interpretation of document into languages used in Matatiele is a very big challenge.
- Improve on compliance by the municipality to SALGA Resolution (Local Government Communication System)

The Municipality plans to align its events with the national calendar of events considering consistency in themes, messages, tone and style, to ensure an instantly recognizable look and feel to all from the council to all audiences.

### **III. Communication Channels**

The following channels of communication are used to communicate to the public, stakeholders, customers etc:

- EXCO Outreach Programmes
- Traditional Councils
- School Governing Bodies



- Electronic and Print Media
- Posters, Brochures, Banners, and Fliers
- Information Days
- Civil Society Organizations
- Municipal Billboards
- Loud Hailing
- Municipal Staff
- Municipal Website
- SMS
- News Letters
- Public Participation Outreaches
- Constituency Offices
- Distribution Points
- Council Meeting
- Local Communicators Forum

### **Inter-Governmental Relations**

The Matatiele Local Municipality IGR Forum conducted a workshop where Terms of Reference were drafted with the assistance of the Department of Local Government and Traditional Affairs. The Draft Terms of Reference will be submitted to Council for approval. The Forum is functioning well and sits on a quarterly basis. The IGR meetings are chaired by the Municipal Manager, and involve senior Management of from various Government departments operation within the Local Municipal Area.

#### **3.3.5.2 Performance Management System**

The Department of Co-operative Governance and Traditional Affairs, (CoGTA) defines Performance

Management as “... a strategic approach to management, which equips leaders, managers, employees and stakeholders at different levels with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review performance of the organisation in terms of indicators and targets for efficiency, effectiveness and impact.” This system will therefore ensure that all leaders, managers and individuals in a municipality are held accountable for their actions, which should bring about improved service delivery and value for money.

For a PMS to be successful it is important that:

- Top management and the council drive the system.
- There is a clear understanding and appreciation of its value by all stakeholders.
- Middle Managers are trained and take responsibility for performance management.

Performance management in a municipality is a two way communication process between the municipality and the community that is making use of the municipal services. The performance of the municipality is then measured against specific standards and priorities which have been mutually developed and agreed upon during the IDP process. Performance management is potentially the area of management that can make the most significant contribution to organisational performance.

The system should be designed in such a way that it improves strategic focus and organisational effectiveness through continually seeking to improve the performance of the municipality as a whole.

In compliance with the basic requirement of Chapter 6 of the Municipal Systems Act (2000), Matatiele Local Municipality has an adopted PMS framework and Policy for implementing Performance Management System (PMS). The PMS model that is used by Matatiele is Municipal Scorecard. The framework recommended this Model because it is a conceptual framework that provides guidance as to what aspects of the municipality's performance should be measured and managed.

The model has proved useful in performance management for it provides balance, simplicity, mapping of inter – relationships and alignment to the Integrated Development Planning processes of the municipalities. The model also prompts municipal organizations to take a balanced view in terms of how it measures and manages its performance. It prevents bias by ensuring that performance measurement does not heavily rely on one facet of performance (i.e. financial viability), but rather encapsulates a multi – perspective holistic assessment of the municipality's performance. It is considered simple because it covers all key areas of performance within the municipal organization.

The municipality facilitates the implementation of this framework on an on – going basis as a tool to meet the targets that are outlined on the municipal objectives and priorities as entailed in the comprehensive Integrated Development Plan (IDP). The Service Delivery and Budget Implementation Plan (SDBIP) is prepared on an annual basis to monitor the implementation of the IDP and Budget in the immediate term. The SDBIP captures the IDP capital projects and other municipal operational activities which have been resourced with funding and human capital for the current financial year and set the measurable annual and quarterly targets for Council to be able to monitor development on the ground versus what has been planned.

It is also through the SDBIP that Matatiele Management reports to the Municipal Council in a structured manner (i.e. Monthly and Quarterly) and the performance of the Municipal Manager and Section 57 Managers is thus monitored. The Municipal Manager is directly responsible for the Performance of the municipality as such the IDP and PMS Unit are located within the Office of the Municipal Manager. The key units that mainly assists the Municipal Manager with PMS can be briefly discussed as follows:

- **IDP, Monitoring and Evaluation Unit (PMS)** – this unit is responsible for the development and review of the Municipal Integrated Development Plan, compilation of the Service Delivery and Budget Implementation Plan, consolidation of the SDBIP quarterly reports for Council, Mid – Year Budget and Performance Report, Annual Performance Report and co – ordination of the

Strategic Planning Session.

- **Budget and Treasury (Financial Reporting)** – this office is responsible for monitoring the municipality’s performance in terms of financial expenditure in line with the IDP, Budget and SDBIP. This also includes consolidation of monthly and quarterly financial reports that are part of the SDBIP quarterly reports, Mid Year Report and Annual Financial Statements.

In addition to the above the municipality also considers additional PMS functions to the Internal Audit Unit and the External Audit Committee. These functions can be briefly outlined as follows:-

- **Internal Auditing**– this unit is mainly responsible for performance audit in order to ensure that performance management is implemented in a manner that complies with the legislations. This unit serves as an internal advisory to the existing personnel responsible for PMS and co – ordinate the External Audit Committee meetings.
- **Independent Advisory (External Audit Committee)** – The Audit Committee is mainly responsible for commissioning in-depth performance investigations where there is either continued poor performance, a lack of reliability in the information being provided or on a random ad-hoc basis. These performance investigations should assess the reliability of reported information, the extent of performance gaps from targets, the reasons for performance gaps, corrective action and improvement strategies. While the internal audit may be used to conduct these investigations, it is preferable that external service providers, preferably academic institutions, who are experts in the area to be audited, should be used.

### 3.3.5.3 HIV/AIDS Strategy

The Matatiele Local Municipality guided by SALGA and AMICAALL Policy Framework for municipalities respond to HIV/AIDS challenge, facilitated the establishment of a multi-sectoral AIDS council. This council convened a workshop to develop a strategic framework to guide all stakeholders and role-players involve in the fight against HIV/AIDS within the municipal jurisdiction.

The workshop was attended by representatives from local municipality including the Councillors, government departments, non –governmental organisations, community based organisations and the religious sector. This document is the product of that engagement and it is organised according to six sections which are:

**Section1: Municipal Situational analysis:** the Matatiele multi-sectoral plan focuses on issues that are critical in developing the multi-sectoral municipal respond to HIV and AIDS. The Municipal HIV/AIDS multi-sectoral plan analyses different socio-economic conditions that drives for the spread and impact of the HIV and AIDS pandemic in our communities.

The Municipal situational analysis focuses on the following:

- Municipal geographic location
- Municipal Socio-economic profile
- Access to basic services and health care services

**Section 3: Policy and Legal framework for municipal response to HIV and AIDS:** this section of the strategy document provides a policy framework for municipality’s response to HIV/AIDS. The

document focuses on the National and International prescripts.

**Section 4: HIV Prevalence and impact on the municipality:** in this section of the strategy document we map out the landscape of the pandemic within the municipality. The landscaping traces the HIV prevalence in the provinces, district and local. As part of this landscaping we also look at some of the factors that contribute towards the spread of the pandemic. The second part of this section focuses on the impact of the pandemic in the livelihood of the communities and it focuses on:

- *Impact on Family Life and Children*
- *Provision of Service Health, Education and Welfare*
- *Impact on Local Economy*
- *Impact on community and poverty*

**Section 5: Matatiele Local Municipality HIV and AIDS strategy 2010-2015:** in line with the national strategic framework, the Matatiele multi-sectoral strategic plan has set its broad objectives as to:

- Reduce the rate of infection of HIV and AIDS
- Reduce the impact of the HIV and AIDS on individuals, families, communities and the broader society by ensuring improving access to treatment care and support and service delivery targeting the infected and affected.

This section is organised into three focus areas which are:

- Prevention, education and awareness
- Treatment, care and support
- Care and support for orphaned and vulnerable children

In each of these three focus areas the Matatiele Municipality HIV and AIDS strategic plan document outline:

- The broad goal
- Problem analysis
- Available services
- Gap analysis between the available services and needs
- Outputs needed and approach towards the implementation.

**Section 6: Structural arrangements and co-ordination of the municipal response:** this last section of the strategic documents focuses on the establishment and function of the local AIDS council. The document outlines the structures, roles and responsibilities and what it needs to ensure effective co-ordination and implementation of multi-sectoral response.

#### 3.3.5.4 Audit and Compliance

The local municipality has an Audit Committee. The Audit committee operates in terms of accepted terms of Reference for the Audit Committee as set out in the appointment letters subject to the provisions of Section 166 of the MFMA. In particular the Committee emphasises that its overall objective is to ensure that good corporate governance is observed and practiced by the Municipality. In particular the purpose is to assist the Council in the course of the Council fulfilling and achieving its developmental objectives which are to deliver a quality service to ratepayers, service consumers and stakeholders utilizing minimum resources, while creating and bringing about a self-sufficient

municipality.

### Audit Committee Members

**Chairperson:** Advocate Andrew Duminy 082 776 3148

- Ms Shivaun Jane Katherine Earle 082 3357 805
- Dr. Merida Roets 083 630 7787
- Mr. Lulamile Mapholoba 083 2624 265
- Mr. Maurice Mthandeki Boki 083 592 4458

#### 3.6.4.1 Municipal Public Accounts Committee (MPAC)

S79 Committee reporting directly to Council. Municipality had an “Oversight Committee” as prescribed by the MFMA for the conclusion of the Annual Reporting Process. The MPAC has been established and in early stages of executing its duties.

#### MPAC Members:

- T.V. Mongoato (Chairperson)
- J.Z. Munyu
- P.G. Muir
- N. Nkukhu
- R.T. Mnika
- S. Baba
- S. Mavuka
- N.B. Nkomo
- N.N. Ndukwana
- V.M. Mlandu

#### 3.6.4.3 Audit Outcomes Opinions for the last three financial years

Opinion	Financial Year	Audit Finding
<b>Unqualified Audit Opinion</b>	<b>2009 - 2010</b>	Irregular Expenditure
		Non –compliance with regulatory and reporting requirement None reporting against predetermine objectives, indicators and targets.
		The financial statements were not prepared in accordance with applicable legislation.
		Expenditure was not paid within the parameters set by the applicable legislation.
		The Audit Committee was not properly established or not functioning properly.

		The Internal Audit Unit was not properly established or not functioning properly.
		Supply Chain Management legislative requirements were not implemented or not adhered to (resulting in irregular expenditure)
		Other non-compliance
		Leadership
		Financial and Performance management
		Governance
<b>Unqualified Audit Opinion</b>	<b>2010-2011</b>	Material losses on electricity distribution
		Measures taken to improve performance were not provided in the performance report
		Compliance with laws and regulations: Strategic planning and performance management
		Annual financial statements, performance and annual report
		Expenditure management
		Leadership- Management have not implemented and ensured adherence to all documents policies and procedures that guide the operation and financial reporting of the municipality.
<b>Unqualified Audit Opinion</b>	<b>2011 - 2012</b>	Performance Indicators not well defined
		Performance target not specific measurable or time bound
		Reported indicators and targets not consistent with planned indicators and targets
		Reported performance not valid, accurate or complete
		Annual financial statement, performance and annual report

		Leadership- Management have not implemented and ensured adherence to all documents policies and procedures that guide the operation and financial reporting of the municipality.
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**The Auditor-General, without qualifying his opinion, raised the following issues:**

- Performance Indicators not well defined:  
A total of 40% of the indicators were not well defined in that clear, unambiguous data definitions were not available to all allow for data to be collected consistently.
- Performance targets not specific measurable or time bound:  
A total of 27% of the performance targets were not specific in clearly identifying the nature and the required level of performance, while 23% could not be measured, and were not time bound.
- Reported indicators and targets not consistent with planned indicators and targets:  
A total of 47% of reported and 22% of reported targets were not consistent when compared with the planned indicators and targets.
- Reported performance not valid, accurate or complete:  
A total of 42% of the actual reported performance relevant to the project management unit, solid waste and electricity objectives were not valid and 50% was not accurate when compared to source information, while 24% was not completely recorded.
- Annual financial statement, performance and annual report:  
The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirement 'of section 122 of the MFMA.
- The annual performance report for the year under review does not include a comparison with the targets set for and performances of the previous financial year as required by section 46(1)(b) of the MSA.

The Auditor General considered internal control processes relevant to his audit, but not for the purposes of expressing an opinion on the effectiveness of internal control.

The Auditor General noted that management did not perform an adequate detailed review on the financial statements and the annual performance report prior to their submission for audit. This resulted in misstatement that were required to be corrected. The municipality implemented an action plan to address internal control deficiencies however there were still repeat findings noted specifically regarding compliance with the GRAP measurement and disclosure requirements and the formulation of indicators and targets for the performance report.

The Audit Committee accepted the conclusions of the Auditor-General on the Annual Financial Statements for the year ended 30 June 2012.

The municipality developed and an action plan and is implementing the action plan to address

internal control deficiencies and the other findings raised.

#### **3.3.5.5 Audit Plan**

The purpose of this plan is to set out the nature, role, responsibility, status and authority of the Internal Audit function within the municipality and to outline the scope of the internal audit.

The scope of work of the Internal Audit function is to determine whether the municipality's risk management, control and governance processes, as designed and represented by management, are adequate and functioning in a manner to ensure:-

- That risks are appropriately identified and managed;
- That interaction with the various governance groups occurs as needed;
- That significant financial, managerial, and operating information is accurate, reliable, and timely;
- That employees' actions are in compliance with policies, standards, procedures, and applicable laws and regulations;
- That resources are acquired economically, used efficiently, and adequately protected;
- That programs, plans, and objectives are achieved
- That quality and continuous improvement are fostered in the municipality's control process.
- Those significant legislative or regulatory issues impacting the municipality are recognized and addressed appropriately.
- Effective, efficient and transparent governance / administration

#### **3.3.5.6 Compliance Auditing**

Compliance Auditing is performed after the internal controls have been evaluated and is defined as test of controls with the objective to express an opinion that is satisfactory, needs improvement, or unsatisfactory on the achievement of the control objectives of each significant system.

#### **3.3.5.7 Performance Auditing**

The promotion of economy, efficiency and effectiveness depends on adequate overall management arrangements for planning, budgeting, authorisation, control and evaluation of the use of resources. Whereas accounting officers are responsible for the implementation of proper functioning of such overall management arrangements, the responsibility of performance audit is to confirm independently that these measures do exist and are effective and report to the management and the Audit Committee on these issues.

#### **3.3.5.8 Information Systems Review**

A high level review of the Information system controls to obtain an understanding of the control environment, to support the audit risk assessment and to ensure that proper IS controls are in place in such a way as to ensure that IS supports the business objectives and process of the organization.

#### **3.3.5.9 Fraud Prevention**

The identification and prevention of fraud is clearly the responsibility of management. Internal Audit function is well qualified to assist management to identify the main fraud risks facing the



Organisation and to design appropriate controls that could help minimize the effects of the risks.

**Accountability** - The Internal Audit function, in the discharge of its duties, shall be accountable to the Audit Committee to:-

- Provide annually, an assessment on the adequacy and effectiveness of the organization's processes for controlling its activities and managing its risk in the areas set forth under the mission and scope of work;
- Report significant issues related to processes for controlling the activities of the organisation including potential improvements to those processes;
- Periodically provide information on the status and results of the annual audit plan and sufficiency of the division resources; and
- Coordinate with and provide oversight of other control and monitoring functions (risk management, compliance security, legal, external audit).

**Independence** - To provide for the independence of the Internal Audit function, it reports to the Accounting officer administratively and operationally to the Audit Committee periodically.

**Responsibility** - The Internal Audit function has responsibilities amongst others to develop a flexible annual audit plan using an appropriate risk-based methodology, including any risks or control concerns identified by management, and submit that plan to the Audit Committee for review and approval as well periodic updates. It also has a responsibility to implement the annual audit plan as approved, including as appropriate any special task or projects requested by the management and the Audit Committee.

**Authority** - There are no restrictions placed upon the scope of internal audit's work. Members of the internal audit function engaged on internal audit work are entitled to receive whatever information or explanations they consider necessary to fulfil their responsibilities to senior management. In this regard, internal audit may have access to any records, personnel or physical property of the organization.

**External Auditors** - The External Auditors will be notified of the activities of Internal Audit in order to minimize the duplication of audit effort. This will be accomplished by a compulsory meeting between Internal and External Audit to discuss the annual internal and external audit plans.

**Strategic Internal Audit Plan** - Internal audit will in consultation with management prepare a **three** year rolling internal audit plan to the Audit Committee for approval. The plan should set out the recommended scope of their work in the period.

**Operational Internal Audit Plan** - Internal audit will in consultation with management present an annual internal audit operational plan to Audit Committee for approval. The plan should set out the recommended scope of their work in the year.

**Reporting** - The Internal Audit function will carry out the work as agreed, report the outcome and findings to the management, and will make recommendations on the action to be taken. The details will be copied to the relevant line management, given a maximum response period of two weeks. A follow up report will be issued to the managers of the affected section three months after the main report enquiring about the progress made regarding the corrective measures take as a result of the audit. On a quarterly basis the Internal Audit will submit an Executive Report to the Audit Committee. The process of drafting annual financial statements and the ensuing audit will take up

at least 6 months of the financial year between July and December.

**Standard of Audit Practice-** The Internal Audit function will meet or exceed the Standard for Professional Practice of Internal Auditing of The Institute of Internal Auditors, provided that sufficient resources have been allocated. A full time resource will be available to MATATIELE Local Municipality in ensuring the proper implementation of systems and controls at the Municipality.

### **3.3.5.10 Fraud Prevention Plan**

The purpose is to ensure that the Matatiele Local Municipality has a successful, efficient and transparent system of financial and risk management and internal control. It is committed to fighting fraudulent behaviour at all levels within the organization.

The policy of the Municipality is zero tolerance to fraud and corruption. In addition, all fraud and corruption will be inspected and followed up by the application of all remedies available within the full extent of the law and implementation of appropriate prevention and detection controls. These prevention controls include the existing financial and other controls and checking mechanisms as prescribed in the systems, policies and procedures of the Municipality. It is the responsibility of all employees to immediately report all allegations or incidents of fraud and corruption to their managers. The Municipality encourages the members of the public or providers of goods and/or services who suspect fraud and corruption to contact any member of management, the Municipal Manager, the Speaker, the Mayor and/or the chairperson of the Audit Committee. For issues raised by employees, ratepayers, members of the public or providers of goods and/or services, actions taken depend on the nature of the allegation. The matters raised will be screened and evaluated and may be subsequently:

- Investigated internally
- Directed to the law enforcement agency

Any fraud and corruption committed by any employee or any other person will be practiced by a thorough examination and to the full level of the law, consider the following:

- In case of employees, taking disciplinary action within a reasonable period of time after the incident.
- Instituting civil action to recover losses;
- Initiating criminal prosecution by reporting the matter to the SAPS or any other relevant law enforcement agency; and
- Any other appropriate and legal remedy available

#### **a) Components of the plan**

The main principles of this plan are based on and aligned to the LGTAS including the following

- Creating a culture which is ethical and intolerant to fraud and corruption;
- Deterrence of fraud and corruption;
- Prevention of fraud and corruption which cannot be deterred;
- Detection of fraud and corruption;
- Investigating detected fraud and corruption;
- Taking appropriate action in the event of such irregularities, e.g. disciplinary action, recovery of losses, prosecution, etc and

- Applying sanctions that include blacklisting and prohibition from further employment.

**b) Approach to Fraud Prevention**

Steps of approaching fraud prevention:

- Organizational focus
- Focus on employees including management
- Focus on other stakeholders
- Enforcement
- Implementation

**3.3.5.11 Risk Management Plan**

The management of risk is the process by which the Accounting Officer, Chief Financial Officer and the other senior management of the municipality will proactively, purposely, and regularly, but at least annually, identify and define current as well as emerging business, financial and potential risks and identify appropriate, business and cost effective methods of managing these risks within the municipality, as well as the risk to stakeholders.

The purpose of risk assessment is to provide management with an assessment of the risk profile of the municipality. The risk analysis also provides an indication of the impact and likelihood of critical risks occurring that may prevent the Municipality from attaining the desired performance against strategic objectives.

**a) Risk Management Policy**

*Objective of the risk management policy*

The objective of the risk policy is to ensure that a strategic plan is developed that should address the following:

- An effective risk management architecture
- A reporting system to facilitate risk reporting: and
- An effective culture of risk assessment

The Policy is used to ensure that risk management becomes the concern of line management and everyone in the Municipality and that risk management practices are consistent across the whole of the municipality.

A risk management committee for the municipality is established to oversee the implementation of the risk management Policy. The committee comprises of the following disciplines

- The Municipal Manager and all General Managers
- Electrical services unit
- Public Safety unit

The committee:

- Ensure that the Risk Management Strategy is appropriate to the Municipality
- Convene and facilitate Risk Assessment workshops for the purpose of identifying, analysing and evaluating risks
- Prepare the Risk Profile of each Department
- Ensure that the Risk Assessment and Risk Profile is completed prior to the end of each financial year
- Oversee the implementation of the Strategy within the Organisation to ensure that Departments identify, analyze and rate risks and furthermore implement the necessary control measures as prescribed by management to respond to risks identified

**b) Risk Management Strategy**

- **Risk Identification and Evaluation**

Risks will be identified and related to the process objectives for each department. It is accepted that risks within the three categories are themselves subjected to further categorization. For instances, within the High-risk category, it is accepted that some risks will be of a higher level than others, whilst all of them will be globally categorized as “high”.

- **Assessment of controls**

According to South African Auditing Standard, an internal control system” consists of all the policies and procedures (internal controls) adopted by management of an entity to assist in achieving management’s objective of ensuring, as far as it is practicable, the orderly and efficient conduct of its business, including adherence to management policies, the safeguarding of assets, the prevention and detection of fraud and error, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information. Controls are evaluated and rated as being strong, medium or weak. Non-existent controls are indicated as such in the assessment of controls.

- **Residual risks**

After documenting the activities; identifying, classifying and rating risks as well as identifying and rating the existing controls, the residual risks per activity, will be established. Residual risks are the risks that are identified after taking into consideration the effect and impact of direct control measures implemented as well as the impact of compensating control measures, relative to a risk identified.

- **Risk profile**

A risk profile will be maintained by Internal Audit reflecting all activities with a residual risk and shall categorize the residual risks into High, Medium and Low. The residual risks will be depicted in tabular form and the rating of residual risks will be indicated. Management shall identify the person/s responsible for the implementation of the control measure and time frame within which the control measure will be implemented.

- **Control Self Assessment**

The final phase of the risk management strategy requires continuous monitoring and evaluating

of the risk profile.

Management shall conduct a cost-benefit-analysis to establish whether the benefits of implementing a control measure exceed the costs thereof. If not, the effects of the risk should be carefully analysed and appropriate action taken.

- **Monitoring / Review**

The Manager shall, on a regular basis, but at a minimum on an annual basis, review the risks identified in the risk profile, with due regard of the impact of any compensating controls, and report to council on the effectiveness of the Risk management strategy. Accounting officer will coordinate an annual review of the effectiveness of this policy with the key managers in the municipality. This annual review will take place immediately prior to the development of the annual business and integrated development plans so that it can have due regard to the current as well as the emerging risk profile of the business. Internal audit will monitor key controls identified in the risk management system as part of the annual audit plan developed in conjunction with the Accounting Officer and approved by the Audit Committee.

