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MAKANA MUNICIPALITY INTEGRATED DEVELOPMENT PLAN REVISION III FINAL 2015- 16



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ACRONYMS AND ABBREVIATIONS

IDP	Integrated Development Plan
Agric	Agriculture
ASGISA	Accelerated and Shares Growth Initiative for South Africa
CBP	Community Based Planning
CDM	Cacadu District Municipality
CDW	Community Development Worker
CFO	Chief Financial Officer
Cllr	Councilor
EM	Executive Mayor
MM	Municipal Manager
CSS	Community and Social Services
DBSA	Development Bank South Africa
DEAET	Department of Economic Affairs, Environmental and Tourism
DLGHTA	Department Local Government, Housing and Traditional Affairs
DoSD	Department Of Social Development
DPLG	Department of Provincial and Local Government
DTIS	Department of Technical and Infrastructure Services
DWAF	Department of Water Affairs and Forestry
ECDC	Eastern Cape Development Corporation
EHS	Environmental Health Services
FM	Financial Manager
GHT	Grahamstown
GTZ	German Technical Corporation
HASTI	HIV and AIDS and Sexually Transmitted Infections
LSA	Local Service Area
Makana LM	Makana Local Municipality
MEC	Member of the Executive Council
MMEC	Member of Municipal Executive Committee
MIG	Municipal Infrastructure Grant
MPCC	Multi-Purpose Community Centre
Mun	Municipality
NSDP	National Spatial Development Plan
PGDP	Provincial Growth and Development Plan
PHP	People Housing Process
PMS	Performance Management System
Rep	Representative
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
WSDP	Water Service Development Plan
WTW	Water Treatment Works
WWTW	Waste Water Treatment Works
AFF	Asset Financing Fund
Opex	Operation expenditure
Capex	Capital Expenditure
MAPC	Municipal Public Account Committee
CIP	Comprehensive Infrastructure Plan
LED	Local Economic Development

A. EXECUTIVE SUMMARY

Makana municipality has faced, and continues to confront various challenges in terms of service delivery, administration and financial management. Many of these have recurred over long periods of time and have been highlighted repeatedly in the municipality's Annual Reports and Audit Reports following the Statutory Annual Audits by the Office of the Auditor-General (AG).

Also Makana has over the years been receiving consistent support from provincial government and the local government stakeholders amongst others, for development and overall capacity building; in keeping with section 154 of the constitution as well as sections 34 and 35 of the MFMA. According to the Status Quo Report compiled in October 2014 the situation has not improved but rather seems to be regressing rapidly. The Eastern Cape Provincial Planning and Treasury (PT), deployed an acting CFO to the municipality as well as 2 other support staff to enhance the Budget and Treasury office, while at the same time the Department of Local Government and Traditional Affairs (DLGTA) also deployed an acting municipal manager.

Given the seriousness of the challenges and in an attempt to halt the decline, the Eastern Cape Provincial Executive has instituted an intervention in terms of section 139(1) (b) of the Constitution.

An Administrator was appointed and assumed duty on 6 October 2014 and an Acting Chief Financial Officer was deployed by Province to Makana in April 2014.

The intervention occurred in response to many crises Makana is facing including difficulties in providing basic services and long term financial sustainability.

The Municipality is specifically challenged in the following areas:

- **Infrastructure** (water and electricity outages; poor infrastructure operations and management; dilapidated roads, housing backlogs; poor waste management)
- **Governance** (4 disclaimers; compliance challenges; lack of political oversight, non-effective performance management; community protests; allegations of corruption and nepotism and lack of compliance with prescripts, no adopted and aligned SDBIP;)
- **Institutional** (skills and capacity gaps; non effective performance management system, local labour forum not fully functional; Council Committees and management structures not meeting regularly and often shifted; high overtime spending; no strong links with communities);
- **Financial** (The municipality is not able to meet its current and statutory obligations and expenditure far exceeds revenue collected resulting in rising levels of unpaid creditors; litigation by creditors; declining Audit Outcomes – the Municipality has had 4 multiple disclaimers from the Auditor General, inadequate internal controls and non-adherence

to policies and procedures; inadequate revenue collection and overreliance on grant funding and has used earmarked funding for operational expenses; systems and processes not adequate; poor and weak supply chain and contract management).

Given the above and the urgency to ensure service delivery to communities and financial viability and sustainability, the development of a Financial Recovery Plan has now been seen as a critical way forward for Makana.

A Status Quo Assessment Report has been developed as a first step towards developing the financial recovery plan, the assessment focused on the institutional, service delivery, infrastructure, and financial challenges impacting on the performance and service delivery imperatives of Makana, with a view to inform the development of a holistic financial recovery plan for Makana to enable a turnaround, stabilisation and sustainability of the municipality.

Analysis of information which included the budget, financial, organisational and service delivery has been undertaken and used to inform the status quo report. This was also supplemented by a two day workshop at the municipality on the 15 and 16 October 2014.

The case for change: Changing the status quo at MLM is not negotiable. Bringing the municipality from a state of being categorized as dysfunctional to a well-performing and responsive municipality is the cornerstone of the intervention plan. The Section 139 (1) (b) intervention must be seen as a platform to introduce a change agenda which can be seen as a short term (6 months) intervention however with a specific purpose of altering the current trajectory towards a sustainable, responsive and viable municipality.

The Section 139 (1) (b) intervention plan is premised on the following fundamentals:

- Stabilize the institution and ensure organization wide compliance;
- Develop an organization wide change management process;
- Restore service delivery using the back to basics approach;
- Improve communication and connection through effective stakeholder and Community engagements;
- Develop a transparent monitoring and accountability framework.

The change approach: The diagram below illustrates the approach to be followed:



B. OVERVIEW OF THE MUNICIPALITY:

Makana Local Municipality (Makana) is a category B Municipality approximately halfway between East London and Port Elizabeth that forms part of the nine local municipalities of the Sarah Baartman (formerly Cacadu) District Municipality in the Eastern Cape Province. Makana's area is bordered in the north-east by Amathole District Municipality with the cities of Port Elizabeth 120km to the west and East London 180 km to east, north-west by Blue Crane Route Local Municipality, in the south by Ndlambe Local Municipality and in the south-west by the Sundays River Valley Local Municipality. In 2011 the Municipality was delimited into fourteen wards.

Makana covers an area of 4 375.62 square kilometres and constitutes 7.5% of the Sara Baartman District and based on the 2011 SA Statistics, the population figure is 80 390 with the largest concentration of people being found in Grahamstown.

At the heart of Makana is the city of Grahamstown, situated 55 kilometres from the coast. Grahamstown is famous as one of the leading cultural, educational and tourist centres and hosts the National Arts Festival in South Africa, as well as being the primary location of Rhodes University and other prominent and internationally acclaimed primary and high schools/colleges are found in Grahamstown.

TOWNS AND VILLAGES OF MAKANA MUNICIPALITY:

Grahamstown:

At the heart of Makana Municipality is the city of Grahamstown, situated 55 km from the coast and 535m above sea level. Grahamstown is famous as one of the leading cultural, educational, tourist centers and being the host city of the National Arts Festival in South Africa.

Alicedale:

Owing its existence to the development of the railways, the station at Alicedale is a vital link between the Makana region and the main railway line between Port Elizabeth and Johannesburg.

Salem:

The Methodist Church founded Salem in the mid-1820s. It is famous for its many fine buildings and also for the historic negotiations between Richard Gush and the Xhosa people during the War of Hints, when the Xhosa agreed to leave the village in peace.

Riebeeck east:

The Dutch Reformed Church established the village of Riebeeck East in 1830 on the farm Mooimeisiesfontein, the home of the famous Voortrekker leader Piet Retief. Riebeeck East is

now in the midst of a game and sheep farming area and offers many attractions and hiking trails through the surrounding diverse and beautiful hills.

Seven fountains:

This farmers' community derived its name from seven springs located on different farms in the area.

Fort brown:

Established as a military post in 1817, the gun tower and adjoining walls of the fort, overlooking the Great Fish River and central to a number of major game reserves, is a national monument.

Sidbury 1820:

Established in 1820 after which settler Lieutenant Richard Daniel of the Royal Navy built Sidbury Park in the 1830's and also created the nearby village of Sidbury where war graves can still be found. Both are named after his native Sidbury in Devonshire. As part of fortifying the property, the barn was linked to the house by stone walls. Daniel was the first to import merino sheep into South Africa.

Manley flats:

Manley Flats is located on top of a small hill in the beautiful Manley Flats Valley just 20 km from Grahamstown.

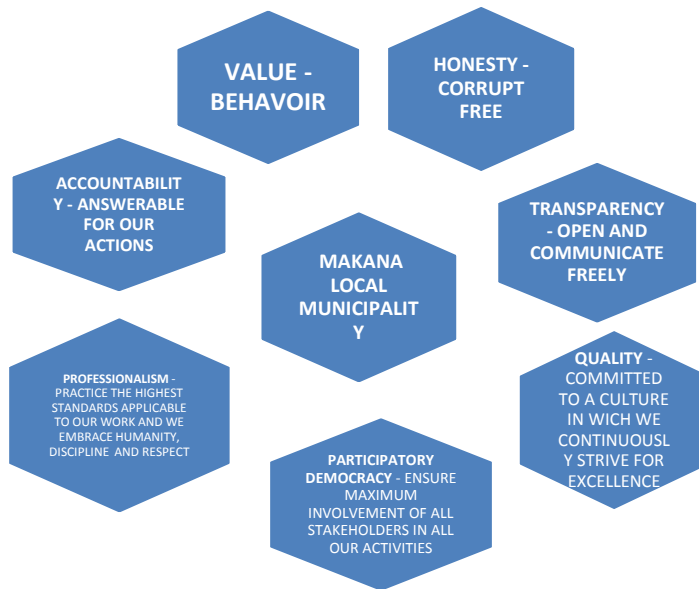
Carlisle Bridge:

Carlisle Bridge is a small farm area that is found 15.2 Km from Riebeeck East and 37 km to Grahamstown.

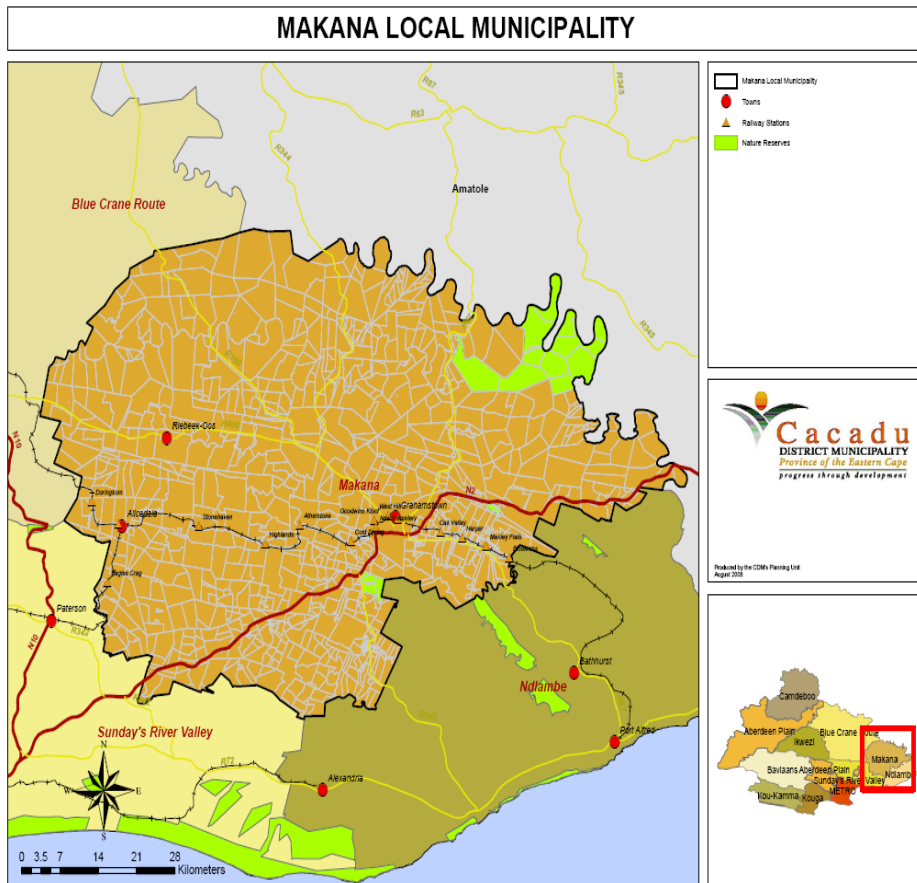
C. MAKANA VISION AND MISSION STATEMENT

“Makana Municipality strives to ensure sustainable, affordable, equitable and quality services in a just, friendly, secure and healthy environment, which promotes social and economic growth for all”.

Core Values of the Municipality:



Map 1



CHAPTER ONE: PRAPARATION AND PLANNING PROCESS

The Makana local municipality's Integrated Development Plan (2012- 17) is undergoing its thirds review and is structured into the following chapters:

1.1 BACKGROUND

The Municipal Systems Act (No. 32) of 2000 requires that Local Government Structures prepare Integrated Development Plans (IDPs). The IDP serves as a tool for the facilitation and management of development within the areas of jurisdiction. In conforming to the Act's requirements Makana Municipality's Council has delegated the authority to the Municipal Manager to prepare the IDP.

Makana Municipality's commitment to developing a **"Great Place to be"** is driven with specific emphasis of translating the Municipality's strategies into an Implementable Action Plan. The Municipality is also committed in ensuring that it achieves its **Seven Developmental Priorities** as approved by Council in the 2014-15 revision.

1.2 LEGAL FRAMEWORK

This document represents the third revision of Makana Municipality's Integrated Development Plan (IDP) 2015 –2016. IDP's are compiled in terms of the requirements of Chapter 5 of the Municipal Systems Act (MSA) (Act 32 of 2000), Section 25 of the MSA states inter-alia the following:

Each municipal council must, within a prescribed period after the start of its elected term, adopt a Single Inclusive and Strategic Plan for the development of the municipality which:

- a) links, integrates and co-ordinate plans and takes into account proposals for the development of the municipality;
- b) aligns the resources and capacity of the municipality with the implementation of the plan;
- c) forms the policy framework and general basis on which annual budgets must be based;
- d) complies with the provisions of the chapter ;and
- e) be compatible with National and Provincial Development Plans and planning requirements binding on the municipality in terms of legislation".

The Annual Review and Amendments of Integrated Development Plan (IDP) a municipal council-

- a) must review its IDP
 - (i) annually in accordance with an assessment of its performance measurements in terms of section 41 of the MSA,

- (ii) according to the extent that changing circumstances so demand; and
- b) may amend its IDP in accordance with a prescribed process.

The status of an Integrated Development Plan is concerned with Section 35 of the MSA which states that an IDP adopted by municipal council: -

- a) is the ***principal strategic planning instrument*** which guides and informs all planning and development issues in the municipality;
- b) ***binds the municipality*** in the exercise of its executive authority, except to the extent of any inconsistency between a municipality's integrated development plan and National or Provincial legislation, in which case such legislation prevails; and
- c) binds all other person to the extent that those parts of the integrated development plan impose duties or affect the rights of those people have been passed as a by-law.

Section 36 of the MSA states that a municipality must

- give effect to its Integrated Development Plan;
- conduct its affairs in a manner which is consistent with its Integrated Development Plan.

1.3 MANDATE

The Local Government Municipal Systems Act, 2000, introduced the process of municipal planning for municipalities and regulates the development of Integrated Development Plans (IDPs).

Over the years various initiatives have been undertaken to engage all spheres of government in South Africa to become an integral part of the Developmental State, but the inconsistent participation of departments in the planning process poses a lingering problem. Another constraint is that communities are not centrally involved in local planning.

Community engagements begins at the inception of the planning cycle which provides an ideal opportunity for government departments, local communities and municipalities to plan in a collaborative manner and to develop in tandem.

1.3.1 NATIONAL OUTCOMES

The paradigm shift in developmental local government dictates that planning must become more 'outcomes-driven' and the priorities of government set the context for this to be realised. Accordingly, Government has formulated 12 Outcomes.

Table 1.

Nat. Outcome	National outcomes	Nat. Outcome	National outcomes
NO1	Quality basic education	NO7	Vibrant, equitable, sustainable rural communities contributing towards food security for all
NO2	A long and healthy life for all SA	NO8	Sustainable human settlements and improvement quality of household life
NO3	All people in SA are and feel safe	NO9	Responsive, accountable, effective and efficient Local Government Systems
NO4	Decent employment through inclusive economic growth	NO10	Protect and enhance our environmental assets and a better world
NO5	Skilled and capable workforce to support an inclusive growth path	NO11	Create a better SA, a better Africa and a better world
NO6	An efficient, competitive and responsive economic infrastructure network	NO12	An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.

Ten (10) of which have been reshaped as provincial strategic priorities, as indicated below: - Each outcome has a number of measurable outputs with targets and in most cases the activities / results occur in a municipal space and involves all of the spheres of government.

1.3.2 REVISED PROVINCIAL STRATEGIC FRAMEWORK 2011

Developments at both national and provincial level warranted a need to review the Eastern Cape Strategic priorities in order to respond to the policy environment and alignment to the National Outcomes. Development programs must be crafted to address the following renamed and reshaped provincial strategic priorities, as paired with the National Outcomes that are to be focused upon until the end of the 2014 term.

Table 2.

NAT. OUTCOME	NATIONAL OUTCOMES	PROV. PRIORITY	REVIEWED PROVINCIAL PRIORITIES	CLUSTERS
NO1	Quality basic education	PP4	Quality basic education, skilled and capable workforce to support an inclusive growth path	Social ; Govt & Admin
NO2	A long and healthy life for all SA	PP5	A long and healthy life for all people of the province.	Social
NO3	All people in SA are and feel safe	PP6	All people in the Province are and feel safe	Security
NO4	Decent employment through inclusive economic growth	PP1	Decent employment through inclusive economic growth with environmental assets and natural resources that is well protected and continually enhanced.	Econ Dev
NO5	Skilled and capable workforce to support an inclusive growth path	PP4	Quality basic education, skilled and capable workforce to support an inclusive growth path	
NO6	An efficient, competitive and responsive economic infrastructure network	PP2	An efficient, competitive and responsive economic infrastructure network	Econ Dev

NAT. OUTCOME	NATIONAL OUTCOMES	PROV. PRIORITY	REVIEWED PROVINCIAL PRIORITIES	CLUSTERS
NO7	Vibrant, equitable, sustainable rural communities contributing towards food security for all	PP3	Vibrant, equitable, sustainable rural communities contributing towards food security for all	Econ Dev
NO8	Sustainable human settlements and improved quality of household life	PP8	Sustainable, cohesive, caring communities and human settlement for improved quality of households.	Social & Econ Dev & Govt & Admin Security
NO9	Responsive, accountable, effective and efficient Local Government Systems	PP7	An efficient, effective and developmental oriented public service, an empowered, fair and inclusive citizenship with responsive, accountable, effective and efficient Local Government system	Govt & Admin
NO10	Protect and enhance our environmental assets and a better world		N/A	N/A
NO11	Create a better SA, a better Africa and a better world		N/A	N/A
NO12	An efficient, effective and a Development Oriented Public Service and an empowered, fair and inclusive citizenship.	PP7	An efficient, effective and developmental oriented public service; an empowered, fair and inclusive citizenship with responsive, accountable, effective and efficient Local Government system	Govt & Admin

1.4 SARAH BAARTMAN DEVELOPMENT INTERVENTION PRIORITY ISSUES

The following issues which surfaced from the situational analysis and community participation during local level engagement sessions were systematically selected into the listed Development Priorities.

- Infrastructure Development
- Capacity Building and Support to local municipalities
- Economic Development
- Community Services
- Institutional Development

1.5 MAKANA DEVELOPMENT AGENDA

The combination of community planning with inter-spheres strategic planning will culminate in local initiatives becoming central to provincial and national government programs that will manifest in credible IDPs which are reflective of a developmental state.

In order to ensure that Makana Municipality is empowered to deliver on a flow of priority services, this review process will endeavor to respond to the challenges being experienced at community level. It will align priorities by eliminating poor integration between the municipality and the programs of various sector services in the IDP. Table below is the list of seven Development priorities.

Table 3.

NUMBER	DEVELOPMENT PRIRORITY
Development Priority No. One:	Basic Service Delivery and Infrastructure Development
Development Priority No. Two:	Community Development and Social Cohesion
Development Priority No. Three	Local Economic Development
Development Priority No. Four	Institutional Transformation and Financial Development
Development Priority No. Five	Good Governance and Public Participation
Development Priority No. Six:	Rural Development and support to vulnerable Groups
Development Priority No. Seven:	Human Settlement

1.6 PROCESS PLAN (2014 - 2015 CYCLE)

Council formulated and adopted an IDP Process Plan in August 2014 to serve as guide in preparation for the review of the Integrated Development Plan. In brief the IDP Process Plan outlines the time frames of scheduled events / activities, and co-ordinate structures involved in the processes.

The Integrated Development Planning (IDP) Process is a process through which Municipalities prepare **strategic development plans** for a five year period. An IDP is one of the key tools for Local Government to cope with its developmental role and seek to arrive at decisions on issues such as municipal budget, land management, promotion of local economic development and institutional transformation in a consultative manner.

1.6.1 Objective of the IDP Review Process Plan

Makana Municipality wants to continue to develop its IDP as an effective management tool for the municipality, this includes:

- Creating a greater level of focus and thereby improving on the strategic nature of the document.
- Aligning this strategic document with the realities of the resources available i.e. financial and human,
- Alignment of the IDP with the activities of the Sector Departments and other service providers (vice versa) and
- Alignment of the IDP with the various sector plans.

1.6.2 Approach to the 2015/ 16 IDP Review

- Strategic review of the content of 2014-2015
- Review of Sector plans
- Community Based Planning Approach
- Sector Alignment
- IDP –Budget Alignment
- Community Engagement (Public Participation) for approval and final
- The preparation of the IDP which consists of Core and Non-core elements.

1.6.3 Roles and Responsibilities Internal and External

Table 4

ROLE PLAYERS	ROLES AND RESPONSIBILITIES
Council	- Final decision making - Approval of the reviewed IDP document
Ward Councilor	- Linking the IDP process with their constituencies. - Organising public participation at Ward level.
Mayor	- Assign responsibilities to the MM. - Submit the IDP Process Plan to Council for approval. - Chairs the IDP Representative Forum.
Municipal Manager	- Prepare IDP process plan. - Ensures that timeframes are adhered to.

ROLE PLAYERS	ROLES AND RESPONSIBILITIES
	<ul style="list-style-type: none"> - Decide on and monitor IDP process. - Overall management and co-ordination.
Chief financial Officer	<ul style="list-style-type: none"> - Prepare Budget - Advice on availability of financial resources - Alignment of IDP and Budget - Input on the Development of SDBIP
Mayoral Committee	<ul style="list-style-type: none"> - Helps to harness common understanding between political and administrative components before the IDP reports are considered at Council meeting. - Makes recommendations to the IDP Representative Forum.
IDP Manager	<ul style="list-style-type: none"> - Day to day management of the IDP process. - Co-ordinate technical or sector expertise. - Co-ordinate Sector plan inputs - Prepare draft progress reports.
IDP Steering Committee	<ul style="list-style-type: none"> - Assist and support the Municipal Manager/IDP Manager and IDP Representative Forum. - Information “GAP” identification. - Oversee the alignment of the planning process internally with those of the Local Municipality areas. - Portfolio head to lead related Portfolio matters - Monitor the Process plan progress - Plan Public Participation Engagement - Alignment of IDP and Budget - Plan stakeholder Engagement - Integration with Sector departments
The District Council	<ul style="list-style-type: none"> - Co-ordination role with all Local Municipalities within the District. - Ensuring horizontal and vertical alignment of the IDPs of the Municipalities in the District Council area. - Facilitation of vertical alignment of IDPs with other spheres of Government and Sector Departments. - Provide events for joint strategy workshops with Local municipalities, Provincial and National role players and other subject matter specialist.

ROLE PLAYERS	ROLES AND RESPONSIBILITIES
Ward Committees	<ul style="list-style-type: none"> To be consulted on an individual or collective basis to establish community needs and reach consensus on IDP Projects/ Initiatives and Priorities.
IDP Representative Forum	<ul style="list-style-type: none"> Representing public interest and contributing knowledge and ideas.
Government Departments, Parastatals and NGO's	<ul style="list-style-type: none"> Provide data and information. Budget information Alignment of budget with the IDP Provide professional and technical support. To assist in facilitating the Community Based Planning (CBP)
DBSA Planning Expert and Sarah Baartman DM	<p>Methodology guidance and professional support in:</p> <ul style="list-style-type: none"> - Strategic and Town Planning - Sector Plan Inputs - IDP Document preparation. - Alignment with National, Provincial and SBDM

1.6.4 Mechanism for Community and Stakeholder Participation

Table 5.

PHASE	PARTICIPATION MECHANISMS
Analysis	Community Based Planning
	IDP Representative Forum (Community Stakeholder Forum)
	IDP Representative Forum (Stakeholders Alignment engagement)
	IDP Representative Forum (Business/Non-Governmental Forum)
Strategies and Objectives	District Level Strategy workshops
	IDP Representative Forum meetings
	Steering Committee Meeting
Project Proposals	IDP Representative Forum Meeting
	Steering Committee Meeting
Integration	IDP Representative Forum (Sector Stakeholder Alignment Forum)
Approval	Mayoral Imbizo's Community Engagement on budget
	Opportunity for comments from residents and stakeholder organizations

1.6.5 Mechanisms for Alignment

Table 6.

SPHERE	DEVELOPMENT PLANNING INSTRUMENT	RESOURCE ALLOCATION	ANNUAL CYCLE	REVIEW CYCLE
National	Medium Term Strategic Framework (MTSF)	National Budget: Medium Term Expenditure Framework (3 years)	1 April – 31 March	July – Sept
Provincial	Provincial Growth and Development Strategies	Medium Term Expenditure Framework (3 years)	1 April – 31 March	July – Sept
Sector	Strategic Plans for sector departments	MTREF (3 years)	1 April – 31 March	July – Sept
Local/ Rhodes University	Integrated Development Plan	Municipal Budget (5 year plan)	1 July -30 June	Sept – Feb

1.6.6 Revised Time Schedule of key deadlines for 2015/2016

Table 7

ORIGINAL COMPLETION DATE	ACTIVITY	REMEDIAL ACTION
July 2014	<ul style="list-style-type: none"> Preparation of an IDP / Budget Timetable 	August 2014
August 2014	<ul style="list-style-type: none"> Co-ordination role of the budget process through preparation and completion of the process plan 	N/A
August 2014	<ul style="list-style-type: none"> Tabling of the Timelines to Council Submission of the Timelines to Provincial Treasury Beginning of Annual Report Preparation Process. Submission of the Budget Checklist Preparation of the budget related Policies Review of IDP and Budget processes and develop improvements. 	This process will be finalised by 06 March 2015.
September 2014	<ul style="list-style-type: none"> Determine the funding/ revenue projections for the next three years. CFO to liaise with Council regarding the strategic objectives for service delivery and development for the next three years The Executive Mayor to determine the strategic objectives for service delivery 	09 March 2015

ORIGINAL COMPLETION DATE	ACTIVITY	REMEDIAL ACTION
	<p>and development for the next three years (IDP reviews)</p> <ul style="list-style-type: none"> • A budgeting workshop will be held to clarify budgetary requirements and discussing the budgeting tool. 	IDP to provide needs analysis information by 10 March 2015
October 2014	<ul style="list-style-type: none"> • Development of Financial Recovery Plan through conducting Organisation Diagnosis 	N/A
October 2014	<ul style="list-style-type: none"> • Preparation of the draft budget by the various departments. • Directors to meet with their HOD's and any relevant staff members to discuss draft capital / operational budget to ensure that anticipated expenditure meets parameters set out by National / Provincial Government. 	16 March 2015
November 2014	<ul style="list-style-type: none"> • Budget plans, capital / operational budget and all related items to have been consolidated (based on the budget inputs submitted by Departments). 	24 March 2015
February – March 2015	<ul style="list-style-type: none"> • Mid- year budget and performance assessment visits 	29 January 2015
March 2015	<ul style="list-style-type: none"> • Budget / IDP Steering Committee to conduct Budget Meetings in order to ensure that the tabled budget on or before end March 2015 is closer to balancing and is in line with the IDP 	24-25 March 2015
March 2015	<ul style="list-style-type: none"> • All Draft Budget Documents, Draft IDP, Draft SDBIP and relevant items must be ready for the Council meeting of end March 2015. 	26 March 2015
March 2015	<ul style="list-style-type: none"> • Executive Mayor to have tabled draft budget, resolution, plans and changes to the IDP to Council + MM to ensure that all Draft Documents are forwarded to the relevant stakeholders (e.g. Government Departments, District Municipality, etc.). 	31 March 2015
April 2015	<ul style="list-style-type: none"> • Mayor to have completed public hearings on the budget + IDP where the Executive Mayor and Councillors present budget + IDP to the communities for comments or contributions (public participation process). 	1 April 2015 to the 30 April 2015
April – May 2015	<ul style="list-style-type: none"> • Budget and Benchmark Assessments 	18 May 2015

ORIGINAL COMPLETION DATE	ACTIVITY	REMEDIAL ACTION
May 2015	<ul style="list-style-type: none"> Budget Documents, IDP, SDBIP and relevant items must be ready for the Council meeting of end May 2014. 	26 May 2015
May 2015	<ul style="list-style-type: none"> Mayor to have presented final budget to Council for adoption and to have included operating / capital budget, resolutions, tariffs, capital implementation plans, operational objectives, changes to IDP and budget plans. 	29 May 2015
June 2015	<ul style="list-style-type: none"> MM to have ensured that all Budget / IDP documents are forwarded to the relevant stakeholders (e.g. Government Departments such as National and Provincial Treasuries, DPLG, etc.) in the correct formats, and that tariffs are published. 	29 May 2015
June 2015	<ul style="list-style-type: none"> Draft SDBIP to have been tabled by the MM to the Executive Mayor 	12 June 2015
June 2015	<ul style="list-style-type: none"> Final SDBIP's completed and KPI's drawn or finalised 	N/A
June 2015	<ul style="list-style-type: none"> Final SDBIP, Performance Plans, Rating Calculators and Performance Agreement completed and signed for implementation as from the 1 July 2015 (2015/2016 Financial Year) 	N/A

1.6.7 SCHEDULE OF MEETINGS/CONSULTATION FOR THE DEVELOPMENT OF FINANCIAL RECOVERY PLAN

TABLE 8.

MEETINGS	CONSULTATION PURPOSE	VENUE HELD	DATE
Organisation Diagnosis	<ul style="list-style-type: none"> • Develop Financial Recovery Plan 	Council Chamber	23&24 October 2014
Stakeholders Consultation Workshop	<ul style="list-style-type: none"> • Consult stakeholders on key challenges facing Makana • Solicit stakeholder input on development of recovery plan • Prepare for Service Delivery Summit in December 2014 	Public Library; Hill street- Grahamstown	21 Nov 2014
Service Delivery Summit	<ul style="list-style-type: none"> • improve service delivery • build a broad based coalition to revive Makana • commemorate the anniversary of Madiba's passing 	Indoor Sport Centre	05 Dec 2014
Internal Stakeholders Workshop	To discuss Draft Financial Recovery Plan	Council Chamber	05 February 2015
Work stream	<ul style="list-style-type: none"> • Reconnection with Communities • Ensuring financial sustainability • Driving service delivery • Improve oversight and governance • Capacitate Municipality 	Various Venues	Every Fortnight

1.6.8 IDP Review Public Consultation Plan – Mayoral Imbizo
TABLE 9.

DAY	WARD	AREAS	VENUE	DATES	TIMES
DAY ONE	3	Upper Ghosttown; Sun City; Lower Zolani Phaphamani; Vergenoeg; Mayfield; Hooggenoeg Polar Park; Marry Waters Heights	Recreation Hall	Monday 24/11/2014	17h30- 19h30
DAY TWO	10	E Street; Wood Street; Raglan Road; Mission (Turpan street); Victoria Road; I; J; N & squatters; Glebe	B.B Zondani	TUESDAY 25/11/2014	14H00-16H30
DAY THREE	2	D section (Joza); Pumlani area; Thatha area	Noluthando Hall	Wednesday 26/ 11/ 2014	14h00-16h30
DAY FOUR	6	Extension 4; Extension 5; Extension 6; Lingelihle PA area	Indoor Sport Centre	MONDAY 08/12/2014	POSTPONED
	11	Extension 6 ; Extension 7; Ethembeni; 25 sites	Tent/ N.G Dlukulu Clinic		
DAY FIVE	5	Extension 8; Extension 9; Transit Camp; Mayfield (Ext 10)	Extension 9 Hall	TUESDAY 09/12/2014	POSTPONED
	10	Xolani& Squatters, O-Z street, Newtown, Lombo,Lukwe& Sofisa	Tantyi Hall		17h30-19h30
DAY SIX	8, 9	Ndancama; Newtown; A – D streets	Luvuyo hall	WEDNESDAY 10/12/2014	POSTPONED
	7	Lower Archie Squatters; Upper Zolani, Upper Hlalani, M street & K street	Tent/ Foley’s Ground		
DAY SEVEN	4	Scotch farm; Hill 60; Albany Road area; Kingswood College area; West Hill; Somerset Heights ;Old Radio GHT area; Graeme College Area, Cradock Heights	Recreations Hall	THURSDAY	POSTPONED
	13	Upper & Lower; Vukani	TENT - (REV. LOLWANA)	11/12/2014	

DAY	WARD	AREAS	VENUE	DATES	TIMES
DAY EIGHT	1	Fort brown ; Kwandwe; Committees Drift; Douglass Heights	Fort Brown Hall	SATURDAY 13/12/2014	POSTPONED
	14	Alicedale	Nonzwakazi Hall		
DAY NINE	13	Seven Fountains and Surrounding Farms	Seven Fountains School	SUNDAY 14/12/2014	POSTPONED
	13	Salem and Surrounding Farms	SALEM CLUB/CHURCH	SUNDAY 14/12/2014	
DAY TEN	1	Riebeeck East	ALFRED DIKE KOTA HALL	MONDAY 15/12/2014	POSTPONED
DAY ELEVEN	3, 4 & 12	Town & Rhodes University	City Hall	WEDNESDAY 17/12/2014	POSTPONED

CHAPTER TWO: SITUATIONAL ANALYSIS

2.1 MUNICIPAL PROFILE

The analysis phase aims to assess the existing level of development within the municipality through the analysis of the prevailing environment, the impact thereof on the inhabitants of the municipality and by taking cognisance of community perceptions and needs. It also facilitates the identification and analysis of the environmental challenges facing the municipality and allows the municipality to accurately prioritise these challenges.

The analysis phase should be seen as the foundation of the IDP that informs the ensuing phases. Municipal planning, budgeting, decision-making and service delivery are based on the IDP and it is therefore critical that the analysis phase of the IDP provides an accurate understanding of the prevailing environment to ensure credibility of the final IDP. This chapter provides a strategic analysis of the external and internal dimensions hereunder, which have a direct impact on development in Makana Local Municipality. Makana Municipality has conducted a Diagnostic Assessment through the assistance of National/ Provincial Treasury and CGTAEC.

Given the nature of the financial problems an independent and detailed assessment needed to be undertaken so that the key objectives of development and a Recovery Financial Plan is indeed achieved and which also meet the requirements of Section 142 of the Municipal Financial Management Act(MFMA)

The approach adopted in the development of the plan was a consultative approach that involved a detailed analysis of relevant documentation as well as engagement with amongst others the Executive Mayor, Administrator, Councillors and Senior Officials of the Municipality. This initiative culminated in the development of a Status Quo Report in November 2014.

The analysis of information was to assess the institutional, service delivery, infrastructure, and financial challenges impacting on the performance and service delivery imperatives of Makana, with a view to inform the development of a holistic financial recovery plan for Makana to enable a turnaround, stability and sustainability of the municipality. This was also supplemented by a two day workshop at the municipality on the 15 and 16 October 2014. The status quo report has been used to update the Situational Analysis of the Integrated Development Plan Review for 2015-16.

2.1.1 SPATIAL AND GEOGRAPHY ANALYSIS

2.1.1.1 Spatial Overview and Geographic Description

The Makana Municipality falls within the Sarah Baartman District Municipal area. The Municipality's area is bordered on the North-east by Amathole District Municipality, North-west by Blue Crane Route, the South by Ndlambe Municipalities and the South-west by Sunday's River Valley.

Based on the Stats SA 2011, the population figure is 80 390. The largest concentration of people is found in Grahamstown. Makana Local Municipality covers an area of 4,375.62 km² and constitutes 07.5% of the Sarah Baartman District.

2.1.1.2 Location of Makana within the context of Sarah Baartman District Municipality

The Sarah Baartman District Municipality (SBDM), is the largest (58 243 km²) of the six (6) District Municipalities in the Eastern Cape Province, as shown on **Map2** below.



Eastern Cape Source: Municipal Demarcation Board, 2011

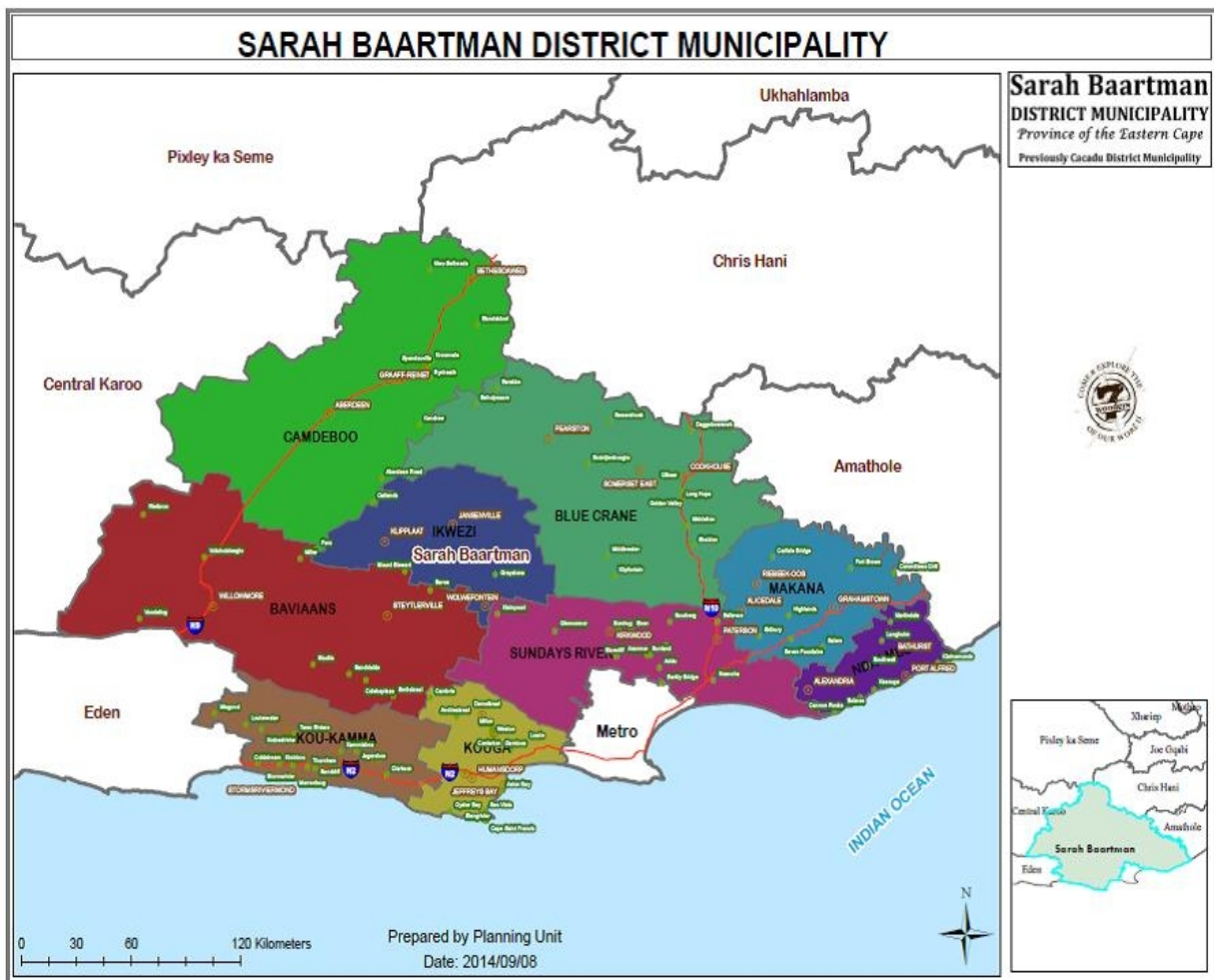
The District is situated in the western portion of the province, bordering the Western Cape, Northern Cape, Chris Hani and Amathole District Municipalities in the Eastern Cape. Nine

local municipalities have been established within the jurisdiction of Sarah Baartman DM, as reflected on Map below.

2.1.1.3 Spatial Location of Sarah Baartman District Municipal Area

The Makana Municipality falls within the Sarah Baartman District Municipal area. The Municipality’s area is bordered on the North-east by Amathole District Municipality, North-west by Blue Crane Route, the South by Ndlambe Municipalities and the South-west by Sunday River Valley. In 2011 Makana was delimited into fourteen Wards, as depicted in Map. 3 and the municipal area cover an area of 4375.62km².

Map no.3: Spatial Location



Source: Sarah Baartman District Municipality

2.1.1.4 Eastern Cape Provincial Spatial Development Plan (ECPSDP): 2010 Review

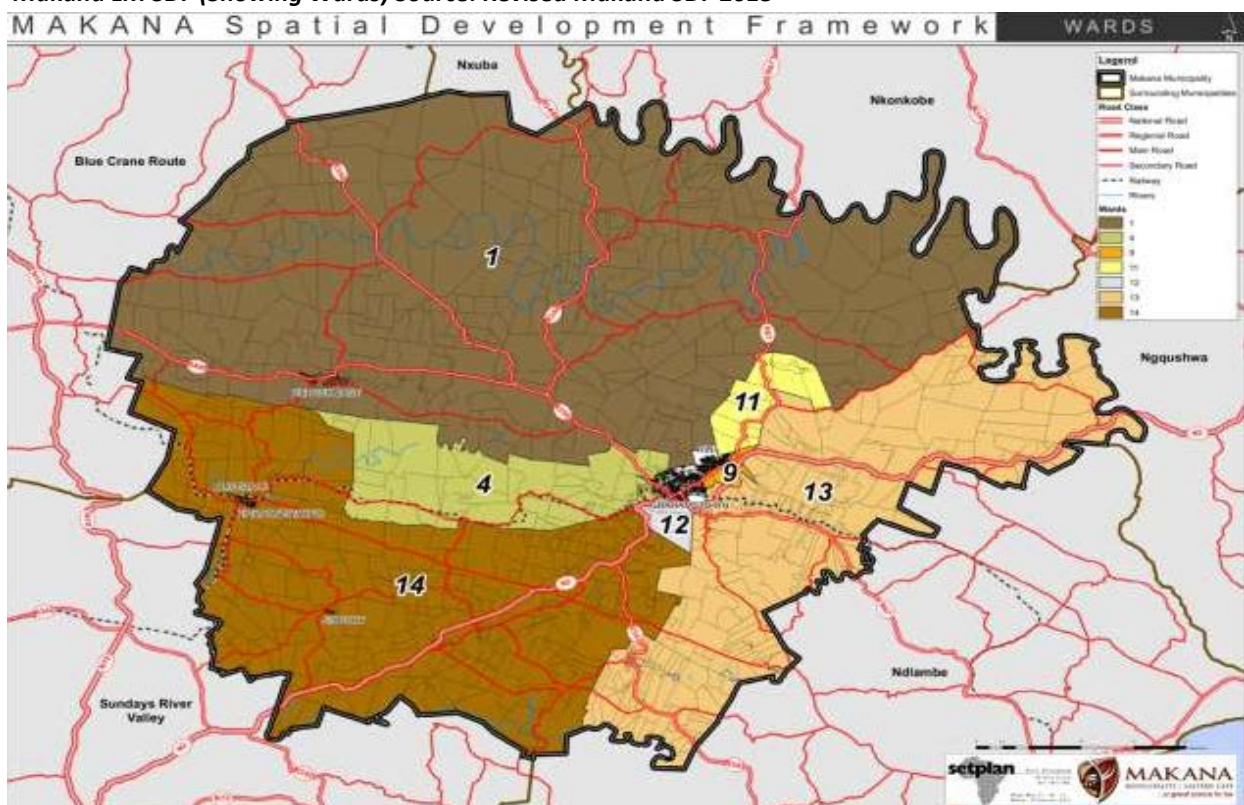
The Department of Local Government and Traditional Affairs review of the Eastern Cape Provincial Spatial Development Plan (ECPSDP) in 2010. The Review underscores the clustering of opportunities in nodes and development corridors to achieve areas of shared impact. It also takes into account the environmental potential, and characteristics, economic attributes, migration trends and the impact of climate change on development. The impact of these factors will influence the development trends in Makana taking into account the current Spatial Development Framework (SDF) review.

2.1.1.5 Makana Spatial Development Framework

The Makana Municipality's Spatial Development Framework was last revised and adopted in November 2013.

Map 4

Makana LM SDF (Showing Wards) Source: Revised Makana SDF 2013



2.1.1.6 Legal Framework for the SDF

Section 26 (e) of the Municipal Systems Act 32 of 2000 (Act No. 32 of 2000) states that an integrated development plan must reflect a spatial development framework which must include the provision of basic guidelines for a Land Use Management System for the Municipality.

In order to achieve this, the government has adopted a range of new legislation and policies which allows for a more flexible, participative planning methodology that is principle-lead and rights-based.

The legislation includes the following:

- Land Use Planning Ordinance 15 of 1985 (Ordinance 15 of 1985)
- Development Facilitation Act (67 of 1995)
- The Local Government: Municipal Planning and Performance Management Regulations (GNR796 of 2001)
- The White Paper on Land Use: Spatial Planning and Land Use Management (March 2001).

2.1.1.7 Makana Spatial Development Framework (SDF) Focus Areas

General Focus Areas as aligned to mission and vision:

- Improve financial/ revenue
- Generating capacity of municipality through devising and implementing support tools.
- Improve Auditor General Opinion
- Development of Human resources skills and development strategy
- Empowering and capacitating staff to ensure efficiency
- Supporting Municipal staff training and staff retention programmes
- Improving communication internally and externally
- Exploring good management system
- Improve environmental management aspects
- Ensure Financial Viability and Institutional capacity
- Stimulating Local Economic Development by creating an enabling climate for economic growth.

2.1.1.8 Spatially Relevant Focus Areas:

- Expediting the provision of services such as roads, alternative water source and provision of alternative energy sources for rural and urban areas
- Addressing housing backlog
- Addressing fragmented spatial planning in urban areas and land distribution rural area
- Address ageing infrastructure
- Ensure Sustainable Human Settlements
- Rural development, land reforms, food production
- Ensure sustainable development

Environmental Issues

Key Issue:

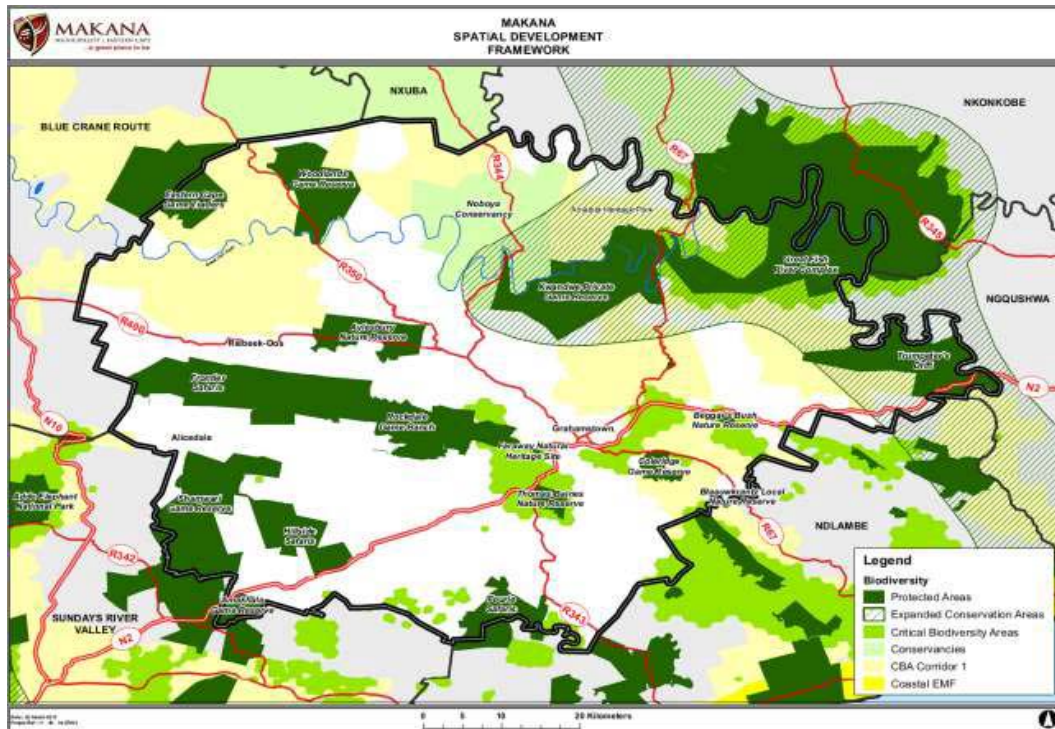
- The ECPSDF (Eastern Cape Province Spatial Development Framework) has identified a biodiversity footprint that from a Provincial perspective, is considered to be 'non-negotiable'.
- This footprint has been adopted into the SBDM's SDF and will be accommodated into Makana's SDF.
- Cognisance needs to be taken of the protected expansion areas.
- There are critical biodiversity areas that fall outside of the protected area network.
- The extent and location of the components of the Environmental Footprint have not been 'ground trothed'.

Strategies:

- Map the ECPSDF biodiversity framework (Critical biodiversity areas, protected nature reserves and parks etc.)
- Make the information available to all stakeholders.
- Specific attention needs to be given to the critical biodiversity areas that fall outside of the protected area network.
- Determine guidelines and actions to ensure that the environmental footprint is achieved.
- Ensure that the provisions of NEMA are applied.
- Establish partnerships with the relevant stakeholders to ensure cross border alignment.
- The accurate identification of the various components of the environmental network needs to be undertaken, either on a project by project basis through the EIA process or by means of a specific verification process.

Environment Biodiversity:

Map 5.



2.1.2 LAND USE MANAGEMENT SYSTEM

As indicated in Section 26(e) of the Municipal Systems Act, the SDF is required to “include the provisions of basic guidelines for a Land Use Management System (LUMS) for the municipality”.

2.1.2.1 Land Use Management aims to regulate:

- Land-use changes such as the rezoning of a property from residential to commercial use.
- ‘Green fields’ land development, i.e. the development of previously undeveloped land;
- Subdivision and consolidation of land parcels
- Regularization and upgrading process of informal settlements, and
- The facilitation of land development through the more active participation of the municipality in the land development process, especially through public-private partnerships

2.1.2.2 PLANNING SCHEMES/ MECHANISMS

The Planning Schemes are the statutory mechanisms whereby land may be developed, managed and regulated.

2.1.2.3 LAND USE MANAGEMENT NEEDS

The current land use management mechanisms in Makana are unable to address the needs of the residents. The following shortcomings have been identified:

- Ineffective zoning records, specifically for the former Western District Council Area
- The public does not have easy access to information regarding land
- No database of the registered municipal land

A full set of general guidelines for Land Use Applications are contained in the SDF and for this reason will not be elaborated upon in the IDP.

2.1.3 ENVIRONMENTAL ANALYSIS

2.1.3.1 Environmental Overview

Guidelines pertaining to environmental aspects within the municipality are guided by the Subtropical Thicket Ecosystem Planning (STEP) initiative / project. The STEP Project encompasses the South-Eastern Cape region, extending from the Kei River to Riversdale, referred to as the STEP domain. The project's aim was to assess the region's biodiversity in terms of the diversity of indigenous plants and animals and the processes that sustain them with special emphasis on the unique, indigenous vegetation type known as thicket. The assessment measured how much of this vegetation type has been destroyed or damaged by human activities and determines the degree to which biodiversity is endangered in different areas.

Based on assessment, development guidelines pertaining to environmental issues were compiled, the objectives of which were to:

- Ensure the persistence of biodiversity by developing a co-operative strategy for conserving corridors of land along major river valleys and the coast (the Mega Conservancy Network) which were identified as needing special safeguarding.
- Ensure the retention of biodiversity by categorizing those areas not contained within the Network into areas of conservation status with guidelines for appropriate land use.

2.1.3.2 Environmental Profile

This Environmental profile provides an overview of the environmental characteristics of the Makana area. Development associated with primary activities such as mining and agriculture, as well as tertiary activity such as tourism is often based on an area's physical attributes.

The environmental profile will thus feed into the developmental potential that can be based on Makana's inherent physical characteristics. The environmental characteristics of Makana are discussed under the following sub-sections.

2.1.3.3 Climate

The Southern portion of the municipality has the highest rainfall. The majority of the municipality is classified as semi-arid. Makana lies in a subtropical climatic zone, meaning that the area is characterized by warm summers and cool winters and fairly evenly distributed rainfall throughout the year. The Grahamstown area experiences moderate weather conditions. Rain falls throughout the year with mean precipitation averaging 680mm.

