

MBHASHE LOCAL MUNICIPALITY



Integrated Development Plan 2017 – 2022

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CHAPTER 1

SECTION 1: (MAYOR'S FOREWORD AND MM'S MESSAGE)

SECTION 2: GENERAL INFORMATION

2.1. LEGISLATIVE FRAMEWORK

The Local Government: Municipal System Act, 2000 (Act 32 of 2000) as amended compels municipalities to draw up the IDP's as a singular inclusive and strategic development plan. In terms of this Act, a municipality produces an IDP every five years comprising of the following components:

- (i) A vision of the long-term development of the area.
 - (ii) An assessment of the existing level of development which must include an identification of the need for basic municipal service.
 - (iii) Municipality's development priorities and objectives for its elected term.
 - (iv). Municipality's development strategies which must be aligned with any national, provincial sectoral plans and planning requirements.
 - (v) Spatial development framework which must include the provision of basic guidelines for a land use management system.
 - (vi) Municipality's operational strategies.
 - (vii) A Disaster Management Plan.
 - (viii) Financial Plan.
 - (ix) The key performance indicators and performing targets.
- a) The Municipal Planning and Performance Management Regulations (2001) set out the following further requirements for the IDP:
- (i) An Institutional Framework for implementation of the IDP and to address the Municipality's internal transformation.
 - (ii) Investment initiatives that should be clarified.

(iii) Development initiatives including infrastructure, physical, social and institutional development.

(iv) All known projects, plans and programmes to be implemented within the Municipality by any organ of state.

- b) In addition, the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) provides for closer alignment between the annual budget and the compilation of the IDP. This can be understood as a response to the critique that IDP's took place in isolation from financial planning and were rarely implemented in full as a result. Specifically, section 21 (1) of the Act requires that a municipality co-ordinates the process of preparing the Annual Budget and the IDP to ensure that both the budget and IDP are mutually consistent.

Key to ensuring the co-ordination of the IDP and Annual Budget is the development of the Service Delivery and Budget Implementation Plan (SDBIP). The SDBIP is a detailed plan approved by the Mayor of a municipality for implementation of service delivery and Annual Budget. The SDBIP should include monthly revenue and expenditure projections, quarterly service delivery targets and performance indicators.

2.2. WHAT IS IDP?

Integrated Development Planning is a central planning tool for government that embodies local government development goals and a comprehensive service delivery programme. Integrated planning has been developed as a consolidated municipal wide planning process that provides a framework for planning of future development in a municipality. It ensures horizontal and vertical co-ordination and integration across the national, provincial and local spheres of government. In addition, the IDP requires community participation and stakeholder involvement. The integrated development planning process is therefore critical for the success of every South African municipality's endeavours to bring about responsive, developmental and accountable local government.

Mbhashe Local Municipality has already produced three full five year IDPs, that is, 2002 – 2007, 2007-2012, and 2012 – 2017. The Municipality is now developing the 2017-2022 IDP in accordance with section 34 of the Local Government Municipal Systems Act 32 of 2000.

The focus of this IDP is within the context of a seamless integrated strategic planning process. The Municipality has developed a set of long term goals and five year objectives

(to be reviewed annually) that will form the basis of the annual business planning and budgeting carried out on an ongoing basis. The IDP will also be further shaped by inputs from communities and civil society, as well as direction from the political leadership.

A five year IDP supports a single, integrated planning process, with clear demarcation between long-term, medium term and short term planning. The five year IDP should therefore be understood as an interpretation of strategy and political priorities into a detailed Executive Mayoral Plan that is to become the business plans, in this context, are seen as implementation tools.

2.3. ALIGNMENT WITH OTHER PLANS

Sector Plans alignment & integration with National, Province and District plans

The table below outlines the approach and responses adopted to ensure alignment with national, provincial and district programmes & plans.

2.4. POWERS AND FUNCTIONS

- Section 83 (1) of the Structures Act states: A municipality has the powers and functions assigned to it in terms of Sections 156 and 229 of the Constitution
- The Constitution states in Section 156(1) that a municipality has executive authority in respect of, and has the right to administer the local government matters listed in Part B of Schedule 4 and Part B of Schedule 5.
- These functions are contained in the table below

Functions of Mbhashe	Definition	Capacity to perform
Air pollution	The control and monitoring of air pollution that adversely affects human health or well-being or the ecosystems useful to mankind, now or in future.	No
Beaches and Amusement facilities	The area for recreational opportunities and facilities along the sea shore available for public use and any other aspect in this regard which falls outside the competence of the national and provincial government.	Yes
Billboards and display of advertisements in public places	Manage, facilitate and collect rentals from all billboards within the jurisdiction of Mbhashe Local Municipality.	Yes

Building regulations	Development of by-laws, enforcement of by-laws, approval of building plans according to National Building Regulations	Yes
Cemeteries, funeral parlours and crematoria	The establishment conduct and control of facilities for the purpose of disposing of human and animal remains.	Yes
Child care facilities	Facilities for early childhood care and development which fall outside the competence of national and provincial government	Yes
Cleansing	The cleaning of public streets, roads and other public spaces either manually or mechanically	Yes
Control of public nuisance	The regulation, control and monitoring of any activity, condition or thing that may adversely affect a person or a community	Yes
Control of undertakings that sell liquor to the public	The control of undertakings that sell liquor to the public that is permitted to do so in terms of provincial legislation, regulation and licenses , and includes an inspection service to monitor liquor outlets for compliance to license requirements in as far as such control and regulation are not covered by provincial legislation	Yes
Disaster	Responsible for the co-ordination of Disaster Management	Yes
Facilities for the accommodation, care and burial of animals	The provision of and/or the regulation, control and monitoring of facilities which provide accommodation and care for well or sick animals and the burial or cremation of animals, including monitoring of adherence to any standards and registration requirements and/or compliance with any environmental health standards and regulations	Yes
Fencing and fences	The provision and maintenance and/or regulation of any boundary or deterrents to animals and pedestrians along streets or roads	No
Firefighting Services	Provision of firefighting services and resources	No

Housing	Facilitation of the Housing development, with key focus on beneficiary identification, town planning matters, building plans and stakeholder engagement	Yes
Licensing of dogs	The control over the number and health status of dogs through a licensing mechanism.	No
Local sport facilities	The provision, management and/or control of any sport facility within the municipal area.	Yes
Local Tourism	Tourism development and promotion	Yes
Markets	The establishment, operation, management, conduct, regulation and/or control of markets other than fresh produce markets including market permits, location, times, conduct etc.	No
Municipal abattoirs	The establishment conduct and/or control of facilities for the slaughtering of livestock.	No
Municipal Airports	Provision and management of facilities	No
Municipal Health Services	Water quality monitoring, food control, waste management, health surveillance of premises, surveillance and prevention of communicable diseases, vector control, environmental pollution control and disposal of the dead	No
Municipal parks and recreation	The provision, management, control and maintenance of any land, gardens or facility set aside for recreation, sightseeing and/or tourism and include playgrounds but exclude sport facilities.	Yes
Municipal Planning	The compilation and implementation of and Integrated Development Plan in terms of the Systems Act.	Yes
Municipal Public Transport	Provision of services and infrastructure and regulation of the passenger transport services	No
Municipal Public Works	Provision of community facilities other than schools and clinics	Yes

Municipal Roads	The construction, maintenance, and control of a road which the public has the right to and includes, in addition to the roadway the land of which the road consists or over which the road extends and anything on that land forming part of, connected with, or belonging to the road, and also, for purposes of a local municipality, includes a street in build-up areas.	Yes
Pontoons and ferries	Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matter related thereto, and matters falling within the competence of national and provincial governments	Yes
Pounds	The provision, management and control of any area /facility set aside by the municipality for the securing of any animal or object confiscated by the municipality	Yes
Public Places	The management, maintenance and control of any land or facility owned by the municipality for public use	Yes
Storm water	The management of systems to deal with storm water in built-up areas	Yes
Street lighting	The provision and maintenance of lighting for the illuminating of streets	Yes
Street trading	The control, regulation and monitoring of the selling of goods and services along a public pavement or road reserve	Yes
Trading regulations	The regulation of any area facility and/or activity related to the trading of goods and services within the municipal area not already being regulated by national and provincial legislation	Yes
Traffic and parking	The management and regulation of traffic and parking within the area of the municipality including but not limited to, the control over operating speed of vehicles on municipal roads.	Yes

AGENCY FUNCTIONS

- Libraries – Department of Sports, Recreation, Arts & Culture (DSRAC))
- Vehicle and Driver licensing – Department of Transport (DoT)

SECTION 3: BENEFITS OF IDP

- i. Focused and Proactive Management
- ii. Institutional Analysis
- iii. Matching Resources to Needs
- iv. Project Management
- v. Performance Management
- vi. Realistic Planning
- vii. Unification and Consensus Building
- viii. Empowerment of Stakeholders
- ix. Focused Budgeting
- x. Change Agent

SECTION 4: PUBLIC PARTICIPATION

One of the main features of the Integrated Development Planning process is the involvement of community and stakeholder organizations in the process. Participation of affected and interested parties is obligatory in the IDP drafting process and is set down in Sections 16-18 of the Municipal Systems Act. This is to ensure that the IDP addresses the real issues that are experienced by the citizens of a municipality.

The Mbhashe Local Municipality comprises a large geographical area with many people. To ensure that there is representation of various organized and groups our Municipality used the following approach:-

- I. The Amathole District Municipality placed a blanket notice on the Local newspaper (Daily Dispatch) inviting interested parties to participate in the Representative Forums (Mbhashe Local Municipality being one).
- II. Languages being used as medium of communication will be English and Xhosa.
- III. National and Community radios will be used including UmhloboWenene, UNITRA Community Radio, and Khanya Community Radio.
- IV. Use of Local Circulating Newspapers, Isolezwe
- V. Announcements in churches, schools, community activities like Imbizo's, weddings
- VI. Advertisements notifying and inviting the public either in the Daily Dispatch or Isolezwe

Public participation is institutionalised through a unit linked to the office of the municipal manager. This is coupled with other interventions including but not limited to IDP representative forum and mayoral imbizo's and roadshows.

The Public Participation & Petition Strategy has been developed and reviewed in April 2015 and currently there are no challenges in the implementation of the public participation strategy. The communities participate in the IDP process through the Representative Forum that is generally attended by all Councillors, Traditional Leaders participating in the Council, IDP Steering Committee members, organised groupings and interest groups, sector departments operating within Mbhashe Municipal area, All Ward Committees and Community Development Workers. After the tabling of the draft IDP/Budget to the Council, road shows to all the wards are undertaken, where members of the community are assisted in the form of transport and catering, to attend these meetings.

The Mayoral Imbizo's are being organised per ward before start analysing the situation and the status quo of service delivery progress. The Imbizo's also give opportunity to the members of the communities to identify three priorities per each ward which need to be looked at during the planning and identification of projects by the municipality.

Participation takes place through the established structures in the municipality such as Ward Committees, the IDP Rep Forum, War rooms..

The Council established these structures to encourage community members to contribute in the decision- making processes and aslo to advise the Council on various matters to ensure that proper decisions are taken to enhance the development of Mbhashe. This is also a feedback session with regard to infrastructural developments.

4.1. Legal Requirements

Section 152 of the Constitution places the participation of communities at the centre of service delivery and other matters of Local Government.

4.1.1 Constitutional Mandate

4.1.2 National Framework

4.1.3 Municipal By-laws

4.1. Principles of Participatory Democracy

4.2. Ward Committees

4.3. Vehicles for Participation

The Public Participation & Petition Strategy has been developed and reviewed in April 2015 and currently there are no challenges in the implementation of the public participation strategy. The communities participate in the IDP process through the Representative Forum that is generally attended by all Councillors, Traditional Leaders participating in the Council, IDP Steering Committee members, organised groupings and interest groups, sector departments operating within Mbhashe Municipal area, All Ward Committees and Community Development Workers. After the tabling of the draft IDP/Budget to the Council, road shows to all the wards are undertaken, where members of the community are assisted in the form of transport and catering, to attend these meetings.

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4.4. Council Meetings and support

All council meetings are being advertised and are always open to the public. To ensure optimum functionality of the council and its structures Mbhashe municipality has a unit that is dedicated to support the work of the council. The unit takes minutes in all meetings of the municipality and its committees. It ensures proper filing of minutes. A register of resolutions of the council is compiled and maintained. The unit is responsible to coordinate effective functioning of the Council and its committees.

4.5. Communication

4.6. Regulations

CHAPTER 2

IDP PROCESS

i) Introduction

Following the election of the new council on 3rd August 2016 the municipality embarked on a process of formulating its five year integrated development plan (IDP) 2017 - 2022. This document outlines the programmes and development commitments that will be delivered during the term of the current council. The IDP supersedes all other plans of a municipality. The municipality is embarking on the development of the IDP for the 2016/17 financial year. The following Process Plan for IDP/Budget was adopted by the Council in its ordinary meeting of

31 August 2016.

ii) The Process Plan

The following section outlines the process plan for the formulation of Mphashe IDP. It outlines the mechanisms and procedures that will be followed in the formulation of this IDP. In terms of the process plan the following institutional arrangements were adopted.

iii) Organisational arrangements

There are two main institutional structures viz IDP/Budget/PMS Representative Forum and the IDP/Budget/PMS Steering Committee.

iv) IDP/Budget/PMS Representative Forum

The IDP/Budget/PMS Representative Forum is the main platform for discussion and broad consultation of key decisions and recommendation for council adoption. It is comprised mainly of various representatives from the following institutions or interest groups:

- a) Secretariat of IDP/Budget/Steering Committee
- b) Executive Committee members
- c) Ward Committees & CDWs (Community Development Workers)
- d) Traditional Leaders
- e) Business community

- f) Civic bodies & known NGOs / CBOs
- g) Rate payers
- h) Sector Departments & State Owned Enterprises

Action Plan

The following table below gives a list of meetings and workshops held for the IDP formulation process.

Table 1

ACTIVITY: JULY 2016 – JUNE 2017 Preparation phase / Pre-planning				
IDP	PMS	BUDGET	DATE	RESPONSIBILITY
Compilation of Draft IDP, PMS and Budget Process Plan Commences			01/07/2016	Senior Manager Operations
	Development of Performance Agreements for S56 Managers		01-31/07/2016	Senior Manager Operations
Pre-planning Session, ADM District Planning Coordinating Forum			21/07/2016	IDP Practitioners
	Draft Annual Report Working Session		25-27/07/2016	Senior Manager Operations
	Submission of Performance reports and performance information Q4 to Strategic			Senior Manager Operations
	Submission of Performance reports and performance information Q4 to Internal Audit		23/07/2016	Municipal Manager
		Budget Steering Committee to discuss rollovers, savings declarations and new applications		CFO

	Submission Performance Agreements for S56 Managers to Provincial Treasury	Submit to National Treasury the following documents: Quarterly budget returns, Budget locking certificate, Reviewed SDBIP for 2016/17, Grants Reports as per approved NT template, Section 66 report Section 52(d) report, Quarter 4 SCM report for 2015/16	31/07/2016	Senior Manager Operations CFO
	Extended Management Meeting (PMS Reporting to Officer level for July 2015)			Municipal Manager
Special Council Meeting – Swearing in of new council			17/08/2016	Council
ADM IGR Forum (Sector specific analysis information and prioritized local issues)			22/08/2016	Senior Manager Operations
	Submission of Performance Reports to Performance Audit Committee	Annual Financial Statements to Audit Committee	23/08/2016	Municipal Manager
Tabling to EXCO of the Draft 2015/16 Process plan, 2014/15 Draft Annual Report and Annual Performance Report		Annual Financial Statements to EXCO	24/08/2016	Municipal Manager
IDP, PMS and Budget Representative Forum to present draft IDP, PMS and Budget Process Plan 2016/17, PMS Framework and Annual Performance			25/08/2016	Mayor
Council Meeting - Adoption of the IDP/Budget Process Plan	Adoption of Draft Annual Report		31/08/2016	Mayor
		Annual Financial Statements and Annual Performance	31/08/2016	CFO and Senior Manager Operations

		Assessment Information Report & Draft Annual Report submitted to Auditor General Submission of Conditional Grants Unspent Rollover Application		
Advertise Process Plan on local newspaper and submit to MEC, Provincial Treasury, Auditor General and ADM			05/09/2016	Senior Manager Operations
	Extended Management Meeting PMS Reporting		05/09/2016	Municipal Manager
ADM DIMAFO ADM DIMAFO (Sector specific analysis information and prioritized local issues)			14/09/2016	Mayor, Municipal Manager
ADM REP FORUM- (Sector specific analysis information)			15/09/2016	Mayor/Senior Manager Operations
IGR Forum Presentation - *Assessment of existing level of development - Situational analysis *Prepare analysis information on existing services, current backlogs and identification of development priorities *Collect data from other sources, analyze impact of new information and unexpected events *Evaluate achievement of objectives and strategies *Get inputs from Sector Plan information *Assess implementation progress, overview of funding available per department (both from savings as well as internal budget and external funds)			22/09/2016	Municipal Manager
Provincial IDP Assessments			26-30/09/2016	
	MPAC Roadshow – presentation of Draft Annual Report to communities for comments		28,29,30/09/2016	MPAC

IDP/Budget/PMS Steering Committee - Planning on Mayoral Imbizo /Ward Based Plans	PMS Reporting for September 2016		03/10/2016	Senior Manager Operations
	Audit Committee Meeting - Presentation of the Draft Annual report, AG audit status Performance report		04/10/2016	Municipal Manager
	Submission of Performance reports and performance information Q1		07/10/2016	Senior Manager Operations
	Mayoral Imbizos - Public consultations (reporting on annual performance, status of current projects and confirmation of ward priorities)		18-21/10/2016	Mayor, EXCO
		Council meeting Tabling of Section 52 Financial performance report Submission of Quarterly budget returns	26/10/2016	Mayor CFO
ADM IGR Forum - (Sector specific analysis information)			27/10/2016	Senior Manager Operations
IDP Steering Committee meeting/ Technical Strategic Session – presentation of the draft situational and needs analysis			03/11/2016	Municipal Manager
DCPF ADM - presentation of the draft situational and needs analysis and municipal priorities			15/11/2016	IDP Practitioners
	Finalisation of assessment of Annual Report by MPAC			Senior Manager Operations

ADM IDP/ Budget Rep Forum - presentation of the draft situational and needs analysis			17/11/2016	Mayor, IDP Practitioners
IDP/ Budget Rep Forum - presentation of the draft situational and needs analysis			23/11/2016 – Elliotdale 24/11/2016 – Dutywa 25/11/2016 - Willowvale	Senior Manager Operations
		Submit process plan for review of Budget Related policies	28/11/2016	CFO
IGR Meeting			02/12/2016	Senior Manager Operations
	Audit Committee – presentation of Oversight Report, adjustment budget		02/12/2016	Municipal Manager
	Council Meeting – Adoption of Oversight Report		14/12/2016	Mayor
Technical Strategic Session			04 - 06/12/2016	Municipal Manager
	Publication of the oversight report		15/12/2016	Senior Manager Operations
	Submission of oversight report to Legislators, National and Provincial Treasury		15/12/2016	Senior Manager Operations
	Submission of Performance reports and performance information Q2 to Strategic	Budget Steering - Analyze review of capital budget and operating projects from Directorates, Budget Adjustment	05/01/2017	Mayor Senior Manager Operations
	Extended Management Meeting – PMS Reporting		09/01/2017	Municipal Manager
	Submission of performance information, Q2 – mid-term performance reports to Internal Audit	Convene Exco Workshop on Midyear report, adjustment budget and Revised SDBIP	17/01/2017	Senior Manager Operations
Technical Strategic Session Refinement of Objectives,		compile and finalize Mid-year report,	19- 20/01/2017	Municipal Manager

Strategies and Municipal priorities		adjustment budget and Revised SDBIP		
		Check with National Treasury, Provincial Governments and Districts Municipalities for any adjustment to projected allocations for the next 3 years.	23/01/2017	CFO
	Presentation of reviewed SDBIP to the Mayor for approval,		24/01/2017	Municipal Manager
	Special Council Meeting - Table Mid-year performance report and revised SDBIP		25/01/2017	Mayor
	Submission of mid-term performance reports to ADM and Sector Departments (DLGTA, PT and NT		27/01/2017	Senior Manager Operations
IDP/PMS/Budget Steering Committee - Reviewal of the strategies and objectives, setting up new objectives, strategies based on new priorities and budget adjustment	Extended Management Meeting PMS Reporting to Officer level for January 2016		06/02/2017	Municipal Manager
Institutional Strategic Sessions - Reviewal of the strategies and objectives, setting up new objectives, strategies based on new priorities and budget adjustment			8-10/02/2017	Mayor, Municipal Manager
IGR Forum Draft Strategies and objectives and programs, Presentation of project plans from Sector Departments			22/02/2017	Municipal Manager
		Budget Steering Committee – discussions on	23/02/2017	Mayor

		Budget adjustment		
		Mid-year budget and performance assessments visit by Provincial Treasury	02/2017	
IDP/Budget/PMS Steering Committee - Alignment of Strategies, Objectives to project priorities and budget			01/03/2017	Municipal Manager
	Compilation of Draft SDBIP, Performance report		06/03/2017	Municipal Manager
	Extended Management Meeting – PMS Reporting to Officer Level for February 2017			Municipal Manager
Presentation of Draft IDP, Annual Budget, Draft SDBIP, Draft Procurement Plan, Tariffs and budget related policies to the Executive Committee			08/03/2017	Senior Manager Operations, CFO
ADM DPCF - Presentation of Reviewed Draft IDP 2017-2022			08/03/2017	Senior Manager Operations
ADM DIMAFO (Sector specific analysis information and prioritized local issues			09/03/2017	Mayor, Municipal Manager
IDP/Budget/PMS Rep Forum - Presentation of Reviewed Draft IDP 2017-2022			14/03/2017	Mayor
ADM IDP/Budget/PMS Rep Forum - Presentation of Reviewed Draft IDP 2017-2022 for adoption			15/03/2017	Mayor
Council Meeting – Tabling of Reviewed Draft IDP and Budget 2017-2022, Draft Procurement Pan, Tariffs, budget related policies for approval and Organizational Structure		Table third quarter performance report including financial performance analysis report to Council	30/03/2017	Mayor
Advertisement of the draft reviewed IDP and Budget Submission of Reviewed IDP document and Budget, to ADM, Provincial and National Treasury and the MEC for			01-08/04/2017	Senior Manager Operations

Local Government and Traditional Affairs				
IDP/Budget Roadshows - Public Comments Phase presentation of the Draft IDP and Budget to the communities for comments			03-06/04/2017	Mayor, EXCO
	Submission of Performance reports and performance information of the Q3 to Strategic		07/04/2017	Senior Manager Operations
	Submission of Performance reports and performance information of the Q3 to Internal Audit		10/04/2017	Senior Manager Operations
IDP/Budget/PMS Steering Committee – adjustments to the Draft IDP and Budget considering inputs from the public			24/04/2017	
ADM District Planning Coordination Forum – Finalization and presentation of Draft IDP and Budget			02/05/2017	IDP Practitioners
	Extended Management Meeting - PMS Reporting to Officer level		03/05/2017	Municipal Manager
Audit Committee – Presentation of the Final Drafts - IDP, SDBIP and Budget	Performance Audit Committee – presentation of 3 rd quarter performance reports		09/05/2017	Municipal Manager
IGR FORUM - Presentation of final Draft IDP and Budget			10/05/2017	Mayor, Municipal Manager
		Budget Steering Committee -Final Budget integration to IDP	10/05/2017	Mayor

Presentation of final Draft IDP and Budget to the IDP Steering Committee Meeting and finalization of the SDBIP			11/05/2017	Municipal Manager
ADM Council Open Day			16/05/2017	Mayor
IDP/Budget/PMS Rep Forum -Presentation of the final draft IDP and Budget			17/05/2017	Mayor
Council Meeting - Tabling of Final Draft IDP and Budget for approval			25/05/2017	Mayor
ADM SODA			30/05/2017	Mayor
		MTREF Budget, budget related policies, published on council website	01-03/06/2017	CFO and Senior Manager Operations
Advertisement of Final IDP, Budget and Tariffs			08/06/2017	Senior Manager Operations and CFO
	Submission of Draft SDBIP to EXCO		09/06/2017	Municipal Manager
	Presentation of the SDBIP to Mayor for approval		13/06/2017	Municipal Manager, Mayor
Facilitate printing of the IDP for 2017-2022			19/06/2017	Senior Manager Operations and CFO
	SDBIP advertised and submitted to Provincial and National Treasury & MEC for COGTA, AG & ADM		29/06/2017	Municipal Manager

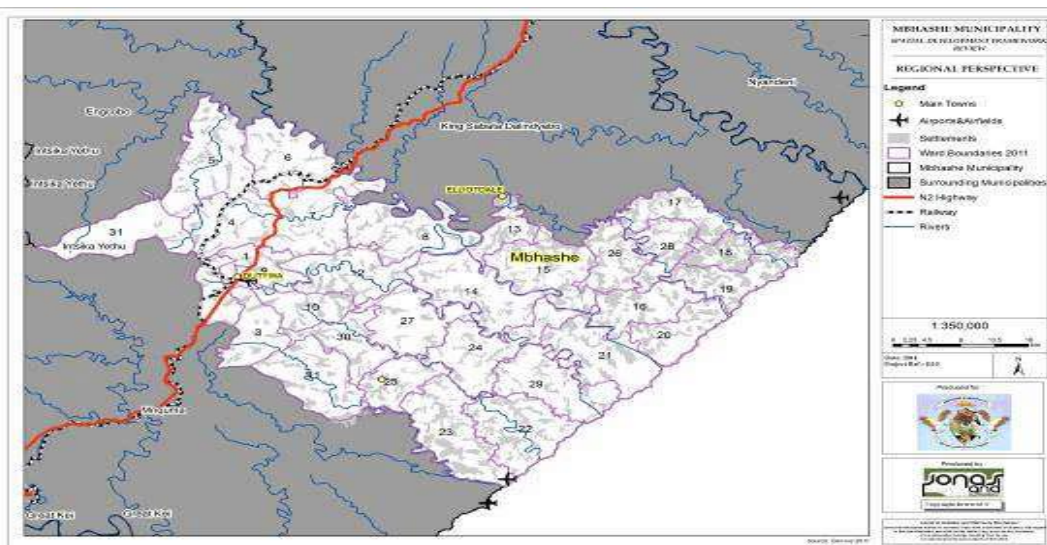
SECTION 1: INTRODUCTION**3.1.1. Locality context**

Mbhashe Municipality (EC 121) is a category B municipality which falls within the Amathole District Municipality (ADM) and consists of 32 wards and 63 Councillors. The municipality is strategically located in the South Eastern part of the Eastern Cape Province, and is bound by the Qhora River in the south to Mncwasa River in the north along the Indian Ocean.

Mbhashe occupies a strategic geographic position within the Amathole District municipality and covers approximately 3200 km² in extent (after the last national elections). It is estimated that the new additions of few villages from IntsikaYethu and Mnquma could be estimated to about 200 square kilometres of land.

There are three main urban centres, namely Dutywa, Willowvale (Gatyana) and Elliotdale (Xhora). Dutywa is the administrative head centre of the municipality.

Mbhashe has earned the name from the beautiful river called Mbhashe which flows from the banks of Ngcobobu flowing through Dutywa, Gatyana (Willowvale) and Xhora (Elliotdale). Mbhashe is comprised of the three towns of Dutywa, Gatyana and Xhora and numerous rural settlements. The area also boasts the head offices of the AmaXhosa Kingdom at Nqadu Great Place.

Map 1

3.1.2 DEMOGRAPHIC PROFILE

Understanding demographics is essential for future planning as it allows for grasping of issues of scale and supply-demand relationships. Without a consideration of demographic profiles, it becomes difficult to plan or forecast future development scenarios. The various sources of statistics used in this document have their own limitations as does all statistical sources and therefore must be understood in context. Largely, statistics in this document is used to provide or analyse trends and inform likely outcome interventions that are suggested in Chapter 2 dealing with development objectives, strategies and possible interventions

3.1.3 SOCIO-ECONOMIC PROFILE

3.1.3.1 Population Size and Distribution

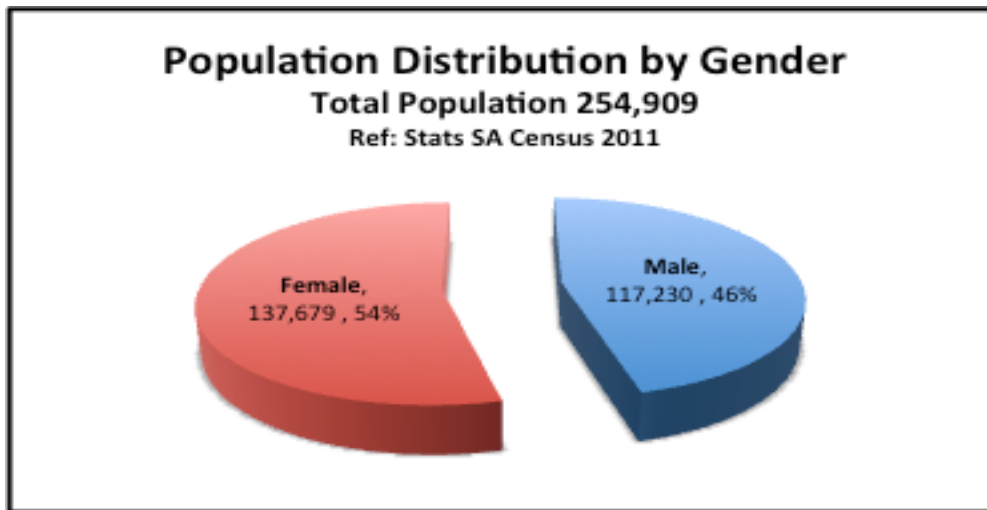
Mbhashe Local Municipality (EC 121) has total population of 254 909 with a household of 60 124 resulting a household size of 4.24 according to the 2011 Stats SA Census. This indicates that Mbhashe has an increase of population and household by 1 537 (1%) and 6 925 (13%) compared to 2001 Stats SA Census resulting a reduction in household size from 4.76 to 4.24.

Table 4: Population size

	2001	2011
Total Population	253,372	254,909
Total Households	53,199	60,124
Household Size	4.76	4.24

The statistics also reveals that the population is female dominating with a Male to Female ratio of 46:54, which is graphically presented in below figure.

Figure 1: Population distribution by Gender



3.1.3.2 Population Projection

For sake of planning purposes, a projection of population till 2026 at a five-year interval is calculated and presented hereunder. An average annual growth rate is considered based on increase of population in 2011 from 2001. This is worth noting that the change of population is very much insignificant over the year.

Table 5: Population projection till 2026

Census 2001	Census 2011	Average Growth Rate	Projection at average growth rate		
			2016	2021	2026
253,372	254,909	0.0605%	255,700	256,500	257,200

3.1.3.3 Age Distribution

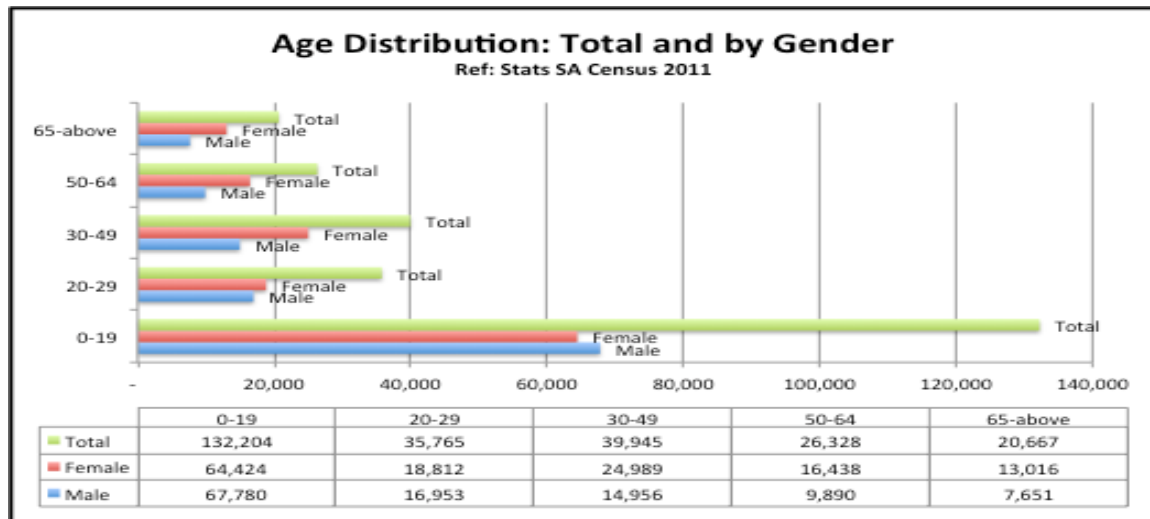
An analysis on 2011 Stats SA Census shows that a bulk of 52% of population is children (age 0-19). About 8% falls in pension group (age 65 +), whilst 40% is at economically active ((age 20-64). This clearly indicates that 60% population is dependent on 40% of youth, which highly demands further consideration of capacity and skill development of the youth population.

It is important for researchers and planners to note that age distribution further indicates that the male population decreases compared to female population with increase of age. The following figure, drawn from Stats SA Census 2011, shows that at child level (0-19) male population is higher than female (51:49) compared to male to female ratio of 54: 46 for total population, which decreases at youth (20-29) to 47:53 that further decreases to 37:63 at age 65 and above. This clearly indicates

that male population is more prone to death with increase of age in comparison to female.

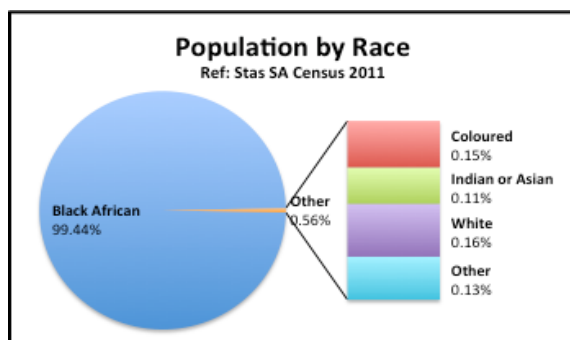
This indicates that the planner has to find a way out of improvement of health and safety of males and capacity improvement of females.

Figure 2: Age distribution



3.1.3.4 Population Distribution by Race

Figure 3. Population By Race



Stats SA Census 2011 reveals that 99.44% (Figure 2.4: Race distribution) of the population is Black African. The distribution according to race is shown in the figure on the right.

2.3.5 Language of the Population

94% of Mbashe population is IsiXhosa speaking following by other (3.21%), other than English (1.54%) and Africans (0.52%). Another 0.66% is using sign language (dumb). The table and figure below give an overall view of the situation.

Figure 4: Language by population

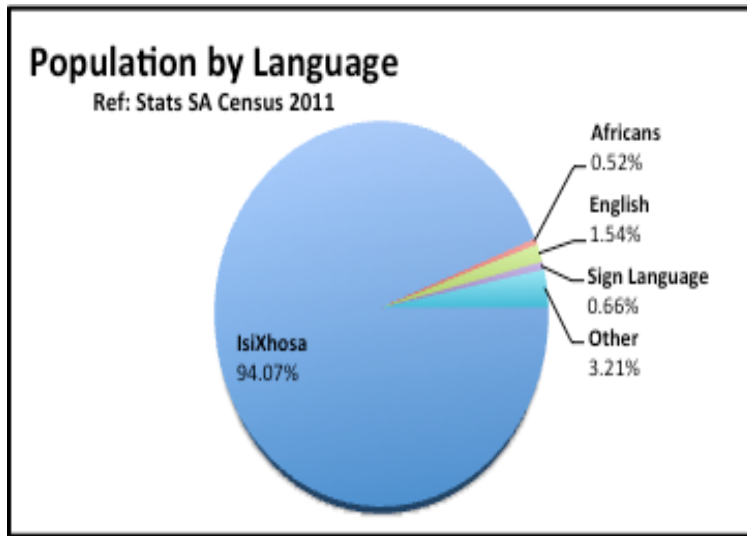


Table 6: Language by population

Language	Population	Percentage
IsiXhosa	239,795	94.07%
Africans	1,334	0.52%
English	3,931	1.54%
Sign Language	1,674	0.66%
Other	8,175	3.21%
Total	254,909	100%

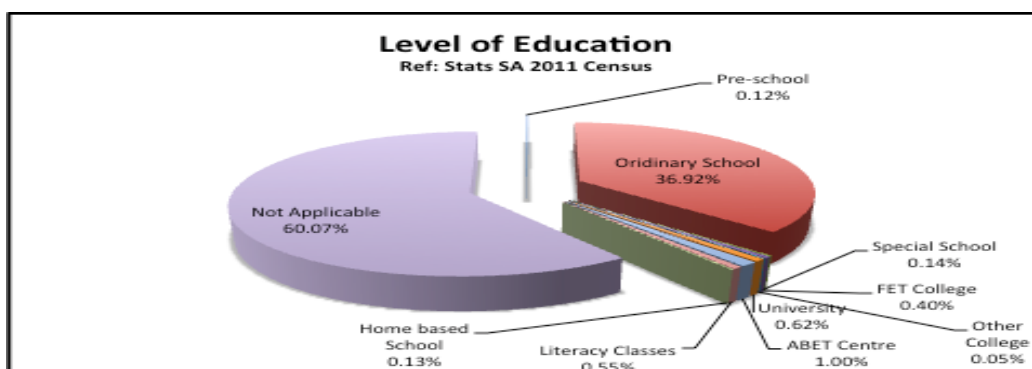
3.1.3.5 Education Level

Table 7: Literacy rate

School Type	Population	Percentage
Pre-school	305	0.12%
Ordinary School	94,122	36.92%
Special School	346	0.14%
FET College	1,019	0.40%
Other College	129	0.05%
University	1,591	0.62%
ABET Centre	2,545	1.00%
Literacy Classes	1,403	0.55%
Home based School	332	0.13%
Not Applicable	153,117	60.07%
Total	254,909	100.00%

Mbhashe owns one of the highest numbers of illiterate populations in the province of the Easter Cape. 60% of its population is illiterate followed by ordinary schooling (Grade R who attended a formal school; Grade 1-12 learners and learners in special classes) of 37%. Only 0.62% has University degrees. The details are given in the table at right, which is further elaborated in the following figure. This causes a high pressure to government as well as the population to engage this population in any formal economic activities.

Figure 5: Literacy rate – graphical



3.1.3.6 Employment Level

Table 8: Employment per sector by Gender

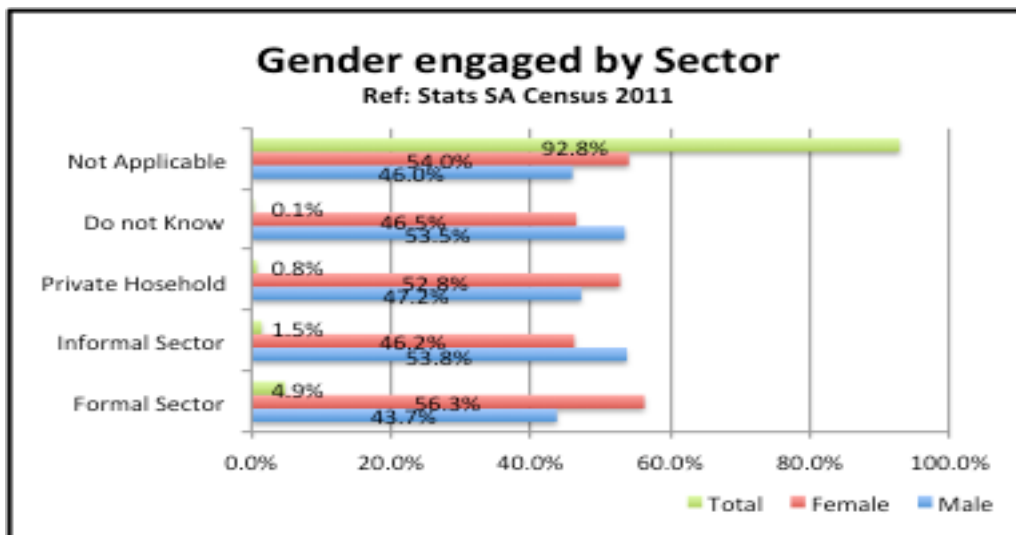
Employment Sector	Male	Female	Total
Formal Sector	5,411	6,963	12,374
Informal Sector	2,007	1,726	3,733
Private Household	943	1,054	1,997
Do not Know	123	107	230
Not Applicable	108,746	127,829	236,575
Total	117,230	137,679	254,909

Mbhashe is earmarked as populated with the highest number of poor population in the province of Eastern Cape, which is again revealed by the 2011 Stats SA Census that identifies that the unemployment rate as 93%. This is the result of high illiteracy rate (ref: article 2.6). Only 5% of population engaged in the formal sector and at 1% in each of informal and private households. The table at the above shows the number of population engaged in various available sector of employment opportunity in the Mbhashe Municipality.

Gender analysis of employment (the below figure) shows that unemployment rate for male and female goes hand in hand with the composition of population as 46:54. This is also

very close to all sector of employment as well. It means that equity of male-female employment is well maintained.

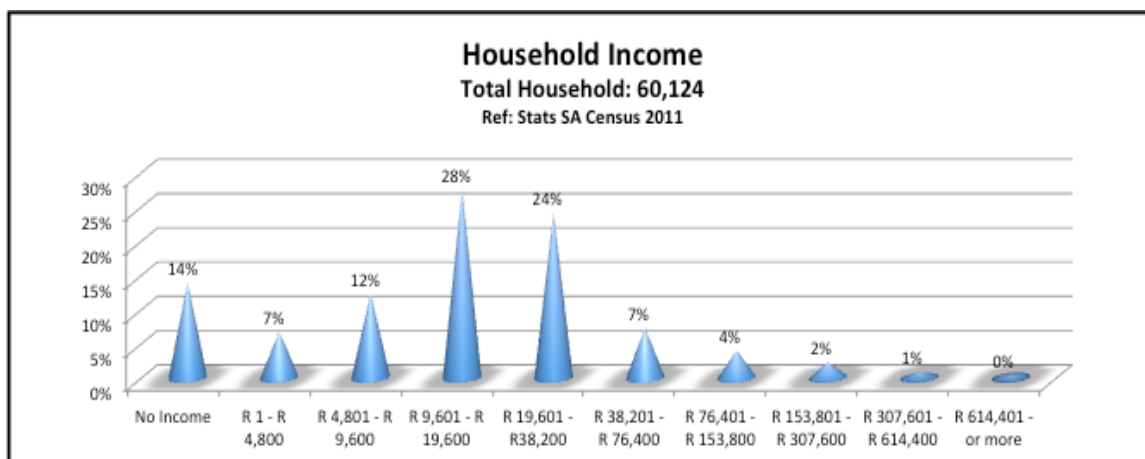
Figure 6: Gender analysis of employment by sector



3.1.3.7 Level of Household Income

The level of household income further explains poverty level of Mphashe. Only 39% of households has monthly income equal to or higher than R 3 000.00, whereas 47% living with equal to or less than R 8 000.00 per month and 14% has no income. It means about 61% households is living within poverty level. The situation is graphically presented in the following figure.

Figure 7: Level of household income



3.1.3.8 Dwelling By House Type

Table 9: Dwelling by house type

House Type	Households	Percent
Brick/ Concrete Block Structure	12,908	21.47%
Traditional Dwelling	39,687	66.01%
Flat Blocks	2,928	4.87%
Cluster House-Complex	135	0.22%
Townhouse: Semi-detached	46	0.08%
Semi-detached	56	0.09%
Backyard House	2,364	3.93%
Backyard Shack	600	1.00%
Shack: Informal Settlement	918	1.53%
Room/ Servant Quarters	161	0.27%
Caravan/Tent	24	0.04%
Other	297	0.49%
Total	60,124	100.00%

Traditional Dwellings, which is 66% according to the last Census followed by 21.47% in Brick or Concrete Block structures and 4.87% in Flat Blocks. The details of dwelling status are given in the table at the right and below figure.

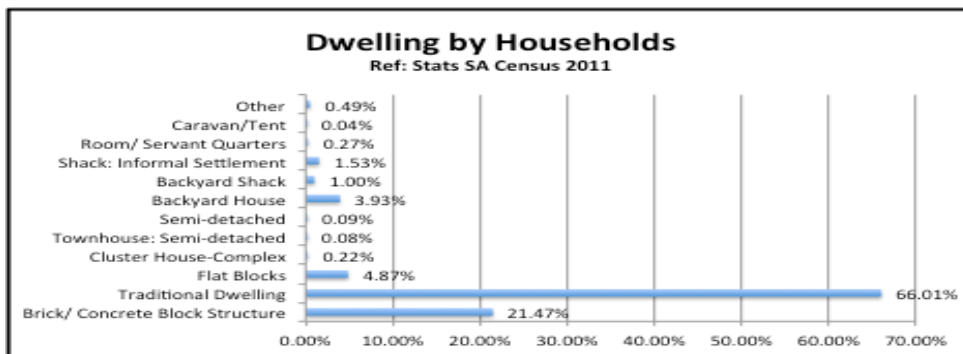
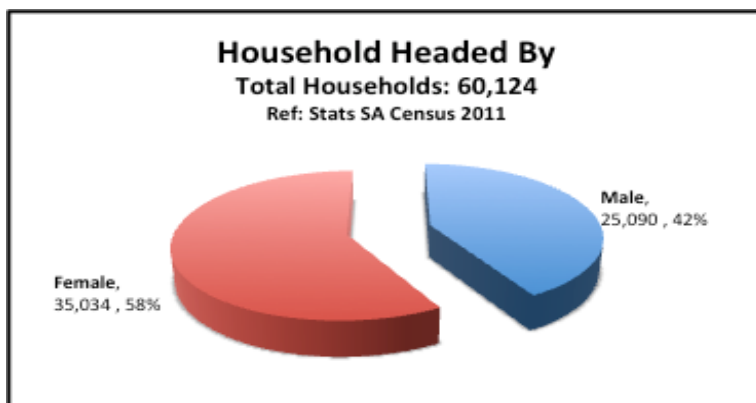


Figure 8: Dwellings by house type

3.1.3.9. Household Heads

Figure 9: Household heads

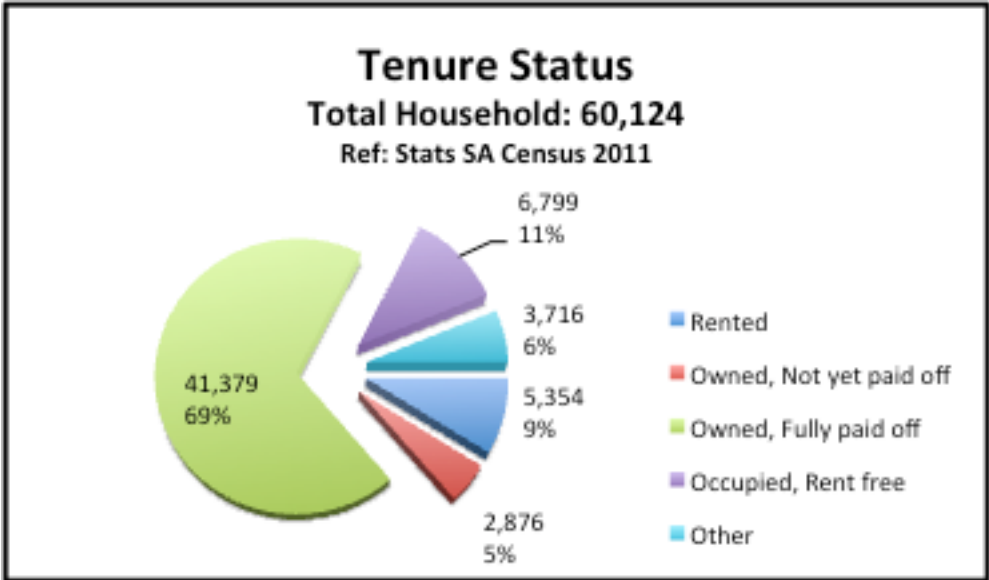


Household is dominated by females with a male to female ratio of 46:54 which is a little higher than population distribution of 42:58. This is mainly because of single female parenthood and under aged mothership, which causes also high level of illiteracy.

3.1.3.10 Tenure Status

An analysis of 2011 Stats SA Census reveals that 69% of population is living in houses owned but not yet fully paid off followed by 11% living in rent free houses. Only 9% is living in owned and fully paid off house and 6% in rented houses. The following figure demonstrates the whole situation.

Figure 10: Tenure status



SECTION 2: ANALYSIS

2.1. LEGAL FRAMEWORK ANALYSIS

AREA	LEGISLATION / POLICY	PROVISION
	Sustainable Development Goals (SDG)	The Sustainable Development Goals (SDGs), otherwise known as the Global Goals , are a universal call to action to end poverty , protect the planet and ensure that all people enjoy peace and prosperity.
	Constitution of the Republic of South Africa, 1996	“A municipality must structure and manage its administration, budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community.”
	National Development Plan; vision 2030	<p>On inclusive and intergrated rural economy</p> <ul style="list-style-type: none"> By 2030, South Africa’s rural communities should have greater opportunities to participate fully in the economic, social and political life of the country <p>On an economy that will create more jobs</p> <ul style="list-style-type: none"> By 2030, the economy should be close to full employment; equip people with skills they need, ensure that ownership of production is less concentrated and more diverse and be able to grow rapidly; providing the resources to pay for investment in human and physical capital

	ANC Manifesto	<p>On Local Economy and Job Creation; the ANC Manifesto emphasis on development and strengthening of local economies to create jobs and promote job placements especially the youth through:-</p> <ul style="list-style-type: none"> • Re orientating local economies to become effective centres of production, information processing and economic and spatial development. • Strengthening structures of Local Economic Development. • Developing sports and recreational facilities to grow local economies. • Ensuring that municipalities incorporate science and technology into their programmes as catalysts for local economic development and deploy innovations such as the hydrogen fuel cell technology. • Up scaling cooperatives to mainstream economic development. • Ensuring that all municipalities develop special programmes targeting youth Co-operatives and enterprises. • Developing the productive and creative skills of young people for economic projects and activities in municipalities.
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		<ul style="list-style-type: none"> • Promoting local procurement of goods and services to increase local production. • Encouraging the growth of SMMEs and cooperatives through centralised government procurement • Maintaining all municipal infrastructure and facilities. • Encouraging local businesses to target young people and to take advantage of programmes to promote youth employment. • Upscaling the Community Work Programme to provide initial exposure to work opportunities to unemployed young people. • Ensuring the Expanded Public Works Programme takes advantage of the Municipal Infrastructure Grant to create labour absorbing activities and work opportunities. • Expanding broadband access in local government, including through free Wi- Fi areas. • Providing residents with information about programmes on sustainable agriculture and rural development. • Assisting rural smallholder farmers to access municipal land for food production and sustainable agriculture.
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		<ul style="list-style-type: none"> • Collaborating with farmers to create better working and living conditions for farm workers. • Working with traditional leaders to ensure that communal land under the trusteeship of traditional leaders is accessible and available for development and economic growth.
	National Framework for LED 2014-2019	<p>The vision as set out by the Framework is:</p> <p>“Competitive, sustainable, inclusive local economies world-class and dynamic places to live, invest, and work; maximizing local opportunities, addressing local needs, and contributing to national development objectives”</p>
	1998 Local Government White paper	<p>The paper introduced the concept of developmental local government; i.e. the “Local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs, and improve the quality of lives.”</p>
	Municipal Systems Act (2000)	<p>In this piece of legislation the Integrated Development Plan is seen as the key instrument to achieve organic, sustainable local economic development; as well as regulate municipal expenditure in respect of LED and build municipal partnerships for LED.</p>

	<p>Regional Industrial Development Strategy</p>	<p>The RIDS Strategic Intent is outlined as follows:-</p> <ul style="list-style-type: none"> • To enable all areas in the SA economy to attain their optimal economic potential by facilitating local development embedded in a regional/district through linkages within existing and latent industrial and economic base. • To stimulate investments that will promote sustained high growth in a local community • To focus on a region’s potential and identify what local stakeholders can and need to do to ensure their local community reaches its potential • To assess a community’s comparative advantage, identify new or existing market opportunities for businesses, and reduce obstacles to business expansion and creation • To have an impact on the economic viability districts • To create new jobs, help communities retain existing jobs, help businesses access capital. • To contribute to a broader national framework with a spatial dimension, in order to increase each region’s global competitiveness.
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Area	Legislation	Linkage/PROMOTION
Integrated planning	a) The Local Government: Municipal System Act, 2000 (Act 32 of 2000) as amended	<p>This act compels municipalities to draw up the IDP's as a singular, inclusive and strategic development plan. In terms of this Act, a municipality produces an IDP every five years comprising of the following components</p> <ul style="list-style-type: none"> (i) A vision of the long-term development of the area. (ii) Municipality's development strategies which must be aligned with any national, provincial sectoral plans and planning requirements. (iii) Municipality's development priorities and objectives for the Council elected term. (iv) An assessment of the existing level of development which must include an identification of the need for basic municipal service. (v) Spatial development framework which must include the provision of basic guidelines for a land use management system. (vi) The key performance indicators as determined by COGTA and performing targets.
Community safety	•Criminal procedure Act 51 of 1977	To make provision for procedures and related matters in criminal proceedings

	<ul style="list-style-type: none"> • National Road Traffic Act 93 of 1996 	To provide for road traffic matters
	<ul style="list-style-type: none"> • South African police Service Act 68 of 1995 	Establishment of municipal police and related matters
Waste Management	<ul style="list-style-type: none"> • National Environmental Management Act 107 of 1998 	To provide for co-operative, environmental governance by establishing principles for decision making on matters affecting the environment, institutions that will promote co-operative governance and procedures for coordinating environmental functions exercised by organs of states, and to provide for matters connected therewith.
	<ul style="list-style-type: none"> • National Environmental Management Waste Act 59 of 2008 	To reform the law regulation waste management in order to protect health and environment by providing reasonable measures for the prevention of pollution and ecological degradation and for securing ecological sustainable development and matters connected therewith
Child and youth care	<ul style="list-style-type: none"> • Children's Act 38 of 2005 	To provide for the early childhood development, child and youth care centers.
Cemeteries, Funeral Parlors and Crematoria	Funeral, Burial and Cremation Services Act of 2002	To provide for establishment licenses and operation of funeral parlours, burials and cremations
Animal Pound	National Animal Pounds Bill of 2013	To establish National norms and standards in order to maintain consistency relating to pound and impounding of animals
Air Pollution	Air Quality Act 39 of 2004	To reform the law regulating air quality in order to protect environment by providing

		reasonable measures for prevention of pollution and ecological degradation and for securing ecological sustainable development and matters connected therewith
Beaches and Amusement	National Environmental Management: Integrated coastal Management Act 24 of 2008	To establish a system of integrated coastal and estuarial management in the republic including norms, standards and policies in order to promote the conservation of the coastal environment and maintain the natural attributes of coastal land scapes and seascapes
Libraries	Libraries and information services Act 6 of 2003	To provide for the establishment of the administration and control of library and information services in the province
Roads and Storm Water	<ul style="list-style-type: none"> • The South African National Roads Agency Limited and National Roads Act 7 of 1998 	To ensure compliance on all roads standards
	<ul style="list-style-type: none"> • Infrastructure Development Act 23 of 2014 	To provide for the facilitation and coordination of public infrastructure development
	<ul style="list-style-type: none"> • National Land Transport Act 5 of 2009 	To provide further the process of transformation and restructuring the national land transport system
Electricity	Electricity Act 18 of 2015	To provide for continuity existence of electricity control board and for control of the generation and supply of electricity and for matters connected therewith

Budget Planning	Municipal Finance Management Act, 2003 (Act 56 of 2003)	<p>The MFMA provides for closer alignment between the annual budget and the compilation of the IDP. This can be understood as a response to the critique that IDP's took place in isolation from financial planning and were rarely implemented in full as a result. Specifically, section 21 (1) of the Act requires that a municipality co-ordinates the process of preparing the Annual Budget and the IDP to ensure that both the budget and IDP are mutually consistent. Key to ensuring the co-ordination of the IDP and Annual Budget is the development of the Service Delivery Budget and Implementation Plan (SDBIP). The SDBIP is a detailed plan approved by the Mayor of a municipality for implementation of service delivery and Annual Budget. The SDBIP should include monthly revenue and expenditure projections, quarterly service delivery targets and performance indicators.</p>
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<p>Planning and Performance management</p>	<p>c) The Municipal Planning and Performance Management Regulations (2001)</p>	<p>This framework set out the following requirements</p> <ul style="list-style-type: none"> (i) An Institutional Framework for implementation of the IDP and to address the Municipality’s internal transformation. (ii) Investment initiatives that should be clarified. (iii) Development initiatives including infrastructure, physical, social and Institutional development. (iv) All known projects, plans and programmes to be implemented within the municipality by any organ of state.
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National Developmental Plan	d) The National Development Plan (NDP) vision 2030	<p>The NDP outcome 9 which stating the responsive, accountable, effective and efficient developmental local government system. The NDP envisages that by 2030 South Africa will be a state that is capable of playing a developmental and transformative role in broad terms such a state intervenes to support and guide development in such a way that benefits society and particularly the poor. The NDP priorities to achieve the vision are as follows</p> <ul style="list-style-type: none"> (i) Members of society have sustainable and reliable access to basic services (ii) Sound financial and administrative management (iii) Intergovernmental and democratic governance arrangements for a functional system cooperative governance strengthened (iv) Promotion of social and economic development (v) Local public employment programmes expanded through the Community Works Programme
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<p>Special Programmes (SPU)</p>	<p>National Youth Policy 2020 Children’s Act 38 of 2005 White Paper on an Integrated National Disability Older Person’s Act 13 2006 Women Empowerment And Gender Equality Act, 2014 National Strategic Plan (NSP) on HIV, STi and TB (2012-2016) Military Veterans Act 18 of 2011</p>	<p>The policy provides guide for:</p> <ul style="list-style-type: none"> • Consolidated and integrated youth development into the mainstream of government policies, programmes and the national budget • Strengthening of the capacity of key youth development institutions and ensuring integration and coordination in the delivery of youth services. • Building the capacity of young people to enable them to take charge of their own well-being by building their assets and realising their potential. • Strengthening of a culture of patriotic citizenship among young people and to help them become responsible adults who care for their families and communities. • Fostering a sense of national cohesion, while acknowledging the country's diversity, and inculcate a spirit of patriotism by encouraging visible and active participation in different youth initiatives, projects and nation building-activities. • Gives effect to certain rights of children as contained in the Constitution. • This prescribes on what can be contributed to the development of disabled people and to the promotion and protection of their rights.
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		<ul style="list-style-type: none"> • The act aims to establish a society of the Older persons who are content, dignified, possessed of a high sense of self-worth and optimising their potential as well as to ensure that they enjoy all opportunities besides being given the care and protection as members of a family, society and the nation.
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2.2. LEADERSHIP GUIDELINES

Mbhashe Local Municipality has already produced three full five year IDPs, that is, 2002 – 2007, 2007-2012, and 2012 – 2017. The Municipality is now developing the 2017-2022 IDP for the fourth term in accordance with section 34 of the Local Government Municipal Systems Act 32 of 2000.

A five year IDP supports a single, integrated planning process, with clear demarcation between long-term, medium term and short term planning. The five year IDP should therefore be understood as an interpretation of strategy and political priorities into a detailed Integrated Plan that is to become the business plans, in this context, are seen as implementation tools. The municipality in developing the document should make an important contribution towards creating a human society which require all councillors and officials to work together and selflessly to improve service delivery and to address service backlogs

Following the election of the new council in 2016 the municipality embarked on a process of formulating its five year integrated development plan (IDP) 2017 -2022. This document outlines the programmes and development commitments that will be delivered during the term of the current council. The IDP supersedes all other plans of a municipality. The following were the priorities that were identified by the municipal leadership that we need to focus on in the next five years.

- Poverty eradication
- Improvement on the illiteracy rate
- Reduce unemployment

- Build active citizenry

2.3. STAKEHOLDER ANALYSIS

Legislative Framework

Background Chapter 4 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) regulates the participation of communities in the affairs of the municipality.

Mhashe Municipality reviewed a public participation and petition strategy in compliance with the requirements of the Act and these are being implemented within the municipality.