### **3.3.5.11 Customer care Management**

With regards to Customer care, Matatiele Local municipality has the objective to provide a reliable, responsive, competent, accessible, courteous, multi operational, affordable quality service and to treat consumers with empathy at all times under all circumstances also, to define a customer care framework to ensure loyalty and participation of customers into the objective of the municipality. A community liaison officer has been appointed to deal with community relations, customer care and public participation. There is a customer care policy which has been adopted to guide the processes and procedures with regards customer care and complaints management. The policy address the aims of BATHO-PELE principles and the municipality is committed to the provision of high quality relevant services in an open and responsive manner and we will ensure the strategy is delivered to a standard that is user-friendly and efficient. The Municipality is also linked to the Presidential Hot Line, monitored by the Community Liaison Officer. Customers use written and verbal means of conveying their concerns, using such as Walk-ins and suggestion books and boxes

### **3.3.5.12 Social Cohesion**

Matatiele Local Municipality is committed to promoting social initiatives that enhance the upliftment and empowering of communities through social cohesion. the municipality has amongst other initiatives, annual events which are geared towards improving and empowering communities.

- **Miss Matatiele**

Miss Matatiele is a programme that is held annually, the purpose of is to give platform to young women of Matatiele from which to launch and or advance a career of choice. Most importantly the municipality recognizes that not all young people are gifted in the traditional sporting activities, hence the alignment of the beauty pageant with arts, sports and culture. This is because the principle, values and disciplines that involved in sport also applies in beauty pageants.

Contestants are drawn from all 26 wards within the municipality and 15 young women get to camp out for the week in which they are work shopped about issues that affect youth in

general. The first prize goes towards the tertiary fees valued at R30 000, the second prize also go towards their studies worth R 10 000, and the third prize is R 5 000 paid to the tertiary institution.

▪ **Golden Games**

Golden Games is a programme that is held annually, the purpose of this programme is to encourage our senior citizens to participate in physical activities. More importantly the municipality recognizes that not all senior citizens are physically active in sporting activities, hence the Municipality identified the need to have a sport day for our senior citizens to encourage them to be active physically. This is because principles, values and discipline that are involved in sport also apply in physical fitness with benefits such as: reduced dependency on pain and depression medication and fewer secondary medical conditions (e.g., diabetes, hypertension etc). The programme allows all elderly people from all wards to participate those in projects and those who are not in projects.

### **3.3.5.13 Stakeholders**

The main purposes of the external communication is to inform stakeholders of MLM with policy and legislative matters of the Municipality , its IDP, PMS Municipal Programmes of service delivery , information about campaigns, best practices, issues. Two way communications is prompted in order to obtain feedback so that MLM convey relevant information that meets the needs of the communitie. The following are the stakeholders within the municipality;

- Womens Forum
- Business Ogarnisation
- Community Organisation
- Faith Based Organisation
- Ngos
- Traditional Leaders
- Youth Forums
- Labour Forums
- Political Organisations
- Ratepayers
- Hawkers Association
- Sector Departments

Below is the stakeholder registers, detailing some of the stakeholders:

<b>NAME OF ORGANISATION</b>	<b>CONTACT PERSON</b>	<b>CONTACT NUMBERS</b>
IMBUMBA YA MAKHOSIKAZI	MRS SIBI	083 678 0021
MATATIELE RETIRED TEACHERS(MARTA)	MR LESAOANA	076 724 9187
NAFCOC	MR NONJINGO	073 556 2813
CONTRALESA	CHIEF SIBI	072 533 4873
LOCAL CO-ORPARITIVE FORUM		083 506 8021
DISABILITY FORUM	MR PHOOKO	072 9898 507
COSATU	MR KORTJAAS	078 358 4920
MASIBUMBANE HAWKERS ASSOCIATIONS	MR RORISANG MOOROSI	073 497 2951
MATATIELE RATE PAYERS AND BUSINESS ASSOCIATION	MR VINCENT, MR HAVISIDE AND MR MOHOTO	083 5572214
WORLD VISION	Mr Mbi/Mvimbi Z.	071 585 4645/071 605 3830/072 950 2249
SANANCO	NOMAWETHU SOMDAKA	083 398 0699
MEHLODING TOURISM TRUST	MR Lesia Simon	078 285 0999
MATATIELE FARMERS ASSOCIATION	MR Mohapi?	083 582 7398
COUNCIL OF CHURCHES	Rev. Setlaba Rev. Qobo	071 204 7743 079 493 6455
UNCEDO TAXI ASSOCIATION DRAKENSBURG TAXI ASSOCIATION	MR DLOMO MR MOTHIBEDI	073 135 0231 082 680 0577
FARMERS UNIONS : GRAIN SA NERPO	CLLR MONGOATO MR MOHAPI	082 770 4710 083 582 7398
BUS ASSOCIATION	MR V.S. MBOBO	083 561 1646
PAKISTAN & INDIAN COMMUNITY	CHAIRPERSON MR SHAHID MUHAMMAD	072 3402189
IMFUYO FARMERS ASSOCIATIONS	MR THOBILE MFENE	079 265 7721/082 796 6313
CERDAVILLE FARMERS ASSOCIATIONS	MR KENNY BIGGS	082 770 6618

### **3.3.6 INSTITUTIONAL ARRANGEMENTS**

#### **3.3.6.1 Human Resources-Employment Practices**

The Municipality is committed to developing human resources systems, policies and procedures, which incorporate prevention practices. There is a risk of poor implementation of its human resource system, policies and procedures. Employees focused anti-fraud and anti-corruption measures should be visible from the point of advertising a vacant post, recruitment, specific employment conditions, maintaining high employee morale, performance management and even exit procedure upon resignation or retirement.

The approaches indicated below are key Municipality's efforts in this regard:

- Advertising posts
- Pre-employment screening
- Probation
- Ongoing financial disclosure
- Employee induction programme
- Obligatory leave periods
- Managers will encourage ensuring that appropriate control
- Exist procedures for employees and control over assts
- The Municipality will ensure that an exit interview process is in place

#### **a) Discipline**

The Municipality is consistent and efficient in its application of disciplinary measures. Additional measures, which will be considered include:

- Communication of specific disciplinary standards and forbidden conduct
- Introducing a system where the application of disciplinary measure is applied consistently
- Steps for ongoing training of managers in the application of disciplinary measures
- Where managers are found to be inconsistency and/ or inefficient in the application of discipline, the Municipality will consider firm action;
- Publicize the outcomes and sanction of disciplinary action as a deterrent effect to others.

#### **3.3.6.2 Staff Development/Capacity Enhancement & Staffing Policies**

There is staff development initiatives taken by the municipality in the form of training programs and bursary assistance offered to the municipal officials and councillors, from July 2012. The skills development ranged between one week to 12 months with the assistance of different service providers like PALAMA, NMMU, Lemark Training & Development, University of Pretoria, University of Fort Hare and Stellenbosch University etc. officials and councillors were trained and some of them are still attending in the following areas:-

- Bid Committee Training
- Disciplinary Hearing
- Project Management 1



- Public participation
- Project Management 2
- Employee wellness
- Credit Control, Debt collection and Indigent Policy for government and Parastatals
- First Aid Level 1
- Basic Fire Fighting
- Occupationally Health & Safety
- Peace Officer Training
- Programme in Municipal Finance Management offered by Fort Hare University
- Municipal Minimum Competency offered by Stellenbosch University

## STUDY ASSISTANTS

COURSE	BENEFICIARIES	DURATION	INSTITUTION
BA Human & Social Studies: Government Administration	1	3 years	UNISA
ND Public Management	1	3 Years	UNISA
B Tech Business Administration	1	1 Year	UNISA
Programme in Safety Management	1	1 Year	UNISA
B Tech Construction Management	1	1 Year	UNISA
Specialist Project Management Programme	1	1 year	UNISA
Short Course in Human Resource Management	1	2 years	Centurion Academy
Certificate in Management	1	1 Year	Southern Business School
Higher Certificate in Local Government and Development Management			Mancosa

### I. Employment Equity Plan

The MLM is committed to the implementation of employment Equity to redress the legacy of past discrimination during which people were denied access to equal opportunities based on their race, gender, HIV/AIDS, marital status, sexual orientation, religion; ethnic/social origin, age and disabilities. MLM is committed to redress the past legacies through the establishment of EE Forum. In order to guide its implementation process and review, the municipality developed an Employment Equity Plan covering a period until 2014 in 2009. The plan needs to be continually reviewed and updated to ensure that it is consistently in line with the economic realities of the Municipality. Employment Equity Reports are submitted online in October annually

### II. Training Policy

The training policy aims to fulfil the following objectives:

- To provide skills development framework for officials and Councillors.
- To provide a framework for aligning training needs with the strategic objectives of the Municipality.
- To equip Municipal Human Resources with the necessary skills for better service delivery.
- To manage skills development processes within the Municipality.
- To cater for the previously under privileged sections of the Municipal Human Resources.

### **III. Succession Policy**

The reasons for preparing succession planning and career path plans are as follows:

- To ensure continuity of suitably trained staff in key posts for the future
- To ensure that someone is always available to fulfil any particular job in the municipal service, even in the event of illness, resignation or death. More than one staff member in a specific department should always be able to do any particular job.
- To comply with the legal requirements of the Employment Equity Act, this requires the appointment and promotion of suitably qualified persons from previously disadvantaged groups, to ensure proportional representation in all occupational categories and levels.
- To ensure that training programs are undertaken in an orderly way and that staff do not simply attend training courses without a purpose. In this way training initiatives can be properly focused.
- 
- To develop career paths for individual staff members to assist them in their careers, making them more enthusiastic about their jobs and therefore making them more productive. In this way, the individual skills may be utilised to achieve the goals of both the department as well as the organisation
- To assist the employee in meeting his/her performance goals. Individual goals must be aligned with the goals of the overall department and the organisation, including the Council's Integrated Development Plan (IDP) and budget. Succession planning and career planning must, furthermore, be aligned with all other human resources activities such as selection, training, performance management etc
- To establish a highly motivated work force which could lead to a decrease in staff turnover
- Employed successful applicants in the identified critical and budgeted posts
- Implement Salary and Wage Agreement
- Consolidated Conditions of Service
- Started implementing the Electronic Archiving System

### **III. Retention Strategy**

The purpose of the Staff Retention Strategy is:

To allow Council to effectively retain their staff by providing information on staff retention and some possible staff retention techniques.

To prevent the loss of competent staff from the Municipality that can have an adverse effect on service delivery

To attract and retain competent staff

To retain key staff members whose services are regarded as critical to achieve the vision and mission of the Municipality.

To identify individual's potential for assuming a higher degree of responsibility.

To help develop a skills base for succession planning

#### APPLICATION OF THE STRATEGY

This strategy will apply:

To all Senior Management and Middle Management positions

To all the Municipal employees

#### RETENTION TOOLS

The following should be regarded as tools to assist in the achieving the retention of staff :

Performance appraisal system

Personal development plan

Career development/training

Staff moral assessment/survey

Exit interview report

#### STAFF RETENTION TECHNIQUES

Scarce Skills

Conducting of a skills audit to identify and classify the current skills needs and the future needs of the Municipality.

Identification of scarce and critical skills on an annual basis.

Where scarce/critical skills have been identified, an executing authority may set the salary for a post or an employee above the minimum notch of the salary scale indicated on the staff structure of Council.

The process may also be initiated where an employee with scarce/critical skills and/or experience has received a higher job offer and the executing authority may give a counter offer to retain his/her service.

#### Employment Equity

Employment Equity Act, 1998, requires every employer to retain and develop people from the designated groups. The municipality is currently experiencing difficulty in attracting women (in senior management positions) and people with disabilities (PWD).

Opportunities should be created to make the employment more attractive for example apprentice, learnership and furthering of studies for all employees and the previously disadvantaged in particular.

Decisions of this nature must be taken with due consideration to the Municipality's Employment Equity Plan.

#### Performance Appraisal

Performance appraisal is a two-way process, it includes the employer and employees as a tool to

identify short-comings and future development of employees.

#### Performance Management and Development

Each employee must have a performance agreement, which is cascaded from the departmental score card.

The output must be specific and measurable with clear time frames for achievement.

The performance must be assessed four times per financial year.

The identified needs or shortcomings must be followed by the appropriate intervention/training.

#### Succession Plan

A Succession Plan database should be compiled from the career discussion outcomes and should be in the custody of Corporate Services Department and kept confidentiality.

The Corporate Services Department should identify potential key competencies to be developed in the light of the identified succession plan positions.

Planning is fostering activities like job rotation to expose staff to the workings of the Municipality. This can assist in the identification of top performers and employees with potential.

#### ATTRACTING SCARCE SKILLS

##### Granting of higher salaries

Scarcity of the skills and/or the competencies that the said employee possesses shall be the key guiding factors that will determine the final outcome.

In order to attract new employees whose skills are critical to the Municipality, higher packages can be offered to the employee regardless of the current packages.

The prevailing market trends should be studied and taken into consideration.

The granting of higher salaries for the purpose of counter offer requires that the following measures be taken into account, namely the demonstration of fairness, budgetary provisions to sustain the position and alternatives.

#### MONITORING AND EVALUATION

Methods to be used for the evaluation of the effectiveness of the Retention Strategy shall include:

- Analysis of the staff turnover
- Analysis of the exit interview reports,
- Analysis of Labour market trends

#### IV. Workplace Skills Plan

The Workplace Skills Plan (WSP) document provide information on the Municipal current employment profile and to indicate the training interventions that have been planned for each financial year in order to develop the Municipal employees and councillors and to improve themunicipalperformance. The document also requests information on Skills Development circumstances so that Local Government Sector Education and Training Authority (LGSETA) can render assistance and support. This WSP must be submitted to the LGSETA by 30 June of each

financial Year.

The process of developing Workplace Skills Plan includes:

- *The Training needs analysis through circulation of Skills Audit Questionnaires to all employees and councillors.*
- *Consolidation of all Skills Audit Questionnaires collected*
- *Compilation of Workplace Skills Plan(WSP) and Annual Training Report (ATR)*
- *Presentation of Workplace Skills Plan (WSP) and Annual Training Report (ATR) to the Training Committee*
- *Signing of Workplace Skills Plan (WSP) and Annual Training Report (ATR) by the relevant signatories*
- *Submission of Signed Workplace Skills Plan (WSP) and Annual Training Report (ATR) to the National and Provincial office of LGSETA by 30 June.*

## **V. Recruitment & Selection Policy**

The municipality currently has an adopted Recruitment & Selection policy. The purpose of this policy is to guide the process of recruiting and thus ensuring that In the appointment of any staff member, the principles set out in the policy be followed, to ensure that the most suitable person will be appointed to the to a particular post. The current policy however needs to be reviewed in the next financial year.

The policy gives guidance and procedure regarding the following:

- Planning, Organising and Advertising the Position
- Processing Of Application Forms Received
- Checking Of References and Other Personal Information
- Interviewing Process
- Appointment of Employees, Letters Of Appointment and Contracts of Employment

## **VI. HUMAN RESOURCE PLAN**

- Municipal HR Strategic Objectives
  - To provide effective Human Resource Management
  - To provide effective and efficient administrative services
  - To ensure compliance with all relevant pieces of legislation and agreements
  - To ensure development and implementation of policies and bylaws

Action Plan/ Implementation Plan

This annual will be implemented on 5 year period reviewed annually

## Monitoring and Evaluation

The plan will be monitored quarterly and reviewed annually

## Priority HR Issues

Recruitment and Selection

Retention Strategy

Skills Development

Employee Wellness Programme

Performance Management System (PMS)

Employee Relations

Succession Planning and Career Development

### 3.3.6.3 Physical and Information Security

#### **a) Physical Security**

The Municipality's main physical security threat arises in the area of control over its physical assets, facilities and employees. Security personnel and access system are deployed to ease this threat.

#### **b) Information Security**

The Municipality will ensure that all employees are sensitized on regular basis to fraud and corruption risks related with information security and the utilization of computer resources, particularly access control, & to ensure systems are developed to limit the risk of manipulation of computerized data.

#### **c) Enforcement**

No Fraud Prevention Plan would be complete without enforcement forming an integral component for instances where fraud and corruption occurs. The implementation and awareness will be achieved through: Monitoring, Creating awareness, Education, Communication, Implementation structure, Adoption and Implementation-This Plan shall take effect on the date of Council resolution. It shall be reviewed as and when required.

### 3.3.7 SUMMARY OF SECTOR PLANS

Ref	Activity/ Item description	Levels of Execution		Comments
		*LM	*DM	
1.	Disaster Management Plan	✓	✓	MLM adopted the Districts Plan
2.	HIV/AIDS Action Strategy	✓		Needs to be reviewed
3.	Human Resource Plan	✓		Not yet Complete
4.	Performance Management System (PMS)	✓		In Place
5.	Skills Development Plan	✓		In Place
6.	Financial Management Plan	✓		Available and integrated into the IDP.
7.	Consolidated Infrastructure Plan (CIPO)	✓		Draft in Place
8.	Integrated Environmental Programme	✓		In Place
9.	Local Economic Development (LED)	✓		In Place
10.	Housing Sector Plan			In Place
11.	Water Services Development Plan (WSDP)		✓	WSDP prepared at District level.
12.	Waste Management Plan	✓		In Place
13.	Roads and Storm water Master Plan	✓		Forms part of the CIP
14.	Transportation Plan		✓	TP is prepared at District level. Forms part of the CIP
15.	Electrification Plan	✓		Draft in-place
16.	Tourism and Marketing Plan	✓		Not in-place
17.	Land Use Management Plan	✓		In Place
18.	Spatial Development Framework	✓		In Place
19.	Climate Change	✓		Not in Place
20.	Migration Plan (for informal settlements)	✓		Not inPlace
21.	Licheate Management Plan	✓		Not in-place
22.	Trade Effluent Policy	✓		Not in-place
23.	Nature Reserve Intergrated Management Plan	✓		In Place
24.				
25.				

## CHAPTER 4: STRATEGIC FRAMEWORK

### 4.1 INTRODUCTION

The strategic framework presents a long-term development vision, the associated strategic objectives and action plans. It outlines specific actions that the municipality should undertake to move progressively towards the attainment of the vision. Performance indicators are formulated on the basis of action plans identified in this strategy.

### 4.2 ALIGNMENT WITH NATIONAL AND PROVINCIAL POLICY

The development strategy for Matatiele Municipality seeks to respond to the development issues facing the municipal area as outlined in the preceding sections of this document. It aligns with and seeks to contribute to the attainment of the National and Provincial development imperatives as outlined in the relevant policy documents.

### 4.3 NATIONAL CONTEXT

#### 4.3.1 NEW GROWTH PATH

The National Government has set a target of halving the rate of poverty by 2014. This includes creation of employment opportunities, improving the living standards and increasing access to basic services. However, the government realizes that this objective cannot be achieved unless there is concerted effort across the spheres of government to grow the economy. The Accelerated and Shared Growth Initiative for South Africa (AsgiSA) brings the social development and economic development and growth commitments together in a systemic manner. It identifies infrastructure development and local economic development programs which are both focused as a local government level, as one of the critical initiatives that can facilitate investment and improve growth prospects.

#### 4.3.2 NATIONAL SPATIAL DEVELOPMENT PLAN

The vision and principles of the National Spatial Development Perspective (NSDP) serve as a guide for meeting national government's objectives of economic growth, employment creation, sustainable service delivery, poverty alleviation and the eradication of historic inequities including spatial distortions. The Presidency has made it clear (in a statement issued in October 2004) that the NSDP principles should play an important role in the respective development plans of local and provincial government, namely: Integrated Development Plans (IDPs) and Provincial Development Strategies. Investment in infrastructure and other development programs in Matatiele support the government's growth and development objectives as follows:

- *Focusing economic growth and employment creation in areas where this is most effective and sustainable;*
- *Supporting restructuring where feasible to ensure greater competitiveness; and*
- *Fostering development on the basis of local potential.*

The NSDP provides a concrete mechanism in terms of which integrated development planning in Matatiele can be formally linked in support of national priorities and objectives. The principles of the NSDP find concrete expression in the IDP, including the Spatial Development Framework (SDF) and



IDP programs.

#### 4.3.3 EPWP PRINCIPLES

The Expanded Public Works Programme (EPWP) is a nation-wide National Government programme to draw significant numbers of unemployed into productive work, accompanied by training, so that they increase their capacity to earn an income. The Expanded Public Work Programme was launched in April 2004 to promote economic growth and create sustainable development. The immediate goal of the EPWP Phase 1 was to help alleviate unemployment by creating at least 1 million work opportunities, of which at least 40% of beneficiaries will be women, 30% youth and 2% people with disabilities. The EPWP is about the reorientation of line function budgets (capital and operational) so that expenditure by the Municipality results in increased employment opportunities and training, particularly for unemployed and unskilled labour. The main objective of the programme is to create an enabling environment to:

- Create employment opportunities for the unemployed within local communities through the implementation of each Cluster's EPWP implementation plan which collectively cuts across the different sectors inter alia, the Infrastructure, Social, Environmental and Economic Sectors .
- Develop skills within communities through EPWP training programs, by accredited training providers aimed at developing sustainable skills and capacity within communities.
- Capacitate SMMEs to execute EPWP work by facilitating the transfer of technical, managerial and financial skills through a relevant SETA qualification, in properly structured learnership programmes.
- Maximise the percentage of the total annual budget spent and retained within local communities in the form of wages. Where feasible, and within SCM regulations, promote the procurement of goods and services from local manufacturers, suppliers and service providers.
- Adopt and align cluster / departmental annual business plans to the EPWP, through the development of clear key performance indicators in-line with prioritised socio-economic objectives.
- Matatiele Municipality initiated one (1) EPWP compliant project which employs 101 people. This project is a multi-year project and will still be running in 2011/12 financial year.

#### 4.3.4 THE 12 NATIONAL OUTCOMES OF GOVERNMENT

The National outcome twelve outcomes of government provide the time frames within which to time service delivery priorities and targets. These targets are extended to the Local Government sphere of Government through cascaded service delivery agreements.

Essentially, all the twelve outcomes of government affect the Local Government as Local government is at the face of the service delivery and development agenda. In the preparation of the strategic framework, it was therefore paramount to ensure that it is informed by these government priorities and outcomes. To this end, Matatiele Municipality has adopted aligned the strategic framework with these outcomes, particularly outcome seven (7) and outcome nine (9).

### 4.4 PROVINCIAL CONTEXT

#### 4.4.1 PROVINCIAL GROWTH AND DEVELOPMENT PLAN

The Eastern Cape Provincial Growth and Development Plan 2004 -2014 provides a strategic

framework, sectoral strategies and programmes aimed at rapid improvement in the quality of life for the poorest people of the province. It sets out a vision with sequenced and quantified targets in areas of poverty eradication, agrarian transformation, economic growth (diversification manufacturing and tourism potential), infrastructure development, human resource development and public sector institutional transformation.

It is thus critically important to ensure that spatial transformation and development in Matatiele Municipality is pursued within the context of the PDGP, and itself advances the aims and objectives of this overarching strategy and provincial development vision.

## CHAPTER 5: KEY DEVELOPMENT PRIORITIES

Integrated development planning is not and cannot be a universal remedy for all problems facing the municipality and its people. As a result, one of the distinguishing features of integrated development planning is its focus on strategic areas of intervention and concern with interventions with a high impact using the limited resources available to the municipality. This focus is intended to achieve faster and appropriate delivery of services and create an enabling framework for social and economic development. Based on the assessment of the current situation and Ward Based plans, Matatiele Municipality has identified the following as key development issues.

