



MHLONTLO LOCAL MUNICIPALITY IDP REVIEW 2016/2017

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FOREWORD BY HONOURABLE MAYOR



It is the last review of Mhlontlo Local Municipality's 4th generation integrated development plan (IDP). This review is intended to describe the municipal environment and how it is related to projects and programmes, through which we strive to achieve our strategic objectives. It also serves as a report on the progress of these projects and programmes.

The IDP stakeholder consultation meetings have given the programme momentum. Valuable insights and inputs were gathered through resident's participation in this process. These engagements, combined efforts and commitments will pave the way for the year ahead. The IDP is used by the municipality as the mechanism to determine how and where development and allocation of resources are managed.

Most communities have common requires regarding development and this uniqueness is also highlighted and addressed through the IDP. It also encourages and assists residents of Mhlontlo Municipality to take ownership for the future of our area. Balancing available resources, responsible management, against the array of socio-economic factors and the availability of resources remains a challenge.

Mhlontlo Local Municipality has over the past few years succeeded in managing its finances effectively. Achieving a qualification audit gives us a strong foundation to build on. The municipality will continue to align itself with National Development Plan, Provincial Development Plan and other policies. The importance of National and Provincial government to provide the necessary finances and resources to enable us to attain our goals is non-negotiable. Together, through the IDP, we have developed our strategic objectives and the municipality will remain committed and focused to achieve our set goals.

While council is committed to address the challenges faced by communities, it is also up to those very communities to take ownership of, and responsibility for that which they have already received, whether it be housing or bulk infrastructure and youth centres.

Not all projects priortised in wards during the IDP process will be funded in the municipal annual budget. Some are just beyond the realistic reach of local government; others may just not be the optimum benefit of communities. This, however, does not mean that these projects are not important. Local Government and local communities should seek alternative funding, so that as many as possible of these needs identified, can be attended to.

I believe this review will shows progress in meeting the objectives it has set out to accomplish. It is with great espection that this municipality is looking forward to facing challenges and serving the resident to the best of its ability

"Sisonke Sophumelela"

.....

Cllr M. R. Giyose

Mayor

REMARKS BY THE MUNICIPAL MANAGER

Following the council adoption of the fourth and last IDP review framework and Process plan in August 2015, the Municipality has been through thorough processes to ensure that we produce once again a credible IDP that responds to the social and economic challenges that confront inhabitants of Mhlontlo Local Municipality. This was made possible through the instrumental support by the Council particularly through its consistent emphasis on an IDP process which is anchored on effective public participation, functional ward committees as central organs of the people in local government as well as through sound intergovernmental interface.

The review of the five year objectives as outlined in the IDP was premised on the analysis of the progress and weaknesses of the previous term as well continuous critical assessment of how far our municipality has invested in building internal capacity to discharge its legislative mandate. The lessons learnt enriched the vision and provided the leadership with tools to map the way forward. It is with this in mind that the reviewed five year objectives and strategies adopted will serve as the guiding torch for the realisation of the ideals of a better life for the people of Mhlontlo. The adoption of Mhlontlo as a Comprehensive Rural Development pilot will add the necessary impetus to our development agenda and as leadership within Mhlontlo we will pay particular attention to collaborative engagement towards ensuring that all spheres of government are accorded the required recognition and provided an opportunity to make a meaningful contribution towards a sustainable development impact.

The strategic thrust of the new overarching strategy is vigorous economic growth, broadening of participation through leveraging the benefits of being a national pilot and thus strengthening of intergovernmental relations and multi – sectoral collaborative development engagement. Key among other things will be the creation of the conducive conditions locally for economic growth that ensures that more participates and share the benefits of that growth. The Municipality is committed in ensuring that the targets set by the government broadly and the policies such as the Expanded Public Works Programs are fully implemented and monitored to archive the desired results, particularly employment creation. Although there is a cry in one of the EPWP which is food for waste where the community wish to convert it to monetary means.

We will pay particular attention to introducing seamless business processes and building a coherent municipal institutional environment through focused capacity building programmes to ensure an efficient and effective delivery of services. Major strides will be made to ensure that the objectives and strategies adopted are properly operationalised and effectively implemented through the full implementation of a performance management system. More strides will be made to enhance the capacity of staff to rise to this challenge including establishment of statutory structures to ensure not only compliance with legislative prescripts but to ensure public accountability and sound governance. The Municipality has maintained its rating of high (Credible IDP) in 2015/2016 assessment and it has progressed its Audit Opinion during 2014/2015 financial year and received qualified audit opinion and that indicates that there is a lot to be done in order to achieved the clean audit.

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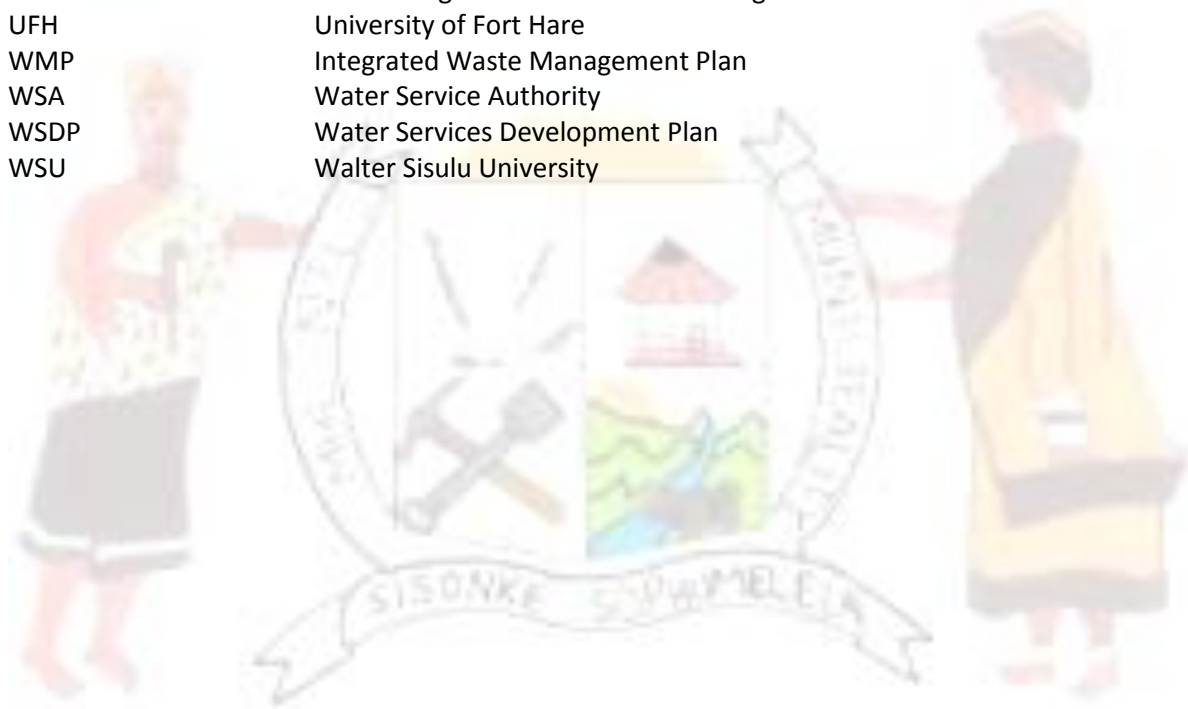
S.G. Sotshongaye

Municipal Manager

LIST OF ACRONYMS

ARC	Agriculture Research Council
CDW	Community Development Worker
CFO	Chief Financial Officer
COGTA	Department of Cooperative Governance and Traditional Affairs
CPF's	Community Policing Forum
CPPP	Community Public Private Partnership
CSIR	Centre for Scientific Research Industrial Research
DAFF	Department of Agriculture, Forestry and Fisheries
DRDAR	Department of Rural Development and Agrarian Reform
DRLR	Department of Rural Development and Land Reform
DBSA	Development Bank of Southern Africa
DEAT	Department of Environment and Tourism
DEDEA	Department of Economic Development and Environmental Affairs
DoE	Department of Education
DoM	Department of Minerals
DPW	Department of Public Works
DSD	Department of Social Development
DSRAC	Department of Sports, Recreation and Culture
ECDC	Eastern Cape Development Corporation
ECSECC	Eastern Cape Socio-economic Consultative Council
EMPs	Environmental Management Plans
EPWP	Expanded Public Works Programme
EXCO	Executive Committee
GDP	Gross Domestic Product
GDPR	Gross Domestic Product per Region
GIS	Geographic Information System
HDI	Human Development Index
HH	Households
HOD's	Heads of Departments
HTL	House of Traditional Leaders
ICT	Information and Communication Technologies
IDT	Independent Development Trust
IGR	Intergovernmental Relations
IIIP	Integrated Infrastructure Investment Plan
ITP	Integrated Transport Plan
KSD	King Sabata Dalindyebo
LAC	Local Action Committee
LCC	Local Coordinating Committee
LED	Local Economic Development
LGSETA	Local Government Sector Education and Training Authority
LM	Local Municipality
LTO	Local Transport Operator
LUMS	Land Use Management Systems
MEC	Member of the Executive Committee
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MOA	Memorandum of Understanding
MPCC	Multiple Purpose Community Centre
MTBPS	Medium Term Budget Policy Statement

MTEF	Medium Term Expenditure Framework
NGO's,	Non-Governmental Organization
NHBRC	National Homebuilders Registration Council
NSDP	National Spatial Development Plan
OHS	Occupational Health And Safety
ORTDM	OR Tambo District Municipality
OTP	Office of the Premier
PPP	Public Private Partnership
SAPS	South African Police Service
SASSA	South African Social Security Agency
SCM	Supply Management
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
SEDA	Small Enterprise Development Agency
SLA	Service Level Agreement
TRALSO	Transkei Agricultural Land Service Organisation
UFH	University of Fort Hare
WMP	Integrated Waste Management Plan
WSA	Water Service Authority
WSDP	Water Services Development Plan
WSU	Walter Sisulu University



EXECUTIVE SUMMARY

An Integrated Development Plan, adopted by the Municipal Council, is the key strategic planning tool for the Municipal development. It is described by the Municipal Systems Act 32 of 2000 35(1)

- (a) is a principal Strategic Planning instrument which guides and informs all planning and development and all decisions with regard to planning, management and development, in the Municipality;
- (b) binds the municipality in the exercise of its executive authority, except to the extent of any inconsistency between the municipality's and its integrated development plan and national or provincial legislation, in which case such legislation prevails.

This review is the fourth and the last since the inauguration of the current Council in 2011. It has been prepared in compliance and in line with the IDP framework and Process Plan and approved by Council on the 28th of August 2015. The IDP framework and Process Plan defines the institutional mechanisms as well as a series of activities to be followed in the course of the review.

Mechanisms for public participation have been conducted wherein wards were given an opportunity to reprioritise their needs. Ward committees together with other stakeholders such as Traditional Authorities, business sector and NGO's were also participating in the IDP Representative Forums which were convened and chaired by the Mayor. National and Provincial Sector Departments, state owned organs, strategic partners of the Municipality such as the Provincial Office, as well as the OR Tambo District Municipality formed part of the IDP Representative Forums.

A detailed analysis of the state of development within the municipal area was carried out which confirmed the following:

- **The Mhlontlo population has decreased and remains predominantly female and youthful. This reality requires the municipality to further strengthen development interventions that are targeted towards special programs such as children, youth, women, Elderly and people with disabilities.**
- **The number of households and density thereof has also decreased. A significant but related observation has been the dramatic decrease in the number of town houses followed but increase shacks i.e. informal settlements. In planning the delivery of household services, town development and housing delivery, the municipality will take these dynamics into consideration.**
- **With one out of six people being HIV positive, the scourge continues to pose a threat of reversing even the gains made by the municipality towards addressing its development deficits. Revamping the health system is thus of paramount importance to the municipality's fight against the spread of HIV as well as for a healthy population.**
- **Education and literacy levels remain considerably low. This challenge has the potential to completely undermine efforts to break the chain of intergenerational poverty.**
- **Although some improvements have been observed in the recent past, poverty and unemployment remain the most pressing challenge for the municipality.**
- **While more and more households are slowly gaining access to water, sanitation and housing, backlog remains huge. The electricity backlogs have decreased since there was an intervention by Department of Energy. The water services have remain a challenge as more schemes run dry for a long period.**

- **Although the Municipality is gaining more access to energy, it is not under RED and also is not WSA.**

An analysis of the internal institutional arrangements, financial planning and management, and governance highlighted the following:

- **Municipal administration has begun to consolidate itself over the last four years. Critical steps have been taken towards the establishment and revision of all institutional policies including the organisational performance management system. The Municipal Council has signed the code of conduct during their first council meeting and the officials is signing the code of conduct by the time they sign the employment contract.**
- **Some critical staff vacancies have been filled and our ability to retain staff has not improved.**
- **Challenges remain especially with respect of information and communication systems, there are noticeable attempts toward administration improvement;**
- **The municipal capacities to raise own revenue continues to pose a challenge to its financial viability. Grants and subsidies therefore continue to be our major source of income.**
- **In the last year we have taken major steps towards addressing many of the issues raised by the Auditor General and the municipality have progressed and received a qualification audit opinion. Public participation systems and structures continue to form a strong pillar of our governance. Despite many challenges, ward committees and Traditional leaders remain functional while efforts to strengthen participation of the business sector continue to preoccupy us.**

Over the past seven years we have made strides towards improving spatial planning within the municipality. There was a partnership with ASGISA-EC and CSIR which have produced an "Infrastructure Atlas" which allows us to better understand the nature and extent of infrastructure requirements and, consequently, better plan and prioritize our investments. Above that, the municipality has managed to develop its own infrastructure atlas. Plans are also afoot to complete a municipal-wide Spatial Development Framework as well as the introduction of (Spatial Planning and Land Use Management Act) SPLUMA which is a challenge to implement. Many of our sector plans have been reviewed during 2015-16 and others are due to be reviewed in the coming financial year.

The Municipality through the LED department managed to forge a partnership with TSIBA Business Support Services (TBSS). This partnership has developed programmes which put Mhlontlo in a map, resulting in the creation of an investor friendly environment.

Informed by the above analysis, a thorough development of our development strategies has been carried out. From this, a municipal-wide scorecard with targets for the next years has been developed which, in turn will lay the basis for the annual operational plans (SDBIP) and the performance agreements for the Section 57 managers. Our key objectives over the medium term remain as follows:

- **Expediting the reduction of service delivery backlogs;**
- **Addressing absolute poverty, food security and reduction of youth unemployment;**
- **Ramping up economic growth by giving special focus to the growth and development of the agriculture and forestry, as well as tourism economic sectors**

The objectives are to be supported by politically strong, transparent, responsive, administratively strong municipal governance. In this regard, this review will pay particular attention to the strengthening public participation and Intergovernmental Relations as these are the cornerstones of our developmental agenda.

CHAPTER ONE: REVIEW PROCESS

1.1 Background and legal framework

The Constitution of the Republic of South Africa (Act 108 of 1996) provides the legal basis to the existence and functioning of the local sphere of government. In section 152 (1) the constitution directs local government to:

- **provide democratic and accountable government for local communities;**
- **ensure the provision of services to communities in a sustainable manner;**
- **promote social and economic development;**
- **promote a safe and healthy environment and**
- **encourage the involvement of communities and community organizations in the matters of local government.**

Section 153 provides further that municipalities must:

- **Structure and manage its administration and budgeting and planning process to give priority to the basic needs of the community and promote the social and economic development of the community and**
- **Participate in the national programmes**

To give concrete expression to the constitutional provisions Section 25(1) of the Local Government Municipal Systems Act (Act 32 of 2000) provides that, each municipal council must, within prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality. In Section 34, of the Local Government Municipal Systems Act 32 of 2000 provides that a municipal council must review its Integrated Development Plan (IDP); annually in accordance with an assessment of its performance measurements in terms of section 41; and to the extent that changing circumstances so demand.

In compliance with the above legislative prescripts, the Mhlontlo Local Municipality hereby presents its last IDP Review for the 2016/2017 financial year end.

1.2 Institutional Arrangements

Within its powers and functions, and to enable it to exercise oversight over the IDP review, the council approved the establishment of the IDP Steering Committee and IDP Representative Forum. In addition, and to allow the various stakeholders an opportunity to access the review process, the following structures were also approved.

Municipal Council	<p>The Municipal Council serves as a highest decision making body for the purpose of the IDP formulation and review. Its main role includes:</p> <ul style="list-style-type: none"> • Consideration and adoption of the process plan • Consideration, adoption and approval of the Draft IDP • Consideration, adoption and approval of the Final IDP.
Executive Committee	<p>As the senior governing body of the Municipality, they have to:</p> <ul style="list-style-type: none"> • Decide on the IDP Process Plan • Responsible for the overall management, co-ordination and monitoring of the processes and drafting of the IDP or delegate this function to the Municipal Manager.

<p>Councillors</p>	<p>Councillors are the major link between the Municipal Government and the residents. Their role is to:</p> <ul style="list-style-type: none"> • Link the planning process with their respective constituencies • Responsible for the organization of public consultation and participation meetings.
<p>IDP Representative Form</p>	<p>The IDP Representative Forum provides an organizational platform for external stakeholders to debating issues and contributing to finding of workable solutions to existing and competing community needs. This forum is chaired by the Mayor and is responsible for:</p> <ul style="list-style-type: none"> • Providing a platform for effective representation of the views and opinions of the different interest grouping within Mhlontlo IDP Process; • Participation of all municipal stakeholders in the processes of the Municipal Planning and decision making that affect their lives. Thus implementing the requirements of chapter four of the Municipal Systems Act (Act 32 of 2000); • Giving input in the performance management process of the municipality <p>The IDP Representative forum consists of the following groupings and individuals:</p> <ul style="list-style-type: none"> • Executive Committee Members • Councillors • Municipal Administration • Ward committees • Community Development Workers • Traditional Leaders <p>Government Departments and parastatals, i.e;</p> <ul style="list-style-type: none"> • Department of Rural Development and Agrarian Reform; • Department of Roads Public Works; • Department of Education; • Department of Health; • Department of Social Development; • South African Police Services; • Department of Justice and Constitutional Development; • Department of Corporative Governance and Traditional Affairs; • Department of Rural Development and Land Reform; • Department of Water Affairs; • Department of Correctional Services; • Department of Home Affairs; • Department of Economic Development, Environmental Affairs and Tourism; • Department of Sport and Recreation; • Department of Labour; • Eskom; • Non-governmental Organization; • Youth Organization; • Farmers Association; • Community Police Forum; • Organized Labour;

	<ul style="list-style-type: none"> • Faith Based Organization; • Special Programmes and • Business Fraternity;
Steering Committee	<p>The IDP Steering Committee serves as an organizational platform for the purpose of information exchange, debating and finding common ground on suitable technical solutions to key planning challenges.</p> <p>It is comprised of the following individuals and entities:</p> <ul style="list-style-type: none"> • Strategic Services Department • Local Economic Development, Planning and Rural Development • Budget and Treasury Office • Community Services • Infrastructure Development • Corporate Services <p>Invitation to participate in the IDP Steering Committee may also be extended to the OR Tambo District and CoGTA as well as key informants within the regional and District offices of Provincial operating within the Mhlontlo Local Municipality areas.</p> <p>The main responsibilities of the IDP Steering Committee are to:</p> <ul style="list-style-type: none"> • Serve as platform for engaging stakeholders and debating of technical solutions to identify development challenges; • Provide secretariat to the representative forum and issuing invitations and reminders for the scheduled meetings to ensure maximum participation; • Give inputs on content issues and where necessary commission in-depth studies on particular issues then make informed recommendations on way forward; • Define terms of reference of the IDP representative forum; • Assist with technical inputs on the project task teams; • Respond to comments from sector departments and facilitate communications; • Comments on the draft and final reports; • Municipal head of departments are also tasked to lead interdepartmental teams in investigating particular thematic issues relating to their line functions for purposes of this IDP process.
Community Participation	<p>Broad stakeholder partnership is critical objective of the IDP. Community's interface within the IDP review process at various levels including by:</p> <ul style="list-style-type: none"> • Participating in the IDP representative forum; • Informing interest groups; communities and organizations on relevant planning activities and other outcomes; • Analysis, determining priorities, negotiating and reaching consensus; • Participating in the designing of project proposal and/or assessing them; • Discussing and commenting on the draft IDP.

	<ul style="list-style-type: none"> • Ensuring that annual business plans and budgets are based on and linked to IDP; • Monitoring performance in implementation of the IDP; and • Conducting meetings or workshops with groups, communities or organizations to prepare for and follow up on relevant planning activities.
Provincial Government, Local Government, Sector Departments and Service providers.	<p>The role of sector departments in the IDP process is to:</p> <ul style="list-style-type: none"> • Ensure horizontal alignment of the IDP of the Local and District with the province; • Ensure vertical/sector alignment between Provincial Sector Department/Provincial Strategic Plans and IDP processes at District and Local level; • Promote efficient financial management of provincial grant; • Facilitate and monitor progress of the IDP process; • Enable resolution of dispute related to IDP; • Assist the Municipality in the IDP drafting process where required; • Organize IDP related trainings where required; and • Coordinate and manage the MEC's assessment of IDP's.
IDP Manager	<p>The role of the IDP Manager is to:</p> <ul style="list-style-type: none"> • Ensure preparation and adoption of the IDP process plan; • Undertake overall management and coordination of the IDP preparation process; • Ensure that relevant IDP structures are in place and are encouraged to contribute effectively to the drafting process; • Ensure participation and involvement of all relevant role players, that timeframes are adhered to and that the planning process is aligned to the framework plan of the OR Tambo District; • Chair the IDP Steering Committee in the absence of the Municipal Manager and planning sessions; and • Ensure that the IDP document is completed and tabled to the council for adoption and Submitted to the Office of the MEC.

1.3 IDP Review Process Plan

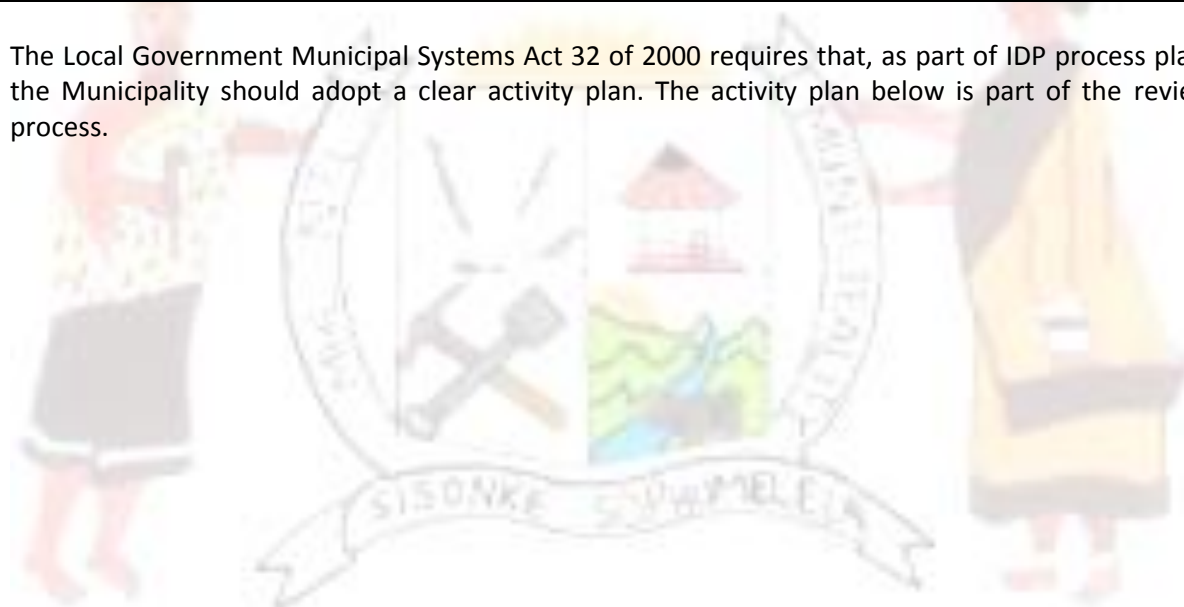
The Local Government Municipal Systems Act 32 of 2000 require the Municipality to draw up an IDP process plan which details the institutional arrangements, work plan and public participation. On the 28th August 2015 the IDP Framework and Budget process plan was tabled before the council for approval and it was approved.

The review process is conducted over five phases as follows:

<p>Phase one State of development analysis</p>	<p>1. State of development report will cover:</p> <ul style="list-style-type: none"> • Level of access to basic household services; • Level of access to social services; • State of poverty and unemployment; • State of economic development; • Identification of community needs; • Institutional capacity and financial viability; • Analysis of major development challenges;
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	<ul style="list-style-type: none"> • Identification of priority issues for 2015/16 IDP review.
<p>Phase two Objectives and Strategies</p>	<p>2. A report setting out the:</p> <ul style="list-style-type: none"> • Municipal vision; • Five priority objectives; and • Strategies for attaining objectives.
<p>Phase three Projects identification and selection</p>	<p>3. A matrix showing</p> <ul style="list-style-type: none"> • Project list with targets, Budget, beneficiaries and location; • Project cost estimates over the MTEF.
<p>Phase four Integration and alignment</p>	<p>4. A report entailing</p> <ul style="list-style-type: none"> • A review of sector plans; • Institutional policies; • Three year financial plan
<p>Phase five Approval</p>	<p>5. Final draft</p> <ul style="list-style-type: none"> • Tabling of the draft and final IDP to the council for approval; • Submission of IDP to the office of the MEC

The Local Government Municipal Systems Act 32 of 2000 requires that, as part of IDP process plan, the Municipality should adopt a clear activity plan. The activity plan below is part of the review process.



1.3.1 ACTIVITY PLAN

PROCESS	ACTIVITY	TIME FRAME	RESPONSIBILITY
JULY 2015 (PREPARATION PHASE)			
IDP	<ul style="list-style-type: none"> Development of IDP Framework, PMS and Budget Process Plan 	02 Jul – 05 Aug 2015	DD Strategic Services
BUDGET	<ul style="list-style-type: none"> Municipality commences with planning for next three-year budget Review options and contracts for service delivery 	02 Jul – 05 Aug 2015	CFO Senior Managers
PMS	<ul style="list-style-type: none"> Submission of Draft SDBIP 2015/16 and Draft Annual Performance Agreements to the Mayor Submission of Draft 4th Quarter Performance Report 2014/15 to Executive Committee Finalise 2015/16 performance agreements Mayor tables SDBIP & submission of 4th quarter report to Council 	16 July 2015 15 July 2015 30 July 2015 30 July 2015	Municipal Managers Municipal Manager Municipal Manager Mayor
AUGUST 2015 (PREPARATION – ANALYSIS PHASE)			
IDP	<ul style="list-style-type: none"> Advertisement and Circulation of IDP Framework & Process Plan Launch of Process Plan in IDP Representative Forum (Stakeholder consultation on the draft IDP Framework, PMS and Budget Process Plan 2015/2016) Adoption of the IDP Framework, PMS and Budget Process Plan 2015/2016 	17 August 2015 19 August 2015 25 August 2015	DD Strategic Services DD Strategic Services DD Strategic Services
BUDGET	<ul style="list-style-type: none"> Review of previous years budget process and completion of the budget evaluation checklist also taking into consideration comments from external stakeholders (NT and PT) 	25 August 2015	CFO
PMS	<ul style="list-style-type: none"> Submit Annual Performance Agreements to MEC CoGTA Submission of Annual Performance Report 2014/15 to AG Submission of Draft Annual Report to the council for noting 	12 August 2015 04 August 2015 04 August 2015	Municipal Manager Municipal Manager Mayor
SEPTEMBER 2015 (SITUATIONAL ANALYSIS PHASE)			
IDP	<ul style="list-style-type: none"> Evaluate outstanding sector plan requirements and additional analysis where necessary Data Collection (Community based analysis) 	2 – 14 September 2015 02 -30 September 2015	All departments DD Strategic Services
BUDGET	<ul style="list-style-type: none"> Budget office determines revenue projections and proposed rate and service charges and drafts initial allocations to functions and departments for the next financial year after taking into account strategic objectives Engage with Provincial and National sector departments on sector specific programmes for alignment with municipalities plans (schools, libraries, clinics, water, electricity, roads, etc) 	02-30 September 2015	CFO Senior Managers
PMS	<ul style="list-style-type: none"> Circulation of first quarter report template to all departments 	30 September 2015	DD Strategic Services
OCTOBER 2015 (SITUATIONAL ANALYSIS PHASE)			
IDP	<ul style="list-style-type: none"> Data Collection Continues (Community based analysis) 	01 - 14 October 2015	DD Strategic Services

PROCESS	ACTIVITY	TIME FRAME	RESPONSIBILITY
	<ul style="list-style-type: none"> IDP Steering Committee sits to discuss issues identified during Analysis Phase 	29 October 2015	DD Strategic Services
BUDGET	<ul style="list-style-type: none"> Initial review of national policies and budget plans and potential price increases of bulk resources with function and department officials 	01-14 October 2015	CFO and Senior Managers
PMS	<ul style="list-style-type: none"> Consolidation of 1st Quarter Report Discussion of 1st Quarter Report by management First Quarterly Report to the EXCO First Quarter Report to Council 	09 October 2015 12 October 2015 19 October 2015 30 October 2015	DD Strategic Services All HOD's Municipal Manager Mayor
NOVEMBER 2015 (SITUATIONAL ANALYSIS PHASE)			
IDP	<ul style="list-style-type: none"> IDP Steering Committee to look at Situational Analysis IDP Representative Forum Finalisation of Situational Analysis 	16 November 2015 19 November 2015 20 November 2015	DD Strategic Services
BUDGET	<ul style="list-style-type: none"> Accounting officer reviews and drafts initial changes to IDP 	30 November 2015	CFO/ Municipal Manager
PMS	<ul style="list-style-type: none"> Place 1st Quarter Report on the municipal website 	14 November 2015	ICT
DECEMBER 2015 (SITUATIONAL ANALYSIS PHASE)			
IDP	<ul style="list-style-type: none"> Preparation for Strategic Planning Session 	07 - 12 December 2015	DD Strategic Services
BUDGET	<ul style="list-style-type: none"> Accounting officer and senior officials consolidate and prepare proposed budget and plans for next financial year taking into account previous years performance as per audited financial statements. Commence with the review of tariff (rates and service charges) and budget related policies for next financial year. 	07-12 December 2015	CFO Senior Managers
PMS	<ul style="list-style-type: none"> Collation of the draft 2013/14 annual report incorporating financial and non-financial on performance, audit reports and annual financial statements. Circulate template for 2nd Quarter and Midterm Performance Report 	12 December 2014 19 December 2014	All Department COO
JANUARY 2016 (STRTEGIC FORMULATION – INTEGRATION PHASE)			
IDP	<ul style="list-style-type: none"> Strategic Planning session (Prioritisation of needs and draft strategic objectives) Finalisation of Strategic Planning Report. 	26-28 January 2016	DD Strategic Services
BUDGET	<ul style="list-style-type: none"> Review proposed national and provincial allocations to municipality for incorporation into the draft budget for tabling. (Proposed national and provincial allocations for three years must be available by 20 January) 	31 January 2015	CFO
PMS	<ul style="list-style-type: none"> Work session on Mid-term Assessment and Amended SDBIP for 2015/2016 Submission of mid-term report by all departments Present Draft Annual report & Mid-term report and Amended SDBIP for 2015/2016 to EXCO. Mayor tables Annual Report (2015/16), Amended SDBIP for 2015/2016 & Mid Term assessment report for 2015/16 to Council 	15 January 2016 15 January 2016 18 January 2016 30 January 2016	All HODs All departments Municipal Manager Mayor
FEBRUARY 2016 (STRATEGIC FORMULATION - INTEGRATION PHASE)			
IDP	<ul style="list-style-type: none"> IDP and Budget Steering Committee to discuss Project and Alignment 	18 February 2016	Municipal Manager &

PROCESS	ACTIVITY	TIME FRAME	RESPONSIBILITY
	<ul style="list-style-type: none"> IDP Rep Forum (Presentation of Draft Projects) 	25 February 2016	Mayor
BUDGET	<ul style="list-style-type: none"> Finalise and submit to Mayor proposed budgets and plans for next three-year budgets taking into account the recent mid-year review and any corrective measures proposed as part of the oversight report for the previous years audited financial statements and annual report 	28 February 2015	CFO
PMS	<ul style="list-style-type: none"> Publicise the 2014/15 Annual report and invite comments from communities. Submit tabled report to AG, National & Provincial Treasury and DLGTA. Mid-year performance reviews (top management) Oversight roadshows on the 2014/15 Annual Report 	3 – 7 February 2016 14 February 2016 16 – 27 February 2016 23 – 27 February 2016	COO COO Municipal Manager Speaker's Office
MARCH 2016 (APPROVAL PHASE)			
IDP	<ul style="list-style-type: none"> Draft IDP& Budget presented to Steering Committee. IDP Rep Forum – presentation of Draft IDP & Budget. Draft IDP and Budget presented to the EXCO Draft IDP& Budget tabled to Council 	07 March 2016 11 March 2016 21 March 2016 31 March 2016	Municipal Manager Mayor Municipal Manager Mayor
BUDGET	<ul style="list-style-type: none"> Publish tabled budget, plans, and proposed revisions to IDP, invites local community comment and submits to NT, PT and others as prescribed 	31 March 2015	CFO
PMS	<ul style="list-style-type: none"> Compilation of Third Term Report by all departments Approval of 2013/14 Oversight report on the Annual Report Adopt the 2013/14 Annual report with the comments of the Oversight Committee. 	04 March 2016 31 March 2015 31 March 2015	COO Speaker Speaker
APRIL 2016 (APPROVAL PHASE)			
IDP	<ul style="list-style-type: none"> Draft IDP advertised for public comments and Publicise Roadshows Submission of Draft IDP to AG, NT, PT, Legislature and DLGTA IDP& Budget Roadshows 	08 April 2016 08 April 2016 18-22 April 2016	DD Strategic Services DD Strategic Services Strat's/ Speaker's Office
BUDGET	<ul style="list-style-type: none"> Assist the Mayor in revising budget documentation in accordance with consultative processes and taking into account the results from the third quarterly review of the current year 	30 April 2015	CFO
PMS	<ul style="list-style-type: none"> Compilation of Third Quarter Performance Report Submission of Third Quarter Performance Report to Council 	06 April 2016 29 April 2016	All departments Mayor
MAY 2016 (APPROVAL PHASE – FINAL IDP & BUDGET)			
IDP	<ul style="list-style-type: none"> Incorporation of community inputs into the IDP. IDP Steering Committee meeting to present final IDP for 2016/2017 IDP Rep Forum to present final IDP for 2016/2017 EXCO to sit and consider the draft IDP Mayor tables 2014/15 IDP and Budget to Council for final adoption. 	02 – 06 May 2016 09 May 2016 18 May 2016 24 May 2016 31 May 2016	DD Strategic Services Municipal Manager Mayor Mayor Mayor
BUDGET	<ul style="list-style-type: none"> Assist the Mayor in preparing the final budget documentation for consideration for approval at least 30 days before the start of the budget year taking into account consultative processes and any other new information of a material nature 	31 May 2016	CFO
PMS	<ul style="list-style-type: none"> Drafting of the 2016 - 17 SDBIP & Performance Agreements 	18 – 21 May 2015	All HODs

PROCESS	ACTIVITY	TIME FRAME	RESPONSIBILITY
JUNE 2016 (POST APPROVAL PHASE)			
IDP	<ul style="list-style-type: none"> Submission of Final IDP 2016/2017 & Budget to AG, National & Provincial Treasury, Legislature and DLGTA Publicise adoption of IDP 	06 June 2016 07 June 2016	DD Strategic Services DD Strategic Services
BUDGET	<ul style="list-style-type: none"> Publish adopted budget and plans 	07 June 2015	CFO CFO
PMS	<ul style="list-style-type: none"> Draft SDBIP & Performance Agreements to the Mayor 14 days after adoption of IDP & Budget Submit approved SDBIP to MEC for Local Government, National and Provincial Treasury. Publicise SDBIP and Performance Agreements Mayor approves Institutional SDBIP within 28 days of Budget approval Approved SDBIP placed on the website 	17 June 2016 08 July 2016 08 July 2106 30 June 2016 30 June 2016	Municipal Manager COO COO Mayor ICT



1.4 Mechanisms and Procedures for Public Participation

Section 19(3) of the Municipal Structures Act 117 of 1998 obliges the municipality council - must develop mechanisms to consult the community and community organisations in performing its functions and exercising its powers. Chapter four of the Municipal Systems Act 32 of 2000 makes provisions for the development of a culture of Public Participation. In section 16(1), the Municipal Systems Act 32 of 2000 directs municipalities to encourage, and create conditions for the local community to participate in the affairs of the municipality including in the preparation, implementation and review of its integrated development plan.

Pursuant to these legislative prescripts, a wide range of measures are aimed at enhancing the Public participation in the IDP review process was put in place. In the course of this review these measures have included conducting of ward-based planning, convening of IDP Representative Forum and Mayors IDP Imbizos.

1.5 Our Key Development Objectives

The Mhlontlo Local Municipality key development objectives have been identified and distilled over a number of years. Due to scarce resources, it takes time for the Municipality to meet some of the targets. The Mhlontlo Local Municipality strives to:

- Provide Basic Services and Infrastructure;
- Promote Local Economic Development ;
- Improve the institutional systems;
- Promote economic growth through Agriculture, Tourism and Mining;
- Promote sustainable community livelihood;
- Promote comprehensive Rural Development.

1.6 The Medium Term Strategic Framework (MTSF) and Outcomes Based Approach

The MTSF is meant to guide planning and resource allocation across all the spheres of government. National and Provincial departments had to develop their five year strategic plans and budget requirements taking into account the medium-term imperatives.

Similarly, informed by the MTSF and their 2015 mandates, municipalities are expected to adapt their Integrated Development Plans in line with the National Medium-Term priorities. The MTSF is reviewed annually during the mid-term Cabinet Lekgoatla in the light of new developments and experience in actual implementation.

The Mandate of the Ruling party identifies the following objectives:

- Creation of decent jobs;
- Rural Development, Land and Agrarian Reform;
- Education;

- Health; and
- Fighting Crime and Corruption.

Specific focus and attention was also given to local government, a critical focus area of the Ruling Party, and the identified catalytic sectors namely energy, ICT, transport and water and sanitation.

To give effect to the above strategic objectives, the MTSF identifies 10 priorities which government work must be centred around.

- I. Speeding up growth and transforming the economy to create decent work and sustainable livelihoods;
- II. Massive programme to build economic and social infrastructure;
- III. Comprehensive rural development strategy linked to land and agrarian reform and food security;
- IV. Strengthen the skills and human resource base-access to quality education;
- V. Improve health care to all South Africans;
- VI. Intensify the fight against crime and corruption;
- VII. Build cohesive, caring and sustainable communities;
- VIII. Pursuing African Advancement and International relations;
- IX. Sustainable resource management and use; and
- X. Building a developmental state including improving of public services.

The Manifesto and the MTSF were further translated into 12 outcomes through which government performance will be monitored:-

- I. Quality basic education.
- II. A long and health life for all South Africans.
- III. All people in South Africa are safe and feel safe.
- IV. Decent employment through inclusive economic growth.
- V. Skilled and Capable workforce to support an inclusive growth path.
- VI. An efficient, competitive and responsive economic infrastructure network.
- VII. Vibrant, equitable, sustainable rural communities contributing towards food security for all.
- VIII. Sustainable human settlements and improve quality of household life.
- IX. Responsive, accountable, effective and efficient Local Government system.
- X. Protect and enhance our environment assets and natural resources.

- XI. Create a better South Africa, a better Africa, a better world.
- XII. An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.

Although the outcome that relates specifically to the local government is outcome 9, the local government sphere has a role to play in all 12 outcomes as shown on the table below.

12 Outcomes of government

Outcome 1: Improve the quality of basic education		
Outputs	Key spending programmes	Role of local government
<ol style="list-style-type: none"> 1. Improve quality of teaching and learning. 2. Regular assessments to track progress. 3. Improve early childhood development. 4. A credible outcome-focused accountability system. 	<ul style="list-style-type: none"> • Increase in the number of Funza Lushaka bursary recipients from 9300 to 18100 over the 2011 MTEF. • Assess every child in grades 3, 6, and 9 every year. • Improve learning and teaching materials to be distributed to primary schools in 2014. • Improve maths and science teaching. 	<ul style="list-style-type: none"> • Facilitate the building of new schools by: • Participating in needs assessments • Identifying appropriate land • Facilitating zoning and planning process • Facilitate the eradication of municipal service backlog in schools by extending appropriate bulk infrastructure and installing connections
Outcome 2: improve health and life expectancy		
Outputs	Key Spending programmes	Roles of Local Government
<ol style="list-style-type: none"> 1. Increase life expectancy to 58 for males and 60 for females 2. Reduce maternal and child mortality rates to 30-40 per 1000 births 3. Combat HIV/Aids and TB 4. Strengthen health services effectiveness 	<ul style="list-style-type: none"> • Revitalise primary health care • Increase early antenatal visits to 50% • Increase vaccine coverage • Improve hospital and clinic infrastructure • Accredited health facilities • Extended coverage of new child vaccines • Extended HIV prevention and treatment • Increase prevention of 	<ul style="list-style-type: none"> • Many municipalities perform health functions on behalf of provinces • Strengthen effectiveness of health services by specifically enhancing TB treatments and expanding HIV/Aids prevention and treatments • Municipalities must continue to improve community health services infrastructure

	<p>mother-to-child transmission</p> <ul style="list-style-type: none"> • School health promotion, increase school visits by nurses from 5% to 20% • Enhance TB treatment 	<p>by providing clean water, sanitation and waste removal services.</p>
Outcome 3: All people in South Africa are protected and feel safe		
Outputs	Key Spending Programmes	Roles of the Local Government
<ol style="list-style-type: none"> 1. Reduce overall level of crime 2. An effective and integrated criminal justice system 3. Improve investor perceptions and trust 4. Effective and integrated border management 5. Improve perception of crime among the population 6. Integrity of identity of citizens and residents secures 7. Cyber-crime combated 	<ul style="list-style-type: none"> • Increase police personnel • Establish tactical response teams in provinces • Upgrade IT infrastructure in correctional facilities • ICT renewal in justice cluster • Occupation – specific dispensation for legal professionals • Deploy SANDF soldiers to South Africa's borders. 	<ul style="list-style-type: none"> • Facilitate the development of safer communities through better planning and enforcement of municipal by-laws • Direct the traffic control function towards policing high risk violations – rather than revenue collection
Outcome 4: Decent Employment through inclusive economic growth		
Outputs	Key Spending Programmes	Role of the Local Government
<ol style="list-style-type: none"> 1. Faster and sustainable inclusive growth 2. More labour-absorbing growth 3. Strategy to reduce youth unemployment 4. Increase competitiveness to raise net exports and gross trade 5. Improve support to small business and cooperatives 6. Implement expanded public works programme 	<ul style="list-style-type: none"> • Invest in industrial development zones • Industrial sector strategies - automotive industry; clothing and textiles • Youth employment incentive • Development training and systems to improve procurement • Skills development and training • Reserve accumulation • Enterprise financing support 	<ul style="list-style-type: none"> • Create an enabling environment for investment by mainstreaming planning application process • Ensure proper maintenance and rehabilitation of essential services infrastructure • Ensure proper implementation of the EPWP at municipal level • Design services delivery

	<ul style="list-style-type: none"> • New phase of public works programme 	<p>processes to be labour intensive</p> <ul style="list-style-type: none"> • Improve procurement systems to eliminate corruption and ensure value for money • Utilise community structures to provide services
Outcome 5: A Skilled and capable workforce to support inclusive growth		
Outputs	Key spending programmes	Roles of Local Government
<ol style="list-style-type: none"> 1. A credible skills planning institutional mechanism 2. Increase access to intermediate and high-level learning programmes 3. Increase access to occupational – specific programmes (especially artisan skilled training) 4. Research, development and innovation in human capital 	<ul style="list-style-type: none"> • Increase enrolment in FET colleges and training of lectures • Invest in infrastructure and equipment in colleges and technical schools • Expand skills development learnerships funded through sector training authorities and National Skills Fund • Industry partnership projects for skills and technology development • National Research Foundation centres excellence and bursaries and research funding 	<ul style="list-style-type: none"> • Development and extend intern and work experience programmes in municipalities • Link municipal procurement to skills development initiatives
Outcome 6: An efficient, competitive and responsive economic infrastructure network		
Outputs	Key spending programmes	Roles of Local Government
<ol style="list-style-type: none"> 1. Improve competitive and regulation 2. Reliable generation, distribution and transmission of energy 3. Maintain and expand road and rail network, and energy efficiency, capacity and 	<ul style="list-style-type: none"> • An integrated energy plan successful independent power producers • Passenger Rail Agency acquisition of rail rolling stock and refurbishment and upgrade of motor 	<ul style="list-style-type: none"> • Ring-fence water, electricity and sanitation functions so as to facilitate cost-reflecting pricing of these services • Ensure urban spatial plans provide for commuter rail

<p>competitiveness of sea ports</p> <ol style="list-style-type: none"> 4. Maintain bulk water infrastructure and ensure water supply 5. Information and communication technology 6. Benchmark for each sector 	<p>coaches and trailers</p> <ul style="list-style-type: none"> • Increase infrastructure funding for provinces for the maintenance of provincial roads • Complete Gauteng Freeway Improvement Programme • Complete De Hoop Dam and bulk distribution • Nandoni pipeline • Invest in broadband network infrastructure 	<p>corridors, as well as other modes of public transport</p> <ul style="list-style-type: none"> • Maintain and expand water purification works and waste water treatment works in line with growing demand • Cities to prepare and receive the developed public transport function • Improve maintenance of municipal road network
Outcome 7: Vibrant, equitable and sustainable rural communities and food security		
Outputs	Key spending programmes	Roles of Local Government
<ol style="list-style-type: none"> 1. Sustainable agrarian reform and improved access to markets for small farmers 2. Improve access to affordable and diverse food 3. Improve rural services and access to information to support live-hoods 4. Improve rural employment opportunities 5. Enable institutional environment for sustainable and inclusive growth 	<ul style="list-style-type: none"> • Settle 7000 land restitution claims • Redistribute 283 592ha of land use by 2014 • Support emerging farmers • Soil conservation measures and sustainable land use management • Nutrition education programmes • Improve rural access to services by 2014: - water -92% to 100% - Sanitation – 69% to 100% - Refuse removal – 64% to 75% - Electricity – 81% to 92% 	<ul style="list-style-type: none"> • Facilitate the development of local markets for agricultural produce • Improve transport links with urban centres so as to ensure better economic integration • Promote home production to enhance food security • Ensure effective spending of grants for funding extension of access to basic services
Outcome 8: Sustainable human settlements and improved quality of household life		
Outputs	Key spending programmes	Roles of Local Government
<ol style="list-style-type: none"> 1. Accelerate housing delivery 2. Improve property markets 3. More efficient land utilisation and release 	<ul style="list-style-type: none"> • Increase housing units built from 220 000 to 600 000 a year • Increase construction of social housing units to 80 000 a year 	<ul style="list-style-type: none"> • Cities must wait to be accredited for the housing function • Develop spatial plans to ensure new housing developments are in

<p>of state owned land</p>	<ul style="list-style-type: none"> • Upgrade informal settlement: 400 000 units by 2014 • Deliver 400 000 low-income houses on state owned land • Improve urban access to basic services: - water - 92% to 100% - Sanitation - 69% to 100% - Refuse removal - 64% to 75% - Electricity – 81% to 92% 	<p>line with national policy on integrated human settlement</p> <ul style="list-style-type: none"> • Participate in the identification of suitable land for social housing • Ensure capital budgets are appropriately prioritised to maximum existing services – water – 92% to 100% - Sanitation – 69% to 100% - Refuse removal – 64% to 75% - Electricity – 81% to 92%
<p>Outcome 9: A response and accountable, effective and efficient local government system</p>		
<p>Outputs</p>	<p>Key spending programmes</p>	<p>Roles of Local government</p>
<ol style="list-style-type: none"> 1. Differentiate approach to municipal financing, planning and support. 2. Community work programme. 3. Support for human settlements. 4. Refine ward committee model to deepen democracy. 5. Improve municipal financial administrative capacity. 6. Single coordination window. 	<ul style="list-style-type: none"> • Municipal capacity-building grant. • Systems improvement • Financial management (target: 100% unqualified audits) • Municipal infrastructure grant • Electrification programme • Public transport & systems grant • Bulk infrastructure & water grant • Neighbourhood development partnership grant • Increase urban density • Informal settlements upgrades 	<ul style="list-style-type: none"> • Adopt IDP planning processes appropriate to the capacity and sophistication of the municipality • Implement the community work programme • Ensure ward committees are representative and fully involved in community consultation processes around the ID, budget and other strategic service delivery issues • Improve municipal financial and administrative capacity by capacity by competency norms and standards and acting against incompetence and corruption
<p>Outcome 10: Protection and enhancement of environmental assets and natural</p>		
<p>Outputs</p>	<p>Key spending programmes</p>	<p>Roles of local government</p>

	(National)	
<ol style="list-style-type: none"> 1. Enhance quality and quantity of water resources 2. Reduce greenhouse gas emissions; mitigate climate change impacts; improve air quality 3. Sustainable environmental management 4. Protect biodiversity 	<ul style="list-style-type: none"> • National water resource infrastructure programme • Expanded Public Works environmental programmes • Biodiversity and conservation 	<ul style="list-style-type: none"> • Develop and implement water management plans to reduce water losses • Ensure effective maintenance and rehabilitation of infrastructure • Run water and energy saving awareness campaigns • Ensure development does not take place on wetlands
Outcome 11: A better South Africa, a better and safer Africa and World		
Outputs	Key spending programmes (National)	Roles of local government
<ol style="list-style-type: none"> 1. Enhance Africa agenda and sustainable development 2. Enhance regional integration 3. Reform global governance institutions 4. Enhance trade and investment between South Africa and partners 	<ul style="list-style-type: none"> • Proposed establishment of South African Development Partnership Agent • Defence: peace support mechanisms • Border control: upgrade inland ports of entry 	<ul style="list-style-type: none"> • Ensuring basic infrastructure is in place and properly maintained • Creating an enabling environment for investment
Outcome 12: A development oriented public service and inclusive citizenship		
Outputs	Key Spending Programmes (National)	Roles of Local Government
<ol style="list-style-type: none"> 1. Improve government performance 2. Government wide performance and monitoring 3. Conduct comprehensive expenditure review 4. Celebrate cultural diversity 	<ul style="list-style-type: none"> • Performance monitoring and evaluation • Stats SA: Census 2011 – reduce undercount • Sport and Recreation: Support mass participation and school sport programmes 	<ul style="list-style-type: none"> • Continue to develop performance monitoring and management system • Comply with legal financial reporting requirements • Review municipal expenditures to reduce wastage • Ensure councils behave in ways that restore

		trust in local government
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1.7. The Millennium Development Goals (MDGs)

The set of eight Millennium Development Goals were agreed to by all nations of the world and by global leaders of strategic development institutions, and aims at halving extreme poverty, halting the spread of HIV/Aids, and providing universal primary education by 2015. The goals are as follows:

- Halving extreme poverty and hunger;
- Access to universal education;
- Gender equity;
- Child health
- Maternal health;
- Combating HIV and Aids;
- Environmental sustainability; and
- Promotion of global partnerships.

While leaders throughout the world have undertaken unprecedented efforts to achieve these goals, much still needs to be done. This IDP, like all other development plans, presents an opportunity to do so.

1.8. The National Development Plan (Vision 2030)

In 2009 when the current leadership of the country took office, two shortcomings were identified in the administration that needed immediate correcting. One was the lack of performance monitoring mechanisms, to fill the monitoring gap, a Ministry and department responsible for performance monitoring and evaluation was established. The second was the need to introduce long-term planning so that government could align its policies with a long-term development plan. The intention was to move away from silos and narrow-minded planning and look at our country as one holistic entity that should develop comprehensively, in every corner. The Ministry for the National Planning Commission in the Presidency was established to fulfil this task.

Experts in the areas: - economics, finance, social services, rural development, energy, public policy and governance, infrastructure development, urban and regional planning, education and training, health, agriculture and food security, climate change, local government and scenario planning were appointed to work with Minister Manuel as commissioners in the National Planning Commission. The team at National Planning commission was asked to produce reports on a range of issues that impact on the country's long-term development, such as water security, climate change, food security, energy security, infrastructure planning, human resource development, defence and security matters, the structures of the economy, spatial planning, demographic trends and so forth. The National Planning Commission conducted its work guided by the Constitution of the Republic, and the end result was the National Development Plan (NDP) which outlines what type of society the

country must build. The National Development Plan offers a long-term perspective. It defines a desired destination and identifies the role different sectors of society need to play in reaching that goal.

1.8.1. Role/implications for Local Government

The plan highlights the need to strengthen the ability of local government to fulfil its development role. Municipal Integrated Development Plans (IDPs) need to be used more strategically to focus attention on critical priorities in the NDP that relate to the mandate of local government such as spatial planning, infrastructure and basic services. The municipal IDPs should therefore be used to focus on aspects of the NDP that fit within a municipality's core responsibilities. This way, the IDP process will become more manageable and the participation process more meaningful, thus helping to narrow the gap between the aspirations contained in these documents and what can actually be achieved.

1.9 PROVINCIAL DEVELOPMENT PLAN

GOAL 1: AN INCLUSIVE, EQUITABLE AND GROWING ECONOMY

This goal emphasises a larger and more efficient provincial economy, increased employment, and reduced inequalities. This goal deals with: rural development; economic infrastructure; land reform; industry and enterprise support; and economic sector development. Proposals for priority interventions are district-specific.

GOAL 2: A HEALTHY POPULATION

This goal targets a healthy population through an improved healthcare system. The system should move from being hospital-centric to focusing on a primary care system that is integrated across primary, secondary, and tertiary levels. The proposals include: primary health care and strengthening of district health systems; improvement of leadership across the sector; infrastructure and facility improvement; health workforce planning and the social determinants of health.

GOAL 3: AN EDUCATED, INNOVATIVE CITIZENRY

This goal seeks to ensure that people are empowered to define their identity, are capable of sustaining their livelihoods, living healthy lives and raising healthy families, developing a just society and economy, and playing an effective role in the politics and governance of their communities. The proposals deal with: access to and quality of early childhood development; basic education and training, including foundation phase literacy and numeracy, mother-tongue education, teacher development, improved leadership, management and governance and infrastructure. For the post school education and training sector, it addresses adult education and training, community colleges, technical and vocational education training, universities and research and innovation.

GOAL 4: VIBRANT, COHESIVE COMMUNITIES

This goal seeks to generate a shift from a focus on state-driven housing delivery to one that that enables people to make their own decisions, build their own liveable places and transform spatial patterns. The proposals deal with transformed human settlements, spatial planning and land use management, regional development, social infrastructure and community safety.

GOAL 5: CAPABLE, CONSCIENTIOUS AND ACCOUNTABLE INSTITUTIONS

This goal seeks to build capable, resilient and accountable institutions to champion rapid inclusive development. The proposals deal with the creation of capable provincial and local government; leadership renewal across society; citizen-centred development and multi-agency partnerships.

Achievement of the vision is impossible without concurrent, systemic and continuous interaction between an inclusive and equitable economy, a healthy population, an educated, innovative citizenry, vibrant communities and capable, conscientious and accountable institutions. There are complex interrelations between the goals, as well as the objectives and strategic actions proposed in this plan.

RURAL DEVELOPMENT BIAS

Given that over 70% of the population is rural, the fortunes of the province are inherently bound up with the future of its rural areas. While urbanisation is an undeniable trend, we estimate that the majority of the population will still be outside of the metropolitan areas in 2030. The Eastern Cape is set to remain a rural province for the foreseeable future and therefore rural development is a key priority and has been integrated into all of the goal areas

1.10 Back to Basics

The Mhlontlo local municipality has adopted the Back to Basics programme on Local Government. Immediate actions must be taken by the municipality and government to make local government to deliver more efficiently on basic services including water and sanitation, electricity, human settlements and roads. The municipality has emphasized the need to deploy skilled and qualified staff into key municipal positions, strengthen accountability and political management. Government must also conduct a review of non-viable municipalities. The municipality must publicly and decisively deal with poor performance and corruption. We must be ever present amongst our people. We must serve our people with distinction not as merely an electoral act but as a matter of course.

Constitution and other legislation spell out our responsibilities and tasks. Some municipalities perform well but others don't. An acceptable level of performance means that municipalities must:

1. Put people and their concerns first and ensure constant contact with communities through effective public participation platforms. This is the essence of our 'back to basics' approach.
2. Create conditions for decent living by consistently delivering municipal services to the right quality and standard. This includes planning for and delivery of infrastructure and amenities, maintenance and upkeep, including the budgeting to do this. Ensure no failures in services and where there are, restore services with urgency.
3. Be well governed and demonstrate good governance and administration – cut wastage, spend public funds prudently, hire competent staff, ensure transparency accountability.
4. Ensure sound financial management and accounting, and prudently manage resources so as to sustainably deliver services and bring development to communities.
5. Build and maintain sound institutional and administrative capabilities, administered and managed by dedicated and skilled personnel at all levels.