Mechanisms for Community Participation

The following are the mechanisms to engage and involve the community members in the development, review, implementation of the IDP and other affairs of the municipality:

IDP Representative Forum: is a forum of representatives of various stakeholders of the municipality, where issues of planning, implementation, reporting and accountability are discussed

Mayoral Outreaches: including meetings with the various stakeholders such as business community, the faith / religious organisations, rate payers of the municipality and other stakeholders

Inter-government Relations Forum: where meetings with national and provincial government department, the Parastatals, the institutions of higher learning and the local further education and training college

Ward Committee: meet monthly in their respective voting stations and quarterly for the ward

Community Development Workers: They have been deployed in all the municipal wards and they assist in co-ordination of service delivery and development and reviewal of the Integrated Development Plan. CDWs assist in the service delivery audits that are undertaken by the municipality and other stakeholders.

Mayoral Imbizos: held at ward level and convened by the Mayor, EXCO and the community members for reporting on past projects, status of the current projects and prioritization of community needs for the next financial year.

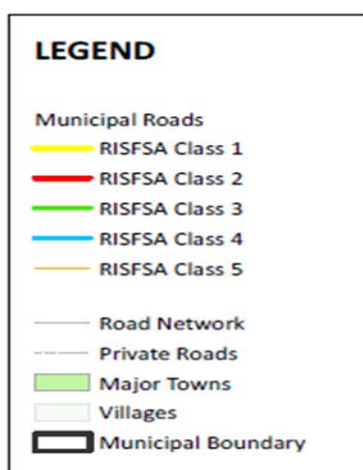
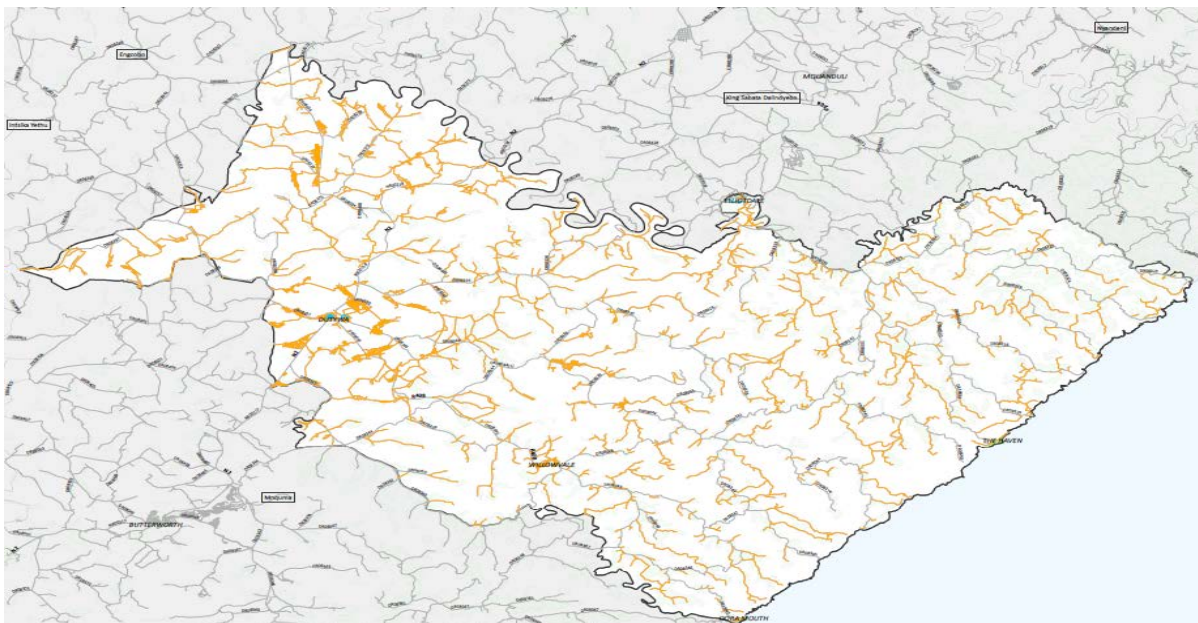
Mbhashe Newsletter: is issued quarterly where news articles about service delivery and the people of Mbhashe are published.

2.4. MUNICIPALITY TECHNICAL ANALYSIS

2.4.1 ROADS AND STORM WATER

Rural Road Asset Management System (RRAMS) indicates that the total length of road network in the entire Mbashe Municipal area is 2696.37km. The total length for National Roads is 40.60 km, total length for Provincial Roads is 776.53km of which 684.93km is unsurfaced, and the total length for Municipal Access Roads is 1879.78km.

RRAMS indicated that Mbashe municipality has huge roads backlog especially on Class 4 and 5 which is the Public Municipal Roads and Non-motorized Access Ways. The total km for municipal roads class 5 is 1862.49km which is 80% of Class 5 are backlogs.



There is a Roads Forum that was established in 2012 chaired by Infrastructure Services Portfolio Head and has been operating well. The following Sector Departments are participating in the forum:

1. Department of Roads and Public Works (Amathole District Roads Maintenance)
2. Department of Roads and Public Works (Amathole District EPWP)
3. Amathole District (RRAMS)
4. SANRAL
5. Department of Rural Development and Agrarian Reform
6. Department of Education (Mbhashe District Office)
7. Department of Health (Mbhashe District Office)
8. Corporative Governance and Traditional Affairs

Participation of the sector departments and other stakeholders in the Roads Forum is encouraging.

Mbhashe Municipality has purchased roads machines. All machines are operating; each municipal unit is having its full set of road machines with some of capital project being implemented internally to fast track backlogs and to increase municipal revenue. Municipality is undertaking a flexible routine roads maintenance schedule for all access roads.

EXISTING PLANT

DUTYWA

Plant Description	Dutywa
Grader	1
Padfoot roller	1
Smooth roller	1
Backhoe loader	1
Tipper trucks	1
Excavator	1
Jaw Crusher	1
Lowbed horse	1
Watercart	1

WILLOWVALE

Grader	1
Padfoot roller	2
Smooth roller	1
Backhoe loader	1
Excavator	1
Tipper trucks	1

Dumper trucks	1
Dumper trucks	1
Front-end loader	1
Watercart	3

ELLIOTDALE

Dozer	1
Backhoe loader	1
Watercart	1

MUNICIPAL PLANT

Grader	2
Backhoe loader	1
Watercart	1
Tipper truck	2
Smooth roller	1
Ped roller	1
Lowbed	1
4 Ton truck	1

Mbhashe municipality is a rural Municipality that entirely relies on Grant in order to deliver services to its communities, Mbhashe municipality is a Municipal Infrastructure Grant (MIG) receiving municipality for implementing infrastructure capital projects such as construction of roads and storm water, public community facilities, sport facilities, LED facilities etc. MIG is received through the establishment of PMU sub directorate which is working under a three year capital plan that is abstracted from the IDP of which its budget is also reflected in the IDP (See project list of the three year Capital Plan). As per the DORA, an indicative allocation figure for 2017/2018 Financial Year is 61 414 and R64 910 for 201/2019 Financial Year. Through this grant the municipality has managed to construct and complete 60 KM of graveled access roads throughout Mbhashe Area over the previous 3 financial years and maintain 691 KM. it is important to note that the municipality has been achieving 100% in the expenditure of all in kind grants for the past 2 Financial Years. The Municipality is fully capacitated in terms of personnel; there is functional 1x PMU Manager, 3x PMU Technicians, 1x Quantity Surveyor, 2x ISD officers and 1x financial accountant. There are also functional roads foremen in each unit each with a full team of operators so as to ensure

that each unit has its own plant in order to fast-track the process of eliminating roads backlog.

During 2015/2016 financial year the Eastern Cape Provincial Treasury (PT) has committed in-kind budget amounting to R70million for re-graveling and maintenance of 140KM Mbhashe Rural access Roads leading to schools and health facilities which has assisted in road backlog eradication.

However, it has been indicated that there is still a huge backlog due to limited funding as the municipality is only relying on grants for the development of roads infrastructure. An Infrastructure Master Plan (IMP) was developed clearly analyzing the existing infrastructure per village in each ward and recommendation of manual designs for infrastructure maintenance. And a 3 year Roads Maintenance Plan has been developed and is being reviewed annually.

Most of Provincial Roads which are District Distributors are in bad conditions they need upgrade, routine maintenance, re-gravelling and major repairs on minor structures and bridges. There is high level of deteriorated district roads within the municipal area which results in horrific roads accidents. The following district roads are poorly maintained and are not safe: Willowvale to Dwesa, Willowvale to Kob-Inn, Willowvale to Elliotdale, Elliotdale to Madwaleni, Elliotdale to Haven, N2 to Elliotdale, N2 to R61 via Clarkeburry, Madwaleni to Mount Pleasant, Tafalehashi to Bafazi. Mbhashe Municipality comprises of three towns namely Dutywa, Willowvale, and Elliotdale. Elliotdale and Willowvale areas are located along the Indian Ocean Coastal Belt as described in the locality map, which is major tourism destination in Mbhashe Municipal Area. The road leading to these destinations areas is gravel which requires heavy maintenance as they are in rainy areas. There are other provincial roads leading to rural hospitals namely Madwaleni, Zithulele, Thafalehashe and Mjanyana, which also require major upgrades and rehabilitation. As a result of poor road network, communities experience difficulties in accessing health facilities and schools. Mbhashe Municipality is rich with heritage and there are main routes leading heritage sites but roads are in bad state which limits visits by tourists.

Mbhashe Municipality comprises of three towns namely Dutywa, Willowvale, and Elliotdale. Elliotdale and Willowvale areas are located along the Indian Ocean Coastal Belt as described in the locality map, which is major tourism destination in Mbhashe Municipal Area. The road leading to these destinations areas is gravel which requires heavy maintenance as they are in rainy areas. There are other provincial roads leading to rural hospitals namely Madwaleni,

Zithulele, Thafalehashe and Mjanyana, which also require major upgrades and rehabilitation. As a result of poor road network, communities experience difficulties in accessing health facilities and schools. Mbhashe Municipality is rich with heritage and there are main routes leading heritage sites but roads are in bad state which limits visits by tourists.

It is also important to note that as from 2012 up to now SANRAL has been constructing paved non-motorized ways such as sidewalks, cyclist's routes and access roads along N2. The main objective of these routes is to ensure roads safety along National Routes and safe intersection to National Road. The following Routes have been constructed:

- Nywarha Villages
- Colosa Villages
- Ngxakaxha, Qora, Gwadana Villages

2.4.2. WATER AND SANITATION

Mbhashe Municipality is not a Water Service Authority (WSA) nor is Water Service Provider (WSP), Amathole District Municipality (ADM) is responsible for both WSA & WSP. ADM has WSP satellite units to serve Mbhashe Municipality in each unit. Through District Engineering Forum and Water Forum that are facilitated by ADM there is an integration and information to the planned and implemented projects.

Challenges

- I. Old water services infrastructure in all three towns (Dutywa, Elliotdale, and Willowvale).
- II. Shortage of drinking water supply especially in Dutywa town..
- III. Lack of Bulk infrastructure in all three towns (Dutywa, Elliotdale, Willowvale)
- IV. Lack of waste water treatment plant in Elliotdale and Willowvale
- V. These water services challenges have negative effect on future developments in all towns.
- VI. Slow implementation of rural sanitation program.
- VII. Huge water backlogs in the rural areas.

Remedial Action

- I. Continuous interaction with ADM
- II. Motivate ADM to prioritised bulk services projects especially for towns.

Liaise with relevant Sector Department to assist ADM and Mphashe LM in committing funds for all water services needs

According to Amathole District Municipality, the rural areas of the MLM are serviced by a number of regional, local, stand alone and rudimentary schemes providing some 44% of the rural population with a RDP level of service. The balance of the population are reliant on own (rainwater tanks) or informal supplies (local rivers and streams).

The towns are generally serviced by local water supply schemes providing high levels of service to the older formally zoned erven, RDP or sub-RDP levels of services to the formally zoned low income housing areas and sub-RDP or informal levels of services to the informal settlement areas.

WATER	STRENGTHS <ul style="list-style-type: none"> • Newly built infrastructure (dams) • Decentralised water service provider (WSP) in all units • Functional District Wide Infrastructure Forum (DWIF) 	WEAKNESSES <ul style="list-style-type: none"> • Mphashe not a WSP • Aging infrastructure especially in towns • Non-functional water schemes
	OPPORTUNITIES <ul style="list-style-type: none"> • Economic growth • Sustainable work opportunities 	THREATS <ul style="list-style-type: none"> • Scarcity of water in Dutywa town • Effects of climate change • inadequate bulk infrastructure • villages without water schemes are not serviced at all (water carting)
SANITATION	STRENGTHS <ul style="list-style-type: none"> • Decentralised water service provider (WSP) in all units • Functional District Wide Infrastructure Forum (DWIF) 	WEAKNESSES <ul style="list-style-type: none"> • Mphashe not a WSP • Aging infrastructure especially in towns • Projects left incomplete
	OPPORTUNITIES <ul style="list-style-type: none"> • Economic growth • Sustainable work opportunities 	THREATS <ul style="list-style-type: none"> • No waste water treatment plant in Willowvale and Elliotdale • Inadequate waste water treatment in Dutywa • Delays on rural sanitation program

2.4.3. ELECTRICITY

Mphashe Municipality is not a licensed distributor of electricity; ESKOM is the licensed distributor of electricity in the whole area of Mphashe LM. There is an ambition for the Municipality to become a licensed distributor for urban areas so as to increase municipal revenue. Mphashe LM is receiving Integrated National Electrification Programme (INEP) grant under Schedule 5 of Division of Revenue Act for household electrification. There are

two electrification projects that are being implemented by Mphashe Municipality (Shixini and Ntsimbakazi Electrification Programme) and they are both funded by INEP.

During the end of 2014/2015 financial year and the beginning of 2015/2016 Mphashe Municipality has been faced with community service delivery protest in different wards where each ward wanted to be the first priority in the electrification Programme. Mphashe Municipality requested to Department of Energy for the use of own funds for electrification Programme to accelerate the household connections. This decision was taken by the Council due to high level of community unrest so as to be reimbursed by Department of Energy in the following financial years.

As at 2016/2017 financial year, there were about 872 households remaining at Shixini and 785 households remaining in Ntsimbakazi. With the completion of the 57km of new feeder lines from the Mphashe Substation to Shixini and the installation of a Voltage regulator, there is now sufficient network capacity to complete the remaining customers in Shixini and Ntsimbakazi thus completing the Projects.

Summary of electricity backlogs as quantified per village per ward.

WARD	(Eskom or Municipality)	Number of Households with Backlogs	Causes of Backlog
1	Eskom	460	Household extension and infills
2	Eskom	208	Household extension and infills
3	Eskom	337	Household extension and infills
4	Eskom	255	Household extension and infills
5	Eskom	274	Household extension and infills
6	Eskom	248	Household extension and infills
7	Eskom	89	Household extension and infills
8	Eskom	196	Historical backlogs and infills
9	Eskom	134	Infills

10	Eskom	704	Historical backlogs and household extension
11	Eskom	98	Household extension and infills
12	Eskom	229	Infills
13	Eskom	230	Household extension and infills
14	Municipality	933	Historical backlogs and infills
15	Eskom	760	Historical backlogs
16	Eskom	2150	Historical backlogs
17	Eskom	2674	Historical backlogs
18	Eskom	1736	Historical backlogs
19	Eskom	2441	Historical backlogs
20	Eskom	1847	Historical backlogs
21	Municipality	143	Infills
22	Municipality	1297	Historical backlogs and infills
23	Municipality and Eskom	2251	Historical backlogs and infills
24	Eskom	353	Historical backlogs and infills
25	Eskom	7	Household extension and infills
26	Eskom	69	Historical backlogs
27	Eskom	347	Historical backlogs, extensions and infills
28	Eskom	2571	Historical backlogs
29	Eskom	204	Household extension and infills
30	Eskom	21	Infills
31	Eskom	209	Historical backlogs and infills
32	Eskom	1900	Historical backlogs and infills
		25375	

There are huge electrification backlogs of about 25375 households without electricity as per the updated list per village per ward as of July 2016 (Ntsimbakazi and Shixini included). The most electrification backlog in our municipality is in Elliotdale and Eskom electrification plan indicates that some villages in Elliotdale will not be electrified in the next three years.

In the new municipal demarcations there are additional electrical backlogs in Willowvale (included in the backlogs). These villages were falling under Mquma Municipal jurisdictions and electrification budget. There is an implemented electrification project by Eskom under Mquma Municipality called Mhlahlane Project which covers all these villages. These villages are very close to Willowvale Town and Shixini Electrification Project which is implemented by Mhashe Municipality. Mhashe Municipality made request to Department of Energy to transfer Mhlahlane Electrification Project budget from Mquma Municipality and to be implemented by Mhashe instead of Eskom. The identified or affected areas are as follows:

Village Code	Village Name	Affected Municipality	No. of Households
23727A5	Gojela	Mhashe	137
22012B2	Gojela	Mhashe	65
22012B3	Sebeni	Mhashe	119
22012B4	Sebeni	Mhashe	178
TOTAL Mhashe			499
21112B3	KwaMgwebi	Mquma	79
22012C3	Mhlahlane	Mquma	76
21112C5	Gcorha	Mquma	121
21112C4	Mamfeneni	Mquma	29
20161B4	Dala	Mquma	70
20161D2	Lalini	Mquma	83
20161D4	Bawana	Mquma	69
20163D4	Mente	Mquma	68
TOTAL Mquma			595
TOTAL HOUSEHOLDS			1094

Solar Panels: Due to electricity infrastructure capacity problems in the municipality especial in Elliotdale, the non-grid electrification has been introduced by DOE to address the need, as it will take some time to build or construct the required infrastructure to electrify the outstanding villages. Mhashe Local Municipality became one of the municipalities in the Eastern Cape to provide the communities with the Solar System (non-grid electrification). Department of Energy (DOE) and Mhashe Municipality signed a memorandum of understanding. The agreement commenced from 1st July 2014 to 30 June 2016. The purpose of the MOU is to supply alternative energy by installing solar to households that will not be electrified in the next three years. DOE appointed three

contractors that installed solar system for about ± 3079 households in 2014/2015 financial year. There are five wards that are benefiting in the first and second batch namely ward 8, 17, 18, 19 & 15 which were prioritised by the Council. Mphashe Municipality with assistance of Department of Energy and Department of Small Business and Enterprise had established six (6) Non Grid Cooperatives. There are five people per cooperative and 1 coop per 500 households.

Community Street Lighting: Mphashe Municipality is responsible for community street lighting to ensure safety to communities. The existing infrastructure street lights in towns were owned by ESKOM. The Municipality only installed street lights on existing ESKOM infrastructure, now the Municipality is aiming at separating street lights from ESKOM infrastructure. Municipality is maintaining the existing street lights and install additional where necessary.

In the 2015/2015 financial year municipality committed budget to install High Mast to all the beaches and townships with Mphashe Municipal Area. The purpose to install High Mast to all of beaches is to improve safety and attract tourists. The project for the installation of High Mast has been completed before end of 2014/2015 financial year; however there are still outstanding environmental issues as a result out of 6 high masts installed 4 will be removed and 2 will be modified. In 2015/2016 financial year municipality planned for additional six high masts in different villages and to rectify the high masts along the environmental protected areas.

SWOT ANALYSIS

ELECTRICITY	STRENGTHS <ul style="list-style-type: none"> • Electrification project performing well • Good expenditure on conditional grants 	WEAKNESSES <ul style="list-style-type: none"> • Reliance on grant • Scattered settlement patterns • Lack of access to infrastructure due to varying topography
	OPPORTUNITIES <ul style="list-style-type: none"> • Completion of Gatyana sub station • Enhanced rural development • Enhanced community safety 	THREATS <ul style="list-style-type: none"> • Not a licenced distributor of electricity • Ever increasing backlog

		<ul style="list-style-type: none"> • Limited funding to address historical backlog • Community unrests
SOLAR	STRENGTHS <ul style="list-style-type: none"> • Providing alternative energy • Reduced electricity demands on service delivery 	WEAKNESSES <ul style="list-style-type: none"> • Low energy capacity • Damaged panels due to poor household structure • Damaged panels due to bad weather conditions
	OPPORTUNITIES <ul style="list-style-type: none"> • Enhanced rural development • Enhanced community safety • Serves as back up energy • Job creations 	THREATS <ul style="list-style-type: none"> • Delays on maintenance due to turnaround time • Community reluctance on accepting installations
STREET LIGHTING	STRENGTHS <ul style="list-style-type: none"> • Community safety • Improving rural development • Readily available material for maintenance • Adequate street lights 	WEAKNESSES <ul style="list-style-type: none"> • Electricity cable combined with ESKOM infrastructure.
	OPPORTUNITIES <ul style="list-style-type: none"> • Underground cabling • Alternative energy for street lights and high mast 	THREATS <ul style="list-style-type: none"> • High ESKOM bills • Effect of climate change

2.4.4 SOLID WASTE

Mbhashe municipality is responsible for providing refuse removal services to its area of jurisdiction. Waste Management Services is the main municipal service rendered by Mbhashe and as such should receive the requisite attention from the institution.

With the appointment of the Environmental Officer in the Development Planning, there should be clear separation between waste management enforcement (Development Planning) and the implementation (Community Services). To this effect, it is our view that the role of the Environmental Office located within the Development Planning directorate should be of a regulatory nature (that of setting the environmental targets and ensuring that they are adhered to), whilst the Waste Management section of the Community

Services directorate should focus on the implementation of the recommendations of the authority.

Since the establishment of Mphashe LM in 2000, this service has generally been provided to urban areas and surrounding townships of Dutywa, Willowvale and Elliotdale only. Rural areas were generally using a range of temporary mechanisms such as own dump within the yard, and illegal dump sites. In 2015/16, Mphashe piloted the provision of the rural waste to the twelve (12) wards of Dutywa, covering an estimated twenty thousand (20 000) households. In the 2016/17 financial year, the rollout of rural waste management was extended throughout the Mphashe area, covering all the households of Mphashe.

A number of businesses (Dutywa – Mpumalanga, Super spar & Ncedabantu. Willowvale – Msengeni. Elliotdale – Spar & Boxer) collect and dispose their own waste and as such demand not to be charged for refuse removal. The downside of this arrangement is that we lose some revenue through service charges, and continue to have unwanted waste in the landfill sites. It is discouraged that individual establishments managed their own waste; alternatively, they may obtain permits from the Municipality for such purposes.

Although the Census 2011 information identifies Mphashe LM as providing the waste management services to only 4% of the total Mphashe households, there has been a drastic change in the 2016/17 financial year. Full coverage of the area, including the rural areas, at an acceptable level of service (a minimum of five times a week in the case of urban centers and the surrounding low cost and informal settlements; three times a week in the case of rural areas), has been achieved. This arrangement far surpasses the national norm of a minimum of once a week.

It also worth noting that the National Waste Management Strategy enjoins all the Municipalities to have achieved waste management coverage by 2016 as follows:-

- I. 95% of urban households
- II. 75% of rural households
- III. 80% of waste disposal sites have permits
- IV. 80% of Municipalities running local waste awareness campaigns
- V. 80% of schools implementing waste awareness programmes

Using the above figures as a measure of success, Mbashe LM has achieved universal coverage on waste management services. Something outstanding is to further improve the quality of service provided.

A number of initiatives by various sector departments and other sector partners have been put in place in our area, key among them being the following:-

- I. Department of Environmental Affairs (DEA)'s Environmental Protection and ADM and COGTA Programmes (EPIP):-
 - ✓ Working for the Coast programme, focusing along the Mbashe coastal line with regard to sand dune rehabilitation, waste management services, maintenance of the leisure facilities along the coast
 - ✓ Mbashe Street Cleaning and beautification
 - ✓ CWP – funded by COGTA
 - ✓ Recycling support to a number of Cooperatives in Mbashe (Dutywa – Cholakonke, Elliotdale – Luja and Willowvale – Nonyameko Mdyesha)

Landfill Sites Management:- There are three landfill/dumpsites located in each unit of Mbashe (Dutywa, Willowvale and Elliotdale). These sites were created during the times of the TRC/ TLC, where each unit was administered by separate authorities.

The main challenges is still with the management and operation of the landfill sites. Currently, Dutywa and Willowvale sites are licensed for closure. The contractor to fence in these two sites has been appointed and it is anticipated that work would be completed in the 2016/17 financial year. Aurecon is tasked with the rehabilitation and ultimate closure of the two sites. We are further handicapped by the delays in the completion of the Waste Transfer Stations of Dutywa and Willowvale to replace the existing illegal landfill sites.

In the case of Elliotdale, the site is permitted to operate and the contractor has been appointed to upgrade the site. The budget availability is still a crippling factor.

Policy framework:- As provided for in the NEMWA, the Integrated Waste Management Plan (IWMP) should be developed for a five year period and reviewed annually. With the beginning of the new term of Council, the IWMP is reviewed extensively for the coming five year period.

By-laws on waste and related subjects have been approved by the Council and promulgated in the government gazette, in 2012 and plans are afoot to review some of the

bylaws. The establishment of the Law Enforcement unit and the appointment of the Environmental Officer (Development Planning) have provided hope for an effective enforcement, regulation and monitoring of the by-laws.

The following waste related by-laws have been promulgated, among others:-

- I. By-law on the control of landfill sites
- II. By-law on the refuse removal and littering

Waste Management forum:- These structures are created as a platform for sharing information and awareness. They exist at ward, unit, Mbhashe as well as District level. The ward structures would sit monthly, unit structures bi-monthly, whilst the Mbhashe structure sits quarterly before the ADM waste forum meeting. ADM coordinates the district forum whilst Mbhashe coordinates all local waste forum meetings.

Priorities for the 2017-2022:-

- i. All landfill (transfer stations) sites are licensed and operated according to permit conditions.
- ii. Final closure and rehabilitation of the Dutywa and Willowvale landfill sites
- iii. Upgrade of Elliotdale landfill sites according to the permit conditions
- iv. Develop procedure manuals for the management of landfill sites/ transfer stations.
- v. Waste forums (Ward, Unit and Mbhashe wide) are coordinated for waste awareness purpose, whilst ADM waste forum is attended by Mbhashe LM;
- vi. Improve on the efficiency, economy and adequacy of the provision of waste management throughout Mbhashe
- vii. Alignment between waste by-laws, IWMP and the general waste management practices
- viii. Improve on waste data collection and reporting to the Waste Information System

SWOT ANALYSIS

<p>SOLID WASTE</p>	<p>STRENGTHS</p> <ul style="list-style-type: none"> • Full coverage waste collection • Upgrade of elliotdale landfill site • Licensed landfill sites (elliotdale permitted for operation; Dutywa and Willowvale permitted for closure) 	<p>WEAKNESSES</p> <ul style="list-style-type: none"> • Unsystematic provision of services • Lack of monitoring in rural areas
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	<ul style="list-style-type: none"> • Adequately equipped and resourced (vehicles and personnel) • Beautification 	<ul style="list-style-type: none"> • Poor access control in the landfill site may lead to improper disposal
	<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • Increased recycling waste • Enhanced aesthetic value of the Municipality • Job opportunities • Infrastructure development through waste (Ngcingwane Pre School) 	<p>THREATS</p> <ul style="list-style-type: none"> • Population growth • New stream of waste (disposable nappies) • Illegal dumping

2.4.5. HEALTH SERVICES

THE NUMBER OF HEALTH SERVICES FACILITIES THAT EXIST IN MBHASHE

At Mbashe Sub District there are 29 residential clinics, 3 Community Health Centres (CHC) and 1 District hospital which is Madwaleni hospital, 6 mobile clinics and 7 functional health posts. The table below reflects the clinics per Sub area as Mbashe has 3 Sub Areas namely Elliotdale, Willowvale and Dutywa:-

AREA	NAME OF FACILITY
Elliotdale	Hobeni clinic
	Nkanya clinic
	Mpame clinic
	Khotyana clinic
	Melitafa clinic
	Mqhele clinic
	Soga clinic
	Bomvana clinic
	Vukukhanye Gateway Clinic
	Xhora CHC
Madwaleni Hospital	
Dutywa	Lota clinic

	Bolotwa clinic
	Nyhwara clinic
	Gwadana clinic
	Sundwana clinic
	Nqabeni clinic
	Keti clinic
	Taleni clinic
	Nqabarha clinic (Dutywa)
	Dutywa CHC
Willowvale	Nqadu clinic
	Fort Malan clinic
	Mahasana clinic
	Jingqi clinic
	Kwa-Mkholoza clinic
	Msendo clinic
	Nqabarha clinic (Willowvale)
	Gwadu clinic
	Badi clinic
	Gwadu clinic
	Willowvale CHC

STRENGTHS AND OPPORTUNITIES

- Willowvale CHC has obtained a silver status with 80% in provision of quality services as per ideal clinic status model in October 2016. This is the strategy that was introduced by National Department of Health (NDoH) to make sure that our facilities are providing quality services

- All clients eligible for Anti-Retroviral Therapy (ART) are provided with treatment in all facilities
- Provision of single dose therapy to people living with the virus is done in all facilities
- In 2014/15 financial year Amathole District awards, Mbashe was awarded as the best performing Sub District in HIV/AIDS, TB and Mother, Child and Women's' Health Programmes
- 24 hour services are provide at Dutywa, Willowvale and Elliotdale CHCs
- 25 Mbashe clients have computers installed for Health Patient Registration System (HPRS) project
- 31 facilities are signed off, meaning that they are capturing client data directly in computers rather than using registers (ART programme)

WEAKNESSES AND THREATS

- HIV and AIDS is still posing a big problem despite the efforts made by the Departments and the entire Government to combat this epidemic. There is high teenage pregnancy and this proves beyond reasonable doubt that teenagers are not practicing safer sexual behaviour. This is noticed more in schools as health personnel are no longer allowed to get into schools with preventive methods for educational and preventive purposes
- TB management had improved in the past years and the Sub District has been leading in its management but now a decline is noticed considerable with low TB screening rate.
- Poverty related diseases like malnutrition, waterborne diseases like diarrhea have been a household problem in some areas of the Sub District and this has been aligned with the fact that the Sub District is having some of its areas with poor or no infrastructure that also affects the basic needs like toilets and pure running water supply.
- Women year protection rate or family planning is still low due to negligence on the part of some community members who are still reluctant to come for the service although they are informed now again of its advantages .

- High number of lost to follow clients in ART programme the Sub District is at 23.2%. These are clients that have defaulted treatment for more than 3 months and the situation end up with fatal results and this needs community involvement in tracking and reporting of defaulters to the nearest facility for follow up
- Ante Natal Care (ANC) before 20 weeks rate is still a major challenge as there are still pregnant mothers who are concealing their pregnancies due to cultural beliefs whereas if a pregnant mother would go to the clinic for services before 20 weeks of pregnancy early detection of abnormalities, treatment and prompt referral to the next level of care would promote delivery of a healthy normal baby by a healthy mother
- Burglaring of the clinics with the purpose of stealing Government assets e.g. computers to be utilised in HPRS project is a major challenge. Mqhele and Gwadu clinics have been victims where a computer in each facility was stolen
- Khotyana clinic is without electricity a solar system is used, Keti, Qwaninga, Ngabarha Dutywa, Mpozolo and Mahasana are using prepaid electricity. The vaccines and other medications that are supposed to be kept in refrigerators to maintain cold chain are sometimes affected as the electricity supply is not constant
- Female condoms utilisation is a challenge as low number is shown in the District information system in terms the number of condoms distributed per female

CONSTRAINTS

- High unemployment rate is still a problem and poverty a characteristic in the area and it highlights the urgent need for job creation in Mbhashe as this contributes negatively to the health of Mbhashe communities. The majority is leaving below poverty line.
- Roads leading to facilities are very bad as they are gravel roads which impair access to facilities worse during rainy days with people failing to reach some of the facilities and this has a negative impact on the retention of nursing personnel as well in this Sub District.
- Transport is not enough as even the one that is allocated in the Sub District get in and out of the garage for repairs because of bad roads especially in Elliotdale area.

The demands for transport to enable the staff to visit clients at home is high but the Sub District is unable to meet these demands due to the alluded reason.

- There is poor communication system as the majority of the facilities are without landlines and even the contract phones are sometimes not working due to network challenges and are at times without airtime as they are prepaid phones due to budgetary constraints. Health Patient Registration System (HPRS) project will be impossible in certain facilities due to poor network. This is the system used by the Department to capture client information to prevent duplications as a client attended services in Cape Town will also be seen by a nurse in our rural clinics
- Poor water supply and poor sanitation has health repercussions in the entire Sub District as the 29 facilities are water tank dependent and during draught this becomes a major challenge. Infection control and prevention becomes impossible when there is no water. Provision of delivery services to pregnant mothers is a challenge without adequate running water.

Further, we also discovered that there is information we need on the HIV/Aids statistics, as follows:

- A) TRENDS IN THE HIV/AIDS STATISTICS OVER THE PAST YEARS

Indicators	Actual output 2014/15	Actual output 2015/16	2016/17 output as at end October 2016
Adults started on ART	978	3559	433
Children started on ART	23	118	10
Adults remaining on ART	11 257	13 156	14 976
Child remaining on ART	662	705	744
Total Remaining on Treatment	11 919	13 861	15 720

Male condom distribution	47 condoms per male per year	73 condoms per male per year	88 condoms per male per year
Female condom distribution	1.2	1.8	0.7

B) IMPACT OF SUCH CHANGES, IF ANY TO EMPLOYMENT AND DEVELOPMENT

- The statistics above shows that community members are coming for testing and the number of people that are put on treatment is increasing
- The condition is affecting all age groups but those that are in an employment are more susceptible as result they are more affected. Employment opportunities therefore are decreasing because of ill health.
- Discrimination is discouraged and during employment processes everyone is employed irrespective of the status as long as he/she is qualifying in terms of post requirements

This service is provided by the Department of Health. There are 2 hospitals (Madwaleni and Zithulele both in Elliotdale) and 3 health centers (Willowvale, Dutywa and Elliotdale) in the entire Mbhashe Municipal area.

HEALTH SERVICES	STRENGTHS	WEAKNESSES
	OPPORTUNITIES	THREATS

- Existing hospital and clinics
- Functioning IGR structures

- Poor access to health facilities
- Shortage of professional personnel
- Emergency medical rescue services

- Rural community service program for professional personnel

- poor services
- Death rate

2.4.6 SAFETY AND SECURITY

The safety and security section is comprised of the traffic, licensing, law enforcement and rescue services. The situation has greatly changed for the better. The section is now fully

functional and operating at full capacity. In the recent past, we have seen a number of improvements, like increased revenue generation, extended visibility of the officers, high success rate of drug busts and illegal weapons. In Mphashe, there is now the rule of law. In the licensing unit, an appointment of the Superintendent has been finalized in the 2016/17 financial year. The DLTC and RA for Dutywa have been approved and started to operate. It is the intention of the Department to open the Learners' license in Elliotdale. A fairly new function is the rescue services (life guards) which is provided on an ad hoc basis. There is need for a paradigm shift, in an attempt to consider broadening the service from simple lifeguards to rescue services.

The Community Safety forum (CSF) has been established in 2013 and has been operating fairly well since. The Community Safety Plan is reviewed and implemented annually, wherein a number of stakeholders participate. The participation of the sector departments and other stakeholders in the CSF is encouraging.

Dutywa crime statistics as per Crime Stats SA

CONTACT CRIMES (CRIMES AGAINST THE PERSON)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	
Murder	51	49	45	46	47	55	49	66	57	58	58	57	
Sexual Offences	75	87	84	97	97	85	83	130	115	127	128	131	
Attempted murder	27	15	19	15	22	22	12	6	22	13	15	23	
Assault with the intent to inflict grievous bodily harm	430	366	327	247	206	199	191	192	192	166	205	195	
Common assault	193	135	104	70	54	73	72	61	49	43	69	69	
Common robbery	57	60	22	19	21	26	3	13	12	9	13	18	
Robbery with aggravating circumstances	111	73	62	67	79	71	56	57	83	119	127	118	

CONTACT-RELATED CRIMES

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Arson	7	13	3	17	5	4	6	8	8	9	5	7
Malicious damage to property	95	79	56	62	56	81	67	61	67	51	78	87

PROPERTY-RELATED CRIMES

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Burglary at non-residential premises	23	25	28	43	48	35	53	80	84	89	98	88
Burglary at residential premises	316	232	159	124	139	123	119	137	137	119	115	137
Theft of motor vehicle and motorcycle	19	24	20	30	26	31	31	29	26	28	30	21
Theft out of or from motor vehicle	45	44	35	36	35	38	46	59	78	56	57	46
Stock-theft	184	132	126	121	80	91	84	83	73	80	82	75

CRIME DETECTED AS A RESULT OF POLICE ACTION

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Illegal possession of firearms and ammunition	27	17	9	21	32	24	17	26	45	49	37	34
Drug-related crime	83	135	88	89	112	146	238	287	291	310	354	347
Driving under the influence of alcohol or drugs	22	16	54	36	12	75	38	24	20	36	12	23

OTHER SERIOUS CRIMES

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
All theft not mentioned elsewhere	274	231	160	126	103	122	115	128	112	147	147	131
Commercial crime	54	37	30	59	56	85	65	141	100	99	80	95
Shoplifting	97	89	73	42	48	42	30	35	38	44	32	23

SUBCATEGORIES OF AGGRAVATED ROBBERY

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Carjacking	10	2	1	1	5	4	8	4	14	7	5	12

Truck hijacking	0	0	0	0	0	0	0	1	1	3	1	1	3
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Robbery at residential premises	7	4	0	6	26	18	11	7	23	29	15	23
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Robbery at non-residential premises	2	0	0	4	18	16	13	12	23	39	50	30
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OTHER CRIMES CATEGORIES (*Not reported in 2016)

				2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Culpable homicide				31	26	30	36	34	27	24	33	33	24	39	
Public violence	0	1	0	1	1	1	1	0	0	0	0	0	2	1	
Crimes in injuria	5	12	9	3	6	4	4	16	2	8	2	8	7	16	
Neglect and ill-treatment of children	5	2	1	2	2	2	3	1	0	0	0	0	1	0	
Kidnapping	0	5	3	2	2	2	4	1	1	2	2	4	2	6	

CRIME DETECTED AS A RESULT OF POLICE ACTION

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Sexual offences as result of police action											0	0

SUBCATEGORIES OF AGGRAVATED ROBBERY

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Bank robbery												0
Robbery of cash in transit												0

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SAFETY AND SECURITY

LAW ENFORCEMENT AND RESCUE SERVICES	STRENGTHS <ul style="list-style-type: none"> • Adequately resourced (equipment and personnel) • Functional community safety forum • Well trained personnel • functional street lighting and high masts • good working relations with other law enforcement agency 	WEAKNESSES <ul style="list-style-type: none"> • No system of tracing offenders and force them to pay (debt collection) • Poor town planning and zone plans (allowing hardware's in N2)
	OPPORTUNITIES <ul style="list-style-type: none"> • Expansion of businesses • Economic development • Job opportunities • Extension of services to previously disadvantaged areas • Attraction of skills and professionals into the area 	THREATS <ul style="list-style-type: none"> • Taxi violence • Competition as against cooperation • Street lights shut down and tempering
TRAFFIC SERVICES	STRENGTHS <ul style="list-style-type: none"> • Adequately resourced (equipment and personnel) • Functional transport forum • Well trained personnel • Good working relations with other law enforcement agency • Free flow of traffic • Controls in place for early detection of fraud and corruption 	WEAKNESSES <ul style="list-style-type: none"> • No system of tracing offenders and force them to pay (debt collection) • No one-stop shop centre for traffic services (limited space in the town hall) • Poor town planning and zone plans (allowing hardware's in N2)
	OPPORTUNITIES <ul style="list-style-type: none"> • Expansion of businesses • Economic development • Job opportunities • Extension of services to previously disadvantaged areas 	THREATS <ul style="list-style-type: none"> • Taxi violence • Competition as against cooperation •
LICENSING	STRENGTHS <ul style="list-style-type: none"> • Functional DLTC • Adequately resourced (equipment and personnel) • Functional Transport Forum • Well trained personnel • Good working relations with regulating department (Department of Transport and other municipalities) • Controls in place for early detection of fraud and corruption 	WEAKNESSES <ul style="list-style-type: none"> • Not providing full services (Registering Authority not provided)
	OPPORTUNITIES <ul style="list-style-type: none"> • Expansion of businesses 	THREATS <ul style="list-style-type: none"> • Taxi violence

	<ul style="list-style-type: none"> • Economic development • Job opportunities • Extension of services to previously disadvantaged areas 	<ul style="list-style-type: none"> • Competition as against cooperation • Fraud and corruption
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2.4.7. HUMAN SETTLEMENTS

HUMAN SETTLEMENTS DEVELOPMENT

EMERGENCY HOUSING or HOUSING FOR DESTITUTES

Emergency houses are used as temporary structures whenever there's a disastrous situation affecting the destitute family/families. Poverty levels are high in the municipality and as a result there are many destitute households. This has led to the municipality applying for destitute housing from the Department of Human Settlements.

To date;

- 15 units for destitutes in Elliotdale (ward 15 & 20) has been approved and completed.
- 30 destitutes in Elliotdale (Madwaleni) has been identified and application has been forwarded to the Department of Human Settlements.
- 100 units for destitutes in Dutywa has been approved and the contractor has been appointed by the Department of Human Settlements.
- 10 from across the municipality has been applied for

NATIONAL HOUSING NEEDS REGISTER

The Minister of Human Settlements together with the Provincial Department of Human Settlements recognised the need for a single integrated registration (it's a National System). It is for planning and budgeting purposes that is web based. This register will replace waiting lists. The municipality needs to form an Allocation Committee so as to allocate beneficiaries when there is a housing project.

Progress to date

- Ward Committees had collected the information using the questionnaires.
- Six (6) Data Capturers have been appointed on temporary basis

HOUSING PROJECTS (LOW COST HOUSING)

AREA	NUMBER OF UNITS	LOCATION	STATUS
Destitute housing		Mbhashe Wide	More applications are made for destitute housing with the aim to eradicate housing backlog to the destitute
Govan Mbeki Township	427 households	Dutywa South East	Complete
Dutywa Extension 8	753 households	Dutywa South East	Complete
Willowvale extension 1	97 households	Willowvale South-East	Cannot be complete due to cancelled rectification process
Elliotdale – Walter Sisulu Township	292 households	Elliotdale North-West	Cannot be complete due to cancelled rectification process
Elliotdale Rural	8000 households	Wards 17, 18, 26	4041 to date complete

SWOT ANALYSIS: LOW COST HOUSING

OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> Land availability High housing demand 	<ul style="list-style-type: none"> Stopping of the rectification process Land invasion Land claims affecting future housing development
STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> Plans in place 	<ul style="list-style-type: none"> Slow process of transfers i.e. Title Deeds transfers Incomplete Housing Register

MIDDLE INCOME HOUSING

Dutywa town in particular is unbearably over populated. This has burdened the infrastructural planning in town more especially sewerage, water and electricity. This is a result of an increase of schools around town especially the private schools.

Residents responded by converting their residential houses into boarding hostels. However, there are planned projects to help curb the situation.

PLANNED PROJECTS

PROJECT	UNITS	LOCATION	STATUS
Dutywa Extension 7 (Middle Income)	312	Dutywa North	EIA cannot be finalised due to land claim
Dutywa Extension 3	264	Dutywa North-East	EIA cannot be finalised due to land claim
Willowvale Extension 5	241	Willowvale South – West	Sites sold as is

Elliotdale Extension 6	200		Revalidation of the general plan is currently on progress
Elliotdale Extension 5	102		Revalidation of the general plan is currently on progress
Dutywa – Mzamomhle Township	1050	Dutywa South – West	Township approved
Bachelor flats (rental housing)		Mzamomhle Township	On planning stage
Community Rental Units (CRU)		Extension 8	The Department of Human Settlement has commissioned a study on the Community Rental Units (CRU) for the Mbhashe area.
A student village (rental housing)			Seeking a new developer after the failed one

SWOT ANALYSIS: MIDDLE INCOME HOUSING

OPPORTUNITIES <ul style="list-style-type: none"> • Land availability • Revenue generation • Contribution to Economic Development of the region • High Housing demand 	THREATS <ul style="list-style-type: none"> • Land claims from nearby communities • Land invasions from the same communities • There's no infrastructure (water, sanitation, road network) and internal reticulation
STRENGTHS <ul style="list-style-type: none"> • Township plans in place • 	WEAKNESSES <ul style="list-style-type: none"> • No proper planning for Infrastructure needs

2.4.8. SPORT AND COMMUNITY FACILITIES

Mbhashe has a competence for amenities and community facilities like halls, pounds, cemeteries, sports fields, ablution facilities, beaches, child care facilities, parks & public places. The Management and Maintenance Plan of the community services has been developed. Such a plan is meant to serve as a guide on the management and maintenance of these facilities.

Community Halls: - The municipality has been constructing multi-purpose community halls in many of its wards to aid communities with proper spaces for their meetings and functions. These facilities are constructed through the use of MIG and once finished, they are owned, operated and maintained by the municipality. The key challenge so far has been the lack of adequate funds to constantly maintain and offer security services to our facilities. It is proposed that once completed (renovation and construction), these halls

should be handed over to the Community based Committee for day to day administration and management. Lately, we have seen some social issues relating to the role of the community in the management and administration of these facilities. There is a need to develop a clear policy framework, in consultation with the communities, to guide the management and administration of these facilities. An assessment report of all the community halls in Mphashe has been developed and estimated costs of repairing the community halls is around R21m (in terms of the 2015/16 prices).

The following is the list of the Community Halls and their location:-

WARD	NAME OF THE HALL	VILLAGE	UNIT	OWNERSHIP	Electricity (YES/NO)
1.	TRC	Dutywa town	Dutywa	Mphashe	yes
	Town hall	Dutywa town	Dutywa	Mphashe	yes
2	Mamfeneni Community Hall	Mamfeneni	Dutywa	Mphashe	yes
	Mputi Community Hall	Mputi	Dutywa	Community	yes
	Xeni Community Hall	Xeni	Dutywa	Mphashe	No
3	Qelane Community Hall	Qelane	Dutywa	Mphashe	Yes
4	Timane Community Hall	Timane	Dutywa	Mphashe	Yes
	Ntshingeni Community Hall	Ntshingeni	Dutywa	Mphashe	Yes
	Gxarha Community Hall	Gxarha	Dutywa	Mphashe	Yes
5	Silityiwa Community Hall	Silityiwa	Dutywa	Mphashe	Yes
	Bolotwa Community Hall	Bolotwa	Dutywa	Mphashe	Yes
6	Nqabane Community hall	Nqabane	Dutywa	Mphashe	Yes
7	Old Idutywa Community Hall	Komkhulu	Dutywa	Community	No
	Ward 7 Community Hall	Candu	Dutywa	Mphashe	Yes
	Old Idutywa Community Hall	Cilo	Dutywa	Mphashe	On construction
9	Mangati Community Hall	Mangati	Dutywa	Mphashe	No
	Govan Mbeki	Govan Mbeki	Dutywa	Mphashe	Yes
	Notinara Community Hall	Mthuvi	Dutywa	Mphashe	No
10	Bangiso Community Hall	Bangiso	Dutywa	Community	Yes
	Siwendu Community Hall	Auckland	Dutywa	Mphashe	Yes
11	Nqadu Community Hall	Komkhulu	Willowvale	Community	Yes
12	Gem Community hall	Gem	Dutywa	Mphashe	Yes
	Nqabara Community Hall	Nqabara	Dutywa	Mphashe	Yes
13	Sport Ground Community Hall	Elliotdale town	Elliotdale	Mphashe	Yes

	Indoor Sports Hall	“	Elliotdale	Mbhashe	Yes
	Town Hall	“	Elliotdale	Mbhashe	Yes
	Kasa Community Hall	Kasa	Elliotdale	Mbhashe	Yes
14	Ramra Community Hall	Mfula	Willowvale	Mbhashe	No
	Mbhangcolo Community Hall	Upper Mbhangcolo	Willowvale	Mbhashe	No
15	Dabane Community Hall	Dabane	Elliotdale	Mbhashe	No
16	Maganyela community Hall	Manganyela	Elliotdale	Mbhashe	No
	Qotongo Community Hall	Mt Pleasant	Elliotdale	Mbhashe	No
17	Ntsingizi Community Hall	Ntsingizi	Elliotdale	Community	Yes
18	Manzibomvu Community Hall	Manzibomvu	Elliotdale	Mbhashe	No
	Mtakazo Community Hall	Mkatazo	Elliotdale	Mbhashe	No
19	Ward 19 Community Hall	Mpame	Elliotdale	Mbhashe	No
20	Qatywa Community Hall	Qatywa	Elliotdale	Mbhashe	No
21	Mpozolo Community Hall	Mpozolo	Willowvale	Mbhashe	Yes
22	Beechamwood Community Hal	Mahasane	Willowvale	Mbhashe	Yes
23	Bojini Community Hall	Bojini	Willowvale	Mbhashe	Yes
24	Lower Mbhangcolo Comm Hall	Lower Mbhangcolo	Willowvale	Mbhashe	No
25	Willowvale TRC Hall	Willowvale town	Willowvale	Mbhashe	Yes
	Willowvale Town Hall	Willowvale town	Willowvale	Mbhashe	Yes
	Willowvale Indoor Sport Cente	Willowvale town	Willowvale	Mbhashe	Yes
26	Shinira community Hall	Shinira	Elliotdale	Mbhashe	No
27	Fort Malan Community Hall	Fort Malan	Willowvale	Mbhashe	Yes
	Mhlohlozi Community Hall	Mhlohlozi	Willowvale	Mbhashe	No
28	Mqhele Community Hall	Mqhele	Elliotdale	Mbhashe	No
	Nqayiya Community Hall	Nqayiya	Elliotdale	Mbhashe	No
29	Badi Community Hall	Badi	Willowvale	Mbhashe	Yes
30	Weza Community Hall	Weza	Willowvale	Mbhashe	Yes
	Ntlabane Community Hall	Ntlabane	Willowvale	Mbhashe	Yes
31	Sikhobeni Community Hall	Sikhobeni	Dutywa	Mbhashe	Yes
	Mbewuleni Community Hall	Mbewuleni	Dutywa	Mbhashe	Yes

Sports fields:- As is the case with the halls, these facilities are scattered throughout the Municipality, with some located in urban centers, whilst others are placed at ward centers. These facilities are poorly managed with no personnel attached to them. On this front, it is worth noting that one sports field located in Ngxakaxa (Ward 2) was constructed by the local private business person. A need for the central up-to-date sport fields in the urban centers of the units has been expressed.

In addition, as per DORA requirements, PMU sub directorate appointed Professional Service Providers to design sport field facilities from 2015/16 financial year in ward 13, 25 and 1. The preliminary design has been submitted to Corporative Governance and Traditional Affairs EC through District Appraisal Committee and to Department of Sport, Recreational, Art and Culture Eastern Cape (DSRAC). The main objective of building sport facilities is to encourage youth to participate in all sport activities as way of limiting crime rate within Mbhashe Municipal Area and also to improve sport talent

Ablution facilities:- These communal facilities are generally placed in the urban centers of Dutywa, Willowvale and Elliotdale. The Elliotdale and Dutywa have been renovated and in a fair state. New ablutions (ventilated improved latrines – VIPs) have been constructed in Willowvale, near the taxi rank. There is a general inadequacy of these facilities in all our towns. Willowvale and Elliotdale are currently serviced by the septic tanks and VIPs as a form of sanitation. A nominal fee is charged to the members of the public who uses these facilities.

Pounds: - We also own, operate and manage municipal pounds in all the three units. In recent times, the Dutywa Pound has seen a lot of improvement with increased revenue through the conducting of the pound sales. A state of the art pound, the first of its kind in the province, is under construction in Dutywa, but delayed by the Mangati land claims.

Cemeteries:- Cemeteries are a core competence of Mbhashe municipality and our role is largely to plan and ensure provision of land for burial as well as support with such services as registrations and mobilization of resources for fencing of facilities. Lack of funds is often cited as a reason why there is poor maintenance of cemeteries across all wards. Cemeteries are currently categorized into urban and rural (communal and private). All the communal cemeteries should be the responsibility of the Municipality, whilst the private cemeteries become the responsibility of the families concerned. The fencing and provision of guard houses to the urban cemeteries of Dutywa, Willowvale and Elliotdale has been completed. Such an improvement in the cemeteries would induce better management of this function. In the case of rural communal cemeteries, an effort to collect data (location,

size and costing) on these facilities is being undertaken. During the next five years, work has to be done on fencing of the selected communal rural cemeteries.

Beaches:- Mbhashe is well endowed with a beautiful and wild coastline that covers certain parts of Willowvale and Elliotdale. Certain parts of the coastline are used by the public for leisure, especially during Easter and summer holidays. As a result of that, there are some leisure facilities in the form of public toilets, showers, signage, braai areas and others that needs to be managed and maintained from time to time. The Department of Environment (DEA) is doing well in terms of its Working for the Coast (WftC) programme that includes cleaning of the coastal line, provision of necessary infrastructure and development of the Coastal Management Plan for Mbhashe Local Municipality. Mbhashe, through the EPWP programme is further providing personnel to continuously clean the coastline.

Child care facilities:- The Municipality has a responsibility of providing the child care facilities. In the 2016/17 financial year, a sample of 60 ECDCs was assess on the state of the buildings and suggest what needs to be done. The study has found out that these facilities are at different levels of disrepair, with some made out of zinc, some blocks and others with mud and zinc. The suggested costs of building one ECDC, as per the assessment, is R1 300 000.00. In total there are 150 non funded ECDCs, and if they were to be all built, it would cost the Municipality a sum of R195m. From our interaction with the existing ECD structures of Dutywa, Elliotdale and Willowvale, the following has been established:-

UNIT	NO OF ECDCs	FUNDED ECDCs	NON FUNDED ECDCs
Dutywa	85	23	62
Willowvale	70	28	42
Elliotdale	76	30	46
Total	231	81	150

The Department of Education (DoE) and Department of Social Development (DSD) are currently involved in assisting the operation and funding of the ECDCs. DSD is currently the sole funder of these centers and the list of funded ECDCs is reviewed annually. The mandate of the municipality is limited to provision of the ECDC facilities (buildings, indoor and outdoor playing facilities, as well as furniture).

COMMUNITY HALLS	STRENGTHS	WEAKNESSES
	OPPORTUNITIES	THREATS
SPORTS FIELD	STRENGTHS	WEAKNESSES
	OPPORTUNITIES	THREATS
ABLUTION FACILITIES	STRENGTHS	WEAKNESSES
	OPPORTUNITIES	THREATS
POUND	STRENGTHS	WEAKNESSES
	OPPORTUNITIES	THREATS
CEMETERIES	STRENGTHS	WEAKNESSES
	OPPORTUNITIES	THREATS
BEACHES	STRENGTHS	WEAKNESSES

	<ul style="list-style-type: none"> • Environmental friendly 	<ul style="list-style-type: none"> • No proper planning about the beach
	<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • Economic development • Tourism attraction 	<p>THREATS</p> <ul style="list-style-type: none"> • Illegal sand mining • Illegal fishing and poaching • Unauthorised settlements • Lack of infrastructure in the beaches • Overregulated space
CHILD CARE FACILITIES	<p>STRENGTHS</p> <ul style="list-style-type: none"> • Assessment on ECDCs buildings done • Functional ECDC forum • Provision of material • Budget availability • Information on the existing ECDC for planning 	<p>WEAKNESSES</p> <ul style="list-style-type: none"> • Old and dilapidated buildings • Lack of cooperation with the relevant sector departments
	<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • Improved education system • 	<p>THREATS</p> <ul style="list-style-type: none"> • Dysfunctional ECDC • No control and regulation on establishment • High staff turnover
LIBRARIES	<p>STRENGTHS</p> <ul style="list-style-type: none"> • Functional library structure • Capacitated in terms of personnel • Library awareness programs • Internet and WiFi services 	<p>WEAKNESSES</p> <ul style="list-style-type: none"> • Limited funding of the operations of the Libraries • Lack of movable assets such as motor vehicle.
	<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • Literacy improvement • Source of information 	<p>THREATS</p> <ul style="list-style-type: none"> • Inadequate books and periodicals • Old and dilapidated buildings

LIBRARIES

This is the concurrent function of the National and Provincial governments. The Department of Sports, Recreation, Arts and Culture (DSRAC) has since entered into a memorandum of agreement with local municipalities, including Mhashe to manage and administer these facilities. Currently the Municipality has seven (7) fully operational libraries that are within Mhashe Jurisdiction area namely: Dutywa Public Library, NomakaMbeki Community Library, Willowvale Public Library, Lower Mhangcolo Community Library, Bolotwa Community Library, Elliotdale Public Library, and KwaNtsunqe Community Library.

The conditions of the libraries are not satisfactory and all of them need an immense facelift in order for them to be in an acceptable level. Additional four (4) Librarians have been appointed by DSARC for Willowvale, kwaNomakaMbheki, Lower Mbhangcolo and KwaNtsunqe Libraries. DSRAC have transferred R350 000.00 for the running of libraries. In order to give effective and efficient library services to the communities, DSRAC should increase the budget so that it can cover all the expenditure in relation to libraries.

2.4.9. JOB CREATION

JOB CREATION	STRENGTHS <ul style="list-style-type: none"> • EPWP policy adopted • Job creation • Skills development • Partnership with COGTA through CWP 	WEAKNESSES <ul style="list-style-type: none"> • Community unrests on selection of participants • Program not fully institutionalised
	OPPORTUNITIES <ul style="list-style-type: none"> • Community trust and dignity 	THREATS <ul style="list-style-type: none"> • Limited funding • Reliance on sector departments on the approval of allocations

2.5. INSTITUTIONAL ANALYSIS

2.5.1 ORGANISATIONAL STRUCTURE

Section 66 of the Local Government municipal systems act requires that a municipal manager to, within a policy framework determined by the municipal council and subject to any applicable legislation, establish a mechanism to regularly evaluate the staff

Establishment of a municipality and if necessary review the staff establishment. The Organisational Structure of the municipality has 284 posts for 6 Departments. 267 posts have been filled and we are left with only 18 vacancies, which translate to 6% vacancy rate. Some of the vacancies have recruitment processes commenced. Some of the posts are having candidates recommended by panels. The municipality is about to complete the process of filling of all the vacant budgeted posts. All section 54/56 manager's positions are filled. The posts are spread as follows:

DEPARTMENTS	POSTS		VACANCY
	POSTS	FILLED	
MM's Office	34	33	1
Corporate Services	34	34	0
Budget and Treasury Office	22	21	1
Developmental Planning	14	14	0
Infrastructure	44	39	5
Community Services	136	126	11
TOTAL NUMBER OF POSTS	284	267	18

The municipality last reviewed its Structure in March 2015 and has partially reviewed it in October 2016. The process of reviewing the structure is underway.