### 5.1 WARD NEEDS

MATATIELE LOCAL MUNICIPALITY IDP COMMUNITY PRIORITIES 2012/2017	
<b>BASIC SERVICE DELIVERY &amp; INFRASTRUCTURE</b>	<b>WARD &amp; LOCALITY</b>
<b>1. WATER</b>	
<b>1.1. Proposed (New) provision</b>	
	1 -Skiti, Maritseng, Maluti, Motsekuoa
	2 - Ramohlakoana, Jabavu, Rockville, Malubaluba, Nkululekweni, Tsepisong, Mahlwaneni, Molweni
	3 - Mdeni, Likhohlwaneng
	4 - Tsitsong, Mazizini, Zazingeni, Maphokong New-stance, Hlwahlweng, Sehlabeng
	5 - Mnceba, Chibini, Matiase, Water Maintenance tanks - Vikinduku, Lubaleko, New village
	6 - Nobhaca, Mokhoabo, Red Cross Hall (Tap)
	7 - Goxe (Taps but no water), Sifolweni, Mgeni, All village Schools, Hillside
	8 - Nchodu, Mafube Mission, Belford, Makhankaneng, Thembalihle, Coshert, Matue, Nkonoane, Pehong
	9 - Gobizembe, Magasela, Rantsiki, Lufa, Makhoaseng
	11 - Qilwane
	12 - Reservoir - Nkau, Mampoti, Bekesdan, Queen's Mercy, Sikhulumi
	13 - <b>Water Scheme</b> - Ramaqele, Chere, Masupa, Mahareng, Letsoapong, Mahareng, Thaba-Bosiu, Mohapi, Kholokoe, Tlhakanelo, Likamoreng, Thabaneng; <b>Drought Relief Water tanks</b> - Ramaqele, Thotaneng, Letsoapong, Chere, Mahareng
	14 - Liqalabeng, Mangopeng, Mapoleseng, Mahasheng, Letlapeng, Nicefield, Mateleng, Moikesti, Motsekeng, Fatima
	15 - Pontseng, Mahlabatheng, Maapoleng, Qhobosheaneng, Semokong, Pabalong, Lihaseg, Likoentlaneng, Lekhalong
	16 - Mechachaneng, Mehloloaneng, Moaeneng
	17 - Mango, Nyanzela, Polile, Luxeni, Nkalweni, Lugada
	18 - Mrwabo, Khesa, Nkungini, Fiva, Mnyamaneni, Nkonkotha

	19- Storm water drainage -Mountain View, Boxton Park
	20 - Njongweville Ext, Phola Park, Mdeni
	21 -Mvenyane water under process, Mvenyane Post Office
	22 - Roloweni, Zitapile, Upper Mkemane, Mpofini, Palane
	23 - Electric Water Pump - Tafa, Bathesda, Polile
	24 -Zingcuka , water supply to the clinic in Silindini clinic -Zingcuka, Zimpofu, Mahlake, Purutle, Zibi Meyer, Mdeni, Madlangeni, Soalane
	Moriting, Ramafole
	25 - NedFarm, Nkosana2, Jabulani, Martinfeveld, Khutsong, Marwaneng, New Stance
	26 - Entire ward
<b>1.2. Maintenance of tank /</b>	1 - Yard connection - Skiti, Maritseng, Motsekuoa
<b>Yard Connection Water</b>	2 - Malubaluba, Jabavu, Tsepisong
	3 - Hardenburg, Magema, Zwelitsha, Outspan, Madimong, Hebron
	4 - No locality
	5- Maintenance of tank Vikinduku, Lubaleko, Mbombo, Manderstone, Yard connection-no locality
	6 - Water pipes Maintanance - Ramatli, Dengwane, Zwelitsha, Bhakaneni, Botsula, Polokong, Taung, Matsetseng
	7 -Water tank - Hillside, Goxe, Lufefeni, borehole not working in Pamlaville
	9 - yard connection - Afsondering, Mahangu, Shenxe, Sphola, Mphoshongweni, borehole maintenance - Gudlintaba, Khashule
	10 - Extension - Magongqolweni, Change of Engine Pump to Electric Pump - Sijoka, Maintenance of Pipes - Silindini, Additional Taps - Lunda Village,
	11 - Scheme - Pontseng, Khaola, Treseng, Mapfontein, Maloto, Mbobo, Tsekong (No taps and gatevelve)
	12 - Maintenance of Tank - Mampoti, Khubestwana, Phulu, Nkau
	13- Yard connection- Entire ward
	14 - Upgrading weir, Motseng contruction of weir, Yard Connection - entire ward
	16 - Khoarai, Likhethlane, Mehloloaneng, Majoro
	17 - Extension - Luxeni, Mgubo, Embizeni, Sigoga
	20 - Masakala (yard connection)
	23 - Maintenance of Water Pipes (no locality specified)
	24 - Maqhatseng, Madlanganeni bore hole to be fixed
<b>1.2. ACCESS ROADS</b>	
<b>1.2.1. Proposed (new) Projects</b>	
	1 - Motsekuoa, Skiti, Tar road in Maluti - Thulang route, and street passing Star Hotel
	2 - Ramohlakoana, Tsepisong, Nkululekwani, Malubaluba

	3 - Manase-Top (4.5 Km), Magema, Zwelitsha
	4 - Sehlabeng, New Stance, Bethel, Tiping, Maphokong
	5 - Chibini, From Mzongwana J.S.S to Vimba access road 9 km, from Esikhewini to Tshayamoya 7 km, from Gangweni to
	Vikinduku 7.5 km, Vikinduku to Popo ecess road
	6 - Nobhaca, Ramatli, Polokong School, Bhakaneni Pre-School, Vinci Phango - Zwelitsha, Sendezama- Matsetseng Project
	7 - Hillside, Manzi, Lufefeni, Dumisa
	8 - From T12 (Belford), to Sibi S.S.S, from Tsitsa to Pehong via Nkonoane to Mabua, from T12 via Mafube River to Roland
	9 - Shenxa, Plantation, Gobizembe, Magasela, Khashule, Gudlintaba,
	10 - Lunda, Sijoka, Magonqolweni (from Mtshayazafe to join Lunda bridge to access Magadla S.S.S & Clinic), Caba (the whole), Silindini,
	11 -Thotaneng, Madlangala, Mbobo, Tsekong
	12 - Nkau, Makhaoleng, Moqhobi to Sera,Paninkukhu, Sekhutlong, Phulu-Makading, Spatsane-Rantsu
	13 -Mohapi, Letsoapong, Ramaqele, Thotaneng, Likamoreng, Kholokoe, Tlhakanelo, Thotaneng Ext, Thaba-Bosiu Ext, Mahareng Ext
	13- Main road - Construction DR08646, T70, T60
	15 - Mapoleng, Qhobosheaneng, Lihasang, Likoentlaneng, Lisang, Lekgalong
	14 - Moiketsi, Mateleng - Moalusi, Tabachicha clinic road
	16 - Mechachaneng, Khoarai - tar road, Likhethlane (Maqhangasini), Moaeneng to Ramoipone, Sketlane
	17 - Nyanzela ,Sigoga, Ndlela, Ncanywa
	18 - Mantla, Fiva, Lavutha, Khesa, Moyeni, Phelandaba
	19 - New road -Dark City, Speed hump - Mountain view
	20 - Access road- From Matatiele Town to Masakala
	21 - Mabheleni, Ntloa, Sityweni, Machi, Mathafeni, Magxeni, Gwadane, Mvenyane to Cedarville ( Tar road)
	22 - Lukholweni, Ephiphane to Mkhemane, Lukholweni to Cedarville
	23- Bethesda, Thafa, Sekhutlong
	24 - Zibi Meyer, Soalane, Koenig, Madlangeni, Purutle, Naledi JPS
	26 - Access road to the crop fiels at khohlong
<b>1.2.2. Access Road Mantainance</b>	
	1 -Maluti Township (storm water drainage), Skiti, Motsekuoa, Maritseng, Tholang
	2 - Protea AR, Tsepisong AR, Rockville AR, Malubaluba AR, Ramohlakoana AR, Mapateng
	3 - Magema, Outspan, Hebron, Mdeni, Dikhotlwaneng, Hardenburg, Madimong
	4 - Nkasela, Tsitsong, Mazizini, Zazingeni, Zikhalini, Maphokong, Tiping, New Stance, Hlwahlweng, Sehlabeng, T67
	5 - Afsondering Police Station access road, Mnqayi Access Road

	6 - Regravel Road - Bhakaneni from T69 to Zwelitsha, R56 to Zwelitsha -Mahangwe to Taung, Botsola - T69 to Taung - Nobhaca, Matsetseng , Dengwane
	Dengwane - Zwelitsha, R56 - across the bridge to Dengwane
	7- Pamlaville, Ngcwengana, Mngeni
	8 - T507 to Matue, from T69 to Tsista-Tshenola, from T69 to Pehong, Nkosana, Coshert
	9 - Shenxa, Makhoaseng, need for Extension - Afsondering, Maromeni, Sphola, Newresh, Shenxa
	10 - Silindini, Caba, Magongqolweni, Hlomendlini Access Road Via Chief Zweliyazuza Home Stad
	11 - Maloto, Springana, Khaola- Pontseng
	12 - Sekhulumi - Nkau, Sera - Qilwane, Kotsoana - Mokaka, Sekhotlong, Bekesdan, Queens Mercy
	13 - Masopha, Thaba-Bosiu, Mahareng, Thabaneng, Kutloanong J.S.S
	14 - Upgrading of T415, internal road, Maintenance of gravelling
	15 - Pontseng, Mahlabatheng
	16 - Mechachaneng - regravelling of RD 145, Modikadiko to Maapoleng in Mehloloaneng, T415 re-gravelling
	17 - T15 Tar road, Lugada, Luxeni, Mango-Sulinyembezi incomplete, Embizeni, Mdeni
	18 - Mrwabo, Vezinyawo
	19 - North End
	20 - Street roads - Harry Gwala Park, Dark City, Harry Gwala Park Extension
	21 - Gwadane, Magxeni
	24 - Moriting, Zimpofu, Purutle, Mahlake
	<b>1.2.3. Bridges</b>
	<b>1.2.3.1. Maintenance &amp; New bridges</b>
	2 - New bridges -Malubaluba; Maintenance of Bridge -Protea
	3 - Between Mdeni and Hebron, Between Masakala and Mdeni, Mdeni, Likhotlwaneng , Outspan, Foot Bridge in Hardenburg,
	4 - Tsitsong - Nkasela bridge, Lower Mazizini
	5- Gwala Bridge to Matiase, Mkhize Bridge
	6 - new bridge - Nobhaca- Taung, between Zwelitsha (Chancele) mini bridge
	8 - Bridge - Mateu, Bridge to Seven (Bergview farm)
	9 - Newresh, Shenxe to Mnuka S.S.S maintenance - Khashule, Mahangu
	10 - New Bridges - Lunda-Magongqwolweni, Hlomendlini-Lwalweni, Sijoka
	11 - Maintenance - Madlangala, Pontseng bridge
	12 - New Bridge - Queensmercy clinic to Khawula, Mqhobi -Potlo
	13- Kenira bridge, two Masopha bridges, Queens Mercy bridge, Tlakanelo bridge, Walkway bridge - Tlakanelo, Nene bridge

	14 - Mahasheng, Fatima
	15 - new bridge -Popopo, Semokong, Maintenance - Mahlabatheng, Likoentlaneng, Lekgalong, Qhobosheaneng
	16 - Bridge to Komodiare river, Moaeneng bridge
	17 - New Bridge - Luxeni, Sigoga, Embizeni - Maintenance - Dwaleni, Zokozi, Kwa Bhuzi
	18- New bridges - Rolweni, Bubesi, Maintenance - Phelandaba bridge
	20 - Between Njongweville and Itsokolele and Foot bridge, Paving of Pavements in Res Areas
	21 - New bridge - Mabheleni, Maintenance - Mvenyane bridge
	23 -New - between Fobane & Bethesda bridge; Maintenance - Mangolong and Sekhutlong
	24 - Between Xam crossing, Mqawu, Naledi, Zimpofu
<b>1.3. ELECTRICITY</b>	
<b>1.3.1. Street Lights</b>	
	1 - Maluti, Tholang, Maritseng, Motsekoua, Skiti ( High Mast street lights), Infills - whole ward
	2 - Whole ward
	3 - Madinong
	6 - whole ward
	19 - Mountain View Street lights & Apollo's, North End, Matatiele Town, Road to North End, Streets from KFC
	20 - Apolo lights in Harry Gwala Ext, Harry Gwala Park, Masakala, Njongweville Extension
	21 - Apolo lights at Mvenyane Mission, Upper Mvenyane
<b>1.3.2. Electrification</b>	
	1 - In-Fills in Maluti, Motsekuoa, Skiti, Maritseng, Tholang
	2 - Malubaluba, Rockville, Ramohlakoana, Jabavu, Protea, Nkululekweni, Tsepisong, Molweni, Mapakising
	3 - Mdeni, Likhohlwaneng, Manase, Thulamela, Infills in Madimong and Lusaka - <i>Infills at</i> Magema, Zwelitsha, Outspan, Madimong, Hebron, Hardenburg
	4 - Zikhalini, Maphokong, New Stance, Hlwahlweng, Sehlabeng, Tsitsong, Infill's - Zazingeni, Tiping, Lower Mazizini
	5- Entire ward needs electricity
	6- Nobhaca, Mokhoabo, Redcross Community Hall, Infill's Zwelitsha, Polokong School, Polokong, Mahangwe, Matsetseng, Dengwane, Vinci Phango
	7 -Pamlaville,Goxe, Lufefeni, Mngeni, Manzi, Sifolweni, Ngcwengane, Hillside, Pote, Dumisa, and all schools
	8 - Belford(Thabana-Tsoana), Tsenola, Nkosana, Tsitsa(Pehong), Coshert, Nkonoane
	Mateu, Tembalihle, Descuur, Infill's - Nchodu, Mafube, Mafube Mission, plus Streets lights

	9 - Rantsiki, Makhoaseng, Gudlintaba, Khashule, Lufa, Shenxa, Gobizembe, Afsondering, Mahangu, Mphoshongweni
	10 - Silindini, Myendeka Extension of Hlomendlini, Infills - Entire ward
	11 - Qilwana, Madlangala, Madlangala Clinic, Thotaneng, Mabua, Lehata, Moloto, Motjatjane, Phomolong
	12 - New Trust, Sekhutlong, Moqhobi, Mafayisa, Potlo, Sera, Khubetsoana, Nkau, Mampoti
	13 - Thotaneng, Thabaneng, Chere, Mahareng, Letsoapong, Likamoreng, Masopha, Tlakanelo, Mohapi, Kholokoe, Thaba-Bosiu, Ramaqele
	14 - Liqalabeng, Mangopeng, Mapoleseng, Mahasheng, Letlapeng, Nicefield, Mateleng, Moikesti, Motsekeng, Fatima
	15 - Pongseng, Mahlabatheng, Maapoleng, Qhobosheaneng, Semokong, Pabalong, Lihaseg, Likoentlaneng, Lekhalong
	16 - Mechachaneng, Khoarai, Likhethlane, Mehloloaneng, Moaeneng, Majoro, Sketlane
	17 -Nyanzela, Mgubo, Embizeni, Nkwawweni, Infills - Lugada, Sigoga, Luxeni
	18 -Through out the ward except Tshisa area
	20- Masakala, Mdeni, Phola Park
	21 - Infills (100) - Mvenyane (As a whole)
	22 - Zitapile, Upper Mkemane, Rolweni, Mpofini, Palane, Elukholweni
	23 - Mangolong, Thafa, Good Hope, Sekhutlong, Fobane, Emitshatshaneni, infills in Bethesda
	24 - Mahlake, Purutle, Soalane, Moriting, Ramafole, Maqhatseng, Linotsing, Madlangeni in Silindini, schools, Ramafole,
	25- St Paul, Ned Farm, Khutsong, infills - all villages
	26 - Entire ward
<b>1.4. SANITATION</b>	
	1 - Maritseng, Tholang, Skiti, Motsekuoa, Maluti
	2 - Malubaluba, Tsepisong, Ramohlakoana, Nkululekweni
	3 - Infills in Hebron, Madimong, Zwelitsha, Magema, Hardenburg, outspan, Mdeni, Likhutlwane
	4 - Sehlabeng, Hlwahlweng, New Stance, Maphokong, Zikhaleni, Zazingeni, Upper Mazizini, Tsitsong, Bethel Infill's - Tipping
	5 - Munderstone, Matiase, Vikinduku, Mnqayi, Mavundleni, Mbombo
	6 - Manguzela J.S.S, Redcross Community Hall, Matsetseng, Mahangwe, Taung, Polokong, Botsola, Nobhaca, Dengwane hall
	7 - Lufefeni, Goxe, Manzi, Pote, Hillside, Mngeni, Pamlaville, Ngcwangeni, Dumisa, Sifolweni, Nkawulweni SPS
	8 - Mafube Mission, Mokhankhaneng, Thembelihle, Descuur, Pehong, Nkonoane
	9 - Gobizembe, Afsondering, Lufa, Mphoshongweni, Newresh, Sphola
	10 - Lunda, Sijoka, Hlomendlini, Silindini, Caba
	11 - Mapfontein, Felleng, Mbobo, Maloto
	12 - Nkau, Mampoti, Queen's Mercy, Khobetsoana, Sekgutlong, Moqhobi, Sekhulumi
	13 - Letsoapong, Likamoreng, Masopha, Ramaqele



	14 - Motseng, Moiketsi, Letlapeng, Mateleng, Nicefields, Mangopeng, Liqalabeng, Fatima
	15 - Lihasang, Mahlabatheng, Mapuleng, Semokong, Likoentlaneng, Lekhalong
	16 - Mechachaneng, Khoarai, Likhethlane, Mehloloaneng pre-school, Incomplete toilets in Mehloloaneng, Moaeneng, Majoro, Sketlane
	17 - Lugada, Polile, Sigoga, Embizeni, Nyanzela, Luxeni
	18 - Hillside, Nkungwini, Mrwabo, Qili, Fiva, Tshisa
	20 - Mountain View -Water drainage pipes-maintanance and regular inspections, Sewerage - Itsokolele, Ngongweville Extension, Masakala
	21 - Magxeni, Nkaulweni, Ntlola, (Toilets have no doors) Rhasheni, Upper Mvenyane, Mvenyane whole (64 Shortage)
	22 - Zitapile, Rolweni, Epiphany, Palane, Elukholweni
	23 - Fobane, Good Hope, Bethesda, Thafa, Incomplete - Emitshatshaneni, Good-hope
	24 -Zimpofu (Toilets are incomplete), Mahlake, Zubi Meyer, Mdeni, Soalane, Moriting, rem-Madlangeni,
	Maqhatseng, Linotsing
	25- Nkosana2, Jabulani, Martinfeveld, Nedfarm, Khauoe, Thabang, Malosong, Khutsong, Magogogong, New Stance
<b>1.5. TELEPHONE ACCESS</b>	
	1 - Telkom Network - Maluti
	2- Tsepisong, Malubaluba, Nkululekweni, Ramohlakoana, Jabavu
	7 - Network Pole- whole ward
	8 - Nkonoane
	9 - Mtn network - Tsoelike, Gobizembe, Magasela, Bhareni, Kwadada
	11 - Network Pole- Madlangala, Thotaneng, Mabua, Lehata
	14 - Network Pole - Mangopeng, Moiketsi, Mahasheng, Fatima, Mapoliseng, Letlapeng, Liqalabeng, Motseng
	17 - Network Pole- Vodacom network - Nkalweni, Nyanzela
	19 - Mountain View - have no access to Telkon lines
	21 - Mtn Network - Ntlola, Nkaulweni, Satallite signale
	23 - Good-Hope, Thafa, Bethesda, Sekutlong
	24 - Network pole vodacom - Mahlake, Soalane, Moriting
<b>2. COMMUNITY SERVICES / FACILITIES</b>	
<b>2.1. Fencing of cemetery</b>	
	1 - Maluti, Motsekuoa, Tholang
	2 - Tsepisong, Malubaluba, Nkululekweni, Ramohlakoana, Molweni, Jabavu
	3 - Taba Bosio - Hebron, Madimong and all the other villages
	6 - Bhakaneni, Zwelitsha, Taung, Mahangwe, Dengwane, Matsetseng, Botsola
	7 - Pamlaville

	8- Nchodu, Mafube A/A, Thabana - Tsoana, Nkosana
	11 - Thotaneng, Mabua, Matjatjane
	12 - Queen's Mercy, Nkau, Khobetswana, Skhutlong, Sekhulumi
	13 - Ramaqele, Mohapi, Likamoreng, Letsoapong, Masopha, Mahareng
	15 - All villages
	18 - Qili, Bubesi
	20 - No locality specified
	25 - all villages
<b>2.2. Sport fields</b>	
	1 - Maluti Township - Incomplete
	2 - Jabavu, Protea, Tsepisong, Malubaluba, Nkululekweni, Molweni, Ramohlakoana
	3 - Outspan sport field (renovation), Hebron, Likhlotlwaneng, all other villages
	4 - All villages
	5 - Mdanyana sportfield at Mbombo village, Chibini, Matias, Upgradings - Lubaleko, Chibini, Moster
	6 - Grading level - Zwelitsha, Dengwane, Mahangwe, Polokong, Matsetseng
	8 - Soccer poles - Nkosana sport ground, Mafube Mission sport ground
	9 - Entire ward
	10 - Magadla S.S.S, Sijoka (Grading level), Magonqolweni (Grading level), Caba & Hlomendlini (Grading level)
	11 - Upgrading, Poles & Grading - Madlangala, Mapfontein, Mbobo, Tsekong, Springkaan, Thotaneng, Mabua, Lehata, Ponsteng
	12 - Queen's Mercy, Nkau, Trusting, Khubetswana
	13 - Chere, (Thabaneng, Thotaneng, Letsoapong, Masopha, Mohapi - Grading level & Fencing)
	11 - Sabasaba
	14 - Nicefields, Moiketsi
	15 - Entire ward
	16 - Mechachaneng, Khoarai, Likhethlane, Majoro, Sketlane, Mehloloaneng & Basketball field
	17 - Sigoga to be leveled, Mango, Mgubo
	18 - Hillside, Fiva
	19 - Matatiele town new sport field, Mountain view
	20 - Harry Gwala Park, Dark City, Masakala
	21 - Gwadana, Mvenyane Mission, Mdeni, Upper Mvenyane, Magxeni, Mabheleni, Ntlola, Sityweni
	23 - Mangolong, Fobane, Emitshetshaneni, Bhethesda
	24 - Entire ward
	26 - Entire ward
<b>2.3. Pre schools</b>	
<b>2.3.1.New Preschools</b>	1 - Tholang (there is a site), Maritseng
	2 - Ramohlakoana, Malubluba, Protea, Tsepisong
	3 - Hebron, Manase, Likhlotlwaneng, Mdeni, Modimong, Hardenburg