Summer temperatures (January) vary from an average maximum of 26°C to a minimum of 15°C. In winter (July) temperatures vary from an average maximum of 18°C to an average minimum of 4°C. The prevailing wind direction is from the west and southwest. In Alicedale, rainfall is approximately 555mm per year.

Temperatures in Alicedale range from 40°C to 15°C in summer and 18°C to -8°C in the winter months. Rainfall in Riebeeck East area is approximately 865mm per year, with identical average winter and summer temperatures to those experienced Grahamstown.

2.1.3.4 Climate Change

Climate change is defined as a change of climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability over comparable time periods. ***(United Nations Framework Convention on Climate Change)***

The manifestation of climate change in the Eastern Cape is expected to be:

- High temperature increases towards the North -West Interior with lowest increases along the coast.
- A drying trend towards the South and South -West.
- Increased precipitation more likely towards the east of the Province.
- Sea level rise scenario's ranging from 2m to 6,5m depending on exposure.
- Risk assessment, adaptation and mitigation measures addressed in SBDM and Eastern Cape Climate Change Response Strategy (DEDEAT, 2011).

No spatial demarcation has been made of the high risk areas:

- Lower rainfall in the South and South-West and higher rainfall to the east.
- Water shortages
- Lower food production
- Reduced tourism
- Increased fire risk

These areas need to be mapped and reflected in the Makana Disaster Plan

2.1.3.5 Geology and Soil

From a municipal wide perspective there are no unfavourable geotechnical conditions that will prevent development or require specific safety considerations. The necessary on-site investigations should be undertaken to ensure that the site specific circumstances are suitable for the intended development.

2.1.3.6 Topography

The eastern part of the municipality can be classified as lowlands, with contours generally lying below 300m above sea level. The western part of the locality in which Alicedale is situated can be classified as being of a moderate elevation, lying between 300m and 600m above sea level. The central part of the municipality that contains Grahamstown and Riebeeck East has the highest elevation of between 600m and 900m above sea level. Grahamstown is situated in a valley that cuts into a plateau.

The highest point on the plateau is 770m above sea level and the lowest point in the valley is 490m above sea level. Alicedale is located about 360m above sea level in a flood plain created by the confluence of the Bushman's river and the New Year's river. Riebeeck East is located 630m above sea level.

2.1.3.7 Topography and Slope

Most of the land in Makana has a slope of either between 3-8° or between 8-20° (*State of the Sarah Baartman Environment, 2005*)

2.1.3.8 Hydrology

The major water related driver in the municipal area is the Orange-Fish-Sundays Water Supply system which ensures continuous sustainable water supply for economic activity and is essential for community's well-being and socio-economic prosperity in the area. The whole municipality is classified as a primary catchment area, with a mean quaternary runoff of between 12m³ and 40m³. (*State of the Sarah Baartman Environment (2005)*)

Surface water is largely provided by dams and reservoirs that are linked to perennial and non-perennial rivers. Ground water is provided by boreholes and springs that are evenly distributed throughout the municipality. In terms of water sources in the towns it is found that:

- Grahamstown's water is from local dams and sources transferred from the Orange River.
- There is adequate supply to cater for the 8.6M/m³ that it uses but there is also a need for more groundwater development.

- Riebeeck East’s water is sourced from local boreholes. It also has adequate supplies of water to cater for the 0.0285 M/m³ that it uses.
- A planned water scheme for Riebeeck East is an increase in storage capacity in the form of tanks and a reservoir.
- Alicedale’s water is sourced from a local dam. (*State of the Sarah Baartman Environment, 2005*)

With regards to the quality of water resources in the area, the State of the Cacadu Environment report of 2005 states that water quality is ‘good, or even natural (e.g. the New Year’s Dam and Bushman’s River sites) even though it is naturally saline and not suitable for certain uses

2.1.3.9 Land Capacity and Soil Types

Land capacity is determined by the collective effects of soil, topography, hydrology and climate features. It indicates the most intensive long-term and sustainable use of land for rain-fed agriculture and at the same time highlights the permanent limitations associated with different land use classes. Table 10 shows the classifications with which land is classified. It also shows different land usages that go in line with the different levels of land capability. This shows the nature of agricultural activity that can be feasibly undertaken throughout the municipality.

Table 10: Land Use options per Land Capabilities Class

Classes	Forest	Veld	Pasture	Limited	Moderate	Intensive	Very Intensive
I	X	x	X	X	X	x	
II	X	X	X	X	X	X	
III	X	X	X	X	X		
IV	X	X	X	X			
V	X	X	X				
VI	X	X					
VII	X	X					
VIII	X						

Source: Directorate Agriculture Land Resource Management, 2002

Land Capability in Makana

Table 11

Land capability class	Area (ha)	Percentage
1	0.00	0.00%
2	0.00	0.00%
3	0.00	0.00%
4	31789.20	7.27%
5	20456.20	4.68%

Land capability class	Area (ha)	Percentage
6	300661.00	68.71%
7	46331.70	10.59%
8	38072.30	8.70%

Source: Sarah Baartman ABP & LAA, 2008

Most of the land (68.71%) in Makana is classified under class 6. This means that the majority of land in Makana is only suitable for grazing of animals and non-arable. Based on the results presented in Table 6.2 and Figure 6.2, the Makana Area Based Plan (2008) states that land in the Makana area has suitable potential to for:

- Large areas of irrigation, should water be available
- Rain-fed cropping of Wheat, chicory, pecan nuts and aloe
- Irrigation-fed cropping of stone fruit, olives, cotton, vegetable, sugar beet and oranges
- Livestock including game farming and ostrich farming

Soils in the Makana area are generally shallow and weakly developed, with depths typically not exceeding 600mm. This is because the municipality's geology is based on Beaufort group sandstones and shale's which dominate the landscape. The shallow and weakly developed soils limit the types of crops that may be planted throughout the municipality as this affects root development, nutrient retention and moisture drainage.

There are some rich alluvial and colluvial soils close to rivers, which support intensive agricultural cultivation. Topsoil textures vary from loamy sand to sandy clay loam (Makana ABP & LAA, 2008).

2.1.3.10 Vegetation Types and Biodiversity

The vegetation in an area represents an integration of climate, soil and a number of other biological factors. Physical factors including geomorphology and geology also act as variables that determine vegetation types and biodiversity.

The Makana District has richly diverse and unique vegetation, comprising of ten vegetation types, representing six of the seven major Southern African biomes namely:

1. forest,
2. grassland,
3. succulent Karoo,
4. fynbos,
5. savannah grasslands and
6. the thicket vegetation.

The Makana municipality is situated in the Albany Centre of Endemism and has 27 endemic plant species of which 17 (62%) are cited as being vulnerable and 5 (32%) are cited as being endangered.

Significant portions of land in the Makana municipality are classified as “Critical Biodiversity Areas”. This means that they are to be managed for biodiversity and conservation, with only limited development in the form of small scale tourism amenities recommended. Critical Biodiversity Areas also have guidelines on the form an agriculture that may take place (**State of the Sarah Baartman Environment, 2005; Makana ABP and LAA, 2008**)

The biodiversity of the thicket within Makana is threatened by several factors, including:

- Urbanization
- Transformation of land for agricultural purposes
- Overgrazing by livestock
- Habitat loss through preparation of cultivated land for products such as cash crops
- Overpopulation of alien species introduced through agriculture and game reserves
- Unsustainable resource use
- Collection of plant species for medicinal and ornamental uses
- Land degradation due to the use of irrigation in areas with poor soils

2.1.4 LAND REFORM PROGRAMME

The Department of Rural Development and Land Affairs has compiled an Area Based Plan, for the Sarah Baartman District area as a whole. An Area Based Plan essentially is a sector plan that seeks to address land related issues at a municipal level and is intended to form part of the Integrated Development Plan (IDP), informing the Spatial Development Framework (SDF) and Land Use Management System (LUMS).

Fundamentally the Plan seeks to integrate Land Reform into the municipal planning process wherein identified projects are supported during and post implementation phases to ensure sustainability. Also to develop an implementation tool for pro-active land acquisition to facilitate acquisition of land at scale by DRD & LR to meet the 2014 target of transferring 30% of white owned land into the hands of the black farming class.

The Land Reform Programme is anchored on three key programmes, namely:

1. restitution,
2. redistribution and
3. tenure reform.

These were developed to promote land acquisition, restore land rights lost through dispossession and achieve tenure upgrade respectively. **Source: Municipal Demarcation Board, 2011**

Twenty seven councilors have been elected and the seat of the municipality is situated in Grahamstown. The Makana area comprises of rural commercial farms with small rural nodes and Grahamstown is the main urban town.

2.1.5 DEMOGRAPHIC TRENDS AND ANALYSIS

2.1.5.1 Population and Population Density

Table 12: Population and extent of Area km² - EC, CDM and BLM

Stats SA 2011	Province of the Eastern Cape	Cacadu District Municipality	Makana Local Municipality
Total Population	6 562 053	450 584	80 390
Area km ²	168 966 km ²	58 243.3 km ²	4375.62 km ²

Source: Stats SA 2011

As indicated by the statistical information above, Makana accounts for 17.8% of the Sarah Baartman District and 1.2% of the Provincial population. Makana is the second largest population contributor in the district. Geographically Makana has a fairly large population living in a relatively small area with a population density of 18.4 per km².

2.1.5.2 Population Distribution by Age, Gender, Grouping and Head of Households

Age distribution, Gender, Population Grouping and Head of Household

Table 13: Source: Stats SA 2011

DEMOGRAPHICS	MAKANA AREA (STATSSA 2001)	MAKANA AREA (STATSSA 2011)	%	GROWTH % p.a.
Makana Total Population	74 529	80 390		0.8
Age distribution	74 529	80391		
0-14	19439	19 611	24.4	0.1
15-64	50521	55 777	69.4	1.0
65+	4569	5 003	6.2	0.9
Gender	74529	80390		
Male	34946	38 175	47.5	0.9
Female	39583	42 215	52.5	0.7
Population Grouping	74529	80390		
Black	57571	62 702	78.0	0.89
Colored	9219	9 725	12.1	0.55
White	7278	6 974	8.7	-0.4
Indian/Asian	461	525	0.7	1.4
Other	0	464	0.6	
Head of Household: Gender	18 009	21 388		

By comparison the demographic information indicates an increase in the population figures and this is reflective in the population growth rate of 0.8% p.a. between the period of 2001 and 2011. The sex ratio is fairly even with 9 males for every 10 females. Stats SA 2011 reflects that 24.4% of the population is young and less than 15 years of age, which requires intergovernmental planning efforts to jointly focus on improved education and providing sport and recreation facilities.

Sport in particular plays an important part in youth development and relevant role-players should form partnerships to promote sport initiatives and youth programs in Makana. The high number of children could also be an indication of a dependency on child support grants.

The Stats SA reflects that there has been a 2.4% increase, from 42.1% to 44.5%, in respect of female headed households between 2001 and 2011. The increase is moderate considering that the population has grown by 7.9% over a 10 year period and the male to female sex ratio has only risen marginally.

2.1.5.3 Population Country of Birth

Table 14

DEMOGRAPHIC	MAKANA AREA (STATSSA 2001)	MAKANA AREA (STATSSA 2011)	%	GROWTH % p.a.
Total Population				
Country / Region of Birth	74543	80392		
Born in South Africa	73411	72378	90.0	-0.1
SADC	730	610	0.8	-1.6
Rest of Africa	93	164	0.2	7.6
United Kingdom and Europe	238	77	0.1	-6.8
Asia	20	158	0.2	69.0
North America	39	7	0.0	-8.2
Latin America and Caribbean	6	7	0.0	1.7
Oceania	6	8	0.0	3.3
Unspecified	0	6983	8.7	

Source: Stats SA 2011.2.1.6.4

2.1.5.4 Language

Table 15

DEMOGRAPHIC ANALYSIS	MAKANA AREA (STATSSA 2001)	MAKANA AREA (STATSSA 2011)	%	GROWTH % p.a.
Total Population				
Language	74544	80388		
Afrikaans	10285	11110	13.8	0.8
English	7693	7831	9.7	0.2
IsiNdebele	24	158	0.2	55.8
IsiXhosa	56092	53494	66.5	-0.5
IsiZulu	85	321	0.4	27.8
Sepedi	26	162	0.2	52.3
Sesotho	112	272	0.3	14.3
Setswana	42	199	0.2	37.4
Sign language	0	479	0.6	
SiSwati	71	32	0.0	-5.5
Tshivenda	7	38	0.0	44.3
Xitsonga	11	49	0.1	34.5
Other	96	674	0.8	60.2
Unspecified	0	0	0.0	
Not applicable	0	5569	6.9	

A large segment (66.5% - Stats SA 2011) of the population speaks IsiXhosa, followed by 13.8% communicating in Afrikaans. Black South Africans account for 78% of the population, followed by 12.1% Coloured South Africans. Stats 2011 also indicates that 90% of the inhabitants of Makana are South African born.

2.1.6 SOCIO-ECONOMIC DIMENSIONS AND ANALYSIS

2.1.6.1 LABOUR FORCE : GEOGRAPHY BY SUMMATION

Table 16 (Calculations) and Official employment status

Area	Number			Percentage		
	Employed	Unemployed	Total	Employed	Unemployed	Total
Ward 1	1 123	94	1 217	92.3	7.7	100
Ward 2	1 367	939	2 305	59.3	40.7	100
Ward 3	1 686	586	2 272	74.2	25.8	100
Ward 4	2 809	502	3 311	84.8	15.2	100
Ward 5	1 617	1 321	2 938	55	45	100

Ward 6	930	542	1 472	63.1	36.9	100
Ward 7	695	514	1 209	57.5	42.5	100
Ward 8	1 243	127	1 369	90.8	9.2	100
Ward 9	1 017	910	1 927	52.8	47.2	100
Ward 10	1 407	1 269	2 677	52.6	47.4	100
Ward 11	1 325	1 019	2 344	56.5	43.5	100
Ward 12	117	2	119	98.3	1.7	100
Ward 13	1 953	793	2 746	71.1	28.9	100
Ward 14	1 946	642	2 589	75.2	24.8	100

Source: Stats SA 2011

2.1.6.2 INCOME LEVELS

Table 17: Income Category

SOCIO ECONOMIC ANALYSIS	MAKANA AREA (STATSSA 2001)	MAKANA AREA (STATSSA 2011)	%	GROWTH % p.a.
Total Population				
Income 15 to 65	14 919	51 057		
No Income	320	22 964	45.0	707.6
R1 – R400	3 078	2 789	5.5	-0.9
R401 – R800	3 265	2 565	5.0	-2.1
R801 - R1600	2 812	8 573	16.8	20.5
R1601 – R3200	2 376	4 610	9.0	9.4
R 3 201 - R 6 400	1 783	2 720	5.3	5.3
R 6 401 - R 12 800	852	2 515	4.9	19.5
R 12 801 - R 25 600	227	1 627	3.2	61.7
R 25 601 - R 51 200	81	535	1.0	56.2
R 51 201 - R 102 400	64	127	0.2	9.8
R 102 401 - R 204 800	46	79	0.2	7.2
R 204 801 or more	15	50	0.1	23.3
Unspecified	0	1 902	3.7	

Source: Stats SA 2011

**Statistics South Africa; Family Electoral Wards
Geography by Individual monthly income for Person weighted**

Table 18

	No income	R 1 – R 400	R 401 - R 800	R 801 – R 1 600	R 1 601 – R 3 200	R 3 201 – R 6 400	R 6 401 - R 12 800	R 12 801 – R 25 600	R 25 601 – R 51 200	R 51 201 - R 102 400	R 102 401 - R 204 800	R 204 801 or more	Grand Total
21004001: Ward 1	881	513	238	736	247	86	90	43	22	6	2	-	2862
21004002: Ward 2	3386	1013	222	1148	389	281	231	66	20	2	4	1	6762
21004003: Ward 3	3093	575	238	870	385	261	252	217	97	29	12	6	6033
21004004: Ward 4	3172	211	170	716	554	551	666	565	186	57	30	22	6900
21004005: Ward 5	3463	1933	370	1369	556	203	130	32	28	-	-	-	8085
21004006: Ward 6	2130	787	283	608	258	208	183	94	16	2	4	2	4574
21004007: Ward 7	946	485	175	592	171	76	45	12	3	-	-	-	2505
21004008: Ward 8	1357	185	49	276	248	279	347	321	83	15	7	9	3176
21004009: Ward 9	2145	892	267	815	302	139	132	90	15	2	1	-	4801
21004010: Ward 10	3338	823	211	1190	388	238	200	58	14	-	2	1	6462
21004011: Ward 11	2757	1661	321	1374	343	120	79	37	17	-	2	-	6712
21004012: Ward 12	52	5	3	7	18	28	33	41	20	1	1	2	211
21004013: Ward 13	2135	887	354	1187	427	201	148	79	57	9	7	-	5491

21004014: Ward 14	2412	1040	325	1160	646	245	137	104	34	14	11	10	6138
Grand Total	31266	11009	3226	12048	4931	2915	2673	1759	611	137	84	53	70711

Household Head_Electoral_Wards
Geography by Annual household income for Household Weighted
Table 19

	No income	R 1 – R 4800	R 4801 - R 9600	R 9601 – R 19 600	R 19 601 – R 38 200	R 38 201 – R 76 400	R 76 401 – R 153 800	R 153 801 – R 307 600	R 307 601 – R 614 400	R 614 001 – R 1 228 800	R 1 228 801 – R 2 457 600	R 2 457 601 or more	Grand Total
21004001 : Ward 1	38	18	51	174	249	122	62	32	25	7	1	-	779
21004002 : Ward 2	291	66	75	459	394	294	226	93	33	4	5	1	1942
21004003 : Ward 3	243	55	82	271	265	242	175	178	116	53	14	6	1702
21004004 : Ward 4	250	22	38	171	227	261	395	432	298	94	29	25	2244
21004005 : Ward 5	268	143	244	472	534	353	144	54	30	6	-	-	2246
21004006 : Ward 6	108	62	106	215	230	191	178	101	33	4	3	2	1235
21004007 : Ward 7	95	53	60	244	229	123	65	15	5	-	-	-	888
21004008 : Ward 8	258	18	29	117	153	134	225	241	155	36	6	11	1383
21004009 : Ward 9	161	76	90	302	347	192	127	74	30	6	3	-	1408

21004010 : Ward 10	380	136	130	476	381	296	219	74	24	1	2	1	2120
21004011 : Ward 11	241	89	136	480	516	254	98	47	18	2	2	-	1884
21004012 : Ward 12	8	1	1	1	4	9	22	30	20	5	1	3	106
21004013 : Ward 13	167	89	129	434	411	239	108	62	40	18	7	-	1706
21004014 : Ward 14	212	77	94	347	443	321	127	57	39	16	4	6	1742
Grand Total	2721	905	1266	4163	4382	3030	2172	1491	867	254	77	56	21385

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Stats SA 2011 reflects that poverty levels are high with 45.0% of the population not receiving any income, and a further 10.5% earning less than R801 per month, therefore technically falling under the poverty line. This is exacerbated by the fact that 63.4% of the potential labour force are not working.

The population lack buying power which makes it difficult to exploit local economic development opportunities and the situation implies a high dependency on social grants. Interventions must be created and expedited to support poor communities. The potential economic labour force accounts for 65% of the total population, which reinforces the need to boost the economy and stimulate job growth

2.1.6.3 LABOUR STATUS AND TRENDS

Table 20: Labour Status

SOCIO ECONOMIC ANALYSIS	MAKANA AREA (STATSSA 2001)	MAKANA AREA (STATSSA 2011)	%	GROWTH % p.a.
Total Population				
Labour status 15 to 65	50 915	52 582		
Employed	14 922	19 234	36.6	2.9
Unemployed	14 489	9 260	17.6	-3.6
Non economically active	21 504	24 088	45.8	1.2

Source: Stats SA 2011

Stats SA reflects that 17.6% of the potential workforce is unemployed and a further 45.8% were not economically active in 2011. The remaining 36.6% of the labour force were employed. The overall dependency ratio is 5 persons per ten population of working age. Stats SA 2011 also concludes that 5 705 of the youth in Makana are unemployed.

2.1.6.4 GRANT DEPENDENCY

Table 21

Grahamstown	GRANT TYPE			AMOUNT
			80,389	
	Care Dependency	320	325	458 250.00
	Child Support (0- 18)	12 719	19 571	6 458 430.00
	Foster Care	1 053	1 400	1 204 000.00
	Grant in aid	793		261 690.00
	Old age	5 375		7 521 238.00
	Old age (75 years & over)	1 898		2 700 830.00
	Permanent Disability	127		177 167.00
SUB-TOTAL		25,957	21 296	23 953 715.00

Table 22

Community Halls	Old age	Dis-ability	Forster care	CSG Grant	Other	Grants	Benefici aries
200505- B.B. Zondani – GHT	81	37	3	106	2	229	217
200543- Bathurst Community Hall	21	1	0	12	0	34	30
200540- Jawuka Community	14	6	1	27	0	48	45

Community Halls	Old age	Dis-ability	Forster care	CSG Grant	Other	Grants	Benefici aries
Hall							
200523- Kwanonzwakazi Community Hall	14	3	0	13	0	30	28
200562- Kwanonkqubela Community Hall	16	6	1	24	0	47	43
200560- Marselle Community Hall	27	7	0	15	0	49	45
200599- Sekulula – GHT	1,715	1,184	384	6,743	126	10,152	9,312
Totals	1,888	1,244	389	6,940	128	10,589	9,722

Assuming that no individual qualifies for more than one grant then 45.5% of the total population is receiving a social grant. The dependency on grant funding further reinforces the need to stimulate the local economy by creating labour intensive growth opportunities and optimizing the job creation elements of the EPWP and CWP.

2.1.6.5 EDUCATION ATTAINMENT LEVELS

Table 23: Education Levels 20 year +

SOCIO ECONOMIC ANALYSIS	MAKANA AREA (STATSSA 2001)	MAKANA AREA (STATSSA 2011)	%	GROWTH % p.a.
Total Population				
Level of education 20 +				
No schooling	5373	3 594	5.3	-3.3
Some primary	9581	18 510	27.3	9.3
Complete primary	4012	4 494	6.6	1.2
Some secondary	14233	23 154	34.2	6.3
Std 10/Grade 12	7707	11 817	17.4	5.3
Higher	4741	5 929	8.8	2.5
Unspecified	0	227	0.3	
Not applicable	0	12 664		

Source: Stats' 2011

Stats' 2011 show that 5.3% of the population over 20 years of age has not received any schooling. The figure is moderate and furthermore shows a decline of -3.3% p.a. since 2001 when 5 373 or 11.8% of the population over 20 years had not undergone any schooling. The trend from 2001 to 2011 supports the notion that educational prospects have improved. Prestigious primary and secondary schools and the seat of the Rhodes University are situated in Grahamstown, making this a Mecca of academia.

2.1.6.6 DISABILITY SPECTRUM

Table 24

SOCIO ECONOMIC ANALYSIS	MAKANA AREA (STATSSA 2001)	MAKANA AREA (STATSSA 2011)	%	GROWTH % p.a.
Total Population	75 302	80 390		0.79
Disability				
None / Unspecified	69880	63563	79.07	-0.9
Sight / Seeing only	776	6604	8.22	75.1
Hearing / Gearing only	521	818	1.02	5.7
Communication	145	177	0.22	2.2
Physical / Walking only	1386	831	1.03	-4.0
Intellectual / Remembering only	430	676	0.84	5.7
Emotional / Self-care only	931	540	0.67	-4.2
Multiple disability	469	0	0.00	-10.0
Institution / Not applicable	0	7180	8.93	
Totals	74 538	80 389		

Stats SA indicates that there has been an overall decline of -0.9% p.a. in the number of population with disabilities. People with a sight disability have increased drastically by 7.2% from 1.0% in 2001 to 8.2 in 2011.

2.1.6.7 CRIME STATISTICS

Table 25: Crime Statistics for MAKANA

CRIME CATEGORY	April 2009 to March 2010	April 2010 to March 2011	April 2011 to March 2012	April 2012 to March 2013	April 2013 to March 2014
ALICEDALE EC					
Murder	1	1	1	0	0
Total Sexual Crimes	7	3	8	6	2
Attempted murder	6	1	0	1	1
Assault with the intent to inflict grievous bodily harm	33	43	31	23	29
Common assault	31	36	27	35	27
Common robbery	1	0	0	0	1
Robbery with aggravating circumstances	5	0	1	2	1
Arson	0	0	1	0	0
Malicious damage to property	18	10	5	7	11

CRIME CATEGORY	April 2009 to March 2010	April 2010 to March 2011	April 2011 to March 2012	April 2012 to March 2013	April 2013 to March 2014
Burglary at non-residential premises	9	7	10	4	4
Burglary at residential premises	33	30	23	19	20
Theft of motor vehicle and motorcycle	2	1	0	1	0
Theft out of or from motor vehicle	4	10	11	8	4
Stock-theft	11	9	12	10	4
CRIME DETECTED AS A RESULT OF POLICE ACTION					
Unlawful possession of a firearm and ammunition	1	0	0	0	0
Drug-related crime	4	11	15	18	8
Driving under the influence of alcohol or drugs	4	3	1	2	4
OTHER SERIOUS CRIMES					
All theft not mentioned elsewhere	24	22	24	17	14
Commercial crime	0	0	3	1	0
Shoplifting	1	1	1	0	0
SUBCATEGORIES OF AGRAVATED ROBBERY					
Carjacking	0	0	0	0	0
Truck hijacking	0	0	0	0	0
Robbery at residential premises	2	0	0	2	0
Robbery at non-residential premises	2	0	1	0	1
OTHER CRIME CATEGORIES					
Culpable homicide	0	0	0	0	0
Public violence	0	0	0	0	0
Crimen injuria	11	12	1	6	0
Neglect and ill-treatment of children	0	0	1	1	0
Kidnapping	1	1	0	0	0
COMMITEES DRIFT EC					
CONTACT CRIMES (CRIMES AGAINST THE PERSON)					
Murder	1	0	0	0	0
Total Sexual Crimes	0	0	0	1	0
Attempted murder	0	0	0	0	0

Assault with the intent to inflict grievous bodily harm	1	0	0	1	2
Common assault	0	3	0	0	1
Common robbery	0	0	0	1	0
Robbery with aggravating circumstances	1	0	0	0	0
CONTACT RELATED CRIMES					
Arson	1	0	0	0	1
Malicious damage to property	0	1	9	2	4
PROPERTY RELATED CRIMES					
Burglary at non-residential premises	0	0	0	0	0
Burglary at residential premises	0	3	6	6	2
Theft of motor vehicle and motorcycle	0	0	0	0	0
Theft out of or from motor vehicle	0	0	3	0	2
Stock-theft	4	2	20	17	8
CRIME DETECTED AS A RESULT OF POLICE ACTION					
unlawful possession of firearms and ammunition	0	0	0	0	0
Drug-related crime	0	0	1	0	0
Driving under the influence of alcohol or drugs	0	0	1	1	0
OTHER SERIOUS CRIMES					
All theft not mentioned elsewhere	2	5	9	9	5
Commercial crime	0	1	1	0	0
Shoplifting	0	0	0	0	0
SUBCATEGORIES OF AGGRAVATED ROBBERY					
Carjacking	0	0	0	0	0
Truck hijacking	0	0	0	0	0
Robbery at residential premises	0	0	0	0	0
Robbery at non-residential premises	0	0	0	0	0
OTHER CRIME CATEGORIES					
Culpable homicide	2	3	1	3	1
Public violence	0	0	0	0	0
Crimen injuria	0	0	0	0	0
Neglect and ill-treatment of	0	0	0	0	0

children					
Kidnapping	0	0	0	0	0
FORT BROWN EC					
Murder	1	0	0	1	0
Total Sexual Crimes	1	3	1	2	0
Attempted murder	0	0	0	0	0
Assault with the intent to inflict grievous bodily harm	7	4	3	4	5
Common assault	2	0	1	0	1
Common robbery	0	0	0	0	0
Robbery with aggravating circumstances	0	0	0	0	0
CONTACT-RELATED CRIMES					
Arson	0	0	0	1	0
Malicious damage to property	5	1	0	4	0
PROPERTY-RELATED CRIMES					
Burglary at non-residential premises	2	0	0	0	1
Burglary at residential premises	4	4	1	0	2
Theft of motor vehicle and motorcycle	0	1	0	1	0
Theft out of or from motor vehicle	0	2	0	0	0
Stock-theft	23	9	7	10	3
CRIMES HEAVILY DEPENDENT ON POLICE ACTION FOR DETECTION					
Unlawful possession of firearms and ammunition	0	0	0	0	0
Drug-related crime	2	3	1	1	1
Driving under the influence of alcohol or drugs	0	0	0	1	0
OTHER SERIOUS CRIMES					
All theft not mentioned elsewhere	16	5	5	3	2
Commercial crime	0	0	0	0	0
Shoplifting	0	0	0	0	0
SUBCATEGORY OF AGGRAVATED ROBBERY					
Carjacking	0	0	0	0	0
Truck hijacking	0	0	0	0	0
Robbery at residential premises	0	0	0	0	0

Robbery at non-residential premises	0	0	0	0	0
OTHER CRIME CATEGORIES					
Culpable homicide	3	2	1	0	0
Public violence	0	0	0	0	0
Crimen injuria	0	0	0	0	0
Neglect and ill-treatment of children	2	0	0	0	0
Kidnapping	0	0	0	0	0
GRAHASTOWN EC [169]					
Murder	42	35	30	33	28
Total Sexual Crimes	160	179	190	193	191
Attempted murder	46	26	24	18	31
Assault with the intent to inflict grievous bodily harm	732	664	679	650	654
Common assault	691	664	588	493	511
Common robbery	117	165	159	114	110
Robbery with aggravating circumstances	252	344	417	303	388
CONTACT RELATED CRIMES					
Arson	18	18	21	13	22
Malicious damage to property	389	424	342	341	332
PROPERTY RELATED CRIMES					
Burglary at non-residential premises	127	108	127	121	122
Burglary at residential premises	1 008	1057	1123	916	695
Theft of motor vehicle and motorcycle	59	80	58	48	59
Theft out of or from motor vehicle	365	509	589	371	376
Stock-theft	89	90	64	54	41
CRIME DETECTED AS A RESULT OF POLICE ACTION					
Unlawful possession of firearms and ammunition	6	9	11	4	15
Drug-related crime	117	106	93	127	112
Driving under the influence of alcohol or drugs	194	89	107	127	133
All theft not mentioned elsewhere	895	1245	967	842	778
Commercial crime	128	202	170	139	141

Shoplifting	256	253	228	200	180
SUBCATEGORIES OF AGGRAVATED ROBBERY					
Carjacking	4	5	3	2	5
Truck hijacking	0	1	0	0	1
Robbery at residential premises	33	36	39	23	33
Robbery at non-residential premises	23	33	99	41	32
OTHER CRIME CATEGORIES					
Culpable homicide	13	13	14	16	5
Public violence	0	2	0	1	2
Crimen injuria	112	126	152	121	123
Neglect and ill-treatment of children	9	12	10	2	11
Kidnapping	2	7	6	9	10
JOZA EC					
CONTACT CRIMES (CRIMES AGAINST THE PERSON)					
Murder	0	0	0	0	5
Total Sexual Crimes	0	0	0	0	15
Attempted murder	0	0	0	0	4
Assault with the intent to inflict grievous bodily harm	0	0	0	0	67
Common assault	0	0	0	0	46
Common robbery	0	0	0	0	5
Robbery with aggravating circumstances	0	0	0	0	19
CONTACT RELATED CRIMES					
Arson	0	0	0	0	0
Malicious damage to property	0	0	0	0	18
PROPERTY RELATED CRIMES					
Burglary at non-residential premises	0	0	0	0	10
Burglary at residential premises	0	0	0	0	60
Theft of motor vehicle and motorcycle	0	0	0	0	2
Theft out of or from motor vehicle	0	0	0	0	8
Stock-theft	0	0	0	0	0
CRIME DETECTED AS A RESULT OF POLICE ACTION					
Unlawful possession of firearms and ammunition	0	0	0	0	3

Drug-related crime	0	0	0	0	11
Driving under the influence of alcohol or drugs	0	0	0	0	3
OTHER SERICIOUS CRIMES					
All theft not mentioned elsewhere	0	0	0	0	43
Commercial crime	0	0	0	0	2
Shoplifting	0	0	0	0	0
SUBCATEGORIES OF AGGRAVATED ROBBERY					
Carjacking	0	0	0	0	0
Truck hijacking	0	0	0	0	0
Robbery at residential premises	0	0	0	0	2
Robbery at non-residential premises	0	0	0	0	3
OTHER CRIME CATEGORIES					
Culpable homicide	0	0	0	0	0
Public violence	0	0	0	0	1
Crimen injuria	0	0	0	0	11
Neglect and ill-treatment of children	0	0	0	0	1
Kidnapping	0	0	0	0	1
RHODES EC					
CONTACT CRIMES (CRIMES AGAINST THE PERSON)					
Murder	0	0	0	0	0
Total Sexual Crimes	1	3	2	4	1
Attempted murder	0	0	0	1	0
Assault with the intent to inflict grievous bodily harm	7	10	10	9	12
Common assault	0	0	0	0	0
Common robbery	0	0	0	0	0
Robbery with aggravating circumstances	0	0	0	0	0
CONTACT RELATED CRIMES					
Arson	0	0	0	0	0
Malicious damage to property	0	1	0	2	4
PROPERTY RELATED CRIMES					
Burglary at non-residential premises	0	0	0	0	0
Burglary at residential premises	7	2	8	7	7
Theft of motor vehicle and	0	1	1	3	0

motorcycle					
Theft out of or from motor vehicle	0	0	0	1	0
Stock-theft	10	10	20	8	22
CRIME DETECTED AS A RESULT OF POLICE ACTION					
Unlawful possession of firearms and ammunition	0	0	0	0	0
Drug-related crime	14	13	5	8	7
Driving under the influence of alcohol or drugs	0	0	0	1	0
OTHER SERIOUS CRIMES					
All theft not mentioned elsewhere	5	7	5	2	7
Commercial crime	0	2	1	0	0
Shoplifting	0	0	0	0	0
SUBCATEGORIES OF AGGRAVATED ROBBERY					
Carjacking	0	0	0	0	0
Truck hijacking	0	0	0	0	0
Robbery at residential premises	0	0	0	0	0
Robbery at non-residential premises	0	0	0	0	0
OTHER CRIME CATEGORIES					
Culpable homicide	0	0	0	1	0
Public violence	0	0	0	0	0
Crimen injuria	0	0	1	0	0
Neglect and ill-treatment of children	0	0	0	0	0
Kidnapping	0	0	0	0	0
RIEBEECK EAST EC					
CONTACT CRIME (CRIMES AGAINST THE PERSON)					
Murder	1	0	0	1	1
Total Sexual Crimes	2	3	3	0	3
Attempted murder	1	0	0	0	0
Assault with the intent to inflict grievous bodily harm	6	13	10	11	12
Common assault	8	3	2	2	8
Common robbery	0	0	0	0	0
Robbery with aggravating circumstances	0	0	0	0	0

CONTACT-RELATED CRIMES					
Arson	0	0	0	0	0
Malicious damage to property	6	3	1	1	1
PROPERTY-RELATED CRIMES					
Burglary at non-residential premises	0	0	0	0	0
Burglary at residential premises	12	4	3	5	3
Theft of motor vehicle and motorcycle	0	0	0	0	0
Theft out of or from motor vehicle	0	1	1	0	1
Stock-theft	9	6	11	12	4
CRIMES HEAVILY DEPENDENT ON POLICE ACTION FOR DETECTION					
Illegal possession of firearms and ammunition	0	0	0	0	0
Drug-related crime	1	0	1	3	2
Driving under the influence of alcohol or drugs	1	2	0	0	0
OTHER SERIOUS CRIMES					
All theft not mentioned elsewhere	5	6	5	5	4
Commercial crime	0	1	1	0	0
Shoplifting	0	0	0	0	0
SUBCATEGORIES OF AGGRAVATED ROBBERY					
Carjacking	0	0	0	0	0
Truck hijacking	0	0	0	0	0
Robbery at residential premises	0	0	0	0	0
Robbery at non-residential premises	0	0	0	0	0
OTHER CRIME CATEGORIES					
Culpable homicide	0	2	0	1	0
Public violence	0	0	0	0	0
Crimen injuria	0	2	1	0	4
Neglect and ill-treatment of children	1	0	0	0	1
Kidnapping	0	0	0	0	1
SEVEN FOUNTAIN EC					
Murder	0	1	0	1	1
Total Sexual Crimes	5	2	4	4	3
Attempted murder	0	0	0	0	0

Assault with the intent to inflict grievous bodily harm	14	14	9	13	13
Common assault	6	2	3	2	3
Common robbery	0	0	0	0	0
Robbery with aggravating circumstances	4	1	2	0	0
CONTACT-RELATED CRIMES					
Arson	0	0	1	0	1
Malicious damage to property	3	10	5	3	2
PROPERTY-RELATED CRIMES					
Burglary at non-residential premises	0	1	4	1	1
Burglary at residential premises	8	14	10	12	8
Theft of motor vehicle and motorcycle	0	0	0	0	0
Theft out of or from motor vehicle	1	0	3	0	
Stock-theft	34	11	9	20	20
CRIMES HEAVILY DEPENDENT ON POLICE ACTION FOR DETECTION					
Unlawful possession of firearms and ammunition	0	0	0	0	0
Drug-related crime	0	0	0	1	2
Driving under the influence of alcohol or drugs	3	5	3	1	2
OTHER SERIOUS CRIMES					
All theft not mentioned elsewhere	16	22	17	15	15
Commercial crime	0	2	1	1	0
Shoplifting	0	0	0	0	0
SUBCATEGORIES OF AGGRAVATED ROBBERY					
Carjacking	1	0	0	0	0
Truck hijacking	0	0	0	0	0
Robbery at residential premises	1	0	0	0	0
Robbery at non-residential premises	0	0	0	0	0
OTHER CRIME CATEGORIES					
Culpable homicide	3	5	1	5	4
Public violence	0	0	0	0	0
Crimen injuria	1	2	0	0	0
Neglect and ill-treatment of	0	0	0	0	2

children					
Kidnapping	0	0	0	0	0

2.2 INSTITUTIONAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT

2.2.1 INTRODUCTION

The administrative and political seat is in Grahamstown. There is a serious lack of office space in Grahamstown for the entire staff component resulting in various Directorates being accommodated in separate localities. At the main Administrative Office, staff members are in some cases required to share office space, creating cramped working conditions and in other instances in need of serious refurbishment. .

2.2.2 POWERS AND FUNCTIONS

The Makana LM currently has 35 different functions, based on the Municipal Systems Act, No 32 of 2000 and Act 117 of 1998.

Table 26

No.	AIR POLLUTION	No.	MARKETS
1.	Child care facilities	19.	Local amenities
2.	Firefighting incl. DM function	20.	Municipal parks and recreation
3.	Municipal airports	21.	Municipal roads
4.	Municipal Health services	22.	Noise pollution
5.	Pontoons and ferries	23.	Pound
6.	Trading regulations	24.	Public places
7.	Sanitation	25.	Refuse removal, refuse dumps and solid waste disposal
8.	Building regulations	26.	Control of undertakings that sell liquor to the public
9.	Electricity reticulation	27.	Fencing and fences
10.	Local tourism	28.	Street trading
11.	Municipal planning	29.	Street lighting
12.	Municipal public transport	30.	Traffic and parking
13.	Storm water	31.	Control of public nuisance
14.	Water (potable)	32.	Fencing and fences
15.	Cemeteries, funeral parlors and crematoria	33.	Licensing of dogs
16.	Billboards and the display of advertisements in public places	34.	Licensing and control of undertakings that sell food to the public
17.	Facilities for the accommodation, care and burial of animals	35.	Cleansing
18.	Local sport facilities		

2.2.3 ORGANIZATIONAL STRUCTURE



Table 27

DIRECTORATE	DEPARTMENT
Municipal Manager Office	<ul style="list-style-type: none"> • Risk Management • Internal • Executive support • IDP/Performance Management
Corporate and Share Services	<ul style="list-style-type: none"> • Human Resources • Legal Services • Information Technology • Administration • Council support
Budget and Treasury Services	<ul style="list-style-type: none"> • Budget • Revenue Management • Expenditure Management • Supply Chain Management • Compliance and Reporting
Public Safety and Community Services	<ul style="list-style-type: none"> • Library services • Environmental management • Waste Management • Traffic control and road worthy • Fire and rescue services • Disaster management
Engineering and Technical Services	<ul style="list-style-type: none"> • Water and sanitation • Housing and Land Estate • Roads and storm water • Electricity • Spatial Development Framework

DIRECTORATE	DEPARTMENT
Local Economic Development and Planning	<ul style="list-style-type: none"> • SMME development • Tourism • Trade and investment • Heritage development • Agriculture

2.2.3.1 ORGANIZATIONAL STRUCTURE CHALLENGES

The municipality undertook a comprehensive organisational development exercise for the entire institution and the outcomes of the initiative have not been fully implemented. Alignment of the old and new organisational structure and assessment of person to post should be undertaken. It has been noted that a phase one implementation of the new organisational structure was not undertaken properly and unplanned recruitment occurred within the municipality with individuals being employed outside the organogram, thereby implying that these are unfunded or unbudgeted posts. This would result to a bloated, unaffordable structure, excessive staff and concomitant expenses. Currently the municipality, with the assistance of the DLGTA, is addressing the organisational structure issues.

Some of the root causes that have led to the structure not being fully implemented include lack of consultation with all relevant stakeholders as well as lack of funding for newly created positions and for some of the existing vacant positions within the municipality.

It is critical that human resource policies and procedures of the municipality are strictly adhered to in the implementation of the refined organisational structure. In addition, consultation with all the relevant stakeholders should be undertaken in the implementation of the entire organisational structure. An internal implementation plan will therefore need to be developed to guide the roll out and the recommendations made during the organisational review exercise.

Service delivery requirements, revenue enhancement and compliance with legislation should be prioritised in the implementation of the structure taking into consideration the funding requirements and current financial constraints at the municipality.

There are no clear and specific job descriptions for the developed new structure (for the positions that were filled as phase one of the implementation of the organisational structure). It has also been noted that the job descriptions within the municipality are outdated and have not been updated recently and a job evaluation process has not been recently conducted within the municipality. This matter should be urgently addressed to ensure that competency profiles are aligned with specific job descriptions. Makana does not have a job evaluation unit and job evaluations and job content assessments are done at the district level.

Some of the root causes related to the job descriptions issues include:

- Selection and recruitment policy and process within the municipality is not being adhered to when employees are recruited e.g. the non-development of job descriptions prior to recruitment of incumbents;
- Job evaluation and the assessment of job content were not done prior to the filling of positions within the new organisational structure as part of the phase one process; and
- The absence of a dedicated HR Manager within the municipality and high turnover rate within the HR function has also contributed to the existence of these issues.

2.2.3.2 STAFFING AND ESTABLISHMENT, CRITICAL POSITION AND VACANCY RATE

There are eight hundred and twenty three (823) approved positions in the organisational structure according to the 2011/12 annual report. In addition, according to the confirmation of employment list submitted by the municipality for the month ending October 2014, six hundred and twelve (612) of these positions are filled, resulting in about two hundred and eleven (211) positions being vacant.

This gives a twenty-six (26) percent vacancy rate within the municipality. This is reflected in the table 28 below:

Details	Number	% of Total
Total Number of Approved Positions	823	-
Number of Filled Positions	612	74%
Number of Vacant Positions	211	26%

The table below reflects the detailed analysis of the filled and vacant positions within the municipality. The information is limited, inconsistent and not up to date as it is based on the 2011/12 Annual Report and even though the municipality provided a confirmation of employment list, this was not sufficient to deduce the level of detail required below. Further analysis of information could not be done to establish the percentages and the number of unfunded vacant positions due to the limited information provided by the municipality.

Table 29

Details	Number Approved Positions	Number Filled Positions	Number Vacant Funded	% Vacant Funded Positions	Number of Vacant Unfunde	%	Total
Office of the Executive Mayor	9	3	6	67	-	-	-
Office of the Municipal Manager	4	4	0	0	-	-	-
Office of the Speaker	2	1	1	50	-	-	-
Local Economic Development	6	6	0	0	-	-	-
Corporate Services	33	27	6	18	-	-	-
Financial Services	22	17	5	23	-	-	-
Technical Services	292	188	104	36	-	-	-
Community Services	283	227	56	20	-	-	-
TOTAL	651	473	178	27	-	-	-

Information analysed reveals that there are significant vacancies still existing at management and senior management levels within the municipality e.g. the critical posts of Municipal Manager (MM), Chief Financial Officer (CFO), Director Local Economic Development and Planning and Manager Human Resources still remain vacant. The municipality should also prioritise appointment of engineers and technicians who are vital in service delivery as well as a legal advisor who is just as vital to drive legislative compliance. There should be a clearly articulated process plan on the filling of critical post and appointment should be concluded before end of March 2015. The municipality should prioritise and ensure that these positions are funded in respect of 2014/15 adjustment budget.

The table below reflects the current vacant positions in the municipality as at October 2014 that are in the process of being filled.

Table 30

Vacant Position	Department	Status
Municipal Manager	Office of the Municipal Manager	Administrator Appointed MM post advertised
Chief Financial Officer	Financial Services	Acting CFO in place CFO post advertised
Director Local Economic Development and Planning	LED and Planning	Position filled
Assistant Communication Officer	Corporate and Shared Services	Not Known
Senior Administration Officer	Corporate and Shared Services	Not Known
Manager: Human Resources	Corporate and Shared Services	Not Known
Administration Officer	Financial Services	Not Known
Clerk: Salaries	Financial Services	Shortlisting
Billing Clerk	Financial Services	Advert Placed
Cashier	Financial Services	Advert Placed
Stores Controller	Financial Services	Not Known
Store man	Financial Services	Advert Placed
Assistant Store man	Financial Services	Not Known
Rates Clerk	Financial Services	Not Known
Traffic Officers (X3)	Traffic	Advert Placed
Driving Licensing Examiner (X1)	Traffic	Advert Placed
Manager SMME	LED and Planning	Shortlisting
Senior Engineering Technicians (X3)	Engineering and Infrastructure	Not Known
Superintendent/Senior Foreman	Engineering and Infrastructure	Not Known
PMU Manager	Office of the Municipal Manager	Not Known
Financial Controller	Office of the Municipal Manager	Not Known
Manager Parks and Recreation	Public Safety and Community Services	Not Known
Network Controller	Electricity Department	Not Known
Revenue Officer	Electricity Department	Not Known

Vacant Position	Department	Status
Secretary	Office of the Executive Mayor	Position filled
Messenger	Office of the Executive Mayor	Not Known
EPWP (X2)	Office of the Executive Mayor	Not Known
Data Capturer	Office of the Executive Mayor	Not Known

Effective human resource management processes to ensure that adequate and sufficient skilled resources are recruited within the municipality and that the performance of these employees is monitored and measured, this has been lacking. It has also been noted that there is ineffective utilisation of existing personnel within the municipality to achieve full or maximum potential of the employees. This has been caused by inappropriate placement of staff within the municipality and non-compliance with the existing recruitment policy. A full skills audit needs to be undertaken to establish where skilled staff could be placed and how best to address the surplus of unskilled staff.

Engagements with the municipality also revealed that there is no risk management champion within the municipality and this has been a contributing factor to the current service delivery and financial situation in which the municipality finds itself in. This matter should be addressed and included in the performance agreement of senior management of the municipality.

The training and development function within the Corporate and Shared Services Directorate at Makana needs to be reviewed and training prioritised for officials to address the financial management and service delivery challenges faced by the municipality. It has also been noted that the training committee within the municipality is dysfunctional and the training budget of the municipality is inadequate. Hence, a review of the current existing training committee needs to be undertaken to ensure that it comprises of skilled, effective and efficient members. In addition, a budget for training should be prioritised.

However, it should be noted that the training needs assessment of employees in the various directorates within the municipality are done and a training programme of middle management was developed but not implemented. This matter should be addressed urgently.

Staff retention, development and support is an issue that needs to be given utmost due care across the municipal departments, with examples being noted in the Budget and Treasury Office and Technical Services Department where it has been noted that the average period of an employee staying within a position is two (2) years.

It is noted that the municipality is facing challenges in retaining key technical skills such as town planners, water operators and electricians amongst other positions. This has ultimately led to capacity issues within the municipality which has resulted in backlogs in the specific areas of work where vacancies exist. The municipality will thus need to consider introducing innovative ways to retain new employees, who will join the employment of the municipality, as well as existing talent and skills in the municipality.

It should be noted that the municipality has a scarce skills and retention policy that seeks to provide a framework for the retention of critical skills and also provide incentives for such skills but this policy has not been implemented. This policy should be reviewed, updated and implemented.

2.2.3.3 FILLED SENIOR MANAGERS POSITION AND VACANT

Table 31

OFFICE	POSITION	NAME
EXECUTIVE MAYOR	Strategy Manager	Vacant
	SPU Manager	Mr. V. Wali
SPEAKERS OFFICE	Manager in the Office of the Speaker	Ms. N. Santi
MM'S OFFICE	MUNICIPAL MANAGER	VACANT
	Monitoring and Evaluation Manager	Mrs. N, Kosi
	Manager IDP/ PMS	Mr. M. Pasiya
	Manager Internal Audit	Mr. A. Ngcauzele
	PMU Manager	Vacant
	Unit Manager Riebeeck East	Ms. N. Kulati
	Unit Manager Alicedale	Mr. M. Ngculana
CORPORATE AND SHARED SERVICES	Director	Mr. Mzukisi Madlavu
	Manager Administration	Mr. W. Mager
	Human Resources Manager	Mr. X. Kalashe
	Operations Manager	Mr. Ngandi
FINANCE DIRECTORATE	Chief Financial Officer	VACANT
	Manager Expenditure	Mr. M. Crouse
	Manager Revenue & Data Control	Mr. L. Sizani
	Manager Supply Chain	Mrs. S. Grobbelaar
	Manager Compliance and Reporting	Ms. C. Mani

OFFICE	POSITION	NAME
LOCAL ECONOMIC DEVELOPMENT	Director	Ms. R. Meiring
	Manager Agriculture	Ms. P. Gqweta
	Manager SMME	Vacant
	Manager Tourism & Heritage	Mr. T. Sindane
	Deputy Director Planning & Dev.	Mr. R. van der Merwe
	Manager Planning & Estate	Vacant
ENGINEERING AND TECHNICAL SERVICES	Director	Vacant
	Deputy Director	Mr. D. Mlenzana
	Operations Manager	Mr. G. Goliath
ELECTRICAL DEPARTMENT	Head of Department	Mr. M.J. Siteto
	Town Electrical Engineer	Mr. M. Radu
ROADS & STORMWATER	Manager	Mr. SS Tutuse
WATER & SEWERAGE	Manager	Ms. N. Tshicilela
PUBLIC SAFETY AND COMMUNITY SERVICES	Director	Mr. M. Planga
FIRE & RESCUE SERVICES	Manager	Mr. Welkom
LIBRARY SERVICES	Manager	Ms. P. Vubela
TRAFFIC SERVICES	Manager	Mr. Hanekom
PARKS DEPARTMENT	Acting Manager	Mr. K Mbangi
ENVIRONMENTAL MANAGEMENT	Manager	Mr. N. Nongwe
ENVIRONMENTAL HEALTH	Manager	Mr. J. Esterhuizen
OPERATIONAL MANAGER	Manager	Mr. Smile

2.2.4 HUMAN RESOURCES POLICIES AND PROCEDURE

Due to the nature and extent of the identified issues that are existing within the municipality relating to human resources, it is evident that there is a clear need for a human resource policy and procedure review/ audit to be conducted, which will ensure that the human resources function has all the required policies and procedures and that these policies have an appropriate template, amongst other elements required in terms of standard human resources policies.

Some of the existing policies are in draft form and are outdated, and will need to be reviewed, updated and approved by Council for implementation. The existing human resources policies of the municipality include: employee wellness policy, internship policy, leave policy, overtime policy, recruitment and selection policy, retention policy, study assistance policy, termination policy, training and development policy and transport allowance policy. The human resource

policy and procedure review will identify all relevant policies and procedures that need to be developed or refined for the municipality to ensure that the human resource function is fully functional, effective and supportive of the service delivery imperatives of the municipality.

It should be noted that the Human Resource (HR) policies and procedures of the municipality are either not implemented or are not effectively implemented, as well as compliance with these policies and procedures has been a constant audit finding within the municipality.

Some of the root causes that have been identified in relation to HR policies and procedures include:

- Audit findings and recommendations on compliance with policies and procedures are not implemented consistently within the municipality;
- Lack of induction sessions on policies and procedures for all new employees as well as training on policies and procedures to all employees to ensure awareness; and
- Lack of a portfolio of evidence indicating that policies and procedures, including the code of conduct of employees, have been intensively communicated to employees. The evidence is not kept and produced for audit purposes.

It is also noted that there are no internal staffing plans (succession plans) or policies within the municipality. A succession plan needs to be established where critical job functions within the municipality are monitored to manage the loss of institutional knowledge through retirement or other methods of exit. This will ensure the successful achievement of the mission, vision and goals of the municipality as well as addressing critical success factors such as, transfer of knowledge, skills and expertise, retention of experienced critical skills and maintaining a productive workforce which leads to high staff morale and ultimately service delivery.