Diagram 1: Organisational Structure

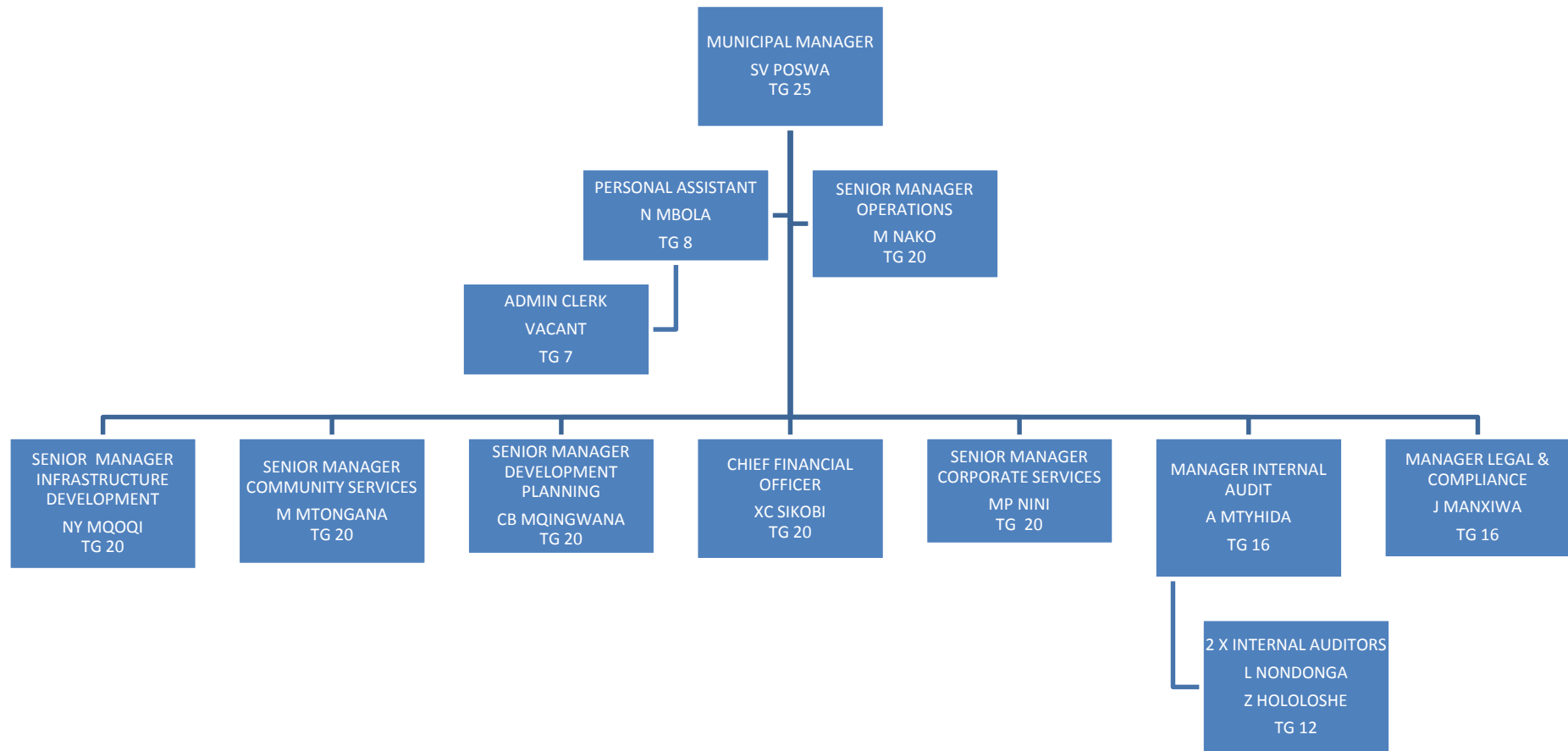


Diagram 2 Employee Stats
**EMPLOYEE STATS PER DEPT AS
 AT 11 JANUARY 2017**

Task Grade	MM's Office		INFRASTRUCTURE		BTO		CORPORATE SERVICES		COMMUNITY SERVICES		PLAN & DEV		OVERALL TOTALS	
	Number of Posts	Filled Posts	Number of Posts	Filled Posts	Number of Posts	Filled Posts	Number of Posts	Filled Posts	Number of Posts	Filled Posts	Number of Posts	Filled Posts	TOTAL POSTS	TOTAL FILLED
25	1	1	0	0	0	0	0	0	0	0	0	0	1	1
20	1	1	1	1	1	1	1	1	1	1	1	1	6	6
16	2	2	2	2	1	1	1	1	0	0	0	0	6	6
14	4	3	0	0	1	1	1	1	2	2	2	2	10	9
12	7	7	12	12	6	5	7	7	5	5	6	6	43	42
10	2	2	6	5	2	2	0	0	3	3	3	3	16	15
9	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	4	4	1	1	4	4	1	1	1	1	1	1	12	12
7	12	12	0	0	7	7	9	9	26	25	1	1	55	54
6	0	0	18	18	0	0	0	0	15	15	0	0	33	33
5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	0	0	0	0	0	0	1	1	20	19	0	0	21	20
3	0	0	4	0	0	0	13	13	63	55	0	0	80	68
	33	32	44	39	22	21	34	34	136	126	14	14	283	266
		3%		11%		5%		0%		7%		0%		
VACANCIES		1		5		1		0		10		0		21
% of Total posts		82%		89%		100%		100%		93%		100%		93.00%

Diagram 3: Workforce Analysis

WORKFORCE PROFILE

1.1 Please report the total number of **employees** (including employees with disabilities) in each of the following **occupational levels**: Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	1	0	0	0	0	0	0	0	0	0	1
Senior management	5	0	0	0	1	0	0	0	0	0	6
Professionally qualified and experienced specialists and mid-management	35	0	0	0	20	0	0	0	0	0	55
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	13	0	0	0	1	0	0	0	0	0	14
Semi-skilled and discretionary decision making	40	0	0	0	47	0	0	0	0	0	87
Unskilled and defined decision making	78	0	0	0	26	0	0	0	0	0	104

TOTAL PERMANENT	172	0	0	0	95	0	0	0	0	0	267
Temporary employees	20	0	0	0	29	0	0	0	0	0	49
GRAND TOTAL	192	0	0	0	124	0	0	0	0	0	316

SWOT ANALYSIS

FACTOR	STRENGTHS	WEAKNESS
ORGANOGRAM	Adopted structure	Not all posts have Job descriptions
	Budget availability	Not all posts have been evaluated
	Full staff complement	
	OPPORTUNITIES	THREATS
	Employment opportunities	Turnover

2.5.2 COMMUNICATIONS, MARKETING AND CUSTOMER CARE

This section is placed under the office Municipal Manager. Currently there is a Communications and Customer Care Manager and a Customer Care Clerk with 5 Interns. The municipality has developed the communication and marketing strategy in 2016/2017 financial year. Customer satisfaction survey was conducted to three Mbashe Local Municipality units, and was done through councillors, staff, interns, business and communities in order to establish how the municipality operates or the quality of services rendered to its people. The intention is to conduct it on annual basis. Communications is a principal media between the municipality and stakeholder through:

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Communication strategy is in place. • Publicising of information through <ol style="list-style-type: none"> 1. Press release 2. Newsletter that is published on a quarterly basis to inform 	<ul style="list-style-type: none"> • Lack of Capacity • Publishing of newsletter on quarterly basis • Lack of ICT programs for in-house layout and designs newsletter • Lack of feedback to the communities.

<p>communities on the progress, projects</p> <ol style="list-style-type: none"> 3. Municipal Website 4. Notices 5. Telephone mobilization 6. Community media organizations (Radios and newspapers) <ul style="list-style-type: none"> • The presidential hotline is in place and its active, people are able to voice out their grievances which are then directed to the municipality. 	<ul style="list-style-type: none"> • Nonfunctioning of facebook and updated website • Non implementation of the resolutions taken from the External Forums i.e. National, Provincial and District Communicators' Fora • Poor branding • Non utilization of suggestion boxes • No established good working relations with the media
<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • Customer satisfaction survey • Monthly Newsletter publishing • Response rate on complains to promote excellent communication paths between the municipality and stakeholders. 	<p>THREATS</p> <ul style="list-style-type: none"> • Protests • Negative Image of the Municipality

2.5.3 FINANCIAL VIABILITY AND MANAGEMENT (FINANCE)

Overview

- Budget Planning and Financial Reporting
- Revenue and Debt Management
- Indigent & Free Basic Services
- Expenditure and Payroll Management
- Supply Chain Management
- Asset Management

Focus Area	Legislation Affected	Linkage to IDP
<i>Budget Planning & Financial Reporting</i>	Municipal Finance Management Act 56 of 2003	Improving financial management systems & Fiscal Discipline.
	Public Audit Act 25 of 2004	Ensure the municipality is accountable for how it spends the public funds

<i>Revenue and Debt Management</i>	Division of Revenue Act	Budgeting for realistic anticipated revenues
	Municipal Property Rates Act 6 of 2004	To enhance fiscal capacity by generating own revenue base
	Prescription Act 68 of 1969	To enhance revenue collection rate
<i>Indigent & Free Basic Services</i>	Constitution Act 108 of 1996	Provision of free basic level of services to every poor household.
Expenditure & Payroll Management	<ul style="list-style-type: none"> • Basic Conditions of Employment Act 75 of 1997 • Remuneration of Public Office Bearers Act 20 of 1998 	<ul style="list-style-type: none"> • Improving financial management systems
Supply Chain Management	<ul style="list-style-type: none"> • Prevention and Combating of Corrupt Activities Act • Promotion of Access to Information Act 2 of 2000 • Preferential Procurement Policy Framework • Broad Based Black Economic Empowerment Act 53 of 2003 	Accountability, transparency & provision of economic opportunities and empowerment of previously disadvantaged groups
Asset Management	Municipal Finance Management Act 56 of 2003	Improving financial management systems & Fiscal Discipline.

(a) Budget Planning and Financial Reporting

(i) Budget Planning

The budget planning unit is responsible for the development and monitoring of the municipal budget. The budget of the municipality is very limited and does not cover all the capital and operating expenses of the municipality. The municipal budget is funded through rates and services (refuse removal, traffic income, and commission on agency services) and mainly grants (Equitable Share, Municipal Infrastructure Grant, Finance Management Grant, Integrated National Electrification Fund and Expanded Public Works Programmes). The municipality has identified and funded its budget from the following new revenue sources:

- Proceeds from in-housed projects constructed using the municipal Plant & Machinery
- Drivers Licence Testing Centre
- The municipality has recently opened up its DLT Centre which will also contribute greatly to the municipality's revenue base.

The Municipality's budget is done in-house guided by relevant legislation and circulars from National Treasury. The municipality's budget section has been capacitated and the vacancies have been filled. The municipality is currently busy with converting its budget into being mSCOA compliant as required by National Treasury. The deadline for full compliance is July 2017.

Departments are responsible for managing their respective votes assisted by the Budget and Treasury Office.

(ii) Financial Reporting

This section deals with financial reporting in terms of the Municipal Finance Management Act, 2003 (Act No 56 of 2003) and the various circulars that are published to assist thereto. The municipality prepared the Annual Financial Statements (AFS) in-house and used the services of external service provider to quality review the AFS which are then reviewed by Internal Audit Unit and Audit Committee before submission to Auditor General. In-line with the MFMA Section 126 it is important to mention that the municipality has complied and submitted the AFS to the Auditor General by 31st August over the past three years. The municipality has developed an action plan for the development of AFS, however this plan had gaps as the municipality has continued having findings on the quality of AFS that are submitted for audit purposes on the 31st of August each year. This has resulted in the AFS

having material misstatements which is a contravention with Section 122 of the MFMA, these misstatements were subsequently corrected.

2015/2016	2014/2015	2013/2014
Unqualified Audit Opinion	Qualified Audit Opinion	Qualified Audit Opinion

SWOT ANALYSIS		
Factors	STRENGTHS	WEAKNESSES
<i>Budget planning & Financial Reporting</i>	<ul style="list-style-type: none"> • Internal capacity • Improved audit outcome • Funded budgets 	<ul style="list-style-type: none"> • Limited financial resources • AFS with material misstatements • Non-compliance with laws and regulations • Overspending of budgeted funds
	<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • Clean Audit • Improved public confidence in municipality due to good audit outcomes. • Improved public participation in budget planning process • Ability to secure credit from financial institutions 	<p>THREATS</p> <ul style="list-style-type: none"> • Changes in reporting framework introduced by National Treasury • Inadequate resources to deal with increasing service delivery demands • Economic recession • Fiscal fluctuation

(b). Revenue and Debt Management

(i) Debt Management

Credit Control and Debt Management Policy has been reviewed in 2015/2016 financial year and is in line with best practices. Venus Financial System is used for billing customers on monthly basis. Billing is based on Valuation Roll that came into effect on the 01 July 2014 which covers the financial years 2014/2019. The municipality has to conduct a Supplementary Valuation for the purpose of capturing on the valuation all previously omitted, new and improved even, this Supplementary Valuation came into effect on the 01 July 2015. Where debt has not been paid by the debtor, steps outlined in the Credit Control Policy are followed. These include handing over the outstanding debtors to the debt collector. During the 2015/16 financial year the municipality has conducted a

comprehensive data cleansing exercise which covered all billable properties and focused on the following:

- Implementation of 2013 council resolutions (write off all take on balances prior to 01 July 2008 and refuse billing from 01 July 2008 to February 2010) that were partially effected on the billing system;
- Write off of unknown debtors' accounts.
- Write off all invalid debtor accounts that were overstating the debtor's book.
- This resulted in the municipality's debtor's book being reduced from R 28m to less than R 22m.

The current collection rate is 70% of the billable revenue.

(ii) Revenue Management

The sources of municipal revenue include the following:

- Own Revenue Sources – this includes property rates, refuse removal, rentals of facilities, interest from investments, traffic income (drivers and learner's licenses, traffic fines, proceeds from construction plant & machinery, etc)
- Government Grants – these include Equitable Share, Municipal Infrastructure Grant, Finance Management Grant, Municipal Systems Improvement Grant, Integrated National Electrification Fund and Expanded Public Works Programme.

The current revenue collection from non-billable revenue is at 32% which is depicted in the following table:

	BUDGETED	TOTAL AMOUNT	BALANCE	% Acc/Budg
SALE OF LAND	500 000.00	210 904.00	289 096.00	42%
HALL HIRE	153 397.00	122 025.99	31 371.01	80%
BUILDING RENTALS	139 948.00	0.00	139 948.00	0%
LIBRARY GRANT	350 000.00	350 000.00	0.00	100%
FINES-TRAFFIC	2 500 000.00	806 498.00	1 693 502.00	32%
CEMETARY FEES	3 264.00	210 904.00	2 541.60	22%
PUBLIC TOILETS	100 000.00	61 070.00	38 930.00	61%
RENTALS COMMONAGE	700 000.00	513 462.49	186 537.51	73%
INTEREST BANK	10 478 662.00	349 862.19	10 128 799.81	3%
ADMIN FEES	200 000.00	243 537.24	43 537.24	122%
POUND FEES	350 000.00	206 024.28	143 975.72	59%
SUNDRIES/FINANCE	494 194.00	203 717.88	290 476.12	41%
SUNDRIES/TOWN PLANNING	2 903.00	0.00	2 903.00	0%
BUILDING PLAN	150 000.00	24 202.51	125 797.49	16%
ELECTRIFICATION	17 000 000.00	15 000 000.00	2 000 000.00	88%
EQUITABLE SHARE	210 060 000.00	87 525 000.00	122 535 000.00	42%
MUNICIPAL INFRASTRUCTURAL	105 745 000.00	8 724 000.00	97 021 000.00	8%
SUBSIDIES:LOCAL GOV FINANCE MGT GRANT	1 625 000.00	1 625 000.00	0.00	100%
BILL BOARDS RENTAL	200 000.00	111 510.28	88 489.72	56%
VAT RECOVERY	15 000 000.00	0.00	15 000 000.00	0%
CHAIR /TABLE HIRE	14 247.00	0.00	14 247.00	0%
EPWP	1 144 000.00	286 000.00	858 000.00	25%
LGSETA	100 000.00	0.00	100 000.00	0%
LEARNERS LICENCE & ISSUE	1 500 000.00	423 216.00	1 076 784.00	28%
TOTALS	368 510 615.00	116 996 934.86	251 513 680.14	32%

Below is the table that depicts a picture of municipal income and expenditure for past two financial years

REVENUE EARNED IN 2014/2015 AND 2015/2016 FINANCIAL YEARS

Revenue	ACTUAL 2014/15			ACTUAL 2015/16		
	Final Budget 2014/2015	Actual 2014/2015	Variance 2014/2015	Final Budget 2015/2016	Actual 2015/2016	Variance 2015/2016
Revenue for Exchange transactions						
Service Charges	770 573	1 024 394	-253 821	807 560	1 322 908	-515 348
Rental of facilities	1 170 424	988 413	182 011	807 405	1 532 638	-725 233
Other Income	11 431 360	814 755	10 616 605	62 942 963	1 468 531	61 474 432
Interest received on investments	4 500 000	9 273 742	-4 773 742	10 478 662	9 004 105	1 474 557
TOTAL	17 872 357	12 101 304	5 771 053	75 036 590	13 328 182	61 708 408
Revenue from non-exchange						
Property Rates	5 843 820	6 867 696	-1 023 876	6 957 028	7 701 146	-744 118
Licences and permits	1 925 334	1 013 044	912 290	1 668 663	731 769	936 894
TOTAL	7 769 154	7 880 740	-111 586	8 625 691	8 432 915	192 776
Transfer Revenue						
Grants & Subsidies	237 609 787	220 520 286	17 089 501	289 950 000	289 997 410	-47 410
Fines & Penalties	460 826	392 313	68 513	1 567 277	2 208 895	-641 618
TOTAL	238 070 613	220 912 599	17 158 014	291 517 277	292 206 305	-689 028
TOTAL REVENUE	263 712 124	240 894 643	22 817 481	375 179 558	313 967 402	61 212 156

EXPENDITURE EARNED IN 2014/2015 AND 2015/2016 FINANCIAL YEARS

Expenditure	ACTUAL 2014/2015			ACTUAL 2015/2016		
	Final Budget 2014/2015	Actual 2014/2015	Variance 2014/2015	Final Budget 2015/2016	Actual 2015/2016	Variance 2015/2016
Personnel costs	68 300 816	43 504 500	24 796 316	79 856 889	78 734 656	1 122 233
Remuneration of councillors	20 132 760	21 814 912	-1 682 152	25 585 611	23 984 032	1 601 579
Depreciation and ammortisation	33 467 014	56 338 876	-22 871 862	38 199 958	68 966 583	-30 766 625
Repairs and maintainance	29 179 719	13 048 430	16 131 289	31 165 936	26 230 867	4 935 069
Debt impairment	1 010 344	1 707 577	-697 233	1 010 344	-3 383 742	4 394 086
General expense	75 047 805	61 409 805	13 638 000	95 378 109	72 972 031	22 406 078
TOTAL	227 138 458	197 824 100	29 314 358	271 196 847	267 504 427	3 692 420

THE TABLE BELOW DEPICTS GRANTS PERFORMANCE FOR PAST TWO FINANCIAL YEARS

Grants Expenditure	ACTUAL 2014/2015			ACTUAL 2015/2016		
	Final Budget 2014/2015	Actual 2014/2015	Variance 2014/2015	Final Budget 2015/2016	Actual 2015/2016	Variance 2015/2016
Finance Management Grant	1 600 000	1 600 000	-	1 600 000	1 600 000	-
Municipal Infrastructure Grant	66 618 536	50 640 000	15 978 536	56 333 000	72 311 536	-15 978 536
Municipal Systems Improvement Grant	934 000	934 000	-	930 000	930 000	-
EPWP	1 153 000	1 153 000	-	1 052 000	1 052 000	-
Intergrated Electrification Programme	3 000 000	3 000 000	-	20 000 000	20 000 000	-
TOTAL	73 305 536	57 327 000	15 978 536	79 915 000	95 893 536	-15 978 536

	SWOT ANALYSIS	
FACTORS	STRENGTHS	WEAKNESSES
Revenue Enhancement Debt Management	<ul style="list-style-type: none"> • Ability to generate own revenue through the acquired plant machinery • Improved accuracy of the billing system 	<ul style="list-style-type: none"> • Low revenue base • Largely dependent on Grant Funding • Poor credit control • Low collection rate • Non-alignment of the GVR with billing system • Non-optimal utilisation of Investment Properties • Poor tariff setting methods which lead to unsustainability service delivery. • Non-alignment of the billing database with indigent register
	<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • Increased revenue = increase in municipal grading • Ring fencing of billable revenue sources to fast track basic service delivery • Ability to attract new investments • Introduction of incentive scheme to enhance debt collection • Revenue generation alternative sources of funds 	<p>THREATS</p> <ul style="list-style-type: none"> • Providing services at a loss • Recoverability of debt which impacts on the self-sustainability of the municipality • Non-payment culture from communities and government departments • Inadequate land use management controls • Fraud and theft • Billing queries due to integration of debtors information into the new financial system.

Indigent Section

The municipality developed and adopted an Indigent Policy which was reviewed in May 2016. The Indigent Register is not updated as a result it is out-dated. A portion of the Equitable Share is used to provide Free Basic Electricity and alternative energy to indigent households. In terms of the policy a household whose monthly income is less than two state grants qualify to be an indigent.

During the 2015/2016 financial year the municipality provides a range of free basic service to assist our most vulnerable citizens, these services are:

- 2864 households benefited from Free Basic Electricity (50 kilowatts tokens supplied by Eskom).
- Free basic refuse removal service is available to indigent consumers, living in rural areas, informal settlements residents.

The municipality has not subsidized urban indigent households for property rates and refuse collection due to the indigent register not being updated.

The municipality is currently in the process of developing a credible indigent register that will be used as a basis for providing free basic services to the needy households by conducting the following:

- Updating the Indigent Register by collection data and conducting registration campaigns.
- Verification of the list of beneficiaries on the ESKOM list
- Liaise with Eskom on monthly basis to ensure provision of 50 KWH to indigent households.

SWOT ANALYSIS		
FACTORS	STRENGTHS	WEAKNESSES
Indigent Support	<ul style="list-style-type: none"> • There's a guaranteed funding source from the equitable share • Increased support for rural waste removal for indigent households 	<ul style="list-style-type: none"> • Inadequate strategy to support indigent households • Lack of credible indigent register
	<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • Attracting and enhancing indigent support from other government spheres and organisations through IGR structures. 	<p>THREATS</p> <ul style="list-style-type: none"> • High unemployment and poverty levels within the municipal area

(c). Expenditure and Payroll Management

(i) Expenditure Management

Expenditure Management deals with the payments of service providers in line with Section 65 of the MFMA on monthly basis. Expenditure reports are approved by council on a quarterly basis in line with Section 71 and Section 52(d) of the MFMA. The municipality is paying service providers weekly to accelerate the expenditure trends as well assisting SMMEs. The municipality generates orders for all suppliers including the suppliers appointed through the competitive tender process. There are only exceptional cases where suppliers are paid using sundry payment.

(ii) Payroll Management

Payroll Management deals with the payment of salaries and allowances to Councillors and Employees in line with Section 66 of the MFMA. The section also is responsible for Income Tax administration of the municipality and deductions paid to third parties. Payroll is run on Payday and interfaces with Venus for GL recording. All the vacancies in the payroll section have been filled.

	SWOT ANALYSIS	
FACTORS	STRENGTHS	WEAKNESSES
Value for money expenditure	<ul style="list-style-type: none">• Ability to meet short-term and long-term obligations• Compliance with relevant tax obligations and laws• Good spending on capital conditional grants	<ul style="list-style-type: none">• Occurrence of fruitless and wasteful expenditure• Lack of implementation and monitoring of controls and procedures• Lack of monitoring and reviewing of payroll inputs.• Late submission of inputs to the payroll section results in lack of proper reviewing and monitoring, thus resulting in errors not detected timeously.• Inability to perform creditor's reconciliation on the system may result in duplicate payments and delays in paying suppliers.

	OPPORTUNITIES	THREATS
	<ul style="list-style-type: none"> • Economic growth and development within the municipal area for SMMEs 	<ul style="list-style-type: none"> • Interest penalties • Non-compliance with the MFMA • Payment of suppliers through sundry payments exposes the municipality to the risk of fraud as banking details may be fraudulently altered.

(d) Supply Chain Management

The Municipality has a dedicated unit that deals with the Supply Chain Management in line with Chapter 11 of the Local Government: Municipal Finance Management Act, 2003 (Act No 56 of 2003) as well as the Supply Chain Management Regulations, 2005. The Supply Chain Management Policy has been reviewed and adopted in May 2016 financial year to ensure compliance with the relevant legislation. The following committees are in place in line with Supply Chain Management Regulations:

- Bid Specifications Committee
- Bid Evaluation Committee
- Bid Adjudication Committee

(i) Demand and Acquisition of Goods and Services

The section is responsible for procurement of goods and services in line with the approved procurement plan of the municipality.

(ii) Contracts Management

The section deals with overall management of procurement contracts and performance of service providers.

This is done through maintaining a contracts register and commitments register.

In the previous financial year 2014/15 the municipality was qualified by the Auditor General due to irregular expenditure. During the 2015/16 financial year the Budget and Treasury Office worked tirelessly to address the qualification point to an extent that a credible register of irregular expenditure was developed, the credibility of this register was confirmed by the AG during the audit. Furthermore all the procurement for 2015/16

was done in line with the SCM Policy and regulations such that there was no new irregular expenditure incurred.

SWOT ANALYSIS		
FACTORS	STRENGTHS	WEAKNESSES
Procurement management	<ul style="list-style-type: none"> • Centralisation of Supply Chain Management • Electronic requisition system in place 	<ul style="list-style-type: none"> • Lengthy procurement processes • Lack contract management • Lack of declaration of interests by municipal employees • Inadequate project management that ensures reporting of performance to SCM on a monthly basis. • Use of suppliers not listed in the approved database • Poor planning from user departments
	OPPORTUNITIES <ul style="list-style-type: none"> • Economic growth and development within the municipal area for SMMEs 	THREATS <ul style="list-style-type: none"> • Fraud and corruption • False declarations by service providers • Central Supplier Database (CSD)

(e). Asset Management

The division is responsible for:

- The development and the implementation of the Asset Management Strategy, Policy and Procedures;
- Management of the development, updating and maintenance of the asset register as well as operating and finance lease registers;
- Financial reporting of assets, leases, repairs and maintenance of movable assets;
- Maintenance and safeguarding of municipal assets;
- Managing and control of inventory of the municipality; and
- Disposal of assets that have reached their design life in line with the Municipal Finance Management Act Section 14 and Section 90.

The municipality has developed a GRAP Compliant Asset Register which is continuously updated and reviewed annually.

SWOT ANALYSIS		
FACTORS	STRENGTHS	WEAKNESSES
Asset management	<ul style="list-style-type: none"> • Credible and GRAP compliant asset register • Electronic Asset Management System in place 	<ul style="list-style-type: none"> • Inadequately staffed asset management unit which comprises of 2 employees. • Reliance on external consultants for asset register preparation • Asset Management system that is under- utilised by the users. • Inadequate insurance cover of municipal assets
	OPPORTUNITIES <ul style="list-style-type: none"> • Utilising of assets as leverage to raise or access funding from external sources 	THREATS <ul style="list-style-type: none"> • Theft of municipal asset • Obsolete and impairment of municipal assets.

2.5.4 DECISION MAKING PROCESS

The process of decision making starts at departmental level. If a problem is identified, the department is responsible to respond to that problem. This can either be by developing a policy or procedure. That which is developed is taken by the HOD to the Management Meeting that sits every Mondays. From there it is taken to the Standing Committee that will then recommend to EXCO. EXCO will then recommend to Council for either adoption as a Draft or final adoption. If adopted as a Draft it is then taken for consultation either with internal stakeholders or external stakeholders. After consultation it is referred back to EXCO which will then refer to Council for final adoption.

SWOT ANALYSIS

FACTOR	STRENGTHS	WEAKNESS
DECISION MAKING	Employee engagement (Established structures) Clear process flow Existing procedures Institutional calendar Staff meetings Resolution register	Poor communication Non- compliance Poor implementation of resolutions
	OPPORTUNITIES	THREATS
	Municipal stability	Community Protests

2.5.5 GENERAL MANAGEMENT

The municipality has three levels of management and are as follows;

Top Management (constituted by Senior Managers)

Middle Management (constituted by Managers reporting to Senior Managers)

Operational Management (constituted by Officers Supervisors Team leaders)

Top Management is responsible for Strategic Planning of the institution. In doing that Middle Management is forming part of the processes for Strategy Development. This is done to build capacity and to promote participation and innovation.

SWOT ANALYSIS

FACTOR	STRENGTHS	WEAKNESS
SUPERVISION	All levels of Supervisor position are filled Segregation of duties Monthly Reports	Poor accountability Fear of taking decision Fear of acting on transgression Capacity building
	OPPORTUNITIES	THREATS
	Career growth Improved service delivery Improved revenue collection	Staff turnover Political interference

2.5.6 HUMAN RESOURCES

HUMAN RESOURCE STRATEGY

The municipality has a Human Resources Strategy that was developed by Amathole District Municipality through Municipal Support Unit (MSU) for 2013-2017. The human resources strategy was adopted by council on the 29th May 2013. The HR strategy considerations focus on building systematic human resource practices that improve employees' motivation and skills. The strategy also focuses more on selecting the right employees to do the job, managing their activities and motivating them to stay with the municipality. The purpose of generating these strategies is to mitigate the threats and weaknesses which human resources and the municipality is faced with by among other things, taking advantage of the identified opportunities and capitalising on the identified strengths. With the development of the HR

strategy the entire municipality has been able to understand the skills development dynamics including the skills development initiatives accordingly in order to improve on service delivery. The municipality is in a process of reviewing the HR Strategy with the assistance of CoGTA in the Province including Amathole DM.

One of the key issues that can make the municipality as the employer of choice is to offer competitive salaries and financial reward can be viewed as a major differentiation in being an employer of choice; work/life balance plays a major role in addressing the more intrinsic needs of employees. The municipality is having monthly departmental meetings and quarterly staff meeting hosted by the municipal manager with EXCO invited. This meeting allows employees to interact with the municipal leadership. The municipality has adopted a reviewed Performance Management Framework. The performance of the municipality is viewed on a quarterly basis where departments are required to present evidence to support quarterly performance. After presentations the Municipal Manager, presentations are made to TROIKA led by departmental heads. Remedial actions have to be presented together with performance to mitigate shortfalls. The current challenge is that, we have not yet popularised the system to all employees and no performance rewards conducted. From time employer must evaluate the staff morale. A staff satisfaction survey was conducted by PWC. The results were not bad. Sporting activities and wellness programs have been rolled out for employees.

SWOT ANALYSIS

FACTOR	STRENGTHS	WEAKNESS
HR Plan	Draft HR plan HR policies and procedure manuals in place HR Department fully staffed	HR plan not yet implemented Awareness
	OPPORTUNITIES	THREATS
	Support from COGTA and Amathole District Municipality for review Functional IGR	Change in legislation
STAFF MEETINGS	STRENGTHS	WEAKNESS
	High employee morale Good source of Information Good Employer – Employee relations	Non-seating of departmental meeting Lack of self confidence

	OPPORTUNITIES	THREATS
	Good municipal image Improved perception	Industrial actions
EMPLOYEE BENEFITS	STRENGTHS	WEAKNESS
	Well defined benefit Low turnover rate	Not all employees are taking the opportunities
	OPPORTUNITIES	THREATS
	Promote Municipal image Attraction of potential employees	Legislation
RECRUITMENT AND SELECTION	STRENGTHS	WEAKNESS
	Policy exist Existing recruitment panel Security vetting in senior posts Verification of qualifications for all posts	Delays in verification of qualifications
	OPPORTUNITIES	THREATS
	High rate of employment Poverty alleviation	Legislation Delays in verification of qualifications
PERFORMANCE MANAGEMENT	STRENGTHS	WEAKNESS
	Performance management framework exists Quarterly reporting	Individual performance not measured Performance not cascaded to lower levels No performance rewards
	OPPORTUNITIES	THREATS
	Increased public participation Improved municipal image Improved services delivery Improved revenue collection	Loss of grants funding Service delivery protests
RETENTION	STRENGTHS	WEAKNESS
	Retention policy exists Benefits are there to encourage stay	Rural nature of the municipality
	OPPORTUNITIES	THREATS
	Attraction of skilled employees	Market related salaries

EMPLOYMENT EQUITY PLAN (EEP)

The municipality does have the employment equity plan (EEP) which was adopted together with the IDP and budget in the council meeting of 29 May 2013 and the duration of the plan was from 2013 to 2018. The EEP of the municipality was evaluated by the DoL and was found to be not compliant. The municipality has started consultations with affected stakeholders across the municipality in order to do analysis and developing numerical goals and targets. The EEP is at the core of Mbashe municipality to implement employment equity as well as affirmative action in all occupational levels and categories of its workforce. The EEP sets out the measures to be taken to ensure legal compliance with Employment Equity Act. Furthermore it includes the objectives, activities, numerical goals and targets to progressively move towards achieving representatively of the designated groups across the organisational structure. The municipality did submit the EE Report to the Department of Labour in January 2016. Employment Equity Committee meetings are sitting monthly.

SWOT ANALYSIS

FACTOR	STRENGTHS	WEAKNESS
AFFIRMATIVE ACTION	Employment equity policy exists Employment equity plan exists Report submitted annually Employment equity committee functional	Plan not compliant to DOL format Affirmative action measures not implemented
	OPPORTUNITIES	THREATS
	Attraction of designated groups Elimination of unfair discrimination	Change in legislation

LABOUR RELATIONS

The municipality has established the Local Labour forum in order to maintain the stability with organised labour. The municipality enjoys workplace stability owing to good relations for the past financial year with organised labour, who have conducted themselves as true partners in service delivery and expressed faith in resolving issues. The meetings of the Local Labour Forum are used to deal with issues emanating both from the employer and the unions. The Local Labour Forum is scheduled to sit on a monthly basis and when a need arises, but because of some other pressing issues, it doesn't sit monthly. Out of 12

scheduled meetings we managed to have 10 meetings this financial year. Workshops are planned and one of them will deal with Essential Services.

The code of conduct was presented to employees and most employees have signed and they declare their interests in the induction workshop.

SWOT ANALYSIS

FACTOR	STRENGTHS	WEAKNESS
CONSULTATION	Establishes structures Existing procedures Staff meetings Functional Local Labour Forum	Quorum in some meetings
	OPPORTUNITIES	THREATS
	Municipal stability	Centrally negotiated disagreements

SPECIALISTS SKILLS

WORKPLACE SKILLS PLAN (WSP)

The WSP was developed and submitted to LGSETA, for 2016/17 financial year and will be implemented in the current financial year as per training interventions identified in the plan. All employers are expected to submit their WSP/Annual Training Report (ATR) to LGSETA before the end of April each year and employers are also expected to prepare monitoring reports on any training that has taken place as per the submitted WSP. The training within the municipality is currently being conducted in line with the submitted annual training programme. The submitted WSP set out the following municipal objectives.

SWOT ANALYSIS

FACTOR	STRENGTHS	WEAKNESS
TRAINING AND DEVELOPMENT	Workplace skills plan exists Education, training and development policy exists Training committee established Skills audit conducted to employees	Failure to submit signed skills audit questionnaires Trainings outside approved WSP Budget constraints
	OPPORTUNITIES	THREATS

	HRD Forum Attraction of skilled personnel TVET Colleges exist in all units (Dutywa, Willowvale and Xhora)	Municipal employees leave for greener pastures
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EMPLOYEE WELLNESS AND OCCUPATIONAL HEALTH AND SAFETY

The objectives of the employee wellness and occupational safety are to promote health by providing the employee with ongoing education, information and communication in all health related aspects. They are also encouraged to be proactive about their health and modify their lifestyle for their own benefits. The municipality is also ensuring that a safe work environment of all the employees at work and safety during operations. It was identified during the wellness programmes that some employees are suffering from chronic diseases. The follow ups were done for those employees that were affected by these diseases and the attendance has been good. Wellness sessions were held for employees and councillors. Programs specific to either male or female health were held and these also targeted both employees and councillors. Family day session was held where employees with their families were invited to an event where games were played. There was enthusiasm shown by employees on the programs.

Occupational Health and Safety committee is meeting quarterly and is producing assessment reports that go to Management up to Council. There has been a notable reporting of injuries on duty which led to having seven injuries of which four involved EPWP employees. We further strengthened our OHS awareness campaigns with a particular focus to this sector. OHS equipment in a form of fire extinguishers has been purchased and installed in our buildings, vehicles and yellow fleet. Protective clothing is being purchased, workshops and awareness sessions were held for employees in service delivery departments. Training was held for Occupational health and Safety that was targeting managers and technicians responsible for day to day service delivery activities of the municipality. First Aid training took place for operators and supervisors within the service delivery departments and other departments. OHS is the critical component of our strategic position in the municipality and is our desire to enhance it throughout our business partners and community members. It is therefore our business to maintain a safe and health working environment for the betterment of our institution and surroundings.

SWOT ANALYSIS

FACTOR	STRENGTHS	WEAKNESS
WELLNESS	Appointed Wellness Service Provider Reduction of absenteeism Improved morale Increased number of employees with medical aid Help employees deal with issues outside of the workplace	unsatisfactory attendance of events by employees
	OPPORTUNITIES	THREATS
	Reduced socio-economic problems	Societal factors
OHS	STRENGTHS	WEAKNESS
	Effective OHS Committee exists More protected workplace (fire extinguishers, signs, first aid kits) Employees capacitated on OHS through trainings and awareness sessions Commitment of employer towards OHS	Protective clothing (not sufficient, poor use) No sufficient training on use of work equipment
	OPPORTUNITIES	THREATS
	Compliance in legislation	Theft of equipment Selling of protective clothing

2.5.7. ADMINISTRATION

THE STRUCTURES OF THE COUNCIL

The municipality is governed by its council led by the Mayor and chaired by the Speaker. There are section 79 committees established to assist council in governing the work of line functional administration and section 80 committees which assist the executive committee to function. The councillors signed a code of conduct on their first induction meeting in August 2016 and the declaration is being signed annually in the beginning of each financial

year. The council also established the rules committee chaired by the Speaker which developed the rules of order for the council and its function which also enforces the implementation of rules in the council and adherence to the code of conduct by councillors. The municipality had established the following committees that assist the council in carrying out its responsibilities

- I. Executive Committee
- II. Municipal Public Accounts Committee
- III. Audit and Performance Audit committee
- IV. Women's Caucus
- V. Ethics and Rules Committee

Section 80 committees are as follows:

- I. Finance and Admin committee
- II. Infrastructure committee
- III. Planning and Development
- IV. Community Services
- V. Remuneration committee

Administratively, the municipality consists of the following six departments

OFFICE OF THE MUNICIPAL MANAGER

- Units Management
- Special Programmes
- Communications and Customer Relations
- Strategic Planning and Performance Management
- Council Support
- Ward Committees
- Public Participation
- Legal and Risk Services
- TROIKA

CORPORATE SERVICES

- Human Resources Management
- Administration and Facilities
- ICT and Document Management

DEVELOPMENTAL PLANNING

- Local Economic Development
- Land Use Management
- Housing
- Disaster Coordination
- Environmental Management

INFRASTRUCTURAL DEVELOPMENT

- Roads & Stormwater
- Electricity
- Civil & Building Works
- Mechanical works

COMMUNITY SERVICES

- Waste Management
- Licensing Services
- Law Enforcement
- Traffic Management
- Expanded Public Works Programme
- Community Facilities
- Libraries

BUDGET & TREASURY OFFICE

- Budget Planning
- Expenditure management
- Revenue Management
- Supply Chain Management
- Financial Reporting
- Free Basic Services

2.5.8. RECORDS MANAGEMENT

As part of the support functions for the success of the Mbashe municipality in order to fulfill its statutory functions outlined in the municipal structure act it is key that the support mechanisms outlined in the municipal systems act be put in place. The goal of the auxiliary services is to provide an efficient service to both internal and external stakeholders. Records

management is a process of ensuring the proper creation, maintenance, use and disposal of records to achieve efficient, transparent and accountable governance. Sound records management implies that records are managed in terms of an organizational records management programme governed by an organizational records management policy.

A well-organized file plan enables an organization to find information easily. Records that are correctly filed and stored are easily accessible, and this facilitates transparency, accountability and democracy. The orderly and efficient flow of information enables the organization to perform its functions successfully and efficiently.

The National Archives and Records Service of South Africa Act, 1996 provides the legal framework according to which the National Archives and Records Service regulates the records management practices of all governmental bodies. The municipality runs a registry in compliance with legislative requirements and this facility is used efficiently and effectively to promote good governance and service delivery goals of the municipality.

The National Archives and Records Services, in terms of its statutory mandate, requires governmental bodies to put the necessary infrastructure, policies, strategies, procedures and systems in place to ensure that records in all formats are managed in an integrated manner. The municipality is intending to procure an electronic records management system. Training of users and review of records management policy has been conducted to enhance good use of the facility. Document management workshops were held and were facilitated by both the Provincial Archives and by Registry Officer. These workshops were targeting users and champions. File Plan was approved by Provincial Archives. Disposal requests were approved. Storage facilities were purchased to enhance storage and safe keeping of documents.

SWOT ANALYSIS

FACTOR	STRENGTHS	WEAKNESS
DOCUMENT MANAGEMENT	Records Management Policy exists Approved file plan Storage facilities available Capacitated staff Continuous workshops and inductions for users Compliance with legislation	Under utilisation of Registry Access not restricted No electronic records management system Inadequate ventilation supply

	OPPORTUNITIES	THREATS
	Promotion of municipal image Accessibility of public documents through Registry Quick information dissemination	Misuse of information Community protests Changes in legislation

2.5.9. FACILITIES MANAGEMENT

OFFICE ACCOMMODATION

Office accommodation is a problem that is prevalent at Mbhashe municipality. There are delays in building the second phase of the municipal offices due to the Land Claims. As a result of office space shortage the municipality used three buildings within Dutywa town and using TRC halls in other two towns. The municipality purchased two park homes one for Elliotdale unit and the other one in Dutywa. We have provided water tanks with pumps that are linked to existing water system (5000L and 10 000L) to all Dutywa municipal offices including the executive house.

We have also installed new plumbing system to the workshop, changing rooms and offices. Lift in main office is functioning well and is being serviced regularly. Electricity backup is done through a generator.

SWOT ANALYSIS

FACTOR	STRENGTHS	WEAKNESS
OFFICE SPACE	Municipal Facilities Policy in place Approved office building and funding Additional temporary offices purchased	No sufficient offices Low Productivity Poor ventilation in some offices Confidentiality due to lack of storage space
	OPPORTUNITIES	THREATS
	Improved service delivery Improved corporate image	Environmental factors during construction Land claims

2.5.10. FLEET MANAGEMENT

In order for the council to function and execute its core responsibility, a requirement being a support aid in the form of fleet was identified. This is a support aid which requires both acquiring and then maintaining. In the process of ensuring the MFMA provision are enhanced including property management process the municipality ensures that adequate control of allocated vehicles is always enhanced in a manner that designed officials within department also prioritize the issuing of vehicle trip authorities and submission of accurate logbooks and petrol slips. It became clearly evident that the appointment of a dedicated official was necessary to manage the fleet operations as well as to implement the policy on maintenance and monitors the movement of vehicles. The office of fleet management is making sure that fleet procedure manuals are enforced, valued and adhered by fleet users. To date, we have appointed the services provider who will do branding to all municipal vehicles. Furthermore, we purchased executive vehicles for both the Mayor and Speaker. At the moment we are busy acquiring clear specification for the vehicles needed by departments.

SWOT ANALYSIS

FACTOR	STRENGTHS	WEAKNESS
MUNICIPAL FLEET	Policy in place	Insufficient fleet Fleet management Lack of fleet user file inventory

		Lack of internal capacity Lack of monitoring Accident Reporting issues High maintenance cost Misuse of vehicles
	OPPORTUNITIES	THREATS
	Accelerated service delivery	Bad image of municipality

2.5.11 ADOPTED INTERNAL DEVELOPED AND REVIEWED POLICIES, STRATEGIES AND PLANS

Local Economic Development Strategy

Mbhashe Municipality has recently reviewed the LED strategy and was adopted on the 30th of May 2015.

The review and revision of the Mbhashe LM's Economic Development Strategy builds upon the success of previous work undertaken as per the previous strategy, adding new insights and understanding that has resulted from discussions with key stakeholders, business representatives and partners through structures organised by the Mbhashe LED Unit. There was a strong collective will to join together through formal structures, particularly the Mbhashe Business Forum and the Mbhashe LM's Local Economic Development Unit, and informally to maximise opportunities locally for the benefit of the local businesses, employees, residents and visitors. The strategy has been revised significantly and has gone through a number of different versions, each of which has taken into consideration the detailed inputs made by key stakeholders, and specifically those of the Business Forum and municipal officials.

In the present LED strategy focus more on creating an enabling environment by developing programmes and making available resources to support projects that will in turn be identified by local businesses, entrepreneurs and residents at large. Mbhashe Local Municipality is in some competitive position. Its economic capital, Dutywa lies along a busy and lucrative N2, and is a gateway between the various powerhouses such as Durban, Umtata and East London.

Mbhashe LM's Integrated Development Plan refers to three (3) areas of investment, which for the purposes of the strategy are referred to strategic thrusts. For the purpose of this document, a Strategic Thrust is defined as: "Planned actions aimed at creating impetus and a critical mass in the local economic environment in order to generate momentum in the economy".

The Strategic Thrusts formulated as part of this document are based on the current economic situation Mbhashe LM finds itself in and is aimed at building on the existing strengths and exploiting the unique opportunities presented by the local economy and the specific physical and demographic environment of the Municipality. The Thrusts, therefore, enable an integrated approach towards taking maximum advantage of the identified opportunities. The Thrusts also allow the appropriate linkage of projects and initiatives to ensure more focussed and coordinated facilitation of development in the Municipality.

While issues such as the development and upgrading of economic infrastructure, improved institutional capacitation and good governance do have a role to play in ensuring that effective economic development does takes place, these matters are considered to be supportive elements that will not, of its own, result in the development of the economic base and have, therefore, not been included in the Strategic Thrusts. Rather, the Thrusts identified in this document focus on the actual unique opportunities in Mbhashe LM where potential for economic development and growth lies.

The key Strategic Thrusts as per the Mbhashe LM IDP, which form the basis of this strategy are:

- Thrust 1: Agriculture.
- Thrust 2: Enterprise Development.
- Thrust 3: Tourism Development.

Based on the outcomes of the socioeconomic research, which was conducted by Executive Insights, two additional thrusts have been developed and when added to the existing thrusts will result in 5 strategic thrusts.

The following are the two additional thrusts;

Thrust 4: Skills Development.

Thrust 5: Spatial Planning & Land Use Management

The above Thrusts encompass the following main objectives of development:

- I. Promote a conducive economic environment in Mbashe municipality by 2017.
- II. To market Mbashe as a tourist destination area thereby developing economic base in Mbashe LM by 2017.
- III. To ensure job creation through development and capacitating SMMEs, co-operatives and hawkers of Mbashe LM by 2017.
- IV. To ensure improvement in agricultural production through appropriate and timely support to farmers in Mbashe LM by 2017.

In line with the two additional strategic thrusts that are proposed in this document, two additional objectives are proposed for KPA 3: Local Economic Development of the Mbashe LM IDP and shall be taken into consideration during the 2015-2016 IDP Review.

- I. To expand local human resource development in order to capacitate local residents to partake in local economic activities by 2017.
- II. To develop strategic infrastructure in support of local economic development initiatives by 2017.

Housing Sector Plan

The HSP was recently reviewed in 2015 with the assistance from the Department of Human Settlements.

The vision of this Mbashe HSP is to create integrated and sustainable communities. To make this vision a reality, the Municipality has to support the notion of productivity, inclusivity, good governance and sustainability. Given the demand profile, the

provision of a suitable Rural Housing programme is core to this plan and project on Rural Housing is progressing well in Elliotdale.

The strategic priorities are:

- I. To determine expressed demand and to declare such demand
- II. To undertake housing consumer education / awareness and the housing voice
- III. To implement the housing needs register and to ensure on-going management thereof
- IV. To engage the social welfare department and Special Programs Unit (SPU) in order to cater for the child headed households and orphans.
- V. Scale up of the delivery of subsidised housing to meet the demand

Strategic planning for housing delivery

- I. Conduct an annual environment analysis in order to review and revise annual housing sector plan
- II. To develop localised policies to create a more enabling environment and to manage the mushrooming of inadequate housing

Project pipeline

- I. To integrate the existing information on delivered, planned, in implementation and blocked projects into a single project pipeline database with system for regular updating.
- II. To plan projects that are aligned with the provincial housing sustainability criteria
- III. To submit new projects to the Province for funding approval and technical support

Land and land packaging

- I. To undertake a land identification and land packaging programme
- II. To understand the land reform programme and to create a linkage with such a programme

- III. To undertake feasibility studies on the identified state land on offer from the Department of Public Works, to prepare a business plan for each parcel of land required in order to affect the transfer of such land.

Infrastructure

To engage with the infrastructure officials and plans to seek prioritisation and alignment with housing programme

Integrated Sustainable Rural Housing Delivery Programme

Define a specific ISRHDP strategy that contains an analysis of the rural demand (including farm worker housing demand) and status quo and links it to a strategy that defines the needs and demands in terms of basic infrastructure, top structure and tenure and further links these to the mechanisms available to tackle the priority needs.

Project development and management

- I. To package projects in terms of top structure, undertake procurement of contractors and to initiate project construction
- II. To undertake project management of all current running projects in order to ensure good quality and timely completion
- III. Continue to roll out existing projects and ensure that financing and systems are in place to initiate new priority projects including those within the ISRHDP strategy.
- IV. To have a dedicated programme to close out blocked projects.
- V. To programme the rectification needs of the current projects
- VI. To build a suitably structured housing unit in order to meet the housing mandate
- VII. To undertake a capacity assessment with the view of preparing a business plan to source funding from the Department's Capacitation Grant for improving staff and skills capacity within the Municipality. To also ensure that those officials within the Municipality that have received training through the Department's Capacity Building programme are committed to / engaged in the municipality's housing section.

- VIII. To develop the internal organisation to meet the municipal housing mandate and level 1 accreditation. The proposed structure has to include a housing manager to undertake strategic planning and performance management and a technical resource to ensure the projects are managed and administrative staff to undertake beneficiary administration.
- IX. To develop operational systems, i.e. policies, procedures and documents and forms
- X. Procurement of required office infrastructure and resources to fulfill housing mandate, this must include the installation and implementation of the project tracking tool.

Infrastructure Master Plan

The purpose of the infrastructure analysis is to identify the current capacity of the infrastructure, as well as to identify improvements. In addition, this master plan includes a study of engineering design factors to be used in the maintenance of the infrastructure and estimated cost analysis.

The objectives are:

- I. To identifies and analyses the existing infrastructure for Mbhashe Municipality.
- II. To set direction for the Mbhashe Local Municipality day-to-day infrastructure maintenance programs that is consistent with the growth of the LM.
- III. To assist the Mbhashe Municipal Council in prioritizing their projects
- IV. To ensure that adequate infrastructure is available to meet current and future demands, in order to plan.

Infrastructure Master Plan will therefore deal with:

- I. Compilation for a complete and accurate Infrastructure survey taking into account what services are already available those required and the level of service they supply
- II. Setting direction for the Municipalities day to day infrastructure maintenance programs that are in line with the growth of the Municipality

- III. Provision of management reports relating to the infrastructure assets
- IV. Ensuring that adequate infrastructure is available to meet current and future demands
- V. Funding strategies, Implementation strategies, Time frames and the various legal requirements.

Compiling the backlogs for the following asset classes:

- I. Water network, including water treatment facilities (Bulk Capacities)
- II. Sanitation network, including waste water treatment works (Bulk Capacities)
- III. Roads and Stormwater
- IV. Electricity Infrastructure
- V. Land and buildings

Roads Maintenance Plan

- I. The purpose of routine roads maintenance is to ensure that all municipal roads and storm water management is maintained to a level of safe and serviceable conditions.
- II. To maintain municipal roads network as per the construction design period of the infrastructure
- III. To develop clear procurement conditions and processes in the most effective economic manner.
- IV. To strengthen capacity in the roads unit in terms of establishing roads maintenance workshop/ offices, camp sites, personnel, machinery, tools & equipment, vehicles etc.

Integrated Waste Management Plan(IWMP)

The main objective of an IWMP is to integrate waste management into or within municipal services and respond to increasing level of waste throughout the municipality area. This is done in order for the municipality to:-

- I. Identify future waste management challenges and plans

- II. Reduce the impact of waste towards social and environmental spheres.
- III. Minimize waste management costs by optimizing the efficiency systems in terms of usage of infrastructure, labour and equipment.

Community Safety Plan

The Mbhashe Community Safety Strategy is a plan guiding the various stakeholders and role-players, including the municipality and other state agencies, on strategies to address safety and crime prevention concerns within the municipal area.

To this end, the Mbhashe Local Municipal Community Safety Strategy must be viewed as follows:

- I. As the tool by which Mbhashe local safety concerns are identified and prioritised
- II. An outline of a common vision of community safety for Mbhashe and a unifying framework for the inputs of different role-players in order to achieve that vision
- III. As an action plan to prevent crime and reduce the resulting public fear of crime in the municipality
- IV. As a tool to ensure co-ordination and management of crime prevention initiatives
- V. As an opportunity for the formation of strong local crime prevention partnerships including joint endeavours with key sectors of the local Mbhashe community.

Coastal Management Plan

The people of Mbhashe Local Municipality recognise the intrinsic value and appreciate the scenic beauty diversity and richness of our unique coastline”.

We aim to take ownership of the coast and foster a spirit of custodianship and shared responsibility as our coast is a unique shared asset which has social, cultural, ecological and economic value.

Mbhashe LM aspires to manage the coast in an integrated manner that takes both the spiritual and biological value into account.

We strive to utilise the natural resources of our diverse coastline in a sustainable and equitable manner which maximises the benefits for all people of the Municipality and ensures the long term maintenance of biodiversity and ecological integrity of coastal habitats.

We strive to promote sustainable development and alleviate poverty in an equitable and participatory manner that considers the requirements of all stakeholders, and takes into cognisance of the conservation and biological importance of our coastline as well as national and provincial interests.

Communication Strategy and Customer Care Strategy

Communication is a strategic tool for any institution that provides the public with timely, accurate and clear information about its policies, procedures, programmes and services. Our democratic government is committed to the principle of Batho Pele (People must come first). This commitment and relationship has to be sustained by on-going Communication and dialogue. Mbhashe Local Municipality has developed a Communication Strategy that has is linked to the five (5) year electoral mandate with an Action Plan that will be reviewed annually. The strategy has been developed to support the municipality's Vision, Mission, and strategic objectives.

Local government is the corner stone of service delivery and the sphere of government that is closest to communities. It is therefore critical that municipalities develop and sustain adequate communication structures that will give them an effective platform for engaging them in a proactive basis with citizens.

Steps of Communication Strategies

- I. Background
- II. Objectives
- III. Communication challenges
- IV. Messengers and their roles
- V. Target audience
- VI. Procedures and regulations
- VII. Channels

VIII. Communication Campaign

IX. Communication action plan

This communication strategy is intended to ensure that the municipality engages in a co-ordinated manner with regards to communications and communicates in a standardized manner with unified messages, Adherence to its prescripts therefore it is imperative and will result in coherent image for the municipality. The communication procedures are applicable to each and every staff member employed by Mbhashe Local Municipality.

LIST OF MBHASHE POLICIES BY LAWS

POLICY	BY-LAW
1. Municipal Residence Policy	1. BUILDING CONTROL BY-LAWS
2. Public Participation and Petition Policy 2015	2. BY-LAWS RELATING TO IMPOUNDMENT OF ANIMALS
3. Supply Chain Management Policy	3. BY-LAWS RELATING TO PREVENTION OF PUBLIC NUISANCES AND PUBLIC NUISANCES ARISING FROM THE KEEPING OF ANIMALS
4. Policy on Policy Incubation	4. BY-LAWS RELATING TO STREET TRADING
5. Street Naming Policy	5. CREDIT CONTROL AND DEBT COLLECTION BY-LAWS
6. Communication and Customer Care Policy	6. BY-LAWS RELATING TO UNSIGHTLY AND NEGLECTED BUILDINGS AND PREMISES
7. Policy on prevention of Land Invasion	7. INDIGENT SUPPORT BY-LAWS
8. Policy on sale and disposal of municipal land	8. PROPERTY RATES BY-LAWS
9. Integrated Waste Management Plan (IWMP)	9. TAXIS AND TAXI RANKS BY-LAWS
10. Mbhashe Animal Pound Policy	10. TRAFFIC BY-LAWS

11. Community Safety Strategy 2015/16	11. ABBATTOIR BY-LAWS
12. Mbashe Tariff Policy	12. ADVERTISING SIGNS AND DISFIGUREMENT OF THE FRONTS AND FRONTAGES OF STREETS BY-LAWS
13. Property Rates Policy	13. AERIAL SYSTEMS BY-LAWS
14. Payments Policy	14. DISPOSAL SIGHTS BY-LAWS
15. Virement Policy	15. BY-LAWS RELATING TO HAIRDRESSERS AND BEAUTICIANS
16. Asset Management Policy	16. FIREWORKS BY-LAWS
17. Banking Policy	17. FRESH PRODUCE MARKET BY-LAWS
18. Credit Control and Debt Collection Policy	18. LIBRARY AND INFORMATION SERVICES BY-LAWS
19. Policy on the Write Off of Irrecoverable Debt	19. PARKING GROUNDS, PARKING ATTENDANTS AND CAR WATERS BY-LAWS
20. Investment Policy	20. PUBLIC AMENITIES BY-LAWS
21. Expanded Public Works Program (EPWP)	21. REGULATION OF PARKS AND OPEN SPACES BY-LAWS
22. Risk Management Policy	22. REFUSE REMOVAL AND LITTERING BY-LAWS
23. Overtime Policy	23. CEMETERIES AND CREMATORIA BY-LAWS
24. Draft Institutional and Social Development (ISD) Policy	24. BY-LAWS RELATING TO CHILD CARE FACILITIES
25. Mbashe Study Assistance Policy	25. FENCING AND FENCES BY-LAWS
26. Petty Cash Policy	26. FINANCIAL BY-LAWS
27. Indigent Policy	27. FOODHANDLING BY-LAWS

28. Budget Policy	28. LIQUOR TRADING DAYS AND HOURS
29. Municipal Investment Policy	29. BY-LAWS RELATING TO STREET TRADING 2016
30. Management of Accumulated Surplus /Deficit and bad Debts Policy	30. PROPOSED BY-LAWS ON ACCOMMODATION ESTABLISHMENTS
31. Creditors, Councillors and Staff Payment Policy	
32. Abscondment Policy	
33. Public Holiday and Weekend Work Policy	
34. Incapacity Policy	
35. Bursary Policy for Non-Employees of Mbhashe Municipality	
36. Occupational Health and Safety Policy	
37. Recruitment and Selection Policy	
38. HIV/ AIDS Policy	
39. Sexual Harrassment	
40. Whistle Blowing Policy	
41. CEAP Policy	
42. Leave Management	
43. Internship Policy	
44. Dissability Policy	
45. Bearevement Policy	
46. Municipal Facilities	
47. Records Management Policy	
48. Placement Policy	
49. Residential Allowance Policy	

50. Transfer and Demotion Policy	
51. Attendance and Punctuality Policy	
52. Safety in Sport Policy	
53. Exit Management Policy	
54. Subsistence and Travelling Policy	
55. Employment Equity Policy	
56. Cellphone Policy	
57. Disaster Recovery Plan- Business Continuity	
58. ICT Change Management Policy	
59. Application Patch Management Policy	
60. ICT Governance Framework	
61. Fleet Management Policy	
62. Risk Management Framework	
63. Risk Management Implementation Plan	
64. Public Participation Strategy	
65. Draft Grants and Donation Policy	
66. Audit and Performance Audit Committee Charter	
67. Internal Audit Charter	
68. Communication and Customer Care Strategy 2016/17	
69. Draft Special Programmes Unit Strategy	
70. PMS Reporting Procedure Manual	
71. Performance Management Framework	

FACTOR	STRENGTHS	WEAKNESSES
policies	Smooth operations A product of consultation	Implementation Review Delays in adoption Awareness
	OPPORTUNITIES	THREATS
	Stability Improve municipal perception by society	Changing legislation Court orders

2.5.12 INFORMATION AND COMMUNICATION TECHNOLOGIES

Corporate services is also responsible for ICT Section and ensures effective and efficient tool of lowering costs to leverage service delivery through ICT enabled equal access to municipal information and services. Mphashe Municipality IT Environment supports about +-180 users consisting of Administrative staff, Councilors. The municipality have six offices namely:

- I. Main Municipal Office;
- II. Municipal Town Hall Offices
- III. Free Basic Services and Customer Care
- IV. Municipal workshop
- V. Offices in Willowvale
- VI. Offices in Elliotdale and
- VII. Dutywa TRC hall

MUNICIPAL WEBSITE

- ICT section is responsible for updating and uploading the municipal website and the registered domain address is www.mbhashemun.gov.za.
-

MUNICIPAL SYSTEMS

- Telephone System
- Cibecs Backup System
- Venus and Payday
- SAGE Evolution
- Endpoint Antivirus
- Microsoft Volume Licence

- Mimecast Email Solution
- AMS (Asset Management System)
- Bulk sms system

EQUIPED AND SECURED SERVER ROOM INFRASTRUCTURE

- Biometric Access Control
- Firewall
- CCTV Cameras
- UPS System
- Airconditioner
- System Servers
- Fire Suppression System

NETWORK INFRASTRUCTURE

- All municipal offices are networked
- VPN and Internet Solution
-

Training for IT Staff is needed more frequently as their training plans are informed by new technology and IT roadmaps for business continuity. Additional capacity needed for ICT.