	4 - Rantsiki, Khashule, Bethel, Lower Mazizini,
	5 - Manderstone, Mnceba, Mavundleni, Mngayi, Moster, Mbombo
	6 - Ramatli, Boitiko preschool, Matsetseng Pre-school
	7 - Hillside, Manzi ( Nkawulweni), Pamlaville, Dumisa
	8 - Pehong, Nkooane, Tsenola, Belford
	9 - Mahangu, Shenxe, Gobizembe, Khashule, Makhoaseng
	10 - Lunda, Silindini, Caba (Happy Home Pre-School, Noluntu Pre-School, Noncedo Pre-School)
	11 - Khaola, Madlangana, Springkaan, Lehata, Maloto
	12 - Sekhutlong, Moqhobi, Zimbotyini, Sekhulumi, Nkau, Mafayisa, Sera, Sekhulumi section B
	13 - Mahareng, Masopha, Mohapi, Mpharane(Thotaneng)
	14 - Nicefields, Fatima
	15 - Mahlabatheng, Pabalong, Semokong, Lekhalong, Qhobosheaneng
	16 - Mechachaneng, Mehloloaneng (Lekena), Majoro
	17 - Nkalweni, Luxeni, Mango, Nyanzela, Polile
	18 - Sdakeni, Qili, Fiva, Khesa, Tshisa
	20 - Njongoville, Harry Gwala Park, Harry Gwala Park Extension
	21 - Gwadana, Upper Mvenyane, Day care Centre in Rosheni, Mabheleni
	22 - Epiphany, Elukholweni
	23 - Mangolong, Sekhutlong, Emitshatshaneni, Good Hope, Thafa
	24 - Ramafole, Soalane, Purutle, Madlangeni, Zimpofu, Linotsing, Maqhatseng
	25 - Nkosana2, Ned Farm
	26 - khohlong
<b>2.3.2. Preschool Renovation</b>	
	2 - Ramohlakoana Pre-school
	3 - Outspan
	4 - Bethel, New Stance, Mazizini
	6 - Khulani - Zwelitsha, Dengwane, Taung
	8 - Mechaeling Preschool, Trumor pre-school.
	9 - Gudlintaba, Phumelela, Afsondering
	10 - Sijoka
	11 - Pontseng - Lesedi
	12 - Nkau, Mokaka, Trusting
	13-Likamoreng, Thabaneng
	15 - Pontseng, Mapoleng, Paballong
	16 - Mehloloaneng & fencing
	17 - Lugada, Sigoga roofing
	18 - Nyaniso pre-school
	20 - Masakhane Pre-school, Boiteko needs permanent structure
	21 - Nkaulweni, Mvenyane day care centre
	24 - Mdeni, Mahlake, Ramafole

	25 - Jabulani pre-school
<b>2.4. Schools</b>	
	1 - Zamokokuhle J.S.S, Tholang -Blocks to be added
	2 - Tsepisong, Malubaluba, Ramohlakoana
	4 - Nkasela
	6 - Polokong (five blocks to be added), ABET for Adults entire ward, Hlomendlini to add two blocks of classroom & Staff room Office, Technical College - Khoapa, Dengwane, Caphus Classrooms to be added
	5 - technical college -No locality specified.
	7 - Nkawulweni SPS add one block of classrooms
	8 - Belfort( classroom extension), Nkosana- Spring side J.S.S
	10 - Renovation - Magadla SSS, Science Lab & Hall in Magadla SSS
	11 - Qilwane (extension), Madlangala (extension), Khaola SPS to be a J.S.S, Mapfontein S.S.S, Mboobo S.S.S, Thotaneng (extension), Lehata (extension)
	12 - New High school in Nkau, Mount Zion J.S.S three blocks to be added , Hohobeng J.S.S two blocks to be added
	13 - Mpharane J.S.S, Kutloanong J.S.S, Maria-Linden J.S.S, Comprehensive High School - Thotaneng Special School of Disability - Masopha
	14 -Thabachicha, Pallang, Mahasheng, Mariazel J.S.S - one to be added, Nicefield S.S.S
	16 -High school - Khoarai Classroom renovation - Mehloloaneng J.S.S, Disable School - Moaeneng, ABET- Majoro, Majoro S.S.S
	18 - Mrwabo J.S.S, Maduba J.S.S
	20 - High School - Masakala, Need School Road signs next to Khanya Naledi High
	21 - Mvenyane S.S.S (the hostel is not finished), Ntlola, Mdeni, Magxeni
	22 - Hotolo JSS, Mkemane JSS
	23 - Fobane, Sekhutlong, Emitshatshaneni, Bethesda, Good -Hope
	24 - Zimpofu, Zibi Meya JSS needs a structure
	26 - GI Primary School (new site)
<b>2.5. Community Halls</b>	
	1 - Tholang, Motsekoua, Skiti, Maritseng
	2 - Malubaluba, Tsepisong
	3 - Likhlotlwaneng, Hebron, Outspan, Magma, Hardenburg, Zwelitsha near Pre-School, Mdeni near Pre-School, Maintenance of Bahlakoana Tribal Authority Hall
	4 - Bethel, Nkasela, Zikhalini, Lower Mazizini, Upper Mazizini
	5 - Dalibhunga, Vikinduku, Matias
	6 - Zwelitsha, , Mahangwe, Bhakaneni, Maintenance - Dengwane
	7 - Lufefeni, Hillside
	8 - Nkosana, Tsita - Tsenola, Tsita, MPCC Nchodu

	9 - Tsoelike
	10 - Magongqolweni, Silindini, Sijoka, Renovations - Lunda
	11 - Madlangala, Mbobob, Tsekong, Thotaneng, Mabua, Motjatjane, Lehata, Maloto Renovation - Mapfontein
	12 - Sekhutlong,Queens Mercy, Renovations - Nkau Development centre , Khubetswana
	13 - Mahareng, Mohapi, Masopha
	17 - Nyanzela, Mgubo, Nkalweni, Mango, Polile
	14 - Moiketsi, Fatima
	15 - Pontseng, Mahlabatheng, Maapoleng, Semokong, Pabalong, Lhaseng, Likoentlaneng, Lekhalong
	17 - Mgubo, Mango, Embizeni, Nyanzela, Sigoga, Polile
	16 - Khoarai, Mehloloaneng, Majoro, Sketlane
	18 - Bubesi, Nyaniso, Fiva, Nkungwini, Mrwabo, Tshisa
	19 -Mountain View, Matatiele Town Hall to complete renovations
	21 - Zwelitsha, Ntlola need roofing of the hall, Mdeni
	20 -Maintenance - Masakala Community Hall
	22 - Elukholweni, Rolweni, Zitapile
	23- Thusong, Thafa
	24 - Zingcuka, needs renovation - Zimpofu, Mahlake, Purutle, Mdeni, Soalane, Moriting, Maqhetseng, Linotsing, Zibi Meyer J.S.Supper Mtumase S.S.S
	Naledi JPS
	26 - Blackdiamond
<b>Multi Pepose Centre</b>	
	3 - MPCC - Zwelitsha
	10 - Lunda/Sijoka Multi Perpose Agricultural Coparative
	12 - Thusong Centre, Queens Mercy, Nkau
	13 - Youth Multi-Purpose Centre - Thotaneng
	14 - Youth Multi-Purpose Centre - Mateleng, Liqalabeng
	16 - Mehloloaneng
	20 - Harry Gwala Park
	23 - Matolweni Civic Centre
	24 - Zibi Meyer
<b>SASSA Satelite Paypoint</b>	
	1 - Maluti
	6- Khoapa Red Cross community hall
	12 - Nkau Development centre
	13 - Thotaneng
	14 - Mateleng, Liqalabeng
	15 - Lekgalong, Mahlabatheng
	20 - Masakala
	24 - Zingcuka, Zimpofu, Mdeni, Purutle
<b>2.6.Library</b>	

	1 - Maluti - need for books
	2 - Tsepisong, Ramohlakoana, Malubaluba
	5 - Lubaleko School
	7 - Pamlaville
	8 - Nchodu
	10 - Lunda
	12 - Nkau, Queen's Mercy
	13 - Thotaneng
	16 - Likhetlane
	20 - Harry Gwala Park, Masakala, Itsokolele
	21 - Mdeni
	24 - Ramafole, Zibi Meyer
<b>2.7. Clinics/ Mobile Clinics</b>	1 - Maluti Clininc - shortage of medication and HIV treatment, Extension of the clinic, Additional staff
	2 - Tsepisong, Malubaluba, Nkululekweni
	3 - Mobile Clinic - Hebron, Likhlotlwaneng, Hardenburg
	4 - Clinic - Bethel, Sehlabeng, Tsitsong, Hospice - Bethel
	6 - Clinic in Khoapa, Mobile Clinic - Zwelitsha, Dengwane, Mahangwe, Taung, Matsetseng
	7 - Mobile Clinic - Manzi, Sifolweni, Pamlaville
	8 - Mafube A/A, Tsenola
	9 - Clinic - Shenxe Mobile clininc - , Makhoaseng, Rantsiki, Gudlintaba, Khashule
	10 - Hospice - Lunda
	11 - Mobile Clinic - Pontseng, Khaolo, Mboobo, Tsekong
	12 - Mobile Clinics - Moqhobi, Machekong, Nkau, Sera, Clinic - Nkau (pre-school site)
	13 - Ambulance Service - Kholokoe, Tlhakanelo, Masopha, Likamoreng, Letsoapong, Thaba-Bosiu, Mohapi, Ramaqele, Thotaneng, Thabaneng
	14 - Clinic - Tabachicha, Mobile clinic - Mahasheng, Mateleng, Liqalabeng
	15 - Clinic - Qhobosheaneng, Mobile - whole ward
	16 - Clinic - Khoarai, Majoro, Sketlane Mobile clinic - Mehloloaneng, Ambulance Services - Mehloloaneng, Sketlane, Moeaneng
	17 - Clinic- Lugada, Nyanzela, Mgubo Mobile clinic - Mango
	18 - Fiva, Mrwabo, Nkungwini
	19 - Matatiele Hospice
	20 - Mobile Clinic - Masakala, Harry Gwala Park
	21 - Upper Mvenyane, Magxeni
	22 - Epiphany, Upper Mkemane
	23 - Mobile Clinic- Fobane and Clinc - Mangolong
	24 - Zimpofu, Purutle, Maqhatseng, Soloane, Mahlake, Linotsing
	25 - Mobile Clinic - Nkosana2, Martinveld, Ned Farm, St Paul, Jabulani, Khaoue
	26 - Clinic - Cederville
<b>2.8. Public Transport</b>	

	1 - Transport for school children from Skiti, Motsekuoa - Tholang to Maluti, AB350 Buses
	2 - Tsepisong, Protea, Malubaluba, Jabavu
	3 - AB 350 - Dikhotlwaneng
	4 - Nkasela -Scholar transport
	5 - AB350 Lubaleko, Vulindlela
	6 - AB350 - Zwelitsha, Khoapa, Mahangwe, Dengwane, Taung, Matsetseng, Botsola, Polokong
	7 - AB350 - Mngeni, Goxe, Pamlaville (Manzi)
	10 - Scholar Transport - Magadla S.S.S - Hlomendlini, Dengwane, Zwelitsha, Silindini, Magonqolweni, Caba,
	12 - Subsidised buses - Khubetsoana, Queen's Mercy, Verona, Sekhutlong
	13 - Scholar Transport - Chere, Mahareng, Likamoreng, Masopha, Kholokoe, Tlhakanelo, Mohapi, Ramaqele, Thaba-Bosiu, Thotaneng, Thabaneng, Letsoapong
	13 - Tlhokanelo, Masopha, Mahareng
	14 - Scholar Transport - Khorong S.S.S, Mahasheng to Fatima J.S.S
	15 - Scholar Transport - Pontseng, Qhobosheaneng, Semokong to Pabalong
	16 - AB350 - Mechachaneng, Moaeneng, Majoro, Sketlane
	17 - Subsidised buses for Nyanzela, Mango, Polile, Mt Hargreaves, Embizeni, School transport - Phumelele S.S.S
	18 - Sdakeni, Khesa, Fiva
	24 - Mahlake, Purutle, Zimpofu
	26 - Entire ward
<b>2.9. Disaster Management</b>	
	2 - Ramohlakoana, Nkululekweni, Tsepisong, Jabavu, Malubaluba
	3 - FBA establishment
	6 - Chaphus J.S.S
	7 - firefighting workshops and training, tools & equipment
	10 - Lunda
	12 - Nkau Development Centre
	13 - Lighting Conductors - Tlhakanelo, Kholokoe, Mohapi, Ramaqele, Thaba-Bosiu, Thotaneng, Letsoapong, Likamopreng, Masopha, Thabaneng, Chere, Mahareng
	15 - Whole ward
	18 - Bubesi, Mrwabo, Sidakeni
	20 - Masakala
	24 - Zingcuka, Mdeni, Ramafole, Maqhatseng, Linotsing, Zimpofu
<b>2.10. SAFETY &amp; SECURITY</b>	
	1 - Satellite Police station - Maluti
	2 - Satellite Police station- Tsepisong
	4 - Satellite Police Station - Tiping, Maphokong
	6 - Satellite Police Station - Zwelitsha
	7 - Satellite Police Station - Ngcwengana, Hillside, Goxe, Mngeni

	10 - Satalite Police Station - Lunda
	11 - Police Station - Qilwane Mobile Police - Mapfontein, Satellite Police - Madlangala, Pontseng
	12 - Satalite Police Station- Queens Mercy, Mafayisa, Sera Police Forum Support
	13 - Police Station - Thotaneng, Police Patrolling - Letsoapong, Thabaneng, Ramaqele, Mohapi, Kholokoe, Tlhakanelo, Thaba-Bosiu, Chere, Mahareng, Likamoreng, Masopha
	14 - Satalite Police Station - Tabachicha
	16 - Satalite Police Station - Mechachaneng, Khoarai, Mehloloaneng, Moaeneng, Majoro, Sketlane
	17 - Satalite Police station - Sigoga Store, Polile
	18 - Satelite Police Station - Bubesi, Fiva
	19 - Matatiele police office sites, V -Café ensure safety of the youth, North End old building behind Rhino to be demolished
	20 - Satalite Police station - Harry Gwala Park, Masakala
	21 - Police Station - Mvenyane and Police Forum, Youth Forum
	24 - Satellite Police Station at the hall in Zingcuka
<b>3. SDF &amp; LUMS</b>	
	1 - Maluti, Skiti, Tholang, Maritseng, Mostekuo
	2 - Tsepisong, Ramohlakoana, Malubaluba, Nkululekweni, Jabavu
	15 - All villages
	19 - Matatiele Town- land for sale, stands for Hawkers
	20 - Masakala,
<b>3.1.1. New sites</b>	
	6 - Post Office site but no implimentation done - Khoapa
	8 - Nchodu, Tsoana, Nkosana, Pehong, Tsenola, Nkonoane
	17 - New Sites + 500 at Sigoga store
	20 - Harry Gwala Park more houses
<b>3.1.2.Rural housing</b>	
	1 - Motskuoa, Maluti Township, Skiti, Maritseng, Thulang
	2 - Malubaluba, Ramohlakoana, Tsepisong, Jabavu, Nkululekweni, Molweni
	3 - <i>Councillor to check how many per village</i>
	4 - Whole ward
	5 - Whole ward
	6- Zwelitsha, Mahangwe, Dengwane, Taung, Matsetseng, Botsola, Polokong, Nobhaca, Bhakaneni, Ramatle
	7 - Pote, Manzi, Hillside, Dumisa
	9 - Entire ward
	10 - Lunda, Magonqolweni, Sijoka, Hlomendlini, Silindini
	11 - Diaho A/A 500 Units, Klein Jonas A/A 500 Units, Tsita A/A 500 Units, Madlangala 500 Units



	12 - Nkau, Mampoti, Trusting, Moqhobi, Potlo, Sera, Mafayisa
	13 - Thotaneng, Mahareng, Chere, Thabaneng, Letsoapong, Likamoreng, Mohapi, Tlhakanelo, Kholokoe, Mahapi, Ramaqeale, Thaba-Bosiu
	14 - Entire ward
	15 - Entire ward
	16 - Mechachaneng, Khoarai, Likhethlane, Mehloloaneng, Moaeneng, Majoro, Sketlane
	17 - Mgubo, Embizeni, Nkalweni, Nyanzela, Luxeni, Sigoga, Lugada, Mango, Polile
	18 - Hillside, Qili, Mnyamaneni
	20 - Masakala
	21 - (564 Units) - Gwadane, Sityweni, Mvenyane Mission, Nkaulweni, Rhasheni, Magxeni, Upper Mvenyane, Mabhelani, Ntlola, Mdeni, Rohlweni
	23 - Entire ward
	24 - Zingcuka, Madlangeni, Mdeni, Ramafole, Maqhatseng, Linotsing
	26 - Entire ward
<b>3.1.3 Environmental</b>	
	1 - Donga's to be filed & Grass cutting - Tholang, Skiti, Motsekuoa
	2 - Whole ward
	6 - Donga's to be filed - Ramatli, Khoapa
	10 - Donga's to be field - Lunda, Magonqolweni, Silindini, Hlomendlini, Sijoka, Caba
	11 Donga's to be filled - Tsekong, Mbobo, Maloto, Mapfontein, Khaola, Springkaan, Pontseng, Qilwane, Lehata, Mabua, Thotaneng, Motjatjane, Madlangala
	12 - Eradication of Wattle & Donga's to be filled - Nkau, Mampoti, Phiri, Mafayisa
	13 - Rehabilitation of wetlands and wattle removal, Land care- Mospa, Likamoreng, Ramaqeale, Thaba-Bosiu, Kholokoe, Tlhakanele, Thotaneng, Chere, Lestoakong
	14 - Black wattle eradication - Mateleng, Donga to be filed - Letlapeng
	17 - Donga rehabilitation - Mgubo fields
	19 - Matatiele town - cleaning of streets, West Street-grass cutting, Shoprite Centre - be kept clean
	20 - Donga to be filled - Harry Gwala Park
	21 - Donga's to be filled - Sityweni, Mdeni, Gwadane, Nkaulweni, Rhasheni, Ntlola; Removal of Wattle - Magxeni, Upper Mvenyane, Mabhelani, Mvenyane Mission,
	24 - Donga's rehabilitation - Mahlake, Ramafole Maqhatseng, Soloane
<b>3.2. LED PROJECTS</b>	
	1 - Jabu Thabang, Motsekuoa Sewing Project
	2 - Fanang Deatla carpentry, canning of peaches, Vegetables
	3 - Old age care - Zwelitsha, Egg and Chicken Project - Outspan
	6 - Zwelitsha Vunci Phango project, Sindezama Project - Matsetseng, Vukani Makhosikazi Nursery - Taung, Ziwelile Agricultural Project

	9 - Boi Njongine (Veg) Project , Mt Elephant Project, Siyakhula Poultry Project, Sakhikamva Orphanage
	10 - Magadla old age project in Hlomendlini, Phaphama Lunda Old age project, Lunda -Multi Purpose -Agricultural Project, Nyamezela Makhaya Project
	10 - Masizame Fruit and Veg - Lunda, Thulamsindo Poultry - Silindini, Magadla Cashmeer knitting project, Masibancede Home Base Care, Masikhule Poultry - Caba
	11 - Tsekong Iketsetseng Poultry Project, Diaho Poultry Project
	12 - Ziphilise Production, Rorisang Poultry, Piggery, Ipupeng Farming (fencing of camps), Sekhutlong Co-op, Khubetsoana Co-op, Sekgutlong Recycling Project, Mafayisa Farming
	13 - ASGISA, Green Revolution, Rehabilitation of plantation - Ramaqele, Fishing, Fruit Orchards
	14 - Lesedi Multi project, Nicefields Veg Project, Mapoliseng Project
	15 - Lesedi Bana Balebenya, Paballong, Qhobosheaneng
	16 - Asgisa - Mechachaneng, Khoarai, Hare lebohe Project, Majoro - Lima Project
	17 - Lima Project - Sigoga, Luxeni
	21 - Masithichu Bakery, Masiyemama Project, Masisebenzisane, Gugulethu Veg Production Project, Gqweza fruit & Veg Project
	24 - Ramafole, Zibi Meyer
<b>3.2.1. FENCING OF FEILDS</b>	
	2 - Whole ward
	3 - Taba Bosio - Hebron, Madimong (and Grazing Camps)
	4 - Bethel
	7 - Ngcwengana, Goxe, Lufefeni, Manzi, Mngeni
	9 - Mahangu, Mphoshongweni, Khashule, Gobizembe, Shenxa
	11 - Madlangala, Tsita, Diaho, Klein Jonas, Nkau
	12 - Fencing of Sphatsane Farmers Association Office, Nkau, Moqhobi, Phiri, Ntshalo, Queens mercy, Khubetswana, Trusting
	13 - Mahareng, Chere, Litsoapong, Ramaqele, Kholokoe
	15 - Ploughing fields -Pabalong
	14 - Mapoliseng, Moiketsi
	16 - Mechachaneng, sketlane fencing of forestry - Moaeneng
	17 - Mgubo, Nkalweni, Luxeni, Sigoga, Embizeni, Nyanzela, Mango, Polile, Lugada
	18 - Mnyamaneni, Qili, Fiva, Bubesi, Khesa
	20 - Njongweville Ext, Masakala
	21 - Mabheleni, Ntlola, Sityweni, Mdeni, Gwadana, Mvenyane Mission, Nkaulweni, Rhasheni, Magxeni, Upper Mvenyane
	23 - Fobane, Thafa, Mangolong, Sekutlong
	24 - Entire ward
<b>3.2.2.FORESTRY PLANTATION</b>	
	2 - Ramohlakoana

	4 - On the Nkasela mountains to New Stance
	6 - Fencing of plantation - Khoapa, Zwelitsha
	7 - Removal of wattle - Manzi, Mngeni, Sifolweni
	9 - Mahangu, Gudlintaba
	10 - Lunda
	12 - Nkau along the mountains
	15 - Lekhalong
	16 - Sketlane
	18 - Fiva
	20 - Masakala
	21 - Turning Wattle into Charcoal - Mvenyane, Ntlola
	24 - Maqhatseng
<b>3.2.3. MASSIVE FOOD PRODUCTION</b>	
	2 - Protea, Jabavu, Ramohlakoana, Tsepisong, Malubaluba
	3 - Magera, Zwelitsha, Hebron, Dikgutlwaneng-Manase, Mdeni
	4 - All Villages
	5 - Lubaleko, Vinduku, Mbombo, Manderstone, Magusha needs fencing
	6 - Zwelitsha, Taung, Dengwane, Matsetseng, Bhakaneni
	7 - Goxe
	8 - Tshenola, Coshert, Nkonoane, Pehong, Nchodu
	9 - Makhoaseng, Rantsiki, Gudlintaba, Rashule, Lufa
	10 - Lunda, Sijoka, Magonqolweni, Silindini, Hlomendlini, Caba
	11 - Tsekong, Mbobo, Maloto, Mapfontein, Khaola, Springkaan, Ponseng, Qilwane, Lehata, Mabua, Thotaneng, Motjatjane, Madlangala, Tsekong
	12 - Nkau, Trusting, Queens Mercy, Khubetswana
	13 - Mahareng, Thotaneng, Chere, Lestoapong, Likamoreng, Masopha, Kholokhoe
	14 - All villages
	15 - All villages
	17 - Mgobo, Nkalweni, Luxeni, Sigoga, Embizeni, Nyanzela, Mango, Polile, Lugada
	18 - Nyaniso, Mnyamaneni, Fiva
	20 - Masakala
	21 - Ntlola, Sityweni, Mabheleni, Magxeni, Mvenyane Mission
	23 - Fobane, Bethesda, Mangolong, Thafa
	24 - Entire ward
<b>3.2.4. Skills development</b>	
	1 - Maluti, Tholang, Motsekoua, Skiti, Maritseng
	2 - Jabavu, Pretea, Tsepisong, Ramohlakoana, Nkululekweni, Malubaluba
	3 - Fanang Diatla in Madimong, Brick Laying in Magera, Nomakhaya Sewing Project, Pheellanf Poultry veg & Piggery, Mzimhlophe livestock Project