The municipality does not have a human resources strategy in place and it is important that a strategy is developed to address specific human resource matters such as, succession planning, performance management, training and development, recruitment and retention. The municipality should also prioritise the development of a human resource plan and employment equity plan.

2.2.4.1 LABOUR RELATIONSHIP

In terms of workplace discipline, there are cases relating to misconduct that have been reported. The existing internal labour cases (misconduct) are not yet concluded including the ones with the bargaining council. The municipality should prioritise the conclusion of these cases. In addition, the municipality should prioritise training sessions and/ or workshops on labour relations, health and safety, disciplinary procedure and code and collective agreements amongst others. Disciplinary measures should be implemented and monitored.

Makana Municipality has established a functional Local Labour Forum (LLF); however, over the past few months the labour relations function has not been sound. It was also noted that the local labour forum is dysfunctional and the meeting schedule dates are not adhered to. Employer/ employee relations have been strained and there are constant labour disputes or unrests/ protests within the municipality. The disciplinary code of conduct is also not strictly adhered to due to governance challenges.

Some of the identified root causes that have caused labour relations issues within the municipality include the following:

- The labour relations functions and responsibilities are not adequately attended to because the labour relations officer also serves as the legal advisor, and the position of the legal advisor is vacant;
- The dysfunctional LLF occurs partly as a result of constant labour protests and non-adherence to the schedule of dates for meetings. The latter occurs as a result of other official commitments.

It is critical that the municipality prioritises and maintains sound labour relationships and monitor the operations of the LLF. The municipality is faced with litigations which need to be addressed as a matter of urgency. The municipality should ensure effective and efficient management of legal matters and prioritise the appointment of a legal advisor. Monitoring of litigation for and against the municipality should be improved.

2.2.4.2 WORK SKILLS PLAN:

Work Skills Plan is developed annually by the Skills Development Facilitator. This is a product of numerous processes that ranged from identifying the employee current skills, gaps or shortages, overall Council and department objectives to develop training intervention. The Work Place Skills Plan is approved by Council with a specific budget and implementation report is submitted to the SETA to recover a portion of monies spent on implementing the plan. There is a new requirement that WSP must be approved and submitted to LGSETA by the 30th April instead of 30 June every year.

2.2.4.3 PERFORMANCE MANAGEMENT

It is noted that the municipality does not have an approved Performance Management System in place despite there being evidence of an extract of a council resolution approving a policy on Performance Management, which contained timelines and structures including roles and responsibilities.

It has also been noted that some senior managers within the municipality took up employment without employment contracts being in place. There is no evidence that suggests that reports were submitted to the municipal council on employment contracts of

the senior managers reporting to the Municipal Manager. The performance agreements of these incumbents are also not available publicly. Hence, there is a need for a Performance Contracting Process to ensure that senior managers reporting to the Municipal Manager all have performance agreements for the financial year 2014/15.

PMS is not implemented in the municipality. Performance evaluation has been targeted at senior management and has not been implemented for the past two years. Makana does not actively manage performance outcomes in relation to development, managing poor performance and recognition of performance. There is lack of consequence for poor performance and transgression of policies and procedures within the municipality. This has created a culture of non-performance which has a negative impact on service delivery, financial management sustainability and the audit outcome.

Some of the root causes that have been identified to have led to performance management related issues include:

- The non-availability of a full time HR manager to champion and oversee the implementation of The Performance Management System within the municipality; and
- The lack of segregation of duties between the IDP Manager and the relevant personnel responsible for Performance Management within the municipality as some functions of performance management fall within the IDP function. This weakens the control environment and the effective implementation of the performance management system (PMS) within the municipality.

The municipality will therefore need to undertake a process of performance review of all municipal employees and implement measures to address poor or non-performance.

The human resources function has not undertaken any workshops on performance management for all departments and/ or employees within the municipality, specifically regarding target setting which requires performance targets to be specific in clearly identifying the nature and required level of performance.

Evidence also suggests that thirty-three percent (33%) of the indicators were not well defined, specific or time-bound according to the SMART principle and hence, it is critical that the human resource function takes the role of workshopping all stakeholders on performance management.

The human resource function in the municipality requires support in the development and implementation of a good practice framework and/ or guidelines to ensure that the performance management framework illustrates how key performance indicators (KPIs) should be cascaded from the strategic level to the lowest level in the municipality.

2.2.4.4 MID INYEAR PERFORMANCE IN 2014-2015 FINANCIAL YEAR

The table below illustrates the summary of overall performance of the Directorates for the mid-in year 2014/15:

Table 31

Directorate	Number of Targets Set	Targets Reported	Number of Targets Achieved	Variance	Percentage Achieved
Office of the Municipal Manager	25	25	4	21	16%
Strategy Manager Offices	6	0	0	6	No report
Corporate and Shared Services	17	17	4	13	23%
Local Economic Development and Planning	40	38	17	23	42.5%
Public Safety and Community and Social Services	28	28	8	20	28.57%
Technical and Infrastructure	19	0	0	19	No report
Financial Services	8	0	0	8	No report
TOTAL	143	104	33	110	22.7%

2.2.4.5. REASON FOR POOR PERFORMANCE

Table 32

KPA	STATUS	CHALLENGES NON ACHIEVEMENT
KPA 1 Municipal Transformation and Institutional Development	75% of Target met	<ul style="list-style-type: none"> • Management leave • Occupational Health Safety(No dedicated Personnel) • Cascading of PMS • Document Management System
Basic Service Delivery	64% of Target met	<ul style="list-style-type: none"> • Non expenditure in MIG funding due to capacity • SCM Challenges • Financial Crisis • Monitoring of staff

KPA	STATUS	CHALLENGES NON ACHIEVEMENT
Local Economic Development	40% of Target met	<ul style="list-style-type: none"> Financial crisis most of project stoooped
Good Governance and Public Participation	27% of target met	<ul style="list-style-type: none"> Lack human capacity in Internal Audited No dedicated personnel for risk Management Lack Monitoring and Evaluation
Financial Viability and Management	44% of target met	<ul style="list-style-type: none"> Lack of capacity and competency Low cash flow Unrealistic budget

2.2.4.6 REVISED/ NEW HUMAN RESOURCES POLICIES

Table 33

Policy Name	Policy Status	Policy Version	Date of approval	First Implementation Date	Date Last Amended	Adoption Date	Next Review Date
Leave of absence policy & procedure	Adopted	No. 1	21 June 2013	21 June 2013	New	24 June 2014	30 June 2014
Recruitment & Selection Policy	Adopted	No. 4	21 June 2013	21 June 2013	21 June 2013	24 June 2014	30 June 2013
Subsistence & Traveling Policy	Adopted	No.3	31 May 2013	20 June 2014	13 June 2014	24 June 2014	03 June 2015
Internship Policy	Adopted	No. 2	21 June 2013	21 June 2013	21 June 2013	24 June 2014	20 June 2013
Transport Allowance	Adopted	No. 1	21 June 2013	21 June 2013	New	24 June 2014	30 June 2013
Termination of Employment Policy	Adopted	No. 1	21 June 2013	21 June 2014	New	24 June 2014	30 June 2015

Employment Wellness Programme Policy	Draft	No. 1	21 June 2013	21 June 2013	New	24 June 2014	30 June 2015
Overtime Policy	Adopted	No. 2	21 June 2013	01 July 2013	01 July 2013	24 June 2014	30 June 2014
Study Assistance Policy	Adopted	No. 2	21 June 2013	21 June 2014	New	24 June 2014	30 June 2015
Training & Development Policy	Adopted	No. 2	21 June 2013	21 June 2013	13 June 2014	24 June 2014	30 June 2015

2.3 BASIC SERVICE DELIVERY & INFRASTRUCTURE PLANNING

In view of the IDP content requirements outlined by the DLGTA in the Draft Checklist, the municipality has attempted to broaden the conceptualization of the IDP into outputs and where possible outcomes. The Makana local municipality is both, the **Water Service Authority and Water Service Provider** and is also responsible to provide all the other local government services such as municipal roads, storm water management, electricity and waste collection and disposal etc.

Service delivery falls within the functional area of a number of different institutions and it must be noted that despite attempts; difficulty has been experienced to source information in respect of functional areas that resides outside the powers and functions of the municipality.

2.3.1 STRATEGIC OBJECTIVES FOR SERVICE DELIVERY

Strategic Objectives:

- Eradicate backlogs with improved access to services and ensuring proper operations & maintenance.

Intended Outcome:

- Improved provision of Water, Sanitation, Waste Management, Electricity, Roads & Storm water, Education, and Health facilities.

2.3.2 WATER AND SANITATION

According to Stats' the level of improvement of flush toilets shows a positive growth of 16.3% p.a. over a period of 10 years (2001 to 2011). The number of bucket latrines reflects a decline or negative growth of -8.6% p.a. over the same period, which in effect means that bucket toilets have been reduce from 30.4% in 2001 to 3.6% in 2011

The standard and provision of sanitation and water shows a significant improvement from 2001 to 2011 as duplicated in table 35 below. The water quality is monitored by an Environmental Health Practitioner attached to Sarah Baartman District Municipality. Water samples are collected and submitted to the National Health Laboratory for analysis of its microbial quality and suitability for human consumption. The results indicated that the samples taken from Makana did comply with the set standards due to high level of Standard Agar Plate and Total Plate Count. ***Makana Municipality is a Water Service Authority.***

- Makana Municipality forms part of the Sarah Baartman District Municipality and governs the following towns & villages: Alicedale, Grahamstown(eRhini), Fort Brown, Riebeeck East, Salem & Seven Fountains.
- Makana Municipality is a Water Services Authority and a Water Services Provider with the responsibility of both regulating and planning the water provision in the area, and ultimately ensuring the provision thereof.
- Makana Municipality's major water schemes in Grahamstown, raw water is purchased from the Department of Water & Sanitation through the Glen Millville dam on the eastern scheme, and on the western scheme raw water is sourced from Settlers & Howieson's Poort Dams.
- Other schemes in the greater Makana Municipal area gets raw water in the following manner;
 - Alicedale – Supplied through New Year's Dam & boreholes
 - Seven Fountain – Supplied through boreholes, but currently water carts
 - Fort Brown – Supplied with raw water from Fish River
 - Riebeeck East – Borehole water only

2.3.2.1 Accesses to Water

The 5 wards with the most households with no access to piped water are (From highest to lowest)

- Ward13
- Ward14

- Ward 1
- Ward 10
- Ward 11

There has been an overall reduction in the no of persons without access to Piped water

2.3.2.2 Access to Sanitation and Water Provision

Table 34

Person with no access to Piped Water (Super web)	No of person (2001)		No persons (2011)		Change	
	Numeric	% of the total	Numeric	% of the total	Numeric	% change
21004001:Ward 1	274	31.31	137	14.91	- 137	-50.00
21004002: Ward 2	141	16.11	8	0.87	- 133	- 94.33
21004003: Ward 3	297	33.94	23	2.50	- 274	- 92.26
21004004: Ward 4	55	6.29	10	1.09	- 45	- 81.82
21004005: Ward 5	9	1.03	6	0.65	- 3	- 33.33
21004006: Ward 6	6	0.69	4	0.44	- 2	- 33.33
21004007: Ward 7	18	2.06	5	0.54	- 13	- 72.22
21004008: Ward 8	0	0.00	7	0.76	7	-
21004009: Ward 9	15	1.71	11	1.20	- 4	- 26.67
210040010: Ward 10	36	4.11	64	6.96	28	77.78
210040011: Ward 11	21	2.40	47	5.11	26	123.81
210040012: Ward 12	3	0.34	2	0.22	- 1	- 33.33
210040013: Ward 13	-	-	391	42.55	-	-
210040014: Ward 14	-	-	204	22.20	-	-
EC104: Makana	875		919		44	5.03

Table 35: Sanitation and Water Provision

BASIC SERVICE / INFRASTRUCTURE	MAKANA AREA (STATSSA 2001)	MAKANA AREA (STATSSA 2011)	%	GROWTH % p.a.
Total number of households	18 009	21 388		
Sanitation	17 813	21 389		
Flush toilets	5849	15 370	71.9	16.3
Flush septic tank	494	548	2.6	1.1
Chemical	30	27	0.1	-1.0
VIP	1429	1 349	6.3	-0.6
Pit latrines	2521	2 086	9.8	-1.7
Bucket latrine	5412	774	3.6	-8.6

BASIC SERVICE / INFRASTRUCTURE	MAKANA AREA (STATSSA 2001)	MAKANA AREA (STATSSA 2011)	%	GROWTH % p.a.
None	2078	837	3.9	-6.0
Other	0	398	1.9	
Water – Access to piped water	16 960	21 388		
Household	3 823	10 654	49.8	17.9
In yard	9 691	7 576	35.4	-2.2
Community stand <200 m	1 746	1 839	8.6	0.5
Community Stand >200m	1 700	400	1.9	-7.6
No access to piped (tap) water	0	919	4.3	
Water – Source of water		21 387		
Water scheme operated by municipality or other WSP		18 871	88.2	
Borehole	79	643	3.0	71.39
Spring	8	49	0.2	51.25
Rain tank	302	633	3.0	10.96
Dam/stagnant water	247	152	0.7	-3.85
River/stream	53	111	0.5	10.94
Water vendor	5	96	0.4	182
Water Tanker	0	597	2.8	
Other	164	235	1.1	4.329

Source: Stats' 2011

- The 5 wards with the most households with no access to toilet facilities are (From highest to lowest)
 - Ward 13
 - Ward 14
 - Ward 1
 - Ward 11
 - Ward 9

There has been an overall reduction in the number of persons without access to toilet facilities.

2.3.3. ROADS AND STORM WATER

The provision and maintenance of roads covers the functional areas of the Department of Roads and Public Works and the Local Municipality. The Municipality have developed Road and Storm water Master Plan and in process of developing a Pavement Management System to carry infrastructure and maintenance.

Table 36: Road Infrastructure and Transport Modes

BASIC SERVICE / INFRASTRUCTURE	Municipal Roads
Total length of Roads	757.4Km
Gravel	588Km
Tarred	169km
Man-made house access	
Transport Modes Stats' 2001	74 539
On foot	25 674
By bicycle	435
By motorcycle	173
By car as a driver	2 957
By car as a passenger	3 324
By minibus/taxi	4 386
By bus	573
By train	88
Other	220
Not applicable	36 709

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A large contingent of the population in 2001 was travelling by foot. Unfortunately the 2011 Stats' does not give a comparison.

Grahamstown is situated on the N2, which links it to East London/ Bisho and Port Elizabeth

- The R400 links Grahamstown to Riebeeck East and the N10.
- The MR476 links Grahamstown and Alicedale.
- The R343 links Grahamstown and Salem to Kenton-on-Sea and Alexandria.
- The R350 links Grahamstown to Bedford.
- The R344 links Grahamstown to Adelaide.
- The R67 links Grahamstown to Port Alfred in the South and Fort Beaufort to the North.

2.3.3.1 Rail

No functional rail service. The intention is to look at the feasibility of changing the train station to a bus station /depot.

2.3.3.2 Airstrips

There is a municipal airstrip just outside of Grahamstown, adjacent to the Army Base.

2.3.4 Electricity and Energy

The Municipality is the **Service Provider for electricity and distributes** in the old Grahamstown (CPA) municipal area and the newer urban settlements are serviced by ESKOM (Grahamstown East). Riebeeck East, Alicedale and the rural farm areas are carried out by Eskom. A service

provider has been appointed to develop the Electricity Master Plan. The Maintenance Plan is in place but not fully adhered to, due to staff shortages. Budgetary constraints hinder the effective operation and maintenance as the infrastructure is aging and needs upgrading.

2.3.4.1 Accesses to Electricity

The 5 wards with the most households with no access to electricity are (From highest to lowest)

- Ward 13
- Ward 3
- Ward 11
- Ward 14
- Ward 10

There has been an overall reduction in the number of persons without access to electricity.

Persons without Electricity

Table 37

Persons without Electricity (Super web)	No of persons (2001)		No of person (2011)		Change	
	Numeric	% of the total	Numeric	% of the total	Numeric	% Change
21004001: Ward 1	501	10.33	134	5.97	- 367	-73.25
21004002: Ward 2	481	9.92	54	2.40	- 427	- 88.77
21004003: Ward 3	576	11.88	422	18.79	- 154	- 26.74
21004004: Ward 4	682	14.06	36	1.60	- 646	- 94.72
21004005: Ward 5	531	10.95	30	1.34	- 501	- 94.35
21004006: Ward 6	259	5.34	19	0.85	- 240	- 92.66
21004007: Ward 7	39	0.80	104	4.63	65	166.67
21004008: Ward 8	116	2.39	19	0.85	- 97	- 83.62
21004009: Ward 9	402	8.29	183	8.15	- 219	- 54.48
210040010: Ward 10	550	11.34	246	10.95	- 304	- 55.27
210040011: Ward 11	256	5.28	284	12.64	28	10.94
210040012: Ward 13	456	9.40	1	0.04	- 455	- 99.78
210040013: Ward 14	-	-	443	19.72	-	-

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Table 38: Energy for Lighting

BASIC SERVICE / INFRASTRUCTURE	MAKANA AREA (STATSSA 2001)	MAKANA AREA (STATSSA 2011)	%	GROWTH % p.a.
Total number of households	18 009	21 388		
Energy (Access)	17 813	21 387		
Electricity	12 984	19 143	89.51	4.7
Solar	33	61	0.29	8.5

BASIC SERVICE / INFRASTRUCTURE	MAKANA AREA (STATSSA 2001)	MAKANA AREA (STATSSA 2011)	%	GROWTH % p.a.
Gas	103	80	0.37	-2.2
Candles	334	492	2.30	4.7
Other	45			-10.0
Paraffin	4 314	1 579	7.38	-6.3
None	0	32		

Source: Stats' 2011

Provision of electricity has improved from 73% in 2001 to 90% in 2011. The dependency on paraffin has been reduced from 24% in 2001 to 7.4% in 2011.

2.3.4.2 Alternative Energy

The Municipality is looking at innovative alternative energy sourcing methods and progress has been made with the Innwind at Waainek to create alternative power wind farm. The southern portion of the municipality has been identified as having potential for the development of wind energy generation infrastructure. Land Use and Locational Policy for Renewable Energy Projects: Sarah Baartman District Municipality Renewable Energy Policy.

The policy is still in draft form. This draft policy sets out criteria which will enable the evaluation of renewable energy generation infrastructure in a manner which will limit the potential negative impacts thereof.

2.3.5. SOLID WASTE MANAGEMENT

Makana municipality is responsible for waste management which includes the street sweeping, collection, transportation and disposal of solid waste. *The municipality has approved Integrated Waste Management Plan in accordance with section 11 of the NEMA* and a Local Waste Management Plan which was endorsed by the DEDEAT and by- Law to address issues like illegal dumping.

Table 39: Refuse Removal Services

Persons with no access to Refuse Removal	No of persons (2001)		No of persons (2011)		Change	
	Numeric	% of the total	Numeric	% of the total	Numeric	% Change
Ward 1	30	11.11	28	8.54	-2	-6.67
Ward 2	51	18.89	1	0.30	-50	-98.04
Ward 3	130	48.15	3	0.91	-127	-97.69
Ward 4	6	2.22	11	3.35	5	83.33
Ward 5	29	10.74	1	0.30	-28	-96.55
Ward 6	3	1.11	0	0.00	-3	-100.00
Ward 7	6	2.22	3	0.91	-3	-50.00
Ward 8	0	0.00	7	2.13	7	-
Ward 9	3	1.11	2	0.61	-1	-33.33
Ward 10	3	1.11	29	8.84	26	866.67
Ward 11	6	2.22	6	1.83	0	0.00
Ward 12	3	1.11	0	0.00	-3	-100.00
Ward 13	-	-	121	36.89	-	
Ward 14	-	-	116	35.37	-	-

EC104: Makana	270		328		58	21.48
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Table 40 Basic Infrastructure Comparison

BASIC SERVICE / INFRASTRUCTURE	MAKANA AREA (STATSSA 2001)	MAKANA AREA (STATSSA 2011)	%	GROWTH % p.a.
Total number of households	18 009	21 388		
Refuse Removal	17 815	21 388		
How often by municipality?				
a) @ least once a week	15 393	19 017	88.9	2.4
b) Less often	71	146	0.7	10.6
How often is refuse bags provided		4 Time per month for each house hold		
Mode Disposal				
i) Communal dumping	122	184	0.9	5.1
ii) Own dump	1 939	1 446	6.8	-2.5
iii) No disposal	290	329	1.5	1.3
Other	0	266	1.2	

In 2011, 89% of households had access to a weekly refuse removal service as opposed to 86.4% in 2001.

The overall improvement of service provision and development of bulk infrastructure should have a positive impact on economic growth and increase possibilities to attract new business opportunities. The municipality should focus on the maintenance, refurbishment of existing infrastructure and recycling programs.

2.3.6 LANDFILL SITE

The Makana Municipality has three landfill sites namely the Grahamstown, Alicedale and Riebeeck East landfill; all the sites are managed by the Municipality. The landfills are located on municipal property. The landfill site in Grahamstown was permitted by the Department of Water Affairs and Forestry on 10 September 1996 as a Class G:M:B+ waste disposal site in terms of Section 20 of the Environment Conservation Act (Act 73 of 1989).

Grahamstown: The site is located 2km from town at co-ordinates: S 330 17' 28'' and E 260 29' 32''. The **expected lifetime of the site is approximately 20 years. The municipality uses a cell method to dispose of the waste in an old quarry.**

Waste is properly and regularly covered with excavated material from the quarry and building rubble. A bulldozer is used on the site for compaction and covering purposes. No burning of waste takes place. The Municipality is experiencing problems with the disposal of chillies and abattoir waste.

These waste streams need to be disposed of in a dedicated deeply dug trench and be covered immediately after disposal. It could be necessary depending on the quantities of abattoir waste (dead animals) to treat the waste with lime once disposed of. Illegal scavenging is only taking place on the landfill at night. The site is properly fenced with an access gate at the entrance. Record-keeping of incoming waste should be improved and properly recorded. The site continues to be operated in accordance with the permit conditions for the site and the Minimum Requirements for Waste Disposal by Landfill document as published by DWAF in 1998.

Position of site:	Located approximately 2km from town at co-ordinates: S 330 17' 28'' and E 260 29' 32''.
Permit:	Yes
Year issued:	10 September 1996
Classification of site:	GMB+
Type of Operation (end – tip, trench, cell):	Cell method, filling of quarry.
Estimated size of site:	Approximately 10 ha.
Estimated remaining life of site:	20 years
Separation of fresh and contaminated water:	Yes.
Groundwater monitoring:	6 monthly monitoring of downstream borehole located at neighbouring farmer – no problems with ground water pollution encountered
Volumes per day, week or month:	It is estimated that the site receives approximately 125 tons per day.
Is cover material available?	Yes, from quarry and building rubble
Is the drainage sufficient?	Yes
Is there access control?	Yes, but record keeping of incoming waste should be improved
Is the site fenced?	Yes
Does the site have a sufficient buffer zone?	Yes (2 km)
Type of equipment utilised on site:	Kamatsu Bulldozer
Operating hours:	The site is open 24 hours. Saving plan for closure: No estimate regarding closure exists. The Municipality must budget for the closure and rehabilitation timeously.

Alicedale: this site was authorised in May 2005 through Directions in terms of Section 20(5) (b) of the Environment Conservation Act, Act 73 of 1989, by the Department of Water Affairs and Forestry. The site is located approximately 500m from town (Co-ordinates: S 330 19' 04'' and E 260 04' 35''). The landfill site is operated by filling an old sandstone quarry. The site is approximately 0.9 Ha in size. The expected lifetime of the site is approximately 20 years.

Waste is covered once a year by hiring a bulldozer for this purpose. Waste is being burned on a regular basis although it is prohibited in the authorisation for the site. There is scavenging taking place at the landfill. The site is not fenced and should be equipped with a gate at the entrance to prevent unauthorised persons from entering, access is not controlled. It is recommended that the burning of waste be phased out as an operational method and that waste be covered on a weekly basis as required in the authorisation for the site, that the site be fenced and proper access control be executed (including proper record-keeping of incoming waste streams) and that the salvagers be formalised or disallowed on the site. The management of the site in general should be improved in accordance with the Minimum Requirements for Waste Disposal by Landfill document published by DWAF in 1998 and in accordance with the authorisation issued for the site.

Position of site:	The site is located 500m from town (Co-ordinates: S 330 19' 04" and E 260 04' 35")
Permit:	Yes, controlled through Directions
Year issued:	2005
Classification of site:	GCB –Type of Operation (end – tip, trench, cell): Filling of sandstone quarry, waste burning
Estimated size of site:	Approximately 0.9 ha.
Estimated remaining life of site:	20 years
Separation of fresh and contaminated water:	None in place.
Groundwater monitoring:	Not required
Volumes per day, week or month:	It is estimated that the site receives approximately 1.56 tons per day.
Is cover material available?	Yes, from quarry
Is the drainage sufficient?	No
Is there access control?	No
Is the site fenced?	No
Does the site have a sufficient buffer zone?	Yes (500m)
Type of equipment utilised on site:	No permanent equipment, a Bulldozer is hired once a year for covering purposes
Operating hours:	There are no official operating hours for the site.
Saving plan for closure:	No estimate regarding closure exists. The Municipality must budget for the closure and rehabilitation in the near future.

Riebeeck East authorised in May 2005 through Directions in terms of Section 20(5) (b) of the Environment Conservation Act, Act 73 of 1989, by the Department of Water Affairs and Forestry. The site is located approximately 2 kilometres from town (Co-ordinates: S 330 12'

35'' and E 260 10' 56''). The site is approximately 0.5 Ha in size. The expected lifetime of the current disposal area is approximately 10-15 years. Waste is covered once a year by hiring a bulldozer for this purpose. Waste is being burned on a regular basis although it is prohibited in the authorisation for the site.

The site is fenced (but need maintenance) with an access gate to prevent unauthorised persons from entering. Access to the site is however not properly controlled.

It is recommended that the burning of waste be phased out as an operational method and that waste be covered on a weekly basis as required in the authorisation for the site. Access to the site should be controlled and proper record keeping of incoming waste should be done. The management of the site in general should be improved in accordance with the Minimum Requirements for Waste Disposal by Landfill document published by DWAF in 1998 and in accordance with the authorisation issued for the site.

Position of site:	The site is located approximately 2 kilometres from town (Co-ordinates: S 330 12' 35'' and E 260 10' 56'')
Permit:	Yes, controlled through Directions
Year issued:	2005
Classification of site:	GCB –
Type of Operation (end – tip, trench, and cell):	No proper operational method followed, waste is burned
Estimated size of site:	Approximately 0.5 ha.
Estimated remaining life of site:	10 -15 years
Separation of fresh and contaminated water:	None in place.
Groundwater monitoring:	No, not required
Volumes per day, week or month:	It is estimated that the site receives approximately 0.56 tons per day.
Is cover material available?	Yes
Is the drainage sufficient?	No
Is there access control?	No
Is the site fenced?	Yes, but need maintenance
Does the site have a sufficient buffer zone?	Yes, 2 km from nearest house
Type of equipment utilised on site:	No permanent equipment, a bulldozer is hired once a year for covering purposes
Operating hours:	There are no official operating hours for the site.
Saving plan for closure:	No estimate regarding closure exists. The Municipality must budget for the closure and rehabilitation in the near future.

2.3.6.1 Recycling and Community Awareness

Municipality has recycling program in Grahamstown landfill which called Masihlule and has a Public Private Partnership with Social Development and a private company. Municipality has EPWP program for community environmental awareness program where it employs one environmental facilitator for each Ward for facilitating environmental awareness campaigns in the community.

2.3.7 AIR QUALITY

There is an opinion that the Air Quality Act requires local municipalities to monitor ambient air quality within its area of jurisdiction. From an environmental perspective the importance of appointing a permanent air quality officer to regularly monitor air pollution in highly developed areas with heavy industrial emissions is acknowledged. This situation does not warrant the appointment of a permanent air quality officer thus the municipality is looking at a more sustainable solution like partnering with the Sarah Baartman District Municipality and DEA to monitor the air quality in Makana.

An Air Quality Management (AQM) Plan is a recognized tool in terms of national policy and legislation for the management of air quality in order to protect human health and the environment. The objectives to be met by the implementation of the AQM Plan are:-

- To ensure sustainable implementation of air quality standards throughout the municipal area.
- To promote a clean and healthy environment for all citizens;
- To minimize the negative impacts of air pollution on health and the environment; and
- To ensure provision of sustainable air quality management support and services to all stakeholders within the District.

2.3.7.1 Air Quality Management Plan Development

The AQM Plan must be in line with the requirements of the National Environmental Management: Air Quality Management Act, No. 39 of 2004, and seek to;

- Advise on the municipality's responsibilities and related consequences in terms of Chapter 3 of the National Environmental Management Act to the extent that that Chapter is applicable;
- Identify and analyse key pollutants in the municipality, its sources and impacts, including past, on-going and planned activities;
- Identification of sources for which the implementation of emission reduction measures in the short-term is justified (offenders falling outside permissible emission standards);
- Identify measures and options to improve air quality in the municipality;

- Address the effects of emissions from industrial sources, residential applications and any other source;
- Determine emission standards at the municipal level.
- Provide for institutional arrangements and planning matters.

2.3.8 FIRE SERVICES AND DISASTER MANAGEMENT

Introduction:

Makana Municipality has 24 hour fulltime fire service with Chief fire officer appointed as manager fire services. Municipality has signed a corporate agreement with Sarah Baartman District Municipality to perform the function on agency based. Also the Municipality has co-operative agreement with all other six (6) Sarah Baartman District Municipalities

The aim of the Disaster Management Act, No. 57 of 2002, and the Disaster Management Framework, is to minimise the effects of hazards on local communities by ensuring coordinated efforts to manage risks. This plan has been designed around the identified risks, highlighted during the Risk Assessment process.

A Disaster Management Plan outlines the key institutions and programming components relative to deal effectively with disaster management and emergency responses. Partnerships have been established with Provincial Government, District and Non-governmental organisations with a responsibility or capacity to render disaster management services. In terms of Makana Disaster Management Plan the following are the result of risk assessment conducted that the municipality is prone to:

- Tornado
- Floods
- Fires(Veld and Forest Fires)
- Epidemics
- Accidents

Furthermore the plan contains contingency plans for every risk identified. The most common disaster that occurs in the area is floods and protracted drought. Tornado's is fairly common and has caused extensive damage to homes in Alicedale and the Grahamstown area.

2.3.8.1 Disaster Incidents

Makana Municipality was affected by a disaster on the 8th October 2008 where 161 houses were severely damaged in Grahamstown and 22 houses in Alicedale. An amount of R101 000.00 was approved by Provincial Government and the project was to be coordinated by them. The project has been delayed to date. Makana was again in October 2012 affected by floods where most of its roads infrastructure was damaged. In October 2012, The Premier of the Province of the Eastern Cape had, in consultation with other MEC's declared a provincial state of disaster in terms Section 41 of Disaster Management Act (Act 57 of 2002)

After the occurrence of the October 2012 disaster incident, the Provincial Disaster Management Centre had, in terms of section 35 of the Disaster Management Act 57 of 2002, initiated efforts to assess the magnitude and severity of the disaster and informed the National Disaster Management Centre of the cost of the damages for provision of emergency relief. The National Treasury had through the National Disaster Management allocated an amount R43.5m for emergency projects which was divided among the Nelson Mandela Bay Municipality and five other municipalities in the Sarah Baartman District Municipality. The Makana Municipality was allocated R 2 400 567 for the following projects

1. Repairs to electrical infrastructure at Old town filters, Evans Poort and Market feeders – R2 400 567 and
2. Repair pump station (replace sewer pump) at Lingelihle – R387 236,

The above mentioned projects were completed between January 2013 and May 2013. There were about 128 informal houses that were damaged by floods. Makana Municipality made an urgent application for temporary housing structures to the Department of Human Settlement. On the 23rd of November 2012 the Department of Human settlement together with the municipality made an assessment of the damage caused by the floods and 39 temporal housing structure where approved.

Subsequent to that Makana Municipality allocated an amount R8 7224 000 for reconstruction and rehabilitation. The above mentioned amount was intended to re-gravel, reconstruction of municipal roads, storm water pipe, channels, slabs and pedestrian bridges that were affected during the October 2012 flooding, this includes Alicedale. The Provincial Disaster Management Centre established a Project Management Steering Committee to monitor the funds allocated for response and recovery of the flood incidents which engulfed the Province during the period.

2.3.9 COMMUNITY POLICES AND BYLAWS

Table 41

Type	Title	Date	Status
Policy	Speed Hump	May 2013	Final *
Policy	Environmental	*	Final
Policy	Paupers Burial (To be developed before the financial year end)	*	To be revised
By-law	Animals, Birds and Poultry	*	Final
By-law	Dumping and Accumulation of Water	*	To be revised
By-law	Liquor and Trading Hours	*	To be revised
By-law	Parking	*	To be revised
By-law	Refuse Removal	*	To be revised
By-law	Street Collections	*	To be revised

2.3.10 HOUSING AND SETTLEMENT ANALYSIS

2.3.10.1 Heritage:

The heritage resource of the municipality is significant and contributes to the economy of the municipality and needs to be conserved in terms of the provisions of the National Heritage Resources Act (Act 25 of 1999 - NHRA). The Act introduced an integrated system for the identification, protection and management of heritage resources nationally, provincially and at municipal level.

The Act prescribes land use planning and management to give attention to, and respond to, heritage considerations both at site and landscape levels. Of particular significance is the obligation placed on the municipality to undertake the preparation of a comprehensive heritage inventory in terms of Section 30(5) of the National Heritage Resources Act, 1999 (Act 25 of 1999), Makana Municipality has not prepared such an inventory. It is also important to note that the heritage resource of the municipality does not only comprise of conservation worthy buildings and urban precincts, but also includes physical and cultural landscapes.

2.3.10.2 Urban and Rural Settlement Areas:

The existing Settlements are:

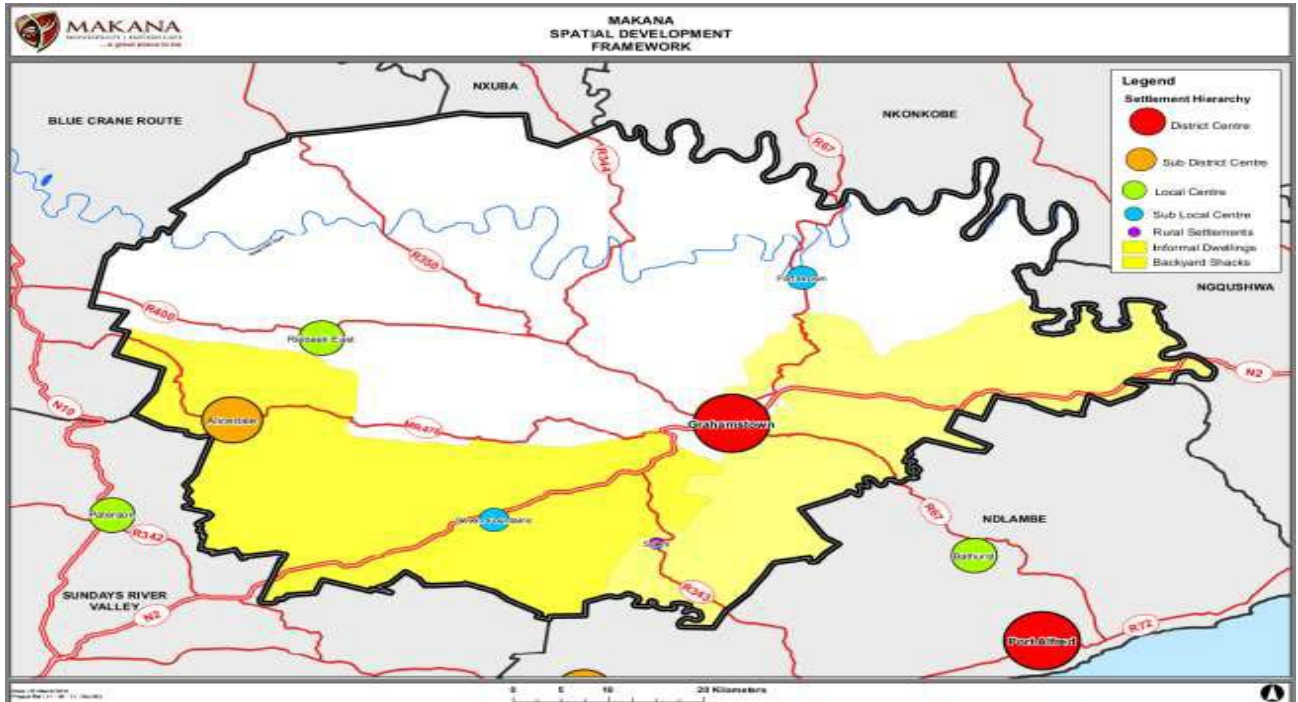
- Grahamstown
- Riebeeck East
- Alicedale
- Seven Fountains
- Fort Brown
- Salem (Surrounding land is the subject of a substantial land claim, which may result in the need to expand the settlement)
- Sidbury (Entirely surrounded it has become the administrative centre for game farming and no longer performs a true human settlement function.)

The Approximate Population Distribution is:

Table 42

SETTLEMENT	PERCENTAGE
Grahamstown	80%
Alicedale	10%
Riebeeck East	5%
Rural Areas	4%

Map 6: below depicts Human Settlement in Makana Municipality.



Total Population:

The data extracted from the Census 2011 figures has revealed the following about the Municipality:

- The growth over the past 10 years has been lower than 1% per year.
- The total population has grown by almost 8% from 2001.
- There are now approximately 5900 new persons residing in the municipality.
- The growth has been approximately 590 persons per year.
- Ward 4 reflects an increase of almost 70%.
- The population of Wards 11 and 8 have remained static.
- The population is highly urbanized
- The population density of 18, 36 persons/km² is higher than the district density of 7, 7 persons/km².
- The population density has increased from the 16, 1 persons/km² in 2001.
- The total number of households has increased from 17 000 to 21 388.
- The average household size is 3.8 persons

Informal dwellings

The five wards with the highest number of informal dwellings are (From highest to lowest)

- Ward 3
- Ward 14
- Ward 11
- Ward 13
- Ward 9

There has been a reduction in the number of informal dwellings from 2001; informal dwellings are concentrated in Grahamstown and in Alicedale.

INFORMAL DWELLINGS

Table 43

Informal Dwelling Not (Backyard Shacks)	No. of persons (2001)		No. of persons (2011)		Change	
	Numeric	% of the total	Numeric	% of the total	Numeric	% change
Ward 1	46	2.93	28	1.96	-18	-39.13
Ward 2	76	4.85	4	0.28	-72	-94.74
Ward 3	27	1.72	396	27.65	369	1366.67
Ward 4	664	42.35	16	1.12	-648	-97.59
Ward 5	57	3.64	11	0.77	-46	-80.70
Ward 6	209	13.33	6	0.42	-203	-97.13
Ward 7	3	0.19	63	4.40	60	2000.00
Ward 8	12	0.77	15	1.05	3	25.00
Ward 9	-	29.27	127	8.87	-	
Ward 10	459	0.57	103	7.19	-356	-77.56
Ward 11	9	0.38	220	15.36	211	2344.44
Ward 12	6	-	1	0.07	5	-83.33
Ward 13	-	-	189	13.20	-	-
Ward 14	-	-	253	17.67	-	-
Makana – EC104	1568	100	1432	1000	-136	-8.67

Source: Statssa 2011

Backyard Shacks

The five wards with the highest number of persons living in backyard shacks are (From highest to lowest)

- Ward 10
- Ward 5
- Ward 3
- Ward 7
- Ward 14

There has been a reduction in the number of persons residing in backyard shacks from 2001.

Backyard Shacks from 2001

Table 44

Informal Dwelling (Backyard Shacks)	No of person (2001)		No of persons (2011)	
	Numeric	% of the total	Numeric	% of the total
21004001: Ward 1	30	3.88	37	5.12
21004002: Ward 2	21	2.72	21	2.90
21004003: Ward 3	15	1.94	99	13.69

Informal Dwelling (Backyard Shacks)	No of person (2001)		No of persons (2011)	
	Numeric	% of the total	Numeric	% of the total
21004004: Ward 4	155	20.05	23	3.18
21004005: Ward 5	-	-	162	22.41
21004006: Ward 6	3	0.39	2	0.28
21004007: Ward 7	6	0.78	67	9.27
21004008: Ward 8	170	21.99	8	1.11
21004009: Ward 9	45	5.82	26	3.60
210040010: Ward 10	47	6.08	174	24.07
210040011: Ward 11	215	27.81	23	3.18
210040012: Ward 12	66	8.54	-	-
210040013: Ward 13	-	-	24	3.32
210040014: Ward 14	-	-	57	7.88
EC104: Makana	773		723	

Table 45: Dwelling type and Tenure status

BASIC SERVICE / INFRASTRUCTURE	MAKANA AREA (STATSSA 2001)	MAKANA AREA (STATSSA 2011)	%	GROWTH % p.a.
Total number of households	18 009	21 388		
Dwelling Type	17 815	21 387		
Brick house in yard	10293	15822	74.0	5.4
Mud/Traditional Dwelling	3112	780	3.6	-7.5
Apartment in block of flats	761	647	3.0	-1.5
Town/cluster/semi-detached house (simplex: duplex: triplex)	264	872	4.1	-2.4
House/Flat in back yard	882	810	3.8	-0.8
Informal shack in yard	785	722	3.4	-0.8
Informal shack not in back yard	1598	1431	6.7	-1.0
Room/flat not in back yard but on shared property	66	117	0.5	7.7
Other (ship/caravan)	54	186	0.9	24.4
		21 388		
Rented		5 685	26.6	
Owned but not yet paid off		1 701	8.0	
Rent-free		4 130	19.3	
Owned and fully paid off		8 629	40.3	
Other		1 243	5.8	

Source: Stats' 2011

The number of traditional dwellings significantly decreased, by 75% over the last ten years (2001 to 2011). There has also been a slight decline in both the number of informal shacks in the yard and those not in the back yard since 2001. This implies that there is still a demand for urban housing development.

2.3.11. HOUSING DEMAND

The total estimated housing demand resulting from population growth (Based on the current growth rate) is 4430 additional households by 2030. This demand equates to a land requirement of approximately 220 ha across the entire municipality. Most of this demand would be accommodated in Grahamstown. Based on the Census 2011 figure the housing demand associated with the eradication of informal dwellings would be 723 households and backyard shacks 1432 households. The associated land demand is 36ha and 72ha respectively.

Officials speculate that there may be considerable duplication in the backlog figures for Grahamstown and estimate that the figure should be in the region of 7000 to 8000 households. If the informal dwelling and backyard shacks figures are deducted from this approximately 6000 households or persons are accommodated elsewhere or in formal dwellings in the established urban areas of the municipality. The settlement planning priority is therefore to provide adequate shelter to those households accommodated in informal settlements and in backyard shacks.

2.3.11.1 Housing Backlog

By the 9th September 2011, our housing waiting list had an inflated figure of 16 582. Our housing needs register reveals the following:

- 1. Fort Brown 111(not recently verified)
- 2. Seven Fountains 222(not recently verified)
- 3. Riebeeck East 306(not recently verified)
- 4. Alicedale 948 Verified in 2013
- 5. Grahamstown 14 995(not recently verified)

2.3.11.2 Development Processes and Timeframes

Development Planning Application requires between 6(six) and 18 months depending on the necessary authorisation required. The formalisation of settlement and their development is currently delayed by a lack of bulk services infrastructure a detail process is reflected in the SDF.

2.3.12 HOUSING SECTOR PLAN

Makana Municipality reviewed its Housing Sector Plan in 2012. Currently the municipality has some capacity to deal with housing administration and development and Makana Council is committed to establish a fully-fledged department to manage the Human Settlement Development. The following table is a status quo of the housing projects:

RUNNING PROJECTS

Table 46

Project Name	No. of subsidy	Status	No. of units Completed	No. of units to be built	Budget Requirement	Key Challenges
Fingo Village 577(237)	577 (237)	Blocked	237	0	R5.3m	The refusal of beneficiaries to sign happy letters until the SCCCA component is implemented
						Outstanding claim of Toro ya Africa for completion milestone
						Commencement of plastering and installation of ceiling of units
Fingo Village 577 (340)	577 (340)	Planning	0	340	R38m	Availability of potential beneficiaries.
Eluxolweni 176 (158)	176	Blocked	158		R3,9m	Incorrect allocation of houses
						Commencement of incomplete plumbing and building works
					R3,9m	Commencement of plastering and installation of ceiling of units, and completion of 12 units not yet built.
					The relocation of 6 beneficiaries to Mayfield which are affected by sites on rocky terrain.	
Transit Camp 440 (421)	440	Running	358		R1,7m	18 units not yet built
						Incomplete erf connections from boundary of the house to the municipal live line.
Transit Camp 440 (19)	19	Planning	19		R1,9m	Availability of potential beneficiaries.

Project Name	No. of subsidy	Status	No. of units Completed	No. of units to be built	Budget Requirement	Key Challenges
Mayfield 2200 Phase 2, Stage 1 (1000)	Top Str & Serv1000	Running	833			Approval of the request of an enhanced level of services (Roads & Storm water).
						There are completed units but not yet occupied.
						Beneficiary approvals process not yet concluded (844)
						There is an outstanding claim for Apron and Concrete flooring for the contractor
						The contractor submitted the 5 variation orders for services
Mayfield 2200 Phase 2, Stage 1 (1000)	1000	Planning				ELECTRIFICATION -
Mayfield 2200 Ph2 (1200)	1200	Installation of services is running & top procurement section	R157 m	0	R0m	Demand for an enhanced level of services
						The agreement between DOHS and contractor is finalised
						Demand for distribution of 30% of the units to Local Emerging Contractors
						Procurement strategy to utilise the short limited bidding source to appoint a contractor is not yet approved
						Beneficiary approvals process not yet started

Project Name	No. of subsidy	Status	No. of units Completed	No. of units to be built	Budget Requirement	Key Challenges
						Municipality has not yet upgraded their waste water treatment works
						PSC establishment not yet concluded
						Town Planning (Pegging & GP)
						Other Social Units: - 40 Units - Apartments
Mayfield MPCC		Planning for Socio-Economic Amenities		2300		Application requirements: - Land Ownership (Site number) - Services availability - Commitment from Makana on Operations & Maintenance budgeting. - Minutes of community meeting

PLANNING PROJECTS

Table 47

Project Name	No. of subsidies	Status	Approved Budget	No. of units Completed	Budget Required	Key Challenges
Fort Brown	188	Planning	R0 m	0	R4,4 m	Town establishment process is not yet finalised due to EIA process
						Public Meeting cancelled at short notice.
Seven Fountains	229	Planning	R0 m	0	R5,3 m	Town establishment process is not yet finalised due to EIA process
Alicedale 316	316	Planning	R0 m	0	R5,3 m	Town establishment process is not yet finalised due to EIA process
						Beneficiary Administration
Ethembeni 2000 (330)	330	Planning				Town establishment process is not yet finalised due to EIA process
						Beneficiary Administration
Alicedale16	20	Planning	R0 m	0	R5,3 m	Site visit
						BOQ submission
						Beneficiary Administration
Upper Mnandi	14	Planning	R0 m	0	R0,976 m	Signing of beneficiary forms with the potential beneficiaries.
						Internal reticulation services is not yet complete (Contractor on site)
						<i>No documentation on EIA status and approval by PACom.</i>
Lower	40	Planning	R0 m	0	R2,7 m	Signing of beneficiary forms with the potential beneficiaries.

Project Name	No. of subsidies	Status	Approved Budget	No. of units Completed	Budget Required	Key Challenges
Mnandi						Internal reticulation services is not yet complete (Contractor on site) <i>No documentation on EIA status and approval by PACom.</i>
Xolani	34	Planning	R0 m	0	R2,3 m	Signing of beneficiary forms with the potential beneficiaries. Internal reticulation services is not yet complete (Contractor on site) <i>No documentation on EIA status and approval by PACom.</i>
Zolani	167	Planning	R0 m	0	R11,6 m	Signing of beneficiary forms with the potential beneficiaries. Internal reticulation services is not yet complete (Contractor on site) <i>No documentation on EIA status and approval by PACom.</i>
						<i>Upper area of Zolani not surveyed</i>
N Street	27	Planning	R0 m	0	R1,8 m	Signing of beneficiary forms with the potential beneficiaries. Internal reticulation services is not yet complete (Contractor on site) <i>No documentation on EIA status and approval by PA Com.</i>
J Street	31	Planning	R0 m	0	R2,1 m	Signing of beneficiary forms with the potential beneficiaries. Internal reticulation services is not yet complete (Contractor on site) <i>No documentation on EIA status and approval by PA Com.</i>
K Street	31	Planning	R0 m	0	R2,1 m	Signing of beneficiary forms with the potential beneficiaries. Internal reticulation services is not yet complete (Contractor on site) <i>No documentation on EIA status and approval by PA Com.</i>

PLANNING PROJECTS (SERVICED SITES)

Table 48

Project Name	No. of subsidies	Status	Approved Budget	No. of units Completed	Budget Required	Key Challenges
25 Sites	25	Planning	R0 m	0		Signing of beneficiary forms with the potential beneficiaries.
						Layout Plan of services installed – Water & Sewer (Verification).
						BOQ submission
						Beneficiary Administration
						<i>No documentation on EIA status and approval by PACom.</i>
Newtown/ Kwa Ndancama	33	Planning	R0 m	0		Additional funding
						Layout Plan of services installed – Water & Sewer (Verification).
						BOQ submission
						Beneficiary Administration
Phumlani 250	250	Planning	R0 m	0	R2,1 m	Signing of beneficiary forms with the potential beneficiaries.
						Layout Plan of services installed – Water & Sewer (Verification).
						BOQ submission
						Beneficiary Administration
						<i>No documentation on EIA status and approval by PACom.</i>

Project Name	No. of subsidies	Status	Approved Budget	No. of units Completed	Budget Required	Key Challenges
Glebe Mission 28	28	Planning	R0 m	0	R2,1 m	Signing of beneficiary forms with the potential beneficiaries.
						Layout Plan of services installed – Water & Sewer (Verification).
						BOQ submission
						Beneficiary Administration
						<i>No documentation on EIA status and approval by PACom.</i>
Erf 4103	28	Planning	R0 m	0	R2,1 m	Signing of beneficiary forms with the potential beneficiaries.
						On the file submitted by the municipality Geo tech report is missing and approval by PACom.

RECTIFICATION PROJECTS

Table 49

Project Name	No. of subsidies	Status	Approved Budget	No. of units Completed	Key Challenges
Alicedale 221	221	Not started	R20 m	0	Procurement of a suitable service provider not yet concluded
Scott's farm	90	Not started	R0.00	0	Commencement of SCM processes
Ghost town	189	Not started	R0.00	0	Commencement of SCM processes

DISASTER 2008 PROJECTS

Table 50

Project Name	No. of subsidies	Status	Approved Budget	No. of units Completed	Key Challenges
Makana Disaster 2008	161	Not started	R20 m	0	Appointed service providers not complying.
					Confirmation of the sites & beneficiaries
					Layout Plan of services installed – Water & Sewer (Verification).
					BOQ submission
					Procurement of a suitable service provider not yet concluded

INFORMAL PROJECT AREAS

Table 51

Project Name	No. of subsidies	Status	Approved Budget	No. of units Completed	Key Challenges
Phaphamani Polar Park Upper Zolani Extra 25 Sites					Town establishment process is not yet finalised due to EIA process
					Beneficiary Administration

2.3.13 RHODES UNIVERSITY CAMPUS

The Rhodes University Campus is the largest single ownership footprint within the Grahamstown urban footprint. Rhodes University is currently undertaking a review of their long term spatial planning and were not able to provide any details thereof during the preparation of this document.

For the purpose of this review information was sourced from older Rhodes University Spatial Planning. Extracts thereof are set out below.

Table 52

PROJECTED GROWTH OF STUDENT NUMBERS						
Current Number	6954	2009	2010	2014	2019	2023
		2%	7093	7678	8477	9176
		4%	7232	8461	10294	12042
		8%	6510	10218	15013	20425
PROJECTED GROWTH OF RESIDENCES						
Current Number	6954	2009	2010	2014	2019	2023
		2%	2	8	18	26
		4%	3	18	39	60
		8%	7	38	95	158

The Municipality and Rhodes University will have to integrate the infrastructure planning to ensure the availability of bulk services. Further to this the need to accommodate additional off-campus residence will have a direct impact on the existing urban fabric (Higher densities, demolition of older structures, new structures, increasing height etc.).

It is therefore recommended that the spatial planning and growth of the University be undertaken with effective participation inputs from the Municipality both spatial planning and engineering services)

2.3.14 LANDUSE MANAGEMENT SYSTEM

As indicated in Section 26(e) of the Municipal Systems Act, the SDF is required to: “include the provisions of basic guidelines for Land Use Management System (LUMS) for the municipality”

Guidelines for Land Use Management

The aim is to regulate:

- Land-use changes such as the rezoning of a property from residential to commercial use.
- ‘Green fields’ land development, i.e. the development of previously undeveloped land;
- Subdivision and consolidation of land parcels
- Regularization and upgrading process of informal settlements, and
- The facilitation of land development through the more active participation of the municipality in the land development process, especially through public-private partnerships

Planning Schemes/ Mechanisms

The Planning Schemes are the statutory mechanisms whereby the use of land may be developed, managed and regulated.

