



MAKANA
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...a great place to be

FINAL

**MAKANA MUNICIPALITY
INTEGRATED DEVELOPMENT PLAN
2018-2019**

(i) FOREWORD:

This document constitutes the first review of the five year term of 2017/2022 Integrated Development Plan (IDP). This IDP revision will provide Municipality with an opportunity to reflect and devise innovative ways to improve service delivery. We continuously strive towards a more Integrated planning approach whereby we seamlessly integrate our IDP, budget and performance management system with one another while simultaneously aligning our planning to National and Provincial plans and frameworks specifically the National Development Plan 2030 and Provincial Strategic Plan which sets out the Eastern Cape Government's vision and strategic priorities for their current term of office.

Our development priorities remain substantially the same as last terms of with some changes, Priority Number remain Basic Service Delivery and Infrastructure Development with revised key focus *Service delivery improvement plan* prioritising Water and Sanitation Infrastructure development, maintenance of roads and refurbishment of electricity infrastructure. Community and Social Development is priority number two with main focus are of clean city and waste management also upgrading of infrastructure like fleet.

Priority three Local Economic Development and rural Development, with key focus areas like radical socio economic transformation, job creation, SMME' development, Heritage & Tourism and Agriculture development. Priority four Institutional development and financial Viability with revised special emphasis on Institutional Strengthening, Human Resources and Revenue Improvement Programme and Financial Sustainability.

Priority number five is Good Governance and Public Participation with special emphasis on Improve Stakeholders and community engagement and alignment to sector department. We also need to place a strong emphasis on good governance, especially financial management, performance management and compliance with laws and regulations. We are pleased to say that our 2016/2017 Audit outcome was qualified and we need to improve this opinion and build on this achievement.

Priority number six Human Settlement Management with understanding the function is not mandate of the municipality, however we will ensure beneficiary administration is properly managed and upgrading infill areas with intention Fast-track Township establishment.

The global and national economic recession has an impact on our Municipality and manifests in poverty and an inability of many residents to pay municipal service charges. We have therefore need to review our financial policies in a bid to ensure that we meet the basic needs of the community and that our services are equitable and accessible.

We also need to focus on the economic development of our community, especially the creation of an enabling environment for economic growth, *Jobs and Development initiative*. Good municipal infrastructure, service delivery and clean governance are pre-requisites to attracting investment and development within in our municipal area.

The Constitution places a developmental duty on Municipalities which requires us to structure and manage our administration, budgeting and planning processes in a manner that gives priority to the basic needs of the community whilst promoting social and economic development.

N. GAGA
EXECUTIVE MAYOR

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(III) ACRONYMS AND ABBREVIATIONS:

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

AFF	Asset Financing Fund
Opex	Operation expenditure
Capex	Capital Expenditure
MAPC	Municipal Public Account Committee
CIP	Comprehensive Infrastructure Plan

(IV) OVERVIEW OF THE MUNICIPALITY

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

Towns and villages of Makana Municipality:

Grahamstown:

Makana Local Municipality is one of the seven (7) local municipalities in the Sarah Baartman District in the Eastern Cape. The main seat of the Municipality is in Grahamstown. The municipality covers of an area 1690 square kilometres with a population of 82060 as per 2011 SA Statistics and 2016 SA customer survey indicate population growth increase of 2.1 % to 82060 and municipality cover an area of 4 375.62 square kilometres and constitute 7.5 of Sara Baartman District Municipality.

Ninety percent of the population live in Grahamstown. The importance of Grahamstown as an economic Hub cannot be overemphasized. At the heart of Makana is the city of Grahamstown, situated 55 kilometres from the coast. Grahamstown is famous as one of the leading cultural, educational and tourist centres and hosts the National Arts Festival in South Africa for the last 43 year which is the International Event and the 3rd largest festival in the world. In 2017 performers from more than 33 countries participated in the festival. The Festival was also attended by many ambassadors from foreign countries. The festival occurs in almost every University hall, School halls, public halls, churches as well as in the various townships throughout Grahamstown. The Festival attracts thousands of visitors in the City. It is crucial that the municipality is able to ensure a good road network as well as important water, sewerage and electricity provision.

Grahamstown is also the primary location of Rhodes University and other prominent and internationally acclaimed primary and high schools/colleges are found in Grahamstown.

Rhodes University with a population of approximately 7 000 students is the largest ratepayer. The University hosts many strategic faculties. These faculties cover a wide area. The University therefore requires very capable and workable Infrastructure. Students and academics from all over the world are based on the campus. The Vice Chancellor of Rhodes bemoaned the poor state of the municipal infrastructure at the recent graduation ceremony.

Grahamstown is also the seat of the High Court in the Eastern Cape. The judiciary is based here. The city also has to host legal teams from throughout the country, during high profile cases.

Alicedale:

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

Salem:

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

Riebeek east:

The Dutch Reformed Church established the village of Riebeek East in 1830 on the farm Mooimeisiesfontein, the home of the famous Voortrekker leader Piet Retief. Riebeek East is now in the midst of a game and sheep farming area and offers many attractions and hiking trails through the surrounding diverse and beautiful hills.

Seven fountains:

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

Fort brown:

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

Sidbury 1820:

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

Manley flats:

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

Carlisle Bridge:

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

(V) MAKANA VISION AND MISSION STATEMENT

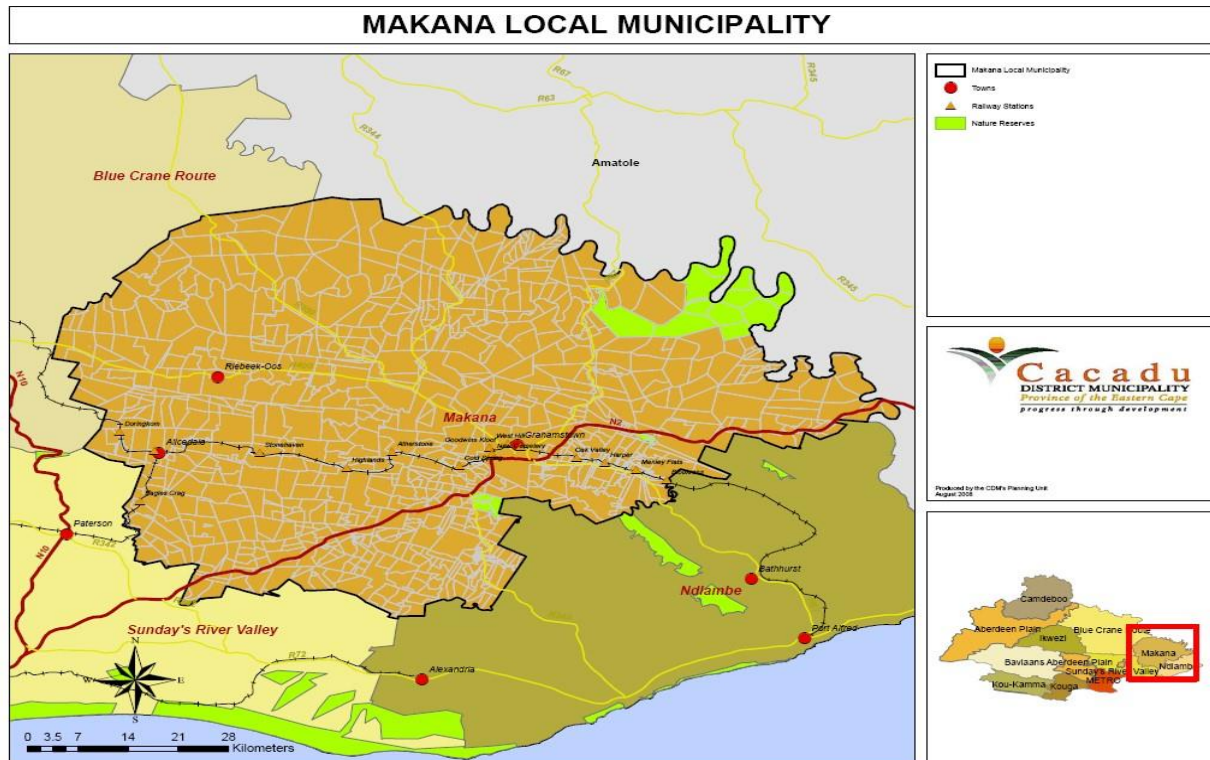
“Makana Municipality strives to ensure sustainable, affordable, equitable and quality services in a just, friendly, secure and healthy environment, which promotes social and economic growth for all”.

CORE VALUES OF THE MUNICIPALITY:

Figure1

- Value –Behaviour
- Honest – Corrupt Free
- Accountability - answerable for our actions
- Participation Democracy- Ensure maximum involvement of all stakeholders in all our activities
- Transparency - open and communicate freely
- Quality - committed to a culture in which we continuously strive for excellence
- Professionalism - practice the highest standards applicable to our work and we embrace humanity, discipline and respect

Map 1



CHAPTER ONE: PREPARATION AND PLANNING PROCESS

The Makana local municipality's is undergoing its first review of the five year Integrated Development Plan (2017-2021)

1.1 BACKGROUND

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

Makana Municipality's commitment to developing a **"Great Place to be"** is driven with specific emphasis of translating the Municipality's strategies into an Implementable Action Plan. The Municipality will be committed in ensuring that, its revised **Developmental Priorities** in the IDP 2017-22 are achieved.

1.2 LEGAL FRAMEWORK

This document represents the First review of Makana Municipality's Integrated Development Plan (IDP) 2017 –2022).

IDP's are compiled in terms of the requirements of Chapter 5 of the Municipal Systems Act (MSA) (Act 32 of 2000), Section 25 of the MSA states inter-alia the following:

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

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

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

- a) must review its IDP
- (i) annually in accordance with an assessment of its performance measurements in terms of section 41 of the MSA,
- (ii) according to the extent that changing circumstances so demand; and
- b) may amend its IDP in accordance with a prescribed process.

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

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

Section 36 of the MSA states that a municipality must

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

1.3 MAKANA FIVE YEAR INTEGRATED DEVELOPMENT PLAN

The IDP document will represent the strategic plan of Makana Local Municipality that will guide and inform all planning and allocation of resources for the five-year period, 2017-2022. It is informed by National and Provincial Government priorities.

1.4 MANDATE AND GUIDING PARAMETERS

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

Over and above the legislative context, there are National, Provincial and District wide guiding policies and frameworks that exist, which the Makana Local Municipality needs to bear cognisance of. The guiding policies and frameworks of each sphere of government are invariably interlinked in their objective to attain sustainable development, the primary components of which are highlighted below.

1.4.1 SUSTAINABLE DEVELOPMENT

The Millennium Development Goals (MDG) and targets stem from the Millennium Declaration by 189 Countries in 2000 to work towards achieving economic and social development priorities which were subsequently termed Millennium Development Goals. These have come to an end in 2015.

Seventeen sustainable development goals have been put together for the next fifteen years to 2030. South Africa is signatory to that agreement. The MDG's have been embraced by Government and are aligned with the Medium Term Strategic Framework (MTSF), which outlines national government development priorities. The Makana Local Municipality will consider the 17 sustainable development goals in its development agenda.

1.4.2 NATIONAL OUTCOMES

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

Table 1

Nat. Outcome	National outcomes	Nat. Outcome	National outcomes
NO1	Quality basic education	NO7	Vibrant, equitable, sustainable rural communities contributing towards food security for all

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

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

1.4.3 NATIONAL DEVELOPMENT PLAN

The National Development Plan sets out firm proposals to solve the country's problems and to deepen the engagement of all South Africans from all walks of life in building the future. Focus on people's capabilities is at the centre of the plan. These include education, skills, decent accommodation, nutrition, safe communities, social security, transport, and job opportunities.

The National Development Plan goal is to reduce poverty, inequality and unemployment by 2030. The MTSF priorities which are regarded as Government's five year implementation phase of the NDP are informed by the NDP following intervention areas,

- Economy and Employment
- Economic Infrastructure
- Environmental Sustainability and Resilience
- Improving Education Training and Innovation
- Health Promotion
- Inclusive Rural Economy

- Human Settlements and Spatial Transformation
- Social Protection

The National Development Plan informs the fourteen (14) Medium Term Strategic Framework priorities and is regarded as the five year implementation plan of the NDP. Provincial Development Plan – Vision 2030 The PDP principles in a nutshell include social economic and spatial justice; Gender Equality; Intergovernmental Equity; Citizens participation; promotes ethical, integrated multi-agent action; Public good; Respects evidence and critical deliberations and takes accountability seriously.

1.4.4 PROVINCIAL DEVELOPMENT PLAN

The Eastern Cape Province, guided by the NDP has developed its own long term vision, a Provincial Development Plan. The PDP is aligned to the seven Provincial Strategic Priorities which are:

- Stimulating rural development, land reform and food security
- Better access to quality education
- Promote better healthcare for all our people
- Intensifying the fight against crime
- Integrated human settlements and
- Strengthening the developmental state and good governance
- Transformation of the economy to create jobs and sustainable livelihoods

The strategic priorities are aligned to the National Government’s Medium Term Strategic Framework (2014 – 2019)

1.4.5 DISTRICT DEVELOPMENT INTERVENTION PRIORITY ISSUES

Table 2

SARAH BAARTMAN LONG TERM VISION STRATEGY		
Economic Development	Human Development	Infrastructure
Energy	Mass Employment Programmes	energy
Green Economy	Poverty Eradication Programme	Water
Agro-industry	Access to basic services	Irrigation and ago-logistics
Tourism	Skills and education	Transport
Creative industries		Bulk Infrastructure
Component supplies		WSA/WSP
Maritime		
Key Enabler and Interventions Programmes		
Institutional Transformation - Governance		

Table 3

DEVELOPMENT PRIORITIES 2011/17	DEVELOPMENT PRIORITIES 2017/22
Infrastructure Development	Basic Service and Infrastructure Development
Economic Development	Local Economic Development
Capacity Building and Support to Local Municipalities	Municipal Financial Viability and Management
Institutional Development	Municipal Transformation and Organizational Development <ul style="list-style-type: none"> ▪ Review the following functions: ▪ WSA/WSP ▪ Environmental Health Service ▪ Fire Services ▪ With the intent of the District delivering the services directly
Community Services	Governance and Public Participation

1.4.6 MAKANA DEVELOPMENT PRIORITIES / AGENDA

The Makana Municipality has adopted the Local Government Strategic Agenda Priorities as the priorities that will achieve their respective visions. This is in line with aligning IDP and Budget for MSCOA (Municipal Standard Charter of Account) reporting and in response to the call to President and Premier to be visible and active champions of the National Development Plan with their offices being the catalytic agencies to drive implementation at Provincial and Municipal levels.

The five year IDP responds to the NDP, PDP, MTSF and Provincial Strategic Priorities by identifying the development priorities listed below for the Makana Municipality. The combination of community planning with inter-spheres strategic planning will culminate in local initiatives becoming central to provincial and national government programs that will manifest in credible IDPs which are reflective of a developmental state.

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

Table 4

NUMBER	2017-2022 DEVELOPMENT PRIORITIES
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Development Priority No. One:	Basic Service Delivery and Infrastructure Development
Development Priority No. Two:	Community and Social Development
Development Priority No. Three	Local Economic and Rural Development
Development Priority No. Four	Institutional development and Financial Viability
Development Priority No. Five	Good Governance and Public Participation
Development Priority No. Six:	Human Settlement Management

1.4.7 DEVELOPMENT PLANNING STRATEGIC FRAMEWORK ALIGNMENT

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

Table 5:

Medium Term Strategic Framework	New Growth Path	Provincial Strategic Priorities	District Municipality	Makana LM & Local Gov. KPA	Outcome
2. Strengthen skills and human resource base. 8. Pursuing African advancement and enhanced international cooperation. 10. Building a developmental state including improvement of public services and strengthening democratic institutions.		<p>Strategic Priority 2: Massive programme to build social and economic infrastructure.</p> <p>Strategic Priority 4: Strengthen education skills and human Resources base.</p> <p>Strategic Priority 8: Building cohesive, caring and sustainable communities</p>	Municipal Transformation and Organisation	Institutional Development and Financial Management	<p>Outcome 1: Quality basic education. Outcome 5: Skilled and capable workforce to support an inclusive growth path.</p> <p>Outcome 3: All people in SA are and feel safe.</p> <p>Outcome 9: Responsive, accountable, effective and Efficient Local Government System.</p> <p>Outcome 12: An efficient, effective and development oriented public service and an empowered fair and inclusive citizenship.</p>
5. Intensify the fight against crime and corruption;		<p>Strategic Priority 6: Intensifying the fight against crime & corruption;</p>		Community and Social Service	<p>Outcome 9: Responsive, accountable, effective and efficient Local Government System</p>

<p>Build cohesive, caring and sustainable communities.</p> <p>7. Pursuing African advancement and enhanced international cooperation.</p> <p>10, Building a developmental state including improvement of public services and strengthening democratic institutions</p>	<p>Job driver 4: investing in social, capital and public services</p>	<p>Strategic Priority 6: Intensify the fight against crime and corruption.</p> <p>Strategic priority 8: Building cohesive and sustainable communities.</p>	<p>Good Governance and Public Participation</p>	<p>Good Governance and Public Participation</p>	<p>Outcome 7: Vibrant, equitable, sustainable rural communities contributing towards food security for all. Outcome 9; Responsive, accountable, effective and efficient Local Government System.</p> <p>Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.</p> <p>Outcome 11: Create a better South Africa, better Africa and a better world.</p>
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Medium Term Strategic Framework	New Growth Path	Provincial Strategic Priorities	District Municipality	Makana LM & Local Gov. KPA	Outcome
<p>1. Speeding up economic growth & transforming economy to create decent work and sustainable livelihoods;</p> <p>4. Comprehensive rural development strategy linked to land and agrarian reform & food security.</p>	<p>Jobs driver 2: main 3: he economic sectors Jobs driver Seizing potential of new economies</p>	<p>Strategic Priority 1: Speeding up growth & transforming the economy to create decent work & sustainable livelihoods;</p> <p>Strategic Priority 3: Rural development, land & agrarian reform and food security;</p> <p>Strategic Priority 2: Massive programme to build social & economic infrastructure.</p> <p>Strategic Priority 8: Building cohesive & sustainable communities.</p>	<p>Local Economic Development</p>	<p>Local Economic Development and Rural Development</p>	<p>Outcome 4: Decent employment through inclusive economic growth.</p> <p>Outcome 6: An efficient competitive and responsive economic infrastructure network.</p> <p>Outcome 7: Vibrant, equitable, sustainable rural communities contributing towards food security for all.</p> <p>Outcome 8: Sustainable human settlements and improve quality of household life.</p> <p>Outcome 10: Protect and enhance our environmental assets and natural resources.</p>

<p>3. Improve health profile of the nation.</p> <p>4. Comprehensive rural development strategy linked to land and agrarian reform & food security. 6. Massive programme to build economic & social infrastructure;</p> <p>9. Sustainable resource management and use.</p>	<p>Job driver 1 infrastructure</p> <p>Jobs driver 5: spatial development</p>	<p>Strategic Priority 5: Improve the health profile of the province.</p> <p>Strategic Priority 3: Rural development, land and agrarian transformation, and food security.</p> <p>Strategic Priority 2: Massive programme to build social and economic and infrastructure.</p>	<p>Basic Service and Infrastructure Development</p>	<p>Basic Service Delivery and Infrastructure Development.</p>	<p>Outcome 6: An efficient, competitive and responsive economic infrastructure network.</p> <p>A long and healthy life for all South Africans. Outcome 8: Sustainable human settlements and improve quality of household life.</p> <p>Outcome 10: Protect and enhance our environmental assets and natural resources.</p>
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1.4.8 STATE OF THE NATION AND PROVINCE ADDRESS

Table 6:

NATIONAL ADDRESS

Summary of Actions in the State of the Nation Address 16th February 2018

Transformation

Support black industrialists – to build a new generation of black entrants and women producers that are able to build enterprises of significant scale and capability. Use competition policy to open markets to new black entrants. Invest in the development of township and rural enterprises.

Infrastructure

Assemble team to speed up implementation of new projects, particularly water projects, health facilities and road maintenance.

Small business, co-ops, township enterprises

Honour 30% of procurement allocation to these enterprises. Invest in SMME (Small Medium and Micro Enterprises) incubation. Welcome SMME Fund initiative by corporate sector.

Land and agriculture

Accelerate our land redistribution programme and make more land available. Expropriate land without compensation, taking into account food security, agricultural production and growth of the sector.

PROVINCIAL PRIORITIES :

Education:

The creation of better access to quality education in 2016 State of the Province Address education was identified as the provincial apex priority due to its strategic contribution in building successful nations and in growing the economy.

Health:

Promoting better healthcare for all our people, we had previously stated that our objective is to address the social determinants of health and to improve health outcomes and quality of life of our people.

Stimulating rural development, land reform and food security in the Province.

Accordingly, in pursuit of the target of cropping 300 000 ha, which we set in the previous SOPA (State of the Province Address), we planted 195 421 ha with maize, where 3 670 smallholders participated.

For the current season, 15 000 ha have been ploughed, and other inputs have been procured to the value of R91.6 million. Furthermore, a total of 3 409 households were supported with seedlings, garden equipment and water harvesting facilities.

Transformation of the economy to create jobs and sustainable livelihoods

Through our economic agencies such as COEGA IDZ (*Coega Industrial Development Zone*), East London IDZ (*East London Industrial Development Zone*) and the ECDC (*Eastern Cape Development Corporation*), we have added a total of 12 740 new jobs in the areas of manufacturing, logistics, alternative energy and agro-processing. In agro-processing, through the work done by our IDZs (Industrial Development Zones), a total of 2 035 operational jobs and 1 188 construction jobs have been created. As part of the social safety net a total of 98 185 job opportunities were created in the Expanded Public Works Programme. Through the community works programme, we created 37 346 jobs, with women being the most beneficiaries.

Roads are a critical enabler to access and mobility.

Slowly but surely, our roads infrastructure is improving. I am sure all of you can attest to the fact that everywhere you go in the Province there are road works.

Through our collaboration with SANRAL, we are continuing to upgrade Provincial and National roads within the province.

Strengthening the Developmental State and Good Governance.

It has been sixteen years since the establishment of Wall to wall Developmental Local Government in South Africa, which among other things, was intended to bring government closer to the people. On the whole, the system of local government in the Province has been fairly stable since its establishment. Of course there have been challenges which we have had to respond to through a myriad of programmes and special interventions. Through the Back to Basics Programme, we are providing hands-on support to municipalities throughout the Province. We are also rolling out War Rooms in all wards in order to promote citizen participation in planning and a 20 page 2016 State of the Province Address programme implementation. As we speak, the Chris Hani district has been leading in the rolling out of these War Rooms at ward level, with 112 of them established and functional.

Integrated Human Settlements:

This remains a key focus of Government as we move towards a society characteristic of a better life for all. At the Congress of the People, back in 1955 in Kliptown, we said, that “there shall be houses for all.” Accordingly, we are continuing with our programme of providing sustainable human settlements for our people. Among other things, as part of a national drive to promote home ownership, 2 954 title deeds have been issued. Similarly, eighteen informal settlements have been upgraded. For the current financial year we had planned to build 13 100 quality housing units, service 10 231 sites and rectify 2 311 units. Up to 97% of the targeted housing units were delivered, and we have surpassed the targets for site servicing and rectification.

Building of Cohesive Communities and Nation Building

Putting first the welfare and future of the people of the Province remains a top priority in government. In 2016 State of the Province Address has identified harsh economic times, the poor were the most affected. The poor were the prime victims in the crisis that they did not cause and are unable to resolve.

1.4.8 PROVINCE BUDGET FRAMEWORK

1.4.8.1 BUDGET FRAMEWORK:

Honourable Members, the Eastern Cape Provincial Government finances its budget through National Transfers (Provincial Equitable Share and Conditional Grants) and Provincial Own Receipts. The projected receipts for the 2018/19 financial year are R78.177 billion and R249.146 billion over the 2018 MTEF period. The 2018/19 financial year provincial receipt consist of:

- Equitable Share of R 65.499 billion which accounts for 83.8 % of provincial receipts,
- Conditional Grant 11.263 billion which accounts for 14.4 % , and
- The Provincial Own Receipts of R1.414 billion which accounts for 1 %.

1.4.8.2 HUMAN SETTLEMENTS

An amount of R 7.497 billion is allocated in 2018/19 to the Department of Human Settlements and R 2.376 billion over the MTEF to continue building adequate housing for our people in line with the Freedom Charter Principle which states that ***“There Shall be Houses, Security and Comfort”***.

Table 7

ALLOCATION	AMOUNT
New houses units	8950 units
Rural Intervention	R902.578t
Informal Settlement Development and Upgrading	R 363. 649
Title Deeds Restoration	R 65.583

1.4.8.3 SOCIAL DEVELOPMENT

A total amount of R 9.114 billion has been allocated to the Department of Social Development over the 2018 MTEF, of which R2.836 billion for 2018/19

Table 8

ALLOCATION	AMOUNT
Provision of Social Welfare Service to communities	R 1.124 Billion
Violence Against Women and Children	R 27.998 million
Frail Care Person	R 126.721million
Service to Older Person	R 86.170 million
Service to Person with Disabilities	R 30.315 million

ALLOCATION	AMOUNT
Early Childhood Development and Partial Care	R 272.483 million
Youth Development	R 2.385 million
Women Empowerment	R2.624 million
Institutional Capacity Building	R 12 million

1.4.8.4 HEALTH

A total of R75.966 billion has been allocated to the Department of Health over the 2018 MTEF of which R 23.699 billion

Table 9

ALLOCATION	AMOUNT
Health Infrastructure	R 1.585 billion
Comprehensive HIV/AIDS and TB	R 2.098 billion
Training and Development	R 885.346
Tertiary and Specialised Hospital Services	R 3.447
National Health Laboratory Services for blood testing	R 746.747 million
Medicine	R 1.956 billion
Medical Supplies encompassing blood products and medical implants	R 740.572
Emergency Medical Services	R 1.284
Priority Hospital	R 678.060
EDUCATION	
ALLOCATION	AMOUNT
1. Public Ordinary School	R6.345 billion
• Universalization of early Childhood Development (ECD)	R2.5 billion
• Inclusive Education Public Schools	R2 577 billion
• Independent schools	R415.308 million
• Educator Post Provisioning Norm (PPN)	R82.917 billion
• Teacher Development	R752.087
• Learner Attainment Improvement Strategy (LAIS)	R80 million and R255 million
• Learner Teacher support Material (LTSM) and School furniture	R2.297 billion
• School Furniture	R692.748 million
• Maths, Science and Technology (MSTE) grant	R46.805 million

<ul style="list-style-type: none"> • Education infrastructure • National School Nutrition programme (NSNP) • HIV and Aids (Life Skills Education) 	R4.433 billion R3.862 billion R136.395 million
TRANSPORT	
2. Public transport <ul style="list-style-type: none"> • School transport • Law enforcement on provincial roads • Roads Infrastructure 	R502.128 million R504.531 million R308.777 million R2.184 billion
RURAL DEVELOPMENT AND AGRAIAN REFORM	
3. Food Security <ul style="list-style-type: none"> • Veterinary Services • Agricultural infrastructure • Magwa Business Rescue 	R165.290 million R901.384 million ¹ 211.597 million R53.313 million
COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS	
4. Municipal Support	R242.475 million
PUBLIC WORKS	
5. Expanded Public works programme	R95.511 million
<input type="checkbox"/> Public works infrastructure	R1.667 billion
ECONOMIC DEVELOPMENT, ENVIRONMENT AFFAIRS & TOURISM	
<input type="checkbox"/> Economic Development and Tourism	R591.542 million
<input type="checkbox"/> Eastern cape Liquor Board	R59.541 million
<input type="checkbox"/> Local and Regional Economic Development	R21.001 million
<input type="checkbox"/> Eastern cape Development Cooperation (ECDC)	R12.600 million
<input type="checkbox"/> Coega Development Cooperation	R94.947million

1.5.3 MEC COMMENTS 2017/18

1.5 PROCESS PLAN (2017/18 CYCLE)

Council formulated and adopted an IDP Process Plan in August 2017 to serve as guide in preparation for the review of the Integrated Development Plan. In brief the IDP Process Plan outlines the time frames of scheduled events / activities, and co-ordinate structures involved in the processes.