	5 - The whole ward - gardening, sewing
	6 - Ramatli, Bhakaneni, Zwelitsha, Mahangwe, Polokong, Dengwane, Matsetseng, Nobhaca, Taung, Botsola in bricklaying and other skills
	7 - Ngcwengana, Sifolweni, Pote, Hillside, Manzi, Dumisa, Pamlaville, Mngeni, Lufefeni, Goxe
	8 - Belford
	9 - Entire ward
	10 - Lunda, Sijoka, Magonqolweni, Silindini, Hlomendlini, Caba
	11 - EPWP - Tsekong, Mboho, Maloto, Mapfontein, Khaola, Springkaan, Pongseng, Qilwane, Lehata, Mabua, Thotaneng, Motjatjane, Madlangala, Tsekong
	12 - Busaries, Night School - Nkau, Queen's Mecry, Khubetswana
	13 - Learnership in - Computer, Cell phone repairs, Electrification, Plumbing, Farming, Tourism, Sports Development, HIV/AIDS awareness campaigns
	13 - Skills Training Centre - Mpharane - Skills Programme - Sewing, Leather making, Bead Work, Carpentry, Welding, Food Processing, Timber Processing
	14 - Bricklaying, Gardening, Sewing, Busaries
	15 - Mining
	17 - Lima Project - Luxeni, Nyanzela, Mango, Polile
	18 - Qili, Mnyamaneni
	19 - Matatiele Town - Multi purpose centre - Projects /Co-operatives
	20 - Ward Basaries for youth and Skills Motivation, need for NHBC
	21 - Mvenyane (Whole) -Forming Corporatives, Training on Poultry Production, Training on Massive Food Production
	24 - Computer skills for Matriculants
<b>Other Projects</b>	
	2 - Poultry- Mzingisi, Nomakhaya sewing
	13 - Poultry - Lestoapong, Vegetables - Thabaneng, Masopha
	17 - Lima project - Mango,Luxeni, Nyanzela, Polile, Sigoga
	20 -Harry Gwala Park - Bakery, Manufacturing of wire fencing - Masakala
<b>3.2.6. Dip Tanks</b>	
	2 - Ramohlakoana, Jabavu, Tsepisong, Nkululekweni, Malubaluba
	3 - Recover Dipping Tank - Tipini
	4 - Sehlabeng
	6 - Polokong- dip tank to be fenced
	9 - Makhoaseng, Rantsiki, Gudlintaba, Rashule, Shenxe, Gobizembe
	10 Dip tank - Magonqolweni, Lunda
	12 - Dip tank Renovation - Sekgutlong, Khubetswana Shearing Shed in Nkau
	13 - Dip Tank - Renovation - Mohaphi
	14 - Tabachicha, Moiketsi

	16 - Mechachaneng, Likhethlane, Majoro, Sketlane Shearing shed - Mehloloaneng , Moaeneng
	17 - Dip tank - Lugada Shearing shed - Nyanzela
	18 - Mnyamaneni, Qili, Bubesi, Khesa
	21 - Dip tank - Ntlola, Magxeni, Gwadana
	24 - Pound - Zingcuka, Ramafole, Moritsing Shearing shed - Zimpofu
<b>3.2.7. Job creation</b>	
	1 - Maluti, Tholang, Motsekuoa, Skiti, Maritseng
	2 - entire ward
	3 - Trust (Guest House for Tourists)
	4 - Entire ward
	5 - entire ward
	6 - EPWP - Ramatli, Bhakaneni, Zwelitsha, Mahangwe, Polokong, Dengwane, Matsetseng, Nobhaca, Taung, Botsola
	7 - EPWP - Ngcwengana, Sifolweni, Pote, Hillside, Manzi, Dumisa, Pamlaville, Mngeni, Lufefeni, Goxe
	9 - Entire ward
	10 - Lunda, Sijoka, Magonqolweni, Silindini, Hlomendlini, Caba
	11 - Tsekong, Mbobo, Maloto, Mapfontein, Khaola, Springkaan, Ponseng, Qilwane, Lehata, Mabua, Thotaneng, Motjatjane, Madlangala, Tsekong
	12 - Sekhutlong, Nkau, Queens Mercy, Khubetswana, Moqhobi, Mafayisa, Potlo, Sera
	13 - EPWP - Tlhakanelo, Kholokoe, Mohapi, Ramaqele, Thaba-Bosiu, Thotaneng, Letsoapong, Likamoreng, Masopha, Thabaneng, Chere, Mahareng
	14 - All villages
	15 - Entire ward
	16 - Mehloloaneng
	17 - EPWP - whole ward
	18 - Mrwabo, Nkungwini, Fiva(EPWP)
	20 - Whole ward
	21 -EPWP, Nkhoesa Mofokeng - Ntlola, Sityweni, Mdeni, Mbheleni, Mvenyane Mission, Upper Mvenyane
	23 - Bethesda, Sekutlong
	24 - Entire ward
<b>3.2.8- shopping Centres</b>	24- Ramafole shopping mall
	22- Shopping complex

## **5.2 PRIORITIES, OBJECTIVES AND STRATEGIES**

A Strategic planning meeting was held on 03 to 07 February 2013 to formulate future development strategies to address the developmental issues. Taking into consideration the limited resources and the scope of service delivery backlogs, priorities' objectives as well as strategies were formulated to address the developmental issues, as per the assessment of the current situational analysis. The subsequent discussion is linked directly to the findings of the Situational Analysis and taken further to identify the development vision of the municipality. The focus is intended to achieve faster and appropriate delivery of services and create an enabling framework for social and economic development.

## 5.2.1 BUDGET AND TREASURY

### i. DEPARTMENTAL VISION AND MISSION

- **Vision: “Sound and Fraud-Free Financial Management and Services”**
  
- **Mission: “To establish, implement and maintain norms and standards required to generate funds through fostering a sense of responsible citizenry in order to meet legislative and mandatory obligations.”**

### ii. FUNCTIONAL AREAS

- Revenue Management
- Expenditure Management
- Budget Management
- Financial Reporting
- Supply Chain Management
- Assets Management
- Investment Management

**DEPARTMENT: BUDGET AND TREASURY OFFICE**

**UNIT: REVENUE MANAGEMENT**

<b>KEY ISSUES</b>	<b>Priorities</b>	<b>Objectives</b>	<b>Strategies</b>	<b>Key Performance Indicators</b>	<b>Targets</b>	<b>projects</b>	<b>Budget</b>	<b>Ward</b>
<b>High debt – collection of rates and services</b>	Implementation of the Debt Reduction Policy toward debt collection in the Municipality	Implementing the Credit Control Policy and Revenue Enhancement Strategies and reduce our debt from R41m to current by 2017	Training of current staff on implementation of the policy  Recruitment of skilled personnel  Seek assistance from Eskom for areas not supplied by municipality - electricity	Reduced Debtors Balance	Reduce debtors from R42 million to R38 million by 30 June 2014 (R4 million Reduction)	Debt Collection	R100 000.00	1, 19, 20, 26
<b>Indigent Support</b>	Ensure that all households that are indigent receive the services	Identify and support households that are indigent all around the Municipality	Establish a team that consist of Ward Councillors, Ward committees, Ward Clerks and Municipal Officials	Number of Households receiving subsidy	10 811 Households to receive subsidy by 30 June 2014	Indigent Administration	R11 061 905.00	All 26 Wards
<b>Creditors Administration</b>	30 Days payments to creditors	To maintain the minimum day of 30 Days for payment of Creditor	Centralise the Creditor payment and point of receiving the invoices at the SCM Unit	Number of Days it takes to pay creditors	All Payments for Creditors and Other Service Providers to be done within 30 Days as per MFMA Requirements	Creditors Administration	R258 547 106.00	Nil



<b>Payroll Administration</b>	Salaries and Allowances	To ensure that staff payments are made on the 25 <sup>th</sup> of each month	Prepare Staff payments before the 25 <sup>th</sup> and release all the payments on the 25 <sup>th</sup>	Number of days to make salary payments	12 Salary payments to be made on the 25 <sup>th</sup> of each month	Payroll Administration	R93 111 905.00	Nil
<b>Sourcing of Real-time deposit System</b>	Elimination of cash loss in transit	To ensure elimination of lost cash on transit	Source a Cash Transit eliminating Machine	Date when machine is sourced	To source a machine to eliminate loss of cash in transit by 30/06/2014	Sourcing of Real-time deposit System	R50 000.00	Nil
<b>Revenue Enhancement Strategy</b>	Revenue enhancement	To ensure Revenue Enhancement in the municipality through the implementation of the Revenue enhancement strategy	Develop a Revenue Enhancement Strategy	Approved Strategy by date	Develop and approve Revenue enhancement strategy at 30 June 2014	Revenue Enhancement Strategy	R400 000.00	Nil
<b>Supplementary Valuation Roll</b>	Valuation roll	To develop a Supplementary roll	Develop and submit Supplementary roll for approval to Council	Signed Supplementary Roll	Signed Supplementary Valuation Roll	Supplementary Valuation Roll	R100 000.00	Nil
<b>Sourcing of Easy Pay</b>	Access to Easy Pay	Community to access services	Sourcing of Revenue Payment Services and implementing the remote Easy Pay Remote Payment	Date at which Easy Pay Remote Payment is accessed	Have Easy Pay Remote Payment Services by 31/12/2013	Sourcing of Revenue Payment Services	R50 000.00	Nil
<b>Revenue Management</b>	Billing and posting	To do billing by the 10 <sup>th</sup> of each month to 7500 Accounts	Do the billing of the Monthly account on the 10 <sup>th</sup> rather than the 30 <sup>th</sup>	Date of billing and posting	Billing done end of each month and posting of 7500 accounts delivered by the 10 <sup>th</sup> of each month	Revenue Management	Staff Salary	Nil
<b>Capacity Building</b>	Training on Revenue and expenditure	Training employees on Revenue and	Send 6 employees to revenue and Expenditure	Number of employees trained	Training of 6 revenue and Expenditure	Capacity Building	R250 000.00	Nil

	management system	Expenditure Management	management		employees			
<b>Advertising of Tariffs</b>	Make public the tariffs	Communicate with public with regards to tariff structure	Linking/aligning the tariffs with budget in terms of chapter 4 of MFMA	Tariffs advertised by 31 May each year until 2017	Advertise tariffs by 31 May of each year	Public Participation	R5 000.00	All
<b>Reconciliation of debtors</b>	Debt reconciliation	Align the Age Analysis with the General Ledger – Ensuring that there are no Variances	Retaining skilled personnel  Training of personnel to adapt to change  Adherence to section 64 of the MFMA	Done on a monthly basis until 2017	12 reports on Debtors Reconciliation	Debt reconciliation	R0	01, 19, 20, 26
<b>Poor collection of rental income</b>	Rental collection	Ensure all municipal properties are leased are paid for	Adherence to municipal council's policy	Leases need to be reviewed and adhered to	Implement the council policy	Rental collection	R0	All
<b>Maximization of interest on Investments – Long and short term</b>	Increase of Investments	Target banks that have highest	Adherence to Municipal policy	Reviewal of municipal policy	Implement the council policy	Investment relations	R0	01, 19, 20, 26
<b>Change interest on outstanding debt</b>	Encourage customers to pay debt	Encourage customers that owe for municipal services	Adherence to municipal policy and MFMA	Interest on Outstanding debtors	Implement the council policy and MFMA	Debt reconciliation	R0	01, 19, 20, 26
<b>Buying electricity for 24 Hours</b>	Accessibility to electricity purchase 24/7	Community to access to the services 24/7	Adherence to municipal policy and MFMA	Review municipal policy  To utilise the services of Counter	Implement the Council policy	Electricity selling	R0	19 & 20

**UNIT: BUDGET PLANNING AND FINANCIAL REPORTING**

<b>KEY ISSUES</b>	<b>Priorities</b>	<b>Objectives</b>	<b>Strategies</b>	<b>Key Performance Indicators</b>	<b>Targets</b>	<b>projects</b>	<b>Budget</b>	<b>Ward</b>
<b>Submission of monthly, Quarterly and Mid-year Report</b>	Compliance with MFMA	Ensure all documents were fully comply MFMA - with regards to reports that need to be submitted	Adherence to Municipal Policy and MFMA	Date of submission	Submission of Monthly report to National Treasury, Provincial Treasury and Mayor on the 10 <sup>th</sup> of every month	Submission of Section 71 reports, National Treasury Reports and Statutory Returns	R473 773.00	Nil
<b>Submission of monthly, Quarterly and Mid-year Report</b>	Compliance with MFMA	Ensure all documents were fully comply MFMA - with regards to reports that need to be submitted	Completion of recons on a monthly basis and adherence to MFMA	Number of Bank Reconciliations	12 Monthly bank recons	Bank accounts Management	R804 833.00	Nil
<b>Submission of monthly, Quarterly and Mid-year Report</b>	Compliance with MFMA	Ensure all documents were fully comply MFMA - with regards to reports that need to be submitted	Completion of Certificates on a monthly basis and adherence to MFMA	Number of Investment registers	Invest surplus cash at high interest rate and maintain the investment register on a monthly basis	Investment accounts Management	R804 833.00	Nil
<b>Submission of monthly, Quarterly and Mid-year Report</b>	Compliance with MFMA	Ensure all documents were fully comply MFMA - with	Submission of Report to Council timorously	Date of Submission	Submission of Withdrawal report by 10 <sup>th</sup> day after the quarter	Quarterly Reporting on Withdrawals	R1 592 999.00	Nil

		regards to reports that need to be submitted						
<b>Budget preparation and Management</b>	Compliance with MFMA	Ensure all documents were fully comply MFMA - with regards to reports that need to be submitted	Prepare Mid-year report and Adjustment Budget and send to Council	Date of Mid-year report  Date of Adjustment report	Mid-year performance assessment report by 25/01/2014  2013/2014 Adjustment budget by 28/02/2014,	Budget preparation and Management	R1 875 671.00	Nil
<b>Budget preparation and Management</b>	Compliance with MFMA	Ensure all documents were fully comply MFMA - with regards to reports that need to be submitted	Reviewal of the policies on a Annual basis and adhere to MFMA	Date of reviewed Policies	Development, Review and implementation of policies within the legislative prescripts of MFMA, MSA, MPRA and NT Guidelines by 30/06/14	Budget related Policies	R1 875 671.00	Nil
<b>Budget preparation and Management</b>	Compliance with MFMA	Ensure all documents were fully comply MFMA - with regards to reports that need to be submitted	Adherence to Municipal Council policy and Chapter 4 of the MFMA	Date Of Tabling to council and submission	2014/2015 Budget Time table tabling to council and submitted to National Treasury by 31 August 2013	Budget timetable schedule	R200 041.00	Nil
<b>Budget preparation and Management</b>	Compliance with MFMA	Ensure all documents were fully comply MFMA - with regards to reports that	Preparation of Municipal Annual Budget	Date of Approved Budget	Approved budget by 30 June 2014	Budget preparation and Management	R1 875 671	Nil

		need to be submitted						
<b>Budget preparation and Management</b>	Compliance with MFMA	Ensure all documents were fully comply MFMA - with regards to reports that need to be submitted	Submission of Annual financial statement and achieving an unqualified Audit Opinion	Date of submission of Audit Opinion	01 Working Paper File of the AFS submitted to AG by the 31 <sup>st</sup> August 2013  Unqualified Audit Opinion Report by 31 December 2013	Unqualified Audit Opinion  30/11/2013.	R1 885 671.00	Nil
<b>Budget preparation and Management</b>	Compliance with MFMA	Ensure all documents were fully comply MFMA - with regards to reports that need to be submitted	Submission of Bank Account to National Treasury	Date of submission	Submission of NT Form A as per MFMA	Annual details of Bank Account (section 9b)	R118 443.00	Nil
<b>UNIT: SUPPLY CHAIN MANAGEMENT</b>								
<b>KEY ISSUES</b>	<b>Priorities</b>	<b>Objectives</b>	<b>Strategies</b>	<b>Key Performance Indicators</b>	<b>Targets</b>	<b>projects</b>	<b>Budget</b>	<b>Ward</b>
<b>Annual Procurement Plan</b>	Compliance with MFMA and SCM regulations	To have an Integrated Demand Management Plan	Develop Demand Management Plan	Integrated Demand Management Plan	All bids to be awarded must be included in the plan and compliance therefore	Developing of Demand Management Plan for all Bids procurements.	R0	N/A
<b>Supply Chain Management</b>	Compliance with MFMA and SCM regulations	To ensure that Procurement procedures are compliant with MFMA SCM	Adherence to MFMA SCM regulations & SCM policy	Bids awarding to be within a turn-around time of two months from the opening of	Bids & other Procurements to be compliant with MFMA, SCM policy and other prescripts	Supply Chain Management	R0	N/A

<b>KEY ISSUES</b>	<b>Priorities</b>	<b>Objectives</b>	<b>Strategies</b>	<b>Key Performance Indicators</b>	<b>Targets</b>	<b>projects</b>	<b>Budget</b>	<b>Ward</b>
		regulations & SCM policy		bids.				
<b>Maintenance of Service Providers contracts</b>	Compliance with MFMA SCM regulations & NT Regulation	To ensure that Awarded Bids are submitted to NT	Adherence to MFMA SCM regulations & NT Regulations	Submission of report on Awarded Bids to NT by 15 <sup>th</sup> of Every Month	Bids awarded contracts reported to NT by the 15 <sup>th</sup> of the month	Maintenance of Service Providers contracts	R0	N/A
<b>Procurement of Supplier database software</b>	Compliance with MFMA SCM regulations	To have supplier database on abakus system	Adherence to MFMA SCM regulations	Date of procurement and implementation	Procure and implement Supplier Database Software by 30 November 2013	Procurement of Supplier database software	R100 000.00	N/A
<b>Supplier Data Base cleansing</b>	Compliance with MFMA SCM regulations	To ensure that database audit conducted	Adherence to MFMA SCM regulations	Reports of Database audit	4 report on Data Base audit to identify and disqualify suppliers not complying with the MFMA SCM regulations requirements by 30 June 2014	Supplier Data Base cleansing	R30 000.00	N/A
<b>Fixed Asset management</b>	Compliance with MFMA & GRAP Compliance	To ensure that Assets Register is GRAP Compliant	Adherence to MFMA & GRAP Compliance	GRAP Compliant Updated Register Reconciled to General Ledger by 10 <sup>th</sup> of every Month	12 Reports on Register reconciled to Ledger monthly by the 10 <sup>th</sup>	Fixed Asset management	R0	N/A
<b>Short Term Insurance</b>	Compliance with MFMA & GRAP Compliance	To ensure that Risk Cover is GRAP Compliant	Adherence to MFMA & GRAP Compliance	Number of report on insured assets	12 Reports on Risk Cover for all Movable and Immovable Assets	Short Term Insurance	R400 000.00	N/A

<b>KEY ISSUES</b>	<b>Priorities</b>	<b>Objectives</b>	<b>Strategies</b>	<b>Key Performance Indicators</b>	<b>Targets</b>	<b>projects</b>	<b>Budget</b>	<b>Ward</b>
<b>Acquisition of Fleet Management System</b>	Compliance with MFMA	To ensure that the municipality has a Fleet Management System	Procure Fleet Management System	Procured Fleet management System and monthly reports on management of fleet	Procure Fleet Management System by 30/09/13  12 Detailed Report on Fleet Management every 10 <sup>th</sup> of the month	Acquisition of Fleet Management System	R150 000.00	N/A
<b>Procurement of Plant</b>	Improvement in Service delivery	To acquire Own Plant	Procurement of Plant	Procured plant	Plant units procured by 31 July 2013	Procurement of Plant	R6 000 000.00	N/A
<b>Training of SCM Bid Committee members</b>	Compliance with MFMA SCM regulations	To ensure that SCM Bid Committee members are trained	Training of SCM Bid Committee members	Date of training	To have Trained SCM Bid Committee Members by 31 December 2013.	Training of SCM Bid Committee members	SDF	N/A

## 5.2.2 COMMUNITY SERVICES

### i. DEPARTMENTAL VISION AND MISSION

- **Vision: “Rendering World Class Community Services”**
  
- **Mission: “Prompt response to community needs and provision of service to the satisfaction of the community.”**

### ii. FUNCTIONAL AREAS

- Environment & Conservation Management
- Public Amenities
- Public Safety
- Solid Waste



DEPARTMENT: COMMUNITY SERVICES								
UNIT: ENVIRONMENT & CONSERVATION MANAGEMENT								
<i>KEY ISSUES</i>	<i>Priorities</i>	<i>Objectives</i>	<i>Strategies</i>	<i>Key Performance Indicators</i>	<i>Targets</i>	<i>projects</i>	<i>Budget</i>	<i>Ward</i>
<b>Illegal activities taking place in the commonage</b>	Facilitate regular patrols around the commonage	To employ additional rangers to patrol & monitor the commonage	Appointment of Rangers to conduct law enforcement and regular monitoring/ patrols	Number of Employed rangers	4 rangers employed by June 2015	Appointment of Rangers	R250 000	ADMIN
<b>Shortage of Labour Force to assist in Park maintenance, etc</b>	Get labour to assist in Park cleaning & maintenance	To appoint EPWP staff	Appoint ... EPWP Staff	Number of EPWP staff appointed	No. Of EPWP staff Appointed by June 2015	Recruitment of EPWP staff	R250 00	ADMIN
<b>Minimum number of game/ animals in the Mountain Lake Section( Matatiele Nature Reserve)</b>	Increase number of game/ animals at Mountain Lake	To facilitate Game translocation to Matatiele Nature Reserve	Participate in the processes leading towards translocation of respective species to Matatiele Nature Reserve	Number of animals translocated.	Translocation of animals by June 2015	Game translocation	R 50 00	19

<b>Lack of total (physical) security/ barrier around Matatiele commonage</b>	Fencing of the Northern Boundary of the Commonage	To construct a fence for the Northern Boundary	Utilise EPWP Labour Force in the Construction of the Commonage Northern Boundary Fence	Kilometres of fencing completed	Fencing of the northern boundary by June 2015	Fence Construction	R250 000	
<b>Improve Climate Change awareness in the education sector</b>	convey climate change awareness and greening	To promote Climate Change awareness in Schools	Supply schools with indigenous trees in the following wards (Ward 15 to 26).  Conduct awareness programmes thereof.	Number of schools supplied with trees.  Number of awareness campaigns conducted	Schools supplied with trees by June 2014.  Awareness campaigns conducted by June 2014.	Planting of indigenous trees at schools  Awareness campaigns at school.	R50 000	15,16, 17,18, 19,20, 21,22, 23,24, 25,26
<b>Improve accommodation facilities in the nature reserve</b>	Additional accommodation facilities require at the nature Reserve	To Construct two (2) chalets at Nature Reserve	Source the professional service provider to construct chalets in the nature reserve	Number of chalets constructed	Two (2) chalets constructed by June 2014	Construction of Chalets	R1 600 000	19

<b>Lack of decent fresh water &amp; sanitation in the Wilfried Baur NR.</b>	Clean drinking water & sanitation	To provide clean drinking water & sanitation at Wilfred Baur Nature Reserve	Utilise ANDM expertise to construct/ connect water supply above-ground (galvanised) pipe to Ablution Facilities and recreational area.	Date completed	To construct a pipeline by June 2014	Pipe line construction	R 20 000	19
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**DEPARTMENT: COMMUNITY SERVICES**

**UNIT: PUBLIC AMENITIES**

<i>KEY ISSUES</i>	<i>Priorities</i>	<i>Objectives</i>	<i>Strategies</i>	<i>Key Performance Indicators</i>	<i>Targets</i>	<i>projects</i>	<i>Budget</i>	<i>Ward</i>
<b>Maintenance of community halls</b>	Maintenance of community facilities	To undertake major renovations of community halls	Appoint service providers to do the renovations	Number of halls renovated	To renovate four (4) community halls by 31 December 2013	Renovation of : 1. Bultfontein Community Hall 2. Mzingisi Community Hall 3. Dengwane Community Hall 4. Sigoga Community Hall	R420 000	26, 10 & 17