1.11. Issues raised during the 2015/2016 IDP Assessment

KPA	RATING 2010/11	RATING 2011/12	RATING 2012/13	RATING 2013/14	RATING 2014/15	RATING 2015/16

Spatial Development Framework	High	High	High	High	High	High
Service Delivery	Medium	High	Medium	High	High	High
Financial Viability	Low	High	Medium	Medium	High	Medium
Local Economic Development	Medium	High	High	High	High	High
Good Governance, IGR & Public Participation	Medium	High	High	High	High	High
Institutional Arrangements	Low	Medium	High	Medium	Medium	High
Overall Rating	Medium	High	High	High	High	High

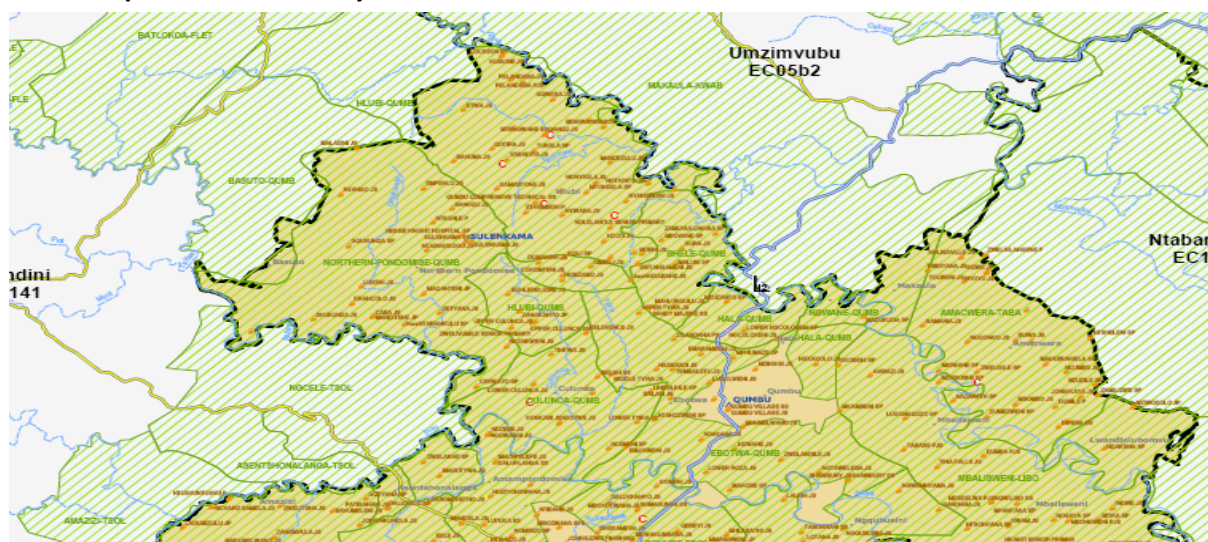
Action Plan to Address Issue Raised During the Assessment

KPA	Finding	Action	Timelines	Responsibility
Financial Viability	In adequate information provided in the IDP	To be provided during the 2016/2017 IDP review	End May 2016	IDP Manager

The Municipality has to improve on one Key Performance Areas Financial Viability.

CHAPTER TWO: SITUATIONAL ANALYSIS

2.1 Description of the Locality



Source: Municipal Demarcation Board

Mhlontlo Local Municipality is a B4 rural Municipality incorporating Qumbu and Tsolo rural towns. It lies on the North East side of the Eastern Cape Provincial border alongside the N2 route between Mthatha and Mt. Frere and R396 between Tsolo and Maclear. It is bordered by King Sabata Dalindyebo Local Municipality to the South, Nyandeni Local Municipality to the East; both under OR Tambo District Municipality, Umzimvubu Local Municipality to the North and Ntabankulu on the North East, both are under the Alfred Nzo District Municipality and Elundini Local Municipality to the West which is under the Joe Gqabi District Municipality. The Municipal departments are located in Qumbu with satellite offices in Tsolo.

Mhlontlo Local Municipality was established in terms of section 12 of the Local Government: Municipal Structures Act (Act 117 of 1998). As a result of this act, two Transitional Local Council, Qumbu TLC and Tsolo TLC and their respective Transitional Council were established to form one Municipality-Mhlontlo Local Municipality. It is one of the five municipalities that constitute OR Tambo District Municipality which falls under the Province of the Eastern Cape. The municipal area covers 2,826km² and has a population density of 66, 6 people per km².

2.2 Settlement Patterns

2.2.1 Spatial Dynamics

About 98% of the Municipal Population live in rural areas with the remaining 2% found in urban areas. Spatially, the municipality incorporates two main urban centres namely Tsolo and Qumbu. While most rural settlements are characterised by large uneven and low level of services, peri-urban and settlements near major intersections and on major routes have developed into rural service nodes.

2.2.2 Household number and Density

Table 1 below indicates that in 2011 the total number of households stood at 43,414; decrease of 0.98% from 44,494 four years earlier, at an average rate 4.3% per annum. In the same period the number of households per km² has also decreased from roughly 15.8% in 2008 to 14.4% in 2011. Another noteworthy observation is that the household size has stayed the same for the last nine years following its marginal decline from 4.7% in 2000 to 4.3% in 2011.

Table 1: HH Dynamics

Year	1995	2000	2005	2008	2011
Household total	37.623	42.602	44.155	44.494	43414
Population Density (People per Sq. Km)	64.9	70.9	72.9	73.3	66.6
Household Density (Household per Sq. Km)	13.3	15.1	15.6	15.8	15.2
Household Size	4.9	4.7	4.7	4.7	4.3

Source: Stats SA (2011)

2.2.3 Dwelling Types

Consistent with the rural nature of the municipal settlement, **table 2** below shows the traditional structures as the predominant (71% of households) form a dwelling. Similarly, it is important to take of the fact that the number of Traditional Dwellings has decreased by 4.6% from 30 202 in 2001 to 27 322 which is 4.3% in 2011. Alongside there is a decrease in informal structures by 19.6%. At the same time, brick structures on the separate stand as well as houses/flats in the backyards have increased by 21.9% and 34.1% respectively.

Table 2: Number of Households by Dwelling Types

	2001	2011
Formal Dwellings	11 497	14 785
Informal Dwellings	1 264	1 016
Traditional Dwellings	30 202	27 322
Other/unspecified Dwellings	610	291
Total	43 573	43 414

Source: Stats SA (2011)

2.3 Demography and Population Flows

2.3.1 Number of people

As shown in **Table 3** below, in 2011 there were 188 226 inhabitants within the Mhlontlo Municipality. This number represents a total decrease of 7, 25% (14 707 people) since 2001 at an annual rate of roughly 0, 73%. At this rate, Mhlontlo go down by 7.3% almost half the rate of OR Tambo District. The Mhlontlo population decrease compared to other Municipalities is among highest in the Eastern Cape Provincial Population. Black Africans constitute 99.4 % of the total population while the coloured constitute 0.2%, Indians/Asians constitute 0.14%, whites constitute 0.22% and others constitutes 0.08%.

Table 3: Population Growth by OR Tambo Municipalities, (2001 – 2011)

MDB Name	Name	Total population 2001	Total population 2011	Population change 2001-2011	% Growth 2001-2011
DC 15	OR Tambo District Municipality	1676580	1364943	311637	18.6

EC 153	Ingquza Hill Local Municipality	254479	278481	24002	8.6
EC 154	Port St Johns Local Municipality	146966	156136	9170	5.9
EC 155	Nyandeni Local Municipality	274415	290390	15975	5.5
EC 156	Mhlontlo Local Municipality	202933	188226	14707	-7.2
EC 157	King Sabata Dalindyebo Local Municipality	416345	451710	35365	7.9

Source: Stats SA – 2011

The comparatively decrease in population suggest that Mhlontlo Municipality has experienced negative net migration. While it is not immediately clear why the municipality is experiencing low population growth rate, this is nonetheless significant since it indicates a low propensity of Mhlontlo population not to remain within the municipality rather migrate to areas with higher economic potential.

2.3.2 Population Age and Gender Structure

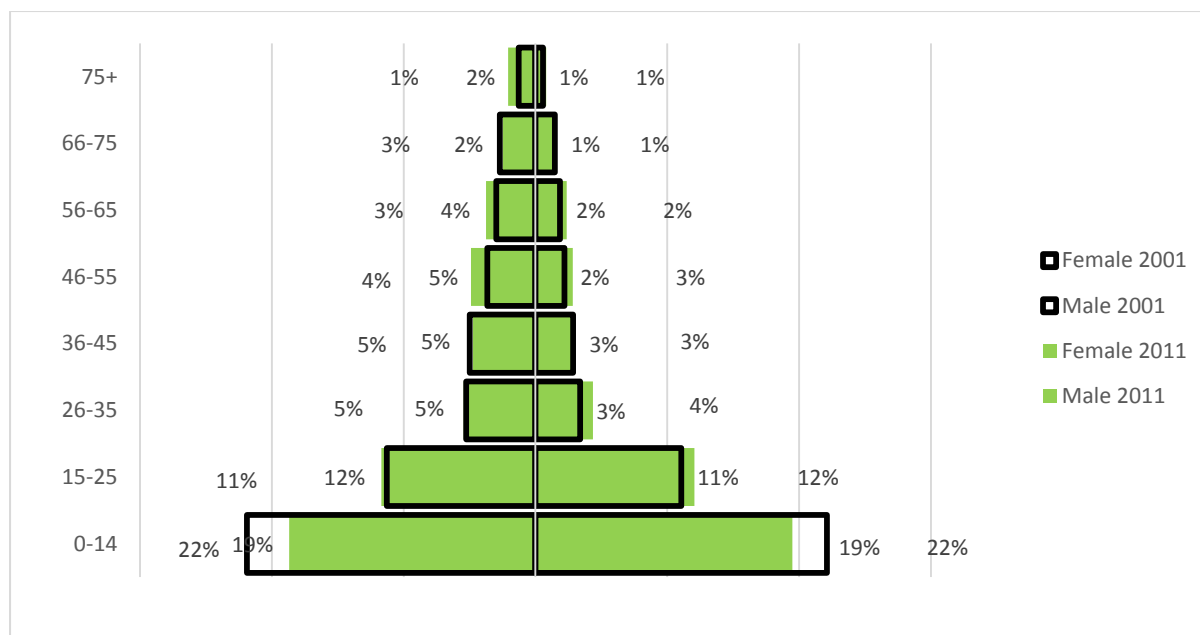
According to the Statistics South Africa Survey (SSA, 2011), and in keeping with the general National trends, females constitute the majority of 100789 (53.5%) and males constitutes 87440 (46.5%) of the Mhlontlo population.

POPULATION DISTRIBUTION BY LOCAL MUNICIPALITY AND SEX, CENSUS 2011

Municipality	Male	Female	Total	Male	Female
OR Tambo DM	630 088	734 856	1 364 943	46.2	53.8
Ingquza Hill	128 974	149 507	278 481	46.3	53.7
Port St Johns	71 482	84 654	156 136	45.8	54.2
Nyandeni	134 241	156 149	290 390	46.2	53.8
Mhlontlo	87 440	100 786	188 226	46.5	53.5
King Sabata Dalindyebo	207 951	243 760	451 710	46.0	54.0

Chart 1 below indicates that 19% of the population is below age 14; about 17% are between 15 and 34 years of age while those age between 35 and 64 years constitute 64% of the population. These figures also indicate that adults (from 35 to age 64+) constitute the majority (64%) of the population.

Chart 1: Mhlontlo Population by Age and Gender [2011]



Source: Stats SA-2011

2.4 Socio-economic development

2.4.1 Number of Adults by Highest Level of Education

Education is known to expand the range of options from which a person may choose and thus creates opportunities for a fulfilling life. It satisfies the basic human need for knowledge and skills. It provides a means of meeting basic needs, provided that adequate employment opportunities exist, and also helps sustain and accelerate overall development. The level of education of the population in the region influences its welfare through the indirect effects on health, fertility and life expectancy. Education helps to increase the value of other forms of social and physical investment.

According to Statistics South Africa data 2011, roughly 27, 669 or 14.7% of the population has no education. Another 4894 or 4.9% has higher education or gone beyond grade 12 or matriculation. Also 23152 or 12.3% has grade 12 or matriculation and 132511 or 70.4% has Primary Education Enrolment (aged 6-13). While figures on gross enrolment, drop out, and pass rates are not immediately available, it can be reasonably concluded that the low level of formal education are due to high drop-out rate which is a result of mainly a combination of:

Table 4: Level of Education

Description	Census 2001	Census 2011
No Schooling	35.8	14.7
Higher Education	4.1	4.9
Matric	7.7	12.3
Primary Educational Enrolment (aged 6-13)	94.0	70.4

Source: Stats SA-2011

Poor Access to School: the number of schools, their location and quality of infrastructure.

Social Factors: High rates of income poverty, teenage pregnancy, HIV/Aids prevalence.

A significant number (15%) of the population is below age of 15 and therefore of school-going age. Giving this area more attention provides the municipality with an opportunity to drastically improve the general levels of education in the near future. A secondary challenge however, is the ability to create sufficient opportunities to fully absorb the through put form the schooling system with the local municipality.

2.4.2 Literacy Rates

An indirect impact of low education levels is poor rates of functional literacy. Defined as the proportion of persons aged 20 and above that has completed grade 7, functional illiteracy is a term used to describe reading and writing skills that are inadequate to cope with the demands of everyday life – including the demands posed in conducting day-to-day activities in the work place. This is contrasted with illiteracy in the strict sense, meaning the inability to read or write simple sentences in any language. Functional literacy is believed to promote economic growth by strengthening the basic literacy capacity and professional skills of individuals - and ultimately reducing poverty. Functionally illiterate people are unlikely to take advantage of the opportunities that are thrown up by the permeation of the information and communication technologies (ICTs).

Research has found that, adults with better literacy skills are more likely to be employed, and earn more, than those with poorer literacy skills, even when taking into account of other factors which affect work performance.

For purposes of this report, functional literacy is defined as the proportion of persons aged 20 and above that has completed Grade 7.

According to the SSA 2011, the Mhlontlo Local Municipality has 67,9% of people completed grade 7 or higher in 2011 compared to 2005 where the literacy rate of people who completed the same grade is 55,7% which shows an increase in people completed grade 7 or higher.

A higher literacy rate is often associated with higher levels of urbanization, where access to school is less of a problem, and where there are economies of scale. We can see from the spatial breakdown of the literacy rates that the districts with bigger cities do have higher literacy rates.

2.4.3 Poverty and Social Inequality

2.4.3.1 Definition of Poverty

Poverty is often defined as deprivation of those things that determine the quality of life, including food, clothing, and shelter and clean drinking water, as well as “intangibles” such as opportunity to learn and to enjoy the respect of fellow citizens. One of the important indicators of poverty in a municipality is the number of households with an income below the minimum living level. The Minimum Income level is equal to the two old age pension per month.

Halving poverty by 2014 was the policy goal of South African government. Attaining this goal requires better targeting, effective coordination and integration of poverty intervention programmes across all spheres of government. This, in turn depends on the ability to understand both the causes, manifestations, spatial characteristics and impact of poverty across age, gender of poverty. The decrease in the number of people living under poverty from 65.1% in 2005 to 52.7% in 2011 suggest that, the current interventions are making desired impact.

2.4.3.2 Poverty Gap

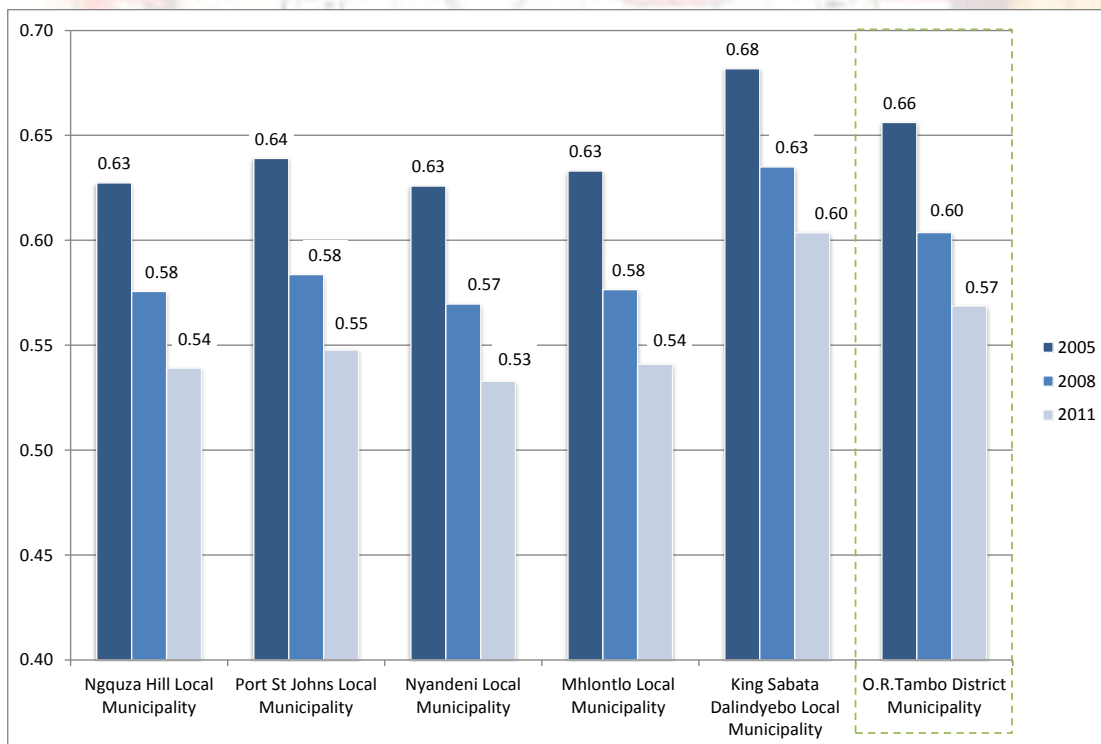
Another important variable in measuring poverty is the poverty gap. This measure is used to derive the difference between rich and poor household's income and the poverty line. It thus measures the depth of poverty of each poor household. The aggregate poverty gap is calculated by summing the poverty gaps of each poor household. It is thus equivalent to the total amount by which the incomes of poor households need to be raised each year to bring all households above the poverty line and hence out of poverty. It is the amount of income that would be required to bring every poor person exactly up to the poverty line, thereby eliminating poverty in terms of this measure, the poverty gap in Mhlontlo stood at R369million in 2011. (Global Insight)

2.4.4 Gini Coefficient

The Gini coefficient is a summary statistic of income inequality, which varies from 0 (in the case of perfect equality where all households earn equal income) to 1 (in the case where one household earns all the income and other households earn nothing). A low Gini coefficient indicates more equal income or wealth distribution, while a high Gini coefficient indicates more unequal distribution. In practice the coefficient is likely to vary from approximately 0.25 to 0.70.

In 2011 the Gini Coefficient of O.R. Tambo District Municipality is 0.57, which is lower than the 0.66 in 2005. The Gini Coefficient of the Eastern Cape at 0.61 is higher than that of the O.R. Tambo District Municipality. South Africa also has a higher Gini Coefficient at 0.63.

GINI COEFFICIENT PER LOCAL MUNICIPALITY- O.R. TAMBO DISTRICT MUNICIPALITY, 2005, 2008 AND 2011



Source: Stats SA, 2011

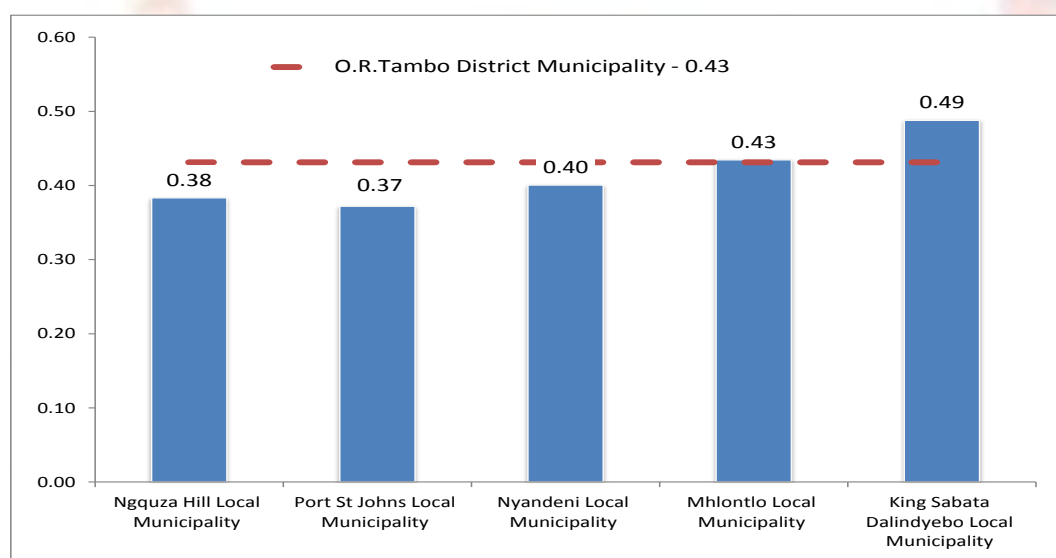
Comparing the Local Municipalities' Gini coefficient, it is clear that the inequality in the distribution of income per municipality is improving. Mhlontlo Local Municipality has decrease from 0.63 in 2005 to 0.54 in 2011.

2.4.5 Human Development Index (HDI)

The Human Development Index (HDI) is a composite, relative index that attempts to quantify the extent of human development of a community. It is based on measures of life expectancy, literacy and income. It is thus seen as a measure of people's ability to live a long and healthy life, to communicate, to participate in the life of the community and to have sufficient resources to obtain a decent living. The HDI can assume a maximum level of 1, indicating a high level of human development, and a minimum value of 0.

Clearly, the HDI of South Africa is higher than that of the Eastern Cape (and consequently that of O.R. Tambo District Municipality) for each year under observation. There is however an improvement in the HDI for all three regions with the increase in the HDI of O.R. Tambo District Municipality being higher than that of the Eastern Cape and the South Africa. There is however still considerable scope of improving the living standards of the people of O.R. Tambo District Municipality.

HUMAN DEVELOPMENT INDEX FOR LOCAL MUNICIPALITIES IN O.R. TAMBO DISTRICT MUNICIPALITY, 2011



Source: Stats SA, (2011)

In terms of the HDI for each of O.R. Tambo District Municipality's local municipalities, Mhlontlo Local Municipality is the second highest HDI, following King Sabata Dalindyebo Local Municipality that has highest HDI, with the lowest being observed in Port St Johns Local Municipality.

2.4.6 Household income levels

It was estimated that 82.0% of all households in O.R. Tambo District Municipality were classified as living on R38 200 or less per annum in 2011. In 2001, 93.0% of all households were classified as living below the R38 200 per annum line. The income brackets above do not take inflation into account and "inflation creep" occurs. This implies that - over time - movement of households "up" the brackets is natural, even if they are not earning any more in real terms.

TABLE 5: TOTAL NUMBER OF HOUSEHOLDS PER INCOME CATEGORY, BY LOCAL MUNICIPALITY OF O.R. TAMBO DISTRICT MUNICIPALITY, 2011 [NUMBERS]

2011	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality	O.R. Tambo District Municipality
No income	9 895	6 221	10 574	6 650	17 547	50 887
R 1 - R 4800	4 094	2 357	4 448	3 002	6 513	20 414
R 4801 - R 9600	7 986	4 680	9 515	5 817	12 246	40 244
R 9601 - R 19 600	13 845	8 107	15 783	11 691	22 466	71 892
R 19 601 - R 38 200	11 393	6 482	12 704	9 849	20 744	61 172
R 38 201 - R 76 400	4 005	2 008	4 292	3 113	9 432	22 850
R 76 401 - R 153 800	2 546	950	2 339	1 691	7 239	14 765
R 153 801 - R 307 600	1 683	588	1 296	1 054	5 378	9 999
R 307 601 - R 614 400	554	223	511	399	2 730	4 417
R 614 001 - R 1 228 800	90	39	66	68	572	835
R 1 228 801 - R 2 457 600	70	33	64	44	204	415
R 2 457 601 or more	50	26	56	34	170	336
Unspecified	-	-	1	3	1	5
Total	56 211	31 714	61 649	43 415	105 242	298 231

Source: Stats SA Population census 2011

The total number of households without any income in O.R. Tambo District Municipality is at a concerning 17%. Dependency on subsistence farming could be a substitute for income as a means of survival as subsistence farming is not reported or understood as income by households and is therefore not reported. This may result in an increased burden on state to provide health, education and safety.

ANNUAL TOTAL PERSONAL INCOME

Personal Income is a broader concept than labour remuneration in the economics section. It includes profits, income from property, net current transfers and net social benefits.

It is estimated that total personal income in O.R. Tambo District Municipality amounted to R13 billion in 2011. Of this amount, the majority of R6.3 billion was ascribed to the King Sabata Dalindyebo Local Municipality and R1.5 billion to Mhlontlo Local Municipality.

ANNUAL TOTAL PERSONAL INCOME BY LOCAL MUNICIPALITY, O.R. TAMBO DISTRICT MUNICIPALITY [CURRENT PRICES, R MILLIONS]

Region	2001	2011	AAGR 2001-2011
Ngquza Hill Local Municipality	756 430	2 128 326	10.9%
Port St Johns Local Municipality	544 065	983 425	6.1%
Nyandeni Local Municipality	913 379	2 074 885	8.6%
Mhlontlo Local Municipality	639 156	1 551 271	9.3%
King Sabata Dalindyebo Local Municipality	2 397 097	6 322 198	10.2%
O.R. Tambo District Municipality	5 250 126	13 060 105	9.5%

Source: Stats SA Population census 2001 & 2011

The Ngquza Hill Local Municipality and the King Sabata Dalindyebo Local Municipality both recorded an average annual growth rate in total personal income of about 10%. The third lowest average annual growth rate of all the local municipalities was the Mhlontlo Local Municipality with an increase of only 9, 3% annually over the period.

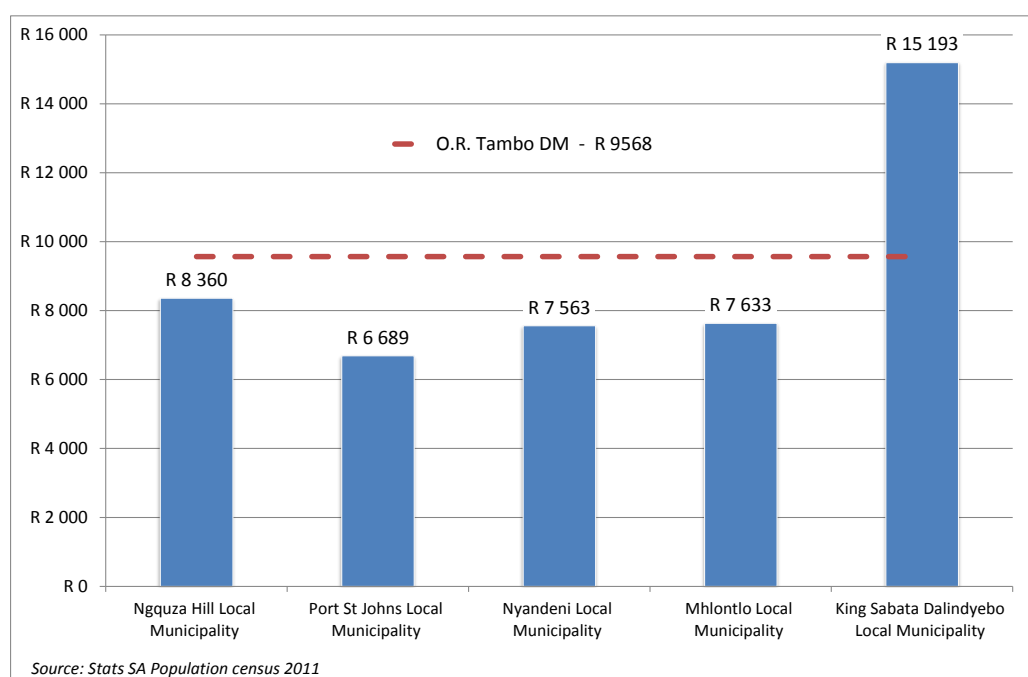
ANNUAL PER CAPITA INCOME

Per capita income is often used as a measure of wealth particularly when comparing different economies or population groups - and rising per capita income usually alludes to possible increase in demand for consumption.

Per capita income refers to the income per person and is calculated by dividing the total personal income per annum equally among the population.

The per capita income amounted to R9 568 in O.R. Tambo District Municipality

PER CAPITA INCOME BY LOCAL MUNICIPALITY, O.R. TAMBO DISTRICT MUNICIPALITY 2011 [RAND, CURRENT PRICES]



When comparing per capita income of the local municipalities it is clear that the King Sabata Dalindyebo Local Municipality is almost double the income per capita (in current prices) than the other local municipalities. The King Sabata Dalindyebo Local Municipality's per capita income at R15 193 it is at such a high level compared to the other local municipalities that it pushes up the per capita income for the district as a whole and results that all the other local municipalities is below the district's per capita income. The Mhlontlo Local Municipality has R7 633 per capita income and is better than other locals in the district.

2.5 State of the Economy

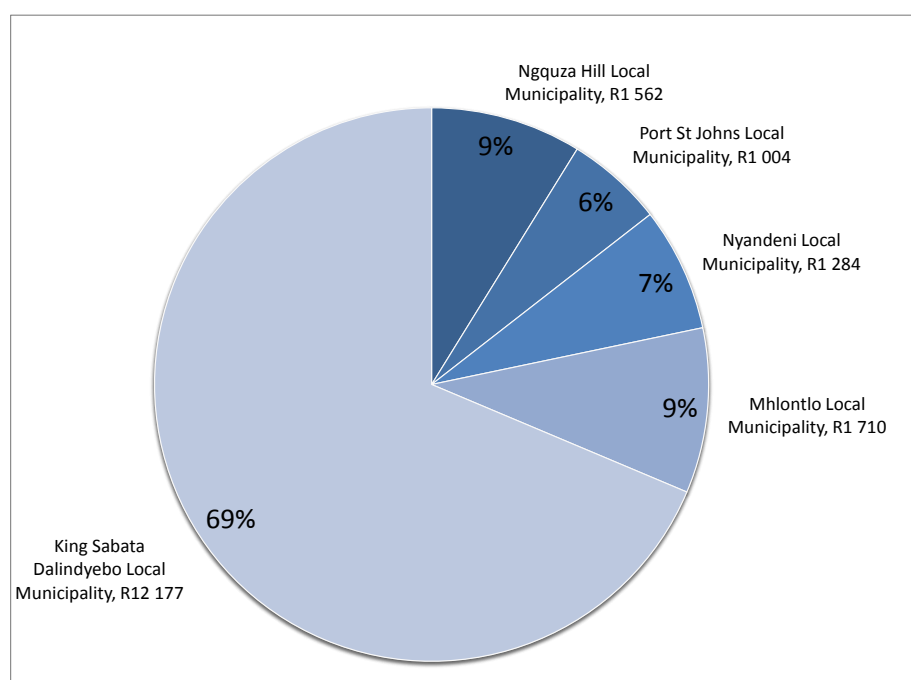
2.5.1 GDP Size and Growth

In order to put the economic state of O.R. Tambo District Municipality in perspective, the municipality is compared on a spatial level with the national, provincial and the neighbouring districts' economies. Furthermore, the local municipalities within O.R. Tambo District Municipality is compared and put in perspective of O.R. Tambo District Municipality as a whole.

A local municipality does not function in isolation from its district, province, South Africa and the world and now, more than ever, it is crucial to have reliable information on its economy for effective planning. Information is needed that will empower the municipality to plan and implement policies that will encourage the social development and economic growth of the people and industries in the municipality respectively.

The following is an analysis of the GDP at current prices of the local municipalities within O.R. Tambo District Municipality.

CHART 2: GDP CONTRIBUTION PER LOCAL MUNICIPALITY - O.R. TAMBO DISTRICT MUNICIPALITY, 2011 [R MILLIONS AT CURRENT PRICES]



The greatest contributor to the O.R. Tambo District Municipality economy is the King Sabata Dalinyebo Local Municipality with a share of 69% or R 12.1 billion it increased from R6.6 billion in 2005. The economy with the lowest contribution is the Port St Johns Local Municipality with R 1 billion it grew from R530 million from 2001. The Mhlontlo Local Municipality is the second contributor in the Gross Domestic Product of the district.

TABLE 6: GDP PER LOCAL MUNICIPALITY WITHIN O.R. TAMBO DISTRICT MUNICIPALITY, 2005 - 2011 [CURRENT PRICES]

Year	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalinyebo Local Municipality
2005	822	537	686	925	6 614
2006	899	587	742	1 003	7 103
2007	991	648	815	1 101	7 876
2008	1 113	718	903	1 220	8 704
2009	1 215	782	997	1 329	9 556
2010	1 394	904	1 168	1 557	10 926
2011	1 562	1 004	1 284	1 710	12 177

2.5.2 ECONOMIC GROWTH FORECASTS

The economic growth forecasts reveal a slow but positive economic recovery from the economic slowdown in 2008/09. It is expected that O.R. Tambo District Municipality will grow at an average annual rate of 3% from 2011 to 2016. Compared to the Eastern Cape Province and South Africa, which is expected to grow at 3.6% and 3.8% respectively, the growth path seems to be very similar.

GDP GROWTH BY REGION, 2011 – 2016 [PERCENTAGE - CONSTANT 2005 PRICES]

Year	South Africa	Eastern Cape	O.R. Tambo District Municipality	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality
2011	3.1%	2.7%	2.7%	2.6%	2.5%	1.4%	1.4%	3.0%
2012	2.7%	2.8%	2.0%	1.3%	2.6%	2.0%	4.5%	1.7%
2013	3.2%	2.8%	2.3%	2.3%	2.5%	2.1%	2.2%	2.3%
2014	3.6%	3.3%	2.8%	2.8%	3.0%	2.7%	2.8%	2.8%
2015	4.5%	4.2%	3.8%	3.8%	3.9%	3.6%	3.7%	3.8%
2016	4.8%	4.6%	4.2%	4.2%	4.3%	4.0%	4.1%	4.2%
Average annual growth rate:								
2011 - 2016	3.76%	3.57%	3.02%	2.87%	3.25%	2.87%	3.46%	2.97%

The second largest economy in O.R. Tambo District Municipality is the Mhlontlo Local Municipality, at 3.5% has the highest average annual growth forecasted for all the local municipalities in the O.R. Tambo District Municipality. Ngquza Hill Local Municipality is the local municipality with the lowest expected average annual growth of 2.87% annually.

GROSS VALUE ADDED BY REGION (GVA-R)

O.R. Tambo's economy is made up of various industries. The GVA-R variable provides a sectoral breakdown, where each sector is measured in terms of its "value added" produced in the local economy.

The following is the Gross Value added (GVA) off all the relevant regions to put the O.R. Tambo District Municipality in perspective.

TOTAL GROSS VALUE ADDED (GVA) BY BROAD SECTOR FOR ALL MUNICIPALITIES WITHIN O.R. TAMBO DISTRICT MUNICIPALITY, 2011 [R BILLIONS CURRENT PRICES]

2011	South Africa	Eastern Cape	O.R. Tambo District Municipality	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality
Agriculture	63 984	3 344	572	42	29	29	146	326
Mining	260 381	858	6	-	-	-	4	2
Manufacturing	357 756	27 622	457	74	67	19	38	259
Electricity	78 532	3 392	176	6	3	16	5	147
Construction	120 420	7 172	437	44	18	15	41	319
Trade	386 430	31 009	3 049	376	161	183	215	2 114
Transport	220 060	15 586	505	33	28	35	31	377
Finance	565 224	41 450	2 774	90	61	118	71	2 434
Community services	617 717	71 887	8 470	739	531	719	998	5 484
Total Industries	2 670 504	202 320	16 446	1 403	898	1 133	1 548	11 464
Taxes less Subsidies	293 757	22 246	1 292	159	106	151	162	713
Total (GDP)	2 964 261	224 566	17 738	1 562	1 004	1 284	1 710	12 177

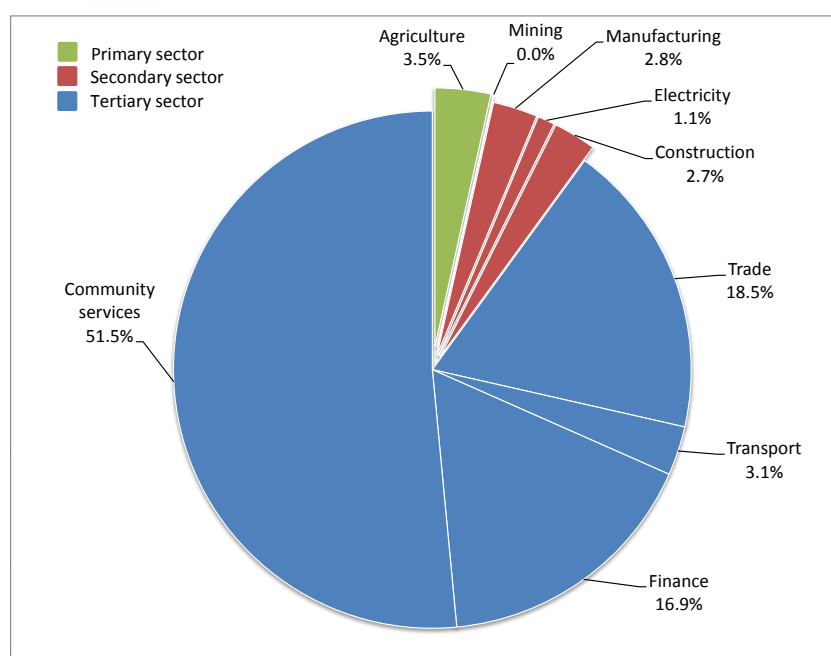
Source: Stats SA, 2011

The greatest contributor towards the GVA of the local municipalities is the community sector (ranging from 48% for the King Sabata Dalindyebo Local Municipality to 63% for Nyandeni Local Municipality), with the King Sabata Dalindyebo Local Municipality community services contributing

33% to the Total Gross value added of the O.R. Tambo District Municipality. Relative to the other local municipalities the King Sabata Dalindyebo Local Municipality also contribute more to the financial sector and the trade sector of the O.R. Tambo District Municipality - 15% and 13% respectively.

In 2011 O.R. Tambo District Municipality's economy was dominated by the tertiary sector as a whole, which is primarily focused on community services. Community services accounted for half of the GVA with a 51.5% contribution to the total economic activity in O.R. Tambo District Municipality in 2011, which is the largest sector contribution to economic activity. The community services consist of public administration (14.3 percentage points), education (23.4 percentage points), health and social work (9.2 percentage points) and other community services (4.6 percentage points). The trade sector at 18.5% is the second largest contributor to the economic activity.

CHART 3: GROSS VALUE ADDED (GVA) COMPOSITION BY BROAD ECONOMIC SECTOR FOR O.R. TAMBO DISTRICT MUNICIPALITY, 2011 [PERCENTAGE CONTRIBUTION]



Community services dominate the O.R. Tambo District Municipality economy, as is visible in the numbers. With the recession of 2008 and 2009, and the renewed emphasis on government spending, the community services sector grew in importance. Zooming into the agriculture sector reveals that roughly three quarters of the sector is the forestry and logging sector and a quarter; agriculture and hunting.

2.5.3 HISTORICAL ECONOMIC GROWTH

When looking at growth in GVA on a sector level, the mining sector contracted considerably in 2008/2009. This was a direct response to a significant drop in demand for mining commodities. The global recession took its toll with the need to reduce production and operating cost resulting in a decline in most sectors.

GROSS VALUE ADDED (GVA) GROWTH BY BROAD ECONOMIC SECTOR -
O.R. TAMBO DISTRICT MUNICIPALITY, 2005 – 2011 [PERCENTAGE - CONSTANT 2005 PRICES]

Sector	2005	2006	2007	2008	2009	2010	2011	AAGR 2005-2011
Agriculture	-11.0%	16.3%	2.3%	10.8%	7.2%	-2.4%	1.0%	5.7%
Mining	-9.8%	-4.8%	1.1%	-9.7%	-22.5%	-5.2%	-11.8%	-9.1%
Manufacturing	1.9%	3.4%	2.2%	-0.8%	-6.9%	4.8%	2.2%	0.7%
Electricity	2.2%	1.3%	-1.2%	-4.6%	1.1%	0.9%	-1.5%	-0.7%
Construction	5.8%	7.9%	8.6%	5.0%	9.9%	-2.2%	1.3%	5.0%
Trade	3.3%	1.9%	1.1%	-1.4%	-2.5%	2.7%	2.0%	0.6%
Transport	3.8%	1.8%	2.1%	0.3%	0.2%	-0.6%	1.6%	0.9%
Finance	5.1%	4.7%	4.3%	4.8%	-0.9%	1.3%	1.7%	2.6%
Community services	4.0%	3.4%	3.6%	3.0%	1.9%	2.2%	3.5%	2.9%
Total Industries	3.3%	3.9%	3.1%	2.6%	0.6%	1.8%	2.6%	2.4%

Source: Stats SA, (2011)

When looking at growth in GVA on a sector level, we can identify the increased activity in the construction sector associated with preparations for the soccer World Cup in 2010. Positive growth for total industries in 2011 was 2.6%. The Agricultural sector had the largest average annual growth of 5.7%, while the mining sector had negative average annual growth of 9.1%. The mining sector however has a very small effect on total growth due to the small size of the mining industry in O.R. Tambo District Municipality.

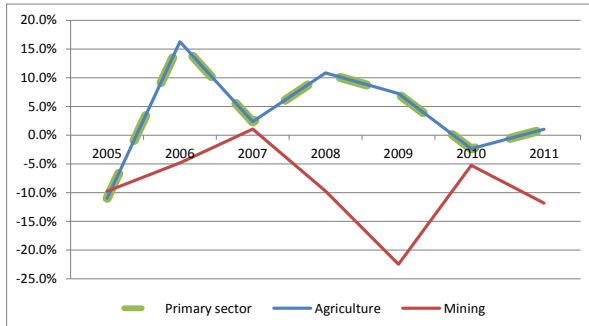
BROAD SECTOR CONTRIBUTION TOWARDS TOTAL ECONOMIC GROWTH -
O.R. TAMBO DISTRICT MUNICIPALITY, 2005 – 2011 [PERCENTAGE POINT - CONSTANT 2005 PRICES]

Sector	2005	2006	2007	2008	2009	2010	2011
Agriculture	-0.4%	0.6%	0.1%	0.4%	0.3%	-0.1%	0.0%
Mining	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Manufacturing	0.1%	0.1%	0.1%	0.0%	-0.2%	0.1%	0.1%
Electricity	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Construction	0.1%	0.1%	0.2%	0.1%	0.2%	0.0%	0.0%
Trade	0.6%	0.3%	0.2%	-0.2%	-0.4%	0.4%	0.3%
Transport	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.1%
Finance	0.9%	0.8%	0.8%	0.9%	-0.2%	0.2%	0.3%
Community services	1.7%	1.4%	1.5%	1.3%	0.8%	1.0%	1.5%
Total Industries	3.0%	3.5%	2.9%	2.4%	0.5%	1.6%	2.4%
Taxes less Subsidies on products	0.1%	0.3%	0.1%	-0.1%	-0.2%	0.4%	0.3%
Total (Gross Domestic Product - GDP)	3.1%	3.8%	3.0%	2.3%	0.3%	2.0%	2.7%

The table lists the sectors' contribution to the total economic growth for the period 2005-2011. In 2011 the community services sector contributed 1.5 percentage points to the overall GDP growth of 2.7%. Finance and Trade also contributes significantly to the overall GDP growth, which clearly reflects the importance of this community services sector in the O.R. Tambo District Municipality's economy.

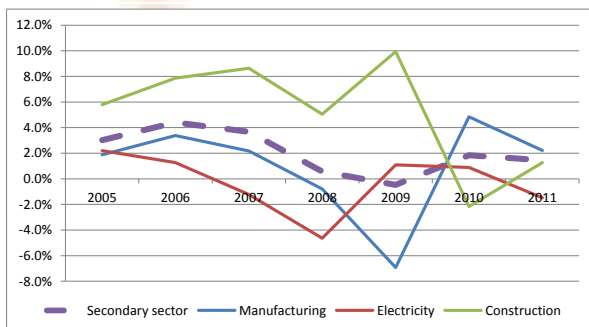
GROSS VALUE ADDED (GVA) ANNUAL GROWTH – PRIMARY, SECONDARY AND TERTIARY SECTORS, O.R. TAMBO DISTRICT MUNICIPALITY, 2005 – 2011 [PERCENTAGE - CONSTANT 2005 PRICES]

Primary sector



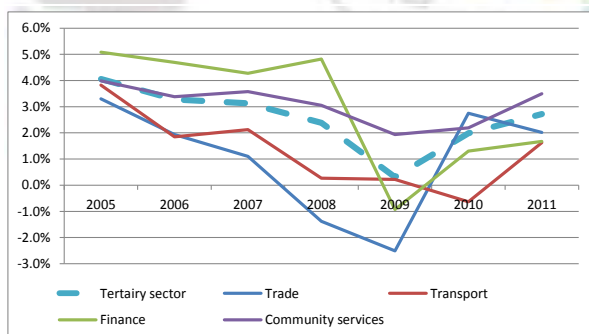
Both the mining and the agricultural sectors seem to show volatility over time – the mining sector is small and a small change can be presented as a big effect. The effect of the global recession on this sector is evident in the decline in growth. The fact that the agricultural sector within O.R. Tambo District Municipality dominates the primary sector in terms of contribution, explains the similar growth patterns for primary sector and the agricultural sub-sector.

Secondary sector



Although the secondary sector is fairly small it is dominated by manufacturing; the general secondary sector took a hit and declined steadily from 2007. The electricity crisis in 2008 is showed very clearly in the secondary sector. The construction sector boomed in 2007 due to the World Cup 2010 initiatives.

Tertiary sector



Annual The tertiary sector showed a constant decline in the growth rates from 2005 with negative growth in some of the sub sectors from 2008 to 2010. However, in 2011 all of the sub sectors in the tertiary sector were in positive growth territory again.

2.5.4 SECTOR GROWTH FORECASTS

The GVA projections are based on projected growth rates derived from two sources: historical growth rate estimates and national level industry forecasts. The projections are thus based partly on the notion that regions that have performed well in the recent past are likely to continue performing well (and vice versa) and partly on the notion that those regions which are well endowed with sectors that are forecast to grow rapidly in the national economy (e.g. finance and telecommunications) are likely to perform well (and vice versa). As the target year moves further

from the base year (2005) so the emphasis moves from historical growth rates to national-level industry growth rates.

GROSS VALUE ADDED (GVA) GROWTH BY AGGREGATE ECONOMIC SECTOR - O.R. TAMBO DISTRICT MUNICIPALITY, 2011 – 2016 [PERCENTAGE - CONSTANT 2005 PRICES]

	Primary sector	Secondary sector	Tertiary sector	Total
2011	1.0%	1.5%	2.7%	2.6%
2012	14.7%	-1.0%	1.7%	2.2%
2013	1.6%	2.5%	2.3%	2.3%
2014	2.4%	2.9%	2.8%	2.8%
2015	2.7%	3.6%	3.8%	3.7%
2016	3.0%	3.8%	4.3%	4.2%
Average annual growth rate:				
2011-2016	4.8%	2.4%	3.0%	3.0%

The tertiary sector, being the biggest sector, has similar growth patterns than that of the O.R. Tambo District Municipality with an expected average annual rate of 3% between 2011 and 2016. The Secondary sector is expected to grow at 2.4% on average annually from 2011 to 2016, while the he Primary sector is expected to grow at an average annual rate of 4.8% for the same period.

2.5.5 Strategic Economic Sectors

i. Agriculture, forestry, Tourism and fishing

Comparative advantage

The municipality has a comparative advantage on Tourism, fishing and forestry. The municipality boasts of natural beauty in the form of falls, rivers, and dams, cultural and historic heritage. In order to realise this potential it is important for the municipality to build on the strong domestic tourism that exists nationally and within the Eastern Cape.

These trends are important in determining the strategic tourism focus areas. Already, progress has been made in developing the Tsitsa Falls as a tourism node. The challenge is developing this natural asset as a tourism anchor through proper marketing and branding. To achieve this it is important that the Falls are linked with other regional and provincial tourism initiatives.

The culture and heritage of the municipality is also an important component of the tourism product development. Strategic sites such as Shawbury College, graves of Nkosi Mhlontlo should be packaged and developed as long term community tourism assets.

Mabeleni Dam and the indigenous forests conservation offer great potential. The engineering work at Mabeleni, the Fly Fishing experience, Ilitye LikaPhungela, potential hiking and biking trails and conference facilities offer great potential

Sports tourism is also seen as an emerging tourism area. The 2010 World Cup brought into sharp focus the importance of sports tourism and this has meant that each and every corner of South Africa should look at how best it can leverage this opportunity.

Competitive advantage

Forestry

The municipality is endowed by vast areas of land that has got a potential in terms of forestry development. There are already forestry developments in the areas such as Langeni forest, Nqadu

and Etwa, Bencuti etc. A great economic booster is Langeni sawmill and veneer plant which have created more than 300 jobs. There is also a potential for more job opportunities at the chipboard plant at Langeni forest. There is a need to diversify economic activities such furniture making and other related products.

Agriculture

In terms of agriculture the municipality is endowed with vast arable lands. Numerous government programmes that have been implemented in the form Massive Food Programme, Ntinga O.R. Tambo Development Agency can attest to that. Wool production has proven to be gaining momentum as woolgrowers are selling hundreds of tons to the market. The research done by CSIR has shown great potential in fibre production especially high quality cashmere. Livestock production needs to be tapped into although it is still done at small scale.

As shown in **table 7** below, this economic sector's contribution to the local GDP has plummeted 60% from 8 to 3 percentage points in the 16 years to 2011. This dramatic decline is attributable to lack of investment in economic infrastructures such as decent road network, access to electricity, fencing of small scale farms. This state of affairs is also compounded by absence of effective business support services particularly targeted at supporting subsistence farmers.

Table 7: Agriculture Share of GDP (%)

Detailed Economic Sector	2001	2011	% Change between 2001 and 2011
Agriculture forest and fisheries	8,3%	3,3%	-60,2%

Source: Stats SA 2011

Table 8: below indicates that about 76% of land cover in the municipality is either degraded or unimproved grassland. Only about 17% is cultivated on a semi-commercial/subsistence basis. About 8% of land cover measuring 21 508 hectares is currently planted with forestry plantations whilst thicket and bush lands measure about 5% of land cover. The urban or built up residential land covers only about 5% of land cover. 48% of mielie fields are fenced and are underutilised, 9 shearing sheds, 1 irrigation scheme. Majority of dipping tanks and stock dams needs renovation.

Table 8: Land Cover in Mhlontlo Municipality

Land Cover Classification	Hectares	% of Total Area
Barren rock	204.60	0.08
Cultivated: temporary – semi-commercial/subsistence dry land	44798.92	16.57
Degraded: unimproved grassland	82218.35	30.41
Dongas & sheet erosion scars	327.95	0.12
Forest	3807.19	1.41
Forest Plantations	21508.72	7.96
Improved grassland	8.46	0.00
Thicket & bush land (etc.)	8355.43	3.09
Unimproved grassland	96591.38	35.73
Urban / built-up land: residential	12386.86	4.58

Urban / built-up land: residential (small holdings: shrub land)	7.36	0.00
Water bodies	157.28	0.06

Source: Agricultural Research Council (ARC), 2011

Table 8 underscores the extent of the agriculture potential within the municipal area. The extent of unimproved grasslands indicates the potential for livestock production in particular sheep, goats and cattle. The number of livestock within Mhlontlo is: Cattle 78 300, Sheep 615 450, Goats 135 390. The good climatic conditions, soils, and land abundance also point to the richness of the municipality and potential for high value crops and fruit production. In its assessment report, the ARC (2011) concluded that the production of field crops, maize, grain sorghum and dry bean was feasible, while potential for horticultural products, cabbage and potato production is optimal.

Since the adoption of the five year plan (IDP) the municipality has engaged in range of initiatives which are aimed at exploiting the opportunities in agriculture. As part of efforts to strengthen capacity to generate scientific knowledge the municipality has entered into a strategic partnership with the Water Sisulu University's Centre for Rural Development. The Municipality have developed a plan with DRDAR degradation of land and 7 & 13 wards have participated on land care project. The Municipality is using the services of the District on GIS as the Municipality is having a challenge of capacity.

ii. Forestry

The main businesses located at Langeni includes a saw milling plant operated and managed by Merensky, Merensky plantations comprise both Pine and Eucalyptus species, totalling ca 74,000 hectares across South Africa. Merensky is the largest privately owned plantation being managed on a saw log rotation. The ca 60,000 hectares of Merensky Pine plantation extend from the dangle forests of Kwa Zulu-Natal through to the forest of Baziya on the South-Western slopes of the Matiwane range in the Eastern Cape.

There remains a huge potential to attract investments towards value adding enterprises such as furniture-making and other wood manufacturing enterprises. The municipality also needs to position itself to exploit fully the opportunities that will emerge following initiatives such as the development of the Ugie/Maclear/Langeni link road which is completed as well as the proposed establishment of the furniture incubator within KSD.

The agricultural potential of the municipality remains huge and untapped. Vast tracks of land is lying fallow or at the risk of degrading. The potential for irrigated agriculture is considerably enhanced by the availability of water from local rivers such as Tina and Tsitsa. Provision of irrigation infrastructure as well as effective support services is thus considered a critical step in unlocking the agricultural potential.

From the above it is clear that the municipality has an urgent need for major infrastructure investment. In the past 9 years the municipality has undertaken a series of bold measures to address the decline of the agricultural economy in particular. Additional work has also been undertaken in partnership with CSIR to develop an "Integrated Infrastructure Atlas" which is intended to underpin agrarian transformation within the municipality. The Infrastructure Atlas has developed a map of critical infrastructures that are needed to support high impact projects in the both agriculture and tourism sectors.

iii. Tourism

Tourism is made up of a range of economic activities and thus not easy to classify under a single major economic sector. Most of these activities however tend to fall within the Wholesale and Retail Trade Sector (Trade). From the below table 9 it can be observed that the Trade sector's share of municipal GDP has declined by a dramatic 25% since 2008. Catering and accommodation, both of which are key contributors to tourism outcome have also declined by 28% from 0.4 to 0.3 percentage points in the 15 years to 2011.

Table 9: Wholesale and Trade Sector Share of the GDP

Detailed Economic Sector	2001	2011	% Change between 2001 and 2011
Wholesale and retail trade	14.4%	10.8%	-25.1%
Catering and accommodation services	0.4%	0.3%	-28.1%

Tourism, which also forms part of the Wholesale and Trade Sector, is identified in the LED Strategy as a priority industry. The municipality boasts natural beauty in the form of waterfalls, rivers, cultural and historic heritage. As a result the Mhlontlo Local Municipality is in a process of developing Mhlontlo Tourism Route. As shown in **Table 9** above, this sector has also taken a big knock in the last 17 years.

2.5.6 TOTAL EMPLOYMENT

Employment data is important as it can “be compared to the EAP to estimate unemployment, while trends in employment in different sectors or industries indicate important structural changes in the economy. Employment data are also used to calculate productivity, earnings per worker and other economic indicators.”¹

Total employment consists of two parts: employment in the official economy, or the formal sector, and then employment in the un-official economy or the informal sector.

TOTAL EMPLOYMENT PER BROAD ECONOMIC SECTOR, - O.R. TAMBO DISTRICT MUNICIPALITY, EASTERN CAPE AND SOUTH AFRICA, 2011 [NUMBERS]

2011	South Africa	Eastern Cape	O.R. Tambo District Municipality	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality
Agriculture	726 172	58 774	3 158	555	410	341	856	995
Mining	517 734	1 807	68	0	0	0	14	54
Manufacturing	1 591 055	134 025	4 985	1 387	936	275	464	1 923
Electricity	68 865	3 030	211	7	3	40	7	154
Construction	872 261	61 864	5 867	576	380	452	826	3 633
Trade	2 804 842	197 118	14 277	1 400	1 071	948	1 251	9 606
Transport	709 813	49 567	4 817	457	365	467	590	2 939
Finance	1 690 625	65 452	4 710	393	154	245	315	3 603
Community services	2 826 991	337 047	44 645	4 707	3 406	4 755	6 416	25 362
Households	1 068 523	99 756	12 876	1 143	836	1 547	1 840	7 510
Total	12 876 879	1 008 440	95 615	10 626	7 561	9 069	12 581	55 779

The economic sectors that recorded the largest declines in employment numbers between 2010 and 2011 were (1) households (or domestic workers) down by almost 284 and (2) agriculture down by

218. For the rest of the sectors, the Manufacturing sector (60), the Construction sector (206), the Transport sector (79) and the Community services sector (1606) recorded growth from 2010 to 2011.

The largest employer in the Mhlontlo Local Municipality is the Community services sector (that largely consists of government) which employed 6 416 in 2011. The second largest employer is the Household sector, which employs 1 840 people. The third largest employer is the trade which employed 1 251 people. Relative to employment in the Eastern Cape the, O.R. Tambo District Municipality employs 9.5% of the total employment in the Eastern Cape, with 13.2% of total Eastern Cape employment in the Community sector being employed in O.R. Tambo District Municipality.

The employment rate at Mhlontlo Municipality at age 15 – 64 is seating at 54.5% in 2011 and has not changed as from 2001. The youth unemployed rate in 2011 was 59.5% with the total unemployment rate 48.9% and it shows a decrease when it is compared to 2001 where it was at 64.8%.

2.5.6.1 EMPLOYMENT FORECAST

The employment projections are estimated by incorporating the projected GVA growth over time as well as the dynamics of the labour intensity for each economic sector.