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

1.5.1 OBJECTIVE OF THE IDP REVIEW PROCESS PLAN

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

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

1.5.2 APPROACH TO THE 2017/18 IDP REVIEW

- Strategic review of the refining of strategies of 2017/2018
- Review Community Based Plans
- Sector Alignment
- IDP –Budget Alignment
- Community Engagement (Public Participation) for approval and final
- Review of status of the sector plans
- Compliance with MSCOA
- MEC Comments

Table 10

KPA	RATING 2013/14	RATING 2014/15	RATING 2015/16	RATING 2016/17
Spatial Planning, Human settlement	High	High	High	High
Service Delivery	Medium	High	High	Medium
Financial Viability	Medium	Medium	Medium	Medium
Local Economic Development	High	High	High	High
Good Governance & Public Participation	High	Medium	High	High
Institutional Arrangements	Medium	Medium	Medium	High
Overall Rating	Medium	High	high	High

Table 11

KEY MEC COMMENTS ACTION PLAN 20 16/17		
KPA	2016/17 ASSESSMENT	RESPONSE/ACTION/PLANNED
Spatial Planning, Human settlement	SDF (Spatial Development Framework)	Municipality has been having challenges on funding to reviews its SDF, however the municipality has secured funding for 2018/19 for the review from MISA (<i>Municipal Infrastructure Support Agent</i>)
	Land audit	It has been developed but awaiting council adoption
	SPLUMA (Spatial Planning and Land Use Management Act) Implementation	The nomination of the members of the MPT was advertised but there were no responses. The municipality needs to re-advertise
Local Economic Development	Reflection of Demographics in the socio-economic analysis	IDP has been revised to include information under LED and Rural Development
	Review of LED Strategy	LED Strategy will be prioritised in the 2018/19 financial year
Financial Viability and Management	No Financial Plan	Development of Financial Plan will be prioritised in the 2018/19 financial year
Good Governance and Public Participation	Integrated Service Delivery Model	Municipality prioritise implementation of ISDM (<i>Integrated Service Delivery Model</i>) across the municipality as currently is working in the two wards
Service Delivery and Infrastructure	Three year Road Capital Plan	Municipality will be developing a three year Road Capital Plan in 2018/19 financial year

1.5.4 ROLES AND RES/PONSIBILITIES INTERNAL AND EXTERNAL

Institutional Arrangement	Mechanisms to management of satellites offices	Municipality is in process of reviewing its structure to ensure roles and responsibility are well define
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Table 12

ROLE PLAYERS	ROLES AND RESPONSIBILITIES
Council	<ul style="list-style-type: none"> - Final decision making - Approval of the reviewed IDP document
Ward Councillor	<ul style="list-style-type: none"> - Linking the IDP process with their constituencies. - Organizing public participation at Ward level.
Mayor	<ul style="list-style-type: none"> - Assign responsibilities to the MM. - Submit the IDP Process Plan to Council for approval. - Chair the IDP Representative Forum. - Chair the IDP Steering Committee
Municipal Manager	<ul style="list-style-type: none"> - Prepare IDP (Integrated Development Plan) process plan. - Ensures that timeframes are adhered to. - Decide on and monitor IDP process. - Overall management and co-ordination.
Chief financial Officer	<ul style="list-style-type: none"> - Prepare Budget - Advise on availability of financial resources - Alignment of IDP and Budget - Input on the Development of SDBIP (<i>Service Delivery & Budget Implementation Plant</i>)
Mayoral Committee	<ul style="list-style-type: none"> - Helps to harness common understanding between political and administrative components before the IDP reports are considered at Council meeting. - Makes recommendations to the IDP Representative Forum.
IDP Manager	<ul style="list-style-type: none"> - Day to day management of the IDP process. - Co-ordinate technical or sector expertise. - Co-ordinate Sector plan inputs - Prepare draft progress reports.
IDP Steering Committee	<ul style="list-style-type: none"> - Assist and support the Municipal Manager/IDP Manager and IDP Representative Forum. - Information “GAP” identification. - Oversee the alignment of the planning process internally with those of the Local Municipality areas. Portfolio head to lead related Portfolio matters
IDP Co-ordinator	<ul style="list-style-type: none"> - Monitor the Process plan progress - Plan Public Participation Engagement - Alignment of IDP and Budget - Plan stakeholder Engagement

	<ul style="list-style-type: none"> - Integration with Sector departments
The District Council	<ul style="list-style-type: none"> - Co-ordination role with all Local Municipalities within the District. - Ensuring horizontal and vertical alignment of the IDPs of the Municipalities in the District Council area. Facilitation of vertical alignment of IDPs with other spheres of Government and Sector Departments. - Provide events for joint strategy workshops with Local municipalities, Provincial and National Role Players and other subject matter specialist.
Ward Committees	<ul style="list-style-type: none"> <input type="checkbox"/> To be consulted on an individual or collective basis to establish community needs and reach consensus on IDP Projects/ Initiatives and Priorities.
IDP Representative Forum	<ul style="list-style-type: none"> <input type="checkbox"/> Representing public interest and contributing knowledge and ideas.
Government Departments, Parastatals and NGO's	<ul style="list-style-type: none"> • Provide data and information. • Budget information • Alignment of budget with the IDP • Provide professional and technical support. • To assist in facilitating the Community Based Planning (CBP)
DBSA Planning Expert and Sarah Baartman District Municipality	<p>Methodology guidance and professional support in:</p> <ul style="list-style-type: none"> ▪ Strategic and Town Planning ▪ Sector Plan Inputs ▪ IDP Document preparation. ▪ Alignment with National, Provincial and SBDM

1.5.5 MECHANISM FOR COMMUNITY AND STAKEHOLDER PARTICIPATION

Table 13

PHASE	PARTICIPATION MECHANISMS
Analysis	Community Based Planning (Mayoral Imbizo)
	IDP Representative Forum (Community Stakeholder engagement)
PHASE	PARTICIPATION MECHANISMS
Strategies and Objectives	District Level Strategy workshops
	Strategic Planning Session
Project Proposals	IDP Representative Forum Meeting
	Internal IDP/ Budget Alignment
Integration	Internal IDP/ Budget Alignment
Approval	Mayoral Imbizo's Community Engagement on budget
	Opportunity for comments from residents and stakeholder organizations

1.5.6 MECHANISM FOR ALIGNMENT

Table 14

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

1.5.7 REVISED TIME SCHEDULE OF KEY DEADLINES FOR 2017/2018

Table 15

ORIGINAL COMPLETION DATE	ACTIVITY	TIME FRAMES
IDP and Budget	<input type="checkbox"/> Preparation of an IDP / Budget Timetable	August 2017
	<input type="checkbox"/> Co-ordination role of the budget process through preparation and completion of the process plan	September 2017
	<ul style="list-style-type: none"> • Tabling of the Timelines to Council • Submission of the Timelines to Provincial Treasury • Beginning of Annual Report Preparation Process. • Submission of the Budget Checklist • Preparation of the budget related Policies • Review of IDP and Budget processes and develop improvements. 	October 2017

IDP/Budget	<ul style="list-style-type: none"> Determine the funding/ revenue projections for the next three years. CFO to liaise with Council regarding the strategic objectives for service delivery and development for the next three years The Executive Mayor to determine the strategic objectives for service delivery and development for the next three years (IDP reviews) A budget workshop will be held to clarify budgetary requirements and discussing the budget tool. 	November 2017
Budget	<ul style="list-style-type: none"> Preparation of the draft budget by the various departments. Directors to meet with their HOD's and any relevant staff members to discuss draft capital / operational budget to ensure that anticipated expenditure meets parameters set out by National / Provincial Government. 	November 2017
Budget	<input type="checkbox"/> Budget plans, capital / operational budget and all related items to have been consolidated (based on the budget inputs submitted by Departments).	December/ January 2017
Budget and PMS	Mid-Year Budget and Performance Assessment visits	January 2018

1.5.8 REVISED TIME TABLE:

Table 16

PHASE	ACTION	PURPOSE	RESPONSIBILITY	ACTIVITY/ SUBMISSION DATE
SITUATIONAL ANALYSIS	IDP Institutional Analysis	Review IDP Document Key Performance Areas	Directors	6 February 2018
	Directorates Strategic Planning sessions	Review Directorate Strategies	Directors	Between 5 th the 12 th February 2018
	Institutional Strategic Planning Session	Review Institutional Strategies	EM, all Councillor's MM, Directors	8 th of 23 rd February 2018
	Tabling of Draft IDP 2018/19 by Mayor to Council	Adoption by Council	MM and Executive Mayor	28 March 2018

PHASE	ACTION	PURPOSE	RESPONSIBILITY	ACTIVITY/ SUBMISSION DATE
	Advertising of Draft IDP 2018/19	Invite inputs and comment on IDP and Budget. Uploading of draft document to Website and	IDP Manager	27 th March to 18 th April 2018
	Presentation of Draft IDP/ Budget document to extend Senior Management team	Review	MM and Directors	3 April 2018
	IDP/Budget Road Show	Consultation	MM and Directors	18 April to 5 th May 2018
	Presentation of Draft IDP/Budget Document to IDP Steering Committee	Consultation	MM and Directors	25 May 2018
Approval	Presentation of Draft IDP/Budget Document to IDP Representative Forum	Consultation	MM and Directors	29 May 2018
	Presentation of Final IDP/Budget Document Council	Approval	MM and Directors	30 May 2018

1.6 PUBLIC PARTICIPATION STRATEGY AND PROCEDURE

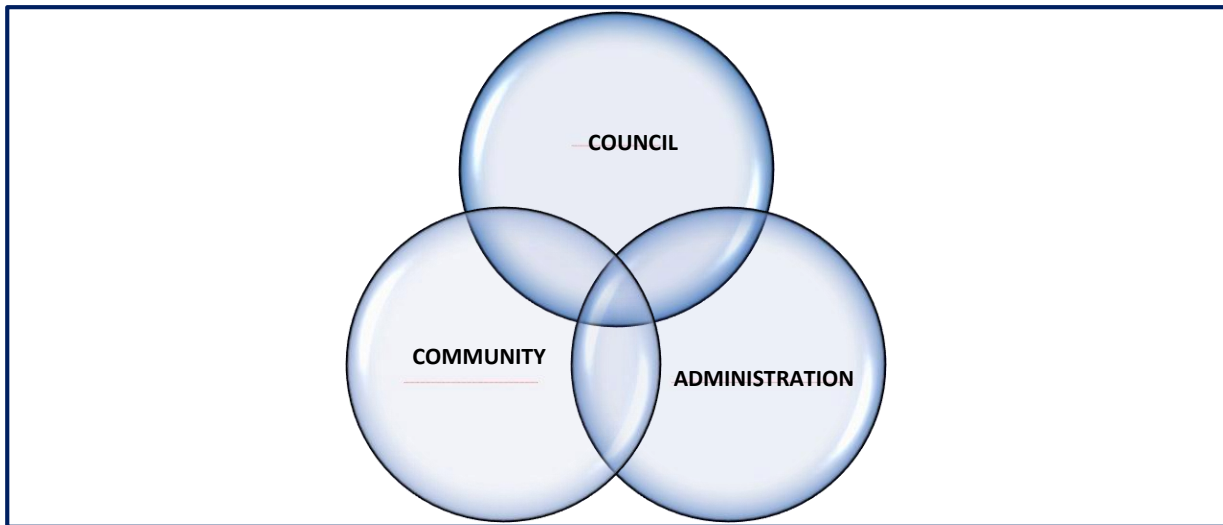
1.6.1 PUBLIC PARTICIPATION STRATEGY

Our public participation strategy is based on the definition of a Municipality as contained in Section 2 of the Municipal Systems Act that states that a municipality consists of:

- The political structures of the municipality (Council).
- The administration of the municipality.
- The community of the municipality.

A municipality functions in its area in accordance with the political, statutory and other relationships between its political structures, political office bearers, administration and its community. This relationship can be depicted as follows:

FIGURE 8: COMPOSITION OF A MUNICIPALITY



Our public participation mechanisms comprise;

- * Sector engagements
- * Ward Public meetings
- * IDP Representative Forums
- * Ward Committee Meetings

The objective of the public participation process to solicit inputs for the 2017/2022 IDP review. The Municipality established the following mechanisms to facilitate public participation;

1.6.2 STAKEHOLDER INPUT AND COMMUNITY BASED PLANNING

The IDP is about determining the stakeholder and community needs and priorities which need to be addressed in order to contribute to the improvement of the quality of life of residents within the Municipal Area. Various stakeholders and sector departments were involved during the draft IDP development process and this process comprises 13 ward meetings and 1 IDP sector meeting.

The IDP public meetings are conducted to ensure that people are included in the planning and to assist the Municipality to achieve its long-term development objectives. It will also guide the ward in what it will do to take forward its own developmental programme with support from all role-players. The Municipality has developed 14 Ward Development Plans through public meetings that were held in all 14 wards between 1st September and 31 December 2015. The purpose of the Ward-based IDP meetings was for the ward priorities to be included in the new IDP for 2017 -22.

All wards have produced a ward development plan which informs the Municipality of the priorities of each ward. Ward Development Plans include needs identification, and plans to address priorities, support needed from the Municipality and other stakeholders involved in the IDP process. The

Municipality has also partnered and conducted different engagements that have been introduced in the province such as Provincial District assessment, SBDM IDP Representative Forums and District IDP Managers Forum. The IDP Representative contributes in finding solutions by reaching agreements with sector departments on enhancing service by addressing community issues that are specific- sector related. IDP priorities have been derived from the priorities from the wards, as have many elements of the plans, as well as IDP projects.

1.6.3 COMMUNITY AND STAKEHOLDERS ENGAGEMENTS

Intergovernmental Relation forum was held on the 17 April 2018, draft IDP 2018/19 was table to s to inform the government department about the revised objective strategies and to gain input into the IDP representative forum was held on the 29 May 2018 to stakeholder on the Draft IDP to gain more inputs.

The Draft IDP 2018/19 was adopted by Council on the 26th March 2018. An advert was published in the Grocott's mail on the 27th March 2018 to invited comments and inputs from the public for period of 21 days from the 27th to the 18th April 2018. Copies of the Draft IDP were distributed to all municipal building, libraries in Grahamstown including Alicedale and Riebeeck East. Not formal comments were received except during the IDP Mayoral Imbizo and IDP/Budget roads shows;

1.6.4 SECTOR ENGAGEMENTS

In a bid to enhance the quality our public participation outcomes, we divided the Municipal Area (Community Circle in figure above) into 14 sectors and have commenced with individual sector engagements with registered stakeholders in each sector.

Sector engagements take the form of on-going two way dialogues between and amongst sector representatives and the Municipality and are proving to be very effective as they focus on issues as well as ways and means of resolving issues jointly. They also enable the Municipality to solicit more detailed inputs than it is possible to do in public meetings.

1.6.5 WARD PUBLIC MEETINGS

In terms of the approved Time Schedule of Key Deadlines, two series of Ward Public Meetings are convened as part of the IDP revision / budget process. The first series of meetings were held in November 2017 and was aimed at the review and re-prioritisation of needs by the communities the IDP Mayoral Imbizo Consultation.

The meetings were scheduled as follows:

IDP MAYORAL IMBIZO AND IDP BUDGET ROAD SHOWS

Table 17:

AREAS	DATE	VENUE	TIME
WARD 13 VUKANI, NDANCAMA AND UPPER B STREET	20/11/2017	VUKANI OPEN SPACE (TENT)	14H00
WARD 9 EXT 5	20/11/2017	TENT EXT 5	17H30
WARD 14 NONZWAKAZI, TRANSRIVIERE	21/11/2017	ALICEDALE TOWN HALL	17H00
WARD 1 TABLE FARM AND CARLISLE BRIDGE	21/11/2017	TABLE FARM SCHOOL	15H00
WARD 2, 3, 4, 5,6 7, 8, 10, 11, 12,	24/11/2017	CITY HALL	17H30

In terms of the approved Time Schedule of Key Deadlines, the IDP Mayoral Imbizo where held as detailed in the above table, second series of meetings would be held in April 2018 aimed at presenting to communities the IDP Development priorities for 2018/2019 and Budget for 2018/2019. These meetings will provide opportunity to the Makana Community to comment on the Draft IDP/ Budget Revision. These meetings generally follow the tabling of draft IDP and Budget so that the municipality can have opportunity to interact with the communities before making their final recommendation to Council.

Table 18: IDP BUDGET ROAD SHOWS

DAY	WARD	VENUE	DATE	Time
1	2	Noluthando hall	18/04/2018	17h30
2	3	Mayfield (empty space centre of all arears/tent)	19/04/2018	17h30
3	7&10	Tantyi hall	23/04/2018	17h30
4	14	Alicedale	24/04/2018	17h30
5	1	Fort brown community hall	25/04/2018	17h30
6	13	Broughton farm school	26/04/2018	17h30
7	1	Alfred Dike – Kota hall	02/05/2018	17h30

1.6.3 IDP REPRESENTATIVE FORUM

Municipal Council approved the establishment of an IDP Representative Forum in terms of Section 15 of the Municipal Planning and Performance Management Regulations. The IDP Representative Forum comprises the following:

- * Ward Committee Representatives from each Ward;
- * Representative from the Sarah Baartman District Municipality;
- * The Executive Mayor, Speaker, Portfolio Chairpersons,
- * All ward Councillors
- * All Senior Managers
- * Sector Representatives
- * CDWs

Two series of IDP Representative Forums were convened, first ones in August 2017 presented to stakeholders with process plan to review IDP and Budget. Second IDP forum was held in 29th May 2018 to present Draft IDP to allow stakeholder an opportunity to comment on the Draft IDP Revision, Budget.

CHAPTER TWO: SITUATIONAL ANALYSIS

2.1 SPATIAL PLANNING, LAND AND HUMAN SETTLEMENT

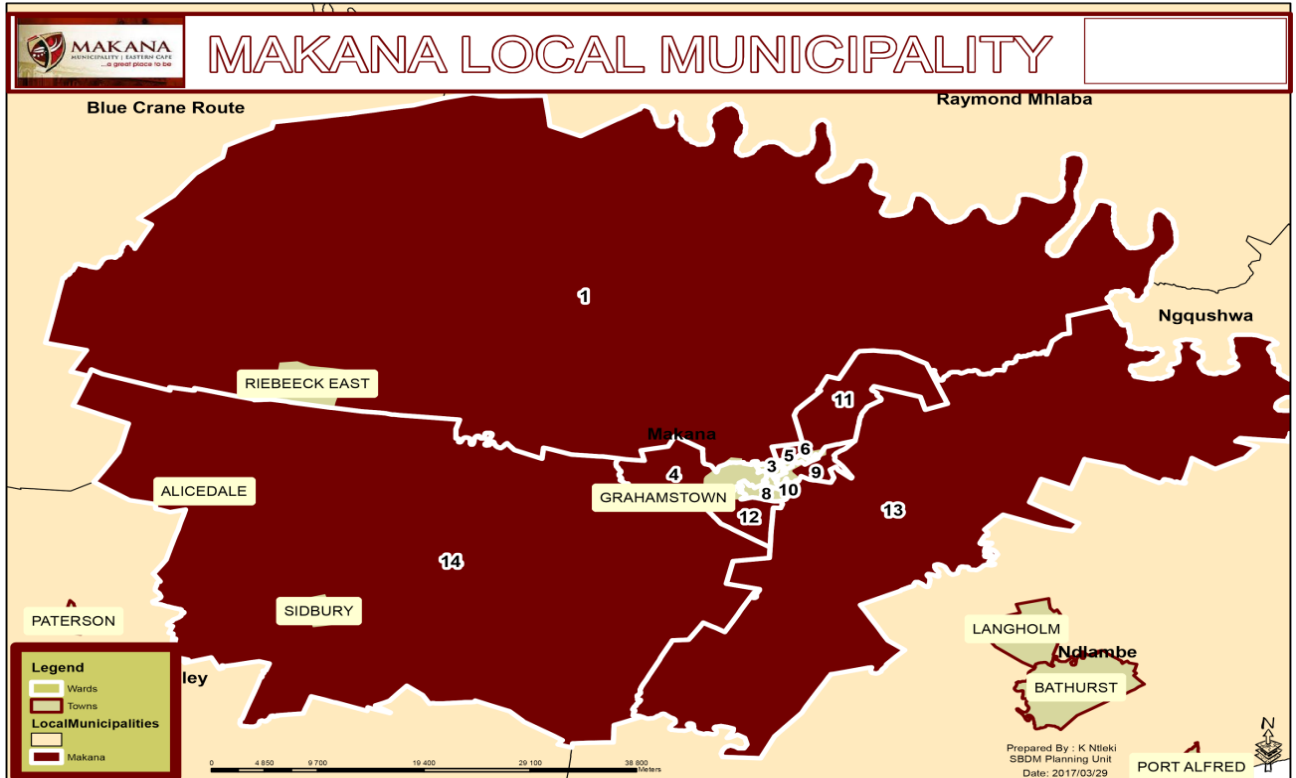
2.1.1 Spatial Overview and Geographic Description:

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

Based on the Stats SA 2016, the population figure is 82 060. In 2011 Makana was delimited into fourteen Wards, as depicted in Map. 3 and the municipal area cover an area of 4375.62km the largest concentration of people is found in Grahamstown. Makana Local Municipality covers an area of 4,375.62 km² and constitutes 7.5% of the Sarah Baartman District Municipality. It consists of the following characteristics:

Population	Approx. 85 000
Size	Approx. 4379 km ²
Households	Approx. 22 000 (excluding informal structures and backyard shacks)
Major Towns	Greater Grahamstown, Alicedale and Riebeeck East

Map 4: Statistic SA 2016



2.1.2 LOCATION OF MAKANA WITHIN THE CONTEXT OF SARAH BAARTMAN DISTRICT MUNICIPALITY

The Sarah Baartman District Municipality (SBDM), is the largest (58 243 km²) of the six (6) District Municipalities in the Eastern Cape Province, as shown on **Map1** below.



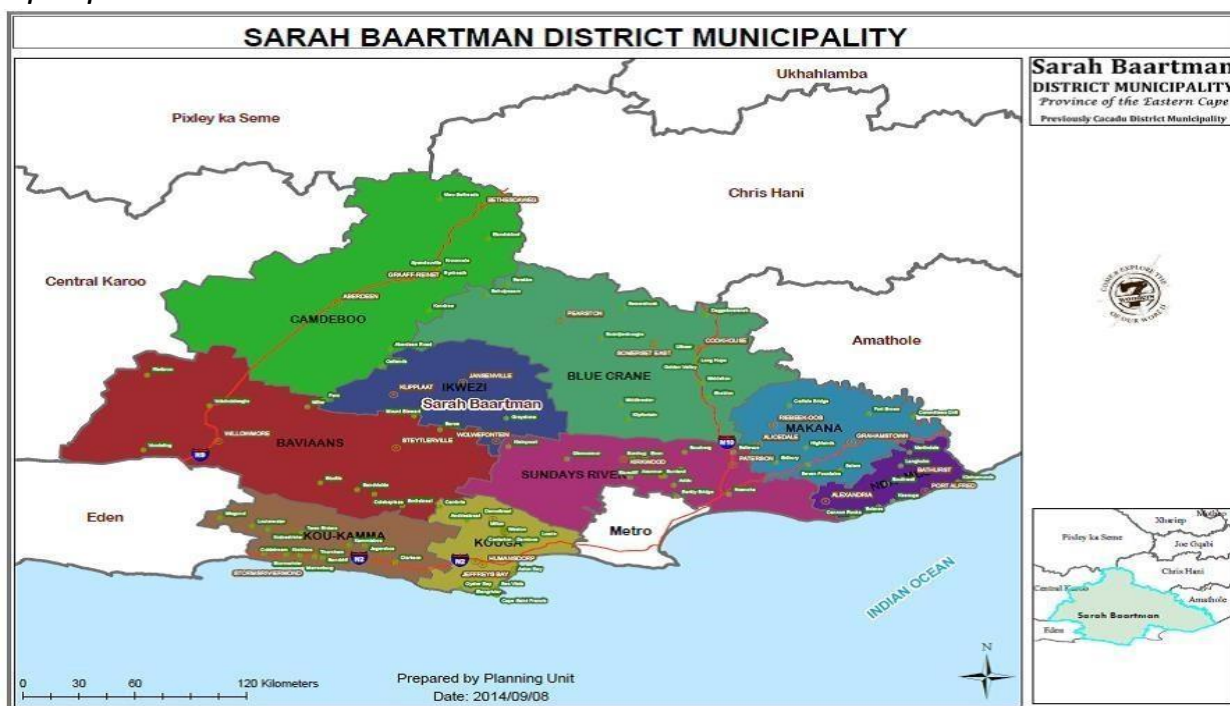
Map2: Eastern Cape Source: Municipal Demarcation Board, 2011

The District is situated in the western portion of the province, bordering the Western Cape, Northern Cape, Chris Hani and Amathole District Municipalities in the Eastern Cape. Nine local municipalities have been established within the jurisdiction of Sarah Baartman DM, as reflected on Map below.

2.1.3 SPATIAL LOCATION OF SARAH BAARTMAN DISTRICT MUNICIPAL AREA

Makana Municipality falls within the Sarah Baartman District Municipal area. The Municipality's area is bordered on the North-east by Amathole District Municipality, North-west by Blue Crane Route, the South by Ndlambe Municipalities and the South-west by Sunday River Valley. ²

Map3: Spatial Location



Source: Sarah Baartman District Municipality

2.1.4 EASTERN CAPE PROVINCIAL SPATIAL DEVELOPMENT PLAN (ECPSPD)

The Department of Corporative Governance and Traditional Affairs reviewed the Eastern Cape Provincial Spatial Development Plan (ECPSPD) in 2010. The Review underscores the clustering of opportunities in nodes and development corridors to achieve areas of shared impact.

It also takes into account the environmental potential, and characteristics, economic attributes, migration trends and the impact of climate change on development. The

impact of these factors will influence the development trends in Makana taking into account the current Spatial Development Framework (SDF) review.

2.1.5 LEGAL FRAMEWORK FOR THE SDF

There is a need for Makana Municipality to develop a new Spatial Development Framework (SDF) for its area of jurisdiction in line with the Spatial Planning and Land Use Management Act of 2013. The Municipality is presently faced with a variety of outdated legislation and policies dealing with Spatial Planning and Land Use Management to redress fragmented, scattered, past spatial imbalances, imbalances due to the nature of the municipality.

The MSA (Municipal System Act) requires that each municipality must prepare and IDP including a Spatial Development Framework. In terms of Chapter 5 Section 26 (e), this Framework must include basic guidelines for a Land Use Management System that will apply to the whole municipality.

2.1.6 SPATIAL DEVELOPMENT FRAMEWORK

SDFs are frameworks that seek to influence the overall spatial distribution of current and future land use within a municipality in order to give effect to the vision, goals and objectives of the municipal Integrated Development Plan (IDP). Makana Spatial Development Framework Plan (SDF) was last revised in 2013 and will require a suitably qualified Town Planning Consultancy Firm to undertake a review of the municipality's Spatial Development Framework Plan (SDF). Municipality has secured funding from MISA to review its Spatial Development Framework in the 2018/19 financial year and the process is already underway.

While SDFs along with sector plans are integral to a complete IDP, it should be noted that SDFs are also integrative instruments of municipal management. In this commonality some confusion has risen regarding the respective roles and content of SDFs and IDPs. The essential distinction lies in the focus of SDFs on spatial considerations while IDPs deal with the full scope of municipal management including budgeting, institutional resourcing, etc. An SDF has a longer time horizon than an IDP and therefore the SDF should provide the long-term spatial context for the IDP. The SDF is more than the spatial representation of the sector plans of IDP, it needs to set the spatial strategy. The key spatial plan of the SDF and the spatial perspective as well as the short term (5 year) spatial priorities should be incorporated in the IDP as the SDF sector plan.

Local municipalities have the functions and powers referred to in sections 156 and 229 of the Constitution which include municipal planning, municipal infrastructure and municipal facilities, and municipal fiscal powers and functions but excluding those functions and powers vested in the District municipality in whose area they are located. Municipal planning includes all spatial

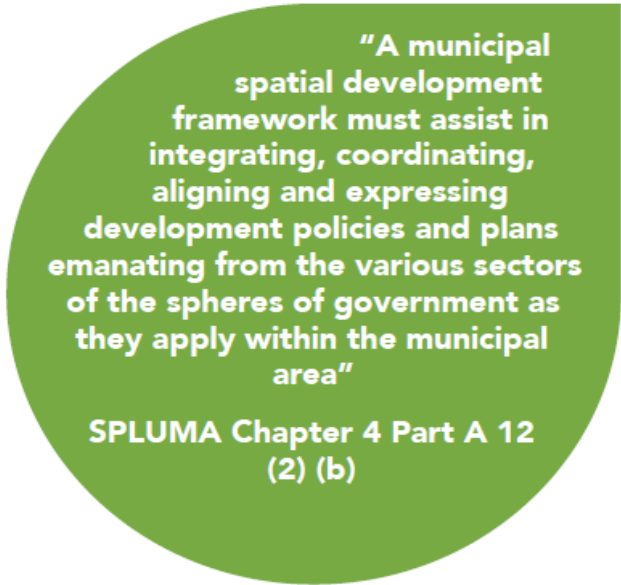
planning and development control within their respective municipal boundary. Part E of SPLUMA sets out the preparation and content requirements of MSDFs.

At the moment the absence of a wall to wall spatial plan to guide urban development is impacting negatively in redressing spatial imbalances and the outdated policies on the economic, land development discouraging growth and investment as the policies do not respond to the current development trends.

The geographical area of Makana is predominantly rural. The vast majority of the people live in a rural or peri-urban environment, which for most part is unplanned and poorly serviced. All spatial planning must take cognizance of this population and contribute to the improvement of their living conditions. As a result, the spatial structure of the municipality reflects land use fragmentation, separation and inadequate access to services and urban opportunities by the poor.

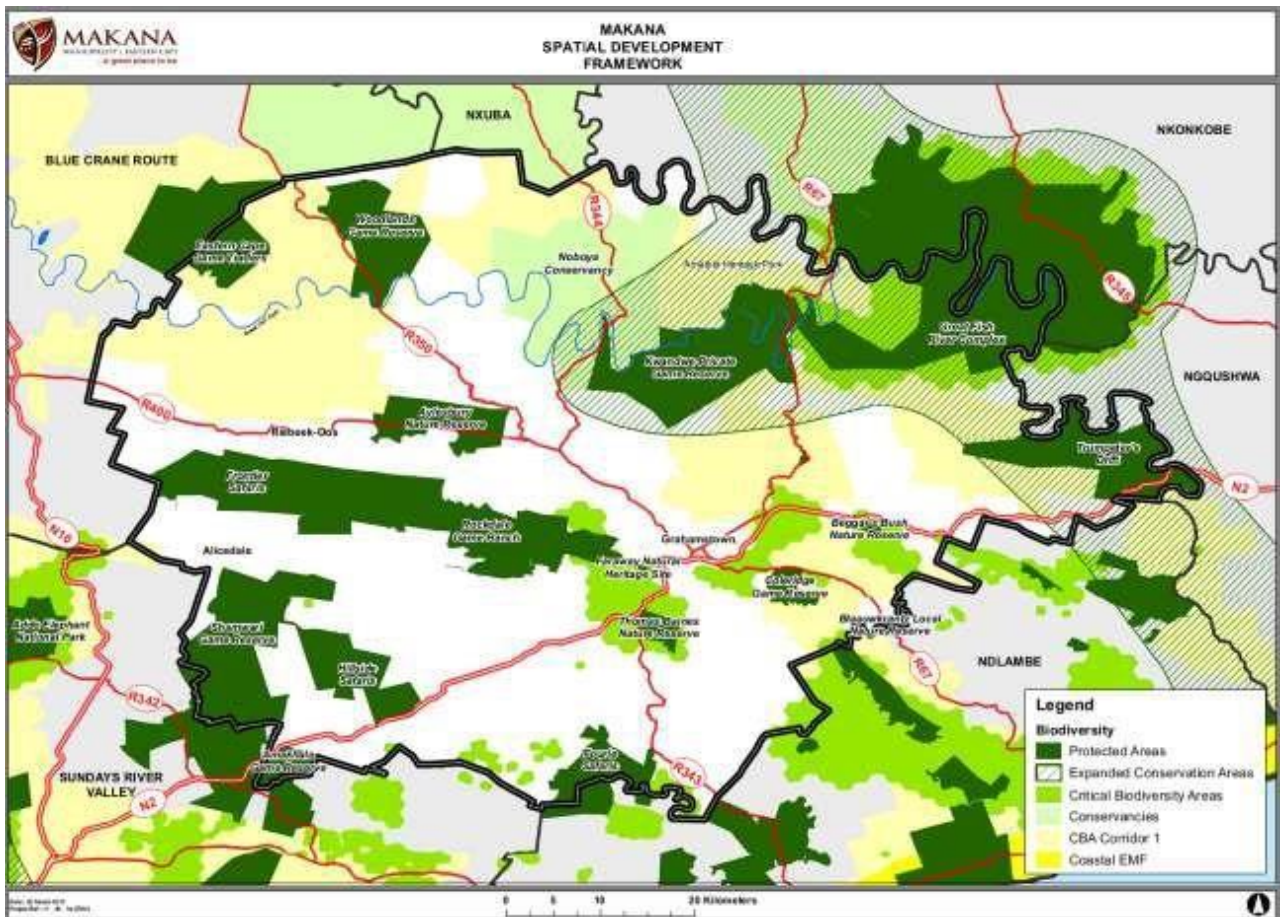
Any intervention in terms of spatial development should facilitate effective and efficient service delivery, and unlock opportunities for economic development in the underdeveloped areas.

At the municipal level Integrated Development Plans, which include budget projections, financial and sector plans, are set every five years correlating with political terms of office in local government. SPLUMA, however, recognizes the need for a 'longer term spatial development vision' (i.e. ten to twenty years) which can be adopted by the different municipal sectors to create long-term sector strategies in successive IDPs. This approach identifies sector plans that coincide with political terms of office so that each elected council can develop the part of the vision they champion while still maintaining consistency in their achieving overall objectives. The SDF, as a long-term vision, should be reviewed every five years to examine whether the context and priorities remain the same. The SDF may be rewritten in the case of a change of context is found at the time of review (Source: DRD&LR SDF guidelines 2014).