Land Use Management Needs:

The current land use management mechanisms in Makana are unable to address the needs of the residents. The following shortcomings have been identified:

- Ineffective zoning records, specifically for the former Western District Council Area
- The public does not have easy access to information

A full set of general guidelines for Land Use Applications are contained in the SDF and for this reason will not be elaborated upon in the IDP.

Land Claims:

Land claims in Makana are in rural areas which cover three wards 13, 1 and 14, there about 38 Farms with claims made and only 5 have been given back to communities.

2.3.15 BASIC SERVICE DELIVERY AND INFRASTRUCTURE PLANNING DEVELOPMENT PRIORITIES

The municipality has experienced a number of challenges with respect to financial management, including persistent disclaimer audit opinions. These challenges have increasingly jeopardised the municipality’s ability to provide effective and efficient municipal service delivery. Compounding these challenges has been the instability at the top

management level of the municipality, governance inefficiencies, as well as capacity constraints in key service delivery areas.

The service delivery diagnostic report highlighted significant weaknesses in key service delivery mechanisms in most of the organisational areas of the Municipality. These weaknesses included the extension of water services, electricity and waste water management core service delivery results indicating that end to end functional processes should be reviewed along with clarification or updating policies and procedures, including roles across the organisation as these all impact on service delivery.

There were significant gaps in a number of the necessary municipal business management activities, such as governance and risk management, human resource management, information, communications and technology planning, asset management, forward financial planning, strategy planning and business performance management. It should be noted that each of these present opportunities for improvement at the municipality. It is critical that the administration and municipal council are committed to such business improvement.

Makana Municipality should move away from short term erratic and reactionary planning to long term stable and sustainable planning and a proactive approach to service delivery. There may be a need to review service levels for consistency of service delivery and there may be a need to analyse the coverage and service levels.

The municipality with assistance from the Eastern Cape Province, the Eastern Cape Development Corporation and Amatola Water Board entered into a contract for six priority intervention areas. The table below sets out the details of this intervention:

Tables 53

Priority Intervention	Total Estimate	Spent Year 1	Year 1 Commitment	Year 2 Commitment	Total Commitment	Progress Report
Electrical Supply Integrity	24.7	9.5	17.5	4.0	21.5	
Installation of a new 22kv line from point on edge of the Thomas Baines Reserve.	8.5	2.5	8.5	0	8.5	Contractor on site.
Construction of the power line system in parallel to the existing one.	5.5	5.5	4.0	0	4.0	Contractor just been appointed and is currently establishing the site.

Priority Intervention	Total Estimate	Spent Year 1	Year 1 Commitment	Year 2 Commitment	Total Commitment	Progress Report
Supply and install 2x new transformers 1x H'poort (15MVA) 1x Kleynhans (1.5MVA)	5.2	1.5	3.5	0	3.5	Order was placed.
Cabling at H'poort and protection.	1.5	0	1.5	0	1.5	Part of the PLC and panel upgrades.
Substation refurbishment (Summit/ Sugar Loaf and Grahamstown)	4.0	0	0	4.0	4.0	Assessment has been concluded. Construction to commence in 2014/15.
Major Pump Station Capacity.	16.7	2.5	8.6	7.1	15.7	
Upgrade of the PLC and panels of the H'poort pump station.	1.5	1.5	1.5	0	1.5	Construction and installation is underway and will be completed in 2014/15.
Repair of the damaged pump at James Kleynhans pump station.	0.5	0.5	0	0	0	Completed.
Repair of the blown motor at H'poort pump station.	0.5	0.5	0	0	0	Completed.
Purchase of the pump set for the H'poort pump station.	10.8	0	5.4	5.4	10.8	Order has been placed. A delivery is expected in

Priority Intervention	Total Estimate	Spent Year 1	Year 1 Commitment	Year 2 Commitment	Total Commitment	Progress Report
						November 2014.
Purchase of one pump for the James Kleynhans pump station.	3.4	0	1.7	1.7	3.4	Order has been placed. A delivery is expected in July 2014.
Raw Water Rising Mains	1.3	1.3	0	0	0	
Refurbishment of the 13 air valves and 3 scour valves	1.3	1.3	0	0	0	Completed.
Rural and Small Town Plants Refurbishment	7.0	0	0	7.0	7.0	
Refurbishment of the small town plants – Fort Brown, Riebeeck East and Alicedale.	3.0	0	0	3.0	3.0	Assessment and specification have been concluded. Construction is delayed. Waiting for the budget availability and approval.
Restoration of the rural or farm schemes (10 rural dwellings identified)	4.0	0	0	4.0	4.0	Assessment and specification have been concluded. Construction is delayed. Waiting for the budget

Priority Intervention	Total Estimate	Spent Year 1	Year 1 Commitment	Year 2 Commitment	Total Commitment	Progress Report
						availability and approval.
Plant Production and Supply Capacity	5.4	5.4	5.4	0	5.4	
Upgrade and retrofit filters.	2.4	2.4	2.4	0	2.4	Assessment and specification have been concluded. Construction is delayed. Waiting for the planned plant outage.
Upgrade of the clarifiers and installation of lamina plates.	3.0	3.0	3.0	0	3.0	Assessment and specification have been concluded. Construction is delayed. Waiting for the planned plant outage.
Water Loss Control	4.5	1.5	1.5	3.0	4.5	
Installation of bulk and zonal meters.	1.5	0	0	1.5	1.5	Purchased meters and the construction/ installation are underway.
Telemetry monitoring and control.	3.0	1.5	1.5	1.5	3.0	Redesign is underway.

Priority Intervention	Total Estimate	Spent Year 1	Year 1 Commitment	Year 2 Commitment	Total Commitment	Progress Report
Revenue Generation Enhancement	19.8	4.2	8.0	10.8	18.8	
Meter audit.	2.5	1.0	0	1.5	1.5	First phase has been done – 752 meters have been identified for replacement. Second phase commenced August 2014. Contractor on site – Sebata Water Meter Solutions.
Meter installation and replacement and maintenance.	13.0	2.0	6.0	7.0	13.0	Installation is underway – Contractor on site- Sebata Water Meter Solutions.
Meter reading system and management.	4.3	1.2	2.0	2.3	4.3	Water meter reading is underway. Contractor on site- Sebata Water Meter Solutions.
Sub Total	79.4	28.2	41.0	31.9	72.9	
Operations, Management and Implementation Fees						

Priority Intervention	Total Estimate	Spent Year 1	Year 1 Commitment	Year 2 Commitment	Total Commitment	Progress Report
Operations and maintenance.	28.0	11.2	0	16.8	16.8	AW – Makana Bulk Services Support. Contract to be ceded to ECDC by 30 June 2015.
Project management and support (Disbursements)	4.8	1.2	0	1.2	1.2	
PSP's appointment (integration of specifications and designs)	5.7	1.5	0	1.5	1.5	
Contingencies	7.5	2.4	0	2.5	2.5	
VAT	13.3	3.4	0	3.5	3.5	
TOTAL	138.7	47.9	41.0	57.4	98.4	

In total it is estimated that R800 million is required to upgrade the services in the Makana Local Municipality's area of jurisdiction.

For the upgrades to be successful it would be necessary to implement a project management unit which would be responsible for the procurement as well as the day to day management of all the projects necessary to get Makana into a situation where they could provide communities with the required services.

It should be noted that without the aforementioned bulk infrastructure development it will be very difficult to attract and accommodate further development, as was stressed during the engagements at Makana.

A summary of critical areas related to water and sanitation, electricity and energy, roads and storm water are as follows:

2.3.15.1 WATER AND SANITATION

Critical high level challenges as regards to water and sanitation services are as follows:

- Ageing infrastructure, poor maintenance and poor contract management;
- Material water supply shortages leading to service delivery protests;
- Inadequate catchment area to Grahamstown West, which could result in possible water shortages to the community in the future;
- Inadequate supply versus demand at the James Kleynhans Water Treatment Works;
- Inadequate electricity supply on the western side of Grahamstown, which results in the inability to supply raw water for purification;
- Inadequate storage retention rate (the Department of Water Affairs requirement is 48 hours but Makana has an average of 12 hours);
- Inadequate capacity at waste water treatment works. The plant is operating above design capacity by 78% and the municipality has received pre-directives on non-compliance by Department of Water Affairs, which could result in legal action against the accounting officer. In addition health hazards to the people and pollution to the environment;
- Inadequate capacity of the collector mains (rising main and outfalls) resulting in sewer spillages;
- Inadequate capacity of pump stations resulting in sewer spillages;
- Inadequate capacity reticulation network sewers resulting in spillages. Health hazard to the people and pollution to the environment;
- Storm water ingresses to sewer network system increases the inflow to the waste water treatment works;
- Inadequate resources (equipment and human resources) resulting in the inability to attend to complaints and dealing with the problems; and
- Continuous vandalism of critical infrastructure including the exposure of manholes, which could lead to injury and damage to property resulting in possible litigation.

Water source Challenges

- Quality of the raw water from the Glenn Melville Dam – High turbidity
- Unstable pumping system & rising main capacity
- Unreliable electricity supply to pump raw water from H'Poort

Water treatment works Challenges;

- Mechanical & Electrical poorly maintained
- Civil Works not operating as designed

Bulk water distribution Challenges;

- Storage Retention Rate (DWS requires 48hrs but Makana's 12hrs or less)
- Network Water Leaks (Through broken/old valves, pipes & meters)
- Absence of Bulk Metering (Raw water, treated water & stored water).

Service reticulation Challenges:

- High Water Leaks (Resulting to water loss)
- Absence of meters (Impact to Billing mechanism)
- Lack Pressure Control (Continuous water outages to the High Lying areas due to having water at the bottom part of the settlement)

2.3.15.2 ROADS AND STORM WATER

The provision and maintenance of roads covers the functional areas of the Department of Roads, the Department of Public Works and the Makana Municipality.

Makana does not have a storm water master plan/ pavement management system and has insufficient roads infrastructure with maintenance carried out as and when required, which is also evident during community based planning, where concerns are always raised about potholes and corrugated gravel roads.

The high level challenges in the main are as follows:

- roads and storm water (deteriorating state, unfinished projects, poor workmanship);
- Makana has Provincial acclaimed roads within its boundary especially in the Grahamstown CBD, suburbs and rural areas. These roads, including municipal roads, where the condition has deteriorated substantially have become unaffordable for the municipality to maintain; and
- Municipal funds are unable to finance the maintenance of the roads and storm water infrastructure which is urgently required; and
- Makana's rural areas are fast becoming a safety hazard and are becoming inaccessible due to a lack of maintenance and upgrading due to a lack of funds, equipment and human resources.

Makana Municipality's transportation system is categorised as follows, with the varying ownership and responsibilities of these making the management of this function difficult for Makana:

- municipal roads;
- provincial roads (Department of Roads and Public Works)
- undefined access roads;

- rural surfaced and gravel roads; and
- national roads (SANRAL)

The roads and storm water operating challenges are as follows:

- Budgetary constraints resulting in poor or no maintenance;
- Unavailability of resources e.g. machinery and human resources resulting in incomplete work;
- Deteriorating condition of the roads causing damage to public vehicles and litigation claims;
- storm water flooding which could cause death, damage to peoples' properties and possible claims; and
- Deteriorating municipal buildings making them inhabitable with the possibility of causing staff to be sick resulting in possible litigation or charges being laid by the Department of Labour.

The roads and storm water solutions, identified during the assessment, to meet the challenges are as follows:

- Provincial/ district roads maintenance plan have a signed Service Level Agreement with province/ district on the maintenance plan;
- Introduce a Pavement Management System (PMS)
- Acquisition of machinery for maintenance of roads and storm water infrastructure;
- Training of artisans and improving the skills and knowledge of the staff.

2.3.15.3 ELECTRICTY AND ENERGY

Makana is currently the service provider for the distribution of electricity only in the old Grahamstown (CPA) municipal area, while the newer urban settlements, Grahamstown East, Riebeeck East, Alicedale and the rural farm areas are serviced by Eskom. This makes delivery of services and credit control difficult for Makana to manage. This matter should be addressed as a matter of urgency.

There is no Electricity Master Plan in place and a service provider has been appointed to develop the electricity master plan.

The maintenance plan is in place but not fully adhered to, due to staff and financial shortages. Budgetary constraints hinder the effective operation and maintenance as the infrastructure is ageing and needs to be constantly upgraded and maintained.

There are 5 wards (3, 10, 11, 13 and 14) comprising the majority of households with no access to electricity. There has however been an overall reduction in the number of persons without access to electricity.

The Municipality is looking at innovative alternative energy sourcing methods and there is a draft policy which sets out the criteria which will enable the evaluation of renewable energy generation infrastructure to be developed in a manner that will limit the potential negative impacts thereof.

Progress has been made with the Innowind at Waainek to create an alternative power wind farm and the southern portion of the municipality has been identified as having potential for the development of wind energy generation infrastructure.

Makana is in the process of installing windfarms as part of an alternative energy solution, and the following progress has been made:

- The Distribution Agreement (DA) for the Waainek Windfarm Project (Alternative Energy) has been signed and construction preparations have commenced. The project is earmarked to have R400 million economic spinoffs over 20 years;
- R30 million was received for the refurbishment of ageing electricity infrastructure, mainly substations; and
- R2, 2 million was spent for 13/14 for Thomas Baines Power line as an alternative power supply.

The high level challenges are as follows:

- Makana's electricity and energy services are divided into two in terms of supply i.e. Grahamstown West (eRhini) is supplied and managed by Eskom and Grahamstown East (CBD and town areas) is supplied and managed by Makana Municipality;
- The Electricity and Energy Department is not compliant due to it not having GMR2.1 accredited personnel to approve the work done by electricians;
- Ageing electricity network cables between distribution substations to secure firm electricity supply and lack of an upgrade plan for the transformers. This could result in a possible disruption to the Windfarm Project (Waainek Windfarm).
- Major substation (66/11 KV): Waainek Substation - Old infrastructure, needs transformers and control panels. Supplies Rhodes University, Prisons, Military Base and Industrial Area. Summit Substation – poor soil condition (clay) causing major cracks to the foundation and poor drainage;
- Distribution substations require new isolators to the breakers (60% of the 153 substations need urgent attention). In addition security is required at the substations;

- Inadequate resources being vehicles, ladders, materials, testing equipment, safety clothing, designing software, etc.; and
- Insufficient staff training in particular trade tests for electricians and authorisation of electricity staff.

Given the above, the electricity and energy solutions to meet the challenges of supplying a reliable electricity supply, which must be prioritised and considered, going forward, are as follows:

- Development of a master plan to identify issues that need to be addressed;
- Installation of a new 10MVA transformer at Grahamstown sub-station;
- Installation of a new 66Kv circuit breaker at Summit sub-station;
- Refurbishment of 2x15 MVA transformers and drainage system at Summit sub-station;
- Installation of ripple control system at Sugar Loaf sub-station;
- Electrification of Ethembeni infill area comprising of 330 housing units;
- Electrification of Mayfield Phase 2 comprising of 1320 housing units;
- Substation upgrade at Waainek sub-stations; and
- 66Kv line upgrade from Grahamstown sub-station to Sugar Loaf sub-station

2.3.15.4 COMPREHENSIVE INFRASTRUCTURE PLANS

Comprehensive infrastructure plans as initiated by the Sarah Baartman District Municipality. The overriding purpose of CIP's is to develop a platform which will serve as a single process for all tiers of government with respect to infrastructure provision & service delivery. To date, phase 1(one) of the CIP development has been completed.

Table 54

Intervention	Total Amount	01 Mar '09	01 Mar '10	01 Mar '11	01 Mar '12	01 Mar '13	01 Mar '14	01 Mar '15	01 Mar '16
Housing	R 368 900.000	R 59 108.200	R 74 219.000	R 52 537.800	R 45 000.000	R 41 060.000	R 22 500.000	R 20 000.000	R -
Water backlogs	R 2 454.000	R 2 454.000	R -	R -	R -	R -	R -	R -	R -
Water refurbishment	R 15 000.000	R 2 000.000	R 2 000.000	R 2 000.000	R 3 000.000	R 2 000.000	R 2 000.000	R 1 000.000	R 1 000.000
Water bulk	R 25 888.205	R 4 040.630	R 14 062.000	R 6 098.757	R 500.000	R 500.000	R 500.000	R 187.000	R -
Water treatment works	R 26 000.000	R 5 000.000	R 5 000.000	R 5 000.000	R 5 000.000	R 6 000.000	R -	R -	R -
	R 69 342. 205	R 13 494.630	R 21 062.000	R 13 098.575	R 8 500.000	R 8 500.000	R 2 500.000	R 1 187.000	R 1 000.000
Sanitation backlog	70 955.732	R 21 500.000	19 699.324	R 7 396.408	R 5 000.000	R 5 000.000	R 5 000.000	R 5 000.000	R 2 360.000
Sanitation refurbishment	R 31 500.000	R 4 500.000	R 4 500.000	R 4 500.000	R 4 000.000	R 3 500.000	R 3 500.000	R 3 500.000	R 3 500.000
Sanitation bulk	R 15 000.000	R 7 500.000	R 7 500.000	R -	R -	R -	R -	R -	R -
Sanitation Treatment Works	R 41 000.000	R 7 000.000	R 17 000.000	R 10 000.000	R 7 000.000	R -	R -	R -	R -
	R 158 455.732	40 500.000	R 48 699.324	R 21 896.408	R 16 000.000	R 8 500.000	8 500.000	R 8 500.000	R 5 860.000
Roads - New	R 161 200.000	R 27 000.000	R 26 000.000	R 25 000.000	R 25 000.000	R 25 800.000	R 18 300.000	R 14 100.000	R -

Intervention	Total Amount	01 Mar '09	01 Mar '10	01 Mar '11	01 Mar '12	01 Mar '13	01 Mar '14	01 Mar '15	01 Mar '16
Roads – upgrading	R -	R -	R -	R -	R -	R -	R -	R -	R -
Taxi facilities	R -	R -	R -	R -	R -	R -	R -	R -	R -
Road maintenance	R -	R -	R -	R -	R -	R -	R -	R -	R -
	R 161 200.000	R 27 000.000	R 26 000.000	R 25 000.000	R 25 000.000	R 25 800.000	R 18 300.000	R 14 100.000	R -
Electricity Backlog	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Refurbishment	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Distribution	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Substations	R -	R -	R -	R -	R -	R -	R -	R -	R -
Total Amount	R 757 897.937	R 140 102.830	R 169 980.324	R 112 532.783	R 94 500.000	R 83 860.000	R 51 800.000	R 43 787.000	R 6 860.000

2.4. PUBLIC, SOCIAL, RECREATIONAL AND AMENITIES SERVICES

2.4.1 COMMUNITY HALLS:

There are 8 community/ town halls in the Makana area which are utilised by the community. Some of these facilities are in need of maintenance and repairs.

2.4.2 LIBRARIES:

There are 8 libraries in Makana managed by the Municipality in terms of a Service Level Agreement with the Province. These libraries are situated in ward 1; 7; 8; 10; 14 and a mobile library that services ward 5.

2.4.3 SPORT AND RECREATION FACILITIES:

Grahamstown- Rhini

- Indoor Sports Centre (New Facility functional)
- Mickey Yili Rugby Fields (2 x Playing fields) - **In need of upgrading especially lighting and stands**
- Millennium Cricket Stadium (1 x field with turf wicket and Practice nets)
- Dlepu Stadium (2 x soccer fields) **In need of upgrading especially lighting, ablutions and Pavilion**
- Foley's Ground (soccer field with tennis court and basketball court under construction)
- The Oval - Lavender Valley Sports grounds (2 x rugby fields and Basketball court) **In need of upgrading, leveling of fields, ablutions and lighting**
- Egazini Rugby field (1 x field under reconstruction)
- Extension 5 Satellite Soccer ground (3 x Soccer fields - out on tender)

Alicedale:

- Transriviere (1 x Rugby Field plus two netball courts)
- KwaNozwakazi (1 x Soccer Field and Netball court)

Riebeeck east:

KwaNomzamo (1 x Rugby field and netball court) Council in 2014-15 financial year has an approved budget for Maintenance. Budget for Sporting grounds is valued at R 2,062,620, all inclusive and Capital Program at R 406,000. There are two Golf Courses in the Municipal Area, both privately run, one in Grahamstown and the other in Alicedale

2.4.4 CEMETERIES

Grahamstown

- Mayfield Cemetery (currently in use and has capacity for another 12 Years at the current rate of burials)
- Waainek Cemetery (currently in use and has capacity for a further 5 years at current rate of burials)
- Lavender Valley (Currently not in use other than for reserved graves)
- Grahamstown Historical Cemetery (currently not in use other than for reserved graves)
- Extension 1 Cemetery (currently not in use)
- Kings Flats Cemetery (currently not in use other than for reserved graves)
- KwaDinga Cemetery (currently not in use)

Alicedale

- KwaNonzwakazi (currently at capacity)
- Transriviere (currently in use and has capacity for a further 5 years at current rate of burials)
- Town Cemetery (currently in use and has capacity for a further 5 years at current rate of burials)

Riebeeck East

- KwaNomzamo (currently in use and has capacity for a further 5 years at current rate of burials)
- Town Cemetery (currently in use and has capacity for a further 5 years at current rate of burials)

Outlying Districts

A number of farm cemeteries that are not registered (status of cemetery and available space for burials still being investigated)

2.4.5 PRIMARY HEALTH CARE

Health services are now provided by the Department of Health. There are 12 *clinics* and 2 *ambulance services* all stationed in Grahamstown.

Table 55: Makana Clinics and Hospitals

INSTITUTION	CONTACT	ADDRESS	TELEPHONE
Town Clinic	Mrs. Haywood	Huntley Street	(046)6223430
Grahamstown Mobiles 1, 2 & 3	Mrs. De Beer /Mr. Isaacs	Huntley Street	(046)6224901
Joza Clinic	Mrs. September	Nompondo Street	(046)6036026/ 6152
Kwa-Nonzwakazi Clinic	Mr. Isaacs	Recreation Street	(042)2311019
Middle Terrace Clinic	Mr. Isaacs	Middle Terrace Street	(046)6036043/ 6102
NG Dlukulu Clinic (Ext 7)	Mrs. De Beer	Sani Street	(046)6036089
Raglan Road Clinic	Mrs. Bunu	Raglan Road	(046)6036084
Riebeeck East Clinic	Mr. Isaacs	Komadagga Road	(046)6224999
Settlers Day Hospital	Mrs. Menziwa	Cobden Street	(046)6223033
Tantyi Clinic	Mrs. Somngesi	"T" Street	(046)6036153
Settlers Hospital (Public)	Mrs. A Potts(Acting CEO)	Milner street	(046)602 5000
Settlers Hospital (Private)	Mr. Mutla (Hospital Manager)	Milner street	(046)602 5000
Fort England Hospital	Dr Walsh (CEO)	York Street	046 622 7003

Makana Municipality has two Ambulance Services i.e. EMS and Netcare. For those patients referred to either Port Elizabeth or East London there is transportation organised by the hospital and the ambulance service; on Monday, Wednesday and Friday to PE and Tuesday & Thursday to East London.

2.4.6 EDUCATIONAL INSTITUTIONS (SCHOOLS)

There are 33 Primary Schools; 8 High Schools; 3 pre- schools; 2 Combined School in the Makana area. Makana also boasts a host of private schools, DSG; St Andrews and Kingswood College with Amasango & Kuyasa for kids with special needs.

Table 56: Community Facilities and Public Amenities

COMMUNITY SERVICES AND FACILITIES	WARD	NAME	TOTAL IN MAKANA MUNICIPAL AREA
Clinic	1,2,3	Mobile Clinic	3
Taxi Rank	8	Ncedo Taxi Association and Border Alliance	2
Post office	7 & 8	Market Square, High Street & Joza	3
Pension pay points	3; 5; 7; 8;	Recreation; B.B. Zondani	2

COMMUNITY SERVICES AND FACILITIES	WARD	NAME	TOTAL IN MAKANA MUNICIPAL AREA
	9; 10		
Sports facilities and Local sports activities	2,3	J.D Dlepu; Mikki Yili; Foley's Ground; Lavender Valley	4
Cemetery	1; 3; 4; 9 & 11	Albany Old Cemetery; Ndancama; Waainek; Mayfield; Thatha & Ext 7	6
Church/Place of Worship	1; 2; 3; 4; 6; 7; 8; 9; 10; 11; 12; 13; 14	Methodist; Anglican; Presbyterian; Zion; Adventist; Pentecostal	Numerous
Banking Facilities	8	NED BANK, ABSA, FNB, STANDARD BANK, CAPITEC	5
Parks & Recreation	1,3,6	Pumlani Park, Lavender Valley, Memorial Park	3
Libraries	1, 2, 3, 5, 10, 12, 13 & 14.	There are 8 libraries in the Makana Area. The libraries are situated in the following wards	8

2.4.7 TRAFFIC SERVICES

Makana municipality operates a traffic service (7 posts). A fully functional motor vehicle test center is located in Grahamstown and is fully operational. There is also Grade A Traffic and Parking (town).

Makana delivers an agency service for licensing (NATIS) on behalf of the Provincial Department. Three Peace Officers have been appointed to enforce by-laws.

2.4.8 COMMUNITY SAFETY

The South African Police Service Act as amended made provision for the establishment of municipal police services and community police forums. In Makana a cluster ward approach was undertaken to establish Community Police Forums, in total five have been established. During the Community based planning, concern was raised around the effectiveness of these forums and the lack of visibility of the SAPS.

SAPS Crime Research Statistics show that crime levels are high in Grahamstown. Contact crimes against a persons and burglary at residential premises are most prevalent.

Police Stations in Makana Area

Table 57

NAME	WARD
Grahamstown CBD Area	8
1x Riebeeck East	1
1x Alicedale	14
1x Fort Brown	1
1x (Extension 6 New Police station)	6
Seven Fountain	14
Committees Drift	1
Joza Police Station	6

2.4.9 CHALLENGES AND DEVELOPMENT PRIORITIES

The Directorate of Public Safety and Community Services is one of the biggest departments within the municipality and is made up of about 40% of the staff employed by the municipality. The Directorate is responsible for the provision of parks, recreational and sporting facilities, cleansing and environmental health services, library services, environmental management, traffic services, fire and emergency services.

The challenges facing the Public Safety and Community Services Directorate are as follows:

- Lack of human capacity to implement the by-laws. The by-laws are not updated and some are not approved, which could result in possible litigation as regards billing for and collection of monies levied for services;
- Implementation of unfunded and underfunded mandates, example firefighting which is a district function. Engagements with the Sarah Baartman District Municipality are taking place in this regard.
- Lack of resources e.g. no fire stations in outlying areas and therefore the inability to respond to fires on time especially in areas like Alicedale and Riebeeck East;
- Establishment of libraries in the new areas not done due to a lack of funding;
- Inadequate customer complaint handling processes. At present all complaints are referred to the Fire Services and therefore there is a need to establish a centralised responsive customer care unit/ centre to deal with customer care complaints and emergencies; and
- Vehicles are old and unreliable and impact negatively on service delivery; and
- Eradication of illegal dumping sites, fencing of legal dumping sites, improvement of

street cleaning, the provision of the cleaning services in all areas of Makana and monitoring of cleaning staff.

- Improve and Increase visibility of Police, Resuscitate Community Policing Forums and establishing Community Safety Forum

The municipality should prioritise, update, approve and enforce the by-laws. The billing of refuse and an audit of all refuse removals to ensure that consumers are being billed correctly for the amount of refuse removed should be undertaken. The acquisition of vehicles and equipment, cleanliness of the town, identify and cost unfunded and underfunded mandates which are the competency of the district and other departments and engage these institutions to address the matter, must be undertaken amongst others.

2.5. GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Makana Municipality is a Category B Municipality (local municipality) with an executive Mayoral Committee System combined with a Ward Participatory System, as defined under Chapter 1 of the Local Government: Municipal Structures Act No. 117 of 1998. The Political and Administrative seat is situated in Grahamstown.

2.5.1 GOVERNANCE STRUCTURES

Section 53 of the Municipal Systems Act (Act 32 of 2000), stipulates inter alia that the respective roles and areas of responsibilities of each political structures and each Political Office Bearer of the Municipality and the Municipal Manager must be defined. Makana Municipality has Fourteen (14) ward and 28 Councillors.

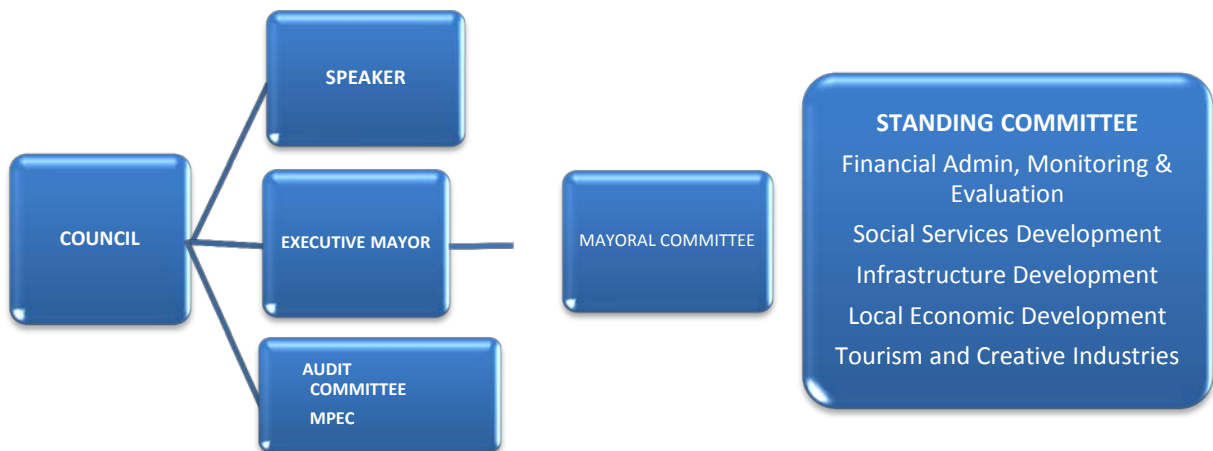
2.5.2 MAKANA POLITICAL STRUCTURE OVERVIEW

The Makana Local Municipality was established in terms of Section 12 of the Local Government Municipal Structures Act (Act No. 177 of 1998). Council has of twenty eight (28) Councillors (including the Mayor), 12 of whom are proportional councillors. The municipality operates in an Executive Mayoral Committee system with an Executive Mayor and five Portfolio Chairpersons being members of the Mayoral Committee.

The Council plays an oversight role in terms of the delegations and the Mayor and council provides political guidance over the financial matters of the Municipality.

There is a fully functional Audit Committee attached to the municipality that provides opinions and recommendations on financial processes and performance and provides comments to the Oversight Committee on the Annual Report. The Municipal Public Accounts Committee is comprised of non-executive councillors, with the specific purpose of providing the Council with comments and recommendations on the Annual Report. The Oversight Committee report will be published separately in accordance with MFMA guidance.

2.5.2.1 OUTLINE OF THE POLITICAL STRUCTURE



EXECUTIVE MAYOR: AND MAYORAL COMMITTEE

CLR ZAMUXOLO PETER

MAYORAL COMMITTEE MEMBERS

Chairperson of Social Services Development Committee

Clr M Matyumza

Chairperson of Finance, Administration, Monitoring and Evaluation Committee

Clr P Ranchhod

Chairperson of Infrastructure Development Committee

Clr N Gaga

Chairperson of Local Economic Development Committee

Clr P Notyawa

Chairperson of Tourism and Creative Industries Committee.

Clr M Masoma

SPEAKER AND COUNCIL

SPEAKER:	CLR RACHEL MADINDA
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COUNCILLORS			
NO	SURNAME AND INITIALS	WARD	ORGANISATION
01	BONANI B	PR	ANC
02	BOOYSEN M.C.	03	DA
03	FARGHER B.W.	12	DA
04	Gaga N (Infrastructural Development)	PR	ANC
05	GOJELA M.	11	ANC
06	JACKSON B.P.N.	08	DA`
07	JELA K.	09	ANC
08	LOUW E.	14	ANC
09	KOLISI V.	10	ANC
10	KHUBALO M.	07	ANC
11	MADINDA M.	PR	ANC
12	Madinda R.M. (Speaker)	PR	ANC
13	MADYO X.	PR	DA
14	Masoma N. (Tourism)	06	ANC
15	Matyhumza. M (Social and Community Services)	PR	ANC
16	MAY L.C.	04	DA
17	METI N.	10	ANC
18	NGELEZA T.	PR	ANC
19	NGOQO N.J.	01	ANC
20	Notyawa M.P.G(Local Economic Development)	PR	ANC
21	PETER Z Executive Mayor	PR	ANC
22	PLAATJIE R.	PR	COPE
23	Ranchhod P. (Finance, Administration and Monitoring and Evaluation).	PR	ANC
24	TYANTSULA N.C.	PR	ANC
25	TAME M.S.	05	ANC
27	Wells J.C.(Chief Whip)		

2.5.3 COUNCIL COMMITTEES

2.5.3.1 Section 80 Committees

- Financial Admin, Monitoring & Evaluation
- Social Services Development
- Infrastructure Development
- Local Economic Development
- Tourism and Culture Industries

2.5.4 WARD COMMITTEES AND COMMUNITY DEVELOPMENT WORKERS

Makana Municipality has 13 Ward committees in place the 14th one is the Rhodes University area and Grahamstown Foundation (Monument) with not residential areas. Issues pertinent to IDP are referred from these structures like IDP Representative Forum which they are part of and through the Ward Councillor to the IDP unit for attention.

A Community Development Worker (CDW) is based in each Ward and act as an ex-officio in the Ward Committee. Ward Committees meet on a monthly basis and regular constituency meetings are held, to keep the communities informed about Municipal affairs, progress with project implementation and also to receive public input on matters of general concern.

2.5.5 COMMUNITY-BASED PLANNING

The Ward-based public participation for developing the 2012 – 2017 IDP and its annual review was even more rigorous than previous year. Community-Based Planning Workshops were held in all 13 Wards and a comprehensive CBP Report containing extensive data for each Ward was the final outcome. This in turn informed Municipal and Sector Department as to the Development Needs & Priorities of the Communities and assisted them in their project planning & design for the forthcoming fiscal and outer years. Community Consultation & Participation is taken further by regular Ward Meetings held by Ward Councillor and their Ward Committees, as well as the Mayoral Imbizo and other events.

2.5.6 INTER-GOVERNMENTAL RELATIONS

The Honourable Mayor has established an Inter-Governmental Relations Forum and is in the process of developing a local IGR Strategy, to ensure its efficient and effective functioning and also clarifying the aims & objectives, as well as the roles and responsibilities of the IGR and its various stakeholders. This structure also serves to co-ordinate the planning of projects and implementation of programmes stemming from the IDP process, Ward-based Plans, etc.

2.5.7 AUDIT COMMITTEES

Makana Municipality has its own Audit Committee. The Audit Committee holds regular meetings and performs its function in terms of the Makana Municipality Audit Committee Charter Approved on the 30th May 2013 (Reviewed Annually).

Other parties in attendance are:

Makana Municipality : The Municipal Manager, Director of Budget & Treasury, Chief financial officer , Director of LED, Director Technical , Director of Corporate Services and Director Community and Social Services. Internal Auditor and Auditor-General representative

2.5.8 INTERNAL AUDIT

Makana Municipality has an outsourced Internal Audit Unit in which at moment the contract with Kabuso Audit Firm has expired and the municipality is in the process of appointing a new service provider.

2.5.9 SOCIAL COHESION IN MUNICIPAL PLANNING

ACTIVITIES	PERIOD
National Art Festival	June/ July every year
Science Festival	March every year
Makana Freedom Festival	April
Mayoral Cup	Eater weekend

2.5.10 DIMENSIONS AND CROSS-CUTTING ISSUES: SPU

Municipal planning is influenced by a number of dimensions and cross-cutting issues. The main dimension being: Social, Spatial, Economic, Institutional, Natural Environment.

The impact that projects can and will have on the above must always be borne in mind, hence the importance of designing strategies that will incorporate these considerations, as well as address cross-cutting issues such as Poverty Relief, HIV/AIDS and SPU.

Special Programmes Unit (SPU) has been established in the Municipality in the office of the Mayor. The Special Programmes Unit of the Makana Municipality is responsible for the following categories:

- People living with disabilities
- Youth (incl. Sports)
- Gender
- Older persons

- HIV/AIDS

The post of Special Programmes Officer was included as part of the restructuring of the Municipality's Organogram. The position was filled on 1st July 2008. The SPU Officer is holding monthly meetings and has already successfully activated a number of Special Events, such as Youth tournament, etc. Programmes have also been identified for inclusion in the Municipality's Operating Budget, whilst some projects of capital nature have been earmarked for external funding.

HIV/AIDS is a matter of such importance that it should feature as a cross-cutting issues in every area of development. Makana municipality has an HIV/AIDS Policy/ Plan which is revised annually.

Other programs the office is involves in is mainstreaming HIV/AIDS in workplace and society, awareness of HIV/AIDS, how to manage it within the workplace and curb the spread of it, it is advocated during all project training and employment orientation sessions.

2.5.11 RISK MANAGEMENT

Table 59: SUMMARY OF STRATEGIC RISKS CONFIRMED DURING THE WORKSHOP

RISK CATEGORY	DESCRIPTION	NO OF RISK INHERITED	NO OF RISK RESIDUAL
High	Loos of ability to sustain on-going operations or a significant impact on achievements of strategic objectives	25	20
Medium	Poor management of inter-governmental relations	16	9.6

RISK ISSUES

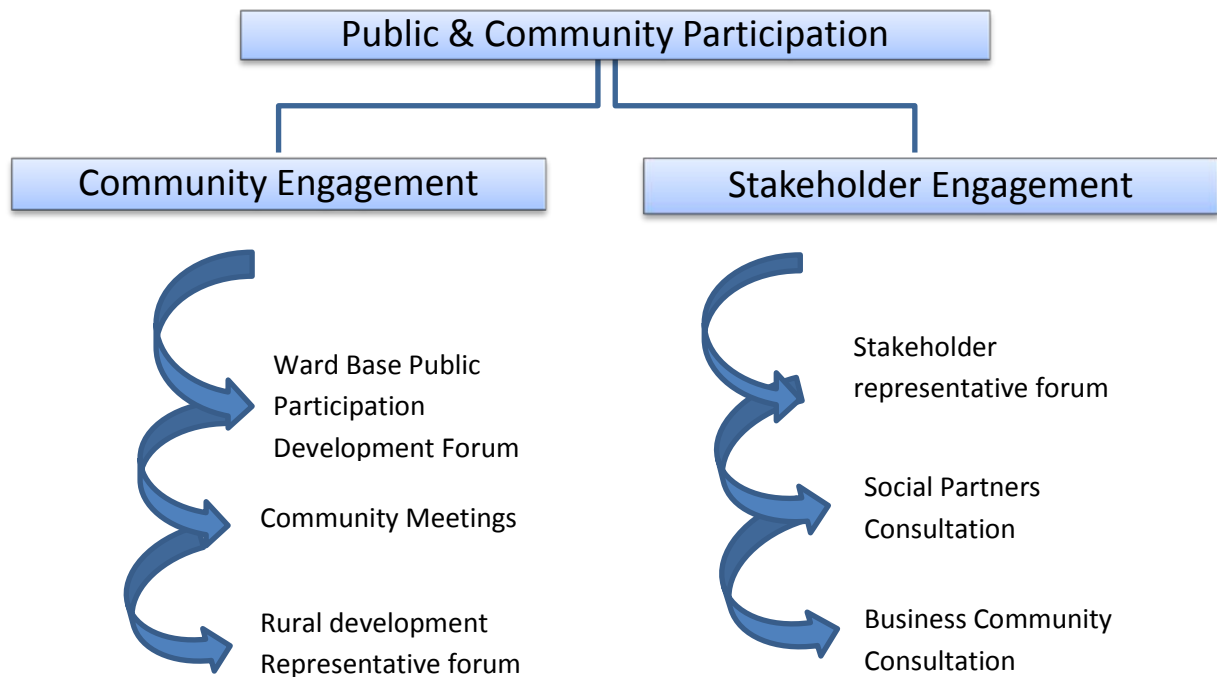
- Inability to effectively utilise available resources (human and financial)
- Non-achievement of revenue targets
- Silo culture which inhibits communication, information sharing and a common vision (Lack of co-operation between

directorates/departments)

- Lack of adequate investment attraction and investor confidence
- Lack of business continuity processes
- Inadequate communication of the existing and revised policies; **and** inadequate implementation of the existing and revised policies
- Inadequate management and control of confidential municipal information
- Inability to provide sufficient & safe drinking water
- Unavailability of supporting infrastructure (Inadequate maintenance of municipal infrastructure)
- The organisational culture does not promote service delivery
- Lack of implementation of the communication strategy
- Poor management of inter-governmental relations
- Lack of corporate governance framework, oversight and monitoring over institution
- Theft, Fraud and Corruption
- Critical staff/skill shortages in key areas of responsibility
- Lack of environmental risk register
- Increasing crime in the municipal area
- Non-alignment of IDP, SDBIP and budget
- Lack of ICT Governance

2.5.12 PUBLIC AND COMMUNITY PARTICIPATION FRAMEWORK PLAN

MUNICIPAL APPROACH: PROCESSES



B. Community Engagement

Purpose:

Municipality Services and Community Engagements

Specific program will have to be developed for community consultation/ engagement (i.e. development / Review by-law). With regards to IDP, Budget and performance review; wards will be clustered where demarcation is not conducive for maximum communities to participate.

PROPOSED ROAD MAP

Table 60 Part A:

WARD	PPDF	AREAS	VENUE
1.	A	Riebeeck East	Alfred Dike Kota Hall
	B	Carlisle Bridge & surrounding	Primary School
	C	Fort Brown	Community Hall
2.	A	Mrwetyana Area; Thatha area; Ntlebi area; Dutch Reform area Velem Area; A,B& C section (Joza)	Lower primary school

WARD	PPDF	AREAS	VENUE
		Pumlani area	
5	A	Extension 8; Extension 9; Transit Camp	Extension 9 Hall
6	A	Extension 4; Extension 6; Lingelihle; PA area	Indoor Sport Centre
11	A	Ethembeni; 25 Sites; Extension 7; Part of Ext 6	Dlukulu Clinic
13	A	Stones hill; Yandel Farm; Manley Flats	Cricket Club
	B	Southwell	Combined School
	C	Broughton	Methodist Church
	D	Hope fountain	Combined School
	E	Salem	The Shed
	F	Vukani location	Rev. Lolwane (Tent)
14	A	Alicedale	Nonzwakazi Hall
	B	Sidbury	Combined School
	C	Mosslands	Combined School
	D	Highlands	Combined School
	E	Seven fountain	Pre-school

Table 61 PART B:

WARDS TO BE CLUSTERED:

WARD	PPDF	AREAS	VENUE
3 + 4	A	Upper Ghosttown; Sun City; Zolani; Phaphamani; Vergenoeg; Mayfield Hooggenoeg; Polar Park	Mary Waters High School
	B	Somerset Heights; Old Radio GHT area; Hill 60; Graeme College Area; Cradock Heights; West Hill	Graeme College or Alternative venue
	C	Scotch farm; Albany Road area; Kingswood College area	Recreation Hall
8 & 9	A	Ndancama; Newtown; A – Powell Street; Eluxolweni	Luvuyo Hall
7 & 10	A	Godlonton Street; Wood Street; Raglan Road; Turpan Street; Victoria Road; Russell (I Str) & squatters; J Street & squatters N Street & squatters	B.B. Zondani Hall
	C	Xolani location & squatters; P – Z streets; Lower Archie Squatters; Zolani; Upper Hlalani; New town; Lombo; Lukwe; Sofisa	Tantyi Hall

Table 62 Part B2.

STAKEHOLDERS CONSULTATION

CONSULTATION	ROLE PLAYERS
Stakeholder representative forum	<ul style="list-style-type: none">• Sector Departments• Rhodes University and• East Cape Midlands College
Social Partners Consultation	NGO/CBO and Faith organization
Business Community Consultation	<ul style="list-style-type: none">• Business Organizations• Suppliers• General Business

2.5.13 GOOD GOVERNANCE AND PUBLIC PARTICPATION CHALLENGES AND DEVELOPMENT PRIORITIES

2.5.13.1 COUNCIL COMMITTEES

Governance and oversight within the municipality must be strengthened for improved decision making and service delivery. Engagements with the municipality reflected that there is an issue of postponement of Council and Committee meetings which have led to delays in crucial processes and the implementation of decisions within the municipality. This has also had an impact on timeous implementation of council resolutions and committee decisions within the municipality.

The postponement of Council and Committee meetings should be addressed in order to expedite decision making and to also comply with legislative activities within the required timelines. Adherence to the scheduled dates of Council and Committee meetings is critical. There is also a need for an improvement in Council resolutions being tracked, monitored and the implementation thereof.

The implementation and enforcement of a code of conduct for councillors is critical. The review of the system of delegations should address the political component of the municipality as well.

It has been noted that there is inadequate personnel to provide administrative services for Council and Committee meetings. It is critical to address the inadequacy of the minutes as well as the delay in the availability and distribution of the minutes of Council and Portfolio Committees to expedite implementation thereof. Capable personnel should be made available to provide administrative support. Non submission or late submission of agenda items and/ or relevant reports for the meeting should also be addressed.

The culture of poor or non-performance and the perception that transgressions were an accepted norm within the municipality should be addressed. This would assist in improving service delivery, financial management and the audit outcomes.

The Audit Committee of Council is not functional, it has only two members and the last meeting was held in October 2013. There is a need for improvement in the effectiveness of the Audit Committee of Council to ensure compliance with section 166 of the MFMA. The Council of the municipality should urgently address this matter. The work of the Audit Committee is critical to respond to Council on any issues raised by the Auditor-General in the audit report.

The municipality should develop a communication strategy, and a public participation and communication (internally and externally) programme should be enhanced. This would assist to stabilise community protest amongst others.

2.5.13.2 INTERNAL AUDIT, RISK MANAGEMENT AND AUDIT OUTCOMES

INTERNAL AUDIT:

The municipality has an Internal Audit Manager and some of the internal audit functions have been outsourced. The Internal Audit unit is almost non-functional and the challenges facing this unit which should be addressed can be summarised as follows:

- There is a conflict of interest in duties performed by Internal Audit as the incumbents relieve in other positions within the municipality when required to do so. This arrangement impairs independence and objectivity;
- The municipality tried to outsource some of the internal audit functions to a service provider however the service provider did not adequately perform their functions and no audit files were left by the service provider; and
- Lack of internal capacity in terms of personnel as well as skills.

The municipality when addressing internal audit should focus amongst others on an internal audit structure review, skills and gap analysis together with the development program, filling of critical posts and quality assurance and improvement.

Risk management: A risk management framework is in existence and there is a risk based audit plan but the implementation remains a challenge. In addition, the risk based audit plan needs to be reviewed and updated in light of the current challenges at the municipality. Risk management is not fully embedded in the culture and internal control processes of the municipality.

The following are some of the critical risks identified by the municipality, rated with high inherent risk ratings classified priority 1 risks, which are intolerable and require action to further mitigate the exposure:

- Inability to effectively utilise available resources (human and financial);
- Ineffective utilisation of the budget;
- Non-achievement of revenue targets;
- Silo culture which inhibits communication, information sharing and a common vision. (lack of co-operation between directorates/ departments);
- Lack of adequate investment attraction;
- Lack of a marketing strategy;
- Lack of performance management throughout the municipality;
- Lack of business continuity processes;
- Inadequate communication and implementation of the existing and revised policies;
- Inadequate management and control of confidential municipal information;
- Inability to provide sufficient and safe drinking water;
- The organisational culture does not promote service delivery;
- Lack of implementation of the communication strategy;
- Poor management of inter-governmental relations;
- Thefts, fraud and corruption;
- Critical staff/ skill shortages in key areas of responsibility;
- Not meeting the realistic expectations of stakeholders (community dissatisfaction);
- Lack of community awareness on environmental management;
- Increasing crime in the municipal area; and
- Alignment of IDP, SDBIP and budget.

The action plans to mitigate prioritised risks should be included in the risk and action owners performance agreements to ensure implementation.