FORECAST ON TOTAL EMPLOYMENT PER BROAD ECONOMIC SECTOR, -
O.R. TAMBO DISTRICT MUNICIPALITY, 2011 - 2016 [NUMBERS AND AVERAGE ANNUAL GROWTH]

Sector	2011	2012	2013	2014	2015	2016	AAGR 2011-2016
Agriculture	3 158	3 058	2 944	2 838	2 775	2 726	-2.9%
Mining	68	68	65	64	63	59	-3.0%
Manufacturing	4 985	5 119	5 223	5 382	5 541	5 669	2.6%
Electricity	211	214	215	225	228	227	1.4%
Construction	5 867	6 492	7 041	7 634	8 289	8 917	8.7%
Trade	14 277	18 971	19 564	20 110	20 791	21 404	8.4%
Transport	4 817	4 779	5 011	5 238	5 490	5 731	3.5%
Finance	4 710	4 529	4 627	4 726	4 832	4 923	0.9%
Community services	44 645	46 088	46 912	47 550	48 257	48 884	1.8%
Households	12 876	12 848	12 828	12 835	12 853	12 895	0.0%
Total	95 615	102 167	104 431	106 603	109 119	111 435	3.1%

From 2011, the forecasts for total employment shows an estimated average annual decrease of 2.0% - which translates into 9 142 job losses in the O.R. Tambo District Municipality by 2016. The sector with the largest percentage increase in employment will be the Finance sector with an average annual increase of 8.3% from 2011 to 2016. The Community services sector remains the largest sector in terms of employment, but it decreases with 15 045 jobs over this period.

2.5.6.2 LABOUR ABSORPTION CAPACITY

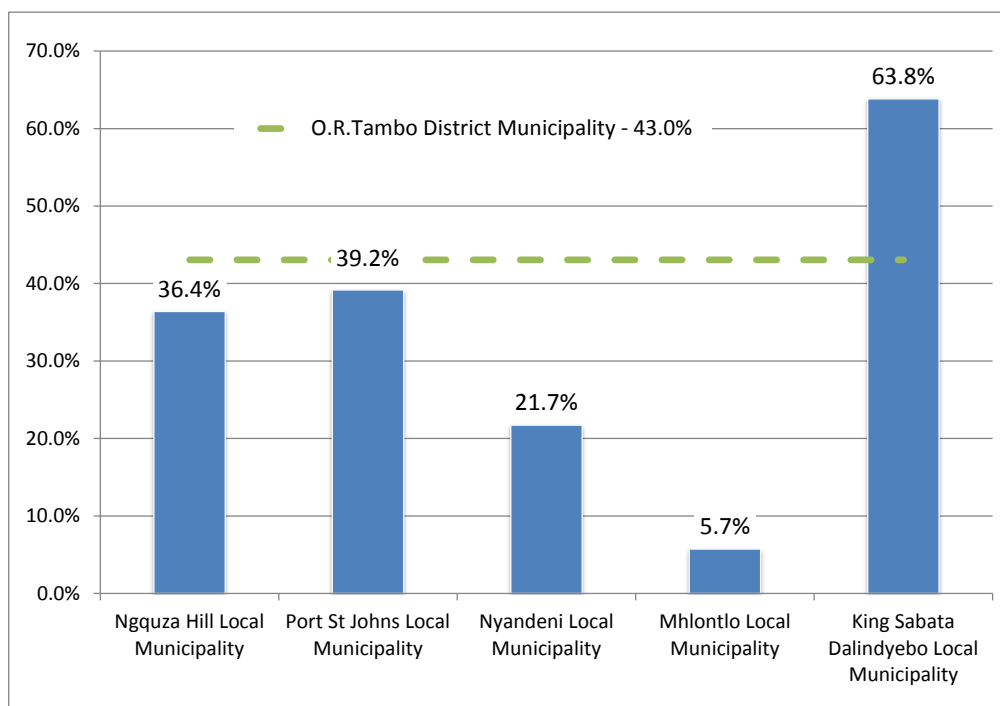
An indicator to measure the employment performance of the economy is (marginal) labour absorption capacity which can be defined as follows:

The ratio or percentage of new entrants to the labour force that is able to find employment in the formal sector of the economy. It is calculated by taking the change between the formally

employed people divided by the change between the economically active people (EAP) in an economy.²

The following is the labour absorption capacity by local municipality of the O.R. Tambo District Municipality

THE LABOUR ABSORPTION RATE BY LOCAL MUNICIPALITY IN O.R. TAMBO DISTRICT MUNICIPALITY, 2011 [PERCENTAGE]



Source: Stats SA (2011)

For 2011 the labour absorption capacity is 43% in the O.R. Tambo District Municipality this means that 43% of the newly entered economically active people get employed. Breaking it down to the local municipalities, it is clear that the King Sabata Dalindyebo Local Municipality has the most capacity for labour absorption at a rate of 63.8% of the increase of all economically active people. On the other hand the Mhlontlo Local Municipality only has absorption capacity of 5.7%.

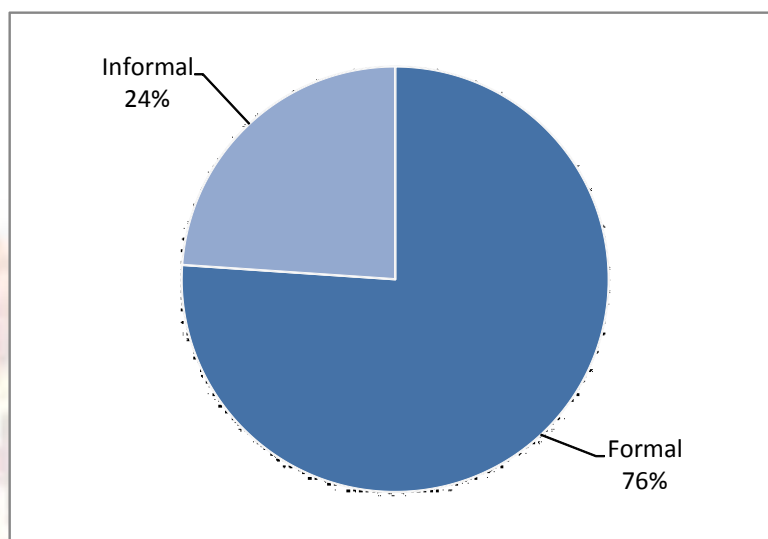
2.5.6.3 FORMAL & INFORMAL EMPLOYMENT

Formal employment is much more stable than informal employment. Informal employment is much harder to measure and manage, simply because it cannot be tracked through the formal business side of the economy. Informal employment is however a reality in South Africa and cannot be ignored.

Total employment can be broken down into formal and informal sector employment. Formal sector employment is measured from the formal business side, and the informal employment is measured from the household side where formal businesses have not been established.

The following chart is the composition of total employment in the O.R. Tambo District Municipality for 2011; the number of formally employed people in O.R. Tambo District Municipality counted 72 740, which is about 76% of total employment, while the number of people employed in the informal sector counted 22 870 which translates into 24% of the total employment.

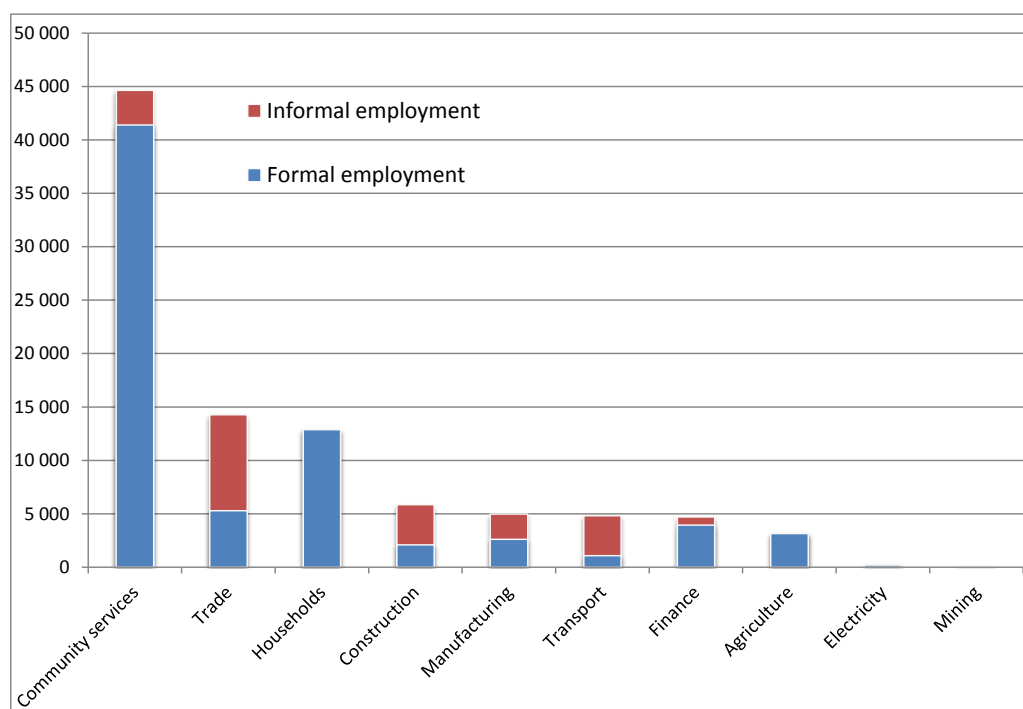
CHART 4: FORMAL AND INFORMAL EMPLOYMENT IN O.R. TAMBO DISTRICT MUNICIPALITY, 2011
[PERCENTAGE SHARE OF TOTAL]



Some of the economic sectors have little or no informal employment:

- **Mining industry**, due to well-regulated mining safety policies, and the strict registration of a mine, little or none informal employment can be found in this sector
- **Electricity**, there are no private electricity generating companies in South Africa, so it is hard to get informal employment in a regulated sector
- **Domestic Workers and Agriculture** is typically counted under a separate heading.

FORMAL AND INFORMAL EMPLOYMENT PER SECTOR IN THE O.R. TAMBO DISTRICT MUNICIPALITY, 2011 [NUMBERS]



Informal employment in O.R. Tambo District Municipality was estimated at 22 874 in 2011, increasing from 22 493 in 2005. In 2011 the economic sector which recorded the highest number of informally employed people is the Trade sector, with a total of 8 977 workers being informally employed. When looking at the relative contribution of informal employment to the total sector employment, the transport sector is the least formal sector with 77% of the employment being informal. The informal taxi-industry is included in the bigger transport sector. The spaza-shops and informal retailers make up a large percentage of the informal employment, and also a fairly large share percentage of the Trade sector.

2.5.6.4 UNEMPLOYMENT

The choice of definition for what constitutes being unemployed has a large impact on the final estimates for all measured labour force variables. The following definition was adopted by the Thirteenth International Conference of Labour Statisticians (Geneva, 1982):

'(1) The "unemployed" comprise all persons above a specified age who during the reference period were:

- (a) "without work", i.e. we're not in paid employment or self-employment;
- (b) "currently available for work", i.e. were available for paid employment or self-employment during the reference period; and
- (c) "Seeking work", i.e. had taken specific steps in a specified reference period to seek paid employment or self-employment. The specific steps may include registration at a public or private employment exchange; application to employers; checking at worksites, farms, factory gates, market or other assembly places; placing or answering newspaper advertisements; seeking assistance of friends or relatives; looking for land, building, machinery or equipment to establish own enterprise; arranging for financial resources; applying for permits and licenses, etc.'

However, this definition goes further:

'(2) In situations where the conventional means of seeking work are of limited relevance, where the labour market is largely unorganized or of limited scope, where labour absorption is, at the time, inadequate, or where the labour force is largely self-employed, the standard definition of unemployment given in subparagraph (1) above may be applied by relaxing the criterion of seeking work.'

In essence, there are two accepted definitions of unemployment; the first is called the official (or strict) definition which does not encompass paragraph (2) above, and the second is the "expanded" definition which allows for the relaxation of paragraph (1c) as per paragraph (2).

Sufficient data pertaining to unemployment as per the "expanded" definition is no longer available and the findings of this report focus on only the official definition also used by Stats SA.

Clearly South Africa needs to steer clear of the elevated levels of unemployment that currently exist. While it is detrimental to the economy, the physiological, physical and socio-economic impacts on the individual may be even more severe than the knock to the economy at large. The prevalence of unemployment is usually measured using the unemployment rate, which is defined as the percentage of those in the labour force who are unemployed.

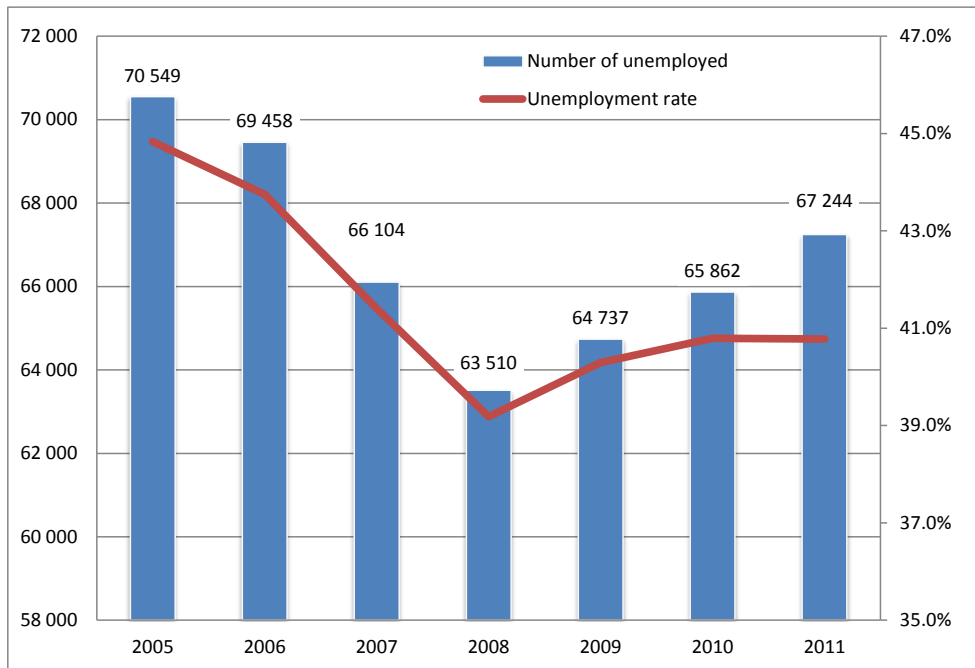
In 2011, the unemployment rate in O.R. Tambo District Municipality (based on the official definition of unemployment) amounted to 40.8%. This was somewhat lower than the 44.8% recorded in 2005.

UNEMPLOYMENT IN O.R. TAMBO DISTRICT MUNICIPALITY - OFFICIAL DEFINITION [NUMBER, PERCENTAGE]

Year	Number of unemployed	Unemployment rate
2005	70 549	44.8%
2006	69 458	43.7%
2007	66 104	41.4%
2008	63 510	39.2%
2009	64 737	40.3%
2010	65 862	40.8%
2011	67 244	40.8%

The number of unemployed decreased from 2005 to 2008, after which it started to increase again, due to the impact of the economic slowdown. The same trend is visible in the unemployment rate which also includes the dynamics of the economic active population and which is driven by the labour participation rates. The average annual growth rate between 2005 and 2011 is -0.8%.

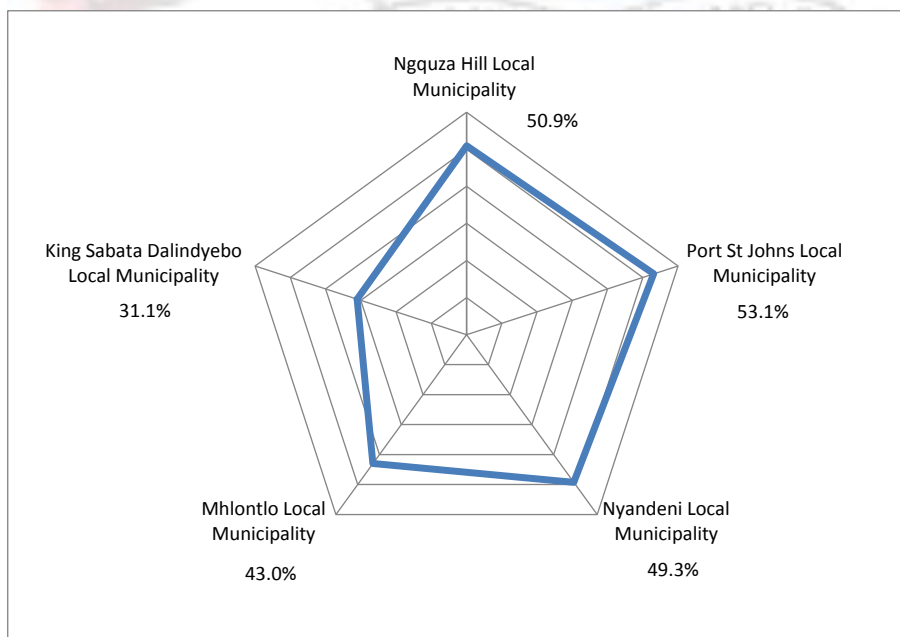
NUMBER OF UNEMPLOYED AND THE UNEMPLOYMENT RATE IN O.R. TAMBO DISTRICT MUNICIPALITY - OFFICIAL DEFINITION [NUMBER, PERCENTAGE]



Source: Stats SA (2011)

In terms of the unemployment rate per local municipality, King Sabata Dalindyebo had the lowest rate of 31.1% in 2011, while Port St Johns topped the charts at 53.1%. Mhlontlo Local Municipality is the second lowest on the chart after King Sabata Dalindyebo Local Municipality with a rate of 48.90%. Unemployment is certainly less pronounced in regions where the formal as well as the informal sector generates sufficient levels of GVA and employment opportunities.

CHART 5: UNEMPLOYMENT RATE BY LOCAL MUNICIPALITY, 2011 [PERCENTAGE]

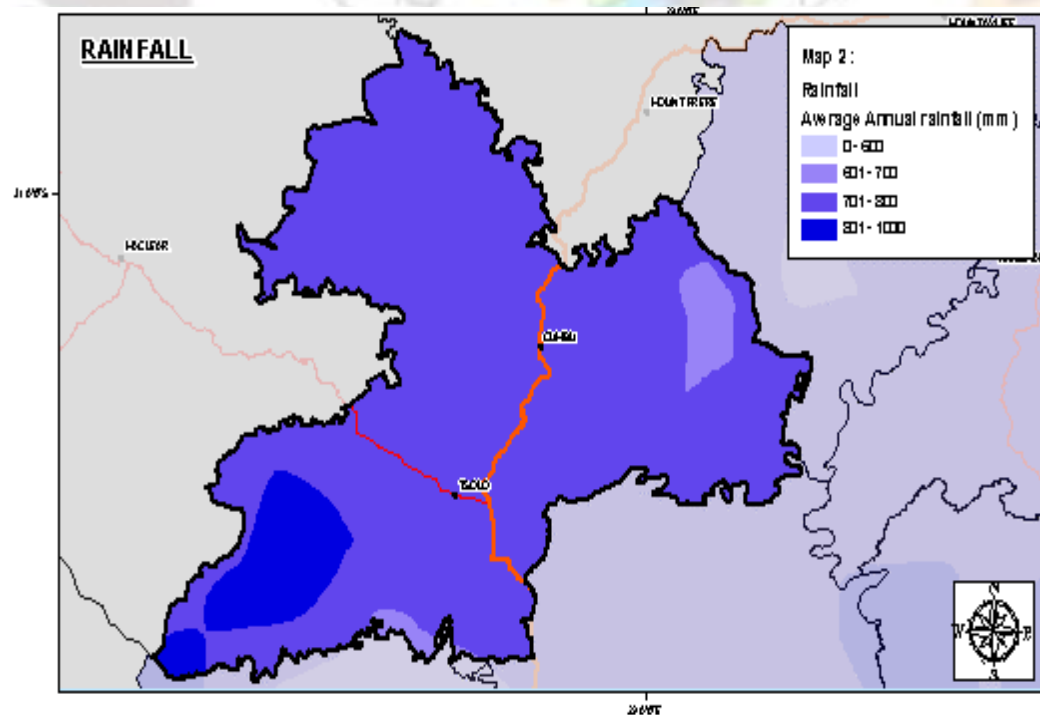
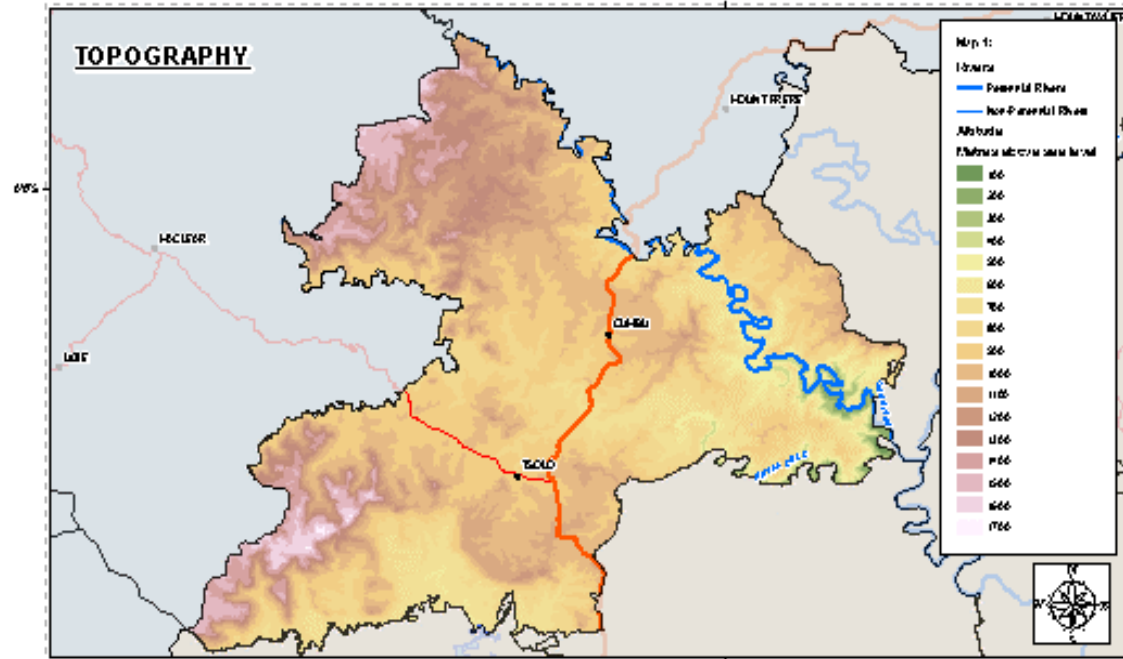


Source: Stats SA (2011)

2.6 Environment

2.6.1 Topography

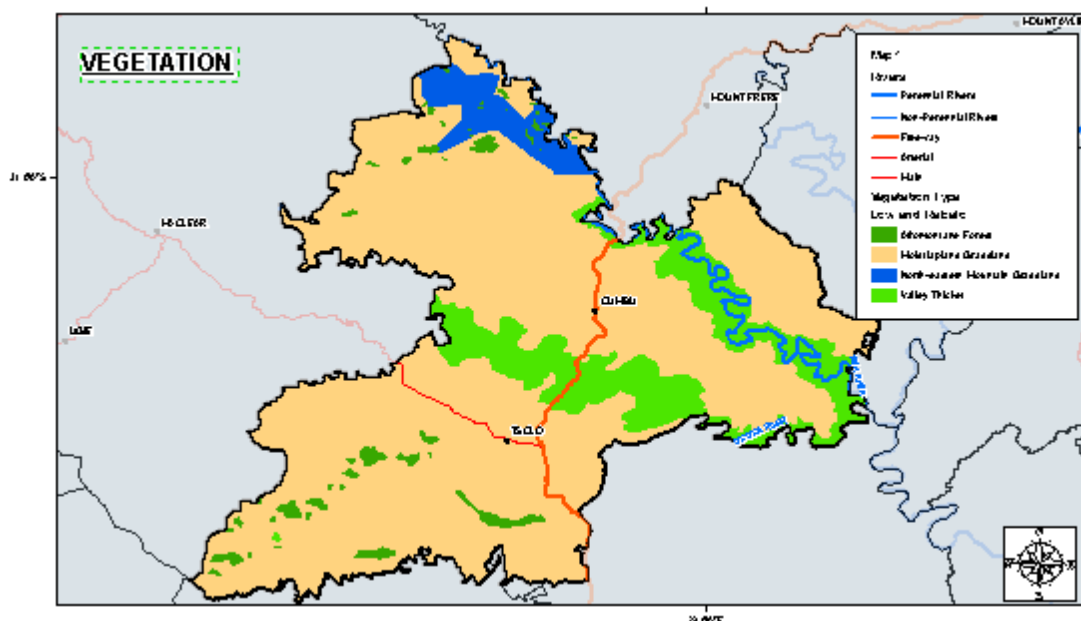
The topography of Mhlontlo shows that the western area is relatively steep, while the eastern portion is relatively flatter. The major rivers in the municipality area are the Tina River and Tsitsa River, which cut through the eastern and western section of the municipality.



2.6.2 Rainfall

Annual average rainfall for the majority of the area is between 701 and 800mm, with a portion of the western area having a higher rainfall and a small portion of the eastern area with a rainfall of less than 600mm per annum. The topography and rainfall together have implications for the potential productive use of the land, and this will be further examined under the sections dealing with land capability, land cover and vegetation.

2.6.3 Vegetation



The plan above indicates that the majority of the area is Moist Upland Grassland, with a portion along the major water courses being Valley Thicket and a small pocket of North-Eastern Mountain Grassland in the extreme north of the area.

2.6.4 Land Capability

Land Capability is determined by the collective effects of soil, terrain 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 the different land use classes. It is therefore a more general term and conservation oriented than land suitability.

Regarding the Capability Classes, these are designated by the numbers 1 through 8. The numbers indicate progressively greater limitations and narrower choices for productive use. The classes are defined as follows:

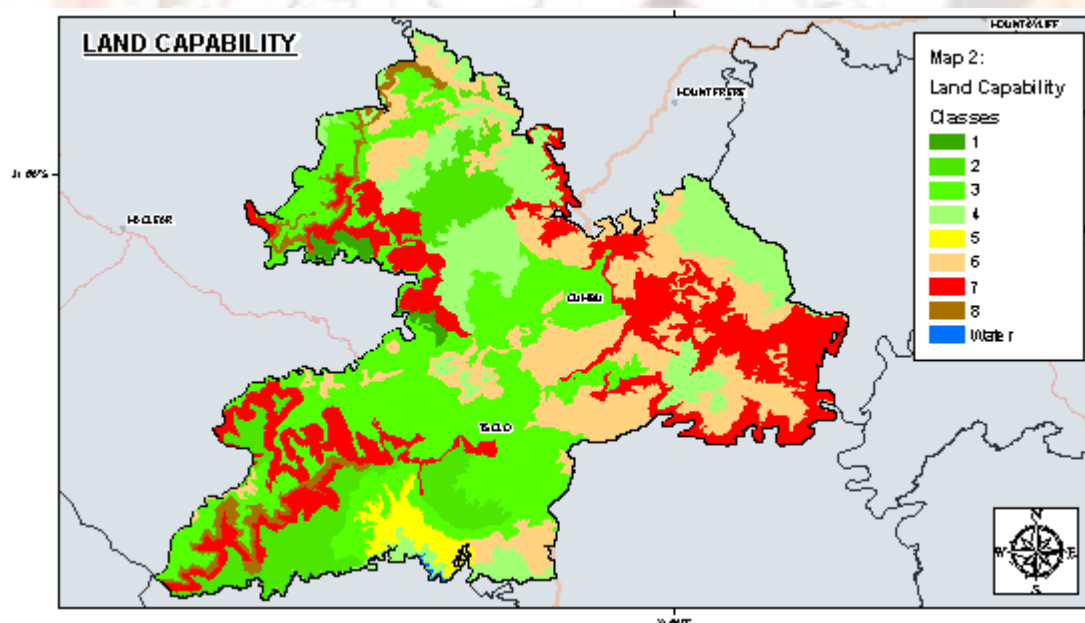
CLASS	DESCRIPTION
1	Soil have slight limitations that restrict their use
2	Soils have moderate limitations that restrict the choice of plants or that require moderate conservation practices.
3	Soils have severe limitations that restrict the choice of plants or that require special conservation practices, or both.
4	Soils have very severe limitations that restrict the choice of plants or that require very careful management, or both.

5	Soils are subject to little or no erosion but have other limitations, impractical to remove, that restrict their use mainly to pasture, rangeland, foreland, or wildlife habitat.
6	Soils have severe limitations that make them generally unsuitable for cultivation and that restrict use mainly to pasture, rangeland, foreland, or wildlife habitat.
7	Soils have very severe limitations that make them unsuitable for cultivation and that restrict their use mainly to grazing, forestland, or wildlife habitat.
8	Soils and miscellaneous areas have limitations that preclude commercial plant production and that restrict their use to recreational purposes, wildlife habitat, watershed, or aesthetic purposes.

The land capability map indicates that a large portion of the area is classified as Classes 1 to 4, which indicate arable land, suitable for crop production and pastures. The steep areas in the western portion are classified as Class 7 and are most suitable for wildlife, forestry and veld. There are pockets in the eastern section of the area that fall under Class 6, where pastures and limited crop production is possible.

Climate Change

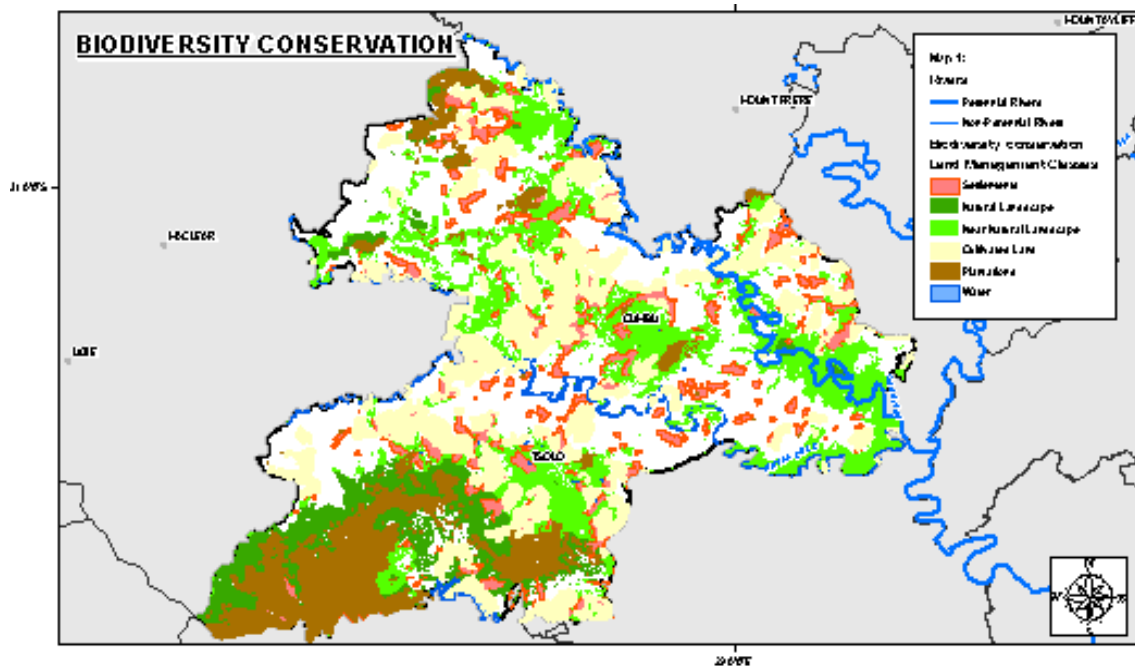
The Municipality is a less contributor to the climate change because there are no firms and factories that may contribute to air pollution. The municipality is trying to control burning of refuse by developing re-cycling and by-back centre.



Implications:

- The extent of unimproved grasslands suggests that Mhlontlo has good potential for livestock production, in particular sheep and cattle.
- The good climatic conditions, soils, and land abundance also point to the potential richness of the natural resource base in the municipality and suggests potential in high value crops and fruit production.
- Portions of the area have potential for forestry in terms of land capability, topography and rainfall, and this sector should be encouraged in the western sub-region.

2.6.5 Biodiversity Conservation

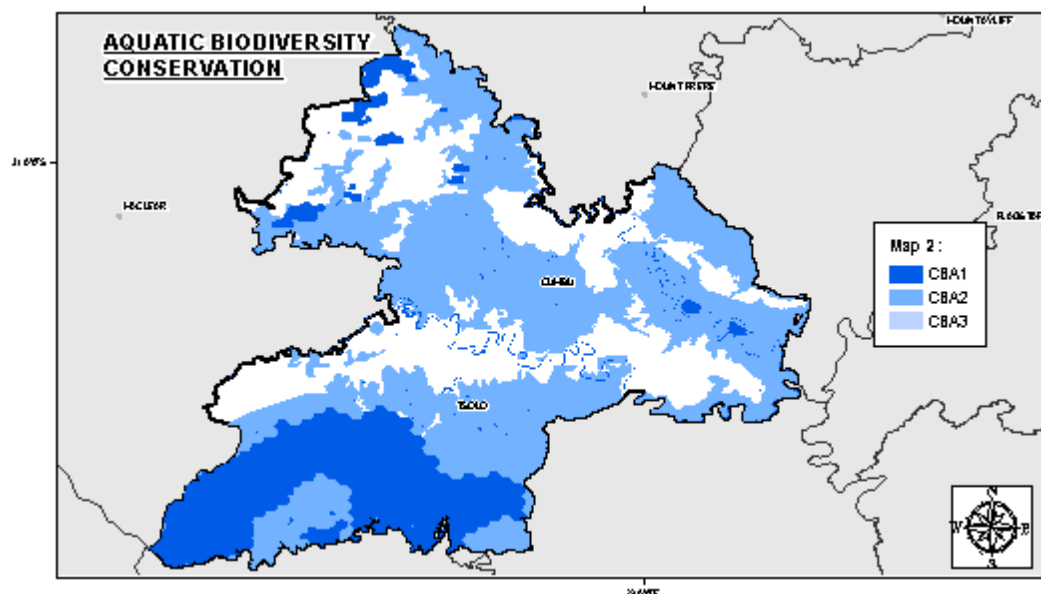


2.6.6 Bioregions

In terms of the Biodiversity Act (Act 10 of 2004), the Minister or the MEC for environmental affairs in a province may determine a geographic region as a bioregion for the purposes of the Act and publish a plan for the management of biodiversity in the region. There is an obligation for government on the one hand to promote rural development poverty alleviation and service delivery, and on the other hand to ensure that the rich natural capital of the Province is sustainably used and conserved such that both current and future generations may benefit.

2.6.7 Critical Biodiversity Areas

Critical Biodiversity Areas (CBAs) are terrestrial and aquatic features in the landscape that are critical for conserving biodiversity and maintaining ecosystem functioning. The ECBCP developed two maps, one showing terrestrial (land-based) CBAs and the other showing aquatic (freshwater) CBAs. The map of terrestrial CBAs was compiled by undertaking a systematic biodiversity planning analysis and adding all biodiversity priority areas identified by other systematic Biodiversity Planning projects (such as STEP) in the Province.



Aquatic CBAs were identified on the basis of sub-quaternary catchments, addressing the linkages between catchments, important rivers and sensitive estuaries. Priorities were identified through a systematic conservation planning analysis.

2.6.8 Why Conserve Biodiversity

Biodiversity provides us with clean water, air and soil as well as medicinal plants, fuel wood, food products (from fishing, hunting and vodkas), building materials and grazing. Plants roots stabilise the soil and prevent erosion. All of these are vitally important for human wellbeing, Biodiversity also contributes significantly to rural livelihoods. The scenic beauty of the Province provides valuable products for the tourism and wildlife industry, with potential to generate considerable economic revenue from nature reserves, game farms and hunting lodges. At the global scale, we depend on nature, particularly forests, to absorb the carbon dioxide that is generated, and to regulate the climate. All of these resources depend directly on biodiversity.

2.7 Access to Basic and Social Services

This section provides an overview of the extent to which there is access to various services within the Mhlontlo Local Municipal area. In each category of service a comprehensive overview of the current situation is presented. The distribution of authority, location of powers and functions across the three spheres of government is reviewed. The challenges presented by the distribution of powers, functions and authority are also briefly appraised.

For the purpose of this situational analysis, these services are categorised into household and community services. Household services are considered those services that can be provided to an individual household. They include such services as water supply and sanitation; refuse removal, electricity, telecommunication etc. On the other hand, community services include those that are provided for the benefit of the community communally e.g. safety and security, community facilities, education as well as health services. It should be noted though that in rural areas, certain services which are supposed to be provided at an individual household level are provided at a communal level based on RDP standards and spatial imperatives. An example of this would be provision of communal taps instead of water provision per dwelling/household.

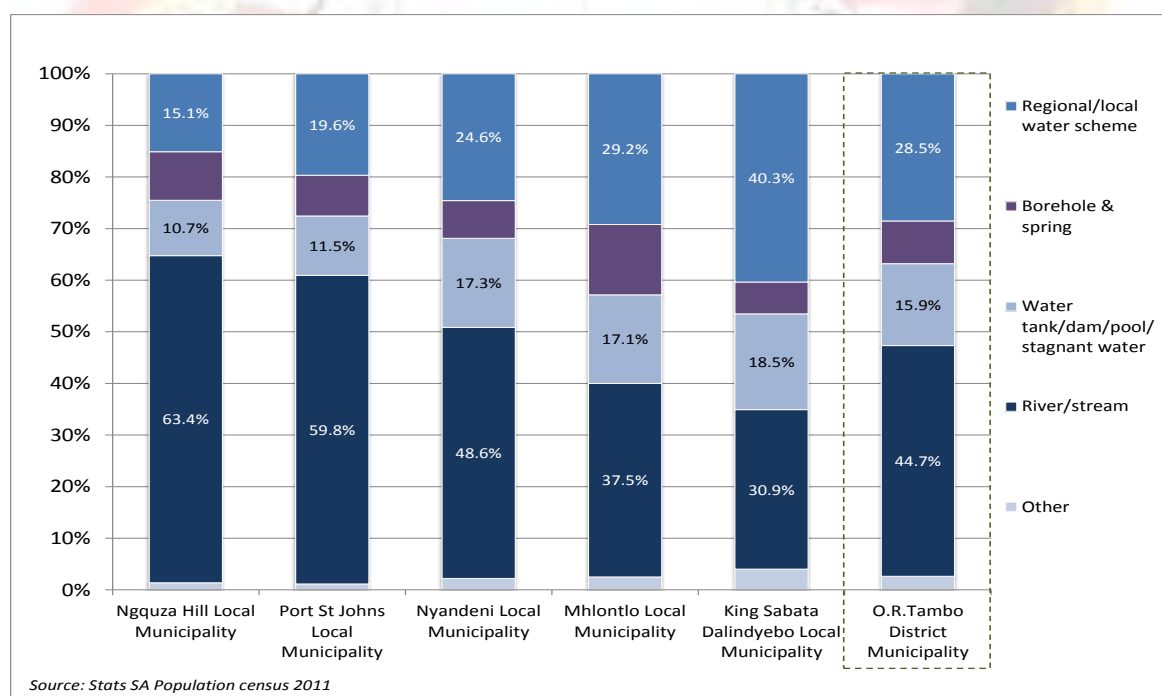
2.7.1 Access to Water Supply

In terms of the current delegation of powers and functions, the function of water supply and sanitation service rests with the OR Tambo District Municipality. As a Water Service Authority (WSA), ORTDM is responsible for ensuring effective and sustainable provision of water and sanitation services and this includes planning, delivery and regulation of services.

As per the Ward Based Planning that was conducted during 2015/2016 year end, the majority of villages are still depended to the natural water from rivers, dams and springs, although there are improvements as compared to the previous year's analysis that was low, it is only 37.5% of the villages who receive clean water from the communal taps. Although there are water schemes constructed, there is no water coming out of the taps, little are the villages with water for a week and without water for a month or two. And also there is a challenge of illegal connection by the communities where they connect from the main pipe to the yards.

The following chart provides detail pertaining to the households by access to water in O.R. Tambo District Municipality.

PERCENTAGE OF HOUSEHOLDS BY TYPE OF WATER ACCESS – O.R. TAMBO DISTRICT MUNICIPALITY, 2011



The local municipality with the most access to a river/stream is the Ngquza Local Municipality which has a total of 35 600 households which have access to a river or stream this consists of 63.4% of its total household that have access to water. The local municipality with the best developed regional/local water scheme is in the King Sabata Dalinyebo Local Municipality with a total of 42 453 households with this service this consist of 40.3% of all households that have access to water in that municipality. The Mhlontlo Local Municipality is the second best developed regional/local water scheme with the total of 12670 households with the service that consists of 37.5%.

TABLE 10: NUMBER OF HOUSEHOLDS BY TYPE OF WATER ACCESS – O.R. TAMBO DISTRICT MUNICIPALITY, 2011

2011	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality	OR Tambo District Municipality
Regional/local water scheme	8 491	6 232	15 149	12 670	42 453	84 995
Borehole & spring	5 274	2 503	4 491	5 926	6 511	24 705
Water tank/dam/pool/stagnant water	6 037	3 652	10 654	7 445	19 521	47 309
Dam/pool/stagnant water	1 677	1 418	1 282	1 436	2 100	7 913
River/stream	35 633	18 966	29 985	16 287	32 513	133 384
Other	778	363	1 368	1 086	4 243	7 838

Source: Stats SA Population census 2011

2.7.2 Access to Sanitation Services



Number of households by access to type of sanitation. This variable categorises and sums all households in a region according to the type of sanitation they have access to. The sanitation types are broken down into 5 categories:

1. **Flush toilet:** Waste is flushed into a tank from where it cannot flow into the surrounding environment and which must therefore be either emptied or pumped elsewhere.
2. **Ventilation improved pit:** A top structure over a pit, vented by a pipe with a fly screen. The pit may be lined or unlined depending on soil conditions.
3. **Pit toilet:** A top structure over a pit.
4. **Bucket system:** A top structure with a seat over a bucket. The bucket is periodically removed and contents disposed of. Widely used but pose health risk to collectors. Most authorities are actively attempting to discontinue the use of such buckets in their local regions.
5. **No toilet:** No access to any of the toilet systems explained above.

A household is a group of persons who live together and provide themselves jointly with food and/or other essentials for living, or a single person who lives alone.

TABLE 11: NUMBER OF HOUSEHOLDS BY TYPE OF TOILET – LOCAL MUNICIPALITIES O.R. TAMBO DISTRICT MUNICIPALITY, 2011

2011	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality	O.R.Tambo District Municipality
Flush toilet	7 286	4 070	3 845	3 911	35 582	54 694
Ventilation Improved Pit (VIP)	13 637	7 678	21 965	11 075	24 972	79 327
Pit toilet	23 831	9 507	14 707	17 172	26 619	91 836
Bucket system	694	279	523	250	488	2 234
Other	2 666	1 850	3 912	1 436	3 798	13 662
No toilet	8 100	8 330	16 696	9 571	13 781	56 478
Total	56 214	31 714	61 648	43 415	105 240	298 231

Source: Stats SA Population census 2011

As shown in **Table 11** (SSA, 2011) above only 9% of the total number of households has access to flush toilets connected to the main sewer. The above figure reflects a 2.2% increase from the 2001 estimates of 2.9%. It is further estimated that 25.5% of households have access to Ventilation Improved Pit (VIP) toilets, a further estimated 39.6% have Pit latrines toilet, 22% with no access to sanitation and this contributes to the overall increase in the number of households with improved sanitation infrastructure. It should be noted though that in rural areas, certain services which are supposed to be provided at a household level are provided at a communal level. An example of this would be provision of communal taps instead of water provision per dwelling/household.

As is evident from the afore-going, progress towards addressing the sanitation backlogs has been rather slow. In order to meet the national government sanitation backlogs, the municipality, in a close collaboration with OR Tambo needs to develop and roll out a bold backlog eradication plan. During this process, strategically Mhlontlo plans to build internal capacity towards becoming a Water Services and Sanitation Authority. Part of what the municipality will be undertaking is a municipal wide awareness campaign to encourage those who can afford to provide for their households to invest in appropriate sanitation services.

According to the Ward Based Planning that was conducted during 2015/2016 financial year, the District has managed to address some of the issue of backlog in sanitation and the majority (80%) of the households have VIP toilets. The challenge is with those households that were provided with

sanitation in 09 years ago that are now full or dilapidated. The issue of bucket systems was addressed by the District as there are no bucket system in both urban areas of Mhlontlo.

2.7.3 Refuse Removal

Solid waste management, with the exception of hazardous waste is a competency local government. Within the sphere of local government, solid waste management is defined as a responsibility of local municipalities however, Section 84 of the Structures Act assigns some responsibilities for regional scale landfill to district municipalities. In order to deliver on this mandate local municipalities are expected to have a council adopted Waste Management Plan which will guide a municipal – wide waste management process. The Municipality has developed and adopted its Integrated Waste Management Plan with the assistance of Department of Environmental Affairs.

Currently the municipality only provides refuse removal service in the urban parts of Qumbu and Tsolo. The majority of the municipal area which is made up of vastly rural communities remains without municipal refuse services. As a result, most households in rural areas practice 'burn and bury' to eliminate household refuse. Compounding the problem further with regards to the availability of bulk services is a fact that, in Mhlontlo, there are two legally compliant landfill facilities within the municipality (Qumbu & Tsolo site).The municipality has provided waste bins around urban centres of Mhlontlo.

As per the Ward Based Planning conducted for 2015/2016 financial year end, there is a programme that was initiated by Department of Public Works which is Food for Waste (EPWP) where employees collect refuse from villages nearer to the urban centres of Mhlontlo and the Municipal Truck collect the waste weekly. Mhlontlo Municipality has since taken over from Public Works and is now fully responsible for its costs amounting to R1.8m.

According to the most recent statistical estimates (Stats SA-2011), 95.2% of households within the Mhlontlo Municipal area do not have access to either formal or municipal provided refuse removal. Of the remaining households, only 4.8% have access to daily pick up services with the remainder accessing the service less often. For a succinct outline of the state of access to refuse removal. See **Table 12** below;

Table 12: Access to Refuse Removal Services

Source	No. of Households	%
By municipality or private sector	2294	5.3
Communal	1493	3.4
Own refuse dump	31508	72.7
No refuse removal	7370	16.9
Other	738	1.7
Total	43414	100

Source: Stats SA, 2011

2.7.4 Crime

The state of crime in South Africa has been the topic of many media articles and papers in the past years and today. Most people would acknowledge that the country has a crime problem, but very little research has been done on the relative level of crime. The media tends to publish sensational, exaggerated case studies and ignores the progress and positive side of combating crime.

IHS GLOBAL INSIGHT COMPOSITE CRIME INDEX

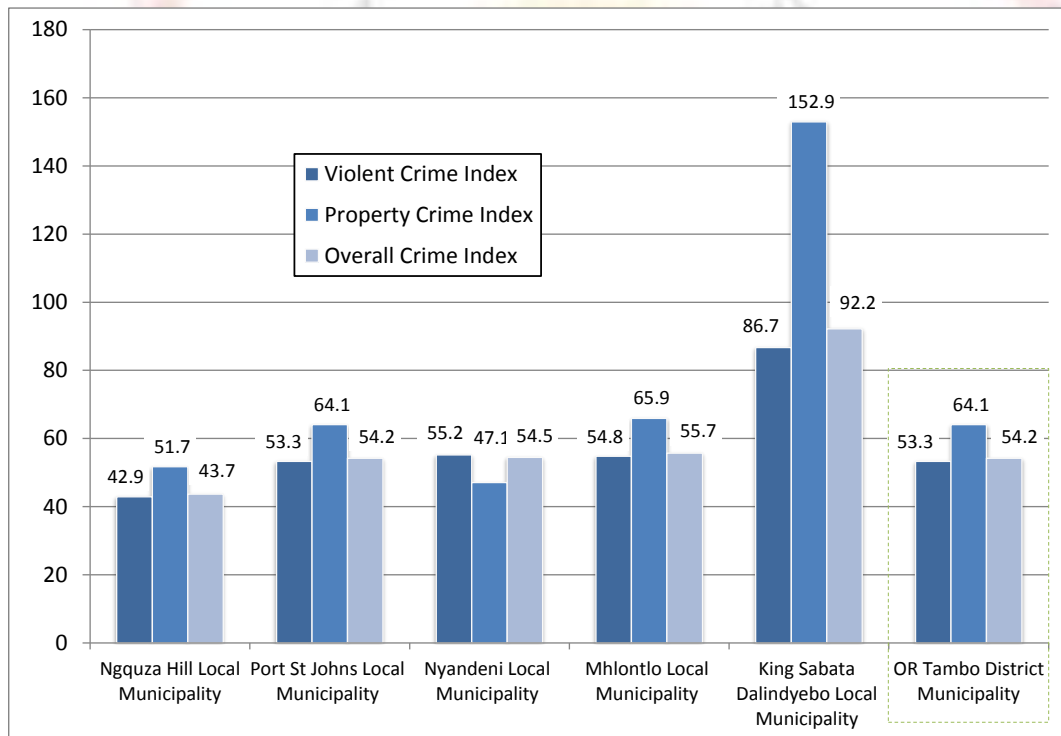
The IHS Global Insight composite crime index is compiled using official data from the SAPS which is reported in 27 crime categories ranging from murder to crime injuries. These 27 categories are divided into two groups according to the nature of the crime—violent crimes and property crimes. Two methods are then used to derive weights for each category of crime:

- (a) Length-of-sentence approach and
- (b) Cost-of-crime approach.

OVERALL CRIME INDEX

Definition | The crime index is a composite weighted index of crime. This variable provides a comparative time series of the change in the level of crime. The higher the index number, the higher the level of crime in the selected year and region. However, a single figure by itself is meaningless unless compared with a figure from either another year or another region.

CRIME INDEX BY LOCAL MUNICIPALITY - O.R. TAMBO DISTRICT MUNICIPALITY, 2011/2012 FINANCIAL YEAR



Source: Global Insight, 2012

It is clear that in the local municipalities where the economy is more advanced; it is also more prone to crime. A proof of this is seen in the King Sabata Dalindyebo Local Municipality where the property crime is above average.

CRIME INDEX BY LOCAL MUNICIPALITY - O.R. TAMBO DISTRICT MUNICIPALITY, 2011/2012 FINANCIAL YEAR

2011/2012	Violent Crime Index	Property Crime Index	Overall Crime Index
Ngquza Hill Local Municipality	42.94	51.71	43.67
Port St Johns Local Municipality	53.29	64.07	54.19
Nyandeni Local Municipality	55.18	47.12	54.50
Mhlontlo Local Municipality	54.78	65.94	55.71
King Sabata Dalindyebo Local Municipality	86.68	152.92	92.21

The change on an annual basis is very volatile due to the size of the population of the municipalities. A small increase in the actual crime might reflect as large percentage increase. It is clear that a similar trend towards the local municipalities is noted. The Community Safety Forums have been launched in some of the villages of Mhlontlo with the assistance of SAPS in trying to reduce crime within the area.

SAPS CRIME STATS IN MHLONTLO LM, CENSUS 2011

CRIME	Qumbu		Tsolo	
	2014	2015	2014	2015
YEAR				
Murder	35	31	44	49
Sexual offences	74	94	104	83
Attempted Murder	16	22	14	20
GBH Assault	225	176	150	147
Common Assault	61	58	31	16
Common Robbery	20	20	8	3
Robbery with Aggravating circumstances	132	144	86	99
Arson	6	5	12	6
Malicious injury to property	41	62	40	39
Burglary at Non-residential Premises	58	58	101	66
Burglary at residential premises	174	138	89	98
Theft of motor vehicles and cycles	12	8	9	12
Theft out of or from motor vehicle	56	39	26	23
Stock theft	199	191	137	121
Illegal possession of un-licensed firearm	29	45	23	24
Drug related crime	40	22	134	170
Driving under influences of alcohol or drugs	13	4	13	8
Theft not mentioned else where	111	146	85	79
Commercial crime	21	25	17	25
Shoplifting	16	16	3	5
Car hijacking	4	8	4	2
Truck hijacking	1	1	1	0
Robbery at residential premises	36	41	24	20
Robbery at non-residential premises	34	30	27	42
Carpable homicide	14	20	11	12

2.7.5 Access to Energy

This section is presented as three components comprehensively covering all aspects of the state of access to energy. The first component analyses households in terms of the forms of energy used for lighting. The second component looks at energy as a means of cooking while the last component looks at energy as a source for heating.

The following chart provides detail pertaining to the households by type of electricity usage in O.R. Tambo District Municipality.

NUMBER OF HOUSEHOLDS BY TYPE OF ELECTRICAL CONNECTION –
O.R. TAMBO DISTRICT MUNICIPALITY, 2011

2011	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalinyebo Local Municipality	O.R.Tambo District Municipality
Electricity for lighting	35 317	21 504	43 760	31 525	77 182	209 288
Electricity for cooking	20 323	9 885	24 669	19 444	60 464	134 785
Electricity heating	10 680	5 406	9 583	6 519	20 888	53 076
Percentage of total households:						
Electricity for lighting	62.8%	67.8%	71.0%	72.6%	73.3%	70.2%
Electricity for cooking	36.2%	31.2%	40.0%	44.8%	57.5%	45.2%
Electricity heating	19.0%	17.0%	15.5%	15.0%	19.8%	17.8%

Source: Stats SA Population census 2011

The local municipality with the most households with access to electricity for cooking is the King Sabata Dalinyebo Local Municipality at a total of 60 464 households or 57.5% of the total households. In O.R. Tambo District Municipality a total of 209 288 households have access to electricity for lighting, which is 70.2% of the total households. The Port St Johns Local Municipality have the least access to lighting with a total of 21 504 households or 67.8% of the total households in that municipality having access.

Access to energy is vital both as a basic service need for household consumption but most importantly as an economic catalyst. The state of access to energy within Mhlontlo is consistent with the level of access to energy within the Eastern Cape where according to the Department of Minerals and Energy only 70% thus far have access to electricity compared to 92% in Gauteng. Whilst there is an overall increase in the rate of access to electricity in SA, as the foregoing posits, the situation in Mhlontlo is a complete contrast and the statistics above confirms this situation. This state of lack of access will mostly be affected by the current energy crisis and thus make it even more difficult for the Mhlontlo to meet the national target. As has been the case at a national level, the reduction in national revenue intake may also have some effect on smaller municipalities like Mhlontlo. The municipality will ensure that the existing working partnership between itself and ESKOM is strengthened in order to ensure a smooth rollout of the electrification process.

According to the Ward Based Planning 2015/2016 that was conducted to all the wards, the Municipality is seating at a backlog of about 9200 households currently that have no access to electricity. In most of the villages there is a challenge of inaccessibility, bad condition of roads.

Kwa Madiba Small-Scale Hydropower Development

Hydropower is not only a renewable source of energy, but it is non-polluting. A high efficiency of energy conversion means that small-scale hydropower plant produce about 60-80% of the total energy consumed into power output. Therefore, small-scale hydropower would be a suitable option to generate electricity in rural areas.

The Kwa Madiba SSHP Scheme is designed as a run-of-river scheme on the Tina River within the Mhlontlo Local Municipality. The intake is located at the top of Tina Falls and the turbine room and tailrace is located at the bottom of the Tina Falls approximately 65 km downstream of the N2 Tina River Bridge. This project will benefit about 39 households with a budget of R5 000 000.

2.7.6 Telecommunications

According to the Statistics SA (2011) estimates that 58% of households within Mhlontlo Municipal area have access to mobile telecommunications while only 42% are estimated as having no access to such facilities. In contrast, 99% of households are estimated to be without access to a fixed telephone facility. The two major challenges associated with mobile telephone are affordability and network quality. Telephone access has the potential to improve access to other services including health as well as safety and security. It is imperative that the municipality explores possibilities of establishing strategic partnerships to ensure provision of service centres to enable easy access to essential services such as telecommunication, police, health, postal services and emergencies/disaster management. This huge lack of access to a fixed telephone line may also affected the state of access to ICT and as such perpetuate the rural – urban digital divide.

2.7.7 Computers, Internet and Postal Services

Lack of access to ICT has been identified as one of the characteristic features of poverty and this has been added as an aspect to measure the level of development and quality of life for municipal inhabitants. According to census 2011 estimates, a whopping 99.5% of the total number of households in Mhlontlo Municipality either do not own or have access to both a computer and internet. This is potential indicative of lack of information and relevant skills within the municipal area. This is collaborated by a similar proportion of approximately (97%) of households who do not have access to postal services thus indicative of a possibility that the majority of people within this municipality do not have access to important information. This is hugely bad picture considering that 71.03% of the municipal population is below 34 years old. This may also be indicative of the extent to which schools and all education centres within Mhlontlo are inappropriately equipped in terms of libraries and internet facilities.