SWOT ANALYSIS

FACTOR	STRENGTHS	WEAKNESS
Municipal Systems	Policies and Procedure Manuals in place Disaster Recovery Plan Bulk sms system VPN and Internet in place HR and Finance system Firewall Backup solutions (Cibecs) Backup generator and Server room UPS's	Centralisation of Municipal system Non implementation of Corporate Governance Framework Poor network infrastructure Disaster Recovery Site and a failover No system in place (TCS) for traffic fines

		Management of Service Level Agreements No UPS's for network cabinets
	OPPORTUNITIES	THREATS
	Interaction between municipality and stakeholders	Changes in legislation Rapid change of technology

2.5.15. PERFORMANCE MANAGEMENT

PERFORMANCE MANAGEMENT FRAMEWORK

The systems act requires municipalities to develop a performance management system.

- I. The municipality should also set targets, monitor and review performance based on indicators linked to their IDP
- II. Publish an annual report on performance for the councillors, staff, the public and other spheres of government
- III. Incorporate and report on a set of general indicators prescribed nationally by the minister responsible for local government
- IV. Involve the community in setting indicators and targets and reviewing municipal performance

The Mbhashe Municipality in responding to the above requirements developed tools aimed at operationalizing its PMS.

- I. Performance management framework
- II. Performance contracts and agreements
- III. SDBIP
- IV. Annual performance report

The Mbashe Local Municipality reviewed and adopted by 2010 and this document represents a revised performance management framework for Mbashe local municipality. The municipality on this exercise was financial assisted by Amathole district municipality. The outlines the objectives, principles, process, procedures and the model that guides how the municipality implements its performance planning, monitoring, review, reporting, auditing and evaluation.

It further, identifies the key stakeholders and their respective roles in the managing of municipal performance management. Once adopted by council it will be binding on all in the municipality as a policy framework for implementing performance management.

In August 2001 regulations on municipal planning and performance management were published by Department of Provincial and Local Government (**dplg**) to further explain the requirements of the LG Municipal Systems Act 32 of 2000.

According to the regulations a municipal PMS must ensure that it:

- I. complies with all the requirements set out in the Municipal Systems Act;
- II. demonstrates how it is to operate and be managed from the planning stage up to the stages of performance and reporting;
- III. clarifies the roles and responsibilities of each role-player, including the local community, in the functioning of the system;
- IV. clarifies the processes of implementing the system within the framework of the integrated development planning process;
- V. determines the frequency of reporting and the lines of accountability for performance;
- VI. relates to the municipality's employee performance management processes;
- VII. provides for the procedure by which the system is linked to the municipality's integrated development planning processes;

The regulations also prescribe that municipalities must monitor their performance and report on these national indicators (in addition to their local level indicators):

- I. the percentage of households with access to basic level of water, sanitation, electricity and solid waste removal;

- II. the percentage of households earning less than R1100 per month with access to free basic services;
- III. the percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan;
- IV. the number of jobs created through municipality's local economic development initiatives including capital projects
- V. the number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan;
- VI. the percentage of a municipality's budget actually spent on implementing its workplace skills plan; and

I. Auditing of performance reports

At least twice annually the council will be required to receive and endorse municipal performance reports for submission to the audit committee. These reports must be prepared by the management team and received by council by the same deadlines for review mentioned earlier.

The Regulations specify that any auditing must include assessment of:

- o The functionality of the municipality's Performance Management System;
- o The compliance of the system with the legislation; and
- o The extent to which performance measurements

II. Audit Committee

The Municipal Council must ensure that the mandate of the audit committee includes the responsibility to audit performance reports at least twice annually. It is suggested that before the municipal performance report is tabled to the audit committee, it must be seen by the internal auditor for his/her advice. This will minimise possibilities for adverse outcome opinions on the report.

In composing the municipal audit committee Council must ensure that:

- I. Majority of members of the Audit Committee are not councillors or employees of the municipality;

- II. Chairperson of the Audit Committee is neither a councillor nor an employee of the municipality;
- III. Members of the Audit Committee have credibility within the communities and organs of civil society; and the

The operation of the audit committee must be governed by section 14 (2-3) of the regulations. As per the regulations, the performance audit committee will:

- I. Review the quarterly reports submitted to it by internal audit unit;
- II. Review the municipality's performance management system and make recommendations in this regard to the council of that municipality;
- III. Assess whether the performance indicators are sufficient;
- IV. At least twice during a financial year submit an audit report to the municipal council.

The audit committee should also be tasked with assessing the reliability of information reported. In order to fulfil its function, a performance audit committee may in accordance with the regulations:

- I. Communicate directly with the Council, Municipal Manager or internal; and external auditors of the municipality concerned;
- II. Access any municipal records containing information that is needed to performance its powers;
- III. Request any relevant person to attend any of its meetings, and if necessary to provide information requested by the committee; and
- IV. Investigate any matter it deems necessary for the performance of its duties and the exercise of its powers.

2.6. ECONOMIC ANALYSIS

The background section of the report spoke too many of the Socio-Economic and demographic trends facing Mbashe as per the 2011 Stats SA outcomes. This section aims to elaborate on some of the salient points which we will need to consider before carrying out the sector analysis.

2.6.1 THE POLICY AND LEGISLATIVE CONTEXT

Policy and legislation becomes imperative to provide and guide, inform legislative mandate and policy direction through aligning national, provincial and local government Medium Strategic Frameworks.

Table 1: Policy and legislative context

LEGISLATION / POLICY	PROVISION
Sustainable Development Goals (SDG)	The Sustainable Development Goals (SDGs), otherwise known as the Global Goals , are a universal call to action to end poverty , protect the planet and ensure that all people enjoy peace and prosperity.
Constitution of the Republic of South Africa, 1996	<i>“A municipality must structure and manage its administration, budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community.”</i>
National Development Plan; vision 2030	<p>On inclusive and integrated rural economy</p> <ul style="list-style-type: none"> • By 2030, South Africa’s rural communities should have greater opportunities to participate fully in the economic, social and political life of the country <p>On an economy that will create more jobs</p> <ul style="list-style-type: none"> • By 2030, the economy should be close to full employment; equip people with skills they need, ensure that ownership of production is less concentrated and more diverse and be able to grow rapidly; providing the resources to pay for investment in human and physical capital
ANC Manifesto	<p>On Local Economy and Job Creation; the ANC Manifesto emphasis on development and strengthening of local economies to create jobs and promote job placements especially the youth through:-</p> <ul style="list-style-type: none"> • Re orientating local economies to become effective centres of production, information processing and economic and spatial development. • Strengthening structures of Local Economic Development. • Developing sports and recreational facilities to grow local economies. • Ensuring that municipalities incorporate science and technology into their programmes as catalysts for local economic

	<p>development and deploy innovations such as the hydrogen fuel cell technology.</p> <ul style="list-style-type: none"> • Up scaling cooperatives to mainstream economic development. • Ensuring that all municipalities develop special programmes targeting youth Co-operatives and enterprises. • Developing the productive and creative skills of young people for economic projects and activities in municipalities. • Promoting local procurement of goods and services to increase local production. • Encouraging the growth of SMMEs and cooperatives through centralised government procurement • Maintaining all municipal infrastructure and facilities. • Encouraging local businesses to target young people and to take advantage of programmes to promote youth employment. • Upscaling the Community Work Programme to provide initial exposure to work opportunities to unemployed young people. • Ensuring the Expanded Public Works Programme takes advantage of the Municipal Infrastructure Grant to create labour absorbing activities and work opportunities. • Expanding broadband access in local government, including through free Wi- Fi areas. • Providing residents with information about programmes on sustainable agriculture and rural development. • Assisting rural smallholder farmers to access municipal land for food production and sustainable agriculture. • Collaborating with farmers to create better working and living conditions for farm workers. • Working with traditional leaders to ensure that communal land under the trusteeship of traditional leaders is accessible and available for development and economic growth.
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National Framework for LED 2014-2019	<p>The vision as set out by the Framework is:</p> <p><i>“Competitive, sustainable, inclusive local economies world-class and dynamic places to live, invest, and work; maximizing local opportunities, addressing local needs, and contributing to national development objectives”</i></p>
1998 Local Government White paper	<p>The paper introduced the concept of developmental local government; i.e. the</p> <p><i>“Local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs, and improve the quality of lives.”</i></p>
Municipal Systems Act (2000)	<p>In this piece of legislation the Integrated Development Plan is seen as the key instrument to achieve organic, sustainable local economic development; as well as regulate municipal expenditure in respect of LED and build municipal partnerships for LED.</p>
3	<p>The RIDS Strategic Intent is outlined as follows:-</p> <ul style="list-style-type: none"> • To enable all areas in the SA economy to attain their optimal economic potential by facilitating local development embedded in a regional/district through linkages within existing and latent industrial and economic base. • To stimulate investments that will promote sustained high growth in a local community • To focus on a region’s potential and identify what local stakeholders can and need to do to ensure their local community reaches its potential • To assess a community’s comparative advantage, identify new or existing market opportunities for businesses, and reduce obstacles to business expansion and creation • To have an impact on the economic viability districts • To create new jobs, help communities retain existing jobs, help businesses access capital. • To contribute to a broader national framework with a spatial dimension, in order

	to increase each region's global competitiveness.
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2.6.2 LOCAL ECONOMIC DEVELOPMENT

This KPA covers the following:-

- Agriculture and Rural Economic Development (Agri-development and Agro-processing)
- Enterprise Development (Business Attraction and Retention, Co-operatives Development)
- Tourism, Heritage Development
- Ocean Economy and Coastal Development
- Research and Development

Mbhashe economic size is estimated to be approximately R684 million. The Mbhashe Local economy has a competitive advantage in Agriculture, Tourism and Ocean Economy, Community Services, Construction and Trade. However, the existing potential in these comparative and competitive advantages has yet to be realized. More needs to be invested in unleashing this potential for local economic development benefits. While more jobs were realized in the community services, this sector is not a sustainable sector for job creation

The strategic framework for economic development in the Eastern Cape identifies four key areas in the Wild Coast:-

- N2 Highway.
- Umzimvubu Catchments Dam.
- Wild Coast Meander.
- Agro-processing.

The Eastern Cape Provincial Development Plan (ECPDP, 2030) states, "The Mbhashe region, which has good potential for expanded agricultural production. This is due to the many industrious communities already mobilised through government-supported farming programmes and investments in the area. The Agri-Park is supported by the national and provincial departments of rural development, as well as research institutions"

Mbhashe Municipality will benefit most from the Wild Coast Industrial Development Zone (IDZ) as it will promote and connect fresh produce to international markets. The Wild Coast IDZ currently forms part of a broader, multi-sectoral approach to boosting economic growth in the whole former "Transkei" corridor. This includes the formulation of a sustainable socio-economic development strategy; an integrated development plan and an implementation action plan.

Mbhashe's economic potential if harnessed can also be used in addressing poverty and meeting the government's target of halving unemployment and poverty by 2030. Maize milling is one of the projects that Mbhashe is presently working on and is one of the major projects identified by Mbhashe Local Municipality and the Department of Rural Development and Land Reform. However, large areas of arable land are left underutilized by farmers who claim that, there's a lot of machinery needed for them to continue with maize production, and their option is in the bio-fuels industry. The bio-fuels initiative is also a project where Mbhashe could succeed on in creation of employment and fighting poverty.

Mbhashe Municipality has a reviewed Local Economic Development strategy and was adopted by its Council in 2015. The strategy is valid until the end of 2019 and is currently being implemented. This strategy will be revised again in 2019/20 financial year. However, LED is not a clearly funded competence of local government. Even though there is no consensus on the actual role of local government in economic development, there seems to be adequate guidance in the legislative and policy framework, viz:

Mbhashe LM's economy, like that of the Eastern Cape and the whole country has experienced a negative growth between 2008 and 2010, this poses a huge risk for a rural economy which is already volatile in nature. Thus, the need to focus on sustainable economic models through consideration of skills transfer and development will be key to ensure stability through periods of economic uncertainty.

The agriculture sector, between 2008 and 2010 has created a considerable amount of jobs. the same period saw stagnation in employment in mining & quarrying and a marginal growth in manufacturing sector which can be attributed to the imbalance between the supply and demand of the manufactured goods or lack of manufacturing entities. This trend informs us that the manufacturing sector presents some opportunity for Mbhashe and needs to be explored for further opportunity and expansion.

In the non-goods producing sectors, general government employment and community services sectors have seen a consistent increase between 2008-2010. The introduction of labour intensive programmes such as expanded public works programmes, learnerships and apprenticeships have also contributed to employment within these sectors: the wholesale and trade sector has been in boom over the same period, with close to 47% of the working population absorbed in this sector.

Despite the wholesale sector which has been a relatively low wage sector it maintains a high labour absorption compared to the transport, business services and finance sectors, this directs us to consider other labour intensive sectors such as light industrial and manufacturing.

The current level of poverty together with the HDI implies that a big percentage of the Mbhashe LM population has no access to credit, are unable to finance their children's education and use child support grant as a source of income, the high poverty rate has resulted in aggravated levels of poor health, child malnutrition and lower levels of education.

About 91.9% of Mbashe GDP growth was driven largely by the non-basic sector (community services, construction, finance, electricity, transport & retail sectors), whilst the basic sector (agriculture, manufacturing & mining) has contributed about 8.1%.

There is therefore an economic imbalance as the basic sector should be the prime stimulant for economic growth. The Mbashe Local Municipality economy is therefore imbalanced and does not produce sufficient goods to support the non-basic sector and employment. It imports more than 80% of goods sold in the wholesale and trade sector from other regions or economies.

2.6.3 MBHASHE AT A GLANCE

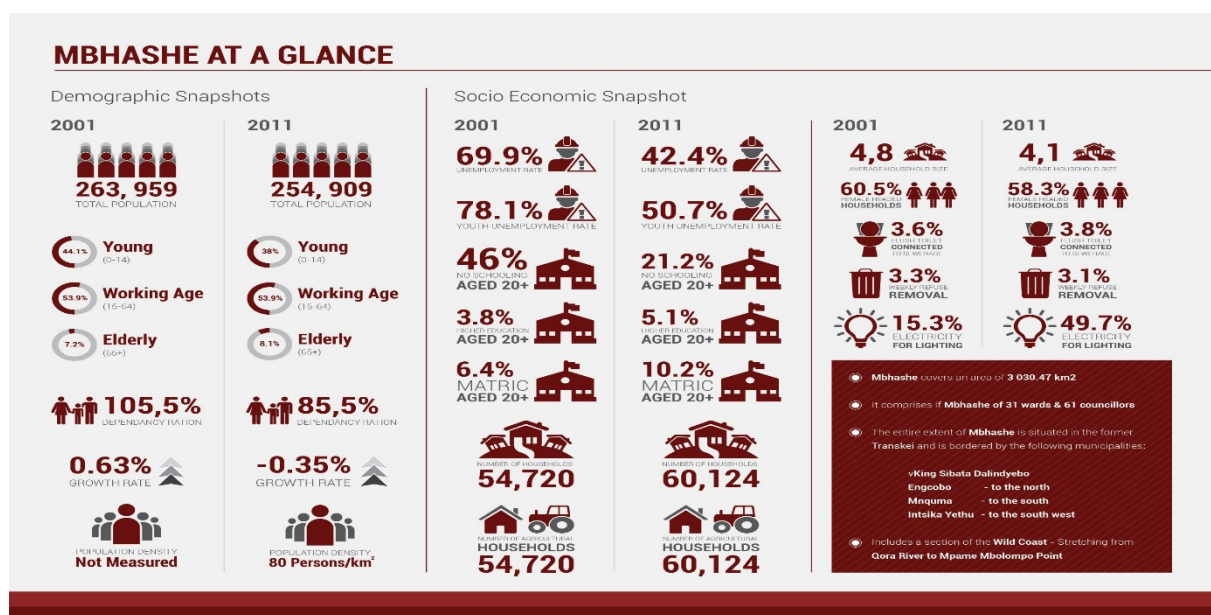


Figure 1: Mbashe Municipality at glance

The Economic Outlook and Employment.

The current age profile implies that the active labour force (25-64) which constitutes 34% of the population must work and support 64% of the population. (Age groups 0-14, 15-25 and 65 and above are an economically dependent burden). The challenge of a larger section of the population been economically unproductive has resulted in high levels of economic dependency on the working class and social grants. According to Stats SA 2011, just over 21.2% of the population, aged 20 years and older has no form of schooling.

Such is extremely alarming as the low level of literacy directly contributes to the poor economic performance of Mbashe. The number of people with less than Grade 12 has decreased by 13% from 2010 to 2011 whilst the number of pupils who did not proceed to tertiary level has decreased by 4% over the same period. The number of people with no schooling was standing at 29% in 2011.

It is important to take consideration of this as there may be more demand for skills training centres, artisan development, FET colleges etc. The sector analysis will thus need to engage with schools and residents within Mphashe to understand their needs.

The Economic Growth Rate.

Mphashe's Economic Growth Rate in 2011 was - 0,35%. The negative growth rate implies that the economy is still in recession and does not stimulate growth as illustrated in figure 1 below.

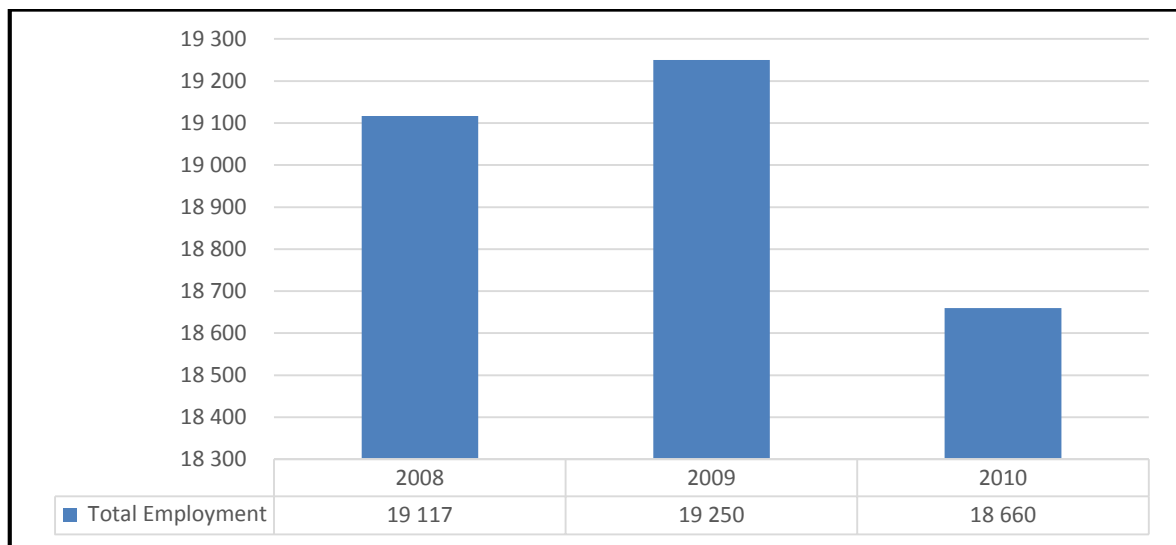


Figure 2: **Employment Growth/Decline**

Mphashe LM's economy, similar to that of the Eastern Cape and the whole country has experienced a negative growth between 2008 and 2010. This was a factor of a global recession which was characterized by business cycle contraction. Production as a GDP measure was very subdued in many parts of the global economy with the Mphashe LM's economy not immune to this phenomenon.

Employment in Goods Producing Sectors.

Strong basic sector ensures that the economy is stable and diversified. Ensures that employment is created for low skilled labourforce and has a high labour absorption capacity as illustrated in figure 2 below.

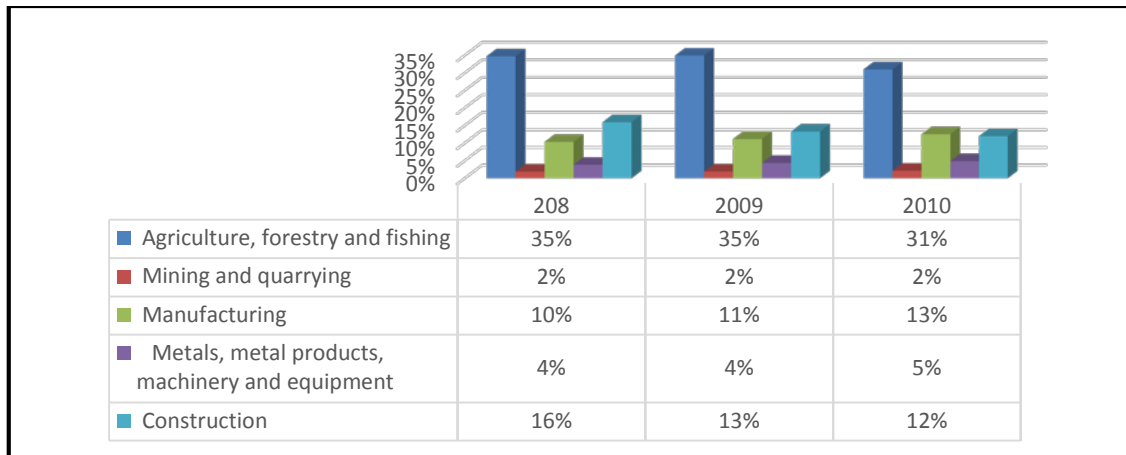


Figure 3: **Employment by Basic Sectors**

The above data indicates that agriculture, between 2008 and 2010 has created a considerable amount of jobs, albeit there being a marginal shift. The same period saw stagnation in employment in mining & quarrying and a marginal growth in manufacturing sector which can be attributed to the imbalance between the supply and demand of the manufactured goods or lack of manufacturing entities.

Some of the external factors that can be attributed to the supply and demand imbalance have been a noticeable increase in prime interest rates which were seating at between 10.5%-11.0% in the last quarter of 2009 (www.statssa.co.za).

Employment in the construction sector has been declining at an average of 1% - 2% pa from 2008 to 2010 from a less-competitive position.

Employment in Services Sectors.

The non-basic sector requires a strong and sustainable basic sector to be sustainable. A weaker basic sector implies that the economy imports most of its production and trade inputs from other economies.

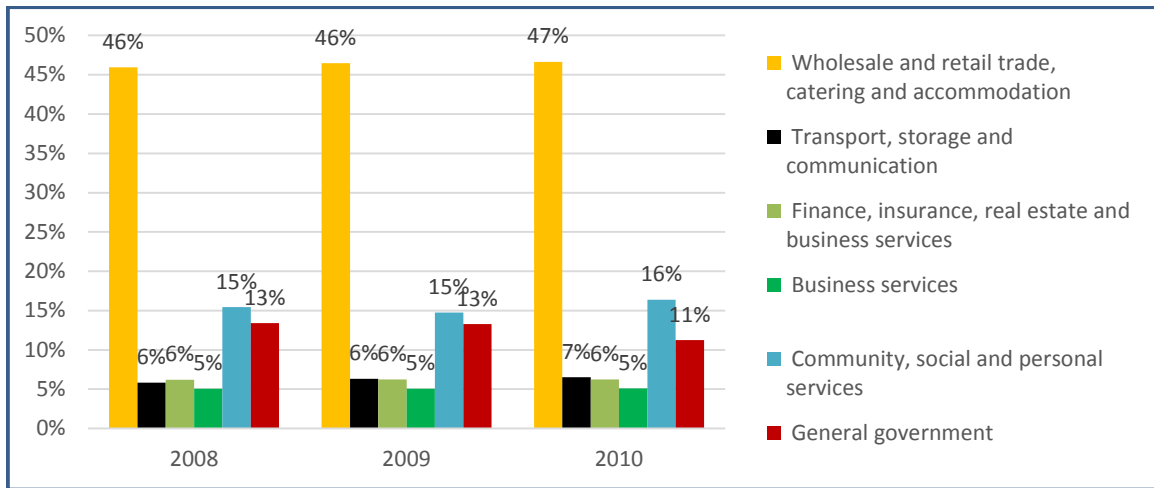


Figure 4: **Employment in Non-Basic Sectors**

In the non-goods producing sectors, general government employment and community services sectors have seen a consistent increase of about 1% from 2008 to 2010. There are various factors that contribute to this including the introduction of labour intensive programmes such as Expanded Public Works Programmes, Learnerships and Apprenticeships.

The wholesale and trade sector has been boom over the same period, with close to 47% of the working population absorbed in this sector. Despite it being generally a low wage sector, the wholesale and retail trade sector shows a high labour absorption compared to the transport, business services and finance sectors in the same period.

Rate of Poverty.

The municipality saw a marginal decline in the number of people living in poverty between 2008 and 2010, consistent with Amathole DM and Mquma LM. Despite this decrease, more than half of the population is still categorized as poor in this part of the region.

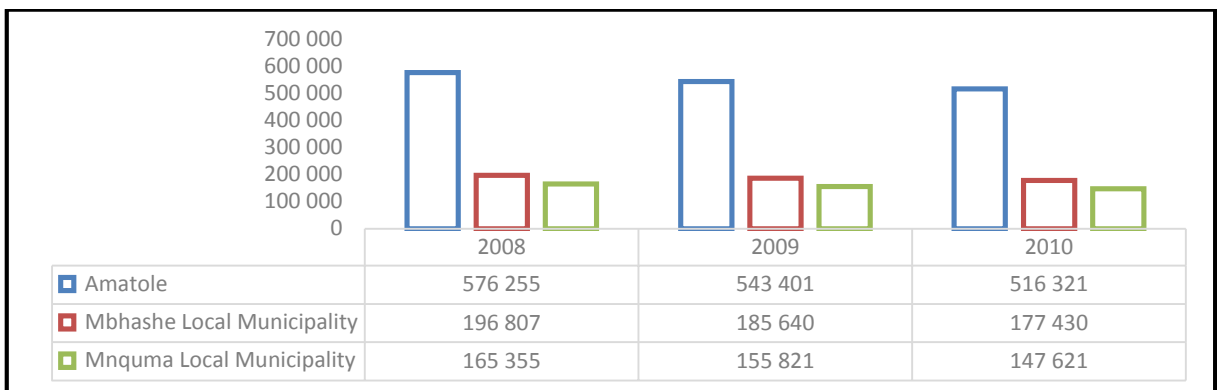


Figure 5: **Number of people living in poverty**

The total population living in poverty at Mbhashe was seating at 66% of the total population in 2010. The poverty levels have decreased by 1% from 2010 to 2011. The level of poverty within the Mbhashe LM is in keeping with its human development

index and dependency ratio. With more than half of the population at 66% in 2010 living in poverty, the poverty level is considered widespread.

The current level of poverty together with the HDI implies that a big percentage of the Mbhashe LM population has no access to credit, are unable to finance their children’s education and use child support grant as a source of income. These factors also contribute to a lower per capita growth because of the income disparities. The high poverty rate if it remains unabated will result into aggravated levels of poor health, child malnutrition and lower levels of education. These factors will jointly lower economic productivity and result in a slow growth economy.

The Human Development Index.

The HDI attempts to rank the population development on a scale of Zero (0) (lowest human development) to 1.0 (highest human development) based on the following human development goals;

- Longevity as measured by life expectancy at birth;
- Knowledge as measured by a weighted average of adult literacy and means of schooling;
- Standard of living as measured by real gross per capita gross domestic product.

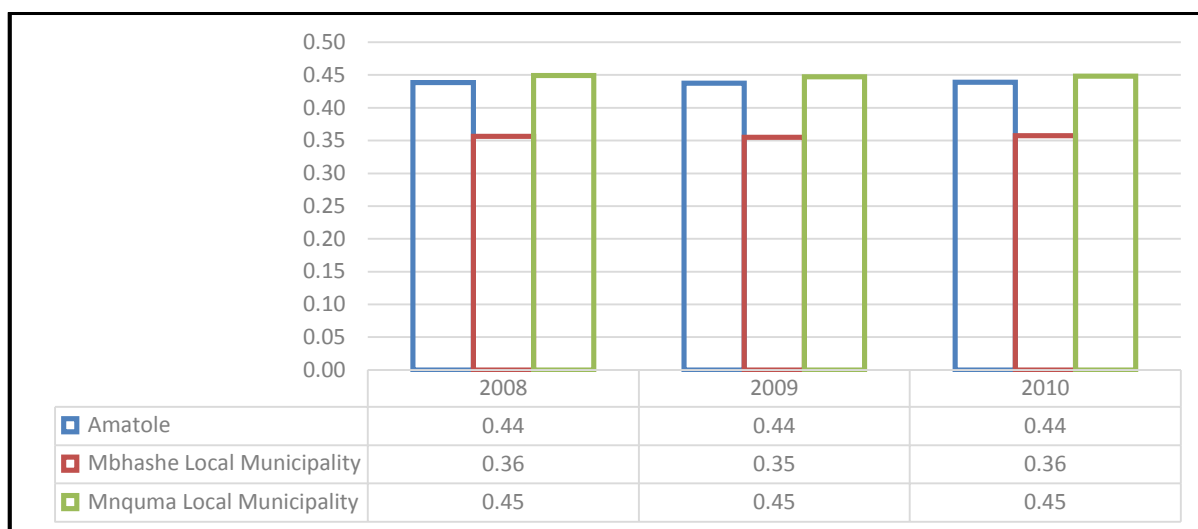


Figure 6: Human Development Index

The more the HDI is close to 1(one), the better is the human development in the area. The HDI in Mbhashe decreased from 0.36 in 2008 to 0.35 in 2009, and remained constant at 0.36 until 2010. With the balance of probabilities the HDI

remained constant at 0.4 throughout this period and is considered below medium HDI by international standards.

Mbhashe's HDI can only rise with an increase in per capita income. The Mbhashe LM together with its development partners (government and the private sector) needs to intensify investment efforts in primary health and education, which will in turn increase the HDI and ultimately raise productivity.

Economic Size, Structure and Performance.

The economy of Mbhashe LM is divided into basic and non-basic sectors. The basic sector consists of firms whose economic activities depend on external economic conditions or factors. This sector include three sectors namely the public sector, tourism, manufacturing sector and the agriculture/agro-processing sector. These sectors produce goods largely for sale outside their respective economies and thus depend on external demand.

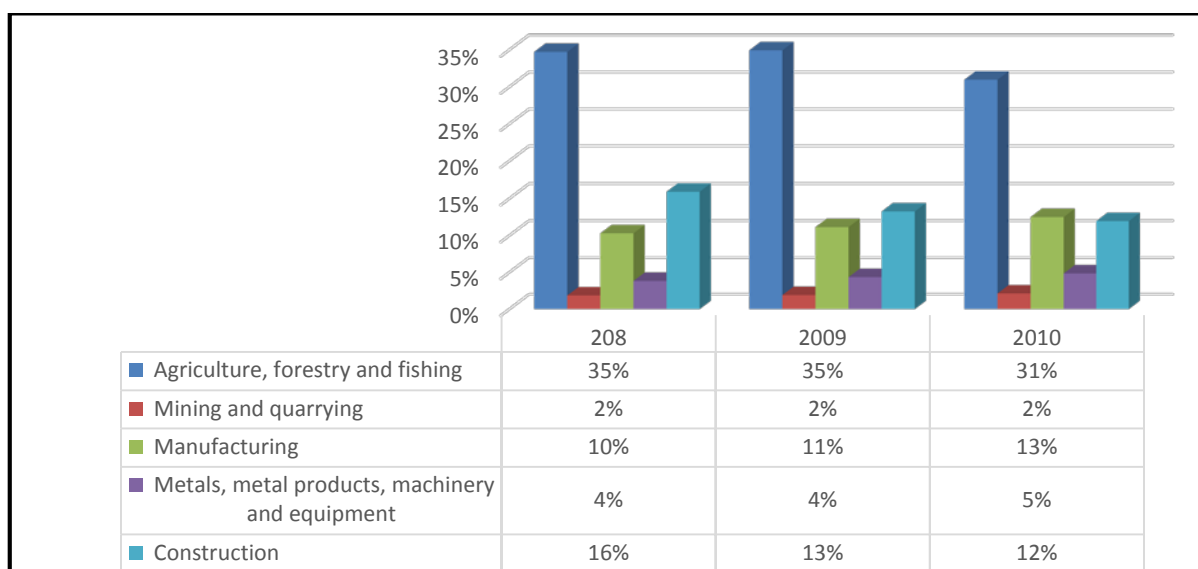


Figure 7: **Employment by Basic Sectors**

The non-basic sector consists of firms whose economic activities depend on basic sector. This sector include three sectors namely the wholesale and retail sector, transport sector, finance sector and business services sector, etc.

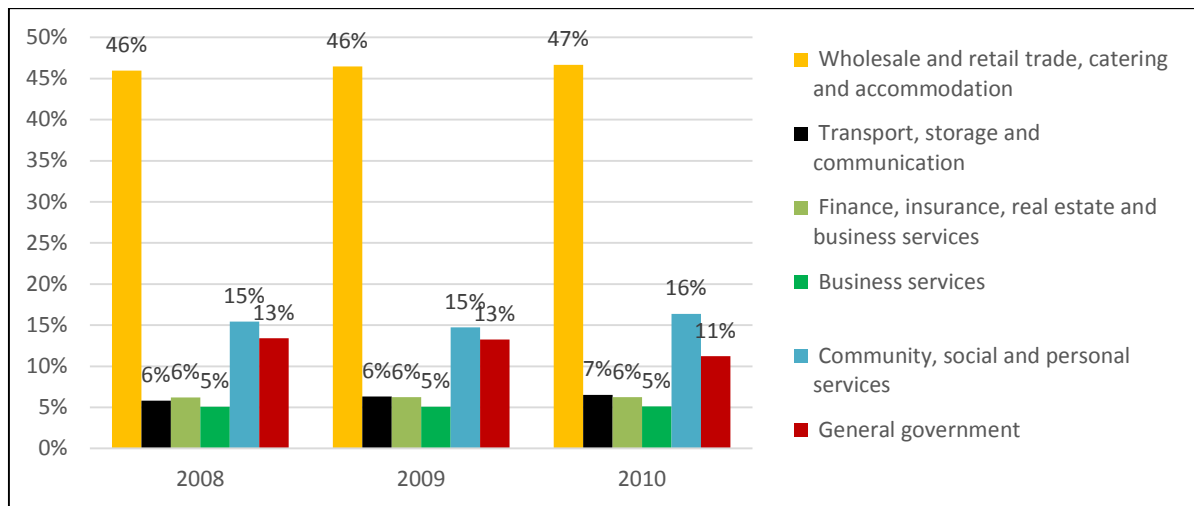


Figure 8: Employment in Non-Basic Sectors

Mbhashe LM’s Sectorial Contribution to GDP.

About 91.9% of growth was driven largely by the non-basic sector (*community services, construction, finance, electricity, transport & retail sectors*), whilst the basic sector (*agriculture, manufacturing & mining*) has contributed about 8.1%.

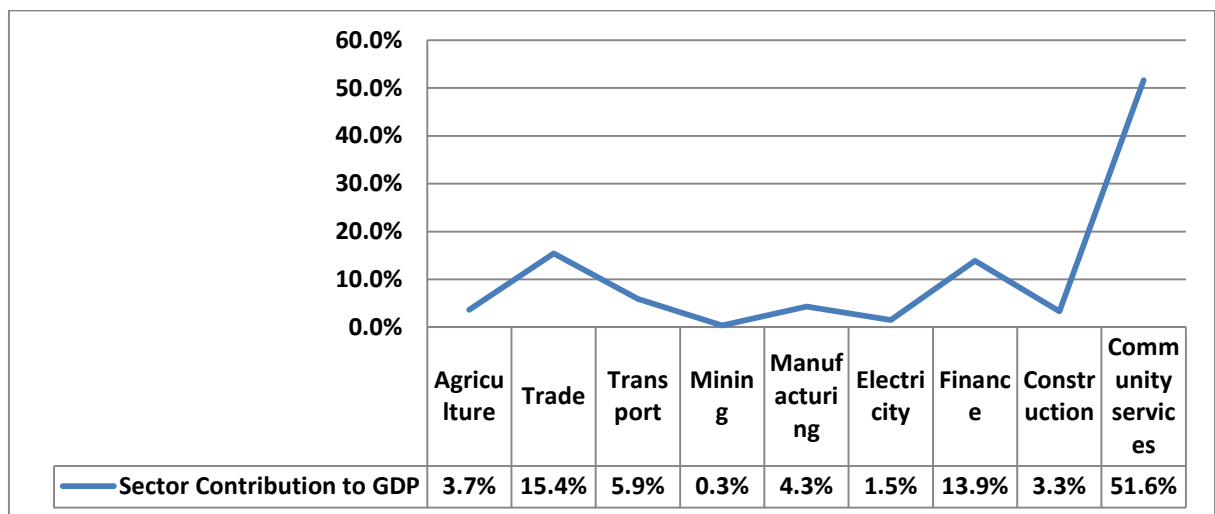


Figure 9: Sector Contribution to Mbhashe LM GDP-2011

Sector Identification and Classification

To determine and identify which sectors that have a high concentration, with a higher labour absorption rate, a technique known as a “*Location Quotient*, (“LQ”) has been used to analyze the available employment data which was captured in the LED strategy.

The outcomes of the Location Quotient should be understood and interpreted as follows;

- Location Quotient = 1.0 means that the sector has the same labour absorption rate compared to the Reference Economy.
- Location Quotient <1.0 means that the economy cannot meet the local demand for jobs in a sector.
- Location Quotient >1.0 means that employment in the sector is greater than what is expected.

Table 2: Economic Sector Quotient

Sector	Location Quotient	What does this mean?
Agriculture, Forestry and Fishing.	> 1.0	Employment in the agriculture, forestry and fishing sector, is greater than expected. The sector performed better than the provincial average in the same period and should be prioritized as a possible targeted economic sector
Manufacturing Sector.	< 1.0	Employment in the manufacturing sector, is less than what is expected. The sector is not even meeting local demand for jobs. Such can be attributed poor demand for goods produced in this sector.
Wholesale and Retail Sector.	> 1.0	Employment in the W&R sector, is greater than expected. It should be prioritized as a possible targeted economic sector
Community Services Sector	>1.0	Local employment in this Sector, is greater than expected

Source: LED strategy 2015

There is therefore an economic imbalance as the basic sector should be the prime stimulant for economic growth. The Mbashe LM economy is therefore imbalanced and does not produce sufficient goods to support the non-basic sector and employment. It imports more than 80% of goods sold in the wholesale and trade sector from other regions or economies.

Mbashe LM's Economic Classification.

In order to determine and identify which sectors that have a high concentration, with a higher labour absorption rate, a technique known as a “Location Quotient, (“LQ”) has been used to analyze the available employment data. The employment data that has been used is the employment data that was collected and published by Global Insights in 2009 & 2010 for sectors that have been shown in the figure below.

The location quotient will be shown as a ratio between the percentage of employment in the sectors within the Mbhashe LM’s local economies (“municipalities”) and compare it to the percentage of employment in the same sector in a different economy.

The outcomes of the Location Quotient should be understood and interpreted as follows;

- Location Quotient = 1.0 means that the sector has the same labour absorption rate compared to the Reference Economy.
- Location Quotient <1.0 means that the economy cannot meet the local demand for jobs in a particular sector.
- Location Quotient >1.0 means that employment in the particular sector is greater than what is expected.

Location Quotient for Basic and Non-Basic Sectors.

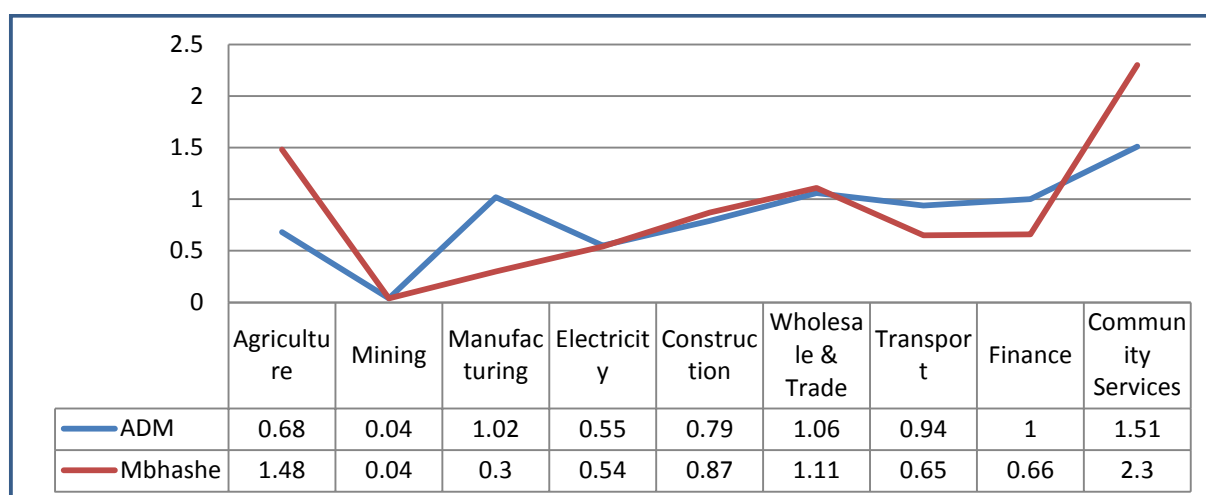


Figure 10: Location Quotient for Basic and Non-Basic Sectors

Agriculture, Forestry and Fishing.

The LQ > 1.0, which means that local employment in the agriculture, forestry and fishing sector, is greater than expected and it is therefore assumed that this "extra" employment is basic. The sector performed better than the provincial average in the

same period and should be prioritized as a possible targeted economic sector going. Additional efforts such as proper planning, adequate resourcing and implementation of turnkey programmes and projects will improve the agricultural futures in the locality.

Manufacturing Sector.

The $LQ < 1.0$, which suggests that employment in the manufacturing sector, is less than what is expected for this sector. Therefore, the sector is not even meeting local demand for jobs. The trend can be attributed to subdued demand for commodities or goods produced in the sector due to either higher prices or availability of alternate goods.

Wholesale and Retail Sector.

The $LQ > 1.0$, which means that local employment in the W&R sector, is greater than expected and it is therefore assumed that this "extra" employment is basic. The sector performed in line with the provincial average in the same period and should be prioritized as a possible targeted economic sector going. Additional efforts such as provision of critical infrastructure and sector specific programme need to be put in place to help sustain the sector going forward.

Community Services Sector.

The $LQ > 1.0$, which means that local employment in this Sector, is greater than expected and it is therefore assumed that this "extra" employment is basic.

Summarised Analysis of the Location Quotient.

It is clear from the above graphic("Location Quotient-2010") that the economic base within Mphashe Local Municipality is quite narrow, dominated by the community services, which is driven largely by government employment and the retail trade sector which characteristically is a low wage sector. Various strategies would have to be introduced and developed in order to create enablers for development and growth of the above sectors in a manner that would ensure their growth and sustainability.

Various principal caveats would need to be further research and tailor-made to meet the prevailing economic circumstances within the Mphashe Local Municipality and its local economies. One such caveat should be the "Economic Re-Industrialization & Agricultural Development". This approach would entail the re-building of the regions industrial stock through leveraging of existing government tax incentives and financing of economic infrastructure. It will also re-focus the regional economic development programmes targeting sectors where the region must regain competitive in order to propel economic growth.

Through this approach, the Mphashe Local Municipality shall attempt transform its economy to new industrial and economic activities and should identify "sunrise

strategies” that would produce new jobs and ensure enterprise creation and sustainability.

The second approach would be the coordination of regional and local economic development efforts. Central to this approach would be the development of an industrial strategy and action plan which shall be developed to take advantage of the national resources and should localize approaches contained on the New Industrial Policy Action Plan (“IPAP”), the New Growth Path, (“NGP”) and the National Development Plan (“NDP”)

2.6.4 Economic Comparative and Competitive Advantage

The Absolute advantage

Our municipality believes it has absolutely more efficient at production of the following compared to nearby municipalities. These are:-

- Crop production
- Sheep farming
- Eco-tourism

However, these advantages have not been tapped to the fullest.

Comparative advantage / Competitive advantage

The ability of the municipality to produce a particular good / product or service at a lower marginal and opportunity cost over another good / product. Comparative advantage measures efficiency in terms of relative magnitudes

There are five sectors with high potential for development:

- Agriculture (including forestry and fisheries), particularly intensive and irrigated horticulture.
- Tourism, including eco-tourism, heritage, conferences and sports.
- Small scale manufacturing, particularly diversification from agriculture, brickmaking, bakeries and new-generation products.
- Construction related to infrastructure, new property developments and the upgrading of human settlements.
- Ocean Economy- marine tourism.

There are other targeted areas for investment which may have considerable economic potentials in the future, and those are:-

Aquaculture farming / Maritime culture

Aquaculture is the farming of aquatic organisms such as fish, shellfish and even plants. This refers to the cultivation of both marine and freshwater species and can range from land-based to open-ocean production.

However; there's a great potential for fish farming programme in the area. Currently there are two communities under development trusts that showed interest in the project. They are Nqabara Development Trust and Mahasana Development Trust. The pre-feasibility study was conducted in the Mahasana area. Currently the business plan is being developed with the interested private investor who will later partner with the community through the trust.

Mining and Quarrying

Mbhashe has a potential for stone mining, sand mining and granite. These resources; granite to be specific is found in some parts of Mbhashe such as in Luvundu, Bojini and Weza areas. However, there's little done in this sector to help change the economic situation of the people in the area. What is common is the illegal mining of sand by some business people. Their actions lead to degradation of land in various parts of the region and there's no policing of the area which is usually in the coast so as to safeguard land degradation.

Fishing / Recreational Fishing

The municipality once conducted a study on fishing; the study showed there's major potential in this industry as there's little done on this sector. All wards that form the coastal belt in the Mbhashe area are encouraged to acquire fishing permits from the relevant Department. There has been progress in the area as more SMMEs have acquired licences and doing legal fishing. Mbhashe boasts with the wild coast full of large river mouths and seas. These are all the areas where different forms of fishing can take place. The area covers the area between the Qhora River and Zithulele River. There are different types of fish available in the area but the control on use is still in the hands of the Department of Agriculture, Forestry and Fisheries – Marine and Coastal Management. The study showed that the following projects can be undertaken in the areas mentioned:-

Table 1: Potential matrix for fishing opportunities

AREA	POSSIBLE PROJECT
Shixini	Suitable estuary for recreational fishery
Xhora	Suitable for community based canoe hire and ghillies
Nqabara Mouth	Conservation area/protected zone
Jujura Mouth	Angling destination
Qora Mouth	There's a boat house and sea launching is possible
KuJotela	Recreational fishery

Source: Mbhashe LED strategy (2015)

Further recommendations included the formation of the Focus Group which will be made of technical people i.e. government departments, NGO's and Government

agencies, Further Education and Training institutions and Institutions of higher learning.

THE LED STRATEGY (2015)

The LED Strategy adopted by Council in 2015, deals with economic development as a theme that cuts across all that happens in Mhashe Local Municipality. Whilst administrative boundaries may be tightly drawn in terms of local municipalities that fall under the Amathole DM, partnerships and trade across municipal boundaries are encouraged particularly in support of the concept of **Wall-to-Wall Municipalities** as is contained in the South Africa Constitution.

The Mhashe LED Strategy is focused more on creating an enabling environment by developing programmes and making available resources to support projects that will in turn be identified by local businesses, entrepreneurs and residents at large. Mhashe Local Municipality is in some competitive position. Its economic capital, Idutywa lies along a busy and lucrative N2, and is a gateway between the various powerhouses such as Durban, Umtata and East London. The Mhashe LM's Integrated Development Plan (IDP) refers to five (5) areas of investment, which for the purposes of the strategy are referred to strategic thrusts.

The Strategic Thrusts formulated as part of this document are based on the current economic situation Mhashe LM finds itself in and is aimed at building on the existing strengths and exploiting the unique opportunities presented by the local economy and the specific physical and demographic environment of the Municipality. The Thrusts, therefore, enable an integrated approach towards taking maximum advantage of the identified opportunities. The Thrusts also allow the appropriate linkage of projects and initiatives to ensure more focused and coordinated facilitation of development in the Municipality.

While issues such as the development and upgrading of economic infrastructure, improved institutional capacitation and good governance do have a role to play in ensuring that effective economic development does take place, these matters are considered to be supportive elements that will not, of its own, result in the development of the economic base and have, therefore, not been included in the Strategic Thrusts. Rather, the Thrusts identified in this document focus on the actual unique opportunities where potential for economic development and growth lies.

The 5 key Strategic Thrusts are:-

- Thrust 1: Agriculture Development.
- Thrust 2: Enterprise Development.
- Thrust 3: Tourism Development.
- Thrust 4: Skills Development

■ Thrust 5: Spatial Land Use Management

Strategic Thrust 1: Agricultural Development

The subsistence agricultural sector is the biggest contributing sector in the economy of Mbhashe. Many households use agriculture for subsistence and they heavily rely on it for food. The areas of the municipality are mostly under communal land tenure.

Sheep farming

Mbhashe contains arguably the richest land for livestock in the Amathole district. About 250 000 sheep are recorded in Mbhashe. **(Source: Stats-SA - Livestock survey; 2015)** Public private partnerships and improved farming methods can expand commercial livestock farming in the Mbhashe areas.

Cattle farming

Cattle are spread all over the Mbhashe area whilst main focus is on improvement on quality of cattle for meat and skin for leather production. Every year, the Department of Agriculture and the municipality plan for the known and the unknown outbreaks of diseases in animals. A number of workshops named “information days” are conducted for the farmers, Chiefs and the councillors on the current farming methods and animal health. To ensure market access, the municipality is engaging big business in the wool industry for possible partnership with farmers. Currently, they are assisting farmers with training and information sharing.

Goats

Goats are largely in the Willowvale area about 32 000 **(Source: Stats-SA - Livestock survey; 2015)** and small projects that are aimed at improving quality for milk production have started there. Twenty (20) small stock dipping tanks have been renovated across Mbhashe in the past five years.

Piggery

There are few piggery projects and some registered co-operatives from across the municipality. There's a potential and an opportunity to develop a piggery abattoir in the area.

Poultry

For the past 10 years the municipality has assisted small poultry farmers to grow chicken and sell for profit, which was done as a poverty relief programme. In the year 2006, the municipality commissioned the services of the Agricultural Research Council (ARC) to investigate why the poultry projects failed and could not graduate to a viable business. The major cause for concern was the readiness of the market immediately when the product is ready for sale. The department of Social Development has funded a lot of projects in the poultry industry but there were challenges in growing the industry.

Citrus Fruit

The Willowvale area is also an area where there's potential for citrus fruit production. The area is dominated by deep, well drained and aerated soils. The climate is characterized by warm summer and cold winter with the mean annual temperature of 27°C. This area receives a summer rainfall of 780mm per annum. The municipality together with the communities in the Willowvale and Xhora area has started the citrus fruit production in households. Only 200 fruit trees were distributed in the year 2015/16 due to drought however more will be distributed in 2016/17.

Crop Production

Two major crops that possess an opportunity to bring food and employment in the area are maize and vegetables.

Maize Production

Size of the land available for maize production is 12 thousand hectares. The utilized size for maize production is less than 4 000 hectares. Maize is the mostly utilized crop/grain in the Mbashe area mainly because many of the households consume it as their staple food. About 32 wards of Mbashe have been provided with fencing materials in financial years starting 2011/12 up to today. This is done to avoid intruding animals. Whilst there's no scientific study conducted, this assistance has encouraged more farmers to go back to the ploughing fields again.

Vegetable Production

Vegetable production is another area where households source food from, in the form of community gardens and own gardens. Several projects and co-operatives are now irrigated and are producing enough for selling in the local market.

These projects have created jobs for some who were jobless and are now earning ±R600 a month from income generated through vegetable production. To ensure access to the market, the Local Food Production Unit located in Duff (ward 9) was established. To

encourage vegetable production at households, the municipality is providing seeds and seedlings to Siyazondla groups and to some households.

2.6.5 High Value Products (HVP) OR High Impact Programmes

Agri-Park

Agri-Parks are located in centralised places within a District Municipality that are able to service and interact favourably with agricultural activities within the district. The Agri-Hub, by necessity, is located in an area that can serve as a link between district agricultural production and markets, and supply inputs from service and product providers towards the agricultural producers. Agri-Hub, ultimately, need to possess sufficient physical and social infrastructure to accommodate:

- Storage/warehousing facilities (cold storage, dehydrators, silos etc.)
- Agri-processing facilities (mills, abattoirs, juicing, etc.)
- Enterprise development areas: lease space to high intensity start-up industries that can benefit from the inputs of outputs of the Agri-Hub, i.e. piggeries, tunnel grown crops, bio-gas production etc.
- Large scale nurseries to supply agricultural production initiatives.
- Packaging facilities for national and international markets.
- Weighing facilities
- Logistics hubs for collection of goods from the FPSUs
- Transport service workshops and spare parts for larger maintenance tasks of Agri-Hub and FPSU equipment.
- Agricultural technology demonstration parks to train farmers in the Agri-Park catchment area on new technologies in terms of fertilizers, plants and seeds, irrigation, energy use and farm implements
- Soil testing laboratories.
- Accommodation for extension training and capacity building program
- Housing and recreational facilities for workers and Agri-Hub staff.
- Business, marketing and Banking facilities, (ICT)

- Rural development organisation offices.

Within the Amathole District, the place earmarked for Agri-park is Butterworth in the Mquma Local Municipality. However, Mbhashe had already established its own Agri-Park courtesy of the partnership between UFH and Department of Rural Development Agrarian Reform. This will be turned into the Local Farmer Production Unit. The Farmer Production Support Unit (FPSU) is a rural outreach unit connected with the Agri-Hub. The FPSU serves as a resource node in areas isolated away from the main Agri-Hub, serving the surrounding community.

The FPSU is detailed with collecting primary production from agricultural initiatives in the area, storing this product, engaging in small-scale processing operations for the local market, and providing extension services to surrounding operations (including mechanisation). In more detail, FPSU are multiple centres within a district that provide:-

- Agricultural input supply control (quality, quantity, timeous deployment of inputs)
- Mechanization support (tractor driving, ploughing, spraying, harvesting etc.)
- Machinery, servicing workshop facilities.
- Primary produce collection.
- Weighing of produce and stock.
- Sorting of produce for local and other markets.
- Packaging of produce for local market
- Local storage.
- Processing for local markets (small-scale mills etc.)
- Auction facilities for local markets
- Provide Market information on commodity prices (ICT).
- Extension support and training
- Local logistics support (delivery of farming inputs, post-harvest transportation, transportation to local markets, etc.)
- Small Business Development and Training centre.

- Banking

The Mbhashe FPSU can be found at Duff Location in Ward 9 (Dutywa). These programmes form part of the Comprehensive Rural Development Programme (CRDP), and Agri-Villages. The FPSU is considered as High Impact programme because of the scale of involvement and the income to be generated by Mbhashe crop farmers, Siyazondla groups and co-operatives. The FPSU is set to change the Mbhashe rural landscape and usher in real economic transformation. The ADM Agri-Park and Duff FPSU serving as catalyst will further facilitate development of local agricultural economies that are community driven thus meeting basic human needs as its driver, ensuring on and off farm infrastructure development and contributing to the emergence of rural industrialists.

Strategic objectives of the Agri-Park as envisaged by Department of Rural Development and Land Reform (DRDAR) are:-

- Promote skills of, and support to small holder farmers through the provision of capacity building, mentorship, farm infrastructure, extension services, production inputs and mechanisation inputs
- Encourage producer ownership of the majority of Agri-Parks equity of 70% with state/commercial interest of 30%
- Bring under-utilized land especially in communal areas into full production over the next three years and expand irrigated agriculture.

The impact of Agri-Parks on Small Town Regeneration. The Agri-Parks will offer the following direct benefits to the small towns:-

- Location near to an Agri-hub can provide employment and entrepreneurial opportunities to residents of small towns

- Opportunities for capacity building and to acquire new skills sets e.g. unemployed mine workers may be targeted to work in any number of business opportunities that occupy a park.
- Basic services may be improved due to the influx of new people attracted by the Agri-park investments
- Other vital services such as transport, health and education may also be improved or developed. Economic growth in key Agri-park areas would generate additional resources (e.g. through property tax and services to local authorities), but may also put pressure on infrastructure due to an increasing population.
- Economic diversification often deepens in areas of agglomeration and decreases in areas without agglomeration benefits and therefore small towns within the realm of the Agri-parks may also experience such diversification;
- Areas with higher than national average growth act as a magnet for high level skills whilst areas of economic decline export such skills. The Agri-park development may potentially retain skilled people from these towns.

Some indirect benefits include:-

- Curbing city growth (Informal settlements and the resultant pressure on city infrastructure;
- Reducing rural-urban gaps in wealth and living standards by providing infrastructure and housing in these small towns in an attempt to reduce migration to cities.
- Growth of other sectors in the small towns such as tourism (influx of people- more tourism facilities needed, more job opportunities).

Macadamia

The industry promotes an approach where partnerships with Chiefs, Rural communities and municipalities are established. Presently, the Eastern Cape Macadamia Industry is working on securing funding support for a second 300ha macadamia project located here in Mbhashe involving AmaJingqi Community. The macadamia nuts have been researched and found suitable for some areas of ward

22. This project may expand to all the areas surrounding Amajingqi like Mgwebi, Jujura and others where the snow does not fall.

Approximately 300 hectares have been identified within the AmaJingqi community rigged and planted. The target is to plant 50 hectares during 2015/16 financial year and the remaining 250 hectares will be planted during 2016-2017. There are about 105 people who got full employment in the project as at end October 2016. At full capacity the factory will create 2200 jobs and a total wage bill of R66.3 million per annum for approximately 80 years. In addition to the jobs; the community will benefit through rental fees for 80 years. Already there are many communities seeking expansion of the macadamia within Mbhashe and especially along the coastal line. Earmarked for this project is the overseas market and once taken ground this will generate a lot of revenue for the area and will have long lasting impacts for social life in the area.

Paprika and Sorghum

Paprika is another High Value Project which is regarded as one of the products which can help grow the economy of the region. The initiative came from a youth co-operative called, "Nondobo Youth Co-operative". This pilot program of the paprika won the support from several government departments and parastatals and the private sector like Anglo American. The municipality has funded the general tree removal in the area. To sustain the programme, a total of 4000 hectares is needed for the 12000 tons needed.

Moringa

Another new venture is the Moringa Trees in the Bojini area of Gatyana. The community through its community development trust is engaging a private sector for partnership agreement. The Moringa tree is doing real good in South Africa, bringing sustainable business as well as uplifting the health and feeding of communities. The Moringa tree, also known as the horseradish tree is being called the miracle or magic tree. The trees will be planted using 150ha from the area of Bhojini and Ligwa.

Lemon Grass / Essential Oil Production

Another new venture is the Lemon grass at Bulunga and Ku-Folokwe A/A at Elliotdale. The community through its women co-operative is engaging a private sector for partnership agreements. The Lemon grass is doing real good in South Africa, bringing sustainable business as well as for cosmetics industry.

There's a lemon grass woman cooperative (Bulungula Essential Oils Co-operative) in the area, which has a huge market for the produce and they confirmed that any lemon grass produced organic they're willing to buy it, in order to fill up their lemon grass market demands, i.e. the Cape Natural Tea producers. The youth of Folokhwe village want to take this privilege as the great alternative to generate income for them or ourselves and others who are interested as we go on.

2.6.6 AGRICULTURAL AVAILABLE INFRASTRUCTURE

Shearing Sheds

There are approximately 44 shearing sheds mostly in the Dutywa area where there are plenty of sheep (**250 000 as recorded by Stats-SA 2015**). However, there's a huge backlog in the shearing sheds construction as many communities are in demand. The construction and renovation of shearing sheds is done under the programme of "livestock improvement programme". The last shearing season (2016) recorded an amount above R3.5m is wool sales. With the availability of shearing sheds and equipment the woolgrowers could generate large sums of money from the wool sales.

Dipping Tanks

There are almost 400 cattle dipping tanks which were all built by the then Transkei homeland government and some by the provincial department of Agriculture. These dipping tanks become old and could not be used optimally. The municipality then budgets through a programme called "Livestock improvement" to renovate the

dipping tanks. In the year 2015/16 financial year five dipping tanks were renovated and more are planned for 2016/17 financial years.

Fencing of Arable Land

The municipality has managed to rollout this programme for seven years in a row now. The objective is to have every arable land fenced so that farmers can farm peacefully not in fear of the animals. This programme is linked to Maize Production programme of Mbhashe Municipality and ADM where different assistance programs can be seen. All wards have received fencing for more than two times and the farmers are urged to fence for themselves as part of showing commitment to the course.