<b>Improve sanitation in public facilities</b>	maintenance of public toilets in Matatiele town	To undertake major renovations of Public Toilets	Appoint service providers to do the renovations	Scheduled spot checks	Daily Cleaning and maintenance of Coffee pot & Bus rank toilets	Maintenance of Coffee pot and Bus Rank Toilets	R200 000	19
<b>Maintenance of Pre schools</b>	Maintenance of Preschools	To refurbish preschools	Use Municipal Personnel for Cleaning and EPWP for Maintenance	Number of preschools refurbished	Refurbish two (2) preschools by 30 March 2014	Refurbishing of: 1. Maphokong Pre school 2. Malubalube Pre school	R220 000	2 &
<b>Maintenance of swimming pool</b>	Wear & tear of Swimming pool water pump system	To maintain the swimming pool(mechanical) & the water pump system	Appoint service providers	Scheduled spot checks	Daily cleaning and maintenance of the swimming pool	Cleaning & maintenance of Matatiele swimming pool	R 300 000	19
<b>Supplies And Materials</b>	Acquire cleaning supplies & materials	To purchase cleaning supplies and materials for daily operations	Procurement process done on time	Scheduled spot checks	Monthly purchase of supplies	Purchase supplies & materials	R300 000	N/A
<b>Maintenance of rural sportfields</b>	Maintenance of sportfields	To grade & level the grounds	Appoint service providers	Number of sportfields graded.	To grade & level two (2) sportsfields by 30 June 2014	Grading & levelling of: 1.Pontsheng sportfield 2.Paballong sportfield	R 200 000	11 & 15

**DEPARTMENT: COMMUNITY SERVICES**

**UNIT: PUBLIC SAFETY**

<i>KEY ISSUES</i>	<i>Priorities</i>	<i>Objectives</i>	<i>Strategies</i>	<i>Key Performance Indicators</i>	<i>Targets</i>	<i>projects</i>	<i>Budget</i>	<i>Ward</i>
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<b>Non testing of grade A</b>	Test all grades of Drivers Licences	To upgrade the testing ground to Grade A	Source a contractor to conduct surfacing of testing ground	Tarred testing surface	Complete Surfacing of Grade A testing ground by June 2014	Surfacing of Grade A Testing Ground	R 1 500 000	19
<b>Advanced supply of Rescue services to community</b>	Supply fire/rescue services to all 26 wards	To provide immediate response when fire, disaster and accidents occur	<p>1. Training of additional staff</p> <p>2. Acquire a heavy duty rural fire tender</p> <p>3. Emergency feed for live stock available and to conduct own bailing for emergency feed During disasters.</p> <p>4. coordinated operations for all emergencies and channel for community to report incidents.</p>	<p>1. number of staff trained</p> <p>2. Date of Acquired heavy duty rural fire tender</p> <p>3. date of acquisition of a tractor, lasher and bailer</p> <p>4. Have establish a dedicated 24hr control room.</p>	<p>1. staff trained by June 2014</p> <p>2. Purchase heavy duty fire tender by June 2014</p> <p>3. Purchase a Tractor, lasher &amp; Bailer by June 2015</p> <p>4. Have an operational 24hr control room by June 2016</p>	<p>1. staff training</p> <p>2. Purchase of new rural heavy duty fire tender.</p> <p>3. purchase equipment</p> <p>4. Establishing of a disaster, fire &amp; rescue management 24hr control room</p>	<p>R 100 000</p> <p>R1 500 000</p> <p>R1 500 000</p> <p>R250 000</p>	Admin

<b>Upgrading of policing vehicles</b>	replacement of all traffic vehicles	To replace the existing feet of traffic vehicles	Source supplier for providing vehicles	Number of vehicles replaces	Purchase .vehicles by june 2014	Purchasing of traffic vehicles	<b>R1 800 000</b>	admim
<b>Safety &amp; security in Matatiele</b>	Monitoring of Hot spot crime areas	To have cctv camera's operational in town	install 10 CCTV cameras throughout town linked to the control room	Number of cameras installed	To have CCTV cameras installed by June 2015	First –phase of installing CCTV Cameras	<b>R1 000 000</b>	19
<b>Traffic control</b>	Regulate the parking areas	To regulate and control parking	manage paid parking areas	number of parking metre installed	Implement the mobile parking metre by June2015	Acquire parking meters	R 500 000	19&20
<b>Road Marking and signage</b>	facilitate road marking and signage to be completed adequately	To install road signs and do road marking in Matatiele town.	Purchase a dedicated LDV for painting	Number of Road signs and marking done	Road signs and markings done by. June 2014	Road markings & signage	R 150 000	19

**DEPARTMENT: COMMUNITY SERVICES**

**UNIT: SOLID WASTE**

<b>KEY ISSUES</b>	<b>Priorities</b>	<b>Objectives</b>	<b>Strategies</b>	<b>Key Performance Indicators</b>	<b>Targets</b>	<b>projects</b>	<b>Budget</b>	<b>Ward</b>
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<b>Collection and transportation of Domestic, Commercial and Industrial waste</b>	To provide reliable and effective waste equipment)	To acquire waste equipment	Appoint service provider	Number of equipment purchased	Purchase Of Refuse Truck (Compactor), BY june 2014.	Acquire a Refuse truck	R2 000 000	admin
		Purchase of waste equipment – Refuse Compactor	Appoint service provider	Number of equipment purchased	Purchase of web based weighbridge by june 2014	Purchase of weighbridge	R800 000	Admin
		Purchase of waste equipment – Thermal Garbage Processor	Appoint service provider	Number of equipment purchased	Purchase of Thermal Garbage Processor by june 2014	Purchase of Thermal Garbage Processor	R2 000 000	admin
<b>Management of Landfill site (GCB+)</b>	Ensure that the one external audit is carried out annually by an approved Environmental Consultant	To ensure that the landfill site is managed to the required standards	To conduct a landfill Audit	Date of the Landfill Audit Report	Conduct A landfill Audit report by June 2014	Landfill Audit	R60 000	19
<b>lack of awareness on waste management</b>	Facilitate awareness on community waste management	To promote Community waste management awareness and education	1. Develop a waste education/awareness strategy 2. conduct awareness campaigns	1. Date completed strategy number of campaigns held	Develop a waste education/awareness strategy by June 2014 2. Number of awareness	1. develop a strategy	R80 000	All wards

		programmes			campaigns held by...June 2014			
						2. awareness campaigns		
<b>Improve waste collection service</b>	provide an effective waste collection service throughout MLM	To extend refuse removal in rural areas	Refuse removal in households in rural areas	Number of households with waste removal	Refuse removal in 20 000 households rural areas by June 2014	Waste Removal	R 500000	All
<b>Prevalence of illegal dumping sites</b>	Facilitate initiatives to eradicate illegal dumping	To eradicate illegal dumping sites in Matatiele	Enforcing by –Laws	Number of sites eliminated	Number of illegal dumping sites eliminated by June 2014	Eliminate illegal dumping sites.	R200 000	all



### 5.2.3 CORPORATE SERVICES

#### i. DEPARTMENTAL VISION AND MISSION

- **Vision: “A Pro-active Department dedicated to ensure capacity for quality service delivery.”**
- **Mission: “To provide support and administrative services, training and development for Councillors and employees;To develop Human Resources and Administration policies for the proper functioning of the Municipality andTo ensure recruitment and selection of appropriately qualified personnel.To ensure provision of legal services for the entire institution.”**

#### ii. FUNCTIONAL AREAS

- Human Resources
- Administrative Support
- Council Support
- Legal Services

**HUMAN RESOURCES**

KEY ISSUES	PRIORITIES	OBJECTIVES	STRATEGIES	Key Performance Indicators	Targets	projects	Budget	Wards
<b>Human Resources</b>								
<b>Occupational Health and Safety Systems</b>	Development, implementation and maintenance of the system.	Development of H&S Policy implementation of system	Services of the Service Provider enlisted	Number of workshops and trainings done	<p>Trainings and workshops for councillors &amp; employees by 30 September 2013</p> <p>Conduct 2 Health &amp; Safety Day by 30 June 2014</p>	<p>Trainings and workshops</p> <p>Policy workshop, presentation to all the relevant stakeholders.</p> <p>Safety day (x2) Once every six months</p>	<p>R 1 000 000.00</p> <p>R 100 000.00</p>	Admin

<b>Human Resources Plan</b>	Development and implementation of the plan	Compilation and finalizing of Human Resource Plan	Services will be done internal	An adopted Human Resources plan	An adopted Human Resource plan by 30 September 2013	Workshop	N/A	Admin
<b>Review of policies</b>	Review of at least 1 HR Policy	Reviewe Empolyment Equity Plan	Conduct workshops	Reviewed EEP	Reviewe d EEP by 30 November 2013	Annual workshop	R 50 000.00	Admin
<b>Employee assistance and wellness programme</b>	EAWP developed for entire institution	Development of the programme.	Service provider and employment of EAWP Officer	Number of workshops and events held	Conduct worksho p s by 30 September 2013  Conduct 2 wellness day events by 30 June 2014	Workshops  Wellness day (x2 )	R 800 000.00  R 200 000.00	Admin

Municipal hierarchy & Population of the organgram	Filling of critical posts and implementation of the hierarchy level	Development of the system	Service Provider for the development Organogramms	Number of post filled	31 Decemb er 2013	Workshop of hierarchy levels	R50 000.00	Admin
<b>Funeral Policy</b>	Development and implementation of a Funeral Policy	An adopted Funeral policy	Conduct workshops	adopted Funeral policy	Have a an adopted Funeral Policy By 31 May 2014	workshops and Funeral assistance provided	R 100 000.00	Admin
<b>Office Space</b>	To have adequate office space	Building and renovation of municipal offices	Service providers	Structures completed by phases	30 June 2014 (first phase)	construction	R 15 000 000.00	Admin
<b>LLF</b>	LLF meetings	To have monthly LLF Meetings	Develop a Schedule	Number of meetings held	12 Meeting held by 30 June 2014	LLF meetings	R 12 000.00	Admin

<b>Capacity building</b>	Councilors and Employees	To have monthly trainings	Matriculation Municipal Finance Management Course (MFMC), Drivers Licence for Councillors	Number of Learners		Enrolment at different institutions	R 2 000 000.00	Admin

**COUNCIL SUPPORT**

KEY ISSUES	PRIORITIES	OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	KEY PERFORMANCE TARGETS	PROJECTS	BUDGET	WARD
<b>Public Participation in Wards.</b>	Formulation of Public Participation Policy	To make Communities participate in decision and processes of the municipality.	Establishment of a database for all participating stakeholders in the Municipal Affairs.	<ul style="list-style-type: none"> <li>Number of stakeholders participating in decision making increased.</li> <li>Adopted Public Participation policy</li> </ul>	Streamlined reporting system on public participation by December 2013. A reliable database of stakeholders at ward level to be in place by July 2013.	<ul style="list-style-type: none"> <li>Public Participation meetings, forums and events.</li> </ul>	R400 000.00	All wards
<b>Accumulation of petitions and complaints.</b>	Computerized customer service and complaints management system.	To provide a quick response to petitions and complaints and petitions	To develop a policy for handling petitions and complaints.	<ul style="list-style-type: none"> <li>Number of petitions signed by the Speaker and processed through the Committee.</li> <li>Adopted Petitions Policy</li> </ul>	Petitions Policy before Council by October 2013.	<ul style="list-style-type: none"> <li>Meetings with the CDW's, Ward Clerks and Traditional Leaders.</li> <li>Purchase of suggestion boxes</li> </ul>	R400 000.00	MLM
<b>Capacity on handling of Council and Standing</b>	Speedy liaison with Chairpersons of Council,	To ensure that the Rules and Orders are fully utilised during		<ul style="list-style-type: none"> <li>Number of Council Meetings held.</li> <li>dates on which</li> </ul>	Workshop on Rules and Orders to be held when?	<ul style="list-style-type: none"> <li>Preparations for Council Meetings,</li> <li>Workshops</li> </ul>	R200 000.00	MLM

<b>Committee Meetings.</b>	Executive Committee (EXCO) and Committees regarding minutes of meetings.	the proceedings of all Municipal Structures.	Council meeting are coordinated as planned and Chairpersons receive minutes within 7 days after the meetings.	minutes are received by chairperson after meetings				
<b>Working relations of Ward Clerks and Community Development Workers (CDWs)</b>	Encourage joint reporting on issues of similar nature.	To ensure that Ward Clerks and CWDs work in collaboration and synchronise one another in the Execution of functions.	Design reporting formats and time frames and hold regular joint meeting.	Number of joint meetings held and the reports submitted.	(12) CDWs and Ward Clerks July 2014. Hold (4) meetings programmes by July 2014.	<ul style="list-style-type: none"> <li>Meetings and workshops' for WC &amp; CDW's.</li> <li>Purchase stationery</li> </ul>	R200 000.00	MLM
<b>workings of Section 79 Committees</b>	Functionality of section 79 committees.	Recruit new personnel and Training of members of committees and staff.	Effective and efficient oversight roles and responsibilities of all Section 79 Committees.	<ul style="list-style-type: none"> <li>Number of trainings done.</li> <li>Number of new personnel recruited</li> </ul>	Filled vacant posts. And Personnel trained by December 2013.	<ul style="list-style-type: none"> <li>Draft Calendar of meetings for committees.</li> <li>Conduct trainings</li> </ul>	R300 000-00	MLM

**ADMINISTRATIVE SUPPORT**

KEY ISSUES	PRIORITIES	OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	KEY PERFORMANCE TARGETS	CURRENT /PROPOSED PROJECTS	BUDGET	WARD
<i>(Registry and Archives)</i>								
<b>Records and Information Management</b>	creation of a dual system of records management	To create a well structured Record keeping System	Staff workshop held on the Municipal Records and Information Management Policy and Records Handbook	Number of workshops by set date	Quarterly workshops on information management	Conduct workshops on information	R 100 000	<b>Admin</b>
<b>Proper control of Photocopy Service</b>	Reduction of cost and limit use of copies	To minimise costs and centralise Photocopying	<ul style="list-style-type: none"> <li>Not to renew expired photocopy leases</li> <li>Renew only Registry &amp; Archives photocopy machine</li> </ul>	Centralised photocopying in each Municipal Building	Centralised photocopy by 30/06/14	Lease a photo copier for each Municipal Building	R165,000	<b>Admin</b>
Monthly Departmental employees' meetings								
Meetings of Departmental employees	Ensure regular and effective communication	To ensure that Departmental employees' meeting takes place every	To compile a year's schedule of the quarterly meetings	Departmental meetings held	4 staff meetings	quarterly meetings	0	<b>Admin</b>



		quarter						
<b>Maintenance of Municipal Buildings</b>								
<b>Security at the Municipal Buildings</b>	Improve security at the Municipal buildings	To improve the safety and security of occupants and equipment within the Municipal Buildings	Source out to a Service Provider	Installed security and functioning devices	Acquisition of relevant alarm system and metal detectors by <b>30/06/14</b>	<ul style="list-style-type: none"> <li>Installing Alarm Systems</li> <li>Purchasing a Metal Detector</li> </ul>	R200,000	<b>Admin</b>
<b>Maintenance of the Municipal Buildings</b>	Ensuring that the Municipal Building meets the required safety/health standards	To keep the Municipal Buildings in a serviceable condition	Inspections of the buildings	Inspections made and reports	12 inspections on municipal buildings condition and quarterly reports on their conditions	<ul style="list-style-type: none"> <li>Municipal Buildings Renovated</li> </ul>	550 000.00	<b>Admin</b>
<b>Cleaning and Messenger Services</b>	Cleaning of offices	-To ensure that the office space occupied by the municipal staff are cleaned thoroughly on a daily basis	Use of Work Schedule	Cleaning and Messenger services reports	All municipal buildings are cleaned on a daily basis	-Purchase cleaning supplies	R0	<b>Admin</b>
<b>Reception Function</b>								
<b>Communicati</b>	Learning	To ensure	Training of	Number of	Sign language	Training in sign	R20,00	<b>Admin</b>

on by sign language	sign language	that the receptionist is proficient in sign language	on sign language	Staff members trained on sign language	training completed 31/01/14	language	0.00	
<b>Telephone Management</b>								
<b>Non-payment for private telephone calls by users</b>	Ensuring that telecommunication of the municipality is controlled from one central place	To ensure full compliance with the Telecommunication Policy	Enforce the Telephone Usage Management Policy	Reports on Telecommunications by municipal staff and a Training on Telecommunication policy	12 reports and 1 workshop	Telephone Usage Management Policy to be implemented	R0	<b>Admin</b>
Centralizing Telecommunications System	Telephone System controlled from one system	To ensure that telecommunications of the municipality is controlled from one central place	Order to issued to the service Provider Telkom	Centralized Telephone System	<i>One Teltrace Report per month for the entire municipality</i>	1) <i>Virtual Private Network (VPN)</i> 2) <i>Integrated PABX System (IPECS)</i>	R150,000	<b>Admin</b>
<b>Review of Policies</b>								
<b>Admin policies</b>	Review of policies	To review at least 2 Admin	1. Dress Code Policy 2. Municipal Record	Reviewed Admin policies	1. Dress Code Policy 2. Municipal Records and Information Management	Review of Policies	R20 000	<b>Admin</b>

			s and Inform ation Manag ement Policy		Policy			
<b>Capacity on handling of Council and Standing Committee Meetings.</b>	Speedy liaison with Chairpersons of Council, Executive Committee (EXCO) and Committees regarding minutes of meetings.	To ensure the efficient functioning of the Council and Committee Meetings	Council meeting are coordinated as planned and Chairpersons receive minutes within 7 days after the meetings.	Public Notices of the Council meetings, Minutes of all Council and Committee Meetings resolution	Publicizing of all Council Meetings, Recording of Minutes and availability within 1 week of meeting, Resolutions captured after every council meeting, and Schedule of sitting of Council meetings	<ul style="list-style-type: none"> <li>• Preparations for Council Meetings <i>and Standing Committees</i></li> </ul>	RO	MLM

## **5.2.4 ECONOMIC DEVELOPMENT AND PLANNING**

### **i. DEPARTMENTAL VISION AND MISSION**

- **Vision “A flagship department in provision of economic development & planning services”.**
- **Mission “Development of sustainable tourism, agriculture, human settlements, job creation, and commercial investments, supported by a properly planned and managed built environment”.**

### **ii. FUNCTIONAL AREAS**

- Local Economic Development
- Development Planning
- Expanded Public Works
- Human Settlements

**KEY PERFORMANCE AREA : LOCAL ECONOMIC DEVELOPMENT**

KEY ISSUE	PRIORITY	OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATOR	TARGET	PROJECT	PROPOSED BUDGET	SOURCE
<b>High unemployment rate</b>	Job Creation	Create at least 600 EPWP Jobs by 2014	EPWP Jobs	Number of jobs created by Date.	500 Jobs Annually	<ul style="list-style-type: none"> <li>• 1040 Nkhoesa Mofokeng</li> <li>• Food For Waste (to spread to all wards)</li> <li>• 416 - Grass Cutting &amp; Cemetery Fencing</li> <li>• 520 - Wattle Removal &amp; Parks establishment</li> <li>• 572 - Rea Hloekisa</li> <li>• 10 - Ongeluksnek wattle removal</li> <li>• Ongeluksnek gateway maintenance</li> </ul>	6m	CRR & EPWP incentive grant
<b>Support to emerging livestock farmers</b>	SMME Support in Agriculture	Support at least one enterprise in feedlot camp business by June 2014	Feedlot camps	No of enterprises supported in feedlot establishment by 2014	One SMME enterprise supported by June 2014	Cedarville emerging farmers	200 000	CRR
<b>Financial, technical Capacity for LED SMMES to exploit economic activities</b>	SMME Support	Provide Support to SMMEs in various LED focus areas by June 2014	Value Addition	Number of agricultural SMMES supported by date	10 co-orps June 2014	Agricultural support to existing SMMES	1,500 000	CRR
			Logistical Support	Number of forestry SMMES	10 June 2014	Forestry SMMES - EIA Support	500 000	CRR

				supported by date				
			Marketing	Number of SMMES supported in Tourism by date	<ul style="list-style-type: none"> <li>8 SMMES supported in Tourism (LTO affiliation and development) annually</li> <li>Tourism web Page developed by June 2014</li> </ul>	Tourism SMME Support – Signage, Tourism web page and LTO affiliation for Emerging SMME's	500 000	CRR
<b>Tourism marketing &amp; Heritage Resources</b>	Destination Marketing	Conduct 5 initiatives to market Matatiele by June 2014	Partnership	Festival hosted by June December 2013	Festival hosted by December 2013	Music Festival (ECPTB & MDTP)	1, 5 m	CRR
			Marketing	Identified Heritage Resources by June 2015	Complete Brochure developed by June 2015	Heritage Resource Identification & Preservation	250 000	CRR
			Logistical support	Supported horse riding Festival by December 2013	Financial and Technical Support to the Horse Riding Festival by December 2013	Horse Riding Festival	100 000	CRR
			Marketing	Supported Matatiele Fees by December 2013	Financial support to Matatiele Fees by December 2013	Matatiele Fees	200 000	
			Marketing	Sourced Tourism Branding material by March 2014	100 Brochures on Matatiele 2 banners by	Tourism Branding	300 000.	CRR

					March 2014			
			Marketing	Signage boards prepared by June 2015.	2 Ward signage boards annually	<ul style="list-style-type: none"> <li>Ward signage</li> <li>Billboard – Cedarville</li> <li>Ward Signage at Ward entrances</li> </ul>	400 000	CRR
			Marketing	Tourism route development complete by June 2015.	5 Route signs developed by June 2015	Tourism Route development	300 000	CRR
<b>LED infrastructure for informal traders</b>	Informal traders	To Provide properly designated trading areas for Hawkers	Hawker cluster Stalls	Developed Hawker stalls by June 2015	20 Hawker Stalls developed by June 2015	Hawker Stalls	10 m	CRR & MIG
<b>Access to markets for SMMEs</b>	Access to Markets	To ensure access to markets for all fresh Produce by June 2015	Establishment of a Municipal Entity	Developed Fresh Produce market by June 2015	Develop a fresh Produce Market by June 2015	Fresh Produce Market	4,000,000	MIG
<b>Skills base for the community</b>	Skills Development	To develop a centre to improve skills for Cooperatives by June 2015	<ul style="list-style-type: none"> <li>Municipal Entity</li> <li>Strategic Partnerships (SETA)</li> </ul>	Develop a Cooperatives Training Centre by June 2015	Developed Cooperatives Training Centre by June 2015	Co-operatives Training Centre	3,000 000	MIG
<b>Coordination of LED services</b>	Support centre	To develop a Support centre for LED Services by June 2014	LED one stop Centre (SEDA, NYDA, EC DC)	Develop an LED Support Centre by June 2014	Developed LED Support Centre by June 2014	Renovation of the LED Support Centre & EDP Offices	3,000 000	CR R

**KEY PERFORMANCE AREA : SPATIAL RATIONALE**

<b>Spatial Plans</b>	Future Spatial Planning	To review the existing SDF by June 2015	Appoint a Service Provider to review current SDF	Reviewed SDF by June 2015	A reviewed SDF by June 2015	SDF Reviewal	400 000	CRR
<b>Precinct Plans</b>	Precinct Planning	Ensure the development of the Ongeluk'nek Precinct Plan by June 2015	Appoint a Service Provider to develop a Precinct plan	Developed Plan by Date	A Ongeluk'snek Precinct Plan developed by 2015	Ongeluk'snek Nodal SDF	400 000	CRR

**KEY PERFORMANCE AREA : BASIC SERVICE DELIVERY**

<b>Housed rural communities</b>	Rural housing	Ensure development of human settlements by June 2017	Apply for housing Accreditation	Number of human settlement units complete by date	200 units constructed annually	<ul style="list-style-type: none"> <li>• Outspan</li> <li>• Khauoe</li> <li>• Mpharane</li> <li>• Bubesi</li> </ul>	112, 000, 000.00	Department of Human Settlements
<b>Strategic location of housing</b>	Small Town Revitalisation Settlement planning	To develop middle income housing by June 2016	Outsource to Private Developers	Developed middle income housing by June 2016	Township developed by June 2016	Planning, Survey, Geotech and Township Register for Cedarville middle income (500 sites)	400 000	
<b>Strategic location of housing</b>	Settlement planning	Development of a low income Settlements by June 2017	Appoint a Service Provider.	Developed settlement by June 2017.	Township developed by June 2017.	Ward 19 low income (500 sites).	400 000	CRR