"A municipal spatial development framework must assist in integrating, coordinating, aligning and expressing development policies and plans emanating from the various sectors of the spheres of government as they apply within the municipal area"

SPLUMA Chapter 4 Part A 12 (2) (b)



Base MAP 2013

2.1.7 CURRENT SPATIAL CHARACTERISTICS

2.1.7.1 ENVIRONMENTAL OVERVIEW

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

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

2.1.7.2 CLIMATE

The Southern portion of the municipality has the highest rainfall. The majority of the municipality is classified as semi-arid. Makana lies in a subtropical climatic zone, meaning that the area is characterized by warm summers and cool winters and fairly evenly distributed rainfall throughout the year.

The Grahamstown area experiences moderate weather conditions. Rain falls throughout the year with mean precipitation averaging 680mm. Summer temperatures (January) vary from an average maximum of 26°C to a minimum of 15°C. In winter (July) temperatures vary from an average maximum of 18°C to an average minimum of 4°C. The prevailing wind direction is from the west and southwest.

In Alicedale, rainfall is approximately 555mm per year. Temperature Alicedale range from 40°C to 15°C in summer and 18°C to -8°C in the winter months.

Rainfall in Riebeeck East area is approximately 865mm per year, with identical average winter and summer temperatures to those experienced Grahamstown.

2.1.7.3 CLIMATE CHANGE

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

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

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

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

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

(SDF 2013-Map 2 Rainfall pg9)

2.1.7.4 GEOLOGY AND SOIL

From a municipal wide perspective there are no unfavourable geotechnical conditions that will prevent development or require specific safety considerations. The necessary on-site investigations should be undertaken to ensure that the site specific circumstances are suitable for the intended development. (SDF 2013-Map 3 Rainfall pg10)

2.1.9.1.4 TOPOGRAPHY

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

The highest point on the plateau is 770m above sea level and the lowest point in the valley is 490m above sea level. Alicedale is located about 360m above sea level in a flood plain created by the confluence of the Bushman's river and the New Year's river. Riebeek East is located 630m above sea level. (SDF 2013-Map 4 Rainfall pg10)

2.1.9.1.5 TOPOGRAPHY AND SLOPE

Most of the land in Makana has a slope of either between 3-8° or between 8-20° (*State of the Sarah Baartman Environment, 2005*)
(SDF 2013-Map 5 Rainfall pg11)

2.1.9.1.6 HYDROLOGY

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

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

Grahamstown's water is from local dams and sources transferred from the Orange River.

- There is adequate supply to cater for the 8.6M/m³ but there is also a need for more groundwater development.
- Riebeek East's water is sourced from local boreholes. It also has adequate supplies of water to cater for the 0.0285 M/m³ that it uses.
- A planned water scheme for Riebeek East is an increase in storage capacity in the form of tanks and a reservoir.
- Alicedale's water is sourced from a local New Year dam. (*State of the Sarah Baartman Environment, 2005*)

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

2.1.9.1.7 LAND CAPACITY AND SOIL TYPES

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

Table 19: Land Use options per Land Capabilities Class

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

Source: Directorate Agriculture Land Resource Management, 2002

Table 20 Land Capability in Makana

Land capability class	Area (ha)	Percentage
1	0.00	0.00%
2	0.00	0.00%
3	0.00	0.00%
4	31789.20	7.27%
5	20456.20	4.68%
6	300661.00	68.71%
7	46331.70	10.59%
8	38072.30	8.70%

Source: Sarah Baartman ABP & LAA, 2008

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

Large areas of irrigation, should water be available

- Rain-fed cropping of Wheat, chicory, pecan nuts and aloe
- Irrigation-fed cropping of stone fruit, olives, cotton, vegetable, sugar beet and oranges
- Livestock including game farming and ostrich farming

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

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

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

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

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

Makana municipality is situated in the Albany Centre of Endemism and has 27 endemic plant species of which 17 (62%) are cited as being vulnerable and 5 (32%) are cited as being endangered. Significant portions of land in the Makana municipality are classified as “Critical Biodiversity Areas”. This means that they are to be managed for biodiversity and conservation, with only limited development in the form of small scale tourism amenities recommended. Critical Biodiversity areas also have guidelines on the form an agriculture that may take place (State of the Sarah Baartman Environment, 2005; Makana ABP and LAA, 2008)

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

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

Strategies:

- Map the ECPSDF (*Eastern Cape Provincial Spatial Development Framework*) biodiversity framework (Critical biodiversity areas, protected nature reserves and parks etc.)
- Make the information available to all stakeholders.
- Specific attention needs to be given to the critical biodiversity areas that fall outside of the protected area network.
- Determine guidelines and actions to ensure that the environmental footprint is achieved.
- Ensure that the provisions of NEMA (*National Environmental Management Act*) are applied.
- Establish partnerships with the relevant stakeholders to ensure cross border alignment.
- The accurate identification of the various components of the environmental network needs to be undertaken, either on a project by project basis through the EIA process or by means of a specific verification process. **Map 8,5: Environment Biodiversity**

2.1.9.19 SPATIALLY RELEVANT FOCUS AREAS AND OUTCOMES:

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

Environmental Key Issues

- The ECPSDF (Eastern Cape Province Spatial Development Framework) has identified a biodiversity footprint that from a Provincial perspective, is considered to be 'non-negotiable'.
- This footprint has been adopted into the SBDM's SDF and will be accommodated into Makana's SDF.
- Cognisance needs to be taken of the protected expansion areas.

- There are critical biodiversity areas that fall outside of the protected area network.
- The extent and location of the components of the Environmental Footprint have not been 'ground trothed'.

2.1.9.2. LAND USE MANAGEMENT SYSTEM

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

2.1.9.2.1 LAND USE MANAGEMENT AIMS TO REGULATE:

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

2.1.9.2.2 PLANNING SCHEMES/ MECHANISMS

The Planning Schemes are the statutory mechanisms whereby land may be developed, managed and regulated. Municipality is using Avvio as its GIS to manage application and zoning of land.

2.1.9.2.3 LAND USE MANAGEMENT NEEDS

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

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

In response to this shortcoming municipality has conducted land audit in 2016/17 internal, however the report is still waiting for Council approval. Secondly these shortcomings are resulting

in the growing tendency of illegal occupation of open spaces. The Municipality in response is law enforcement and is in the process of developing policy on land invasion

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

2.1.9.2.4 MUNICIPAL PLANNING TRIBUNAL

A Municipal Planning Tribunal (MPT) is intended to be the decision-making body for Land Use decisions in terms of SPLUMA (Spatial Planning and Land Use Management Act). Any application submitted since 1 July 2015 should be dealt with in terms of SPLUMA.

SPLUMA requires that applications are categorised so that the decision making is split between a Land Development Officer (Riana) and the MPT – as things stand we have managed to avoid the issue by delegating almost all decision making to the LDO rather than the MPT – however at the end of the day this is not in line with the spirit of the Act.

The MPT should consist of qualified people in the field of town planning, engineering, law, quantity surveying etc. Internal people can sit on the tribunal, but obviously no-one who has had input into the processing of an application can do so – we will be very hard pressed to find enough officials for this – although this option has not been explored extensively enough in my opinion.

The other problem is that anyone from outside must also not have a vested interest and they will expect to be paid for their time.

2.1.9.2.5 LAND REFORM PROGRAMME

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

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

Town

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

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

These were developed to promote land acquisition, restore land rights lost through dispossession and achieve tenure upgrade respectively.

Land reform targets:

Table 21

Land area	Total exclusion	Remaining land (White owned)	30% Target	Land Redistribution 1994-2008	Remaining Target	%Achieved
437561	159089	278472	83541	13113	70428	18.62%

Land Demand:

Table 22

Settlement	Level	Housing Demand	Land Identified by SDF	Units optimal density	Over/under provision
Riebeeck East	1	450	9.93	298	-152
Alicedale	1	450	37.07	1 112	662
Grahamstown	3	12 000	792.34	23 770	11 770
Total	N/A	12 900	839.34	25 180	12 280

2.2 MUNICIPAL DEMOGRAPHIC AND SOCIAL SERVICES PROFILE

2.2.1 POPULATION AND POPULATION DENSITY

The Makana relies on the South African National census 2011 and the Community Survey 2016 (StatsSA) data information on official population figures, assisting it to make informed decision relating to population challenges faced by the Municipality.

The census determined the country's population as 55.7 million, Sarah Baartman's population to be 479 923 and Makana 82060. The Municipality has undertaken to access a number of alternative sources of data to provide a comparative analysis against the census 2011 figures and also assist in evaluating the growth trends within the district, namely:

- Information obtained from the 2003 the Eastern Cape Socio Consultative Council survey;
- Information obtained from the 2004 district economic growth and development strategy as undertaken by the Urban Econ Group;
- Information obtained from the Global Insight Group reflecting projected population estimates as per 2011.
- Information obtained from the Community Survey 2016 reflection mid-term population estimates

Population and extent of Area km² - EC, SBDM and MLM

Table 23

Stats SA 2016	Eastern Cape	SBDM	Makana Local
Total Population	6 996 976	479922	82060
Area km ²	168 966 km ²	58 266.3 km ²	4375.62 km ²

As indicated by the statistical information above, Makana accounts for 17.8% of the Sarah Baartman District and 1.2% of the Provincial population.

Makana is the second largest population contributor in the district. Geographically Makana has a fairly large population living in a relatively small area with a population density of 18.4 per km².

2.2.2 POPULATION DISTRIBUTION

Age distribution, Gender, Population Grouping and Head of Household

Source: Stats SA 2016

2.2.2.1 DEMOGRAPHICS

Table 24

DEMOGRAPHICS	2011		2016	
	No	%	No	%
Population Profile	80 390		82 060	
Population growth				0.4
Population profile:				
Black African	62 702	78.0	66 257	80.7
Coloured	9 725	12.1	8 788	10.7
Indian or Asian	525	0.7	470	0.6
White	6 974	8.7	6 546	8.0

2.2.2.2 POPULATION DENSITY

Table 25

POPULATION DENSITY	2011	%	2016	%
POPULATION BY HOME LANGUAGE:				
Afrikaans	11 111	14.8	8 868	11.0
English	7 831	10.5	7 051	8.7
IsiXhosa	53 494	71.5	63 887	79.0
IsiZulu	321	0.4	279	0.3
Sesotho	272	0.4	76	0.1

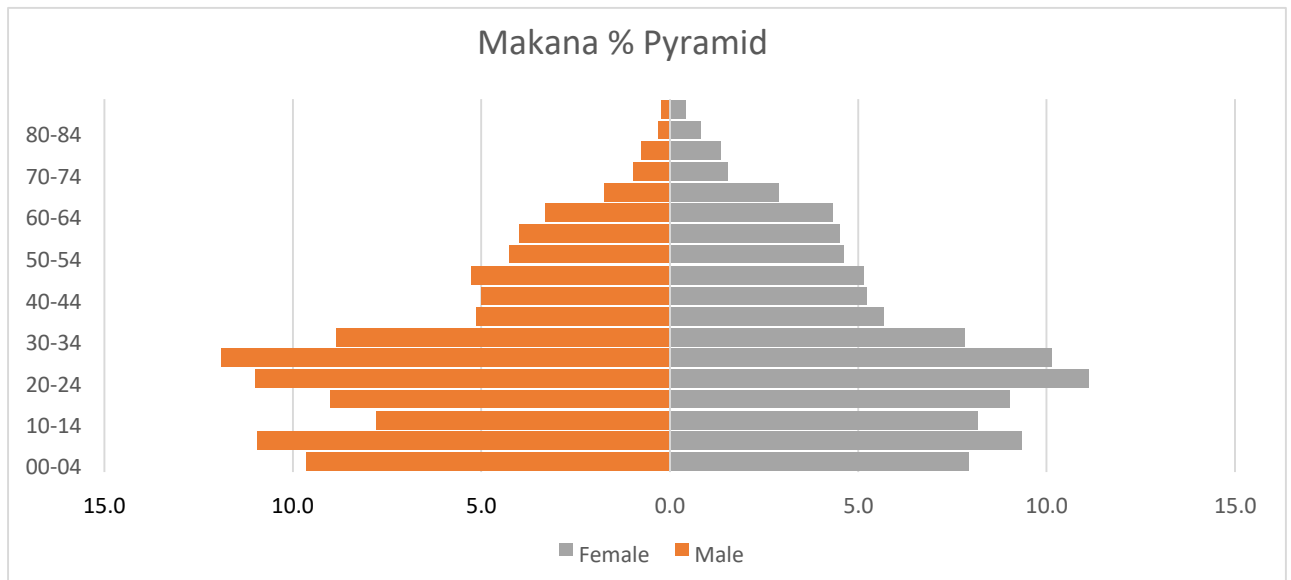
Other	1 791	2.4	686	0.9
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2.2.2.3 GENDER

Table 26

GENDER	2011	%	2016	%
Male	38 175	47.5	39 218	47.8
Female	42 215	52.5	42 842	52.2

Figure 5



2.2.2.4 AGE

Table 27

AGE:	2011	%	2016	%
0 - 14	19 611	24.4	22 024	26.8
15 - 34	30 702	38.2	32 291	39.4
35 - 64	25 075	31.2	20 046	24.4
65 +	5 002	6.2	7 699	9.4

By comparison the demographic information indicates an increase in the population figures and this is reflective in the population growth rate of 0.4% p.a. between the period of 2011 and 2016. The sex ratio is fairly even with 9 males for every 10 females. Stats SA 2016 reflects that 27% of the population is young and less than 15 years of age, which requires intergovernmental planning efforts to jointly focus on improved education and providing sport and recreation facilities.

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

The Stats SA reflects that there has been a 2.4% increase, from 52.1% to 52.2%, in respect of female headed households between 2011 and 2016. The increase is moderate considering that the population has grown by 10% over a 10 year period and the male to female sex ratio has only risen marginally.

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

- The growth over the past 10 years has been lower than 1% per year.
- The total population has grown by almost 8% from 2001.
- There are now approximately 5900 new persons residing in the municipality
- The growth has been approximately 590 persons per year.
- Ward 4 reflects an increase of almost 70%.
- The population of Wards 11 and 8 have remained static.
- The population is highly urbanized
- The population density of 18, 36 persons/km² is higher than the district density of 7, 7 persons/km²
- The population density has increased from the 16, 1 persons/km² in 2001.
- The total number of households has increased from 17 000 to 21 849.
- The average household size is 3.8 persons

2.2.3 HOUSEHOLDS PROFILE

For purposes of this IDP revision we have based households' information on Statistics South African Customer survey 2016. There was a total of 22 700 households in the Municipality of which 6085 are poor (indigent) during the financial year of 2016/17. This figure constitutes 27% of the total number of households and is also increasing from the previous year where indigent households constituted 5250 of the total number of households. Indigent households are defined as households where the combined monthly income of the household is less than the equivalent of two state pensions.

Table 28

HOUSEHOLDS	2011	2016
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Number of households	21 849	22 700
Households size	3.7	3.8

2.2.4.1 SOCIAL DEVELOPMENT PROFILE

2.2.4.1 EDUCATION:

Education is the cornerstone to sustainable development and it is therefore very important to be prioritised because 66% of the population fall between 0-34 years of age in Makana.

Table 29

CATEGORY	AGE	PERCENTAGE
Youth	15-34	39%
Adult	35-64	24%
Elder	65+	9%
Children	0-14	27%

2.2.4.2 SCHOOLS IN MAKANA

Table 30

SCHOOL	P/S/F/J
Andrew Moyake public school	Jun sec
Archie Mbolekwa junior secondary school	Jun sec
George Jacques junior secondary school	Jun sec
Hendrik Kanise combined school	Combined/farm
Khutliso Daniels secondary school	Secondary
Nathaniel Nyaluza senior secondary school	Secondary
Nombulelo Secondary school	Secondary
Ntaba Maria junior secondary school	Jun sec
Ntsika Senior secondary school	Secondary
Hoërskool P J OLIVIER	COMBINED
T. E. M Mrwetyana secondary school	Secondary
Victoria Girls' high school	Secondary
C. M. Vellem junior secondary school	Jun sec
D.D. Siwisa primary school	Primary
Fikizolo public primary school	Jun sec
Grahamstown SDA primary school	Jun sec
Makana public primary school	Jun sec
N. V. Cewu public primary school	Jun sec

SCHOOL	P/S/F/J
Samuel Ntlebi primary school	Jun sec
Samuel Ntsiko primary school	Jun sec
Tantyi public school	Primary
Victoria primary school	Jun sec
George Dickerson primary school	Jun sec
Good Shepherd EC primary school	Jun sec
Graeme College boys' high	Combined
Grahamstown primary school	Jun sec
Johan Carinus art centre	Jun sec
Mary Waters secondary school	Jun sec
Oatlands Preparatory school	Jun sec
St Mary's RC primary school	Jun sec
Kuyasa Special school	Primary
Riebeeck East Combined school	Combined/farm
Sidbury primary school	Primary/ farm
Grahamstown Amasango Career School	Jun sec
Carlisle Bridge primary school	Jun sec/ farm
Holy Cross school	Primary
Farmer field Intermediate Farm school	Jun sec/ farm
Fort brown primary school	Jun sec/ farm
Hope Fountain Junior secondary school	Primary/ farm
KwaMhala Primary School	Primary/ Farm
Manley Flats Mission school	Jun sec/ farm
Masakhane Combined school	Combined/ farm
Zintle Primary school	Primary/ farm
Wilson's Party Farm school	Jun sec/ farm
Heidi	JUN SEC
Kleuterlland.	JUN SEC
Gadra Matric school	Private
St Andrews Primary	Private
St Andrews College	Private

2.2.4.2 INSTITUTIONAL ATTENDACE:

Table: 31

MUNICIPALITY	NUMBER	PUBLIC GOVERNMENT	PRIVATE INDEPENDENT	HIGHER EDUCATION	TVET FORMERLY FET
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Sarah Baartman District Municipality	149 839	137 320	11 667	15 220	6 381
Makana Local Municipality	28 457	22 936	4 877	5 307	2 271

2.2.4.2 EDUCATION LEVEL

Table: 32

EDUCATION LEVEL	2011	PERCENT	2016	PERCENT
No schooling	3 100	6.3	1 921	3.7
Some primary	7 819	15.9	5 464	10.5
Completed primary	3 107	6.3	2 629	5.0
Some secondary	17 871	36.3	20 699	39.7
Grade 12/Matric	11 305	23.0	14 228	27.3
Higher	5 555	11.3	6 245	12.0
Other	424	0.9	887	1.7

2.2.4.3 SCHOOL ATTENDANCE

Of the 28 457 people attending education institution in Makana, more than 80% are doing Pre-school up to secondary school

Table: 33

SCHOOL	PERCENTAGE
Primary School	42%
Secondary	25.6%
Technical Education	5.6%
Other Colleges	0.7%
Higher Education	8.5%
Pre-School	15.6%

LEVEL OF EDUCATION (20+)

Table: 34

EDUCATION	2011 NUMBER	2016 NUMBER
No schooling	3 100	1 921
Some primary	7 819	5 464
Completed primary	3 107	2 629
Some secondary	17 871	20 699
Grade 12/Matric	11 305	14 228
Higher	5 555	6 245

Other	424	887
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2.2.4.4 FIELD OF TVET

Table: 35

FIELD	MAKANA
Management	614
Marketing	95
Information technology and computer	
Science	38
Finance	176
Office Administration	265
Electrical Infrastructure Construction	29
Civil Engineering and Building	
Construction	52
Engineering	139
Primary Agriculture	30
Hospitality	69
Tourism	36
Safety in Society	42
Mechatronics	-
Education and Development	86
Other	524
Do not know	77
Not applicable	79 574
Unspecified	215
Total Population	82 060
Agriculture	108
Architecture and the built environment	31
Arts (Visual and performing arts)	54
Business	518
Communication	24
Computer and information sciences	173
Education	1 173

Engineering	148
Health Professions	366
Family Ecology and Consumer Sciences	43
Languages	202
Law	435
Life Sciences	112
Physical Sciences	64
Mathematics and Statistics	59
Military Sciences	-
Philosophy	18
Psychology	367
Public Management and Services	121
Social Sciences	341
Other	855
Do not know	95
Not applicable	76 538
Unspecified	215
Total population	82 060

2.2.4.6 LEVEL OF EDUCATION

Table: 36

LEVEL	NUMBER OF PEOPLE	% SHARE	LEVEL OF EDUCATION	NUMBER OF PEOPLE	% SHARE
No schooling	8 831	10.80%	N4/NTC 4	443	0.50%
Grade 0	3 038	3.70%	N5/NTC 5	218	0.30%
Grade 1	2 498	3.00%	N6/NTC 6	532	0.60%
Grade 2	1 651	2.00%	Certificate with less than Gr 12	66	0.10%
Grade 3	3 185	3.90%	Diploma with less than Gr 12	78	0.10%
Grade 4	2 624	3.20%	Advanced Certificate with Gr 12	564	0.70%
Grade 5	3 021	3.70%	Diploma with Grade 12	1 147	1.40%
Grade 6	3 241	3.90%	Higher Diploma	774	0.90%
Grade 7	3 605	4.40%	Post-Higher Diploma	741	0.90%
Grade 8	4 932	6.00%	Bachelor's degree	1 479	1.80%
Grade 9	5 002	6.10%	Honours degree	323	0.40%
Grade 10	8 143	9.90%	Master's degree	452	0.60%

Grade 11	9 067	11.00%	PHD (Doctoral degree)	310	0.40%
Grade 12	14 804	18.00%	Other	3	0.40%
NTC I/N1	115	0.10%	Do not know	607	0.70%
NTCII/N2	49	0.10%	Unspecified	156	0.20%
NTCIII/N3	52	0.10%	Total (Makana LM)	82 060	100%

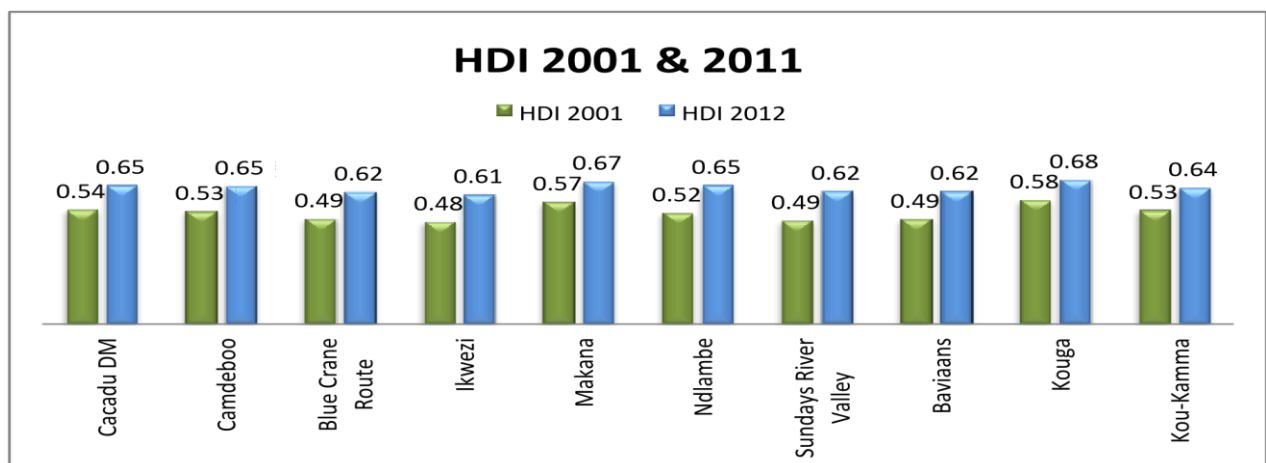
2.2.6 POVERTY

Very serious poverty (where people live on less than \$2 or R 14 – R 18 per day) is rapidly declining, probably in response to the roll out of social grants in South Africa

2.2.6.1 HUMAN DEVELOPMENT

The Human Development Index

Figure 7: The Sarah Baartman Human Development Index 2001 and 2011

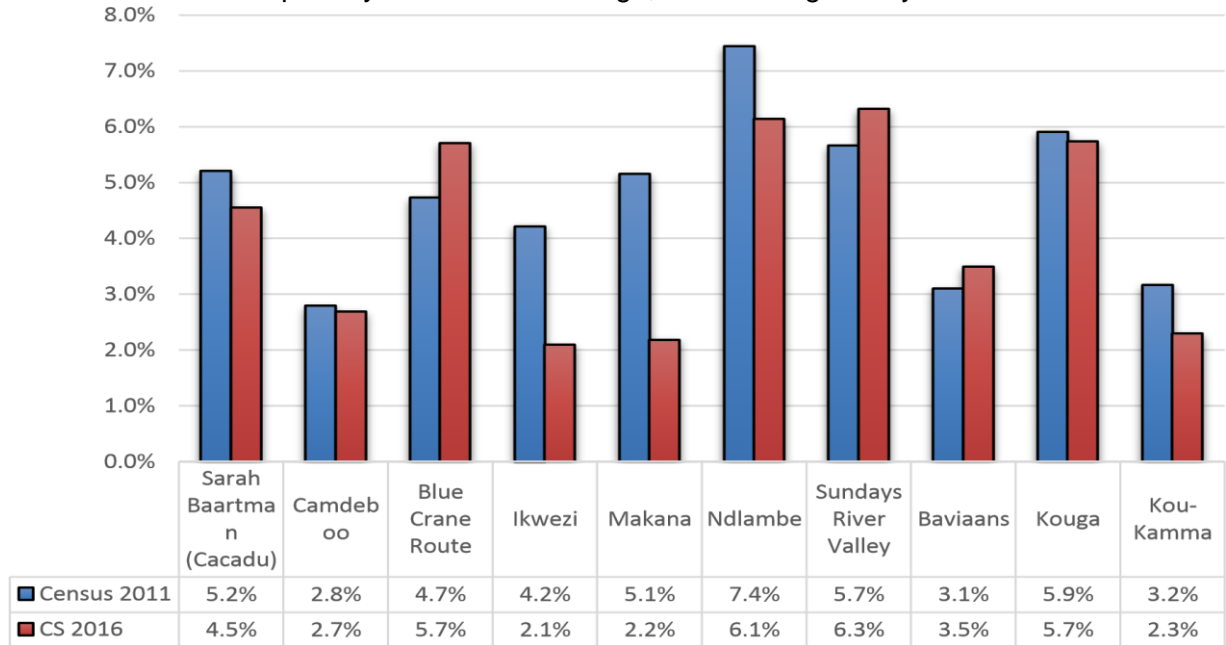


Source: Global Insight (2014)

The **Human Development Index (HDI)** is a composite statistic of life expectancy, education, and per capita income indicators, which are used to rank countries into four tiers of **human development**.