AUDIT OUTCOMES FOR 2011/12, 2012/13 AND 2013/14

The Auditor-General's Reports for the 2012, 2013 and 2014 financial years can be summarised as follows:

30 June 2014	30 June 2013	30 June 2012
Disclaimer	Disclaimer	Disclaimer
<p>Basis for Disclaimer</p> <p>Property, Plant and Equipment.</p> <p>No supporting documents. Did not account for additions correctly. Insufficient audit evidence for adjustments to depreciation and amortisation. Investment Property. No audit evidence. Heritage Assets. No supporting audit evidence. Journals. No audit evidence for journals totalling R258 million. The journals impacted Property Rates, Receivables and General Expenditure. VAT Receivable and Payable. Not sufficient audit evidence for VAT receivable in the current year and the restated VAT payable amount in the previous year.</p>	<p>Basis for Disclaimer</p> <p>Property, Plant and Equipment:</p> <p>PPE overstated by R225 million. VAT Payable: VAT not adequately reconciled. Unexplained difference of R4.5 million. Other Receivables and Sundry Debtors: Insufficient evidence to support figure disclosed in the financial statements. Payables: Insufficient evidence to support amount disclosed in the financial statements. Inventory: Insufficient evidence to support figure disclosed in the financial statements. Cost of water inventory could not be confirmed. Government Grants Received and Unspent Conditional Grants and</p>	<p>Basis for Disclaimer</p> <p>Property, Plant and Equipment.</p> <p>Documentation not provided for additions amounting to R86 million. Properties not in the Municipality's name are in the asset register. Property values in the asset register do not tie back to the valuation roll. The depreciation for the 2010 and 2011 years had been calculated incorrectly. Investment Property: The municipality did not identify and disclose separately the investment properties included in the asset register. Accounts Receivable: Suspense account of R10 million included in accounts receivable. No documentation for the suspense account. Creditors: Suspense accounts</p>

30 June 2014	30 June 2013	30 June 2012
<p>Receivables from Exchange Transactions. Insufficient evidence to confirm the disclosures for Receivables from exchange transactions, Provision for impairment and impairment losses.</p> <p>Receivables from Non-exchange Transactions. Insufficient evidence to confirm the disclosures for Receivables from Non-exchange Transactions, Provision for Impairment and Impairment Losses.</p> <p>Payables from Exchange Transactions. Insufficient evidence to confirm the disclosures for Payables from Exchange Transactions. Incorrect amounts on system when compared to supplier statements, receivables with credit balances included in receivables and suspense accounts reflected as payables from exchange transactions.</p> <p>Payables from Non-exchange</p>	<p>Receipts: Grants received are understated by R5.3 million. Insufficient audit evidence as regards R11.3 million of conditional grant expenditure. Insufficient audit evidence for an adjustment of R6.6 million to grants received.</p> <p>Grants and Subsidies Paid: Due to incorrect calculations indigent subsidies are overstated by R11.3 million.</p> <p>General Expenditure: Inadequate supporting documentation to support expenditure. Duplicate payments of R4 million made to suppliers.</p> <p>Employee Related Costs: No documentation to support employee contracts, allowances, wages and overtime. Not all employees could be physically verified.</p> <p>Service Charges and Receivables From Exchange Transactions. Inadequacies in billing system. Misstated amount of R51.8 million.</p>	<p>amounting to R27 million included in creditors. No supporting documents for the suspense accounts.</p> <p>Leave Accrual: No adequate system of control over leave management.</p> <p>Accumulated Surplus: No supporting documents to support R24 million as regards PPE adjustment.</p> <p>Corresponding Figures. No appropriate audit evidence to support restatement of previous year's restatements.</p> <p>Bank Overdraft. No supporting documents for journals amounting to R33 million processed to the bank account in the general ledger.</p> <p>Emphasis of Matter</p> <p>Material Underspending of the Capital Budget: The municipality underspent by 28% (R27 million) in respect of its capital budget expenditure.</p> <p>Significant Uncertainties: No provision for liability as</p>

30 June 2014	30 June 2013	30 June 2012
<p>Transactions. Insufficient evidence to confirm the disclosures for Payables from Non-exchange Transactions. Receivables with credit balances included in receivables, unexplained differences in PAYE and SDL, incorrect leave days used for calculation of leave accrual and suspense accounts reflected as payables from non-exchange transactions.</p> <p>Inventory. Unable to obtain enough evidence to confirm balances of inventory.</p> <p>Government Grants. Government grants received as well as unspent conditional grants. Not enough evidence to confirm unspent conditional grants balances and unable to confirm grant expenditure transferred to revenue.</p> <p>General Expenditure. Insufficient audit evidence to support figure disclosed in the financial statements.</p>	<p>Irregular Expenditure: Understated by R19.4 million. No supporting documents to support figure disclosed in the financial statements.</p> <p>Unauthorised Expenditure: Overstated in financial statements by R286 million.</p> <p>Accumulated Surplus: Inadequate supporting documents not provided for adjustment of R8.6 million.</p> <p>Distribution Losses: No system to identify material losses. Therefore losses could not be verified.</p> <p>Corresponding Errors: Inadequate evidence to support the prior year restatements disclosed in the financial statements.</p> <p>Correction of Error: Inadequate evidence to support the prior year restatements disclosed in the financial statements.</p> <p>Aggregation of Immaterial Uncorrected Misstatements. Cumulative effect of</p>	<p>regards lawsuits estimated to amount to R50 million.</p> <p>Unauthorised Expenditure: R48 million not disclosed in financial statements.</p> <p>Irregular Expenditure: Understated by R7 million in the financial statements.</p> <p>Fruitless and Wasteful Expenditure: Understated by R1, 6 million in the financial statements.</p> <p>Material Losses: Losses in respect of water and electricity were disclosed in the financial statements.</p>

30 June 2014	30 June 2013	30 June 2012
<p>Invoices relating to 2011/12 recorded in current year. Bulk Purchases. Insufficient audit evidence to support figure disclosed in the financial statements.</p> <p>Invoices relating to 2011/12 recorded in current year. Repairs and Maintenance. Insufficient audit evidence to support figure disclosed in the financial statements.</p> <p>Invoices relating to 2011/12 recorded in current year. Employee Related Costs. Insufficient audit evidence to support figure disclosed in the financial statements in respect of overtime, contract workers, and SARS returns as regards PAYE.</p> <p>Revenue from Non-exchange Transactions. Insufficient audit evidence as regards Property rates.</p> <p>Irregular Expenditure. Inadequate systems of control and amount identified as R105 million.</p> <p>Non-availability of contract</p>	<p>numerous individual immaterial uncorrected misstatements caused financial statements to be materially misstated.</p> <p>Cash and Cash Equivalents: Unsupported journals totalling R28 million were passed to balance the bank</p> <p>Commitments: Inadequate contracts register therefore unable to verify figure disclosed in the financial statements.</p> <p>Disclosure Notes – Property Rates: Incorrect disclosure when compared to the valuation roll.</p> <p>Emphasis of Matters: Material underspending of budget. Underspent capital budget. The municipality did not achieve 51.2% of its planned objectives.</p>	

30 June 2014	30 June 2013	30 June 2012
<p>management documentation.</p> <p>Unauthorized Expenditure. Non-disclosure of R1.6 million.</p> <p>Fruitless and Wasteful Expenditure. Did not disclose interest and penalties of R349 262 paid to SARS.</p> <p>Commitments understated by R45.5 million due to lack of supporting documents due to inadequate contract management system.</p> <p>Financial Instruments. Debtors with credit balances incorrectly disclosed and unspent grants not disclosed as a financial liability.</p> <p>Accumulated Surplus. Insufficient appropriate audit evidence to support figure disclosed in the financial statements.</p> <p>Material Losses. No disclosure of water and electricity distribution losses.</p> <p>Restatement of</p>		

30 June 2014	30 June 2013	30 June 2012
<p>Corresponding Figures.</p> <p>Insufficient audit evidence to support material restatements to previous year's figures.</p>		
<p>Additional Matters:</p> <p>Conditional grants were not cash backed by an amount of R34.8 million. This indicates that conditional grants are being used for other expenditures not in terms of the grant.</p>		
<p>Predetermined Objectives</p> <p>Of a planned 136 targets 45 of the targets were not achieved.</p>	<p>Predetermined Objectives</p> <p>Improvement measures for 25% of the planned targets not achieved were not disclosed in the annual performance report.</p> <p>A total of 36% of the reported objectives, 82% of the indicators and 41% of the targets were not consistent with the objectives.</p> <p>35% of the indicators were not well defined, specific or time bound.</p>	<p>Predetermined Objectives</p> <p>67% of the reported targets had no details of the measures taken to improve performance.</p> <p>22% of the indicators included in the annual performance report are not consistent with the planned indicators in the IDP.</p> <p>51% of the indicators reviewed were not well defined.</p> <p>74% of the targets reviewed were not specific.</p> <p>100% of the targets did not have a time period or</p>

30 June 2014	30 June 2013	30 June 2012
<p>Financial and Performance Management</p> <p>The municipality does not have proper record keeping and record management systems in place.</p> <p>No controls over daily and monthly processing of transactions.</p> <p>IT control environment weak.</p>	<p>Financial and Performance Management</p> <p>The municipality does not have proper record keeping and record management systems in place.</p>	<p>deadline.</p> <p>Financial and Performance Management</p> <p>The municipality does not have proper record keeping and record management systems in place.</p>
<p>Procurement and Contract Management</p> <p>Numerous contraventions of the SCM Regulations</p>	<p>Procurement and Contract Management</p> <p>Numerous contraventions of the SCM Regulations.</p>	<p>Procurement and Contract Management</p> <p>Numerous contraventions of the SCM Regulations.</p>
<p>Audit Committee</p> <p>The audit committee was not constituted correctly.</p>	<p>Audit Committee</p> <p>The audit committee did not at least twice during the financial year submit an audit report on the review of the performance management system.</p> <p>The internal auditors did not audit the performance measurements on a continuous basis and did not submit quarterly reports on their audits to the Municipal manager and the audit</p>	<p>Audit Committee</p> <p>The internal auditors did not audit the performance measurements on a continuous basis and did not submit quarterly reports on their audits to the Municipal Manager and the audit committee.</p>

30 June 2014	30 June 2013	30 June 2012
	committee.	
<p>Investigations in Progress</p> <p>There were numerous investigations relating to irregular appointments of consultants, irregular appointments of employees, irregular donation expenditure, irregular payments of legal fees and the lost personnel file of the previous Municipal Manager.</p>	<p>Investigations in Progress</p> <p>Investigations into several alleged transgressions resulting in irregular and potential irregular expenditure are currently being conducted.</p>	<p>Investigations in Progress</p> <p>Investigation into alleged irregularities committed by the CFO is still in progress.</p> <p>Investigation into alleged deviation from SCM policy to supplier of sport training and coaching sessions was completed and recommended no further payments be made to the suppliers.</p> <p>Investigation into alleged irregularities relating to awarding two infrastructure contracts. The investigation was completed and it was recommended that a criminal case be reported to the SAPS.</p>

The above table shows the increase in the Auditor-General’s report items over the last three financial years and indicates that many of the report items are repeated in the following year which shows the lack of commitment to resolve the issues that are contributing to adverse audit opinions.

Audit Action Plan

The Audit Action Plan for 2012/13 has 253 issues but all have a completion date of June 2015, yet many of these issues need to be addressed as a matter of urgency to ensure the sustainability of the municipality and improvement in the audit outcome. In addition, the lack

of dealing with and rectifying issues raised by the Auditor-General will result in additional audit findings and repeat findings in 2013/14.

Issues should therefore be categorised and critical issues should be addressed as a priority and the plan should be monitored by the Administrator/ MM, CFO and Audit Committee on a monthly basis to ensure implementation and progress.

2.5.14 INFORMATION COMMUNICATION AND TECHNOLOGY

Information Communication and Technology (ICT) Governance Framework to facilitate formulation and implementation of decisions required managing and monitor ICT within the Makana municipality has been developed. The ICT Organisational Structure/ Steering Committee to discuss the strategic ICT issues have not been established. The ICT Organisational structure reflected in the new Organisational Structure of the municipality has not been approved and implemented. As a result, ICT policies and an ICT Governance Framework are not effectively implemented. In addition, the role of the ICT and the requisite alignment of the ICT Strategic plan with the IDP or business strategic plan are not clear.

It is noted that Makana uses the Abacus financial system, which is 25 years old and is not GRAP or SCOA compliant and the municipality should adequately address this matter. In addition, the municipality should also adequately address the management of consultants, ensure that there are champions at the municipality that takes the lead in owning the system, increase human resource capacity and ensure training of staff and skill transfer and backup of the system. The system need to be undertaken to check if the system does perform the required report.

2.5.15 RECORD MANAGEMENT:

The municipality does not have proper record keeping and no record management system is in place to ensure that documents are filed and stored correctly. The municipality currently has a manual system of record keeping and document management and the system is characterised by poor record keeping and ineffective document management as well as the loss of documents amongst others. An electronic document management system was installed in the municipality but it has not been functional. Staff should be trained on the electronic document system. The record keeping function within the municipality needs to be reviewed and improved including document security for the protection and management of information.

2.5.16 PUBLIC AND STAKEHOLDER PARTICIPATION

The municipality has a stakeholder register which is used as data base for contacting stakeholder when there is consultative forms to be organised. This data base includes government departments, NGO/CBO. The challenge at the moment is lack of cooperation amongst important stakeholders. Other challenges include mobilisation of communities due to geographics where they reside (Lack of access to rural areas and private farms), Language barriers.

2.5.17 COMMUNITY ENGAGEMENT WARD DEVELOPMENT PRIORITIES

WARD ONE

DEVELOPMENT PRIORITY	NATURE OF THE ISSUE	DESIRED OUTCOME	INTERVENTION
Housing and Human Settlement	Housing cracking and falling apart	Sustainable human settlements	Implement intervention through rectification
	Need 50 new houses in Pumlani	Integrated Human Settlements	Need housing and human settlement development
Health	Need a clinic in Pumlani	Access to health care	Mobile clinic
Amenities	Need a library	Improved access to amenities	Implement the intervention
	Need a Community Hall for Committees Drift	Improved access to amenities	A community hall built
Recreational facilities	Need recreational facilities,	Improved access to amenities and Social Cohesion	Recreational facilities built, sport field
	no playgrounds/ parks		
	no sports field currently		
Local Economic Development	High rate of unemployment in the ward	Sustainable livelihoods	Projects to create jobs e.g. EPWP and CWP
Roads infrastructure	District Road from Grahamstown to Riebeeck East needs upgrading	Road safety and improved accessibility	Roads gravelling

PROJECTS LINKED TO THE OUTCOMES

HIGH PRIORITY	MEDIUM PRIORITY	LOW PRIORITY
House built and rectification	Local Economic Development-jobs	Amenities- hall, library

WARD TWO

PRIORITY AREA	NATURE OF THE PROBLEM	MAIN OUTCOME ANTICIPATED BY THE COMMUNITY	STRATEGIES TO BE ADOPTED
Water	Water outages	Improved access to water	Provide the necessary interventions to restore water supply
Sanitation	Clear/eradicate the bucket system	Improved access to sanitation	Provide sanitation facilities
	Blocked toilets are an issue		
Waste Management	Waste is dumped at the ward, need proper and accessible waste disposal facilities	Improve waste management	Provide more waste bags (x2)
Human Settlement	Need 3000 houses built	Improved access to sustainable human settlements	Provision of houses
	We have three infill areas	Formalisation of infill areas for housing development	Formalisation of infill areas
Local Economic Development	Need Jobs facilitated for unemployed artists	Sustainable living	Job creation
Roads infrastructure	Speed humps to be constructed	Improved road safety	Roads maintenance
	Maintain roads paving and walk ways	Improve road safety	
	install the lights		
Energy and electrification	Install the lights for Nompondo area	Improve safety	Electricity
	Installation of Geysers	Improve access to energy	Geysers installed

PROJECT LINKED TO THE OUTCOMES

HIGH PRIORITY	MEDIUM PRIORITY	LOW PRIORITY
Maintain the roads from the bridge	Geyser installation	Construction of speed humps

WARD THREE

PRIORITY AREA	NATURE OF THE PROBLEM	MAIN OUTCOME ANTICIPATED BY THE COMMUNITY	STRATEGIES TO BE ADOPTED
Water	Water outages	Consistent supply of clean quality water	Appropriate strategies to provide the supply
Sanitation	Clear/ eradicate the bucket system	Improved access to sanitation	Provide sanitation facilitation
	Blocked toilets are an issue		
Waste Management	Waste is dumped at the ward, need proper and accessible waste disposal facilities	Improved waste management	Provide more waste bags
Human Settlement	Need 50 house built	Improved access to sustainable human settlements	Provision of Houses
	Rectification of 439 houses	Improved access to sustainable human settlements	Houses rectified
Local Economic Development	Need Jobs facilitated for unemployed artists	Sustainable living	Jobs created
Roads infrastructure	Speed humps needed in Ghost town and pedestrian bridge	Improved road safety and access	Construction of humps and pedestrian bridge
	Maintain roads and storm water system		Improve storm water drainage
	Overheard bridge needed	Improved safety	Overheard bridge needed
	Install 3 high masts lights in Phaphamani, Zolani Polar Park	Improved safety and security	Electrification of the streets
Cemeteries and crematoria	Cemetery needs maintenance – fencing	Improved amenities	Maintenance of the cemetery
Sport and Recreation facilities	The Recreation park and sport field not maintained	Continual maintenance of facilities	Regular Maintenance

PROJECT LINKED TO THE OUTCOMES

HIGH PRIORITY	MEDIUM	LOW
Housing development and rectification	Storm Water management, Overheard Bridge	Local Economic Development

WARD FOUR

PRIORITY AREA	NATURE OF THE PROBLEM	MAIN OUTCOME ANTICIPATED BY THE COMMUNITY	STRATEGIES TO BE ADOPTED
Service Delivery	Ward is dirty	Clean environment	Clean up the ward
Service Delivery	Minimum standards of service delivery not met by Municipality in the Water, waste management & roads functions	Improved service delivery	Provide the minimum standards of service
Roads Infrastructure	Need roads and storm water – Poor storm water drainage and paving	Improved service delivery	Provide maintenance to paving and attend to storm water maintenance
	Maintain the air strip	Improved access	Air strip maintained
Water and sanitation	Provisioning of clean water	Improved quality of life	Provide sustainable human settlements
	Water outage for long time		
	Sewerage system overflowing especially during rains	Improved service delivery	Maintenance of the sewerage system
Amenities	Create a recreational space next to Crown Hall	Improved access to education	Amenities maintained
	Sport field is needed	Improved access to amenities	Development of the facility
Cemeteries and crematoria	Cemeteries not maintained	Improved services	Maintenance of cemeteries
	Cemeteries are getting full	Improved services	Additional land identified
Roads infrastructure	Roads are in bad condition,	Improved service delivery and promote improved access	Speed humps needed in scotch farm Albany Rd, Fitch street
	speed humps needed in Scott's farm Albany Rd, Fitch street,		
	Maintain paving and drainage system Scott's farm	Delivery and promote improved access	Provide the maintenance
	Need storm water roads and maintenance	Improved service delivery	Provide the maintenance service
Environmental Management	Ward is dirty, rubbish to be collected regularly	Clean ward	Waste mgt programme/ plan
			Ward cleaning campaign

PRIORITY AREA	NATURE OF THE PROBLEM	MAIN OUTCOME ANTICIPATED BY THE COMMUNITY	STRATEGIES TO BE ADOPTED
Safety and security	Satellite police station needed	Improved safety and security	Feasibility study into the mobile station
Water and sanitation	Provisioning of clean water	Improved quality of life/ health	Provide sustainable human settlements
Education	School facilities not Maintained	Improved access to education	Maintain facilities
Electricity	Electricity blackouts and street lights not maintained	Improved safety and security	Maintenance of the lights
Local Economic Development	Unemployment levels need to be decreased, EPWP Skills programme needed	Sustainable livelihoods	LED project
Integrated Human Settlements	3456 RDP homes are needed	Improved access to housing	Provide houses

PROJECT LINKED TO THE OUTCOMES

HIGH PRIORITY	MEDIUM	LOW
Address water outages	Cleaning of the ward	Maintenance of the airstrip
	R recreational facility in crown Hall space	

WARD FIVE

PRIORITY AREA	NATURE OF THE PROBLEM	MAIN OUTCOMES ANTICIPATED BY THE COMMUNITY	STRATEGIES TO BE ADOPTED
Human Settlements	5000 RDP houses are needed	Integrated human settlements	Provision of housing
Roads infrastructure	Paving of streets in July street, taxi routes	Improved service delivery	Streets paving
Cemeteries and crematoria	Cemeteries not maintained	Improved service delivery	Maintenance plan for cemeteries
Safety and security	Satellite police station is needed	Improve safety and security	Satellite police station
Amenities	No sports field, sports field needed	Improve service delivery and access to amenities	Provide sporting fields and play grounds/ parks
	Recreational facilities		
Waste Management	Illegal dumping	Safe and Healthy environment	Provisioning of appropriate methods

PRIORITY AREA	NATURE OF THE PROBLEM	MAIN OUTCOMES ANTICIPATED BY THE COMMUNITY	STRATEGIES TO BE ADOPTED
			of waste disposal/ management
Water and sanitation	2010 Sanitation project never completed, transit camp toilets not connected	Improved quality of life	Provide sustainable human settlements
Local Economic Development	Led project needed	Improved livelihoods and food security	Food Garden project
Maintenance	The community hall is sinking and ramps for disabled posing a risk	Improved Access to amenities	Hall maintenance
Education	Need school, No school in the area	Improve education outcomes	Construction of a school building
Health	Need a clinic, no clinic currently	Improved access to health services	Construction of a clinic or satellite clinic

The projects linked to the outcomes

High Priority	Medium Priority	Low Priority
Comprehensive school	Completion of the sanitation project	Recreational facilities

WARD SIX

PRIORITY AREA	NATURE OF THE PROBLEM	MAIN OUTCOME ANTICIPATED BY THE COMMUNITY	STRATEGIES TO BE ADOPTED
Water	Water Outages	Improved Access to water	Address the water issues
Sanitation	VIP Toilets not lined	Improved access to sanitation	Address the issues
	Bucket system needs to be eradicated		
Waste Management	The 8 illegal dumping sites need to be done away with	Improved waste management	Waste management strategy/ plan
Electricity	2 High masts are needed	Improved safety levels and security	Provisioning of the high masts
Roads Infrastructure	Construction of speed humps needed near church street	Improve road safety	Construction of speed humps
Local Economic	Skills development	Improved livelihoods	Skills development

PRIORITY AREA	NATURE OF THE PROBLEM	MAIN OUTCOME ANTICIPATED BY THE COMMUNITY	STRATEGIES TO BE ADOPTED
Development			programmes
Roads Infrastructure	Roads are in poor condition	Improve access	Storm water drainage system implemented
	Storm water drainage an issue	Improve access and road safety	Stormwater drainage system implemented
Human Settlement	2000 RDP houses	Improve access to human settlements	Continue with the Project

PROJECT LINKED TO THE OUTCOMES

HIGH PRIORITY	MEDIUM	LOW
Water availability	Sanitation (eradication of bucket system lining)	Electrification

WARD SEVEN

PRIORITY AREA	NATURE OF THE PROBLEM	MAIN OUTCOMES ANTICIPATED BY THE COMMUNITY	STRATEGIES TO BE ADOPTED
Water	Water outages	Improved access to water	Address the water issues
Sanitation	VIP not lined and is falling apart	Improved access to sanitation	Address the issues
Housing and Human settlements	1900 RDP Houses needed	Provide RDP homes	Improved access to human settlements
	Toilets are posing a health hazard, full of flies and causing infestation	Improved access to sanitation	Address the issues
Service delivery	Cemeteries needed	Improved access to amenities/ service delivery	Provide land and the services
Local Economic Development	Need jobs	Improved food security and livelihoods	Skills development and job creation
Safety and security	High crime rate	Improved safety levels	Satellite police station
Health	Mobile clinic	Improved access to health service	Mobile clinic
Electrification	Squatter camp (97 households) without electricity	Improved access to energy	Electrification
Roads	Roads in Hlalani do	Improve road safety	Install the drainage

Infrastructure	not have drainage system		system
	Storm water drainage need maintenance	Improved service delivery	Maintenance of the system

The projects linked to the outcomes

HIGH PRIORITY	MEDIUM PRIORITY	LOW PRIORITY
Water availability	Sanitation	Housing development

WARD EIGHT

PRIORITY AREA	NATURE OF THE PROBLEM	MAIN OUTCOMES ANTICIPATED BY THE COMMUNITY	STRATEGIES TO BE ADOPTED
Water	Water outages	Improved access to water	Address the water issues
Sanitation	Major sewer blockages and leakage of sewer in De Villiers Close	Improved access to sanitation	Address the issues
LED	Need Jobs	Improved food security and livelihoods	Urban agriculture
Safety and security	High rate of violence murder, burglary, rapes and crime	Improved safety levels	Police visibility
Roads Infrastructure	Need speed humps in Powell Street, George street, Mathews,	Improve road safety	Construction of speed humps
	Ungraded roads and potholes	Improve accessibility	Upgrade the roads
Roads Infrastructure	Storm water drainage need maintenance	Improve access	Maintenance of the system
Refuse removal	Waste not managed properly	Improve waste management	Waste management system/ plan
Human Settlements	Fingo Village Project has stalled	Improve access to human settlements	Continue with the project

PROJECT LINKED TO THE OUTCOMES

HIGH PRIORITY	MEDIUM	LOW
Water availability	LED Programme	Safety and security visibility of police

WARD NINE

PRIORITY AREAS	NATURE OF THE PROBLEM	MAIN OUTCOME ANTICIPATED BY THE COMMUNITY	STRATEGIES TO BE ADOPTED
Water	No water coming from stand pipes at Eluxolweni	Improved access to water	Address the water issues
Sanitation	50 bucket system toilets needs eradication	Improved access to sanitation	Construction of waterborne toilets
Health Services	A clinic is needed	Improved health	Provision of a clinic in the area
Community services	Grave yard not fenced off	Improved access amenities	Maintenance plan
	2 Sports field need fencing	Improved access to amenities	Maintenance plan
Housing and Human Settlements	1000 RDP homes needed	Improved access to human settlement	Housing development
	Housing rectification in Hlalani	Improved access to housing	Rectification programme
	Reconstruction of disaster houses in Vukani-10 units	Improved access to housing	Reconstruction of houses
Waste Management	Dumping sites need addressing	Improved waste management	Utilisation of proper waste management methods
Local Economic Development	High number of unemployed youth	Improved livelihood	Job creation
Amenities	Satellite library needed	Improved access to amenities	Satellite library
	Community hall needed		Maintenance of facilities
	Sport fields needed		
Roads infrastructure	Stormwater drainage systems need maintenance	Construction and maintenance of storm water drains	Maintenance of the systems
	Access roads for Eluxolweni	Improved road safety	Road development
	Potholes in roads	Improve accessibility	Upgrading of roads
	Need side walks	Improve road safety	Provision of side walks

PROJECT LINKED TO THE OUTCOMES

HIGH PRIORITY	MEDIUM	LOW
Water availability	Amenities – Library	LED

WARD TEN

PRIORITY AREAS	NATURE OF THE PROBLEM	MAIN OUTCOME ANTICIPATED BY THE COMMUNITY	STRATEGIES TO BE ADOPTED
Water	Water outages	Improved access to water	Address the water issues
Sanitation	Eradication of bucket system for 106 units	Improved access to sanitation	Address the issues
Housing and Human Settlements	250 Phase 2 Housing programme	Improve access to housing and human settlements	Rectification
	New Development – 377 houses		Development provided
	Reconstruction of Disaster Houses		
	Fingo Village Project has stalled	Improve access to human settlements	Continuation of the project
Safety and security	High rate of violence, murder, burglary, rapes and crime	Improved safety levels	Police visibility
Roads Infrastructure	Paving needed in Lombo Str, X Str, Y Str, Sofisa Str	Improved road safety	Construction of the paving
	Ungraded roads and potholes	Improved accessibility	Upgrade the roads

PROJECT LINKED TO THE OUTCOMES

HIGH PRIORITY	MEDIUM	LOW
Continuous Water supply	Eradication of bucket system	Paving of roads

WARD ELEVEN

PRIORITY AREAS	NATURE OF THE PROBLEM	MAIN OUTCOME ANTICIPATED BY THE COMMUNITY	STRATEGIES TO BE ADOPTED
Water	Water outages	Improved access to water	Address the water issue
Electrification	Maintenance of high masts	Improve safety	Provide high masts
	Electrification of 100 households in Ethembeni	Improved access to amenities	Electricity connection
Waste Management	Dumping sites need addressing	Improved waste management	Utilisation of proper waste management methods
Local Economic Development	High number of unemployed youth	Improved livelihood	Job creation

PRIORITY AREAS	NATURE OF THE PROBLEM	MAIN OUTCOME ANTICIPATED BY THE COMMUNITY	STRATEGIES TO BE ADOPTED
Amenities	Satellite library needed	Improved access to amenities	Satellite library
	Community hall needed		Maintenance of facilities
	Sport fields needed		
	Maintenance of the grave site	Improved access	Maintenance of the facilities
Human Settlement	2000 RDP houses needed	Access to improved human settlement	Provision of RDP houses

PROJECTS LINKED TO STRATEGIES AND OBJECTIVES

HIGH PRIORITY	MEDIUM PRIORITY	LOW PRIORITY
Water availability	Local Economic Development programmes	Amenities

WARD TWELVE

PRIORITY AREAS	NATURE OF THE PROBLEM	MAIN OUTCOME ANTICIPATED BY THE COMMUNITY	STRATEGIES TO BE ADOPTED
Water	Water outages	Improved access to water.	Address the water issues
Electrification	Summerset and Old Power stations need upgrade, transformers leaking oil.	Improved service delivery.	Address the infrastructure issues.
Roads Infrastructure	Roads in African and Southey Street (Somerset to Southey) are in poor condition.	Improved road safety.	Roads maintenance.

PROJECTS LINKED TO OUTCOMES

HIGH PRIORITY	MEDIUM PRIORITY	LOW PRIORITY
Water availability	Roads	Upgrading of the electricity stations.

WARD THIRTEEN

PRIORITY AREAS	NATURE OF THE PROBLEM	MAIN OUTCOME ANTICIPATED BY THE COMMUNITY	STRATEGIES TO BE ADOPTED
Human Settlement	Housing rectification and the provision of 30 RDP homes	Integrated human settlement	New and habitable houses
Water	Water outages	Improved access to water	Address the water issues
Recreational Facilities/ Amenities	Need recreational facilities	Access to amenities	Provide recreational facilities
Roads infrastructure	Tarring of Ring Street	Improved access	Roads maintenance
Health	A clinic is required	Improve health outcomes	Provide a clinic
Sanitation	Toilets are licking	Improved access to proper sanitation	Maintenance & repairs to toilets

PROJECTS LINKED TO OUTCOMES

HIGH PRIORITY	MEDIUM PRIORITY	LOW PRIORITY
Houses	Tarring of the Ring Street	Water
Rectification of RDP houses		
New development		

WARD FOURTEEN

PRIORITY AREAS	NATURE OF THE PROBLEM	MAIN OUTCOME ANTICIPATED BY THE COMMUNITY	STRATEGIES TO BE ADOPTED
Local Economic Development	Skills development centre	Sustainable livelihoods	Skills development tourism ventures through utilisation of the Bushman Sands Hotel
	Job creation needed, unemployment is too high	Sustainable livelihoods	Provide jobs
Sustainable Human Settlements	Rectification of 221 houses	Improve access to Human Settlement	Maintenance of the houses
	Reconstruction of the 20 disaster houses	Access to housing	Reconstruction of disaster houses

PRIORITY AREAS	NATURE OF THE PROBLEM	MAIN OUTCOME ANTICIPATED BY THE COMMUNITY	STRATEGIES TO BE ADOPTED
	New development of 330 houses	Improve access to human settlement	Provide houses
Electrification	Electrification of the units in kwa Nonzwakazi settlement	Improve access to human settlement	Electrification
Cemeteries	Gravesites in kwa Nonzwakazi getting full	Improved service delivery	Land and services to be provided
Sanitation	Need waterless toilets	Improved access to sanitation	Waterless toilets

PROJECTS LINKED TO THE OUTCOMES

HIGH PRIORITY	MEDIUM PRIORITY	LOW PRIORITY
Houses, reconstruct the disaster houses; rectification and new development	Local Economic Programmes	Amenities

2.5.16 Table 63: CBO/NGO's CONTACTS

NAME & SURNAME	DESIGNATION	ORGANISATION	CONTACT	FAX/ EMAIL
Ms A. Runowics	Rehab manager	Ass. Phy/ disabled	073 6531 618	N/A
Ms F.T. Mukendi	Social worker		046 622 5359	N/A
Mr M. Mzongwana	News researcher	Radio Grahamstown	046 622 2382	N/A
Mr A. Adam	Chairperson	Nafcoc	046 636 2852/ 082 8910 432	046 636 2852 adam@insightnet.co.za
Mr J. Walton	Manager	Black sash	046 622 9230	046 622 3933 jonathan@blacksash.org.za
Mr V. Teyise	Manager	Egazini Outreach Project	076 6807 161	vumileteyise@yahoo.com
Mr D. Claassen	Manager	C.Y.C.C.- Eluxolweni	046 622 2537 072 2013 797	david.claassen@imagin et.co.za
Ms Monica Canca	Director of Operations	Umthathi project		086 665 6013 directorofoperations @umthathi.co.za
Michelle Griffith	Manager		(046) 637 0012	046 622 4450 Info@umthathi.co.za

NAME & SURNAME	DESIGNATION	ORGANISATION	CONTACT	FAX/ EMAIL
Ms A. Van Niekerk		Raphael centre	(0)46 622 8831 072 238 NPO (676)	(0)46 622 8831 avanniekerk@albanyn et.co.za
Mrs Mary Humphrey	Director			mary@raphaelcentre. co.za
Mr D Barker	Manager	HOSPICE	046 622 9661	046 622 9676 d.barker@grahamsto wnhospice.org.za
Mrs A. Harris	Manager	Famsa	046 622 2580	
Mr M.J. Bradshaw	School Principal	Amasango	083 5429 555	
Mrs W. Bischoff	Manager	Child Welfare	046 636 1355	046 636 1366 Childwelfare.gh@telk omsa.net
Mrs L. Naidoo	Manager	ECARP	046 622 5429	046 622 2617
Ms Adne				adne@ecarpe.org.za
Mr Mafongosi		Masifunde	046 622 6527	046 622 5587 fundile_m@masifund e. co.za
Ms Babalwa Mthana	Nurse Mentor	Africare	046 622 5847	046 622 4918 bmtana@africare.org. za

2.5.17 Table 64 PUBLIC PARTICIPATION FORUMS

SECTOR	FORUM
LED	Mayoral Forum
Community and Social Services	Road and Transport Forum
	Environmental Management Forum
	Community Safety Forum
Special Program Offices	Youth Forum
	Women forum
	People with disability
	HIV/ADIS Council

3.1 MAKANA LOCAL ECONOMIC STRATEGY

LED Strategy: The LED Strategy was approved on the 3rd of February 2010 and it is due for review in 2015

Sectorial Plans: The following sectorial plans are in place

- Tourism Sector Plan – approved in 2009 and due for review in 2014
- Tourism SMME Development and Support Plan – approved in 2010 and due for review in 2015
- SMME strategy – approved in 2012 and due for review in 2017
- Agriculture Development Strategy – approved in 2011 and due for review in 2018
- Investment Incentives Policy – approved in 2011 and due for review in 2018

3.2 PROVINCIAL SPATIAL ECONOMIC DEVELOPMENT STRATEGY (PSEDS)

In terms of the PSEDS, the following Sectors of the provincial economy will drive the growth of the Province and address unemployment and poverty:

- Agriculture, including Agri-industry (with opportunities to impact considerably on the economic needs of the poor through Land Reform)
- Industry, including heavy and light industry and manufacturing
- Tourism, including domestic and foreign TOURISM
- Service sector including financial, social, transport, retail and government.

The following critical threats are identified in the PSEDS:

Agriculture and Land Reform

- Loss of productive commercial agricultural land to residential development
 - Loss of land with agricultural potential in poor rural areas
 - Land reform resulting in a loss of productive commercial agriculture
 - Municipal rates on agricultural land
 - Provision of adequate water supplies

Tourism

- Safety and Security
- Land invasion and illegal activities affecting tourism assets

Industry

- Reliability of services
- Social support services
- Destructive Inter-Municipal competition
- Municipal rates on Industrial and commercial development

3.2.1 OVERALL ECONOMIC PERFORMANCE

Regional Gross Geographic Product (R-GDP) is an important indicator of economic activity and comprises the value of all final goods and services, produced during one year, within the boundaries of a specific region and is commonly used to measure the level of economic activity in a specific area e.g. local municipality. Table 9 shows the overall historic performance of the Makana economy, and Table 10 compares the Makana growth rate with that of the district and the province.

Table 65: - Makana Municipality Overall Economic Performance

Year	R-GDP (R'000 at 2000) prices	Contribution to Sarah Baartman R-GDP	Contribution to Eastern Cape R-GDP
1995	1 215 095	23.5%	1.92%
2001	1 219 496	21.2%	1.73%
2007	1 327 491	19.7%	1.51%

(Source: Quantec, 2007)

Table 66: Average Annual R-GDP Growth Rate

Period	Makana	Sarah Baartman	Eastern Cape Province
1995- 2001	0.06	1.83	2.60
2001- 2007	1.47	2.82	4.21

(Source: Quantec, 2007)

The Makana R-GDP in 2007 (at year 2000 constant prices) was approximately R1, 3 billion, which accounted for 19.7% of the Sarah Baartman R-GDP and 1.51% of the provincial R-GDP. Grahamstown makes the largest contribution to the Makana economy, mainly in the form of educational services and tourism related activities. Looking at it from a historical perspective Makana economy grew at a slow rate between 1995 and 2007, lagging behind the district and provincial trends. The Makana economy performed below par from 1995 to 2001, as seen through a decline in agricultural incomes and changes in government and community service expenditures.

From 2001 to 2007 the economy in Makana grew at a faster rate than before (average of 1.47 a year), as tourism and agriculture recovered in the form of Private game reserves. Despite this, throughout the period 1995-2007, the economy in Makana grew at a much slower pace than the Sarah Baartman district and the Eastern Cape. There was thus a matching fall in the Makana area's contribution to district and provincial output.

3.2.2 Sector Contribution to R-GDP

This section will briefly consider each of the different economic sectors individually. This will be done in order to see which sectors are most active and dominant in the Makana area, and gain a better understanding of how each sector functions.

3.2.3 Standard Industrial Classification

Classification of economic activity in this report shall be based on the South African Standard Classification of all Economic Activities (SIC) approach. Under this approach, similar forms of economic activity are organised and distinguishable under the following nine major sectors which are discussed further in detail and their performance in the Makana LED Strategy that was approved in February 2010:

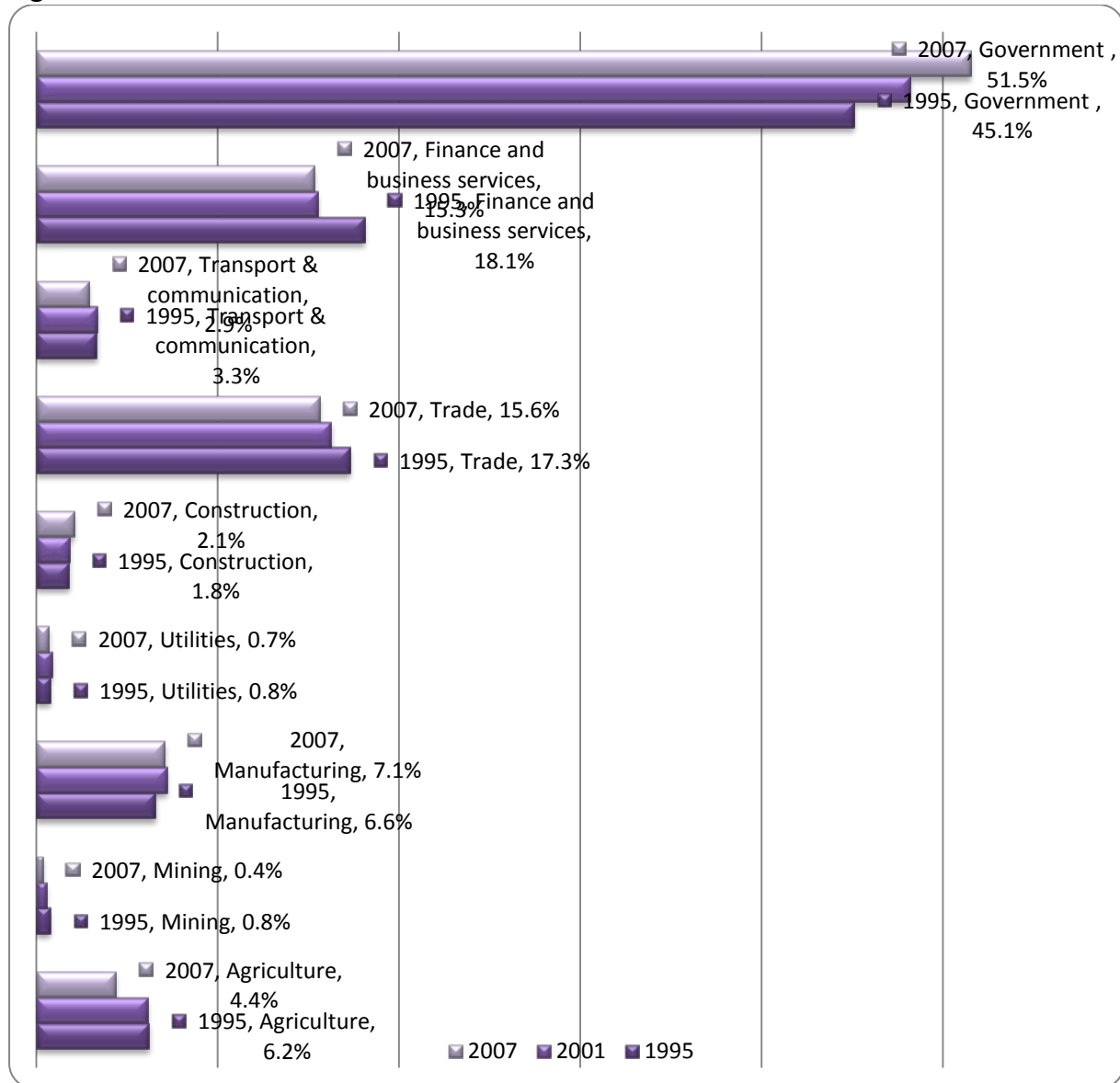
1. Agriculture, hunting, forestry and fishing
2. Mining and quarrying
3. Manufacturing
4. Electricity, gas and water supply
5. Construction
6. Wholesale and retail trade;
7. Transport, storage and communication
8. Financial intermediation, insurance, real estate and business services
9. Government and Community services

As is evident, these sectors are made up of combinations of diverse forms of activity. Under the SIC approach, it is possible to disaggregate economic activity to sub-sectoral level, as well as into lower levels of greater detail.

3.3 ECONOMIC STRUCTURE

The relative contribution of each economic sector to R-GDP shows how important each is to the overall functioning of the Makana economy. Figure 4.2 shows historic trends of how much each economic sector has contributed over the period 1995 to 2007. It must be noted that official statistics only show activity in the formal economy, and do not reveal the full extent of activity in the informal economy.

Figure 4.2: Sector contribution to R-GDP 1995-2007



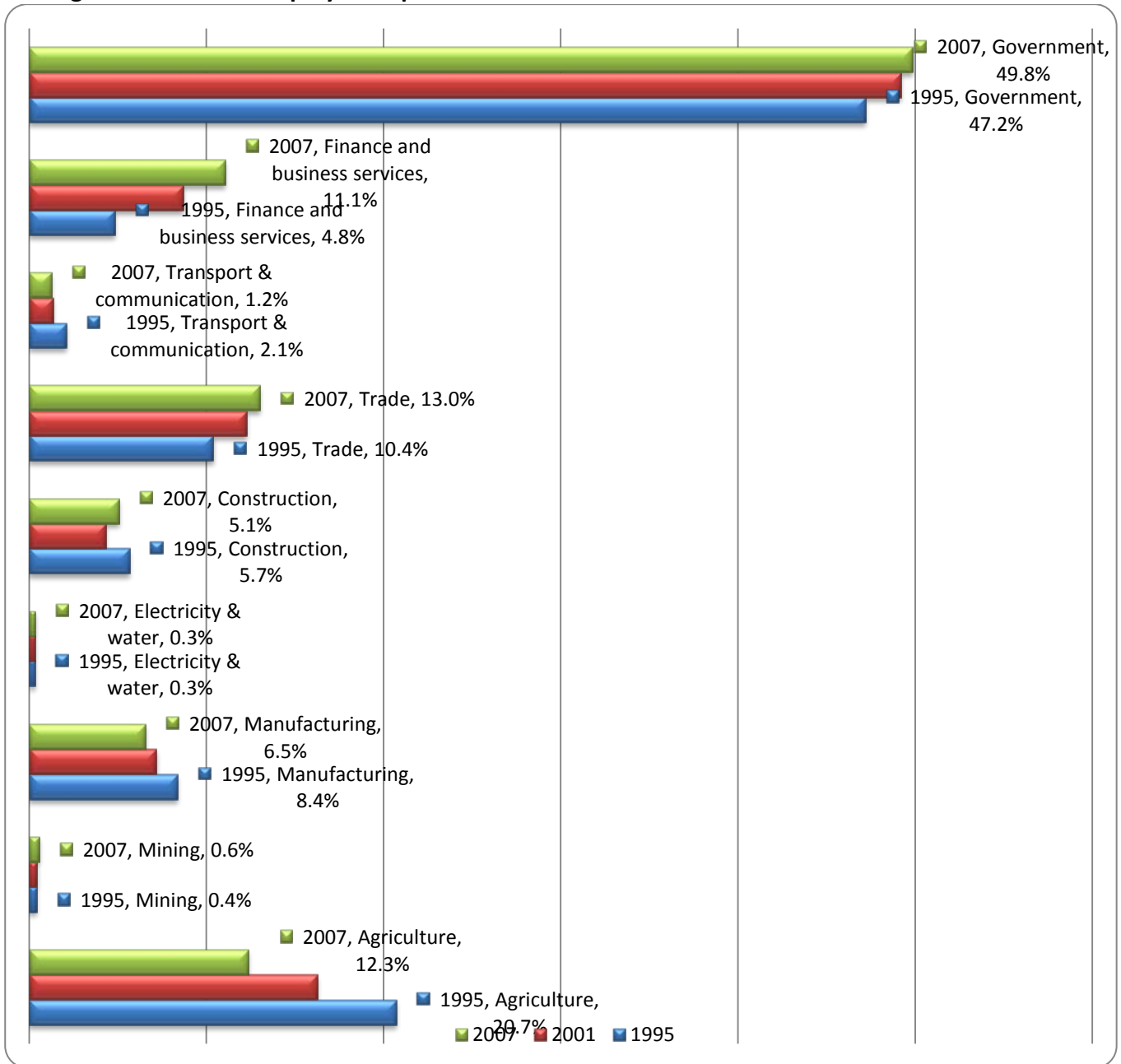
(Source: Quantec, 2007)

Makana does not possess a strong resource-based economy as the mining and agriculture sectors make a combined contribution of less than 5%. This then filters through to it having a manufacturing sector that plays a smaller role than is seen in the district and the province.

3.3.1 SECTORIAL EMPLOYMENT

It is prudent to consider how sectoral employment compares with sectoral output. This will allow identification of those sectors that are capital or labour intensive and thus potentially driving job creation in Makana. Figure 4.3 shows employment contributions per sector, with associated changes from 1995 to 2007.

Figure 4.3: Formal employment per sector: 1995-2007



(Source: Quantec, 2007)

Employment created by the government and community services sector (50%) matches its R-GDP contribution of 51%. Employment in this sector has increased as the sector's output has also increased. A large proportion of this is from Rhodes University, which directly employs approximately 10% (+-1500 workers) of the entire Makana labour force, and indirectly creates employment in other sectors as well.

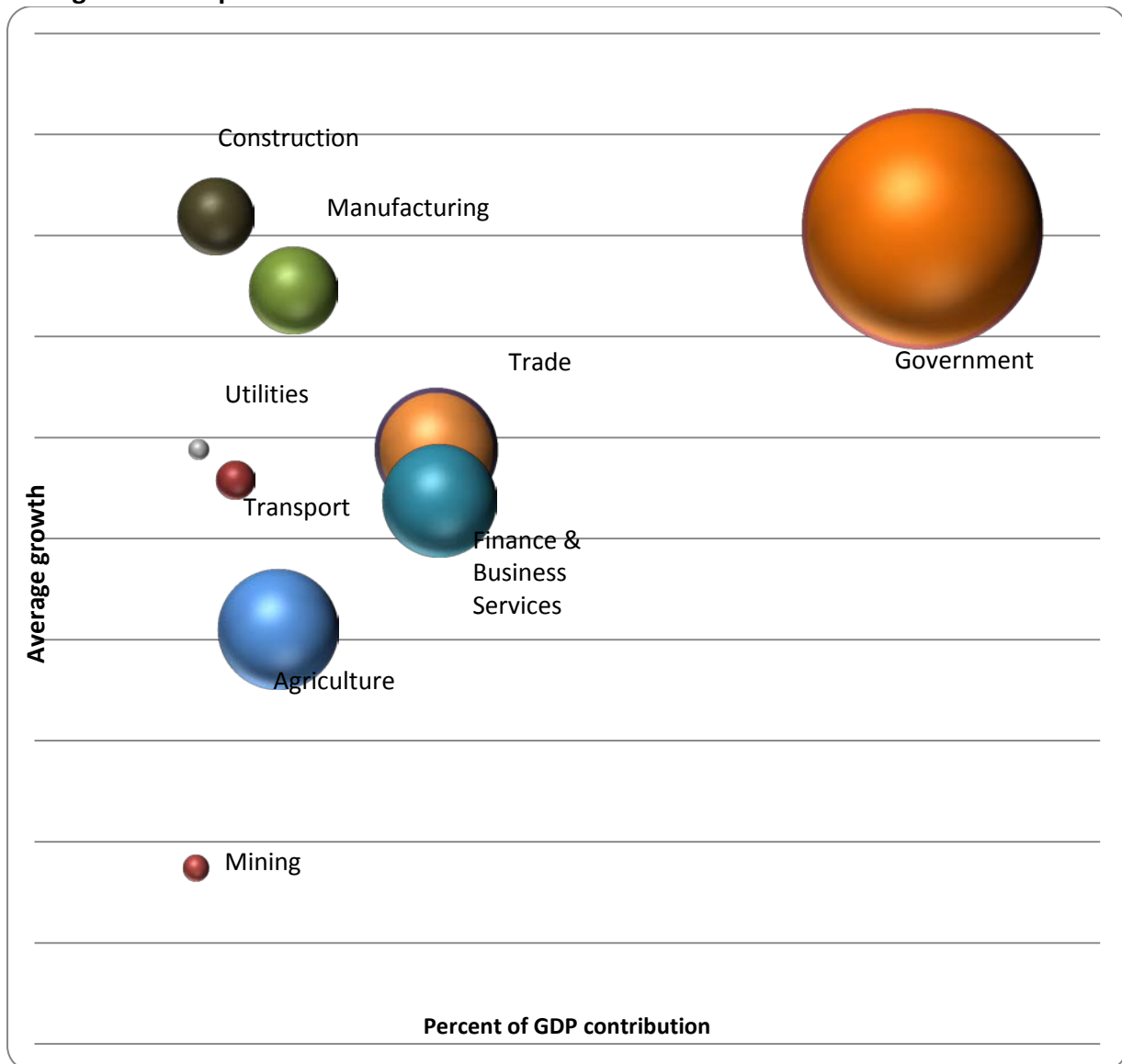
3.3.2 RELATIVE IMPORTANCE OF SECTORS

Figure 4.4 reveals the relative importance of different economic sector in Makana as seen through their:

- Average R-GDP Growth rates from 1995 to 2007

- Average contribution to R-GDP from 1995 -2007
- Average employment contribution

Figure 4.4: Importance of each Economic Sector



(Source: Quantec, 2007)

From Figure 4.4 it is clear that Government and community services dominate the Makana economy in terms of R-GDP and employment contribution. Though they currently do not contribute sizeable amounts to the R-GDP, construction and manufacturing grew faster than other sectors, albeit still at a slow pace. During that same period agriculture was declining. Three sectors (community services, trade and finance) make up approximately 82.4% of Makana's output, and this is visually represented in Figure 4.4.

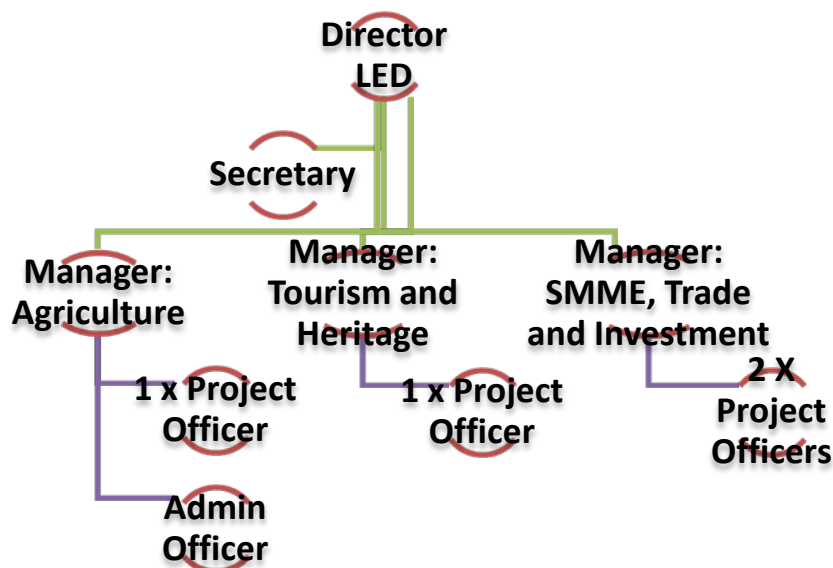
A creative city project was launched with following strategic objective and goals:

1. Grahamstown to be recognized as a creative city of South Africa by 2020.
 - a. To create 500 jobs in the arts and creative sector.
 - b. Create 500 jobs in the supporting industries.
 - c. To foster a strong cohesion in the Municipality through creativity and arts.
 - d. To create an environment conducive to creative
 - e. To identify public art spaces, places of learning and performances.
 - f. To increase access to existing creative/ tourism outlets
 - g. To ensure that capacity building takes place to facilitate the establishment and growth of sustainable enterprises
 - h. To foster strong partnerships with the government, government agencies, Businesses and NGO's.

3.3.3 LED INSTITUTIONAL CAPACITY

Four positions were added to the organogram namely:

1. Liaison Officers under the Managers: Agriculture,
2. Tourism and Heritage,
3. SMME,
4. Trade and Investment



The Makana R-GDP in 2007 (at year 2000 constant prices) was approximately R1, 3 billion, which accounted for 19.7% of the Cacadu R-GDP and 1.51% of the provincial R-GDP. Grahamstown makes the largest contribution to the Makana economy, mainly in the form of educational services and tourism related activities.

3.3.4 SECTORIAL PROFILES

This section provides an overview of all the economic sectors in Makana, profiling the nature and extent of activity to be found as well as their defining traits. In Makana there are three distinct types of activity to be found in this sector are:

3.3.4.1 Agriculture

Commercial Agriculture

Commercial agriculture is found in the north of Grahamstown known as Upper Albany, and accounts for approximately two thirds of the municipality. Livestock and game farming thus dominate in Upper Albany. Lower Albany land is well suited to rain-fed cropping (*Agriculture in Makana, 2008*).

The main source of income for commercial farmers (78%) is from livestock farming and animal products. This is largely made up of dairy farming (41%). With regards to field crops, the majority of income comes from maize and chicory (a combined contribution of 74%).

Most value addition of commercial agricultural produce (packaging, canning, manufacturing, processing, etc.) occurs outside the Makana Municipality. There is however, some value addition that takes place, which will be discussed in the manufacturing sector profile.

Challenges Faced by Commercial Farmers in Makana include:

- Water shortages and inadequate infrastructure (irrigation, boreholes etc.) to mitigate resultant effects.
- Problem animals that are introduced through Private Game Reserves. These kill livestock and introduce diseases to the area
- Crime in the form of stock theft (*Agriculture in Makana, 2008*).

Emerging and Subsistence Agriculture

Emerging and subsistence agriculture in Makana follows patterns found throughout most of the Eastern Cape.

Emerging farmers:

Makana has PDIs that are engaging in agriculture of a commercial orientation, often on farms that were previously farmed by commercial farmers. Emerging farmers typically operate on plots of land that are less than 20ha in size which are often in the form of commonages leased out from the Makana Municipality or the Department of Agriculture. Group and cooperative activity dominates as the most common form of organisation due to limited resources (such as land and equipment) and skills. Emerging farmers are principally involved in the rearing of livestock, piggeries and poultry.

Subsistence Agriculture:

Makana is made up of people residing in villages and townships that use agriculture as a means to supplement their food and income requirements. This form of agriculture is impeded by the availability of arable and grazing land, which reduces the potential for increased maize and livestock production going into the future. Because Makana is a largely urbanised area (with most settlements being in townships rather than rural villages) subsistence agriculture is not spatially spread out, which further diminishes the availability of land.

a) Bee-keeping project

5 Farmers were trained in bee-keeping. There were hives over the N2 road that the group had identified, which had to be transferred into boxes. All the hives were transferred successfully and there were 2 boxes with bees.

b) Food gardens

All implements to develop food garden were delivered. In total 5 gardens (Tantyi Clinic, Extension 6, Mavikela Poultry N-street, St Augustine, Umthathi Projects) were developed in urban setting and 2 from rural areas have benefited.

The farmers were provided with inputs such as compost, seedlings, and garden tools and few were provided with bicycles with trailers (means of sustainable transport to reduce carbon emission. In rural areas (Castle Farm and Yarrow Farm) the tendering process for small tunnels is still in the pipeline. This is a strategy to extend the SUS programme to rural areas, 2 farms (Castle and Yarrow Farms) were identified through consultation with various stakeholders including the relevant councilors.

Small tunnels (5mx 12m) will be built and the purpose is to pilot the project in rural areas develop more productive ways of producing vegetables. Terms of Reference are available electronically.

c) Competition

A farmer's completion held in Alicedale and a total of 5 co-ops won seed funding. In total 5 co-ops have benefited from Municipal agricultural-related programmes. One co-op benefited (Inqaba Yegolide) supplied inputs for SUS programme and also won the competition in Alicedale.