2.7.8 Health

The Constitution makes a distinction between health services -which is a concurrent national and provincial function- and municipal health services which is an exclusive municipal function. The National Health Act defines 'Health Services' as:

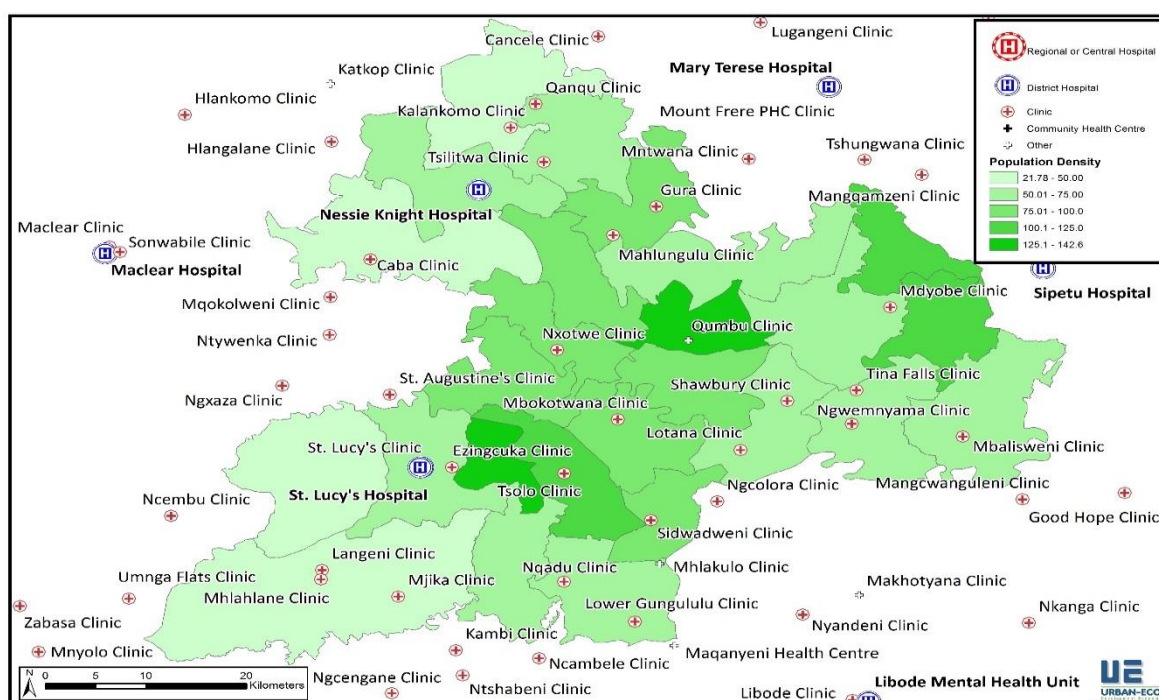
- Health care services including reproductive health care and emergency medical treatment, contemplated in section 27 of the Constitution,
- Basic nutrition and basic health care services contemplated in section 28 (1) (c) of the Constitution,
- Medical treatment contemplated in section 35(2) (e) of the Constitution, and
- Municipal health services.

Provincial departments of health continue to take primary responsibility for hospital services, with oversight and coordination from the national department. The National Health Act further defines 'Municipal Health Services' as:

- Water quality monitoring,
- Food control,
- Waste management,
- Health surveillance of premises,

- Surveillance of prevention of communicable diseases, excluding immunisations,
- Vector control,
- Environmental pollution control,
- Disposal of the dead, and
- Chemical safety

The definition excludes port health, malaria control and control of hazardous substances. It is notable that all of these activities under the municipal health function involve environmental health but exclude the promotional aspects normally included with environmental health. They are essentially regulatory in nature and have little link to the curative health system, with the exception of immunisations.



As per the Department of Health Qumbu Sub-District; there are three hospitals and 29 clinics servicing the whole municipal area; two mobile clinics and two community health centres which are in operation. Only Shawbury Clinic is under renovation and two hospitals Nessie Knight and St Lucy's Hospitals. This is indicative of a huge progress from only 25 clinics confirmed in the 2005 Water Affairs Reference Framework. According to the Provincial Department of Health within Mhlontlo Local Municipality, the following clinics have additional rooms:

The provincial Department of Health has not made any provision for new health facilities during the ensuing financial year, but has plans to undertake renovations and upgrading of Nessie Knight Hospital, St Cuthbert's Hospital and Dr Malizo Mpehle Memorial Hospital.

From what has been reported, all the Mhlontlo Health Posts have been assigned (accredited) to deliver antiretroviral. The report issued by the department of health Qumbu Sub-district there are 7 doctors and 2 dentists; St Lucy's Hospital with 3 doctors and Nessie Knight Hospital with 4 doctors.

2.7.8 HIV/AIDS

HIV/Aids have an effect of reducing household savings both in absolute terms and as a percentage of household income. It is also likely to change financial planning as well as the composition of the household expenditure. It lowers the life expectancy, which, in turn, results in poor investment in retirement while medical costs as a percentage household expenditure can be expected to increase. The cumulative effect is the reduction in household and government savings which, in turn, results in reduced investments, less productive employment, lower incomes and slower of gross national product.

Due to its high prevalence among the economically active populations, HIV/Aids has an effect of reducing both quantity and quality of available labour. The death of household head is also considered to have intergenerational consequences, which include lower level of educational attainment. Social capital costs manifests in a form of disruptions and erosion of social networks and traditional support mechanisms.

The Department of Health, Mhlontlo Sub-District has issued a number of people tested for HIV/Aids from April to October 2014 was 53 552 and number of people tested positive on HIV/Aids is 4 525 and the age analysis is 15 – 49 years of age.

The figures reflect how many patients at each clinic have begun antiretroviral (ARV) treatment in the past month as well as how many suspected TB patients and children born to HIV positive mothers have been tested for HIV. Although the numbers look deceptively modest, what they represent is an extraordinary achievement for a district where only three doctors provide HIV care for 200,000 residents, an estimated 25,000 of whom are HIV positive, and where only 75 patients were initiated on ARVs in the first eight months after treatment began rolling out here in July 2004. Today, about 1,600 patients are receiving ARVs, with an average of about 60 new patients beginning ARV treatment each month. The story of how Mhlontlo District achieved this without any significant increase in resources is one that South Africa needs to learn from. South Africa's minister of health, Dr Manto Tshabalala-Msimang, regularly describes the country's ARV programme as the largest in the world (about 370,000 people were on treatment as of September 2007), but others point out that with the world's largest burden of HIV infections, treatment scale-up is still happening too slowly.

In a recent presentation, Dr Andrew Boule, a public health specialist from the University of Cape Town, said that in South Africa's Free State Province, 87 percent of HIV-patients who died during a 20-month period had never received ARVs. Many HIV-positive South Africans are not coming forward for testing and treatment, but others are dying while waiting for ARV treatment to begin.

An untapped resource

The bottlenecks preventing people from starting treatment were the same in Mhlontlo District as they are in much of the country - too few doctors and pharmacists at too few treatment sites. While staff at the sites accredited to provide ARV treatment struggled to cope with high workloads and patients living in remote areas struggled to reach them, nurses at 22 primary health-care clinics dotted throughout the district were, according to Cathy Green, a project manager with the Massachusetts-based non-profit organisation, Institute for Healthcare Improvement (IHI), a huge untapped resource. The biggest barrier to initiation was simply being able to access the facilities where the doctors were, Green told IRIN/PlusNews. All the preparation for ARVs was being done at four sites and people just couldn't afford the transport to go there repeatedly.

Only doctors can initiate patients on ARVs in South Africa, but with proper training, nurses are capable of monitoring treatment and distributing monthly prescriptions. In March 2005, IHI, in

partnership with the local health department and the Regional Training Centre at Walter Sisulu University in Mthatha, began training nurses at Mhlontlo's clinics in how best to manage their limited resources to treat patients infected with HIV. Most pre-ARV care and preparations for treatment are now carried out by nurses at clinics, meaning that treatment initiations often only require one visit to the hospital or health centre to see a doctor, while in some cases doctors visit the clinics to initiate treatment.

Meanwhile, patients who were previously receiving ARVs at the larger health centres and hospitals are now being referred back to their local clinics for chronic care. Alice Sodinga, a nurse working at Mhlontlo District's Nessie Knight Hospital - where 149 of their 156 patients on ARVs have been referred back to local clinics for chronic HIV care - told IRIN/PlusNews: Now they [the patients] are very comfortable, it saves them money in transport. And there is time now for us to go to our people, to visit the wards and to do community outreach.

Creative solutions

The transition has not been without challenges. In the face of unreliable electricity and water supplies, the difficulties of transporting samples and a lack of space and essential supplies, clinic staff are encouraged to come up with creative solutions and try them out on a small scale before sharing the results at monthly meetings like the one at Qumbu Health Centre. Ndenze Ntutu, a local clinic nurse, said one of the ideas her clinic had successfully tested was the use of community healthcare workers to do pre and post-test counselling for HIV testing and to follow up treatment defaulters. The meetings help us gather ideas like this and correct mistakes, she said. The whiteboard that HIV/AIDS treatment programme manager, Mhlakaza, painstakingly records on, is part of a drive to track the impact of innovations through good record-keeping. Without data, you're working in the dark, Green said. How do you know the changes are making a difference?

Often we can't increase resources, so most of the time we're working to try and improve systems. Staff at one hospital, for example, theorised they would be able to increase the number of inpatients they tested for HIV if they simply changed their working hours slightly. After tracking the numbers for a month, they determined the experiment was a success. When ART (antiretroviral therapy) was originally introduced, many healthcare workers assumed that the guidelines available to them were rules that had to be followed to the letter, even when they didn't make sense in their local context, said Green.

Encouraging nurses to interpret and adapt these guidelines to local realities, Green said, has enabled them to come up with solutions to overcome treatment bottlenecks. The monthly meetings also provide an important opportunity for trouble-shooting. At a recent meeting in Qumbu, Green asked clinic staff to explain why there were a number of medically eligible patients who had not yet started treatment. It soon emerged that many of them were simply waiting to be seen by a doctor. Do we know when the doctor is coming? Those clients are at risk, Green asked. We're waiting for a date from the hospital, responded a clinic nurse. A staff member from the hospital explained the problem was the transport to bring the doctor to the clinics: We only have one van and one driver, she said. The content of meetings often ends up dealing with very practical constraints that impede treatment, said Green later. Like the lack of transport - you can pick up those kinds of problems and the [local health authority] people are there to help address it.

A replicable model?

A number of studies have supported the importance of moving towards more nurse-led, decentralised ARV treatment programmes such as the one being used in Mhlontlo, so as to not only increase the numbers of patients on treatment but the numbers who stay on treatment. A report by international humanitarian agency Mdecins Sans Frontiers (MSF) on the scale-up of treatment in Eastern Cape's Lusikisiki District found that whereas 19 percent of patients who accessed treatment at a central hospital defaulted in their first 12 months on treatment, only two percent of those receiving treatment at local clinics did so. Only South Africa's health department can take the Mhlontlo model and replicate it on a large scale, but IHI is helping to implement similarly impressive ARV treatment scale-ups in several other districts around the country. The goal, said Green, was always to find local partners who can eventually take over managing the improvement of ARV programmes and sustain the rate of progress. Green believes that meeting the ambitious new treatment targets set by the National Strategic Plan for HIV and AIDS, which South Africa adopted in 2007, will depend on a willingness to try new approaches and to consider locally-designed solutions to treatment barriers.

Often we can't increase resources, so most of the time we're working to try and improve systems, Green said. Even where resources are more plentiful, those resources will eventually be inadequate so we need alternative models.

In 2011, the total number of people infected with HIV in O.R. Tambo District Municipality was 144 930. The number of people infected increased at an average annual rate of 3.1% between 2005 and 2011, and in 2011 represented 11.2% of the total O.R. Tambo District Municipality population.

The lifespan of people that are HIV+ could be prolonged with modern ARV treatments. In the absence of any treatment, people diagnosed with HIV do live for approximate 10 years before reaching the final AIDS stage of the disease.

NUMBER OF HIV+ PEOPLE IN O.R. TAMBO DISTRICT MUNICIPALITY, EASTERN CAPE AND SOUTH AFRICA, 2005 – 2011

Year	South Africa	Eastern Cape	O.R. Tambo District Municipality	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality
2005	4 347 562	563 849	120 928	22 929	12 496	25 814	17 788	41 901
2006	4 489 107	592 215	127 146	24 074	13 127	27 213	18 636	44 095
2007	4 588 712	613 499	131 710	24 921	13 587	28 245	19 237	45 721
2008	4 670 939	632 697	135 790	25 682	13 995	29 163	19 771	47 180
2009	4 739 444	649 219	139 248	26 332	14 339	29 938	20 219	48 420
2010	4 798 969	663 802	142 296	26 908	14 639	30 620	20 613	49 516
2011	4 849 858	676 587	144 930	27 408	14 895	31 206	20 950	50 470
Average annual growth rate								
2005-2011	1.8%	3.1%	3.1%	3.0%	3.0%	3.2%	2.8%	3.2%
% of population								
2011	10.8%	10.5%	11.2%	9.8%	9.5%	10.7%	11.1%	11.2%

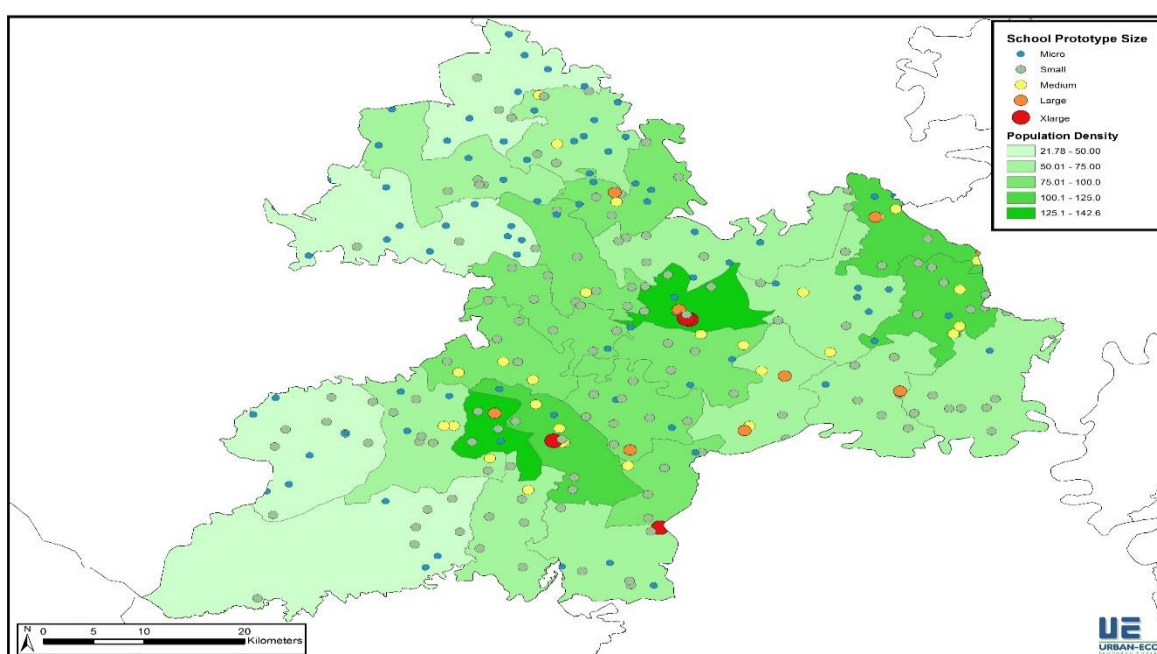
Population source: Stats SA Population census 2011

South Africa has a total of 4.8 million people who were HIV+ in 2011; this increased at an average annual growth rate of 1.8% and constitutes 10.8% of the total population. The Eastern Cape Province has a similar profile with 10.5% of the people being HIV+, but it is growing at a much faster rate (3.1%). The average annual growth in the number of HIV+ people in O.R. Tambo District Municipality is similar to that of the province at 3.1% but has a higher percentage of people living with the disease at 11.2%. The Mhlontlo local municipality is affected the list where the HIV+ number is

growing at 2.8% average annually compared to the other locals in the district as you see the table above from 2005 to 2011.

2.7.9 Education

The Department of Education Qumbu District indicated that the list of schools to be constructed in 2015/2016 year end are as follows; Sulenkama SSS, Sulenkama JSS, Caba JSS, Gqukunqa JSS and Gunqwana JSS. The new Provincial School projects are. Cameroon Ngudle SSS, K.T Mchasa SSS, Upper Chulunca SSS and Dilizintaba SSS. Grade R schools are Tolweni JSS and Malepe-lepe JSS. Lastly the Re-Alignment schools are Shawbury SSS, Qumbu Village SSS, Buwa SSS, Joubert Ludidi SSS, Qumbu Tech, Tolweni SSS, General Maqhutyana SSS, K.T Mchasa SSS, Bele- Zingcuka SSS and Sulenkama SSS. The state of education within Mhlontlo requires urgent attention. The district (Mhlontlo) according to the 2015 matric pass rate, have regressed and 2842 have registered for exams and 1329 which is 46,8% have passed the exams.



School Size	Size classification	Number of Schools
Micro (Blue)	31-50	10
Small (Green)	51-120	73
Medium (Yellow)	121-240	65
Large (Orange)	241-720	53
Extra large (Red)	721-900	17
Total		218

Stats SA, 2011

The table above is explaining what is in the above map.

National School Nutrition

Quintile 01

Status	No. of Schools	No. of Learners
Primary	63	21089
Secondary	6	2484

Quintile 02

Status	No. of Schools	No. of Learners
Primary	214	30512
Secondary	12	4269

Quintile 03

Status	No. of Schools	No. of Learners
Primary	46	14922
Secondary	8	3395

Special Schools

No. of Schools	No. of Learners
01	244

Despite the fact that some schools do not have access to services such as proper sanitation, electricity and consistent supply with clean water as well as essential learning enhancing facilities such as library and science laboratories, the municipal area is doing well with respect to the teacher's ratio of 2497.

Urgent attention needs to be given to several areas including, ensuring that all those who through the system do not drop out of school and are supported to sit for their matric exams if the current levels of illiteracy will be significantly reduces. It must also be noted that even those who are not within the schooling system, constitute a huge proportion of young men and women who may need to be canvassed back to school using various options of skills development and education. The indicative plans by the Provincial Department to properly build schools as part of eradication of mud structures are encouraging signs and the municipality will play an instrumental role to ensure that all possible obstacles and potential inhibiting factors are eliminated.

The number of schools benefiting from scholar transport is 20, number of routes is sitting at 50 and number of learners benefiting is 2899 and this can encourage the learners to go back to school.

2.7.10 Housing

The provision of housing is currently a shared responsibility across the 3 spheres of government with provincial government being the main implementing agency. According to the National Housing Act; municipalities are required to undertake planning of housing development, provide the infrastructure for housing projects and take over responsibility for the management of housing developments. They are also expected to identify land for housing in relation to their spatial development framework. Furthermore, municipalities are responsible for the identification of people who are eligible for receiving housing subsidises and, in selected case they are responsible for contracting with developers. However, provinces retain control over housing subsidies and the approval of projects to be supported.

The most recent official government definition of Formal Housing comes from the Comprehensive Plan, passed by Cabinet in 2004 – and informed largely by the Housing White Paper, 1994. This definition, summarised, states that a formal dwelling should be;

- (a) A permanent residential structure
- (b) Under secure tenure
- (c) Internally and externally private
- (d) Able to provide sufficient protection from the elements
- (e) Able to meet the sanitation, water and electricity demands of the occupants
- (f) In an area that is close to social amenities, health and education services and employment opportunities

In planning for the provision of housing, municipalities are expected to ensure its integration with spatial planning, land use management, roads and other plot-based services, public transport, public places and community development. All of these are expected to be detailed in a Municipal Housing Sector Plan. While there is a sector plan in place, it requires a review to factor in the necessary updates to both ensure its bases and analysis on the latest situational analysis as well as anchoring all proposed housing projects on the imperatives of the municipal spatial development framework.

The Municipality has conducted land audit in 2012. There is identified land that can be banked and the land that is available for new housing development purposes. The municipality has developed by-law on land invasion to control people from taking land that is on the commonage.

LAND CLAIMS

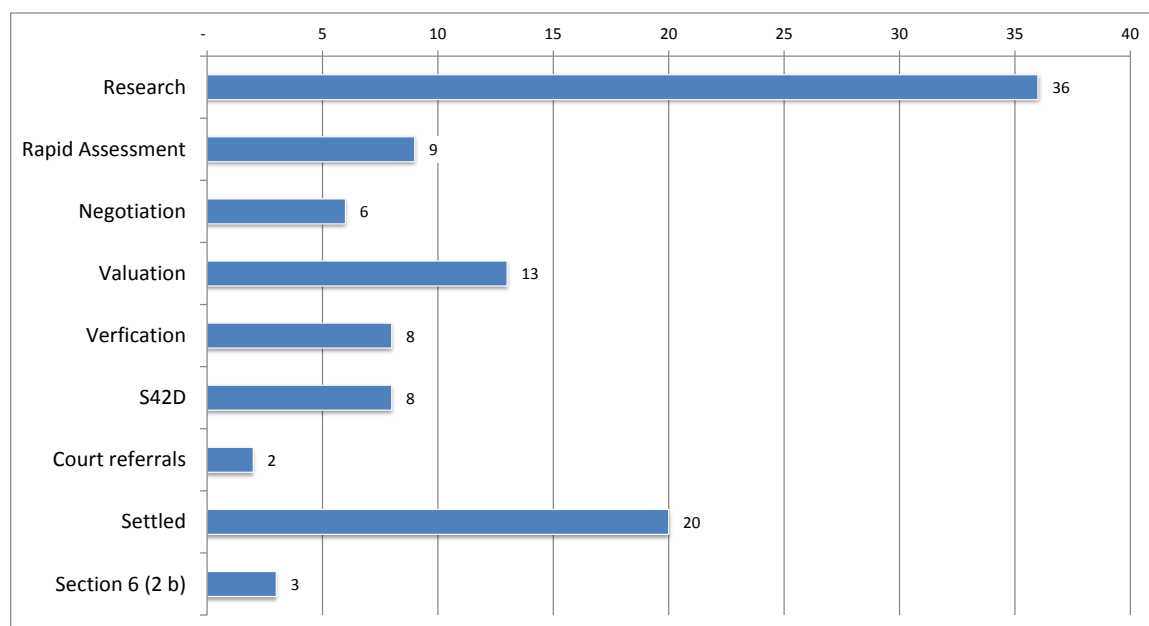
The following is the Land claims of the O.R. Tambo District Municipality

OVERALL LAND CLAIMS IN O.R. TAMBO DISTRICT MUNICIPALITY, 2011

	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality	Total
Research	13	-	2	3	18	36
Rapid Assessment	-	6	2	-	1	9
Negotiation	2	-	-	3	1	6
Valuation	2	6	2	1	2	13
Verification	1	-	2	2	3	8
S42D	7	1	-	1	-	8
Court referrals	-	-	-	-	2	2
Settled	6	5	5	3	1	20
62(b)	2	-	-	-	1	3
Total	33	14	16	20	35	118

The overall land claims in O.R. Tambo District Municipality amounts to a total of 118, but it is not necessarily all been approved. The land claims process is done by different approaches

OVERALL LAND CLAIMS IN O.R. TAMBO DISTRICT MUNICIPALITY, 2011



Land claims under research amounts to 36 in 2011. The number of settled land claims amounts to 20 and the number of valuations under process amounts to 13. Court referrals is only 2 and the number of land claims still under rapid assessment is 9.

There is Amanxasane Land Claim, Lower Kroza Land Claim and and Xhokonxa land claim and the Municipality is busy negotiating with all the land claimants in trying to resolve some of the issues. All the three land claims are validated and the municipality is also in process of speeding up the resolution of the land as it has a potential of hindering service delivery.

2.7.11 Public Places and Community Facilities

The constitutional schedules have a number of functional areas which relates to public places and these need rationalising. Local government is responsible for public places within human settlements. Even Section 84 of the Systems Act is consistent with this notion. However, there are some concerns with the location and responsibility for municipal libraries. Municipal libraries are integral to public spaces and should be a key component of Multi-purpose Centres. There is a space to establish two libraries in both towns Tsolo and Qumbu. The Qumbu library is operating in a place set aside for youth development centre and the other library in Tsolo has been completed construction and operational. As such they belong with cities. However outside cities the importance of public places declines and the ability of provinces to manage libraries regionally become more important.

The first issue is the allocation of funding to such facilities, both on the capital and operating account. But then there is a problem of organisational arrangements to manage the facility. All too often municipalities are not able to do this well. In the case of operating expenditure municipalities serving economically weaker areas, B4s in particular, are not able to allocate revenue to cover the costs of running community facilities. 10 wards within Mhlontlo Municipality have ward centres and

16 wards have not. There is also a lack of funding for office equipment and personnel to assist the communities in the centres.

2.7.12 Sport and Sport Facilities

The Mhlontlo Municipality has an annual sport event called Mayors Cup where all the wards are participating. The winning team participates at level of the District. All member municipalities with teams won at District compete in the Eastern Cape Provincial SALGA games.

There are two sport grounds in both towns and their condition is not conducive for sport. There are also another four sport grounds that are under construction in ward 02, 07, 09 and 10.

Mhlontlo Heritage Celebrations

The Mhlontlo Traditional leaders in collaboration with the Municipality have an annual event where they celebrate the life of King Mhlontlo during the month of September. This event is revolving around the ethnic groups existing in Mhlontlo jurisdiction.

2.7.13 Roads Infrastructure

There is clearly a hierarchy in the roads system with roads ranging from national roads (a 'plenary' function which is the responsibility of national government as it is not mentioned in the schedules), provincial roads and municipal roads. The hierarchy is continued further with respect to district roads, which are recognised through the provisions of Section 84 of the Structures Act.

The roads within human settlements, particularly larger ones, are an integral part of such settlements and in fact define the shape and density of settlements and the way people move within them. To a greater extent, planning local economies require clarity in terms of both planned and state of access to and linkage with major routes in-between economic hubs. For the next year the municipality plans to undertake construction of 26.8 km's of access roads and storm water drainage, Surfacing of 6.15 km's and maintenance of 50 km's spreading across. However, the Municipal Spatial Development Framework clearly provide a mapped detail in terms of the state of access roads to and the level of backlog to this service by category. For each category of roads, the mapped outline will indicate where the existing roads are and to what extent are such appropriately linked to the municipal strategic infrastructure provision and the local transport planning.

According to the Ward Based Planning that was conducted during 2015/2016, the Mhlontlo Local Municipality is experiencing a big challenge on roads infrastructure. About 3250+/_ km's of roads that are needed by the community of Mhlontlo. The Mhlontlo Municipality has developed a Road and Storm Water master plan which is still at draft stage and it will detail how to address the above backlog.

2.7.14 Access to Transport Services

Although this has been a trend only in urban municipalities, all municipalities are required to develop own Integrated Transport Plans. In the context of Mhlontlo the transport vision outlined in such Integrated Transport Plan would typically be weighted towards public transport. The proposed transport system in terms of mode, routes and interfaces including planned provision of related public facilities will be anchored on the imperatives of the Spatial Development Framework. The Mhlontlo Municipality has developed its Integrated Transport Plan and is at a draft stage. It identify

and defined three implementation mechanisms that are relevant to the spatial development framework's movement policy and also the implementation of an appropriate public transport system. That is:

- A **Strategic Public Transport Network** which links major areas with high impact economic activities and interventions
- A transportation nodal programme which outlines interfaces, interchanges and transfers amongst different modes and categories of roads
- Strategic Public Transport Network flagship projects, which will guide the municipality in terms which type of transport mode, will be responsible for which route etc.

In terms of the Strategic Public Transport Network (SPTN) which is more relevant for the context of Mhlontlo Municipal area, some of the important operating concepts will include following:

- All road-based services that are subsidised should be confined to the identified routes.
- Transfers should happen at identified interchange nodes.
- Routes should be serviced in the peak and off-peak times.
- The public transport (buses) routes need to be advertised and marketed.
- A standard fares system need to be introduced.
- Improve standards of living; by providing safe and affordable transport access to employment, education, recreation and markets.
- Poverty reduction, which includes providing, targeted interventions to support access to income opportunities and affordable transport for the poor.

Given the fact that majority of public transport users rely on minibus taxis and LDVs, worth noting would be the cost effect of the fluctuating fuel prices as well as the connectivity of different transport modes between, taxis and buses. The Municipality have four ranks, two taxi ranks and two bus ranks. There are 5 bus shelters within Mhlontlo Municipality jurisdiction.

The state of access to transport service will only be finalised after the consolidation of the IDP's situational analysis and that of the Municipal Spatial Development Framework that is under review process. It is expected that a number of relevant aspects are part of the critical questions, which will be addressed in the SDF.

2.7.15 Access to Social Welfare

In order to understand this 'sector' it is necessary to unpack the terms 'economic development' and 'social development'. These are really outcomes rather than functions. It is suggested here that function associated with economic development is 'business and enterprise support' and that the social development incorporates the following functions:

- Social services: the 'public good' type of services provided to individuals and aimed at improving their individual well-being and at developing their ability to engage with the economy. This includes social welfare.
- Social welfare: a set of activities aimed at providing relief to those who are facing acute stress due to their individual circumstances, including: childcare and protection services; care and services to older people; HIV and Aids support; support to victims of crime; services to persons with disabilities; substance abuse; victim empowerment; and care and support services to families.
- Social security (grants): the transfer of funds to individuals who are unable, even in a well-functioning economy, to earn an income themselves sufficient to allow them to satisfy their basic needs.

2.8 Institutional Development and Transformation

This section is a detailed internal analysis of the municipal status quo, focusing on powers and functions, delegation framework, municipal composition, staff establishment and financial viability. The situation analysis provides a high level overview of the progress achieved towards the implementation of the priorities set for 2016/2017. In addition, the report emphasises issues raised by the Auditor General and the steps taken to address them.

2.8.1 Municipal Powers and Functions

Powers and functions of local municipalities are stipulated in Section 156 of the Constitution of the Republic of South Africa Act 108 of 1996. Utilising information gathered from the annual capacity assessment report conducted by the Demarcation Board, **Table 13** below tabulates key priorities set out in the current IDP and a high level progress on each priority.

Table 13: High Level Progress review

Priority in IDP	Progress
Conduct assessments as per Section 78	Not completed
Establish service level agreements for functions outsourced and/or performed by another government entities.	Service Level Agreement for Billboards and display advertisement in public places. SLA for Disaster, Water and Sanitation with O.R. Tambo District Municipality. SLA with DEDEA, Public Works, Nyandeni LM and Lundini LM.
Establishment of service level agreement with other organs of state and private organisation	Standard Bank Complete, SEDA, Old Mutual, SASSETA and Trade and Invest Mhlontlo (TIM)
Increase functions performed by Mhlontlo Local Municipality	Licensing authority complete and is fully functioning. Construction of Weigh Bridge is still underway with the Department of Transport.
Projects that need Environmental Impact Assessment (EIA)	Six Access Roads that will be constructed in 2016/2017 financial year.

A review of functions performed or not performed by Mhlontlo; capacity levels to perform the respective function; details of any external arrangements related to the respective functions are shown in **Table 14** below.

Table 14 Municipal Powers and Functions

#	Local Government Function	Description of function performed by Mhlontlo Local Municipality ³	Mhlontlo Performing (Yes/No) ⁴	Comment by Management	Municipal Demarcation Board Assessment 2008/2009	Use of External Entity, Service Level Agreement in place and Section 78 completed
1.	Air pollution control	NONE	YES	Working with DEDEAT	Not performing function	NO
2.	Building regulations	Approve plans inspection	YES	Supporting Housing Department	Understands authority and has adequate capacity to perform function	NO
3.	Child Care Facilities	NONE	NO	Facilities constructed and handed over to DoE	Authority not understood and no adequate capacity to perform function.	NO
4.	Fire-fighting services	NONE	NO	Done by O.R Tambo through a MOA	Authority for the function but function not performed. No agreement reported	NO
5.	Local Tourism	Promote Tourism Planning for LED	YES		Understands authority and has adequate capacity to perform function	
6.	Electricity and gas reticulation	NONE	NO	Managing reticulation of Electricity, funds received from DoM&E	Understands authority and does not have adequate capacity to perform function	
7.	Municipal Planning	Provide Strategic Planning and Heading IDP	YES		Understands authority have an adequate capacity to	

³ Source: Municipal Demarcation Board Assessment of Capacity for 2012/2013 Period⁴ Source: Interviews with Municipal Management

					perform function	
8.	Municipal airport	NONE	NO	The nearest airport is Umtata Airport which is about 70kms	NO	
9.	Municipal health services	NONE	NO		Not an Authority	
10	Municipal public transport	NONE	NO		Authority for the function but not performed.	
11	Pontoons, fairies, settees, piers and harbours excluding the regulations of international and national shipping	NONE	NO	Not Applicable	Authority for the function but not performed.	
12	Municipal public works only in respect of the needs of the municipalities		YES			
13	Storm water management system	Provide water drainage system	YES		Understands authority and has adequate capacity to perform function	
14	Trading regulations	Issue Trading Licences	YES		Understands authority and does not have adequate capacity to perform function	NO
15	Water and sanitation services (limited to potable water supply system, domestic waste water and sewerage disposal system)	NONE	NO	District Municipality	NO	NO
16	Beaches and amusement facilities	NONE	NO	Not Applicable	There are no beaches but there are amusement	NO

					facilities such as Tsitsa falls and Tina falls	
17	Billboards and display advertisement in public places	Advertising	YES		Does not understand authority and does not have adequate capacity to perform function	SLA in place and Section 78 completed
18	Cemeteries, funeral parlours and crematoria	Provide Cemetery Services	YES		YES	
19	Cleaning	Cleaning of streets and roads	YES		YES	
20	Control of public nuisance	NONE	YES	Working with the Police Department	Authority for the function but not performed.	Policy in place
21	Control of undertakings that sell liquor to the public	NONE	YES		Authority for the function but not performed.	
22	Facilities for the accommodation care and burial of animals	NONE	YES		Authority for the function but not performed.	
23	Fencing and fences	NONE	YES		Authority for the function but not performed.	
24	Licensing of dogs	NONE			Authority for the function but not performed.	
25	Licensing and controlling of undertakings that sell food to the public	NONE	YES	Done by the Department of Environment	Authority for the function but not performed.	
26	Local amenities	Management and maintenance of Municipal amenities	YES		YES	
27	Local sport facilities	Maintenance of sports fields Fencing (ADHOC)	YES		YES	
28	Markets	NONE	YES		Authority for the	

					function but function not performed. The nearest is Kei Fresh produce which is OR Tambo District which is utilised by local farmers.	
29	Municipal abattoirs	NONE	NO		Authority for the function but function not performed.	
30	Municipal parks and recreation	Provision of recreation facilities	YES		YES	
31	Municipal roads	Construction and Maintenance of roads	YES		YES	
32	Noise pollution	NONE	YES		Authority for the function but function not performed.	
33	Pounds	Control of stray animals	YES		YES	
34	Public places	NONE	YES		Authority for the function but function not performed.	
35	Refuse removals, refuse dumps and solid waste disposals	Control and Management of Refuse and Solid Waste	YES		YES	
36	Street trading	NONE	YES		Authority for the function but function not performed.	
37	Street lighting	Provide and maintain street lights	YES		YES	
38	Traffic and parking	Traffic Control	YES		YES	

Source: Municipal Demarcation Board Assessment of Capacity for 2012/2013 Period
Source: Interviews with Municipal Management

In table 15 below is a tabulation of additional functions performed by Mhlontlo Local Municipality and resource allocation for the additional functions. Process for the construction of offices for the disaster unit in Mhlontlo local Municipality are unfolding.

Table 15: Additional Functions Performed

Function	Resource Allocation		Assigned by
	Budget	Staff	
Library		4	O.R Tambo District Municipality
Disaster Management		2	O.R Tambo District Municipality

Table 16 below lists functions not performed by Mhlontlo Local Municipality as well as reason there off.

Table 16: Functions Not Performed by Mhlontlo Local Municipality

Authorised Function	Reason not performed	Opportunity to generate revenue
Child Care Facilities	Municipal capacity and lack of adequate infrastructure	Low
Fire-fighting services	Service offered by O.R. Tambo district municipality	Medium
Electricity and gas reticulation	Municipal capacity and lack of adequate infrastructure	High
Municipal airport	No service requirement	Not Applicable
Municipal health services	Municipal capacity	Low
Municipal public transport	Municipal capacity and lack of adequate infrastructure	High
Pontoons, fairies, settees, piers and harbours excluding the regulations of international and national shipping	No service requirement	Not Applicable
Water and sanitation services (limited to potable water supply system, domestic waste water and sewerage disposal system)	Service offered by the District Municipal. Capacity and lack of adequate infrastructure (District Municipality)	Medium
Beaches and amusement facilities	No service requirement	Not Applicable
Municipal abattoirs	Municipal capacity and lack of adequate infrastructure	Low

2.8.2 System of Delegation within Mhlontlo Local Municipality

The Republic of South African Constitution states that the Legislative and Executive Authority of a Municipality is vested in its Municipal Council. Section 156 and 229 of the Constitution stipulates the functions and powers assigned to Municipalities. However, it is impractical for a municipal council to exercise both its legislative and executive authority efficiently and effectively without a delegation framework.

Section 32(1) of the Structures Act and Section 59(1) of the Systems Act require a municipal council to develop a system of delegation that will maximize administrative and operational efficiency and provide for adequate checks and balances, and, in accordance with that system, council may delegate appropriate powers to any of the municipality's political structures, political office bearers, Councillors and staff members, instruct any such political structure, political office bearer, Councillor or staff member to perform any of the municipality's duties; and withdraw any delegation or instruction.

The Mhlontlo Local Municipality council have reviewed and adopted a delegation framework but needs to develop a delegation register. The delegation framework clearly stipulates roles and responsibilities of the political office bearers, political structures, the municipal manager and the departmental managers. It indicates the delegated power, the limitations and conditions under which those powers have been delegated. Delegation framework further points out the circumstances and manner in which the delegated power may and can be reviewed and/or withdrawn.

The municipal delegation policy document has identified issues like skills shortage and staff shortages as hindering factors to effectively segregate duties and enable fully functioning committees. Capacity challenges have been cited as negatively impacting in program delivery. The only thing that has been addressed is the hiring of staff.

Attention is drawn to a legal requirement as per section 32 (1) of the Structures Act to review delegation allocated to committees when a new council is elected and Section 65 of the Systems Act who stipules conditions under which delegated functions may be reviewed.

Priority in IDP	Progress
Formulation of the Human Resource Development Strategy	Human Resource Development Strategy has been developed and adopted by the council. The strategy also focuses on the recruitment of staff, retention of staff with scarce skills and managing personnel related expenditure.
Employment Equity Plan and Work Place Skills Plan	EEP was developed and adopted by the council. EEP is in place and implemented all though there are challenges.
Critical appointment	90% achieved.
Development and review of policies	Some of the policies are in place and reviewed by the council.
Billing systems, Debtors and Creditors turnover rate	The Municipality is billing its consumers on a monthly basis. Debt aging 461 days and Creditors aging 37 days, Procurement Turn-around time 30 days.

TABLE 17: Human Resource Policies

Policy & Procedures	Developed	Council Approved	Under Review	Fully Implemented	Need Review
Work organization & Organizational Structure	√	√		√	
Recruitment Selection, Appointment, Probation, Promotion & Transfer	√	√		√	
Working and Hours of Working	√	√		√	
Benefits & Allowances Policy	√	√		√	
Leave of absence policy	√	√		√	
Employment relations	√	√		√	
Miscellaneous provisions	√	√		√	
Termination of Employment Policy	√	√		√	
Disciplinary Code and Procedures	√	√		√	
Acting Allowance Policy	√	√		√	
Dress code, uniforms and Protective clothing policy	√	√		√	
HIV and Aids Policy	√	√		√	
Health & Safety Policy	√	√		√	
Employee Assistance Policy	√	√		√	
Sexual Harassment Policy	√	√		√	
Declaration of Interest Policy	√	√		√	
Remuneration policy	√	√		√	
Promotion Policy	√	√		√	
Municipal Housing Scheme/Assistance Policy	√	√		√	
Telephone usage policy	√	√		√	
Long service allowance policy	√	√		√	
Policy on the implementation of new policy procedures	√	√		√	
Subsistence & Travelling Policy	√	√		√	
Internship Policy	√	√		√	
Training & Development Policy	√	√		√	
Policy on ward committees	√	√		√	
Policy on the funeral of Councillors and Traditional Leaders	√	√		√	
Customer care Policy	√	√		√	
PMS Policy	√	√		√	
Cellphone Policy	√	√		√	
EPWP Policy	√	√		√	

Pauper burial Policy	✓	✓		✓	
Pound Policy	✓	✓		✓	
IGR Policy	✓	✓		✓	

2.8.3 Municipal Composition

Table 18 below is an illustrative summary of the Municipal Profile.

Table 18: Municipal Composition

Municipal Grade	Grade 3					
Wards	26					
Council	62 Councillors					
Gender, Race and Political Composition	Gender		Amakhosi	Race	Political Diversity	
	Female	Male	Traditional Leaders	Black	ANC	COPE
	22	30	10	62	48	1
Standing Committees	Committee			#	Chairperson/Head	
	Executive Committee			10	Mayor Councillor M.R. Giyose	
	LED, Planning and Rural Development				Councillor E. Pula	
	Infrastructure Development				Councillor X. Mpatane	
	Corporate Services				Councillor M. Mabono	
	Budget and Treasury Office				Councillor M. Jara	
	Community Services & disaster				Councillor N. Dywili	
	Sport				Councillor N. Magodla	
	Special Programmes Unit				Councillor N. Konza	
	Planning and human Settlement				Councillor N. Mtwazi	
Departments	Municipal Manager					
	Strategic Services					
	Budget and Treasury Office					
	Infrastructure Development					
	Local Economic Development, Planning and Rural Development					
	Community Services					

2.8.4 Staff Establishment

Staff establishment statistics confirm that significant progress has been made towards filling vacant posts. While insufficient funding continues to be a challenge; more than 69.3% of the posts have been filled. The Institution is planning to fill all the vacant position during the 2016/2017 and 2017/2018 financial years. **Table 19** below tabulates a summary of the staff complement.

Table 19: Staff Establishment

Number of Approved Posts in 2016/17	Total number currently employed	Number of vacancies	% Of filled Posts	% of Vacances
293	203	90	69.3	30.7

Table 20: Critical Vacant Posts

Department	Post	Current Situation
Office of the Mayor	Strategic Services Director	Unfunded
Municipal Manager	Manager Legal Services	Funded

The Mhlontlo Municipality organisational structure has been reviewed and approved by the council on the 31 March 2016. All the posts are approved with job description. The Critical positions are as mentioned in table 19 above. Institutional Social Development Unit, Environment Unit and Internal Audit Unit have been established with limited personnel and are part of the organisational structure.

2.8.5 Management Profile

Section 54A and all managers reporting to the Municipal Manager are on contract.

Table 21 below confirms that there are adequate human resources to deliver on municipal functions. Section 54A and all managers reporting to the Municipal Manager are on contract.

Table 21: Management Profiles

	Municipal Manager	Chief Financial Officer	Corporate Services manager	Technical Services Manager	LED Manager	Strategic Manager	Community Services
Current Position	MSA Section 54A	MSA Section 56	MSA Section 56	MSA Section 56	MSA Section 56	MSA Section 56 (Vacant unfunded)	MSA Section 56
Qualifications	MPA	National Diploma In Accounting	Hon. Political Science	B.Tech. in Public Management	Masters in SCM (Business Logistics)		Dip (Traffic)
Years of Local Government Experience	8	14	11	10	10		14
Years in current position	8	6	3	7	3		9

2.9 Good Governance and Community Participation Structures

In this section of the report, we reflect on structures in place to ensure effective public participation, accountability, and transparency.

2.9.1 Ward System

260 ward committee members have been established. 5 of them has resigned. Ward centres still have no resources or support to adequately plan, conduct and record ward committee meetings. The municipality has eight community centres used for ward meetings, where such infrastructure does not exist; local churches, Traditional Authorities or schools are used for ward committee meetings. Ward Committees report about their challenges and complaints to the council through ward committee report to the office of the Speaker.

2.9.2 Council Meetings

Transparency is promoted through various means including open council meetings advertised in the local newspaper and website for the public to attend.

2.9.3 Public Participation

Community participation is conducted by the Office of the Mayor and Speaker through Mayoral Imbizo's, IDP Representative Forums, IDP Road Show and Ward committee meetings.

2.9.4 Corporate Governance

Audit Committee: The Audit Committee was appointed by the council and is fully functional. The Audit Committee Charter was also approved by council with the terms of reference.

Internal Audit: Mhlontlo Local Municipality has established its Internal Audit Unit with one personnel Chief Audit Executive but still have shared service with the district municipality. It is fully functional and compile reports for the Municipal Audit Committee.

Fraud and Anti-corruption Policy: The Municipality have developed its Fraud and anti-corruption policy

Risk Management: The Municipality has established Risk Management Committee with Risk Committee Charter and Risk Register. Councillors have been workshopped on risk management.

2.9.5 Inter-governmental Relations Structures

Regulation governing Intergovernmental Relations (IGR) requires the establishment of structures and mechanisms aimed at enabling integrated planning and management within the different spheres of government. In striving towards effective intergovernmental relations, the IGR Policy was developed and approved by the council with terms of reference and schedule of meetings for the year.

District IGR Forum: Political heads (Mayors) from the local municipalities, the district municipality and management of the sector departments constitute the district forum DIMAFO. The forum aims to provide political leadership in aligning planning, implementation and monitoring of government programs. The DIMAFO prepares a report to be tabled by the Executive Mayor to the Political MuniMEC.

Municipal Manager's Forum: Municipal Managers from the local municipalities under the leadership of the District Municipal Manager, and senior managers from the sector departments constitute the municipal manager's forum. The forum aims to integrate and align implementation of government programs. This structures precedes the sitting of the DIMAFO by preparing a report to be presented to the DIMAFO.

2.10 Financial Planning and Management

2.10.1 Valuation Roll

The Mhlontlo Local Municipality has conducted its general valuation during the 2013/2014 financial year. The valuation roll is fully implemented. CoGTA is currently assisting with Supplementary valuation roll and it will be publicised before the end of the financial year 2015/2016.

2.10.2 Financial policies

Mhlontlo Local Municipality is a small municipality operating with a limited revenue base. This section of the report gives a high level overview of the progress achieved towards improving the financial viability of the municipality. Municipality has allocated resources towards ensuring that all policies critical to financial management have been developed. Table 22 below tabulates the status of financial policies. All the finance policies were promulgated and gazetted for public inputs.

Table 22: Status of Financial Policies

Policy & Procedures	Developed	Council Approved	Under Review	Fully Implemented	Need Review
Budget Preparation Policy	✓	✓		✓	
Asset Management	✓	✓		✓	
Irregular, Un-authorized, Fruitless & Wasteful Expenditure	✓	✓		✓	
Supply Chain Management Policy	✓	✓		✓	
Banking & Investment Policy	✓	✓		✓	
Credit Control & Debt Collection	✓	✓		✓	
Indigent Policy	✓	✓		✓	
Property rate Policy	✓	✓		✓	
Fleet Management Policy	✓	✓		✓	
Risk Management Policy	✓	✓		✓	

Priority in IDP	Progress
Develop, Review and Implement priority policies and By-laws	All outstanding policies have been developed. By-laws approved and are implemented.
Improve Municipal Asset Management	Asset management policy is in place and is being implemented. Compliant property register has been developed.
Improve revenue collection, starting with better debt collection	By-laws that will improve debt collection have been approved. Complete and in operational of DLTC and Vehicle licensing
	The municipality has prioritised addressing issues raised by

Issues Raised by Auditor General	the Auditor General. The Municipality has improved and Auditor General has issued qualified audit opinion on the financial statements and there are those that are linked to the issues raised in the previous audit report.
Performance Management Framework	Municipality plans to prioritise the review of the balance scorecards and the municipal performance management framework has been reviewed.
Indigent Steering Committee	The indigent steering committee has been established with terms of reference with the assistance of the District

2.10.3 Municipal Funding

The municipality has a limited revenue base in terms of size and our ability to innovatively generate revenue is further constrained by our social and economic situation. While we constantly strive to maintain a balanced budget by ensuring that our income covers our expenditure; challenges remain. As indicated **Table 23** below.

Table 23: Income Sources (2014/2015)

INCOME	Actual	% Of income	Actual	% Of income
	2015	in 2015	2014	in 2014
Grants and Subsidies				
Central Government	190 589 210.00	92.5	159 789 761.00	92
Provincial Government	170 000.00	0.08	175 000.00	0.1
District				
Operating Income				
Assessment Rates	9 078 232.00	4.4	7 608 225.00	4.38
Refuse Removal	572 850.00	0.27	568 071.00	0.32
Other Income	5 624 323.00	207	5 495 676.00	3.16
	206 034 615.00	100.00	173 636 733.00	100.00

2.10.4 Municipal Budgeting Frame work

Municipality Activity	Accountability	Target Date
Budget implementation	AO, CFO & HOD's	1st Jul
Mayor begins planning for next three-year budget in accordance IDP Mayor tables in Council the schedule of budget key deadlines setting the time table for: preparing, tabling and approving the budget; developing IDP (as per s 34 of MSA) and budget related policies and consultation processes. MFMA s 21,22, 23; MSA s 34, Ch 4 as amended Council establishes IDP and budget committees for the process	Mayor – s53 MFMA AO, CFO & HOD's- s68, 77 MFMA AO, CFO & HOD's- s76- 81 MSA	31 st Sep
Municipality review options and contracts for service delivery Council through the IDP development process determines strategic objectives for service delivery and development for	Mayor	31 st Sep

next three-year budgets including review of provincial and national government sector and strategic plans.	AO, CFO & HOD's	
Council engages on consultative processes for IDP Development Council reviews budget plans to be national policies potential price increases of bulk resources	AO, CFO & HOD's- MFMA s 35, 36, 42; MTBPS	30th Nov
IDP development processes continue	Mayor AO, CFO & HOD's	30th Nov 2015
Council considers tariff (rates and service charges) policies for next financial year MSA s 74, 75 Mayor tables MFMA s72 report to justify necessity for municipal adjustments budget, resolutions, plans, and proposed revisions to IDP	Mayor AO, CFO & HOD's	29 th Jan 2016
Council considers approval and adoption of adjustments budget and reviewed SDBIP's	Mayor AO, CFO & HOD's	29 th Jan 2016

Council budget committees consider initial budget drafts	Mayor AO, CFO & HOD's	26 th Feb 2016
Council adopts tabled draft budget on before 31 st March 2015	Mayor AO, CFO	31 st Mar 2016
Community participation process and input soliciting and interaction on the budget EXCO and budget committees to deal with inputs from consultation process	Mayor AO, CFO	30 th Apr 2016
Council considers views of the local community, NT, PT, other provincial and national organs of state and neighbouring municipalities. Mayor to be provided with an opportunity to respond to submissions during consultation and table amendments for council consideration. Council to consider approval of budget, related policies and plans at least 30 days before start of budget year. MFMA s 23, 24; MSA Ch 4 as amended	Mayor AO, CFO	31 st May 2016
Mayor must consider for approval SDBIP and ensure that annual performance contracts are concluded in accordance with s 57(2) of the MSA. Mayor to ensure that the annual performance agreements are linked to the measurable performance objectives approved with the budget and SDBIP. The mayor submits the approved SDBIP and performance agreements to council, MEC for local	Mayor AO, CFO	30 th Jun 2016

government and makes public within 14 days after approval. MFMA s 53; MSA s 38-45, 57(2) Council must finalise a system of delegations. MFMA s 59, 79, 82; MSA s 59-65		
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2.10.5 Expenditure

(a) Operating Expenditure

Expenditure for salaries, wages and allowances (see

Table 24) see has increased as a result of the posts filled and annual salary increment including the critical posts identified in the last IDP. The Municipality is using e-filing system to keep records.

Salaries, wages and allowances have increased by 4.2% and this was as a result of the population of the organogram of the previous year 2014/2015. The implementation of the reviewed expenditure controls and monitoring mechanisms, all other expenditure have decreased. Focus on increasing salaries, wages and allowances expenditure has been on new posts advertised.

Table 24: Operating Expenditure (2014-2015)

<i>EXPENDITURE</i>	Actual 2015	% total expenditure	Actual 2014	% total expenditure
<i>Salaries, wages and allowances</i>	83 223 229.00	52.8	79 709 025.00	44.2
<i>General Expenses</i>	72 559 773.00	46	95 100 774.00	52.8
<i>Repairs and Maintenance</i>	1 881 327.00	1.2	5 490 684.00	3.04
Total	157 664 329.00	100	180 300 483.00	100

(b) Capital Expenditure

In line with our priorities, in the 2013/2014 financial year, the municipal have spent R20 554 205 on capital expenditure and in 2014/2015 the municipality has spent R46 791 541 on capital expenditure.

Table 25: Analysis of Capital Expenditure

Capital expenditure category	Actual	% of total	Actual	% of total
	2013/2014	Expenditure	2014/2015	Expenditure

INFRASTRUCTURE				
Roads, Pavements, Bridges & Storm water.	17 422 761	84.8	37 132 220	79
Water Reservoirs & Reticulation	-		-	
Car Parks, Bus Terminals and Taxi Ranks	-		-	
Electricity Reticulation	-		-	
Sewerage Purification & Reticulation	-		-	
Housing	-		-	
Street Lighting	-		582 267	1.2
Refuse sites	-		-	-
Gas	-		-	
Other	-		-	
Sub-total Infrastructure	17 422 761	84.8	37 714 487	80.2
COMMUNITY			-	
Establishment of Parks & Gardens	-		-	
Sports fields	-		-	
Community Halls	1 897 648	9.23	9 034 809	19
Libraries	-		-	
Recreational Facilities	-		-	
Clinics	-		-	
Museums & Art Galleries	-		-	
Other	207 119	1.00	-	
Sub-total Community	2 104 767	10.24	9 034 809	19.3
HERITAGE ASSETS				
Heritage Assets	-		-	
Sub-total Heritage Assets	-		-	-
INVESTMENT PROPERTIES			-	
Investment Properties	-	-	-	-
Sub-total Investment Properties	-	-	-	-
OTHER ASSETS				

Other motor vehicles	462 966	2.25	-	-
Plant & equipment	9 734	0.04	-	-
Office equipment	8 400	0.04	33 645	0.07
Abattoirs	-		-	
Markets	-		-	
Airports	-		-	
Security Measures	-		-	
Civic Land and Buildings	-		-	
Other Land and Buildings	59 998	0.29	0	-
Other	44 800	0.22	8 600	-0.02
Sub-total Other Assets	585 898	2.85	42 245	0.09
SPECIALISED VEHICLES				
Refuse	-		-	
Fire	-		-	
Conservancy	-		-	
Buses	-		-	
Sub-total Specialised Vehicles	-		-	
AGRICULTURAL ASSETS				
Agricultural Assets	-		-	
Sub-total Agricultural Assets	-		-	
BIOLOGICAL ASSETS				
Biological Assets	-		-	
Sub-total Biological Assets	-		-	
INTANGIBLES				
Intangibles	440 780	2.14	-	
Sub-total Intangibles	440 780	2.14	-	
TOTAL	20 554 205	84,3	46 791 541	90,7%

2.10.6 Fiscal Oversight and Control

(i) Internal Audit function

Mhlontlo Local Municipality shares Internal Audit with the district municipality. The internal audit has been functional within Mhlontlo Local Municipality. Internal audit processes and/or reports from this section were available on quarterly basis. It improve internal controls and successfully address issues raised by the auditor general's report.

The municipality has developed Annual Financial Statements Process Plan for the financial year 2015/2016.

Auditor General's Findings

Financial year	Audit Opinion Issued
2012/2013	Adverse
2013/2014	Adverse
2014/2015	Qualified

Auditor General has issued qualification opinion on the financial statements submitted for the financial year ended June 2015. There are recurring issues raised by AG like Assets, Property Plant and Equipment and Irregular expenditure.

The Mhlontlo Local Municipal management has developed an audit action plan to address the issues raised by the auditor general.