2.2.6.2 LEVEL OF POVERTY IN THE DISTRICT

Figure 8: The level of poverty in the District is high, but showing steady decline:



2.2.7 SOCIAL DEPENDENCY

2.1.7.1 GRANT DEPENDENCY

Table: 37

District Office	Grant Type	No. of Beneficiaries		No. of Children		Expenditure	
		2017	2018	2017	2018	2017	2018
GRAHAMSTOWN	Care Dependency	281	276	289	283	R 436 390.00	R 452 800.00
	Child Support (Total 0-18)	11294	11 325	17470	17 663	R 6 289 200.00	R6 940.00 711
	Foster Care	824	843	1075	1 102	R 956 750.00	R 840.00 1013
	Grant in Aid	781	758			R 281 160.00	R 288 040.00

Old Age	5143	5 333			R 7 672 549.00	R8 424 374.00
Old Age (75 Years & Over)	1814	1 827			R 2 759 421.00	R2 945 347.00
Permanent Disability	3306	3 141			R 4 980 902.00	R5 017 104.00
Temporary Disability	122	133			R 183 311.00	R 212 146.00
		23 636		19 048		R 25 065 591.00

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

2.2.8 CRIME STATISTIC REPORT 2017/18

This section consist of seventeen (17) Community priorities and other Sub Categories of crimes. This statistics is a clustered information from all different police station precincts under Grahamstown cluster

2.2.5.1: COMMUNITY PRIORITIES AND OTHER SUBCATEGORISE OF CRIME

Table 38

GRAHAMSTOWN CLUSTER SOUTH AFRICAN POLICE 6 ANALYSIS REPORT								
March				April to March				
2016	2017	% Change	Indicator	15/16	16/17	% Change	Indicator	
CONTACT CRIME								
Robbery with aggravating circumstances	27	24	-11.11	Decrease	335	287	-14.33	Decrease
Common robbery	12	13	8.33	Increase	148	144	-2.70	Decrease
Murder	6	5	-16.67	Decrease	56	48	-14.29	Decrease

Attempted murder	5	2	-60.00	Decrease	44	23	-47.73	Decrease
Rape	12	8	-33.33	Decrease	230	176	-23.48	Decrease
Assault GBH	71	54	-23.94	Decrease	752	632	-15.96	Decrease
Common Assault	55	65	18.18	Increase	700	617	-11.86	Decrease
Totals	191	172	18.18	Increase	2295	1953	-14.90	Decrease
CONTACT RELATED CRIME								
Arson	1	0	-100.00	Decrease	20	12	-40.00	Decrease
MITP	28	33	17.86	Increase	407	363	-10.81	Decrease
Totals	29	33	13.79	Increase	472	375	-12.18	Decrease
PROPERTY RELATED CRIME								
Burglary Business	17	14	-17.65	Decrease	133	125	-6.02	Decrease
Burglary Residential	96	81	-15.63	Decrease	1006	1000	-0.60	Decrease
Theft of Motor Vehicle	4	4	0.00	-	69	41	-40.58	Decrease
Theft Out/From Motor Vehicle	15	42	180.00	Increase	339	442	30.38	Increase
Stock Theft								
Totals	149	156	4.70	Increase	1700	1775	4.41	Increase
OTHER SERIOUS CRIME								
Shoplifting	8	9	12.50	Increase	129	129	0.00	-
Theft General	65	81	24.62	Increase	887	910	2.59	Increase
Fraud	23	10	-56.52	Decrease	143	162	13.29	Increase
Totals	96	100	4.17	Increase	1159	1201	3.62	Increase

SUB CATEGORIES CRIME: Trio Crime

Table 39

	2016	2017	% Change	Indicator	15/16	16/17	% Change	Indicator
Carjacking	0	0	0.00	-	6	2	-66.67	Decrease
House Robbery	3	3	0.00	-	44	35	-20.45	Decrease
Business Robbery	7	4	-42.86	Decrease	77	30	-61.04	Decrease
Other crime under sub categories crime								
	2016	2017	% Change	Indicator	15/16	16/17	% Change	Indicator
Cash in Transit	0	0	0.00	-	0	0	0.00	-
Truck Hi-Jacking	0	0	0.00	-	3	5	66.67	Increase
Bank Robbery	0	0	0.00	-	0	0	0.00	-
Totals	10	7	-30.00	Decrease	130	72	-44.62	Decrease
Public Violence	0	0	0.00	-	15	8	-46.67	Decrease
Totals	10	7	-30.00	Decrease	130	72	-44.62	Decrease
Public Violence	0	0	0.00	-	15	8	-46.67	Decrease
Robber Aggravated (incl Trio)								
Robbery with Firearm	14	9	-35.71	Decrease	168	102	-39.29	Decrease
Robbery with other weapon	13	15	15.38	Increase	167	185	10.78	Increase
Total for Serious Offences								
All Sexual Offences	15	9	-40.00	Decrease	260	202	-22.31	Decrease
All Trio Crime	10	7	-30.00	Decrease	127	67	-47.24	Decrease
All Serious offences	465	461	-0.86	Decrease	5581	5304	-4.96	Decrease

2.2.9 COMMUNITY SURVEY 2016

2.2.9.1 THE VOICE OF PEOPLE IN MAKANA

A question was introduced in the Community Survey 2016 that asked households what they considered to be the main problem or difficulty they were facing in their municipality presently. The voice of people in Makana was recorded in terms of:

- Municipal wide challenges faced presently;
- the extent to which the municipality is trying to resolve the problem;
- how people in the municipality rate the services they receive;
- the importance of services provided by the municipality

2.2.9.2 MUNICIPAL WIDE CHALLENGES

Table: 40

CHALLENGES	NUMBER	%
Lack of safe and reliable water supply	16 779	20%
Lack of/ inadequate employment opportunities	12 498	15%
Inadequate housing	11 767	14%
Inadequate roads	11 612	14%
Violence and crime	4 315	5%
Cost of water	3 755	5%
Inadequate sanitation/sewerage/toilet services	3 718	5%
Cost of electricity	3 068	4%
None	2 669	3%
Other	1 964	2%
Inadequate refuse/waste removal	1 954	2%
Alcohol abuse	1 487	2%
Lack of reliable electricity supply	1 450	2%
Corruption	1 448	2%
Inadequate street lights	1 322	2%
Drug abuse	884	1%
Lack of/ inadequate parks and recreational area	636	1%
Gangsterism	269	0%
Lack of/ inadequate healthcare services	267	0%
Lack of/ inadequate public transport	105	0%
Lack of/ inadequate educational facilities	92	0%
Grand Total	82 060	100%

2.2.9.3 THE TOP 5 CHALLENGES CURRENTLY FACING MAKANA LOCAL MUNICIPALITY, 2016

According to the community survey conducted by Stats SA (2016), the top five challenges that Makana local municipality is facing presently are as follows:

- Lack of safe and reliable water supply (20% of the population)
- Lack of employment opportunity (15% of the population)
- Inadequate housing (14% of the population)
- Inadequate road (14% of the population)
- Violence and crime (5% of the population)

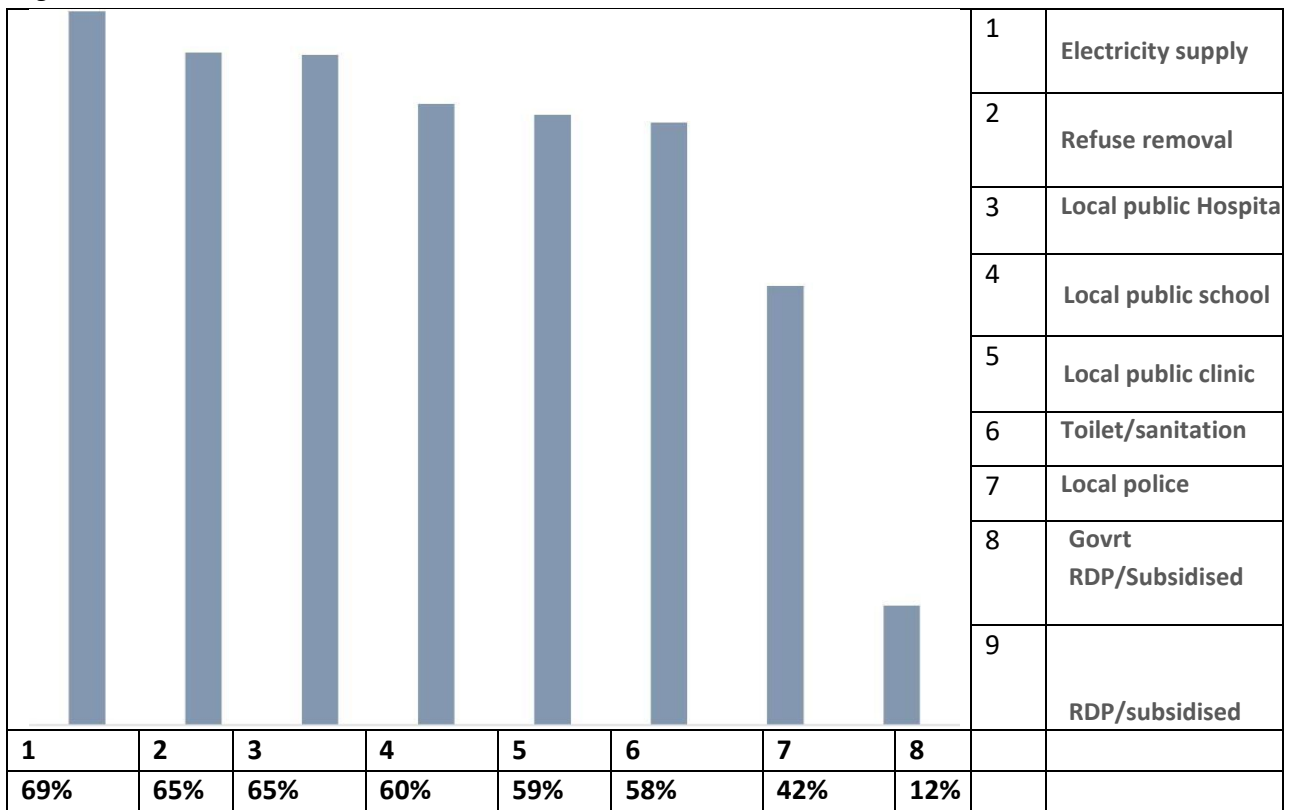
2.2.9.4. RATING OF THE OVERAL QUALITY OF SERVICES

Table: 41

SERVICES	GOOD	AVERAG E	POOR	NO ACCE	DO NOT US	TOTAL POPULATION
Electricity supply services	56 698	18 277	5 682	815	587	82 060
Refuse removal services	53 392	19 586	7 799	988	295	82 060
Local public hospital	53 200	16 414	4 843	2 162	5 441	82 060
Local public school	49 309	15 686	8 084	3 016	5 966	82 060
Local public clinic	48 437	16 167	12 048	1 638	3 769	82 060
Toilet/sanitation services	47 863	13 775	17 152	2 667	603	82 060
Local police services	34 839	17 875	22 366	1 409	5 571	82 060
Govrt RDP/subsidised dwelling	9 472	8 831	11 191	61	52 505	82 060
Electricity supply services	69%	22%	7%	1%	1%	100%
Refuse removal services	65%	24%	10%	1%	0%	100%
Local public hospital	65%	20%	6%	3%	7%	100%
Local public school	60%	19%	10%	4%	7%	100%
Local public clinic	59%	20%	15%	2%	5%	100%
Toilet/sanitation services	58%	17%	21%	3%	1%	100%
Local police services	42%	22%	27%	2%	7%	100%
Government RDP/subsidised dwelling	12%	11%	14%	0%	64%	100%

2.2.9.5 GOOD SERVICES RENDERED

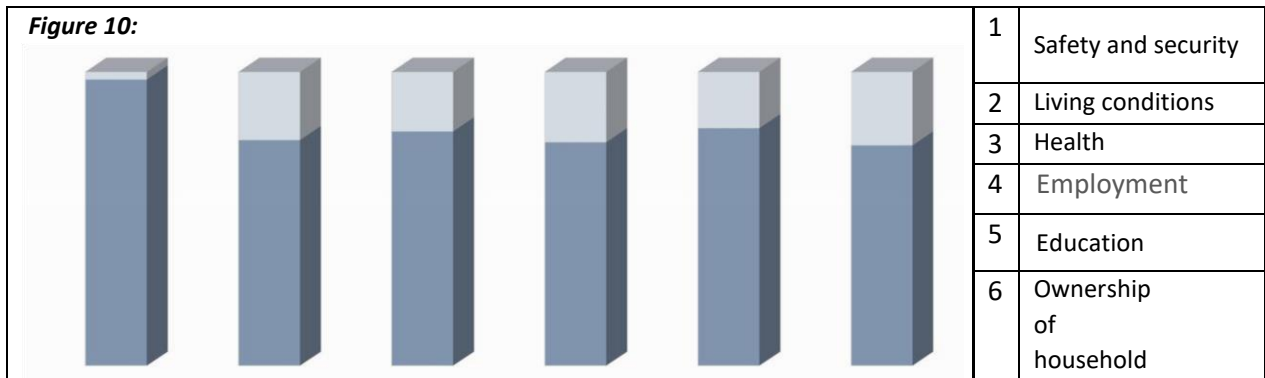
Figure 9:



2.2.9.6 PEOPLE'S OPINION ABOUT THE IMPORTANCE OF SERVICES TO IMPROVE THE

STANDARD OF LIVING: MAKANA 2016

Figure 10:



						assets
1	2	3	4	5	6	
75%	77%	80%	76%	81%	75%	

2.2.9.7 SOCIAL COHESION IN THE MUNICIPAL PLANNING

There are a number of social activities organised by the Municipality and other stakeholders that encourage social cohesion within the municipal area. Below are some of the activities organised annually

ACTIVITIES	PERIOD
National Arts Festival	June/ July yearly
Science Festival	March yearly
Makana Freedom Festival	April yearly
Mayoral Cup	Easter weekend

2.2.9.8. DIMENSION AND CROSS- CUTTING ISSUES: SPU

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

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

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

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

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

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

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

2.2.9.9 HIV/AIDS TEST IN MAKANA AREA

FINANCIAL YEAR 2017-2018 TESTED:

Table 42

ORGANISATION UNIT	APR TO JUN 2017	JUL TO SEP 2017	OCT TO DEC 2017	JAN TO MAR 2018
Anglo African Street Clinic	160	194	121	163
Grahamstown Mobile 2	18	11	12	28
Grahamstown Mobile 3	16	14	33	18
Joza Clinic	232	426	782	818
Kwa-Nonzwakazi Clinic	91	77	114	96
Middle Terrace Clinic	91	77	58	69
NG Dlukulu Clinic	836	702	517	728
Raglan Road Clinic	472	443	425	406
Raymond Mhlaba Clinic	6	9	20	7
Settlers Day Hospital	687	1339	717	388
Virginia Shumane Clinic	363	477	416	324

FINANCIAL YEAR 2018-19 TARGETS

Table 43

FACILITY	APR TO JUN	JUL TO SEP	OCT TO DEC	JAN TO MAR 2019
Anglo African Street Clinic	108	108	108	108
Joza Clinic	479	479	479	479
Kwa-Nonzwakazi Clinic	148	148	148	148
Middle Terrace Clinic	198	198	198	198
NG Dlukulu Clinic	322	322	322	322
Raglan Road Clinic	288	288	288	288
Raymond Mhlaba Clinic	30	30	30	30
Settlers Day Hospital	605	605	605	605
Virginia Shumane Clinic	233	233	233	233

2.3. SOCIO-ECONOMIC DIMENSIONS ANALYSIS

2.3.1 INCOME LEVELS

Table: 44 Income Category

Source: Stats SA 2011

SOCIO ECONOMIC ANALYSIS	MAKANA AREA (STATSSA 2001)	MAKANA AREA (STATSSA 2016)	%	GROWTH % p.a.
Total Population				
Income 15 to 65	14 919	51 057		
No Income	320	22 964	45.0	707.6
R1 – R400	3 078	2 789	5.5	-0.9
R401 – R800	3 265	2 565	5.0	-2.1

R801 - R1600	2 812	8 573	16.8	20.5
R1601 – R3200	2 376	4 610	9.0	9.4
R 3 201 - R 6 400	1 783	2 720	5.3	5.3
R 6 401 - R 12 800	852	2 515	4.9	19.5
R 12 801 - R 25 600	227	1 627	3.2	61.7
R 25 601 - R 51 200	81	535	1.0	56.2
R 51 201 - R 102 400	64	127	0.2	9.8
R 102 401 - R 204 800	46	79	0.2	7.2
R 204 801 or more	15	50	0.1	23.3
Unspecified	0	1 902	3.7	

Table : Statics South; Family Electoral Wards, Geography by Individual monthly income for Person weighted
Table 45

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

21004013: Ward 13	2135	887	354	1187	427	201	148	79	57	9	7	-	5491
21004014: Ward 14	2412	1040	325	1160	646	245	137	104	34	14	11	10	6138
Grand Total	31266	11009	3226	12048	4931	2915	2673	1759	611	137	84	53	70711

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

Geography by Annual household income for Household Weighted:

Table 46

Wards	No income	R 1 – R 4800	R 4801 - 9600	R 9601 – R 19 600	R 19 601 0 R 38 200	R 38 201 R 76 400	R 76 401 0 R 153 800	R 153 801 R 307 600	R 307 601 R 614 400	R 614 00 R 1 228 800	R 1 228 81–R 2 457 600	R 2 457 600 or more	0 Grand Total
21004001: Ward 1	38	18	51	174	249	122	62	32	25	7	1	-	779
21004002: Ward 2	291	66	75	459	394	294	226	93	33	4	5	1	1942
21004003: Ward 3	243	55	82	271	265	242	175	178	116	53	14	6	1702
21004004: Ward 4	250	22	38	171	227	261	395	432	298	94	29	25	2244
21004005: Ward 5	268	143	244	472	534	353	144	54	30	6	-	-	2246
21004006: Ward 6	108	62	106	215	230	191	178	101	33	4	3	2	1235
21004007: Ward 7	95	53	60	244	229	123	65	15	5	-	-	-	888

21004008: Ward 8	258	18	29	117	153	134	225	241	155	36	6	11	1383
21004009: Ward 9	161	76	90	302	347	192	127	74	30	6	3	-	1408
21004010: Ward 10	380	136	130	476	381	296	219	74	24	1	2	1	2120
21004011: Ward 11	241	89	136	480	516	254	98	47	18	2	2	-	1884
21004012: Ward 12	8	1	1	1	4	9	22	30	20	5	1	3	106
21004013: Ward 13	167	89	129	434	411	239	108	62	40	18	7	-	1706
21004014: Ward 14	212	77	94	347	443	321	127	57	39	16	4	6	1742
Grand Total	2721	905	1266	4163	4382	3030	2172	1491	867	254	77	56	21385

Table 47

Geography by Annual household income for Household Weighted :													
No income	R 1 – R48	R 4801 – 9600	R 9601 – 19600	R 19 601 – R38200	R 38 200 – R76400	R 76 401 – R153800	R 153 800 – R307600	R 307 601 – R614400	R 614 001 – R1228800	R 1 228 800 – R2457600	R 2 457 600 or more	Grand Tot	
21004001: Ward 1													
21004002: Ward 2	38	18	51	174	249	122	62	32	25	7	1	-	779
21004003: Ward 3	29	166	75	459	394	294	226	93	33	4	5	1	1942
21004004: Ward 4	24	355	82	271	265	242	175	178	116	53	14	6	1702

21004005: Ward 5	25	022	38	171	227	261	395	432	298	94	29	25	2244
21004006: Ward 6	26	8143	244	472	534	353	144	54	30	6	-	-	2246
21004007: Ward 7	10	862	106	215	230	191	178	101	33	4	3	2	1235
21004008: Ward 8	95	53	60	244	229	123	65	15	5	-	-	-	888
21004009: Ward 9	25	818	29	117	153	134	225	241	155	36	6	11	1383
21004010: Ward 10	16	176	90	302	347	192	127	74	30	6	3	-	1408

2.3.2 LABOUR FORCE: GEOGRAPHY BY SUMMATION

Table: 48 Geography by summation

Area	Number			Percentage		
	Employed	Unemployed	Total	Employed	Unemployed	Total
Ward 1	1 123	94	1 217	92.3	7.7	100
Ward 2	1 367	939	2 305	59.3	40.7	100
Ward 3	1 686	586	2 272	74.2	25.8	100
Ward 4	2 809	502	3 311	84.8	15.2	100
Ward 5	1 617	1 321	2 938	55	45	100
Ward 6	930	542	1 472	63.1	36.9	100
Ward 7	695	514	1 209	57.5	42.5	100
Ward 8	1 243	127	1 369	90.8	9.2	100
Ward 9	1 017	910	1 927	52.8	47.2	100
Ward 10	1 407	1 269	2 677	52.6	47.4	100
Ward 11	1 325	1 019	2 344	56.5	43.5	100
Ward 12	117	2	119	98.3	1.7	100
Ward 13	1 953	793	2 746	71.1	28.9	100
Ward 14	1 946	642	2 589	75.2	24.8	100

2.3.3 LABOUR STATUS AND TRENDS

Table: 49 Labour Status

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

Source: Stats SA 2011

2.3.4 FORMAL AND INFORMAL EMPLOYMENT

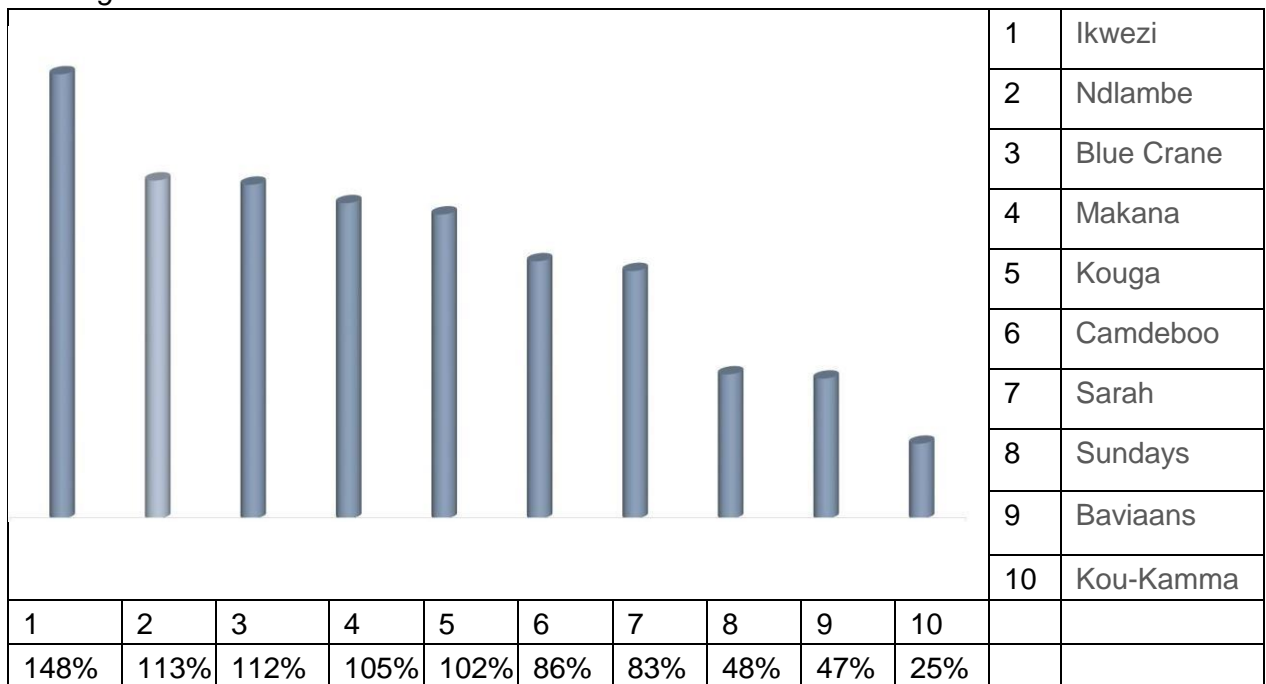
Over the past two decades, informal sector employment in Makana local municipality has more than double

Table 50

Informal Sector Employment	1995	2000	2005	2010	2015	Growth rate	
						1995 - 2015	
Formal employment	16	6 15	8 15	5 14	9 15	7	-5%
Formal: Skilled	3	2 2	9 3	0 3	1 3	1	-3%
Formal: Semi-skilled	6	6 6	2 6	3 6	1 6	5	-2%
Formal: Low skilled	6	7 6	5 6	1 5	6 6	1	-9%
Informal employment	3	8 3	8 3	7 5	5 8	1	113%
Formal + Informal employment	20	4 19	6 19	3 20	5 23	9	17%

□ between 1995 and 2015, employment in the informal sector grew most in Ikwezi and Makana

Figure 13:



2.3.5 SKILLS IN MAKANA FORMAL EMPLOYMENT

Skills in Makana's Formal employment (For every 10 people employed in the formal sector, 2 are skilled)

Table 51

EMPLOYMENT	PERCENTAGE
FORMAL EMPLOYMENT	66%

Low skilled	39%
Semi-skilled	41%
Formal skilled	20%
INFORMAL EMPLOYMENT	34%

2.3.6 SECTOR CONTRIBUTION TO EMPLOYMENT IN MAKANA AND GVA, 2015

Table 52

DEPARTMENTS	PERCENTAGE	GVA
Agriculture	10%	2.40%
Mining	0%	0.10%
Manufacturing	6%	11.60%
Electricity	0%	1.00%
Construction	8%	4.50%
Trade	25%	19.20%
Transport	5%	7.90%
Finance	10%	19.50%
Community services	19%	8.90%
General government	17%	24.90%
TOTAL	100%	100%

2.3.7 SECTORS CONTRIBUTION TO GDP: (MAKANA, 2015)

Table 53

SECTORS	PERCENTAGE
Agriculture	1%
Mining	0%
Manufacturing	12%
Electricity	1%
Construction	5%
Trade	19%
Transport	8%
Finance	19%
Community services	9%
General government	25%

2.3.8 SECTORS WITH COMPARATIVE ADVANTAGE

Table 54

SECTORS	PERCENTAGE
Leather and leather products	3.71
Motor vehicles + parts	2.6
Transport equipment	2.24
Education	2.03
Rubber products	1.94
Non-metallic mineral products	1.73
Catering and accommodation services	1.66
Other community services	1.55
Community and personal services	1.51
National and Provincial government	1.5
General government	1.49
Local government	1.42
Basic chemicals	1.36
Health and social work (Private)	1.28
Trade	1.27
Food	1.27
Wholesale and retail trade	1.24
Textiles	1.17
Tertiary sector	1.17
Construction	1.16
Business activities n.e.c.	1.15
Agriculture	1.13
Textiles, clothing and leather goods	1.12
Food, beverages and tobacco	1.06
Business services	1.03
Other manufacturing groups	1.01
Professional business services	1

2.3.9 INVESTMENT IN MAKANA

Building and construction works investment in Makana is 48%, machinery 38% and total investment in 2015 was R961 million.

Table 55

SECTORS	PERCENTAGE
Transfer costs	2%
Building and construction works	48%
Machinery and other equipment	38%
Transport equipment	12%

2.4 INSTITUTIONAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

2.4.1 INSTITUTIONAL PLAN

2.4.1.1 COMPOSITION OF THE MUNICIPALITY

Makana Municipality is established in terms of Section 12 of the Municipal Structures Act, 1998 (Act 118 of 1998) as a Municipality with a Mayoral Executive System combined with a Ward Participatory System. Section 2(b) of the Municipal Systems Act states that a Municipality is constituted by its Political Structures, Administration and Community.

Political structures include:

The Municipal Council which comprises 27 Councillors, 14 of whom are Ward Councillors and 13 of whom are Proportional Representation (PR) Councillors;

The Office of the Speaker: the Speaker is the Chairperson of the Municipal Council; The Executive Mayor and Executive Mayoral Committee; and Portfolio Committees who oversight Directorate operations. The Administration is divided in 6 Directorate Namely:

Table 57

DIRECTORATE	OFFICE
01. The Municipal Manager's Office	City Hall, Church Square, Grahamstown
02. Corporate and Shared Services	City Hall, Church Square, Grahamstown
03. Public Safety and Community Services	City Hall, Church Square, Grahamstown
04. Budget and Treasury Office	86 High Street, Grahamstown
05. Engineering, Infrastructure and Technical Services	86 High Street, Grahamstown

06.	Local Economic Development and Planning	Church Square, Grahamstown
SATELLITE OFFICES		
01.	Riebeeck East	63 Morgan Street Riebeeck East 580
02.	Alicedale	1003 Main Alicedale 6135

The municipality has created community structures including: Ward Committees, the IDP Representative Forum, Sector Engagements Forums and Ward Room Forums, Business sector forums

2.4.1.2 POWERS AND FUNCTIONS

Section 156, read together with Schedules 4B and 5B of the Constitution sets out the functions of a Municipality. Section 84 of the Municipal Structures Act regulates the division of these functions between the District and Local Municipality.

The Makana LM currently has 36 different functions, based on the Municipal Systems Act, No 32 of 2000 and Act 117 of 1998.

Table 58

No.	POWERS AND FUNCTION	No.	POWERS AND FUNCTION
1.	Child care facilities	19.	Local amenities
2.	Firefighting DM function	20.	Municipal parks and recreation
3.	Municipal airports	21.	Municipal Roads
4.	Municipal Health services	22.	Noise pollution
5.	Pontoons and ferries	23.	Pound
6.	Trading regulations	24.	Public places
7.	Sanitation	25.	Refuse removal, refuse dumps and solid waste disposal
8.	Building regulations	26.	Control of undertakings that sell liquor to the public
9.	Electricity reticulation	27.	Fencing and fences
10.	Local tourism	28.	Street trading
11.	Municipal planning	29.	Street lighting
12.	Municipal public transport	30.	Traffic and parking
13.	Stormwater	31.	Control of public nuisance
14.	Water (potable)	32.	Fencing and fences
15.	Cemeteries, funeral parlours and crematoria	33	Licensing of dogs

16.	Billboards and the display of advertisements in public places	34.	Licensing and control of undertakings that sell food to the public
17.	Facilities for the accommodation, care and burial of animals	35.	Cleansing
18.	Local sport facilities	36.	Air Pollution

2.4.1.3 ORGANIZATIONAL STRUCTURE

Figure 15



Table 59

DIRECTORATE	DEPARTMENT
Municipal Manager's Office	<ul style="list-style-type: none"> • Risk Management • Internal Audit • Executive support • Strategic Planning and Monitoring • Information Technology and Communication • Legal and Land Estate
Corporate and Share Services	<ul style="list-style-type: none"> • Human Resources • Legal Services • Administration • Council support • Records Management
Budget and Treasury Services	<ul style="list-style-type: none"> • Budget • Revenue Management • Expenditure Management • Supply Chain Management • Compliance and Reporting • Fleet and Asset Management

Public Safety and Community Services	<ul style="list-style-type: none"> • Library services • Environmental management • Waste Management • Traffic control and road worthy • Fire and rescue services • Disaster management
Engineering and Technical Services	<ul style="list-style-type: none"> • Water and sanitation • Roads and storm water • Electricity • Housing • PMU
Local Economic Development and Planning	<ul style="list-style-type: none"> • SMME development • Tourism • Trade and investment • Heritage development • Agriculture • Spatial Development Framework • Rural Development

2.4.1.4 ORGANIZATIONAL STRUCTURE CHALLENGES

The municipality annually undertakes a comprehensive organisational development exercise for the entire institution. The objective is the alignment of the current and future organisational needs. The current organisational structure which is under review was approved by Council in January 2017.