Some of the challenges they face include:

- Lack of skills, training and education

- Inadequate land, which leads to problems such as stray animals, theft, land degradation, etc.
- Insufficient support from the Department of Agriculture in the form of mentorship, extension officers, dipping facilities etc.
- Low profit margins because of low market prices and small scope of operations
- Inadequate working capital for day-today operations (chemicals, seed, fuel, etc.)
- Access to markets (Makana Farmers Association, 2009)

3.3.4.2 Hunting and Private Game Reserves

The third distinct type of activity found in Makana's agricultural sector is hunting and private game reserves. This is a form of activity that has grown immensely in Makana from 1995 in terms of market players, hectares covered and revenue. Though now somewhat saturated, the market for Private game reserves and Hunting is now a notable contributor to agricultural sector output in Makana.

The transformation of land from pastoral farming to use as hunting and game reserves has yielded mixed fortunes throughout the Makana area. Average employee wages on game reserves and hunting operations are typically higher than those on traditional farms. However, these operations are often less labour intensive than traditional agriculture and thus employ fewer people than farms. This means that total community welfare and income (as expressed through wages earned and other benefits such as rations, housing subsidies, etc.) may not necessarily rise in every instance in which farmland has been converted into a hunting and game reserve (Whisson, 2009).

3.3.4.3 Mining Sector

This sector includes the extraction and beneficiation of minerals occurring naturally through underground and surface mines, quarries and all supplemental activities for dressing and beneficiating for ores and other crude materials.

Based on the above definition, mining in Makana takes the form of surface mining of Kaolin and sand quarrying. Mining in Makana makes the smallest contribution of all the sectors in Makana. With regards to employment, between 1995 and 2007 the number of people employed in the Makana mining sector has gone up from 66 to 78. Although increasing, this represents only 0.6% of all the people employed in Makana.

Challenges: As much as Makana possesses large reserves of Kaolin, this does not directly translate into significant potential for economic growth and development. Due to extrinsic matters (locality of Makana in relation to major industrial hubs, market factors, waning global demand, etc.) the scope for an expansion of mining activity or even that of improved sectorial linkage is very limited.

R500, 000.00 was secured from the IDC to commission a business plan for Kaolin Mining and a feasibility study. The final reports will be presented to a Kaolin PSC during this month. These studies are outlining the way forward for Kaolin mining in Makana. On the basis of the draft reports that were presented to the PSC last month the CDM and other funders such as ECDC have already showed interest in funding some aspects of the project.

3.3.4.4 TOURISM OVERVIEW

Grahamstown tourism potential is varied from heritage sites to its close proximity to the Addo Elephant Park and location midway between Port Elizabeth and East London. Makana Local Tourism Organisation is registered as a Section 21 Company and is functional and meetings are held monthly. Makana Tourism and Heritage Manager attend as members of the Executive Committee

The main forms of Tourism in Makana are Environmental, Educational and Cultural tourism. This section will not repeat previously stated facts, but profile these forms of tourism in further detail. Tables 4.5 to 4.7 will list some of the activities, attractions and products that constitute Makana's tourism offering as listed in the Responsible Tourism Sector Plan 2009 Review Report.

Environmental Tourism

- Amakhala Private Game Reserve
- Hunts Hoek Safaris, Fish River
- Idwala / Kichaka Lodge, Assegaai
- Assegaai Hiking Trails, Kenton Rd
- Assegaai Sport Horse Stud, Riding School,
- Kwandwe Private Game Reserve
- Aylesby Nature Reserve, Riebeeck East
- Kwantu Game Reserve, Sidbury
- Oldenburgia Hiking Trail, Grahamstown
- Coombs View Reserve, Governor's Kop
- Rochdale Game Ranches, Alicedale Rd
- Diepkloof Private Reserve
- Beggars Bush State Forest
- Lalibela Private Game Reserve
- Lanka Safaris Aylesby
- Blaauwkrantz Reserve, Bathurst Rd
- Lezulu Game Reserve - Salisbury Plains
- Burchell Game Farm, Alicedale
- New Year's Dam, Alicedale
- Bushman Sands Game Reserve, Alicedale
- Coleridge Game Reserve, Grahamstown South
- Pumba Game Reserve, Grahamstown
- Rabbit Bush Reserve, Governor's Kop
- East Cape Game Farm

- Shamwari Private Game Reserve
- Ecce Nature Reserve, Ecce Pass
- Springvale Olive Farm, SE of Alicedale
- Grahamstown Botanical Gardens
- Thomas Baines Nature Reserve
- Great Fish River Reserve
- Woodlands Game Reserve
- Belton Hiking Trails, Kenton Rd
- Settlers Dam, Thomas Baines
- Fish River Nature Reserve Complex
- Signal Hill, Grahamstown
- Fourie Safaris Game Farm, Ndlambe border
- Tenuto Spring Grove Nature Reserve
- Hellspoort Valley Game Farm
- Trumpeter's Drift Game Farm, Gt Fish River
- Highland road

Educational Tourism

- International Library of African Music, Grahamstown
- Albany Museum, Grahamstown
- Observatory Museum, Grahamstown
- Cory Library for historical research, Grahamstown
- 44 Air School & Grahamstown Military Base, Grahamstown
- National English Library Museum, Grahamstown
- Natural Science Museum, Grahamstown
- History Museum, Grahamstown

Cultural Tourism

- **National Arts Festival**
- **SciFest Africa**
- **1820 Settlers National Monument, Grahamstown**
- **Methodist Church, Salem**
- **Artificer's Square: the old artisans quarter in Grahamstown**
- **Bible Monument, Grahamstown**
- **Cathedral of St. Michael & St. George**
- **City Hall**
- **Clock Tower Grahamstown**
- **Commemoration Church, Grahamstown**
- National Schools Festival
- Makana Freedom Festival
- Methodist Church, Grahamstown
- Baptist Church, Grahamstown
- Bannerman House, Grahamstown
- Settler's Express Steam Train, Grahamstown
- Old Drostdy
- Settlers Memorial Tower
- Rhodes University Theatre
- Salem Historic Church, Grahamstown

- **East Star Gallery Grahamstown**
- **Fort Selwyn**
- **The Oldest Official Letterbox in South Africa, Grahamstown**
- **High Street Façade, Grahamstown**
- Historic Church on Hilton House Table Farm, on the banks of the New Year's River
- St Peter's Chapel Grahamstown
- The Provost Prison, Grahamstown

Source: Responsible Tourism Sector Plan 2009 Review Report

In addition to the above, there are a total of 121 providers of accommodation that can be classified under Hotels, guest and country houses, lodges, caravan parks and camping sites, self-catering, backpackers, hostels, and B&BS. From Table 4.5 to 4.7 it becomes clear that unlike most other activity in Makana (with the exception of agriculture), tourism occurs throughout the entire municipality and is not just concentrated in Grahamstown. Tourism thus has the capacity and capability to improve the spatial spread of activity in Makana.

Tourism is currently marketed by Makana tourism. It has approximately 120-130 members that engage in the different forms of tourism profiled.

In addition to Makana tourism, the following associations and organisations are involved with tourism activity:

- The Grahamstown Foundation, which is involved with the various Festivals that take place in Makana region
- Indalo, which is an association for Private Game and Nature Reserves
- The Grahamstown Hospitality Guild, which is involved with grading of accommodation facilities
- Makana EduTourism Project, which is a partnership between Grahamstown Foundation, Makana Municipality and Makana Tourism.

Challenge: There is a need for marketing of Makana's tourism offerings to be coordinated and intensified for cooperative synergies to be experienced

3.3.4.5 Trade and Business Services

The trade sector is defined as the resale (sale without transformation) of new and used goods to the general public for personal or household consumption or use by shops, department stores, stalls, hawkers etc. The trade sector entails wholesale, commission trade, retail trade and repair of personal household goods; sale, maintenance and repair of motor vehicles and motor cycles; hotels, restaurants, bars, canteens, camping sites and other provision of short-stay accommodation. It can thus be seen that this sector involves a broad spectrum of activity which is diverse and varied in nature.

The sale of goods and services by shops and stores represents general commerce related to the day-to-day existence of local residents. The sale of goods and services by restaurants,

camping sites, hotels and other short stay accommodation providers represents some elements of tourism related activity. This sector is thus important as it reflects activity that originates from within Makana (shops, and stores) and activity that originates from outside Makana (tourism through hotels and restaurants)

3.3.4.6 *The nature and challenges of trade in Makana:*

There are several national chains and franchises located in Grahamstown, including Pick n Pay, Shoprite, Edgars and Pep Stores. There are two main shopping centers – the 6 876m² Pepper grove Mall which targets the middle to high income band and the 6 130 m² Market Square Mall which targets the lower to middle income band. In addition to these, there is a variety of shops in the Grahamstown town Centre (mainly in High street, Beaufort Street and Hill Street), and several informal spaza traders located in the townships. (Mall guide, 2009)

Despite the wide array of options (in comparison to other similarly sized towns), there is a significant amount of expenditure leakage to other towns such as Port Elizabeth for goods such as specialty products, luxury items, electronic equipment and clothing. This is a result of Makana’s demographic profile, which is made up of young, upwardly mobile consumers that seek variety. High income earners thus often travel outside the Makana locality to buy goods and services. As a result of the relatively small population in Makana, there is little wholesale activity, as demand levels are insufficient to reach the necessary critical mass.

In the tourism trade there are several restaurants (including take-away, convenience food and fast food outlets) short term accommodation facilities (including hotels, guest houses and camp sites) in Grahamstown. These will be expanded upon in the tourism sector profile. It must be noted that these serve both tourism demand, and demand from local residents as well. Facilities situated in the township (such as homestays and taverns) are underprovided, when consideration of the actual size and population of the townships in Makana is made. In the other areas in Makana (Riebeeck East and Alicedale), owner managed enterprise dominates the trade sector. This applies to both the retail and tourism sides of the trade sector. This is because it is not profitable for large businesses to establish themselves in these areas due to their small populations and low income levels. The smaller settlements in Makana are thus dominated by general dealers, liquor stores and mini-markets that serve the needs of local resident.

3.3.4.7 Manufacturing

This sector is broadly defined as the physical or chemical transformation of materials or compounds into new products. The Manufacturing sector is thus the sector where natural resources and other intermediate goods are converted through value adding processes into final products for the Trade sector.

Manufacturing in Makana is described under the Industry classification as 'limited prospects overall' and under the Carvalho classification as making a 'marginal' contribution to the municipality's economy. Despite this forecast, there is scope for specialist/niche manufacturing activity such as deboning of ostrich meat. As a result of Makana's industrial profile, such operations will not typically employ large amounts of labour. They can however, generate much needed income into the area and will often have linkages with other economic sectors

3.3.4.8 Construction

The construction sector includes activities related to site preparation, construction of buildings, building installations, building completion and the renting of construction equipment. The range of activity contained within the construction sector thus includes shop fitting, plumbing, electrical contracting, painting and decoration. There are few large and accredited building contractors in Makana that are able to undertake large, high value projects.

Such contractors are typically associated with the Master Builders Association. Large construction sector organisations in the Makana area include **CM Heunis Building contractors and Strydom and Kroqwana Construction**. In order to remain accredited, they often have to bring in skilled and certified labourers from outside the Makana area, which represents an income and employment leakage out of the Makana area. A leakage in this context refers to a flow of resources out of the local economy. Building contractors are thus often brought in from outside the Makana area in order to oversee building projects.

The contractors who are from outside the LM do however provide jobs for the locals but often bring in their own labour, and for this reason local job creation is not as high as it could be in the construction sector. In addition to this, limited institutional support for apprenticeship, mentorships and other forms of training propagate continued leakage of incomes from the area. There are several emerging building contractors located within the Makana region. However, they are often plagued with a lack of experienced and skilled staff, which limits their growth. Other problems faced by emerging contractors include project management capacity constraints that ultimately affect project completion and quality.

As a result of no accreditation, emerging contractors are often bypassed when it comes to opportunities to tender for high value construction projects such as government funded

infrastructure provision. This then reinforces a cycle in which emerging contractors remain too small, inexperienced and undercapitalised to grow their businesses. (*Lisa Trading, 2009*)

Physical inputs are widely available throughout the Makana area, as there are a wide range of suppliers or equipment, tools, machinery, etc. though falling under the Trade sector; these include large (MBA associated) organisations such as *Pennypinchers, PG Glass and BUCO*. Small emerging businesses such as *Khaya Blocks and Quarry* also contribute.

3.3.4.9 Transport and Communication in Makana

In terms of transport services in Makana, there is no water transport, regularly scheduled air transport or transport by pipeline. Rail transport used to be important in the region, but has been significantly reduced in recent years. This then means that the bulk of transport services in the municipality may be classified under road transport.

There are several operators of road transport within Makana that provide transport within the municipality and to other regions as well.

The following forms of transport activity are found within the Makana area:

- Bus and Coach Passenger lines (such as Greyhound and Intercape) operate in the area, even though they do not have base offices in Makana.
- Mass Commuter transport (in the form of minibuses/ taxis, associated with Uncedo, the taxi organisation)
- Shuttle services (such as JCs shuttle service and Rhode Trip)
- Flights from the Grahamstown airstrip for entertainment purposes (such as E.P. skydiving and guests to game reserves such as Kwandwe)
- Occasional sightseeing rail tours (such as the Alicedale adventure)

These activities are supported by enabling infrastructure and service including:

- Grahamstown's proximity to the N2 highway and linkages with other major roads as shown in the infrastructure profile
- A taxi rank facility that serves a hub for transport within and outside Makana
- Several petrol stations (garages) that trade on local and transient demand
- Travel agents (such as Go travel)

In terms of communications, Makana is relatively well linked. Postal services are provided by Postnet (Private) and The Post Office (Public). In addition to these, several courier companies such as speed services and UTI sun operates within the Makana area, as do several internet cafes.

Rhodes University also has comprehensive information and communication technology (ICT) infrastructure. In fact, South Africa's first internet link was based at Rhodes University in

1988. This led to the establishment of UNINET, which was a gateway that provided internet access for South African universities. In recognition of this, a Centre of Excellence in Distributed Media was established at Rhodes University in 1997, in association with Telkom SA and other partners.

Challenges in Transport and Communication:

The transport sector in Makana has limited opportunities for growth, partly as a result of its small and stable population. The communications sector grew while the transport sector declined between 1995 and 2007. With linkages to the trade and service sectors, a growing communication sector can allow business growth and the establishment of a knowledge economy

3.3.4.10 Finance and Business Services in Makana

In terms of finance and insurance, all the major banks are found in Grahamstown (ABSA, FNB, Standard Bank, Nedbank, Capitec Bank, Old Mutual Bank and GBS Mutual Bank. These largely service the banking requirements of local businesses and farmers in the area.

A range of mortgage providers, micro-lenders and investment facilitators such as Wesbank and Louhen financial Services are also present. Insurance brokers such as Sanlam life assurance and McCallum Brokers also operate in the Makana area. These target personal financial services.

A full range of business services are also available in Grahamstown These include accounting (Neill Pike, the Tax House), real estate agents (Pam Golding, Remax, Lew Geffen Sotheby's etc.), attorneys (Nettletons, Whitesides, Wheeldon Rushmere & Cole etc.), IT services (Albany Computers, Oracle Consulting, IT Solutions), engineers (MBB consulting) and other forms of activity.

It is apparent that a broad spectrum of activity in the business services sector is covered in Makana. It is prudent to point out that some of the business services located in Makana are directly linked to the existence of Rhodes University, and may not have been established in Makana if it were not for the presence of the university.

These include:

- Birch's (Robe making for university gowns)
- CES (linked to Environmental Science department)
- Grocott's Mail (Department of Journalism)
- Geodetic (Geography and Information Systems Departments)
- NISC (Department of linguistics, Rhodes library, research office)
- Private consultancies run by Rhodes university faculty members and alumni

The number of real estate agents is high compared to other towns of a similar size. This is a result of the demand for accommodation that results from the student population studying at Rhodes University.

In a pattern that resembles the other sectors, provision of business and financial services is mainly centered in the Grahamstown area, with few businesses in other towns such as Salem, Riebeeck East and Alicedale. This means that residents of these towns often have to commute to Grahamstown in order to have access to these services.

Challenge:

This sector will have a role in economic development through its ability to attract and its ability to absorb local semi-skilled and skilled labour. One of this sector's roles in economic development is that of improving the quality of financial and business services rendered to economic development stakeholders and beneficiaries. The performance of this sector also has an impact on the true 'cost of doing business' in Makana as it represents the bulk of the tertiary sector of the economy.

3.4 Government Services in Makana

Based on their annual reports and financial statements publicly available online, it emerges that the two main entities in Makana's government sector are Rhodes University and the Makana Municipality (Rhodes University Annual Report, 2007; Makana Municipality IDP, 2007).

Rhodes University which provides educational services is responsible for approximately 71% of the government sector's output in Makana, and approximately 21% of the sector's permanent employment. Of its entire workforce 26% are employed in academic instruction and research, 43% are employed in administrative support and 31% are employed in support service positions.

The Makana Municipality which provides local governance and public administration is responsible for approximately 19.4% of the government sector's output, and 8% of its employment creation. That means that Rhodes University and the Makana Municipality make a combined contribution of 90% of the government sector's output.

Other organisations and forms of activity in the Makana government sector include

- Government departments (such as Home Affairs, Roads and Transport, Agriculture, Education, Labour, Water Affairs and Forestry, amongst others)
- Defense activities (such as the SANDF Grahamstown military base, Midlands Command and the SAPS)
- Government agencies (such as SEDA, ECARP)

- Justice services including the department of Public Prosecutions, High court, Magistrates court and Small Claims Court
- Education (The East Cape Midlands College and Schools such as Nombulelo High School, Mary Waters School, St Andrews, DSG, Victoria Girls, amongst others)
- Health facilities (such as Settler's hospital)

It can thus be seen that the majority of activity classified under the government sector within Makana is undertaken in Grahamstown.

3.5 COMMUNITY WORK PROGRAM (CWP)

The creation of decent work will take time and the Community Work Programme (CWP) has been operationalized in the interim. The programme is intended to supplement unemployed individual's existing livelihood and offers a basic income through work. It is designed to create work for 8 days a month, for 8 hours a day and be paid a stipend of R60 per day. Makana is a CWP Site and more than 1200 participants are benefitting from this programme.

3.6 SMALL MEDIUM AND MICRO-ENTERPRISE DEVELOPMENT

- SMME's base line information and targets going forward
- A majority of SMME's fall within the survivalist, micro and small enterprise category with few SMME's in the medium category;
- Increased potential and performance of tourism enterprises as a result of the strong tourism sector in the economy;
- Organised farming sector with a potential for growth;
- Increase in start-up mining enterprises as a result of good prospects in the kaolin value chain;
- Existence of an SMME Development strategy which is based on the following pillars:
 - Training;
 - Access to land;
 - Access to finance;
 - Information;
 - Communication;
 - Access to Land; and
 - SMME Database.

Targets for SMME development are underpinned and articulated in the SMME Strategy Development and are the following:

- Facilitate the training of 100 SMMEs in technical and business skills by 2014;
- Develop a communication policy and strategy, which is inclusive of social networking, for SMME by 2014;

- Facilitate the release of 300 hectares of land for industrious SMMEs and Cooperatives for 2014;
- Identify premises for SMME information and incubation centre by 2014;
- Sign 4 MoUs with at least four national and provincial SMME support structures ensuring a physical presence in Makana;
- Develop a database of SMMEs and Cooperatives in Makana; and
- Review SCM to ensure maximum participation of SMMEs in Makana.

Co-operatives in Makana Municipality

- Makana has ±80 co-operatives (includes registered and those who are in the registration process), the list is inclusive of co-operatives registered by Department of Social Development, Department of Sport, Arts and Culture, Department of Rural Development and Agricultural Reform who are other stakeholders who are involved in co-operative development;
- Facilitated the registration of 9 co-operatives in this current financial year;
- Conducted 7 co-operative information sessions;
- Facilitated the establishment of Makana local co-operative forum, which is a local representative structure for all co-operatives in Makana

3.7 OTHER CRITICAL LOCAL ECONOMIC DEVELOPMENT CHALLENGES AND DEVELOPMENT PRIORITIES

The challenges at Makana relating to Local Economic Development (LED) and Planning can be summarised as follows:

- The turn-around time for approval of land use applications is prolonged by postponement of meetings of Council and Mayoral Committees;
- Legal action against the municipality due to failure to process land use applications within the stipulated period;
- There is a need for prioritisation of funds to implement LED projects, land audit and town establishment;
- Lengthy process for the approval of building plans due to a lack of inter-departmental cooperation;
- The MIG component of LED to be examined and prioritised for LED projects;
- Lack of investor confidence in the municipality due to infrastructure related challenges i.e. constant electricity and water outages;
- There is a need to improve Makana tourism and review the service level agreement with Eastern Cape Tourism;

- There is a need to conclude a land audit of all municipal land with a view to prioritise development which will assist to increase its revenue base and assist the municipality's cash flow;
- LED strategy should be reviewed, engaged with relevant stakeholders for example Eastern Cape Tourism and Rhodes University, refined as well as an investment policy and both policies should be implemented;
- There is a need to improve the alignment of the IDP and budget as well as communication with the community;
- Annual IDP process plan to be fully implemented and be fully compliant with legislation;
- IDP directorate is currently under Corporate Services and this might need to be reviewed and addressed through the organisational restructuring;
- The municipality does not have a communication strategy, and public participation and the communication programme/ plan needs improvement. All the wrong things get communicated which can be resolved with the implementation of a media strategy;
- Media briefing sessions to be held after Council meetings, mayoral Imbizo, amongst others. In addition, Ward councillors should communicate the relevant details regarding projects and any other initiatives they need to update the community with;
- Human resource structure to be reviewed and capacity addressed;
- Undertake governance training and entrepreneurial development training amongst others,
- Currently the customer care unit resides in different units, e.g. corporate services, Speakers office and there is a need for integration of customer care to ensure consistency in implementation; and
- The website needs to be revamped and updated to ensure relevant information is placed in compliance with legislation.

The municipality should prioritise a funding strategy to implement LED projects which are critical for increasing the revenue base of the municipality. Council and Committee meetings should be prioritised and take place as scheduled. The adequacy of resolutions and timely circulation should be addressed. The town planning section and all other relevant units should have weekly meetings to consider any new building plans. The introduction of a public participation and communication programme to ensure a proper communication channel internally and externally.

To contribute to the sustainability of the municipality the following activities should take place; implement anchor projects for which funding is required which include Creative City Project, Egazini Memorial Site, Development of Hawkers Stalls, Inner city Regeneration (business plan), Extension 6 Mall and Land Audit. Makana should sign a service level agreement with Eastern Cape Tourism to ensure all tourism matters Eastern Cape Tourism need to carry out on behalf of the Municipality are carried out. Foster relationships with

Eastern Cape Tourism, Rhodes University and other key investors within the municipality’s jurisdiction. The municipality should also review its lease agreements to identify non-paying tenants and those that pay less than a market related rental.

Below are the building plans approved by the Makana Municipality for the past three years.

Table 67

	2011	2012	2013	2014
TOTAL	231	162	150	79

NB: Excluded are plans for the following: Swimming pools, boundary walls, telecom masts, transformer installations, government projects, etc.

The above indicates that development in Makana is declining and this is due to the infrastructure problems surrounding water, sanitation and electricity as well as the delay in the processing of the developmental requirements.

Makana’s economic performance is as follows:

- Contribution to the Sarah Baartman District Municipality’s GDP is 19.7%; and
- Contribution to the Eastern Cape GDP is 1.51%.

The municipality, through the LED Directorate, had an engagement with the local business sector on 17 October 2014. The purpose of the meeting was to gain an understanding of the challenges that are faced by the sector and to agree on remedial actions.

The following challenges were identified and remedial actions were proposed:

- Lack of understanding of compliance issues with regards to supply chain management. It was agreed that a workshop on procurement processes and a presentation of the SCM policy will be arranged;
- Local service providers are not prioritised when the municipality pays its creditors. It was agreed that the Finance Department arrange a meeting/ communicate with all service providers that have not been paid; and
- Tenders are not unbundled with references made to the human settlements tenders. The municipality to have quarterly engagements with the construction sector to discuss this and many other issues. It was agreed that a meeting with the Department of Human Settlements be arranged.

In terms of the Provincial Spatial Economic Development Strategy (PSEDS), the following sectors of the provincial economy will drive the growth of the Province and address unemployment and poverty:

- Agriculture, including agri-industry (with opportunities to impact considerably on the economic needs of the poor through land reform);
- Industry, including heavy and light industry and manufacturing;
- Tourism, including domestic and foreign tourism; and
- Service sector including financial, social, transport, retail and government.

The results of the economic analysis show that the Makana area of jurisdiction has considerable investment potential evidenced by the consideration to invest and the desire to recommend the area as an investment location. Most sectors indicate that business prospects have not been negative which emphasises that there is scope for business growth and, more importantly, gives an indication of the sectors that appear to provide the most potential.

However, the information is static while business prospects and business sentiment is fluid, which means that they are subject to change and Makana has not kept up to the growth potential of the region. This final note suggests that the assessment of Makana's needs must not be simply taken as a part of a larger project, as is the case here, but as a continuing concern that is regularly considered by Makana policy makers.

Rhodes University Centre for Entrepreneurship in May 2011 undertook a Makana Investment Incentives Policy and Investor Friendly Environment Initiative.

The list of specific concerns raised in interviews was as follows:

- Inadequate road development in areas around small farmers that require improved accessibility;
- Lack of assistance for small farmers seeking capital for inputs (fertilisers, tilling, seed, etc.);
- Lack of recognition for outstanding business performers;
- No municipal backed skills training for residents;
- Weak water service delivery and quality;
- No forum for the regular review of stakeholder considerations;
- No programme to facilitate technological awareness and access;
- There is not enough support for stakeholders seeking institutional financial support;
- The need for an improved social environment through the encouragement/ support of social engagement activities;
- The need to attract labour creating businesses; and
- A greater focus on improving the number of value added products that are made in the area.

The development strategies in respect of local economic development, taking the above into account, are as follows:

- Promote and support agricultural development and capacity building:
 - capacity building programmes for small scale farmers;
 - funding for agricultural projects;
 - establishment of an agricultural forum;
 - establishment of a strategic partnership to promote sustainable agricultural development;
 - infrastructural development at Thorn Park;
 - promote and support co-operatives through seed funding;
 - roll out of the sustainable urban agricultural programme to promote a green economy;
 - co-fund projects funded by other departments; and
 - women and youth agricultural support programme.
- Promote and support tourism development and capacity development:
 - heritage promotion;
 - inner city regeneration;
 - national arts festival marketing programme;
 - participation in tourism trade shows;
 - promotion of forts and towers;
 - roll out of creative city project;
 - support for Kwam eMakana homestay project;
 - tourism internship programme;
 - tourism promotion; and
 - develop a business plan and a feasibility study for aloe production.
- Support enterprise development:
 - roll out a community works programme;
 - SMME start-up package;
 - co-operative seed funding;
 - support to business chamber;
 - informal sector support;

- training for Kaolin Co-operatives;
- secretariat for the Kaolin project steering committee; and
- support for the formation of new businesses.

CHAPTER FOUR FINANCIAL VIABILITY AND MANAGEMENT

4.1 BUDGET AND TREASURY OFFICE:

The BTO of the municipality is structured in terms of the following units: Revenue Management, Supply Chain Management, Expenditure Management, Asset Management, Budget and Reporting, Administration and Payroll. The Revenue section within the BTO has the highest number of vacant positions followed by the SCM section. The municipality should prioritise the filling of these vacant positions. It is critical to note that there is a need for improvement in all of these functional areas. The challenges facing the budget and treasury of the municipality include:

- Lack of a system of delegations that maximises the administrative and operational efficiency and provides adequate checks and balances in the municipality financial administration;
- The BTO structure is not aligned to provide the required support to the municipality;
- The vacant position of the Chief Financial Officer has resulted in a lack of accountability and leadership to address all legislative requirements of the BTO, including financial management and accountability;
- There is a need to increase internal capacity to improve revenue collection;
- There is a need to review and standardise a financial reporting process, framework and system including mapping of financial processes and systems with supporting procedures;
- The functional financial management capacities and capability of the staff need improvement;
- Cash flow challenges which result in service not being paid for timeously and therefore service providers withholding their services;
- Lack of a long term financial strategy;
- Lack of implementation of revenue enhancement and cost curtailment strategies which also need the support of other departments; and
- Unfunded budget and inadequate budget control and cost ineffectiveness

4.2 UNDERSTANDING THE FINICAL CHALLENGES

The financial sustainability challenges are due to poor financial management, operations and administrative inefficiencies, lack of proper leadership, planning, inadequate delegations, lack of staff discipline and performance and lack of accountability. Overall the poor or non-implementation of administrative systems, procedures, processes, financial controls and poor

budgeting, inadequate delegation framework, political interference together with non-compliance by the municipality with the relevant legislative framework, contributed largely to the current state of affairs.

The high level financial challenges are material cash flow constraints leading to a high volume of litigations and employee and community protests, poor internal controls, under spending on conditional grants, recurring and numerous AG findings, unable to collect outstanding debtors, unable to pay creditors and poor billing due to lack of or damaged meters.

Below is the high level financial report compiled by the municipality for the three months ended 30 September 2014.

4.3 ANALYSIS OF FINANCIAL PERFORMANCE

Description	AFS	AFS	AFS	AFS	AFS
	2009/2010 R'000	2010/2011 R'000	2011/2012 R'000	2012/2013 R'000	2013/2014 R'000
Property Rates	29,886	32,338	38,133	38,084	46,135
Property Rates - Penalties and Collection Charges					
Service Charges	111,527	139,828	162,028	166,253	161,564
Rental of Facilities and Equipment	981	1,034	1,205	1,059	789
Interest Earned - External Investments	5,193	4,767	3,971	1,325	385
Interest Earned - Outstanding Debtors	9,107	7,788	9,228	9,710	10,836
Dividends Received					
Fines	1,500	1,144	621	996	656
Licences and Permits	2,332	2,584	2,099	2,411	2,597
Agency Fees	486	943	1,138	1,006	877
Transfers Recognised - Operational	104,803	51,339	61,684	76,901	61,794
Transfers Recognised - Capital		41,718	31,445	56,851	32,636
Other Revenue	2,457	10,816	2,584	1,717	2,063
Public Contributions and Donations					
Gains on Disposal of PPE	118				5,245
Total Revenue	268,390	294,299	314,136	356,313	325,577
			6.7%	13.4%	-8.6%
Employee Related Costs	75,926	98,540	111,439	113,294	124,835
Remuneration of Councillors	5,937	6,211	7,704	7,783	8,337
Debt Impairment	37,149	31,869	20,844	23,522	22,510
Depreciation	43,174	47,784	45,661	46,625	36,729
Finance Charges	270	281	343	215	6,337
Bulk Purchases	37,508	49,892	74,280	69,229	67,096
Other					
Contracted Services	394	2,297	2,706	4,331	6,470
Transfers and Grants	1,267	23,392	21,218	17,187	22,093
Other Expenditure	42,194	43,325	51,012	47,001	44,136
Loss on Disposal of PPE		159		148	
Repairs and Maintenance	10,393	16,039	13,044	18,721	12,735
Collection Costs					
Total Expenditure	254,212	319,789	348,251	348,056	351,278
			8.9%	-0.1%	0.9%
Surplus/(Deficit)	14,178	-25,490	-34,115	8,257	-25,701
Less Capital Funded ex Grants and Subsidies		-41,718	-31,445	-56,851	-32,636
Surplus/(Deficit) for the Year	14,178	-67,208	-65,560	-48,594	-58,337
Capital Contributions		-	-	-	-
Surplus/(Deficit) for the Year	14,178	-67,208	-65,560	-48,594	-58,337
Less Own Funded Capex	-	-	-	-	-
Surplus/(Deficit) for the Year	14,178	-67,208	-65,560	-48,594	-58,337

An analysis of the above reveals:

- The financial years ended 30 June 2011, 2012, 2013 and 2014 all reflect an operating deficit due to bad budgeting where unachievable and unrealistic revenue and expenditure budgets have been set;
- Property rates increased by 21% from 2013 to 2014;
- Fines have decreased over the years 2010 to 2014 and more innovative ways of collecting the fines need to be found ;(This might be as a result of a number of issues such as staffing, so the root causes to this needs to be looked at on its totality.)
- Rental of facilities and equipment dropped from 2013 to 2014;
- Employee related costs increased by 64% from 2010 to 2014;
- Finance costs have increased due to a new loan being raised from DBSA; and
- Contracted services increased every year over the 2010 to 2014 period, which should be read with the increase in employee costs.
- Over the years from 2009-2014 there has been a huge fluctuation on most of revenue items from the institution, whilst on the same period there has been a sharp rise in expenditure trends.
- The needs to be an analysis done on all the revenue items that have been fluctuating over the years.

4.4 BUDGET ANALYSIS 2013-17

The above analysis reflects the following:

- In all instances the revenue budget is inflated and the expenditure budget is understated;
- The 2014/15 financial year income budget has increased by 37.4% over the actual revenue accounted for in 2013/14. This is not achievable and therefore it is highly probable that unless expenditure is curtailed and revenue billing and collection is dramatically increased the municipality will again operate at a deficit for the 2014/15 financial year; and
- The municipality has a budget which is not properly funded. The current commitment in terms of MTREF 14/15 budget under scrutiny including all expenditure – capital and operational-funded by own revenue, transfers from national and provincial government and borrowing (capital) exceed available resources, which is perceived as contributing to the difficulties in tracking, monitoring and assigning costs. These should be addressed through 14/15 adjustment budget and 2015/16 MTREF.

The above budgeting patterns require a budget line item analysis, which will assist in identifying possible expenditure excesses and identify credible revenue billing and collection budgets so the municipality can set a credible and achievable budget which can then be monitored on a monthly basis to ensure the municipality becomes financially stable sooner rather than later.

However, all budget line items should be analysed but the following are examples of issues that need to be looked at.

4.5 GENERAL EXPENSES 2010/11 to 2013/14

Description	2010/11	%	2011/12	%	2012/13	%	2013/14
Administration Charges	2 863 124	4.5	2 991 535	5.6	3 159 520	23.5	3 902 137
Advertising	1 187 489	74.4	2 070 546	-34.4	1 357 688	31.8	1 789 786
Bank Charges	554 890	46.4	812 233	33.2	1 081 895	-17.2	895 773
Conferences and Seminars	1 240 118	35.6	1 681 101	9.2	1 836 031	-37.0	1 157 252
Consulting and Professional	2 297 238	17.8	2 706 241	16.4	3 150 635	-3.5	3 041 705
Fuel and Oil	3 098 573	23.6	3 828 529	26.3	4 833 934	15.4	5 576 003
Rental Expenses	362 077	-2.5	352 965	-59.3	143 633	694.0	1 140 400
Postage and Courier	750 893	8.7	815 821	-14.6	696 359	35.3	941 899
Project Expenses from Own Funds	2 859 583	23.4	3 527 557	56.7	5 528 918	29.7	7 167 611
Security	2 487 212	24.5	3 097 276	-13.7	2 673 290	44.8	3 871 788
Telephone and Fax	2 210 184	4.5	2 309 681	-20.7	1 832 455	44.7	2 650 967

4.6 CONTRACTORS 2010/11 to 2013/14

Description	2010/11	%	2011/12	%	2012/13	%	2013/14
Other Contractors	0	0.0	0	100.0	4 331 710	49.4	6 469 478

4.7 FREE BASIC SERVICES 2010/11 to 2013/14

Description	2010/11		2011/12		2012/13		2013/14
Free Basic Services	21 984 130	-16.6	18 336 141	-16.8	15 252 117	34.7	20 549 245

Debtors to be analysed and profiled to ensure only indigent consumers are obtaining the benefit of free basic services.

4.8 FLEET MANAGEMENT

From a financial perspective, the fleet management at Makana is of grave concern. The challenges in this regard are as follows:

- There are insufficient vehicles for use by the service departments;
- Fuel costs are escalating and there are no controls over the purchase of fuel;
- Repairs and maintenance are done in house and vehicles sit for long periods of time in the workshop due to SCM processes being slow and ineffective, as well as cash flow restrictions as regards the buying of the necessary parts required to undertake the repairs and maintenance; and
- Tracking devices need to be installed in the vehicles to enable the monitoring of the use of the vehicles and use of fuel.

Fleet details as at 30 June 2014, are as follows:

DEPARTMENT	LDV	SEDAN	MOTOR CYCLES	TRAILERS	SPECIALISED VEHICLES	TOTAL
Budget and Treasury Office	3	2	1	0	0	6
Corporate Services	9	0	0	0	0	9
Electricity	13	0	0	4	4	21
Executive and Council	0	4	0	0	0	4
Health	3	0	0	0	1	4
Library	0	0	0	0	1	1

DEPARTMENT	LDV	SEDAN	MOTOR CYCLES	TRAILERS	SPECIALISED VEHICLES	TOTAL
Planning and Development	3	0	0	0	0	3
Public Safety	0	16	0	4	17	37
Road Transport	11	0	0	5	23	39
Sport and Recreation	9	0	1	7	12	29
Waste Management	2	0	0	0	6	8
Waste Water Management	7	0	0	10	20	37
Water	16	0	0	0	3	19
TOTAL	76	22	2	30	87	217

The expenditure on fuel for the period 2011 to 2014 is as follows:

Description	2010/11	%	2011/12	%	2012/13	%	2013/14
Fuel and Oil	3 098 573	23.6	3 828 529	26.3	4 833 934	15.4	5 576 003

An analysis of the above reveals the following, which must be addressed in the financial recovery plan:

- The increase in fuel spend from 2011 to 2014 is 80%;
- The average monthly fuel bill per vehicle for 2014 is R2 485;
- The vehicle numbers are declining but the fuel expenditure increases which might also suggest some fuel is stolen; and
- Controls need to be put in place urgently to ensure control over the usage of fuel.

4.9 FINANCIAL ANALYSIS

Description	AFS	AFS	AFS	AFS	AFS
	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014
	R'000	R'000	R'000	R'000	R'000
ASSETS					
Current Assets					
Cash and Cash Equivalents	64,172	74,673	52,997	9,833	1,595
Investments					
Consumer Debtors	56,616	60,717	113,504	128,468	128,393
Other Debtors	13,000	8,223	26,446	38,442	29,303
Current Portion of Long-Term Receivables	68	55	134		
Inventory	5,463	15,472	7,275	8,706	7,864
Total Current Assets	139,319	159,140	200,356	185,449	167,155
Non Current Assets					
Investments	11,271	11,776	1,040	485	601
Investment Property		144,908	227,126	226,882	201,303
Investment In Associates					
Property, Plant and Equipment	1,495,653	1,286,540	1,200,678	1,245,158	809,686
Heritage Assets			23,101	25,770	28,931
Biological					
Intangible		56	304	448	948
Other non-current assets					
Total Non Current Assets	1,506,924	1,443,280	1,452,249	1,498,743	1,041,469
TOTAL ASSETS	1,646,243	1,602,420	1,652,605	1,684,192	1,208,624
NET ASSETS AND LIABILITIES					
LIABILITIES					
Current Liabilities					
Bank Overdraft	3,903	3,523			15,467
Borrowing	903	978	851	1,727	3,888
Short Term Portion of Finance Lease Obligation					
Trade and Other Payables	50,411	77,411	90,437	101,969	88,023
Provisions	2,527	2,321	2,523	2,772	3,365
Unspent Conditional Grants	43,646	62,962	50,759	45,126	55,186
Consumer Deposits and Other Liabilities	1,914	1,986	2,071	2,206	2,298
Total Current Liabilities	103,304	149,181	146,641	153,800	168,227
Non Current Liabilities					
Borrowing	1,579	601	283	21,914	50,118
Finance Lease Obligation					
Provisions	37,014	47,296	52,158	48,443	39,713
Unspent conditional grants					
Consumer deposits					
Total Non Current Liabilities	38,593	47,897	52,441	70,357	89,831
TOTAL LIABILITIES	141,897	197,078	199,082	224,157	258,058
NET ASSETS					
Accumulated Surplus/(Deficit)	1,498,993	1,399,972	1,448,133	1,454,627	945,139
Reserves	5,353	5,370	5,390	5,408	5,427
NET ASSETS	1,504,346	1,405,342	1,453,523	1,460,035	950,566
TOTAL NET ASSETS and LIABILITIES	1,646,243	1,602,420	1,652,605	1,684,192	1,208,624

To assess the financial health of the municipality, a summary of key ratio analysis was done, and linked to the MFMA Circular 71 and are set out below. The details are also provided in Annexure A.

An analysis of the following key ratios indicates the municipality's poor financial health/ standing and gives an indication of the main target areas to improve financial viability and sustainability of Makana:

Ratio	Ratio for 2012/13	Ratio for 2013/14	Remarks
<p>Liquidity Ratio (Current Ratio) - this ratio indicates the extent to which current assets can be used to settle short-term liabilities. If current assets do not exceed current liabilities it means a liquidity problem i.e. insufficient cash to meet financial obligations.</p> <p>The norm is 1.5 - 2:1.</p>	1.21	0.99	<p>The current ratio is significantly low for both years and declining.</p> <p>The municipality does not have sufficient current assets to cover current liabilities.</p>
<p>Cash Coverage Ratio - indicates the municipality's ability to meet at least its monthly fixed operating commitments without collecting any revenue during that month.</p> <p>The norm should not be less than 1 - 3 months.</p>	-1.5	-2.8	<p>The cash coverage ratio has declined from 2012/13 to 2013/14 and is significantly low in both years.</p> <p>This clearly indicates that the municipality is faced with cash flow challenges.</p>
<p>Creditors Payment Period – this indicates the average number of days taken to pay trade creditors.</p> <p>The norm is 30 days.</p>	70 days	115 days	<p>The creditor's payment period deteriorated from the prior year.</p> <p>This indicates cash flow challenges continue to be an issue for the municipality and that Makana is using creditors to fund operations.</p>
<p>Contracted Services as a % of Total Operating Expenditure – measures the extent to which municipal resources are committed towards contracted services.</p>	1.2%	1.8%	<p>Contracted services as a % of total operating expenditure for both years is within the norm but showing an increase, which should be managed.</p>

Ratio	Ratio for 2012/13	Ratio for 2013/14	Remarks
The norm is 2% - 5%			
<p>Irregular, Fruitless and Wasteful and Unauthorised Expenditure to Total Expenditure – this ratio measures the extent of irregular, fruitless and wasteful and unauthorised expenditure to total expenditure.</p> <p>The norm is 0%.</p>	12.6%	10.9%	<p>Irregular, fruitless and wasteful and unauthorised expenditure to total expenditure is excessive.</p> <p>This expenditure should be investigated and acted upon.</p> <p>The municipality must take measures to ensure that no irregular, fruitless and wasteful and unauthorised expenditure is incurred by the municipality.</p>
<p>Capital Expenditure Budget Implementation Indicator – measures the actual to budgeted capital expenditure that has been spent by the municipality.</p> <p>The norm range is between 95% - 100%.</p>	75.5%	46.5%	<p>The trend is worsening and in both years the municipality has significantly underspent on capital expenditure.</p> <p>This was as a result of SCM challenges and cash flow problems.</p> <p>The municipality must improve planning, supply chain management process, and its capacity to implement capital projects, especially if these relate to revenue generating opportunities.</p>
<p>Percentage of Property, Plant and Equipment, Intangible Asset and Investment Property Impaired – indicates the loss in future economic benefits or service potential of an asset over and above the systematic</p>	12.8%	18.7%	<p>Impairment of property, plant and equipment and investment property increased compared to the previous year.</p> <p>The municipality must take action to restore the operating capacity of</p>

Ratio	Ratio for 2012/13	Ratio for 2013/14	Remarks
<p>recognition of depreciation.</p> <p>The norm is 0%.</p>			<p>impaired assets as this has an adverse effect on service delivery and revenue generation.</p>
<p>Repairs and Maintenance to Property, Plant and Equipment and Investment Property – measures the level of repairs and maintenance to ensure adequate repairs and maintenance to prevent breakdowns and interruptions to services delivery.</p> <p>The norm is 8%.</p>	1.5%	1.6%	<p>Repairs and maintenance to property, plant and equipment and investment property for both years is significantly low.</p> <p>This is an indication that insufficient monies are being spent on repairs and maintenance and that asset stripping is taking place.</p> <p>This situation is already impacting negatively on service delivery and resulting in interruption of services.</p>

4.10 FINANCIAL POLICIES

The purpose of financial policies is to provide a sound environment to manage the financial affairs of the municipality.

The following are the key financial related policies:

POLICY	DESCRIPTION	LAST UPDATED	REMARKS
Tariff Policy	<p>Prescribes the procedures for calculating tariffs.</p> <p>This policy is required in terms of Section 74 of the Local Government Municipal System Act, Act 32 of 2000 and Municipal Finance Management Act, Act 56 of 2003.</p>	20 June 2014	No action required at present.

POLICY	DESCRIPTION	LAST UPDATED	REMARKS
Rates Policy	<p>Required by the Municipal Property Rates Act, Act 6 of 2004.</p> <p>This Policy provides the framework for the determination of rates and Municipal Finance Management Act, Act 56 of 2003.</p>	20 June 2014	No action required at present.
Indigent Management Support Policy	<p>Policy to provide access to and regulate free basic service charges and services to all indigents.</p> <p>Indigents are those households who are unable to access or pay for basic services due to a number of socio-economic factors.</p> <p>Indigents must gain access to the Municipal Services infrastructure including water supply, sanitation, refuse removal, electricity and alternative energy where no electricity is available.</p> <p>The Municipality needs to ensure that the services provided to indigent households are always maintained and available.</p> <p>The indigent subsidy must be targeted to the poor.</p>	For comment 13 June 2013	Needs to be updated, approved and implemented.
Budget Policy	Policy set out the principles which must be followed in preparing Medium Term Revenue and Expenditure Framework Budget.	No policy supplied. Will be developed	Policy needs to be drafted, approved and implemented.

POLICY	DESCRIPTION	LAST UPDATED	REMARKS
	It further ensures that the Budget reflects the strategic outcomes embodied in the IDP and related strategic policies.		
Asset Management Policy	The objective of the Policy is to prescribe the accounting and administrative procedures relating to the property, plant and equipment.	30 June 2013	Policy needs to be updated, approved and implemented.
Accounting Policies	The policy describes the basis of presentation of the Annual Financial Statements in accordance with the Generally Recognized Accounting Practices and Accounting Standards.	Part of Annual Financial Statements for year ended 30 June 2014	Accounting policies need to be updated, approved and implemented.
Supply Chain Management Policy	Policy is developed in terms of Section 1 of the Municipal Finance Management Act, Act 56 of 2003. The principles of this Policy is to give effect to a fair, equitable, transparent, competitive and cost effective system for the procuring of goods and services, disposing of goods and selecting of contractors in the provision of Municipal Services.	No date provided.	Policies need to be updated, approved and implemented.
Subsistence and Travel Policy	Policy regulates the reimbursement of travelling and subsistence costs to officials and Councillors attending official business.	No policy supplied.	Policy needs to be drafted, approved and implemented.
Credit Control and Debt Collection Policy	Policy provides for Credit and Debt Collection Procedures and mechanisms to ensure that all consumers pay for the services.	No policy supplied. This will be attended to	Policy needs to be drafted, approved and implemented.

POLICY	DESCRIPTION	LAST UPDATED	REMARKS
Cash Management and Investment Policy	Policy was compiled in accordance with the Municipal Finance Management Act, Act 56 of 2003.	Approved 20 June 2014.	Given the cash flow challenges faced by the municipality the policy should refined, approved and vigorously be implemented.
Short-term Insurance Policy	The objective of the Policy is to ensure the safe-guarding of Council's assets.	No policy supplied.	Policy needs to be drafted, approved and implemented.
General Ledger Chart of Accounts Maintenance Policy	<p>A current and accurate chart of accounts is an integral part of the accounting systems of the municipality.</p> <p>This chart of accounts is generally consistent with the definitions and procedures presented in the GRAP (General Recognize Accounting Practices) requirement as well as the General Financial Statistics (GFS Classification) and various budget reform processes as aligned by National Treasury.</p>	No policy supplied.	Policy needs to be drafted, approved and implemented.
Information Technology Policy	<p>Aim of this policy is:</p> <ul style="list-style-type: none"> • To promote the professional, ethical, lawful and productive use of Makana Municipality information systems; • To define and prohibit unacceptable use of Makana Municipality information systems; • To educate Municipal officials 	No policy supplied.	Policy needs to be drafted, approved and implemented.

POLICY	DESCRIPTION	LAST UPDATED	REMARKS
	<p>about their Information Security responsibilities;</p> <ul style="list-style-type: none"> • To describe where, when and why monitoring may take place; • To outline disciplinary procedures. 		
Debt Management Policy	<p>The objectives of this policy are to:</p> <ul style="list-style-type: none"> • Record the circumstance under which a municipality may incur debt; • Describe the conditions that must be adhered to by the Municipal Manager or his/ her delegate when a loan application is submitted to council for approval; • And record the key performance indicators to ensure access to the money markets. 	No policy supplied.	Policy needs to be drafted, approved and implemented.

POLICY	DESCRIPTION	LAST UPDATED	REMARKS
Debt Management Policy – Petty Cash Policy	<p>The objectives of the policy are:</p> <ul style="list-style-type: none"> • To ensure the correct procedures are followed when requesting a petty cash facility; • To ensure that petty cash is kept safe at all times; • To ensure that advances are only paid for valid expenses purchases and that all transactions are accurate and complete; • To ensure that petty cash is balanced and reconciled on a daily basis in order to detect mistakes, and to prevent the float being depleted before replenishment takes place; • To ensure that replenishment of petty cash is done when required and that replenishment only takes place for amounts that are supported by valid supporting documents; • To ensure that the petty cash facility is available and managed well in the absence of the regular petty cash official. 	No policy supplied.	Policy needs to be drafted, approved and implemented.

There is a minimal level of activity which would suggest this activity is not being performed optimally. Payment collection rate is low at 68% and has not assisted in any way in reducing the amounts owed by consumer to the municipality. Debtors amounts have increased over the years 2011/12 (R200m), 2012/13 (R226m) and 2013/14 (R283m), which can be attributed to a number of factors including billing inefficiencies and inadequate debt collection and credit control mechanisms. Makana Municipality's high and growing outstanding debtor's book is a cause for great concern since the principal source of revenue is becoming increasingly threatened. Makana Municipality derives approximately 60% of own revenue from payments for services, 26% from property rates, and the remaining 14% from intergovernmental grants and other income.

The municipality should undertake a property audit to identify properties surplus that can either be used for housing or sold to obtain much needed funds for the municipality, provided these are not required for further development and growth and/ or municipal service delivery in the future. Any properties sold would then immediately become rateable and the residents would start paying for any services consumed. The value of land, buildings and investment properties in the asset register as at 30 June 2014 were as follows: Land R84.8 million; Buildings R94.4 million; and Investment Properties R181.4 million. The valuation roll process has not been correctly followed and the legality of the charging of rates to property owners is questionable. The by-laws have not been promulgated and therefore the legality of charging tariffs and collecting debts is questionable. This matter should be addressed as a matter of urgency.

The challenge that Makana Municipality is facing is to successfully turnaround the current declining position and to build a sustainable municipality for the future. Revenue enhancement is one of the key elements of turnaround strategies that can and should be used to address the challenge. Data cleansing is also an important link in the collection process. It is the function of ensuring that the information on which the billing system is based is accurate and up to date. The current revenue enhancement strategy is very generic and high level and has not been customised for Makana. The revenue enhancement should be updated and vigorously implemented.

The strategy should ensure that:

- All residents are paying what they should for rates and services taking into consideration the indigent policy;
- All residents are being charged the correct tariff for their rates and services;
- All residents or household receiving services from the municipality are included in the municipality's billing system; and
- The introduction of flat rate in areas where there are no meters.

4.12 CASH FLOW MANAGEMENT

Cash flow management must be improved in Makana municipality so that the municipality's ability to meet its obligations to provide basic services or its financial commitment is addressed.

Makana municipality's cash flow problems impacted seriously on its ability to meet its financial commitments and to address its service delivery challenges. This set the platform for elevating the importance of cash management within the municipality. Expenditure management and monitoring must be improved.

The issues can be addressed by developing a detailed effective Cash Management and Investment Policy, that is managed weekly or daily including the following:

- Restructuring payments with creditors and making arrangements/commitment with creditors;
- Billing and collecting all revenue;
- Filling vacant positions;
- Addressing non essentials;
- Following proper SCM processes and
- Ensuring that staff is capacitated.

4.13 SUPPLY CHAIN MANAGEMENT

The challenges relating to SCM, which should be addressed are summarised as follows:

- Delays in the sitting of the bid evaluation and bid adjudication committees;
- Continuous non-adherence to SCM policy resulting in deviations;
- Deviations from SCM processes due to amongst others bad planning and budgeting;
- Shortage of staff in the bids office and ineffective contract management;
- Unskilled staff need to be capacitated;
- Supply chain management system not fully functional; and
- Slow pace of processing orders.

It is evident that a complete analysis and restructuring of the SCM Unit is required at Makana.

The above challenges however need immediate attention including amongst others a review of the policies and procedures, delegations, implementation of measures to ensure the sitting of the bid committees, supplier database updating, bid specifications, bid documents management, skills assessment and skills gaps addressed through development plans and training of all SCM practitioners at all levels in the municipality.