Audit Action Plan

Auditors Recommendation	Action Plan	Municipal Department	Municipal Sub Department	Municipal Official	Deadline
<p>Management should ensure that all awards made are in compliance with the SCM regulation.</p> <p>Management should ensure that SCM personnel attend training on a regular basis to touch basis with the various regulations.</p>	<p>Council appointed a council committee to do the investigation. Investigation is in progress by the audit committee and shall be reported to council when completed.</p>	<p>Budget and Treasury Office</p>	<p>Chief Financial Officer</p>	<p>Ms. Budaza</p>	<p>28-Feb-16</p>
<p>Management must ensure upon restating of populations that all errors identified during the audit are addressed accordingly.</p>	<p>1. Inventory- Write a report to council requesting for a resolution on the intention of council about the identified inventory. Advertise for property transfers and make relevant transfers. 2-9</p>	<p>All</p>	<p>All</p>	<p>All</p>	<p>28-Feb-16</p>



	<p>Communicate with the Office of the Auditor General to provide management with a schedule of issues that were never addressed.</p>				
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<p>Management should ensure that the asset register is adequately reviewed by a senior official. All properties per the title deeds register should be included in the fixed asset register to ensure completeness.</p>	<p>The National Treasury Office has appointed consultants to assist with all Property Plant and Equipment challenges. CoGTA has also seconded a property valuer who will assist in correcting property values, measurements, and ownership.</p>	<p>Budget and Treasury Office LEPARD</p>	<p>Assets Planning</p>	<p>Mr S Notununu Mr L Keto</p>	<p>30-Sep-16</p>
<p>Management must look at the entire population of WIP and payables as retention was not accounted for in the AFS.</p>	<p>Management has relooked at the entire population for completeness and also reperformed the provision for retention. This was submitted to the auditors</p>	<p>Budget and Treasury Office</p>	<p>Assets</p>	<p>Mr S Notununu</p>	<p>04-Jan-16</p>
<p>Management should ensure that invoices and contract amounts are reviewed before being entered onto the fixed asset register. The fixed asset register should be reviewed adequately to ensure correct cost and depreciation is recorded.</p>	<p>Reperform depreciation calculation for all the Assets in the fixed asset register. Inspect the dates of asset additions and calculate depreciation using days instead of months as per the asset policy.</p>	<p>Budget and Treasury Office</p>	<p>Assets</p>	<p>Mr S Notununu</p>	<p>31-Jan-16</p>
<p>Management should determine remedial steps required to catch-up on the planned routine maintenance projects which</p>	<p>Unfinished maintenance projects were completed. The municipality is now maintaining as per the approved maintenance plan.</p>	<p>Infrastructure</p>	<p>PMU</p>	<p>Mr M Mcinga</p>	<p>31-Jan-16</p>

were not completed to ensure that the service delivery is taking place and ensure compliance with section 63 of MFMA (Asset maintenance management).					
Management should ensure that all categories of Assets are assessed annually for indicators of impairment.	We have obtained assistance from National Treasury but still awaiting allocated consultants to assist with AG property, plant and equipment audit findings	Budget and Treasury Office	Assets	Mr S Notununu	30-Sep-16
Management must review the asset register for completeness and accuracy. This will ensure that duplicated asset numbers are identified and addressed.	We have obtained assistance from National Treasury but still awaiting allocated consultants to assist with AG property, plant and equipment audit findings	Budget and Treasury Office	Assets	Mr S Notununu	30-Sep-16
Management needs to ensure that the asset register is thoroughly reviewed and that all mandatory fields in the asset registers are completed in terms of the MFMA.	We have obtained assistance from National Treasury but still awaiting allocated consultants to assist with AG property, plant and equipment audit findings	Budget and Treasury Office	Assets	Mr S Notununu	30-Sep-16
Management should ensure that each category of Assets meet the requirements of GRAP standard Management should implement relevant GRAP	Obtain a list of properties that have not yet been transferred to third parties or residents and implement a proper transfer process with assistance from the town planner.	LED	Town Planner	Mr L Keto	01-Jun-16

checklist for every item on the annual financial statement to ensure that it meets the requirements.					
Management should ensure that the asset register is adequately reviewed by a senior official. The valuation roll should be reconciled to the asset register to ensure that details and amounts agree.	Obtain the valuation roll and select all the municipal properties and agree the property values to the investment property register.	Budget and Treasury Office	Assets	Mr S Notununu	31-Jan-16
Management should ensure that any work performed by an expert should be reviewed. Experts use of assumptions, methodology and source data used to draw up reports should be assessed for reasonableness.	The Department of Co-operative government has seconded a property valuer to assist with the valuation of properties.	Budget and Treasury Office	Assets	Mr S Notununu	30-Jun-16
Management should ensure that only the properties that belongs to the municipality (they have title	Extract a deeds dump and inspect all the properties that are under the name of the municipality and also ensure	Budget and Treasury Office	Assets	Mr S Notununu	30-Jun-16

deeds for all of the properties) are included in the asset register as investment property. Management should also ensure timeous registration of property in the name of the municipality.	that for all the municipal properties in the deeds dump there's a title deed in place. Also ensure that the number of municipal properties in the fixed asset register agrees to the deeds dump for completeness purposes.				
Management should ensure that there is consistency between the SDBIP and the APR, any amendments made to the planned objectives, indicators and targets should be approved by council.	Review the SDBIP and the Annual Performance Report (APR) to confirm that its properly aligned and that there's is consistency with the objectives, indicators and targets.	Office of the Municipal Manager	Strategic and Planning	Mr Ndabeni	28-Feb-16
Management must ensure that before approval of the SDBIP and annual performance plan that the targets are in line with the SMART principles as per the National Treasury guide on Managing Programme Performance.	Review the SDBIP and the Annual Performance Report (APR) to confirm that the targets are measurable and there's supporting documentation as corroborative evidence (POEs).	Office of the Municipal Manager	Strategic and Planning	Mr Ndabeni	28-Feb-16
Management must review the IDP and SDBIP and ensure that it is in line with the requirement principles as per the National Treasury 痲 guide on Managing	Review the SDBIP and the Annual Performance Report (APR) to confirm that the indicators are verifiable and there's supporting documentation as	Office of the Municipal Manager	Strategic and Planning	Mr Ndabeni	28-Feb-16

Programme Performance.	corroborative evidence (POEs).				
Management should ensure that the Mid-term performance assessment report is in the format specified in Schedule C of the Budget and reporting regulations (GN 393 of 2009 - Reg 33)	Scrutinise the Mid Year Performance budget and confirm that it is per s 72 (1)(a) of the MFMA and also as per Schedule C of the budget reporting regulations (GN 393 of 2009 - Reg 33).	Office of the Municipal Manager	Chief Operations Officer	Mr P Mhloli	24-Jan-16
Management should submit documentation to the National Treasury and the relevant Provincial Treasury within the stipulated timeframes to comply with the MFMA. In addition, the municipal manager should exercise oversight responsibility regarding controls to ensure that statutory deadlines are adhered to such as including a standing agenda item on all management meetings whereby all statutory deadlines and progress on these deadlines are discussed.	Select all reports that should be submitted to National Treasury and relevant government spheres and confirm if they have been submitted within the required stipulated timeframes. Also ensure that the upcoming reports to be submitted should be communicated in time by the office of the Municipal Manager.	Office of the Municipal Manager	Chief Operations Officer and Strategic and Planning	Mr P Mhloli and Mr Ndabeni	31-Jan-16

<p>Management should make public the approved SDBIP within the stipulated timeframes to comply with the MFMA. In addition, the municipal manager should exercise oversight responsibility regarding controls to ensure that statutory deadlines are adhered to such as including a standing agenda item on all management meetings whereby all statutory deadlines and progress on these deadlines are discussed.</p>	<p>Select all reports that should be made public and confirm if they have been publicised within the required stipulated timeframes. Also ensure that the upcoming reports to be made public should be communicate.</p>	<p>Office of the Municipal Manager</p>	<p>Chief Operations Officer and Strategic and Planning</p>	<p>Mr P Mhloli and Mr Ndabeni</p>	<p>28-Feb-16</p>
<p>Management should ensure that they apply the MSA regulation when reporting on the Annual Performance Report</p>	<p>Obtain the Annual Performance Report and review to confirm if the comparison between prior and current year has been conducted, this can also be performed by inserting a column of comparison that is properly aligned.</p>	<p>Office of the Municipal Manager</p>	<p>Chief Operations Officer and Strategic and Planning</p>	<p>Mr P Mhloli and Mr Ndabeni</p>	<p>31-Jul-16</p>

<p>Management must implement controls over performance reporting to ensure annual performance reports are supported by accurate and complete schedules.</p>	<p>Scrutinise the Annual Performance Report for all the items reported on and confirm that the supporting documentation (POEs) agrees to what has been reported on and if there are differences they need to be investigated. Annual Performance Report with supporting documentation needs to be submitted to an independent reviewer (e.g. Audit Committee Chair) to review assist with the completeness of the work to be submitted to AG.</p>	<p>Office of the Municipal Manager</p>	<p>Chief Operations Officer</p>	<p>Mr P Mhloli</p>	<p>31-Jul-16</p>
<p>Management must ensure that monthly and quarterly reports are monitored by management.</p>	<p>Design reports in a way that caters for senior personnel to sign as evidence of review</p>	<p>Office of the Municipal Manager</p>	<p>All</p>	<p>All</p>	<p>28-Feb-16</p>

<p>Management should ensure that GRAP 2 provisions are correctly adhered to. Non-cash item movement as in the case of fair value adjustment in landfill sites do not affect cash flow statement as do not represent actual cash movement.</p> <p>In as far as the non-cash adjustment in provisions is concerned: It is correct to adjust for such however where affect is just. For example with the line item employees in the cash flow there was a direct relation to movement in provision relating to employees and this was correctly adjusted therein employees , however when considering the movement in legal fees and rehabilitation site there was no direct relation between the two as such the best alternative would have been to adjust suppliers.</p>	<p>Document procedures to be followed in Annual Financial Statements compilation Obtain a list of GRAP standards applicable to the municipality and ensure that they have been correctly treated or applied.</p>	<p>Budget and Treasury Office</p>	<p>Chief Financial Officer</p>	<p>Mr A Lwana</p>	<p>31-Jul-16</p>
<p>Management should review</p>	<p>This does not need to be</p>	<p>Budget and Treasury</p>	<p>Chief Financial Officer</p>	<p>Ms Budaza</p>	<p>28-Feb-16</p>

<p>the commitment schedule against the source documents to ensure accuracy of the amount disclosed.</p>	<p>adjusted as the auditor received an incorrect letter and therefore the correct supporting documentation (amount of R1 936 649.10) was submitted to the auditor and therefore the auditor does agree to such then that means what has been disclosed is correct.</p>	<p>Office</p>			
<p>The municipality should ensure that it uses the correct the number of employee days outstanding in calculating leave accrual.</p>	<p>Obtain an employee file for all the employees entitled for a leave pay-out and agree the number of day due to an employee and agree the number of days to the number of days captured into the system. Ensure that all the differences between the two are resolved.</p>	<p>Corporate Services</p>	<p>Leave Office</p>	<p>Mr S Adonisi</p>	<p>31-Mar-16</p>
<p>The HR Manager should review the overtime calculation prior to approving the payroll run to ensure the correct amount of overtime is paid to employees.</p>	<p>Extract a GL report for overtime paid and obtain supporting documentation and reperform the calculation per the policy and if there are difference the Director of Corporate Services should follow up on those differences.</p>	<p>Corporate Services</p>	<p>Payroll Office</p>	<p>Mr M Nkonzombi</p>	<p>31-Jan-16</p>

<p>Management should ensure that all levies are paid within the time frames specified by the Commissioner to avoid incurring interest and penalties on overdue amounts</p>	<p>Extract a GL report for medical aid paid per department and compare to the payroll reports and reperform the calculation per the policy and if there are difference the Director of Corporate Services should follow up on those differences.</p>	<p>Corporate Services</p>	<p>Payroll Office</p>	<p>Mr M Nkonzombi</p>	<p>31-Jan-16</p>
<p>Management should ensure that all levies are paid within the time frames specified by the Commissioner to avoid incurring interest and penalties on overdue amounts</p>	<p>Obtain a statement of account from SARS to confirm the dates of submission of EMP 201's and also for the foreseeable months the Payroll Manager should ensure that the returns are submitted on the 7th of the following month.</p>	<p>Corporate Services</p>	<p>Payroll Office</p>	<p>Mr M Nkonzombi</p>	<p>28-Feb-16</p>
<p>Corporate Services must review the regulations on a regular basis and ensure that these are complied with through periodic reviews of the compliance.</p>	<p>1. Ensure that there a document in place with regards to competency assessments and also draft a methodology on how to address regulation SMs reg 16(1) GNR 37245 2. Extract all employees in managerial position and confirm if they meet the minimum competency levels have been obtained by the employees as per regulations 107 Municipal Regulations on Minimum Competency Levels reg 2 and 3(GNR 493) and Municipal</p>	<p>Corporate Services</p>	<p>Deputy Director Corporate Services</p>	<p>Mr J Kwinana</p>	<p>31-Mar-16</p>

	<p>Regulations on Minimum Competency Levels reg 8 and 9(GNR 493)</p> <p>3. Select all performance agreements and confirm that the agreement has been signed by both parties and thus the employee and the Municipal Manager</p> <p>4. The Director of Corporate Service needs to facilitate and establish and evaluation panel as per Municipal Performance Regulations reg 27(4)(d) and (e) GNR 805)</p> <p>5. Extract all employees in managerial position and confirm if they meet the minimum competency levels have been obtained by the employees as per regulations 107 Municipal Regulations on Minimum Competency Levels reg 2 and 3(GNR 493) and Municipal Regulations on Minimum Competency Levels reg 8 and 9(GNR 493)</p>				
<p>No payments should be made via the cash book so as to ensure that PAYE is calculated correctly and accounted for.</p>	<p>Perform a payroll reconciliation on a monthly basis by comparing the employee related costs general ledger accounts to the payroll reports</p>	<p>Corporate Services</p>	<p>Payroll Office</p>	<p>Mr M Nkonzombi</p>	<p>31-Mar-16</p>

	and follow up on differences.				
Management must ensure that all changes made to payroll are reviewed for accuracy and are valid to ensure that any errors are identified and corrected timeously.	Draft a master file amendment form to be used whenever there are changes in the payroll system and the changes to the master file should be authorized by the Senior Personnel and preferably the Director of Corporate Services.	Corporate Services	IT Department	Mr A Gqwetha	28-Feb-16
Management should ensure that the payroll run is reviewed by the three signatories before approving the payment for municipal salaries.	Select all the monthly pay run's and confirm if they have been signed by the CFO and the Municipal Manager as evidence of review.	Budget and Treasury Office and the Office of the Municipal manager	Budget and Treasury Office and the Office of the Municipal manager	CFO and MM	28-Feb-16
The audit committee should improve their role with the oversight on review of internal controls to ensure that the risks and internal controls are adequately identified, reviewed, appropriate actions being taken and adequate monitoring. The audit committee should increase the frequency of engagements with oversight bodies. Leadership should prioritise the resourcing of the internal audit function to enable it to delegate	The audit committee should work together with the internal audit unit and also the audit committee needs to frequently engage with the oversight bodies of the municipality.	Office of the Municipal Manager	Internal Audit Unit	Ms L Mdingi	

<p>some of its functions.</p>					
<p>Management should ensure that the documentation (copies of the adverts published on newspapers) should be filed and maintained.</p>	<p>Select a list of all adverts publicized on the Daily Dispatch and make a schedule on a monthly basis and filed. Also for each advert sent to dispatch there must be an approved advert by the Municipal Manager attached to the despatch advert.</p>	<p>Office of the Municipal Manager</p>	<p>PA of the MM</p>	<p>Ms N Ngoma</p>	<p>28-Feb-16</p>
<p>Management should ensure that the SCM/HR policy is amended to address matters relating to usage of consultants, this will ensure that whenever a consultant is sourced to work with the municipality a framework is followed in the form of the SCM/HR policy the municipality has approved and this will allow the municipality to accordingly measure the benefits it has obtained from the contractual relationship. At the moment it very easy for the municipality to leave out</p>	<p>Discussed with AG about use of consultants and the need that arose during the 2014/2015 year and also AG agreed that there is no reliance on consultants by the municipality. The initial step to be undertaken to reduce the use of consultants is to identify the shortage or short fall of skills and resources encountered by the municipality and determine if the municipality can attain staff personnel with specialised skills or resource so as to fill the vacancy.</p>	<p>Corporate Services and the Office of the Municipal Manager</p>	<p>Skills Office</p>	<p>Mr J Kwinana</p>	

<p>certain important aspects when entering into a contractual agreement as it does not have a proper reference in the form of a policy.</p>					
<p>Management should assist the MPAC to keep record of all minutes of meetings that took place during the year.</p>	<p>Obtain a Municipal Calendar and confirm MPAC meeting dates and upon confirmation select all the minutes of meeting and file them by date of meetings.</p>	<p>Office of the Municipal Manager</p>	<p>Chief Operations Officer</p>	<p>Mr P Mhloli</p>	<p>31-Jan-16</p>
<p>Management gave a representation letter stating this was never done</p>	<p>Initiate a process of filling the vacant posts under the internal audit department as the work performed under internal audit is prepared and reviewed by the same person.</p>	<p>Corporate Services</p>	<p>Deputy Director Corporate Services</p>	<p>Mr J Kwinana</p>	
<p>Management agrees to the finding, however, Fraud Prevention Plan has since been approved by the council and is implemented accordingly</p>	<p>Fraud prevention plan needs to be presented in front of the council and approved by the council and the plan needs to be implemented by the municipality. There should be supporting documentation or evidence that the plan has been implemented.</p>	<p>Corporate Services</p>	<p>Deputy Director Corporate Services</p>	<p>Mr J Kwinana</p>	<p>31-Mar-16</p>
<p>No response received, therefore the finding stands</p>	<p>Obtain a schedule of Fruitless wasteful; Unauthorised and Irregular Expenses and ensure that it has been reported to the Mayor and the council and</p>	<p>Budget and Treasury Office</p>	<p>Chief Financial Officer</p>	<p>Ms N Boti</p>	<p>31-Jan-16</p>

	also Reported to the MEC Local Government and Auditor General.				
Management must ensure that all prior year audit findings in the audit action plan are fully implemented and resolved.	Progress reports on implementation of the audit action plan to be presented to management on a monthly basis.	Office of the Municipal Manager	Chief Operations Officer	Mr P Mhloli	31-Mar-16
The management agrees with the finding.	Ensure that the conditions of service policy include criminal record investigation, this should be included in the review of municipal policies	Corporate Services	Deputy Director Corporate Services	Mr J Kwinana	31-Mar-16



<p>The internal audit should be adequately staffed in order to ensure effective execution of its mandate. This will also assist eliminating the reliance on one personnel for all internal audit matters as this has resulted in the delay and limited communication to clearing questions the external auditors had in the planning stage of the audit. This has also resulted in the ineffectiveness of internal audit mainly due to planned scope of work by the internal audit not been executed. The audit committee should closely monitor the progress of internal audit versus its planned activities.</p>	<p>Initiate a process of filling the vacant posts under the internal audit department as the work performed under internal audit is prepared and reviewed by the same person.</p>	<p>Corporate Services</p>	<p>Deputy Director Corporate Services</p>	<p>Mr J Kwinana</p>	
<p>Management should prepare a check list to be used throughout the year for each component of the annual financial statement based on their respective GRAP standard. The check list should include the important requirements of the standard, timelines and</p>	<p>Draft checklist with assessment procedures to be followed when reviewing the useful life and impairment of an asset and this should be in accordance with the asset policies, This checklist needs to be reviewed by a senior personnel.</p>	<p>Budget and Treasury Office</p>	<p>Assets</p>	<p>Mr S Notununu</p>	<p>30-Jul-16</p>

responsible person. Management should ensure that the check list is being reviewed on a regular basis by an independent person.					
Management should ensure that the documentation requested by the Auditor General is submitted before the agreed upon deadlines.	Scrutinise all the fixed asset registers and confirm for all the Assets included in the register there supporting documentation in place.	Budget and Treasury Office	Assets	Mr S Notununu	30-Jul-16
Management should ensure that invoices and contract amounts are reviewed before being entered onto the fixed asset register. The fixed asset register should be reviewed adequately to ensure correct cost and depreciation is recorded.	Perform monthly asset reconciliations and ensure that the supporting documentation have been filed e.g. Fixed Asset Register and Additions and Disposal documents. The depreciation calculation should be calculated as per the policy and thus days instead of using months.	Budget and Treasury Office	Assets	Mr S Notununu	30-Jul-16
Management should ensure that the information contained in the asset register is accurate. Random test counts should be conducted on Assets to ensure that the Assets are in the location as stated in the fixed asset register.	Perform asset verification on a quarterly basis and ensure that all are verified and for those Assets that cant be verified there asset manager needs to confirm if they not disposed or if they not lost. The lost control register needs to be prepared and updated.	Budget and Treasury Office	Assets	Mr S Notununu	15-Jul-16

<p>Management should ensure that all awards made are in compliance with the SCM regulation. Management should ensure that SCM personnel attend training on a regular basis to touch basis with the various regulations.</p>	<p>Extract monthly cash book transactions and make use of an irregular expenditure detection template. The template needs to be reviewed by a senior before submission to the CFO and MM.</p>	<p>Budget and Treasury Office</p>	<p>SCM Office</p>	<p>Ms N Budaza - Mditshwa</p>	<p>15-Jul-16</p>
<p>Management should review the invoice against the contract register to identify any delays by the contractor outside the normal terms of the contractor and should ensure that penalties are deducted from the money owed to the contractor.</p>	<p>PMU should Select all projects in progress and implement a performance assessment based on the contract management monitoring plan.</p>	<p>Infrastructure</p>	<p>PMU</p>	<p>Mr M Mcinga</p>	<p>28-Feb-16</p>
<p>Management should ensure that the measures in place are properly exercised. In the instance of the delays , the contract terms and conditions stipulated penalties been evoked in the case where there are delays from the side of the contractor and having inspected the contracts there was no indication of there ever been</p>	<p>PMU should Select all projects in progress and implement a performance assessment based on the contract management monitoring plan.</p>	<p>Infrastructure</p>	<p>PMU</p>	<p>Mr M Mcinga</p>	<p>28-Feb-16</p>

any measures taken to address the delays been caused by the contractors.					
Management should review all the expenditure accounts in the trial balance to identify any possible incorrect classifications of expenditure transactions	Obtain the Caseware file and confirm that the mapping of vote numbers has been correctly aligned and it is per the Final Budget.	Budget and Treasury Office	Chief Financial Officer	Mr A Lwana	28-Feb-16
Management should take reasonable steps to ensure that adequate steps, over and above the completion of the MBD4 declaration of interest form are taken to ensure identification of interests in suppliers. Management should therefore cancel the contract with the supplier	Obtain an AG list of individuals who have not declared their interest with government spheres and Only Corrective measures should be performed as the municipality can not perform an alternative detection tool and ensure that there will not be any continued business with those individuals as it will result in irregular expenditure.	Budget and Treasury Office	SCM Office	Ms N Budaza - Mditshwa	28-Feb-16
Management should develop a payment check list verify that information per the quotation agree to information per invoice. Management should ensure that the check list is signed by the preparer and reviewer.	Communicate standard operating procedures for expenditure and procurement.	Budget and Treasury Office and Corporate Services	SCM Office and HR Office	Ms N Budaza - Mditshwa and Mr J Kwinana	31-Jan-16
Management should ensure that there is a proper succession plan in place.	Communicate standard operating procedures for expenditure and procurement.	Budget and Treasury Office and Corporate Services	SCM Office and HR Office	Ms N Budaza - Mditshwa and Mr J Kwinana	31-Jan-16

<p>Management should consider having an in-house legal counsel to advise them on the legal matters. A contract must be entered into between the parties and the provisions contained therein should include that the prices</p>	<p>Scrutinise invoices from the lawyers and request for detailed costing from the attorneys and also Corporate Services needs to appoint a Legal Officer to assist with the legal issues and ensuring that only fruitful expenditure is paid by the Municipality</p>	<p>Budget and Treasury Office and Corporate Services</p>	<p>Expenditure Office and HR Office</p>	<p>Mr M Msuthu and Mr J Kwinana</p>	<p>31-Mar-16</p>
<p>1. Management should consider having an in-house legal counsel to advise them on the legal matters and how to better approach certain legal matters and what the terms of the contract with the lawyers should be and what clauses should be on the contract. 2. Management must review journals processed to the system against supporting documentation in order to ensure that expenditure is accounted for correctly and in the correct period.</p>	<p>Extract a GL and confirm that all the transactions listed have supporting documentations and also there should be a checklist when drafting financial statements to confirm that they GRAP compliant.</p>	<p>Budget and Treasury Office</p>	<p>Chief Financial Officer</p>	<p>Mr A Lwana</p>	<p>30-Apr-16</p>
<p>Management should ensure that the spending on conditional grants projects is made as planned to</p>	<p>On a monthly basis ensure all the requisitions and orders recorded in to the system have been invoices are paid within</p>	<p>Budget and Treasury Office</p>	<p>Chief Financial Officer</p>	<p>Mr A Lwana</p>	<p>28-Feb-16</p>

avoid any underspending and also so that the equitable share is not used for operating grant expenditure.	30 Days as per and if no invoice submitted by the supplier a follow up needs to be done.				
Management must review journals processed to the system against supporting documentation in order to ensure that expenditure is accounted for correctly and in the correct period.	Senior personnel review of payment vouchers before payment should be performed and Also it has been noted by AG that SCM office is under staffed and therefore vacant funded positions should be filled by Corporate Services.	Budget and Treasury Office and Corporate Services	SCM Office and HR Office	Ms N Budaza - Mditshwa and Mr J Kwinana	30-Apr-16
Management must ensure that the staff fully complies with the internal controls of the municipality and there be consequence management for employees who do not comply.	Ensure all payment vouchers have been stamped to show evidence that the goods and services were received. Also when scanning documents for soft copies to be backed the expenditure clerk needs to ensure all vouchers are stamped.	Budget and Treasury Office	Expenditure Office	Mr M Msuthu	31-Jan-16
Management should implement a supplier database checklist according to SCM regulation. Management should ensure that the checklist is signed as evidence of review before a supplier is uploaded on the database	Supplier data base forms should be reviewed by the senior personnel at SCM to confirm that all mandatory fields are filled when submitting the forms to be captured on to the system.	Budget and Treasury Office	SCM Office	Ms N Budaza - Mditshwa	28-Feb-16
Management must ensure that the SCM personnel are trained	A procurement checklist needs to be attached on every	Budget and Treasury Office	SCM Office	Ms N Budaza - Mditshwa	28-Feb-16

regularly on SCM regulation. Management must introduce SCM regulation check list for every procurement process that take place. Management must regularly monitor the compliance with SCM regulation	transaction entered in to and also the check list needs to be reviewed by senior SCM personnel and also the checklist should comply with the SCM regulations and policies.				
Educate the community and all other relevant stakeholders about the procurement processes.	Road shows should be implemented to educate the community of supply chain regulations. Also Regulation 36 needs to be properly implemented and meet all the criteria's under the regulation not just some criterions.	Budget and Treasury Office	SCM Office	Ms N Budaza - Mditshwa	31-Mar-16
Management must ensure that the SCM personnel are trained regularly on SCM regulation. Management must introduce SCM regulation check list for every procurement process that takes place. Management must regularly monitor the compliance with SCM regulation.	A procurement checklist needs to be attached on every transaction entered in to and also the check list needs to be reviewed by senior SCM personnel and also the checklist should comply with the SCM regulations and policies.	Budget and Treasury Office	SCM Office	Ms N Budaza - Mditshwa	28-Feb-16
Management should ensure that the evaluation and adjudication committee members are familiar	Cast and reperform bid scoring points when evaluating a bid and also the motivation and recommendation of the	Budget and Treasury Office	SCM Office	Ms N Budaza - Mditshwa	28-Feb-16

with SCM laws and regulations. Management should ensure that they conduct regular training for evaluation and adjudication committee members.	winning bidder needs to be detailed and elaborated.				
Measures should be put in place to ensure that bids are not awarded to suppliers whose municipal rates and taxes and municipal service charges are in arrears. The bid invitation and the bid document should request suppliers to include statement for municipal rates and taxes.	Select all bids awarded during the year and confirm that the requirements of the specifications have been considered during the evaluation process. And also all bid invitation should include municipal rates as part of the requirements.	Budget and Treasury Office	SCM Office	Mr T Mbono	28-Feb-16
Management should put adequate controls in place to ensure the score card is correctly calculated to ensure that contracts are awarded to the bidder that scored the highest points.	Cast and reperform bid scoring points when evaluating a bid and also the motivation and recommendation of the winning bidder needs to be detailed and elaborated.	Budget and Treasury Office	SCM Office	Ms N Budaza - Mditshwa	28-Feb-16
Management must appoint an independent not involved in SCM to assist in dispute resolution and to deal with objections, complaints and queries regarding controls. Management should have regular training on SCM	The Municipal Manager should appoint an independent person from SCM to assist with dispute and resolution processes.	Office of the Municipal Manager	Chief Operations Officer	Mr P Mhloli	

regulation and seek clarity from treasury where they do not understand.					
Management must design and implement a delegation of authority in terms of the SCM regulation policy. Management should ensure that the bid specification committee has the knowledge of SCM regulations	Select all bids awarded during the year and confirm that the all bid specifications have been approved by the Municipal Manager.	Budget and Treasury Office	SCM Office	Ms N Budaza - Mditshwa	28-Feb-16
Management should develop and monitor the implementation of action plans to address internal control deficiencies to ensure that suppliers are awarded points correctly for B-BBEE certificates or certified copies.	Select a list of all bids awarded and confirm that the BBEE certificates levels agree to the bid evaluation report and the points awarded are as per the SCM regulations.	Budget and Treasury Office	SCM Office	Ms N Budaza - Mditshwa	28-Feb-16
Management should ensure that all the invoices received are paid within 30 days of receipt of invoices.	On a monthly basis ensure all the requisitions and orders recorded in to the system have been invoices are paid within 30 Days as per and if no invoice submitted by the supplier a follow up needs to be done.	Budget and Treasury Office	Chief Financial Officer	Mr A Lwana	31-Jan-16

<p>Management should ensure that the credit note is reviewed by senior personnel, invoice should reflect that a credit note was received from the supplier and its correctness, then management should signs and stamps the credit note as evidence of review.</p>	<p>Obtain a monthly creditors file and confirm by selecting a list of all transactions with credit notes and confirm that the creditor’s reconciliation has been signed by a senior reviewer.</p>	<p>Budget and Treasury Office</p>	<p>Expenditure Office</p>	<p>Mr M Msuthu</p>	<p>28-Feb-16</p>
<p>Management should have a system in place where measures are put in place to avoid fruitless and wasteful expenditure is avoided (for example negotiate with suppliers new credit terms to avoid interest and penalty charges). They should also ensure that appropriate systems are in place to ensure full disclosure of fruitless and wasteful expenditure to the council and in the financial statements.</p>	<p>Creditors reconciliation needs to be performed on a monthly basis for all the creditors of the municipality and through review confirm which creditors frequently charge interest so as to negotiate the credit terms.</p>	<p>Budget and Treasury Office</p>	<p>Expenditure Office</p>	<p>Mr M Msuthu</p>	<p>31-Jan-16</p>
<p>Leadership should put controls in place to ensure that employees declare all their interest including the partnership in business</p>	<p>Ensure all the employees of the municipality sign a declaration form to declare their interest and the forms need to be kept in a safe place. Also ensure that</p>	<p>Corporate Services</p>	<p>Deputy Director Corporate Services</p>	<p>Mr J Kwinana</p>	<p>31-Mar-16</p>

<p>that do not trade with the municipality.</p>	<p>the AG list of employees detected as having interest without declaring should be followed up on misleading information.</p>				
<p>Management should ensure that the Municipality's website is fully functioning and those entries in the tender register and bid results are published on the municipality website. Senior SM personnel should verify every time the tender register is completed and the bid is awarded that they are updated on the system.</p>	<p>Ensure that the municipal website is effective and efficiently working and also the list of all the adverts to be published on the websites needs to be updated on time and shall be reviewed by the senior personnel.</p>	<p>Corporate Services and Budget and Treasury Office</p>	<p>SCM Office and IT Office</p>	<p>Mr T Mbono and Mr A Gqwetha</p>	<p>31-Mar-16</p>
<p>Management should ensure that the financial statement is prepared to comply in all material respects with the applicable reporting framework.</p>	<p>Ensure that the mapping on caseware for receivables is correctly mapped according to the AG style and thus Exchange and Non Exchange Transaction and the notes to the financial statements respectively.</p>	<p>Budget and Treasury Office</p>	<p>Chief Financial Officer</p>	<p>Mr A Lwana</p>	<p>28-Feb-16</p>

<p>Management should ensure that there is a system in place that is cost effective and yet yielding the desired results to ensure effective collection of amounts outstanding.</p>	<p>Data Cleansing. Draft and implement a debt recovery plan.</p>	<p>Budget and Treasury Office</p>	<p>Revenue Office</p>	<p>Ms L Bunyenge - Dyomfana</p>	<p>31-Mar-16</p>
<p>Management should ensure that all the necessary documentation with respect to transfers made by other organs of state are kept and are accurate. According to the contract, paragraph 14 variations and additions, the municipality does apply for additions and variation and such documentation /approval is according to paragraph 14e to be attached to the original contract.</p>	<p>Obtain the unconditional grants agreement signed between the municipality and the third party and confirm the contractual amounts to be received and select the revenue accounts to confirm the receipting is accordance to the contract agreement.</p>	<p>Corporate Services and Budget and Treasury Office</p>	<p>Revenue Office</p>	<p>Ms L Bunyenge - Dyomfana Mr Kwinana</p>	<p>31-Jan-16</p>

<p>Management should ensure that laws and regulations are compiled through consistent monitoring</p>	<p>The IT Department should ensure that the municipal website is effective and efficiently working and also the supplementary property valuation should be on the websites and it needs to be updated on time and shall be reviewed by the senior personnel.</p>	<p>Corporate Services and Budget and Treasury Office</p>	<p>IT Department and Revenue Office</p>	<p>Ms L Bunyenge - Dyomfana and Mr A Gqwetha</p>	<p>31-Jan-16</p>
<p>The municipality should ensure adherence to the laws and regulations governing the municipal processes as in this instance the municipal property rates act does allow for an extension of the period to which a valuation roll is valid after the 4 year had passed however this is based on the municipality timeously applying for an extension and the municipality seemingly did not exercise that opportunity.</p>	<p>Municipality Awaiting a service provider (Property Valuer) from Local Provincial Government to assist with AG issues regarding valuation roll and properties.</p>	<p>Budget and Treasury Office</p>	<p>Revenue Office</p>	<p>Ms L Bunyenge - Dyomfana</p>	<p>30-Jul-16</p>

<p>Management should ensure that it keeps its own recalculations especially if all the inputs are known by the municipality. This will allow the municipality to be in a better position to raise queries with the department. This will be beneficial to the municipality as not always will the revenue be overstated but at times the opposite may occur.</p>	<p>Inspect the RD321 reports, compare with municipal receipts and reconcile the differences</p>	<p>Community Services</p>	<p>Traffic</p>	<p>Mr Ngcangula</p>	<p>28-Feb-16</p>
<p>1. Management must perform the reconciliations between the property values on valuation roll and</p>	<p>Municipality Awaiting a service provider (Property Valuer) from Local Provincial Government to assist with AG</p>	<p>Budget and Treasury Office</p>	<p>Revenue Office</p>	<p>Ms L Bunyenge - Dyomfana</p>	<p>30-Jul-16</p>



<p>the property values loaded onto the Promun system and such reconciliation must be reviewed by the supervisor.</p> <p>2. Management must print-out the tariffs loaded onto the Promun system and perform adequate review against the list of tariffs approved by the Council and sign it as the evidence of such review.</p> <p>3. Management must account for revenue from traffic fines on accrual basis in terms of IGRAP 1.</p>	<p>issues regarding valuation roll and properties. The IGRAP of traffic fines needs to be performed properly but this was at planning stage of the audit and it was impossible for the municipality to implement the provisions of IGRAP 1.</p>				
<p>Management should ensure that they develop adequate and effective IT related policies and procedures. In the absence of a government-wide IT security framework, assistance should be sought for the development of IT security policies</p>	<p>Develop or draft an IT security policy which should be presented in front of the council for adoption.</p>	<p>Corporate Services</p>	<p>Deputy Director Corporate Services</p>	<p>Mr J Kwinana</p>	<p>31-Mar-16</p>
<p>Management agrees with the finding, however a policy has been adopted to this effect which lays out the procedure.</p>	<p>Develop or draft an IT security policy which should be presented in front of the council for adoption and the policy should cover the</p>	<p>Corporate Services</p>	<p>Deputy Director Corporate Services</p>	<p>Mr J Kwinana</p>	<p>31-Mar-16</p>

	processes to be followed when granting users.				
Management should ensure that all updates and upgrades are approved by management to ensure smoothing function of the IT services.	Documented processes should be in place to request upgrades and also the forms to request changes should be formulated and should be signed by a senior IT Personnel to depict approval	Corporate Services	IT Department	Mr A Gqwetha	31-Mar-16
Management should ensure that backups and restoration processes are established to ensure IT service continuity. Develop adequate disaster recovery procedures and controls.	Develop adequate disaster recovery procedures and controls and also ensure that the procurement for offsite storage has been implemented.	Corporate Services	IT Department	Mr A Gqwetha	30-Jun-16
Management should prepare customer account reconciliations on a monthly basis. For deBudget and Treasury Office rs which have both the receivable and a payable, the amount which was overpaid for one service should be moved to the service which is still outstanding. Management should ensure that when a deposit is made by a customer, the money should be	Perform some caseware re mapping as the AG does not approve of the disclosure of debtors and also ensure that there's a checklist in place when drafting financial statements.	Budget and Treasury Office	Chief Financial Officer	Mr A Lwana	30-Jul-16

allocated to services which still outstanding and not to services which are already paid.					
Management must ensure that the trade payables reconciliation is reviewed on a monthly basis by a senior official to ensure any errors are identified and corrected timeously.	Extract all Trade payables reconciliations from the file and ensure that they have been reviewed by the Senior Personel e.g. Chief Accountant and all errors or differences identified have been corrected on time.	Budget and Treasury Office	Expenditure Office	Mr M Msuthu	31-Jan-16
Management must review all interest declaration forms for related parties and sign the form as evidence of review to ensure completeness and accuracy of related party disclosure information.	Corporate Services department should ensure all the related parties to the the municipality sign a declaration form to declare their interest and the forms need to be kept in a safe place. Also ensure that the AG list of employees detected as having interest without declaring should be followed up on misleading information.	Corporate Services	Deputy Director Corporate Services	Mr J Kwinana	31-Jan-16



2.11 Local Economic Development and Rural Development

2.11.1 Development Corridors

With regards to the development corridors; whilst they are strongly influenced by access to, and key roads, they can be defined as areas of greatest activity that should be managed in a particular long term planning manner to catalyse social and economic development as growth anchors. They have major implications in terms of zones of activity be it:

- a) Hazards and risk factors
- b) Potential revenue
- c) Potential businesses and investment potential
- d) Potential development
- e) Potential contributory capacity in terms of economies of scope and scale

In most municipalities and from a planning perspective, there are generally two levels of development corridors. These are secondary and primary corridors based on the extent and magnitude of socio – economic and development impact. In the case of Mhlontlo, the two urban spaces linked to Tsolo junction and Elangeni will be considered primary corridors to some extent including the corridor linking neighbouring towns such as Mthatha, Maclear and Mt Frere through N2 whilst the road network linking Tsista Falls, Tina Falls and or Selunkama to Caba or St Cuthbert's to Tsolo will be considered secondary corridors.

2.11.3 Development nodes

On the other hand, development nodes are the main centres, which are being fed by development corridors in terms of traffic flow, people and physical thresholds. Development nodes are important points providing concentration of different social, services and economic activities. Development nodes can be used to concentrate activities, which could have a multiplier effect to a broader municipal area. Accordingly, Mhlontlo plans to use nodes such as Qumbu and Tsolo urban centres as growth poles to anchor future growth. Some work has been done towards realising this planning approach in the municipality. The Spatial Development Framework has been reviewed during 2014/2015, the municipality plans to anchor its urban or corridor planning in the two urban areas.

The municipality will therefore consider putting mixed land uses together for economies of scale and scope. High order services will be accessed by the public from these two major urban spaces with essential services accessible from all secondary nodes. The municipality will in the reviewed spatial development framework consider grading its development nodes into three categories:

- Primary nodes such as Tsolo, Qumbu and Elangeni forest
- Secondary nodes such as St Cuthbert's, Sulenkama, Tsitsa and Tina Falls, Nodali, Tolweni and
- Tertiary nodes such as Tsolo Junction and Qumbu because of their strategic position in relations to the national road (N2)

In addition, the municipality has several areas of strategic importance though the measure of development impact is not similar to those listed above. The municipality has thus identified through its Spatial Development Framework a number of sectors. These will be clearly depicted in the final SDF maps as areas of potential investment such as agriculture (various sub sectors by soil type) forestry, tourism, and manufacturing.

2.11.4 Mzimvubu Multi-Purpose Project

Back Ground

The Mzimvubu Multi-Purpose Project is a Strategic Integrated Project (SIP3 project) that is intended to inject stimulus for economic development and social upliftment in the project area.

The project scope entails the development of a multipurpose dam on Tsitsa River, a tributary of the Mzimvubu River, to supply irrigated agriculture, domestic and industrial water requirements and hydropower generation.

The project footprint spreads over OR Tambo, Alfred Nzo and Joe Gqabi District Municipalities.

2.11.5 Ntabelanga-Laleni Conjunctive Scheme

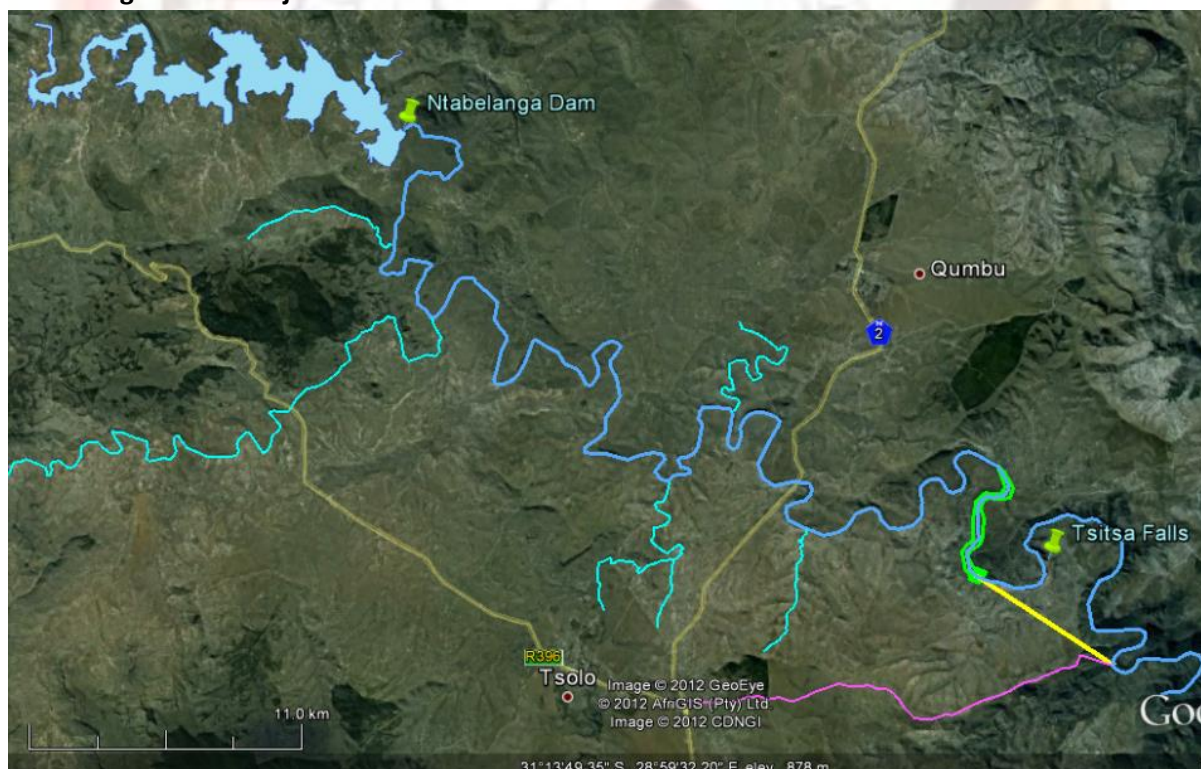
The scheme being investigated is a conjunctive scheme comprising a large dam at Ntabelanga and a smaller dam at Laleni, both to be operated as an integrated scheme.

In addition to supplying domestic and irrigation water, the upstream Ntabelanga dam will also serve to regulate stream flow required to generate hydropower at Laleni.

While Ntabelanga dam is investigated at detailed level of feasibility, Laleni hydropower scheme has so far only been investigated at preliminary level.

The conjunctive scheme marks the initial phase of a broader development programme of the Mzimvubu Catchment to be phased over time.

Ntabelanga-Laleni Conjunctive Scheme



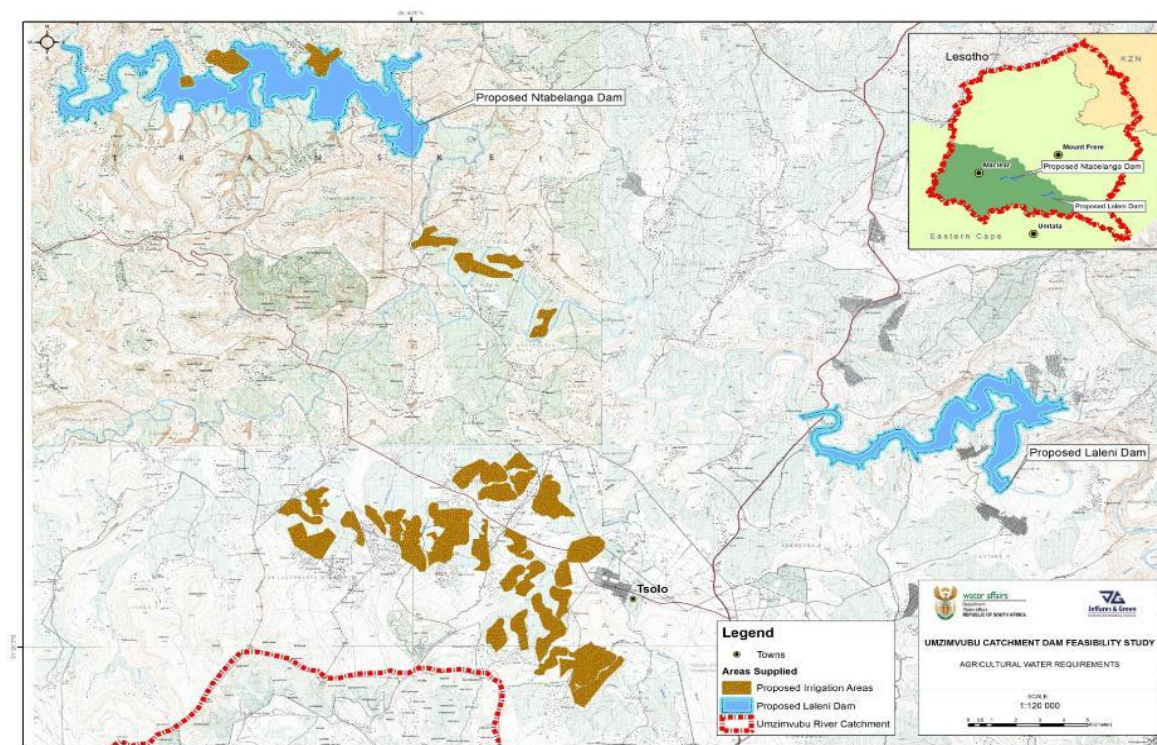
2.11.6 Irrigation Water Requirements

Study has identified 2 868 ha of high potential land suitable for irrigated agriculture.

2 450 ha in the Tsolo area and the rest near to the dam and along the river.

Water requirements based upon average of 880 mm per annum application rate which includes losses/wastage.

Proposed Irrigation Areas



2.11.7 Determination of Farm Unit Size

Commercial irrigation farming relies on planting and harvesting at certain times. Timing can be critical.

Shared use of implements sounds good in theory, but seldom works in practice. Everyone wants the implements at the same time!

One method to determine farm size is according to justified economic use of a typical tractor and cultivation implements per farming unit: each farmer owns his own.

Implement	Number Required	Work rate
50kw Tractor	1	
Plough	1	6 ha/day
Disc	1	15 ha/day
Planter	1	15 ha/day
Cultivator	1	20 ha/day

A 60ha farming unit would justify its own implements, based on the above work rates and a 35 calendar day (21 productive day) critical planting window.

The identified lands can be divided up into 45 rationalised farming units of between 40 and 90 ha each (ave 63.7ha).

2.11.8 Combined Bulk Water Requirements

Including system losses:

- Potable water: 32.86 million m³ /a
- Irrigation water: 27.76 million m³ /a
- Total requirements to be supplied by Ntabelanga dam = 60.62 million m³ /a
- excludes hydropower requirements

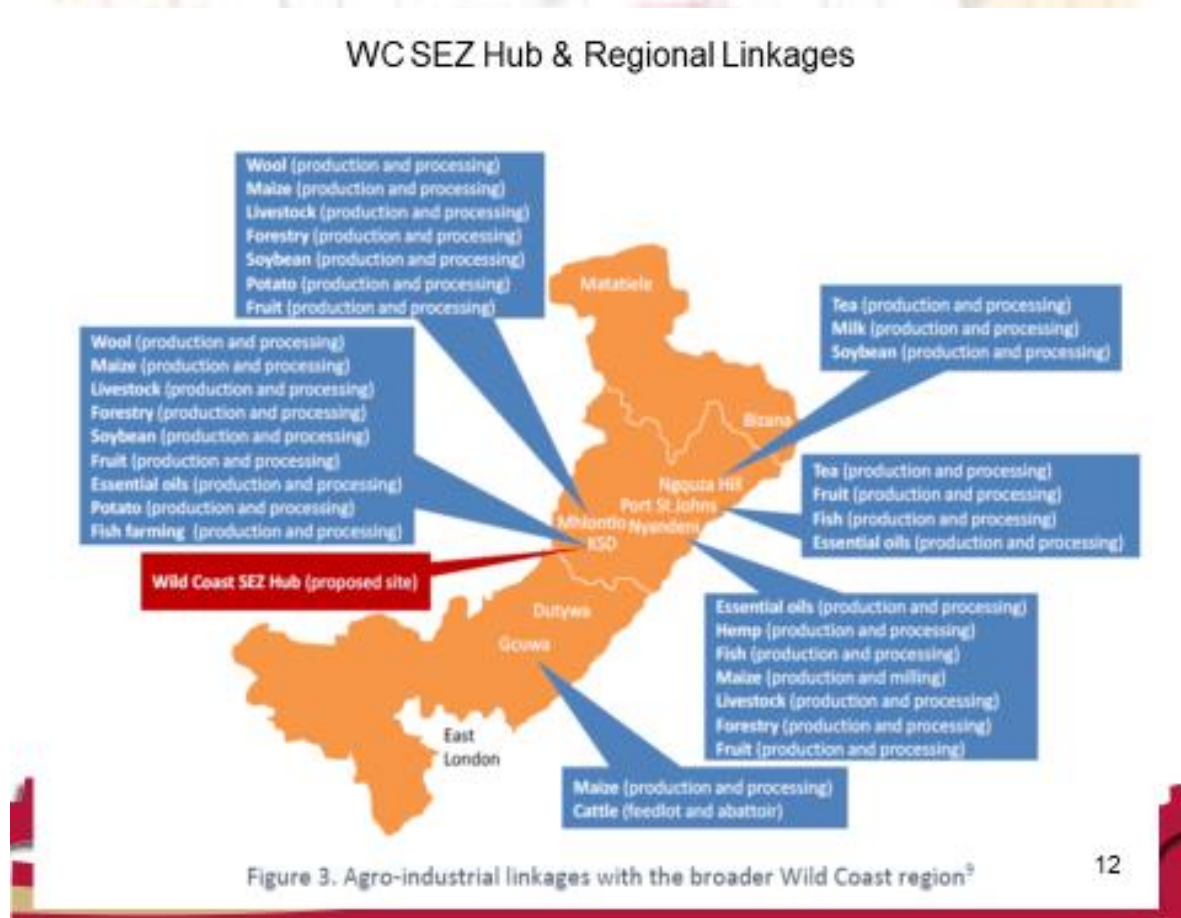
2.11.9 Hydropower Potential

Hydropower generation is possible:

- At Ntabelanga Dam - 0.75 MW to 5 MW (average 2.1 MW)
- At Laleni Dam & Tunnel (used conjunctively with Ntabelanga) - 15 to 30 MW continuous base load output

2.11.10 Establish Wild Coast Special Economic Zone (WC SEZ) Hub

- WC SEZ Project Management Office Established with specialized personnel.
- Feasibility study completed by team of consultants.
- WC SEZ Hub foot print around Mthatha Airport.
- Finalize Business case.
- Process to facilitate land acquisition for the SEZ Hub (500 ha).
- Ensure backward linkages to primary production & stimulate value chains.
- Submit SEZ designation application.



2.11.11 Rural Development

Back Ground

On the 6th of May 2009, the Premier Noxolo Kiwiet in her inauguration address of the Eastern Cape, Honourable Premier announced a reconfiguration of the mandate of the Department of Rural Development and Land Reform to a Department of Rural Development and Agrarian Transformation. The Premier also stated that in line with the ANC Manifesto, the Eastern Cape government will greatly intensify its rural development initiatives, and will be implementing state-facilitated agricultural and agro-processing programmes with the aim of creating decent work and addressing food security. As part of this commitment, the Premier further declared Mhlontlo Municipality a “Comprehensive Rural Development Pilot Site”. The pilot was officially launched in wards 2 (Tsolo) and 13 (Qumbu) during August 2009.

2.11.12 Rationale for the Rural Development Pilot

The main agenda of the rural development pilot is to showcase a coordinated and improved service delivery in rural communities of Mhlontlo Local Municipality. The emphasis is to priorities resources to address the plight of rural and focus on high impact interventions. All the sector departments have submit their action plans with budget to support the comprehensive Rural Development and Land Reform and the Department has commissioned Agriculture research council as implementing agent for the project. The Comprehensive Rural Development in Mhlontlo Municipality is an unfunded mandate where the municipality has no access to the funding and processes of Rural Development.

Crafters: 150 people have been trained on crafting and also trained on how to market their products in different exhibitions. 11 wards benefited and those wards are as follows; 1, 2, 3, 4, 6, 7, 9, 13, 14, 16, and 19. 12 co-operatives have been created.

10 co-operatives from ward 02, 05 and 13 are supported by LIMA, others are poultry co-operatives and others are for crop production. Poultry structures are erected and are supplied with inputs. Irrigation schemes are installed for crop production co-operatives.

There is a programme of harvesting spring water in ward 13 and CSIR is conducting feasibility study.

The states rationale for rural development is to address:

- **Structural/historical factors**
- **Land and agrarian relations**
- **Settlement patterns and migration**
- **Food insecurity**
- **Poverty and inequality**

The priorities for the Mhlontlo pilot are to:

- Mobilize the whole of government behind all of the rural development pillars outlined in the Provincial Rural Development Strategy (horizontal, and vertical across sphere);
- Develop a quality physical, social and economic infrastructure;
- Ensure availability of land as viable asset to the rural poor;

- Enhance indigenous knowledge and cultural values;
- Ensure vibrant arts and cultural life; and
- Provide the pilot site with access to basic social services, information, communication and technology.

CHAPTER THREE: DEVELOPMENT STRATEGIES

3.1 Vision

The Mhlontlo Municipality envisions itself as a,

“...united community that champions viable socio-economic development programmes and provision of effective and efficient services in an environment of good governance.”

3.2 Mission

To achieve the above vision, the Mhlontlo Municipality intends to,

“...mobilize resources for the best quality services and strive to create a user friendly environment for its citizens and investors, thus resulting in sustainable development in partnership with other stakeholders.”

3.3 Five Development Priority Objectives

- To receive and consider the report on institutional capacity.
- To review a five year municipal vision, mission and strategic objectives.
- To align municipal strategic objectives with the Provincial Strategic Priority Areas, and National Outcomes and Vision 2030 (NDP) review strategic programmes, and flagship projects.
- To check the alignment and complementary elements of development with other state organs.
- To review Top Layer SDBIP for 2015/2016.

3.4 Challenges and Priorities for the IDP Development

The identification of challenges and the subsequent agreement on the priorities for the current development was undertaken through the following processes:

IDP Phase	Activity/Forum
State of development analysis	<ul style="list-style-type: none"> ▪ Ward committee needs were updated through ward committee meetings ▪ IDP Representative Forum considered the state of development analysis and accepted the ward needs process
Objectives and strategies	Municipal strategy planning session undertook an external and internal environmental analysis and further reviewed the current municipal objectives and strategies

3.5 External Environmental Analysis

POLITICAL		ECONOMIC/FINANCIAL	
There is a political stability. There is cohesion with political office bearers resulting to functional council structures.		Dependency on Intergovernmental grants and inability to raise own revenue	
Resistance to change in political leadership and change in vision.		National Economic policy and International environment (Inflation targeting) inhibits ability of municipality to achieve its socio-economic development targets due to the formula of allocation of equitable share	
<ul style="list-style-type: none"> ▪ Failure to resolve outstanding land claims which could result in land-grabbing (Political influence on policies for service delivery purposes) ▪ Good working relations between councillors and traditional leadership. 		Reduced levels of crime have contributed to municipal ability to retain investors and promoting a sense of safety.	
Lack of integration of the political objective and administrative processes may hinder the implementation of the strategy		The deteriorating state (Quality) of social & engineered infrastructure and the delivery approach likely to hinder the success of the strategy.	
SOCIAL		TECHNOLOGICAL	LEGAL
If not urgently attended to - the level of HIV/AIDS prevalence poses the danger of weakening the success of the strategy.		Taking advantage of global improvement in technological advances (i.e. ICT solutions like GIS mapping) will enhance strategy monitoring and success. Taking advantage of the introduction of e-government system can help the municipality as one of service delivery modes.	Non-compliance with applicable laws and policies resulting to negative audit reports
<ul style="list-style-type: none"> ▪ Lack of social cohesion within the Local Municipal community is likely to result in the resistance of the strategy ▪ Improved social cohesion within the local municipal community is likely to improve implementation of the strategy. 		Use of labour-displacing technologies likely to undermine the LM's developmental objectives	
High levels of illiteracy are likely to undermine the ability of communities to access and participate in development benefits		Lack of ICT consumption capacity and expertise	

	Absence of a clear ICT procurement and management policy likely to cost the municipality & result in wastage	
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3.6 Internal Environmental Analysis

STRENGTHS	WEAKNESSES
Presence of By-laws	Exodus of personnel
Availability of financial resources	Lack of information dissemination
Availability of some key policies	Lack of Properly updated inventory register
Functional Council Structures	Internal Audit and IDP and PMS Department(s) under populated
Good Inter-Governmental relations	Limited financial resources
Sustainable Externally funded Projects that can serve as benchmarks	Improper monitoring and evaluation
Coordination and Support	Insufficient funds
Good Relationship between communities and municipality	Internally funded projects are not sustainable
Support from DM & other spheres of government	Poor performance and reporting
	High community illiteracy
	Lack of communication between DM & LM
OPPORTUNITIES	THREATS
Availability of land	Crime
Availability of natural resources	Land Claims

CHAPTER FOUR: SPATIAL RATIONALE AND ANALYSIS

4.1 Spatial Development Framework

In terms of Section 26(e) of the Municipal Systems Act (Act 32 of 2000), every municipality is required to formulate a Spatial Development Framework (SDF) as part of its Integrated Development Plan (IDP). Taking into account the current pattern of land use and the nature of development in the municipal area, a Spatial Development Framework is required to describe in words and illustrations how the Municipality sees desirable future patterns of land use and development in its area of jurisdiction. In essence, it serves as an anchor document which guides the Municipality's spatial "Vision" of what the Mhlontlo Municipal area will look like in many years to come.