2.4.1.5 STAFFING AND ESTABLISHMENT, CRITICAL POSITION AND VACANCY RATE

Table 60

2.4.3.2.1: VACANCY RATE SCHEDULE		
Total positions of the entity (incl. non-funded positions)	Total vacant non-funded positions	Total Vacant Positions as per Organogram
1031	290	405

Table 61

POSITION	TASK GRADE	STATUS
MUNICIPAL MANAGER'S OFFICE		
1 X Municipal Manager	Section 56	Advertised
1 X Manager ICT	15	Filled
1 X Secretary to the MM	7	Awaiting for motivation
1 X Systems Administrator	12	Interviews: 26 February 2018
TOTAL VACANT POSITIONS	4	
ENGINEERING & INFRASTRUCTURAL SERVICES		
1 X Manager: PMU	16	Moratorium
1 X Sewer Worker / Operator Grade 2	3	Moratorium
1 X TLB Operator: Water Reticulation / Maintenance	6	Re-advertised :31 March 2017 (on hold due to moratorium)
2 X Truck Drivers: Water Reticulation / Maintenance	6	To be re-advertised
1 X Manager: Roads & Storm water	15	Moratorium
1 X Senior Technician	14	Moratorium
11 X General Worker	3	Moratorium
1 X Shift man	6	Moratorium
1 X Senior Mechanic	10	Moratorium
1 X Superintendent	11	Moratorium
1 X Plumber	9	Moratorium
1 X Pump Attendant	6	Moratorium
1 X Light Fitter High mast	5	Moratorium
1 X Driver	6	Moratorium

1 X Supervisor Driver	6	Moratorium
1 X Grader Operator	6	Moratorium
TOTAL VACANT POSITIONS	27	
COMMUNITY & PUBLIC SAFETY		
POSITION	TASK GRADE	STATUS
1 X Sports and Recreation Officer	11	Moratorium
4 X Machine Operator	3	Moratorium
1 X Tractor Driver	5	Moratorium
1 X Truck Driver	6	Moratorium
2 X Machine Operator (Vegetation Control Unit)	4	Moratorium
1 X Machine Operator (Sports Ground)	4	Moratorium
2 X Leading Hand (Nursery)	5	Moratorium
1 X Foreman (Auxiliary Services)	9	Moratorium
1 X Commonage Artisan	3	Moratorium
1 X General Worker (Collection)	3	Moratorium
2 X Library Assistant	5	Moratorium
1 X Toilet Cleaner	3	Moratorium
2 X Cleaner	3	Moratorium
2 X General Worker	3	Moratorium
1 X Street Sweeper	3	Moratorium
TOTAL VACANT POSITIONS	23	
CLEANSING DEPARTMENT		

1 X Superintendent	9	Ready for shortlisting
1 X Driver Supervisor	7	Ready for shortlisting
5 X General Worker (Cleansing)	3	Moratorium
2 X Toiler Cleaner (Cleansing)	3	Moratorium
2 X Street Sweeper (Cleansing)	3	Moratorium
1 X Tractor Driver (Cleansing)	5	Moratorium
1 X Loader Trailer (Cleansing)	3	Moratorium
Library Services		
1 X Librarian	11	Moratorium
1 X Mobile Library Assistant	5	Moratorium
1 X Library Assistant	5	Moratorium
TOTAL VACANT POSITIONS	16	
Traffic Department		
1 X Traffic Officer Gr2	10	Moratorium
1 X Foreman-Examiner Technical Service	10	Moratorium
1 X Typist / Clerk	6	Moratorium
1 X Road Painter	3	Moratorium
TOTAL VACANT POSITIONS	4	
Fire Department		
3 X Fire Fighter	7	Interviews for 1 X Fire Fighter:04 May 2017 (Put on Hold due to moratorium)
1 X Disaster Management Officer	10	Moratorium
TOTAL VACANT POSITIONS	4	

LOCAL ECONOMIC DEVELOPMENT		
1 x Manager: SMME & Trade Investment	15	Moratorium
1 X Building Inspector	10	Moratorium
TOTAL VACANT POSITIONS	2	
CORPORATE & SHARED SERVICES		
1 X Secretary to Director	7	Moratorium
POSITION	TASK GRADE	STATUS
2 X Records Clerk (Registry)	5	Moratorium
1 X Committee Clerk	7	Moratorium
1 X Employee Wellness Practitioner	10	Moratorium
2 X General Worker (Alicedale)	3	Moratorium
TOTAL VACANT POSITIONS	8	
BUDGET & TREASURY		
1X Senior Clerk: Rates & Indigent	7	Closing date: 09 February 2018
1 X Clerk Grade / Payroll Clerk	6	Moratorium
TOTAL VACANT POSITIONS	2	

2.4.1.6 FILLED SENIOR MANAGERS POSITION AND VACANT

Table 62

OFFICE	POSITION	NAME
EXECUTIVE MAYOR	Strategic Manager	Vacant
	SPU Manager	Mr. V. Wali (M)
SPEAKERS OFFICE	Manager in the Office of the Speaker	Ms. N. Santi (F)
MM'S OFFICE	MUNICIPAL MANAGER	VACANT
	Risk Officer	Mrs. N, Kosi (F)
	Strategic Planning & Monitoring	Mr. M. Pasiya (M)

	Manager Internal Audit	Mr. A. Ngcauzele (M)
	Manager ICT	Mr. L. Mhleka (M)
	PMU Manager	In progress
	Manager: Support Services	Mr. E. Ganza (M)
	Unit Manager Riebeeck East	Ms. N. Kulati (F)
CORPORATE AND SHARED SERVICES	DIRECTOR	Mrs. N. Mazwayi (F)
	Manager Administration	Mr. W. Mager (M)
	Human Resources Manager	Mr. X. Kalashe (M)
	Operations Manager	Mr. Ngandi (M)
	Records Manager	Ms. N Xintolo (F)
	Unit Manager Alicedale	Ms. G. Goliath (M)
	Legal Manager	Mrs. N Mbanjwa (F)
FINANCE DIRECTORATE	CHIEF FINANCIAL OFFICER	MS N Siwahla (F)
	Manager Expenditure	Mr. M. Crouse (M)
	Manager Revenue & Data Control	Ms. D. May (F)
	Manager Supply Chain	Ms. Z. Gxowa (F)
	Manager Compliance & Reporting	Ms. C. Mani (F)
LOCAL ECONOMIC DEVELOPMENT	DIRECTOR	Ms. R. Meiring (F)
	Manager Agriculture	Ms. P. Gqweta (F)
	Manager SMME	Vacant
	Manager Tourism & Heritage	Mr. T. Sindane (M)
	Deputy Director Planning & Dev.	Mr. R. van der Merwe (M)
	Manager Planning & Estate	Vacant
ENGINEERING AND	DIRECTOR	Mr. D. Mlenzana (M)

TECHNICAL SERVICES	Deputy Director	Mr. S. Nomandela (M)
	Operations Manager	Mr. G. Goliath (M)
ELECTRICAL DEPARTMENT	Deputy Director	Mr. M.J. Siteto (M)
	Town Electrical Engineer	Mr. M. Radu (M)
ROADS & STORMWATER	Manager	Vacant
WATER & SEWERAGE	Manager	Ms. N. Tshicilela (F)
PUBLIC SAFETY AND COMMUNITY SERVICES	DIRECTOR	Mr. K. Makgoka (M)
FIRE & RESCUE SERVICES	Manager	Mr. Welkom (M)
LIBRARY SERVICES	Manager	Ms. P. Vubela (F)
TRAFFIC SERVICES	Manager	Mr. Hanekom (M)
PARKS DEPARTMENT	Manager	Mr. J. Budaza (M)
ENVIRONMENTAL MANAGEMENT	Manager	Mr. N. Nongwe (M)
ENVIRONMENTAL HEALTH	Manager	Mr. J. Esterhuizen (M)
OPERATIONS MANAGER	Manager	Mr. Smile (M)

2.4.2 LABOUR RELATIONSHIP

Makana Local Municipality acknowledges that the primary goals of employer-employee relations are to create a productive, engaged workforce and to eliminate the perception that organized labour and management have a perpetually adversarial relationship. A number of industrial relations objectives can help both labour unions and employers attain those goals. Fundamental to labour-management goals is a clear understanding of the Labour Relations Act. Makana LM has a formal recognised agreement with the South African Municipal Workers Union (SAMWU) and Independent Municipal Allied Trade Union (IMATU) and South African Local Government Association (SALGA).

In 2017 Salaries and wage adjustments affecting the organised labour have been satisfactorily concluded for three years. Makana LM has a disciplinary and grievance procedure in place to settle and resolve any internal matters.

An Industrial Relations Officer position has been filled with the aim of improving employer employee relations. The following committees are functional in order to enhance constructive consultation: Local Labour Forum (LLF), Employment Equity, Training and Development and Health and Safety.

As part of improving labour relationship, the municipality established wellness section to pursue employee wellness initiatives and, within this effort, has implemented an HIV/AIDS prevention programme that serves to create awareness and share information on available assistance for HIV/AIDS treatment. The initiative has also offered elected community members as peers educators so that participants are able to interact meaningfully with affected persons, both within the workplace and in the broader community.

2.4.3 WORK SKILLS PLAN AND TRAINING DEVELOPMENT

Workplace Skills Plan is developed annually by the Skills Development Facilitator. This is a product of numerous processes that ranged from identifying the employee current, gaps or future skills. The Workplace Skills Plan is approved by Council with a specific budget and implementation report is submitted to the Local Government SETA on the 30 March 2018 to recover a portion of monies spent on implementing the plan. The Makana LM offers various annual in-service training, internship opportunities to promote the development of skills in specific areas in order to encourage growth and exposure for the youth.

Targeted training and employment are also used to affirm previously disadvantaged categories, with a special training initiative to address the gender imbalances in the workforce. There has been a particular focus on developing women as water treatment works operators over the past five years, this trend will continue in the future.

Municipality has developed critical and scarcity policy to ensure municipality is attracting and retain skilled personnel more special for service delivery functions.

2.4.4 PERFORMANCE MANAGEMENT

It is noted that the municipality has revised its Performance Management System and was approved by Council in June 2016. PMS is not implemented across municipality. Performance evaluations are only done at senior management level only.

Makana does not actively manage performance outcomes in relation to development, managing poor performance and recognition of performance. There is lack of consequence for poor performance and transgression of policies and procedures within the municipality. This has

created a culture of non-performance which has a negative impact on service delivery, financial management sustainability and the audit outcome.

Some of the root causes that have been identified to have led to performance management related issues include: The non-availability of a champion to oversee the implementation of The Performance Management System within the municipality; and The lack of segregation of duties between the IDP/PMS Manager and the relevant personnel responsible for Performance Management within the municipality as organisational performance management fall within the IDP/PMS function. This weakens the control environment and the effective implementation of the performance management system (PMS) within the municipality.

The municipality will therefore undertake a process of performance review of all municipal employees and implement measures to address poor or non-performance. The human resources function has not undertaken any workshops on performance management for all departments and/ or employees within the municipality, specifically regarding target setting which requires performance targets to be specific in clearly identifying the nature and required level of performance.

Evidence also suggests that thirty-three percent (33%) of the indicators were not well defined, specific or time-bound according to the SMART principle and hence, it is critical that the human resource function takes the role of work shopping all stakeholders on performance management. The human resource function in the municipality requires support in the development and implementation of a good practice framework and/ or guidelines to ensure that the performance management framework illustrates how key performance indicators (KPIs) should be cascaded from the strategic level to the lowest level in the municipality.

2.4.5 INSTITUTIONAL POLICIES AND PROCEDURES

Table 63

NO	POLICY TITLE	DIRECTORATE	LAST REVIEW
1	Telephone Use	Corporate and Shared Services	24-Jun-2017
2	Use of Municipal halls	Corporate and Shared Services	11-Jun-15
3	Report Writing	Corporate and Shared Services	11-Jun-15
4	Records Management	Corporate and Shared Services	24-Jun-16
5	Communication	Corporate and Shared Services	24-Jun-16
6	Termination of Employment	Corporate and Shared Services	24-Jun-2017

7	Employee Wellness programme	Corporate and Shared Services	24-Jun-2017
8	Internship	Corporate and Shared Services	24-Jun-2017
9	Leave of absence and procedure	Corporate and Shared Services	24-Jun-2017
10	Overtime and procedure	Corporate and Shared Services	24-Jun-2017
11	Recruitment and Selection	Corporate and Shared Services	24-Jun-2017
12	Retention	Corporate and Shared Services	24-Jun-2017
13	Study Assistance	Corporate and Shared Services	24-Jun-2017
14	Training and Development	Corporate and Shared Services	24-Jun-16
15	Transport allowance	Corporate and Shared Services	24-Jun-16
16	Fleet Management	Corporate and Shared Services	24-Jun-16
17	Subsistence & Travel	Corporate and Shared Services	24-Jun-16
18	Placement, Promotion, Demotion and Transfer Policy	Corporate and Shared Services	Adopted in 2016
19	Dress Code Policy	Corporate and Shared Services	Adopted in 2016
20	Municipal Residents Policy	LED and Planning	Adopted in 2016
21	Land Disposal Policy	LED and Planning	24-Jun-16
22	ICT Policy Framework	Municipal Manager's Office	11-Jun-15
23	Information & Technology Change Management Policy	Municipal Manager's Office	11-Jun-15
24	IT Use Policy	Municipal Manager's Office	11-Jun-15
25	Change Control Policy and Procedure	Municipal Manager's Office	24-Jun-16
26	Fraud Prevention	Municipal Manager's Office	11-Jun-15
27	Risk Management Policy	Municipal Manager's Office	24-Mar-13
28	International Relations	Municipal Manager's Office	New
29	IGR Framework	Municipal Manager's Office	New
30	Catering	Municipal Manager's Office	Last review 2014
31	Performance Management Policy	Municipal Manager's Office	Last reviewed in 2017

32	Property Rates	Budget and Treasury	26-May-16
33	Property Rates by-law	Budget and Treasury	26-May-16
34	Assistance to the poor & Indigent	Budget and Treasury	26-May-16
35	Cash Management and Investment	Budget and Treasury	26-May-16
36	Funding Reserves	Budget and Treasury	11-Jun-15
37	Tariff	Budget and Treasury	26-May-16
38	Expenditure	Budget and Treasury	24-Jun-16
39	Budget	Budget and Treasury	26-May-16
40	Asset Management	Budget and Treasury	11-Jun-15
41	Supply Chain Management	Budget and Treasury	24-Jun-16
42	Petty cash	Budget and Treasury	24-Jun-16
43	Grant in Aid in Lieu of Rates	Budget and Treasury	26-May-16
44	Credit Control and Debt Collection	Budget and Treasury	26-May-16
45	Credit Control and Revenue Management by-law	Budget and Treasury	26-May-16
46	Provision of Debt Write off – Doubtful debt	Budget and Treasury	26-May-16
47	Inventory Management	Budget and Treasury	24-Jun-16
48	Virement	Budget and Treasury	11-Jun-15
49	HIV/AIDS	Mayor's Office	
50	Grants and Donations	Mayor's Office	11-Jun-15

2.5. GOOD GOVERNANCE AND PUBLIC PARTICIPATION

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

2.5.1 STRUCTURES

Section 53 of the Municipal Systems Act (Act 32 of 200), stipulates inter alia that the respective roles and areas of responsibilities of each political structures and each Political Office Bearer of the Municipality and the Municipal Manager must be defined. Makana Municipality has Fourteen (14) wards and 27 Councillors.

2.5.2 MAKANA POLITICAL STRUCTURE OVERVIEW

The Makana Local Municipality was established in terms of Section 12 of the Local Government Municipal Structures Act (Act No. 177 of 1998). Council has of twenty seven (27) Councillors (including the Mayor), 13 of whom are proportional councillors.

The municipality operates in an Executive Mayoral Committee system with an Executive Mayor and five Portfolio Chairpersons being members of the Mayoral Committee.

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

There is a fully functional Audit Committee attached to the municipality that provides opinions and recommendations on financial processes and performance and provides comments to the Oversight Committee on the Annual Report.

The Municipal Public Accounts Committee is comprised of non-executive councillors, with the specific purpose of providing the Council with comments and recommendations on the Annual Report. The Oversight Committee report will be published separately in accordance with MFMA guidance.

2.5.2.1 OUTLINE OF THE POLITICAL STRUCTURE

Figure 16

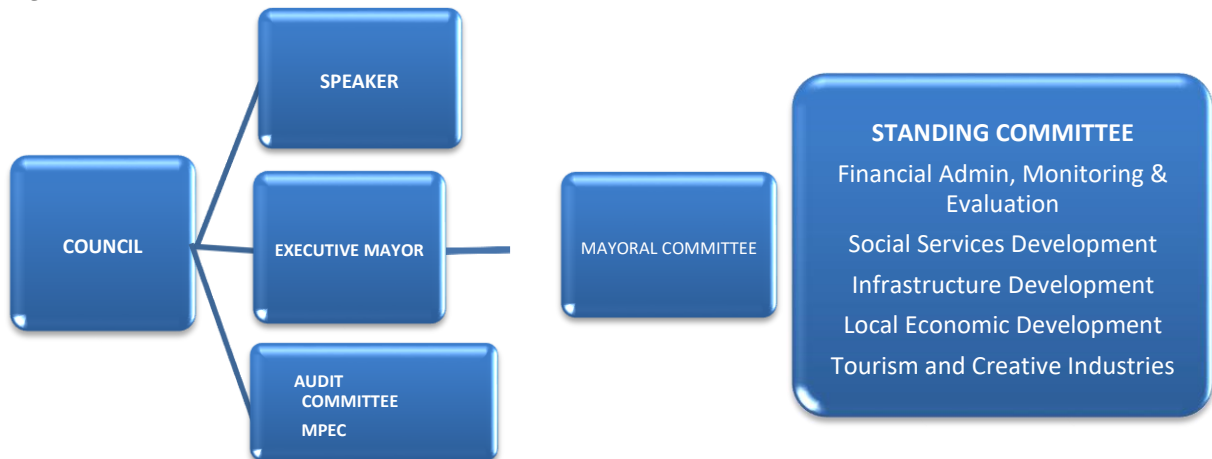


Table 64

EXECUTIVE MAYOR:	CLR N. Gaga
MAYORAL COMMITTEE MEMBERS	
Chairperson of Social Services Development Committee	Cllr P. Matyumza
Chairperson of Finance, Administration, Monitoring and Evaluation Committee	Cllr T. Masoma
Chairperson of Infrastructure Development Committee	Cllr M. Matyumza
Chairperson of Local Economic Development Committee	Cllr E. Louw
Chairperson of Tourism and Creative Industries Committee.	Cllr M. Khubalo

SPEAKER AND COUNCIL

Table 65

SPEAKER:		CLR YANDISWA VARA	
COUNCILLORS			
NO	SURNAME AND INITIALS	WARD	ORGANISATION
01	BRUINTJIES T. F (M)	PR	DA
02	CLARK C. (F)	PR	DA
03	FARGHER B. W. (M)	04	DA
04	FATYI M. (M)	13	ANC

05	GAGA N. (EXECUTIVE MAYOR) (F)	EM	ANC
06	GAUSHE T. (F)	06	ANC
07	GOJELA M. (M)	11	ANC
08	HOLM D. B. (12	DA`
09	JACKSON B. (M)	08	DA
10	KHUBALO M. (Chairperson TCI) (M)	07	ANC
11	LOUW E. (Chairperson Local Economic Development) (M)	14	ANC
12	MADYO X.G. (M)	PR	DA
13	MASOMA N. (Chairperson FAME) (F)	PR	ANC
14	MATYHUMZA M. (Chairperson Engineering & Infrastructure) (M)	PR	ANC
15	MATYHUMZA P (Chairperson Social Services Development) (F)	PR	ANC
16	MEYER A. J. (PR	DA
17	MOYA M. (M)	09	ANC
18	MTWA N. (F)	PR	EFF
19	NASE L. (M)	05	ANC
20	NHANHA M. A. (M)	PR	DA
21	PIETERS N.M. (F)	01	ANC
22	QOTOYI M. (M)	PR	EFF
23	SAKATA L. (M)	10	ANC
24	SEYISI T. (F)	13	ANC
25	SODLADLA S (PR	ANC
26	VARA Y. (Speaker) (F)	PR	ANC
27	XONXA N. R. (M)	02	ANC

2.5.3 COUNCIL COMMITTEES

Governance and oversight within the municipality must be strengthened for improved decision making and service delivery. A meeting schedule for all Council and Committee meetings is compiled and approved by Council for a financial year. With a few exceptions, meeting dates are adhered to and well attended by Councillors and Officials.

A Control and Monitoring Sheet was developed which sets clear time-lines for among others the compilation and distribution of agendas, the finalization of minutes and the date the minutes and action sheets should be distributed to Directors and Managers for implementation. This has

contributed to the timeous implementation of council resolutions and committee decisions within the municipality. Adherence to the scheduled dates of Council and Committee meetings is critical. There is a need for an improvement on the monitoring of the implementation of council resolutions.

The implementation and enforcement of a code of conduct for councillors is critical. The system of delegations has been reviewed. The political component of the municipality should however also be addressed.

Adequate personnel is available to provide administrative services for Council and Committee meetings. The personnel however lack experience but are receiving regular in-service training. The late submission of agenda items and/ or relevant reports for the meetings is being addressed with Directors and Managers.

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

The municipality has developed a communication strategy, and a public participation and communication (internally and externally) programme on continued basis and is enhanced.

2.5.3.1 Section 80 Committees

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

2.5.4 WARD COMMITTEES AND COMMUNITY DEVELOPMENT WORKERS

Makana Municipality has 13 Ward committees in place the 14th ward is the Rhodes University area and Grahamstown Foundation (Monument) and the matter is the subject of an IEC probe. Issues pertinent to IDP are referred from these structures and other fora like IDP Representative Forum which they are part of and through the Ward Councillor to the IDP unit for attention.

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

2.5.5 COMMUNITY-BASED PLANNING

The Ward-based public participation for developing the 2016 – 2017 IDP and its annual review was even more rigorous than previous year. Community-Based Planning Workshops were held for 13 Wards and a comprehensive CBP Report containing extensive data for each Ward which was a final outcome was compiled. This in turn informed Municipality and Sector Department as to the Development Needs & Priorities of the Communities and assisted them in their project planning & design for the forthcoming fiscal and outer years. Community Consultation & Participation is taken further by regular Ward Meetings held by Ward Councillor and their Ward Committees, as well as the Mayoral Imbizo and other events.

2.5.6 INTER-GOVERNMENTAL RELATIONS

The Honourable Mayor established an Inter-Governmental Relations Forum and the forum reviewed the local IGR Strategy, to ensure its efficient and effective functioning and also clarifying the aims & objectives, as well as the roles and responsibilities of the IGR and its various stakeholders. This structure also serves to co-ordinate the planning of projects and implementation of programmes stemming from the IDP process, Ward-based Plans, etc. The meetings of the IGR Forum are chaired by the Mayor and convened on a quarterly basis with all local Government Departments being represented by Senior-Decision makers.

2.5.6.1 National Intergovernmental Structures

As an active member of the South African Local Government Association, the Makana Municipality plays an active role when National Planning Proposals are discussed.

2.5.6.2 Provincial Intergovernmental Structures

The Municipal Manager attends all meetings of the Provincial Muni-MEC and similar structures with all resolutions taken at that level being worked into the Makana Council agenda. The value in this interaction is in ensuring that the needs of the local community are considered when the implementation of Government Projects is discussed.

2.5.6.3 District Intergovernmental Structures

The Makana Municipality regularly interacts with the other Municipalities in the District as the Government has created platforms for such deliberations, such as the Sarah Baartman District

Municipal Managers Forum. This ensures that information related to new initiatives in the District is effectively relayed to the Makana Municipality's senior management.

2.5.7 AUDIT AND RISK COMMITTEE

During the year, the three year term of the previous committee ended on the 31 December 2017. As a result a new four member Audit and Risk Committee was appointed by Council in April 2018 effective from the 01 May 2018 – 30 April 2021. The committee holds its quarterly meetings and performs its function in terms of the Makana Municipality Audit and Risk Committee Charter approved by Council and PMS Framework which are reviewed annually before the start of each financial year.

Other parties in attendance are:

Makana Municipality : The Municipal Manager, Director of Budget & Treasury, Chief Financial officer , Director of LED, Director Technical & Engineering Services, Director of Corporate Services and Director Public Safety and Community Services. Internal Auditor and Auditor-General representative, IDP/PMS Manager and the MPAC Chairperson as an ex-officio.

2.5.8 INTERNAL AUDIT UNIT

The Municipality has an in-house Internal Audit Unit in place that is in the office of the Municipal Manager, headed by an Internal Audit Manager. The staff component consists of Internal Audit Manager, Senior Internal Auditor and a National Treasury Intern appointed on the 05 February 2018. Risk based and statutory audits as required by section 165 of the Municipal Finance Management Act are performed each year including Ad – Hoc requests from time to time.

2.5.9 RISK MANAGEMENT

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

Strategic risk register has been developed and reports produced on the implementation of corrective action quarterly.

Table 66: SUMMARY OF STRATEGIC INSTITUTIONAL RISKS

RISK CATEGORY	DESCRIPTION
No financial sustainability (not a going concern)	1. Low collection rate. 2. Incorrect billing. 3. Non-payment and poor debt account management. 4. Unfunded budget. 5. Not cash backed. 6. Poor relations with service provider. 7. Poor relations with residents. 8. Poor governance leading to non-payment. 9. High payroll costs. 10. Poor implementation of revenue management strategy. 11. Inaccuracy of the indigent register.
Inadequate and ageing water infrastructure including plants	1. Ageing infrastructure. 2. Lack of preventative and scheduled maintenance of existing water reticulation system. 3. Poor implementation of maintenance plans. 4. Inadequate funding for maintenance. 5. No regular maintenance of bulk water treatment plants. 6. Non implementation of WSDP. 7. Poor spending on conditional grants. 8. Vandalism of the infrastructure. 8. Inadequate funding to replace ageing infrastructure. 9. Delays in procurement process.
Ageing road and Stormwater infrastructure	1. Lack of maintenance, no maintenance plans. 2. Insufficient funds. 3. Lack of resources such as plant and equipment. 4. Low staff morale. 5. Inadequate maintenance of storm water infrastructure. 6. No capital budget allocation. Lack of skills. Increased traffic volumes.
Unstable and poor reliability of supply of electricity	1. No maintenance plans. 2. Ageing infrastructure. 3. Lack of funding for maintenance. 4. Vandalism/Theft. 5. Non-compliance on calibrations of testing equipment. 6. Non-existence on mandatory trainings. 7. Delays in SCM processes for emergency situations.
Solid waste management	1. Lack of protective wear. 2. Inadequate vehicles for refuse collection. 3. Management and maintenance of the municipal tip. 4. Illegal dumping by the communities. 5. Refuse bags not availed. Staff shortages.
Performance targets not fully achieved	1. Setting of unrealistic targets. 2. Poor planning. 3. Poor management of leave 4. Low staff morale. 6. Shortage of skills/expertise in some areas of responsibility. 7. PMS not cascaded down to other levels of management. 2. Non alignment of budget to the IDP and SDBIP. Lack of urgency. Unfunded budget. Management responsibility to motivate their staff. Lack of consequence management. The IDP and SDBIP not prioritised. Too many crises occurring. Quarterly reviews not performed.
None-compliance with laws and statutory regulations	1. Lack of understanding of relevant legislations. 2. Poor compliance management and oversight. 3. Lack of implementation of MFMA calendar. 4. Lack of consequence management. Lack of institutionalised process of managing compliance.
Business continuity	1. Delays in the Procurement processes of the electronic

compromised	systems. 2. Lack of Prioritisation of e-governance. 3. Lack of ICT Governance. (Capacity (Financial/Human) constraints. 4. Lack of business security. 5. Logs are not reviewed regularly. 6. Segregation of duties. Poor ICT infrastructure). 7. Inadequate records management (Poor archiving, lack of disaster recovery plan for records, limited fire proof storage space for personal records, no building plans storage in place, poor financial record keeping. 8. There is not enough storage space). 9. No backups connected.
Poor contract management	1. Poor planning. 2. Poor management of SMME expectations. 3. Fraudulent activities. 4. Lack of urgency. 5. Projects not properly quantified. 6. Milestones not achieved. 7. Noncompliance with Basic Conditions of Employment Act (employment contracts)
Poor planning of infrastructure development	1. Population growth. 2. Lack of Master Plans. 3. Lack of funding. 4. No updated SDF.
Sewer spillages and inadequate waste water treatment plants	1. Inadequate capacity of the sewer system. 2. Ageing infrastructure. 3. Insufficient qualified staff. 4. Low staff morale. Inadequate maintenance. 5. No maintenance plans (for the reticulation system and plants) 6. Vandalism of plants. 7. No maintenance budget. 8. Staff shortages in critical positions. 9. Illegal settlements. 10. Use of bucket system in informal areas.
Ineffective disaster management (natural disasters)	1. No Fire Disaster Plans. 2. Not enough vehicles. Capacity constraints. Lack of experience. Limited fire proof storage space. No capital budget. Poor financial budget. Disaster management is a district function.

2.5.10 AUDIT OUTCOME 2016-17:

2.5.10.1 BASIS FOR QUALIFICATION OPINION

2.5.10.1.1 Irregular expenditure

The municipality did not have an adequate systems to identify and disclose all irregular expenditure incurred during the year as required by section 125(2) (d) (i) of the MFMA. The irregular expenditure disclosed in note 41 to the financial statements is understated in respect of amounts incurred and identified during the audit process of R25, 5 million. Due to the lack of systems it was impracticable to determine the full extent of the understatement of the irregular expenditure disclosed as R4, 4million (2016: R38, 3 million) in note 41 to the financial statements.

2.5.10.1.2 Receivables from exchange transactions

The municipality did not account for receivables from exchange transactions in accordance with the requirements of GRAP 104: Financial instruments and did not measure debtors when the measurement criteria had been met as debtors were not correctly valued and completely impaired. As a result, receivables from exchange transactions, as disclosed in the statement of financial position and note 3 to the financial statements, are overstated by R43, 0 million (2016: R35, 7 million) and accumulated surplus was overstated by R30,9 million and VAT by R10,2 million . I was unable to obtain sufficient appropriate evidence for receivables from exchange transactions as there was inadequate supporting documentation for debtors with credit balances and the impairment of receivables from exchange transactions. I was unable to confirm receivables from exchange transactions by alternative means. Consequently, I was unable to determine whether any adjustments to receivables from exchange transactions of R 46, 1 million (2015-16: R35, 8 million) as disclosed in the statement of financial position and as disclosed in note 3 to the financial statements were necessary.

2.5.10.1.3 Receivables from non-exchange transactions

I was unable to obtain sufficient appropriate evidence for receivables from non-exchange transactions as there was inadequate supporting documentation for debtors with credit balances and the impairment of receivables from non-exchange transaction. I was unable to confirm receivables from non-exchange transactions by alternative means. Consequently, I was unable to determine whether any adjustments to receivables from non-exchange transactions as disclosed in note 4 to the financial statements and stated at R 25, 7 million were necessary. The municipality did not account for receivables from non-exchange transactions in accordance with the requirements of GRAP 104: Financial instruments and did not measure debtors when the measurement criteria were met. Debtors were not recorded at appropriate amounts and were not adequately impaired. As a result, receivables from non-exchange transactions, as disclosed in the statement of financial position and note 4 to the financial statements, are overstated by R12, 9 million and accumulated surplus is overstated by the same amount.

2.5.10.1.4 Revenue from exchange transactions

The municipality did not measure revenue at the fair value of the consideration received or receivable in accordance with GRAP 9, Revenue from exchange transactions. This was due to management not having adequate systems to recognise revenue and ensure that it was correctly accounted and recorded. Consequently, revenue from exchange transactions disclosed in the statement of financial performance and note 18 is overstated by R41,9 million and receivables from exchange transactions as disclosed in the statement of financial position and note 3 to the financial statements is overstated by the same amount.

I was unable to obtain sufficient appropriate audit evidence for revenue from exchange transactions as other income transaction could not be substantiated by the supporting evidence provided for audit. I was unable to confirm the revenue transactions by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to revenue.

2.5.10.1.5 Value Added Tax (VAT) Payable

Sufficient appropriate audit evidence was not available to support the value added tax (VAT) payable disclosed in note 14 to the financial statements. The municipality does not have the adequate controls and system to maintain the transactions on the Vat suspense account. I was unable to obtain the required evidence by alternative means. Consequently, I was unable to determine whether any adjustments to VAT payable of R14, 3 million (2015-16: R5, 0 million) disclosed in note 14 to the financial statements were necessary.

2.5.10.1.6 Unauthorised expenditure

I was unable to obtain sufficient appropriate audit evidence regarding the unauthorised expenditure as disclosed on note 39 to the financial statements, as the disclosure was presented in the financial statements for auditing purposes without accurate and complete underlying accounting records. I was unable to audit the disclosure in the financial statements by alternative means. Consequently, I was unable to determine whether any adjustments to the unauthorised expenditure of R356, 6 million as disclosed in note 39 to the financial statements was necessary.

2.5.10.1.7 Cash flow statement

The presentation of the cash flow statement was not in accordance with GRAP 2: Cash flow statements. Cash flows from operating activities and cash flows from investing activities in the cash flow statement have been incorrectly presented. Consequently, the net decrease in cash and cash equivalents as disclosed on the cash flow statement is understated by R31, 0 million **(2016: R159 million)**

2.5.10.1.8 Corresponding figures: Employee related costs

I was unable to obtain sufficient appropriate evidence for employee related costs disclosed in the 2015-16 financial statements. During the current year, I was again not provided with information required to substantiate these transactions because the municipality did not have adequate systems to maintain records of employee related costs. I was unable to substantiate these transactions by alternative means. Consequently, I was unable to determine whether any adjustments to the corresponding figure for employee related costs of R161,1 million disclosed in the statement of financial performance and note 27 to the financial statements.

2.5.10.2 AUDIT OF THE ANNUAL PERFORMANCE REPORT

2.5.10.2.1 KPA 1: Basic Service Delivery and Infrastructure Development

Disclaimer of opinion: I do not express an opinion on the reported performance information for Basic service delivery and infrastructure development of the municipality. Because of the significance of the matters described in the basis for disclaimer of opinion section of my report, I have not been able to obtain sufficient appropriate evidence to provide a basis for an opinion on the reported performance information of the Basic Service Delivery and Infrastructure Development.

2.5.10.2.2 KPA 2: Local economic development

Qualified opinion: in my opinion, except for the possible effects of the matters described in the basis for qualified opinion section of my report, the reported performance information for Local economic development is useful and reliable in accordance with the applicable criteria as developed from the performance management and reporting framework set out in annexure D of this report.