<b>Housing information dissemination regarding human settlements programmes &amp; management.</b>	Information dissemination	Ensure that the housing forum sits quarterly	Stakeholder partnerships	Meeting held each quarter	Quarterly Meetings	Housing forum meeting	Operational Funds	Operational Funds
<b>Housing capacity</b>	Human Settlements		Accreditation		Application submitted for Level one by September 2013	Application for accreditation	Operational funds	Operational funds
<b>Township Register in Area M</b>	Housing Development	To open a township register for approved township	Appoint a Service Provider	Opening of a Township Register for Area M	106 registered Sites for Area M Township by June 2014.	Area M Township Register	50 000	CRR
<b>Working systems for Human Settlements, Development Planning &amp; Building Control Units</b>	Administrative improvement	To purchase working system by June 2015	Purchase Systems	Purchased Housing Subsidy System	Housing Subsidy System by June 2015	Source the Housing Subsidy System	100 000	CRR
			Purchase Systems	Purchased Microsoft Projects	Microsoft Projects by June 2015	Source Microsoft Projects	50000	CRR
			Purchase Systems	Purchased Computer Aided Drafting	Development Application System by June 2015	Source Computer Aided Drafting	80 000	CRR
			Purchase Systems	Purchased Development Application System	Development Application System by June 2015	Source Development Application System	200 000	CRR

<b>Constrction methods for builders</b>	Building control	To purchase foundation tester by June 2015	Purchase the foundation tester	Purchased Foundation Tester	Foundation Tester by June 2015	Foundation Tester	5 000	MLM
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## 5.2.5 INFRASTRUCTURE SERVICES

### i. DEPARTMENTAL VISION AND MISSION

- **Vision: “Sustained Municipal Services and Infrastructure”**
- **Mission: “To establish a municipal department with capacity to serve Matatiele Local Municipality communities and creating an enabling environment for personnel”**

### ii. FUNCTIONAL AREAS

- Electricity
- Project Management
- Operations and Maintenance

**DEPARTMENT: INFRASTRUCTURE SERVICES  
UNIT: ELECTRICITY**

<b>KEY ISSUES</b>	<b>Priorities</b>	<b>Objectives</b>	<b>Strategies</b>	<b>Key Performance Indicators</b>	<b>Targets</b>	<b>projects</b>	<b>Budget</b>	<b>Ward</b>
High backlog of electricity in rural areas(including community halls)	Supply Electricity in rural areas	Electricity supply to households	To utilise our schedule 6 and 7 allocations	Number of households connected to electricity	Electrify 3593 households by 30 June 2014	Nkau,Moshesh, Tutaneng,Mpharane, Thabaneng, Chere, Mahareng, Letswapong, Thababosiu, Masopa ,Kholokoe, Mabua,Mokomong,Hatlakanelo,Mohapi,Ram aqele, ,Dikamoreng,Nkosana, Tsenula,Kwambombo, Khorong Koali Park Ext	R35 000 000	8,11, 12, 13
street lights in towns (Maluti,Cedarville and Matatiele)	Supply additional streetlights in towns	Provide security	Utilise Equitable Shares	Number of lights installed	5 High mast lights installed in Dark City by 30 June 2014	05 High mast lights in ( Dark City)	R1 000 000	20
Ageing of electrical distribution equipment i.e. cables	Upgrade ageing equipment	Prevent power failures	Utilise Equitable Shares	Equipment replaced	Distribution equipment replaced by 30 June 2014	Replace distribution in Taylor and Williams streets	R 500 000	19

Electricity licence for Matatiele Town only	Expand licence to Maluti town in 2013/14	Increase income to municipality	Submit application	an	Licence approved	Licence approved by 30 June 2014	Submit application	2000	1
<b>DEPARTMENT: INFRASTRUCTURE SERVICES UNIT: PROJECT MANAGEMENT UNIT</b>									
<i>KEY ISSUES</i>	<i>Priorities</i>	<i>Objectives</i>	<i>Strategies</i>		<i>Key Performance Indicators</i>	<i>Targets</i>	<i>projects</i>	<i>Budget</i>	<i>Ward</i>
Adequate access roads in rural areas	Provide adequate access roads in rural areas	Ensure that communities are accessible	Utilise Equitable Share allocation		Access Road completed by 30 June 2014	30 June 2014	Paballong AR, Masopha AR, Blenny A/R, Nkululekweni A/R, Vimba-Vikinduku A/R, Sindezama AR, Naledi AR	17 500 000	15,13,22,02,05,06,24
Surfaced roads in urban areas	Provide surfaced roads in urban areas	Ensure that 15km of internal roads in Maluti are tarred. By 2017	Utilise MIG allocation		Access Road completed by 30 June 2014	30 June 2014	Maluti Internal Streets, Cedarville Internal Roads, Matatiele Internal Roads (CBD & Area C)	30 000 000	01,26,19,20
expenditure	Improve project planning	Ensure that PSP's are appointed timeously	To appoint Service provider timorously		PSP's appointed by June 2013	30 June 2013	SCM procedures	1 000 000	All wards

Damaged existing bridges	Rehabilitate damaged bridges	Ensure that communities are accessible	Utilise equitable share allocation	Bridges completed by June 2014	30 June 2014	Mahasheng bridge	2 000 000	14
<b>DEPARTMENT: INFRASTRUCTURE SERVICES UNIT: OPERATIONS AND MAINTANANCE</b>								
<i>KEY ISSUES</i>	<i>Priorities</i>	<i>Objectives</i>	<i>Strategies</i>	<i>Key Performance Indicators</i>	<i>Targets</i>	<i>projects</i>	<i>Budget</i>	<i>Ward</i>
Degrading of existing access Roads in rural areas	Maintenance of existing roads	To ensure existing assets are maintained and extend lifespan	Utilise Equitable share allocation	30 Km	30 June 2014	As per Infrastructure Stanco list of roads to be maintained and various access roads.	3 000 000	All
Damaged surfaced roads	Maintenance of surfaced roads	To ensure existing assets are maintained and extend lifespan	Utilise Equitable share allocation	12 000m <sup>2</sup>	30 June 2014	Maluti, Cedarville & Matatiele internal roads.	1 200 000	01,1 9,20 ,26
Ageing equipment(grader,TLB,tractors)	Dispose -off ageing equipment		Auction Sale			Auctioning of grader ,TLB and tractor by SCM	<b>10 000</b>	
Ageing storm water infrastructure	Replace ageing storm water infrastructure	To ensure existing storm water infrastructure is adequate and upgraded	Capital Funds from Equitable share allocation or CRR.	500m	30 June2014	Upgrading of storm water drain in all towns	<b>600 000</b>	01/1 9/20 /26

Widening of existing urban roads	Construct kerbing and channelling and create additional width on road reserve.	To Widen existing urban roads and facilitate smooth road usage by motorists.	Capital Funds from Equitable share allocation or CRR.	3 000m	30 June 2014	Matatiele, Maluti and Cedarville	<b>1 200 000</b>	01/19/20/26
Storm water cut-off drains maintenance	Desalt soiled and silted up cut-off drains around all towns.	To excavate cut-off drains and ensure protection for town residents.	Equitable share funding.	6 000m	30 June 2014	Matatiele, Maluti and Cedarville	<b>300 000</b>	01/19/20/26

#### 5.2.6 OFFICE OF THE MUNICIPAL MANAGER

##### i. DEPARTMENTAL VISION AND MISSION

- **Vision:**
- **Mission:**

##### ii. FUNCTIONAL AREAS

- Communication, IGR And Protocol
- IDP/M&E
- Special Programmes Unit
- Matatiele Risk And Audit Services

**DEPARTMENT: OFFICE OF THE MUNICIPAL MANAGER**

**UNIT: COMMUNICATION, IGR & PROTOCOL**

<i>KEY ISSUES</i>	<i>Priorities</i>	<i>Objectives</i>	<i>Strategies</i>	<i>Key Performance Indicators</i>	<i>Targets</i>	<i>projects</i>	<i>Budget</i>	<i>Ward</i>
<b>information feedback on the municipal projects</b>	Developmental Communication	To promote dissemination of information across the Municipality	By developing the developing the developmental communications material	No of newsletter publication No of service delivery pamphlet issued No of booklets developed	3500 quarterly newsletters. 4000 service delivery pamphlets issued twice a year. 3000 marketing and branding booklets annually.	Newsletter distribution Service delivery pamphlets distribution and Booklets	R50 000.00	admin
<b>flow of information between communities and the Municipality</b>	Media engagement	To enhance the flow of information and public education on government services	By Organising the Media briefing session, Media interviews and radio slots. Newspaper column	No of media briefings. No of media interviews No of radio slots. No of columns published on newspaper.	To have 4 (quarterly) media briefings. 4 (quarterly) media interviews 14(twice a year) radio slots 51 (annually) newspaper columns	Media briefing sessions Media interviews Radio slots Newspaper columns	R200 000.00	admin



<b>mayoral / outreach and mayoral walkabouts</b>	Public participation	To enhance community participation in Municipal programmes	By organising the Mayoral/ EXCO outreach	No of mayoral/ EXCO outreach	4 quarterly mayoral/ EXCO outreach	Mayoral walkabouts Mayoral /EXCO outreach	R50 000.00	
<b>calendar of events</b>	Marketing and branding	To market the opportunities and success of the Municipality	By developing the Marketing and branding strategy for the Municipality	Marketing and branding strategy adopted by council	To have implementable Marketing and branding strategy by October 2013	Marketing strategy Municipal branding Events coordination	R0	admin
<b>participation of some sector department on IGR</b>	Intergovernmental relations	To promote coordinated planning of service delivery within Municipal area	By organising the IGR meetings and Stakeholder engagement platform	No of IGR meeting held No of stakeholder engagement platform created	To have 4 (quarterly) technical IGR meetings and Quarterly stakeholder engagement platform	Intensify IGR meetings Stakeholders meetings Internal communication	R50 000.00	admin
<b>Communication tools management</b>	Website management	To improve and maintain municipal website	By upgrading the Municipal website	Upgraded functional website	To have upgraded functional website	<ul style="list-style-type: none"> <li>Updating information</li> <li>Link the website to social networks</li> <li>Align the new with existing website</li> </ul>	100 000.00	admin

**DEPARTMENT: OFFICE OF THE MUNICIPAL MANAGER**

**UNIT: SPU**

<b>KEY ISSUES</b>	<b>Priorities</b>	<b>Objectives</b>	<b>Strategies</b>	<b>Key Performance Indicators</b>	<b>Targets</b>	<b>projects</b>	<b>Budget</b>	<b>Ward</b>
<b>Youth Underdevelopment</b>	Ensure participation of young people in municipal processes	To ensure that development needs are informed by young people.	meetings	Minutes and attendance register	12 meetings	Functioning of youth structures	R 20 000.00	
	Ensure compliance with the set 25% compliance target	To ensure economic participation	To ensure that each internal department set aside 25% for youth	Reports	4 Reports	Monitoring the implementation of adopted policy and strategies	R Nil	
	Development of all sporting codes	To ensure that sport is developed	Facilitate coaching clinics for popular sporting codes	Number of coaching clinics conducted	26 coaching clinics	Sports activities	R 100 000.0	
	Unearth the inherent talent that exist in Matatiele	To give platform to up and coming artists.	To conduct talent search working with well established artists.	Number of Acts that will perform at the Matatiele Annual Music Festival	20 finalists 5 performing at prime time at the festival	Talent search	R 250 000.00	
	Assist in-school youth in critical subjects	To facilitate skills development for In-School-	To assist DoE with stipend for Educators participating in the	Number of learners, Educators and High	Support learners in highschoools by june 2014	Extra tuition for grade 12	R 600 000.00	

		Youth in critical subjects.	program.	Schools benefiting in the programme				
	Instil pride in young women by focusing on education.	To promote sense of self worth linking to education.	To conduct HIV/AIDS awareness, teenage pregnancy campaigns.	Number of campaigns leading to hosting Miss Matatiele.	26 wards reached.	Miss Matatiele	R 150 000.00	
	honour the performance of achievers	To celebrate and honour the achievement of learners who have achieved level 7 in identifies subjects	To host an annual award ceremony in January.	Award ceremony held	1 Event	Award ceremony	R 150 000.00	
	Ensure access to information	To facilitate access to information for young people	Establishment of Youth Office (NYDA)	Functional Youth Office by end of 2014	Functional Youth Office by end 2014	Establishment of youth office	R 200 000.00	
	Guiding document for assisting children	To have a guiding document with regards to protection of children's rights.	Develop child protection policy	Adopted Child Protection Policy.	1 Policy	Child Protection Policy	R 30 000.00	
	To create awareness on issues affecting youth	To facilitate and coordinate campaigns aimed at	Drug awareness campaigns, teenage pregnancy, Gender-	Number of campaigns facilitated and	12 Campaigns	Campaigns	R 40 000.00	

		addressing issues affecting youth adversely.	Based-Violence and HIV/AIDS awareness	coordinate				
<b>women empowerment initiatives</b>	Ensure participation of women in municipal processes	to ensure that development needs are informed needs.	meetings	Minutes and attendance register	4 women's caucus meetings and 4 women's forum meeting.	Women participation in municipal processes	R 50 000.00	
	Ensure compliance with the set 50% compliance target	To ensure economic participation	To ensure that each internal department set aside 50% for youth	Reports	4 Reports	Monitoring the implementation of strategy	Nil	
	Reduction of illiteracy levels	To curb illiteracy amongst women young and old.	Facilitate establishment of adult education centre.	Number of centres	2 centres established	Facilitate establishment of ABET centres	R 50 000.00	
	Create awareness on issues of GBV	To curb Gender-Based-Violence	Awareness campaigns	Number of campaigns	12 GBV campaigns	Gender Based Violence awareness campaigns	R50 000.00	
	Creating awareness on disease uniquely affecting	To encourage women to test in order to detect early potentially deadly diseases.	Conduct breast cancer, HIV/AIDS compaignes and awerness events	Number of campaigns	6 campaigns	Awareness raising campaigns for terminal illnesses uniquely affecting women	R50 000.00	
	Commemorate calendar days	Commemorate international and women's				Women's day, international women's day	100 000.00	

<b>activities for Elder Person's</b>	To have a guiding document	day.				Policy development for Elderly Golden games Home visits	200 000.	
<b>High prevalence of HVI/AIDS</b>	Create awareness, prevention and education	To facilitate and coordinate the activities of stakeholders in relation to awareness, prevention and education.	Strengthen the functioning of the LAC	Number of LAC meetings and number of campaigns	4 LAC meetings, 12 education campaigns	World AIDS Day Condom Week Sport Heroes Walk against HIV/AIDS Awareness Campaigns on HCT	R 50 000 R 20 000 R 50 000 R 40 000	
	Treatment, care and support	To ensure that in all wards have Support groups.	To facilitate the establishment of Support groups through the LAC	Number of support groups established	26 support groups functioning.	Assistance on the developing Support Groups	R 20 000	
	Impact mitigation	To ensure that families that are infected and affected are not adversely affected.	Facilitate and coordinate support for NGO's working with HIV/AIDS	Number of NGO's assisted	3 NGO's	Council services, support groups, caring of OVCs	R 100 000	
						LAC re-establishment	R 20 000	
					Facilitate the distribution of both female and male condoms	Nil		
					Develop institutional response to HIV/AIDS Work with palliative care providing NGO's	Nil R 100 000		
<b>empowerment opportunities for PwD</b>	Create awareness around issues of disability	To reduce stigma associated with disability	To strengthen the Disability Forum	Number meetings	4 meetings	International day of People with Disabilities	R 150 000.00	

	promote representation of PwD	To facilitate compliance with the 2% target	reports	Number of reports	4 reports	Monitor the implementation of set legislation	Nil	
	To mainstream disability issues	legislated to benefit PwD by internal departments				Disability Strategy	R 100 000.00	
	develop capacity building programmes for PwD	To develop skills in PwD	Skills initiatives	Number of PwD skilled	5 PwD	Disability Strategy	R 100 000.00	
	ensure and provide for physical and intellectual accessibility with the municipality for PwD	To ensure that the institution is accessible to PwD of all kinds.				Disability Strategy	Nil	
	promote the implementation of economic initiatives, practices and policies	To facilitate compliance with the 2% target legislated to benefit PwD by internal departments	reports	Number of reports	4 reports	Disability Strategy	Nil	
<b>DEPARTMENT: OFFICE OF THE MUNICIPAL MANAGER</b>								

UNIT: IDP/M&E									
KEY ISSUES	Priorities	OBJECTIVES	STRATEGIES	PERFORMANCE	KEY PERFORMANCE	CURRENT /PROPOSED PROJECTS	BUDGET	Ward	
				INDICATOR	TARGETS				
Cascading of PMS	Cascading PMS to Officer Level and below	To bring PMS Framework in line with the reviewed IDP	Monitoring the implementation of Performance Framework	Reviewed PMS Framework	2013/14 PMS Framework be reviewed	Annual Review and Implementation of Performance Management Framework	R150 000.00	admin	
		Capacity Building	To have PMS implemented to supervisors, Officers and Clerks	Cascading of PMS to Supervisors, Officers and Clerks	2013/2014 PMS: Supervisors, Officers and Clerks	PMS cascaded Officers and Clerks	R200 000.00	admin	
employment contracts affecting cascading of PMS	Ensure Development and signing of Contracts	Develop Performance contracts for Supervisors/Coordinators and Clerks	Monthly and quarterly performance monitoring	Signed Performance contracts	Annually signed Performance contracts	Performance Plans and Contracts signed and assessed.	R200 000.00	admin	
preparation of annual reports and mid-year assessment report		Annual Performance Report	Collecting and consolidating information from departments	Adopted Annual Performance report by 31/8/2013	Submission of Annual Performance Report to AG	Develop Annual Performance Report	Nil		
		Performance Assessment	To have Managers and Supervisors Assessed	4 Quarterly Assessment		Performance Assessments	4 R100 000		
		To have a credible Mid-	Training	Council Resolution	To have a credible Mid-Year	Compilation of Mid-year Report	R200 000	admin	

		Year Assessment Report by the 10 <sup>th</sup> of January each year	Compliance Enforcement by	adopting the Mid-Year Assessment Report	Assessment Report by the 25 <sup>th</sup> of January each year			
		To ensure a adoption of the Annual Report by 31 January each year	Involvement of all stakeholders	Submitted Annual Report with the required attachments i.e. Auditor General Report, Audit Action Plan	Timeous compilation and submission of the Annual Report by end March each year.	Compilation of the report	R350 000.00	admin
<b>Credible IDP</b>		To have a Credible IDP by 2013/2014	-identify the gaps using the IDP Assessment Tool and bridge the identified gaps	Reviewed IDP	To have a Credible IDP by 2013/2014	Development of IDP and Annual reviews	R1 800 000.00	admin
<b>DEPARTMENT: OFFICE OF THE MUNICIPAL MANAGER</b>								
<b>UNIT: MRAS</b>								
<b>KEY ISSUES</b>	<b>Priorities</b>	<b>Objectives</b>	<b>Strategies</b>	<b>Key Performance Indicators</b>	<b>Targets</b>	<b>projects</b>	<b>Budget</b>	<b>Ward</b>



<b>Repetition of exceptions from previous years raised by Auditor General / Unchanged audit opinion for consecutive years</b>	Intensify internal controls.  To ensure compliance with laws and regulations.	To strive for a clean Audit Opinion.	Develop and continuously review an annual action plan in order to address previous financial year's exceptions.  Internal Audit Steering Committee meeting including all heads of Department on a monthly basis	Quarterly Internal audit reports	Number of quarterly reports as per audit plan	Follow up Internal audit report and Auditor General's report (AG's Action Plan)  Supply Chain Management report, IT report, Revenue and expenditure report, Compliance review report, Quarterly Performance Management report, Capital Projects and Fleet management	RO	admin
<b>internal controls</b>	To evaluate, recommend and monitor internal controls	To strengthen Internal Controls.	Produce internal audit reports quarterly.  Continuously perform four monthly Spot Checks in different departments to monitor and evaluate internal controls	Monthly Spot Check.(Strategy)	Perform four monthly Spot checks. (48) annually	4 monthly Spot checks performed randomly	RO	admin
<b>understanding of risk issues</b>	Establishment of risk	To have a fully functional Risk	To have all General Managers as risk	Minutes of monthly	12 monthly meetings	Monthly Risk		admin

	champions committee	Committees	committee members, appoint risk champions in their respective departments	risk committee meetings		Committee Meetings		
<b>Institutional risk awareness campaign</b>	To have mitigation controls for high risk areas	To have a Municipal Risk Register	To conduct institutional risk assessment based on the objectives of each department	A risk register noted by council	To have four quarterly risk reports	Annual risk report	R15 000.00	admin
<b>in-house internal audit services</b>	To ensure compliance with section 165 (1) of the municipal Finance Management Act no 56 of 2003	To make MRAS a fully fledged unit.	All vacant posts to be fully occupied by June 2014.	To have MRAS fully capacitated	To employ Manager MRAS(1), Risk Officer(1) & Internal audit officer by June 2014	All vacant posts to be filled	R1 260 000.00	
		Staff Member to acquire Skills from the current service provider	Attending Workshops and training	Obtaining Accredited Certificates	Trainings / Registrations to fully capacitate audit personnel by 2014	To have an independent audit unit		admin
	To capacitate the MRAS unit in all aspects	To have an internal audit and risk management system (Software) by 2015	To bench mark on other municipality on the most convenient audit and risk management system (Software)	Presentation of the system by providers. Availability of the system	To have MRAS staff train to use the system effectively	To facilitate the presentation of the system to the MRAS office		

**CHAPTER 6: IDENTIFIED PROJECTS**

**6.1 MATATIELE LOCAL MUNICIPALITY –2013/2014 PROJECTS**

**INFRASTRUCTURE SERVICES**

PMU UNIT						
WARD	PROJECTS	2012/2012	2013/2014	2014/2015	2015/2016	2016/2017
1	Maluti internal road Swimming pool		R5 000 000 R1 000 000			
2	Nkululeweni Access Roads		Own plant			
03	Cross to St- Johns Accwess Road		R1 403 000			
04	Bethel Community Facility		R1 500 000			
05	Mnqayi Access Road  Mzongwana to Vimba Access Road		R1 500 000  R1 500 155			
06	Mahangwe Sport Field		R1 000 000			
07	Manzi Access Road		R1 500 000			
09	Afsondering Sport Field		R 500 000			
10	Lunda Access Road		R2 961 250			
11	Totaneng Access Road		Own Plant			
12	Nkau Sport Field		R1 000 000			
13	Masopha Access Road		R2 932 500			

14	Mahasheng Bridge		R1 500 000			
	Nicefiled Sports Field		R1 000 000			
15	Paballong Access Road		R4 500 000			
15-26	Planting Trees for Schools and Halls		R 50 000			
16	Majoro Sport Field		R500 000			
17	Nyanzela Access Road		R4 619 280			
18	Fiva Acecaa road		R1 405 880			
19	Tennis Court		R 150 000			
	Indoor Sports Center		R1 000 000			
20	Harry Gwala Internal Roads		R6 000 000			
	Thandanani Stadium		R1 000 000			
21	Ntlola Access Road		R1 200 000			
22	Epiphany Sport Field		R1000 000			
23	Sekhutlong Access Road		R2 680 500			
24	Zingcuka – Madlangeni Access Road		R 853 674			
25	Khaue Community Facility		R1 500 000			
26	Cedarville Internal Roads		R 5 000 000			
	Swimming Pool		R1 000 000			
Administration	New Office Building- Main Building		R15 000 000			
Administration	Office Building Finance		R5 00 000			
Administration	PMU Business Plan		R1 746 300			
Administration	Consolidated Infrastucture Plan		R 2 000 000			
Administration	EIA's		R1 500 000			