CHAPTER FIVE STRATEGIC INTERVENTION

This Chapter outlines Makana strategic Intent and Key performance areas (KPA's) for the next financial. It aims to respond to some key issues and challenges highlighted in Chapter Two and National policy imperatives outlines in the Chapter One.

5.1 MAKANA VISION AND MISSION STATEMENT

“Makana Municipality strives to ensure sustainable, affordable, equitable and quality services in a just, friendly, secure and healthy environment, which promotes social and economic growth for all”.

5.2 CORE VALUES OF THE MUNICIPALITY - OUR VALUES

Value	Behaviour
Honesty	We are corruption free
Transparency	We are open and communicate freely
Quality for excellence	We are committed to a culture in which we continuously strive
Participatory Democracy	We ensure maximum involvement of all stakeholders in all our activities.
Accountability	We are answerable for our actions.
Professionalism	We practice the highest standards applicable to our work and we embrace humanity, discipline and respect

5.3 MUNICIPAL DEVELOPMENT PRIORITIES

Number of Priority	Development Priority
Development Priority No. One:	Basic Service Delivery and Infrastructure Development
Development Priority No. Two	Community Development and Social Cohesion
Development Priority No. Three:	Local Economic Development
Development Priority No. Four:	Institutional Development and Financial Management
Development Priority No. Five	Good Governance and Public Participation
Development Priority No. Six:	Rural Development and support to vulnerable groups
Development Priority No. Seven	Human Settlement

5.4 FINANCIAL RECOVERY PLAN KEY STRATEGIES CONSIDERATION

This Plan is therefore critical to achieve the objective of financial and service delivery turnaround and sustainability. Further, and as informed by the status quo assessment, the following overarching strategies to address the challenges faced by Makana are therefore contained in the financial recovery plan: -

Enhancing the operations of Makana through organisational realignment, human resource development and restructuring, appropriate comprehensive system of delegations, improved governance and political oversight, and the filling of critical positions including the permanent appointment of a Municipal Manager and Chief Financial Officer;

Improving financial sustainability through budget restructuring, revenue enhancement, growth and management, expenditure management/ cost containment, cash management, tariff restructuring and review of all core and non-core functions, amongst others;

Enhancing asset management through integrated infrastructure development and asset management planning to ensure sustainability through planned maintenance and replacement, growth readiness as well as proper fleet and facilities management; and

Improving financial administration through proper supply chain management, risk management and addressing audit related issues pertaining to the functioning of the Internal Audit Unit and the Audit Committee, amongst others.

The combined impacts of these strategies are intended to address the core and underlying problems, which precipitated the challenges at the municipality.

Successful implementation will also require greater political oversight, efficient and effective administration and governance arrangements to drive and sustain the implementation of the service delivery mandate and community expectations of Makana. These strategies are also intended to respond to challenges facing Makana and are addressed in the financial recovery plan.

MUNICIPAL ALIGNMENT WITH LG KEY PERFORMANCE AREAS TO STRATEGIC PRIORITIES OF NATIONAL, PROVINCIAL GOVERNMENT AND DISTRICT

MTSF PRIORITY	PROVINCIAL PRIORITIES	NATIONAL KPA	OUTCOME 9 OUTPUT	DISTRICT PRIORITY	MUNICIPAL DEVELOPMENT PRIORITY	LOCAL GOV. OBJECTIVES	FINANCIAL RECOVERY PLAN
Build cohesive, caring and sustainable communities	Build cohesive, caring and sustainable communities	Basic Service Delivery and Infrastructure Development.	Output 2 : Improving access to basic services Output 4 – Actions in support of human settlement outcomes	Infrastructure development	Basic service delivery and infrastructure development	Well structured, efficient and supports sustainable human settlement by 2017	Enhancing asset management and Improving financial administration
				Community services	Community and social cohesion	Community of Makana have access to adequate facilities also live in a safe, secure and healthy environment by 2017	N/A
Speed up economic growth& transformation to create decent work and Sustainable	Speed up economic growth& transformation to create decent work and Sustainable	Local Economic Development	Ouput3: Implementation of Community Work Programme	Economic Development	Local Economic Development	Maximise economic growth and development takes place in a conducive environment 2017	N/A

MTSF PRIORITY	PROVINCIAL PRIORITIES	NATIONAL KPA	OUTCOME 9 OUTPUT	DISTRICT PRIORITY	MUNICIPAL DEVELOPMENT PRIORITY	LOCAL GOV. OBJECTIVES	FINANCIAL RECOVERY PLAN
Strengthen education, skills and human resources	Strengthen education, skills and human resources	Institutional Development and Organization Transformation	Output 5 – Deepen democracy through refined ward committee model Output 6: improve municipal financial and administrative capacity.	Institution development	Institutional Transformation and Financial Management	Improve Administration and management systems by 2017	Enhancing the operations of Makana through organisational realignment
						Improve Audit outcomes by 2017	Improving financial sustainability
A comprehensive rural development strategy linked to land and agrarian reform and food security	Rural development, land and agrarian reform and food security.	Local Economic Development	Output 3 : Implementation of Community Work Programme	Economic development	Rural development and support to vulnerable groups and Local Economic Development	Ensure viable rural communities and support to vulnerable groups by 2017	N/A
Building a developmental state and improving the public services, and	Building a developmental state and improving the public services, and	Good Governance and Public Participation	Output 5 – Deepen democracy through refined ward committee	Capacity and building and support to LM	Institutional development	Enhance Good governance and public participation	N/A

strengthening democratic institution	strengthening democratic institution		model Output 7 – Single window of coordination				
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5.6 MUNICIPAL DEVELOPMENT PRIORITIES DETAILS:

5.6.1 DEVELOPMENT PRIORITY ONE: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

NO	OBJECTIVE	KPI	STRATEGY	Baseline information	PRIORITY ISSUES MILESTONES		
					2014-2015	2015-2016	2016-2017
01.	Well structured, efficient, safe and supports sustainable human settlement by 2017	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Water ,sanitation, roads and storm water and electricity	Lot of water and electricity outages, poor roads and lack of maintenance of the existing ageing	Upgrading, refurbishment, rehabilitation and maintenance of infrastructure	Upgrading, refurbishment and maintenance of infrastructure	Upgrading, refurbishment and maintenance of infrastructure
		Percentage of achievement in the implementation of all project measure	Provision of new basic service infrastructure Water ,sanitation, roads	Not all communities of Makana have access to basic services	Provision of basic service to areas with no access in line with approved capital	Provision of basic service to areas with no access in	Provision of basic service to areas with no access in line with approved

NO	OBJECTIVE	KPI	STRATEGY	Baseline information	PRIORITY ISSUES MILESTONES		
					2014-2015	2015-2016	2016-2017
		quarterly interns of the approved budget	and storm water and electricity		budget	line with approved capital budget	capital budget
		Percentage of achievement in the installation of bulk and reticulation	Ensure all communities of Makana have access water, sanitation and electricity services	Not all areas of Makana have access to basic services like water and sanitation facilities	Installation of bulk and reticulations infrastructure	Reprioritise and budget	Reprioritise and budget
		Measure quality of water quarterly into SANS Accreditation	Provide quality drinking portable water to Makana Community	98% Compliance	Maintenance 98% Compliance	Maintenance 98% Compliance	Maintenance 98% Compliance
		Progress toward attainment of Blue drop Certificate	Provide high quality drinking water in Makana jurisdiction	Periodical water is dirty	Increase number of water supply system with Blue Drop Certificate	Maintenance of Blue Drop Certificate	Maintenance of Blue Drop Certificate

MTSF PRIORITY	PROVINCIAL PRIORITIES	NATIONAL KPA	OUTCOME 9 OUTPUT	DISTRICT PRIORITY	MUNICIPAL DEVELOPMENT PRIORITY	LOCAL GOV. OBJECTIVES	FINANCIAL RECOVERY PLAN
		Number of top structure and serviced sites provided	Facilitate eradication housing backlog	13 000 housing backlog	Provision of the RDP houses to approved beneficiaries	Provision of the RDP houses to approved beneficiaries	Provision of the RDP houses to approved beneficiaries
		Number of alternative source basic service	Provide alternatives basic serviced delivery mechanism to communities in the rural areas	Only Solar geyser has been identified	Provide alternative basic serviced delivery mechanism	Provide alternative basic serviced delivery mechanism	Provide alternative basic serviced delivery mechanism
		Number of informal areas formalized, land identified for human settlement	Ensure effective and efficient land use and provision land for human settlement	7 New informal areas has been approved for town establishment	Formalization of informal areas, identification of land for human settlement and improve turn around for development application.	Formalization of informal areas, identification of land for human settlement and.	Formalization of informal areas, identification of land for human settlement.

5.6.2 DEVELOPMENT PRIORITY NUMBER TWO: COMMUNITY AND SOCIAL COHESION

NO	OBJECTIVE	KPI	STRATEGY	Baseline information	PRIORITY ISSUES MILESTONES		
					2014-2015	2015-2016	2016-2017
02.	Community of Makana have access to adequate facilities also live in a safe, secure and healthy environment by 2017	Number of new recreational facility is developed	Provision of new recreational facilities	There is need of recreational facilities i.e. crèche facilities	Development of comprehensive community facilities plan	Priorities the development and budget one	Priorities the development and budget one
		Community facilities maintenance plan development	Assessment of the existing community facilities infrastructure adequacy	No assessment has been conducted	Upgrading and maintain existing facilities	Upgrading and maintain existing facilities	Upgrading and maintain existing facilities
			Provide community facilities to the need				
		Impact on intervention deployed in eliminating illegal dumping.		Illegal dumping no effectively controlled	Elimination of illegal dumping	Maintenance of the dumping sites	Maintenance of the dumping sites
		Number of natural resources cleaned		Ensure safe and healthy environment	Cleaning conserve natural resources ,open space and streets verges	Cleaning conserve natural resources ,open space and streets	Cleaning conserve natural resources ,open space and streets verges

NO	OBJECTIVE	KPI	STRATEGY	Baseline information	PRIORITY ISSUES MILESTONES		
					2014-2015	2015-2016	2016-2017
						verges	
		Number of facilities provided		More new cemeteries are needed	Development and maintenance new cemeteries	Maintenance of the cemeteries	Maintenance of the cemeteries
		Number of sport facilities upgraded and continuously maintained	Effective Management of community amenities	There is need for maintenance and upgrading of sport facilities	Maintenance and upgrading of sport facilities	Maintenance of the sport facilities	Maintenance of the sport facilities

5.6.3 DEVELOPMENT PRIORITIES THREE: LOCAL ECONOMIC DEVELOPMENT

NO	OBJECTIVE	KPI	STRATEGY	Baseline information	PRIORITY ISSUES MILESTONES		
					2014-2015	2015-2016	2016-2017
03	Maximise economic growth and development takes place in a conducive environment 2017	Number of program that support and promote heritage with outcomes	Promote and support tourism and heritage development	Heritage asset register is in place	Heritage development and promotion	Review annually	Review annually
				No community base tourism support	SMME Development	Review annually	Review annually
				No project on the creative city	Roll out creative city project	Roll out creative city project	Roll out creative city project
		Number of agriculture development	Promote and support agricultural	No sustainable Urban Agriculture(SUS)	Roll- out SUS agriculture program	Roll- out SUS agriculture	Roll- out SUS agriculture

NO	OBJECTIVE	KPI	STRATEGY	Baseline information	PRIORITY ISSUES MILESTONES		
					2014-2015	2015-2016	2016-2017
		programs identified and support and the outcome	development	program		program	program
		Number of enterprise development promoted and the outcomes	Promote support enterprise development	No effective Support SMME on the development of Business plans	Support Development Business plan for aloe production	Review annually	Review annually
		Number initiatives implemented in promote and support investment attraction and business development	Promote and support investment attraction and business development	No support on ceramic initiatives	Establishment of ceramic centre	Review annually	Review annually

5.6.4 DEVELOPMENT PRIORITIES FOUR: INSTITUTIONAL DEVELOPMENT AND FINANCIAL MANAGEMENT

NO	OBJECTIVE	KPI	STRATEGY	Baseline information	PRIORITY ISSUES MILESTONES		
					2014-2015	2015-2016	2016-2017
04.	Improve Administration and management systems by 2017	Number of strategic planning session held	Improve quality of service provided to Communities	No consistence on holding strategic planning session	Conduct One Institutional Strategic Planning, Two Directorate Strategic Planning	Maintaining the standard	Maintaining the standard
	Improve Administration and management systems by 2017	Number of sector plans revised and developed	Improve quality of service provided to Communities	No sector services plans not developed and revised	Identified, revised and develop sector services plans i.e. Operational and maintenance	Continues maintain and review the services plan	Continues maintain and review the services plan
				Not all polices has been revised	Annual review of human resources polies	Review annually	Review annually
				Wellness operational plan has been developed but not revised	Review of wellness operational plan and implement according	Review of wellness operational plan and implement according	Review of wellness operational plan and implement according
				Job description has not been revised since Job evaluation	Review of the all Job descriptions only few were revised	Maintenance of the Job description	Maintenance of the Job description

NO	OBJECTIVE	KPI	STRATEGY	Baseline information	PRIORITY ISSUES MILESTONES		
					2014-2015	2015-2016	2016-2017
				Some offices are not conducive as working with special reference LED, DTIS, Finance, City hall.	Provide conducive working environment is crated	Review annually	Review annually
				Municipality does not have Approved equity plan	Development of Equity plan	Maintenance of equity plan	Maintenance of equity plan
				Municipality does not have approved Human resources plan	Develop of Human resources plan	Maintenance of Human resources plan	Maintenance of Human resources plan
				Provision of human resources capacity for leave and benefit administration, training and development and labour relations,	Prioritization and budget for appointments.	Prioritization and budget for appointments	Prioritization and budget for appointments
				Lack of understanding labour relations function	Implementation of labour relations awareness programs	Implementation of annul review outcomes	Implementation of annul review outcomes
				No monitoring and evaluation of training interventions.	Development of the Monitoring and evaluation mechanism	Maintenance of the mechanism	Maintenance of the mechanism

NO	OBJECTIVE	KPI	STRATEGY	Baseline information	PRIORITY ISSUES MILESTONES		
					2014-2015	2015-2016	2016-2017
	Improve Administration and management systems by 2017	Number of the employees have performance plans	Implementation of individual Performance Management System	No Performance Management Policy	Development of Performance Management System Policy	Annual review of Performance Management System Policy	Annual review of Performance Management System Policy
	Improve Administration and management systems by 2017			No system in place for measuring performance of staff except section 57 Managers	Provide a tool for evaluation for individual performance management	Maintenance Performance Management System	Maintenance Performance Management System

NO	OBJECTIVE	KPI	STRATEGY	Baseline information	PRIORITY ISSUES MILESTONES		
					2014-2015	2015-2016	2016-2017
	Improve Administration and management systems by 2017	Number of intervention implemented Annual and the impact		There is no consistence in the turn- around time for the processing mail. Filling system procedures not always followed.	Capacitate employees working in registry	Review and maintenance of procedure	Review and maintenance of procedure
				Information management systems are not integrated	Ensure that municipal information management system is integrated	Review and maintain system	Review and maintain system
				No electronic document system in place	Provide electronic document management system	Review and maintain system	Review and maintain system
				Customer care disintegrated	Improve customer care management	Review annually	Review annually
	Improve Audit Outcomes 2017	Increase revenue by 10% Annual	Improve revenue management strategies	75 % Collection rate	85% Collection rate	95 % Collection rate	Maintaining the 95% Collection rate
	Payment of the creditors with 30 day	Improve expenditure rate	120 days	30 days	30 days	30 days	

NO	OBJECTIVE	KPI	STRATEGY	Baseline information	PRIORITY ISSUES MILESTONES		
					2014-2015	2015-2016	2016-2017
	Improve Audit Outcomes 2017	Reduction of irregular, wasteful and fruitless expenditure	Improve supply chain management compliance.	High volume of deviations and irregular, wasteful and unauthorized transactions	Ensure compliance with supply chain management policy and regulations. Updating supply chain policy and procedures and put systems in place	Maintain compliance with Supply chain management policies and procedures.	Maintain compliance with Supply chain management policies and procedures.
	Improve Audit Outcomes 2017	Reduction of Audit findings	Improve accurate reporting and compliance	Disclaimers for the past three (3) financial years	Review, update and develop BTO policies. Through Development of systems descriptions. Improve competence levels of staff to perform their duties efficiently. Filling critical vacancies. Install a fixed asset register system	Improve accuracy of financial reporting on compliance reports. Conduct a feasibility study on a financial system that will be SCOA compliant.	Improved Audit Outcomes. Install a financial system compliant to SCOA.

5.6.5 DEVELOPMENT PRIORITIES FOUR: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

NO	OBJECTIVE	KPI	STRATEGY	Baseline Information	PRIORITY ISSUES MILESTONES		
					2014-2015	2015-2016	2016-2017
05.	Enhance Good governance and public participation	Initiatives implemented to improve stakeholder engagement and the impact	Functional community participation mechanisms and ward committees	No public policy in place	Development of Broad public participation policy	Review annually	Review annually
				Ward committees not capacitated public participation	Build of capacity of ward committees	Review annually	Review annually
			Functional community participation mechanisms and ward committees	Only IDP public participation structured which are effectively used to engage stakeholders	Improve external stakeholders engagement	Review annually	Review annually
				No effective feedback mechanism to communities.	Improve communication with communities	Review annually	Review annually

5.6.6 DEVELOPMENT PRIORITIES SIX: RURAL DEVELOPMENT AND SUPPORT TO VULNERABLE GROUPS

NO	OBJECTIVE	KPI	STRATEGY	Baseline information	PRIORITY ISSUES MILESTONES		
					2014-2015	2015-2016	2016-2017
06.	Ensure viable rural communities and support to vulnerable	Percentage or the number of services extended in all areas and provided in the	Full integration of rural areas	No comprehensive plan to provide basic services in rural areas	Development comprehensive plan for the provision basic services in rural areas	Increase capacity to provide basic services in the rural areas	Enhance the provision of basic service in rural

NO	OBJECTIVE	KPI	STRATEGY	Baseline information	PRIORITY ISSUES MILESTONES		
					2014-2015	2015-2016	2016-2017
	groups by 2017	rural areas					
		Number of out ridge programs implemented and the impact.	Support rural areas communities	No all areas are benefiting in the program	Implementation rural outreach program	Review annually	Review annually
		Number of support given to vulnerable groups	Empower and support vulnerable groups	No coordinated plan	Support empower initiatives to vulnerable groups initiatives	Review annually	Review annually
				No strategy in place	Develop anti-poverty strategy	Review annually	Review annually
		Number of intervention implemented for vulnerable groups. and impact	Support Vulnerable groups	No comprehensive plan	Mainstreaming Vulnerable guideline	Review annually	Review annually
					Implementation of Youth intervention programs	Review annually	Review annually
					Implementation of people with disabilities intervention programs	Review annually	Review annually
					Implementation of	Review annually	Review annually

NO	OBJECTIVE	KPI	STRATEGY	Baseline information	PRIORITY ISSUES MILESTONES		
					2014-2015	2015-2016	2016-2017
					HIV/AIDS intervention programs		
					Implementation of people with disabilities intervention programs	Review annually	Review annually

INTEGRATED DEVELOPMENT PLAN PROJECT REGISTER: 2015-2016

5.7.1 DEVELOPMENT PRIORITY ONE: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/ PROGRAMS	BUDGET	SOURCE OF FUNDING
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Water Conservation and Demand Management	Enhance Water conservation and demand management	Number of Water and conservation and demand management interventions implemented	IDP. 1.01	Development policy framework and integrated plan	Operational	Makana LM
					IDP. 1.02	Domestic Meters replacement	Operational	Makana LM

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/ PROGRAMS	BUDGET	SOURCE OF FUNDING
					IDP. 1.03	Water loss Investigation(Telemetry monitoring and control (SCADA) installation)	Operational	Makana LM
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Water Quality	Provide quality drinking portable water to Makana Community	Measure quality of water quarterly into SANS Accreditation	IDP. 1.04	Ware Quality Sampling	Operational	Makana LM
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Water and Sanitation Infrastructure	Upgrading, rehabilitation and refurbishing of basic services infrastructure: Water ,sanitation,	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.05	Sanitation – Eluxolweni Plumbing Works	R2 000 000	Makana LM
	Well structured, efficient, safe and supports sustainable human settlement by	Water and Sanitation Infrastructure	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure:	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance	IDP. 1.06	Upgrading of James Kleynhans Bulk Water supply - PHASE 1 (b)	Unfunded	N/A

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/ PROGRAMS	BUDGET	SOURCE OF FUNDING
	2017		Water ,sanitation,	of existing infrastructure				
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Water and Sanitation Infrastructure	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Water ,sanitation,	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.11	Bucket Eradication to Infill Areas, N,J ,Xolani, Zolani and Lower /Upper Mnandi	Priority for 2015-2016 Upper/Mnandi (Ward 1-2(Makana Municipality
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Water and Sanitation Infrastructure	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Water ,sanitation,	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.12	Kwa - Thatha Bulk Outfall Sewer	Unfunded	N/A

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/ PROGRAMS	BUDGET	SOURCE OF FUNDING
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Water and Sanitation Infrastructure	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Water ,sanitation,	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.13	Construction of Riebeeck East VIP Top Structure	Unfunded	N/A
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Water and Sanitation Infrastructure	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Water ,sanitation,	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.14	Howison's Poort and Settlers Dams including Waainek WTW	Unfunded	N/A
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Water and Sanitation Infrastructure	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Water ,sanitation,	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.15	James Kleynhans WTW	Operational	Makana LM
	Well structured, efficient, safe and supports	Water and Sanitation Infrastructure	Upgrading, rehabilitation and refurbishing	Percentage of achievement in the upgrading,	IDP. 1.16	Bulk Water Rising Mains	R 2 600 000	Human Settlement

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/ PROGRAMS	BUDGET	SOURCE OF FUNDING
	sustainable human settlement by 2017		of basic services infrastructure structure: Water ,sanitation,	refurbishment, rehabilitation and maintenance of existing infrastructure				
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Water and Sanitation Infrastructure	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Water ,sanitation,	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.17	Settlers Dams, Howison's Poort to Waainek WTW	Unfunded	N/A
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Water and Sanitation Infrastructure	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Water ,sanitation,	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.18	James Kleynhans to Bothas Hill Reservoir	Unfunded	N/A
	Well structured, efficient, safe and supports sustainable human settlement by	Water and Sanitation Infrastructure	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Water	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance	IDP. 1.17	Refurbishment of Water Treatment Works/Waainek	Unfunded	N/A

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/ PROGRAMS	BUDGET	SOURCE OF FUNDING
	2017		,sanitation,	of existing infrastructure				
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Water and Sanitation Infrastructure	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Water ,sanitation,	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.18	Upgrading James Kleynhans WTW	R 15 000 000	RBIG
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Water and Sanitation Infrastructure	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Water ,sanitation,	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.19	Upgrading of Alicedale WTW	R 16 500 000	Human Settlement
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Water and Sanitation Infrastructure	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Water ,sanitation,	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.20	Upgrading Riebeeck East WTW(Need licencing)	R 16 000 000	Human Settlement

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/ PROGRAMS	BUDGET	SOURCE OF FUNDING
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Water and Sanitation Infrastructure	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Water ,sanitation,	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.22	Replace & Installation of ageing valves	R 5 4308 940	MIG
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Water and Sanitation Infrastructure	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Water ,sanitation,	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.23	Bulk outfall sewer to Mayfield WWTW	R 8 000 000	Human Settlement
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Water and Sanitation Infrastructure	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Water ,sanitation,	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.24	Belmont Valley WWTW Refurbishment	R 10 000 000	Human Settlement
	Well structured, efficient, safe and supports	Water and Sanitation Infrastructure	Upgrading, rehabilitation and refurbishing	Percentage of achievement in the upgrading,	IDP. 1.25	Lower Makaanaskop toilets top structure	R 9 400 000	Human Settlement

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/ PROGRAMS	BUDGET	SOURCE OF FUNDING
	sustainable human settlement by 2017		of basic services infrastructure structure: Water ,sanitation,	refurbishment, rehabilitation and maintenance of existing infrastructure				
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Water and Sanitation Infrastructure	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Water ,sanitation,	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.26	Completion of sewer reticulation in lower Makanaskop	R 4 359 582	Human Settlement
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Water and Sanitation Infrastructure	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Water ,sanitation,	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.27	Extension 4 and 5 sewer overflow	Funded in the 2015-16 Budget	Municipality
	Well structured, efficient, safe and supports sustainable human settlement by	Roads and Storm Water	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: , roads	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance	IDP. 1.28	Local Economic Development Component: Construction of Egazini access road (Phase 1)	Operational	Makana LM

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/ PROGRAMS	BUDGET	SOURCE OF FUNDING
	2017		and storm water	of existing infrastructure				
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Roads and Storm Water	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: , roads and storm water	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.29	Upgrading of all Gravel Taxi Routes. (For 2015-2016 Tarring of Vukani Taxi Route)	R 5 653 009	MIG
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Roads and Storm Water	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: , roads and storm water	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.31	Surfacing of Gravel Road in Joza	R 1 190 000	MIG
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Roads and Storm Water	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: , roads and storm water	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.32	Surfacing of existing gravel road: Makana Way	R 2 000 000	Makana LM

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/ PROGRAMS	BUDGET	SOURCE OF FUNDING
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Roads and Storm Water	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: , roads and storm water	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.33	Access Road Improvement Kwa-Nomzamo	Operational	Makana LM
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Roads and Storm Water	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: , roads and storm water	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.34	Upgrading of Sani Street	R 2 290 000	MIG
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Roads and Storm Water	Reconstruction and Rehabilitation of roads affected by 2013 Disaster.	Percentage of achievement	IDP. 1.35	Valley Street reconstruction (Need EIA before commence)	Unfunded	N/A
	Well structured, efficient, safe and supports sustainable	Roads and Storm Water	Reconstruction and Rehabilitation of roads affected by	Percentage of achievement	IDP. 1.36	Marry Water Resurface and Storm Water provision	Unfunded	N/A

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/ PROGRAMS	BUDGET	SOURCE OF FUNDING
	human settlement by 2017		2013 Disaster.					
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Roads and Storm Water	Reconstruction and Rehabilitation of roads affected by 2013 Disaster.	Percentage of achievement	IDP. 1.37	Re-gravel Township Road Alicedale 1-9	Funded	National Treasury
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Roads and Storm Water	Reconstruction and Rehabilitation of roads affected by 2013 Disaster.	Percentage of achievement	IDP. 1.38	Reconstruction of Sani Street	Unfunded	N/A
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Roads and Storm Water	Reconstruction and Rehabilitation of roads affected by 2013 Disaster.	Percentage of achievement	IDP. 1.39	Repairs of Causeway-Market Street(Need EIA before commence)	Unfunded	N/A
	Well structured, efficient, safe and supports	Roads and Storm Water	Reconstruction and Rehabilitation of	Percentage of achievement	IDP. 1.40	Repairs of in Ext 4 Grahamstown	Unfunded	N/A

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/ PROGRAMS	BUDGET	SOURCE OF FUNDING
	sustainable human settlement by 2017		roads affected by 2013 Disaster.					
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Roads and Storm Water	Reconstruction and Rehabilitation of roads affected by 2013 Disaster.	Percentage of achievement	IDP. 1.41	Repairs of Vukani Street-Grahamstown	Unfunded	N/A
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Roads and Storm Water	Reconstruction and Rehabilitation of roads affected by 2013 Disaster.	Percentage of achievement	IDP. 1.42	Repairs of Storm water pipe, channel and slab-K Street-Grahamstown	Unfunded	N/A
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Roads and Storm Water	Reconstruction and Rehabilitation of roads affected by 2013 Disaster.	Percentage of achievement	IDP. 1.43	Repairs of Edward Street	Unfunded	N/A
	Well structured, efficient, safe	Roads and Storm Water	Reconstruction and	Percentage of achievement	IDP. 1.44	Repair to concrete lined stream –	Unfunded	N/A

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/ PROGRAMS	BUDGET	SOURCE OF FUNDING
	and supports sustainable human settlement by 2017		Rehabilitation of roads affected by 2013 Disaster.			Matthew Street (Need EIA before commence)		
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Roads and Storm Water	Reconstruction and Rehabilitation of roads affected by 2013 Disaster.	Percentage of achievement	IDP. 1.45	Pedestrian bridge damaged	Unfunded	N/A
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Roads and Storm Water	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: , roads and storm water	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Roads and Storm water	IDP. 1.46	Road from Alicedale to N2	Unfunded	N/A
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Roads and Storm Water	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: , roads and storm water	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Roads and Storm water	IDP. 1.47	Road from Riebeeck East to N1	Unfunded	N/A

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/ PROGRAMS	BUDGET	SOURCE OF FUNDING
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Roads and Storm Water	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: , roads and storm water	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Roads and Storm water	IDP. 1.48	Construction of kerbs using EPWP Model	Unfunded	N/A
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Roads and Storm Water	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: , roads and storm water	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Roads and Storm water	IDP. 1.49	Rehabilitation/resurf ace of Ncame Street	Unfunded	N/A
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Roads and Storm Water	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: , roads and storm water	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Water ,sanitation,	IDP. 1.50	Paving of the access/streets roads	Unfunded	N/A
	Well structured, efficient, safe and supports sustainable human settlement by	Water and Sanitation	Water and Sanitation Infrastructure	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Water	IDP. 1.51	Construction of new sidewalks and Repair	Unfunded	N/A

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/ PROGRAMS	BUDGET	SOURCE OF FUNDING
	2017			,sanitation,				
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Water and Sanitation	Water and Sanitation Infrastructure	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Water ,sanitation,	IDP. 1.52	Rehabilitation/resurf ace of Nompondo street	Unfunded	N/A
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Well structured, efficient, safe and supports sustainable human settlement by 2017	Water and Sanitation Infrastructure	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Water ,sanitation,	IDP. 1.52	Construction of Weir bridge(Cross bridge)	Unfunded	N/A
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Water and Sanitation Infrastructure	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Water ,sanitation,	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.53	Construction of Riebeeck East Waste Water Treatment Works(Need EIA before commence)	Unfunded	N/A
	Well structured, efficient, safe	Energy and electricity	Upgrading, rehabilitation	Effective energy and electricity		Development of Master Plan	R 950 000	Makana LM

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/ PROGRAMS	BUDGET	SOURCE OF FUNDING
	and supports sustainable human settlement by 2017		and refurbishing of basic services infrastructure structure: Electricity	infrastructure resources planning for upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure				
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Energy and electricity	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Electricity	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.54	Installation of Street Lights	Unfunded	N/A
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Energy and electricity	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Electricity	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.55	Electricity – Upgrading of Howson's Poort	Unfunded	N/A
	Well structured, efficient, safe	Energy and electricity	Upgrading, rehabilitation	Percentage of achievement in	IDP. 1.56	Electrical Component:	R 4 209 610.	MIG

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/ PROGRAMS	BUDGET	SOURCE OF FUNDING
	and supports sustainable human settlement by 2017		and refurbishing of basic services infrastructure structure: Electricity	the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure		Mayfield erection of high masts		
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Energy and electricity	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Electricity	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.57	Construction of 22kV line to Howieson's Poort(Capital Budget	Unfunded	N/A
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Energy and electricity	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Electricity	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.58	Re-Built existing 10.3Km 11 kV from Waainek Sub to Pump station (Capital Budget	Unfunded	N/A
	Well structured, efficient, safe and supports sustainable human	Energy and electricity	Upgrading, rehabilitation and refurbishing of basic services infrastructure	Percentage of achievement in the upgrading, refurbishment, rehabilitation	IDP. 1.60	Upgrading faulty 11KV underground cable (Alicedale Network Upgrade)	R 500 000	Makana LM

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/ PROGRAMS	BUDGET	SOURCE OF FUNDING
	settlement by 2017		structure: Electricity	and maintenance of existing infrastructure				
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Energy and electricity	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Electricity	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.61	Refurbishing and Extension 11 KV Overheads lens Stone Hill	R 200 000	Makana LM
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Energy and electricity	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Electricity	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.62	Refurbishing and Extension of Overhead lines 11KV (FNB Switch Unit)	R 280 000	Makana LM
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Energy and electricity	Ensure all communities of Makana have access to electricity services	Percentage of achievement in the installation of electricity	IDP. 1.63	Electrification of Mayfield	R 1777 000	

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/ PROGRAMS	BUDGET	SOURCE OF FUNDING
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Energy and electricity	Ensure all communities of Makana have access to electricity services	Percentage of achievement in the installation of electricity	IDP. 1.64	Electrification of Ethembeni	R 2 917 000	
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Energy and electricity	Ensure all communities of Makana have access to electricity services	Percentage of achievement in the installation of electricity	IDP. 1.65	Electrification Rural areas	Unfunded	N/A
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Energy and electricity	Ensure energy management	Ensure energy management	IDP. 1.66	Remote Metering	R 100 000	Makana LM
	Well structured, efficient, safe and supports sustainable human	Energy and electricity	Upgrading, rehabilitation and refurbishing of basic services infrastructure	Percentage of achievement in the upgrading, refurbishment, rehabilitation	IDP. 1.67	66 KV Network Refurbishment 1. 2x5 MVA G'town Transformer 2. Summit Drainage	Unfunded	N/A

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/ PROGRAMS	BUDGET	SOURCE OF FUNDING
	settlement by 2017		structure: Electricity	and maintenance of existing infrastructure		3. refurbish 3MVA Transformer		
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Energy and electricity	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Electricity	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.68	Electrification of infill Areas	Unfunded	N/A
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Energy and electricity	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Electricity	Percentage of achievement in the upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.69	Sport and Recreation facilities	Unfunded	N/A
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Energy and electricity	Upgrading, rehabilitation and refurbishing of basic services infrastructure structure: Electricity	Provide, upgrading, refurbishment, rehabilitation and maintenance of existing infrastructure	IDP. 1.70	Purchase of new Fleet and Stamping Machine	R 450 000	Makana LM

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/ PROGRAMS	BUDGET	SOURCE OF FUNDING
					IDP. 1.71	Replacement Protection Relays	R 300 000	Makana LM
						Battery Tripping Unit	R 150 000	Makana LM

5.7.2 DEVELOPMENT PRIORITIES TWO: COMMUNITY AND SOCIAL COHESION

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/PROGRAMS	BUDGET	SOURCE OF FUNDING
	Community of Makana have access to adequate facilities in a secure and health environment by 2017	Park and Recreational Facility	Provision of new and quality recreational facilities	Number of new recreational facility is developed	IDP. 2.01	Development of comprehensive community facilities plan	Operational	Makana LM
IDP. 2.02					Establishing and building of Recreational facility(completions of Foley's ground)	R1 599 195	MIG	
IDP. 2.03					Foley's Ground Multipurpose Centre	R 2 000 000	MIG	
				Provide halls for need areas	IDP. 2.04	Provision of Community Hall	Unfunded	N/A

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/PROGRAMS	BUDGET	SOURCE OF FUNDING
		Park and Recreational Facility	Promote safety ,security and health of the communities	Development of safety plan by end of 2014 financial year.	IDP. 2.05	Development integrated community safety plan	Operational	Makana LM
		Park and Recreational Facility	Promote safety ,security and health of the communities	Impact on intervention deployed in eliminating illegal dumping.	IDP. 2.06	Elimination of illegal dumping	Operational	Makana LM
	Community of Makana have access to adequate facilities in a secure and health environment by 2017	Park and Recreational Facility	Provision of recreational facilities	Number of new playgrounds and sport established	IDP. 2.08	Development and establishment of playground and sport fields	R 1 351 990	MIG
		Park and Recreational Facility	Provision of recreational facilities	Maintenance of Sport fields	IDP. 2.09	Renovate Ablutions in Dlepu stadium	Unfunded	N/A
		Park and Recreational Facility	Provision of recreational facilities	Maintenance of Sport fields	IDP. 2.10	Renovate Pavilion Dlepu Stadium	Unfunded	N/A
		Park and Recreational Facility	Provision of recreational facilities	Maintenance of Sport fields	IDP. 2.11	Upgrading of Tennis Court at Curries Street	Unfunded	N/A
		Park and Recreational Facility	Provision land cemetery is needed	Number of cemetery established	IDP. 2..12	Establishment of cemetery in KwaNonzwakazi	Operational	Makana LM

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/PROGRAMS	BUDGET	SOURCE OF FUNDING
		Environmental Management and Cleaning Services	Promote safety ,security and health of the communities	Number of natural resources cleaned	IDP. 2.13	Cleaning of Riverbed	Operational	Makana LM
		Environmental Management and Cleaning Services	Promote safety ,security and health of the communities	Number of natural resources cleaned	IDP. 2..14	14 Wards Clean-up Campaign	R 500 000	Makana LM
	Community of Makana have access to adequate facilities in a secure and health environment by 2017	Environmental Management and Cleaning Services	Promote safety ,security and health of the communities	Number Community awareness program conducted	IDP. 2..15	Conducting community awareness programs	Operational	Makana LM
		Environmental Management and Cleaning Services	Promote safety ,security and health of the communities	Number Community educational program conducted	IDP. 2..16	Scholar education program(Eco School)	R 50 000	Makana LM
		Environmental Management and Cleaning Services	Promote safety ,security and health of the communities	Number youth program conducted	IDP. 2..17	Youth Environmental awareness program	Operational	Makana LM
		Environmental Management and Cleaning Services	Promote safety ,security and health of the communities	Number rumps constructed	IDP. 2..18	Erection of rumps and fencing at identified spot	Unfunded	N/A

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/PROGRAMS	BUDGET	SOURCE OF FUNDING
		Environmental Management and Cleaning Services	Promote safety ,security and health of the communities	Number environmental education program	IDP. 2..19	Implementation of Environmental Education Strategy	Operational	Makana LM
		Environmental Management and Cleaning Services	Promote safety ,security and health of the communities	Implement Biodiversity Programs	IDP. 2..20	Eradication of Alien Vegetation	R 450 000	Makana LM
		Environmental Management and Cleaning Services	Promote safety ,security and health of the communities	IDP. 2.47		Albany Working for Water	R4,8 M	Department of Environmental Affairs
	Community of Makana have access to adequate facilities in a secure and health environment by 2017	Environmental Management and Cleaning Services	Support community environmental initiatives	Number of support provided	IDP. 2.21	Support environmental Co-operative	Operational	Makana LM
		Environmental Management and Cleaning Services	Effective Management of Environment and Cleansing Services	Percentage of achievement	IDP. 2..22	Review of Waste Management Plan	Operational	Makana LM
		Environmental Management and Cleaning Services	Effective Management of Environment and Cleansing Services	Impact of the intervention implemented	IDP. 2..23	Impound stray animals	Operational	Makana LM

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/PROGRAMS	BUDGET	SOURCE OF FUNDING
		Environmental Management and Cleaning Services	Effective Management of Environment and Cleansing Services	Percentage of achievement	IDP. 2.24	Purchasing of Tractor, Ton Tippers and 1x Roll Container	Operational	Makana LM
		Library Services	Promote culture of reading and learning	Number of outreach program conducted to measure quarterly	IDP. 2..25	Conduct community outreach program	Operational	Makana LM
		Library Services	Promote culture of reading and learning	Number of Maintenance and renovation of libraries and expenditure percentage	IDP. 2..26	Renovation and extension of Fingo library	R 300 000	DSRAC
	Community of Makana have access to adequate facilities in a secure and health environment by 2017	Library Services	Promote culture of reading and learning	Increase number of new library patrons	IDP. 2..27	Registration of new library patrons	Operational	Makana LM
		Library Services	Improve access to library services	Number of new facilities established	IDP. 2.26	Expanding of the library services to new areas and rural areas	Unfunded	N/A
		Library Services	Improve access to library services	Provision of resources to all libraries	IDP. 2.47	Provide office equipment	R 606 100	DSRAC

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/PROGRAMS	BUDGET	SOURCE OF FUNDING
		Traffic Services and Law Enforcement	Ensure safety ,secure roads	Number of community awareness program conducted	IDP. 2.27	Roads safety community awareness program	Operational	Makana LM
		Traffic Services and Law Enforcement	Ensure safety ,secure roads	Number of community awareness program conducted	IDP. 2.28	Schools education program	Operational	Makana LM
		Traffic Services and Law Enforcement	Ensure safety ,secure roads	Number of community awareness program conducted	IDP. 2.29	learnership education program	Operational	Makana LM
		Traffic Services and Law Enforcement	Ensure safety ,secure roads	Number of community awareness program conducted	IDP. 2.30	Review of Transport Plan	Unfunded	N/A
		Traffic Services and Law Enforcement	Ensure safety ,secure roads	Percentage of achievement	IDP. 2.31	Establishment of Taxi rent in Grahamstown East	Unfunded	N/A
		Traffic Services and Law	Ensure safety ,secure roads	Percentage of achievement	IDP. 2.32	Establishment of buss terminus	Unfunded	N/A

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/PROGRAMS	BUDGET	SOURCE OF FUNDING
		Enforcement						
	Community of Makana have access to adequate facilities in a secure and health environment by 2017	Traffic Services and Law Enforcement	Ensure safety ,secure roads	Percentage of achievement	IDP. 2.33	Expanding of Services	Unfunded	N/A
		Traffic Services and Law Enforcement	Ensure safety ,secure roads	Percentage of achievement	IDP. 2.34	Upgrading of Offices	Unfunded	N/A
		Traffic Services and Law Enforcement	Ensure safety ,secure roads	Percentage of achievement	IDP. 2.35	Purchasing of 2 X vehicles	Unfunded	N/A
		Traffic Services and Law Enforcement	Ensure safety ,secure roads	Number of community awareness program organize	IDP. 2.36	No of awareness programs organised	Operational	Makana LM
		Traffic Services and Law Enforcement	Ensure safety ,secure roads	Number of community awareness program conducted	IDP. 2.37	No of leaners participating in the scholar education program	Operational	Makana LM
		Traffic Services and Law Enforcement	Ensure safety ,secure roads	Number of new traffic control mechanism implemented	IDP. 2.38	Implementation traffic control mechanism	Operational	Makana LM
	Community of Makana have access to	Fire/Rescue Services and Disaster	Promote safety ,security and health of the	Number of inspection conducted	IDP. 2.39	Fire inspection in the commercial and in the industrial areas	Operational	Makana LM

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/PROGRAMS	BUDGET	SOURCE OF FUNDING
	adequate facilities in a secure and health environment by 2017	Management	communities					
		Fire/Rescue Services and Disaster Management	Promote safety ,security and health of the communities	Number of community awareness program conducted	IDP. 2.40	Conduct community awareness program	Operational	Makana LM
		Fire/Rescue Services and Disaster Management	Promote safety ,security and health of the communities	Number of schools awareness program conducted	IDP. 2.41	Conduct schools awareness programs	Operational	Makana LM
		Fire/Rescue Services and Disaster Management	Promote safety ,security and health of the communities	Conduct risk community assessment	IDP. 2.42	Conduct Community risk profile	Operational	Makana LM
		Fire/Rescue Services and Disaster Management	Promote safety ,security and health of the communities	Update Disaster Management Plan	IDP. 2.43	Review of Disaster Management Plan	Operational	Makana LM
		Fire/Rescue Services and Disaster Management	Promote safety ,security and health of the communities	Conduct risk management campaigns	IDP. 2.44	Conduct public awareness program	Operational	Makana LM
	Community of Makana have access to adequate	Fire/Rescue Services and Disaster Management	Promote safety ,security and health of the communities	Provided services to areas under the jurisdiction of	IDP. 2.45	Expanding of services to other areas	Unfunded	N/A

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECTS/PROGRAMS	BUDGET	SOURCE OF FUNDING
	facilities in a secure and health environment by 2017			Makana				
		Fire/Rescue Services and Disaster Management	Promote safety ,security and health of the communities	Conduct fire and rescue assessment	IDP. 2.46	Review Fire and Rescue Plan(CAPS Report)	Unfunded	N/A

5.7.3 DEVELOPMENT PRIORITIES THREE: LOCAL ECONOMIC DEVELOPMENT

OBJECTIVE	PRIORITY ISSUES	STRATEGY	KPI	IDP. NO	PROJECT DESCRIPTION	BUDGET	SOURCE FUNDING
Promote and support agricultural development to stimulate economic growth and development that will result in the creation of jobs	Agricultural Development	Promote and support agricultural development and capacity building	Number community gardens	IDP. 3.01	Roll out of the Sustainable Urban Agricultural programme to promote green economy	Operational	Makana LM
	Agricultural Development	Promote and support agricultural development and capacity building	Number training conducted	IDP. 3.02	Capacity building Programmes for small scale farmers	Operational	Makana LM

OBJECTIVE	PRIORITY ISSUES	STRATEGY	KPI	IDP. NO	PROJECT DESCRIPTION	BUDGET	SOURCE FUNDING
Promote and support agricultural development to stimulate economic growth and development that will result in the creation of jobs	Agricultural Development	Promote and support agricultural development and capacity building	Number of cooperatives funded	IDP. 3.03	Promote and support co-operatives through seed funding	Operational	Makana LM
	Agricultural Development	Promote and support agricultural development and capacity building	Number of women and youth owned projects supported	IDP. 3.04	Women and youth agricultural support programme	Operational	Makana LM
	Agricultural Development	Promote and support agricultural development and capacity building	Number of strategic partnerships established	IDP. 3.05	Establishment of strategic partnerships to promote sustainable agricultural development	Operational	Makana LM
	Agricultural Development	Promote and support agricultural development and capacity building	EIA in place	IDP. 3.06	Infrastructural development at Thorn Park(EIA)	Operational	Makana LM
	Agricultural Development	Promote and support agricultural development and capacity building	A lucerne shed in place	IDP. 3.07	Development of a lucerne shed	Operational	Makana LM
	Agricultural	Promote and	Number of	IDP. 3.08	Roll out of agricultural	R 250 000	SBDM

OBJECTIVE	PRIORITY ISSUES	STRATEGY	KPI	IDP. NO	PROJECT DESCRIPTION	BUDGET	SOURCE FUNDING
	Development	support agricultural development and capacity building	beneficiaries of the mentorship programme		mentorship programme		
	Agricultural Development	Promote and support agricultural development and capacity building	An agricultural hub in place	IDP. 3.09	Establishment of agricultural hub	Operational	Makana LM
	Agricultural Development	Promote and support agricultural development and capacity building	Number of agricultural forum meetings held	IDP. 3.10	Establishment agricultural forum	Operational	Makana LM
	Agricultural Development	Promote and support agricultural development and capacity building	Number of participants in the Agricultural market day	IDP. 3.11	Host an Agricultural Market Day	Operational	Makana LM
Promote and support enterprise development to stimulate economic growth	Enterprise Development	Support enterprise development	Number of participants in the programme	IDP. 3.12	Roll out a Community Works Programme	Operational	Makana LM
	Enterprise Development		An aloe production business plan	IDP. 3.13	Develop a business plan and a feasibility study for aloe	Operational	Makana LM

OBJECTIVE	PRIORITY ISSUES	STRATEGY	KPI	IDP. NO	PROJECT DESCRIPTION	BUDGET	SOURCE FUNDING
and development that will result in the creation of jobs.			and a feasibility study in place		production		
	Enterprise Development	Support enterprise development	Number of co-operatives benefiting from seed funding	IDP. 3.14	Seed funding to support Co operatives	Operational	Makana LM
	Enterprise Development	Support enterprise development	Number of business formations/structures supported	IDP. 3.15	Support for business formations/structures	Operational	Makana LM
	Enterprise Development	Support enterprise development	Number of SMMEs benefiting from business partnership fund	IDP. 3.16	Business partnership fund	Operational	Makana LM
Promote and support tourism and heritage development to stimulate economic growth and development that will result in the creation of	Enterprise Development	Support enterprise development	Number of containers provided for SMMEs	IDP. 3.17	SMME container park	Operational	Makana LM
	Enterprise Development	Support enterprise development	Number of SMMEs benefiting from start – up package	IDP. 3.18	SMME start-up package	Operational	Makana LM

OBJECTIVE	PRIORITY ISSUES	STRATEGY	KPI	IDP. NO	PROJECT DESCRIPTION	BUDGET	SOURCE FUNDING
jobs.	Enterprise Development	Support enterprise development	Hosting Economic Development Summit	IDP. 3.19	Economic Development Summit/Growth and Development Strategy	Unfunded	N/A
	Tourism and Heritage Development	Promote and support Tourism and heritage development and capacity building	A strategy for the promotion of forts and towers in place	IDP. 3.20	Promotion of Forts and Towers	R150 000	External Funded
	Tourism and Heritage Development	Promote and support Tourism and heritage development and capacity building	A map, website and a marketing guide developed to promote Kwam eMakana	IDP. 3.21	Support for Kwam eMakana homestay project	Operational	Makana LM
	Tourism and Heritage Development	Promote and support Tourism and heritage development and capacity building	A DVD produced to promote tourism attractions produced. A report on tourism trade shows attended	IDP. 3.22	Tourism and Heritage Promotion	R 200 000	SBDM
	Tourism and Heritage Development	Promote and support Tourism and heritage development and capacity building	Implementation of quick win projects	IDP. 3.24	Roll out of Creative City Project	Operational	Makana LM

OBJECTIVE	PRIORITY ISSUES	STRATEGY	KPI	IDP. NO	PROJECT DESCRIPTION	BUDGET	SOURCE FUNDING
		Promote and support Tourism and heritage development and capacity building	Number of participants in the programme	IDP. 3.25	Tourism Internship Programme	Unfunded	N/A
	Tourism and Heritage Development	Promote and support Tourism and heritage development and capacity building	An office and ablution facilities developed at the site	IDP. 3.26	Development of Egazini Memorial Site	R 300 000	SBDM
		Promote and support Tourism and heritage development and capacity building	Number of tourism signs installed	IDP. 3.27	Roll out of Tourism Infrastructure	Unfunded	N?A
	Tourism and Heritage Development	Promote and support Tourism and heritage development and capacity building	A inner city business plan developed and adopted by Council	IDP. 3.28	Inner city regeneration	R 200 000	Makana LM
	Extended Public Work Program	Provide job opportunities to youth	Number of Job opportunities created annually	IDP. 3.29	Extended Public Work Program	R 1 002000	Public Works

5.7.4 INSTITUTIONAL TRANSFORMATION AND FINANCIAL MANAGEMENT

NO.	IDP. STRATEGIC OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECT /PROGRAM	BUDGET	SOURCE OF FUNDING
04.	Improve Administration and management systems by 2017	Strategic Planning	Improve quality of service provided to Communities	Conduct Strategic planning Sessions	IDP. 4.01	Conduct One Institutional Strategic Planning, Two Directorate Strategic Planning	R 40 000	Makana LM
		Integrated Development Planning	Improve Integrated Planning	Review Integrated Development Plan	IDP. 4.02	Development of Ward Plan	R 100 000	Makana LM
	Improve Administration and management systems by 2017	Human Resources(HR Policies)	Effective management of Human Resources Management	Percentage of achievement measure quarterly	IDP. 4.05	Identify HR Policy need review or new to be developed	Operational	Makana LM
	Improve Administration and management systems by 2017	Human Resources(Wellness Program)	Effective management of Human Resources Management	Percentage of achievement measure quarterly	IDP. 4.06	Review of wellness operational plan and implement according	Operational	Makana LM
	Improve Administration and management systems by 2017	Human Resources(EE Plan)	Effective management of Human Resources Management	Percentage of achievement measure quarterly	IDP. 4.09	Development of Equity plan	Operational	Makana LM
	Improve Administration and management	Human Resources(HR. Plan)	Effective management of Human Resources	Percentage of achievement measure	IDP. 4.10	Develop of Human resources plan	Operational	Makana LM

NO.	IDP. STRATEGIC OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECT /PROGRAM	BUDGET	SOURCE OF FUNDING
	systems by 2017		Management	quarterly				
	Improve Administration and management systems by 2017	Human Resources(Labour relations)	Effective management of Human Resources Management	Percentage of achievement measure quarterly	IDP. 4.12	Implementation of labour relations awareness programs	Operational	Makana LM
	Improve Administration and management systems by 2017	Human Resources(Training and Development)	Empower and develop workforce	Percentage of achievement measure quarterly	IDP 4.13	Implementation of Work Skills Plan	R 500 000(SITA Courses)	Makana LM
	Improve Administration and management systems by 2017	Human Resources(Training and Development)	Empower and develop workforce	Percentage of achievement measure quarterly	IDP 4.13	Provide Employees assistance program	R 550 000	Makana LM
	Improve Administration and management systems by 2017	Human Resources(Training and Development)	Empower and develop workforce	Percentage of achievement measure quarterly	IDP 4.13	Provided Municipal Bursaries	R 900 000	Makana LM
	Improve Administration and management systems by 2017	Performance Management	Implementation of individual Performance Management System	Number of the employees have performance plans	IDP. 4.14	Performance Management System	R 50 000	Makana LM
	Improve Administration and management systems by 2017	Registry and record Management	Improve archiving and document management system	Electronic document system is active used by	IDP. 4.15	Capacitate employees working in registry	Operational	Makana LM