The Spatial Development Framework was adopted by the council on the 15/03/2011 and has been reviewed during the year 2015/2016. It is a legally enforceable component of the IDP, which indicates both to the Municipality (councillors and officials) and to the public (investors, developers and land owners etc.) where certain types of land use and associated developments are permissible, and where certain activities are unlikely to be permitted. As such, it forms the basis for land use management and serves as a guideline to inform the Mhlontlo Local Municipality in its decisions on land development (new development and changes to existing land uses) in its area of jurisdiction. Therefore, the Spatial Development Framework also functions as a framework for public and private sector investment in different types or levels of development in those areas of Mhlontlo that have been identified as appropriate or suited to such development.

4.1.1 National Spatial Development Perspective and Spatial Distribution of Development Potential in Mhlontlo

The release of the National Spatial Development Perspective (NSDP) in 2004 has provided planners with a further tool in assessing the logical and most efficient arrangement of spatial priorities in a planning area.

For the purposes of the Mhlontlo SDF, it is useful to review briefly the proposed categories of development potential identified in the NSDP and to assess how and where this may apply in Mhlontlo Area, based on what is set out in the Mhlontlo IDP. These categories are set out in the Mhlontlo SDF, from the interpretation of the Mhlontlo IDP, it is proposed that they may be applied in the Mhlontlo Municipal Area as set in the Mhlontlo Municipal SDF.

CHAPTER FIVE: DEVELOPMENT OBJECTIVES

5.1 Municipal Priority Objectives

The municipal strategic objectives are formulated in line with Local Government's 5 Year Strategic Agenda. In addition, and in recognition of the selection of Mhlontlo as a rural development pilot project, rural development has been added under LED key performance area.

Institutional arrangement and transformation

				To establish and maintain skilled workforce guided by relevant policies with a particular focus towards service delivery to communities								
Municipal Key Performance Area (KPA)				Institutional Transformation and Development								
Municipal Turn Around Strategy												
Provincial Strategic Priority												
National Outcomes				1 Improve the quality of basic education								
Strategic Focus Area	5 year Objectives	Programmes/ Projects/ Strategies	Outputs/ Outcomes Indicator	Indicator Custodian Department	Indicator Custodian Name	Baseline	Annual Targets					
							2012/13	2013/14	2014/15	2015/16	2016/17	
Human Resource Development	To improve human resources capacity of the institution	Review Human resource Strategy. Training of officials in line with treasury regulations. Training of councillors	Reviewed HR Strategy. No. of employees trained in competency requirements in line with treasury regulations. No. of Cllrs Trained and capacitated	Corporate Services.	Corporate Service Director	HR Strategy In place Workplace Skills plan in place.	Implement, Monitoring & review the workplace Skills Plan.	Implement, Monitoring & review the workplace Skills Plan	100 employees to be trained.	30 employees to be trained.	Review and Implement HR Strategy. 40 employees to be trained in line with WSP. 51 Cllrs to be trained.	

<p>HR Transformation</p>	<p>To review and maintain the organizational structure that responds to service delivery imperatives</p> <p>To ensure compliance with Employment Equity Act</p>	<p>Review the organizational structure, profile and evaluate all approved posts. Transform the workforce to ensure fair representation of demographics within the workplace</p>	<p>Reviewed organizational structure. Equity in the workplace</p>	<p>Corporate Services</p>	<p>Corporate services Director</p>	<p>Approved organisational structure in place. Employment equity plan in place</p>	<p>Implement, monitor and review the employment equity plan</p>	<p>Implement, monitor and review the employment equity plan</p>	<p>Employ 09 people in line with employee equity target</p>	<p>Implement, monitor and review the employment equity plan</p>	<p>Review and Implement the Organizational structure of the municipality. Review and Implement employment equity plan</p>
<p>HR Policies and Systems</p>	<p>To create an enabling environment within which employee can execute their duties and contribute to departmental and council vision</p>	<p>Develop, review and implement effective HR policies and systems. Ensure availability of systems that regulate HR environment</p>	<p>Reviewed HR policies and systems. Promun and Clocking system.</p>	<p>Corporate Services</p>	<p>Corporate services Director</p>	<p>HR Policies in place. Promun and Clocking system in place</p>					<p>Implement and review HR Policies. Maintain and update HR systems</p>

Occupational Health and Safety	To ensure safe and healthy working environment for all employees and councillors by 2016/17	Implementation of OHS plan	Adopted occupational health plan	Corporate Services	Corporate Services Director	OHS policy in place	Implement, monitor and review the OHS and employee wellness	Implement, monitor and review the OHS and employee wellness	Develop OHS plan	Develop OHS plan	Implementation of the OHS Plan in line with OHS Act
Employee wellness	To improve the well-being of employees	Implementation of employee wellness policy	Number of wellness programmes held	Corporate services	Corporate Services Director	Employee wellness policy in place					Conduct 4 wellness programmes
ICT Infrastructure management	To ensure the safety of information assets of the municipality. To ensure the adequate availability of IT Infrastructure and accessibility by 2015/16	Provide an integrated security system that responds to the needs of the municipality. Development of the disaster recovery plan/policy	Reliable information system. Disaster recovery plan. Updated and well maintained ICT Infrastructure.	Corporate Services	Corporate Services Director	IT policies in Place	Monitoring & review of IT infrastructure & system	Monitoring & review of IT infrastructure & system	Development of an integrated IT system	Development of an integrated IT system	Implementation and review ICT Policy. Development of the disaster recovery plan. Operations and maintenance of ICT Infrastructure.

ICT Governance	To ensure effective ICT governance	Implementation of ICT governance framework	Development of ICT Governance Framework and Strategy	Corporate Services	Corporate Services	There is no ICT Governance Framework and Strategy ICT Steering Committee in Place	Monitoring & review of IT infrastructure & system	Monitoring & review of IT infrastructure & system	Development of an integrated IT system	Development of an integrated IT system	Development of ICT governance Framework and Strategy. 4 ICT Steering Committee meetings to be held.
Labour Relations	Strengthen and maintain good relations within the workplace	Ensuring continued existence of employer and employee structures	No of LLF Meetings. Establishment of labour relations unit.	Corporate Services	Corporate Services Director	LLF in Place There is no labour relations unit	Monitoring of labour forum functionality	Monitoring of labour forum functionality	Monitoring of labour forum functionality	Monitoring of labour forum functionality	12 LLF Meetings to be held Establishment of labour relations unit
Information management	Automation and centralization of records and improved record management processes and procedures	Implementation of electronic Document management system (EDMS). Facilitation of disposal of old records in line with legislation	Installation of EDMS. Disposal of obsolete/old municipal records	Corporate Services	Corporate Services Director	File Plan In place. Records manual procedure in place					Installation of electronic document management system (EDMS). Centralize records management
Performance Management	To ensure effective performance monitoring	Performance management system that monitors and	Performance assessment report	Corporate Services	Corporate Services Director	Performance Management Framework in place.	Implementation, monitoring & review of	Conduct quarterly performance reviews for	Implementation, monitoring & review of	Implementation, monitoring & review of	Conduct 4 performance assessments for section 56 & 54A

Systems (PMFS)	and evaluation of municipal plans, programmes and employees by 2015/16	appraises the council and all municipal employees.				PMS policy in place	PMS	section 54A &56 managers.	PMS	PMS policy	Managers.
Customer Care & Bathopele	To provide good customer care to all Mhlontlo communities	Implementation of the Customer Care policy	Improved customer care	Corporate Services	Director Corporate Services	Customer care policy in place.	Development and adoption of the policy	Development and adoption of the policy	Review, Implement and monitoring of the policy	Implementation & monitoring of the policy	Establishment of the customer care section
Municipal Standard Chart of Accounts	To ensure that municipality is compliant with the mSCOA regulation by 01 July 2017	mSCOA	Full compliance with mSCOA regulations by 01 July 2017	BTO	CFO	mSCOA implementation plan	N/A	N/A	N/A	N/A	Ensure full implementation of mSCOA finance implementation plan

Financial Viability

Municipal Goals					To ensure universal access to basic household, community and social services							
Municipal Key Performance Area (KPA)					Financial viability							
Municipal Turn Around Strategy												
Provincial Strategic Priority												
National Outcomes					<ol style="list-style-type: none"> 1. Improve the quality of basic education 2. Improve health and life expectancy 3. All people in South Africa are, and feel safe 4. Decent employment through inclusive economic growth 5. An efficient and responsive economic infrastructure 6. Sustainable human settlements and improve quality of household life 7. A responsive and accountable. Effective and efficient local government system 							
Strategic Focus Area	5 year Objectives	Programmes/ Projects/ Strategies	Outputs Indicator	Outcomes Indicator	Indicator Custodian Department	Indicator Custodian Name	Baseline	Annual Targets				
								2012/13	2013/14	2014/15	2015/16	2016/17
Revenue Management	Ensure effective revenue management and debt collection	Data Cleansing	Reliable Date	Increased Debt Collection Percentage	BTO	CFO	Valuation roll in Place	10% more of the Previous year's revenue collection.	20% more of the Previous year's revenue collection.	30% more of Previous year's revenue collection.	40% more of Previous year's revenue collection.	50% collection on 2016/17 billing.

		Enforcement of bylaws	Compliance with council Policies and By-Laws	Increase debt collection percentage	BTO	CFO	Policies and bylaws in place and adopted.	10% more of the previous year's revenue collection.	20% more of the previous year's revenue collection.	30% more of the previous year's revenue collection.	40% more of the previous year's revenue collection.	50% collection on 2016/17 billing.
		Update the Indigent Register	Credible indigent register.	Credible indigent register.	BTO	CFO	Data collection done.	Data collection and update of register Review of indigent policy	Data collection and update of register review of indigent policy.	Data collection and update of register review of indigent policy.	Data collection and update of register review of indigent policy.	Collection of data on all 26 wards
		Development of Revenue Enhancement Strategy	Revenue enhancement.	Compliance	BTO	CFO	Draft Strategy	10% increase on	20% increase	30% increase	40% increase	1 Revenue Enhancement Strategy reviewed
Expenditure Management	To ensure effective expenditure control systems based on legislation and	Payment of Municipal Creditors within 30 days from date of receipt of invoice.	Timely payment of creditors.	Compliance with section 65 (2) & circular 49 of the MFMA.	BTO	CFO	Currently payments are done two times a week.	Implementation of MFMA.	Implementation of MFMA.	Implementation of MFMA.	Implementation of MFMA.	Payment of municipal creditors within 30 days.
					BTO	CFO	Error Free Payments	Error Free Payments	Error Free Payments	Error Free Payments	Error Free Payments	100% Error Free Payments

	best practices											
Financial Reporting and budgeting.	To ensure credible budgeting and proper financial reporting in line with relevant legislation.	Development of credible budget in line with relevant legislation.	Credible budget.	Compliance with budgeting and financial reporting regulations.	BTO	CFO	Financial policies and relevant legislation.	Development and adjustment of annual budget for 2012/13.	Development and adjustment of annual budget for 2013/14.	Development and adjustment of annual budget for 2013/15.	Development and adjustment of annual budget for 2015/16	Development of 1 credible annual budget for 2016/17
		Preparation of Annual Financial Statements.	Annual financial statements.	Compliance with budgeting and financial reporting regulations.	BTO	CFO	Financial policies and relevant legislation.	Development of credible AFS for 2012/13.	Development of credible AFS for 2013/14.	Development of credible AFS for 2014/15.	Development of credible AFS for 2015/16	Development of credible 2016/17 AFS by 31 August 2016.
		Compliance with statutory reporting as per the MFMA stipulations.	Submitted statutory reports.	Compliance with budgeting and financial reporting regulations.	BTO	CFO	Monthly, quarterly, Mid- year and annual reports	Submission of statutory reports on time (not later than 10 working days after the month end)	Submission of statutory reports on time (not later than 10 working days after the month end)	Submission of statutory reports on time (not later than 10 working days after the month end)	Submission of statutory reports on time (not later than 10 working days after the month end)	Submission of 194 statutory reports on time as per the National Treasury Doc Ret.

Asset Management & Fleet Management	Ensure that MLM assets are managed and utilised in line with relevant policies and by laws	Strengthening of fleet management controls	Reduced misuse of municipal vehicles	Reduced misuse of municipal vehicles	BTO	CFO	Fleet system in place, Fuel reconciliations are done on monthly basis.		5% reduction of repairs and maintenance expenditure and 10% reduction on fuel costs compared to the previous.	10% reduction of repairs and maintenance expenditure and 15% reduction on fuel costs compared to the previous.	Costing report for each municipal vehicle produced and analysed	Costing report for each municipal vehicle produced and analysed
		Update asset register to comply with GRAP and other relevant legislations	Updated complaint asset register.	GRAP compliant register.	BTO	CFO	Asset register in place.	Review policy and implement. Update asset register.	Review policy and implement. Update asset register.	Review policy and implement. Update asset register.	Review policy and implement. Update asset register.	1 credible fixed asset register
Supply Chain Management Report	To ensure that MLM complies with MFMA regulations	Training Department on SCM standard operating procedures	Personnel on SCM standard operating procedure	Training With the municipal policies and National Regulations	BTO	CFO	Policies in place and adopted	Training of All HOD and DD's on policies and manual procedure	Training of All HOD and DD's on policies and manual procedure	Training of All HOD and DD's on policies and manual procedure	Training of All HOD and DD's on policies and manual procedure	Conduct 2 workshops for 6 HODs and 10 DD's on policies and manual procedure

		Supplier data baseline cleansing	Accurate supplier data base information	Accurate supplier data base information	BTO	CFO		25% of local suppliers trained	25% of local suppliers trained	25% of local suppliers trained	25% of local suppliers trained	1 Advert inviting suppliers to update their details
Municipal Standard Chart of Accounts	To ensure that municipality is compliant with the mSCOA regulation by 01 July 2017	mSCOA	Full compliance with mSCOA regulations by 01 July 2017	Full compliance with mSCOA regulations by 01 July 2017	BTO	CFO	mSCOA implementation plan	N/A	N/A	N/A	N/A	Ensure full implementation of mSCOA finance implementation plan

SERVICE DELIVERY

'to Local Municipality IDP Review 2016/2017

Municipal Goals		To ensure universal access to basic household, community and social services									
Municipal Key Performance Area (KPA)		Infrastructure and Service Delivery									
Municipal Turnaround Strategy											
Provincial Strategic Priority											
National Outcomes		(1) Improve the quality of basic education									
		(2) Improve health and life expectancy									
		(3) All people in South Africa are, and feel safe									
		(4) Decent employment through inclusive economic growth									
		(6) An efficient and responsive economic infrastructure									
		(8) Sustainable human settlements and improved quality of household life									
		(9) A responsive and, accountable. Effective, and efficient local government system									
Strategic Focus Area	5 Year Objectives	Programmes/Projects/Strategies	Output/Outcomes Indicator	Indicator Custodian Department	Indicator Custodian Name	BASELINE	Annual Targets				
							2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Roads	To ensure that Mhlontlo 7080 Households are provided with roads and stormwater management BY 2017	Construction of roads and stormwater.	Easy Access by communities to socio economic services	ISD	ISD Director	IDP Situational Analysis and CBP	Construction of 70 km	Construction of 70 km access roads	Construction of 40 km access road	Construction of 30.55km of roads and stormwater	Construction of 26.80km of roads and stormwater
		Streets upgrade		ISD	ISD Director		-	Lobby relevant departments for the funding of surfacing of urban and nodal roads	Surfacing of 2km urban road with asphalt surfacing	Facilitation of surfacing 6.15 km streets upgrade	Surfacing of 6.15 km street upgrade
		Maintenance of access roads and urban internal roads		ISD	ISD Director		maintenance of 100km	maintenance of 100km rural and urban roads, purchasing of additional	maintenance of 60km rural and Urban roads	maintenance of 50km rural and urban roads	Maintenance of 50km rural and urban roads

Ensure improvement of road networking within the municipality	Facilitate maintenance of district/provincial roads		ISD	ISD Director					
Ensure provision of safe and affordable public transport services and infrastructure	Facilitate the provision of safe and affordable public transport services and infrastructure, e.g ranks, pedestrian crossings, walkways etc.	Improved transportation facilities and Infrastructure	ISD	ISD Director					
	Construction of parking bays and sidewalks in towns	Free flow of traffic and pedestrian Movement	ISD	ISD Director					
						construction plant			
					Engage the department of public works	Engage and lobby the department of public works and SANRAL for construction of Bridges	Engage and lobby the department of Roads and Public works, SANRAL	Engage and lobby the department of Roads and Public works, SANRAL	Communicate in a form of letters with the department of Roads and Public works, SANRAL
					Engage the department of transport	Engage and lobby the department of transport	Engage and lobby the department of transport	Engage and lobby the department of transport	Communicate in a form of letters with the department of transport for provision of public transport facilities.
					Construction of 80 parking bays and 5km sidewalks in both towns	Construction of 2.7 km sidewalks in both towns	Construction of 2.7 km sidewalks in both towns	N/A	Rehabilitation of 3600m Tsolo town sidewalks and parking areas 800m ²

Energy	To ensure that 3000 Mhlontlo Households have access to electricity by 2017	Facilitate connection of Amachwera phase 2b house holds	Universal Access to electricity	ISD	ISD Director	Electrical development Plan , MOU	Facilitate connection of 1040 house holds	Facilitate connection of 1465 house holds	Facilitate connection of 1465 house holds	Facilitate connection of 621 households, 5km of link line, and construction of 55 h/h at Goxa.	Connection of 389 households in aMacwerha area.
		Facilitate construction of high-mast lights		ISD	ISD Director		N/A	N/A	N/A	Facilitate and construct 15 high-mast lights In Qumbu Town	Construction of 15 high mast lights for Tsolo Town.
		Lobby Eskom in the development of electrical infill sites		ISD	ISD Director		N/A	N/A	N/A	Lobby Eskom in the development of electrical infill & new extensions	Communicate in a form of letters with Eskom for the development of electrical infill & new extensions
		Facilitate maintenance of high mast lights and street lights.		ISD	ISD Director		Electrical development Plan , MOU	N/A	N/A	N/A	As per need

Water and sanitation	to ensure that Mhlontlo households have access to clean water by 2016	facilitate provision of bulk water supply	Access to clean water	ISD	ISD Director	District Water Services Plan, IDP situational Analysis	Lobby the district municipality to provide bulk infrastructure	Lobby the district municipality to provide bulk infrastructure	Lobby the district municipality to provide bulk infrastructure	Lobby the district municipality to provide bulk infrastructure	Communicate in a form of a letters with DM and DWS for provision of Bulk Water infrastructure
		facilitate provision of clean water supply to households		ISD	ISD Director		Lobby the district municipality to provide clean water supply	Lobby the district municipality to provide clean water supply	Lobby the district municipality to provide clean water supply	Lobby the district municipality to provide clean water supply	Communicate in a form of letters DM and DWS for the provision of clean water supply to all households
	To reduce household sanitation backlogs by 2016	facilitate provision of sanitation	Clean and Healthy environment	ISD	ISD Director		Lobby the district municipality to provide sanitation	Lobby the district municipality to provide sanitation	Lobby the district municipality to provide sanitation	Lobby the district municipality to provide sanitation	Communicate in a form of letters with the DM for the provision of sanitation
	Ensure provision of bulk sewer system by 2017	facilitate provision of bulk sewer system		ISD	ISD Director		Lobby the district municipality to provide bulk sewer	Lobby the district municipality to provide bulk sewer	Lobby the district municipality to provide bulk sewer	Lobby the district municipality to provide bulk sewer	Communicate in a form of letters with the DM for the provision

							system	system	system	system in both Towns since there is also planning to surface roads.	of Bulk sewer systems
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Social Infrastructure	Ensure the enhancement of social Capital by providing social infrastructure	Facilitate the development and construction of Qumbu town hall and offices	Enhanced Social Capital social capital	ISD	ISD Director	IDP priorities	Development business plan and submit to MIG for funding	Facilitate the development and construction of Qumbu town hall and offices	Facilitate the development and construction of Qumbu town hall and offices	N/A	Construction of Qumbu town hall and municipal offices
		Facilitate the development and construction of Tsolo Offices	Enhanced Social Capital social capital	ISD			Development business plan and submit to MIG for funding	Development of business plan and submit to MIG for funding	Development business plan and submit to MIG for funding		Develop business plan for Tsolo municipal offices and submit to MIG/ other government grants for funding

Sporting facilities	To ensure the provision of sport fields by 2017	Facilitate the Construction of 4 and rehabilitate 3 sport facilities for communities	Enhancement of Social Capital	ISD/Community Services	ISD/Community Services Director	IDP situational Analysis and CBP	Facilitate construction of 2 sport facilities	Construction of 4 sport facilities	Facilitate the rehabilitation of 1 sport field	Rehabilitation of 2 sporting facilities	Rehabilitation of 3 sporting facilities
Waste Management	Conduction of awareness campaigns on waste Management	Awareness of Communities in Waste Management	Registered Landfill site, Waste Buy back centre, refuse Collection truck	Community Services	Director Community	Integrated Waste Management Plan	Conduction of awareness campaigns in identified areas	Conduction of awareness campaigns in identified areas	Conduction of awareness campaigns in identified areas	Conduction of 12 awareness campaigns in identified areas	Conduct 4 awareness campaigns in identified areas
	Compaction, separation and Disposal of waste buy back centre	Reduction of volumes of waste		Community Services	Director Community		Collection of 420 tons of waste	Collection of 420 tons of waste	Collection of 420 tons of waste	Collection of 420 tons of waste	Collection of 420 tons of waste
	Embark on EPWP programme in food for waste	Short term jobs creation	Creation of at least 100 short term jobs	Community Services	Director Community		Employ 100 people	Employ 100 people	Employ 100 people	To create at least 100 short term jobs	Create at least 100 short term jobs
	Provision of refuse collection from all urban	Healthy and safe environment	Collection of refuse from 1611 house holds	Community Services	Director Community		Collection of refuse from 1611 house holds	Collection of refuse from 1611 house holds	Collection of refuse from 1611 house holds	Collection of refuse from 1611 house holds	Collection of refuse from 1611 house holds

	Rehabilitation of Landfill site	Provision of healthy and safe environment	Rehabilitated Landfill site	Community Services	Director Community			Rehabilitation of landfill site	Programme complete	Rehabilitation of landfill site	Cleaning and Compacting of landfill site
		Monitoring the reduction of waste through recycling and creation of jobs	Controlled access to the landfill site	Community Services	Director Community		Monitor the recycling of waste by cooperative	Monitor the reduction of waste through recycling	Monitor the reduction of waste through recycling	Monitor the reduction of waste through recycling	Monitor the reduction of waste through access control
	Implementation of integrated waste management	Enhance the social capital	Proper management waste	Community Services	Director Community		Development of IWMP	Development of IWMP	Development of IWMP	Tabling of IWMP to council and implementation	Implementation and Reporting
Libraries	Ensure the provision and usage of quality public amenities	Facilitate construction of fixed and mobile libraries	High literacy rate and access to information	Community Services	Director Community	Personnel and Site	Lobby and engage DSRAC	Lobby and engage DSRAC	Lobby and engage DSRAC	Facilitate the construction of Qumbu Library	Communicate in a form of letters with DSRAC for construction of Libraries and usage.

	Development , maintenance recreational parks and open spaces	Healthy environment to communities	Well developed and maintained recreational parks and public open spaces	Community Services	Director Community		Maintenance of recreational parks and public open space grass cutting is done in open space	Maintenance of recreational parks and public open space grass cutting is done in open space	Maintenance of recreational parks and public open space grass cutting is done in open space	Development and maintenance of recreational parks and open spaces	Development and maintenance of recreational parks and open spaces
Cemetery Management	To ensure that all cemeteries are accessible, well maintained and well managed	Develop a cemetery maintenance plan for urban cemeteries	Existing urban cemeteries adhoc maintenance is currently done	Community Services	Director Community	Cemetery register	Implementation of cemetery maintenance plan	Implementation of cemetery maintenance plan	Implementation of cemetery maintenance plan	cemetery maintenance	Development and Implementation of cemeteries maintenance plan
	Facilitate the provision of access to all cemeteries	Easy access to all cemeteries	Well maintained access to cemeteries	Community Services	Director Community		Facilitate the provision of access to cemetery	Facilitate the provision of access to cemetery	Well maintained access to cemeteries	Facilitate the provision of access to cemetery	Communicate with Infrastructure for the Maintenance of access to cemeteries
Traffic Management	Ensure provision of safe and	Erection and	Free flow of traffic	Community Services	Director Community	Infrastructure					Erection and marking of

ent	affordable public transport services and infrastructure	marking of traffic signs			y Services						traffic signs in Qumbu and Tsolo
Municipal Standard Chart of Accounts	To ensure that municipality is compliant with the mSCOA regulation by 01 July 2017	mSCOA	Full compliance with mSCOA regulations by 01 July 2017	ISD	ISD Director	mSCOA implementation plan	N/A	N/A	N/A	N/A	Ensure full implementation of mSCOA finance implementation plan



Good governance, public participation and IGR

Municipal Goals				To strengthen municipal governance and administrative capacity							
Municipal Key Performance Area (KPA)				Good governance							
Municipal Turn Around Strategy											
Provincial Strategic Priority											
National Outcomes				(9) A responsive, accountable, effective and efficient local government system							
				(12) A development-oriented public service and inclusive citizenship							
Strategic Focus Area	5 year Objectives	Programmes/ Projects/ Strategies	Outputs/ Outcomes Indicator	Indicator Custodian Department	Indicator Custodian Name	Baseline	Annual Targets				
							2012/13	2013/14	2014/15	2015/16	2016/17
Public Participation	Ensure effective stakeholder participation in municipal IDP and Budget by 2016/17	Develop and implement a stakeholder communication and management plan	Meaningful involvement of communities in municipal decision making	Corporate Services	Director Corporate Services	Public Participation policy in place	Implementation & Monitoring	Implementation & Monitoring	Implementation & Monitoring of public participation policy	Review, Implement & Monitoring of public participation policy	Conduct 26 public participation meetings
Service Delivery Quality Management	Ensure quality service delivery to communities by 2016/17	Development of communication strategy	Positive feedback from communities	Municipal Managers office	Municipal Manager	Draft communication strategy	Implementation & monitoring	Implementation & Monitoring	Development of communication strategy	Presentation to the council. Implementation & Monitoring of communication strategy	Submission of the Communication Strategy to the office Mayor. Implementation and monitoring of the

											communication strategy
Anti-corruption policy	Root out corruption throughout the municipality by 2016/17	Implementation of municipal Anti-corruption Policy (Hotline & Whistle Blowing)	Corruption free institution and Clean Audit	Municipal Managers Office	Municipal Manager	Policy in place	Implementation & Monitoring	Implementation & Monitoring	Implementation & Monitoring of Anti-corruption policy	Presentation to the council. Implementation & Monitoring of Anti-corruption policy	Implementation & Monitoring
Inter-governmental Relations (IGR)	Improve alignment of sector department programmes and the Municipal IDP by 2016/17	Effective implementation of IGR Plan	Integrated service delivery programme	Municipal Managers Office	Municipal Manager	IGR Policy in place	Implementation of IGR Policy	Implementation of IGR Policy	Implementation of IGR Policy	Review and Implementation of IGR Policy Framework	Implementation of IGR Policy
By-Laws	Ensure safe and healthy environment by 2016/17	Enforce existing by-laws	Compliant Environment	Community Services and Corporate Services	Director Community Services and Director Corporate Services	7 By-laws are gazetted and in place	Implementation of by-laws	Implementation of By-laws	Implementation of By-Laws	Enforcement of By-laws	Review and Enforcement of By-laws
		Formulate new by-laws	Availability of relevant by-laws	Municipal Managers Office	Municipal Manager	List of identified by-laws	Council Approved new by-laws	Council Approved new by-laws	Implementation of by-laws and developme	Promulgation and Enforcement of by-laws	Promulgation of new by-laws and the enforcement

									nt of new By-laws		
		Development of integrated waste management plan by 2015/16	Compliance with environmental management legislations	Community Services	Director Community Services	integrated waste management plan in place				Presentation of draft integrated waste management plan to the council and implementation	Implementation and monitoring IWMP
		Animal control	Safe environment	Community Services	Director Community Services	Impounding policy in place					Implementation of impounding policy
		Regulation of vehicles and Drivers	No. of vehicles licensed. No. of Driving Licenses issued	Community Services	Director community Services	DLTC and Registering Authority in place					500 vehicles registered. 2000 people tested
Crime Prevention and Law enforcement	Safe municipal environment	Provision of security services	Safe municipal environment	Community Services	Director Community Services	Private Security Services in place					12 municipal posts provided with security
Community and Social Services	To improve co-ordination of inter-departmental delivery of social and	Revival and strengthening of the Sector Forums (Transport Forum, Community	Functional Fora	Community Services	Community Services Director	Sector Departmental forums	Monitoring and Review	Monitoring and Review	Monitoring and Review	Review, monitoring and reporting	Revival of 4 sector forums. Monitoring and reporting of 4 forums

	community services	Safety Forum, Education Forum, Mhlontlo Home Affairs Stakeholders Forum)									
Council Support	To ensure that council performs its oversight function	Coordinate effective functioning of council and its committees and provide administrative support	No. of ordinary council meetings held	Corporate Services	Corporate Services Director	Council Standing rules and council calendar in place	Implementation, Monitoring & Review	Implementation, Monitoring & Review	Implementation, Monitoring & Review	Establishment of a fully-fledged Council support unit in the office of the Speaker. Four (04) ordinary council meetings to be convened	A minimum of 4 ordinary council meetings to be held
Sport	To promote healthy life styles	Development of sport implementation plan	Maximum participation of communities on sport	Community Services	Director Community Services	Personnel				Tabling, Implementation, Monitoring and reporting on Sport Implementation Plan	Development of Sport Implementation Plan, monitoring and reporting on Sport Implementation Plan
Traditional Leaders	To ensure sound relations	Identify and develop strategies for	Sound relations between the	Corporate Services	Corporate Services Manager	MOU with traditional leaders	Implementation, Monitoring	Implementation, Monitoring	Implementation, Monitoring	Review, Implementation and	Convene 4 meetings with Traditional

	with traditional leaders by 2016/17	the improvement of the relationship between the municipality and traditional leaders.	municipality and traditional leaders.				and Review.	and Review.	& of MOU between council and Traditional Leaders.	Monitoring of MOU between council and traditional leaders	leaders
Ward Committees	To enhance community participation in all programmes of the municipality by 2016/17	Capacitation of ward committees.	Capacitated ward committees.	functional ward committees	Corporate Services Manager	260 ward committee members.	Capacitation	Capacitation of ward committee's members.	Capacitation of ward committee members.	Capacitation of ward committees and reporting. Ward committee members report to the office of the Speaker	Training of 260 ward committees
Special Programmes	Improve effectiveness and efficiency of special programmes	Fully mainstreaming special programmes within the municipality	Reflection on special programmes by all departments	Strategic Services Office	Director Strategic Services	Personnel	Development of mainstreaming strategy	Implementation of mainstreaming strategy	Development of the SPU mainstreaming strategy	Development of the SPU mainstreaming strategy	Develop and Implement SPU mainstreaming strategy
		Launch of functional Youth structures and development of Youth Programmes	Integrated functional Youth structures	Strategic Services Office	Director Strategic Services	Personnel, interim Youth council structure in place			Review and align with other spheres of government. Implementation,	Develop and implement youth programmes implementation plan	

		implementatio n plan							monitoring and reporting	
		Revival of Children structures and development of Children's programmes implementatio n plan	Integrated functional Children structures	Strategic Services Office	Director Strategic Services	Personnel, local plan of action for children in place			Review and align with other spheres of government. Implementati on, monitoring and reporting	Develop and implement children's programmes implementation plan
		Launch of women structures and development of Women's programme implementatio n plan	Integrated functional Women structures	Strategic Services Office	Director Strategic Services	Personnel, women interim structure in place			Review and align with other spheres of government. Implementati on, monitoring and reporting	Develop and implement women's programmes implementation plan
		Revival of elderly structures and development of Elderly implementatio n plan	Integrated functional Elderly structures	Strategic Services Office	Director Strategic Services	Personnel, Elderly structure in place			Review and align with other spheres of government. Implementati on, monitoring and reporting	Develop and implement Elderly programmes implementation plan
		Revival of Disabled	Integrated functional	Strategic Services	Director Strategic	Personnel, Disabled			Review and align with	Develop and implement

		People's Organisational Structures and development of Disabled People's Organisational Structures implementation plan	Disabled People's Organisational Structures	Office	Services	People's Organisation Structure				other spheres of government. Implementation, monitoring and reporting	Disabled programmes implementation plan
		Establishment and revival of HIV/AIDS structures and HIV/AIDS implementation plan	Integrated functional HIV/AIDS structures	Strategic Services Office	Director Strategic Services	Personnel, Local Aids Council in place				Review and align with other spheres of government. Implementation, monitoring and reporting	Develop and implement HIV/AIDS programmes implementation plan
Municipal Standard Chart of Accounts	To ensure that municipality is compliant with the mSCOA regulation by 01 July 2017	mSCOA	Full compliance with mSCOA regulations by 01 July 2017	Community Services	Director Community Services	mSCOA implementation plan	N/A	N/A	N/A	N/A	Ensure full implementation of mSCOA finance implementation plan

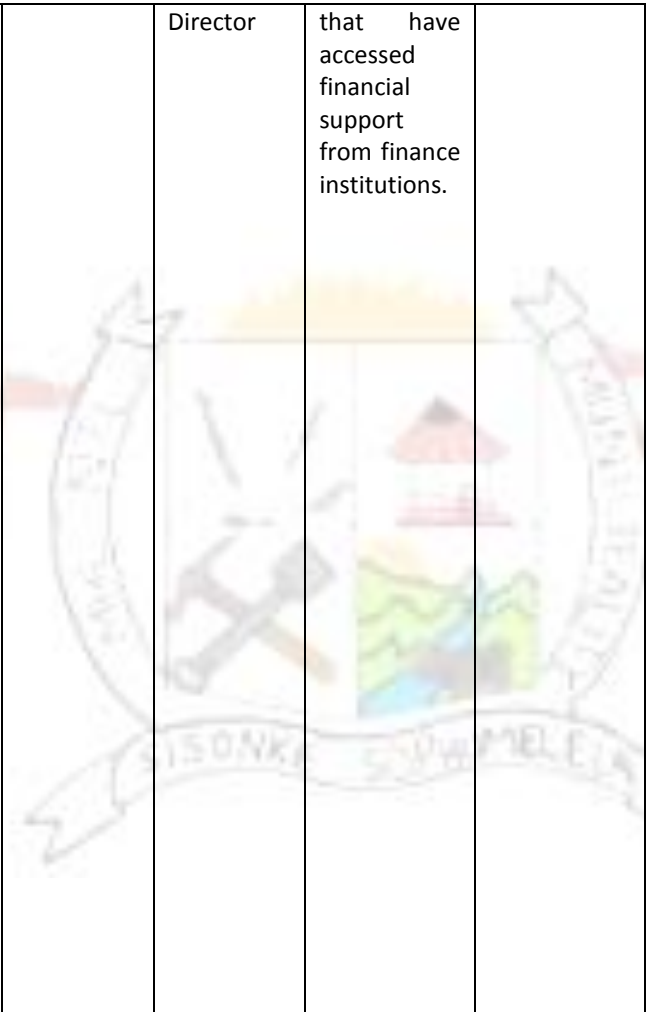
Local Economic Development and spatial development

Municipal Goals											
Municipal Key Performance Area (KPA)				Local Economic development							
Municipal Turn Around Strategy											
Provincial Strategic Priority											
National Outcomes				9 A responsive, accountable, effective and efficient local government 4 Decent employment through inclusive economic growth 6 An efficient, competitive and responsive economic infrastructure network 7 Vibrant, equitable and sustainable rural communities and food security							
Strategic Focus Area	5 year Objectives	Programmes / Projects/ Strategies	Outputs/ Outcomes Indicator	Indicator Custodian Department	Indicator Custodian Name	Baseline	Annual Targets				
							2012/13	2013/14	2014/15	2015/16	2016/17
Tourism Mhlontlo Tourism Programme (MTOURP)	To promote growth and development of the tourism sector as one of the anchor industries for the economy of Mhlontlo by 2020	Implementation of tourism plan.	Implemented tourism plan	Local Economic Development	LED Director	Tourism Sector plan and its implementation plan in place. Tourism route development Business plan for Tsisfa Falls Development Electronic	Adoption and implement, monitor & review of tourism sector plan	Implement, monitor & review of tourism sector plan	Fund and implement at least 2 key priority projects identified in the tourism sector plan Draw proposal to mobilise resources to tourism developmen	Fund and implement at least 2 key priority projects identified in the tourism sector plan Draw proposal to mobilise resources to tourism developmen	Implement, monitor and review of tourism sector plan.

						tourism voucher			t and promotion	t and promotion	
										Planning, feasibility studies and designs	
SMME Mhlontlo Enterprise Development Programme (MEDEP)	To promote enterprise development and opportunities in prioritised sectors (agriculture, tourism, forestry, trade, manufacturing and mining by 2020	Completion and implementation of an SMME and cooperative sector plan. To provide support to: - 1. Co-operatives, 2. SMMEs, 3. Informal Traders, Regulation of business licensing, attraction and	Number of cooperatives trained and have access to finance. Developed enterprises in the prioritised sectors (agriculture, tourism, forestry, trade ,manufacturing and mining)	Local Economic Development	Local Economic Development Director	Complete SMME Strategy awaiting for adoption. SEDA is playing a vital role in training, business plan development, mobilisation of funds for SMME's and Cooperatives.	Implement and monitor SMME sector plan	Implement and monitor SMME sector plan	Implement and monitor SMME sector plan	Implement and monitor SMME sector plan. Develop policies and by-laws regulating Informal and formal trading	Implement and review SMME sector plan. Engage SETA's and other stakeholders for training 50 SMME's and Cooperatives. Engage financial institutions for funding of five cooperatives.

		retention of investors for revenue generation									
	Create and enhance environment conducive to informal trading growth and development by 2020	Organise, formalise and capacitate informal trade. Develop an informal trading plan. Training of informal traders in business and municipal by-laws. To have informal trading forum. Demarcating areas of trading, provide market	Conducive environment for informal trading. Data base of informal traders. Number of informal traders trained. Developed terms of reference between informal traders and the municipality. Annual general meeting of informal traders	Local economic Development	Local Economic development director	Available Data base of informal traders operating in Mhlontlo. Informal traders association. Terms of reference and constitution governing the association.			Development of informal trade sector plan. Assist in establishing informal trade sector association/s.	Implement monitor informal trade plan	30 Demarcated market stalls. Two informal traders meetings per year.

		stalls, storage facilities, refuse bins. Develop terms of reference between informal traders and the municipality	Number of market stalls provided.								
	To ensure meaningful participation of the business community and civil society in the implementation of LED strategy by 2020	To facilitate participation of business and civil society in the implementation of the LED Strategy	Improved participation of organised business and representative local business organisations and civil society in the implementation of the LED Strategy	Local Economic Development	Local economic Development Director	There is a stakeholder's forum that focuses on the sites for rural development			Organised LED forum	Fully operational LED forum Review LED strategy	Fully operational LED forum Implement LED strategy
REMOVE	To facilitate access to finance for investment	To mobilise involvement of small business	Increase in total number of financed	Local Economic Development	Local economic Development	There is a measurable number of businesses			Lobby funds for small businesses	Mobilise funds for small businesses.	5 financially assisted businesses around

<p>TRADE AND INVEST MHLONTLO</p>	<p>by 2020- remove</p> <p>Creation of an environment conducive to Trade & Investment in Mhlontlo through government intervention, strategic alliances and partnerships thus increasing growth in trade & investment</p>	<p>finance institutions</p> <p>Develop Trade & Investment strategy</p> <p>Formalise partnership with strategic partners</p> <p>Training and mentoring of Cooperatives, SMMEs, LED staff, Councillors on Trade and Investment more especially</p>	<p>businesses.</p> <p>Developed Trade & Investment Strategy by 2017</p> <p>Developed MOU/SLA between the municipality and Dans Country Lodge</p> <p>Number of</p>		<p>Director</p>	<p>that have accessed financial support from finance institutions.</p>				<p>Establish business information sector.(remove)</p>	<p>Mhlontlo by 2016/2017 financial year.</p>
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		Exporting. Promote investment as means of increasing growth in trade & investment around Mhlontlo	jobs retained by LAMAN Number of economic spin offs from LAMAN proposal. Number of Cooperative s/SMMEs trained and supported on exporting and number of LED staff and Councillors trained in exporting. To have at least two investors investing in Mhlontlo in 2016/2017 financial year.								
Siyazenzela	To increase	Promote	To increase	Local	LED	SAGRIPP has			Develop and	Review and	Review and

<p>Agricultural Participation (SAGRIPP)</p>	<p>economic share of agriculture sector by 2020</p>	<p>and enhance agricultural production for sustainable livelihoods through resource mobilisation, human capital and SMME participation .</p>	<p>the share of agricultural sector in the economy</p>	<p>Economic Development</p>	<p>Director</p>	<p>developed as a programme in order to enhance agricultural production</p>			<p>implement SAGRIPP implementation plan</p>	<p>implementation SAGRIPP implementation plan</p>	<p>implementation SAGRIPP implementation plan</p>
<p>Siyazenzela Agricultural Participation (SAGRIPP)</p>	<p>To increase economic share of the forestry sector in the economy by 2020</p>	<p>Promote and enhance forestry production for sustainable livelihood through resource mobilisation, human capital and SMMEs participation</p>	<p>Increase the share of forestry sector in the economy</p>	<p>Local Economic Development</p>	<p>LED Director</p>	<p>There are areas that have been identified for new afforestation</p>			<p>To develop forestry development programme in line with SAGRIPP To engage ECDC for the transfer of ownership of properties Valuation of existing plantations</p>	<p>Implement forestry development programme Implementation of new afforestation programme</p>	<p>Review and implement forestry development programme Implementation of new afforestation programme</p>

									for revenue enhancement		
	To coordinate the establishment of institutions/programmes that provide expertise in the areas of agriculture and forestry by 2020	To engage national, provincial and local education institution	Number of local people who attain post school qualification to agric, forestry and tourism per annum	Local Economic Development	Local Economic Development Director	There are efforts aimed at re-opening Tsolo College of Agriculture			Engage the Department of Basic Education for possible establishment of an Agricultural High School	Facilitate opening of the school	Operationalization of the school
Siyazenzela Agricultural Participation (SAGRIPP)	To create and sustain opportunities for beneficiation and processing of agricultural produce by 2020	Engagement of strategic partners for the enhancement of primary production. Explore opportunities in the Wild Coast Special Economic Zone	Quantity of primary produce Quantity and quality of supply to the SEZ	Local Economic Development	Local Economic Development Director	There are engagements with Wild Coast SEZ in relation to agro-processing			Identify priority commodities and resource mobilization	Resource mobilization and increase productivity	Increase productivity and supply of produce to SEZ

	Agro-processing: Promote participation of local entrepreneurs in agricultural value chain by 2020	Facilitate value chains on prioritised commodities	Maximum participation of local entrepreneurs in agro processing	Local Economic Development	Local Economic Development Director	None			Identify and support prioritised	Identify and support prioritised commodities	
Local and Community Driven Development	To facilitate creation of employment opportunities, economic growth and equality in line with the realisation of improved Mhlontlo community	Mhlontlo Rural Development programme	Rollout of rural development programmes in the identified sites	Local Economic Development	LED Director	There are CRDP sites in ward 2 and ward 13. Masibambisane Rural Development Initiative was launched in ward 17,18 19,20 &22			Coordinate, monitor and evaluate	Coordinate, monitor and evaluate	Coordinate, monitor and evaluate
	Ensure Sustainable Integrated Human Settlement	Identification of suitable integrated land to be serviced for Homan Settlement	Land description and size	LEPARD	LEDPARD DEPARTMENT	Housing Sector Plan. SDF	-	-	-	-	Identify land and Described it
		Monitor Construction	Total number of	LEPARD	LEDPARD DEPARTMENT	Housing Sector Plan	Lobby the provincial	Lobby the provincial	Lobby the provincial	Lobby the provincial	Monitor construction of

		of Qumbu 500	houses constructed		NT		department of Human Settlements in the provision of decent Houses	departmen t of Human Settlement s in the provision of decent Houses	department of Human Settlements in the provision of decent Houses	department of Human Settlements in the provision of decent Houses	Qumbu houses 500
		Monitor Construction of Tsolo 500	Total number of houses constructed	LEDPARD	LEDPARD DEPARTME NT	Housing Sector Plan	Lobby the provincial department of Human Settlements in the provision of decent Houses	Lobby the provincial departmen t of Human Settlement s in the provision of decent Houses	Lobby the provincial department of Human Settlements in the provision of decent Houses	Lobby the provincial department of Human Settlements in the provision of decent Houses	Monitor construction of Tsolo 500 houses
		Monitor construction 1857 house	Total Number of Houses constructed	LEDPARD	LEDPARD DEPARTME NT	Housing Sector Plan	Lobby the provincial department of Human Settlements in the provision of decent Houses	Lobby the provincial departmen t of Human Settlement s in the provision of decent Houses	Lobby the provincial department of Human Settlements in the provision of decent Houses	Lobby the provincial department of Human Settlements in the provision of decent Houses	Monitor construction of 1859 houses
		Monitor construction of 322 destitute Houses	Total number of Houses constructed	LEDPARD	LEDPARD DEPARTME NT		Lobby the provincial department of Human Settlements in the	Lobby the provincial departmen t of Human Settlement s in the	Lobby the provincial department of Human Settlements in the	Lobby the provincial department of Human Settlements in the	Monitor the construction of 322 destitute houses

							provision of decent Houses	provision of decent Houses	provision of decent Houses	provision of decent Houses	
	Monitor Construction of Langeni Human Settlement	Total Number of Houses Developed	LEDPARD	LEDPARD DEPARTMENT			-	-	-	-	Monitor construction of Langeni
Ensure efficient beneficiary administration	Facilitate beneficiary Administration housing benefices	Number of beneficiaries administered	LEDPARD	LEDPARD DEPARTMENT	Beneficiary List from councillors	Facilitate beneficiary administration	Facilitate beneficiary administration	Facilitate beneficiary administration	Facilitate beneficiary administration	Facilitate beneficiary administration	Facilitate 241 beneficiary administration
Ensure Sustainable Built Environment and Development	Develop environmental Management System	Completed environmental management System	LEDPARD	LEDPARD DEPARTMENT	SDF	-	-	-	-	-	Development of Environmental Management system
Ensure sustainable Spatial Planning	Development of Spatial Development Framework In line with SPLUMA	Completed SDF	LEDPARD	LEPARD DEPARTMENT	Existing SDF	Review Spatial Development Framework	Review Spatial Development Framework	Implementation of SDF	Implementation of SDF	Implementation of SDF	Development of SDF in line with SPLUMA
	Develop LSDF for identified Nodal Points	Completed Nodal point LSDF	LEDPARD	LERPAD DEPARTMENT	Existing SDF	Develop nodal development framework	Implementation of Nodal	Implementation of Local sdf	Implementation of local Framework	Implementation of local Framework	Development of Nodal point LSDF

		In line with SDF						Framework			
Land Use Management and urban Control	Ensure Land Usage and Land Use Management	Development of Qumbu Zoning Scheme	Completed Zoning Scheme	LEPAD	LERPAD DEPARTMENT	SPLUMA, SPLUMA BY-LAWS	Development of Mhlontlo town Planning Scheme	Implementation of Mhlontlo Town Planning Scheme	Development of Mhlontlo zoning scheme	Development of Mhlontlo zoning Scheme	Completed Qumbu Zoning Scheme
		Development of Tsolo Zoning Scheme	Completed Zoning Scheme	LEPAD	LERPAD DEPARTMENT	SPLUMA, SPLUMA BY-LAWS	Development of Mhlontlo town Planning Scheme	Implementation of Mhlontlo Town Planning Scheme	Development of Mhlontlo zoning scheme	Development of Mhlontlo zoning Scheme	Completed Tsolo Zoning Scheme
		Conduct Land Use Survey for Tsolo Commonage erf 42	Land Use Map For Tsolo Town	LEPAD	LERPAD DEPARTMENT	SPLUMA, SPLUMA BY-LAWS	-	-	-	-	Completed Land use Survey
		Conduct Land Use Survey for Qumbu Commonage erf 102	Land Use Map For Qumbu Town	LEPAD	LERPAD DEPARTMENT	SPLUMA, SPLUMA BY-LAWS	-	--	-	-	Completed Land use Survey
Municipal Standard Chart of Accounts	To ensure that municipality is compliant	mSCOA	Full compliance with mSCOA regulations	LEPAD	LERPAD DEPARTMENT	mSCOA implementation plan	N/A	N/A	N/A	N/A	Ensure full implementation of mSCOA finance

with the mSCOA regulation by 01 July 2017		by 01 July 2017								implementation plan
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CHAPTER SIX: REVIEW OF MUNICIPAL SECTOR PLANS

As part of the IDP, municipalities are required to formulate specific sector plans and policies. The purpose thereof is to ensure that clear and workable plans that interface and complement each other, in support of the IDP are in place. Sector plans must be updated or reviewed annually as part of the IDP formulation and review in to ensure their alignment. As the municipality we have covered considerable ground towards formulating the required sector plans. However, and as shown in the table 26 below, a number of these plans remain outstanding or need review.

Table 26: List of Current and Outstanding Sector Plans

Sector Policy	Developed (Yes/No)	Year of Adoption	Last Review	Planned Development/R eview
Water Services Development Plan (WSDP)	No			
Integrated Transport Plan (ITP)	Yes	2013		
Integrated Waste Management Plan (IWMP)	Yes	2006	2015/2016	-
Spatial Development Framework (SDF)	Yes	2007	2010/2011	2015/2016
Local Economic Development Strategy (LED)	Yes	2007	2011/2012	2016/2017
Storm Water Management Plan	Yes	2013		
Integrated energy plans	No			
Communications Strategy/Plan	Yes	2011		
Infrastructure investment plan (IIP)	Yes	2013		
Comprehensive Infrastructure Plan (CIP)	No			
Strategic Environmental Assessment (SEA)	Yes			2015/2016
Land Use Management Plan	Yes			
Housing Sector Plan	Yes	2006	2013/2014	
Forestry and agricultural development plan	No			2015/2016
HIV & Aids Plan	Yes			
Tourism development plan	Yes	2011/2012		
Ward Based Plans (Ward 02 & 13)	Yes	2014/2015		

While critical, the development of the under-listed sector plans resides with other spheres of government.

Table 27: Delineation of Responsibility for Sector Plans

Sector Plan	Responsible Sphere of Government
Integrated Transport Plan	Local Municipality
Waste management plan	Local Municipality
Water sector plan	District Municipality
Energy management plan	Local Municipality (working closely with ESKOM)
Disaster management plan	District Municipality and local Municipality
Environmental management and conservation plan	Local Municipality

The municipality is accordingly, building capacity to develop and implement the above-mentioned sector plans as well as review the existing sector plans. Special attention will be given to those sector planning areas which are consistent with the development priorities of the Mhlontlo Municipal area and therefore alignment with other spheres of government and the IDP priorities.

6.1 Performance Management Systems

Performance Management System refers to a framework that describes and represents how the municipality's processes of performance planning, monitoring, measurement, review and reporting will take place and be organised and managed, while determining the role of different role-players

The Mhlontlo Municipality has developed a PMS framework and was adopted in December 2011. Performance contracts for the section 57 managers were signed by all section 57 managers. The individual performance contracts are not cascaded down yet up to the lower level of employees as per the framework. The policy is in place and reviewed annually in order to align it with the IDP and to make it applicable to all the employees of the municipality.

6.2 Housing Sector Plan

In terms of Section 9 (1) of the National Housing Act 107 of 1997, every Municipality is required to prepare an IDP (Integrated Development Planning) as its macro development plan. In the preparation of such IDP the Municipality has to identify suitable land within its area of jurisdiction for various land uses, amongst those uses, housing is one of the critical aspects of development. The Municipality is required to prepare a Municipal Housing Sector Plan to guide housing related investment decisions as well as interplay of housing with other land uses. The Municipality is in process of reviewing its Housing Sector Plan where the Informal Settlements sections will be aligned to the Migration Plan.

6.2.1 Purpose of Housing Sector Plan

- (a) To ensure effective allocation of limited resources (specifically financial and human) to a large pool of potential development interventions.
- (b) To provide a formal and practical method of prioritizing housing projects and obtaining political consensus for the sequencing of their implementation.

- (c) To ensure more integrated development through bringing together the relevant cross-sectoral role players to coordinate their development interventions in one plan.
- (d) To provide greater spatial linkages between the spatial development framework and the physical implementation of projects on the ground.
- (e) To ensure that there is a definite housing focus for the IDP.

In order to realise provisions of the above legislative prescripts, Mhlontlo local municipality developed its own housing sector in 2006 – 2010. In terms of this sector plan, the municipality has its housing backlog estimated at approximately 28000 units spread across the municipal area covering both urban and rural settlements. In terms of the 2001 – 2006 provincial housing provision targets; the Eastern Cape had prioritised the urban areas with approximately 160 000 housing units projected and mere 40 000 units planned for rural areas. This disproportion may be indicative of the provincial strategic direction and thus commands of municipalities to as much as possible align their housing plans or projection to be within reasonable limits in terms of numbers. The actual allocation during that period for Mhlontlo was less than 6000. However, while the housing demand covers all settlements within the municipal area, the municipality prioritised provision of 2884 housing units for the 2006 – 2011 planning period. There is also a portion of land set aside for the high and medium income housing near the Tsolo Junction.

There are a total of 1250 informal housing structures in the municipality in three settlements. The largest number of informal sharks is in Langeni Forest which has 500 sharks and had grown rapidly since 2004 followed by Qumbu (400) and Tsolo (350). All informal settlements have no bulk services.

6.2.2 Housing demand profile of the municipality

The previous Housing Sector Plan indicates that the demand for housing in the municipality, according to DHP, is 27 773 of which rural demand is 26 088 and urban demand 1 685. The greatest need for housing is in the rural areas although currently, there are no on-going rural housing projects. Available information does however not quantify the exact nature of the backlog in terms of the various categories and associated instruments, i.e. informal settlement upgrade, social and rental, project linked individual, military veterans etc.

6.3 Local Economic Development Strategy

The current LED Framework was developed and adopted by Council in 2007. Given that the situational analysis that gave rise to its formulation remains the same in many respects, the strategy, its priority objectives, and projects remain relevant. As the municipality however, we recognise that there has been several developments both nationally and locally which have a direct impact on how we pursue our development agenda, including economic development. Such include the new priorities contained in the MTSF as well as the selection of Mhlontlo as the Rural Development Pilot Site.

These developments warrant the review of the LED strategy with specific focus on alignment of objectives as well as appraisal of programme targets and focus. In this regard, the review of the strategy has been added to the priorities for the 2014/2015 financial year.

The LED Strategy is aligned with the National, Provincial and District objectives. This includes the Spatial and economic investment choices.

The LED Department has 13 posts in its organisational Structure, 7 of those posts are filled and 4 is vacant where 3 of the posts are funded.

As the Mhlontlo Local Municipality was announced as pilot site for rural development, the rural development is under the directorate of LED. The LED forum was converted to be a broader forum that is Council of Stakeholders. It is composed of Senior Officials from Sector Departments, Mhlontlo Municipality Managers, Portfolio Councillors, Mayor, Community Development Workers, Traditional Leaders, Council of Churches, Government Parastatals and other Community Based organisation. The role of the Council of Stakeholders is to play and oversight roll to the rural development programmes.

6.4 Disaster Risk Management Policy Framework

The term disaster risk management refers to integrated, multi-sectoral and multi-disciplinary administrative, organisational, and operational planning processes and capacities aimed at lessing the impacts of national hazards and related environmental, technological and biological disasters. Disaster Management Act 57 of 2002 has define. The Mhlontlo Local Municipality has adopted the District Disaster Risk Management Policy Framework in order to develop the Mhlontlo Disaster Plan which is still under development.

6.5 Human Resources Development Strategy

The Human Resource Strategy was developed and approved by the council during 2011/2012 with the council resolution **13-12/12/2011**, in its many forms and formats, provides an understanding of when and how team members will be applied to the projects and to what degree. A natural extension of the projects plan, the human resource strategy defines what resources are required to achieve the programme goals. A Human Resources Development Strategy should reflect on staff establishment policy, critical and scarce skills required by the Municipality to be able to implement its strategic objectives. The Strategy should include *inter alia* recruitment, replacement and retention policies. It should also build internal and external capacity through training, development and skills development.

6.6 Communication Strategy

This Communication Strategy is a guiding framework for communication in the Mhlontlo Local Municipality and their agencies. An integrated and effective local programme will also serve as a backbone of an overall societal communication system that will be anchored by growing partnership among various sectors of civil society.