SWOT ANALYSIS (AGRICULTURAL DEVELOPMENT)

Table 3: SWOT Analysis of Agriculture

STRENGTHS & OPPORTUNITIES	WEAKNESSES & THREATS
<ul style="list-style-type: none"> ▪ Availability of arable land ▪ High quality of existing soils for crop production ▪ Good flowing rivers and availability of water resource ▪ Access to availability technical support by Agriculture ▪ Existence of support institutions like ECRDA, Land Bank and Uvimba to resource agricultural programmes ▪ Favourable climate ▪ Suitable lands for livestock production (Idutywa said to have over 300 000 	<ul style="list-style-type: none"> ▪ Lack integration in planning and implementation programmes ▪ Agriculture not seen as fashionable employment sector by especially young people ▪ Lack of entrepreneurship & value chain production – Agro-processing ▪ Poorly developed infrastructure and non-existent services ▪ Lack of funds ▪ Prevalent soil erosion, land invasions and veld fires

STRENGTHS & OPPORTUNITIES	WEAKNESSES & THREATS
<p>sheep and highest concentration of sheep livestock in Amathole)</p> <ul style="list-style-type: none"> ▪ Abundance of base assets – livestock, people, land, skill etc ▪ Access to input support by government – Tractors, Seeds, Bulls etc. 	<ul style="list-style-type: none"> ▪ Bad infrastructure – roads leading to areas with potential like Nqabara and Elliodale ▪ Lack of development of the commercial farming sector – ▪ Poor road conditions make it difficult to access the market for the produce leading to a total closure of some of the project ▪ Along the Mbhashe and Nqabara rivers there are valleys which are suitable for maize production but the limitation is extreme bad conditions of road; making it difficult to reach the ploughing fields by an auto-mobile. ▪ Inability to create sustainable markets for the produce. ▪ Low amount of rain in other areas. ▪ There's still lack of assistance on funding for the inputs like fertilizer ▪ Market for the products ▪ Training for the projects ▪ Failure of the projects to be sustainable ▪ Suppliers could not meet the required quantity at the required time. ▪ The Strategic Environment Assessment conducted in 2009 showed there is not enough grazing land. ▪ The absence of the Spatial Development Framework for the rural areas makes the chiefs and headmen to relinquish the grazing land to the high demand for land for households. This is hitting negatively to the plans for the improvement of wool in the area and the fight to push back the frontiers of poverty.

STRENGTHS & OPPORTUNITIES	WEAKNESSES & THREATS
	<ul style="list-style-type: none"> ▪ Animal diseases. ▪ There's a visible amount of skills shortage in the animal farming industry ▪ Lack of water - stock dams ▪ Silted water dams. ▪

Source: Mphashe LED strategy (2015)

STRATEGIC THRUST 2: ENTERPRISE DEVELOPMENT

There are other several opportunities and initiatives undertaken by the people in every ward of Mphashe. These initiatives are apart from the common agricultural initiatives which people engage themselves in for subsistence purposes. A range of financial institutions that issue finances are called to present to the SMME's.

These initiatives range from:-

Brick Making and Manufacturing

Brick making which is common with sole proprietorships and co-operatives. Whilst there are such initiatives there's a lot of brick that is imported from areas like East London. Having identified the challenge; the municipality took the initiative to have an accredited training programme for brickmaking co-operatives. The two main challenges however are:-

- Not all have been trained due to distance from training centres.
- Machinery used is old.
- Bricks need to be SABS approved

Bakery Confectionery Services

The school feeding scheme gave the opportunity for the establishment of co-operatives in the bakery industry. As a result, a number bakery co-operatives have emerged and have brought self-employment to many previously employed. Other co-operatives and SMMEs include welding, fencing, woodwork / carpentry and others involved in agro-processing like Jam making

AGRO-PROCESSING

Wool Production

There is an opportunity for those who want to process wool in the region as there are a lot of sheep. The Dutywa area is regarded as amongst the top areas with sheep in the Eastern Cape Province.

Programs such wool improvement have been one of the flagship municipal programs for the past ten years. This has been made in partnership with the DRDLAR and the farmers themselves. This programme has had a great impact in improving wool and inculcating the entrepreneurial spirit among the farmers with specific reference to wool growers.

Maize and Maize Milling

Ever since the municipality started the maize production programme in the early 2000; there has been an improvement in the quantity and quality of maize being produced.

This called for the different entrepreneurs to have interest in the milling of maize. Others went to the extent of getting the municipal land where the milling would take place but in the process lacked funds to proceed with the programme. Maize milling remains the viable project initiative for the region as there's plenty of arable land for maize production and further maize is also used for subsistence and household staple food.

OTHER PROGRAMS ASSOCIATED WITH ENTERPRISE DEVELOPMENT

SMME Database

A database of the SMME's has been maintained by the municipality and the LED unit has a database of other SMMEs for the purposes of providing assistance to capacitate the SMMEs.

Different SMMEs the municipality identified are the following:-

- I. Service providers

Several workshops are planned to assist emergent SMME to fill in necessary documents that are required to tender

- II. Co-operatives (who are not necessarily providing services to the municipality)

Cooperatives have been trained in almost all the financial years on different aspects. The concentration has started to be on their ability to produce more in both quantity and quality and be able to market those products.

- III. Medium Enterprises in the second economy (largely in the retail sector)
- IV. Manufacturers like brickmakers, bakeries etc
- V. Services sector industries like saloons
- VI. Informal traders

The informal traders have been supplied with tools of trade such weather jackets, gazebos and hawker stalls. The hawker stalls are budgeted from the MIG starting from the 2014/15 financial years.

Supply Chain Management

The municipality has adopted the Supply Chain Management Policy. In the policy the municipality has put targets looking at the development and capacitation of the local entrepreneurs and Small and Medium Enterprises.

Incubation Programme

The municipality adopted the Contractor Incubation policy. The purpose of the incubator programme therefore is to create an enabling environment within which selected existing contracting enterprises can develop into sustainable contracting enterprises.

The policy objectives are:-

- To provide opportunities to contractors to achieve sustainability,

- The Incubator Programme targets projects within the R30 000 to R1.5 million range and this range is therefore where the incubator programme will focus.
- Preference will be applied in the accessing of work so that enterprises owned and controlled by local, blacks, women and the disabled persons are advanced.
- Ten SMMEs are earmarked to benefit from this program in the year 2016/17.

Red Tape Reduction

The municipality is still trying to find ways of dealing with red tape through appropriate delegation powers at the same time not by-passing the role of the council as legislated. This is particularly related to sub-divisions, consolidation and rezoning permits.

2.6.7 INVESTMENT ATTRACTION, RETENTION AND EXPANSION

The Economic Development Department has identified a number of gaps in the local economy and is planning to develop a policy or strategy on investment attraction, retention and expansion. The planned strategy will address strategic issues that enhance service delivery in terms of socio-economic infrastructure and recruiting investment into the area, promote Mphashe as a recognized business destination of choice; by promoting the areas value added goods and services as well as the strategies for commercial and / or economic infrastructure funding models.

It is envisaged that the strategy will translate tangible programmes into investments and possibly realise the rand value of tourism, export, infrastructure and investment. It is aimed at profiling and promoting Mphashe with the view to facilitate strategic partnerships that will bridge the divide between the first and second economy driven by competitiveness and job creation and narrowing the spatial disparities.

Key outcomes:

- To ensure successful implementation of the trade and investment conference and exhibition

- To develop a brochure of fully costed and bankable projects to be sold at the conference
- To have a business-to-business matchmaking breakfast sessions
- To expose SMME's to big business and investment partners
- To showcase value added goods and services with elasticity of demand
- To generate new investment incentives

The municipality is currently in a process of developing investment atlas as means to package economic opportunities for exploitation. SMME Tradeshow and Enterprise information workshops as means create enabling investment climate is amongst key investment initiatives prioritised by the municipality.

SWOT ANALYSIS: SMME

STRENGTHS & OPPORTUNITIES	WEAKNESSES & THREATS
<ul style="list-style-type: none"> ▪ Favourable land values for production space ▪ Abundance of labour inputs ▪ Availability of raw material inputs ▪ Access to support from government ▪ Prioritization by EC PGDS ▪ Proven untapped potential demand in Forestry, Agriculture and Tourism ▪ Strong appetite for involvement by locals ▪ Market demand ▪ Significant contributor to employment creation ▪ Easy access to entry – no strict barriers ▪ Availability of support from various sources within and outside government – ECDC, SEDA, SETAs, Training Institutions, Bus Forums etc. 	<ul style="list-style-type: none"> ▪ General low interest in self-employment ▪ Lack of skills ▪ Lack of machinery and infrastructure to support factory production ▪ Poorly developed value chain production processes and systems ▪ Lack of appropriate skills and knowledge of the sector ▪ Poor regulation ▪ Unreliable service provision – water, electricity, sanitation, refuse etc. ▪ Lack of care for aesthetics by operators and owners ▪ Environmental degeneration potential ▪ Lack of cooperation ▪ Poorly organized businesses and processes ▪ High degree of survivalist rather than growth oriented entrepreneurs – high failure rate of ventures

Source: Mbashe LED strategy (2015)

Business Investor Forum

Mbashe Municipality Desired Vision and Goals

The Vision of the proposed Business Investor Forum is to establish partnerships between MLM and Private sector in order to Facilitate Economic Growth in the Mbhashe area by promoting the area as a Prime investment destination in Eastern Cape and within South Africa.

Purpose

It is against the above background that the Mbhashe Local Municipality in collaboration with the Local Business Forum calls for the formation of a Business Investor Forum.

Overall Objectives are envisaged as follows:

- To promote, retain existing and attract new investments to MLM;
- To agree on the need and the process towards the establishment of key strategic local industries within Mbhashe;
- To identify and agree on the type of manufacturing operations which constitute strategic industries;
- To determine the mechanism through which these industries should be established;
- To facilitate networking and promotion of cross-municipal business collaboration and partnership;
- To learn and share experiences on best policy practices for stimulating investment in manufacturing; and
- To sensitize businesses representatives, academia, development partners, research organisation and public on National/Provincial/Local Investment policy interventions and measures in support for businesses in the area

What is an Investor Forum:

An Investors Forum is the congregation of Policy Makers, Municipal Representatives, representative Entrepreneurs and Business People, etc. from the local area, who gather to discuss and contribute towards the long term sustainability of the jurisdiction that they work/operate within.

Specific Objectives of the Investors Forum - Mbhashe:

Provide a platform for dialogue;

Guide policy for long term sustainability;

Areas of Discussion to be considered by the Forum:

What can MLM with the Investor Forum offer to existing Businesses and New Investors that want to come to invest in our Region?

- A One Stop Shop that will facilitate the Investment or Expanding process;
- A Municipal Mandate offering: Land Availability and Services, Tax Holidays, and Assistance with Bulk Services Contributions;
- Assist with Local Government processes and the turnaround time for these processes. [Red Tape];
- Assist with Labour sourcing via an updated Data Base;
- Offer a New Prospectus with all the Information needed to re-allocate to our Beautiful Region;
- Assist with Government Funding from DTI ,IDC and other Government and Foreign Funding.

We are committed to the Vision of the investor forum and to the achievement of our Goals. This in return will ensure enough job opportunities, alleviation of poverty, a stable environment and sustainable living conditions for the residents of the Mbashe Region.

Composition of the Business Forum:

This composition of the Business Forum should be limited, initially, to a total of ten (10) people. The idea will be to keep the discussions on focus as the build up to the Investor Conference of Mbashe Municipality will be the Primary Focus.

The following Institutions should have representation on the Forum:

- Mbashe Municipality (Official);
- Mbashe Municipality (Political);
- Local Business Association/Chamber of Commerce; (Max 2 people);
- Department of Economic Development and Environmental Affairs;
- Local Entrepreneurs Representative;
- Local Tertiary Education representative;

- Major Local Industry representative;
- SMME Representative;
- Prominent Business Person (Max 2).

STRATEGIC THRUST 3: TOURISM DEVELOPMENT

Local economy has a competitive advantage in Tourism. Tourism potential can be elicited in:

- Heritage Tourism Development.
- Coastal and Ocean Development.
- Craft Development.
- Tourism Events and Shows and Festivals.

However, the existing potential in these comparative and competitive advantages has yet to be realized. More needs to be invested in unleashing this potential for LED benefits. While more jobs were realized in the community services, this sector is not a sustainable sector for job creation

Tourism can provide a major boost to the district's economy, linking the many diverse attractions of Mbashe. Strong branding is needed to link the different features.

Activities include the following:-

- Heritage Tourism
- Coastal and Ocean Development
- Craft Development
- Tourism events and shows

HERITAGE TOURISM DEVELOPMENT

Heritage forms part of socio-economic and cultural development. It contributes significantly to the gross domestic product through tourism, particularly cultural tourism. The development, marketing and packaging of heritage tourism routes will accelerate the contribution of tourism in the municipality.

There are sites which have been identified for development such as signage, access improvements, information displays and other anchor projects linked to the heritage

and tourism development such as the Visitor Information Centre for Dutywa. Such sites are identified:-

- King Hintsa's grave
- King Sarhili's grave
- Sinqumeni caves
- Fort Bowker
- Fortmalan Memorial
- Fort Beechamwood
- Liberation Route
- Mazizi Maqhekeza Heritage site

There are other places identified in the Liberation Heritage Route which is a National Project that seeks to establish a route based on the war against colonialism and national oppression. Projects included in the liberation route include developing and conserving the notorious "White House" at Dutywa which was used as a place of torture for many activists of the time. The other important project is the development of the Mazizi Maqhekeza Resource Centre as an honour to the former Umkhonto Wesizwe freedom fighter.

COASTAL/NODAL DEVELOPMENT

Areas earmarked for development in the coastal zone include the following:-

Table

Node	Description	Area	STATUS QUO
1 st order	Areas that in terms of low environmental sensitivity and existing infrastructure and/or the feasibility of providing infrastructure can accommodate intensive development. Actual or proven potential supply of municipal services such as bulk water, sewerage and waste management is a basic condition for any area to have 1st	Qora	A craft centre has been constructed in the area. The long term proposal was for the

	Order Node status. Developments that do not need to be in the coastal zone should however still wherever possible be placed outside the immediate coastal zone, inclusive of a buffer with estuaries.		development of the cultural village
2 nd order	Areas with significant constraints to development, e.g. and which can accommodate moderate levels of tourism, resort and cottage development. One key difference between a Second Order Node and a Third Order Node would be that in a Second Order Node more than one fairly substantial development could take place, while in a Third Order Node only one development will generally be permitted.	Jotela and Kulofolok we Dwaai Community Lodge	Still following planning processes
		Tenza	Fish farming and a lodge are earmarked for the area.
		Nqabarha Lodge	Project has been completed and its operating
		Haven Hotel	Renovations were done and completed in 2012
		Nkanya Estuary Lodge	Construction of six chalets has started.
		Qatywa Chalets Lodge	Construction is currently under way
Protected area	Formally proclaimed Protected Areas. These areas are included for mapping purposes, but are not subject to the Environmental Management Framework (EMF), but to the policies of the applicable Management Agency.	Dwesa – Cwebe area	Dwesa Chalets and Haven Hotel
Other	Other recreational facilities	Dutywa Conferenc	Feasibility study was done and completed,

		e & Recreatio nal facilities	looking for a developer
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Source: Mbhashe LED strategy (2015)

ECO-TOURISM DEVELOPMENT

Dwesa- Cewbe Nature Reserve

AmaJingqi World Heritage Site – Natural / Cultural

Tenza beach, Blue Flag Pilot

AGRO-TOURISM DEVELOPMENT

The agro-Tourism is a new industrial form promoted by expenses of healthiness, in which it centers on the leisure wellness to change to another atmosphere of completed devotion, to create a pace of slow life and to achieve a peaceful mind-state.

Tourist agriculture: Literally, the agriculture comes the first before the tourism. The current agricultural entities should be transformed while adding some tourist factors.

Agro-Tourism: A newly-built entity led by the design of tourism production.

1. A carrier: Entity of the agricultural production
2. Two products
 - 1) Production of agricultural product satisfying the ornamental demands and demands of consumption of material life for urban and rural residents.
 - 2) Production of leisure product: Agriculture, experience, sightseeing, enjoying, popularization of technology, education and cultural exchange.

LEISURE / RECREATIONAL TOURISM DEVELOPMENT

3 Boat launch sites- Qora, Nqabarha and Xhora Mouth

CRAFT DEVELOPMENT

Mbhashe Craft Development initiative was launched in 2004, and the structure of Mbhashe Crafters association was established in 2011. Individual craft projects are advised to register as co-operatives so that they are able to trade, and currently approximately 50 crafters that are official co-operatives.

Opportunity is given to crafters to showcase in areas like Grahamstown Arts Festival, MACUFE, Tourism Indaba, Tourism Imbizo and any other area where craft material is strongly marketed.

TOURISM EVENTS AND EXHIBITION SHOWS AND FESTIVALS

As part of promoting, marketing and bringing tourists in the area, we had various events hosted internal that market Mbhashe to many as a tourist destination, namely:

- Mazizi/Maqhekeza Memorial Heritage Festival
- Umbono Wesizwe Heritage Festival
- Boxing sport tourism event
- Horse Racing Sport Tourism Event
- Cultural and craft festival

SWOT ANALYSIS: TOURISM SECTOR

STRENGTHS & OPPORTUNITIES	WEAKNESSES & THREATS
<ul style="list-style-type: none"> ▪ Endowed with natural beauty resources – Dwesa-Cwebe Nature reserve, the coast etc. ▪ Part of Wild Coast SDI. ▪ Powerful natural and historic attraction sites & areas ▪ Existence of market interest for local offerings (The area is very rich in cultural heritage as it boasts things like San paintingse, King Sarhili's grave & Sinquameni caves 	<ul style="list-style-type: none"> ▪ Access to market for crafters ▪ Common veld fires ▪ Poor weaknesses infrastructure ▪ Inadequate accommodation facilities ▪ Poor transport systems ▪ Lack of marketing ▪ Poor management skills ▪ Unskilled labour ▪ Lack of by laws ▪ Lack of a coherent tourism plan

STRENGTHS & OPPORTUNITIES	WEAKNESSES & THREATS
	<ul style="list-style-type: none"> ▪ Crime, access to finance ▪ Unemployment ▪ Natural disasters ▪ Poor conservation methods ▪ Land tenure systems & land claims ▪ Poor infrastructure ▪ Undeveloped tourism offerings – sites for Vulture Views, historic graves “Ngqika”, Famous Mvezo traditional authority and others are not fully and creatively developed as tourism offerings to elicit good revenue ▪ There's no easy access to the coastal resorts because of poor road conditions ▪ Not easy to get developers ▪ Crime ▪ Some local communities are not interested on heritage sites especially the affected communities ▪ Vandalising of heritage sign boards by local communities is also a challenge

Source: Mbashe LED strategy (2015)

2.6.9 GREEN ECONOMY

The municipality has no Green Economic Strategy but seeks to derive one in the next financial year (2017/18). The municipality seeks to mobilize resources from other departments such as Department of Environmental Affairs for the strategy development. Whilst there is no strategy in place; the municipality is encouraging programmes and projects on green economy. Currently; the municipality has installed solar power for lighting in 2000 households in the Elliotdale area (Ward 19) and Msikithi.

In partnership with World Vision; the municipality is also providing water tanks to the needy households. Other initiatives are taken to curb the environmental degradation of the land; such as land rehabilitation, tree planting, removal of alien species.

2.6.10 OCEAN ECONOMY AND COASTAL DEVELOPMENT

Oceans Economy Intervention Key Focus Areas

- Marine Transport and Manufacturing
- Offshore Oil and Gas Exploration
- Aquaculture Farming
- Marine Protection Services and Ocean Governance
- Small Harbours Development
- Coastal and Marine Tourism.
- Skills Development and Capacity Building - Research, Technology and Innovation

Mbhashe Municipality has developed strategies to unlock coastal and marine tourism with key emphasis on key initiatives to drive development of blue flag programme, aquaculture farming and coastal infrastructure development opportunities guided by the Eastern Cape Marine Tourism Strategy, 2016.

2.6.11 SMALL TOWNS ECONOMIES

Small Town Economies is a concept that coincided with the Department of Treasury's National Development Partnership Grant (NDPG). A business plan was earlier made for the Dutywa area and that found itself the pre-approval for NDPG.

Because of the magnitude of funding; the ADM Development Agency named "Aspire" was appointed to project-manage the implementation of the grant. Several plans were done including the Local Spatial Development Framework (LSDF) for Dutywa.

The main challenges which led to non-implementation were:-

- Pending land claims
- Shortage of bulk infrastructure
- Reluctance of the private land owners to relinquish land for development

With the lapse of time; the NDPG changed focus and the development of rural and small towns remained with the Department of Rural Development. The department

funded the studies in the three districts i.e. Dutywa, Gatyana and Xhora and the findings were as follows:-

XHORA IMPLEMENTATION PLAN (HIGH PRIORITY PROJECTS)

Table

RANKING	NAME OF THE PROJECT	POSSIBLE FUNDER
High	Urban greening in the new RDP housing area	DEA, EPWP
High	Alien eradication throughout the town	Working for water, EPWP, Own funding
High	Solar PV to town grid	DBSA, private investor
High	Botanical garden along water course	EPWP
High	Commonage and Erosion Management Plan	Aspire, IDC, DBSA
High	Mentorship (Beef, sheep, goats and poultry)	DRDLR
High	Input support (Med and licks) – Beef and sheep	DRDAR

Source: Mbhashe LED strategy (2015)

DUTYWA IMPLEMENTATION PLAN

Key Development Interventions and Areas

In order to respond to spatial challenges, opportunities and constraints and to achieve the developmental vision of the Regeneration Strategy, several specific areas (or geographic localities) have been identified as Key Development or Key Intervention Areas. These are:

Residential Development, Accommodation and Subsidised Housing

- Low cost residential development expansion at Govan Mbeki Township to accommodate housing backlog. The scale and type of development should respond to the need ie. affordable rental / temporary accommodation versus first time owners / landless
- Middle-to-high income residential to the south east of the CBD

- Middle income development of prior planned extensions to the west and north Industrial
- Reserving land around the station, extending in a westerly direction for commercial/light industrial and industrial development

Transport / Trade

- Development of four Integrated Taxi-Commercial Nodes associated with the entry/exit points into/from Dutywa along the four main taxi routes (i.e. East London, Ngcobo, Mthatha and Willowvale). This should include ablution facilities at each.
- The development of a Central Square/ Market-place focussing on the former Central Square of Dutywa. This central space is presently badly utilised and reduces the quality of the urban environment in town as well as adding to the congestion and dysfunctional nature of the CBD.

Tourism Resource Centre

In order to better equip Dutywa to be marketed as a Gateway to the Wild Coast, it is desirable that a proper functioning Tourism Resource Centre be developed at the entrance to the town on the south eastern approach of the N2. This facility should ideally be integrated with compatible developments such as the proposed retail centre or conference / accommodation / entertainment establishment. Concerns around the positioning of the latter development in relation to the flood line, need to be addressed prior to approving investment of public funds.

WILLOWVALE PRECINCT

Given the predominance of the Financial Intermediation, Insurance, Real Estate, and Business Services sector, it may be argued that the future prosperity of the town is likely to be related to the consolidation and extension of the rental accommodation sector. More people residing in the town in rental accommodation would increase the demand for local goods and services, leading to a virtuous demand-led cycle of development.

For this to happen, the functionality of the town needs to be enhanced so as to improve its attractiveness as a destination for business enterprises and providers of social services. Key aspects of such an improvement include the following: -

RELATED TO WATER SERVICES

The current supply of raw water to the Willowvale Water Treatment Works is reportedly adequately catered for in planning to supply the existing demand in the town. Future planning indicates that certain additional sources of supply would need to be added into the system to secure the adequate provision of water for future extensions. In the interim, a priority with regard to Water Supply is the implementation of a Water Conservation & Demand Management Programme, which is to aim to achieve a reduction in unaccounted-for-water 0.1 million m³ per annum. A specific issue challenging the town at present is the lack of a Waterborne Sewerage System. This was initiated but has been prevented from being completed to function by a land invasion that has prevented the completion of the Works infrastructure. Finalisation of a workable Solid Waste Management solution: either operationalizing the planned Transfer Station system as a matter of urgency or – in the interim – developing properly a fully managed local waste disposal site, which is the preferred option of the local stakeholders.

MBHASHE MUNICIPALITY WILLOWVALE RURAL PRECINCT PL

TAXI FACILITY

Whilst a new taxi rank facility has been initiated along the main road, this is inadequate in size and has no ancillary facilities. There are two Taxi Associations plus a long-distance Bus Association that service Willowvale town and these all need to be accommodated in properly designed and developed ranking facilities with ancillary land use and support facilities provided. At least two taxi ranks need to be developed (one for Uncedo and one for Border Taxi Association). It is desirable that a Long-distance Bus Rank also be developed, as per discussions held with the relevant Associations. In all cases, it will be desirable to ensure the integration of facilities for informal trading (hawkers) with the public transport facilities.

ROAD NETWORK INFRASTRUCTURE

The current road network is inadequate for the town's needs, especially given its function as a public transportation hub as well as a commercial centre that draws larger delivery vehicles. In addition, roadside parking is inadequate for the needs of road users and the volume of users in the central business and service districts. A full assessment and re-design of the town's road networks is required. Aside from the Main Road, the circulation roads (especially to the south of the Main Road) also need to be upgraded and certain intersections need to be re-designed to permit heavy vehicles to turn into and out of the Main Road. It is crucial that a proper operations and maintenance schedule for the town's road network is developed and implemented to prevent periodic deterioration and the consequent need to re-build roads.

CRAFT CENTRE HUBS

As it is recognised that the town functions as a hub for social and cultural events in the sub-region (catchment) it services, this facility is deemed to be of particular importance by the stakeholders who were consulted in the course of the project work. As such, the facility needs to be extended and fully developed to function as a higher order sports facility that serves a broad catchment population. As such, it would enhance the town's role as a node where the surrounding rural populace may access higher order goods

RURAL DEVELOPMENT INITIATIVES

Apart from the programmes relating to economic infrastructure, tourism development, agricultural development and small enterprise development; there are some programmes earmarked for economic development of the region. The current proposals are:-

Mbhangcolo (Proposal For Agriculture And Agri Value Chain)

Mbhangcolo Area is situated on the wild coast of Willowvale Town in the Eastern Cape. The area covers seven locations and is endowed with the beautiful landscape, the Mbongo Mountain, rivers such as Mhashe, Mbhangcolo, Ntsimbakazi and Nqabarha. Also; the area is known for its heritage site - the King Hintsa's gravesite. With all these natural endowments there's potential for development of the area into

an industrial base. The people of Mbangcolo have formed and registered a trust called “Mbangcolo Development Trust”.

The proposal development include:-

- Agricultural development to include tunnel farming, hydroponics and aqua-hydroponic farming
- The agricultural potential of the area will be unleashed using 10 000ha and the envisaged Mbangcolo Irrigation Scheme as proposed in the SDF.

Nqabarha (Proposal For Multi-Purpose Centre And Agricultural Development)

The Nqabarha Area is situated on the Wild Coast of Willowvale Town in the Eastern Cape, a beautiful and almost pristine estuary surrounded by coastal lowland forests characterised the natural resource assets of the area. There are thirteen villages involved in this development that form the greater Nqabarha Administrative Area.

The proposed investment is directed to area of greatest potential so as to promote economic growth and alleviate poverty.

The development include:-

- Construction of a shopping / village square
- Office infrastructure
- Farming production
- Planting of Soya beans for diesel

Ntshatshongo

Ntshatshongo Administrative Area (A/A) is a traditional tribal jurisdictional area covering seven locations namely Fort Malan, Tywaka, Mnandi, Gxaka-Gxaka, Lubomvini, Gwadu and Ludiza also known as blocks 1,4,3,2,6,7 and 5 respectively. Each of these has a headman or two but all subject to chief Bikitsha of Ntshatshongo. These locations do not mirror wards pound for pound. Ward 27 for instance incorporates all of these locations and goes on to include Mhlohlozi, Nokatana and Mfezane. So, to the extent that this submission is in respect of the IDP it can be regarded as reflecting the development needs of ward 27 from the tribal authority point of view.

The area has started means to confront food insecurity as well as unemployment. To this end the area has identified beef as a spearhead project in this fight. For this to happen there's a need for grazing camps. DEA has identified the need to eradicate invasive wattle and utywala bentaka, the Department of Environment Affairs is already in the area but with a limited mandate to focus only along the river Nqabara. Five cooperatives will be established. These are for Beef, Goats, Piggery, Haw-Haw Tea and Maize. However, there's still a need for the co-operatives registration, training and funding mobilization in this regard.

HOBENI RURAL DEVELOPMENT INTERVENTION PROGRAM

Government of South Africa introduced the Outcomes Approach as a Programme of Action to realise service delivery. Department of Rural Development and Land Reform (DRDLR) and Department of Agriculture Forestry and Fisheries (DAFF) prioritise its efforts on 6 Outcomes: 4 - Decent employment through inclusive growth; 5 - A skilled and capable workforce to support an inclusive growth path; 6 - An efficient, competitive and responsive economic infrastructure network; 7 - Vibrant, equitable, sustainable rural communities with food security for all; 8 - Sustainable human settlements and an improved quality of household life; 10 - Environmental assets and natural resources that are well protected and enhanced.

According to Stats SA; food access in the Eastern Cape with an approximately 6 693 000 population, 2 185 930 population have inadequate access to food (33%) (Stats SA).

It is against this background that the Department of Rural Development and Land Reform (DRDLR) has initiated progranns aimed at improving food security under the following programmes:

“One Household One Hector” 1HH1H,

“One Household Two Dairy Cows”1HH2Dairy Cows,

“One Rural Ward One Integrated Development Centre” 1RW1IDC,

“Land Rights Management Committees”.

“One Household One Hector” 1HH1H, and “One Household Two Dairy Cows”1HH2Dairy Cows,

Objectives of the programmes:

- Contribute to the reduction of Poverty in rural areas;

- Revive a calibre of highly productive Black Commercial Smallholder Farmers;
- Build a sense of security of tenure; increase the involvement of individual households in the production activities;
- Create sustainable employment opportunities in rural households;
- Create viable rural small to medium agricultural enterprises;
- Build competences and broaden the skills base for targeted households and communities;
- The Restoration of the Social Capital and beauty of uBuntu as the currency that cements Social Cohesion among rural households;
- Rebuilding the sanctity and dignity of family life as the most critical success factor in the Rural Socio-Economic Transformation efforts of the state.

South Africa has 44 District Municipalities and each district should have at least 5 sites. 22 sites identified and being implemented as pilot sites for 2016/17 financial year in the Eastern Cape.

ADM has 5 sites identified under Farm dwellers at Komga area during 2016/2017. In Mbhashe Municipality, Hobeni site has been identified, fenced for maize production of 200 hectors.

MAHASANA PROPOSALS

The community of Mahasana in response to growing interest to Tenza beach agreed to approach the municipality for assistance in support to development of a single plan that addresses the needs of the area. Large numbers of people visit this area regularly with more numbers on holiday seasons. The biggest challenge they experience is accommodation and such related facilities.

The concept proposes the following:-

Sand Mining : Sand mining is the issue the community raised as a concern that needs to be managed well as mining in the area is currently illegal. The community agreed that to address these issues the land along the coast from Shixini to Nqabarhana River be handed over to the control of the community trust that will plan and manage it in order to address issues mentioned above.

Aqua-Culture Farming: People in the area interested in fishing and many do this daily. They need assistance to formalise this and create jobs for themselves. A study was done towards establishment of a fish farm (Aquaculture) in the area.

Tourism Resort:The nearest accommodation facilities in this area Nqabarhana Community Lodge and Dwesa Lodge which are both 6km from the area. The other is Kobb Inn which is 9km from this area. Although these facilities look closer to Tenza area, the challenge to all of them is that to reach them one has to drive more than 47km via inland to reach them because there are no shortcuts roads linking them.

2.6.12 LED PARTNERSHIPS

Humana People to People in South Africa

Humana is a member – organization of the Federation of Association connected to the International People to people Movement. HPP in South Africa is a Section 21 Company and is also registered as a non- profit organisation. The organisation established its operation in South Africa in 1995 and works with disadvantaged communities to secure improvements of their economic situation, education, health and social well-being. All programmes involve communities in contributing towards their own development, by establishing local structures and training and empowering these to be self- reliant and self- deciding bodies and is today operating in five provinces reaching more than 2 million people. The LED Department recommends therefore that this organization be on the Mbhashe IDP.

Eastcape Macadamia Farming

The Amajingqi Traditional Council under the leadership of Chief Ngwenyathi Dumalisile) driven by their determination to participate in the mainstream economy, formed a partnership with a private company to develop a Macadamia nuts project in 12 of the 22 villages (who accepted the Macadamia Initiative). Today, this partnership is known as Amajingqi Macadamia Farming (Pty) Ltd (AMF). Shareholding in AMF is as follows:

- 51% belonging to the 12 Amajingqi villages represented by the Amajingqi Investment Trust (AIT); and
- the remaining 49% belonging to East Cape Macadamia (Pty) Ltd (ECM).

Agricultural Research Council

ARC is a government institution designed to assist with research and development in Agriculture. With animal Production as their main focal point, it has several satellite stations strategically positioned throughout the country. This research focus area carries out primary and secondary research, development and technology transfer with respect to Animal Breeding and Improvement, Rangelands and Nutrition, and Food Science and Technology to improve productivity and sustainable resource utilisation.

Mbhashe Municipality is one of those municipalities which got assistance from the ARC. This dates back in the year 2005 where a full study was made by ARC on Poultry Farming in the area culminating in poultry farmers being trained by ARC in their head offices in Pretoria.

Today, ARC is running some projects in the Mbhashe Municipal area under the Economic Support Competitiveness Project (ESCP), Assisted Reproductive Technologies Project and Kaonafatso ya Dikgomo Scheme (KyD).

Economic Support Competitiveness Project

ARC has constructed a fully-fledged dipping (dip tank with separating kraal (by-pass), Neck Clamp, loading ramp and evaporation pen in Shixini.

ARC also constructed a seedlings nursery in the same vicinity through the ESCP projects.

Through the ESCP project ARC has refurbished animal handling infrastructure (dip tanks) and provided neck clamps in the following areas.

- Ngadla/Mahasana
- Hobeni
- Xobo (Revamped unfurnished dip tank and provided neck clamp)
- Mputi

Dip tanks will help improve the animal health status of cattle in the areas and the neck-clamps and other facilities will help ease animal handling and loading.

Our aim is to revive the culture of using dipping tanks as a "meeting place" for our small holder farmers

Assisted Reproductive Technologies Project (ART)

Also known as the ART project, the project aims to provide superior genetically Nguni semen for our small holder farmers, in order to complement bull programs offered by the department in our villages. Nguni semen is being used for this purpose at the moment, based on its advantages for the targeted environment (villages).

Kaonafatso ya Dikgomo Scheme (KyD)

This is as scheme funded by the state to train farmers on record keeping, animal identification, ear tagging etc. Farmers participating are registered on the ARCs database in INTERGIS in Bloemfontein, the scheme is currently implanted in the whole municipal area and the entire province.

2.6.13 Institutional Framework

The coordination of LED programmes is done through a dedicated department in our organogram, called Development planning. Operationally the officials in this section work closely with all stakeholders through a series of forums including but not limited to LED forum, project steering committees, sector specific associations and monitoring and evaluation structures.

Through these institutional arrangements Mbhashe is implementing its constitutional mandate as stated the constitution of the republic of South Africa, section 152 (1) (c) reads "to promote social and economic environment". This read together with the White paper on Local Government re-inforces this mandate. It defines developmental local government as, "Local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs, and improve the quality of their lives,"

LED Committee of Council

The council has four section 79 committees described as:-

- Development Planning Committee
- Infrastructure
- Institutional and Finance
- Community Services

LED is part of the Development Planning Committee with the terms of reference as the following:-

Terms of Reference

To investigate and consider issues falling within the ambit of the following functional areas and to report and make recommendations thereon to the Executive Committee:

- Local Economic Development;
- Tourism;
- Agriculture;
- SMMEs
- Fisheries
- Facilitate the capacity building and accessing of resources, technology and other productive forces by SMME's in all spheres in particular agriculture.
- Initiative and monitor an investment code consistent with the national and provincial frameworks.
- Ensure the implementation of the urban renewal and rural development strategies informed by local needs and dynamics.

Functions

- To give direction in the formulation of policy for commercial, tourism and agricultural development;

- To develop a comprehensive economic development programme with clearly defined parameters;
- To facilitate the assertion of local government as the center of coordination of economic development;
- To coordinate an inter-departmental economic development cluster for synergizing of governmental programme in economic development;
- To develop guidelines for public-private sector economic partnerships;
- To coordinate the evolution and activity of local “Investment Council”;
- To consider applications for the amendment of certificates of registration to provide for changes in trading names and types of commodities sold;
- To make recommendations on proposed policy to be followed concerning matters falling within the ambit of the Standing Committee's functions.

LED Staff

The municipal LED unit in terms of the organogram entails the following:-

- Reporting to Senior Manager: Development Planning is LED Manager.
- Reporting to LED Manager are three officers viz:
 - LED Officer: Agricultural Development
 - LED Officer: Tourism Development
 - LED Officer: Enterprise Development
 - Research and Development (proposed)

LED Capacity Building Programmes

Learnerships and Apprentices : In the financial year 2014/15 the municipality had seven students under the learnership programme. An additional five will be included in the learnership programme through the LGSeta.

Internships: There are four students under the internship programme who are paid by Mbhashe Municipality. The internship programme has been extended for two year

duration and LED unit also provide opportunities for students a chance to gain practical experience through in-service training and practical working experience.

Capacity of the Current Staff: All the current LED staff attended and qualified on different LED related capacity training programmes. The courses range from Project Management to Monitoring and Evaluation.

STAKEHOLDER ENGAGEMENT

LED Stakeholder Forum

Mbhashe Municipality has assisted in the establishment of units which offer potential benefits for the management, implementation and monitoring of LED programmes and/or projects. These are:-

- Community Development Trusts.
- Section 21 companies.
- A range of Community Development Trusts.
- Mbhashe Business Forum.

Business Investor Forum

Mbhashe Municipality Desired Vision and Goals

The Vision of the proposed Business Investor Forum is to *establish partnerships between MLM and Private sector in order to Facilitate Economic Growth in the Mbhashe area* **by** promoting the area as a Prime investment destination in Eastern Cape and within South Africa.

Purpose

It is against the above background, that the Mbhashe Local Municipality in collaboration with the Local Business Forum calls for the formation of a Business Investor Forum.

Overall Objectives are envisaged as follows:

- To promote, retain existing and attract new investments to MLM;
- To agree on the need and the process towards the establishment of key strategic local industries within Mbhashe;
- To identify and agree on the type of manufacturing operations which constitute strategic industries;

- To determine the mechanism through which these industries should be established;
- To facilitate networking and promotion of cross-municipal business collaboration and partnership;
- To learn and share experiences on best policy practices for stimulating investment in manufacturing; and
- To sensitize businesses representatives, academia, development partners, research organisation and public on National/Provincial/Local Investment policy interventions and measures in support for businesses in the area

What is an Investor Forum:

An Investors Forum is the congregation of Policy Makers, Municipal Representatives, representative Entrepreneurs and Business People, etc. from the local area, who gather to discuss and contribute towards the long term sustainability of the jurisdiction that they work/operate within.

Specific Objectives of the Investors Forum - Mbhashe:

Provide a platform for dialogue;

Guide policy for long term sustainability;

Areas of Discussion to be considered by the Forum:

What can MLM with the Investor Forum offer to existing Businesses and New Investors that want to come to invest in our Region?

- A One Stop Shop that will facilitate the Investment or Expanding process;
- A Municipal Mandate offering: Land Availability and Services, Tax Holidays, and Assistance with Bulk Services Contributions;
- Assist with Local Government processes and the turnaround time for these processes. [Red Tape];
- Assist with Labour sourcing via an updated Data Base;
- Offer a New Prospectus with all the Information needed to re-allocate to our Beautiful Region;
- Assist with Government Funding from DTI ,IDC and other Government and Foreign Funding.

We are committed to the Vision of the investor forum and to the achievement of our Goals. This in return will ensure enough job opportunities, alleviation of poverty, a stable environment and sustainable living conditions for the residents of the Mbashe Region.

Composition of the Business Forum:

This composition of the Business Forum should be limited, initially, to a total of ten (10) people. The idea will be to keep the discussions on focus as the build up to the Investor Conference of Mbashe Municipality will be the Primary Focus.

The following Institutions should have representation on the Forum:

- Mbashe Municipality (Official);
- Mbashe Municipality (Political);
- Local Business Association/Chamber of Commerce; (Max 2 people);
- Department of Economic Development and Environmental Affairs;
- Local Entrepreneurs Representative;
- Local Tertiary Education representative;
- Major Local Industry representative;
- SMME Representative;
- Prominent Business Person (Max 2).

SECTION 21 COMPANIES

- Local Tourism Organisation.
- Mbashe Farmers Association.

These two organizations were registered as section 21 companies but both are regarded as non-functional. However, the municipality is working closely to ensure that they become functional again. For operations they presently rely on the municipality at the time the assistance is needed. The municipality also intends to make them separate entities and work independently and closely with the municipality.

Above all the institutions that work with and closely with the municipality in implementation of LED programmes and projects, there's a structure that involves many other stakeholders i.e. the LED forum.

All these organizations are required by Council Resolution to report their activities in the LED forum. The forum is composed of:-

- Mbhashe LED standing committee Councillors
- Mbhashe LED Officials
- Local Tourism Organisations.
- Community Trusts.
- Co-operative Forum
- Mbhashe Farmers Association.
- Community Based Organisations dealing with LED.
- Government institutions dealing with economic development
- Mbhashe Business Forum

The most prominent structure that works closely with the municipality is the Business Forum. The business forum is composed of many different sectors that comprise the municipal economy. However, there are other sectors that need to be recruited to form part of the business forum such as Woolgrowers

2.7. SPATIAL ANALYSIS

2.8.1. LOCALITY CONTEXT

Mbhashe Municipality (EC 121) is a category B municipality which falls within the Amathole District Municipality (ADM) and consists of 32 wards and 63 Councillors. Mbhashe local municipality is located within the eastern extent of the Eastern Cape Province, within the area of jurisdiction of the Amathole District Municipality. The municipality is strategically located in the South Eastern part of the Eastern Cape Province, and is bound by the Qhora River in the south to Mncwasa River in the north along the Indian Ocean.

Mbhashe occupies a strategic geographic position within the Amathole District municipality and covers approximately 3200 km² in extent (**2011 stats**). It is estimated that the new additions of few villages from IntsikaYethu and Mnquma could be estimated to about 200 square kilometres of land.

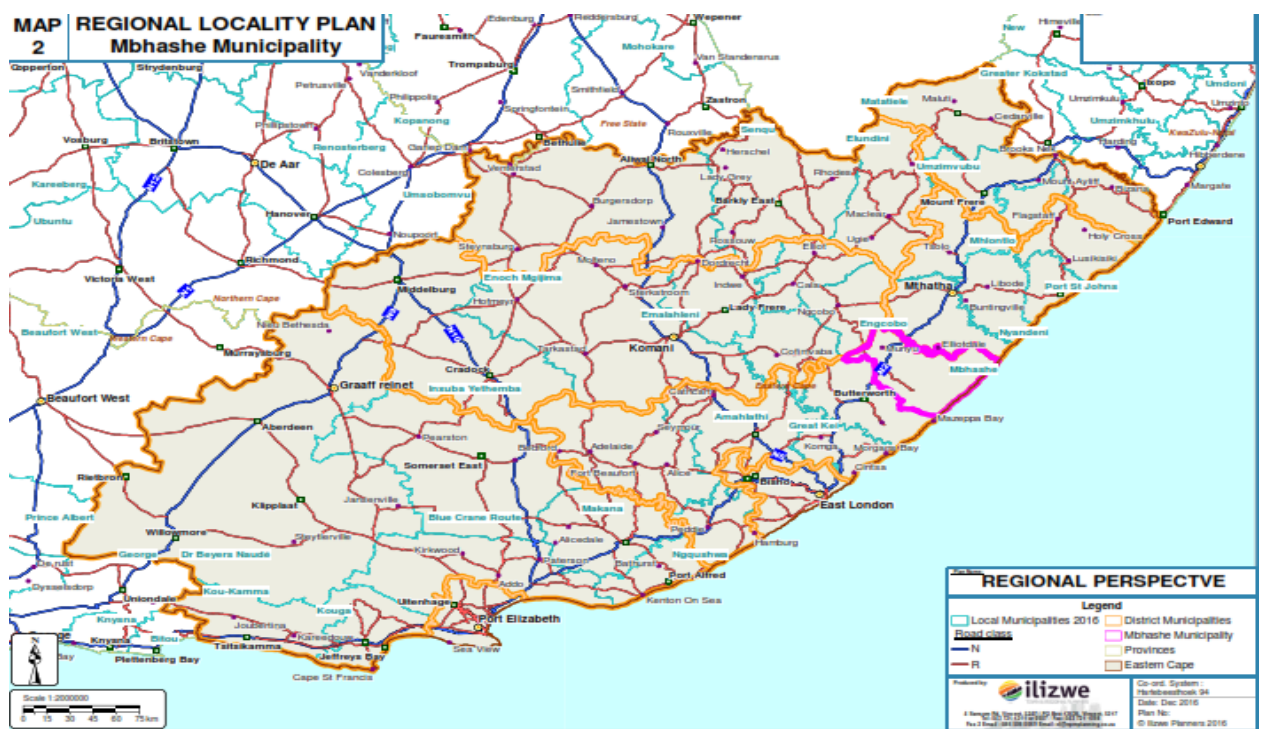
There are three main urban centres, namely Dutywa, Willowvale (Gatyana) and Elliotdale (Xhora). Dutywa is the administrative head centre of the municipality.

Mbhashe has earned the name from the beautiful river called Mbhashe which flows from the banks of Ngcobo flowing through Dutywa, Gatyana (Willowvale) and Xhora (Elliotdale). Mbhashe is comprised of the three towns of Dutywa, Gatyana and Xhora and numerous rural settlements. The area also boasts the head offices of the AmaXhosa Kingdom at Nqadu Great Place.

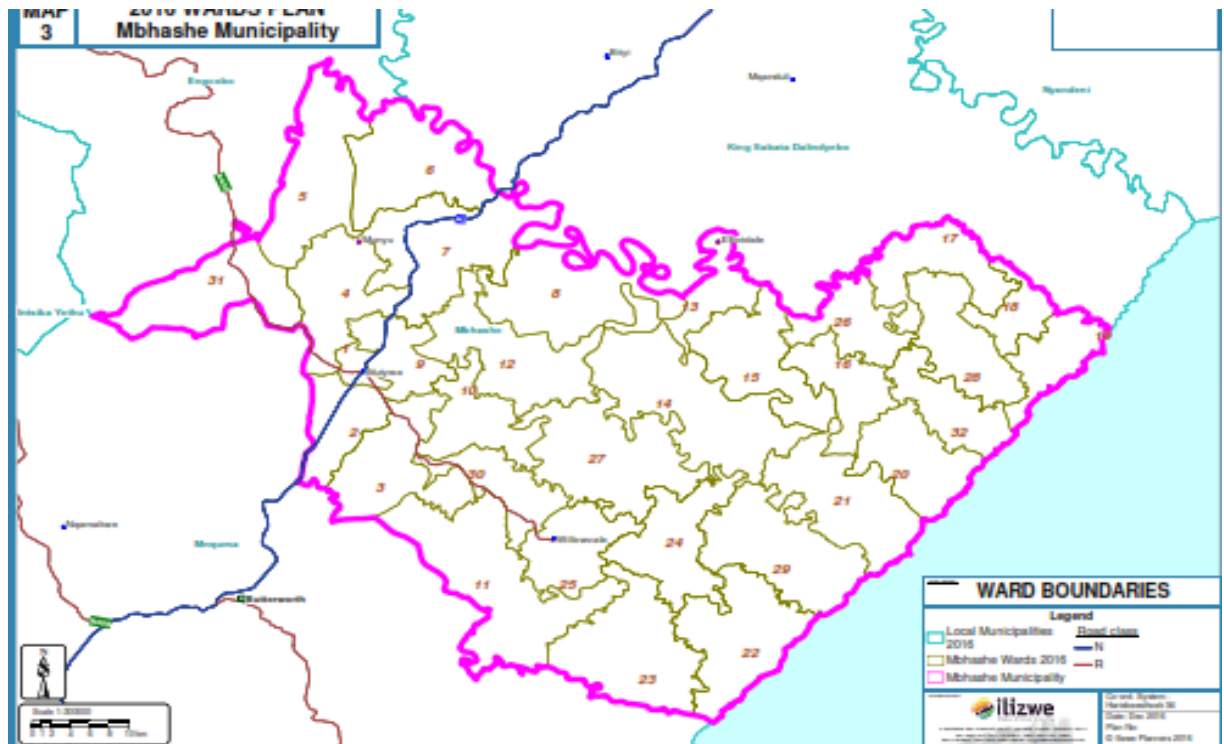
National Perspective is indicated on the plan below



The Regional perspective on the plan below



The Locality Plan for Mbhashe Wards



Mbhashe covers an area of 3030.47 km² (Source: Statssa 2011) and comprises 32 wards, represented by 63 councilors. The entire extent of Mbhashe is situated within the former Transkei and is bordered by the following municipalities:

- King Sabata Dalinyebo – to the East
- Engcobo – to the North –West
- Mnquma – to the South
- Intsika Yethu – to the South –West

MINING AND AGRICULTURE

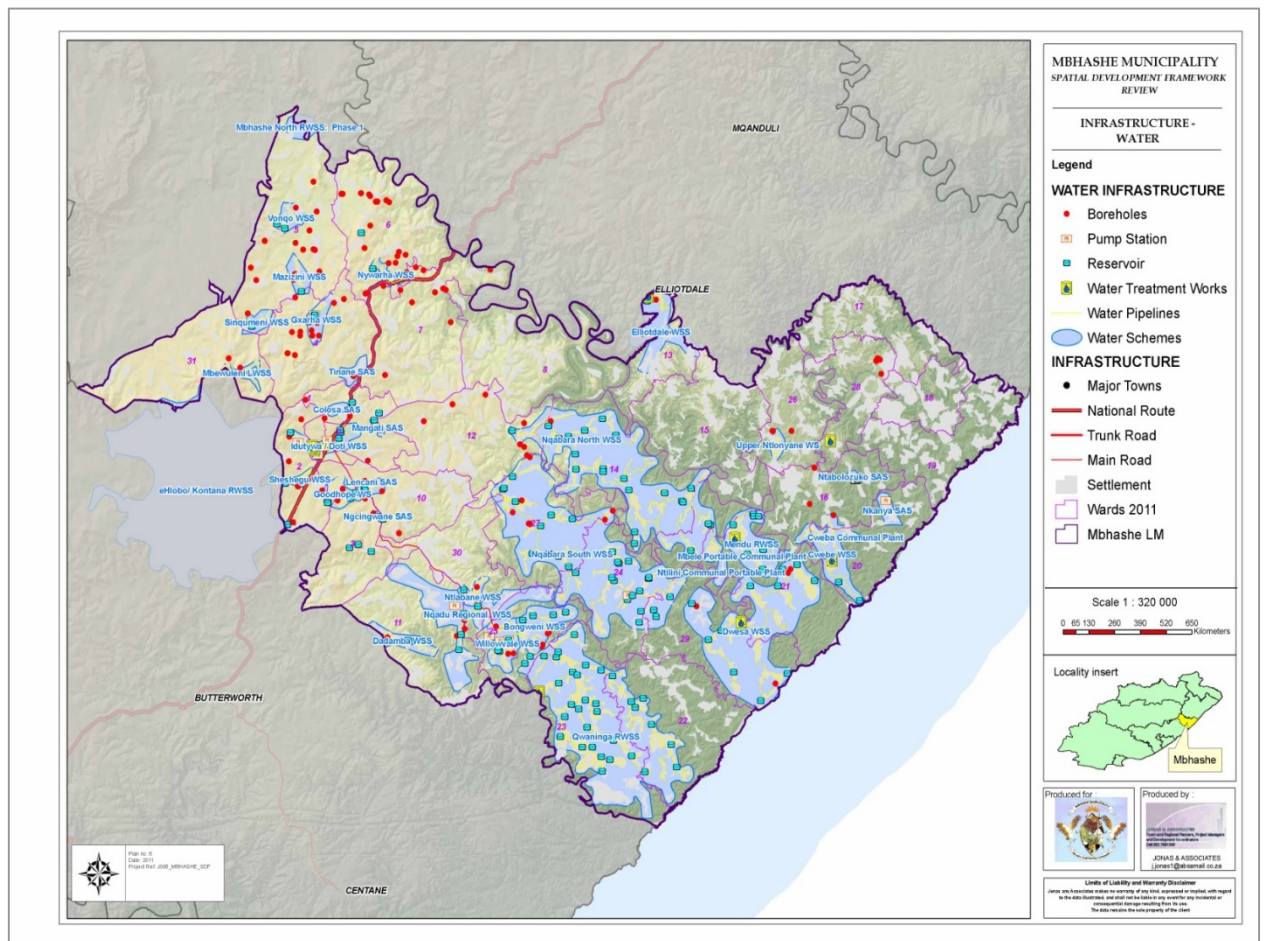


The map above depicts that Mining is possible in the following areas:-

- Sand Mining in the coast and along the rivers (Mbashe and Nqabarha)
- Granite Mining in Luvundu and Weza areas

WATER

Current availability of water infrastructure and networks is reflected below.



The Eastern part of Mbashe there water schemes and few boreholes because higher rainfall. In the western part there are more boreholes because of lower rainfall.

2.8.2 TENURE STATUS

The municipality is pre-dominantly rural with approximately 97% of its land falling under the jurisdiction of Traditional Authorities. There are three main types of land tenure in Mbashe Municipality which can be divided into municipal, private and state land. Apart from privately owned land in the three urban centres, namely, Dutywa, Willowvale and Elliotdale, a large part of land in the Municipal area is owned by the state on behalf of the occupants (communal land) and state forests.

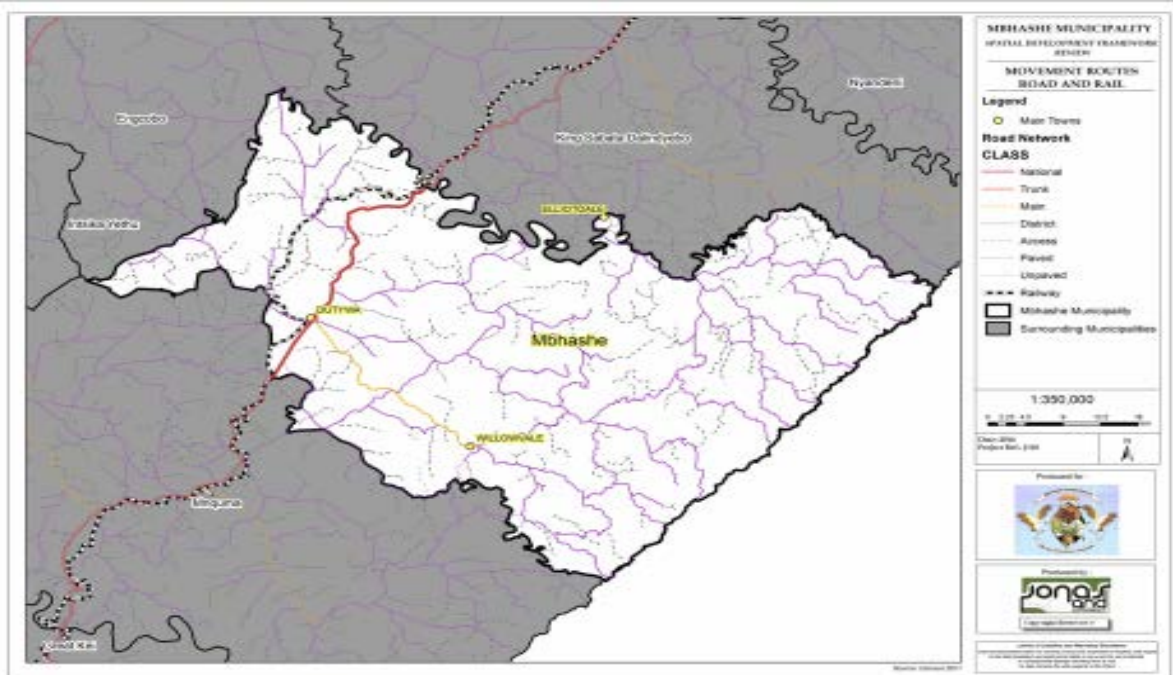
Urban Areas

The functions pertaining to land administration in urban centres is undertaken by the Municipality in terms of Township Ordinance 33 of 1934. The Eastern Cape Province is still in a process of developing the provincial legislation that will be aligned with the new Act, Spatial Planning and Land Use Management Act (SPLUMA). Once the new provincial legislation is promulgated Transkei Township Ordinance 33 of 1934 will be repealed.

Rural areas

The land administration in rural areas consists of a range of existing systems that can be described as ranging from Traditional / Customary to legislated/ formal. The “formalization” incorporated an administrative role for government structures that resulted in the issuing of “Permission to Occupy” (PTO) certificates. In some areas where traditional / customary systems have collapsed and the legislated systems have not been extended to, informal systems have emerged that at times are opportunistic and fraudulent. Challenges however exist where certain traditional leadership rejects the implementation of SPLUMA.

Major Transport Routes



The road network in Mbhashe as shown on the plan above, can be broadly classified as follows:

- The N2 National Road, which runs from Mnquma Municipality to King Sabata Dalinyebo Municipality and passes through Dutywa.
- District roads (Trunk and Main Roads) connecting Dutywa to Willowvale and Ngcobo.
- Local access roads connecting the district roads with the various rural villages and coastal destinations.

2.8.3. LAND RESTITUTION

The Restitution of Land Rights Act 22 of 1994 and the Constitution provide a legal framework for the resolution of land claims against the state, where possible through negotiated settlements.

With regard to restitution of land rights we have four claimants namely:-

- Mangati
- Ngxakaxa
- Mputhi
- Bhonxa

Land restitution claims (for example in Mputhi and Mangathi) inevitably reduce the appetite of property developers to invest. The land restitution process should be concluded as soon as possible to resolve the uncertainties surrounding land ownership.

However; the current state is that the claims may be invalid as the commonage areas were determined prior 1913 – the passing of the Land Act of 1913.

The areas that were successfully claimed include the Dwesa- Cwebe land claims area.

Mputi Land Claim

The Mputhi Community lodged a land claim through the Land Claims Commission for the part of the Dutywa commonage described as Erf 1 – Dutywa which now belongs to the Mbhashe Municipality.

Mangati Land Claim

The Mangati Community lodged a land claim through the Land Claims Commission for the part of the Dutywa commonage described as Erf 1 – Dutywa which now belongs to the Mbhashe Municipality.

Bhonxa

The Land Claim Commission is investigating the correctness of the claim made by the Bhonxa Community (Commonly known as Ciko). This is after some in the community were convinced that the invasion route is chaotic and could lead loss of income and jail term.

2.8.4 LAND INVASIONS

In the past few years the residents of rural areas surrounding Willowvale commonage illegally demarcated sites from the municipal commonage for themselves. The municipality further obtained a court order evicting the transgressors.

The Willowvale commonage is invaded from all the three corners by the following communities i.e. Nkxankxashe, Bhonxa (Ciko) and Weza. However the municipality also drafted and adopted a policy on land invasion. The current policy allows for negotiations and not to fight through the courts of law. The Elliotdale commonage is also under invasive land invasion by the people under the leadership of Chief Njenjese. The Dutywa commonage was invaded by a settlement called ‘Doti’ and has been the case for more than 10 years now. We are forward looking at the settlement of the land claims which will lead to the formalisation of the Doti area.

SWOT ANALYSIS: LAND INVASIONS AND LAND CLAIMS

OPPORTUNITIES	WEAKNESSES
<ul style="list-style-type: none">• Court order; to speed up of land claims• Invalidity of some of the claims	<ul style="list-style-type: none">• Land not transferred to the municipality
STRENGTHS	THREATS
	<ul style="list-style-type: none">• Invaders not using legal route

2.8.5 LAND OWNERSHIP IN URBAN AREAS

Land ownership in Dutywa, Elliotdale and Willowvale is depicted on the plans below. Ownership is categorized as municipal, private or state land

DUTYWA



ELLIOTDALE



WILLOWVALE



2.8.6 CURRENT STATUS/ PROGRESS TO ADDRESS LAND USE SPATIAL DEVELOPMENT FRAMEWORK (SDF)

The municipality reviewed the SDF in line with SPLUMA and was adopted by Council on the 28th of October 2015. A need of an SDF plan is to provide the municipality with a tool to assist in arriving at informed developmental decisions to ensure sustainable development decisions and management of its future land development.