NO.	IDP. STRATEGIC OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECT /PROGRAM	BUDGET	SOURCE OF FUNDING
				all relevant user				
	Improve Administration and management systems by 2017	Customer care management	Improve customer care management	Number of Complaints received and resolved	IDP. 4.16	Centralisation of Customer Care Management	Operational	Makana LM
	Improve Administration and management systems by 2017	Administration	Improve Administration	Improve efficiency in administration	IDP. 4.37	Implementation of Recovery Plan	R 200 000	FMIG
	Improve Administration and management systems by 2017	Information Communication Technology	Provide reliable information Communication Technology	Provide Back Solution	IDP. 4.17	Provide Back Solution	R 600 000	Makana LM
	Improve Administration and management systems by 2017	Information Communication Technology	Provide reliable information Communication Technology	Provide Backup Generators	IDP. 4.18	Provide Backup Generators	R 300 000	Makana LM
	Improve Administration and management systems by 2017	Information Communication Technology	Provide reliable information Communication Technology	Provided Computer Equipment	IDP. 4.36	Provided Computer Equipment	R 300 000	Makana LM
	Improve Administration and management systems by 2017	Information Communication Technology	Provide reliable information Communication Technology	Implementation of Information System that support	IDP. 4.34	IT Network refresher	R 250 000 R 155 000	MSIG FMIG

NO.	IDP. STRATEGIC OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECT /PROGRAM	BUDGET	SOURCE OF FUNDING
				effective				
	Improve Administration and management systems by 2017	Information Communication Technology	Provide reliable information Communication Technology	Implementation of Information System that support effective	IDP. 4.33	Maintenance IT Network and Server Room	R 1 500 000 R 750 000	Makana LM
	Improve Administration and management systems by 2017	Human Resources(Organizational Structure)	Effective management of Human Resources Management	Percentage of achievement measure quarterly	IDP. 4.19	Finalization of the organizational structure and Review of Job Descriptions	Operational	COCTAEC
	Improve Administration and management systems by 2017	Human Resources(Office Space)	Effective management of Human Resources Management	Percentage of achievement measure quarterly	IDP. 4.20	Provide conducive working environment is created(Offices)	Operational	Makana LM
	Improve Administration and management systems by 2017	Human Resources support	Effective management of Human Resources Management	Percentage of achievement measure quarterly	IDP. 4.21	Leave and benefit administration, training and development and labour relations,	Operational	Makana LM
	Improve Audit Outcomes 2017	Revenue and Expenditure	Improve revenue management strategies	Increase revenue by 10% Annual	IDP. 4.22	Increase Collection rate 85% Collection rate	Operational	Makana LM
					IDP. 4.32	Implementation of	R 500 000	COCTAEC

NO.	IDP. STRATEGIC OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECT /PROGRAM	BUDGET	SOURCE OF FUNDING
						Revenue Enhancement Strategies		
			Improve expenditure rate	Payment of the creditors with 30 day	IDP. 4.23	30 days	Operational	Makana LM
		Supply Chain Management	Improve supply chain management compliance.	Reduction of irregular, wasteful and fruitless expenditure	IDP. 4.24	Ensure compliance with supply chain management policy and regulations.	Operational	Makana LM
					IDP. 4.25	Updating supply chain policy and procedures and put systems in place	Operational	Makana LM
	Improve Audit Outcomes 2017	Compliance and Reporting	Improve accurate reporting and compliance	Reduction of Audit findings	IDP. 4.26	Review, update and develop BTO policies.	Operational	Makana LM
					IDP. 4.27	Install a fixed asset register system	Operational	Makana LM
					IDP. 4.28	Improve competence levels of staff to perform their duties efficiently.	Operational	Makana LM

NO.	IDP. STRATEGIC OBJECTIVE	PRIORITY AREA	STRATEGY	KPI	IDP. NO	PROJECT /PROGRAM	BUDGET	SOURCE OF FUNDING
					IDP. 4.29	Filling critical vacancies.	Operational	Makana LM
					IDP. 4.30	Servicing Creditors Debt(Including (ESKOM)	Operational	Makana LM
		Financial Management	Improve Financial Management System	Implement new financial system	IDP. 4.31	Implementation of SCOA	R 580 000 R 400 000	MSIG FMIG

5.7.5 DEVELOPMENT PRIORITY NO FIVE: FIVE GOOD GOVERNANCE AND PUBLIC PARTICIPATION

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KEY PERFORMANCE INDICATOR	IDP. No	PROJECT/PROGRAM	BUDGET	SOURCE OF FUNDING
05.	Promote proper governance and public participation	Governance structures	Ensure stability and well function of the Council structures	No of Council meetings sit as schedule	IDP. 5.01	Sitting of meetings of Council and its committees	Operational	Makana LM
Audit Committee		Ensure stability and well function of the Council structures	No of Audit Committee meetings	IDP. 5.02	Functioning of the Audit Committee	Operational	Makana LM	
Internal Audit		Ensure stability and well function of the	No of Internal audit and other actives	IDP. 5.03	Functioning internal Audit	Operational	Makana LM	

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KEY PERFORMANCE INDICATOR	IDP. No	PROJECT/PROGRAM	BUDGET	SOURCE OF FUNDING
			Council structures	conducted in accordance with audit plan				
		Councillor support	Provide support to support to Councillors	No of capacity building attended(3 per quarterly)	IDP. 5.04	Capacity building of Councillors and Officials	Operational	Makana LM
	Promote proper governance and public participation	Risk Management	Effective mitigation of identified risk	Co-ordinate Risk Management Activities in line with operational plan	IDP. 5.05	Monitor the risk mitigation activities	Operational	Makana LM
Annual Strategic Risk Assessment				IDP. 5.06	Review risk register	Operational	Makana LM	
Monitoring and Evaluation		Effective Monitoring and reporting of SDBIP performance	Development of Monitoring and Evaluation Policy Framework by the end December 2014.	IDP. 5.07	Development of Monitoring and Evaluation policy framework	Operational	Makana LM	
Monitoring and Evaluation		Effective Monitoring and reporting of SDBIP performance	No of Target met Institutional Scorecard reports	IDP. 5.08	Quarterly performance report	Operational	Makana LM	
Monitoring and Evaluation		Effective Monitoring and reporting of SDBIP performance	Monitor the performance of service providers	IDP. 5.09	Quarterly report on service provider performance	Operational	Makana LM	

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KEY PERFORMANCE INDICATOR	IDP. No	PROJECT/PROGRAM	BUDGET	SOURCE OF FUNDING
		Public Participation	Enhance public participation	Development of Public participation Policy Framework by the end financial year.	IDP. 5.10	Development of Public Participation Policy Framework	Operational	Makana LM
	Promote proper governance and public participation	Public Participation	Enhance public participation	Coordinate public participation forums, structures and meetings	IDP. 5.11	Manage IDP/Budget Roads shows, by-law reviews, Women's forum and ward Committees	Operational	Makana LM
		Public Participation	Enhance public participation	Re-new of stakeholder forums	IDP. 5.12	Review and promote public participation structures	Operational	Makana LM
		Public Participation	Enhance public participation	Strengthening ward participation system		Community Based Planning	R 100 000	MSIG
		Public Participation	Enhance public participation	Strengthening ward participation system		Ward Participation	R 468 000	Makana LM
		Communication Public relations & marketing	Improve communication internal and external	Quarterly newsletter is produced a month after end of each quarter	IDP. 5.13	Quarterly news letter	Operational	Makana LM
		Communication Public relations & marketing	Improve Image of the Municipality	Promotion and Marketing of the Municipality	IDP. 5.14	Corporate branding	R 250 00	Makana LM

NO	OBJECTIVE	PRIORITY AREA	STRATEGY	KEY PERFORMANCE INDICATOR	IDP. No	PROJECT/PROGRAM	BUDGET	SOURCE OF FUNDING
		Legal & labour relations	To improve management and administration of legal and labour relations matters	10% reduction legal fees	IDP. 5.15	Legal charges: litigation against Makana	Operational	Makana LM
		Legal & labour relations	To improve management and administration of legal and labour relations matters	10% reduction legal fees	IDP. 5.16	Legal charges: litigation by Makana	Operational	Makana LM
		Legal & labour relations	To improve management and administration of legal and labour relations matters	10% reduction legal fees	IDP. 5.17	Legal charges: legal opinion	Operational	Makana LM
		Inter-Governmental Relationships(I GR)	Enhance Inter-Governmental	Review of IGR Strategy/Policy By December 2013	IDP. 5.18	Facilitating mainstreaming and promoting IGR programme	Operational	Makana LM
		International Relationships (IR)	Enhance International relationships	Review of IR Strategy/ Policy	IDP. 5.19	Facilitating mainstreaming and promoting IR programme	Operational	Makana LM

5.7.5 DEVELOPMENT PRIORITY SIX: RURAL DEVELOPMENT AND SUPPORT TO VULNERABLE GROUPS.

No	OBJECTIVE	PRIORITY AREA	STRATEGY	KEY PERFORMANCE AREAS	IDP. NO	PROJECT/PROGRAM	BUDGET	SOURCE OF FUNDING
06.	Empower and support vulnerable groups	Special Programs(Rural Development)	Provide support to Rural and Vulnerable groups	Development of Rural development Strategy	IDP. 6.01	Development of rural development strategy	Operational	Makana LM
	Empower and support vulnerable groups	Special Programs(Rural Development)	Provide support to Rural and Vulnerable groups	Review and Development of youth, People with disability, women and children and review HIV/ sector plan	IDP. 6.02	Development and review of vulnerable group support plans	Operational	Makana LM
	Empower and support vulnerable groups	Special Programs(Rural Development)	Provide support to Rural and Vulnerable groups	Establishment of skill centre in Alicedale, Riebeeck east and GHT	IDP. 6.03	Establishment of youth skills centre	Unfunded	N/A

5.7.6 DEVELOPMENT PRIORITY SEVEN: HUMAN SETTLEMENT

No	OBJECTIVE	PRIORITY AREA	STRATEGY	KEY PERFORMANCE AREAS	IDP. NO	PROJECT/PROGRAM	BUDGET	SOURCE OF FUNDING
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Land and Planning	Provide land for the housing development	Number of land evaluated for housing development	IDP.190	Evaluation of land Formalisation	R 2000 000	Makana LM
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Land and Planning	Provide land for the housing development	Land is Conducted Audited	IDP.1.91	Land Audit	R 2 112 000	Makana LM
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Properties and Estate	Effective management of lease of property	Policy is Approved by Council by the end of the financial year	IDP.1.92	Development of Municipal Residence lease policy	Operational	Makana LM
	Well structured, efficient, safe and supports	Land use management	Effective Control of invasions	Policy is Approved by Council by the end of the financial year	IDP.1.93	Development land invasion policy	Operational	Makana LM

No	OBJECTIVE	PRIORITY AREA	STRATEGY	KEY PERFORMANCE AREAS	IDP. NO	PROJECT/PROGRAM	BUDGET	SOURCE OF FUNDING
	sustainable human settlement by 2017							
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Land use management	Effective Management of Municipal GIS	Updating of GIS	IDP.1.94	Upgrading of GIS		

5.7.7 HOUSING DEVELOPMENT

No	OBJECTIVE	PRIORITY AREA	STRATEGY	KEY PERFORMANCE AREAS	IDP. NO	PROJECT/PROGRAM	BUDGET	SOURCE OF FUNDING
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Housing Development	Facilitate eradication housing backlog	Number of top structure and serviced sites provided	IDP. 1.63	Mayfield phase II 2200 Units Phase 2 Stage1, 1000 units (Need EIA before commence)		
	Well structured, efficient, safe and supports	Housing Development	Facilitate eradication housing backlog	Number of top structure and serviced sites provided	IDP. 1.64	Mayfield phase II 2200 Units Phase 2 Stage1, 1200 units		

No	OBJECTIVE	PRIORITY AREA	STRATEGY	KEY PERFORMANCE AREAS	IDP. NO	PROJECT/PROGRAM	BUDGET	SOURCE OF FUNDING
	sustainable human settlement by 2017					(Need EIA before commence)		
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Housing Development	Facilitate eradication housing backlog	Percentage of achievement in the upgrading,	IDP. 1.65	Seven fountains(Services)229		
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Housing Development	Facilitate eradication housing backlog	Percentage of achievement in the upgrading,	IDP. 1.66	Fort Brown(Services)188		
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Housing Development	Facilitate Housing rectification program	Percentage of achievement in the upgrading,	IDP. 1.67	Disaster 2006-and 2008(Reconstruction)166		
	Well structured, efficient, safe	Housing Development	Facilitate eradication	Percentage of achievement in the	IDP. 168	Scott's farm Rectification)90		

No	OBJECTIVE	PRIORITY AREA	STRATEGY	KEY PERFORMANCE AREAS	IDP. NO	PROJECT/PROGRAM	BUDGET	SOURCE OF FUNDING
	and supports sustainable human settlement by 2017		housing backlog	upgrading,		Units		
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Housing Development	Facilitate eradication housing backlog	Percentage of achievement in the upgrading,	IDP. 1.69	Ghost Town(Rectification)189		
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Housing Development	Facilitate eradication housing backlog	Percentage of achievement in the upgrading,	IDP. 1.70	Alicedale Rectification 221 Units		
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Housing Development	Facilitate eradication housing backlog	Percentage of achievement in the upgrading,	IDP. 1.71	Alicedale(316 units) (Need EIA before commence		
Alicedale 16 units,								

No	OBJECTIVE	PRIORITY AREA	STRATEGY	KEY PERFORMANCE AREAS	IDP. NO	PROJECT/PROGRAM	BUDGET	SOURCE OF FUNDING
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Housing Development	Facilitate eradication housing backlog	Percentage of achievement in the upgrading,	IDP. 1.72	Vukani Rectification		
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Housing Development	Facilitate eradication housing backlog	Percentage of achievement in the upgrading,	IDP. 1.73	Extension 7 Rectification		
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Housing Development	Facilitate eradication housing backlog	Percentage of achievement	IDP. 1.74	Fingo village(577 units) Completion of Housing Development		
	Well structured, efficient, safe and supports sustainable human settlement by	Housing Development	Facilitate eradication housing backlog	Percentage of achievement	IDP. 1.75	Transit Camp 19 units		

No	OBJECTIVE	PRIORITY AREA	STRATEGY	KEY PERFORMANCE AREAS	IDP. NO	PROJECT/PROGRAM	BUDGET	SOURCE OF FUNDING
	2017							
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Housing Development	Facilitate eradication housing backlog	Percentage of achievement	IDP. 1.76	Kwandancama Completion of Housing Development		
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Housing Development	Facilitate eradication housing backlog	Facilitate eradication housing backlog	IDP. 1.77	Fort Brown 188 subsidies		
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Housing Development	Facilitate eradication housing backlog	Facilitate eradication housing backlog	IDP. 1.78	Upper Mnandi 14 subsidies		
	Well structured, efficient, safe and supports sustainable	Housing Development	Facilitate eradication housing backlog	Facilitate eradication housing backlog	IDP. 1.79	Lower Mnandi 40 subsidies		

No	OBJECTIVE	PRIORITY AREA	STRATEGY	KEY PERFORMANCE AREAS	IDP. NO	PROJECT/PROGRAM	BUDGET	SOURCE OF FUNDING
	human settlement by 2017							
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Housing Development	Facilitate eradication housing backlog	Facilitate eradication housing backlog	IDP. 1.80	Xolani 34 subsidies		
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Housing Development	Facilitate eradication housing backlog	Facilitate eradication housing backlog	IDP. 1.81	Zolani subsidies		
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Housing Development	Facilitate eradication housing backlog	Facilitate eradication housing backlog	IDP. 1.82	J Street 31 subsidies		
	Well structured, efficient, safe and supports	Housing Development	Facilitate eradication housing backlog	Facilitate eradication housing backlog	IDP. 1.83	K Street 31 subsidies		

No	OBJECTIVE	PRIORITY AREA	STRATEGY	KEY PERFORMANCE AREAS	IDP. NO	PROJECT/PROGRAM	BUDGET	SOURCE OF FUNDING
	sustainable human settlement by 2017							
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Housing Development	Facilitate eradication housing backlog	Percentage of achievement in the upgrading,	IDP. 1.89	R/East(22 unit)		
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Housing Development	Facilitate eradication housing backlog	Facilitate eradication housing backlog	IDP. 1.84	25 Sites 25 subsidies		
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Housing Development	Facilitate eradication housing backlog	Facilitate eradication housing backlog	IDP. 1.85	Newtown/ Kwandancama 33 subsidies		
	Well structured, efficient, safe	Housing Development	Facilitate eradication	Facilitate eradication housing backlog	IDP. 1.86	Phumlani 250 subsidies		

No	OBJECTIVE	PRIORITY AREA	STRATEGY	KEY PERFORMANCE AREAS	IDP. NO	PROJECT/PROGRAM	BUDGET	SOURCE OF FUNDING
	and supports sustainable human settlement by 2017		housing backlog					
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Housing Development	Facilitate eradication housing backlog	Facilitate eradication housing backlog	IDP. 1.87	Glebe Mission 28 subsidies		
	Well structured, efficient, safe and supports sustainable human settlement by 2017	Housing Development	Facilitate eradication housing backlog	Facilitate eradication housing backlog	IDP. 1.88	Erf 4103 28 subsidies		

CHAPTER SIX: INTEGRATION

6.1 INTRODUCTION:

To ensure that the IDP address all strategic issues relevant to any effective municipality, the following section offers a comprehensive list of issues discussed during the IDP process. The integration phase represents the institutional readiness for implementation and to ensure integrated planning for the provision of basic services. An analysis was conducted in respect of various sector plans for the Municipality. Some of these sector plans were found to be still relevant and required minor changes. Others required a review, whilst new ones need to be developed and this was based on benchmarked and IDP Assessment with other local Municipal with our side.

6.2 SUMMARY OF SECTOR PLANS:

STATUS	SECTOR PLANS	
EXISTING PLANS	Review Water Service Development Plan	
	Integrated Waste Management Plan	
	Area Based Plan	
	Comprehensive Infrastructure Plan	
	Disaster Management Plan	
	Housing Settlement Plan	
	Review of Transport Plan	
	Review Fire and rescue plan(CPS report)	
	Environmental strategy(LEAP)	
	Spatial Development Framework	
NEW ONE TO BE DEVELOPED	Human resources development plan	
	Five Invest Financial plan	
	Development of Job creation sector plan	
	Poverty alleviation plan	
	Fleet management plan	
	Development of Electricity Master Plan	
	Development of Job creation sector plan	
	Asset Management Strategy	
	Supply chain Management Strategy	
	Cooperative strategy	
CROSS CUTTING PLANS	Plans	Action require d
	Local Economic Development Plan	Strategy was approved by
	HIV/AIDS action plan t	To be developed
	Special Programs sectorial plans	<ul style="list-style-type: none"> • Youth plan need to be develop • People with Disability

6.2.1 DRAFT HUMAN RESOURCES PLAN

Municipality has developed issue Human resources plan with assistance of Provincial Department of local government in 2011 the plan is still draft form.

Alignment of the human resource plan with municipal objectives

Alignment: Effective achievement of our Municipality goals through implementing the following development strategies and policies:

- Enhance Employee retention & recruitment
- Improve human resource administration
- Employment wellness
-

Strategic direction:

Makana Municipality Development Priorities

- Institutional transformation and Organisational Development
- Basic Service delivery
- Local Economic Development
- Municipal Financial Viability Management
- Good Governance and Public Participation
- Empower Rural Communities and support to vulnerable groups

DEVELOPMENT PRIORITY	OPERATIONAL OBJECTIVE	HR PROGRAM
Institutional transformation and Organisational Development	Develop HR Plan by in order to provide an conducive working environment and ensure compliance with legislative requirements	HR Plan
	HR Plan will assist in coordinating all HR programmes as listed below	
	Recruitment and selection is aligned with equity plan and develop a recruitment plan.	Recruitment and selection
	Ensure the cascading of Performance Management System to all employees to ensure effective service delivery. 2010-2011 cascaded to HOD level, 2011-2012 cascaded to supervisory and Forman level, 2012-2013 to all employees.	Performance Management System
	Development of work skills plan that seeks to achieve organisational goal e.g. shortage of qualified electricians, accountants, etc. DTIS: Assessment shortage of skills by DBSA	Training and Development

DEVELOPMENT PRIORITY	OPERATIONAL OBJECTIVE	HR PROGRAM
Institutional transformation and Organisational Development	Operationalization of wellness policy to enforce health and safety regulations. There is vacant position in the organogram of Employment well facilitator.	Wellness(Health and safety)
	Operationalization of career succession plan policy	Career planning
	To ensure sound good working relations between the employer and employees. (LLF) To empower members of LLF –all stakeholders (training) i.e. ORA, Labour relations Act, Basic conditions Act, LLF constitution and other related courses	Labour relations
	Ensure smooth exit procedure 1. Resignation 2. Retirement 3. Dismissal 4. Early retirement due to health	Exit management

6.2.2 COMMUNICATION STRATEGY

Legal compliance

Chapter 4 of the Municipal Systems Act (Act 32 of 2000), equally, states that all Municipalities must strive to meet the following object, among others: -

- foster meaningful dialogue and interface within the internal structures of Municipalities, external bodies and members of the public.
- Likewise, the Promotion of Administrative Justice Act (Act 3 of 2000) and Promotion of Access to Information Act (Act 2 of 2000) charge Government Bodies to observe and adhere to the principles and practices of good governance,
- It is within this context that this policy shall direct Makana Municipality on how to constructively engage the members of the public and external bodies in particular media institutions as instructed by the Constitution of the Republic of South Africa and applicable pieces of legislation and the institutional policies.

Scope of the policy

This policy applies to the Councilors and Officials of Makana Municipality, be they casuals, part time, full time, contract or consultants. It will be reviewed and revised when the need arises by the Council.

Aims of the policy

The aim of this policy is to ensure the streamlining of communication within the Makana jurisdiction and to ensure a coherent and coordinated communication process.

To provide a framework within which internal and external communication of the Municipality will be discharged with its stakeholders and to reduce the risk of damaging or ineffective communication, and to ensure that staff and Councillors are aware of how communication is best conveyed externally and internally, and who has responsibility for which aspects.

Objectives of the Policy

The objectives of the Communication Policy of Makana Municipality are as follows:

- (a) Ensuring that there is a clear and co-ordinated communication process within the Municipality, to enhance and promote cooperative governance between its clientele, partners, stakeholders and the media.
- (b) Ensuring that there are clear roles of communication by the staff of Makana Municipality and to foster meaningful dialogue and interface between and among the internal role players.
- (c) Ensuring that the image of the Municipality is at all times upheld.
- (d) Ensuring that the Municipality complies with the legislative requirements as far as communication is concerned.
- (e) Ensuring that resources are used in support of the achievement of the Municipality's strategic goals.
- (f) Ensuring effective coordination and coherent system of communication within Makana Municipality.

Official Communicators

All staff members (officials) as defined above and Councillors are communicators of the Council by virtue of their work. All staff members and Councillors are representatives and messengers of the Municipality.

Staff members and Councillors should always be mindful that when they communicate with a member from the public, things they say are seen as official statements expressing the views of the municipality. In instances where Councillors speak in their personal capacity or for their political parties, they must make sure that point is clear.

However it is critical to note that for interview or research purposes, whether by institutions, organisations, private companies, media, etc. consent to engage with such bodies must be sought from the Municipal Manager by officials and from the Executive Mayor or Speaker by the Councillors. Councillors do not need to seek the approval of the Speaker or the Executive Mayor when they speak in their personal capacity or for their political parties.

The Media and Communications Officer (Municipal Spokesperson), the Municipal Manager and the Executive Mayor are not only the official communicators of the Municipality but the primary communicators. However, they can delegate their powers to whomever they see fit at times.

5.2.3 INTEGRATED WASTE MANAGEMENT

Purpose: Makana municipal integrated waste development consideration various service categories as well as evaluate the service delivery in each of the towns in the Municipality. The service categories that are taken into consideration can be summarised as follows:

- Refuse Removal:
- Residential
- Commercial
- Industrial
- Garden Refuse
- Builders' Rubble and
- Medical Waste
- Street and ablution cleaning
- Landfill Sites,
- Transfer Stations and
- Bulk Containers

The Status Quo investigation of the waste management section considered each of these aspects, In addition to this existing structure, the status quo study also considered planned developments for service extensions and any planned projects that have been identified in the IDP.

6.2.4 DISASTER MANAGEMENT PLAN

Introduction:

The Makana Local Municipality Disaster Management Plan has been prepared in accordance with the provisions of the Disaster Management Act no 57 of 2002, and within Cacadu Disaster Management Framework, and is aimed at ensuring an integrated and uniform approach to comprehensive disaster management in the Municipality.

This Plan has been documented by the Disaster Management Centre, Cacadu District Municipality, with the support of Makana Municipality.

Objectives:

To strengthen the capacity of Makana disaster management system to reduce unacceptable risks and improve response and recovery activities.

Strategic focus:

Move disaster management programming efforts from a response and relief emphasis to comprehensive risk management culture.

Top priority risk for Makana municipality:

A Risk Priority Rating has been determined for Makana Municipality and the top three being, Storms, Fires and Epidemics. Within the Plan there are contingency plans for all the Hazards/Disasters that the Municipality is prone to and the purpose of this is to be effective and efficient during emergencies.

Below is the list of contingency plans that are in place to deal with disasters that has strike or threatening to occur.

1. Contingency Plan for Floods
2. Contingency Plan for Fires
3. Contingency Plan for Epidemics
4. Contingency Plan for Accidents

6.2.5 WATER SERVICE DEVELOPMENT PLAN

The purpose of IDP and WSDP goals is to provide the Municipality's long term direction and desired state for water services provisioning within the Makana Water Services Authority.

To comply with the Water Services Act (Act 108 of 1997) and the National Water Act (Act 36 of 1998), the WSDP should be prepared as part of the IDP process unless there is no IDP process in which case it can be prepared separately. The WSDP is a sectorial plan that falls within the inter-sectorial umbrella plan of the IDP.

The strategies developed as part of the WSDP has been based on the IDP vision, priority issues and objectives in terms of addressing the when, who, what, etc.

Should it be found that insufficient resources are available to support the strategy, the IDP priority issues and objectives would have to be reconsidered. Municipal WSDP was last revised and will be revised in the next financial year.

Objectives

The primary objective is for Makana Municipality to provide effective, efficient and sustainable water services and sanitation for all communities within the Makana Municipality jurisdiction and the planning to eradicate backlogs

Backlogs

Water Works Service Area	Water needs to RDP Level		Sanitation Needs to RDP Level	
	Technical	Management	Technical	Management
Reticulation	35%	35%	35%	35%
Bulk	45%	35%	45%	45%

Status of supply to higher levels

Present services level	Basic RDP	Hugh RDP	Urban
LM-Services Levels	%	95.5%	95.5%
LM- Sanitation Services	13.6%	73.3%	86.6%

Cost of Eradicating of backlogs:

Typical Required Water Sector (DWAf & Local Gov.) Cash flow to meet target dates of 2008 for Water Services and 2010 for Sanitation (DWAf & CMIP) - RM

As in 08/09 -10/11	TOTAL
Bulk Water Supply System	48,891,927
Reticulation and Cost Recovery	728,640

As in 08/09 -10/11	TOTAL
Household Sanitation (Up to 2010/11)	38,264,507
Rehabilitation	12,297,966
Sub Total	100,183,040

What is the strategy to eradicate backlogs?

COST split of Water Sector Funding Requirements for Different Service Levels (RM) Note: Estimates are provided only in the categories where integrated supply services are (to be) provided. The remaining categories can readily be isolated on municipal level and can be financed by consumer contributions and external (non-governmental loan grant etc., funding)

Backlogs	Basic	High	Urban	Total
	(%)	(%)	(%)	(%)
Bulk Water Supply System	28	20.8	48.8	48.8
Village Reticulation and Cost Recovery	0.7		0.7	0.7
Household Sanitation (Up to 2010/11)		38.2	38.2	38.212.3
Rehabilitation		12.3	12.2	

6.2.6 LOCAL ECONOMIC DEVELOPMENT STRATEGY

INTRODUCTION: The Council approved its LED Strategy 2010. The Strategy comprises a situational analysis and a local economic development framework.

This LED was developed using the following methodology:

- Step One:** Consolidating of the existing research
- Step Two:** Target Sectoral Stakeholder Engagement
- Step Three:** Economic Potential Analysis
- Step Four:** Package Five LE Strategy

Situational Analysis

The situation analysis explores several components namely: policy, socio-economic, economic, infrastructural, environmental and institutional profiles, as well as an opportunity and constraints analysis.

The structure of the Situation Analysis report is as follows:

CHAPTER	TITLE	PURPOSE
2	Policy Framework	This chapter provides an overview of the national, provincial, district and local municipal planning initiatives that provide the framework in which the LED strategy will be developed.
3	Socio-economic Profile	The socio-economic profile provides a demographic overview of the population residing in the project area and considers indicators such as population growth, education, income and access to basic services
4	Economic Profile	The economic profile considers various economic indicators such as R-GDP size and growth, and provides a profile of the each of the productive economic sectors in the project area.

CHAPTER	TITLE	PURPOSE
5	Infrastructural Profile	This chapter assesses the level of economic infrastructure available in Makana in terms of roads electricity network, water, sanitation and telecommunications so as to better understand the resources available.
6	Environmental Profile	The environmental profile provides a background to the biophysical and environmental characteristics of the area, with reference to topography, climate, vegetation, hydrology and biodiversity.
7	Institutional Profile	This chapter provides an overview of the institutional structure and capacity of the Makana Local Municipality.
8	Economic Potential Analysis	The potential analysis incorporates an opportunity and constraints assessment, which assists in creating an understanding with regard to the sectoral competitive advantages of the local economy and is used to determine the development potential within the area. Key factors that may be inhibiting growth are also identified as part of this process.

Strategic Development Framework

Local Economic Development Framework considers the strategic development framework for LED, implementation plan, monitoring and evaluation framework and benchmarking of the LED strategy.

The Report Outline

Chapter 2:	Strategic Development Framework	This section presents the framework of the strategy and includes the vision, goals, programmes and strategic initiatives conceived.
Chapter 3:	Implementation Plan	This section provides guidelines for the implementation of the strategic framework in terms of recommended actions, roles and responsibilities and associated timeframes.
Annexure 1:	Support Agencies	A compendium of support agencies and their contact details.
Annexure 2:	Monitoring & Evaluation Framework	A monitoring and evaluation framework based on the SDBIP is provided for the 10 prioritised initiatives.
Annexure 3:	Benchmarking for LED best practice	Provides criteria for successful LED strategies based on government guidelines.

Elements of the LED Framework

The strategic framework is developed in line with and adapted from World Bank LED principles, and is made up of the following elements:

Vision: The vision describes the stakeholders' (community, private sector, municipality, non-governmental organisations) agreement on the preferred economic future of the economy.

Goals: Objectives are based on the overall vision and specify desired outcomes of the economic planning process. They set performance standards and identify target activities for development.

Programmes: Programs are set out approaches to achieving realistic economic development goals.

Strategic Initiatives: Allow the prioritised implementation of specific programme components.

The vision sets out what the LED strategy seeks to achieve. All the other elements of the strategic framework thus cascade from the vision. The Makana LED strategy vision was developed after stakeholder engagement convened in the form of an Indaba. The Indaba allowed public participation and input into the vision. The other element that forms a central part of the LED vision is the Makana municipality’s vision, as set out in its IDP document.

The Long Term Economic Vision for The Development of The Makana Area is:

A robust, vibrant and sustainable economy that promotes local inclusive development

The vision can be broken down to certain key words, phrases and principles that are expanded upon in Table 1.

Table 1 Explanation of the Vision Key Principles

KEY PRINCIPLE	EXPLANATION
Robust	Robustness is the quality of being able to withstand stresses brought on by changes in circumstance. In the ever-changing global economy, it is vital that the economy have the ability to dynamically respond to various pressures. This is to be attained through an ability to adapt to industry trends and adopt evolving technologies and approaches
Vibrant	A vibrant economy is seen through high levels of activity and growth in terms of business attraction and establishment, employment creation and a bustling entrepreneurial base. Given Makana’s relatively slow pace of growth from 1995 to 2007, it is vital that an injection of purpose-driven activity infuse the orientation of all economic activity in the area to boost growth and development.
Sustainable	All economic activity that takes place in Makana must be founded on principles of long term sustainability (environmental and economic). Accelerated development and sustainability are not mutually exclusive but should rather be considered at complimentary. A shift towards a green economy (environmentally sustainable) is possible and even desirable within the context of Makana’s development and such considerations must be made throughout the economic planning process. Economic sustainability relates to growth that is based on activity that is viable and feasible over the long-run. It thus relates to positioning the economy to be driven by key sectors that tap into and maximise its inherent traits.
Local	This element underscores the importance of retaining incomes and expenditures within the municipality. This places forth notions of reduced income leakage, prioritised local procurement, and

	internalised business sector solidarity and stakeholder cohesion. Also intrinsic in this statement is an element of local ownership of and responsibility for the area's growth and development.
Promotes development	<p>This key principle deals with the ability of stakeholders to translate the area's latent potential and comparative advantage into developments that benefit the community at large in a practical and discernible way. Makana has significant unrealised and unexploited development potential and it is pivotal that such low hanging fruit be grasped.</p> <p>Efficiently and effectively utilising available resources makes up part of this key principle. The realisation of Makana's development potential is to be articulated through the interventions envisaged in the programmes and strategic initiatives contained in the strategic framework.</p>
Inclusive development	<p>Balanced development is envisaged on a household level as well as on the economy-wide level.</p> <p>On the household level there is a need for reduced poverty and other forms of deprivation, employment creation and access to economic opportunities and greater participation levels by all residents of the Municipality. Development and growth must not bypass or lead to the marginalisation of any sections of society.</p> <p>On the economy-wide level the economy whilst concentrating on its competitive and comparative advantages, must also allow for and promote diversification of activity. This reduces the chance of undue reliance on a few sectors, with balanced growth occurring in all sectors of the economy.</p> <p>Imbued in both these elements is the importance of redressing historical and structural imbalances. Historical imbalances relate to marginalisation of various groups into an economic periphery. Structural imbalances are based on the spatial and sectoral distribution of economic activity in the Municipality.</p>

The setting of goals was primarily based on district, provincial and national goals, where appropriate. This was then ratified via public participation at the Economic indaba. It is important to note that although ideally objectives should be SMART (i.e. specific, measurable, achievable, realistic and time-bound); it is not always possible to set quantifiable goals.

Based on the vision discussed above, and the traits of the economy revealed in the situation analysis, the following goals will guide the local economic development strategy:

- a) Increase R-GDP by 3.5% per year to match district and the provincial growth rates by 2014
- b) Maintain employment at current levels from 2010 to 2011, with the view of increasing trade and service sector employment by 4% from 2012 to 2014
- c) Grow the tourism related component of the local economy.
- d) Maintain sustainable levels of capital expenditure on key LED infrastructure from 2010 to 2014
- e) Increase the role of formal and informal strategic partnerships in and between the public and private sectors as a catalyst for growth
- f) Reduce income leakage and support SMME activity through increased local procurement and labour force support measures.

Programs and strategic initiatives

In order for the goals discussed in the previous section to be achieved, the strategic framework contains key developmental thrusts packaged in the form of programs. The programs are based on the findings of the situational analysis, seeking to reduce identified constraints and maximise untapped economic potential. Each program is made up of several strategic initiatives, which fall in the public and private realms. The programs and strategic initiatives discussed in this section all seek to ensure that Makana maximises economic development based on its unique attributes and characteristics.

The programs for the LED strategy are:

- a) Strategic Partnerships
- b) Infrastructure Provision And Services
- c) Investment Attraction
- d) SMME Promotion
- e) Tourism Development
- f) Leveraging of educational capital
- g) Agricultural sectoral development

The first four programs deal with cross cutting issues that have been identified as requiring strategic interventions. Cross cutting issues relate to challenges and opportunities that transcend sectoral barriers. This can be seen by how the need for strategic partnerships applies across all economic sectors in Makana, how infrastructure promotes development across the economic spectrum, investment attraction is needed by all participants, and SMMEs operate across the board. Cross cutting programs thus apply for the general economic landscape of Makana and are vital for the creation of a conducive and enabling environment for growth and development.

The last three programs provide targeted actions in sectors deemed to be important in shaping the overall future of the economy (tourism, education and agriculture). These sectors were selected based on the following outcomes of the situation analysis:

- Comparative advantage analysis
- Sectorial performance classification
- Opportunities and constraints analysis

The strategic initiatives in each of the sectorial programs zone in on critical success factors that will allow maximisation of their development potential.

Each programme is discussed in the proceeding sections, with elaborations on its motivation, rationale and strategic initiatives. The strategic initiatives are listed in descending order of prioritised, as voted for by stakeholders at the Makana Economic Indaba.

STRATEGIC PARTNERSHIPS The strategic initiatives that relate to strategic partnerships in Makana mainly involve the municipality as one of the partners and were developed in response to perceived gaps in intergovernmental and inter-organisational relations.

Filling in these gaps will have a beneficial impact on the ability of government, business, civil society and the community to contribute towards LED.

ALIGNMENT

The LED Strategic Framework was used as the basis for the LED planning objectives and projects reflected in the IDP 2012-2017 Review.

6.3 PERFORMANCE MANAGEMENT INSTITUTIONAL LEVEL

The PM process at organizational level in the Municipality is characterized by the steps that are set out in Figure2. Although the steps and what follows relate mainly to performance management at organizational level, the principles and approaches as espoused could also be applied to performance management at departmental level.

6.3.1 PERFORMANCE PLANNING

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

6.3.2 PERFORMANCE MONITORING

Performance monitoring is an on-going process by which a manager accountable for a specific indicator as set out in the organizational scorecard (and a service delivery target contained in a SDBIP) continuously monitoring current performance against the set targets. The aim of the monitoring process is to take appropriate and immediate action where it appears that target will not be timeously met. The same will apply to the various SDBIPs. Performance monitoring requires appropriate action to be taken should it become evident that a specific performance target is not going to be met. In undertaking performance monitoring processes, the following aspects need to be determined and provided for

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

6.3.3 MONITORING REPORTS SHOULD BE SUBMITTED AS FOLLOWS:

Submitted to	Frequency
Director	At least quarterly
Municipal Manager	At least Monthly

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

6.3.4 PERFORMANCE MEASUREMENT

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

6.3.5 PERFORMANCE ANALYSIS

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

6.3.6 THE MANAGER RESPONSIBLE FOR EACH INDICATOR SHOULD, THEREFORE DO THE FOLLOWING:-

1. Capture the performance data against targets on the scorecard.
2. analyse reasons for meeting or not meeting a target
3. Capture a summary of findings on the scorecard.
4. Recommend remedial actions as appropriate.

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

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

6.3.7 PERFORMANCE REPORTING AND REVIEW

The next two steps in the process of performance management (i.e. Performance reporting and performance Review) will be dealt with at the same time. This section is further divided into three

sections dealing with the requirements for in –year versus annual reporting and reviews respectively and lastly a summary is provided for the various reporting requirements.

6.3.8 IN – YEAR PERFORMANCE REPORTING AND REVIEW

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

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

As indicated earlier, the organizational and SDBIP scorecards should be submitted to the executive committee for consideration and review on a quarterly basis. The reporting should therefore take place as follows:-

QUARTER	PERIOD UNDER REVIEW	MONTH OF REPORTING
1	July to end of September	October
2	October to end December	January
3	January to end March	April
4	April to end June	July

The review in January will coincide with the mid-year performance assessment as per section72 of the MFMA. The said section determines that the accounting officer must, by 25 January of each year, assess the performance of the municipality and report to council on inter alia, its service delivery performance during the first half of the financial year and service delivery targets and performance indicators as set out in the SDBIP

6.3.9 ANNUAL PERFORMANCE REPORTING AND REVIEW

- ❖ On an annual basis a comprehensive report on the performance of the Municipality also needs to be compiled. The requirements for the compilation, consideration and review of such annual report are set out in chapter 12 of the MFMA. In summary it requires that:-
- ❖ All Municipalities for each financial year compile an annual report.
- ❖ The annual report should be tabled within seven months after the end of the financial year.
- ❖ Soon after the annual report has been tabled it should be made public and local community should be invited to submit representations thereon.
- ❖ The Municipal Council should consider the annual report within nine months after the end of the financial year and adopt an oversight report containing the Council’s comments on the annual report.
- ❖ The adopted oversight report should be made public.

- ❖ The annual report as tabled and council's oversight report should be forwarded to Auditor-General, the Provincial Treasury and the department responsible for local government in the Province.
- ❖ The annual report as tabled and the council's oversight report should be submitted to the provincial legislature.

The oversight report to be adopted provides the opportunity for full Council to review the performance of the Municipality. The requirements that the annual report once tabled and oversight report be made public similarly provides the mechanism for general public to review the performance of the Municipality. However the Municipality will budget for the compilation of a user friendly citizens' report. The citizens' report should be a simple, easily readable and attractive document that translates the annual report for public consumption.

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

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

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

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

6.3.10 SUMMARY OF VARIOUS PERFORMANCES REPORTING REQUIREMENT

Annual Performance Report

Section 121(3) A annual performance report would have to be Section 121 (3) (c) of the MFMA outlines the requirements for Annual performance reporting. An assessment of municipal performance together with recommendations for council by the audit committee, corrective actions undertaken arising from audit report and competency compliance for inclusion in the annual report.

Report	Frequency	Submitted for Consideration and or review to	Remarks
1. SDBIP	Quarterly	ExCo	See MFMA Circular 13 of National Treasury for further information
2. Monthly Budget Statements	Monthly	Mayor in consultation with ExCo	See sections 71 and 54 of the MFMA
3. Organisational Scorecard	Quarterly	ExCo	This PMS framework (see section 2.
4. SDBIP mid- year budget and performance assessment	Annually in Jan of each year	Mayor + ExCo Council	See section 72 and 54 of the MFMA
5. Performance Report	Annually	Council	See section 46 of the Municipal Systems Act as amended. Said report to form part of the annual report
6. Annual Report	Annually	Council	See chapter 12 of the MFMA

PERFORMANCE MANAGEMENT PLAN

Reporting Structure	Reviewing Structure	Report	Submission Date	Where	When
Divisions	Directorates	Monthly performance reports	25 th of each month	Directorate	Monthly
Directorates	Executive Management Committee	Monthly performance reports	27 th of each month	Municipal Manager's Office	Monthly
Directorates	<ul style="list-style-type: none"> ▪ IDP/PMS and Budget Steering Committee 	Quarterly performance reports	10 th the of next month after the end of each Quarter	IDP/PMS Unit	Quarterly
Directorates	<ul style="list-style-type: none"> ▪ IDP/PMS and Budget Steering Committee 	Mid-term performance reports	10 th of January	IDP/PMS Unit	Mid-year
Portfolio Committee	<ul style="list-style-type: none"> ▪ Portfolio Committee 	SDBIP Quarterly Report	First and second week next month after the end of each Quarter	IDP/PMS Unit	Quarterly
Directorates	<ul style="list-style-type: none"> ▪ Executive 	Mid-term	25 th January	Strategic	Mid-

Reporting Structure	Reviewing Structure	Report	Submission Date	Where	When
	Mayoral Committee ▪ Council	performance reports		Planning Session	year
IDP/PMS Unit	▪ Audit Committee ▪ Internal Audit Unit	▪ Consolidated Directorates Quarterly performance reports audit ▪ Quarterly Performance analysis report	14 th of the next month after the end of the Quarter	▪ Municipal Manager's Office ▪ Internal Audit Unit	Quarterly
Directorates	▪ IDP/ PMS and Budget Steering Committee ▪ Council	Annual Performance reports	10 th July	IDP/PMS Unit	Annually
IDP/PMS Unit	▪ IDP/ PMS and Budget Steering Committee ▪ Council	▪ Consolidated Directorates Annual performance reports ▪ Annual Performance analysis report	14 th July	▪ Municipal Manager's Office ▪ Internal Audit Unit	Annually

6.3.11 THE AUDITING OF PERFORMANCE MEASURES

THE ROLE OF INTERNAL AUDIT IN TERMS OF PERFORMANCE MANAGEMENT

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

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

- The functionality of the Municipality's performance management system.
- The internal audit section must therefore on a regular basis audit whether the PMS of the Municipality is functioning as developed and described in this framework.
- Whether the Municipality's performance management systems complies with the act.

- This compliance check would require that the Municipality's internal audit unit, at least on an annual basis verify that the Municipality's PMS complies with the said legal requirements.
- The extent to which the Municipality's performance measurements are reliable in measuring the performance of by making use of indicators.
- The Municipality should have proper information that the internal audit function is able to access information regularly and to verify its correctness.
- The Municipality's internal auditors must submit quarterly reports on the audits undertaken to the Municipal Manager and the Audit Committee.

AUDIT COMMITTEE

The MFMA and the Municipal Planning and Performance Management Regulations require that the Municipal Council Should establish an audit committee consisting of a minimum of three members, where the majority of members are not employees of the Municipality. No Councilor maybe a member of an audit committee. Council should also appoint a chairperson who is not an employee of Makana Municipality.

The regulations give Municipalities the option to establish a separate performance audit committee whereas the MFMA provides only for a single audit committee. The operation of Audit Committee when dealing with performance management is governed by section 14 (2-3) of the regulations which require the audit committee to do the following:-

- Review the quarterly reports submitted to it by the internal audit unit.
- Reviews the municipality PMS and make recommendations in this regard to the council of the Municipality.

At least twice during a financial year submit an audit report to the Municipal Council.

In order to fulfil their function, a performance audit committee may according to the MFMA and the regulations:-

- ❖ Communicate directly with the council, Municipal manager or the internal and external auditor of the Municipality concerned;
- ❖ Access any municipal records containing information that is needed to perform its duties or exercise its powers;
- ❖ Request any relevant person to attend ant of its meetings and if necessary to provide information requested by the committee, and
- ❖ Investigate any matter it deems necessary for a performance of its duties and the exercise of its powers.

PERFORMANCE INVESTIGATIONS

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

- ❖ The reliability of reported information.
- ❖ The extent of performance gaps from targets.
- ❖ The reasons for performance gaps.

- ❖ Corrective action and improvement strategies.

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

6.3.12 STAKEHOLDER ROLES AND RESPONSIBILITIES

STAKEHOLDER	ROLE
Council / ExCo	<ul style="list-style-type: none"> ➤ Adopt the PMS Framework & PMS ➤ Adopt the Municipal Scorecards ➤ Conduct Annual Review ➤ Commission Performance Audits ➤ Reports to the Public and Province
Management team	<ul style="list-style-type: none"> ➤ Plan for PM ➤ Adopt the PMS Framework & PMS ➤ Draft scorecards ➤ Approve Departmental Scorecards ➤ Conduct Performance Measurements ➤ Produce PM reports ➤ Commission Performance Audits
Audit committee	<ul style="list-style-type: none"> ➤ Assess Performance Management Reports & Make recommendation
Internal audit	<ul style="list-style-type: none"> ➤ Audit the results of performance Measurements

6.4 PERFORMANCE MANAGEMENT AT INDIVIDUAL LEVEL

The reality is that the Municipality is an institution that employs people, thus its performance is highly dependent on employees. It therefore follows that performance needs to be managed at individual employee level. The individual performance management system is a vehicle for implementing the operational plans emanating from the linkages between individuals, functions and the broader Municipal objectives, The PMS is aimed at providing specific standards to assist the employer, management and municipal staff to perform to the required standards. Makana will use the individual PMS to:-

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

This section discussed the structured process for managing performance of the municipal manager and the employees that are directly report to her separately discussed the process of managing performance for the rest of municipal staff.

6.4.1 PERFORMANCE MANAGEMENT FOR SECTION 57 MANAGERS

Performance management for municipal manager and the employees that directly report to him will strictly adhere to the provisions of the Municipal performance regulations (2006). The key phases are, namely, Performance Contracting, Performance review, and Performance assessment. This section will also discuss dispute relating to PM.

6.4.2 PERFORMANCE CONTRACTING

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

- ❖ Comply with the contract of employment
- ❖ Comply with section 57 of the MSA;
- ❖ Specify the agreed objectives and targets, and communicate within municipality's performance expectations in line with the IDP, the SDBIP and the budget;
- ❖ Specify accountabilities that are drawn in the Performance Plan
- ❖ Serve as basis of the municipality's commitment to a performance orientated relationship
- ❖ Provide a platform for monitoring, evaluating and measurement performance against targeted outputs and subsequently rewarding good performance.

At this phase, the employee will commit to focusing on implementing the key objectives (i.e. KPA's including any relevant special projects and the core Competency Requirements (CCR's).

The KPA and CCRs are assigned a weight, respectively. Such weighting (as it is known) denotes the relative importance of the key objective to each other. The KPAs would cover the main areas of work and would account for 80% whereas the CCRs would account for 20% of the final performance assessment. For the MM the KPA's are as follows:

- ❖ Basic Service Delivery
Municipal Institutional Development and Transformation
- ❖ Local Economic development
- ❖ Municipal Financial Viability and Management
- ❖ Good governance and Public Participation

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

6.4.3 CORE MANAGERIAL COMPETENCIES

- ❖ Strategic Capability and Leadership
- ❖ Programme and Project Management (compulsory)
- ❖ Financial Management
- ❖ Change Management
- ❖ Knowledge Management
- ❖ Service Delivery Innovation
- ❖ Problem solving and analysis
- ❖ People Management and Empowerment (Compulsory)

- ❖ Client orientation and customer focus (Compulsory)
- ❖ Communication
- ❖ Honesty and Integrity

6.4.4 CORE OCCUPATIONAL COMPETENCIES

- ❖ Competence in self –Management
- ❖ Interpretation of and implementation within the legislative and national policy frameworks
- ❖ Knowledge of development local government
- ❖ Knowledge of Performance Management and reporting
- ❖ Knowledge of global and South African specific political, social and economic context
- ❖ Competence in policy conceptualization, analysis and implementation
- ❖ Knowledge of more than one functional municipal field / discipline
- ❖ Skills in mediation
- ❖ Skills in governance
- ❖ Competence as required by other national line sector departments
- ❖ Exceptional and dynamic creativity to improve the functioning of the municipality

6.4.5 LIST OF CORE COMPETENCY REQUIREMENTS (CCRS) FOR EMPLOYEES

In order to address the development gaps that support the achievement of set performance targets, a personal development plan (PDP) will be developed and form part of the Performance Agreement i.e. In line with the MFMA the performance agreements will be made available to the public.

6.4.6 PERFORMANCE REVIEW

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

Quarter	Period under review	Month of conducting review
1	July to end September	October
2	October to the end of December	January
3	January to the end of March	April
4	April to the end June	July

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

The performance review will entail the “stock taking” of the achievements on KPA and CRRs. Each of the two will be reviewed as follows:-Key performance areas

Level	Terminology	Rating				
		1	2	3	4	5
5	Outstanding Performance					
4	Performance significantly above expectations					
3	Fully Effective					
2	Performance not fully effective					
1	Unacceptable performance					

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

6.4.7 CRITICAL COMPETENCY REQUIREMENTS

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

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

6.4.8 PERFORMANCE ASSESSMENT

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

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

EVALUATION OF THE MM	EVALUATION OF MANAGERS ACCOUNTABLE TO THE MM
Mayor	MM
Chairperson of the audit committee	Chairperson of the audit committee
Executive Committee Member	Executive Mayoral Committee Member
Mayor or MM from another municipality	MM from another municipality
Ward Committee Member nominated by Mayor	HR Manager or Manager responsible PMS for secretarial purposes
HR Manager or Manager responsible PMS for secretarial purposes	

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

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

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

6.4.9 PERFORMANCE MANAGEMENT FOR ALL OTHER MUNICIPAL STAFF MEMBERS

The Municipality will be focusing in the next following years in cascading Performance management to all employees. PMS has been cascade up HOD level but no review has been conducted yet.

6.4.10 GENERAL ISSUES RELATING TO PERFORMANCE MANAGEMENT

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

6.4.11 ANNUAL REVIEW OF THE PERFORMANCE MANAGEMENT SYSTEM

After the full cycle of the annual review and reporting is complete and the audit committee has met as required, the internal audit function will compile a comprehensive assessment/ review report. The report will be on whether the Municipality’s PMS meets the system objectives and principles as set out in this framework and whether it complies with the MSA, PMS Regulations and the MFMA.

The report will need to be considered by the audit committee who will then submit any recommendations to the Executive Committee. The review undertaken and recommendations made by the audit committee could serve as input into the wider municipal review of the PMS. After the full cycle of the annual review, the Municipal Manager should initiate an evaluation report that includes inputs from departments.

The report will then be discussed by the management team and finally submitted to the Council for discussion and approval. All those steps will also fulfil the MSA’s requirement that the Municipality should annually evaluate its PMS.

6.4.12 AMENDMENTS TO KPI'S AND TARGETS

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

6.4.13 INTEGRATING PMS WITH THE COUNCIL'S EXISTING MANAGEMENT CYCLE

International best practice indicates that PMS stands the chance to succeed if it is integrated with the current management cycle of the Municipality.

The purpose of such a cycle would be to guide the integration of important process e.g. the strategic planning or development process in terms of the IDP methodology, the annual budget process and the formal process of evaluating and assessing Council's performance in terms of the approved PMS and this framework. Makana Municipality will develop and adopt a similar cycle that is suitable to its own circumstances and requirements.

6.4.14 INSTITUTIONAL ARRANGEMENTS

The implementation of the PMS in terms of this framework would require coordination at organisational level and that will be the task of the IDP-PMS Manager's position which will be acting on behalf of the Municipal Manager Performance Agreement.

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

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

6.4.15 CONCLUSION

Performance Management System has been implemented for section 57 managers and plans are in place to cascade to lower levels starting from Head of Department level in the next financial year 2015/16.