Institutional challenges to be addressed by this strategy include ensuring that the centre led by the Mhlontlo Local Municipality assisted by the Office of the Premier and GCIS in the Province is able to hold and lead local communication and Information Management System. The Communication Strategy is still at Draft Stage.

6.7 Ward Based Plans

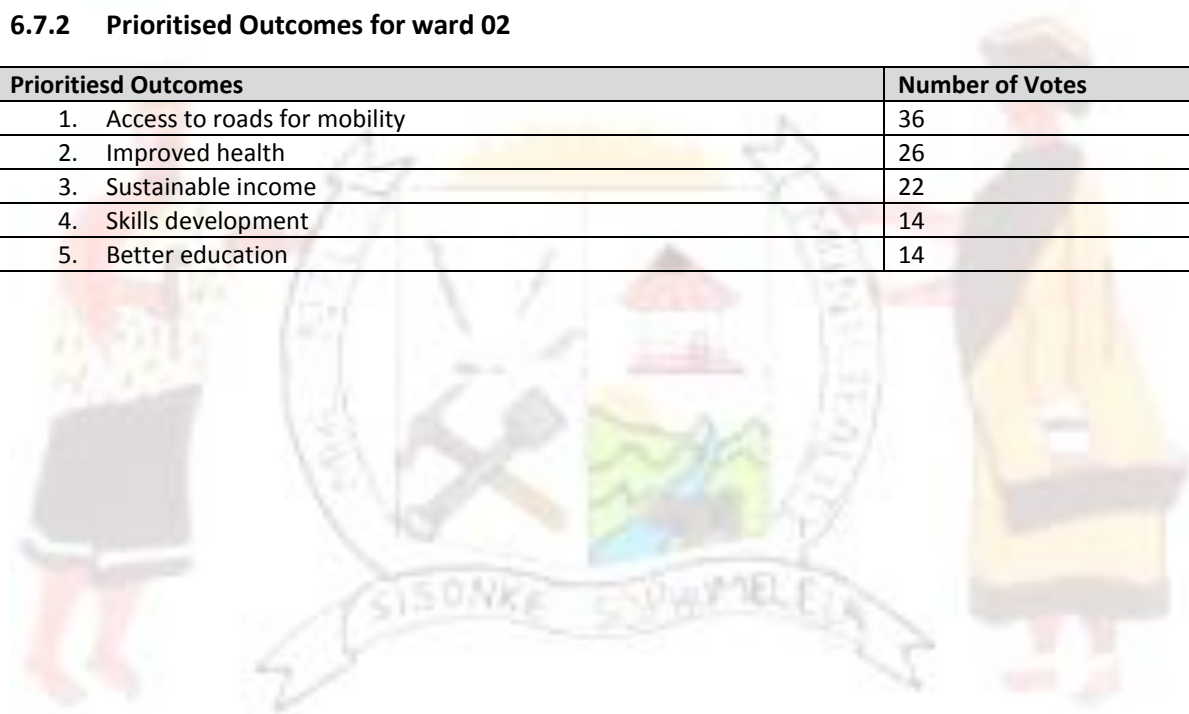
The Mhlontlo Local Municipality has conducted ward based planning in two wards in collaboration with the Department of Rural development and Land Reform. The ward based plans were piloted in ward 02 and ward 13. This Ward Based Planning program in Mhlontlo Local Municipality started with a launch of the program on the 6th of February 2015. Ward Councillors from affected wards, Traditional Leaders, School principals, Business Fraternity, Ministries from churches, Labour Unions, NGOs, National Department of Rural Development and Land Reform and Municipal Officials.

6.7.1 Prioritised Outcomes for ward 13

Prioritiesd Outcomes	Number of Votes
1. Better education and skills	127
2. Accessibility by roads and communication networks	124
3. Food security by households	107
4. Sustainable income from crops and livestock	75
5. Better health for people and livestock	55

6.7.2 Prioritised Outcomes for ward 02

Prioritiesd Outcomes	Number of Votes
1. Access to roads for mobility	36
2. Improved health	26
3. Sustainable income	22
4. Skills development	14
5. Better education	14



CHAPTER SEVEN: PROJECTS



National KPA: Good Governance	Strategy: Fully mainstream special programmes within the municipality. Establishment of Special Programmes statutory structures at ward level.		Project Name: Special Programmes				
Key Performance Indicator: Reflection on special programmes by all departments. Integrated functional structures.	Municipal Objective: Improve effectiveness and efficiency of special programmes		Location: Mhlontlo LM				
Major Activities	Implementation Targets						
	Funding Required	Funding Source	2016/17	2017/18	2018/19	2019/20	
Development of a Special Programmes Mainstreaming Strategy	Nil	Mhlontlo LM	Nil				
Strategic Planning	R1 300 000	Mhlontlo LM	R1 300 000				
HIV/Aids	R269 464	Mhlontlo LM	R269 464				
Youth	R368 875	Mhlontlo LM	R368 875				
Children	R220 150	Mhlontlo LM	R220 150				
Elderly	R351 016	Mhlontlo LM	R271 616				
Disabled	R438 448	Mhlontlo LM	R338 448				
Women	R233 174	Mhlontlo LM	R233 174				

National KPA: Financial Planning and Management	Strategy: Development of credible budget in-line with relevant legislation			Project Name: Financial Management			
Key Performance Indicator: compliance with budgeting and financial reporting regulations	Municipal Objective: To ensure universal household, community and social services			Location: Mhlontlo LM			
Major Activities	Implementation Targets						
	Funding Required	Funding Source	2016/17	2017/18	2018/19	2019/20	
Revenue management- mSCOA	R839 708	Mhlontlo LM	R839 708				
Asset management- FAR update	R1 736 800	Mhlontlo LM	R1 736 800				
Supply Chain Management- Contracts management	R450 000	Mhlontlo LM	R450 000				
Development of budget in line with relevant legislation – mSCOA system upgrade	R1 500 000	Mhlontlo LM	R1 500 000				
Preparation of Annual Financial Statements	R500 000	Mhlontlo LM	R500 000				
Data cleansing – valuation roll update	R1 124 639	Mhlontlo LM	R1 124 639				
Development of Revenue enhancement strategy	R400 000	Mhlontlo LM	R400 000				

National KPA: Institutional Transformation and development	Strategy: To have an effective, efficient and transparent administration for the delivery of quality services	Project name:
Key Performance Indicator: Enhance the quality of service delivery	Municipal Objective: To have well trained, motivated and developed workforce to deliver quality services	Location: Mhlontlo
Major Activities		

	Funding Required	Funding Source	2016/17	2017/18	2018/19	
Human Resource Strategy	R300 000	Mhlontlo LM	R300 000	R325 000	R366 280	
Training Costs for Employees	R1 200 000	Mhlontlo LM	R1 200 000	R1 274 400	R1 349 589	
Review of Organogram	R0	Mhlontlo LM	Nil			
Review of policies	R120 121	Mhlontlo LM	R120 121			
Wellness programme	R109 000	Mhlontlo LM	R109 000	R110 620	R110 980	
Information Management	R312 000	Mhlontlo LM	R312 000			
Construction of registry archives	R899 300	Mhlontlo LM	R899 300	R955 056	R1 011 404	
Public Participation	R1 465 880	Mhlontlo LM	R1 465 880	R1 556 764	R1 648 613	
Operations and Maintenance of ICT infrastructure	R1 129 264	Mhlontlo LM	R1 129 264			



National KPA: Community Services	Strategy: Development and administering of Community Programs				Project Name: Community Services and Sports programs		
Key Performance Indicator: Community involvement in community services programs	Municipal Objective: Improve effectiveness and efficiency of Community Services				Location: Mhlontlo LM		
Major Activities	Implementation Targets						
	Funding Required	Funding Source	2016/17	2017/18	2018/19	2019/20	
Develop cementery maintenance plan for urban cementeries	R170 225	Mhlontlo LM	R33 856	R35 955	R38 076		
Easy access to all cementeries	Nil	Mhlontlo LM	Nil				
Erection and making of traffic signs	R150 000	Mhlontlo LM	R37 050	R39 347	R41 669		
Enforce the existing by-laws	R2 142 000	Mhlontlo LM	R2 142 000	R2 274 804	R2 409 017		
Revival and strengthening of sector forums	R10 500	Mhlontlo LM	R10 500	R11 000	R11 420		
Animal Control	R857 219	Mhlontlo LM	R857 219	R910 367	R964 079		
Regulation of vehicles and drivers	R144 000	Mhlontlo LM	R144 000	R152 928	R161 951		
Provision of security services	R3 404 524	Mhlontlo LM	R3 404 524	R3 615 605	R3828 925		
Sport	R740 000	Mhlontlo LM	R740 000	R785 880	R832 247		
Disaster Management	R10 500	Mhlontlo LM	R10 500	R11 000	R11 300		
Awareness of communities in waste management	R107 250	Mhlontlo LM	R107 250	R132 485	R140 301		
Reduction of volumes of waste	R3 762 855	Mhlontlo LM	R3 762 855	R3 996 153	R4 321 925		
Short term jobs creation	R1 800 000	Mhlontlo LM	R1 800 000	R1 911 600	R2 024 384		
Provision of healthy and safety environment	R437 100	Mhlontlo LM	R437 100	R453 600	R461 230		
Monitoring the reduction of waste through recycling and creation of jobs	R14 750	Mhlontlo LM	R14 750	R15 000	R15 487		

National KPA: Infrastructure Development	Strategy: Construction of Access Roads. Facilitate connection of household electricity. Facilitate provision of decent houses. Facilitate construction of sport facilities.			Project Name:			
Key Performance Indicator: Universal access to electricity. Access to clean water. Sustainable Human settlement. Well maintained municipal building	Municipal Objective: To ensure Universal access to basic household, community and social services			Location: Mhlontlo LM			
Major Activities	Implementation Targets						
	Funding Required	Funding Source	2016/17	2017/18	2018/19	2019/20	
	R 40 828 221	MIG	R40 828 221				
Qumbu high mast lights		MIG					
Tsolo high mast lights		MIG					
Rehabilitation of Tsolo Sport field		MIG					
Rehabilitation of Qumbu Sport field		MIG					
Kalankomo to Qumbu Tech		MIG					
Nombodlelana to Ncitshana		MIG					
Mahlubini to Qolombana		MIG					
Maitenance of 50km rural & ubarn access roads		MIG					
Tsolo Street surfacing phase 2		MIG					
Qumbu Street surfacing phase 2		MIG					
Lukhalane low level bridge	R15 000 000	Equitable Share	R15 000 000				
Ngqakaqeni bridge		Equitable Share					
Mvumelwano sport field		Equitable Share					
Kwa Madiba SSHP	R5m	Dpt of Science & Technology, University of Pretoria	R5m				
Gqunu – Ngcolokini Access Road	R78m	DRDLR	R78m				
Tina, Madukuda, Mvumelwano, Godini, Mawasa	R5 903 000.11	Eskom	R5 903 000.11				
Amacwera electrification	R14.5m	INEP	R14.5m				

National KPA: Local Economic Development	Strategy: Promote and enhance agricultural production for sustainable livelihood through resource mobilisation, human capital and SMME participation						
Key Performance Indicator: Developed enterprises in the prioritised sectors(Agriculture, tourism, forestry, trade and industry)	Municipal Objective: Striving economy capable of meeting the economic development challenges of employment, poverty, skills shortage and slow economic growth on a sustainable basis.					Location: Mhlontlo Local Municipality	
LED PROJECTS	Implementation Targets						
	Funding Required	Funding Source	2016/17	2017/18	2018/19	2019/20	
Development of concept model for operation of Tsitsa Lodge	R200 000	Mhlontlo LM	R200 000				
Signage for Mhlontlo tourism route	R408 500	Mhlontlo LM	R408 500	R433 827	R459 422		
Eco-tourism event – canoeing	R115 500	Mhlontlo LM	R115 500				
Train five SMMEs in product development	R29 251	Mhlontlo LM	R29 251				
Tourism Events	R1 584 600	Mhlontlo LM	R1 584 600				
Purchase and Placing of rental modular houses	R1 125 000	Mhlontlo LM	R1 125 000				
Wool production project	R1 500 000	Mhlontlo LM	R1 500 000				
Fencing of King Mhlontlo Grave	R100 000	Mhlontlo LM	R100 000				
Irrigation projects	R1 400 000	Mhlontlo LM	R1 400 000				
Develop trade and investment strategy	R345 600	Mhlontlo LM	R345 600				
Identify and engage strategic partners	R128 205	Mhlontlo LM	R128 205				
Review and implement forestry development	R498 090	Mhlontlo LM	R498 090				
Regional recycling facility	R3 000 000	ORTDM	R3 000 000				
Kwam Rural Women	R1 500 000	ORTDM	R1 500 000				
ORT regional recycling project	R6 000 000	ORTDM	R6 000 000				
Tsilithwa Sustainable village veg. prod. Project	R650 000	DRDAR	R650 000				
Tsolo City Agriculture Multi-purpose	R1 500 000	DRDAR	R1 500 000				
Shawbury Sustainable Village Barkery	R500 000	ORTDM	R500 000				
Stock dams – Ngxakolo, Buhlungwana, Godini ward 13	R5m	DRDLR	R5m				

National KPA: Local Economic Development	Strategy: Promote and enhance agricultural production for sustainable livelihood through resource mobilisation, human capital and SMME participation			Project Name: SAGRIPP, MEDEP, MTOURP, LCDD,TIM			
Key Performance Indicator: Developed enterprises in the prioritised sectors(Agriculture, tourism, forestry, trade and industry	Municipal Objective: Striving economy capable of meeting the economic development challenges of employment, poverty, skills shortage and slow economic growth on a sustainable basis.			Location: Mhlontlo Local Municipality			
Major Activities	Implementation Targets						
	Funding Required	Funding Source	2016/17	2017/18	2018/19	2019/20	
Fencing at Mjikelweni ward 20	R253 689.22	DRDAR	R253 689.22				
Fencing at Black hill ward 17	R379 346.00	DRDAR	R379 346.00				
Fencing at Lotan ward 09	R551 783.83	DRDAR	R551 783.83				
Fencing at Ntabasgogo BLK 1 & 2 ward 21	R801 359.49	DRDAR	R801 359.49				
Fencing at Ntabasgogo BLK 3 & 4 ward 21	R390 244.80	DRDAR	R390 244.80				
Dipping Tank Renovation – Upper Chulunca ward 22	R691 200.00	DRDAR	R691 200.00				
Dipping Tank Renovation – Mdabukweni ward 19		DRDAR					
Dipping tank Renovation – Maqhubini ward 19		DRDAR					
Dipping Tank Renovation – Kambi 20 ward 02		DRDAR					
Dipping Tank Renovation – Gungululu ward 04		DRDAR					
Dipping Tank Renovation – Lower Lotana		DRDAR					
Stock dam desilting – Mvumelwano ward 14	R801 600.00	DRDAR	R801 600.00				
Stock dam desilting – Bele Zingcuka ward 03		DRDAR					
Stock dam desilting – Nomhala ward 03		DRDAR					
Stock dam desilting – Mbuto ward 08		DRDAR					

Cropping programme 1641.5 Hactarage	R3 075 200	DRDAR	R3 075 200				
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National KPA: Local Economic Development	Strategy: Promote and enhance agricultural production for sustainable livelihood through resource mobilisation, human capital and SMME participation			Project Name: SAGRIPP, MEDEP, MTOURP, LCDD, TIM			
Key Performance Indicator: Developed enterprises in the prioritised sectors(Agriculture, tourism, forestry, trade and industry	Municipal Objective: Striving economy capable of meeting the economic development challenges of employment, poverty, skills shortage and slow economic growth on a sustainable basis.			Location: Mhlontlo Local Municipality			
Major Activities	Implementation Targets						
	Funding Required	Funding Source	2016/17	2017/18	2018/19	2019/20	
SDF	R600 000	Mhlontlo LM	R600 000				
Umzimvubu Dam LSDF	R450 000	Mhlontlo LM	R450 000				
Tsolo Junction LSDF	R450 000	Mhlontlo LM	R450 000				
Sulenkama LSDF	R450 000	Mhlontlo LM	R450 000				
Zoning scheme Qumbu	R250 000	Mhlontlo LM	R250 000				
Zoning scheme Tsolo	R250 000	Mhlontlo LM	R250 000				
Land use survey – Qumbu	R180 000	Mhlontlo LM	R180 000				
Land use survey – Tsolo	R180 000	Mhlontlo LM	R180 000				
Relocation of pegs – Tsolo Town	R450 000	Mhlontlo LM	R450 000				
Relocation of pegs – Qumbu Town	R450 000	Mhlontlo LM	R450 000				
Siyazondla (Ward 02 & 13)	R520 000	DRDAR	R520 000				

PROJECTS FUNDED BY DISTRICT

Department	Project Name	Required Funding	Categories	Source	status	Budget
ORTDM	Ward 7 sanitation	R13 514 400	Sanitation	MIG	Construction	R2 000 000
ORTDM	Ntabasgogo water scheme	R6 821 139	Water	MIG	Construction	R3 821 000
ORTDM	Ext. of Mangxamfu water scheme	R32 971 470	Water	MIG	Construction	R18 000 000
ORTDM	Ward 8 sanitation	R27 838 479	Sanitation	MIG	Construction	R7 838 400

PROJECTS FUNDED BY HEALTH

PROJECT NAME	MUNICIPALITY	TOWN
Mbokotwana	Mhlontlo	Tsolo ward 8
Khalankomo	Mhlontlo	Qumbu ward 20
Mdeni	Mhlontlo	
Shawbury	Mhlontlo	Qumbu ward 9
Cabaville	Mhlontlo	Qumbu ward 22
Langeni	Mhlontlo	Tsolo ward 2

CHAPTER EIGHT: FINANCIAL PLAN

8.1 Government Grant and Subsidies

GOVERNMENT GRANTS & SUBSIDIES - ALLOCATIONS ¹	Preceding Year		Preceding Year 2015-2016		Medium Term Revenue and Expenditure Framework		
	2014-2015				Budget Year	Budget Year +1	Budget Year +2
					2016-2017	2017-2018	2018-2019
	Adjusted Budget	Full Year Forecast	Adjusted Budget	Full Year Forecast	Budget	Budget	Budget
R'	R'	R'	R'	R'	R'	R'	
<u>National Grant Allocations²</u>							
1. Equitable Shares	127 895 000	127 895 000	159 404 000	159 404 000	154 913 000	164 254 136	173 945 130
2. Finance Management Grant	1 800 000	1 800 000	1 875 000	1 875 000	2 010 000	2 345 000	2 600 000
3. Municipal Systems Improvement Grant	934 000	934 000	930 000	930 000	-	-	-
4. Municipal Infrastructure Grant (MIG)	64 675 000	64 675 000	42 193 000	42 193 000	41 659 994	44 242 920	46 853 252
5. Electrification Programme Direct	4 000 000	4 000 000	13 000 000	13 000 000	12 500 000	18 000 000	20 000 000
6. EPWP	1 221 000	1 221 000	1 000 000	1 000 000	2 232 000	-	-
TOTAL GRANTS THAT ARE DIRECTED TO MHLONTLO MUNICIPALITY	218,730,227	200,525,000	257,799,292	218,402,000	213,314,994	228,842,056	243,398,382

8.2 Revenue by Source

REVENUE BY SOURCE	Preceding Year		Preceding Year		Medium Term Revenue and Expenditure Framework		
					Budget Year	Budget Year +1	Budget Year +2
	2014/15	2014/15	2015/16	2015/16	2016/2017	2017/2018	2018/2019
	Approved Budget	Budget	Adjusted Budget	Full Year Forecast	Budget	Budget	Budget
	R'	R'000	R'000	R'000	R'000	R'000	R'000
	A	B	C	D	E	F	G
Operating Revenue by Source							
Property rates	7,970,738	7,970,738	15,662,647	15,662,647	15,662,647	16,633,732	16,686,563
Service charges - refuse removal from tariff billings	1,674,138	1,700,981	1,812,147	1,812,147	1,220,294	1,295,952	1,372,413
Other income	1,928,593	1,928,594	2,805,648	2,805,648	17,443,233	18,524,713	19,617,671
Government grants & subsidies	137,766,215	196,525,000	205,402,000	205,402,000	213,314,994	228,842,056	243,398,382
Total Revenue By Source	149,339,686	208,125,313	225,682,442	225,682,442	247,641,168	265,296,453	281,075,029

8.3 Operational Budget

DEPARTMENTAL SUMMARY							
DEPARTMENT	EMPLOYEE COSTS	GENERAL EXPENSES	REPAIRS AND MAINTANENCE	TOTAL OPEX	CAPITAL EXPENDITURE	TOTAL	PERCENTAGE
MAYOR'S OFFICE	1 728 776.16	1 320 955.00	34 945.38	3 084 676.54	-	3 084 676.54	1%
COUNCIL	17 292 704.92	13 415 420.57	47 045.47	30 755 170.96	-	30 755 170.96	11%
MUNICIPAL MANAGER	4 003 295.84	8 233 740.84	-	12 237 036.73	50 304.00	12 287 340.73	4%
STRATEGIC SERVICES	3 677 556.33	4 431 986.80	5 087.82	8 114 630.95	-	8 114 630.95	3%
CORPORATE SERVICES	17 942 273.79	10 341 311.90	21 955.01	28 305 540.70	1 957 300.00	30 262 840.70	11%
BUDGET AND TREASURY	13 061 997.53	40 959 079.19	100 097.60	54 121 174.33	-	54 121 174.33	19%
LED,PLANNING & RD	8 015 720.31	9 310 256.99	999 996.00	18 325 973.30	4 125 000.00	22 450 973.30	8%
REFUSE REMOVAL	17 127 989.02	4 681 956.25	453 015.19	22 262 960.47	2 262 855.69	24 525 816.16	9%
TRAFFIC DEPARTMENT	8 695 716.01	7 216 300.71	250 054.33	16 162 071.05	-	16 162 071.05	6%
POUND	-	407 219.65	450 000.00	857 219.65	117 091.42	974 311.07	0.3%
ID	7 149 864.60	13 884 912.00	1 706 761.53	22 741 538.14	-	22 741 538.14	8%
PMU	5 761 811.50	11 184 817.68	-	16 946 629.18	40 828 221.47	57 774 850.65	20%
TOTAL BUDGET	104 457 706.08	125 387 957.57	4 068 958.34	233 914 621.99	49 340 772.58	283 255 394.57	100%

CHAPTER NINE: LIST OF COMMUNITY NEEDS

Below table 28 is the detailed list of community needs as captured during the community outreach and ward-based planning process.

Table 28: List of Ward-Based Needs

WARD NUMBER 01		
Service	Location	Need
Community Facilities	Majaba	Police Station
Electricity	Taleni, Nonkobongo	Installation
Roads	Batyi A/R, Lukhalane A/R, Mkhumenge A/ R, Zinkamplni A/R, Phantsi to Mnga A/R, Majaba to Nonkobongo A/R, Nogqadaza A/R, Ntywenka A/R, Balasi to Mkhwezweni A/R, Luqolweni to Mthontsi A/R, Luqolweni to Khamfazi. Nkampini to Ntywenka A/R, A/R to the Projects Faraday A/R, Jecweni A/R, Majaba A/R, Balasi A/R, Luqolweni A/R, T-208, T-460, T-20, Mdeni Lukhalane bridge, Inxu Bridge Qhwakele Bridge, Majaba Bridge	Road Construction Maintenance Maintenance
Water	Lukhalane, Batyi, Phantsi Mbinja	New connection is in progress Extensions
Sanitation	All ward villages	In progress
Schools	Zanemvula JSS, Laduma Izulu SPS, [Singeni, Mthonyameni (New school)] Mpoza SPS, Richard Samela JSS, Hobe SPS Mcheni SPS High school	Mud School Extension of Classes In progress In progress
Fencing	All ward villages	Fencing of grazing and ploughing Fields.
Housing	All ward villages	Rural Housing is in progress
LED	Mnga, Nkampini, Jecweni, Majaba Qolweni, Mnga, Jecweni, Mpoza, Jenca Jenca,	Land Care Thobinceba Poultry, Garden Projects, Kratyela Community garden, Mpoza Community garden, Sithethelele Poultry, Sinovuyo Garden Project Namkelekile garden, Nyamezela

	Ngubeszwe JSS, High school Skill centre at Mthonyameni	
Fencing	Ncitshane, Zibungu, Cheka, Mmqandanto, Mthonyameni, Elangeni All ward villages except Nombodlelana, Mqobiso, Zibungu	Mielie fields Grazing land
Housing	All ward villages	Rural housing
LED	Kambi 20 Zibungu Mqobiso Cheka Kambi 20 A Nombodlela Ncitshane Mthonyameni All ward villages Mthonyameni	Mjika development centre Kmva lethu bee keeping Mzamomhle Masizakhe poultry, Gedlindlala Coop, Masibonisane wool growers Siyazama Veg. Sizakancane Bee keeping Madliwa brick making, Mari Ant Piggery. Siyakha coop, Bafazi coop Zizamele veg. Masakhane Proj. Stock dam, Sheep dipping tank, Dipping tank rehabilitation Shearing shed
Telecommunication	Vodacom	Poor network coverage
Poverty relief projects	All ward villages	Umngcunube
Community awareness projects		HIV/AIDS awareness campaign, Alcohol abuse, child abuse, drug abuse
Community halls MPCCs	All ward villages	
Health facilities	Ncitshane	Clinic
Pre-schools and Daycare centres	All ward villages	
Sport facilities	All ward villages	All codes

WARD NUMBER 03

Service	Location	Need
Community Facilities	All ward villages Nomhala	Fencing of Graveyards Pay point
Electricity	Manka, Nomhala, Qudu, Nkwankca	Electricity extension

Roads	Bele Zingcuka, Manka, Jojweni St Cuthbert's Manka,	Zingcuka A/R, Manka A/R, Jojweni A/R, St cuthberts A/R, Clinic to Nkwanca to Nomhala, Nomadolo to Manka, Gqiyane A/R, Quthu-Bantubabi A/R, Mgweqe A/R, Sqithini A/R Speed humps
Water	Mangolweni Ngcolosi 12, St cuthberts, Zingcuka, Nkanini Old scheme in Gqiyane	Water supply Maintenance (Water from Cheka) Maintanance
Sanitation	Jojweni, St cuthberts, Nomhala, Ngcolosi 12, Manka, Mangolweni	Extensions
Fencing	Ngcolosi 12, St cuthberts, Zingcuka, Nomhala	Mealie fields
Schools	Manka JSS, Zamukulungisa SPS, Gqiyana SPS, Ranuga SPS,	Mud school Rehabilitation of School
Housing	All ward villages	Rural housing
LED	All ward villages All ward villages St Cuthbert's Nomhala St cuthberts	Stock dam Sheering Shed, Land Care Khulani veg. Masikhule Poultry Project Masenzeni Zingcuka coop. Stock Dam, Bathobele cultural project Dipping tank, Tree planting Working wetlands
Poverty Relief	All ward villages	Lima
Community Awareness Projects	All ward villages	Drug and Alcohol abuse
Health Facilities	Ngcolosi 12, Nomhala Zingcuka	Clinic Renovation of clinic
Sports Facilities	All ward villages Zingcuka Ngcolosi 12	All sport code Zangoma Cultural group, Zanokhanyo Cultural, Siyakhanyisa Cultural, Bhekani cultural,
Day care centre	All ward villages	

WARD NUMBER 4		
Service	Location	Need
Community Facilities	Hlangani, Qolombana Mngceleni	Police Station Old age home
Electricity	Mhlabini, Hlangani, Gungululu, Qolombane, Gotyibeni	Extension
Roads	Mhlakulo A/R, Mahlubini A/R, Hlangani A/R, Zwelitsha A/R Mahlubini, Mhlakulo, Mngceleni, Gungululu, Gotyibeni and T210, Mahlubini bridge, Gotyibeni bridge, T216 (Lower Gungululu)	New Construction Maintenance
Water	Hlangani, Zwelitsha, phase 2 Gotyibeni and Mngceleni – Phase 1 Qolombane, Mahlubini, Gungululu, Hlangani Sdwadweni Phase 2	Water connection Maintenance Connection and addition of taps
Sanitation	Qolombane, Gotyibeni, Zwelitsha Mhlakulo, Mngceleni, Hlangani, Mhlabini	extensions Rebuilding of toilets
Schools	Dubulingqanga SPS, KT Mchasa SSS, Hlangani JSS, Tshongweni SSS, Mhlakulo JSS, Gotyibeni JSS	Mud schools Extension of classes and Maintenance
Fencing	All villages	Mealie fields and grazing land
Rural Housing	All 7 villages All villages	Rural housing Disaster housing
LED	Gungululu Qolombane Mhlakulo Hlangani Gotyibeni	Gungululu farmers, Zamazizi Piggery and poultry, Gungululu woolgrowers association. Sinenjongo Coop, Qolombane Coop, Lingelethu Barkery, Sithandaneni poultry, Zizamele Veg, Siyakhulu Garden, Makusetyezwe Brick making, Ndiyazama sewing Mshini poultry, Sophumelela prod, Philasande Poultry and Garden, Bazukulwana cultural group, Siyakhana arts and craft Hlangani garden Masikhule Poultry, Vukani Sheep Prod. Lingathina cultural group

	Zwelitsha/Mngceleni All villages Qolombana, Mhlakulo Mahlubini, Hlangani, Gotyibeni Gotyibeni, Qolombane All villages All villages	Masikhule veg. Phakamani bafazi Veg. Sheep dipping tank Dipping tank maintenance Construction Dipping tank Sheering shed Stock dams Land care
Telecommunications	Hlangani, Mahlubini, Qolombane, Gotyibeni, Mhlakulo Qolombane, Mngceleni	Poor network coverage and TV pole Post office
Poverty Relief	Mngceleni, Hlangani	Mngcunube, Lima, EPWP
Community Awareness Projects	All ward villages	HIV/Aids, Environment, Crime, Drug and Alcohol abuse, Circumcision
Community Halls And MPCCs	All Villages Mhlakulo	Thusong service centre
Health Facilities	Mahlubini, Gotyibeni, Mngceleni, Hlangani Gungululu clinic, Mhlakulo clinic	Clinic Renovation
Pre-schools and Daycare Facilities	Gotyibeni, Mhlakulo, Mahlubini, Qolombane, Mngceleni, Gungululu Gungululu, Mhlabini, Gotyibeni, Mhlakulo, Mngceleni	Preschool Day care
Sports Facilities	All ward villages Qolombane	All sport code facilities, Sports field Omama besingqi, Masithembe Cultural group

WARD NUMBER 05

Service	Location	Need
Community Facilities	Lower Mjika Matyeba, Xabane, Madwaleni, Tiki-tiki	Police station Old age Home
Electricity	Trustin, Tshashu, Madwaleni, Taleni, Matyeba, Marambeni, Ntabalanga All ward villages	Extension High mast lights
Roads	Concrete for 200m T213 to Tikitiki, T213, T213 to Matyeba JSS, Madwaleni to Hlangani, T213 to Sonqishe, Xabane A/R, T213 to Mdlanongwe, Mdlanongwe to Ngudle, T213 to Ngudle, T187 to Cameron Ngudle, T213 to Gwebindlala, Tiki-tiki to	Construction of roads

	<p>Madwaleni, Nomlala to Gwebindlala, Tiki-tiki to Xabane, Tyeni A/R, T213 to Memka, Konco to Vayineki, Ntabelanga A/R, T221 All T-roads to be black surfaced, Concrete for 200m Tiki-tiki to Goqwana, Tiki-tiki streets, T210 to Tiki-tiki, Rabe Church to Mealie fields(tiki-tiki)</p> <p>Madwaleni river, Tikitiki river, Welakabini river, Mjika river, Mdlanongwe river x2, Bedlane river (T221), Matyeba river, Portal Bridges Tiki-tiki Drifts at Tiki-tiki (Gubhu gubhu) Tiki-tiki and Tyeni</p>	<p>Bridges</p> <p>Walkways</p>
Water	All ward villages Mmangunkone & Prince Lucingweni	<p>Maintenance</p> <p>Addition of taps</p>
Sanitation	All ward villages	Additions/maintenance
Schools	Cameroon Ngudle SSS, Xabane JSS Gcisa High Skill centre	<p>Mud school</p> <p>Extension of Classes</p> <p>Renovation & Hostel</p>
Fencing	All ward villages	Mealie fields and Grazing land & Cementries
Housing	All villages	Rural Housing
LED	<p>Xabane</p> <p>Matyeba</p> <p>Madwaleni</p> <p>Lower Mjika</p> <p>Tiki-tiki</p> <p>Tyeni</p> <p>Tiki-tiki</p>	<p>Bhongolwethu wool growers, Amambara Veg. Mvuselelo Crop Production, Sheering shed</p> <p>Matyeba wool growers, Matyeba poultry, Bakery, Sinovuyo old age, Thula uzobona development group, Gwebindlala Project, Matyeba Co-op, sheering shed</p> <p>Masizakhe veg. sheering shed</p> <p>Sivusele Project, Senzele Project, Gudla veg., Sophumele Support Group,</p> <p>Siyavuya old age (Art, Sewing and Pottery), Masilingane Coop, Siphakamise veg, tiki-tiki wool growers, Sinendalo trading enterprise, Nontuthuzelo Old Age</p> <p>Mlungilsi piggery project, Commemoration of Thobile Bam and Heritage Site. Sesifikile Coop, Sikhulise poultry, Aforestation,</p> <p>Sheep dipping tank, Stock dams and Dipping tank</p>
Telecommunications	Madwaleni, Xabane, Tyeni, Tiki-tiki	Poor network coverage (MTN, Vodacom, Cell C, SABC)

Poverty Relief/ Drought relief	All ward villages	Siyazondla, EPWP, Stork feed
Community Awareness Projects	All ward villages	Stork theft, HiV & Aids, Environment, Alcohol and drug abuse, Crime, veld fires
Community Halls MPCCs	All ward villages Tyeni	
Health Facilities	Matyeba, Xabane, lower Mjika, Tyeni, Madwaleni	Clinic
Sports Facilities	All ward villages	All sport codes

WARD NUMBER 06

Service	Location	Need
Community facilities	Goqwana, Gunqwana, Mdibanisweni Tsolo villages, Goqwana Tsolo villages	Satellite police station Old age home Taxi rank, Grass cutting Public toilets, Refuse removal
Electricity	Mdibanisweni, Goqwane, Gunqwana	Extensions
Roads	Gunqwana to Ntibane farms A/R, Mdibanisweni A/R, Gungqwana to Ntibane Farms A/R, Mdeni to Ntibane School, Mdibanisweni A/R, T210, T199, Crss Bow Homes streets & Black Surfacing, Goqwana A/R	New Construction Maintenance
Water	Gunqwana, Ntibane Farms, goqwana Tsolo Village, Mdibanisweni,	Water supply Maintenance & purification
Sanitation	Tsolo village Gongqwana, Mdibanisweni, Ntibane farms, Goqwana	No toilets Maintenance and Addition of toilets.
Schools	Wonderland JSS Nombizo JSS, Tsolo high	New Construction Extensions
Fencing	Mdibanisweni, Goqwana, Gungqwana, Ntibane farms, Mdibanisweni, Tsolo village, Commonage Small farms	Mielie fields and Grazing lands Maintenance
Housing	All ward villages Tsolo Junction	Rural Housing New Housing Development
LED	Tsolo villages	Sinakho Coffine Man., Sqalo

	Mdibanisweni Tsolo village Goqwana All ward villages Mdibanisweni, Goqwana, Goqwana, Mdibanisweni, Ntibane farms Ntibane farms, Goqwana Gungqwane, Mdibanisweni, Gungqwana, Goqwana, Ntibane farms	proj. Phakamani retired pro. Siphosethu proj Syaphambili wood workers Masizakhe baking project Sheep dipping tank Dipping Tank Sheering shed Stock dams Maintenance Landcare
Telecommunication	Goqwana, Gungqwana, Mdibanisweni	TV network Post office
Poverty relief projects	Goqwana, Cross Bow Homes All ward villages	Mngcunube, Siyazondla Phezukomkhono
Community awareness projects	All ward villages	Crime, Environment, Drug and Alcohol Abuse, HIV/Aids, Consumer
Community halls MPCCs	All ward villages Mdibanisweni hall	 Maintenance
Health facilities	Goqwana Mdibanisweni, Gungqwana, Ntibane Farms	Clinic Mobile clinic
Pre-schools and Daycare centres	All ward villages	
Sport facilities	All ward villages	All codes

WARD NUMBER 7

Service	Location	Need
Community Facilities	Ntshiqo, New Homes New homes, Ntshiqo Rehabilitation Centre	Satellite Police station Old age home New Homes
Electricity	Phumla, Ntshiqo, Azania Ext 7, Chris Hani, Ntibane Farms, Godzi, Mayaluleni New homes and Town, Godzi	Extension connection Maintenance of Street lamps & high mast lights
Roads	Mayaluleni to Bele- Zingcuka, Mayaluleni to Pumla Mqetshwa, Ntshiqo streets, Ntibane farms, Chris Hani Streets Ext 7, Ncogweni to Myaluleni, Bakhangele Pre- school to R396, Phumla Mqeshwa, Mazizini A/R, A/R to Nkqubela Daycare Ntibane Farms, Lutuka, Mayaluleni,	New Roads Maintenance Bridge

	Bakhangele to Macangceni, Godzi-Tyeni, mbozwane to Ntibane Farms Mangunkone to Godzi, Bakhangele to Macangceni New homes, Mayaluleni	Storm water drainage
Water	Ntibane Farms, Ncongweni Ntshiqo Azania, Chris hani, Phumla, Mayaluleni	New water supply In progress Addition of Taps
Sanitation	Chris Hani, Azania, Ntibane farms Ntshiqo2, Ntibane farms, Mazizini Mayaluleni. New Homes	New toilets Rehabilitation Flushing toilets
Schools	Mbozwana PS, Mandela JSS, Zwelonke JSS, Gondzi JSS, Ntshiqo JSS, Residency JSS New homes (SPS)	Removal Mud structure Extension and renovation New school
Fencing	Ntshiqo, Ntibane farms,	Mealie fields
Housing	Extension 7, All villages RDP housing Ext 6 & 7	Rural housing Maintenance
LED	Ntshiqo Godzi Tsolo village New homes Mayaluleni Ntibane farms Godzi Ntshiqo Ntibane Farms, ntshiqo Mayaluleni All ward villages	Izandla Zethu Project, Sihamba sonke baking project, Ntshiqo maize project, Ntshiqo wool growers, Philisizwe poultry project Wathintumama veg. project, Siyaphambili youth project, Mijelo Yamanzi piggery, Masihlume dual purpose garden Tsolo community women, Wayside greening project, Tsolo Brick Making Project Tsolo city poultry project, Masincedane brick project, Masithembe poultry project Masikhuphuke irrigation Dipping tank Dipping tank Maintenance Land care Stock dams

Telecommunications	Ntsiqo, Godzi, New Homes	Post office
Poverty Relief	All ward villages Godzi	Massive food, Ntinga, Phezukomkhono, Siyazondla, Skills Centre to Address unemployment Mngcunube
Community Awareness Projects	New homes, Mayaluleni Ntshiqo, Godzi	HIV/Aids, Domestic violence Drug abuse all high schools, Crime prevention
Community Halls And MPCCs	All villages Ntsiqo	Ward centre
Health Facilities	Ntsiqo, New homes Ntibane farms, Mayaluleni, Godzi, Chris hani	Clinic Mobile clinic
Pre-schools and Daycare Facilities After care	Mayaluleni, Zintutyaneni, Ntibane farms New homes, Luqolweni, Nkqubela, Pumla New homes	
Sports Facilities	All villages	All sport codes

WARD NUMBER 8

Service	Location	Need
Community Facilities	Qebeyi, New rest Qanda, Mbokotwana, Mfabantu Holton All ward villages	Old age home Orphanage home Police station Fencing of Graveyards
Electricity	Mbokothwana, Gomeni, Mfabantu, Qanda (Eskhotheni), mhlabathi, Qebeyi Tsitsa's gate, Mbokothwana, Lotana's gate	Extension connection Apollo light
Roads	Tar-road from N2 to Mbokothwana, N2 to Ntshintshi, Qanda via Dilizintaba to New rest, Mbokotwna to Tsolo, Ntshintsi via N2 to Dilizintaba, Dilizintaba to Qebeyi, Qanda to Dr Malizo, Qebeyi to Tsitsa gate, Qebeyi to Rini, Speed humps at Newrest, Tar road from N2 to Gomeni N2 to Mfabantu via Gomeni, N2 to Bekameva, Mhlabathi A/R Nomalwashu bridge, Xhokonxa bridge, Road to Gomeni school and graveyard	New construction Maintenance
Water	Mfabantu, Mbokotwana	New water connection

	Qanda, Esikhotheni, Gomeni, Mbokotwana, New rest, Mhlabathi	Maintenance addition of taps
Sanitation	All ward villages	Replacement and addition
Schools	Mmangweni SPS Dalukhanya JSS, Mbokothwa JSS, Mhlabathi JSS, Somagunya SSS, Qebeyi JSS. Mcwakumbana JSS., Bekameva JSS, Thembeni SPS, Dilizintaba SSS Holton	Removal of mud school Extension of classes Skill centre
Fencing	All ward villages	Mealie fields
Housing	All ward villages	Rural housing
LED	New rest Qanda Gomeni Xhokonxa All ward villages All ward villages Gomeni, New rest, Xhokonxa Mhlabathi, Qanda, Mfabantu All ward villages All ward villages All ward villages	Likamvalethu poultry Masincedisane and Craft, Qanda Herchary Lagcibeni coop Lingelethu Poultry Sheering shed dipping tank Dipping tank (maintenance) Land care Stock dams and Maint. Aforestation
Telecommunications	Mfabantu Gomeni and Mfabantu	All mobile phones SABC
Poverty Relief	All ward villages	Lima, Mngcunube, Phezukomkhono
Community Awareness Projects	All ward villages	Crime, HIV & Aids, Environment, Centre for support groups
Community Halls And MPCCs	All ward villages except Qanda Holton	Thusong centre
Health Facilities	Mhlabathi, Mgababa Gomeni, Mfabantu, Qebeyi, Qanda	Clinic Mobile clinic
Pre-schools and Daycare Facilities	All ward villages Except Mfabantu.	Maintenance
Sports Facilities	All ward villages All ward villages	All sport codes Library

WARD NUMBER 09		
Service	Location	Need
Community facilities	Lotana Shawbury, Lotana	Police Station, old age home Grave yard
Electricity	Lotana, Ngqubusini, Shawbury	Extensions
Roads	T170, Bhanti A/R, black surfacing of T170 to Tina Falls Police station, Ntilini A/R, Mrhotshozweni A/R T167, Ngqubusini A/R River side, Bhukuqu	Construction Maintenance Bridge
Water	All ward villages	Addition of taps, Maintenance
Sanitation		
Schools	Thandanani SSS, Lotana JSS Notsweleba JSS, Shawbury JSS, Ngqubusini JSS	Removal of Mud Structures Addition of classes
Fencing	All ward villages	Mielie fields and grazing land
Housing	All ward villages	Rural Housing
LED	Lotana Shawbury Shawbury, Lotana, Ngqubusini Lotana, Shawbury, Ngqubusini	Nqubela food security, Velasakhono old age, Lotana barkery and piggery, Ikamvalethu veg. ilitha lamakhosikazi veg. Vukuzenzele veg. Vukani Proj. Landcare Dipping tank
Telecommunication	Lotana	Post office
Poverty relief		
Community awareness projects	Lotana, Ngqubusini	Ntlalonto family preservation programme
Community halls MPCCs	All ward villages	
Health facilities		
Pre-schools and Daycare centres	All ward villages	Pre-schools
Sport facilities	All ward villages	All codes

	Dumba All ward village Nkanti, Dumba, Tina Falls, Tsonyana Mampingeni, Ngwemnyama	Dumba Poultry Sheep Dipping Tank Dipping Tank Renovation of Dipping tank
Telecommunications	Tina falls	Post office
Poverty Relief	All ward villages	Massive food production and food security
Community Awareness	All villages	HIV and Aids, Crime, domestic violence, Drug and Alcohol Abuse, Initiation schools
Community Halls And MPCs	All ward villages Mampingeni	Ward centre
Health Facilities	Mampingeni	Clinic and mobiles to other villages
Pre-schools and Daycare Facilities	All ward villages	Pre-school
Sports Facilities	All ward villages Tina falls stadium	All sport codes Renovation
Dipping tanks Stock dams Land care	Dumba, Tina falls, Mdeni All ward villages All ward villages	New constr. New constr. & Renovation

WARD NUMBER 11

Service	Location	Need
Community facilities	Mbhongweni, Makhoti Mbhongweni	Old Age Home Police Station
Electricity	Makhoti, Ndakana, Endwe, Khwam, Mbhongweni, Magumbini, Manzana, Sixhotyeni, Mthika, nongingqi	Electricity supply Extensions
Roads	Magumbini to Nzondeni A/R, T163, T167, Caweni to Dudumeni A/R, T163 to Endwe A/R, Zixhotyeni to Mthombe A/R, Mngcengco A/R, Black Surfacing of T167 Nkingeni to Ezixhotyeni A/R, Embhongweni to Endwe A/R, Ezibhodini to Magumbini A/R, Zinkawini to Khwam A/R, Ndakana A/R Bridge at Ntlangano, Tina bridge	New construction Maintenance
Water	All ward villages	Water supply and addition of taps
Sanitation		
Schools	Mtika SPS	Mud Schools

	Mphantaka SPS, Khwam JSS, Mbhongweni JSS, Endwe JSS, Sikll centre (New)	Extension of classes
Fencing	All ward villages	Mielie fields and grazing lands
Housing	All ward villages	Rural housing
LED	Khwam Endwe All ward villages Manzana, Magumbini, Makhoti All ward villages Mbhongweni Ward	Khwam poultry Masimanyane Farming Proj Sheep dipping tank Dipping tank Stock dam Sheering shed Aforestaion and fencing
Telecommunication	Mbhongweni All ward villages	Post office Poor network coverage and SABC
Poverty relief projects	All ward villages	Umngcunube
Community awareness projects	Endwe	Environmental, Electricity, HIV/Aids, Crime, Gender violence
Community halls MPCCs	All ward villages Manzana	Thusong centre
Health facilities	Mbalisweni clinic Ndakana Other villages	Extension Clinic Mobile
Pre-schools and Daycare centres	All ward villages	
Sport facilities	All ward villages	All codes

WARD NUMBER 12

Service	Location	Need
Community facilities	Mkhambeni	Satellite police station and old age home
Electricity	All villages	Connection
Roads	From T162 (Ncadu) via Bovini via Sithophiyeni to Hlabathi JSS; From T162 Mthombe-Xilinx to Zahobe; Mbombo JSS to Ngonyameni; Bhethani-Nyabeni-Ntilini; From T162 via Mangxamfu to Manxiweni; Streets all ward; From Nkalweni to Dumezweni SPS (Bridge); From T291 to Manxiweni-Buwa; From Dweba SSS to Zahobeni; Dumezweni to Tina falls (Bridge)	New Roads

	Nodali to Mbombo A/R, T291 to Buwa JSS, T162, Nodali-ward centre to Rwaxeni Tshathsu Brigde	Maintenance Construction
Water	All ward villages	Water supply
Sanitation	Hlabathi and Betani & Disabled, Buwa	New constr. (extensions)
Schools	Ncumbe JSS, Dumile SPS, Zizamele SPS Magubungela Buwa JSS, Hlabathi JSS	Mud schools In progress Extension
Fencing and equipment	All ward villages	Mealie fields and Grazing Camps
Housing	All ward villages	Rural housing
LED	Ntsheleni Mbombo Nyanisweni Ntilini Mangxamfu Buwa All villages	Sikhumbulenati Garden, Lumphumlo coop Vukani Coop Nyanisweni Pro, Siyakhula Pro, Dipping tank, Masincedane farming Siyakhula garden Siyakhula Pro. Land care
Telecommunications	Hlabathi, Madiba Rwaxeni	Poor network coverage & TV Post office
Poverty Relief	All ward villages	
Community Awareness Projects	All ward village	Crime, drug and alcohol abuse, HIV & Aids, Environment
Community Halls And MPCCs	All villages Rwaxeni	
Health Facilities	Rwaxeni, Mkhambeni, Hlabathi All villages	Clinics Mobile Clinics
Pre-schools and Daycare Facilities	Tembelani, Mbombo, Vusani, Dumile, Zithulele, Ntsheleni, Gwedane, Hlabathi	Preschool
Sports Facilities	All ward villages	Sport grounds

WARD NUMBER 13

Service	Location	Need
Community Facilities	Gabazi, Samaria Majuba, Samaria	Police Station Old age home
Electricity	Ngxalane, Mpindweni	Electrification

	<p>Mdyobe</p> <p>Godini, New Stad, Gabazi, Maxhiweni, Buhlungwana, Mzoboshe, Ngxakolo, Sikhobeni, Samaria</p>	<p>In progress</p> <p>Extension</p>
Roads	<p>Godini- Buhlungwana A/R, New Stad A/R, T-road to Ndwaleni-Dumnqeshe, Gabazi- Mpidweni A/R, Gabazi to Madukuda, Matshona to Toleni A/R, Manxiweni (Sikhobeni)</p> <p>Mdyobe to Ngxalane, Mkhambeni to Gabazi, Khaleni to Ngcolekini school, Nkalweni A/R. New Stad to Godini A/r, Buhlungwana to New Stad, T165, Gabazi to Mjilana, Godini to Mpindweni, Mdyobe via Mzoboshe to Ngxalane, Junction Xabane to Samaria, Buhlungwana to Tabasa, Tsibiyane School to Samaria, Samaria, Siphongwe to Mjilana,</p> <p>All ward villages</p> <p>Gabazi to Mpidweni; Godini-Buhlungwana, Ngxalane Mzoboshe to Mpidweni</p> <p>Samaria, Madukuda and Xabane</p>	<p>New Roads</p> <p>Maintenance</p> <p>Tar road</p> <p>Bridges</p> <p>Maintance of bridges</p>
Water	<p>Mzoboshe, Mdyobe, Matshona, Samaria, Ngxalane, Mpindweni, Buhlungwana, Godini< Sikhobeni (Manxiweni)</p>	<p>Water supply</p> <p>Maintenance & addition of taps</p>
Sanitation	<p>Samaria A/A</p> <p>Ngxakolo, Godini, Gabazi, Buhlungwana, Sikhobeni</p>	<p>No toilets</p> <p>Extensions</p>
Schools	<p>Sikhobeni SPS, Mkhiwane SPS, Nazareti SPS, Zwelisile SPS. Gabazi JSS, Mzoboshe SPS Majuba High School- New School</p>	<p>Mud schools, Prefebs and Extension</p>
Fencing	<p>Mzoboshe, Godini, Ngxalane, New Stad, Ngxakolo A, Mpindweni (Dlangani), Mdyobe, Samaria, Buhlungwana</p>	<p>Field fencing</p>

	Ngxakolo All ward	In progress Grazing Camps
Housing	All ward villages	Rural housing
LED	Gabazi Gabazi, Godini, Mdyobe, Ngxakolo Buhlungwana Godini & Mpidweni(Mzoboshe & Dlangani), Samaria, Tabasa, Mdyibe All ward villages Gabazi, Mpindweni (Dlangani), New stad, All ward villages	Gabazi Goat Project Poultry Project, Crop Production Project, Bushman Caves discovered, Siyazama Poultry, Baguqule farming, Siyahluma Veg., Iitha lethu poultry, Mnqwini veg & Poultry, Happiness orphans Project, Mdyobe goats, Mgcawezulu project, Sizanani project, Mdyobe Sewing, Thembaletu poultry, Masiphilisane poultry, Phumalanga piggery, Masizame old age, Sinokhanyo support group, Coceka cleaning proj. Mahlasela group (Maskhandi), Makukhanye Mzoboshe Poultry, Godini project Maintanance of dipping tank Dipping tank Sheep dipping tank Aforestation Stock dam, Sheering shed, Land care
Telecommunication	Mzoboshe, Skhobeni, Ngxakolo Ngxalane, Mpindweni, Gabazi, Godini, Mdyobe Samaria, poor network coverage	SABC
Poverty Alleviation		Food security
Community Awareness Projects	All ward villages	Alcohol and drug abuse, Stock theft, HIV/Aids, Environment
Community Halls And MPCs	All villages	
Health Facilities	New Stad All villages	Clinics mobile clinics
Pre-schools and Daycare Facilities	All ward villages	
Sports Facilities	All ward villages	Sports ground

WARD NUMBER 14		
Service	Location	Need
Community Facilities	Mvumelwano Ncalukeni, Ndwane, Tshisane, Balasi Laleni	Ward Centre Old age home Settelite Police Station
Electricity	Mvumelwano 200, Ndwane 10, Upper Roza 15, Lower Roza 20, Zimbileni 15, Laleni 20, Ndasana 25, Ncalukeni 10	Extensions to all
Roads	Laleni to Lotana, Ndwane to N2, Ncalukeni to Qumbu Clinic, Laleni to Manxiweni to Mdeni, Lower Roza to Zimbileni, Makhladini to Shawbury, Manxiweni to T road, Lower Roza Church to N2, Ndasane to Mjikweni A/R, A/R to Grave yards, Moyeni A/R, Ndwane to A/R (Makhladini), Sboko to Stadium A/R, Laleni to Ntilini Mvumelwano, Ncalukeni, Lower Kroza N2 to Mkhladini, T road Mvumelwano to Gabazi, Ncalukeni A/R, Stadium to Moyeni, Balasi Storm water, Mvumelwano to Makhladini, N2 Ncalukeni to N2 Roza, Laleni A/R & Bridge	Access Roads Speed humps Maintenance
Water	Laleni, Addition of taps	Mvumelwano water scheme All ward villages
Sanitation	All ward villages	New construction
Schools	Mahobe j.s.s, Lower kroza j.s.s, Ndasane JSS, Ndwane JSS, FET College	New construction
Fencing Land care	Zimbileni, Laleni, Ncalukeni, Ndasana, Lower kroza, Upper Kroza, All ward villages	Mealie Fields, Grazing Camps & Graveyards To fixed donger and fencing grazing camp
Housing	Zimbileni, Laleni, Lower Roza, Ndasana, Ncalukeni, Ndwane, Mvumelwano, Upper Kroza	New construction
Telecommunications	Upper kroza ward villages(SABC) Ncalukeni,	Poor network coverage, mtn and Vodacom, Poor reception network

		Post office
LED	Mvumelwano, Upper Roza Ncalukeni Ndwane Lower kroza Revival of Laleni Tshisane Ndasane Ward (Tractor)	Women's Garden, Hlanganani Old age, Noni Maqhutyana pro Siyazama Poultry, Uhlaza veg. Old age Grannies, Igqange labafazi Women group, Community garden, Sigugile, Wakeup coop, Ndwane Maize Nursary Nursary, Lalenyouth dev. Community garden, Koluphala Proj. Community garden, Poultry, Sewing(women), Bees(Youth), Fishing, Plantation of Trees, New and Rehabilitation of dams, Goats breeding, Shearing Shed, Vuka gogo, Fruit Orchard, Gardens Ploughing Bee keeping and Fishing, Moyeni Poultry, Siyahluma Victims, Tractor
Poverty Relief	All villages	EPWP, Lima, Greening
Community Awareness Projects	Mvumelwano Lower kroza Ndwane Ndasane, laleni	Crime Crime Rape, alcohol and drug abuse Stock theft
Community Halls And MPCs	All ward villages Mvumelwano	Community Hall Thusong development centre
Health Facilities	Lower Roza All ward villages	Clinics Mobile
Pre-schools and Daycare Facilities	Laleni Ndasane	Daycare centre Daycare centre
Sports Facilities	All ward villages	Sports Grounds and library
Dipping tanks	Ndwane, Upper kroza, Ncalukeni Lower kroza, Balasi, Ndasane All ward villages	New construction Maintenance, Sheep dipping tank
Stock dams	All ward villages	New construction

WARD NUMBER 15

Service	Location	Need
Community Facilities	Balasi	Old age home

Electricity	All ward villages Marambeni, Mbidlana, Zibaneni, Ndakeni, Senkunzi, Balasi, Machibini, Ext 6, Luqolweni, Gqunu farms, Ntseleni	High mast lights and streets lamps Connection of Extensions
Roads	New homes and other villages Zibaneni A/R, Ntsheleni to Mzingisi, Gqunu A/R, Ngcizela to Eric Jafta, Ntlantsana to Mzuku, Luqolweni to Balasi, T195 to Balasi, Pedestrian Crossing (Marambeni & Little floor), T195 to Caba, Surfacing of Ext 2,3,4,6, Storm water drainage (Ntsheleni A/R), Ndakeni, entrance to New homes, A/R to informal settlement Luqolweni A/R, Machibini A/R, Ext 2&5, T195 to Balasi, Mzingisi bridge Senkunzi Lucwaba, Ridge, Little flower, marambeni	Streets New Construction Maintenance Bridge Speed humps
Water	New homes All ward villages	Water connection Maintenance
Sanitation	New homes & All villages Senkunzi	VIP Toilets, Water borne sewage Toilets
Schools	Luqolweni JSS, Balasi JSS, Marambeni JSS, Mzingisi JSS	Addition of classes and Maintenance
Fencing	Qumbu Gqunu farms New homes	Commonage Mielie fields Veg. Gardens
Housing	All ward villages	Rural Housing
LED	Qumbu villages Luqolweni, Gqunu farms Balasi	Shopping complex Dairy farming, Maize farming, Poultry, Brick making, Masiphile Traco, Gqunu Irrigation scheme. Mining