LSDF

The municipality reviewed the SDF in line with SPLUMA and was adopted by Council on the 28th of October 2015. In consistent with SPLUMA there are two pilot programs on LSDF, that is, Jingqi and Ntshatshongo localities respectively. The municipality will extend the scope with regard to the development of the LSDF in the rural spaces like ward 8 in 2016/17 financial year. However, the municipality encountered difficulties in terms of setting up the tribunal as no applicant was received in the first round of advert. The authorized official (AO) and Land Development Officer (LDO) are not yet appointed.

Status of LUS and SDF within Mbashe Local Municipality

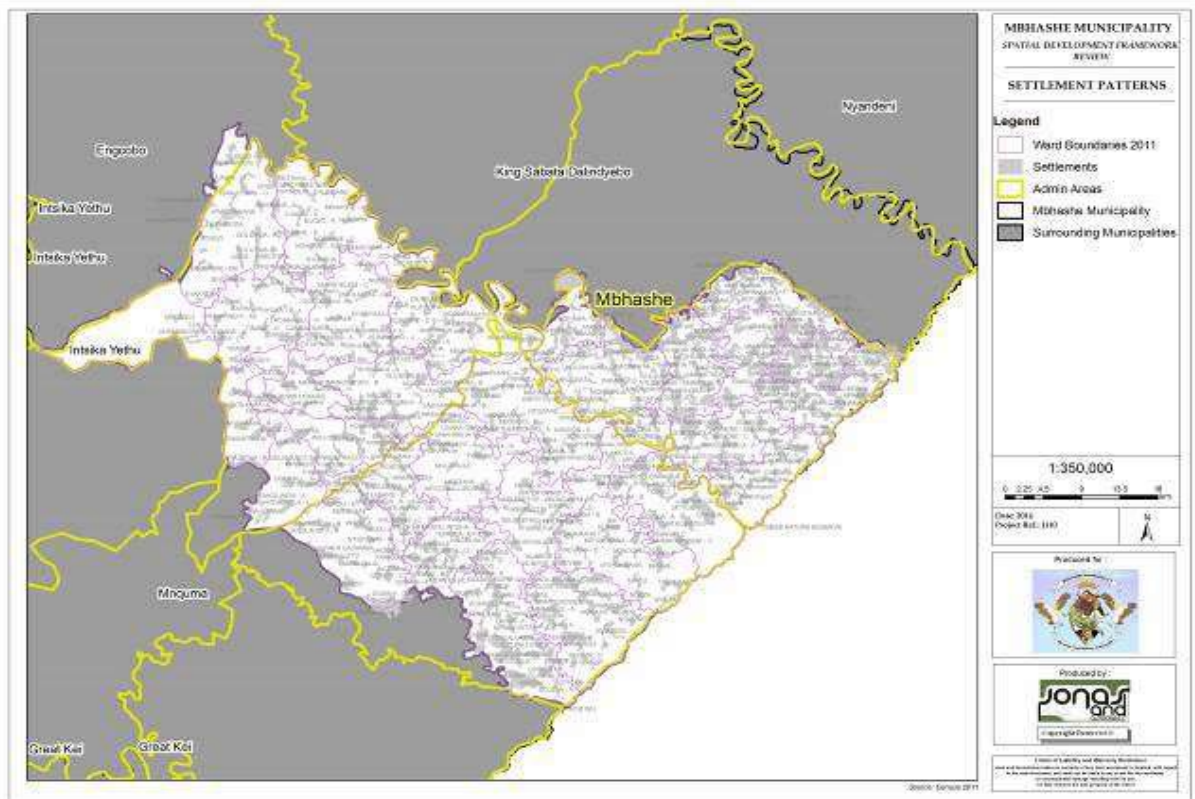
Area	Land Use Scheme	Spatial Framework	Development	Spluma By-Laws
Mbashe LM	To be reviewed	Available to be aligned with SPLUMA		Final SPLUMA By-law approved by Council (Gazetted)
Amajingqi	N/A	Draft available (LSDF)		Final SPLUMA By-law approved by Council (Gazetted)
Ntshatshongo A/A	N/A	Draft available (LSDF)		Final SPLUMA By-law approved by Council (Gazetted)

SPATIAL PLANNING: SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> Piloting LSDF to certain areas 	<ul style="list-style-type: none"> Funding for LSDF across the municipal area
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> Proper planning Potential for economic growth Creating nodal points 	<ul style="list-style-type: none"> Resistance from Chiefs Lack of security of tenure Unplanned developments Land degradation Reduction of the arable land

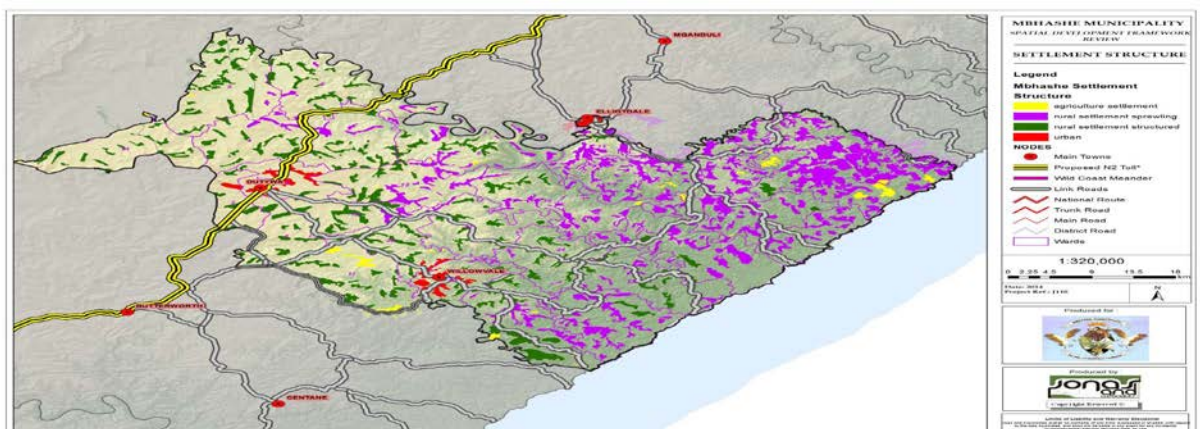
2.8.7. SETTLEMENT PATTERNS

Settlement patterns include towns (urban nodes), rural settlements within traditional administrative areas as depicted below.



2.8.8 RURAL SETTLEMENTS

The entire municipal area falls within the former Transkei homeland area, with a settlement pattern that reflects a predominantly rural character. Rural settlements dominate the municipal area (accommodating 97% of the population). These settlements are scattered throughout the entire municipal area and are surrounded by communal grazing land, and in some instances – arable lands.



The levels of service are generally low, with the majority of residential structures being self-built. There is an increased influx of rural settlers on the periphery of towns (especially north of Dutywa) and along main routes (such as N2) and this results in low density rural settlement. Accessibility and improved mobility in terms road transport are the main driving forces behind this trend. The sprawl or creep of settlements has a number of negative implications, including:

- Illegal access from main routes, due to lack of secondary roads)implications for traffic safety)
- Higher concentration of pedestrians and commuters along these routes, designed for high speed travelling (implications for traffic safety)
- Higher concentration of animals including domestic (dogs), livestock (cattle, sheep, pigs and goats) along these routes
- High costs implications for provision of service infrastructure

2.8.9. Coastal Resort/ Cottage Developments

There are a number of localities that are concentrated along the coastal belt. Unauthorized cottage/ coastal developments that took place after a moratorium was placed on developments within 1km coastal strip are regarded as illegal. The wild coast tourism development policy was formulated and gazetted in February 2001. The policy provides a basic framework for tourism development for one kilometer coastal strip above the high water mark. The Wild Coast Spatial Development Framework depicts spatial development recommendations for all coastal wards.

2.8.10. URBAN SETTLEMENTS

Urban settlements are comprised of the towns of Dutywa, Elliotdale and Willowvale. They are accommodating 3% of the total population. These towns fulfil the role of the main service centers to the surrounding hinterland. There is the presence of informal settlements in the three towns except Elliotdale. Dutywa has 378 informal households, Willowvale approximately 201 households.

Nodal Development Points

- **Settlement Nodes-** Dutywa, Willowvale and Elliotdale classified as level 2 nodes, Fort Malan is classified as Level node
- **Tourism Zones-** Qhora Mouth (Kobb Inn), Haven Hotel/ Mbhashe Point, Breezy point, Collywobbles Cape Vulture Conservation Project. Nqabara and Xora are not yet formally approved in terms of the Wild Coast SDF)
- Corridors – the N2 – Kei Rail Corridor
- Urban Edge
- Open Space / Conservation

2.8.11 THE SPATIAL PLANNING AND LAND USE MANAGEMENT ACT, 2013 (SPLUMA)

The Spatial Planning and Land Use Management Act, 2013 (SPLUMA) was assented to by the President of the Republic of South Africa on 5 August 2013.

It has come into full operation as from the 01st of July 2015. The act will assist to fulfil the following:-

- 1) To address racially based pre 1994 planning legislation and deal with new political realities
- 2) To repeal multiple laws and systems created by old order legislation (fragmentation across 4 provincial administrations, homelands etc.)
- 3) Address the unsustainable development patterns fuelled by inefficient, unsustainable and incoherent planning system.

The following are the objectives of SPLUMA

- 1) Provide a uniform and coherent framework for spatial planning and land use management.
- 2) Specify the relationship between the spatial planning and the land use management system.
- 3) Provide for the inclusive, developmental, equitable and efficient spatial planning at different spheres of government.

- 4) Address the legacy of past spatial planning and regulatory imbalances.
- 5) Promote greater efficiency, consistency and uniformity in the decision-making by authorities responsible for land development decisions.

MUNICIPAL PLANNING TRIBUNAL

- 1) Workshops on SPLUMA have been conducted to the council and councillors, the council has adopted the SPLUMA by-laws on the 28th of October 2015

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • By-laws have been gazetted • Council resolution of setting up own Tribunal 	<ul style="list-style-type: none"> • Capacity at a local level which will be able to carry the mandate in terms of the Act • Envisaged resistance from chiefs and headmen in misinterpreting the law confusing with reduction of their status
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Quicker approvals of land use development plans (rezoning, subdivision) • Reducing red tape • Encourage private business 	<ul style="list-style-type: none"> • Lack of response from interested person's to serve on MPT

Rezoning

Development Planning has embarked on a process of finalizing the land use regulation document by means of proper land use zones. This project will help minimize the illegal land use zones as per individual erven.

Subdivisions

The department is currently busy with the surveying of all land that has not been surveyed. The objective is to allocate the Erf number to all municipal owned land and to regulate illegal demarcation of municipal commonage. However, negotiations about the date for relocation are still in place with the affected parties, in this case, the shack owners.

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Identified erven that need rezoning • Reduce non-conforming use of land 	<ul style="list-style-type: none"> • No updated land use schemes
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Generation of revenue 	<ul style="list-style-type: none"> • Resistance from homeowners to rezone

LEASES AND LEASE AGREEMENTS

Current status

The municipality is generating income through leases on the municipal immovable property. The leases vary from one (1) year leases to fifty (50) year leases. The leasing of land is used mainly for business which is beneficial to the municipality. With the current lease agreements there are gaps identified which the municipality is undertaking moving forward. There's great improvement on the leases renewed and compliance is adhered to;

OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Revenue generation • Upliftment of SMMEs • Boost manufacturing 	<ul style="list-style-type: none"> • Land claims
STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Land availability 	<ul style="list-style-type: none"> • Lease conditions not strictly adhered to • Renewals not done as early to give space for re-evaluation • Leases not fully complying with legislation

LAND AUDIT

PURPOSE

- Ensure all properties appear on the valuation roll
- Ensure all properties have title deeds
- Ensure all properties are on the billing system
- Ensure all properties are correctly zoned
- Ensure all properties are correctly captured in terms of ownership status and size as they were in the deed of sale

- Ensure that the municipality is not losing revenue on state and privately owned properties

The municipal land audit was done and completed with the assistance from the ADM in 2013. This project was done so that the municipality can effectively undertake municipal functions needed to have a spatial register of all properties that lie within the municipal area of jurisdiction.

The process continued in the year 2015/16 and in year 2016/17 which resulted in the following result:-

No.	Category	Number of properties affected
1.	Non-conforming (Government and Municipal)	35
2.	Non-conforming (Privately owned)	386
3.	Surveyed but no title deeds (RDP houses)	753
4.	Surveyed but no title deeds (Privately owned)	120
5.	Surveyed but no title deeds (Government and Municipal)	25

The current activities being undertaken for each category are the following:-

CATEGORY	ACTION TAKEN
Non-conforming (Government and Municipal)	Council approved rezoning of the 35 properties (to be finalised before end of second quarter). The report was submitted to Township Board and awaiting MEC approval.
Non-conforming (Privately owned)	Service provider to assist with rectification of the 386 properties has been recently appointed
Surveyed but no title deeds (RDP houses)	Conveyancer appointed to do transfers on RDP houses (to be complete before the end of 2016/17)
Surveyed but no title deeds (Privately owned)	Reminder letters sent to property owners to register properties on deeds office
Surveyed but no title deeds (Government and Municipal)	Surveying and registration of the properties underway (to be complete before end 2016/17).
Other considerations:	1). The council should agree on the user pay system where "users" will be made to pay for the rates thus included in the SV 3 2) New properties have emerged on the deeds search and will therefore be include in SV3 which has already began.

Policies and By-laws related to land use

Policies such as invasion policy, migration policy or plan of people from informal settlements have been developed and approved by the council.

GEOGRAPHICAL INFORMATION SYSTEM (GIS)

The municipality does not have a specific GIS unit however shared services with the ADM are used. Whilst the municipality does not have the GIS unit; municipal employees have been trained in GIS use and have the system uploaded on their hardware. The GIS unit role within the municipality is to provide adequate, current spatial information, safeguarding of spatial information, the distribution, sharing of spatial information and development of GIS skills. Mbashe Municipal users of GIS can access applications and spatial information through a web based application.

A web based application that allows for tracking of properties as they progress through the municipal application process has been developed. Both Land Use Management e.g. zoning applications, departure etc. and Building Control i.e. new buildings and modification of existing buildings.

REMOVAL OF ILLEGAL STRUCTURES

Illegal structures are scattered across the municipality and in the properties of the ratepayers. With the use of the by-laws; the municipality intends to remove the illegal structures in the current year.

OPPORTUNITIES	THREATS
<ul style="list-style-type: none">• Safe and beauty towns	<ul style="list-style-type: none">• Difficulty in relocating shacks as there's resistance from rate payers• There's a consistent resistance from the community and shack dwellers on the removal of the shacks.• There's currently no land available to relocate shacks to as the municipality faces the land claim as reported before.
STRENGTHS	WEAKNESSES
<ul style="list-style-type: none">• Attract investors	<ul style="list-style-type: none">• No immediate response on illegal structures

STATE PROPERTIES

Current status

The municipality has begun a process of identifying houses belonging to other departments or parastatals that are unused or less productive. These departments mostly owe the municipality monies for rates and services.

Most of the properties belong to the Department of Public Works, Transnet and the Department of Rural Development and Land Reform. The majority of these properties are in a state of decay. The departments have promised to dispose some of these buildings to the Municipality; however the negotiations are still in place.

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none">• Enough data on the properties	<ul style="list-style-type: none">• Non enforcement of by-laws
OPPORTUNITIES	THREATS
<ul style="list-style-type: none">• Building space• Revenue generation	<ul style="list-style-type: none">• Illegal occupation of government buildings• These houses and buildings are mostly in a state of decay and will be expensive to renovate or reconstruct.• Invasion on state land

BUILDING CONTROLS

The municipality with the assistance of the ADM has completed a project where all building plans were scanned and uploaded into the GIS system. With more improved institutionalized system, there has been great improvement in the building application processes and inspection. Households are complying with building regulations with very few individuals who don't abide by the rules but tracked down to conformity.

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none">• Enough staff to building controls• Uploading of plans to GIS system	<ul style="list-style-type: none">• No regular inspections
OPPORTUNITIES	THREATS

<ul style="list-style-type: none"> • Safe, secure and beautiful town 	<ul style="list-style-type: none"> • still non-compliance with building regulations resulting from ignorance and lack of information
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2.8. ENVIRONMENTAL ANALYSIS

Legislation

The Environmental Management Section is derived from Chapter 2 Section 24 of the Bill of Rights which aims to protect and promotes fundamental human rights, including an environmental right.

The National Environmental Management Act (No. 107 of 1998, NEMA) provides for co-operative environmental governance by establishing principles for decision-making on matters affecting the environment of Mbhashe.

This act allows for the development of Specific Environmental Management Acts, and it is through this provision that the following Acts with their aims are applied in the section:

Size and Location.

The municipality is located at the South Eastern boundary of the Amathole District Municipality in the Eastern Cape and is named after the Mbhashe River that twists and meanders into the Indian Ocean, cutting through the three towns, namely Xhora (Elliotdale), Gatyana (Willowvale) and Dutywa. It is bound by the coastline, flowing from the Mncwasa River in the north to the Qhora River in the south along the Indian Ocean. With a total area of 3, 169 km², the location of Mbhashe in terms of GPS Coordinates in the South African Map sits at 32.1621° South 28.7664° East.

Climatic conditions

The steep altitudinal gradients from the coast to the escarpment, gives rise to strong climatic changes across the Mbhashe region .The area has a relatively high average rainfall, with the coastal and mountain regions receiving over 1000mm per annum. The region has a temperate of high sub-tropical temperatures along the coast in summer. The summer rainy seasons are sub tropically warm and pleasant, while the winters are mild.

High temperatures in January (mid-summer) reach about 40°C, and in June (winter) about 21°C, with lows of 17 and 9°C respectively.

The region experiences climatic extremes in the form of storms, lightning's and floods which have resulted in soil erosion and deep crevices.

Topography:

The region has a fragmented topography and comprises of undulating landscapes towards the coast and flat grasslands inland. The coastal terrain is therefore mountainous with steep valleys, whereas inland the flat grasslands suffer from drought and eroded lands. The diversity of topography does however create many different opportunities for a great diversity of ecosystems and their inhabitant plant and animal species. The topography, however, also poses a multitude of challenges to development as accessibility is limited and settlement has taken place in a dispersed and haphazard manner.

Geology

There is great variety in the geology of the region as different portions of sedimentary and igneous layers are exposed during the transition from the high-altitude Mountains in the North- Eastern side to the coast in the east.

The area around Idutywa is largely underlain by Mesozoic sediments of the Karoo Supergroup. The sedimentary rocks were intruded by numerous dykes, sills and inclined sheets of dolerite (*Jd*) during the Jurassic.

In summary the types of rocks found in Mbashe are:

- Igneous rocks
- Sedimentary rocks
- Dolerite Rocks
- Shale and Sand stones

Soils

Soils are mostly red-yellow apedal freely drained soils and are vulnerable to erosion as they originate from their easily weathered parent material on the north western part of Mbashe. Coastally, the soils are rich for agricultural activities which prove high soil fertility and rich in nutrients which is influenced by the coastal climate.

Biodiversity:

Vegetation of any region is determined by the two factors; climate and soil types. Generally, Mbashe is dominated by the grassland biome inland, but also has biome types like the Transkei coastal belt grasslands, scarp forest along the coast and the Indian Ocean coastal belt, which forms part of the Maputo-Pondoland Albany Hotspot (MPAH). The hotspot is the remarkable meeting point of six major vegetation types with unique species and ecosystems.

The biodiversity of Mbashe shows that most of the natural and near-natural landscapes are located along the coast and adjacent interior. The more degraded areas are found in the north-western portion of Mbashe with too much disturbance caused by overgrazing and burning of grasslands on the biodiversity occurring on that particular area. The decreased spatial extent of the Grassland Biome is also likely to be reduced due to the invasion of alien trees, bush encroachment and woody species. This would ultimately lead to a shift towards Savanna type characteristics.

Currently Mbashe hosts, the beauty of two joint Protected Areas declared as Nature Reserves and Marine under the protected areas Act. The Dwesa- Cwebbe Nature Reserves encompasses pristine biodiversity of the coastal flora and fauna.



Mbashe also has a strong potential of an area known to be a habitat to the Threatened Cape Vulture (*Gyps coprotheres*). The area of Sundwana (Collywobbles) is an ancestral vulture colony occurring along the cliffs of the complex gorge formed by the meandering Mbashe River. This Vulture is endemic to South Africa.

Ecological Infrastructure:

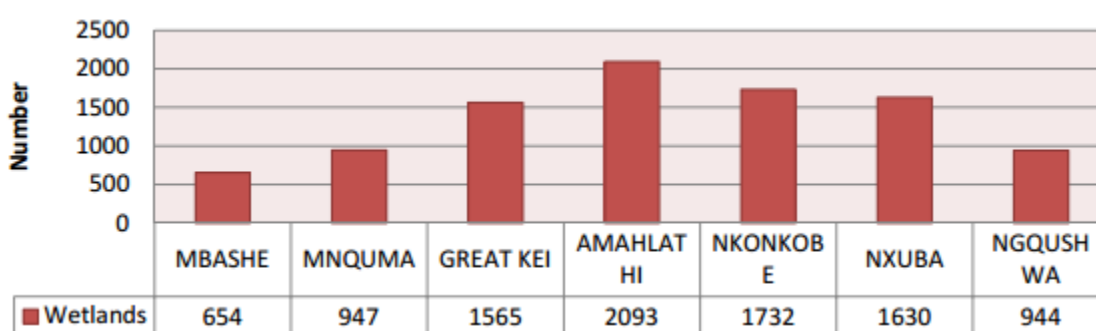
Ecological infrastructure refers to naturally functioning ecosystems that deliver valuable services to people, such as water and climate regulation (**Source: SANBI**).

1) Rivers:

The largest river is the Mbashe followed by the Nqabara and then the Ntlonyana. The Mbashe River has got a catchment of about 6.030 km², sourcing its water from the Drakensberg Mountains and draining to the Indian Ocean. It has a mean annual precipitation of 810mm and a natural mean annual runoff of 1 129 million m³.

2) Wetlands:

The Mbashe area that is covered by wetlands is approximately: 2609.6ha and in numbers it has 654 wetlands which vary in terms of conditions.



3) Estuaries:

There are 12 estuaries in the Municipality covering an area of 586ha, three of which are each greater than 100ha in extent.

The Mbashe, Xora and Nqabara estuaries are rated No. 2, 5 and 15 respectively in terms of conservation importance of the Wild Coast estuaries.

4) Ground water:

LOCAL MUNICIPALITY	POPULATION AFFECTED	NATURE/EXTENT OF WATER PROBLEM	TOTAL COST ESTIMATES INCL. VAT
Mbashe	125 000	Unequipped boreholes and contamination of perennial springs.	R1 902 900

Water resources are being impacted on by poor land use management, increasing development and low levels of municipal servicing. Large catchments such as the Mbashe are particularly affected.

Illegal sand extraction is occurring on the Mbashe river floodplain and other rivers, resulting in water quality impacts and destabilisation of river banks and reduced flood attenuation capacity.

Status Quo

Climate Change Strategy:

A climate change strategy is being developed for the Mbashe Local Municipality; a draft version has been submitted.

Taking Midgely et al. (2007) models into account, in terms of the Mbashe Municipality we can expect the following:

- An approximate increase in median temperate of 1.8 - 2 Degrees Celsius during the summer months and approximately 1.6 – 1.8 Degrees Celsius increase during winter
- An increase in winter monthly rainfall by 10 - 15 mm and 25 - 50 mm in the summer

The above climate changes could imply that Mbashe Municipality is faced with:

- More frequent and severe flooding as a result of higher intensity storm events and possibly more frequent hail events. This will and will impact on human settlements, infrastructure, human health and place a greater burden on particularly impoverished communities.



- Higher rainfall may increase agricultural production but water availability could become a limiting factor, requiring increased irrigation. Ground and surface water systems are vulnerable. In this regard small scale farming is likely to be most affected

- Heat waves may result in increased heat stress to plants, animals and humans and will increase associated fire risk placing livestock and grazing capacity under threat

Planning for Climate Change within the Mbhashe Municipality

Planning for Climate Change takes on two paradigms – climate change mitigation and climate change adaptation.

1) Climate Change Mitigation:

Involves those activities that assist in reducing the rate of change to the climate. This is a global responsibility and is aimed at limiting the generation of greenhouse gases. (less air pollution)

2) Climate Change Adaptation

Refers to those activities which we undertake in response to a changing climate.

The emphasis on this chapter is to provide planning guidance to the Mbhashe Municipality in relation to Climate Change Adaptation.

LAND REHABILITATION

Mbhashe Local Municipality much like in other provinces in South Africa is plagued with unlawful sand and gravel mining activities which have had dire negative social and environmental impacts and therefore, the municipality would like to develop a plan to rehabilitate these illegal mines in order to minimize the impacts which have resulted from these activities. To the extent that one truck which entered the Jotela Beach illegally was overwhelmed by waters and couldn't come back. This has put the beach goers under a state of risk. Secondly, several dongas have emanated from nature due to climate change and soil erosion

This compelled the municipality to have the two pronged strategy that will help deal with the degraded landscapes. These are:-

LAND REHABILITATION PROGRAMME

This programme is aimed at eradicating dongas using stones collected from nearby rivers. This is implemented using EPWP and is piloted in five (4) wards i.e. 31, 04, 05, 06 and ward 12.

DEVELOPMENT OF REHABILITATION PLANS

The plan addresses all the areas associated with halting any further illegal operations, of which rehabilitation and revegetation forms a component. As such the post-mining land use and objectives for closure are relevant to rehabilitation and revegetation.



The first step in developing the overall mine rehabilitation strategy is to identify potential post mining land use options and establish key objectives for closure to be incorporated in the project design. The most likely post-mining land uses are, expansion areas for housing, grazing land and open space /recreation, with management of the land being returned to the pastoral leaseholders on completion of closure, decommissioning and rehabilitation.

TREE PLANTING

Tree planting programme is prioritised and is regarded as part of the broader climate change mitigation strategy. To date the municipality has distributed and planted 1000 indigenous trees to various communities. Prioritised in this programme are the schools, clinics and households.

COASTAL MANAGEMENT

In the financial year 2015/16 the municipality saw the need to develop the coastal management plan to guide development along the coast in line with other municipal planning instruments like SDF.

A Coastal Management Programme (CMP) is a coherent policy directive for the management of the coastal zone (Source: Republic of South Africa, Department of Environmental Affairs, 2013). It allows for the effective implementation of integrated

coastal management by providing detailed guidelines, plans and interventions across various aspects and functions relevant to the coastal zone, such as socio-economics, biophysical environment, and development, among others.

The Integrated Coastal Management Act specifies an alignment of CMPs across the three spheres of government, namely national, provincial and local. In other words, the MCMP must be “nested” within a provincial CMP, and a provincial CMP must be “nested” within a national CMP (**Oceans and Coasts Branch of the Department of Environmental Affairs, 2012**). This “nested” framework ensures the assignment of the appropriate scope and focus to the corresponding government sphere.

The objectives of the CMP specific to Mbashe

- Coastal cleanup (solid waste, debris, alien eradication)
- Provision and maintenance of existing infrastructure (ablution facilities)
- Identification of environmental, heritage and recreational values
- Alignment and identification of opportunities related to ocean economy
- Prioritization public spaces and public launch sites
- Monitoring and ensuring compliance with environmental related by-laws and legislation

WETLANDS MANAGEMENT

“Wetlands are land which is transitional between terrestrial and aquatic systems, where the watertable is usually at or near the surface, or the land is periodically covered with shallow water, and which land in normal circumstances supports or would support vegetation typically adapted to life in saturated soil”. **National Water Act No. 36 of 1998**.

Table ..: (Condition of wetlands in Mbashe)

Conditions	Area (ha)	% Wetland Areas
Natural / Good Condition	60.6	15.2%
Moderately Modified Condition	100.3	25.2%

Heavily / Critically Modified condition	237.2	59.2
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Source: NFEPA (2011)

However the municipality is in the process of the assessment of the Wetlands in the financial year 2016/17. The process will lead us to rehabilitation of these wetlands and water catchments for the provision of fresh water to our communities.

ENVIRONMENTAL IMPACT ASSESSMENT:

Environmental Impact Management is administered by the project managers without the consultation of the Environmental Management Unit. No funding for EIAs, BA, EMPs, not within the SDBIP of the Environmental Management Unit.

ENVIRONMENTAL COMPLIANCE

The municipality is still lacking in terms of ensuring environmental compliance and monitoring environmental related compliance. Two reasons for this are the following:-

- 1) No effective environmental management inspectorate
- 2) No by –laws in place,

However, the municipality has identified several by-laws that are required in order to ensure environmental compliance. These are all in the process of development. The examples of such by-laws are the following:-

- o Beaches and launch sites by-laws like fires, fireworks, vehicle entrances, sleeping and camping within coastal zone
- o Control of boat launch sites
- o Prevention of illegal mining

INSTITUTIONAL FRAMEWORK

The coordination of the environmental programs is done through a section in the Development planning directorate. Currently there's only one Environmental Officer reporting to the Senior Manager in the department.

Environmental Management is part of the Development Planning Committee with the terms of reference as the following:-

- Environmental management

	<ul style="list-style-type: none"> • Lack of funding for support of protected areas • No Estuary Management Plan • Limited capacity for enforcing national ban on beach driving
Opportunities	Threats
<ul style="list-style-type: none"> • Recognized area with Tourism growth opportunities • Natural beach areas / Blue Flag Beach Statuses • Gaining a status of a private land to enhance tourism • Potential for increased ecotourism development along the coast (aquaculture) • Green Economy • High potential for sustainable harvesting of marine resources for local food security. • Sustainable human settlement development 	<ul style="list-style-type: none"> • Low to Moderate Water Quality • Changes in climatic conditions • Degraded Coastline and inland due to sand mining • Invasive alien species • Waste Water Treatment polluted • Loss of grassland to bush encroachment • Disasters (floods, lightning, tsunamis, rising sea levels • Pollutants, sediment and poor quality water from these catchments may threaten the integrity of the coastline in the medium to long term as a result of inland development and agricultural land uses. • High siltation rates in the Mbhashe River due to ESKOM electricity generating procedures. • Management of Agricultural Land for food security

2.9. GOOD GOVERNANCE ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Mayoral Imbizos conducted in all 32 wards • community participation in idp processes • involvement of the municipality in establishment of war rooms • effective public participation and petition strategy 	<p>Minimal education in functioning of the institution</p>
OPPORTUNITIES	THREATS
	<p>Lack of interests on municipal activities</p> <p>Protests</p>

<p>STRENGTHS</p> <ul style="list-style-type: none"> • The unit is responsible to coordinate effective functioning of the Council and its committees. • Provision of tools of trade to the councillors and ward committees • Developed resolution register • Willingness of internal stakeholders on change management such as the use of electronic version instead of hard 	<p>WEAKNESSES</p> <ul style="list-style-type: none"> • Monitoring of implementation of resolutions of the council. • Non adherence to the calendar dates • Experienced personnel in the unit
<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • To stick to the calendar of events • One reporting format for the whole municipal structures • Clear conducting of the meetings • Minimize the expenditure on use of papers 	<p>THREATS</p> <ul style="list-style-type: none"> • The duplication of resolutions • Adherence to the dates in the calendar to avoid expenditure and non – compliance • The community unrest due to incorrect recording of the resolutions.

2.10.1 FRAUD AND RISK MANAGEMENT, COMPLIANCE AND LEGAL SERVICES

Risk Management within the Municipality is considered to be in a developmental stage. A Risk Management Framework has been approved and a risk identification process conducted. Code of conduct is signed by all staff members. This assists to inculcate ethos of adherence to a set of Ethics and good conduct. Fraud and corruption which is a challenge to all government institutions and this institution is not spared either. Measure to fight this must be introduced to promote good corporate governance.

Since the appointment of the external Committee Chairperson at the beginning of June 2016, the Committee has met on a quarterly basis. In line with good governance, the Committee will meet on a quarterly basis and issue a report for submission to the Municipal Manager and the Audit Committee after each meeting.

2.10.2. COMPLIANCE AND LEGAL SERVICES

The municipality had appointed a manager that is responsible for legal services and assisting the municipality on the matters of compliance. The legal unit has to advise the municipality

on reviewing and drafting of contractual documents and also providing both informal formal legal advices. There was an employee who was appointed in the establishment of the unit and the employee only stayed for one month. Therefore since the departure of that employee the position was not filled.

For interim arrangements, the process of risk management is under the section of internal audit (care-taking as a request from the Municipal Manager)

<p>STRENGTHS</p> <ul style="list-style-type: none"> • The established Risk Management Committee • The commitment by the Chairperson on risk mitigation 	<p>WEAKNESSES</p> <ul style="list-style-type: none"> • No dedicated employee to monitor and give direction on issues of Fraud and Risk Management. • No follow ups on resolutions of the Risk workshops. • Slow pace on implementation of action plans from the management letter and implementation of Internal Audit Recommendations. • No Performance Specialist in Audit Committee
<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • To minimise the risk and fraud to the municipality • To save on the expenditure done by the municipality • Building the public confidence 	<p>THREATS</p> <ul style="list-style-type: none"> • Institutional Memory • Litigation to the municipality

2.10.3. INTEGRATED PLANNING, IGR AND INSTITUTIONAL PERFORMANCE

Integrated planning is a planning method to help municipalities develop a coherent, long term plan for the coordination of all development and delivery in their area. Municipalities face huge challenges to develop sustainable settlements that meet the needs and improve the quality of life of local communities. In order to meet these challenges, they will need to understand and develop a concrete vision for the area and then develop the strategies and plans to realize and finance that vision in partnership with other stakeholders.

Performance management is a system that is used to make sure that all parts of the municipality work together to achieve the goals and targets of what has to be done to make

sure the goals are achieved. Every department and staff member should be clear what they have to do and how their performance will contribute to achieving overall goals and targets. Mbashe municipality participates and coordinates the local Intergovernmental Relations forum (IGR) within the jurisdiction of Mbashe. The IGR forum provides for the seating of various sector departments to plan and address issues of mutual concern in service delivery in the municipal jurisdiction.

<p>STRENGTHS</p> <ul style="list-style-type: none"> • The planning that deals with all the phases of the IDP • Consistent consultation with the stakeholders • The functional IGR • Developed terms of reference 	<p>WEAKNESSES</p> <ul style="list-style-type: none"> • Lack of integration between formal reporting and reporting to communities • Proper monitoring of the procurement plans in order to adhere to the targets set
<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • Integrated programmes by all sectors of government • Addressing challenges that faced our communities in an integrated way • Mobilization of scarce resources 	<p>THREATS</p> <ul style="list-style-type: none"> • Duplication of resources to one area • Incomplete projects and programmes

MEC COMMENTS

In November 2016, all municipalities in the Eastern Cape had their IDPs assessed.

Municipality	KPA 1	KPA 2	KPA 3	KPA 4	KPA 5	KPA 6	Overall Ratings
Mbashe LM	High	High	High	High	Medium	Medium	HIGH

2.10.4 SPECIAL PROGRAMMES

The Special Programmes Unit (SPU) is located in the office of the Municipal Manager and has a dedicated SPU Officer assigned to manage this function and assisted by 1 SPU Unit Coordinator based in Elliotdale. The focal priority area for SPU is:

- Youth
- Gender
- HIV/AIDS

- People With Disability
- Older Persons
- Children
- Sport
- Military Veterans

The SPU facilitates the integration and mainstreaming of the designated groups into the development of the Municipality by;

- Creating the necessary / conducive environment both internal and external through establishment of structures that will promote participation of Youth, Gender issues, Persons With Disability, Children, Older Persons and HIV/AIDS infected individuals in our local Municipality.

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Memorandum of Understanding between Mphashe Municipality, Coega, and King Hintsa TVET College for Driver Training Programme. • Memorandum of Understanding between Mphashe Municipality and NYDA for establishment of 2 NYDA Local Youth Offices. (Elliotdale and Dutywa) • Functioning Local South African Youth Council Organization (SAYC) for coordination of Youth developmental programmes. • Developed and Implemented SPU Strategy with Action Plans • Coordinated Mayoral Cup Tournament to achieve Social Cohesion • Functional Older Person's Forum • Memorandum of Understanding between Mphashe Municipality and World Vision for advocacy of Children's programme. 	<ul style="list-style-type: none"> • Lack of Developed Policies relating to vulnerable groups to support SPU Strategy. • Non-existence of Local AIDS Council for coordination of HIV/AIDS issues and development of Local HIV/AIDS Strategy. • Non-existence of Persons with Disability Forum • Non-existence of Gender forum • Lack of good working relations between SPU, LED, other municipal departments. • Shortage of Personnel within the Section.

<ul style="list-style-type: none"> • Budget allocation 	
<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • Availability of Policy Development Guidelines from National and Provincial level that can assist in the development of policies. • Support and assistance available from National and Provincial Government 	<p>THREATS</p> <ul style="list-style-type: none"> • Lack of Maximum participation by vulnerable groups due to non-availability of structures at Ward level. • Lack of proper coordination and integrated Sport programmes and events which are being held within the Municipality and other stakeholders such as Mbashe Sport Council, Imiganu Traditional Council, Nqadu Great Place and SAPS. • Lack of Office Space • Non accessibility of some offices to people with disability •

2.10.5. INTERNAL AUDIT

Background and legislative mandate:

Based on the legislative mandate of section 165 of the MFMA, Mbashe Local Municipality has established an Internal Audit Unit since 2008. Mandate of the unit is to assist the municipality by reviewing the existing internal controls for its efficiency and effectiveness. This includes providing advice to the accounting officer and audit committee on matters relating to internal audits, internal controls, accounting procedures and practices, risk and risk management, performance management, loss control, and compliance with applicable legislation The unit is governed by the by the Institute of Professional Practice for Internal Auditors (IPPIA). It operates in accordance with an approved and updated Internal Audit Charter. Detailed content in regards to its responsibilities, code of conduct, authority and scope is explained in the Internal Audit Charter.

Function	Strength	Weaknesses
Internal Audit	Mandate of the unit is to assist the municipality by	Challenges under the internal audit unit:

	<p>reviewing the existing internal controls for its efficiency and effectiveness.</p> <p>The following strengths are recognized under the internal audit department:</p> <ul style="list-style-type: none"> ➤ Established internal audit committee appointed by the council with independent members which are not employees of the municipality ➤ Required and relevant internal audit (IAT, PIA) qualification to the staff as required by the internal audit standards and other professions ➤ The direct responsibility comes from the internal audit and audit committee charter which is approved by the audit committee chairperson for implementation ➤ Risk based internal audit plan which is aligned with priorities as detailed in the IDP of the institution/municipality ➤ Effective structure of reporting, where administratively, the unit is reporting to the Municipal Manager and functionally to the audit committee ➤ Opportunity to discuss internal audit reports 	<p>During 2016/2017 financial year, the internal audit unit has experienced some challenges in terms of the staff.</p> <p>An analysis of the internal audit workforce at Mbhashe indicates a gap in the collective skills of staff. The following table describes the gaps. There is also a challenge of non-availability of the IT system to be used during audit engagements.</p> <table border="1" data-bbox="949 728 1428 1926"> <thead> <tr> <th data-bbox="949 728 1204 817">Description</th> <th data-bbox="1204 728 1428 817">Skills required</th> </tr> </thead> <tbody> <tr> <td data-bbox="949 817 1204 1489">Financial Auditing (GRAP)</td> <td data-bbox="1204 817 1428 1489">Necessary skills for the audit of GRAP complaint audit on the financial information. This relates to the monthly, quarterly, mid-year and annual financial statements</td> </tr> <tr> <td data-bbox="949 1489 1204 1926">IT Auditing and risk assessment</td> <td data-bbox="1204 1489 1428 1926">Skills in regards to IT governance and general controls are available. Skills gap is in the application controls.</td> </tr> </tbody> </table>	Description	Skills required	Financial Auditing (GRAP)	Necessary skills for the audit of GRAP complaint audit on the financial information. This relates to the monthly, quarterly, mid-year and annual financial statements	IT Auditing and risk assessment	Skills in regards to IT governance and general controls are available. Skills gap is in the application controls.
Description	Skills required							
Financial Auditing (GRAP)	Necessary skills for the audit of GRAP complaint audit on the financial information. This relates to the monthly, quarterly, mid-year and annual financial statements							
IT Auditing and risk assessment	Skills in regards to IT governance and general controls are available. Skills gap is in the application controls.							

	<p>with management before they are discussed with the internal audit committee</p> <ul style="list-style-type: none"> ➤ As a form of compliance, Internal auditors are members of the institute of internal audit south Africa <p>Other critical success factors are:</p> <ul style="list-style-type: none"> ➤ Internal audit plan is aligned with the strategic risk areas facing the organisation ➤ Internal audit plan is prepared in consultation with management ➤ Matches assurance with available resources 	<p>Infrastructure Asset Management</p>	<p>Skill gap in auditing financial aspects, systems and infrastructure operations</p>
		<p>Fraud Investigations</p>	<p>Internal Audit is facilitating in ensuring that FRAUD prevention strategies are in place and implemented.</p> <p>There is no forensic auditor at MLM</p>
	Opportunity	Threats	
	<p>These are the direct and indirect opportunities that can/will have relatively impact to improve and contribute to the performance of the unit within the municipalities:</p> <ul style="list-style-type: none"> ➤ Review of the systems, financial and non-financial controls improve the compliance matter as required by National treasury, auditor general and other stakeholders ➤ God governance and risk management contributes to achievement of the municipal objectives 	<p>These are the direct impacts that will negatively affect functioning of the internal audit unit to achieve its mandate:</p> <ul style="list-style-type: none"> ➤ As per section 87 of the External assessment of the internal audit unit by the independent consultant for quality assurance can result to the non-compliance which can be identify by auditor general and national treasury ➤ Non availability of the internal audit system (Teamate) will impact on the efficiency of the unit. ➤ Non marketing of the internal audit within the institution 	

	<ul style="list-style-type: none"> ➤ Effective three lines of defence (management, internal audit and auditor general) as being recommended by the internal audit unit contribute to the improvement of municipal opinion as per the auditor general report ➤ Effective relationship between the internal audit and auditor general ➤ Improved audit opinion contribute to image of municipality ➤ Opportunities that the audit report can be used by the source funders ➤ Quarterly oversight report by audit committee chairperson to the council promote efficiency and effectiveness of service delivery activities 	<ul style="list-style-type: none"> ➤ Slow implementation of the internal audit/audit committee recommendations ➤ Change of internal audit scope work as an interference by management ➤ Co-sourcing of the internal audit unit ➤ Reliance of the external audit to the work of internal audit
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2.10.6. COMMUNICATIONS

This section is placed under the office Municipal Manager. Currently there is a Communications and Customer Care Manager and a Customer Care Clerk with 5 Interns. The municipality has developed the communication and marketing strategy in 2016/2017 financial year. Customer satisfaction survey was conducted to three Mphashe Local Municipality units, and was done through councillors, staff, interns,

business and communities in order to establish how the municipality operates or the quality of services rendered to its people. The intention is to conduct it on annual basis. Communications is a principal media between the municipality and stakeholder through:

<p>STRENGTHS</p> <ul style="list-style-type: none"> • Communication strategy is in place. • Publicising of information through <ol style="list-style-type: none"> 7. Press release 8. Newsletter that is published on a quarterly basis to inform communities on the progress, projects 9. Municipal Website 10. Notices 11. Telephone mobilization 12. Community media organizations (Radios and newspapers) • The presidential hotline is in place and its active, people are able to voice out their grievances which are then directed to the municipality. 	<p>WEAKNESSES</p> <ul style="list-style-type: none"> • Lack of Capacity • Publishing of newsletter on quarterly basis • Lack of ICT programs for in-house layout and designs newsletter • Lack of feedback to the communities. • Nonfunctioning of facebook and updated website • Non implementation of the resolutions taken from the External Forums i.e. National, Provincial and District Communicators' Fora • Poor branding • Non utilization of suggestion boxes • No established good working relations with the media
<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • Customer satisfaction survey • Monthly Newsletter publishing • Response rate on complains to promote excellent communication paths between the municipality and stakeholders. 	<p>THREATS</p> <ul style="list-style-type: none"> • Protests • Negative Image of the Municipality

SECTION 3

Based on the new Council's priorities, Mbhashe's vision, mission and values have been revised and the following has been workshoped to all Councillors and taken to council for adoption on 31 March 2017

3.1. VISION

“A municipality that excels in promoting social cohesion, stimulates economic growth and sustainable development”

3.2. MISSION

By becoming an effective and efficient municipality with accountable leadership that is able to involve communities in the provision of quality services.

3.3 VALUES

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

- I. Commitment
- II. Accountability
- III. Teamwork
- IV. People centred development
- V. Discipline and respect
- VI. Environmental friendly
- VII. Service excellency

3.4 BATHO-PELE PRINCIPLES

Eight Batho-Pele principles were developed to serve as acceptable policy and legislative framework regarding service delivery in the public service. These principles are aligned with the Constitutional ideals of:

- 1) Promoting and maintaining high standards of professional ethics;
- 2) Providing service impartially, fairly, equitably and without bias;

- 3) Utilising resources efficiently and effectively;
- 4) Responding to people's needs; the citizens are encouraged to participate in policy-making; and
- 5) Rendering an accountable, transparent, and development-oriented public administration

The Batho Pele principles are as follows:

Consultation

There are many ways to consult users of services including conducting customer surveys, interviews with individual users, consultation with groups, and holding meetings with consumer representative bodies, NGOs and CBOs. Often, more than one method of consultation will be necessary to ensure comprehensiveness and representativeness. Consultation is a powerful tool that enriches and shapes government policies such as the Integrated Development Plans (IDPs) and its implementation in Local Government sphere.

Setting service standards

This principle reinforces the need for benchmarks to constantly measure the extent to which citizens are satisfied with the service or products they receive from departments. It also plays a critical role in the development of service delivery improvement plans to ensure a better life for all South Africans. Citizens should be involved in the development of service standards.

Required are standards that are precise and measurable so that users can judge for themselves whether or not they are receiving what was promised. Some standards will cover processes, such as the length of time taken to authorise a housing claim, to issue a passport or identity document, or even to respond to letters.

To achieve the goal of making South Africa globally competitive, standards should be benchmarked (where applicable) against those used internationally, taking into account South Africa's current level of development.

Increasing access

One of the prime aims of Batho Pele is to provide a framework for making decisions about delivering public services to the many South Africans who do not have access to them. Batho Pele also aims to rectify the inequalities in the distribution of existing services. Examples of initiatives by government to improve access to services include such platforms as the Gateway, Multi-Purpose Community Centres and Call Centres.

Access to information and services empowers citizens and creates value for money, quality services. It reduces unnecessary expenditure for the citizens.

Ensuring courtesy

This goes beyond a polite smile, 'please' and 'thank you'. It requires service providers to empathize with the citizens and treat them with as much consideration and respect, as they would like for themselves.

The public service is committed to continuous, honest and transparent communication with the citizens. This involves communication of services, products, information and problems, which may hamper or delay the efficient delivery of services to promised standards. If applied properly, the principle will help demystify the negative perceptions that the citizens in general have about the attitude of the public servants.

Providing information

As a requirement, available information about services should be at the point of delivery, but for users who are far from the point of delivery, other arrangements will be needed. In line with the definition of customer in this document, managers and employees should regularly seek to make information about the organisation, and all other service delivery related matters available to fellow staff members.

Openness and transparency

A key aspect of openness and transparency is that the public should know more about the way national, provincial and local government institutions operate, how well they utilise the resources they consume, and who is in charge. It is anticipated that the public will take advantage of this principle and make suggestions for improvement of service delivery mechanisms, and to even make government employees accountable and responsible by raising queries with them.

Redress

This principle emphasises a need to identify quickly and accurately when services are falling below the promised standard and to have procedures in place to remedy the situation. This should be done at the individual transactional level with the public, as well as at the organisational level, in relation to the entire service delivery programme.

Public servants are encouraged to welcome complaints as an opportunity to improve service, and to deal with complaints so that weaknesses can be remedied quickly for the good of the citizen.

Value for money

Many improvements that the public would like to see often require no additional resources and can sometimes even reduce costs. Failure to give a member of the public a simple, satisfactory explanation to an enquiry may for example, result in an incorrectly completed application form, which will cost time to rectify.

2.5. Strategies and objectives

KPA 1: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

MBHASHE LM

KPA 1: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

PRIORITY AREA	STRATEGIC OBJECTIVES	OBJECTIVE NO.	STRATEGY	INDICATOR	INDICAT OR NO.	BASELINE	17/18	18/19	19/20	20/21	21/22	ACCOUNTABLE OFFICIAL
Human Resources	To provide and enhance skills among the Councilors, Ward Committees ,Employees and Ward Committees to ensure effective service delivery	MTI	Implementation of the training plan(approved WSP)	Number of trainings interventions implemented for Councilors, Traditional Leaders and Employees as per approved WSP	MTI 1.1	47	9	12	13	11	15	Senior Manager : Corporate Services
				Number of Councilors and Employees registered for formal qualification as per approved WSP	MTI 1.2	32	25	4	5	8	5	Senior Manager : Corporate Services
				Number of capacity building programmes implemented	MTI 1.3	1	3	2	2	2	2	Senior Manager : Corporate Services
				Number of learners participating in internship and WIL	MTI 1.4	59	50	50	50	50	50	Senior Manager : Corporate Services
				Number of career EXPO conducted	MTI 1.5	3	1	1	1	1	1	Senior Manager : Corporate Services
	To maintain organizational structure that will	MTI 2	Review of organizational structure	Submitted reviewed organogram to EXCO	MTI 2.1	1	1	1	1	1	1	All HODs

PRIORITY AREA	STRATEGIC OBJECTIVES	OBJECTIVE NO.	STRATEGY	INDICATOR	INDICATOR NO.	BASELINE	17/18	18/19	19/20	20/21	21/22	ACCOUNTABLE OFFICIAL
	ensure effective and efficient service delivery		Maintain a low vacancy rate	No. of recruited employees	MTI 2.2	267	84	15	20	20	20	Senior Manager : Corporate Services
	To ensure effective service delivery through implementation of PMS	MTI 3	Conduct quarterly, mid-yearly and annual Performance assessments	No. of Assessments report	MTI 3.1	7	67	267	317	317	317	All HODs
			Wellness campaigns, Sport Programs for Municipal Employees and councilors	Number of Wellness Campaigns and Programmes organized	MTI 3.2	6	10	10	10	10	10	Senior Manager : Corporate Services
ICT	Ensure effective and efficient tool of lowering cost to leverage service delivery through ICT enabled equal access to municipal information and services	MTI 4	Ensuring Business Continuity	No. of reports on backups, tests and restore	MTI 4.1	0	1	1	1	1	1	Senior Manager: Corporate Services
				Number of reviewed institutional file plan	MTI 4.2	1	1	1	1	1	1	Senior Manager: Corporate
PERFORMANCE MANAGEMENT	To ensure the implementation of PMS by 2017 and improve institutional performance through skills development and change management	MTI 5	Review of the PMS framework	Reviewed and submitted PMS to the council	MTI 5.1	1	1	1	1	1	1	Senior Manager : Corporate Services
			Improved performance through monitoring and evaluation of reports	Number of performance reports	MTI 5.2	6	6	6	6	6	6	Senior Manager : Corporate Services
			Development of annual report	Developed annual report	MTI 5.3	1	1	1	1	1	1	Senior Manager : Corporate Services

KPA 2: BASIC SERVICE DELIVERY AND INFRASTRUCTURE

FOCUS AREA	OBJECTIVE	OBJ No.	STRATEGY	INDICATOR	IND No.	BASELINE	17/18	18/19	19/20	20/21	21/22	CUSTODIAN
Infrastructure and Services	To develop, maintain and upgrade quality infrastructure through integrated planning, taking short, medium and long term needs into consideration, and fulfilling these within the parameters of sound financial management by 2022	SD 1	By constructing 150 km of gravel road	Number of KM of gravel roads constructed	SD 1.1	769	30km	30km	30km	30km	30km	SM: Infrastructure
			By maintaining 769 km of gravel roads	Number of KM of gravel roads maintained	SD 1.2	769	300km	300km	300km	300km	300km	SM: Infrastructure
			By upgrading 10km of gravel road	Number of KM of gravel roads upgraded	SD 1.3	5km	5km	2km	3km	3km	2km	SM: Infrastructure
			By upgrading of storm water facilities	Number of storm water facilities upgraded	SD 1.4	0	10	10	10	10	10	SM: Infrastructure
			By maintaining of surfaced roads	Number of cubic meters (m3)	SD 1.5	11km	5km	5km	5km	5km	5km	SM: Infrastructure
			By paving 25000 square metres of internal streets side walks	Number of square meters of paved side walks	SD 1.6	0	10000 m ²	10000 m ²	500m ²	0m ²	0m ²	SM: Infrastructure
			By constructing 10 formal bridges structures	Number of formal bridges constructed	SD 1.7.1	19	1	1	1	1	1	SM: Infrastructure
SD1.7.2		1			1	1	1	1	SM: Infrastructure			

			By providing grid electricity to 20591 qualifying households	Number of households provided with grid electricity	SD 1.8	34749	560	1300	5000	5000	8291	SM: Infrastructure
			By providing solar energy to qualifying households	Number of households provided with solar energy	SD 1.9	4555	1000	0	0	0	0	SM: Infrastructure
			By installing 15 high masts	Number of high masts installed	SD 1.10	16	3	3	3	3	3	SM: Infrastructure
			By upgrading street lights in all towns	Number of street lights upgraded	SD 1.11	574	20	574	0	0	0	SM: Infrastructure
			By maintaining street lights in all towns	Number of street lights maintained	SD 1.12	610	610	610	610	610	610	SM: Infrastructure
			By constructing 3 Sport facilities	Number of Sports field constructed	SD 1.13	0	Procurement of contractors, bulk earthworks, soccer pitch, bulk earthworks parking area and fencing	Procurement of contractors, bulk earthworks, soccer pitch, bulk earthworks parking area and fencing	Procurement of contractors, bulk earthworks, soccer pitch, bulk earthworks parking area and fencing	Procurement of contractors, bulk earthworks, soccer pitch, bulk earthworks parking area and fencing	Procurement of contractors, bulk earthworks, soccer pitch, bulk earthworks parking area and fencing	SM: Infrastructure
			By constructing 10 community	Number of community halls constructed	SD 1.14	54	2	2	2	2	2	SM: Infrastructure
			By installing hawker stalls	Number of hawker stalls installed	SD 1.15	25	60	60	60	60	60	SM: Infrastructure

			By building Municipal offices	Number of buildings constructed	SD 1.16	4	0	1	0	0	0	SM: Infrastructure
			By building of municipal staff accommodation	Number of municipal staff accommodation constructed	SD 1.17	2	1	1	1	1	0	SM: Corporate services
			By maintaining Municipal buildings	Number of municipal buildings maintained	SD 1.18	9	6	6	6	6	6	SM: Corporate services
			By upgrading municipal offices	Number of municipal offices upgraded	SD 1.19	1	1	2	2	2	2	SM: Corporate services
			By construction/ins3talling boreholes	Number of boreholes constructed	SD 1.20	0	2	1	1	1	1	SM: Corporate services
			By maintaining of 25 community halls	Number of community halls maintained	SD 1.21	54	5	5	5	5	5	SM: Community services
			By providing community facilities equipment	Number of facilities provided with equipment	SD 1.22	1500	17	17	17	17	17	SM: Community services
			By maintaining of 3 public libraries	Number of libraries maintained	SD 1.23	3	1	1	1	0	0	SM: Community services
			By fencing cemeteries in towns	Number of cemeteries fenced	SD 1.24	0	3	0	0	0	0	SM: Infrastructure
			By fencing 10 communal cemeteries	Number of communal cemeteries fenced	SD 1.25	336	10	10	10	10	10	SM: Infrastructure
			By constructing 3 parks	Number of parks constructed	SD 1.26	3	1	1	1	0	0	SM: Community services
			By maintaining 4 parks	Number of parks maintained	SD 1.27	3	1	1	1	1	0	SM: Community services
			By constructing public ablutions	Number of public ablution facilities constructed	SD 1.28	4	2	2	2	2	2	SM: Infrastructure
			By Maintaining 3 public ablutions	Number of ablution facilities maintained	SD 1.29	4	3	3	3	3	3	SM: Community services

			By constructing animal pound	Number of animal pound constructed	SD 1.30	0	1	1	1	1	1	SM: Infrastructure
			By constructing ECDCs	Number of ECDCs constructed	SD 1.31	5	5	5	5	5	5	SM: Infrastructure
			By constructing transfer station	Number of transfer stations constructed	SD 1.32	0	1	1	1	1	1	1Infrastructure
			By upgrading 1 landfill site	Number of landfill sites upgraded	SD 1.33	1	1	0	0	0	0	SM: Community services
			By rehabilitating 2 dump sites	Number of dump sites rehabilitated	SD 1.34	2	2	0	0	0	0	SM: Community services
			By maintaining of Drivers and Vehicle Licensing facilities	Number of Drivers and Vehicle Licensing maintained	SD 1.35	1	1	1	1	1	1	SM: Community services
	To provide effective and affordable services to the community where these are a direct function of the Municipality by 2022	SD 2	By providing waste management services in an environmental friendly and sustainable manner to all households of Mbashe	Number of households serviced	SD 2.1	60124	60124	60124	60124	60124	60124	SM: Community services
By providing support to 171 ECDCs			Number of ECDCs supported	SD 2.2	231	30	60	51	0	0	SM: Community services	
By supplying rural sports fields with equipment			Number of rural sports field supplied with equipment	SD 2.3	64	32	32	32	32	32	SM: Community services	
By providing road safety features (road marking, signage, traffic calming and road closure)			Number of roads safety features implemented	SD 2.4	3	1	1	1	0	0	SM: Infrastructure	

			By providing 180 law enforcement operations throughout Mphashe	Number of law enforcement operations	SD 2.5	50	36	36	36	36	36	SM: Community services
			By preventing criminal activities	Number of potential crime scenes visited	SD 2.6	20	16	16	16	16	16	SM: Community services
			By offering security services in all Municipal assets	Number of sites secured	SD 2.7	20	20	20	20	20	20	SM: Community services
			By providing Christmas light to all towns	Number of towns provided with Christmas lights	SD 2.8	3	3	3	3	3	3	SM: Infrastructure
			By providing rescue services during peak seasons along the coast	Number of beaches provided with rescue services	SD 2.9	8	8	8	8	8	8	SM: Community services
Spatial Planning / Land Use Management	Ensure maximum and adequate and land use management practices by 2022	SD 3	Development and review of coherent spatial plans	Reviewed SDF	SD 3.1	1	1	1	1	1	1	SM:DP
				No. of developed LSDFs	SD 3.2	2	2	8	8	8	8	SM:DP
			Surveying and rezoning of properties	No. of rezoned properties	SD 3.3	35	100	10	10	10	10	SM:DP
			Develop and implement measures in compliance with land use	Developed land use scheme	SD 3.4	0	1	1	1	1	1	SM:DP

			Develop land and tenure reform strategy	Developed land and tenure reform strategy	SD 3.5	0	1	0	0	0	0	SM:DP
Real Estate / Properties Management	Ensure that all municipal properties are properly registered and effectively used	SD 4	Valuation of properties	Generally and supplementary valuation roll developed	SD 4.1	1	4	4	4	4	4	SM:DP
			Continually conducting land audit to determine user and open spaces	Number of land audit reports developed	SD 4.2	1	Developed Land Audit	Developed Land Audit	Developed Land Audit	Developed Land Audit	Developed Land Audit	SM:DP
			Reviewing and monitoring compliance of the lease contracts entered into	Number of lease agreements reviewed and monitored	SD 4.3	40	20	20	20	20	20	SM:DP
Building Plans	To ensure compliance with NBR and any applicable legislation by 2022 and beyond.	SD 5	Comply with National Building Regulations and standards when approving Building Plans applications as per checklist	Percentage of building plans approved within statutory timeframes (30 – 60 days)	SD 5.1	100%	100%	100%	100%	100%	100%	SM:DP