2.5.10.3 AUDIT OF COMPLIANCE WITH LEGISLATION

Audit of compliance was assessed on the following:

- Strategic planning and performance management
- Budget
- Annual Financial Statement and Annual Report
- Expenditure Management
- Asset Management
- Liability

KPIs were not set for the provision of basic water, sanitation, electricity and solid waste removal services and the SDBIP for the year under review did not include monthly revenue projections by source of collection and the monthly operational and capital expenditure by vote (Strategic planning and performance management) • Reasonable steps not taken to prevent unauthorised expenditure (Budgets) • Material misstatements items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided, but the uncorrected material misstatements resulted in the financial statements receiving qualified audit opinion and the annual performance report for the year under review did not include a comparison of the performance with set targets and comparison with the previous financial year (Annual financial statements and annual report) • Effective steps not taken to prevent irregular and FW expenditure and money owed by the municipality was not always paid within 30 days or an agreed period (Expenditure management) • An adequate management, accounting and information system which accounts for assets was not

in place and an effective system of internal control for assets (including an asset register) was not in place(Asset Management) • An adequate management, accounting and information system which accounts for liabilities was not in place and an effective system of internal control for liabilities (including a liability register) was not in place(Liability Management)

- Procurement and Contract Management
- Revenue Management
- Consequence Management
- Some of the goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations,
- Some of the goods and services of a transaction value above R200 000 were procured without inviting competitive bid
- Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids
- Some of the invitations for competitive bidding were not advertised for a required minimum period of days,
- Competitive bids were not always evaluated by bid evaluation committees which were composed of officials from the departments requiring the goods or services AND/OR at least one SCM practitioner of the municipality(Procurement and contract management
- Some of the contracts were awarded through a competitive bidding process that was not adjudicated by the bid adjudication committee.
- Some of the competitive bids were adjudication by a bid adjudication committee that was not composed in accordance with SCM regulation 29(2) (Procurement and contract management)
- Some of the contracts were awarded to bidders that did not score the highest points in the evaluation process (Procurement and contract management
- Contracts extended/modified without relevant approval (Procurement and contract management)
- Unauthorised, irregular and fruitless and wasteful expenditure was not investigated by the municipality to determine if any person is liable for the expenditure(Consequence management)
- Some of the fruitless and wasteful expenditure was certified by council certified as irrecoverable without having conducted an investigation to determine the recoverability of the expenditure (Consequence management)
- An adequate management, accounting and information system which accounts for revenue was not in place, An effective system of internal control for debtors and revenue was not in place and Interest was not charged on all accounts in arrears (Revenue Management)

2.5.10.4 AUDIT OUTCOME –EMPHASIS OF MATTERS

2.5.10.4.1 Fruitless and Wasteful

As disclosed in note 40 to the financial statements, fruitless and wasteful expenditure to the amount of R5, 5 million (2016:R9, 9 million) was incurred, as a result of interest paid on overdue accounts.

2.5.10.4.2 Restatement of Corresponding Figures

As disclosed in note 47 to the financial statements, the corresponding figures for 30 June 2016 have been restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2017

2.5.10.4.3 Significant Uncertainties

As disclosed in note 44 to the financial statements, the municipality was the defendant in a number of lawsuits estimated at R39, 9 million (2016: R43 million). The outcome of these lawsuits cannot be determined at present as litigation is still in progress.

2.5.10.4.4 Material losses

As disclosed in note 49 to the financial statements, material electricity losses to the amount of R94, 5 million (2016: R38, 6 million) was incurred which represents 13% (2016: 60.7%) of total electricity purchased. Material losses were due to tampering of meters, faulty meters and illegal connections

2.5.10.4.5 Financial Sustainability

As disclosed in note 52 to the financial statements, the municipality is facing a number of financial risks that cast doubt on its ability to sustain its current level of operations in the near future. The key financial risks identified include: an inability to pay creditors within due date's negative key financial ratios including a net current liability position.

In addition, the actions taken by management to mitigate the impact of these risks are disclosed in this note.

2.5.10.5 ROOT CAUSES

- Lack of records management that is efficient and organised
- Lack of stability in top management due to unfilled vacancies that resulted in lack of accountability by staff.
- Lack of consequence management for poor performance and noncompliance with laws and regulations
- • Inadequate implementation of audit action plan.

2.5.10.6 CONTROLS

Leadership: Leadership has not instituted all the disciplines necessary to enable effective oversight that promotes efficiency and effectiveness in financial management, performance reporting and compliance with legislation. The inability to appoint an accounting officer has contributed to leadership not providing effective oversight over the implementation and monitoring of internal controls. The lack of leadership undermines accountability in the municipality, resulting in the modified audit opinion on the financial statements, performance reporting and material non-compliance with legislation.

Financial and performance management: The control environment at the municipality is inadequate, with inadequate daily and monthly processing and reconciliation of transactions. The submitted financial statements contained numerous material misstatements that were not identified by the municipality's deficient system of internal control. In addition, underlying information was not adequate to support all the balances and transactions presented in the financial statements resulting in a modified audit opinion for the year under review. Furthermore, compliance with legislation was not monitored adequately throughout the year, resulting in numerous material findings on compliance with legislation.

Governance: The annual performance report was not supported by complete, relevant and accurate information. Records management was inadequate and not systematically and regularly monitored by management to ensure that information was easily retrievable and available for audit purposes.

Although an internal audit unit and the audit committee existed during the financial year, their effectiveness was impacted negatively because leadership failed to respond to the recommendations of internal and external audit.

2.5.11 AUDIT ACTION PLAN:

The Audit Action Plan has been developed; many of these issues need to be addressed as a matter of urgency to ensure the sustainability of the municipality and improvement in the audit outcome. In addition, the lack of dealing with and rectifying issues raised by the Auditor-General will result in additional audit findings and repeat findings in 2016/17.

2.5.12 INFORMATION COMMUNICATION AND TECHNOLOGY

Information Communication Technology (ICT) section, is responsible for the following functions:

Planning, Network, Data, Security and Support. Makana Municipality's ICT Environment supports about 150 users. The municipality has the following offices namely:

- I. City Hall
- II. Finance Building
- III. Engineering Building
- IV. Alicedale Office
- V. Riebeek East Office
- VI. Electricity
- VII. Stores
- VIII. Housing
- IX. Parks

In the current financial year, the municipality has managed to appoint an ICT Manager to provide the strategic direction for the unit, however there are still vacant critical positions not yet filled as per the organogram. So far the municipality has managed to procure a server which runs on Microsoft Windows server 2008 R2 Standard OS. The server is installed to facilitate network connectivity, domain control functions, active directory and password management for all those who have access to computers.

Access control unit has been installed to access the server room. Fire detection and suppression system, water detection system, sensors have also been installed. Munsoft and Payday Financial system, are installed in the Finance building server room and accessible only to authorized users. Also, system generated reports can be extracted from both systems as and when required.

The ICT Master Plan has been developed but not yet approved, the document details all ICT activities to be performed in ensuring that ICT is enabling the institution to realize its goals and objectives in an efficient manner. The Municipality has also adopted ICT governance framework. The ICT Governance Institute (ITGI) defines ICT governance as "the leadership, organizational structures and processes that ensure that the enterprise's ICT sustains and extends the enterprise's strategies and objectives. ICT governance exists to inform and align decision making for ICT Planning, Policy and Operations in order to meet business objectives, ascertain that risks are managed appropriately and verify that resources are being used responsibly and strategically.

Disaster recovery plan:

The overall objective of the plan is to facilitate the recovery of the ICT environment in the event of a disaster to enable the municipality to resume its normal operations and service delivery in an acceptable period of time.

2.5.13 RECORD MANAGEMENT:

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

2.5.14 PUBLIC AND STAKEHOLDER PARTICIPATION

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

2.5.15 REVISED COMMUNITY ENGAGEMENT WARD DEVELOPMENT PRIORITIES

Ward Plans

WARD ONE: DEVELOPMENT PRIORITIES:

Table 67

No	DESCRIPTION OF ISSUE/TYPE OF DEVELOPMENT	KEY FOCUS AREAS	RESPONSIBLE AGENTS	KPA
1	RDP Housing rectification	Housing development	Human Settlement	6
2	Need new houses in Kwa Nomzamo	Housing development	Human Settlement	6
3	22 outstanding houses affected by Disaster	Housing development	Human Settlement	6
	land for human settlement	Housing	Municipality	6,3

	development	development		
	Eradicating of bucket system	Sanitation	Municipality	1
	Repair and maintenance of Community Hall, playgrounds/ parks in Hooggenoeg and Riebeeck East	Recreational facilities	Municipality	2
	Job creation initiatives and opportunities	Local Economic Development	Municipality	3
	Livestock farming facilities need i.e. Diep tank and loading ramp, Cattle Grid at commonage, Fencing around commonage fixed	Agricultural Development	Municipality/Dept . of Agriculture	3
	Illegal dumping general cleaning of rea (Hooggenoeg)	Environmental Management	Department of education	2
	Repair and maintenance of schools facilities (Hooggenoeg-Riebeeck East)	Education	Department of education	2
	Satellite Fire Station in Riebeeck East	Safety and security	Municipality/S BDM	2
	Electrification of all farm cottages an Street lights	Electricity	ESKOM	1
	Provisioning of clean water, Fix current earth dam; Supply water harvesting tanks(Kwa Nomzamo Location and farm cottages)	Water	Municipality	1
	Resuscitated existing boreholes(Carlisle bridge, Fort Brown, Table farm) Refurbishment WTW holding ponds	Water	Municipality	1
	Upgrading of gravel from Riebeeck East	Roads and Storm water	Department of Road and Transport	1
	Maintenance, repair ,paving and upgrading Internal roads in Hooggenoeg	Roads and Storm water	Municipality	1
	Lack Health facilities – Ambulance service	Health	Department of Health	1

WARD ONE: HIGH ON THE AGENDA

FIRST PRIORITY	SECOND PRIORITY	THIRD PRIORITY
House built and rectification	Provision of basic service infrastructure	Local Economic Development-jobs

WARD TWO DEVELOPMENT PRIORITIES:

No	DESCRIPTION OF ISSUE/TYPE OF DEVELOPMENT	KEY FOCUS AREAS	RESPONSIBLE AGENTS	KPA
1	Water outages	Water supply	Municipality	1
2	Water Harvesting	Water supply	Municipality	1
3	Upgrade of sewer bulk line(KwaThaTha)	Sanitation and Sewer	Municipality	1
4	Eradicate the bucket system	Sanitation and Sewer	Municipality	1
5	Illegal Dumping	Waste Management	Municipality	2
6	Accessible waste disposal facilities	Waste Management	Municipality	2
7	Need houses and Rectification of houses	Human Settlement	Department of Human Settlement	1
8	Town establishment to address infill areas(Upper Mnandi)	LED and Planning	Municipality	3
9	High unemployment rate	Job creation initiative	Municipality and Government Department and Agency	3
10	Food Security	Agriculture and Rural development	Municipality and Department of Agriculture	3
11	Improved road safety	Roadworthy	Municipality	2
12	Install the lights for Nompondo area	Electricity	Municipality	1
13	Installation of Geysers	Electricity	Eskom	1
14	Satellite Fire Station	Electricity	Municipality	2

WARD TWO: HIGH ON THE AGENDA

FIRST PRIORITY	SECOND PRIORITY	THIRD PRIORITY
Provision of basic service infrastructure. Housing development and rectification	Waste management and road safety	Local Economic Development and job creation

WARD THREE DEVELOPMENT PRIORITIES:

No	DESCRIPTION OF ISSUE/TYPE OF DEVELOPMENT	KEY FOCUS AREAS	RESPONSIBLE AGENTS	KPA
1	Water outages and quality	Water supply	Municipality	1
2	Eradicate the bucket & Pit-system	Sanitation Sewer infrastructure	Municipality	1
3	Illegal dumping and lack of waste management disposal facilities	Waste management	Municipality	1
4	RDP houses required in Phumlani: Extension 2	Human Settlement	Municipality	6
5	Rectification of houses	Human Settlement	Municipality	6
6	Formalisation of Infill areas	LED and Planning	Municipality	3
7	Assist unemployed youth artists	LED and Planning	Municipality	3
8	Speed humps needed in Ghost town and pedestrian bridge	Road Safety	Municipality	2
9	Maintain roads and storm water system	Road and storm water	Municipality	1
10	Overheard bridge needed	Road and storm water	Municipality	1
11	Install high masts lights in Papamani, Zolani Polar Park. Paving of extension 10	Street lights	Municipality	1
12	Cemetery needs maintenance – fencing	Parks and Recreation	Municipality	2
13	The Recreation park and sport field not maintained	Parks and Recreation	Municipality	2
14	Primary health facilities	Community facilities	Department of Health	2

WARD THREE: HIGH ON THE AGENDA

FIRST PRIORITY	SECOND PRIORITY	THIRD PRIORITY
Provision of basic service infrastructure. Housing development and rectification	Waste management and road safety	Local Economic Development and job creation

WARD FOUR DEVELOPMENT PRIORITIES:

No	DESCRIPTION OF ISSUE/TYPE OF DEVELOPMENT	KEY FOCUS AREAS	RESPONSIBLE AGENTS	KPA
1	Speed hump needed in Scott's farm Fitchat street	Road safety and Traffic control	Municipality	2
2	Painting of traffic lines	Road safety and Traffic control	Municipality	2
3	High level of crime	Community safety	SAPS	2
4	Deterioration of the electrical distribution network	Electricity distribution	Municipality	1
5	Lack of Street lights maintenance	Street lights	Municipality	1
6	Repair and maintenance of Crown hall and recreation halls	Sport and Recreation	Municipality	2
7	High unemployment levels particularly in Scott's Farm	Local Economic Development	Municipality/Government Agencies	3
8	New RDP Houses	Housing Development	Municipality/Department of Human Settlement	6
9	Housing Rectification	Housing Development	Municipality/Department of Human Settlement	6
10	Drastic deterioration of Emergency Houses from the 2008 tornado	Housing Development	Municipality/Department of Human Settlement	6
11	Drug and Alcohol Abuse	Community Development	Municipality/Government Agencies and NGO's	2

WARD FOUR: HIGH ON THE AGENDA

FIRST PRIORITY	SECOND PRIORITY	THIRD PRIORITY
Provision of basic service infrastructure. Housing development and rectification	Repair, maintenance of roads and recreation facilities Waste management and road safety	Local Economic Development and job creation

WARD FIVE DEVELOPMENT PRIORITIES:

No	DESCRIPTION OF ISSUE/TYPE OF DEVELOPMENT	KEY FOCUS AREAS	RESPONSIBLE AGENTS	KPA
1	New RDP Houses	Housing development	Municipality/ Department Settlement	6
2	Paving of streets in July street, taxi routes	Road and Transport	Municipality	2
3	Lack of maintenance of cemeteries	Parks and Recreation	Municipality	2
4	Satellite police station is needed	Community safety	Municipality/ SAPS	2
5	Lack of Recreational facilities	Parks and recreational	Municipality	2
6	Illegal dumping	Waste management	Municipality	2
7	2010 Sanitation project never completed, transit camp toilets not connected	Sanitation and Sewer	Municipality	2
8	Support SMME's and food security initiatives	LED SMME Development	Municipality/ Government agencies	3
9	The community hall is sinking and ramps for disabled posing a risk	Sport and Recreation	Municipality	2
10	Need primary school in the areas	Education	Municipality/Departme nt of education	2
11	Primary health facility	Primary Health	Municipality/Departme nt of health	2

WARD FIVE: HIGH ON THE AGENDA

FIRST PRIORITY	SECOND PRIORITY	THIRD PRIORITY
Provision of basic service infrastructure. Housing development	Repair, maintenance of roads and recreation facilities Waste management and road safety	Local Economic Development and job creation

WARD SIX DEVELOPMENT PRIORITIES:

No	DESCRIPTION OF ISSUE/TYPE OF DEVELOPMENT	KEY FOCUS AREAS	RESPONSIBLE AGENTS	KPA
1	Water Outages	Water supply infrastructure	Municipality	1
2	VIP Toilets not lined	Sanitation and sewer infrastructure	Municipality/Department Human Settlement	1
3	Bucket eradication system	Sanitation and sewer infrastructure	Municipality/Department Human Settlement	1
4	The 8 illegal dumping sites	Waste management	Municipality	2
5	High masts are needed	Street lights	Municipality	1
6	Construction of speed humps needed near church street	Road and transport	Municipality	2
7	Paving of main and access roads	Road and storm water	Municipality	1
8	Skills development	Youth development	Municipality/State agencies	3
9	Repair and maintenance of Roads	Road and storm water	Municipality	1
10	Maintenance of Storm water drainage	Road and storm water	Municipality	1
11	RDP houses	Housing development	Municipality/ Department of Human settlement	6

WARD SIX: HIGH ON THE AGENDA

FIRST PRIORITY	SECOND PRIORITY	THIRD PRIORITY
Provision of basic service infrastructure. Housing development	Repair, maintenance of roads and recreation facilities Waste management and road safety	Local Economic Development and job creation

WARD SEVEN DEVELOPMENT PRIORITIES:

No	DESCRIPTION OF DEVELOPMENT	OF OF	KEY FOCUS AREAS	RESPONSIBLE AGENTS	KP A
1	Water outages		Water supply	Municipality	1
2	Flooding		Road and Storm water	Municipality	1
3	Bucket eradication		Sanitation and sewer infrastructure	Municipality/Department Human Settlement	1
4	RDP Houses, Tanti Phase II, Xolani RDP and rectification project		Housing development	Municipality/Department Human Settlement	6
5	Provide houses for people in infill area		Township establishment	Municipality/Department Human Settlement	6-3
6	Disaster project		Housing development	Municipality/Department Human Settlement	6
7	Storm water drainage need maintenance		Road and Storm water	Municipality	1
8	Need jobs		LED and Job creation initiative	Municipality/State agencies	3
9	High crime rate		Community safety	Municipality/ SAPS	3
10	Mobile clinic		Primary health	Municipality/Department of health	2
11	Upgrading lights for Foleys grounds		Electricity	Municipality	1
12	Paving of all Gravel Roads. Resurfacing of tare Road at Hlalani Sidewalks in Hlalani Main Street.		Roads and Storm water	Municipality	1
13	Lack of community recreational facilities		Parks and recreation	Municipality	2
14	Illegal Dumping		Waste management	Municipality	2

WARD SEVEN: HIGH ON THE AGENDA

FIRST PRIORITY	SECOND PRIORITY	THIRD PRIORITY
Provision of basic service infrastructure. Housing development	Repair, maintenance of roads and recreation facilities. Waste	Local Economic Development and job creation. Primary health facilities

	management and road safety.	
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WARD EIGHT DEVELOPMENT PRIORITIES:

No	DESCRIPTION OF ISSUE/ TYPE OF DEVELOPMENT	KEY FOCUS AREAS	RESPONSIB LE AGENTS	KPA
1	Water outages	Water supply	Municipality	1
2	Major sewer blockages and leakage of sewer in De Villiers Close	Sanitation and Sewer	Municipality	1
3	Need Jobs	Job creation	Municipality/ Government Agencies	3
4	High rate of violence murder, burglary, rapes and crime	Community safety	SAPS/CPF	2
5	Need speed humps in Powell Street, George street, Mathews,	Road safety	Municipality	1
6	Upgrading of roads and fixing of potholes	Road and Storm water	Municipality	1
7	Storm water drainage need maintenance	Road and Storm water	Municipality	1
8	Illegal dumping	Waste management	Municipality	2
9	Need RDP Houses	Housing	Municipality and Department of Human Settlement	6

WARD EIGHT: HIGH ON THE AGENDA

FIRST PRIORITY	SECOND PRIORITY	THIRD PRIORITY
Provision of basic service infrastructure. Housing development	Repair, maintenance of roads and recreation facilities. Waste management and road safety.	Local Economic Development and job creation. Primary health facilities

WARD NINE DEVELOPMENT PRIORITIES:

No	DESCRIPTION OF ISSUE/TYPE OF DEVELOPMENT	KEY FOCUS AREAS	RESPONSIBLE AGENTS	KPA
1	Renovations on Eluxolweni houses	Housing development	Human Settle/Municipality	6
2	No water coming	Water supply	Municipality	1

	from stand pipes at Eluxolweni			
3	Eradication of 50 bucket system toilets	Housing development	Human Settle/Municipality	1
4	Burst sewer pipes	Sanitation and sewer	Municipality	1
5	The area needs toilets	Sanitation and sewer	Municipality	1
6	They also need geysers	Energy and Electrification	Municipality	1
7	Outside toilets have no doors	Sanitation and sewer	Municipality	1
8	Toilets required at Eluthuthwini	Sanitation and sewer	Municipality	1
9	A clinic is needed	Primary Health	Municipality and Department health	2
10	Cemeteries fencing	Parks and recreation	Municipality	2
11	Fencing of the two Sport field	Parks and recreation	Municipality	2
12	1000 RDP homes needed	Housing development	Human Settle/Municipality	6
13	Housing rectification in Hlalani	Housing development	Human Settle/Municipality	6
14	Reconstruction of disaster houses in Vukani-10 units	Housing development	Human Settle/Municipality	6
15	Paving of extension 5 at the circle.	Road and Storm water	Municipality	1
16	Main road needs street lights	Energy and Electricity	Municipality	1
17	Maintenance of existing road in extension 5	Road and Storm water	Municipality	1
18	Disaster houses	Housing development	Human Settle/Municipality	6
19	Electrification of Eluthuthwini	Energy and Electricity	Municipality	1
20	Housing Project RDP house in Newtown and Ndancama,	Housing development	Human Settle/Municipality	6
21	A & B streets needs a housing renovation project	Housing development	Human Settle/Municipality	6
22	Illegal dumping	Waste management	Municipality	2

23	High number of unemployed youth	Job creation	Municipality/ state agencies	3
24	Satellite library needed	Library service provision	Municipality and Department of Arts and Culture	2
25	Open space at the back of extension 5 The land to be used for educational and business purposes	Land management	Municipality	3
26	Community hall needed	Sport and recreation facilities	Municipality	2
	Curb the speeding of vehicles in A and B Streets	Road safety	Municipality	2
28	Sport fields needed	Sport and recreation facilities	Municipality	2
29	Maintenance of storm water drainage systems	Road and storm water	Municipality	1
30	Access roads for Eluxolweni	Road and storm water	Municipality	1
31	Patching of Potholes	Road and storm water	Municipality	1
32	Need side walk Joza	Road and storm water	Municipality	1
33	Paving required at Eluxolweni	Road and storm water	Municipality	

WARD NINE: HIGH ON THE AGENDA

FIRST PRIORITY	SECOND PRIORITY	THIRD PRIORITY
Provision of basic service infrastructure. Housing development	Repair, maintenance of roads and recreation facilities. Waste management and road safety.	Local Economic Development and job creation. Primary health facilities

WARD TEN DEVELOPMENT PRIORITIES:

No	DESCRIPTION OF ISSUE/TYPE OF DEVELOPMENT	KEY FOCUS AREAS	RESPONSIBLE AGENTS	KPA
1	Water outages	Water supply	Municipality	1
2	Eradication of bucket system for 106 units	Housing development	Human Settlement /Municipality	1

3	250 Phase 2 Housing programme	Housing development	Human Settlement /Municipality	1
4	New Development – 377 houses	Housing development	Human Settlement /Municipality	1
5	Reconstruction of Disaster Houses	Housing development	Human Settlement /Municipality	1
6	Fingo Village Project has stalled	Housing development	Human Settlement /Municipality	1
7	High rate of violence, murder, burglary, rapes and crime	Community Safety	SAPS	2
8	Paving needed in: J, N, Q, R, S Streets; Xolani Extension	Roads and storm water	Municipality	1
9	Upgrading roads and potholes	Roads and storm water	Municipality	1
10	Unfinished RDP Project	Housing development	Human Settlement /Municipality	6
11	Speeding vehicles a threat to children	Roads and storm water	Municipality	1

WARD TEN: HIGH ON THE AGENDA

FIRST PRIORITY	SECOND PRIORITY	THIRD PRIORITY
Provision of basic service infrastructure. Housing development	Repair, maintenance of roads and recreation facilities. Waste management and road safety.	Local Economic Development and job creation.

WARD ELVEN DEVELOPMENT PRIORITIES:

No	DESCRIPTION OF ISSUE/ TYPE OF DEVELOPMENT	KEY FOCUS AREAS	RESPONSIBLE AGENTS	KPA
1	Water outages	Water supply	Municipality	1
2	Maintenance of high masts	Street lights	Municipality	1
3	Electrification of 100 households in Ethembeni	Energy and electricity	Municipality	1
4	Dumping sites need addressing	Waste management	Municipality	2
5	High number of unemployed youth	Local economic development- Job creation	Municipality	3
6	Satellite library needed	Library services	Municipality	2
7	Community hall needed	Sport recreation and	Municipality	2

8	Sport fields needed	Sport recreation and	Municipality	2
9	Maintenance of the grave site	Parks and recreation	Municipality	2
10	2000 RDP houses needed	Housing development	Municipality and Human Settlement	6
11	Poor RDP Housing standard	Housing ratification	Municipality and Human Settlement	6
12	Poor roads	Roads and storm water	Municipality	1
13	Bucket system	Sanitation and Sewer	Municipality	1

WARD ELEVEN: HIGH ON THE AGENDA

FIRST PRIORITY	SECOND PRIORITY	THIRD PRIORITY
Provision of basic service infrastructure. Housing development	Repair, maintenance of roads and recreation facilities. Waste management and road safety.	Local Economic Development and job creation.

WARD TWELVE DEVELOPMENT PRIORITIES:

No	DESCRIPTION OF ISSUE/ TYPE OF DEVELOPMENT	KEY FOCUS AREAS	RESPONSIBLE AGENTS	KPA
1	Water outages	Water supply	Municipality	1
2	Summerset and Old Power stations need upgrade, transformers leaking oil.	Energy and electricity	Municipality	1
3	Roads in African and Southey Street (Somerset to Southey) are in poor condition.	Roads and storm water	Municipality	1
4	Sewerage blockages	Sanitation and sewer	Municipality	1
5	High rate of violence targeted at students	Community services	Municipality/SAPS	2

WARD TWELVE HIGH ON THE AGENDA

FIRST PRIORITY	SECOND PRIORITY	THIRD PRIORITY
Water outages	Road and storm water	Repair, maintenance of roads

WARD THIRTEEN DEVELOPMENT PRIORITIES:

No	DESCRIPTION OF ISSUE/TYPE OF DEVELOPMENT	KEY FOCUS AREAS	RESPONSIBLE AGENTS	KPA
1	Housing rectification and the provision of 30 RDP homes	Housing development	Municipality and human settlement	6
2	Water outages	Water supply	Municipality	1
3	Need recreational facilities	Parks and recreational facilities	Municipality	2
4	Tarring of Ring Street	Roads and Storm water	Municipality	1
5	A clinic is required	Accesses to primary	Municipality	1
6	Toilets are leaking	Sanitation and sewer	Municipality	1
7	Lack recreational hall	Sport and recreational facilities	Municipality	2
8	No electricity in some farm areas	Energy and electrification	Municipality	1

WARD THIRTEEN HIGH ON THE AGENDA

FIRST PRIORITY	SECOND PRIORITY	THIRD PRIORITY
Water outages	Housing development	Repair, maintenance of roads

WARD FOURTEEN DEVELOPMENT PRIORITIES:

No	DESCRIPTION OF ISSUE/TYPE OF DEVELOPMENT	KEY FOCUS AREAS	RESPONSIBLE AGENTS	KPA
1	Shortage Water supply Seven fountains	Water supply	Municipality	1
2	High unemployment and shortage skills to sustainable livelihoods	Local Economic Development	Municipality	1
3	Rectification of 221 houses	Housing ratification	Municipality and Human Settlement	6
4	Reconstruction of the 20 disaster houses	Housing ratification	Municipality and Human Settlement	6
5	New development of 33 houses	Housing development	Municipality and Human Settlement	6
6	Seven Fountain in need of	Housing	Municipality and	6

	Housing Development	development	Human Settlement	
7	Grave sites reaching capacity in kwa Nonzwakazi	Parks and recreational facilities	Municipality	2
8	Kwa Nonzwakazi and Transriviere community hall maintenance	Parks and recreational facilities	Municipality	2
9	No access to primary health the community has grown tremendously since 2012	Primary health	Municipality	2
10	Seven Fountains in need of sporting equipment	Parks and recreational facilities	Municipality	2
11	Tarring of gravel road	Roads and storm water	Municipality	1
12	Skills development centre	Local Economic Development-Skills development	Municipality/ State	6
13	SMME Development	Local Economic Development-Support SMME's Development	Municipality/ State	2
14	Illegal Dumping	Waste management	Municipality	2
15	Bushmen sand development	Local Economic Development	Municipality/ State	3
16	Support Tourism initiatives	Local Economic Development	Municipality/ State	3

WARD FOURTEEN HIGH ON THE AGENDA

FIRST PRIORITY	SECOND PRIORITY	THIRD PRIORITY
Shortage of water supply and basic sanitation infrastructure	Housing development-	Repair, maintenance of roads

2.5.16 REGISTER CBO/NGO'S

Table 68

NAME & SURNAME	DESIGNATION	ORGANISATION	CONTACT	FAX/ EMAIL
Ms A. Runowics	Rehab manager	Ass. Phy/ disabled	073 6531 618	N/A
Ms F.T. Mukendi	Social worker		046 622 5359	N/A

Mr M. Mzongwana	News researcher	Radio Grahamstown	046 622 2382	N/A
Mr A. Adam	Chairperson	Nafcoc	046 636 2852/ 082 8910 432	046 636 2852 adam@insightnet.co.za
Mr J. Walton	Manager	Black Sash	046 622 9230	046 622 3933 jonathan@blacksash.org.za
Mr V. Teyise	Manager	Egazini Outreach Project	076 6807 161	vumileteyise@yahoo.com
Mr D. Claassen	Manager	C.Y.C.C.- Eluxolweni	046 622 2537 072 2013 797	david.claassen@imagnet.co.za
Ms Monica Canca	Director of Operations	Umthathi project		086 665 6013 directorofoperations@umthathi.co.za
Michelle Griffith	Manager		(046) 637 0012	046 622 4450 Info@umthathi.co.za
Ms A. Van Niekerk		Raphael centre	(0)46 622 8831 072 238 NPO (676)	(0)46 622 8831 avanniekerk@albanynet.co.za
Mrs Mary Humphrey	Director			mary@raphaelcentre.co.za
Mr D Barker	Manager	HOSPICE	046 622 9661	046 622 9676 d.barker@grahamstownhospice.org.za
Mrs A. Harris	Manager	FAMSA	046 622 2580	No Information
Mr M.J. Bradshaw	School Principal	Amasango	083 5429 555	No Information
Mrs W. Bischoff	Manager	Child Welfare	046 636 1355	046 636 1366 Childwelfare.gh@telkomsa.net
Mrs L. Naidoo	Manager	ECARP	046 622 5429	046 622 2617 adne@ecarpe.org.za
Ms Adne				
Mr Mafongosi		Masifunde	046 622 6527	046 622 5587 fundile_m@masifunde.co.za

Ms Babalwa Mthana	Nurse Mentor	Africare	046 622 5847	046 622 4918 bmtana@africare.org.za
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2.5.17 SECTORAL PUBLIC PARTICIPATION FORUM

Table 69

SECTOR	FORUM
LED and Rural Development	LED Mayoral Forum
Public Safety and Community Services	<ul style="list-style-type: none"> • Road and Transport • Road and Transport Forum • Environmental Management Forum • Community Safety Forum
Special Program Offices	• Youth Forum
	• Women Forum
	• Women's Forum
	• People with disability
	• HIV/AIDS Local Council

2.5.18 COMMUNICATION AND CUSTOMER CARE

COMMUNICATION: Municipality has an established communication unit under the office of the municipal manager with staff component consist of

- manager media and communication (vacant)
- media and communication officer (filled)
- assistant media and communication (filled).