	Marambeni, Zibaneni, Senkunzi, Gqunu Farms Ntsheleni Balasi Marambeni, Kwa tshane	Ubuntu women project, women in agriculture project, Resuscitation of TRACO Old age projects, Sinovuyo Veg. Proj. Landcare Stork dams
Telecommunications		
Poverty Relief	All ward villages	Mngcunube
Community Awareness Projects	All ward villages	Drug and alcohol and HIV & Aids, Crime, environment
Community Halls	All ward villages Qumbu Town Hall	
Health Facilities	Balasi, Marambeni All ward villages	Clinic Mobile clinics
Pre-schools and Daycare Facilities	Senkuzi, Marambeni Ntsheleni, Luqolweni Marambeni Balasi	Khanyalanga, Siyakhula Luqilima, Nolukhanyo Eyethu pre school Nonkqubela pre school
Sports Facilities	All ward villages	All sport codes

WARD NUMBER 16

Service	Location	Need
Community facilities	Matyhameni	Police Station
Electricity	Debeza, Luqolweni, Ncemeni, Konkabi, Nkokweni, Mjikweni, Lower Tyira, Mathyameni, Mission	Village Extensions
Roads	Welsh via Mathyamini to Konkabi Mjikweni A/R, Luqolweni A/R, Ncemeni A/R, Matyhameni to Nxotwe Clinic A/R, All ward villages Konkabi, Ncemeni to Matyhameni, Lower Chulunca	Reconstruction Maintenance Streets Bridge
Water	Debeza, Konkabi, Lower Chulunca Mjikweni, Ncemeni, Lower Tyira, Nkokweni, Debeza, Matyhameni	Water Supply Addition of taps

	Matyhameni, Luqolweni Ncemeni, Konkabi, Matyhameni, Mjikweni	Maintenance Borehole
Sanitation	All ward villages	Extensions
Schools	Lower Tyira JSS Mntonintsi SPS Thintwa JSS	In progress Extension of classes Fencing
Fencing	All ward villages	Mielie fields and grazing lands
Housing	All ward villages	In progress in other villages
LED	Matyhameni Mjikweni Konkabi, Mjikweni, Debeza, Nkokweni All ward villages Luqolweni, Ncemeni, Matyhameni, Lower Tyira Debeza, Nkokweni, Lower Chulunca, Konkabi, Mjikweni Lower Tyira Ncemeni	Vulisango veg., Thandanani Poultry Sisonke Veg., Mjikweni Poultry Dipping tank Landcare Stock dam rehabilitation Sizamele Project Sophumela veg. & Siyazama Poultry
Telecommunication	Matyhameni	Post office
Poverty relief projects	All ward villages	Crop production and other seeds, Mngcunube, CWP
Community awareness projects	All ward villages	Drug and alcohol abuse Crime
Community halls MPCCs	All ward villages Matyhameni	
Health facilities	Mjikweni, Luqolweni, Matyhameni, Debeza	Clinic
Pre-schools and Daycare centres	Nkokweni, Konkabi, Mjikweni, Lower Tyira Matyhameni, Ncemeni, Debeza, Lower Chulunca, Konkabi	Pre-school Day care center
Sport facilities	All ward villages	All codes

WARD NUMBER 17		
Service	Location	Need
Community Facilities	Mahlungulu All ward villages	Old age home, Police Station Graveyard fencing
Electricity	Madukuda All ward villages	Electricity supply Extension connection
Roads	Gqunu A/R, Madukuda A/R, Stitshini A/R, Kanunu A/R, Mnqunyana A/R, Mpidweni A/R, Mphumaze A/R, Madukuda to Mhlangala A/R, Ntsheleni to Mphumaze A/R, Madukuda to Gqunu A/R, Natal to Mjikelweni, Blackhill Streets, Black hill A/R Mhlangala A/R, Lower Ngcolokini A/R, Black Hill A/R, Upper Ngcolokini A/R, Mzuzanto A/R Madukuda Bridge Mpumaze	New construction Maintenance Construction bridge
Water	Mzuzanto, Mhlangala Lower Ngcolokeni, Upper Ngcolokini, Gqunu, Madukuda, Mphumaze All ward villages	Water supply In progress Maintenance
Sanitation	Lower Ngcolokini, Gqunu Upper Ngcolokini	Toilets Extensions
Schools	Mphumaze SPS, Mhlangala SPS, Gqunu JSS, Ngcolkeni JSS, Mahlungulu SSS, Mahlungulu JSS, Zilandana JSS, Gqunu J.S.S. Mahlungulu	Mud school Maintenance and Extension of Classes Special School
Fencing	All ward villages	Mealie fields and grazing lands
Housing	All ward villages	Rural housing
LED	Mahlungulu, Zilandana, Mzuzanto, Mphumaze, Gqunu, Mnqunyana, Madukuda, Lower Ngcolokini, Blackhill, Upper Ngcolokini Mahlungulu, Mnqunyana Mzuzanto, Mpumaze	Stock dams Dipping tank rehabilitation

	Mphumaze Mnqunyana Mahlungulu Mzuzanto All ward villages	New dipping tank Mphumaze veg. Siyakhula Poultry Zamukulungisa Poultry, Siyazama Poultry project Gqunu Rural Development Project Sigcobise veg. Siyazama Poultry Sheep dipping tank, Land care, Shearing shed
Telecommunications	Mahlungulu	Post office
Poverty Relief	All ward villages	Lima
Community Awareness Projects	All ward villages	Crime, Child abuse and HIV&Aids
Community Halls And MPCCs	All ward villages Mahlungulu	Community halls
Health Facilities	Mhlangala, Lower Ngcolokini Gqunu, Madukuda	Clinic Mobile clinic
Daycare Facilities	All ward villages	
Sports Facilities	All ward villages	All sport codes

WARD NUMBER 18

Service	Location	Need
Community Facilities	Mafusini Mdeni	Siyavuyiswa old age Orphans Home
Electricity	Ngxabane, Lower Lwandlana, Ncoti, Sithangameni, Ngxotho, Sigubudwini, Sikolweni, Mdeni, Mafusini, Sikwayini, Ngxangxasini, Cengcane Marambeni	Extension connection New Connection

Roads	Ngxabane A/R, Albert Ludidi A/R, Lower Lwandlana from T101 to School, St Barths A/R from T132 to Kuyasa shop, Cengcane to St barths, T132 to Stangameni, T132 to Sikolweni, Sigubudwini A/R, T132 Black Surfacing, Lower Lwandlana to Nyanisweni, mafusini to Ngxangxasini, Streets in all ward villages	New construction
	Gqili bridge, Mafusini bridge, Ncoti bridge, Tina bridge, Skwayini, Bridge to Mdeni JSS, Ngxoto to sikolweni bridge, Cengcane to sithangameni bridge, Cengcane to Mdeni bridge	Bridges
	Skwayini to Ngxangxasini A/R, Lower Lwandlana A/R, Sikwayini A/R, Ngxotho A/R, Mafusini A/R, Lower Lwandlana to Upper Lwandlana	Maintenance
Water	Skwayini, Ngxangxasini, All ward villages	Water supply Maintenance
Sanitation	All ward villages	Extensions
Schools	Ndlelantle JSS, Zamukulungisa SPS, Skwayini JSS, Sithangameni JSS, Albert Ludidi JSS, Gura JSS	Removal of Mud schools and extension of classes
Fencing	All ward village	Grazing Camps, grave yards and Mealie fields
Housing	All ward villages	Rural housing
LED	Mdeni, Gura, Sikwayini, Lower Lwandlana	Cengcane Veg. Bambanani wool growers, Mdeni Veg, Siyazama veg, Manala development, Ntabantsimbi Veg, Ngcoti veg, Yibanathi Pro, Mfundi Esitiyeni Pro, Sohlamgana Pro, Massive wool growers, Mzamo project, Masivane wool growers, Sinomtha Proj.
	All ward villages	maintenance and construction of

	Mafusini, Nobamba, lower Lwandlana, Sikwayini, Ngxangxasini, Sthangameni, Mdeni, Sikolweni, Ngxotho, Sigubudwini All ward villages	Dipping tank Sheep dipping tank Stock dams and Rehabilitation Computer skills
Telecommunications	All ward villages	MTN Coverage is poor, Vodacom
Poverty Alleviation	Skwayini, Mafusini, Lwandlana	Lima
Community Awareness Projects	All ward villages	Crime, Drug and alcohol abuse, HIV Aids, Abuse and rape of old age, Discipline,
Community Halls And MPCCs	All ward villages Ngxabane	Thusong service centre
Health Facilities	Sikwayini, Ngxangxasini All ward villages	Clinic Mobile clinic
Pre-schools and Daycare Facilities		Thambeka pre school, Langalibalele maintenance, Mahlubi day care centre, Nceduluntu day care centre, Mdeni Pre school, Ngcoti Pre school, Ngxabane Pre school, Lower Lwandlani Pre school, Sithangameni pre-school, Noluyolo-Gura PreSchool, Sigubudwini PreSchool, Mafusini PreSchool, Ngxoto Pre school
Sports Facilities	All ward villages	All sport codes

WARD NUMBER 19

Service	Location	Need
Water Supply	Lwandlana, Tsilithwa, Nonyikila, Nyanisweni & Mthonjeni, Nyaandeni, Mdabukweni	Establish
	Qanqu scheme	Maintenance
Community facilities	Nyanisweni	Police station
Electricity	Nonyikila, Mtondela, Mbeza, Tsilitwa,	Extensions

	lwandlana, mdabukweni, nyandeni, mthonjeni, nyanisweni	
Sanitation	Mthonjeni	Extension
Roads T31 Khalankomo to Qumbu Tech School Nyandeni to Nonyikila Tsilitwa via Lwandlana to Cengcane forest Nyandeni – Qanqu Cengcane forest to Lwandlana Nonyikila to Nyanisweni Sgubudwini to Mthonjeni Sgubudwini to Komkhulu Bridges Great place & Qanqu	T22 – the great place black surfacing Khalankomo to Tsilitwa T131 to Tembani School Luqolweni/Nonyikila Lwandlana Nyandeni & Qanqu Lwandlana Nyanisweni Sivivaneni & Qanqu	Upgrade & Black surface Construction Construction Maintenance & Upgrade Maintenance Maintenance Maintenance & Upgrade Maintenance Construction Repairs
Maize production Irrigation Scheme Dairy project Fencing Aforestation Agro-processing Thusong centre Ward centre Agricultural High School	All villages Tsilitwa & Nobamba Qanqu Qanqu & Nobamba Magxeni, Qanqu, Nonyikila, Nobamba Tsilitwa Tsilitwa Nonyikila Mthonjeni	Tractor supply Establish Establish Establish Fastrek licencing & Implementation Establish Appoint officials Construction Fastrek approval & build Misolwethu weave and bid work Sonombono sewing Siyazondla veg and poultry Zanendyebo project Home made Morning star Sisanceda gran garden

		Umthombomtsha brick making Qanqu brick making Maskhule Poultry Project
Housing	All ward villages	Construction
Mbambisa JSS	Tsilithwa	Major renovation
Qhanqu JSS	Qanqu, Hostel	Construction
Mdabukweni JSS	Mdabukweni	Construction and Sanitation
Thukela JSS & Pre-School	Nyandeni	Construction
Magxeni pre-school	Magxeni	Construction
Langeni pre-school	Lwandlana	Construction
Notintsi School		Addition of classes and Access road
Pre-School	Nobamba	Construction
Qumbu Tech and Joubert	Hostel	Construction
Pre school	Mdabukweni	
Pre school	Mthonjeni	
Pre school	Mtondela	
Mtengwane S.S.S.		Addition of classes
Mtondela SPS		Addition of classes
Community Halls & MPCCs	Tsilithwa Nyandeni	Ward centre
Sport Facilities	Nyandeni	Sport field
Health facilities	Nonyikila, Mtonjeni Luqolweni, Mdabukweni	Clinic Mobile clinic

WARD NUMBER 20

Service	Location	Need
Community facilities	Khalankomo, Khubusi, Etwa Khalankomo	Police Station Old age home
Electricity	Kamastone, Kubusi, Qotira, Mjikelweni,	Extensions

	Qwesa, Gwadana, Qanqu, Ntaboduli, Etwa	
Roads	<p>Sikolweni to Khamastone, Khalankomo to Tsilithwa A/R, Ethwa A/R, Ezimbengwini to Ediphini A/R, Kamastone to Tsilithwa A/R, Qwesa to Ethwa A/R, Black surfacing from Sulenkama to Ethwa and to Tina, Mjikelweni to Mdabukweni A/R, Magontsini A/R, Ntaboduli to Sithaleni, Sithaleni to Sulenkama, Sijako to Dr Njongwe, Manzaniba to Mabuya, Kopshop to Maxabandile, Phelandaba to Qwesa, Kalankomo Old Clinic to Kwa Qwabaza, Xabadiya A/R, Mjikweni to Masimini, Qwesa A/R, Ntaboduli to Tyeni</p> <p>Qwesa to Mjikelweni, Selenkama to Ethwa, Khubusi A/R, Qhanqu to Upper Qotira A/R, Qwesa to Tyemnyama A/R, Nomjezi to Nyandeni, Gqwesa to Kubusi, Etwa to Mjikelweni, Gwadana to Tyeni, Tyemnyama</p>	<p>New Construction</p> <p>Maintenance</p>
Water	All ward villages Khalankomo, Ethwa, Qotira, Mjikelweni	Maintenance (No water) Extensions
Sanitation		
Schools	Zimbengwini JSS, Ethwa JSS, Kamastone JSS, Bavuma JSS, Mjikelweni JSS, Qwesa JSS, Xabadiya JSS, Qotira JSS, Skill centre and High School	<p>Mud schools</p> <p>Extension of classes</p> <p>Qotira</p>
Fencing	Ethwa, Khubusi, Mjikelweni, Qotira, Khalankomo, Ntaboduli, Gwadana All ward villages	<p>Mielie fields</p> <p>Grazing land, Grave yards</p>
Housing	All ward villages Kalankomo white house	Rural Housing Renovation
LED	<p>Ezimbengwini</p> <p>Qwesa</p> <p>Qotira</p> <p>Mjikelweni</p> <p>Ethwa</p> <p>Qotira</p> <p>Qwesa</p>	<p>Loyiso farmers coop.</p> <p>Masiphakameni Coop, Sisonke Pr.</p> <p>Sikelela poultry, Zizamele piggery</p> <p>Nkqonkqozani Qotirha Agric Coop</p> <p>Siyazondla, Siyavana Pro.</p> <p>Sande Mahlubi Coop, Siyazama Ve</p> <p>Iphupha Coop</p> <p>ABS Bakery primary Coop</p> <p>Vuyolwethu poultry</p>

	<p>Kamastone</p> <p>Khalankomo</p> <p>Tyemnyama</p> <p>Khubusi</p> <p>Qwesa</p> <p>Qotira</p> <p>Khalankomo</p> <p>All ward villages</p> <p>Qwesa, Ntaboduli, Qotira</p> <p>Ethwa</p> <p>All ward villages</p>	<p>KamastonePoultry, Baking Porj.</p> <p>Makukhanye Veg</p> <p>Tyemnyama Poultry, Klaas Proj.</p> <p>Iyakhanya garden, Hayi Yiyeke Poultry</p> <p>Vukuzenza old age garden</p> <p>Zenzeleni garden, Zithonga Zithathu Pro.</p> <p>Vulindlela wool growers association</p> <p>Dumaninonke coop</p> <p>Sincedile Project</p> <p>Vukuzenzele Project</p> <p>Masakhane Project</p> <p>Khalankomo Moyeni Holt Project</p> <p>Kubusi woll growers</p> <p>Nkqonkqozani Agrc Coop</p> <p>Etwa maize development project</p> <p>Vukuzenzele Garden</p> <p>Siyazama Project</p> <p>Sheep Dipping tank</p> <p>Dipping tank</p> <p>Rehabilitation</p> <p>Sheering shed</p> <p>Land care</p>
Telecommunication	All ward villages	SABC & MTN poor network coverage, Vodacom
Poverty relief projects	All villages	Siyazondla
Community awareness projects	All ward villages	Crime, HIV/AIDS, Drug and Alcohol abuse
Community halls MPCCs	All ward villages except Khalankomo	Community hall
	Qotira	

Health facilities	Khubusi, Ethwa, Qwesa, Ntaboduli, Sithaleni Gwadana, Ndakeni	Clinic Mobile clinic
Pre-schools and Daycare centres	All ward villages	
Sport facilities	All ward villages	All codes

WARD NUMBER 21		
Service	Location	Need
Community facilities	Ntsohle, Tyhume, Maladini, Ngqwaneni, Jokweni, Ntabasigogo, Dumaneni	Old age home
Electricity	Maqwathini, Sixhotyeni, Mpendle, Nyango Sitishini, Jokweni, Thikolwana, Ntsohle, Sangqu, Dumaneni, Bunene, Ntabasgogo, Hukwini, Ndoyi	New electrification Extensions
Roads	Hukwini-Mpendle-Sixhotyeni A/R, Tsilitwa via Thikolwana to T22, Mangcuseeni to Ntsohle A/R, Mhaga Stop to Sidumana A/R, T22 to Sitishini A/R, Maladini to Ntubini, ntubeni to Ntabasigogo, Ntabasigogo to Tyume, Sulenkama Hospital via Skampsini to Maclear, Sulenkama Hospital via Ramatee to maaclear, Sitishini to Bunene A/R, Sulenkama Hospital to Sangqu A/R, Ndakeni A/R, Ntabasgogo to Hukwini A/R, Sulenkama to Ntubeni A/R, Maladini to Nyango, Sulenkama Hospital to katkop, Ntabasigogo to Ndakeni A/R	New Construction Maintenance
Water	Upper Chulunca Water Scheme, Ntabasgogo water scheme, Bunene water scheme, Gqkunqa water scheme	Maintenance
Sanitation	All ward villages	Toilet supply
Schools	Bunene PS, Maladin JSS, Sangqu JSS Sulenkama SSS,	Removal of mud school Renovation Technical school
Fencing	Sulenkama, Dumaneni-Mthozela, Hukwini-Ndoyi, Maladini-Nyango-Manxeleni, Ndakeni, Gwadana, Ngcoti	Mealie fields

Housing	All villages	Rural housing
LED	Dumaneni Sitishini Thikolwana Mthozela-Dumaneni Sangqu Gqukunqa, Sulenkama, Mthozela Bunene, Ntsohle, Hukwini-Ndoyi, Ngqwanenei, Ngcoti, Manxeleni Banking facilities & EPWP Ntabasigogo, Ntsohle, Sangqu, Gungqwana Jokweni/Thikolwana Nyango, Jokweni/Thikolwana Sitishini, Ntabasgogo, Nyango, Jokweni, Ntabasgogo, Nyango, Sangqu All villages Sulenkama	Thembisa proj. Themhani proj. Nompumelelo Proj. Mthozela/Dumaneni Barkery Sangqu barkery, Sophumela proj., Khanya proj., Sinethemba Proj, Siyazondla, Ikhwezi lomso, Nceduluntu Proj, Trial adjustment Mining tank, Makukhanye Proj. Maintenance (Dipping tank) Shearing shed Stockdans Land care Village Bank
Telecommunication	Sulenkama Sizindeni, Hukwini, Ndoyi, Bunene, Sitishini, Ntabasgogo, Ntsohle, Maladini	Post office No cell net work signals, SABC Network
Poverty relief projects	All ward villages	Food security projects
Community awareness projects	All ward villages	Safety and Liaison.
Community halls MPCCs	All ward villages Sulenkama	Thusong centre
Health facilities	Nyango, Maladini, Manxeleni, Mpendle, MaQwathini, Sixhotyeni, Mpehlo Nyango	Clinics Mobile clinics
Pre-schools and Daycare centres	Ndoyi, Sitishini, Jokweni, Sangqu, Thikolwana, Bunene, Mthunzini, Ntsohle, Mpendle, Dimaneni2, Hukwini, Ntabasigogo, Sitishini, Sangqu, Thikolwana, Jokweni, Tyume, Ntubeni, Luxeni Dumaneni preschool	New construction Needs furniture
Sport facilities	All ward villages	All codes

	Community library (Sulenkama)	
Town development	Sulenkama	Tourism development and Heritage site

WARD NUMBER 22		
Service	Location	Need
Community facilities	Caba	Police station Old age home
Electricity	Ngqongweni, Ngxabaxha, Upper Chulunca, Ngqakaqeni, Mpetsheni, Sibomvaneni, Krancolo, Caba, Mandyimba	Extensions
Roads	T195 to Mpetsheni, Detyana to Maqanyeni, Upper Chulunca to Mthozela, T195 to Mafusini, Ntubeni to Gqwaneni, Gunqwane A/R, Mthozela to Ngxabanxa, Ntubeni to Ngcoti, Nongqongqo to Upper Chulunca, Caba to Ngqukunqa, Nkokweni via Ngqongweni to T195, Gungqwane to Gqukunqa, Mafusini to Gqukunqa, T195 to Nkalweni Mabholompa bridge, Tsitsa bridge T195 to Ngxabaxha, T195, Komkhulu to Kwazulu, Luxeni to Sulemkama, Gunqwane to Maqanyeni School, Upper Chulunca to Machibini, Machibini to Sulenkama, Ngqakaqeni to Caba, T195 to Ngqongweni, T195 to Detyana, Sulenkama to Luxeni	New Construction New construction Maintenance
Water	All ward villages All ward villages	Extensions Water problem and connection, addition of taps
Sanitation	Gqukunqa, Ngqongweni, Komkhulu, Mpetsheni, Krancolo, Sibomvaneni Caba	Supply of sanitation Addition of Toilets
Schools	Zanokhanyo JSP, Ngqukunqa SPS, Kwantabankulu SPS, Upper Chulunca SSS, Gungqwana JSS, Maqanyeni SPS, Krancolo JSS, Detyana JSS, Buhlebelizwe JSS, Upper Chulunca JSS, Shukunxa JSS, Ngqakaqeni JSS, Zwelivumile SPS,	Mud Schools Extension of classes

	Ngqongweni village and Caba	New school, Technical school
Fencing	Ngqongweni, upper Chulunca, Detyana, Sibomvana, Mpetsheni, Mafusini, Ngqakaqeni, Saphompolo, Caba, Luxeni, Mrhoweni, Ngqukunqa, Gungqwane, Ngcoti, Maqanyeni, Krancolo All ward villages	Mielie fields Grazing fields
Housing	All ward villages	Rural housing
LED	Langeni Upper Chulunca Shukunxa Caba Gqukunqa Detyana Ngxabaxha Ngqakaqeni Sibomvaneni Krancolo All ward villages Gungqwana, Ngcoti Caba, Upper Chulunca, Shukunxa, Kwantabankulu All ward villages	Elangeni fruit and veg. Conscious people of Africa Kuyasa Poultry, Siyazama veg Buta Sayolo poultry Zama zama project Fundulwazi garden Nomzamo proj. Caba red meat Siyazama proj. Siyakhuthaza Poultry Thinga Farming Project Khulani Project Sheep dipping tank Dipping tank Renovation dipping tanks Sheering shed Land care
Telecommunication	All ward villages	SABC, other networks
Poverty relief projects	Mngcunube	Food Security
Community awareness projects	All ward villages	Environment, HIV/Aids, Drug and alcohol abuse, Teenage pregnancy, Crime
Community halls MPCCs	All ward villages Kwantabankulu	
Health facilities	Upper chulunca, Ngqukunqa, Other villages	Clinic Mobile
Pre-schools and Daycare centres	All ward villages	
Sport facilities	All ward villages	All codes

WARD NUMBER 23

Service	Location	Need
Community facilities	Siqikini Other villages	Police Station Satellite police station

	Nozityana, Magqubeni	Old age home
Electricity	All ward villages	Extensions
Roads	Kimibili 1 to kimibili 2 A/R, Bajodini to Siqikini, Mbentsa A/R, Mmangweni to Bajodini Chokomfeni A/R, Bajodini to Blackhill, Diphini to Nonkolo	New Construction Maintenance
Water	Kokstad, Moyeni All ward villages	Water Supply Maintenance and addition of taps
Sanitation		
Schools	Nomzamo SPS, Chokomfeni JSS, Middle Tyira JSS, Lingelihle JSS Kimibili JSS,	Mud school Extension of classes
Fencing	All ward villages	Mielie fields and grazing lands
Housing	All ward villages	Rural housing
LED	Kimibili2 Nozityana Bhelekence Bajodini All ward villages Mmangweni, Kimibili2, Bajodini All ward villages	Valindlala veg, Lilitha proj. Siyakhula Proj Masiphakame Sheep dipping tank Dipping tank Sheering shed Land care, Stock dams Stock breeding
Telecommunication	Nozityana, Magqubeni	Poor net work coverage and TV pole, Post office
Poverty relief projects	Umngcunube, Lima	Food security
Community awareness projects	All ward villages Siqikini Hall	Crime, HiV/Aids, Teenage pregnancy, Environment, Drug and alcohol abuse. Needs furiture
Community halls MPCCs	All ward villages	
Health facilities	Siqikini, Chokomfeni All ward villages	Clinic Mobile clinic
Pre-schools and Daycare centres	All ward villages	
Sport facilities	All ward villages	All codes

WARD NUMBER 24		
Service	Location	Need
Community facilities	Magutywa, Upper Malepe-lepe Magutywa	Satellite Police Station Old age home
Electricity	Xhentu Rustenburg, Ntshongweni, Drayini, Magutywa No. 8, Ndzebe, Nxotwe, Upper Malepe-lepe, magutywa No. 9, Lower Malepe-lepe	Electric Supply Extension
Roads	Chekwayo to Ntshongweni, Chekwayo to Nkokweni great place, Ngele A/R, Silevini A/R, Nxotwe to Nkonkabi, Nzebe A/R, Tsolo to Bhinjwa, Lower Malepe-lepe A/R Chulunca to Ntshongweni, T199, T200, Magutywa 9 & 8, Kwa Bhatyi to Drayin , Streets at Lower Malepelepe Tsitsa river, Ngcolosi river	New Construction Maintenance Bridge
Water	Malepe-lepe, Ndzebe, Mncetyana, Cetywayo Magutywa, Cekwayo, Nxotwe,	Water Supply Maintenance
Sanitation	Ndzebe, Malepe, Mncetyana, Nxotwe	Completion
Schools	Daluhlanga SSS, Skills centre Nxotwe JSS, Malepe JSS, Zanebandla JSS, Magutywa JSS, Lower Malepe lepe JSS Lower Malepe-lepe	New Construction Extension of Classes School hall
Fencing	All ward villages except Ntshongweni	Mielie fields and grazing land, Ndzebe pre school
Housing	All ward villages	Rural Housing
LED	Magutywa 9 Ndzebe Nxotwe Upper Malepe Lower Malepe lepe Lower Malepelepe All ward villages Ntshongweni, Nxotwe, Mncetyana, Ndzebe Chekwayo, Mncetyana, Ndzebe All ward villages	Khanyisa poultry Ndzebe youth proj. Zanoncedo proj. Siyazama proj. for Disabled Masithembe Sophumelela, Masikhule sewing, Nceduluntu coop Lusizo Sheep dipping tank Dipping tank Sheering shed Land care, Stock dams
Telecommunication	Chekwayo, Nxotwe, Malepe, Magutywa	Poor network coverage

	Nxotwe, Malepe	Post office
Poverty relief projects	Magutywa, Ndzebe, Upper and Lower Malepelepe	
Community awareness projects	All ward villages	HIV/Aids, Environment, Drug and alcohol abuse, Crime
Community halls MPCCs	All ward villages Malepe	
Health facilities	Magutywa, Mncetyana,	Clinic
Pre-schools and Daycare centre's	All ward villages except for Ndzebe	
Sport facilities	All ward villages	All codes

WARD NUMBER 25

Service	Location	Need
Community facilities	Bheja Toleni and Ncumbe	Old age home Police Station
Electricity	Ngqongo, Goxe Bheja, Sithaleni, Notanaza, Mfundisweni, Magqagqeni, Toleni	Electric Supply Extensions
Roads	Sithaleni to Kholisa, Bhubesini to Tsolo, Mfundisweni to Toleni, T125 to Ntseleni, Matshona to Toleni JSS, T126, T291, T125 to Ncumbe, bheja to Toleni, Ngxalane to Mzoboshe, Ngqongo to Zixhotyeni T291 to Ngqongo, Toleni A/R, Ngqongo to Bhuwa JSS, Tsolo A/R, Ngxalane to Mzoboshe	New Construction Maintenance
Water	Mfundisweni, Buwa water scheme, Sithaleni Mfundisweni, Bhubesini, Toleni, Ncumbe, Notanaza, Tsolo	Water Supply No water and needs addition of taps Fencing of springs and boreholes
Sanitation	All ward villages	Renewal of toilets
Schools	Kholisa ville JSS, Ntsheleni SPS, Siyoyo JSS, Toleni JSS, Ngqongo, Toleni SSS Skill centre	Mud School New construction
Fencing	All ward villages	Mielie fields and Grazing lands
Housing	All ward villages	Rural housing
LED	Magqagqeni	Sibonile sewing project

	Papane (Makukhanye Project) Notanaza Ncumbe Ngqongo Toleni Sthaleni Benja Tolweni All ward villages Ngqongo, Ncumbe, Toleni Bhubesini Sthaleni All ward villages	Masivuyisane proj, Papane Agriculture Project Notanaza youth Proj Ncumbe barking, Sinenjongo Coop. Siyazama Poultry, Mdyobe goat, Khanya wemans proj. Masondlane garden, Mayibuye poultry, Ndumiso Coop, Masizame Sewing. Bhongolethu poultry Siqalo Poultry Proj Votini Maize Production Stock dams and ,maintenance, dipping tank maintenance of sheep Dipping tank Maintenance dipping tank Sheering shed maintenance Sheering shed Land care
Telecommunication	Toleni Mdyobe	Post office Poor network coverage MTN
Poverty relief projects	All ward villages	Formation of coops, planting our gardens
Community awareness projects	All ward villages	Environment, Crime, Drug and alcohol abuse, HIV/Aids, teenage pregnancy.
Community halls MPCCs Ward centre	All ward villages Ncumbe Tsolo	
Health facilities	Beja Other villages	Clinic Mobile
Pre-schools and Daycare centres	All ward villages	Construction and Maintenance
Sport facilities	All ward villages	All codes, Tsolo sport ground

WARD NUMBER 26		
Service	Location	Need
Community facilities	Cingco, Gwali, Tshisane Tshisane, Lotana's gate	Old age home Police Station
Electricity	Jojweni, Nkanini, Tshisane, Cingco, Gwali All ward villages	Extension Highmast lights

Roads	Cingco to Gwali A/R, N2 to Mdeni A/R, Nkanini to Tshisane, T170 to Mandundu T170 to Mbutho, T170, T170 to Cingco, T170 to Gwali, N2 via Tshisane to Cingco, N2 to Nkanini to Mhlakulo, T170 to T171, Speed humps (Jojweni)	New construction Maintenance
Water	All ward villages Tshisane, Upper Lotana, Gwali, Mbutho, Cingco	Addition of taps Maintanance
Sanitation	All ward villages	Addition of toilets
Schools	Cingco JSS, Vukani Kusile JSS, Mchatu JSS, Leppan JSS, Upper Lotana JSS, Gwali	Mud School Extension of classes High school
Fencing	All ward villages Cingco, Mbutho, Gwali, Upper Lotana	Grazing land & Graveyards Miellie fields
Housing	All ward villages	Rural housing
LED	Nkanini Mbutho Gwali Tshisane Upper Lotana Cingco Sidwadweni Lotana All ward villages Upper Lotana Sdwadweni, Gwali, Mbutho All ward villages All ward villages	Siyazama poultry, Someleze sewing Eyethu project, Khulani proj, Jongimpumelelo Proj Nosisa project Vuyisanani project, Tshisane Proj. Upper Lotana women, Makukhanye poultry Cingco youth hard workers Someleze proj, Sidwadweni Proj, Sophumelela Proj. Upper Lotana old age Sheep dipping tank Dipping tank Rehabilitation of dipping tank Sheering shed Land care, Stock dams maintenance
Telecommunication	Gwali, Upper Lotana	No network
Poverty relief projects		Siyazondla, Mngcunube
Community awareness projects	All ward villages	HV/Aids, environment, Teenage pregnancy, Crime, Drug and Alcohol abuse
Community halls MPCCs Ward centre	All ward villages Cingco	
Health facilities	Upper Lotana, Cingco, Mbutho	Clinic

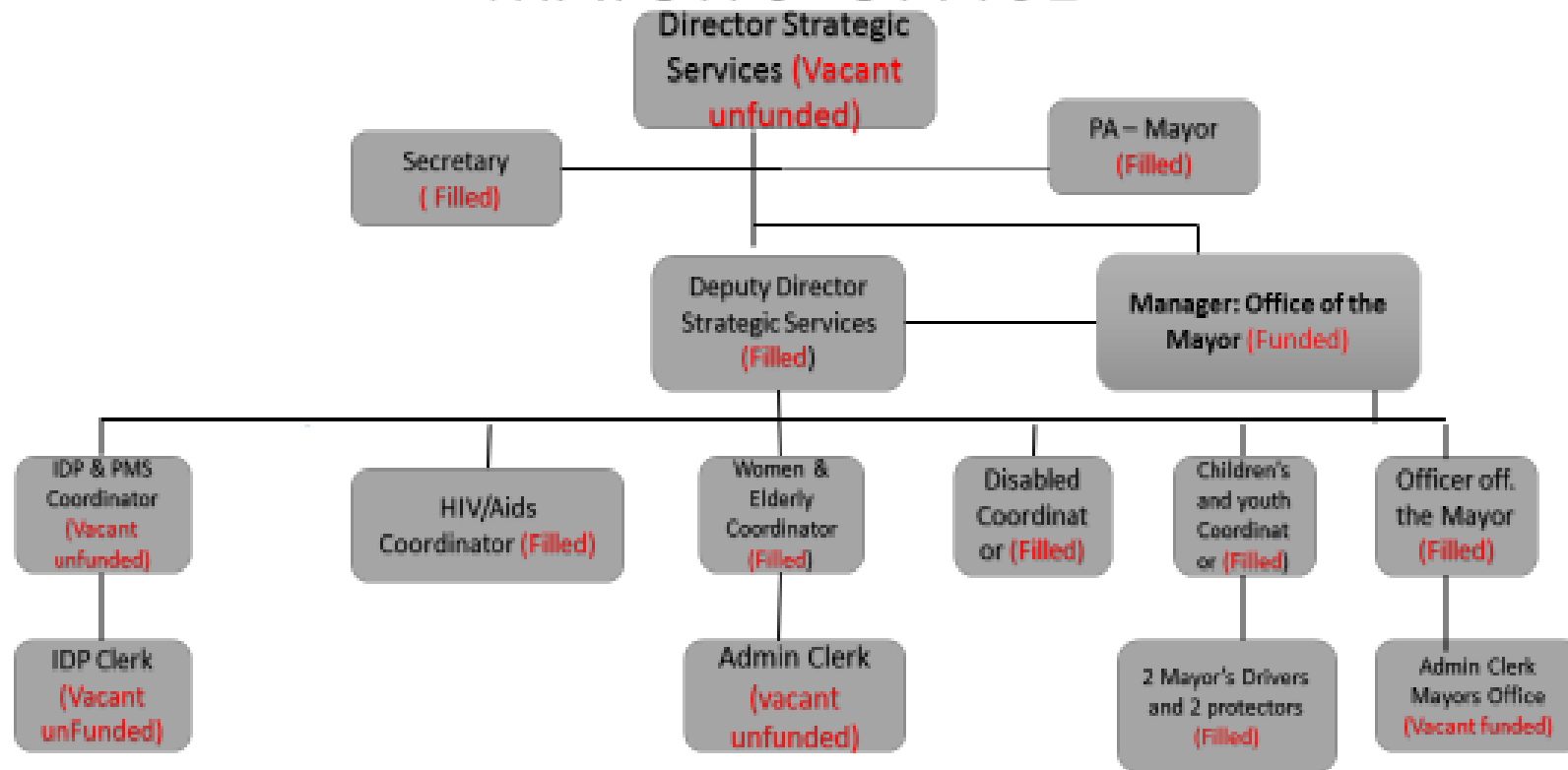
Pre-schools and Daycare centres	All ward villages	
Sport facilities	All ward villages	All codes



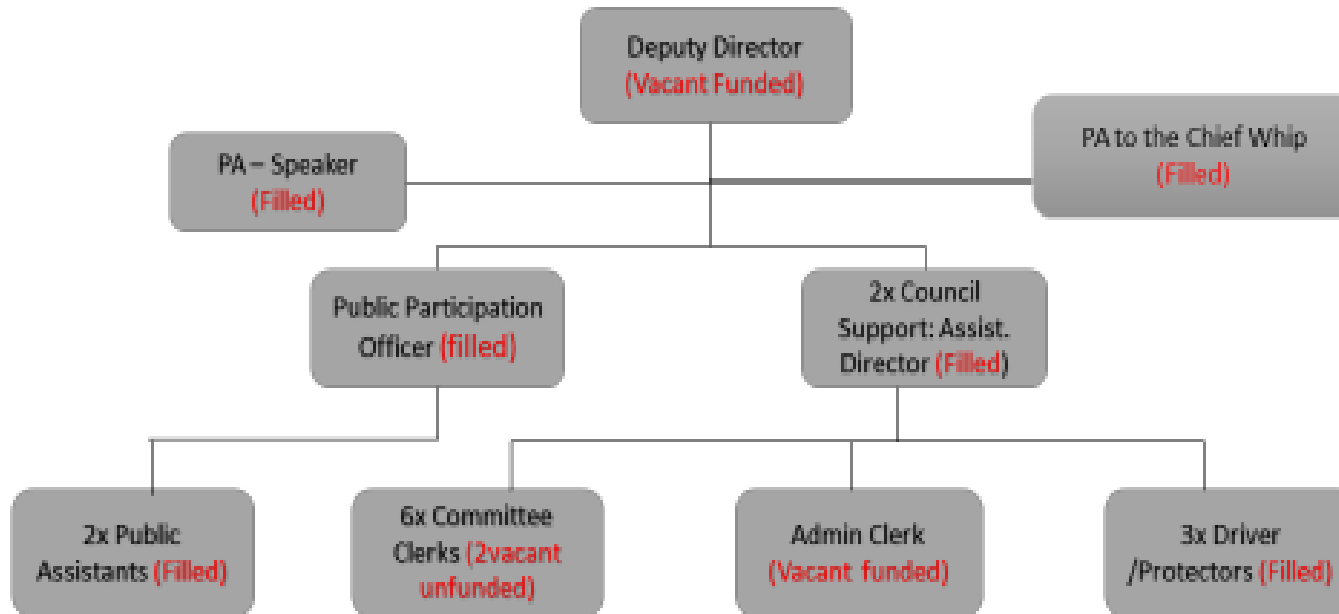
ORGANOGRAM 2016/2017



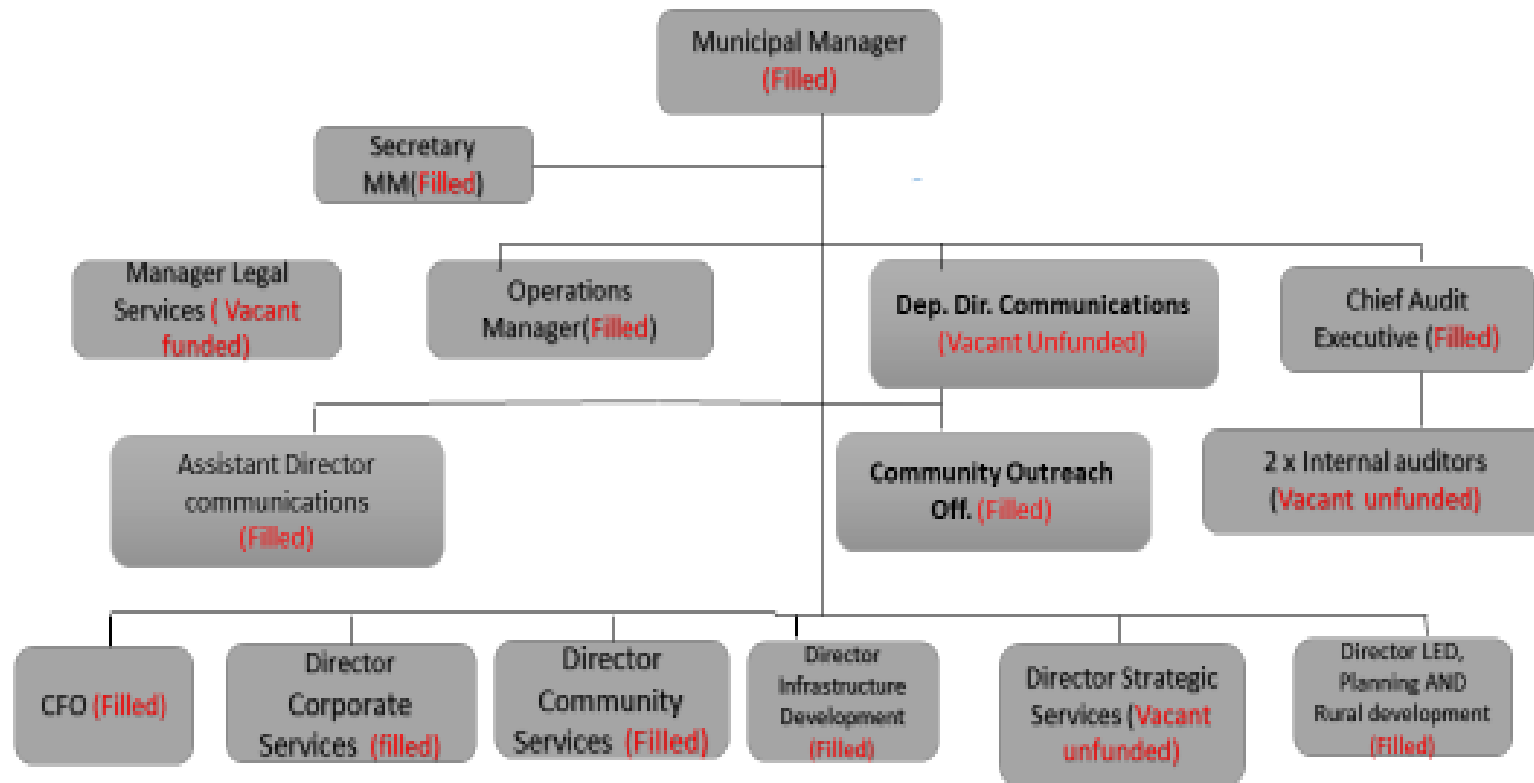
MAYOR'S OFFICE



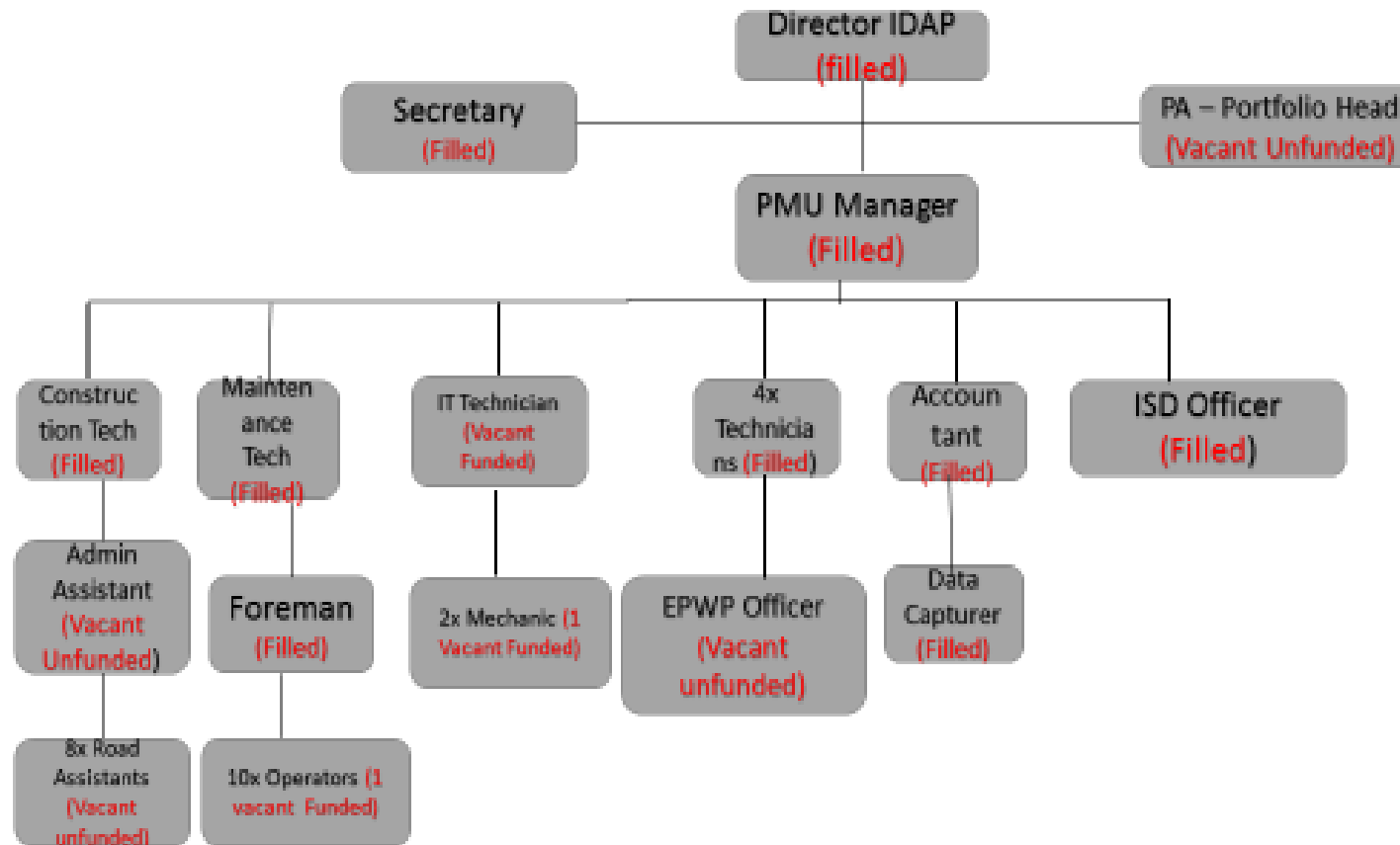
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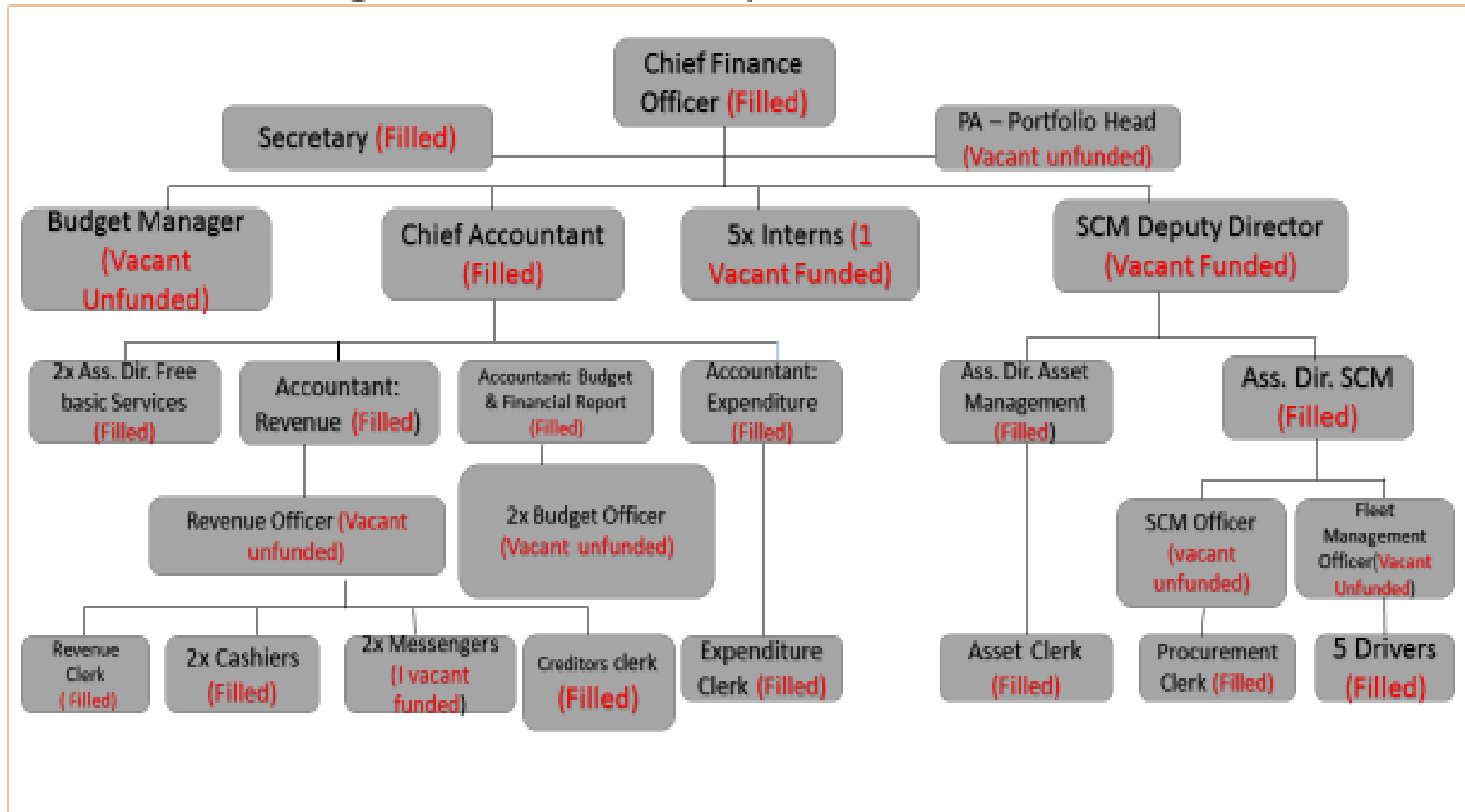
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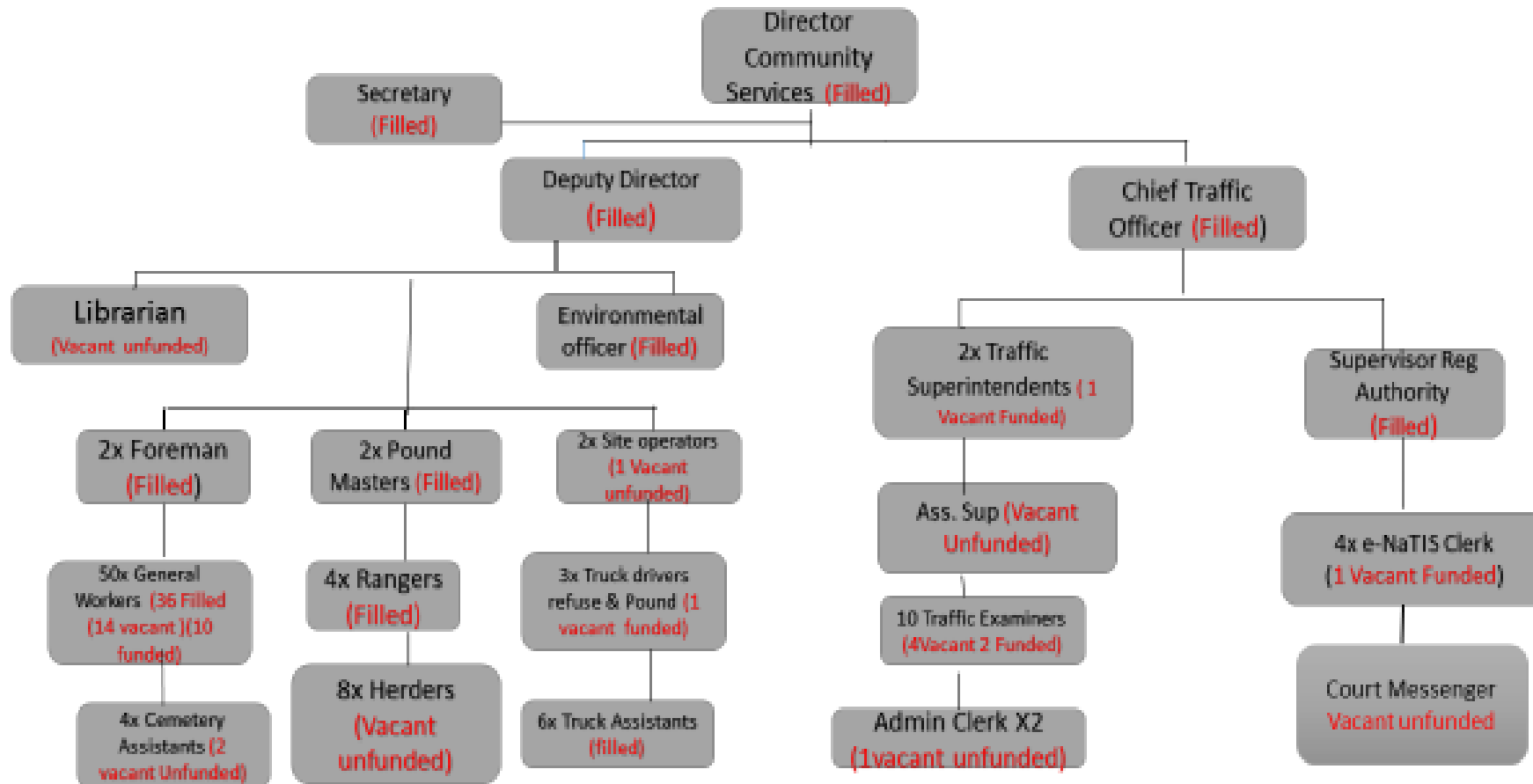
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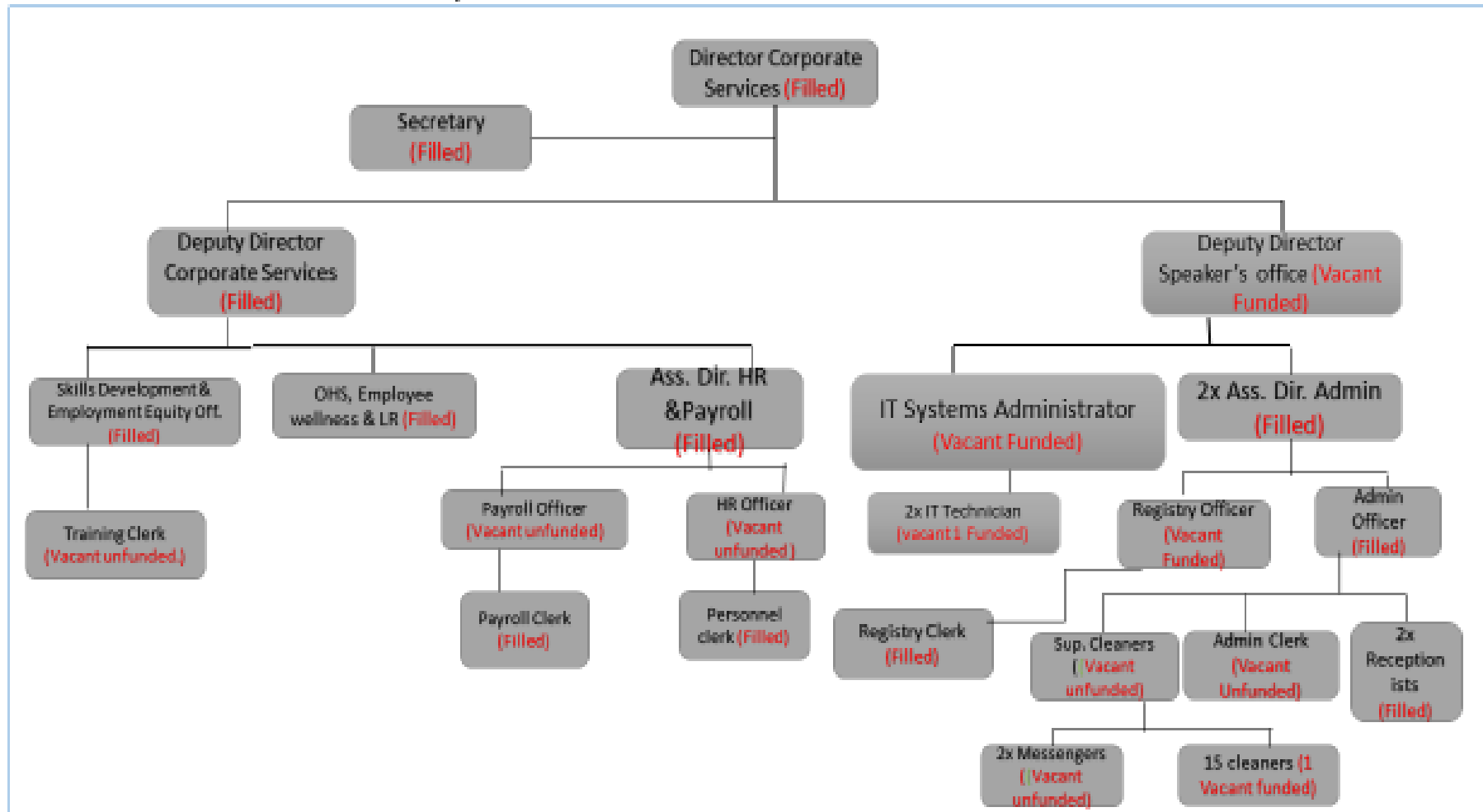
Budget and Treasury Office 2015/2016



Community Services 2015/2016



Corporate Services 2015/2016



LED, PLANNING AND RURAL DEVELOPMENT