Human Settlements	Facilitate development of sustainable and viable human settlements by 2022	SD 6	Provision of services to informal settlements	No. of informal settlements with full services	SD 6.1	1	1	1	1	1	1	SM:DP
			Provision of houses for destitute households	No. of destitute household provided with housing	SD 6.2	145	100	100	100	100	100	SM:DP
			Establish new townships for human settlements development	No. of townships established	SD 6.3	2	2	1	1	1	1	SM:DP
Disaster Management	Facilitate sustainable co-ordination of disaster relief and response by 2022	SD 7	Implement disaster management plan	Responding to reported disasters	SD 7.1	100%	100%	100%	100%	100%	100%	SM:DP
Environmental Planning	To ensure adherence to sound environmental practises and to protect	SD 8	Implementation of climate change mitigation strategy	No. of villages covered with land rehabilitation	SD 8.1	5	1	5	5	5	5	SM:DP
				No. of villages covered with tree planting	SD 8.2	5	2	5	5	5	5	SM:DP

	environmentally sensitive areas by 2022		No. of villages covered with alien plant removal	SD 8.3	3	1	3	3	3	3	SM:DP
		Compliance and monitoring with environmental laws	No. of measures undertaken	SD 8.4	1	3	3	3	3	3	SM:DP

KPA 3: LED

FOCUS AREA	OBJECTIVE	OBJ. NO.	STRATEGY	INDICATOR	IND. NO.	BASELINE	2017/18	2018/19	2019/20	2020/21	2021/22	CUSTODIAN
Agricultural development and food security.	To promote agrarian reform and increase food security to farming households	LED 1	Assistance given to emerging farmers	Number of wards with agricultural profiles conducted	LED 1.1	0	10	10	12	-	-	SM: DEVELOPMENTAL PLANNING
				Number of projects assisted with vegetable seedlings	LED 1.2	0	32	100	150	200	200	SM:DP
				Number of farmers associations assisted with maize production inputs.	LED 1.3	40	40	40	40	40	40	SM: DEVELOPMENTAL PLANNING
				Number of farming projects assisted with fencing inputs	LED 1.4	13	6	10	10	10	10	SM: DEVELOPMENTAL PLANNING

FOCUS AREA	OBJECTIVE	OBJ. NO.	STRATEGY	INDICATOR	IND. NO.	BASELINE	2017/18	2018/19	2019/20	2020/21	2021/22	CUSTODIAN
			Constructing and supporting nurseries	Number of nurseries supported	LED 1.5	0	2	1	1	1	1	SM: DEVELOPMENTAL PLANNING
			Improving quality of the livestock through various mechanisms	Number of villages farming associations assisted with stock remedy	LED 1.6	31	32	32	32	32	32	SM: DEVELOPMENTAL PLANNING
				Number of village feedlots assisted	LED 1.7	2	2	4	5	6	7	SM: DEVELOPMENTAL PLANNING
			Improving quality of the livestock through infrastructure development	Number of dipping tanks renovated	LED 1.8	5	5	5	5	5	5	SM: DEVELOPMENTAL PLANNING
				Number of shearing sheds built or renovated	LED 1.9	40	3	5	5	5	5	SM: DEVELOPMENTAL PLANNING
				Number of boreholes renovated and drilled	LED 1.10	4	2	4	4	4	4	SM: DEVELOPMENTAL PLANNING
				Number of stock dams scooped.	LED 1.11	0	30	30	30	30	30	SM: DEVELOPMENTAL PLANNING
Agro-processing	To ensure use of agricultural value chain to stimulate local economic development in deprived areas	LED 2	Providing support for farming value chain activities	Number of projects supported through value chain	LED 2.1	2	1	1	1	1	1	SM: DEVELOPMENTAL PLANNING
			Encouraging value addition through support to	Number of projects supported	LED 2.2	1	1	1	1	1	1	1

FOCUS AREA	OBJECTIVE	OBJ. NO.	STRATEGY	INDICATOR	IND. NO.	BASELINE	2017/18	2018/19	2019/20	2020/21	2021/22	CUSTODIAN
			small scale farmers									
			Implementing agricultural programs focusing on high value crops	Number of High Value programs supported	LED 2.3	3	3	4	4	4	4	SM: DEVELOPMENTAL PLANNING
			Capacitating farmers to meet quality and safety requirement	Number of information days held	LED 2.4	8	8	8	8	8	8	SM: DEVELOPMENTAL PLANNING
Job creation	To reduce poverty and unemployment through viable and sustainable job creation strategies	LED 3	Facilitating employment through EPWP projects implementation	Number of people employed through EPWP	LED 3.1	1500	1079	1000	1000	1000	1000	SM: CS, SMO, INFRASTRUCTURE, CS, DEV PLANNING
			Developing an exit strategy (intervention plan) through SMME/Co-operative	SMME policy support developed	LED 3.2	0	1	Implementation	Implementation	Implementation	Implementation	SM: DEVELOPMENTAL PLANNING
Investment Promotion	To encourage investment through viable investment and retention strategies	LED 4	Implementing strategy that promote investment and economic growth.	Number of investment opportunities profiled	LED 4.1	0	2	2	2	2	2	SM: DEVELOPMENTAL PLANNING

FOCUS AREA	OBJECTIVE	OBJ. NO.	STRATEGY	INDICATOR	IND. NO.	BASELINE	2017/18	2018/19	2019/20	2020/21	2021/22	CUSTODIAN
			Promoting entrepreneurial access to markets.	Number of SMME's linked to formal markets through exposure	LED 4.2	5	5	5	5	5	5	SM: DEVELOPMENTAL PLANNING
Enterprise support SMME and development	To ensure reduction of employment rate through development and capacitation of enterprises	LED 5	Capacitation and support of SMMEs and o-ops	Number of SMMEs supported	LED 5.1	5	8	5	5	5	5	SM: DEVELOPMENTAL PLANNING
				Number of co-operatives supported.	LED 5.2	8	22	10	10	10	10	SM: DEVELOPMENTAL PLANNING
			Capacitating and assisting informal traders.	LED 5.3	200	100	300	300	300	300	SM: DEVELOPMENTAL PLANNING	
Ocean Economy and Fisheries Development.	Unlocking marine and coastal tourism opportunities	LED 6	Development and promotion of ocean economy activities.	Number of ocean marine economic initiatives supported	LED 6.1	3	1	2	2	2	2	SM: DEVELOPMENTAL PLANNING
Tourism Growth and Development.	To position and promote Mbashe as a tourist destination of choice	LED 7	Use different marketing tools to market Mbashe tourism destination	Number of events hosted and participated on	LED 7.1	4	4	4	4	4	4	SM: DEVELOPMENTAL PLANNING
			Supporting destination tourism	LED 7.2	5	5	5	5	5	5	5	SM: DEVELOPMENTAL PLANNING

FOCUS AREA	OBJECTIVE	OBJ. NO.	STRATEGY	INDICATOR	IND. NO.	BASELINE	2017/18	2018/19	2019/20	2020/21	2021/22	CUSTODIAN
			through infrastructure development	Number of tourism infrastructure projects facilitated and supported	LED 7.3	2	2	2	2	2	2	SM: DEVELOPMENTAL PLANNING
Heritage management	Develop, revamp and market heritage properties/resources to attract tourists	LED 8	Supporting tourism operators	Number of tourism operators supported	LED 8.1	2	3	3	3	3	3	SM:DP
			Developing and revamping heritage properties	Number of heritage properties developed	LED 8.2	5	5	5	5	5	5	SM: DEVELOPMENTAL PLANNING
			Developing heritage routes	No of heritage routes developed	LED 8.3	1	0	2	2	2	2	2
Film Industry	To maximize the film sector's contribution to the regional economy	LED 9	Support programs in the film industry	No. of programs supported	LED 9.1	0	1	1	1	1	1	SM:DP
Forestry Development	Sustainable development and management of the forest resources to provide environmental, social and economic benefits to communities	LED 10 LED 10	Rehabilitation and transform plantations from jungles to productive timber plantations	No of commercial plantations established	LED 10.1	0	0	1	1	1	1	SM:DP
			Establish commercial plantations in areas that are suited for forestry	No. of plantations rehabilitated	LED 10.2	1	1	0	0	0	0	0

KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

Priority Area	Objective	OBJ No.	Strategy	Indicator	IND No	Baseline	2017/18	2018/19	2019/20	2020/21	2021/22	CUSTODIAN
Budget Planning	To ensure compliance with budget and reporting regulations other reforms.	MFV 1	Budget according to IDP priorities	Aligned Budget to the IDP	MFV 1.1	Aligned Budget vs IDP	2018/19 IDP aligned budget which is mSCOA compliant	2019/20 IDP aligned budget which is mSCOA compliant	2020/21 IDP aligned budget which is mSCOA compliant	2021/22 IDP aligned budget which is mSCOA compliant	2022/23 IDP aligned budget which is mSCOA compliant	CFO
			Ensure budget process and format is in compliance with budget & reporting regulation.	Full compliance with budget & reporting regulation and mSCOA	MFV 1.2	mSCOA compliant schedule A budget version	All reporting in terms of NT requirements are executed within required timeframes until 30 June 2018	All reporting in terms of NT requirements are executed within required timeframes until 30 June 2019	All reporting in terms of NT requirements are executed within required timeframes until 30 June 2020	All reporting in terms of NT requirements are executed within required timeframes until 30 June 2021	All reporting in terms of NT requirements are executed within required timeframes until 30 June 2022	CFO
Financial Reporting	To ensure compliance with prescribed accounting standards and	MFV 2	All gazetted accounting standards implemented	Compliance with GRAP and applicable standards	MFV 2.1	Effective standards complied with	Compliance with GRAP and applicable standards	Compliance with GRAP and applicable standards	Compliance with GRAP and applicable standards	Compliance with GRAP and applicable standards	Compliance with GRAP and applicable standards	CFO

Priority Area	Objective	OBJ No.	Strategy	Indicator	IND No	Baseline	2017/18	2018/19	2019/20	2020/21	2021/22	CUSTODIAN
	reporting requirements		ted and MFMA.									
	To generate AFS that fairly present the financial position, financial performance and cash flows.	MFV 3	Compile AFS that fairly present the financial position, financial performance and cash flows.	Full Compliance with GRAP standards	MFV 3.1	2015/16 Unqualified audit opinion	Unqualified audit opinion	Unqualified audit opinion	Unqualified audit opinion	Unqualified audit opinion	Unqualified audit opinion	CFO
Revenue Management	To ensure that all the properties within the municipal areas are valued for rating purposes	MFV 4	Compile and maintain general valuation roll	Supplementary Valuation Rolls	MFV 4.1	General Valuation Roll 2014-19	Updated GVR	Updated GVR	New GVR	New GVR	New GVR	CFO

Priority Area	Objective	OBJ No.	Strategy	Indicator	IND No	Baseline	2017/18	2018/19	2019/20	2020/21	2021/22	CUSTODIAN
	To provide effective service regarding valuations of immovable properties for other	MFV 5	Provide valuations on ad hoc basis.	Updated values on GVR	MFV 5.1	General Valuation Roll 2014-19	Updated GVR	Updated GVR	New GVR	New GVR	New GVR	CFO & SM: DEVELOPMENTAL PLANNING
			Prompt receipting and banking of all rates, fees and charges at accessible facilities.	Updated revenue reports	MFV 5.2	Revenue Reports	R 115M	R 120M	R 125M	R 130M	R 135M	CFO, SM Corporate Services, SM Infrastructure, SM DP, SM CS
			Monthly implementation and adherence to credit control policy and procedures to	Accurate monthly billing and collection rate	MFV 5.3	Implementation of the credit control policy	R 5M	R 5M	R 5M	R 5M	R 5M	CFO

Priority Area	Objective	OBJ No.	Strategy	Indicator	IND No	Baseline	2017/18	2018/19	2019/20	2020/21	2021/22	CUSTODIAN
			remain efficient and effective.									
Indigent Support (Free Basic Services)	To alleviate poverty to improve quality of household life.	MFV 6	Investigate and advise on poor households to participate in indigent support program.	Updated indigent register	MFV 6.1	Indigent Register	Updated Indigent Register	Updated Indigent Register	Updated Indigent Register	Updated Indigent Register	Updated Indigent Register	SM Community Services
			Utilization of equitable share to support Indigent Households.	The percentage portion of equitable share allocated for free basic services	MFV 6.2	3.80%	R 8 284 950.00	5%	5%	5%	5%	CFO

Priority Area	Objective	OBJ No.	Strategy	Indicator	IND No	Baseline	2017/18	2018/19	2019/20	2020/21	2021/22	CUSTODIAN
			Meet infrastructure and household service needs and backlogs	The number of indigent households collecting free basic services: Electricity	MFV 6.3	2864	2864	2864	2864	2864	2864	CFO
				Number of estimated indigent households collecting free basic services: Alternative Energy Sources	MFV 6.4	4555	4555	5555	6555	7555	8555	SM Infrastructure Services
Expenditure Management	Value for money expenditure	MFV 7	Timeous payment of creditors in compliance of SCM procedures and	Turnaround time for paying creditors	MFV 7.1	Weekly payments	No overspending of the approved budget and sourced of funding by 30 June 2018	Payment of creditors within 30 Days	Payment of creditors within 30 Days	Payment of creditors within 30 Days	Payment of creditors within 30 Days	CFO

Priority Area	Objective	OBJ No.	Strategy	Indicator	IND No	Baseline	2017/18	2018/19	2019/20	2020/21	2021/22	CUSTODIAN
			the MFMA									
Supply Chain Management	Efficient, effective and economical supply chain management	MFV 8	Compliance with Supply Chain Regulations and National Treasury guidelines on procurement processes	No new irregular expenditure incurred.	MFV 8.1	R0 new irregular expenditure	Adhere to all procedures in terms of NT Circular 68 until 30 June 2018	Adhere to all procedures in terms of NT Circular 68 until 30 June 2019	Adhere to all procedures in terms of NT Circular 68 until 30 June 2020	Adhere to all procedures in terms of NT Circular 68 until 30 June 2021	Adhere to all procedures in terms of NT Circular 68 until 30 June 2022	CFO
			Ensure transparent SCM processes through regular reporting.	Number and timely submission of reports issued	MFV 8.2	Reporting is in place	Credible procurement plan with a progress on its implementation	4 quarterly reports and 1 annual report.	4 quarterly reports and 1 annual report.	4 quarterly reports and 1 annual report.	4 quarterly reports and 1 annual report.	CFO

Priority Area	Objective	OBJ No.	Strategy	Indicator	IND No	Baseline	2017/18	2018/19	2019/20	2020/21	2021/22	CUSTODIAN
Asset Management	To manage, control and maintain all assets of the municipality.	MFV 9	Increase budget provision for repairs and maintenance of assets to be in line with National Treasury norms.	8% or more allocated for repairs and maintenance	MFV 9.1	Repairs and maintenance is below 8%	8% allocated for repairs and maintenance	8% allocated for repairs and maintenance	8% allocated for repairs and maintenance	8% allocated for repairs and maintenance	8% allocated for repairs and maintenance	CFO
			Regular update of the existing Asset Management System	Updated and GRAP compliant asset register	MFV 9.2	Existing Asset register	Complete and updated GRAP compliant asset register by 30 June 2018	Update asset register with current additions	Update asset register with current additions	Update asset register with current additions	Update asset register with current additions	CFO
			Ensure all assets are adequately insured	Insurance cover inclusive of all municipal assets as	MFV 9.3	Assets not adequately insured	All municipal assets should be fully insured	Annual update of the insurance cover to include new assets.	Annual update of the insurance cover to include new assets.	Annual update of the insurance cover to include new assets.	Annual update of the insurance cover to include new assets.	CFO

Priority Area	Objective	OBJ No.	Strategy	Indicator	IND No	Baseline	2017/18	2018/19	2019/20	2020/21	2021/22	CUSTODIAN
				per asset register								
	To ensure effective utilization of available fleet	MFV 10	Development and improving monitoring control and managing fleet	Number of vehicles available; number of vehicles with tracking device	MFV 10.1	Inadequate fleet management	Efficient utilisation and monitoring of municipal fleet	Efficient utilisation and monitoring of municipal fleet	Efficient utilisation and monitoring of municipal fleet	Efficient utilisation and monitoring of municipal fleet	Efficient utilisation and monitoring of municipal fleet	CFO

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

FOCUS AREA	OBJECTIVE	OBJ No.	STRATEGY	INDICATOR	IND No.	BASELINE	2017/18	2018/19	2019/20	2020/21	2021/22	RESPONSIBLE OFFICIAL
Governance	To ensure clean and accountable governance in the municipality	GGP1	To identify, assess, prioritize and monitor risk exposure	Approved and updated risk registers	GGP 1.1	Strategies and risk registers	Approved strategic risk register, fraud risk register and 6 operational risk registers	Approved strategic risk register, fraud risk register and 6 operational risk registers	Approved strategic risk register, fraud risk register and 6 operational risk registers	Approved strategic risk register, fraud risk register and 6 operational risk registers	Approved strategic risk register, fraud risk register and 6 operational risk registers	Senior Manager Operations

			Identification of legal risk and attendance existing litigations	No of legal and compliance register	GGP 1.2	Existing legal and compliance register	75% of success rate of legal cases defended in court, updated legal and compliance register	75% of success rate of legal cases defended in court, updated legal and compliance register	75% of success rate of legal cases defended in court, updated legal and compliance register	75% of success rate of legal cases defended in court, updated legal and compliance register	75% of success rate of legal cases defended in court, updated legal and compliance register	Legal and Compliance manager
			Develop and implement risk based internal audit plan to evaluate and improve the effectiveness of risk management	Number of approved Internal Audit risk plans	GGP 1.3	Risk base Internal Audit plan	1	1	1	1	1	Internal Audit Manager
			Conduct audits as per Internal Audit Annual Plan	No of audit conducted	GGP 1.4	12	14 Audits	14 Audits	14 Audits	14 Audits	14 Audits	Internal Audit Manager
			Co-ordinate sitting of council oversight structures	No. of meetings held by council structures	GGP1.5	44	44 meetings	44 meetings	44 meetings	44 meetings	44 meetings	Senior Manager Operations
	To ensure compliance with legislation	GGP 2	Coordination for the Development	Developed policies	GGP 2.1	71	24	2	2	2	2	All HOD's
				Reviewed policies	GGP 2.2	71	71	89	91	93	95	All HOD's

			t and review of Institutional policies and by-laws	Developed by-laws	GGP 2.3	27	3	4	5	6	7	All HOD's
				Reviewed of by-laws	GGP 2.4	0	30	34	39	45	52	All HOD's
Inter- Governmental Relations	To strengthen IGR participation and influence to improve collaboration with the sector departments	GGP 3	To strengthen the functionality of IGR	No of functional IGR meetings	GGP 3.1	4	4	Quarterly reports	Quarterly Reports	Quarterly Reports	Quarterly Reports	Senior Manager Operations
Special Programs	To advocate participation of designated groups in governance and socio-economic development program	GGP 4	Implementati on of annual plans of designated groups in line with SPU strategy	No of programmes implemented for designated groups	GGP 4.1	No of programm es as per SPU Strategy	40 program mes to be impleme nted	Programm es as per SPU Strategy	Program mes as per SPU Strategy	Programm es as per SPU Strategy	Programm es as per SPU Strategy	Senior Manager Operations
			Developmen t of HIV/AIDS Strategy	Development and implementatio n of HIV/AIDS Strategy	GGP 4.2	0	Develope d HIV/AIDS Strategy	Reviewal of HIV/AIDS Strategy	Reviewal of HIV/AIDS Strategy	Reviewal of HIV/AIDS Strategy	Reviewal of HIV/AIDS Strategy	Reviewal of HIV/AIDS Strategy

Integrated planning and reporting	To ensure strategic development, coordinated, integrated planning, budgeting, reporting and legislative compliance on governance matters	GGP 5	Coordinate the development, alignment and integration of the IDP, Budget and SDBIP	Developed IDP Budget and SDBIP	GGP 5.1	Existing 2016/17 IDP	Reviewed IDP, Budget	Reviewed IDP, Budget	Reviewed IDP, Budget	Reviewed IDP, Budget and SDBIP	Reviewed IDP, Budget and SDBIP	Senior Manager Operations	
			Approved SDBIP	Existing SDBIP 2016/17	GGP 5.2	Approved SDBIP 2017/18	Approved SDBIP 2018/19	Approved SDBIP 2019/20	Approved SDBIP 2020/21	Approved SDBIP 2021/22	Approved SDBIP 2022/23	ALL HODs	
Communication	To enhance and promote communication in all municipal activities	GGP 6	Reviewal and implementation of communication strategy and media plan	Reviewed communication strategy and Media plan	GGP 6.1	Existing Communication Strategy and Media plan	Reviewed Communication Strategy and Media plan	Reviewed Communication Strategy and Media plan	Reviewed Communication Strategy and Media plan	Reviewed Communication Strategy and Media plan	Reviewed Communication Strategy and Media plan	Senior Manager Operations	
				Number of programs implemented as per communication strategy and media plan	GGP 6.2	12 programs	32 programs	32 programs	32 programs	32 programs	32 programs	32 programs	Senior Manager Operations
			Implementation and management of customer queries	Updated customer care register	GGP 6.3	40	Updated customer care register	Updated customer care register	Updated customer care register	Updated customer care register	Updated customer care register	Updated customer care register	CFO
			To improve branding and signage of municipal properties	Number of municipal assets branded	GGP 6.4	60	19 branded municipal assets	19 branded	19 branded	19 branded	19 branded	19 branded	Senior Manager Operations

Public participation	To ensure that all stakeholders participate in the affairs of the municipality	GGP 7	Review and implement public participation and petition strategy	Reviewed public participation and petition strategy	GGP 7.1	Existing public participation and petition strategy	Reviewal of public participation and petition strategy	Reviewal of public participation and petition strategy	Reviewal of public participation and petition strategy	Reviewal of public participation and petition strategy	Reviewal of public participation and petition strategy	Senior Manager Operations	
			Establishment and strengthening of community participation structures	Number of reports on Ward Committees	GGP 7.2	1	4 Reports	4 Reports	4 Reports	4 Reports	4 Reports	4 Reports	Senior Manager Operations
				No. of war rooms provided with equipment	GGP 7.3	0	32 wards equipped	32 wards equipped	32 wards equipped	32 wards equipped	32 wards equipped	32 wards equipped	Senior Manager Operations
			Regular communication on communities on the achievements of targets set out in IDP	No of community imbizo's held	GGP 7.4	156	3 Community imbizos	3 Community imbizos	3 Community imbizos	3 Community imbizos	3 Community imbizos	3 Community imbizos	3 Community imbizos
	To regenerate and preserve our nation's moral fiber	GGP8	Encourage responsibility accountability, UBUNTU to restore hope through conversations that inspire public to take a practical	No of programmes conducted	GGP 8.1	02	2 MRM programs	2 MRM programs	2 MRM programs	2 MRM programs	2 MRM programs	2 MRM programs	Senior Manager Operations

			action to do good									
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SECTION 4: PROJECTS

KPA 1: CORPORATE SERVICES

PROJECT	WARD AND VILLAGE	2017/18		2018/19		2019/20		2020/21		2021/2022	
		AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE
Training and Development	All Employees	R2 ML	SETA Grants and mbhashe	R2,5 ML	Equitable Share	R2,7 ML	Equitable Share	R3 ML	Equitable Share	R3,5 ML	Equitable Share
Training and Development	All Councillors	R1 ML	Seta grants and mbhashe	R1 ML	Equitable Share	R 1 ML	Equitable Share	R 1,5 ML	Equitable Share	R2 ML	Equitable Share
Study Assistance	All Employees	R1ML	Equitable Share	R1 ML	Equitable Share	R1,5 ML	Equitable Share	R2 ML	Equitable Share	R2,5 ML	Equitable Share
Literacy Development	All employees	R 600 000	Equitable Share/SETA Grants	R650 000	Equitable Share	R700 000	Equitable Share	R800 000	Equitable Share	R 850 000	Equitable Share
Ward Committee Training	All	R 539 250	Equitable Share/SE	R700 000	Equitable Share	R800 000	Equitable Share	R900 000	Equitable Share	R1 ML	Equitable Share

			TA Grants								
Unemployed Programmes (Internship/WIL/C areer Exhibition and Learnership)	All wards	R3 ML	Seta Grant and Equitable Share	R15m	Equitable Share	R4m	Equitable Share	R4,5m	Equitable Share	R5m	Equitable Share
Organogram Review			Equitable Share		Equitable Share		Equitable Share		Equitable Share		Equitable Share
FILING CABINET	HR	R80 000	Equitable Share	-	-	-	-	-	-	-	-
Job Evaluation	All post	R50 000	Equitable Share	R60 000	Equitable Share	R70 000	Equitable Share	R80 000	Equitable Share	R90 000	Equitable Share
Performance Management	All employees	R100 000	Equitable Share	R150 000	Equitable Share	R200 000	Equitable Share	R250 000	Equitable Share	R300 000	Equitable Share
Employee Wellness Programs and staff meeting	All employees	R2 M	Equitable Share	R2 M	Equitable Share	R2 M	Equitable Share	R2,5 M	Equitable Share	R3 M	Equitable Share
Medical Surveillance and IOD Assessments	All employees	R2 ML	Equitable Share	R2,5 ML	Equitable Share	R3 ML	Equitable Share	R3,5 ML	Equitable Share	R4 ML	Equitable Share
OHS Programmes	All employees	R350 000	Equitable Share	R400 000	Equitable Share	R450 000	Equitable Share	R500 000	Equitable Share	R550 000	Equitable Share
Personal Protective Clothing	All	R1,5 ML	Equitable Share	R2 ML	Equitable Share	R2,5 ML	Equitable Share	R3 ML	Equitable Share	R3,5 ML	Equitable Share
Municipal Facilities (office	All	R8 ML	Equitable Share	R2,5 ML	Equitable Share	R3 ML	Equitable Share	R3,5 ML	Equitable Share	R4 ML	Equitable Share

provision Units & White House)											
Municipal facilities Maintenance	All Units	R3 ML	Equitable Share	R3 ML	Equitable Share	R3 ML	Equitable Share	R3 ML	Equitable Share	R3 ML	Equitable Share
Staff Accommodation (Willowvale & Xhora)	Willowvale and Xhora	R10 ML	Equitable Share	R5 ML	Equitable Share						
Bore Hole (Installation & Maintenance)	Dutywa and Xhorha	R600 000	Equitable Share	R50 000	Equitable Share	R60 000	Equitable Share	R70 000	Equitable Share	R80 000	Equitable Share
Disaster Recovery Site establishment	Willowvale unit	R1 ML	Equitable Share	R1 ML	Equitable Share	R500000	Equitable Share	R500000	Equitable Share	R500000	Equitable Share
ICT infrastructure	All units	R1 ML	Equitable Share	R1.2 ML	Equitable Share	R1.5 ML	Equitable Share	R1.7 ML	Equitable Share	R1.8 ML	Equitable Share
Website Maintenance		R50 000	Equitable Share	R50 000	Equitable Share	R100 000	Equitable Share	R100 000	Equitable Share	R100 000	Equitable Share
Bereavement support	All	R70 000	Equitable Share	R80 000	Equitable Share	R60 000	Equitable Share	R60 000	Equitable Share	R70 000	Equitable Share
Shredder Machine	Dutywa	R200 000	Equitable Share	R 30 000	Equitable Share	R 30 000	Equitable Share	R 30 000	Equitable Share	R 30 000	Equitable Share

KPA2: SERVICE DELIVERY

PROJECT	WARD AND VILLAGE	2017/18		2018/19		2019/20		2020/21		2021/2022	
		AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE
Removal of illegal structures	1, 9, 13, 25	300 000	Mbhashe	350 000	Mbhashe	500 000	Mbhashe	0	Mbhashe	0	Mbhashe
Land use schemes	1, 9, 13, 25	500 000	Mbhashe	0	Mbhashe	0	Mbhashe	0	Mbhashe	0	Mbhashe
SPLUMA Implementation	All	300 000	Mbhashe	0	Mbhashe	0	Mbhashe	0	Mbhashe	0	Mbhashe
Township establishment	1, 9, 13, 25	800 000	Mbhashe	300 000	Mbhashe	300 000	Mbhashe	300 000	Mbhashe	300 000	Mbhashe
Rezoning and surveying	1, 9, 13, 25	300 000	Mbhashe	400 000	Mbhashe	500 000	Mbhashe	500 000	Mbhashe	500 000	Mbhashe
Tribunal Committee	All	300 000	Mbhashe	350 000	Mbhashe		Mbhashe		Mbhashe		Mbhashe
Valuation	1, 13, 25	300 000	Mbhashe	1000 000	Mbhashe	500 000	Mbhashe	500 000	Mbhashe	500 000	Mbhashe
Building controls	1, 9, 13, 25	R0	Inhouse	R0	Inhouse	R0	Inhouse	R0	Inhouse	R0	Inhouse
Registration of properties	1, 9, 13, 25	R200 000	Mbhashe	R200 000	Mbhashe	R200 000	Mbhashe	R200 000	Mbhashe	R200 000	Mbhashe
Land Audit	1, 9, 13, 25	R200 000	Mbhashe	R200 000	Mbhashe	R200 000	Mbhashe	R200 000	Mbhashe	R200 000	Mbhashe
Lease agreements	1, 9, 13, 25	R0	Mbhashe	R0	Mbhashe	R0	Mbhashe	R0	Mbhashe	R0	Mbhashe
Land and Tenure reform strategy	All	400 000	Mbhashe	0	Mbhashe	0	Mbhashe	0	Mbhashe	0	Mbhashe
SDF	All	300 000	Mbhashe	300 000	Mbhashe	3000 000	Mbhashe	300 000	Mbhashe	300 000	Mbhashe
LSDF	All	1 500 000	Mbhashe	1 500 000	Mbhashe	1 500 000	Mbhashe	1 500 000	Mbhashe	1 500 000	Mbhashe
Zoning maps	1, 9, 13, 25	100 000	Mbhashe	100 000	Mbhashe	100 000	Mbhashe	100 000	Mbhashe	100 000	Mbhashe
Disaster mitigation	All	3000 000	Mbhashe	3 500 000	Mbhashe	4 000 000	Mbhashe	4 500 000	Mbhashe	5000 000	Mbhashe

Reviewal of disaster plan	All	R0	Inhouse	-	-	-	-	-	-	-	-
Destitute support	All	500 000	Mbhashe	500 000	Mbhashe	500 000	Mbhashe	500 000	Mbhashe	500 000	Mbhashe
Informal structures basic infrastructure	1, 9, 13, 25	300 000	Mbhashe	300 000	Mbhashe	0	Mbhashe	0	Mbhashe	0	Mbhashe
Tree planting	All	500 000	Mbhashe	600 000	Mbhashe	700 000	Mbhashe	800 000	Mbhashe	1000 000	Mbhashe
Nursery	13	300 000	Mbhashe	200 000	Mbhashe	200 000	Mbhashe	200 000	Mbhashe	200 000	Mbhashe
Removal of Alien Invasive Trees	25	1 500 000	Mbhashe	500 000	Mbhashe	0	Mbhashe	0	Mbhashe	0	Mbhashe
Eco schools	All	300 000	Mbhashe	400 000	Mbhashe	500 000	Mbhashe	500 000	Mbhashe	500 000	Mbhashe
Removal of alien species	All	500 000	Mbhashe	500 000	Mbhashe	500 000	Mbhashe	500 000	Mbhashe	500 000	Mbhashe
Compliance monitoring and Signage	All	300 000	Mbhashe	300 000	Mbhashe	300 000	Mbhashe	300 000	Mbhashe	300 000	Mbhashe
Environmental Awareness campaigns	All	350 000	Mbhashe	400 000	Mbhashe	400 000	Mbhashe	500 000	Mbhashe	500 000	Mbhashe
Development of Environmental Management Systems (EMS)	All	200 000	Mbhashe	0	Mbhashe	0	Mbhashe	0	Mbhashe	0	Mbhashe
Strategic Environmental Assessment	All	500 000	Mbhashe	0	Mbhashe	0	Mbhashe	0	Mbhashe	0	Mbhashe
Land rehabilitation	All	800 000	Mbhashe	700 000	Mbhashe	800 000	Mbhashe	1000 000	Mbhashe	1000 000	Mbhashe

IND No.	PROJECT	WARD	2017/18		2018/19		2019/20		2020/21		2021/2022	
			AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE
	colosa	9	R 1 997 348.26	MIG(Practical complete)								
	gwadana	3	R 1 262 941.81	MIG(Practical complete)								
	sheshegu	2	R 202 540.52	MIG(Practical complete)								
	Mangqosinini A/R	1	R 1 031 123.00	MIG(Practical complete)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Nombulelo A/R	6	R 1 917 125.00	MIG(Construction)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Ndesi A/R	8	R 534 656.00	MIG(Construction)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Nonkqubela A/R	9	R 369 353.00	MIG(Practical complete)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Pewula A/R	15	R 586 192.00	MIG(Construction)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Talimofu A/R	17	R 1 559 382.00	MIG(Construction)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Xhora mouth to Ndalatha A/R	19	R 3 267 733.00	MIG(Construction)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Tonjeni to Jujura A/R	23	R 62 086.00	MIG(Practical complete)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Nondobo to Eblorhweni A/R	29	R 226 729.00	MIG(Practical complete)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
sihlabeni	6	R 3 471 534.12	MIG (construction)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
mbewuleni	31	R 3 641 853.26	MIG(construction)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
manzi to ngangolwandle A/R	17	R 511 875.00	MIG (planning)	R 4 363 145.00	MIG (construction)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Tayi - Qwili A/R	26	R 511 875.00	MIG (planning)	R 4 363 145.00	MIG (construction)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Lencane newtown	3	R 511 875.00	MIG (planning)	R 4 363 145.00	MIG (construction)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Laza- makaka	27	R 511 875.00	MIG (planning)	R 4 363 145.00	MIG (construction)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
sofuthe to ndakeni	2	N/A	N/A	R 511 875.00	MIG (planning)	R 4 363 145.00	MIG (construction)	N/A	N/A	N/A	N/A	N/A
ndabankulu to munyu	4	N/A	N/A	R 511 875.00	MIG (planning)	R 4 363 145.00	MIG (construction)	N/A	N/A	N/A	N/A	N/A
lower falakahla to singeni	12	N/A	N/A	R 511 875.00	MIG (planning)	R 4 363 145.00	MIG (construction)	N/A	N/A	N/A	N/A	N/A

	Bikane	14	N/A	N/A	R 511 875.00	MIG (planning)	R 4 363 145.00	MIG (construction)	N/A	N/A	N/A	N/A
	mngazana	16	N/A	N/A	R 511 875.00	MIG (planning)	R 4 363 145.00	MIG (construction)	N/A	N/A	N/A	N/A
	Mbelo	7	N/A	N/A	R 511 875.00	MIG (planning)	R 4 363 145.00	MIG (construction)	N/A	N/A	N/A	N/A
	town to ntlulabokwe	25	N/A	N/A	R 511 875.00	MIG (planning)	R 4 363 145.00	MIG (construction)	N/A	N/A	N/A	N/A
	Tywaka	27	N/A	N/A	R 511 875.00	MIG (planning)	R 4 363 145.00	MIG (construction)	N/A	N/A	N/A	N/A
	jakanaye to gwebityala	18	N/A	N/A	N/A	N/A	R 511 875.00	MIG (planning)	R 4 363 145.00	MIG (construction)	N/A	N/A
	cizama to singeni	5	N/A	N/A	N/A	N/A	R 511 875.00	MIG (planning)	R 4 363 145.00	MIG (construction)	N/A	N/A
	mkatazo to folokwe	19	N/A	N/A	N/A	N/A	R 511 875.00	MIG (planning)	R 4 363 145.00	MIG (construction)	N/A	N/A
	mqhele to mrhabe	28	N/A	N/A	N/A	N/A	R 511 875.00	MIG (planning)	R 4 363 145.00	MIG (construction)	N/A	N/A

	Matolweni to kulozulu	30	N/A	N/A	N/A	N/A	R 511 875.00	MIG (planning)	R 4 363 145.00	MIG (construction)	N/A	N/A
	mpume to gate	29	N/A	N/A	N/A	N/A	R 511 875.00	MIG (planning)	R 4 363 145.00	MIG (construction)	N/A	N/A
	skhobeni to chaba	31	N/A	N/A	N/A	N/A	R 511 875.00	MIG (planning)	R 4 363 145.00	MIG (construction)	N/A	N/A
	gravel road maintenance	ALL	R 15 164 680.00	equitable share	R 15 000 000.00	equitable share	R 15 000 000.00	equitable share	R 15 000 000.00	equitable share	R 15 000 000.00	equitable share
	govan mbeki	9	R 720 000.00	MIG (planning)	R 6 770 000.00	MIG (CONSTRUCTION)	R 7 200 000.00	MIG (construction)	R 6 840 000.00	MIG (construction)	R 4 080 000.00	MIG (construction)
	upgrading of stomwater		R 550 000.00	equitable share	R 1 500 000.00	equitable share	R 1 500 000.00	equitable share	R 1 500 000.00	equitable share	R 1 500 000.00	equitable share
	Surface Roads maintainance		R 1 700 000.00	equitable share	R 1 700 000.00	equitable share	R 1 900 000.00	equitable share	R 2 100 000.00	equitable share	R 2 300 000.00	equitable share
	Paving of sidewalks (internal streets)		R 2 115 000.00	equitable share	R 4 200 000.00	equitable share	R 4 400 000.00	equitable share	R 4 600 000.00	equitable share	R 4 800 000.00	equitable share
	vinindwa& mazizini	5	R 2 000 000.00	equitable share	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

	Qinqana	17	R 7 342 123.00	MIG (construction)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	shixini and Ntsimbakazi electrification projects	14,23,24&27	R 14 000 000.00	INEP	R 23 000 000.00	INEP	R 25 000 000.00	INEP	N/A	N/A	N/A	N/A
	installation of solar systems	16,17,18,23&28		DOE			N/A	N/A	N/A	N/A	N/A	N/A
	installation of highmasts		R 1 000 000.00	equitable share	R 3 000 000.00	equitable share	R 3 000 000.00	equitable share	R 3 000 000.00	equitable share	R 3 000 000.00	equitable share
	upgrading of street lihts		R 1 225 000.00	equitable share	R 2 000 000.00	equitable share	R 3 000 000.00	equitable share	R 3 000 000.00	equitable share	N/A	N/A
	maintenance of street lights		R 1 380 000.00	equitable share	R 800 000.00	equitable share	R 800 000.00	equitable share	R 800 000.00	equitable share	R 800 000.00	equitable share
	construction of dutywa sports field	1	R 1 500 000.00	MIG (construction)	R 9 654 228.61	MIG (construction)	R 9 654 228.61	MIG (construction)	R 9 654 228.61	MIG (construction)	R 964 228.61	MIG (construction)
	construction of elliotdale sports field	13	R 7 553 357.00	MIG (construction)	R 2 500 000.00	MIG (construction)	R 4 000 000.00	MIG (construction)	R 15 183 880.43	MIG (construction)	R 15 183 880.43	MIG (construction)

construction of Willowvale sports field	25	R 7 553 357.00	MIG (construction)	R 2 500 000.00	MIG (construction)	R 4 000 000.00	MIG (construction)	R 15 183 880.43	MIG (construction)	R 15 183 880.43	MIG (construction)
Management & operation of the sports facilities	all	R 500 000.00	Mbhashe	1m	Mbhashe	3m	Mbhashe	3m	Mbhashe	3m	Mbhashe
Ntshingeni	4	R 1 013 123.00	MIG (practical complte)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
dutywa river	7	R 1 057 179.00	MIG (practical complte)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
nqabara	12	R 427 439.00	MIG (Retention)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
mbhangcolo	14	R 431 939.00	MIG (Retention)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
beechemwood	22	R 289 018.00	MIG (practical complte)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
mhlohlozi	27	R 57 094.00	MIG (Retention)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
ntlabane	30	R 267 299.00	MIG (Retention)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

phatilizwe	24	R 378 000.00	MIG (planning)	R 2 692 000.00	MIG(construction)	N/A	N/A	N/A	N/A	N/A	N/A
xuba	15	R 378 000.00	MIG (planning)	R 2 692 000.00	MIG(construction)	N/A	N/A	N/A	N/A	N/A	N/A
Mpume (dutch)	21	N/A	N/A	R 378 000.00	MIG (planning)	R 2 692 000.00	MIG(construction)	N/A	N/A	N/A	N/A
madwaleni	32	N/A	N/A	R 378 000.00	MIG (planning)	R 2 692 000.00	MIG(construction)	N/A	N/A	N/A	N/A
cwebe/hobeni	20	N/A	N/A	N/A	N/A	R 378 000.00	MIG (planning)	R 2 692 000.00	MIG(construction)	N/A	N/A
nowonga/pungula	26	N/A	N/A	N/A	N/A	R 378 000.00	MIG (planning)	R 2 692 000.00	MIG(construction)	N/A	N/A
zanohlanga	5	N/A	N/A	N/A	N/A	N/A	N/A	R 378 000.00	MIG (planning)	R 2 692 000.00	MIG(construction)
Xuba	15	N/A	N/A	N/A	N/A	N/A	N/A	R 378 000.00	MIG (planning)	R 2 692 000.00	MIG(construction)
hawker stalls	1,&25	R 1 500 000.00	MIG	R 1 500 000.00	MIG	R 1 500 000.00	MIG	R 1 500 000.00	MIG	R 1 500 000.00	MIG
municipal offices	1	R 15 000 000.00	equitable share	R 5 340 000.00	MIG	R 20 693 085.86	MIG	N/A	N/A	N/A	N/A
PMU		R 3 000 000.00	MIG								

building of municipal staff accommodation willowvale, dutywa and elliotdale	willowvale	R 1 000 000.00	equitable share	n/a	n/a	N/A	N/A	N/A	N/A	N/A	N/A
	Elliotdale										
	Dutywa				R 700 000.00	equitable share					
Dutywa main building	1	R 10 000 000.00	equitable share	R 2 500 000.00	equitable share	R 2 000 000.00	equitable share	R 2 000 000.00	equitable share	R 2 000 000.00	equitable share
Dutywa TRC offices	1		equitable share	R 1 000 000.00	equitable share	R 1 000 000.00	equitable share	R 1 000 000.00	equitable share	R 1 000 000.00	equitable share
Municipal staff accomadation	1		equitable share	R 600 000.00	equitable share	R 800 000.00	equitable share	R 1 000 000.00	equitable share	R 1 200 000.00	equitable share
Dutywa town Hall Offices	1		equitable share	R 600 000.00	equitable share	R 800 000.00	equitable share	R 900 000.00	equitable share	R 1 000 000.00	equitable share
Excecutive house	1		equitable share	R 300 000.00	equitable share	R 400 000.00	equitable share	R 600 000.00	equitable share	R 800 000.00	equitable share
Workshop offices	1		equitable share	R 300 000.00	equitable share	R 400 000.00	equitable share	R 700 000.00	equitable share	R 900 000.00	equitable share
VIC offices	1		equitable share	R 800 000.00	equitable share	R 900 000.00	equitable share	R 1 000 000.00	equitable share	R 1 000 000.00	equitable share
Elliotdale Municipal Offices	13		equitable share	R 800 000.00	equitable share	R 900 000.00	equitable share	R 950 000.00	equitable share	R 970 000.00	equitable share

	Willowvale Municipal offices	25		equitable share	R 800 000.00	equitable share	R 900 000.00	equitable share	R 930 000.00	equitable share	R 950 000.00	equitable share
	Willowvale Town hall offices	25		equitable share	R 700 000.00	equitable share	R 900 000.00	equitable share	R 920 000.00	equitable share	R 970 000.00	equitable share
	Majola Municipal Building	25		equitable share	R 500 000.00	equitable share	R 600 000.00	equitable share	R 650 000.00	equitable share	R 970 000.00	Equitable share
	upgrading of white house	1	R 1 000 000.00	equitable share	R 1 000 000.00	equitable share	N/A	N/A	N/A	N/A	N/A	N/A
	construction and /installation of boreholes	1,13&25	R 500 000.00	equitable share	n/a	n/a	N/A	N/A	N/A	N/A	N/A	N/A
	Renovation of community halls	1,4,9,13	R 3 000 000.00	equitable share	10m	Mbhashe	10m	Mbhashe	10m	Mbhashe	10m	Mbhashe
	Dutywa town hall.											
	Indoor sports centre willowvale			equitable share	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Gxara			equitable share	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	govan mbeki			equitable share	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	khasa			equitable share	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Weza	30	N/A	N/A	R 1 200 000.00	equitable share	N/A	N/A	N/A	N/A	N/A	N/A
	badi	29	N/A	N/A	R 1 200 000.00	equitable share	N/A	N/A	N/A	N/A	N/A	N/A

silityiwa	5	N/A	N/A	R 1 200 000.00	equitable share	N/A	N/A	N/A	N/A	N/A	N/A
bolotwa	5	N/A	N/A	R 1 200 000.00	equitable share	N/A	N/A	N/A	N/A	N/A	N/A
old idutywa	7	N/A	N/A	R 1 200 000.00	equitable share	N/A	N/A	N/A	N/A	N/A	N/A
mangati	9	N/A	N/A	N/A	N/A	R 1 200 000.00	equitable share	N/A	N/A	N/A	N/A
shinira	26	N/A	N/A	N/A	N/A	R 1 200 000.00	equitable share	N/A	N/A	N/A	N/A
mqhele	28	N/A	N/A	N/A	N/A	R 1 200 000.00	equitable share	N/A	N/A	N/A	N/A
xeni	4	N/A	N/A	N/A	N/A	R 1 200 000.00	equitable share	N/A	N/A	N/A	N/A
notinara	10	N/A	N/A	N/A	N/A	R 1 200 000.00	equitable share	N/A	N/A	N/A	N/A
supply of hall chairs	all	R 1 000 000.00	equitable share	1 500 000	equitable share	1 700 000	equitable share	R 1 900 000.00	equitable share	R 1 900 000.00	equitable share
Library services	1, 13 & 26	R 350 000.00	DSRAC	R200k	DSRAC	R200K	DSRAC	R200k	DSRAC	R200k	DSRAC
Dutywa	1	R 271 400.00	MIG(Practical complete)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Willowvale	25	R 627 962.00	MIG(Practical complete)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

	Elliotdale	13	R 100 638.00	MIG(Practical complete)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	fencing of Communal Cemeteries	10 per financial year	R 1 000 000.00	Mbhashe	2m	Mbhashe	5m	MIG	5m	MIG	5m	MIG
	Establishment and management of parks	1, 13 & 25	R 375 000.00	Equitable share	R500k	Mbhashe	R500k	Mbhashe	R500k	Mbhashe	R500k	Mbhashe
	staff ablution facility	1,13 &25	R 1 000 000.00	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Public Ablution Management	1, 13 & 25	R 2 000 000.00	Equitable share	1m	Mbhashe	1m	Mbhashe	Mbhashe	1m	Mbhashe	Mbhashe
	construction of animal pound (Dutywa)	1	R 1 545 000.00	MIG	R 4 732 717.63	MIG	N/A		N/A	N/A	N/A	N/A
	construction of animal pound (Willowvale)	25	N/A	N/A	N/A	N/A	R 1 500 000.00	MIG (planning)	R 4 500 000.00	MIG	R 3 500 000.00	MIG
	Animal Pound Management	13 & 25	R 1 545 000.00	Mbhashe	500k	Mbhashe	500k	Mbhashe	N/A	N/A	N/A	N/A
	construction of ECDCs	all	R 1 300 000.00	equitable share	2m	Mbhashe	5m	MIG	Mbhashe	5m	MIG	Mbhashe
	Dutywa and willowvale transfer station	1 &25	R 2 000 000.00	equitable share	R 3 000 000.00	equitable share	N/A	N/A	N/A	N/A	N/A	N/A
	Upgrade of landfill site (Elliotdale)	13	R 2 000 000.00	Equitable share	2m	equitable share	n/a	n/a	nil	n/a	nil	n/a

Rehabilitation of Dutywa & Willowvale dump sites	9 & 25	R 1 000 000.00	Equitable share	500k	equitable share	300k	Mbhashe	nil	n/a	nil	n/a
Maintanance of Drivers & Vehicle Licensing facilities	1	R 700 000.00	Equitable share	R200k	Mbhashe	R200k	Mbhashe	R200k	Mbhashe	R200k	Mbhashe
Waste Management Services		1 000 000	Equitable share	14m	equitable share	16m	equitable share	16m	equitable share	17m	equitable share
supply of EDCDs material		R 400 000.00	equitable share	R 400 000.00	equitable share	R 400 000.00	equitable share	R 400 000.00	equitable share	R 400 000.00	equitable share
management and operation of sports facilities	all	R 500 000.00	equitable share	500000	equitable share	500000	equitable share	500000	equitable share	500000	equitable share
road safety features	all	R 500 000.00	equitable share	R 500 000.00	equitable share	R 500 000.00	equitable share	R 500 000.00	equitable share	R 500 000.00	equitable share
	all	N/A	equitable share	N/A	N/A	N/A	N/A	N/A	N/A	N/A	

law enforcement operations											
crime prevention		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Security services		equitable share	Equitable share	R 8 400 000.00	equitable share	R 8 400 000.00	equitable share	R 8 400 000.00	equitable share	R 8 400 000.00	equitable share
christmas lights		equitable share	Equitable share	R 800 000.00	equitable share	1000000	equitable share	1000000	equitable share	1000000	equitable share
life guards	all	R 1 188 000.00	Equitable share	R 1 188 000.00	equitable share	R 1 309 770.00	equitable share	R 1 309 770.00	equitable share	R 1 309 770.00	equitable share
EPWP		R 3 236 000.00									

KPA 3: LED

PROJECT	WARD AND VILLAGE	2017/18		2018/19		2019/20		2020/21		2021/2022	
		AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE
1. EPWP	All	1m	DPW	1m	DPW	1m	DPW	1m	DPW	1m	DPW
2. Business Investor	All	800 000.00	Mbhashe	800 000.00	Mbhashe	800 000.00	Mbhashe	800 000.00	Mbhashe	800 000.00	Mbhashe

3. SMMEs Support	All	1,5m	Mbhashe	1,0m	Mbhashe	1,0m	Mbhashe	1,0m	Mbhashe	1,5M	Mbhashe
4. SMMEs Outreach Programmes /Workshops	All	200 000.00	Mbhashe	200 000.00	Mbhashe	200 000.00	Mbhashe	200 000.00	Mbhashe	200 000.00	Mbhashe
5. Co-Operative Support	All	1.5m	Mbhashe	1.5m	Mbhashe	1.5m	Mbhashe	1.5m	Mbhashe	1.5m	Mbhashe
6. Hawker Development	01,13, 25, 19, 26	600 000.00	Mbhashe	650 000	Mbhashe	650 00	Mbhashe	700 000	Mbhashe	750 000	Mbhashe
7. Agriculture Development	All	1M	Equitable Share	1M	Equitable Share	1M	Equitable Share	1M	Equitable Share	1M	Equitable Share
8. Ward Economic Profiles	All	In-House	Mbhashe	In-House	Mbhashe	In-House	Mbhashe	In-House	Mbhashe	In-House	Mbhashe
9. Seedlings	All	600 000.00	Mbhashe	900 000.00	Mbhashe	900 000.00	Mbhashe	900 000.00	Mbhashe	900 000.00	Mbhashe
10. Citrus trees	23, 22, 20, 19, 14,	200 000	Mbhashe	200 000	Mbhashe	200 000	Mbhashe	200 000	Mbhashe	200 000	Mbhashe
11. Maize Production	All	3m	Mbhashe	Mbhashe	Mbhashe	1M	Mbhashe	1M	Mbhashe	1M	Mbhashe
12. Fencing	9 Villages	500 000	Mbhashe	750 000.00	Mbhashe	750 000.00	Mbhashe	750 000.00	Mbhashe	750 000.00	Mbhashe
13. Stock Remedy	All	1. 5m	Mbhashe	850 000.00	Mbhashe	850 000.00	Mbhashe	850 000.00	Mbhashe	850 000.00	Mbhashe
14. Feedlot	8,27	780 000	Mbhashe	500 000.00	Mbhashe	500 000.00	Mbhashe	500 000.00	Mbhashe	500 000.00	Mbhashe
15. Dipping Tanks	All	450 000.00	Mbhashe	500 000.00	Mbhashe	500 000.00	Mbhashe	500 000.00	Mbhashe	500 000.00	Mbhashe

16. Shearing Sheds	1,12,26	1 170 000	Mbhashe	400 000.00	Mbhashe	400 000.00	Mbhashe	400 000.00	Mbhashe	400 000.00	Mbhashe
17. Boreholes and Irrigation Schemes	2,7	300 000	Mbhashe	2M	Mbhashe	2M	Mbhashe	2M	Mbhashe	2M	Mbhashe
18. Stock Dams	All	500 000	Mbhashe	1M	Mbhashe	1M	Mbhashe	1M	Mbhashe	1M	Mbhashe
19. Nurseries	22; 17	1 096 500	Mbhashe	1m	Mbhashe	1m	Mbhashe	1M	Mbhashe	1M	Mbhashe
20. Macadamia Support	22	1m	Mbhashe	1m	Mbhashe	1m	Mbhashe	1m	Mbhashe	1m	Mbhashe
21. Paprika Support	14	218 200	Mbhashe	200 00	Mbhashe	200 00	Mbhashe	200 00	Mbhashe	200 00	Mbhashe
22. Sorghum Support	14, 17	400 000	Mbhashe	400 000	Mbhashe	400 000	Mbhashe	400 000	Mbhashe	400 000	Mbhashe
23. Lemon Grass	19	1 300 000	Mbhashe	800 000	Mbhashe	800 000	Mbhashe	800 000	Mbhashe	800 000	Mbhashe
24. Macadamia Expansion	23	1 536 000	Mbhashe	1 536 000	Mbhashe	1 536 000	Mbhashe	1 536 000	Mbhashe	1 536 000	Mbhashe
25. Moringa	23	990 000	Mbhashe	800 000	Mbhashe	800 000	Mbhashe	800 000	Mbhashe	800 000	Mbhashe
26. Farmer Information Days	All	324 000	Mbhashe	500 000.00	Mbhashe	500 000.00	Mbhashe	500 000.00	Mbhashe	500 000.00	Mbhashe
27. LTO Dev and assistance	All	300 000	Mbhashe	350 000	Mbhashe	400 000	Mbhashe	450 000	Mbhashe	500 000	Mbhashe

28. Development Of Tourism Hiking Trails	20,21,29,22,	500 000.00	Mbhashe	500 000.00	Mbhashe	500 000.00	Mbhashe	500 000.00	Mbhashe	500 000.00	Mbhashe
29. Tourism Directional Signage & Branding	All	300 000.00	Mbhashe	100 000.00	Mbhashe	100 000.00	Mbhashe	100 000.00	Mbhashe	100 000.00	Mbhashe
30. VIC Equipment	01	200 000.00	Mbhashe	250 000.00	Mbhashe	250 000.00	Mbhashe	250 000	Mbhashe	300 000.00	Mbhashe
31. External Tourism Events	All	200 000.00	Mbhashe	200 000.00	Mbhashe	200 000.00	Mbhashe	400 000	Mbhashe	400 000.00	Mbhashe
32. Internal Tourism Events	All	700 000.00	Mbhashe	600 000.00	Mbhashe	500 000.00	Mbhashe	400 000	Mbhashe	400 000.00	Mbhashe
33. Maintenance of Heritage Sites	04,27,14,15,	200 000.00	Mbhashe	200 000.00	Mbhashe	250 000.00	Mbhashe	300 000	Mbhashe	300 000.00	Mbhashe
34. Renovation & Development of Craft Centres	All craft centres	300 000.00	Mbhashe	200 000.00	Mbhashe	-	Mbhashe	-	Mbhashe	-	Mbhashe
35. Liberation Heritage Route	All	500 000.00	Mbhashe	200 000.00	Mbhashe	150 000.00	Mbhashe	100 000.00	Mbhashe	100 000.00	Mbhashe
36. Maqhekeza Resource Centre	21	300 000	Mbhashe								
37. Community Trusts Training & Registration	All	400 000.00	Mbhashe	400 000.00	Mbhashe	400 000.00	Mbhashe	400 000.00	Mbhashe	400 000.00	Mbhashe

38. Beach Infrastructure upgraded	1 – Tenza / Nkanya Beach	400 000.00	Mbhashe	400 000.00	Mbhashe	400 000.00	Mbhashe	400 000.00	Mbhashe	400 000.00	Mbhashe
39. Ocean Economy and Coastal Development	Coastal	1m	Mbhashe	1M	Mbhashe	1M	Mbhashe	1M	Mbhashe	1M	Mbhashe
40. Film industry support	All	R1m	Mbhashe	R500 000	Mbhashe	R200 000	Mbhashe	R200 000	Mbhashe	R200 000	Mbhashe

KPA 4: FINANCIAL VIABILITY

PROJECT	WARD AND VILLAGE	2017/18		2018/19		2019/20		2020/21		2021/2022	
		AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE
Free Basic Services	All	R 8 000 000	Equitable Share	R 9 000 000	Equitable Share	R10 000 000	Equitable Share	R11 000 000	Equitable Share	R12 000 000	Equitable Share
Indigent Support	All	R 3 800 000	Equitable Share	R 4 000 000	Equitable Share	R 4 000 000	Equitable Share	R 4 000 000	Equitable Share	R 4 000 000	Equitable Share
Debt Collection	Three towns	R 500 000	Revenue Collected	R 500 000	Revenue Collected	R 500 000	Revenue Collected	R 500 000	Revenue Collected	R 500 000	Revenue Collected
Advertising	All	R 500 000	Equitable Share	R 550 000	Equitable Share	R 600 000	Equitable Share	R 650 000	Equitable Share	R 700 000	Equitable Share
Auction	All	Rates	Assets Disposal	Rates	Assets Disposal	Rates	Assets Disposal	Rates	Assets Disposal	Rates	Assets Disposal
Revenue Enhancement Strategy	All	In house	Equitable Share/Ow	In house	Equitable Share/Ow	In house	Equitable Share/Own Revenue	In house	Equitable Share/O	In house	Equitable Share/Own Revenue

			n Revenue		n Revenue				wn Revenue		
Customer care	All	In house	Equitable Share/Own Revenue	In house	Equitable Share/Own Revenue	In house	Equitable Share/Own Revenue	In house	Equitable Share/Own Revenue	In house	Equitable Share/Own Revenue
Financial Management Support	All	R 1 000 000	Equitable Share/Own Revenue	R 1 000 000	Equitable Share/Own Revenue	R 1 000 000	Equitable Share/Own Revenue	R 1 000 000	Equitable Share/Own Revenue	R 1 000 000	Equitable Share/Own Revenue
mSCOA Implementation	All	R 1 500 000	Equitable Share/Own Revenue	R 2 000 000	Equitable Share/Own Revenue	R 2 500 000	Equitable Share/Own Revenue	R 3 000 000	Equitable Share/Own Revenue	R 3 500 000	Equitable Share/Own Revenue
VAT Recovery	All	Rates	VAT Refunds	Rates	VAT Refunds	Rates	VAT Refunds	Rates	VAT Refunds	Rates	VAT Refunds
Development of Procurement Plans	All	R 0	N/A	R 0	N/A	R 0	N/A	R 0	N/A	R 0	N/A
Full Implementation of SCM system	All	R 500 000	Equitable Share/Own Revenue	R 500 000	Equitable Share/Own Revenue	R 500 000	Equitable Share/Own Revenue	R 500 000	Equitable Share/Own Revenue	R 500 000	Equitable Share/Own Revenue
Contract Management	All	R 200 000	Equitable Share/Own Revenue	R 200 000	Equitable Share/Own Revenue	R 200 000	Equitable Share/Own Revenue	R 200 000	Equitable Share/Own Revenue	R 200 000	Equitable Share/Own Revenue

GRAP Compliant Asset Register	All	R1,000 000	Equitable Share/Own Revenue	R1,000 000	Equitable Share/Own Revenue	R1,000 000	Equitable Share/Own Revenue	R1,000 000	Equitable Share/Own Revenue	R1,000 000	Equitable Share/Own Revenue
Fleet Management	All	R1,000 000	Equitable Share/Own Revenue	R 500 000	Equitable Share/Own Revenue	R 500 000	Equitable Share/Own Revenue	R 500 000	Equitable Share/Own Revenue	R 500 000	Equitable Share/Own Revenue