The municipality has a communication strategy that was last reviewed on 04 April 2018 that is used to guide all communication activities. Key functions of the unit is to ensure sound internal and external communication by providing communication support to all directorates through available communication mediums.

CUSTOMER CARE: the municipality has established a customer unit under Corporate and shared Services Directorate with one delegated staff personnel. It has also developed and adopted a customer care policy. It is using mobisam customer care system in conjunction with Rhodes University to manage its complaints.

2.5.19 ANTI-CORRUPTION AND FRAUD

2.5.19.1. Fraud and Anti-Corruption Strategy

Makana Municipality had developed and adopted a Fraud Prevention Policy Framework and Fraud Prevention Plan in draft form. All members of the Bid Committees are required to disclose their interests before every meeting and the membership of all Bid Committees, is revised annually. No Councillors are allowed to be part of the Bid Committees. The municipality is in the process establishing fraud line.

2.5.20 BY-LAWS

No new by-laws were enacted during the period of review but several of Makana Local Municipality's policies were reviewed. Traffic assists currently with by-law enforcement. Number of by-laws need to be revised and developed.

2.5.21. WEBSITE

During the year under review, the Makana Website was regularly updated as the appointment of a skilled IT Manager ensured the availability of sufficiently skilled human resources.

2.6 LOCAL ECONOMIC DEVELOPMENT AND RURAL DEVELOPMENT

2.6.1 LED AND PLANNING INSTITUTIONAL CAPACITY

Table 70

POSITION	STATUS	SUPPORTING STAFF
1x Director	Filled	Personal Assistance
1 x Manager Agriculture	Filled	1 x administrative assistant, 2 x Agricultural officers (vacant non- Funded-proposed-post), 1 x Coordinator (1 x vacant-No funded- Proposed-post), 2 x rural Development officer
		1 x administration officer (1 x Vacant-funded)
1x Manager SMME	Vacant	1 x smme trade & investment Researcher (proposed vacancy non-funded) 1x trade and investment facilitator (tg 11/12) (proposed vacancy
1x Manager Tourism & Heritage	Filled	1 x tourism and heritage officer (tg 14) (vacant-no funded-Proposed-post) 1x tourism facilitator (vacant non-funded-proposed post) (1x tourism researcher (vacant-Non-funded-proposed post

1x Deputy Director Planning & Dev.	Filled	3x town planner(Ms 1 x vacant (land use management officer) Administrative officer, 1 x Building control officer, 3 x Clerks grade tg 3 (1 x vacant non-funded-proposed-post), 3 x Building inspectors; 1 x vacant,
1 x Manager Planning & Estate	Vacant	N/A

2.6.2 MAKANA LOCAL ECONOMIC STRATEGY AND SECTOR PLANS

2.6.2.1 LED Strategy:

The LED Strategy was approved on the 3rd of February 2010 and it is due for review and will be prioritised in the 2018-19 financial year. According to the LED Strategy Makana has a strong competitive advantage in agriculture and government services. This is in line with its role as one of the larger small towns in the province. The town was historically strong in terms of agriculture but losing its advantage within the province. The municipality's strength in government and community services is improving, as a result of the expansion of education facilities found in Grahamstown between 2001 and 2007.

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

Compared to the provincial average Makana performs poorly in terms of manufacturing, transport and communication, utilities and business services. Because Grahamstown is a small town, there is a smaller emphasis on the provision of business services, utilities and transport and communication infrastructure. Makana does not have a comparative advantage in manufacturing, as most major industry in the province is located in East London and Port Elizabeth. This means that per capita, less manufacturing activity takes place in Makana than in the rest of the Eastern Cape.

2.6.2.2 Sectoral plans:

The following sectoral plans are in place

- Tourism Sector Plan – approved in 2009 and was due for review in 2017
- Tourism SMME Development and Support Plan – approved in 2010 and was due for review in 2015
- SMME strategy – approved in 2012 and was due for review in 2017

- Agriculture, Some of the Development Strategy – approved in 2011 and is due for review in 2018
- Investment Incentives Policy – approved in 2011 and is due for review in 2018

2.6.2.3 Creative city PROJECT

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

2.6.3 PROVINCIAL SPATIAL ECONOMIC DEVELOPMENT STRATEGY (PSEDS)

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

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

The following critical threats are identified in the PSEDS:

2.6.3.1 Agriculture and Land Reform

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

2.6.3.2 Tourism

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

2.6.3.3 Industry

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

2.6.4 SECTORAL PROFILES

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

2.6.4.1 AGRICULTURE

2.6.4.1.1 Commercial Agriculture

Commercial agriculture is found in the north of Grahamstown known as Upper Albany, and accounts for approximately two thirds of the municipality.

Livestock and game farming thus dominate in Upper Albany. Lower Albany land is well suited to rain-fed cropping (*Agriculture in Makana, 2008*).

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

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

□ Challenges Faced by Commercial Farmers in Makana include:

- Water shortages and inadequate infrastructure (irrigation, boreholes etc.) to mitigate resultant effects.

- Problem animals that are introduced through Private Game Reserves. These kill livestock and introduce diseases to the area
- Crime in the form of stock theft (*Agriculture in Makana, 2008*).

2.6.4.1.2 Emerging and subsistence Agriculture

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

□ Emerging farmers:

Makana has PDIs that are engaging in agriculture of a commercial orientation, often on farms that were previously farmed by commercial farmers.

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

□ Subsistence Agriculture

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

a) Bee-keeping project

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

b) Food gardens

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

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

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

c) **Competition**

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

Some of the challenges they face include:

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

2.6.4.2 HUNTING AND PRIVATE GAME RESERVES

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

The transformation of land from pastoral farming to use as hunting and game reserves has yielded mixed fortunes throughout the Makana area.

Average employee wages on game reserves and hunting operations are typically higher than those on traditional farms.

However, these operations are often less labour intensive than traditional agriculture and thus employ fewer people than farms. This means that total community welfare and income (as expressed through wages earned and other benefits such as rations, housing subsidies, etc.) may not necessarily rise in every instance in which farmland has been converted into a hunting and game reserve (Whisson, 2009).

2.6.4.3 MINING SECTOR

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

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

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

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

2.6.4.4 TOURISM OVERVIEW

Grahamstown tourism potential is varied from heritage sites to its close proximity to the Addo Elephant Park and location midway between Port Elizabeth and East London.

Makana Local Tourism Organisation is registered as a Section 21 Company and is functional and meetings are held monthly. Makana Tourism and Heritage Manager attend as members of the Executive Committee

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

2.6.4.4.1 Environmental Tourism:

Table 71

Environmental Resources	
Amakhala Private Game Reserve	Beggars Bush State Forest
Hunts Hoek Safaris, Fish River	Lalibela Private Game Reserve
Idwala / Kichaka Lodge, Assegaai	Lanka Safaris Aylesby
Assegaai Hiking Trails, Kenton Rd	Blaauwkrantz Reserve, Bathurst Rd
Assegaai Sport Horse Stud, Riding School	Lezulu Game Reserve - Salisbury Plains
Kwandwe Private Game Reserve	Burchell Game Farm, Alicedale
Aylesby Nature Reserve, Riebeeck East	New Year's Dam, Alicedale
Kwantu Game Reserve, Sidbury	Bushman Sands Game Reserve, Alicedale
Oldenburgia Hiking Trail, Grahamstown	Coleridge Game Reserve, Grahamstown South
Coombs View Reserve, Governor's Kop	Pumba Game Reserve, Grahamstown
Rochdale Game Ranches, Alicedale Rd	Rabbit Bush Reserve, Governor's Kop
Diepkloof Private Reserve	East Cape Game Farm
Shamwari Private Game Reserve	Settlers Dam, Thomas Baines
Ecca Nature Reserve, Ecca Pass	Fish River Nature Reserve Complex
Springvale Olive Farm, SE of Alicedale	Signal Hill, Grahamstown
Grahamstown Botanical Gardens	Fourie Safaris Game Farm, Ndlambe border
Thomas Baines Nature Reserve	Tenuto Spring Grove Nature Reserve
Great Fish River Reserve	Hellspoort Valley Game Farm
Woodlands Game Reserve	Trumpeter's Drift Game Farm, Gt Fish River

Belton Hiking Trails, Kenton Rd	Highland road
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2.6.4.4.2 Educational Tourism

Education Resources	
International Library of African Municipality Grahamstown	44 Air School & Grahamstown Military Base, Grahamstown
Albany Museum, Grahamstown	National English Library Museum, Grahamstown
National English Library Museum, Grahamstown	Natural Science Museum, Grahamstown
Cory Library for historical research, Grahamstown	History Museum, Grahamstown

2.6.4.4.3 Cultural tourism

Clock Tower Grahamstown	Rhodes University Theatre
Commemoration Church, Grahamstown	Salem Historic Church, Grahamstown
East Star Gallery Grahamstown	Historic Church on Hilton House Table Farm, on banks of the New Year's River
Fort Selwyn	St Peter's Chapel Grahamstown
The Oldest Official Letterbox in South African Grahamstown	The Provost Prison, Grahamstown
High Street Façade, Grahamstown	
National Arts Festival	National Schools Festival
SciFest Africa	Makana Freedom Festival
1820 Settlers National Monument, Grahamstown	Methodist Church, Grahamstown
Methodist Church, Salem	Baptist Church, Grahamstown
Artificer's Square: the old artisans quarter Grahamstown	Bannerman House, Grahamstown
Bible Monument, Grahamstown	Settler's Express Steam Train, Grahamstown
Cathedral of St. Michael & St. George	Old Drostdy
City Hall	Settlers Memorial Tower

In addition to the above, there are a total of 121 providers of accommodation that can be classified under Hotels, guest and country houses, lodges, caravan parks and camping sites, self-catering,

backpackers, hostels, and B&BS. From Table above it becomes clear that unlike most other activity in Makana (with the exception of agriculture), tourism occurs throughout the entire municipality and is not just concentrated in Grahamstown. Tourism thus has the capacity and capability to improve the spatial spread of activity in Makana. Tourism is currently marketed by Makana tourism. It has approximately 120-130 members that engage in the different forms of tourism profiled.

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

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

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

2.6.4.5 TRADE AND BUSINESS SERVICES

The trade sector is defined as the resale (sale without transformation) of new and used goods to the general public for personal or household consumption or use by shops, department stores, stalls, hawkers etc.

The trade sector entails wholesale, commission trade, retail trade and repair of personal household goods; sale, maintenance and repair of motor vehicles and motor cycles; hotels, restaurants, bars, canteens, camping sites and other provision of short-stay accommodation. It can thus be seen that this sector involves a broad spectrum of activity which is diverse and varied in nature.

The sale of goods and services by shops and stores represents general commerce related to the day-to-day existence of local residents. The sale of goods and services by restaurants, camping sites, hotels and other short stay accommodation providers represents some elements of tourism related activity.

This sector is thus important as it reflects activity that originates from within Makana (shops, and stores) and activity that originates from outside Makana (tourism through hotels and restaurants)

The nature and challenges of trade in Makana:

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

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

In the tourism trade there are several restaurants (including take-away, convenience food and fast food outlets) short term accommodation facilities (including hotels, guest houses and camp sites) in Grahamstown. These will be expanded upon in the tourism sector profile. It must be noted that these serve both tourism demand, and demand from local residents as well. Facilities situated in the township (such as homestays and taverns) are underprovided, when consideration of the actual size and population of the townships in Makana is made. In the other areas in Makana (Riebeeck East and Alicedale), owner managed enterprise dominates the trade sector. This applies to both the retail and tourism sides of the trade sector.

This is because it is not profitable for large businesses to establish themselves in these areas due to their small populations and low income levels. The smaller settlements in Makana are thus dominated by general dealers, liquor stores and mini-markets that serve the needs of local resident.

2.6.4.6 MANUFACTURING

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

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

2.6.4.7 CONSTRUCTION

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

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

The contractors who are from outside the LM do however provide jobs for the locals but often bring in their own labour, and for this reason local job creation is not as high as it could be in the construction sector. In addition to this, limited institutional support for apprenticeship, mentorships and other forms of training propagate continued leakage of incomes from the area. There are several emerging building contractors located within the Makana region. However, they are often plagued with a lack of experienced and skilled staff, which limits their growth. Other problems faced by emerging contractors include project management capacity constraints that ultimately affect project completion and quality. As a result of no accreditation, emerging contractors are often bypassed when it comes to opportunities to

tender for high value construction projects such as government funded infrastructure provision. This then reinforces a cycle in which emerging contractors remain too small, inexperienced and undercapitalised to grow their businesses. (*Lisa Trading, 2009*)

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

2.6.4.8 TRANSPORT AND COMMUNICATION IN MAKANA

In terms of transport services in Makana, there is no water transport, regularly scheduled air transport or transport by pipeline.

Rail transport used to be important in the region, but has been significantly reduced in recent years. This then means that the bulk of transport services in the municipality may be classified under road transport.

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

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

- Bus and Coach Passenger lines (such as Greyhound and Intercap) operate in the area, even though they do not have base offices in Makana.
- Mass Commuter transport (in the form of minibuses/ taxis, associated with Uncedo, the taxi organisation)
- Shuttle services (such as JCs shuttle service and Rhode Trip)
- Flights from the Grahamstown airstrip for entertainment purposes (such as E.P. skydiving and guests to game reserves such as Kwandwe)
- Occasional sightseeing rail tours (such as the Alicedale adventure)
 - These activities are supported by enabling infrastructure and service including:
- Grahamstown's proximity to the N2 highway and linkages with other major roads as shown in the infrastructure profile
- A taxi rank facility that serves a hub for transport within and outside Makana
- Several petrol stations (garages) that trade on local and transient demand
- Travel agents (such as Go travel)

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

Rhodes University also has comprehensive information and communication technology (ICT) infrastructure. In fact, South Africa's first internet link was based at Rhodes University in 1988. This led to the establishment of UNINET, which was a gateway that provided internet access for South African universities. In recognition of this, a Centre of Excellence in Distributed Media was established at Rhodes University in 1997, in association with Telkom SA and other partners.

□ **Challenges in Transport and Communication:**

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

2.6.4.9 FINANCE AND BUSINESS SERVICES IN MAKANA

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

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

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

It is apparent that a broad spectrum of activity in the business services sector is covered in Makana. It is prudent to point out that some of the business services located in Makana are

directly linked to the existence of Rhodes University, and may not have been established in Makana if it were not for the presence of the university.

These include:

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

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

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

□ **Challenge:**

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

2.6.4.10 GOVERNMENT SERVICES IN MAKANA

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

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

43% are employed in administrative support and 31% are employed in support service positions.

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

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

- Government departments (such as Home Affairs, Roads and Transport, Agriculture, Education, Labour, Water Affairs and Forestry, amongst others)
- Defence activities (such as the SANDF Grahamstown military base, Midlands Command and the SAPS)
- Government agencies (such as SEDA, ECARP)
- Justice services including the department of Public Prosecutions, High court, Magistrates court and Small Claims Court
- Education (The East Cape Midlands College and Schools such as Nombulelo High School, Mary Waters School, St Andrews, DSG, Victoria Girls, amongst others)
- Health facilities (such as Settler's hospital)

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

2.6.4.11 COMMUNITY WORK PROGRAM (CWP)

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

The following are the mechanisms aimed at supporting CWP:

- Establishment of Local Reference Committee
- Assistance with the recruitment of participants
- Reporting and document management
- Project monitoring and evaluation.

2.6.4.12 SMALL MEDIUM AND MICRO-ENTERPRISE DEVELOPMENT

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

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

- Facilitate the training of 100 SMMEs in technical and business skills by 2014;
- Develop a communication policy and strategy, which is inclusive of social networking, for SMME by 2014;
- Facilitate the release of 300 hectares of land for industrious SMMEs and Cooperatives for 2014;
- Identify premises for SMME information and incubation centre by 2014;
- Sign 4 MoUs with at least four national and provincial SMME support structures ensuring a physical presence in Makana;
- Develop a database of SMMEs and Cooperatives in Makana; and
- Review SCM to ensure maximum participation of SMMEs in Makana.

□ **Co-operatives in Makana Municipality**

- Makana has ±80 co-operatives (includes registered and those who are in the registration process), the list is inclusive of co-operatives registered by Department of Social Development, Department of Sport Arts and Culture, Department of Rural Development

and Agricultural Reform who are other stakeholders who are involved in co-operative development;

- Facilitated the registration of 9 co-operatives in this current financial year;
- Conducted 7 co-operative information sessions;
- Facilitated the establishment of Makana local co-operative forum, which is a local representative structure for all co-operatives in Makana

2.6.4.13 OTHER CRITICAL LOCAL ECONOMIC DEVELOPMENT CHALLENGES AND DEVELOPMENT PRIORITIES

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

- Investment into the township by profiling investment opportunities .e.g. retail centre in Joza Extension 6, packaging as well and promotion of the opportunities.
- The turn-around time for approval of land use applications is prolonged by postponement of meetings of Council and Mayoral Committees;
- Legal action against the municipality due to failure to process land use applications within the stipulated period;
- There is a need for prioritisation of funds to implement LED projects, land audit and town establishment;
- Lengthy process for the approval of building plans due to a lack of inter-departmental cooperation;
- The MIG component of LED to be examined and prioritised for LED projects;
- Lack of investor confidence in the municipality due to infrastructure related challenges i.e. constant electricity and water outages;
- There is a need to improve Makana tourism and review the service level agreement with Eastern Cape Tourism;
- There is a need to conclude a land audit of all municipal land with a view to prioritise development which will assist to increase its revenue base and assist the municipality's cash flow;
- LED strategy should be reviewed, engaged with relevant stakeholders for example Eastern Cape Tourism and Rhodes University, refined as well as an investment policy and both policies should be implemented;
- There is a need to improve the alignment of the IDP and budget as well as communication with the community;

- Annual IDP process plan to be fully implemented and be fully compliant with legislation;
- IDP directorate is currently under Corporate Services and this might need to be reviewed and addressed through the organisational restructuring;
- The municipality does not have a communication strategy, and public participation and the communication programme/ plan needs improvement. All the wrong things get communicated which can be resolved with the implementation of a media strategy;
- Media briefing sessions to be held after Council meetings, mayoral Imbizo, amongst others. In addition, Ward councillors should communicate the relevant details regarding projects and any other initiatives they need to update the community with;
- Human resource structure to be reviewed and capacity addressed;
- Undertake governance training and entrepreneurial development training amongst others,
- Currently the customer care unit resides in different units, e.g. corporate services, Speakers office and there is a need for integration of customer care to ensure consistency in implementation; and
- The website needs to be revamped and updated to ensure relevant information is placed in compliance with legislation.

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

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

The municipality should also review its lease agreements to identify non-paying tenants and those that pay less than a market related rental.

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

The following challenges were identified and remedial actions were proposed:

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

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

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

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

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

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

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

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

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

- Promote and support agricultural development and capacity building:
 - capacity building programmes for small scale farmers;
 - funding for agricultural projects;
 - establishment of an agricultural forum;
 - establishment of a strategic partnership to promote sustainable agricultural development;
 - infrastructural development at Thorn Park;
 - promote and support co-operatives through seed funding;
 - roll out of the sustainable urban agricultural programme to promote a green economy;

- co-fund projects funded by other departments; and –
- women and youth agricultural support programme.
- Promote and support tourism development and capacity development
- heritage promotion;
- inner city regeneration;
- national arts festival marketing programme;
- participation in tourism trade shows;
- promotion of forts and towers;
- roll out of creative city project;
- support for Kwam eMakana homestay project;
- tourism internship programme;
- tourism promotion; and
- develop a business plan and a feasibility study for aloe production.

Support enterprise development:

- roll out a community works programme;
- SMME start-up package;
- co-operative seed funding;
- support to business chamber;
- informal sector support;
- training for Kaolin Co-operatives;
- secretariat for the Kaolin project steering committee; and - support for the formation of new businesses.

2.7 SOCIAL INFRASTRUCTURE SERVICES

2.7.1 COMMUNITY HALLS:

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

2.7.2 LIBRARIES:

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

2.7.3 SPORT AND RECREATION FACILITIES:

□ GRAHAMSTOWN- RHINI:

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

□ ALICEDALE:

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

□ Riebeeck East:

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

2.7.4 CEMETERIES

□ Grahamstown:

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

□ **Alicedale:**

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

□ **Riebeeck East:**

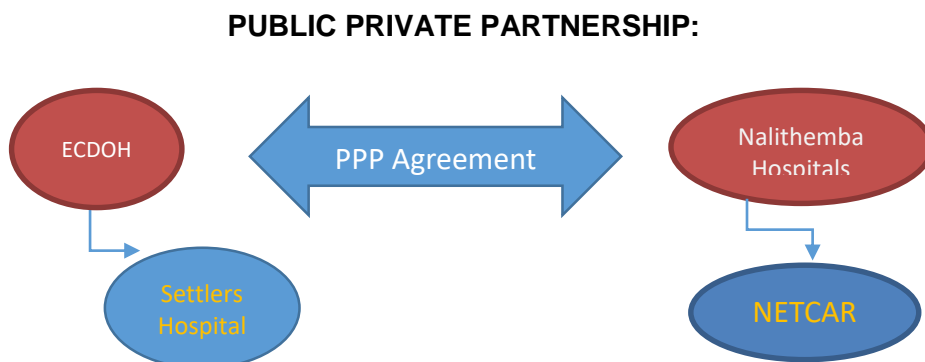
- KwaNomzamo (currently in use and has capacity for a further 5 years at current rate of burials)
- Town Cemetery (currently in use and has capacity for a further 5 years at current rate of burials) **Outlying**

□ **Districts:**

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

2.7.5 HEALTH CARE FACILITIES

Settlers Hospital is the main health care facility in Makana Area established in 1858. Settlers Hospital is located in Makana Sub-District, Grahamstown within the Sarah Baartman Municipal District. It serves a population of 157998 (Makana /Ndlambe municipality). Settler's hospital is a Public Private Partnership facility with Nalithemba Hospital Group in 2007.



Overview Services:

- Settlers Hospital has 219 approved public beds and 30 private beds. The hospital is currently functioning with 166 active/usable beds.

- Settlers Hospital is Public Private Partnership entity where ECDOH is providing the full district hospital package and Nalithemba is providing Private Health Services including ICU and High Care.
- The Accident and Emergency Unit and theatre at the hospital is a shared service managed by Nalithemba /NETCARE.

2.7.5.1 PRIMARY HEALTH CARE

- There are 9 *clinics* and 2 *ambulance services* and 5 hospital all stationed in Grahamstown. Opening hours for all the clinics are from 8h00 to 16h30, 5 days a week
- Professional nurses ranges between 3 to 5 per clinic depending on the headcount of the clinic(how big the clinic is)
- Doctors visit clinics some clinics once a week others once in two weeks

Table 72 Makana Clinics and Hospitals

NO	CLINICS	HOSPITAL	
1.	Town Clinic	1.	Settlers Hospital (Public)
2.	Grahamstown Mobiles	2.	Settlers Hospital (Private)
3.	Joza Clinic	3.	Fort England Hospital
4.	Kwa-Nonzwakazi Clinic	4.	Settlers Day Hospital
5.	Middle Terrace Clinic	5.	Themba TB Hospital
6.	NG Dlukulu Clinic (Ext 7)		
7.	Raglan Road Clinic		
8.	Riebeeck East Clinic		
9.	Tantyi Clinic		

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

COMMON DISEASES:

REFERRAL SYSTEM:

<ul style="list-style-type: none"> • TB • HIV • Hypertension(High Blood pressure) • Diabetes • Arthritis • Asthma 	<ul style="list-style-type: none"> • Ward Based outreach Teams • Clinic • Community Health Centre • Hospital(District or TB hospital) • Port Elizabeth (Tertiary hospitals) – Specialist Clinics
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2.7.6 COMMUNITY FACILITIES AND PUBLIC AMENITIES

Table 73

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

2.7.7 TRAFFIC SERVICES

Makana municipality operates a traffic service (7 posts). A fully functional motor vehicle test centre is located in Grahamstown and is fully operational. There is also Grade A Traffic and Parking (town). Makana delivers an agency service for licensing (NATIS) on behalf of the Provincial Department. Three Peace Officers have been appointed to enforce by-laws.

2.7.8 COMMUNITY SAFETY

The South African Police Service Act as amended made provision for the establishment of municipal police services and community police forums. In Makana a cluster ward approach was undertaken to establish Community Police Forums, in total five have been established. During the Community based planning, concern was raised around the effectiveness of these forums and the lack of visibility of the SAPS. SAPS Crime Research Statistics show that crime levels are high in Grahamstown. Contact crimes against a persons and burglary at residential premises are most prevalent.

Table 74 Police Stations in Makana Area

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

2.7.9 FIRE SERVICES AND DISASTER MANAGEMENT

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

The aim of the Disaster Management Act, No. 57 of 2002, and the Disaster Management Framework, is to minimise the effects of hazards on local communities by ensuring coordinated efforts to manage risks.

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

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

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

2.7.9.1 Disaster Incidents:

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

After the occurrence of the October 2012 disaster incident, the Provincial Disaster Management Centre had, in terms of section 35 of the Disaster Management Act 57 of 2002, initiated efforts to assess the magnitude and severity of the disaster and informed the National Disaster Management Centre of the cost of the damages for provision of emergency relief.

The National Treasury had through the National Disaster Management allocated an amount R43.5m for emergency projects which was divided among the Nelson Mandela Bay Municipality

and five other municipalities in the Sarah Baartman District Municipality. The Makana Municipality was allocated R 2 400 567 for the following projects

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

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

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

2.7.10 PRIORITY RISK IDENTIFIED

Table 75

TOP RISKS	
No	Risk
1.	Landslide/Subsidence
2.	Heat wave
3.	Severe Storm
4.	Road Incident
5.	Animal Epidemic Diseases
6.	Criminal Activities
7.	Critical Infrastructure
8.	Illegal/Uncontrolled Solid Waste Disposal
9.	Climate Change Rainfall

2.7.10 COMMUNITY POLICES AND BYLAWS

Table 76

Type	Title	Date	Status
Policy	Speed Hump	May 2013	Final *
Policy	Environmental	*	Final
Policy	Paupers Burial (To be developed before the financial year end)	*	To be revised

By-law	Animals, Birds and Poultry	*	Final
By-law	Dumping and Accumulation of Water	*	To be revised
By-law	Liquor and Trading Hours	*	To be revised
By-law	Parking	*	To be revised
By-law	Refuse Removal	*	To be revised
By-law	Street Collections	*	To be revised

2.7.11 CHALLENGES AND DEVELOPMENT PRIORITIES

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

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

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

2.8 BASIC SERVICE DELIVERY & INFRASTRUCTURE PLANNING

2.8.1 ACCESS TO BASIC SERVICES

The Makana local municipality is both, the *Water Service Authority and Water Service Provider* and is also responsible to provide all the *other local government services such as municipal roads, storm water management, electricity and waste collection and disposal etc.* The Municipality is granted an equitable share which it receives from government in terms of the Division of Revenue Act (DORA) for the provision of free basic services to households who cannot afford to pay for their services.

National policy requires that poor households should receive 50 kWh of free basic electricity, 6kl of free basic water, free basic sanitation and free weekly refuse removal. There are a total of 6085 poor (indigent) households on the Municipality's indigent register who are provided with indigent support in terms of the Municipality's Indigent Policy monthly.

Table: 77

SERVICES	2011		2016	
	Number	%	Number	%
Access to housing:				
Formal	18 269	85.4	20 589	90.7
Traditional	780	3.6	1 046	4.6
Informal	2 153	10.1	934	4.1
Other	186	0.9	132	0.6
Access to water:				
Access to piped water	20 854	95.8	21 431	94.4
No Access to piped water	924	4.2	1 269	5.6
Access to sanitation:				
Flush toilet	16 283	76.2	19 382	85.4

Chemical	28	0.1	50	0.2
Pit toilet	3 439	16.1	2 110	9.3
Bucket	774	3.6	264	1.2
None	854	4.0	480	2.1
Energy for lighting:				
Electricity	19 505	89.7	21 934	97.0
Other	2 238	10.3	688	3.0
Electricity	17 589	80.9	20 594	90.9
Other	4 154	19.1	2 059	9.1
Access to refuse removal:				
Removed by local authority at least once a week	19 371	89.0	20 444	90.1
Removed by local authority less often	157	0.7	223	1.0
Communal refuse dump	184	0.8	888	3.9
Own refuse dump	1 453	6.7	528	2.3
No rubbish disposal	331	1.5	347	1.5

Table 78 Water Sources & Consumption

Source of water	Ground water	Surface water	Purchased water	
Availability	Yes	Yes	Yes	N/A
Status of erf connections	Communal Stand pipe Small 200m	Communal Stand pipe Greater 200m	Individual Connection Metered	Individual Connection unmetered
	759	0	15999	0
Water consumption	Current Consumption		Consumption in 5year	
	8205		14228	

2.8.2 FREE BASIC SERVICES

Table: 79

SERVICE	FREE SERVICE	NUMBER INDIGENTS 2016/17
Free basic service: Electricity(FBE) Makana area	50units/Kwh per H/H	1107H/H per month,

Free basic service: Electricity (FBEEKOM area)	50units/Kwh per H/H	5484H/H per month,50units/Kwh
Free basic service: Water usage	First 6 Kl per H/H	4869H/H per month,
Free basic service: Water connection	75%-100% base on income per	5301H/H per month,
Free basic service: Sewer connection	75%-100% base on income per	5093H/H per month,
Free basic service: Refuse removal	75%-100% base on income per	6085 H/H per month,
Free basic service: Rate and taxes	75%-100% base on income per	5584H/H per month,75%-100% base income

2.8.3 WATER AND SANITATION

The Makana local municipality is both, the *Water Service Authority and Water Service Provider* and is also responsible to provide all the *other local government services such as municipal roads, storm water management, electricity and waste collection and disposal etc.* The Municipality is granted an equitable share which it receives from government in terms of the Division of Revenue Act (DORA) for the provision of free basic services to households who cannot afford to pay for their services. National policy requires that poor households should receive 50 kWh of free basic electricity, 6kl of free basic water, free basic sanitation and free weekly refuse removal. There are a total of 6085 poor (indigent) households on the Municipality's indigent register who are provided with indigent support in terms of the Municipality's Indigent Policy monthly.