<b>ELECTRICITY UNIT</b>						
<b>WARD</b>	<b>PROJECTS</b>	<b>2012/2012</b>	<b>2013/2014</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
08,11,12,13	Rural Electrification		R35 000 000			
19	Replace 2 RMU in West street and Green Street Ring Feed Itsokolele and Mountainview Replace Town 2 Cables Replace LV Distribution, Tylor and Weststreet		R 250 000 R1 600 000 R1 000 000 R 500 000			
19	Replace distribution in Taylor and Williams streets		R 500 000			
01	License application for Maluti		2000			
<b>OPERATIONS AND MAINTENANCE</b>						
<b>WARD</b>	<b>PROJECTS</b>	<b>2012/2012</b>	<b>2013/2014</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
06,08,09,11,12,13,15, 16,18,21,22,23,24,25	Roads to be maintained in rural areas		R 2 000 000			
01, 19, 20 & 26	Maluti, Cedarville & Matatiele internal roads		R 6 000 000			
01, 19, 20 & 26	Upgrading of storm water drain		R 600 000			
	Auctioning of grader ,TLB and tractor		R 10 000			
01/19/20/26	Matatiele,Maluti and Cedarville –Widening of existing urban roads		R 1 200 000			
01/19/20/26	Matatiele,Maluti and Cedarville –Storm water cut-off drains maintenance		R 300 000			

**COMMUNITY SERVICES 2013/2014 PROJECTS**

<b>PUBLIC AMENITIES UNIT</b>						
<b>WARD</b>	<b>PROJECTS</b>	<b>2012/2012</b>	<b>2013/2014</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
26, 10 & 17	Renovations on: Bultfontein, Mzingisi, Dengwane&Sigoga Community Halls		R420 000			
19	Maintenance and Matatiele swimming pool		R300 000			
19	Public Toilets		R 600 00			
14, 15	<b>Grading &amp; levelling of the grounds</b> :Pontsheng, Paballong sports field		R200 000			
19	Matatiele (coffee pot & bus rank) public toilets		R200 000			
	Purchase of cleaning supplies and materials		R300 000			
2 & 6	refurbishing of maphokong and malubalube preschools		R220 000			
<b>PUBLIC SAFETY</b>						
19	Surfacing of Grade A Testing Ground		R1 500 000			
All	Staff training		R 100 000			
	Purchase of new rural heavy duty tender		R1 500 000			
	Purchase Equipment		R1 500 000			
	Establishing of a disaster, fire & rescue management 24hr control room		R250 000			
N/A	purchasing of traffic vehicles		R1 800 000			
19	First – phase of installing CCTV Cameras		R 1 000 000			
19	acquire parking meters		R500 000			
19	Road markings and signage		R150 000			
Administration	Tools and Equipments		R200 000			
Administration	Fire Engine		R1 500 000			

Aministration	Rescue Equipment		R 100 000			
<b>SOLID WASTE</b>						
N/A	Acquire refuse truck		R2 000 000			
	purchase of weighbridge		R800 000			
	Purchase of thermal Garbage Processor		R2 000 000			
19	landfill audit		R60 000			
	community waste management campaigns and develop a strategy		R80 000			
ALL	Food for Waste		R500 000			
<b>ENVIRONMENTAL MANAGEMENT</b>						
	Appointment of Rangers		R250 000			
	Fence Construction		R250 000			
19	Mountain Lake Chalets		R200 000			
15,16,17,18,19,20,21,22, 23,24,25,26	Planting of indigenous trees at school Awareness campaigns at school.		R50 000			
19	Pipe line construction		R 20 000			

**EDP DEPARTMENT**

WARD	PROJECTS	2012/ 2013	2013/2014	2014/2015	2015/2016	2016/2017
	<ul style="list-style-type: none"> <li>• 1040 Nkhoesa Mofokeng</li> <li>• Food For Waste (to spread to all wards)</li> <li>• 416 Grass Cutting &amp; Cemetery Fencing</li> <li>• 520 Wattle Removal &amp; Parks establishment</li> <li>• 572 Rea Hloekisa</li> <li>• 10 Ongeluk'snek</li> <li>• Ongeluk'snek gateway maintenance</li> </ul>		<b>R 6m</b>			
	Cedarville emerging farmers  Pilot Project		<b>R 200 000</b>			
	Agricultural to existing SMMEs		<b>R 1, 500 000</b>			
	Forestry SMMEs - EIA Support		<b>R 500 000</b>			
	<ul style="list-style-type: none"> <li>• <i>Tourism SMME Support –</i></li> <li>• <i>Signage, Website and LTO affiliation for Emerging SMME's</i></li> </ul>		<b>R 500 000</b>			
	Music Festival (ECPTB & MDTP)		<b>1, 5 m</b>			



	Heritage Resource Identification & Preservation		<b>R 250 000</b>			
	Horse Riding Festival		<b>R 100 000</b>			
	Matatiele Fees		<b>R 200 000</b>			
	Tourism Branding		<b>R 300 000</b>			
	<ul style="list-style-type: none"> <li>• Ward signage</li> <li>• <i>Billboard – Cedarville</i></li> <li>• <i>Ward Signage at Ward entrances</i></li> </ul>		<b>R 400 000</b>			
	Tourism Route development		<b>R 300 000</b>			
	Hawker Stalls		<b>R 400 000</b>			
	Fresh Produce Market		<b>R 2 000 000</b>			
	Co-operatives Training Centre		<b>R 3 000 000</b>			
	Renovation of the LED Support Centre & EDP Offices		<b>R 3 000 000</b>			
	SDF Reviewal		<b>R 400 000</b>			
	Ongeluk'snek Nodal SDF		<b>R 400 000</b>			
	<ul style="list-style-type: none"> <li>• <i>Outspan</i></li> <li>• <i>Khauoe</i></li> <li>• <i>Mpharane</i></li> <li>• <i>Bubesi</i></li> </ul>		<b>R 112 000 000.00</b>			

	Planning, Survey, Geo-tech and Township Register for Cedarville middle income (500 sites)		<b>R 400 000</b>			
	Area M Township Register		<b>R 50 000</b>			
	Area M		<b>R 11 500 000</b>			
	Ward 19 low income(500 sites )		<b>R 400 000</b>			
<b>19</b>	Renovation of Micro-Centre		<b>R3 000 000</b>			
	Housing forum meeting		<b>Operational funds</b>			
	Application for accreditation		<b>Operational funds</b>			
	Source the Housing Subsidy System		<b>R 100 000</b>			
	Source computer Aided Drafting		<b>R 80 000</b>			
	Source Development Application System-Human Settlements		<b>R 330 000</b>			
	Foundation Tester		<b>R 5 000</b>			

**CORPORATE SERVICES**

<b>OPERATIONS AND MAINTENANCE</b>						
<b>WARD</b>	<b>PROJECTS</b>	<b>2012/2012</b>	<b>2013/2014</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
Administration	Upgrade Telephone System		R250 000			
Administration	Laptops		R25 000			
Administration	Mayoral Vehicles		R600 000			
Administration	Speakers ' Vehicle		R600 000			
Administration	Office Furniture		R305 000			
Administration	Review of Organogramms & Job Evalution		R200 000			

**OFFICE OF THE MUNICIPAL MANAGER – SPU**

<b>WARD</b>	<b>PROJECTS</b>	<b>2012/2013</b>	<b>2013/2014</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>
All wards	Functioning of youth structures		<b>R 20 000</b>			
All wards	Sports activities		<b>R 100 000</b>			
All wards	Talent search		<b>R 250 000</b>			
All wards	Extra tuition for grade 12		<b>R 600 000</b>			

All wards	Miss Matatiele		<b>R 150 000</b>			
	Award ceremony		<b>R 150 000</b>			
	Establishment of youth office		<b>R 200 000</b>			
	Children's policy development		<b>R 30 000</b>			
	Campaigns		<b>R 40 000</b>			
	Women participation in municipal processes		<b>R 50 000</b>			
	Facilitate establishment of ABET centres		<b>R 50 000</b>			
	Gender Based Violence awareness campaigns		<b>R 50 000</b>			
	Awareness raising campaigns for terminal illnesses uniquely affecting women.		<b>R 50 000</b>			
	Women's day, international women's day		<b>R 100 000</b>			
	Golden games		<b>R 200 000</b>			
	<ul style="list-style-type: none"> <li>• World AIDS Day</li> <li>• Condom Week Awareness</li> <li>• Sport Heroes Walk against HIV/AIDS</li> <li>• Campaigns on HCT</li> </ul>		<b>R 50 000</b> <b>R 20 000</b> <b>R 50 000</b> <b>R 40 000</b>			
	Assistance on the developing Support Groups		<b>R 20 000</b>			

	Council services, support groups, caring of OVCs		<b>R 100 000</b>			
	LAC re-establishment		<b>R 20 000</b>			
	Develop institutional response to HIV/AIDS Work with palliative care providing NGO's		<b>R 100 000</b>			
	Disability Strategy		<b>R 100 000</b>			
	Skills initiative (disability strategy)		<b>R 100 000</b>			

## 5.2 PROJECTS FROM ALFRED NZO DISTRICT MUNICIPALITY

WATER & SANITATION					
PROJECT (IPROJECTI)	LOCATION (INDAWO)	PROJECT STATUS	STATUS QUO	SOURCE OF FUNDING	BUDGET (IMALI) (R)
Refurbishment of water schemes	All existing schemes	Operations and maintenance	Minor repairs of pipe bursts in the entire reticulation network	Equitable share	R 2 000 000
Matatiele Water treatment works Refurbishment	Matatiele Town	Operations and maintenance	Replacement of ageing infrastructure	Equitable share	R 6 000 000
Equipping of borehole and construction of bulk pipeline	Cedarville	Improving the existing infrastructure	Replacement of old infrastructure	Equitable share	R 1 500 000
Matatiele MWIG	Wards 26,04,24	New Grant	Additional resource to the maintenance of schemes	Municipal Water Infrastructure Grant (MWIG)	R 2 718 000
Refurbishment of Belford bulk pipelines	Belford	Construction	Contractor on site	MIG	R 8 000 000
Sanitation roll-out	All Zone Centres	Construction	Construction continues	MIG	R 15 000 000
Matatiele RBIG	Matatiele Town	Tender	Project ready to be advertised	Regional Bulb Infrastructure Grant	R 20 000 000
Maluti Ramohlakoana Sewer	Ramohlakoana	Construction	Continuation of construction	MIG	R 15 000 000
Caba Mdeni Water Supply	Caba and Mdeni villages	Construction	Continuation of construction	MIG	R 500 000
Tholamela Water Supply	Tholamela	Construction	Continuation of construction	MIG	R 23 097 301.76
Fobane Phase 2 Water Supply Scheme	Wards 17 & 18	Tender	Ready to be advertised	MIG	R 15 000 000
Fobane Phase 1 Water Supply	Fobane	Construction	Construction continues	MIG	R 11 588 673.06
Mvenyane Water Supply Scheme Mvenyane		Construction	Construction continues	MIG	R 4 773 100.18

## EXPANDED PUBLIC WORKS PROGRAMME

Project name and Location	Funding Source	Total Budget over MTEF	Year 1 [2012/2013]	Year 2 [2013/2014]
Matatiele Maintenance	EPWP GRANT	1 420 800.00	1 420 800.00	1 320 187.12
ANDM EPWP interns	EPWP GRANT	236 400.00	236 400.00	219 659.51
Matatiele Water Treatment Works	EPWP GRANT	364 800.00	364 800.00	338 966.96
Maluti internal road surfacing	EPWP GRANT			0.00
ANDM Home Based Care Givers (all Local Municipalities)	EPWP GRANT	540 600.00	540 600.00	502 317.82

## LED Implementation – Development Agency

Project description/programme	Source of Fund	Budget	Year 2 (2013/14)
Grain Production	Equitable Share	R70 000 000.00	R 10 000 000
Livestock & Poultry Production	Equitable Share	R60 000 000.00	R 10 000 000
SMME Development	Equitable Share	R35 000 000.00	R 5 000 000
Tourism Development	Equitable Share	R25 000 000.00	R 5 000 000
Fruit , Vegetable & Flower Production	Equitable Share	R60 000 000.00	R 10 000 000
Woodcluster	Equitable Share	R3 600 000.00	R 600 000
Seda Alfred Nzo Agro- Manufacturing	Equitable Share	R1 800 000.00	R 500 000.00
<b>TOTAL</b>		<b>R255,400,000.00</b>	<b>R41,100,000.0</b>

## SPATIAL PLANNING AND ENVIRONMENTAL MANAGEMENT

### Development Planning

Project description/programme	Source of Fund	Budget	Year 2 (2013/2014)
Guidelines on Small Town Restructuring and Revitalization	Equitable Share	450,000.00	
'Beach to Berg' Corridor Development Plan	Equitable Share	700,000.00	350,000.00
Nodal Development Frameworks	Equitable Share	2,000,000.00	1,200,000.00
District Land Uses Schemes Amalgamation	Equitable Share	500,000.00	500,000.00
Land Audit (Capacity Support to LMs)	Equitable Share	2,400,000.00	1,200,000.00
IDP Review and Strategic Planning Session	Equitable Share	6,000,000.00	1,300,000.00
Spatial Planning (Capacity Support to LMs on SDF Reviews)	Equitable Share	4,000,000.00	3,000,000.00
District Land Claims Task Team	Equitable Share	250,000.00	100 000.00
District Planning Forum Establishment	Equitable Share	150,000.00	
<b>TOTAL</b>		<b>16,350,000.00</b>	<b>5,250,000.00</b>

### Geographic Information's Systems (GIS)

Project description/programme	Source of Fund	Budget	Year 2 (2013/2014)
GIS Shared Service Implementation	Equitable Share	R500 000	R500 000
GIS Strategy Development	Equitable Share	R200 000	R200 000
GIS Data Maintenance	Equitable Share	R300 000	R300 000
GIS Infrastructure Upgrade	Equitable Share	R200 000	R200 000
<b>TOTAL</b>		<b>R1,200,000.00</b>	<b>R1,200,000.00</b>



### 5.3 PROJECTS FROM SECTOR DEPARTMENTS

#### DEPARTMENT OF EDUCATION 2013/2014 PROPOSED PROJECTS

The following is a priority list of schools with mud-structures that have to be eradicated.

<b>PROJECTS</b>
Mathandela JSS, Nkasela JSS, Bamanzi JSS, Mt Zion JSS, Ngcwengana JSS, Thabachicha JSS, Madlangeni JSS, Thusang SPS, Khaiphuskhoapa JSS, Mbizweni JSS, Tshepang JSS, Nkaulweni JSS, Mehloolwaneng JSS, Esilindini JSS, Rethabile SPS, Tlawu JSS, Makhaola JSS, Phakade JSS, Hohobeng JPS, Mngeni JSS, Semonkong JSS, Msi JSS, Magxeni JSS, Likamoreng JSS, Lufefeni JSS, Mothibisi JSS, Magema SPS, Bethesda JSS, Hotolo JSS, Mosehle SPS, Mateleng SPS, Zimpofu JSS, Emazizini SPS, Nkupulweni JSS, Moliko SPS, Thembelitsa JSS, Ncanywa SPS, Mkhuhlane kop, Mdeni JSS, Bubesi JSS, Magema JSS, Moalusi JSS, Tholang SSS, Magadla JSS, Likhethlane JSS, Lihasing JSS
<b>CURRENT SCHOOL BUILDING PROJECTS</b>
<b>PROJECTS</b>
Lenkoe JSS, Paballong JSS, Lepheana JSS, Mpofini JSS, Mvenyane Hostel
<b>PREFABRICATED STRUCTURES</b>
<b>PROJECTS</b>
Cedarville Public, Fobane JSS, Kutloanong JSS, Mabxeni JSS, Mechaeling JS, Moalosi PS, Khashule JSS, Magadla JSS, Moriting JSS, Maluti JSS, Naledi JSS, Sketlane JSS, Queens' Meczy JSS, Nkalweni JSS, Mvenyane JSS, Ntabeni JSS, Polokong JSS
<b>DISASTER SCHOOLS</b>
<b>PROJECTS</b>
Thaba-chicha J.S.S, Ntabeni J.S.S, KhanyaNaledi J.S.S, Tsoelike J.S.S, Mechachaneng J.S.S, Sijoka J.S.S, Mparane J.S.S, Makhaola J.S.S., Caiphuskhoapha J.S.S, Mavundleni J.S.S, Tsitsong S.P.S, Springside J.S.S

## ESKOM

- Share information on the 2012/13, 2013/14 Electrification & 2014/15 & Future Plan for Matatiele Local Municipality.
- This plan covers electrification in the L. M. based on:
  - Current 2012/13 Projects at implementation phase
  - 2013/14 Schedule 7 Plan (Eskom implemented)

### 2013/14 ELECTRIFICATION PROGRAMME

Project Name	Ward(s)	Cost	No of Household Connections
Maluti NB 18 Bakoena 08 SP (Part 2)	8	R11,900,000.00	700
Belford, Matewu & Thembalihle	8	R6,900,000.00	450
Nkosana, KwaMbombo & Tsenula	8	R10,200,000.00	600
Nkosana, KwaMbombo & Tsenula(Pre-Eng)	8	R51,000.00	0
Semonkong	15	R10,200,000.00	600
Semonkong (Pre-Eng 2014)	15	R51,000.00	0
Magadla # 3	17, 18	R10,200,000.00	600
Magadla # 3 (Pre-Eng 2014)	17, 18	R51,000.00	0
<b>Total Matatiele</b>		<b>R49,553,000.00</b>	<b>2950</b>

### 2014/15 ELECTRIFICATION PROGRAMME

Project Name	Ward (s)	Cost	No of Household Connections
Khorong Koali Park Extension	Ward 21	R3,675,000.00	210
Bakoena 02 SP	Ward 23, 24	R15,907,500.00	909
Bakoena 09 SP	Ward 14, 16	R10,500,000.00	600
Nkau	Ward 12	R22,522,500.00	1287
Moshesh 02 SP	Ward 12	R2,660,000.00	152
Magadla # 3	Ward 17, 18	R11,602,500.00	663
Semonkong	Ward 15	R21,052,500.00	1203
<b>Total Matatiele</b>		<b>R87,920,000.00</b>	<b>5024</b>



# **EASTERN CAPE**

## **DEPARTMENT OF RURAL DEVELOPMENT AND AGRARIAN REFORM**

48 Main Street Home Sweet Home Matatiele SOUTH AFRICA

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### DEPARTMENTAL PROGRAMME FOR 2013/14

<b>PROGRAMMES</b>	<b>BUDGET 2013/14</b>
CASP	3 000 000.00
LAND CARE	1 000 000.00
CROPPING PROGRAMME	2 500 000.00

#### **COMPREHENSIVE AGRICULTURAL SUPPORT PROGRAMME**

<b>LOCAL MUNICIPALITY</b>	<b>PROJECT NAME</b>	<b>WARD</b>	<b>LAND TENURE</b>	<b>INFRASTRUCTURE REQUEST</b>
MATATIELE	QILI	18	COMMUNITY	DIP TANK WATER SYSTEM
MATATIELE	SIGOGA	17	COMMUNITY	DIP TANK WATER SYSTEM
MATATIELE	NUHAH	9	COMMUNITY	DIP TANK WATER SYSTEM
MATATIELE	AFSONDERING	9	COMMUNITY	DIP TANK WATER SYSTEM
MATATIELE	MAHLAKE	24	COMMUNITY	DIP TANK WATER SYSTEM
MATATIELE	MASUPHA	13	COMMUNITY	FENCING OF ARABLE LANDS
MATATIELE	MOIKETSI	14	COMMUNITY	FENCING OF ARABLE LANDS
MATATIELE	MAKHWAKHWATHINI	16	COMMUNITY	FENCING OF ARABLE LANDS
MATATIELE	ROLWENI	22	COMMUNITY	INDIGENOUS CHICKENS
MATATIELE	LEKHALLONG	15	COMMUNITY	INDIGENOUS CHICKENS

**LAND CARE**

<b>LOCAL MUNICIPALITY</b>	<b>PROJECT NAME</b>	<b>WARD</b>	<b>LAND TENURE</b>	<b>INFRASTRUCTURE REQUEST</b>
MATATIELE	FUBANE	23	COMMUNITY	FENCING OF ARABLE LANDS
MATATIELE	TSHISA	23	COMMUNITY	FENCING OF ARABLE LANDS
MATATIELE	FIVA	18	COMMUNITY & PRIVATE FARM	FENCING OF BOUNDARIES BETWEEN COMMUNITY AND PRIVATE FARM

**CROPPING PROGRAMME**

<b>LOCAL MUNICIPALITY</b>	<b>NAME OF PROJECT</b>	<b>ALLOCATION PER OFFICE</b>	<b>WARD</b>	<b>LAND TENURE</b>	<b>EXTENT IN HACTORS</b>	<b>TYPE OF CROP</b>
MATATIELE	BLACK DIAMOND	MALUTI A	26	COMMUNITY	50	MAIZE
MATATIELE	NTLOLA	MALUTI A	21	COMMUNITY	25	MAIZE
MATATIELE	MAGADLA	MALUTI A	10	COMMUNITY	20	MAIZE
MATATIELE	SIDAKENI	MALUTI A	18	COMMUNITY	40	MAIZE
MATATIELE	NYANISO	MALUTI A	18	COMMUNITY	40	MAIZE
MATATIELE	MGUBHO	MALUTI A	17	COMMUNITY	10	MAIZE
MATATIELE	MPHARANE	MALUTI A	13	COMMUNITY	13	MAIZE
MATATIELE	PABALLONG	MALUTI A	15	COMMUNITY	30	MAIZE
MATATIELE	THABACHICHA	MALUTI A	14	COMMUNITY	50	MAIZE
MATATIELE	SMONKONG	MALUTI A	15	COMMUNITY	15	MAIZE
MATATIELE	MAHOBE	MALUTI A	24	COMMUNITY	30	MAIZE
MATATIELE	LEKHALLONG	MALUTI A	14	COMMUNITY	10	MAIZE
MATATIELE	QHOBOSHEAN ENG	MALUTI A	15	COMMUNITY	15	MAIZE

## DEPARTMENT OF HUMAN SETTLEMENTS

<b>PROJECTS ON PROCUREMENT</b>			
<b>PROJECT</b>	<b>WARD</b>	<b>BUDGET</b>	<b>TIME FRAME</b>
Masakala - 500	20	R 50,450,000	APR 2013 to May 2015
Maritseng- 1500	02	R151, 350,000	May 2013 to May 2016
Thaba Chicha – 500	14	R50,450,000	May 2013 to DEC 2015
Mvenyane -500	21	R50,450,000	June2013 to June2015
Queenmercy – 300	12	R33,441,732	June2013 to DEC2014
Maluti(Destitute) – 200	01	R20,180,000	July 2013 to Dec2015
Mafube (NARE Housing)	08	R33,141,732	Aug 2012 to Apr 2014
Mehloloaneng -898	01	R3, 032 ,546	May 2013 to June 2016
<b>PROJECTS ON PLANNING</b>			
<b>PROJECT</b>	<b>WARD</b>	<b>BUDGET</b>	<b>TIME FRAME</b>
Tsitsong (emergency housing) – 200	04	R21, 620,806	Jul2013 to june 2015