KPA 5: GGP

PROJECT NAME	WARD AND VILLAGE	2017/18		2018/19		2019/20		2020/21		2021/2022	
		AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE	AMOUNT	SOURCE
Development and Implementation of HIV/Aids Strategy	Institutional	R50 000.00	Equitable share	R10 000.00	Equitable Share	R10 500.00	Equitable share	R11 000.00	Equitable share	R11 500.00	Equitable Share
Review And Mainstreaming Of SPU Strategy	Institutional	R30 000.00	Equitable share	R30 500.00	Equitable Share	R31 000.00	Equitable share	R31 500.00	Equitable share	R32 000.00	Equitable Share
Programmes for Women, Youth, Military Veterans, Children, disabled , HIV & AIDS and Older persons	All	R1.5 M	Equitable share	R1 800 000	Equitable Share	R1 900 000.00	Equitable share	R2M	Equitable share	R2.2M	Equitable Share
Coega Learners Licence And Driving Programme	Institutional	R100 000.00	Equitable share	R50 500.00	Equitable Share	R60 000.00	Equitable share	R60 500.00	Equitable share	R70 000.00	Equitable Share

Convening of oversight structures meetings	Institutional	R250 000	Equitable share	R250 000	Equitable Share	300 000	Equitable share	R300 000	Equitable share	300 000	Equitable Share
Engagement meetings	All	R141 900	Equitable share	R148 995	Equitable share	R156 444	Equitable share	160 000.	Equitable share	160 000	Equitable Share
Risk management Policy, Risk management plan and terms of reference	Institutional	R00	Nil	R00	Nil	R00	Nil	R00	Nil	R00	Nil
Risk Assessment	Institutional	230400	Equitable share	R241 500	Equitable share	R253 575	Equitable share	260 000	Equitable share	265 000	Equitable Share
Internal Audits and ad-hoc assignments	Institutional	R200 000.00	Equitable share	R230 000	Equitable share	R261 500	Equitable share	R270 000	Equitable share	R275 000	Equitable Share
Development of Risk based internal audit plan	Institutional	0.00	Nil	0.00	Nil	0.00	Nil	0.00	Nil	0.00	Equitable Share
Internal Auditing role awareness to the municipality	Institutional	60.000	Equitable share	60.000	Equitable share	60.000	Equitable share	60.000	Equitable share	60.000	Equitable Share
Coordination of Auditor General's annual audit	Institutional	R00.00	Nil	R00.00	Nil	R00.00	Nil	R00.00	Nil	R00	Equitable Share

Reviewal of Internal Audit documents(Internal Audit methodology; audit charters and IA framework)	Institutional	R00		R00	Nil	R00	Nil	R00	Nil	R00	Equitable Share
Development of IDP, SDBIP and Budget integration	Institutional	700 000	Equitable share	700 000	Equitable share	750 000	Equitable share	750 000	Equitable share	750 000	Equitable Share
Development and update of ward based plans	All	200 000	Equitable share	200 000	Equitable share	200 000	Equitable share	200 000	Equitable share	200 000	Equitable Share
PMS support	Institutional	120 000	Equitable share	150 000	Equitable share	200 000	Equitable share	200 000	Equitable share	200 000	Equitable Share
Annual report development	Institutional	160 000	Equitable share	180 000	Equitable share	200 000	Equitable share	200 000	Equitable share	200 000	Equitable Share
Women caucus	All	63809	Equitable share	R66150	Equitable share	R69 457	Equitable share	R 80 000	Equitable share	R 100 000	Equitable Share
Whippery Programme	All	100 000	Equitable share	100 000	Equitable share	100 000	Equitable share	100 000	Equitable share	100 000	Equitable Share
IGR Programmes	Institutional	R50 000	Equitable share	60 850	Equitable share	R68 742	Equitable share	R77 000	Equitable share	R77 000	Equitable Share
Review and implement Communication Strategy and media Plan	Institutional	R 189 600.00	Equitable share	R289 600.00	Equitable Share	R320 000.00	Equitable Share	R360000	Equitable share	R400 000.00	Equitable Share
Branding of the Municipality	Institutional	R500 000	Equitable share	R650 000.00	Equitable Share	R660 000.00	Equitable Share	R665 000.00	Equitable share	R670 000.00	Equitable Share

Development of Newsletters	All	R450 000.00	Equitable share	R550 000.00	Equitable Share	R555 000.00	Equitable Share	R560 0000	Equitable share	R565 000 000	Equitable Share
Advertisement	All	R180000	Equitable share	R380 334.00	Equitable Share	R390 000.00	Equitable Share	R400 000.00	Equitable share	R410 000.00	Equitable Share
Resource the functioning of the War Rooms	All	R 960 000	Equitable share	R1M	Equitable Share	R 500 000.	Equitable Share	R 500 000	Equitable share	R 500 000	Equitable Share
Conduct Community Imbizo's	All	R 600 000	Equitable share	R 600 000	Equitable Share	R 650 000	Equitable Share	R 650 000	Equitable Share	R 650 000	Equitable Share
Customer Satisfaction Survey	All	R200 000	Equitable share	R200 000	Equitable Share	R200 000	Equitable Share	R200 000	Equitable Share	R200 000	Equitable Share
Eradication of Litigation cases	Institutional	R2 m	Equitable share	R2 m	Equitable Share	R2 m	Equitable Share	R2 m	Equitable Share	R2 m	Equitable Share

4.2. PROJECTS BY OTHER SECTOR DEPARTMENTS

2017/18 PROJECTS FROM OTHER SPHERES

ORGAN OF STATE/DEPARTMENT	PROJECT NAME	WARD	AMOUNT R	FUNDING
SANRAL	N2: Dutywa ByPass	All	3.5m	SANRAL
ESKOM Project Name	Beneficiaries			Planned H/H
Elliotdale rural 2B	Ngqatyana, Majola, Mt Pleasant, dingata,hobeni,manganyela, lalini, cwebe,Ntlonyana,mnqwaneni,nthlonyane,cwebe nature reserve,cwebe,cweba.			765

Elliotdale rural 2B Link line		0
Elliotdale rural 3	Kwagobeni,mkhathazo,bumbano,emboleni,qatywa,nkanya	955
Elliotdale rural 3 Link Line		0
Elliotdale rural 4	Madi,mndwaka	279
Elliotdale rural 4 Link Line		0
Elliotdale Rural Ph 5	Ngqatyana,ngqatyana,Nkwalini,Ebufumba,mthunzini	519
Elliotdale Rural Ph 5 Link Line		0
Elliotdale Rural Ph 6	Mbanyana,gobisandla	413
Elliotdale Rural Ph 6 Link line		0

AMATHOLE DISTRICT MUNICIPALITY	Sundwane Water Supply		107 031 180	MIG
	Xora Water Supply Scheme		700 000 000	
	Mncwasa Water Supply		280 000 000	
	Mgwali North Water Supply Project		31 241 700	
	Mgwali South Water Supply Project		131 742 925	
	Idutywa East Water Supply Project		120 917 394	
	Mbhashe Ward 31 Water Scheme		35 000 199	
	Area Wide Sanitation Projects(ASAP)(Mbhashe Phase 1A) (Region 1)		51 901 461	
	Mbhashe Area Wide Sanitation (Region 3B)		32 349 605	
	Mbhashe Area Wide Sanitation (Region 2C)		133 083 340	
	Mbhashe Area Wide Sanitation (Region 1B)		45 491 253	
	Mbhashe Area Wide Sanitation (Region 2B)		62 065 773	
	Mbhashe Area Wide Sanitation (Region 2D)		98 668 664	
	Mbhashe Ward 31 Sanitation		19 071 522	
	Shixini Sanitation		10 962 750	
	Bende Water Supply Scheme		56 713 110	
	Shixini Water Supply Scheme		45 244 076	
Dutywa Public Transport		0		
Dutywa Pipe Replacement		30 377 193		

	Elliotdale Waste Water Treatments		1 561 800		
	Idutywa Sewer Pipe replacement		10 567 804		
	Willowvale Sewerage		5 829 613.25		
			2 003 991 749		
ORGAN OF STATE/DEPARTMENT	PROJECT NAME	WARD	AMOUNT R	FUNDING	
Department of Rural Development and Agrarian Reform	Siyazondla	All	170 000.00	DRDAR	
	Cropping – 2096 hectares		6 707 200		
	Fencing – AmaJinqi	22	720 000.00		
	Gwadana	3	700 000.00		
			8 297 000		
EC, Sport, Recreation, Arts and Culture	Arts & Culture Festival		53 000.00	EC Sport, Recreation, Arts and Culture	
	District Heritage Build Up and Moral Regeneration		130 000.00		
	Official opening of Nqabara Modular library		1 000 000		
	Recreation Community Festival		60 000		
	Traditional Horse Race Festival		50 000		
			1 293 000		
DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND ECONOMIC DEVELOPMENT	Khulani Youth Corp – Brick Manufacturing	31	R 2 919 462 From 15/16 FY	Mbhashe Ward 31	R 2 994 000

DEPARTMENT OF ENVIRONMENT	Coastal Management Programme – Great Kei, Mnquma and Mbashe		10.7m	
	Fort Malan - PLANNING		R 2mil	
	Shixini - PLANNING		R 2,6mil	
	Qwaninga - PLANNING		R 2,3mil	
	EC Working for the Coast: Great Kei River to Mbashe		R 10,7mil	
DSARAC -HERITAGE & TOURISM				
Program / Project	Activity	Location	Period	Budget
District Heritage Build Up	Commemmoration of local heroes	Mbashe	August	R110000
District Geographical Name Change	Standardisation of Geographical Names	Mbashe	Continuous	R1m(Province)

Identification of heritage sites, Grade 2-shared responsibility	Identification of Grade 2 sites	Mbhashe	Cont.	Provincial
Flagging of school-DAC & education about identity(National symbols)	Verification, flagging and education on national symbols	Mbhashe	Cont.	DAC
Setting up of local history section in libraries	Presentation of local history	Mbhashe libraries	Cont.	Prov.
Declaration of Dutywa library as heritage site	Declaration processes by SAHRA	Dutywa library	Cont.	Prov.
Identification of local heroes & recording of oral history	Identification of local heroes & recording of oral history	Mbhashe	Cont.	Prov.
Presentation of papers on rituals at the National Conference in Mthatha in October	Presentation of papers on rituals at the National Conference in Mthatha in October	Mthatha	October	Prov.
ARTS & CULTURE				

Arts & Culture Festival	Auditions for Shukuma Dance Festival and Iphulo Drama Festival	Mbhashe	August	R53 000
Arts in residence training	Training of artists for deployment in schools	Guild Theatre	Cont.	DAC
Arts Centre Operations	Fuctioning of the Arts Centre	Willowvale	Cont.	R55 000
OR Tambo Choral Music	Training of Music conductors. Elimination for the District and Provincial Festival	Mbhashe	September	R33 000
Gospel Festival Auditions	Auditions for Gospel festival	Mbhashe	May	R0
Funding by ECPACC	Communities to submit applications	Mbhashe	End of April	R1,1m(Provincial)
Library Services				
Establishment of Book Clubs at Ngqaqini and maintenance of all book clubs in the municipality	Establishment of Book Clubs at Ngqaqini and maintenance of all book clubs in the municipality	Mbhashe	Continuous	NIL
Official opening of Nqabara Modular library	Employment of Library Staff, Procurement and processing of books	Mbhashe, Willowvale	February	R1m

Procurement & delivery of library material to 7 libraries	Procurement, processing and delivery	8 Mbashe libraries	Cont.	R16m
Placement of SAFDA learners	Experiential training	Mbashe	June	SAFDA
Recreation Community Festival	Departmental Games	Mqhele	September	R60000
Traditional Horse Race Festival	Horse Racing	Mbashe	September	R50000

DEPARTMENT OF RURAL DEVELOPMENT (DRDAR)

Siyazondla	All	170 000.00
Cropping – 2096 hectares		6 707 200
Fencing – AmaJinqi	22	720 000.00
Gwadana	3	700 000.00

DEPARTMENT OF SOCIAL DEVELOPMENT

SUBSTANCE ABUSE

PROJECT NAME	LOCATION	MUNICIPALITY	WARD NO.	RECOMMENDED AMOUNT
Sakhulutsha Youth Project	Nqabane	Mbashe	6	R 140 000.00

Siyazakha Youth Project	Ntlahlane	Mbhashe	22	R 136 000.00
Mbhashe TADA	Dutywa	Mbhashe	1	R 145 000.00
TOTAL				R 421 000.00
	Home Based Care	NQADU	11	266.600.00
	Home Based Care	NYWARA	5	266.600.00
TOTAL				R533,200.00
VICTIM EMPOWERMENT				
Masizakhe WDCOH		Mbutye	18	R 200 000.00
Duff WDCOH		Mangati	12	R 135 360.00
Walter Sisulu WDCOH		Melithafa	15	R 180 000.00
Willowvale WDCOH		Ntlahlana	22	R 170 000.00
Dadamba WDCOH		Dadamba	30	R 160 000.00
Khayaletumba WDCH		Ntsingizi	6	R 160 000.00
Dayimane WDCH		Dayimane	6	R 135 360.00
Masincedane WDCOH		Ntsungizi	15	R154,555.35
Nqadu WDCH		Nqadu	15	R 169 280.00
TOTAL				R1,464,555.35

Mbhashe Foster Cluster Home	Mbhashe		R 225 000.00
Total			R225,000.00

								2017/18
NO	WARD	FACILITY NO	PROJECT NAME	PURPOSE	Max Cap	RATE	DAYS	ECD PROGRAMME ALLOCATION
1	18	66	Bangilizwe	Day Care	30	15	209	94 050
2	18	627	Bangindlovu	Day Care	29	15	209	90 915
3	3	9143	Bongweni	Day Care	26	15	209	81 510
4	25	1201	Ciko	Day Care	24	15	209	75 240
5	17	630	Ebufumba	Day Care	29	15	209	90 915
6	6	1129	Esingeni	Day Care	30	15	209	94 050
7	28	632	Ganuthuli	Day Care	30	15	209	94 050
8	13	670	Iflegi Yamabomvane	Day Care	30	15	209	94 050
9	24	1053	Jojweni	Day Care	30	15	209	94 050
10	22	1048	Jongukhanyo	Day Care	25	15	209	78 375
11	4	8489	Khanyisa	Day Care	25	15	209	78 375
12	21	9173	Kuyasa	Day Care	30	15	209	94 050
13	13	612	Kuyasa	Day Care	25	15	209	78 375

14	29	1084	Kwilini	Day Care	29	15	209	90 915
15	21	1061	Lucingweni	Day Care	35	15	209	109 725
16	25	9134	Lukhanyo	Day Care	25	15	209	78 375
17	21	1133	Lurwayizo	Day Care	30	15	209	94 050
18	11	9001	Masakhane	Day Care	25	15	209	78 375
19	20	663	Masikhanye	Day Care	25	15	209	78 375
20	20	666	Masizakhe	Day Care	25	15	209	78 375
21	24	1067	Mbityana	Day Care	30	15	209	94 050
22	2	1169	Mtombothi	Day Care	30	15	209	94 050
23	17	661	Mwana	Day Care	35	15	209	109 725
24	4	1104	Mzokhanyo	Day Care	25	15	209	78 375
25	17	8993	Ncedolwethu	Day Care	25	15	209	78 375
26	3	1200	Ndakeni	Day Care	29	15	209	90 915
27	29	1083	Nduku	Day Care	30	15	209	94 050
28	11	1099	Ngangendlovu	Day Care	30	15	209	94 050
29	17	682	Ngubenamba	Day Care	25	15	209	78 375
30	16	687	Nkomozibomvu	Day Care	30	15	209	94 050
31	24	1070	Nomawaka	Day Care	29	15	209	90 915
32	13	629	Nomfundo	Day Care	24	15	209	75 240
33	3	8877	Nomzamo	Day Care	34	15	209	106 590
34	22	802	Nowaka	Day Care	24	15	209	75 240
35	22	800	Nquba	Day Care	30	15	209	94 050
36	17	662	Pakamile	Day Care	30	15	209	94 050
37	22	1082	Pakamisa	Day Care	34	15	209	106 590
38	26	681	Pangalele	Day Care	29	15	209	90 915
39	24	1091	Phathilizwe	Day Care	30	15	209	94 050

40	9	1076	Pumlani	Day Care	34	15	209	106 590
41	26	679	Pungula	Day Care	25	15	209	78 375
42	21	1081	Qora	Day Care	25	15	209	78 375
43	24	1057	Shixini	Day Care	25	15	209	78 375
44	15	664	Sijabulile	Day Care	30	15	209	94 050
45	24	1127	Sinethemba	Day Care	29	15	209	90 915
46	25	1080	Sivelile	Day Care	30	15	209	94 050
47	3	1211	Siyazama Ngxakaxa	Day Care	34	15	209	106 590
48	2	1122	Siyazama ngonyama	Day Care	30	15	209	94 050
49	17	625	Vukuzenzele	Day Care	25	15	209	78 375
50	17	628	Zamihlelo	Day Care	25	15	209	78 375
51	28	631	Zamuxolo	Day Care	24	15	209	75 240
52	11	1145	Zwelakhe	Day Care	25	15	209	78 375
53	5	10311	Bolotwa	Day Care	60	15	209	188 100
54	23	10196	Ncedolwethu	Day Care	30	15	209	94 050
55	5	10303	Silityiwa	Day Care	30	15	209	94 050
56	6	10305	Mhuku	Day Care	30	15	209	94 050
57	6	10308	Njemane	Day Care	25	15	209	78 375
58	6	10310	Dayimane	Day Care	30	15	209	94 050
59	20	10302	Thwalikhulu	Day Care	30	15	209	94 050
60	20	10309	Manzezulu	Day Care	25	15	209	78 375
61	9	10306	Muras	Day Care	30	15	209	94 050
62	17	10312	Thandisizwe	Day Care	25	15	209	78 375
63	21	10195	Mendwana	Day Care	30	15	209	94 050
64	26	10304	Botomane	Day Care	25	15	209	78 375

65	22	10307	Mavata	Day Care	30	15	209	94 050
66	30	9999	Kulozulu	Day Care	30	15	209	94 050
67	18	1006	Zamokuhle	Day Care	30	15	209	94 050
68	4	9997	Takalani	Day Care	30	15	209	94 050
69	3	10003	Zama	Day Care	30	15	209	94 050
70	26	11020	Jujurha	Day Care	24	15	209	75 240
71	15	11022	Zamuphuhla	Day Care	30	15	209	94 050
72	25	11018	Thembisa	Day Care	25	15	209	78 375
73	23	11017	Lusizo	Day Care	25	15	209	78 375
74	4	11010	Upper Timane	Day Care	25	15	209	78 375
75	12	11011	Matolweni	Day Care	25	15	209	78 375
76	17	11021	Zilinyama	Day Care	30	15	209	94 050
77	13	11015	Melithafa	Day Care	30	15	209	94 050
78	31	11013	Zizamele	Day Care	30	15	209	94 050
79	9	11012	Siseko	Day Care	30	15	209	94 050
80	30	11014	Siyakhula	Day Care	25	15	209	78 375
81	13	11016	Ncihana	Day Care	30	15	209	94 050
82	30	12199	Ebhotwe	Day Care	35	15	209	109 725
83	31	12233	Zanokuhle	Day Care	22	15	209	68 970
					2377			R7,451,895.00

PROGRAMME 3. CHILDREN AND FAMILIES

3.2. CARE AND SERVICES TO FAMILIES

DISTRICT MUNICIPALITY	NUMBER OF BENEFICIARIES	CONDUIT (if any)	PURPOSE/ACTIVITY	ALLOCATION
AMATHOLE	290	Direct Payment	Family Preservation Programme	R 50 148.75
AMATHOLE	270	Direct Payment	Family Preservation Programme	R 50 148.75
Grand Total				R100,297.5

2.3 SERVICES TO PEOPLE WITH DISABILITIES

BUDGET ALLOCATED FOR 2016/17 FINANCIAL YEAR: R 120 000.00

PROJECT NAME	LOCATION	MUNICIPALITY	WARD NO.	MONTHLY/PRIORITY	REF. NO.	MAXIMUM CAPACITY	NO. OF MONTHS	RATE
Ncedolwethu	Dutywa	Mbhashe	6	Monthly	A/MBH/2.2/012	15	12	1500

Siphakamise	Willowvale	Mbhashe	3	Monthly	A/MBH/2.3/012	17	12	1500
Total								

DIRECTORATE: SPECIAL NEEDS (OLDER PERSON)					
BUDGET ALLOCATION FOR 2017/18MTEF (R1,118,400.00)					
FINANCIAL YEAR 2017/18					R 7 200 000.00
DISTRICT MUNICIPALITY	PURPOSE/ACTIVITY	MAXIMUM CAP	RATE	MNTHS	ALLOCATION
Amathole	Service Centre	31	200	12	R 74 400.00
Amathole	Service Centre	40	200	12	R 96 000.00
Amathole	Service Centre	40	200	12	R 96 000.00
Amathole	Service Centre	40	200	12	R 96 000.00
Amathole	Service Centre	33	200	12	R 79 200.00
Amathole	Service Centre	38	200	12	R 91 200.00
Amathole	Service Centre	50	200	12	R 120 000.00
Amathole	Service Centre	40	200	12	R 96 000.00
Amathole	Service Centre	43	200	12	R 103 200.00
Amathole	Service Centre	27	200	12	R 64 800.00
Amathole	Service Centre	25	200	12	R 60 000.00
Amathole	Service Centre	25	200	12	R 60 000.00
Amathole	Service Centre	34	200	12	R 81 600.00
TOTAL					R 1 118 400.00

DIRECTORATE: PROGRAMME 5		
BUDGET ALLOCATION FOR 2017/18MTEF (R81 000.00)		
FINANCIAL YEAR 2017/18		R 81 000.00
DISTRICT MUNICIPALITY	ALLOCATION	
Amathole	R 25 000.00	
Amathole	R 25 000.00	
Amathole	R 31 000.00	
Total	R 81 000.00	

GRAND TOTAL **R11,515,347.85**

Soon after the new council was sworn in, Mayoral Imbizos were held all over Mbashe. The Honourable Mayor assisted by the Executive Committee visited all 32 wards in Mbashe to source out amongst other things what the community's priorities are. The table below lists 3 priorities per ward and additional requests which remain unfunded in the financial year 2017/18.

WARD	PRIORITIES	ADDITIONAL PRIORITIES
01	1.Electronic pump for windmill 2.Community Hall 3.Seedlings and Fertilizers	
02	1.Sofuthe to Ndakeni access road 2.Ndakeni dipping tank 3.Dam @ Goodhope	4.High mast at Goodhope 5.Water (Mamfeneni and Upper Qhora loc) 6.Good hope community hall 7.Fencing of meal fields @ Ndakeni 8.Toilets (Upper Qhora) 9.Fencing of Mamfeneni

		community Hall 10.Electricity(infills) 11.Ndakeni Community Hall
03	1.Tyholomi dipping tank 2.Bridge @mpepheni location 3.Nkolweni access road (new)	4.Gwadana mission to mahliwane access road 5.Morrison to magqazeni access road 6.Mpepheni via topiya voting station to tyholomi access road 7.Fencing of nxukhwebe ploughing fields 8.Water at lencane and matolweni 9.Water at nkolweni,mahliwana and mavata 10.Toilets at lencane,matolweni, mpepheni and qelana 11.Electricity in whole ward (infills)
04	1.Access road from maxhama-pakamile sps 2.Shearing shed- grara a/a,zamuxolo,timane,mangwevi ni,zwelakhe,rwantsini 3.Fencing @grarha &zamuxolo	

5	<ol style="list-style-type: none"> 1. Cizama to singeni access road. 2. Jadezweni bridge. 3. Mbaga shearing shed. 	<ol style="list-style-type: none"> 4. Nyakatha to hololoshe access road. 5. Fencing at zanohlanga and vinindwa. 6. Taps at upper bolotwa. 7. Windmill at bolotwa. 8. Hall at mazizini. 9. Dongas in vinindwa graveyard. 10. Nyakatha shearing shed 11. Bolotwa hall phase 2 12. Mbanga access road from four corner to skhom. 13. Funding of jadezweni co-ops. 14. Fencing at mazizini and singeni. 15. Shearing shed at upper bolotwa. 16. Zanohlanga community hall.
6	<ol style="list-style-type: none"> 1. Water- Machibini, Bethane/Njemane Ntlakwesp opro Machibini- windmill needed. 2. Bridges: Silityiwa and vonqo Madaka Makhobokeni 3. Makhobokeni shearing shed 	
7	<ol style="list-style-type: none"> 1. Mbelo needs water and sanitation 2. Mbelo access road 3. Thamsanqa access road 	<ol style="list-style-type: none"> 4. Ludondolo community hall 5. Gungululu access road 6. Mhala access road maintenance

8	1.Phelandaba to Macirheni access road 2.Mpuku to Naki access road 3. Vulingcobo S.S.S. access road	4.Fencing - @ xobo, bangani,chaphaza-halube and ndulwini 5.Maintenance of access roads @ maqundeni- Chaphaza, maqhinebeni – ngcolosa, sitishini – Ndulwini, old dale school,bhavuma & khanya 6.Shearing sheds @ Gxogxa, Bhavuma, Laphumilanga ,Nomatye and Nweleni 7.Renovation of shearing sheds @ Sundwane and Xobo
9	1.Fencing of fields at Dubisiko, Mangathi 2.Sizini access road 3.Surfacing at govern Mbeki township	4.Komkhulu access road 5.Govern Mbeki to Doti access road 6.EXT 8 provision of water and street light 7.Auckland streetlights
10	1.Machani access road 2.Bomela swing bridge 3.Taleni – Mtuvi access road	4.Magqabi swing bridge 5.Noholland-mbukuqu access road 6.Water all wards 7.Dams all wards 8.Fencing of mealie-fields @ Rhwantsini, Machani,Mtuvi, Willow-Zembe,Bende-Qakazana 9.Shearing sheds -all wards 10.Sport fields- all wards 11.Houses- all wards
11	1. Weza dam 2.Weza clinic 3.High mast @ Weza	4.RDP houses 5.Ncedana dip not complete 6.Sheep dipping tank not done 7.Bridge trough to Nkanga 8.Madluntsha access road 9.Qgunce dipping tank for renovations 10.Bonde access road & dipping tank
12	1.Mangwevini- access road 2.Thethiswayo/ Nqabarha river bridge	

	3.Mobile clinics @ lower Falakahla, Zomtsha, Bomela ,gem	
13	1.River view to Langeni access road 2.Fameni community hall 3.Water- whole ward	4.RDP houses 5.Renovation of river view dipping tanks 6.Finishing of electricity for Gwenteshe, Mnyameni and Nongathi locations
14	1.Access roads- Bikane Hlakothi- ngakwamkwane Sunduza-lukhozana	
15	1.Mtshayelo,sholora J.S.S to Gombe access road 2.Gwelani access road 3.Bobani access road	4.Community hall @ Xhuba 5. Electrification @Tsholorha
16	1.Access roads- Mngazana MT pleasant to Madwaleni	
17	1. Access road from Manzi to Ngangolwandle school 2. Access road at Lower Bufumba needs maintenance 3. Ntsingizi hall need maintenance (ceiling retaining water on rainy days)	

18	<ol style="list-style-type: none"> 1. Jikanaye via Nkonxeni to Gwebityala Access road 2. Sport field at Mndwaka (xakaxa village) 3. Mndwaka community hall 	
19	<ol style="list-style-type: none"> 1. Mkatazo- Folokwe A/R 2. Coastal development from Mbolompa to Bulungula 3. Mpame Shearing shed 	4.
20	<ol style="list-style-type: none"> 1. Hobeni high school should appear in the IDP there is a donor who is prepared to build it. 2. Dipping tank at lower Mbhanyana-renovations. 3. Access roads : From Bhula to Hobeni. 	<ol style="list-style-type: none"> Makhameni to lalini Mgqadaza Komkhulu to Ngxabane 4. Ploughing to be assisted. 5. Training centre for youth. 6. Nature gate to ocean
21	<ol style="list-style-type: none"> 1. Community hall at Mpume (Dutch) 2. Dipping tank at Ngoma 3. Access road from main road to Komkhulu 	
22	<ol style="list-style-type: none"> 1. Fumbatha, Mandluntsha Zigwinta access road (Ngadla) 2. Jotelo dipping facility 3. lower Jotela ECDC centre 	<p>ROADS NETWORKS</p> <ol style="list-style-type: none"> 1. Fumbatha, Mandluntsha Zigwinta access road (Ngadla) 2. Jongibandla/kwadumezweni to Ediphini access road (Zanemvula) 3. Esityabeni access road (Chamshe) 4. Kwantloko to Kwadubula access road (gojela) 5. Qangu access road (Chamshe)

6. sihlanini to goqo jss access road (goqo)
7. maxixibeni access road (nquba)
8. ntshingeni access road (hlabizulu)
9. kulodwenga access road (dumalisile)
10. Nombewu access road (Chamshe)
11. Nocekedwa bridge to Sebeni (Beechamwood)
12. Msizilweni access road (Hlabizulu)
13. Xazini access road (Zanemvula)
14. Mtshayelweni access road (Ngadla)
15. Chamshe to Nquba access road
16. Nompha access road
17. Mgxabakazi to Nompha access road with a bridge
18. Road surfacing from Willowvale to Tenza beach via Dumalisile.
19. road surfacing from Badi store to Tenza beach

COMMUNITY FACILITIES

1. Jotelo foot bridge for school kids to Ngadla J.S.S
2. foot bridge in esihlanini to Goqo J.S.S
3. Ngadla sport grounds
4. Dumalisile sport grounds
5. Chamshe sport grounds
6. Zamalek sport grounds
7. Ngadla clinic
8. Upgrading of existing schools to accommodate our quality education programme.
9. a primary school in Jotelo

EARLY CHILDHOOD DEVELOPMENT CENTRES

1. Nompha ECDC centre
2. Nowaka ECDC centre
3. folokwe ECDC centre
4. Ndlelibanzi ECDC centre
5. Lower Jotela ECDC centre
6. Upper Jotela ECDC centre
7. fumbatha ECDC centre
8. Mgwevu ECDC centre
9. mtshayelo ECDC centre
10. sebeni ECDC centre
11. sihlanini ECDC centre
12. Qangu ECDC centre
13. Msizilweni ECDC centre

LED, AGRICULTURE, TOURISM AND HERITAGE RELATED PROPOSALS

1. farmers support centre (tractors, Agric implements, stock feed and fertilizers)
2. Tenza beach accommodations, conference facility and fish farming boutique.
3. beechamwood trading, food preservation and storage and distribution centre
4. Johannes Notyhawe community library and heritage centre
5. Tenza beach sea water swimming pool and jungle gym for kids
6. Fencing, marking and clearing of fort beechamwood.
7. erection of a story board in Johannes Notyhawa community hall
8. Jotelo dipping facility
9. fencing of a maize ploughing project in Jotelo
10. Game farming in Nqabarhana/shixini.

		<p>human resource development</p> <ol style="list-style-type: none"> 1. computer training 2. training of artisans 3. abet training 4. bursaries
23	<ol style="list-style-type: none"> 1. Mcinga to Mgwebi access road 2. Ligwa project 3. Maringa tree project 	<ol style="list-style-type: none"> 4. Deforestation @Ngxutyana A/A Mgwebi A/A Nobebele A/A Sunshine (Gora) 5. Maintenance of Nebelele access road 6. Hadi, nebelele & mhabumvomvu sport field 7. Luvundu access road 8. Hadi electrification 9. Qwaninga skill centre
24	<ol style="list-style-type: none"> 1. Community hall 2. Mbityana access road 3. Upper Gwadu and Ntilini swing bridge 	
25	<ol style="list-style-type: none"> 1. Access road from town via Ntlulabokhwe to Zwelilungile J.S.S 2. Mqothwane Bridge 3. High Mast at Maxelegwini 	<ol style="list-style-type: none"> 4. Sanitation 5. Infills electrification 6. Multipurpose sport field/centre (lower Gwadu) 7. Mbozi village electrification 8. Mbityana access road

		9.Dam scooping lower Gwadu 10.Baqa toilets and water (water and sanitation)
26	1.Tayi to Qwili access road 2.Nowonga /Pungula community hall` 3.Shearing shed @ Ngqwangele	4. 5.Ngqatyana shearing shed 6.Kulonginza dipping tank 7.Nowonga/Pungula shearing shed 8.Ngqwangele sport field 9.Dams whole ward 10.Community hall @Nqgatyana 11.Nowonga/Pungula sport field 12.ECDC @ Nqgwangele(kumajola) 13. Fencing of mealie fields @ Pungula- Nowonga and Ngqwangele 14.Ntlonyana farmers association- stock remedy-stock feed-water pump-sprinkler irrigation for the 15.Project Access road from Bhaxa to Zilangweni access road
27	1.Tywaka access road 2.Lazamakaka access road 3.Lubomvini sport ground	4.Slab at Ntilini bridge/Nkelekethe 5.Gwadu sport ground 6.Mfezane sport ground 7.Clinic Mfezane 8.Fort Malan- Mabobodi village access road 9.Access road to Komkhulu- fort Malan 10.Electrification of Nkelethe 11.Ntilini maintenance of access roads 12.Infills electrification-Mhlohlozi 13.Lubomvini access road
28	1. Mqhele Store – Mrhale Access Road 2. Fencing of Madwaleni & Mqhele	

	3. Renovation of Sports Field	
29	<p>1.Access roads-</p> <p>Mpume to gate Nqabarha to ntubeni Nkhatha Mhlanga Kunene</p> <p>2.Dipping tanks-</p> <p>Nkatha Nondobo Nqabarha Mevana</p>	
30	<p>1.Matolweni access road to Kulozulu J.S.S</p> <p>2.Gangatha playground</p> <p>3.Ntlabane-gangatha dipping tanks</p>	
31	<p>1. Sikhobeni – Chaba - Mbewuleni</p> <p>2. Mbewuleni – Jojweni access road</p> <p>3. Zundawana Hall</p>	
32	<p>1.Community hall@ Madwaleni</p> <p>2.Sport field @ Vuyisile</p> <p>3.Notofa to Xanase road</p>	<p>4.Caweni to Maxhama access road</p> <p>5. electricity @Nkanya and Qatywa</p> <p>6.Xanase to Sundwana access road</p> <p>7.Bhakaneni to palini road</p>

		8.Madwaleni to nkanya lodge(tar) 9. Xanasi to Sundwani Access Road 10.Tubeni to Nomswempezo access road clinic to Ntlokweni road 11..Nonyenza to Thafeni road 12.Manganyela to Nobangile school-new road- Kalweni to chwebeni Nkanya to sundwani Gulu to madwaleni 13.Fixing of water pipes –tombo,nonyenza,sundwane 14.Sport ground-madwaleni.nkanya,gusi 15.Dipping tank –madwaleni,qatywa 16.ECDC 17.Electricity-Nkanya,Qatywa 18.Toilets project incomplete 19.Ubuqholo programme 20.stock remedy 21..ECDC @ Maxhama 22..Mncikanana to Mpenge road
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CHAPTER 4: FINANCIAL PLAN 2017/18

4.1. INTRODUCTION AND BACKGROUND

Section 26 of the Local Government: Municipal Systems Act (Act No 32 of 2000) as amended lists the core components of and Integrated Development Plan for all municipalities and section 26(h) requires the IDP to include a Financial Management Plan which, “must include a budget projection for at least the next three years”. Mbashe Municipality has prepared this Financial Plan for 2015/2016 in compliance with Section 26(h) of the Municipal Systems Act, as amended.

The IDP is a guiding document for the Municipality’s 2015/2016 budget planning process. The IDP’s outcome is the alignment of all departmental planning processes to the mission and vision of the Municipality in achieving its long-term strategic goals. Therefore, the Financial Plan ensures that the objectives of the IDP are achieved over its implementation period, and also strives to ensure that scarce resources are obtained timeously and allocated to the relevant projects in line with the key targets of the IDP. The fundamental goal of the Municipality in all its processes is to enhance service delivery to its community and contribute to improved socio-economic activities for its citizens.

The financial plan includes an Operating Budget and Capital Budget for the 2015/2016 MTERF period which is informed by the Integrated Development Plan priorities and strategic direction of the Municipality.

4.2. OVERVIEW OF THE MEDIUM TERM REVENUE AND EXPENDITURE BUDGET

Each department in the Municipality had to review the business planning process, setting of priorities and targets to compile the 2015/16 MRTEF operational and capital budgets. The application of sound financial management principles for the compilation of Mbashe Municipality’s Budget is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities. The table below shows a summary of Mbashe Municipality’s 2015/16 MTEF budget.

DETAILS	REVISED BUDGET CURRENT YEAR 2015/16	PROJECTED FORECAST OUTER YEAR 2016/17	PROJECTED FORECAST OUTER YEAR 2017/18	PROJECTED FORECAST OUTER YEAR 2018/19
TOTAL INCOME	R 375 179 555	R 385 249 494	R 409 134 962	R 433 273 925
TOTAL OPERATING EXPENDITURE	R 264 350 955	R 272,146,081	R 289 892 131	R 308 280 158
SURPLUS/(DEFICIT) for the year	(R 15 286 312)	(R 44 276 709)	(R 47 895 108)	(R 52 005 311)
CONTRIBUTIONS FROM OPERATING (TO) CAPITAL	R 126 114 911	R 157 380 122	R 167 137 939	R 176 999 078

Total operating revenue has increased by 3% for the 2016/2017 financial year when compared to the 2015/2016 Revised Budget. For the two outer years, operating revenue will increase by 6 % for both outer years respectively.

Total operating expenditure for the 2016/2017 financial year has been appropriated at R272.1 million. When compared to the 2015/2016 Revised Budget, operational expenditure has increased by 3% per cent in the 2016/2017 budget year and grown by 6% each on the respective outer years of the MTREF

. 4.3 OPERATIONAL BUDGET

The following table represents the 2015/16 MTREF Operational Budget.

DETAILS	REVISED BUDGET	PROJECTED FORECAST	PROJECTED FORECAST	PROJECTED FORECAST
	CURRENT YEAR	BUDGET YEAR	BUDGET YEAR	BUDGET YEAR
	2015/16	2016/17	2017/18	2018/19
INCOME				
PROPERTY RATES	6,957,028	3,535,976	3,755,206	3,976,763
REFUSE REMOVAL	807,560	1,200,000	1,274,400	1,349,590
RENT OF FACILITIES AND EQUIPMENT	807,404	1,207,592	1,282,463	1,358,128
INTEREST EARNED	10,478,662	10,478,662	11,128,339	11,784,911
FINES	1,567,276	2,500,000	2,655,000	2,811,645
LICENCES AND PERMITS	1,668,663	1,500,000	1,593,000	1,686,987
GRANTS AND SUBSIDIES - OPERATIONAL	216,827,981	216,389,981	229,806,160	243,364,723
GRANTS AND SUBSIDIES - CAPITAL	73,122,019	69,534,019	83,003,938	91,298,745
OTHER INCOME	62,942,962	78,903,264	74,636,457	75,642,434
TOTAL INCOME	375,179,555	385,249,494	409,134,962	433,273,925
EXPENDITURE				
EMPLOYEE RELATED COSTS	80,351,203	87,695,864	93,834,575	100,402,995
REMUNERATION OF COUNCILLORS	25,585,611	21,428,281	22,928,260	24,533,238
REPAIRS & MAINTENANCE	30,014,285	29,872,932	31,725,054	33,596,832
PROMISION FOR DOUBTFUL DEBTS	1,010,344	1,010,344	1,072,985	1,136,291
DEPRECIATION	38,199,957	38,199,958	40,568,355	42,961,888
GENERAL EXPENSES	89,189,555	93,938,702	99,762,902	105,648,913
TOTAL OPERATING EXPENDITURE	264,350,955	272,146,081	289,892,131	308,280,158

From the above table it can be seen that the total revenue equates to R385.2 million for the 2016/17 financial year (inclusive of operating grants and subsidies). The total operating expenditure is in the excess of 272.1 million (including non-cash items) for the same financial year, resulting in an operating deficit of around R44 million. This is excluding capital grants and subsidies amount to an estimated R69.5 million during the 2016/17 financial year. The current revenue and expenditure trends have informed the following assumptions:

- I. Average increase of 3 per cent on both total income and total expenditure over the MTREF period.
- II. Property Rates budget has decreased almost by 50% in 2016/17, due to the fact we have revised the tariff downwards as part of benchmarking with our neighbouring municipalities. This will also bring relief to our ratepayers thus tariff increases have been factored in at 6 per cent for both the respective financial years of the MTREF.
- III. Employee related costs will increase at an average of 8 per cent per annum over the outer years.
- IV. Interest on investments will remain constant in the 2016/17 financial year and increase by 10% in the outer years.
- V. The municipality remains grant dependent with its revenue base comprising of 75 per cent of operating grant and subsidies income and 25 per cent own revenue in the outer years.

6.2.2 Budget and treasury office policies

The Municipality's budget process is guided and governed by the relevant legislative frameworks, strategies and related policies. The Budget and Treasury Office has reviewed the following policies for adoption by Council before the end of the 2015/2016 financial year. The policies are set to provide a sound financial base and assist in the achievement of Budget and Treasury Office's respective IDP priorities.

- I. SCM policy
- II. Asset Management
- III. Credit Control and Debt Collection Policy
- IV. Banking Policy
- V. Tariff Policy
- VI. Rates Policy
- VII. Budget Policy
- VIII. Virement Policy
- IX. Payment Policy
- X. Petty cash policy

Budget and Treasury Office is reviewing its policies annually due to changes in the municipal environment and to ensure that changes in legislation, IDP priorities and administrative processes are aligned to its policies.

1.2.3 Revenue Strategies

For Mbhashe Municipality to continue improving the quality of services provided to its community it needs to generate the required levels of revenue. Due to the rural nature of the Municipality, it becomes difficult to raise own revenue therefore, strong revenue management is fundamental to the financial sustainability of the municipality. The Municipality is currently faced with development backlogs, low household income levels with only 39% of household earning a monthly income equal to or higher than R3 000 and lack of human resource capacity. This has made it difficult for the Municipality calculating tariff increases and balancing expenditures against realistically anticipated revenues.

Mbhashe Municipality's main sources of revenue that are substantial are from the levying of assessment rates and service charges for refuse removal. The figure below indicates the Municipality's main sources of revenue that are funding the 2014/2015 operation budget year.

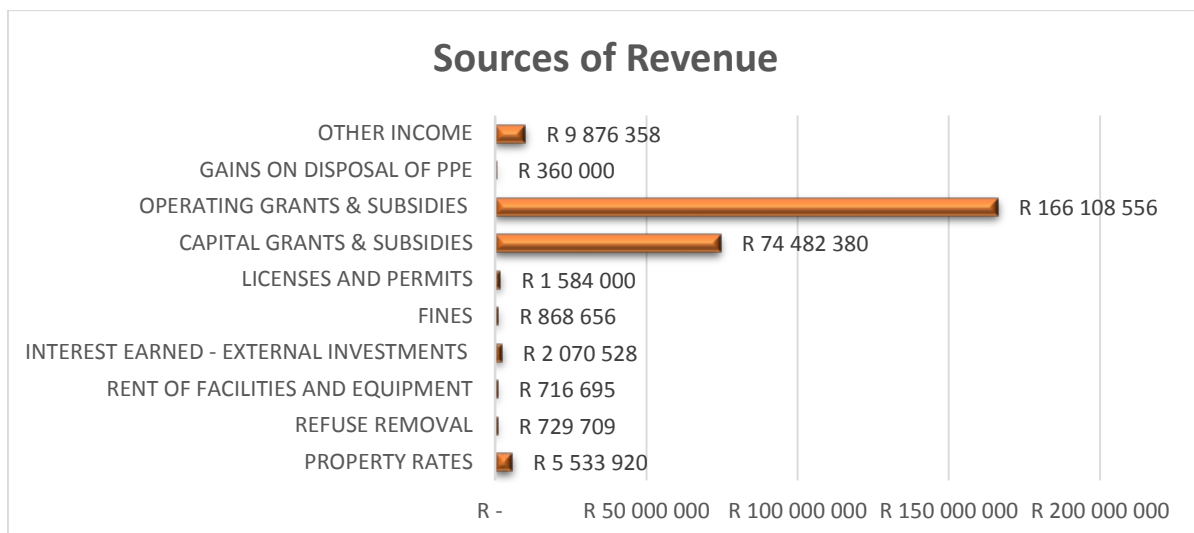


Figure 14

The municipality's revenue strategy is built around the following key components:

- I. National Treasury's guidelines and macroeconomic policy;
- II. Growth in the municipality and continued economic development;
- III. Efficient revenue management, which aims to ensure a 100% annual collection rate for property rates after the implementation of the Council resolution on debt write-off and on refuse removal charges overtime;
- IV. Achievement of full cost recovery of specific user charges especially in relation to trading services;
- V. Determining the tariff escalation rate by establishing the revenue requirement of each service;
- VI. The Municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004);
- VII. Increase ability to extend new services and recover costs;
- VIII. The municipality's Indigent Policy and rendering of free basic services.

Due to the current constraints and challenges facing the Municipality, the Municipality has decided to embark on a review of its revenue enhancement strategies which resulted in an allocation of a budgeted R300 000 in the 2014/2015 financial year. A process of data cleansing the municipality's customer and billing databases started during the 2012/2013

financial year. Guided the outcomes of the data cleansing exercise, the Municipal Council took a resolution to write-off all outstanding debts with take-on balances (i.e. from 30 June 2008 and older), and write-off 50% of the debt on the remainder of the debt for all customers. This resulted in a total debt-write off of more than R 6 million on take-on balances.

During the current financial year of 2013/2014, the Municipality developed revenue enhancement strategies which focused mainly on the following factors:

- I. Accuracy of billing information which included the implementation and continuous monitoring of the data cleaning exercise's recommendations and day-to-day operations of revenue generating departments;
- II. Implementation of an Indigent Register with focus on the development of memorandums of understanding with the following stakeholders:
 - o Eskom
 - o The South African Social Security Agency
 - o House of Traditional Leaders Association
 - o Eastern Cape Provincial Government
- III. Pay point management with emphasis on the accessibility of customer billing information from Municipality's satellite offices in Willowvale and Elliotdale towns;
- IV. Customer Care Management with focus on an integrated customer care centre
- V. Tariff structure review with emphasis on cost reflective tariffs to be applied on Municipal revenue generating services;
- VI. Municipal property leases focusing on the registration of Municipal property occupants as debtors to the billing database to ensure application of debt collection processes once rental is overdue;
- VII. Appointment of a debt collector to assist the Municipality collect outstanding debt;
- VIII. Upgrading of the Municipality's traffic services
- IX. Improvement in the impounding of livestock with a development of policy and by-laws on auctioning of livestock;
- X. Review of asset management policy and strategy; and
- XI. Alignment of the Revenue Enhancement Strategy with the LED Strategy

In implementing the revenue enhancement strategy, the following activities have been earmarked over the 2014/2015 MTREF period:

- I. Improvement in the administration of contracts of sales and leases in respect of municipality's immovable properties by implementing the recommendations of the data cleansing exercise to assist the Municipality in verifying all municipal property leases to ensure compliance and enforcement and noting of common problems.
- II. The Municipality is currently in a process of appointing debt collectors to improve revenue collections and implementation of the Municipality's debt collection policy. This will also include the implementation of the Council resolution on outstanding debt write-off.
- III. Some of the findings of the data cleansing exercise included illegal use of zones by individual erven, with sub-divisions and consolidations of properties not properly managed. The Municipality as a result was losing revenue on the application of incorrect tariffs based on illegal land use. The Planning Department is in a process of finalizing the land use regulations to minimise illegal land and surveying of all land that has not been surveyed.
- IV. The Municipality has generated revenue during the 2013/2014 financial year on pound fees through auctions and is in a process of developing a pounding policy. The Municipality is considering opening pound centres in the Elliotdale and Willowvale town areas to enhance revenue.
- V. Currently, Eskom is the distributor of electricity within the Mbhashe area of jurisdiction. The Municipality is current exploring an application of an electricity distribution license to the National Energy Regulation of South Africa. Electricity distribution by the Municipality can generate additional revenue and can also act as a debt collection mechanism.

6.2.4 Equitable Share

The local government equitable share allocation is based on achieving the Constitutional requirements as provided for in sections 214 and 227 of the Constitution. In terms of these provisions, local government is entitled to an equitable share of nationally raised revenue to enable municipalities to provide basic services to low-income households and to assist municipalities in maintaining functioning administrations.

Equitable share takes account of the fiscal capacity, fiscal efficiency, developmental needs, extent of poverty and backlogs in municipalities. According to the Division of Revenue Act (DoRA), the equitable share allocation comprise of the following components:

- I. Basic services component
- II. Development component
- III. Institutional support component
- IV. Revenue Raising Capacity
- V. Correction and stability factor

It should be noted that the basic services component support poor households earning less than R2 300 per month based on the Census 2011 data. This is an income threshold that is less than the qualification threshold as stipulated in the Municipality's Indigent Policy. It also distinguishes between poor households currently receiving municipal services and those provided with lesser municipal services or no services. The municipality should prioritise its budget towards poor households and national priorities such as free basic services and the expanded public works programme.

The equitable share allocation analysis is shown in the table below

DETAILS	REVISED BUDGET	PROJECTED FORECAST	PROJECTED FORECAST	PROJECTED FORECAST
	CURRENT YEAR 2015/16	OUTER YEAR 2016/17	OUTER YEAR 2017/18	OUTER YEAR 2018/19
EQUITABLE SHARE	R 209 735 000	R 198 064 000	R 210 568 000	R 220 153 000
FREE BASIC SERVICES	R 8 173 735	R 7 766 074	R 8 247 571	R 8 734 072
Free Basic Services as a percentage of Equitable Share Allocation	4%	4%	4%	4%

Table 41

From the table above, the equitable share is showing a growth of 19 per cent in the 2014/2015 financial year compared to the allocation of R127.8 million in the 2013/2014 Revised Budget period. The equitable share will increase by 30 per cent in the 2015/2016 financial year and stabilises in the 2016/2017 financial year with only one per cent increase.

The municipality is currently providing alternative energy sources (paraffin, fire gel) for non-electrified areas in the rural areas as per the indigent policy. The municipality also provides a subsidy for prepaid electricity in rural areas for registered indigents through an agreement with Eskom. The table above shows that an average of 5 per cent of the total equitable share is allocated to subsidise for the provision of free basic services including the pre-paid electricity and provision of alternative sources of energy to qualified indigent households. With more than 60 per cent of the total household population within the Municipality earning less than R 3000, it is anticipated that the indigent subsidy currently provided might not be sufficient to cover all indigent households once the registration process is complete.

6.2.5 Operating Grants and Subsidies

DETAILS	PROJECTED FORECAST	PROJECTED FORECAST	PROJECTED FORECAST	PROJECTED FORECAST
	BUDGET YEAR 2015/16	BUDGET YEAR 2016/17	BUDGET YEAR 2017/18	BUDGET YEAR 2018/19
SUBSIDIES:EQUITABLE SHARE	209,735,000.00	198,064,000.00	210,568,000.00	220,153,000.00
MUNICIPAL SYSTEMS IMPROVMENT GRANT (MSIG)	930 000	0	0	
SUBSIDIES:LOCAL GOV FINANCE MGT GRANT (FMG)	1 600 000	1 625 000	1 700 000	1700 000
MUNICIPAL INFRASTRUCTURAL GRANT (MIG)	3 210 981	3 210 981	3 410 062	3 611 255
EPWP	1 052 000	1 144 000	-	
LIBRARY GRANT	300 000	350 000	371 700	393 630
TOTAL GRANTS AND SUBSIDIES	216 827 981	202 899 981	215 678 062	R 225 857 885

Table 42

With the promulgation of the Division of Revenue Act, 2013, cognisance needs to be taken of the following operating grant and subsidies allocations:

From the table above, it is evident that Equitable Share still remains a significant operating grant funding source for the implementation of free basic services amongst others. The equitable share expected to increase by R72 million over the MTREF period ending in the 2016/2017 financial year based on the 2013/2014 revised budget.

1.2.6 Expenditure Management

A major strategy related to the outcome of this financial plan was aligned to generating further operational gains and efficiencies to ensure the Municipality undertakes detail financial planning aligned to budgeting for improved service delivery. The operating expenditure budget is a direct product of this initiative, of which operational capacity created has been directed to the capital affordability limitations.

Total operating expenditure is estimated to increase by an average of 13 per cent over the 2016/2017 MTERF budget period with total income expected to increase by an average of 15 per cent over the same period. The operating surplus margins are very low and may affect the sustainability of the Municipality. The Municipality has reviewed its Supply Chain Management Policy to ensure that procurement processes are implemented in compliance to SCM regulations and therefore minimize the level of unauthorized expenditure.

6.2.7 Capital Budget

The following table is a breakdown of the total capital expenditure for the 2015/2016 medium-term period:

ITEM DESCRIPTION	PROJECTED FORECAST BUDGET YEAR 2015/16	PROJECTED FORECAST CURRENT YEAR 2016/17	PROJECTED FORECAST OUTER YEAR 2017/18
COMPUTERS & PRINTERS	615 280	177 733	152 415
INFRASTRUCTURE	53 122 019	55 210 764	58 342 467
OFFICE FURNITURE & EQUIPMENT	371 920	44 393	46 879
TOOL AND EQUIPMENT	357 200	166 475	175 797
PLANT & EQUIPMENT	40 000 000	40 000 000	40 000 000
VEHICLES	-	-	-
REFUSE TRUCK	-	-	-
INSTALLATION OF STREET LIGHTS/HIGH MAST LIGHT	2 500 000	1 897 200	1 999 649
SAKWE PARK EXT.2	2 417 592	-	-
SOFTWARE	524 000	554 916	585 991
ELECTRIFICATION PROGRAM	20 000 000	25 000 000	30 000 000

SERVERS	104 800	110 983	117 198
SOLAR PANEL	-	111 619	117 869
TRACTOR	450 000	-	-
MOBILE TOILETS	300 000	-	-
CHAIRS FOR COMMUNITY HALLS	209 600	221 966	234 397
Table 43	120 972 411	123 496 049	131 772 663

It is evident from the table above that the largest infrastructure transfer for the 2015/16 financial year remains the Municipal Infrastructure Grant with a total budget of over R53.1million.

6.2.8 Municipal Infrastructure Grant

The MIG supports the broader objectives of the Municipality in the delivery of basic services to poor households and the alleviation of poverty. With the maintenance of access roads and construction of community halls, the economic development of Mbhashe Municipality is stimulated and also contributes to job creation.

6.2.9 Sources of Capital Expenditure

The figure below is graphic illustration of the sources of funding for the capital expenditure for the 2015/16 financial year

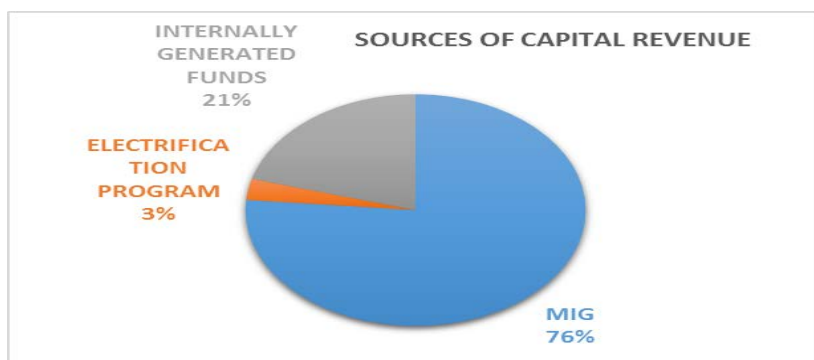


Figure 15

The figure above shows that the Municipality is funding its capital expenditure to the equivalence of 21 per cent of the total capital budget of R67.8 million during the 2014/2015 financial year. The municipality is investing on assets to ensure that basic service delivery to its community is achieved.

Sustainability of the Municipality

One of the Key Performance Areas of the Municipality in the IDP process is on Financial Viability which also contributes in assessing municipality's long-term sustainability. In assessing the Municipality's liquidity position, the Municipality has applied the following

mechanism to assess the cash position of the Municipality to support the implementation of the 2015/16 MTREF budget.

- Debt collection rate
- Liquidity ratio

6.3.1 Debt Collection Rate

The graph below illustrates the relationship between billing and receipts for Municipal rates and refuse services monthly between July 2013 and December 2013. The Municipality bills a constant revenue of R 536 134 per month for both rates and refuse services.

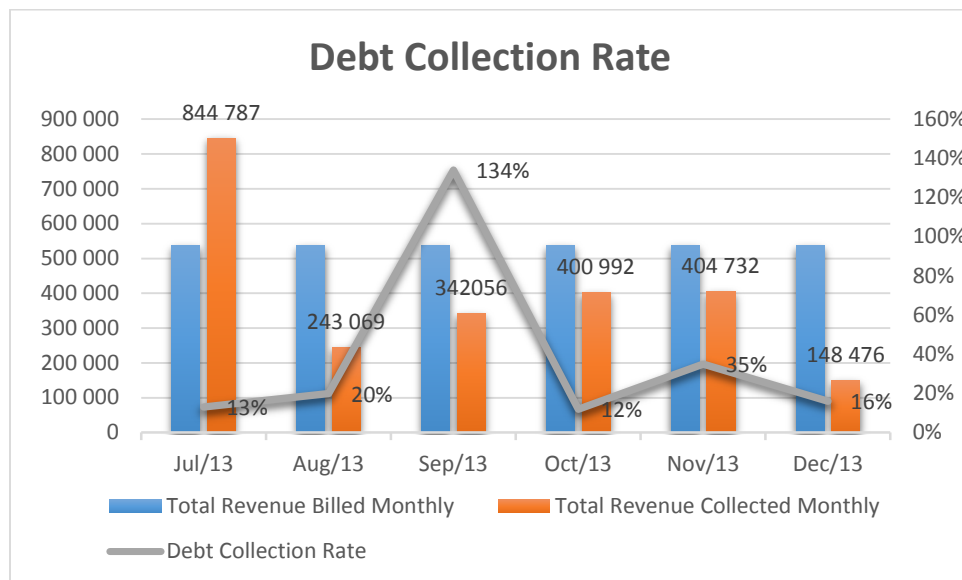


Figure 16

The municipality has a combination of customers who pay their rates annually and those that pay monthly. This is evident in the graph above where the debt collection rate is 134 per cent during the month of September 2013 where the Department of Public Works paid its annual rates. The average debt collection rate for municipal rates and refuse based on the graph above is around 38 per cent between the month of July 2014 and December 2014..

The data cleansing exercise has identified who the customers of Mbhashe Municipality are and all administrative errors including irrecoverable debts are being corrected. The appointment of a debt collector is aiming at improving the debt collection rate during the 2015/16 medium term.

6.3.2 Liquidity Ratio

The liquidity ratio provides an indication of the municipality's ability to pay its short term debts in the short- term (viability of an entity). The ratio indicates how many times the current assets, if liquidated, pay the current liabilities. The norm (considered acceptable) is 2:1 i.e. the current assets are double the current liabilities. The ratio focuses on the following:

<p>Current Assets:</p> <ul style="list-style-type: none"> - Receivables from non-exchange transactions - VAT Receivable - Consumer Debtors - Cash and Cash Equivalent 	<p>Current Liabilities:</p> <ul style="list-style-type: none"> - Operating Leases - Payables from exchange transactions - Unspent conditional grants and receipts - Provisions - Bank Overdraft
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As part of the budgeting process, the Municipality budgeted more than R9 million over the MTEF period on projects earmarked to improve the audit opinion especially around property plant and equipment and preparation of annual financial statements.

6.3.3 Conclusion

Operational efficiencies, including revenue enhancement, improved debt collection, effective and efficient Supply Chain Management processes as well as capital infrastructure-expansion and various planned construction and property development programmes will lead to long-term sustainability of the municipality and sustainable service delivery for the municipal community as a whole.

Improvement in the Municipality's human resources capacity by filling in all critical service delivery and administrative driven positions will contribute positively to the sustainability of the Municipality. This should be done hand-in-hand with the refinement of processes and procedures followed by municipal staff in performing their day-to-day operations. In order for the Municipality to improve its overall performance, it is important to implement Performance Management System with clearly defined processes (roles and responsibilities) and measurable outputs (targets, monitoring and review performance), amongst other to ensure compliance to the requirements of the Municipal Systems Act.

CHAPTER 5

IDP APPROVAL

The process of approval for this Draft DP involved a series of consultative meetings with all stakeholders including: all wards, representative forum members, sector departments, internal departments, the district and MEC for Local Government. A draft IDP was tabled in the council on 31 March 2017 and thereafter was used to solicit comments from various 7municipal stakeholders through IDP and Budget roadshows in April 2017.

This being the final IDP document is produced, tabled to council and marketed to all relevant audiences to ensure continuous buy-in and support for IDP implementation. Copies will also be forwarded to relevant authorities such as MEC for Local Government in the province, the District and other development agencies that will be lobbied to contribute to the development agenda of municipality.