Table: 80

SERVICES	2011		2016	
	Number	Percent	Number	Percent
Access to housing:				
Formal	18 269	85.4	20 589	90.7
Traditional	780	3.6	1 046	4.6
Informal	2 153	10.1	934	4.1
Other	186	0.9	132	0.6
Access to water:				
Access to piped water	20 854	95.8	21 431	94.4
No Access to piped water	924	4.2	1 269	5.6
Access to sanitation:				
Flush toilet	16 283	76.2	19 382	85.4
Chemical	28	0.1	50	0.2
Pit toilet	3 439	16.1	2 110	9.3

Bucket	774	3.6	264	1.2
None	854	4.0	480	2.1
Energy for lighting:				
Electricity	19 505	89.7	21 934	97.0
Other	2 238	10.3	688	3.0
Energy for cooking				
Electricity	17 589	80.9	20 594	90.9
Other	4 154	19.1	2 059	9.1
Access to refuse removal:				
Removed by local authority at least once a week	19 371	89.0	20 444	90.1
Removed by local authority less often	157	0.7	223	1.0
Communal refuse dump	184	0.8	888	3.9
Own refuse dump	1 453	6.7	528	2.3
No rubbish disposal	331	1.5	347	1.5

2.8.3.1 Water Provision

In terms of the Water Services Act (Act no. 108 of 1997) and declaration of the powers and functions by the Minister of Water Affairs and Forestry in 2004, Makana Municipality is acting as both Water Services Authority and Water Services provider. The Authority function means that the Municipality is responsible for regulation, water quality, ensuring access and monitoring and evaluation. The Provider function means that the Municipality is responsible for access, provision, operations and maintenance of all water needs.

The National Department of Water Affairs is responsible for policy formulation, capacity building and support where it is needed, regulation and enforcement of legislation. The National Department of Corporate Governance and Traditional Affairs is responsible for funding of some water capital projects through Municipal Infrastructure Grant. The Municipality has the responsibility of implementing water services projects and maintenance thereof. Water deliveries were made by truck to rural areas on request by the Community and Social Services Directorate.

□ Challenges:

The Municipality is still struggling with its aging infrastructure and external funding was received to increase the capacity of some of Makana's Water Treatment Works such as the James Kleynhans Water Treatment Works. The Department of Water Affairs and the East Cape Development Corporation are the implementing Agents for the projects.

2.8.3.2 Sanitation Provision

In terms of the Water Services Act (Act no. 108 of 1997) and declaration of the powers and Functions by the Minister of Water Affairs and Forestry in 2004 Makana Municipality is acting as both Water Services Authority and Water Service provider. The Authority function means that the Municipality is responsible for regulation, quality, ensuring access, monitoring and evaluation of basic sanitation. The provider function means that the Municipality is responsible for access, provision operations and maintenance of all water provision mean The Department of Water Affairs is responsible for policy formulation, regulation and enforcement. The Department of Corporate Governance and Traditional Affairs is responsible for funding of some sanitation capital projects through MIG. The Municipality is having a responsibility of implementing sanitation projects and maintenance thereof.

□ Challenges

All Clinics and schools were provided with adequate sanitation services during the year under review. Most schools have sanitation infrastructure but there are water pressure problems at a number of schools that are being addressed. Makana is also challenged with increasing pressure on its waste water treatment leading to works overflow i.e. Belmont Valley which is near full capacity

2.8.3.3 BLUE DROP STATUS 2014

The Municipality's water is of a good quality and complies with National Standard SANS 242. The Department of Water Affairs has implemented the Blue Drop Certification Programme to enable it to assess the standard of water services provided by Municipalities.

It entails the assessment of 5 key performance areas namely risk management, process management and control, drinking water quality, compliance management, accountability and local regulation and asset management. In order to qualify for a Blue Drop Award a Municipality must achieve an average of 95% for all key performance areas.

Table: 81

PERFORMANCE AREA	2011	2012	2014
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Blue drop Score 55,07% 71.90% 70.83%

PERFORMANCE AREA	ALICEDALE	GRAHAMSTOWN	RIEBEECK EAST
Water Safety Planning (35%)	23.63	22.4	26.78
Treatment Process Management (8%)	8	6	8
DWQ Compliance (30%)	13.5	21	28.5
Management Accountability (10%)	7.15	7.9	7.15
Asset Management (14%)	8.79	8.02	8.26
Efficiency, Loss Management (3%)	0.63	0.63	0.63

2.8.3.4 GREEN DROP STATUS

The Department of Water Affairs has implemented the Green Drop Certification Programme to enable it to assess the standard of the Municipality's waste water. For 2014 on PAT was conducted. This assessment was based on a number of key risk areas including management, ADWF designs capacity, operational flow (% of design capacity), annual average effluent quality compliance %, technical skills 9Reg 813).The Municipality's waste water is of an acceptable quality, although it does not comply fully with National Standard SANS 241. This is primarily due to ageing infrastructure. Evaluations were undertaken in February 2013, and the outcomes are still being awaited.

Table 82

PERFORMANCE AREA	ALICEDALE	BELMONT VALLEY	MAYFIELD	
Technology (Liquid)	Aerated ponds Oxidation pond	Biological filters	Activated sludge	
Technology (Sludge)	None specified	Anaerobic digestion	Aerobic digestion	
Key Risk Areas				
A.	ADWF designs capacity	0.85	5.4	2.5
B.	Operational flow(% of design capacity)	151% (NI)	139%	112%

C.	Annual average effluent quality compliance %	0.0%	62.5%	37.5%
D.	Technical skills 9Reg 813)	Yes	Partial	Yes
2014 Wastewater Risk Rating		82.4%	81.8%	76.5%

2.8.3.5 REGULATORY IMPRESSION

Makana LM has completed selected areas of the Green Drop PAT scorecard. This effort does not necessarily do justice to the good work and progress that was noticed by DWS at Makana, over the past 2 years. As a result, the CRR scores have digressed, mostly as a result of effluent quality data not available for Alicedale, and non-compliance for Belmont Valley and Mayfield. Flow measurement is not recorded for Alicedale, which carries a significant risk with it.

The extensions taking place at Ext 6 of Mayfield and Glebe is noted with encouragement. However, concerns are raised with regard to the treatment plants which are already operated beyond its design capacity and where the effluent quality is not meeting the legal specification. This additional flow will place undue pressure on the plant to perform and comply with its legal specification. Makana LM is requested to communicate with the DWS on this pertinent matter, as no indication was given as to the status of upgrading the plants. These aspects result in all three (3) treatment facilities residing in high risk positions during the current assessment.

The completion of a well structure W2RAP is however noted and commended. The key 31 risks are being identified, rated and addressed in this risk management plan. Regrettably, the need to upgrade the plant.

2.8.3.6 WATER AND SANITATION BULK INFRASTRUCTURE RESOURCES

2.8.3.6.1 Howisons Poort Dam

The Howiesons Poort Dam is located in the Palmiet River Catchment (upstream of the Kariega River now part of the Thomas Baine Nature Reserve) and was constructed in 1031 with an estimated capacity of 883x10³m³ and surface area of 16.3ha. The estimated 1:50 year yields including the Settlers Dam is 2450x10³m³ of which 2200 x 10³m³ is for domestic supply (the remainder for irrigation and other uses.) According to the DWA, the registered permit volume p.a. is 500 x 10³m³. Raw water is pumped from the Howisonspoort pump station situated slightly downstream and south west of the dam wall, directly to the Waainek WTW.

2.8.3.6.2 Settlers Dam

The Settlers Dam is located in the Kariega River catchment further south which supplies the Albany Coastal catchment area. The dam was constructed in 1962 with an estimated capacity of $4020 \times 10^3 \text{m}^3$, making it the biggest in the Makana region. The surface area of the dam is 82.2ha.

The registered volume permit from the DWA is $1000 \times 10^3 \text{m}^3$ p.a. to increase capacity the dam wall as raised by 2.3m in 1981. Raw water in this dam is pumped directly into the Howiesonspoot Dam thus augmenting the Howiesonspoot in time of low water availability.

2.8.3.6.3 Jameson Dam

The Jameson Dam I located in the Nuwejaarsspruit River on the farm Slaaikraal. It is also referred to sometimes as the Slaaikraal Jameson dam for this reason. This dam was constructed in 1906 with an estimated reservoir capacity of $575 \times 10^3 \text{m}^3$. The surface area of the dam is 15.5ha.

The estimated total yield is $460 \times 10^3 \text{m}^3$ although no exact figures are available confirming what portion is earmarked for irrigation or other uses. The registered volume permit from the DWA is $150 \times 10^3 \text{m}^3$ p.a. raw water from this dam gravitates to the downstream Milner Dam from where it gravitates towards the ton filter storage tank in Grahamstown via a 200mm \varnothing main. From there it is pumped to the Waainek WTW via a 150mm \varnothing steel.

2.8.3.6.4 Milner Dam

The Milner Dam is located downstream of the Jameson Dam in the Nuwejaars River, also on the farm Slaaikraal. This dam was constructed in 1898 making it the oldest functional dam in the Makana region. The estimated reservoir capacity of $255 \times 10^3 \text{m}^3$ with the surface are of 7.7ha. The estimated total yield is $190 \times 10^3 \text{m}^3$. The registered volume permit from the DWA is $150 \times 10^3 \text{m}^3$ p.a. the same as Jameson Dam. According to the Stewart Scott report, the dam's full supply level is approximately 626.4 msl. Thus the hydraulic grade difference between Milner Dam and Town Filter Storage is approximately 15.9m (Town Filter Storage is at 610.5 msl). Based on a gravity main length of 6380m (exact distance to be confirmed) indicates a much lower figure of 15-20l/s. since the incoming flow is not measured, this cannot be confirmed.

2.8.3.6.5 Service Reservoirs

One 2.5ML service reservoir and an elevated storage tank is located on the precinct of the works. The elevated water tank of approximately 8m \varnothing and 10m height supplies the Waainek WTW and

two houses with potable water. This tank is manufactured from fabricated steel panels which is in a very poor condition due to corrosion. The tank is leaking and the non-return valve is also not working and needs to be replaced. The inside of the tank also needs to be repaired, the Makana Municipality is currently in the planning stages to have the elevated storage tank repaired.

The 2.5ML high level reservoir acts as the main distribution reservoir for the industrial and higher lying residential areas. This reservoir is still in good condition with no problems reported.

During failures or other interruptions, the potable water supply to the higher lying areas becomes problematic as this reservoir tends to run dry since it feeds water to the downstream reservoir as well.

To ensure that sufficient potable water storage is available for the higher lying areas, it is proposed that the existing 10ML raw water storage dam on the eastern side of the WTW be converted in a clear water storage reservoir. This will be achieved by installing a floating HDPE roof cover to this reservoir.

2.8.4.7. WAAINEK WATER PURIFICATION WORKS (PLANT)

The WTW is located next to the N2 highway west of Grahamstown. Access to the treatment works is directly from the N2. The current processes involved to treat the water includes flocculation, sedimentation, filtration and disinfection.

Waainek Water Treatment Works is supplied with raw water from 4 sources, the Howison's Poort and Settlers dams in the Kariega River catchment, and the Jameson and Milner dams in the Slaaikraal catchment

The existing Waainek Water Treatment Works has a capacity of 9 ML/d and designed to operate over a 24 hour period. The works comprises a 16ML raw water storage dam. There is an additional 6ML raw water storage constructed above the works from which raw water is gravitated to the inlet works. Total raw water storage represents 60 hours of the works capacity. The works is supplied either directly from the Howison's Poort pumping main or from the raw water storage reservoirs.

2.8.4.7.1 Raw Water Inlet

Water from both the Howiesonspoot and Town Filter Storage Tanks are pumped to the WTW. The system is designed so that raw water from Howiesonspoot PS directly enters the WTW with a bypass weir to supply water to the lower lying raw water storage reservoir.

The won filter supply pumps directly to the lower raw water storage dam. A bypass system is in place to divert water directly to the inlet works.

2.8.4.7.2 Raw Water Storage Reservoirs

The WTW has two raw water storage reservoirs, one a 16ML on the west of the WTW and a newer storage reservoir on the east of approximately 10ML. the 16ML lower lying reservoir has recently been relined and is in a good condition. The exact construction date of the new upper reservoir is unknown although it can be confirmed that the lining still appears to be in a relatively good condition. It has deteriorated to some extent due on the edges due to little or no maintenance and on some sections of the liner it could be noticed that vegetation has penetrated the liner (which needs to be repaired).

2.8.4.7.3 JAMES KLEYNHANS WATER TREATMENT WORKS

James is Kleynhans water treatment works supply mostly Grahamstown east, Water Treatment Works is supplied with raw water from the Glen Melville Dam, owned and operated by DWS. . Water from the Orange River is released into the upper reaches of the Fish River as part of the Orange-Fish-Sundays scheme. Water abstracted from the Fish River is stored in the off-channel Glen Melville dam. Water from the dam gravitates to the James Kleynhans WTW.

Currently, Grahamstown's allocation of water from the Glen Melville dam is 3000 Mℓ/annum (average daily abstraction of 8.22 MI/d). The James Kleynhans Water Treatment Works has a capacity of 10 MI/d and designed to operate over a 24 hour period. Elements within the works require upgrading, as the existing required capacity is 12.96 MI/d (2.96 MI/d shortfall)

2.8.4.8. MAKANA BULK SANITATION BULK PROVISION

2.8.4.8.1 GRAHAMSTOWN WASTE WATER TREATMENT WORKS.

The Grahamstown sewerage network is divided into two distinct drainage areas namely North and South which drains to the Mayfield Wastewater Treatment Works (WWTW) and the Belmont Valley WWTW respectively.

2.8.4.8.1.1 Belmont Valley WWTW: The Belmont Valley Wastewater Treatment Works (WWTW) is a 5.4MI biological filter plant currently being operated at an average inflow of between 7 and 8MI/d. The plant is servicing the entire CBD and Western side and 60% of the Eastern side.

2.8.4.8.1.2 Mayfield WWTW: The Mayfield WWTW has a stated existing hydraulic capacity of 2.5 MI/day and currently treats flows from the areas known as Mayfield, Makaanaskop, Kings Flats, Transit Camp and Extensions 6 and 7.

2.8.4.8.1.3. Alicedale WWTW: Alicedale WWTW has a design capacity of 0.85MI/d but operating at a capacity of 0.1MI/d. The plant is servicing the areas of Nomzamo, Mandela and Transriviere. The town is currently not connected but using the septic tanks. The project to connect the town to the plant is under procurement phases and will be implemented during 2017/2018 and 2018/2019 Financial I year through MIG funding.

2.8.4.9 DROUGHT SITUATION AND INTERVENTION

Drought condition in the district has severely affected communities, settlements, negatively that included Makana Municipality area. Affected mostly settlements, business, small scale farmers, as well commercially farms. Even wild life industry has been affected by this.

As result of the drought condition the Municipal Council resolved that Disaster be declared in the Municipality. This declaration was gazetted in the Provincial Gazette No 3893 on the 11 August 2017 through SBDM.

Impact of the drought resulted that in the decrease of daily water supply due to levels dropping of dams to 20% average of capacity. Due to substantial low rainfall for the past 2 years, farmers has suffer a lot from almost no water in their stock water dams and no food for their animals. The farmers have reached a critical stage where they are in dire need of assistance where they have depleted their financial reserves. They have already reduce their stock numbers which is more that economically viable.

Department of Rural Development and Agrarian Reform (DRDAR) has been actively assisting a small scale farmers with fodder and waters tanks. Restrictions and limitations on usage of water were also imposed, that included no watering/ irrigation, car wash, no swimming pools, use hosepipes using drinking water. Also the use of drinking water per person in litres per day was restricted

District Interventions: A business plan for drought relief interventions for the district was prepared and submitted to Provincial Disaster Management Centre. The business Plan covers short, medium term and long term intervention. The summary for the budgetary requirements for the short medium term drought relieve measure amount for Makana Municipality are details a follows;

Table 83

DROUGHT INTERVENTIONS			
Term	Budget (excl of vat)	Vat (14%)	Budget (Incl. of vat)
Short Term Drought	R 6,810,000,00	R 953, 400.00	R 7,63,400.00

Medium & Long Term	R 12,850,000.00	R 1,799,000.00	R 14,649,000.00
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Municipal Short Term Projects: Table 84

PROJECT NAME AND DESCRIPTION	AREA WHERE PROJECT IS IMPLEMENTED	GPS COORDINATES	FUNDS ALLOCATED/ TRANSFERRED	PROJECTED AMOUNT AS PER CASH FLOW
Condition assessment and recommissioning of existing boreholes in Seven Fountains: 4 boreholes	Seven Fountain	33°26' 03.97"S; 26° 19'03.96"E	R720 000.00	R720 000.00
Condition assessment and recommissioning of existing boreholes in Riebeeck East: 2 boreholes	Riebeeck East	33°11' 46"S; 26° 10'57"E	R90 000.00	R90 000.00

2.8.4.10 HIGH LEVEL CRITICAL CHALLENGES

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

- Ageing infrastructure, poor maintenance and poor contract management;
- Material water supply shortages leading to service delivery protests;
- Inadequate catchment area to Grahamstown West, which could result in possible water shortages to the community in the future;
- Inadequate supply versus demand at the James Kleynhans Water Treatment Works;
- Inadequate electricity supply on the western side of Grahamstown, which results in the inability to supply raw water for purification;
- Inadequate storage retention rate (the Department of Water Affairs requirement is 48 hours but Makana has an average of 12 hours);
- Inadequate capacity at waste water treatment works. The plant is operating above design capacity by 78% and the municipality has received pre-directives on non-

compliance by Department of Water Affairs, which could result in legal action against the accounting officer. In addition health hazards to the people and pollution to the environment;

- Inadequate capacity of the collector mains (rising main and outfalls) resulting in sewer spillages;
- Inadequate capacity of pump stations resulting in sewer spillages;
- Inadequate capacity reticulation network sewers resulting in spillages. Health hazard to the people and pollution to the environment;
- Storm water ingresses to sewer network system increases the inflow to the waste water treatment works;
- Inadequate resources (equipment and human resources) resulting in the inability to attend to complaints and dealing with the problems; and
- Continuous vandalism of critical infrastructure including the exposure of manholes, which could lead to injury and damage to property resulting in possible litigation.

Water source Challenges:

- Quality of the raw water from the Glenn Melville Dam – High turbidity
- Unstable pumping system & rising main capacity
- Unreliable electricity supply to pump raw water from H'Poort
- *Water treatment works Challenges*
 - Mechanical & Electrical poorly maintained
 - Civil Works not operating as designed
- *Bulk water distribution Challenges*
 - Storage Retention Rate (DWS requires 48hrs but Makana's 12hrs or less)
 - Network Water Leaks (Through broken/old valves, pipes & meters)
 - Absence of Bulk Metering (Raw water, treated water & stored water).
- *Service reticulation challenges*
 - High Water Leaks (Resulting to water loss)
 - Absence of meters (Impact to Billing mechanism)
 - Lack Pressure Control (Continuous water outages to the High Lying areas due to having water at the bottom part of the settlement)

2.8.5. ELECTRICITY

2.8.5.1 Electricity

The Makana Municipality's Electricity Department ensures that its customers get good supply of quality service in compliance with the quality criteria prescribed by the national Electricity Regulator. The Department has the duty of refurbishing electrical infrastructure and the responsibility of connecting customers who are not on the grid. The Department is also responsible for project implementation as well as day-to-day operations and maintenance.

Level and standard of services	<ul style="list-style-type: none"><input type="checkbox"/> Customers are provided with a bulk 11 kilovolts of electricity. Some of this electricity is provided from solar energy.<input type="checkbox"/> The Municipality provides streetlights in accordance to the standards as outlined in the National Energy Regulator of South Africa (Nersa) guidelines. It also provides high masts which are funded by the Municipal infrastructure grant (MIG).<input type="checkbox"/> Medium and low voltage electricity is distributed according to consumer requirements.
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Access to minimum electricity standards is defined as an electricity connection at the dwelling. National policy also requires that poor households should receive 50kWh of free basic electricity per month.

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

The 5 wards with the most households with no access to electricity are

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

All indigent households and households who are prepared to install a 20 AMP Circuit Breaker get their first 50 kWh free. There are therefore no backlogs in respect of service provision to

existing erven within the Municipality's area of supply. There are also street lighting in all towns.

There is a direct correlation between electricity backlogs and housing backlogs and planning for the new proposed areas are in place. The IDP Public Participation process revealed that there are areas within the Municipal and ESKOM supply area where existing services need to be upgraded. There is also a need for enhanced maintenance of street lighting. This coupled with the need for development within the Municipal area necessitates upgrading of the electrical service infrastructure.

2.8.5.2 HIGH LEVEL CRITICAL ELECTRICITY

Makana is currently the service provider for the distribution of electricity only in the old Grahamstown (CPA) municipal area, while the new urban settlements, Grahamstown East, Riebeeck East, rural farm areas are serviced by Eskom except Alicedale by both Municipality and Eskom. This makes delivery of services and credit control difficult for Makana to manage. This matter should be addressed as a matter of urgency. There is no Electricity Master Plan in place and a service provider has been appointed to develop the electricity master plan.

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

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

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

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

Windfarms as part of an alternative energy solution a:

- Distribution Agreement (DA) for the Waainek Windfarm Project (Alternative Energy) was signed and construction was completed. The project is earmarked to have R400 million economic spinoffs over 20 years;
- R30 million was received for the refurbishment of ageing electricity infrastructure, mainly substations; and

- R2, 2 million was spent for 13/14 for Thomas Baines Power line as an alternative power supply.

The high level challenges are as follows:

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

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

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

- Substation upgrade at Waainek sub-stations; and
66Kv line upgrade from Grahamstown sub-station to Sugar Loaf sub-station

2.8.6 SOLID WASTE MANAGEMENT

Makana municipality is responsible for waste management which includes the street sweeping, collection, transportation and disposal of solid waste. The municipality has approved Integrated Waste Management Plan in accordance with section 11 of the NEMA approved by Council 2013 and a Local Waste Management Plan which was endorsed by the DEDEAT and by- Law to address issues like illegal dumping.

2.8.6.1 REFUSE REMOVAL AND WASTE MANAGEMENT

Basic level services for refuse removal are defined as free weekly refuse removal. All households in urban areas including Grahamstown, East and West have access to weekly refuse removal services that also include business and other waste is removed by order. Refuse is taken and disposed in three refuse land fill sites Grahamstown, Alicedale and Riebeeck East.

Dumping rate is higher in Grahamstown and the cost of transporting the waste has also increased significantly due to illegal dumping littering and old fleet infrastructure

2.8.6.2 WASTE DISPOSAL INFRASTRUCTURE

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

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

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

These waste streams need to be disposed of in a dedicated deeply dug trench and be covered immediately after disposal. It could be necessary depending on the quantities of abattoir waste

(dead animals) to treat the waste with lime once disposed of. Illegal scavenging is only taking place on the landfill at night. The site is properly fenced with an access gate at the entrance. Record-keeping of incoming waste should be improved and properly recorded.

The site continues to be operated in accordance with the permit conditions for the site and the Minimum Requirements for Waste Disposal by Landfill document as published by DWAF in 1998.

Position of site: Located approximately 2km from town at co-ordinates: S 330 17' 28" and E 260 29' 32".

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

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

Waste is covered once a year by hiring a bulldozer for this purpose. Waste is being burned on a regular basis although it is prohibited in the authorisation for the site.

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

Position of site:	The site is located 500m from town (Co-ordinates: S 330 19' 04'' and E 260 04' 35'')
Permit:	Yes, controlled through Directions
Year issued:	2005
Classification of site:	GCB –Type of Operation (end – tip, trench, cell): Filling of sandstone quarry, waste burning
Estimated size of site:	Approximately 0.9 ha.
Estimated remaining life of site:	20 years

Separation of fresh and contaminated water: None in place.

Groundwater monitoring:	Not required. Volumes per day, week or month: It is estimated that the site receives approximately 1.56 tons per day.
Is cover material available?	Yes, from quarry
Is the drainage sufficient?	No
Is there access control?	No
Is the site fenced?	No

Does the site have a sufficient buffer zone? Yes (500m) **Type of equipment utilised on site:**

No permanent equipment, a Bulldozer is hired once a year for covering purposes

Operating hours: There are no official operating hours for the site.

Saving plan for closure: No estimate regarding closure exists. The Municipality must budget for the closure and rehabilitation in the near future.

Riebeeck East authorised in May 2005 through Directions in terms of Section 20(5) (b) of the Environment Conservation Act, Act 73 of 1989, by the Department of Water Affairs and Forestry. The site is located approximately 2 kilometres from town (Co-ordinates: S 330 12' 35" and E 260 10' 56"). The site is approximately 0.5 Ha in size.

The expected lifetime of the current disposal area is approximately 10-15 years. Waste is covered once a year by hiring a bulldozer for this purpose. Waste is being burned on a regular basis although it is prohibited in the authorisation for the site.

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

It is recommended that the burning of waste be phased out as an operational method and that waste be covered on a weekly basis as required in the authorisation for the site.

Access to the site should be controlled and proper record keeping of incoming waste should be done. The management of the site in general should be improved in accordance with the Minimum Requirements for Waste Disposal by Landfill document published by DWAF in 1998 and in accordance with the authorisation issued for the site.

Position of site:	The site is located approximately 2 kilometres from town (Co-ordinates: S 330 12' 35" and E 260 10' 56")
Permit:	Yes, controlled through Directions
Year issued:	2005
Classification of site:	GCB –
Type of Operation (end – tip, trench, and cell):	No proper operational method followed, waste is burned
Estimated size of site:	Approximately 0.5 ha.
Estimated remaining life of site:	10 -15 years
Separation of fresh and contaminated water:	None in place.
Groundwater monitoring:	No, not required
Volumes per day, week or month:	It is estimated that the site receives approximately 0.56 tons per day.

Is cover material available?	Yes
Is the drainage sufficient?	No
Is there access control?	No
Is the site fenced?	Yes, but need maintenance
Does the site have a sufficient buffer zone?	Yes, 2 km from nearest house
Type of equipment utilised on site:	No permanent equipment, a bulldozer is hired once a year for covering purposes
Operating hours:	There are no official operating hours for the site.
Saving plan for closure:	No estimate regarding closure exists. The Municipality must budget for the closure and rehabilitation in the near future.

2.8.6.3 RECYCLING

Municipality has recycling program in Grahamstown landfill which called Masihlule and has a Public Private Partnership with Social Development and a private company.

2.8.6.4 AIR QUALITY

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

2.8.6.5 TRANSPORT, ROADS AND STORM WATER

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

2.8.6.6 ROAD INFRASTRUCTURE AND TRANSPORT MODES

Table: 85

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

Makana SDF 2013

A large contingent of the population in 2001 was travelling by foot. Unfortunately the 2011/16 Stats' does not give a comparison.

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

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

Municipality is using Road Asset Management to identified road need upgrading and maintenance to check length and status.

2.8.6.7 RAIL

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

2.8.6.8 AIRSTRIPS

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

2.8.6.9 NONE- MOTORISED TRANSPORT

i) Animal drawn transport

Animal- drawn transport by docketts are found in Makana area more special in Grahamstown township. These vehicle are not licensed and are not allowed on public roads, however, in certain areas, such as on the N2 and R67 near Grahamstown, owners ignore traffic rules and travel on the surface roadway, results in a major traffic safety problem.

ii) Bicycle Transport & Facilities

There is general no provision for bicycle travel with the Municipality. Cyclist share the travelled way with motorised traffic. Cycling, however is not a prevalent form of transport in the district but is predominantly are creation sport activity.

iii) Sidewalks and Walkways

An assessments of the primary transport corridors in the Municipality indicate a dire need for the provision of sidewalks and walkways. Given the limited resources and proximity of residential townships to the business node, walking is one of the main transport modes in the Municipality. Despite this, there is lack of suitable pedestrian facilities, and where sidewalks or walkways are present, these are often in a poor condition. The lack of verge maintenance along primary routes often results in pedestrians sharing the travelled way with motorised transport. Pedestrian infrastructure is required in Makana, for news roads currently built and future one's iii) sidewalks and walkways considered.

2.8 6.9 HIGH LEVEL CRITICAL CHALLENGES ROADS AND STORMWATER

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

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

The high level challenges in the main are as follows:

- roads and storm water (deteriorating state, unfinished projects, poor workmanship);
- Makana has Provincial acclaimed roads within its boundary especially in the Grahamstown CBD, suburbs and rural areas. These roads, including municipal roads,

where the condition has deteriorated substantially have become unaffordable for the municipality to maintain; and

- Municipal funds are unable to finance the maintenance of the roads and storm water infrastructure which is urgently required; and
- Makana's rural areas are fast becoming a safety hazard and are becoming inaccessible due to a lack of maintenance and upgrading due to a lack of funds, equipment and human resources.

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

- municipal roads;
- provincial roads (Department of Roads and Public Works)
- undefined access roads;
- rural surfaced and gravel roads; and
- national roads (SANRAL)

The roads and storm water operating challenges are as follows:

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

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

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

2.9 HUMAN SETTLEMENT MANAGEMENT

Housing is a concurrent National and Provincial competency in terms of Part A of Schedule 4, of the Constitution. Section 10 of the Housing Act, 1997 (Act 107 of 1997), sets out the responsibilities of municipalities in relation to the provision of housing. Housing is included in this section as a basic service because there is a direct correlation between the provision of basic services and housing, which makes it a complex function that relies on high levels of

cooperation between the Municipality and the Provincial and National Departments responsible for Housing. The table below provides an overview of these roles and responsibilities.

2.9.1 ROLES AND RESPONSIBILITIES IN RELATION TO HOUSING PROVISION

2.9.1.1 MUNICIPALITY

- Ensure that the IDP addresses the right to adequate housing on a progressive basis;
- Set housing delivery goals in respect of the Municipal Area;
- Plan, co-ordinate, facilitate, promote and facilitate housing development the Municipal Area;
- Identify and designate land for housing development
- Plan and manage land use and development (township establishment subdivision, consolidation, rezoning etc.);
- Provision of bulk engineering services;
- Provision of services in respect of water, sanitation, electricity, roads, storm water drainage etc.;
- Maintenance of a housing data base.

2.9.1.2 Provincial Department Human Settlement

- Develop Provincial Housing Policies;
- Co-ordinate housing development in the Province;
- Prepare and maintain a multi-year plan in respect of each National Provincial Housing Programme to access finance from the National Housing Fund
- Fund the erection of top structures;
- Fund the purchase of land in the event that the Municipality has no land available;
- Capacity development of municipalities to enable them to perform obligations in terms of housing delivery;
- Appointment of developers/contractors.

2.9.1.3 National Department Human Settlement

- Develop National Housing policy as well as norms and standards;
- Set National housing delivery goals;
- Monitor performance in terms of housing delivery;
- Assist provinces to develop the administrative capacity required for effective exercise of their powers and performance of their duties in respect of housing development;
- Promote consultation and communication on matters regarding housing development;
- Administer the National Housing Fund and allocation of funding to Provinces

2.9.2 HOUSING AND SETTLEMENT ANALYSIS

2.9.2.1 HERITAGE

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

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

2.9.2.2 URBAN AND RURAL SETTLEMENT AREAS

Table 86

NO	SETTLEMENTS	APPROXIMATE POPULATION DISTRIBUTION
1	Grahamstown	80%
2	Riebeeck East	5%
3	Alicedale	10%
4	Seven Fountains	4%
5	Fort Brown	
6	Salem (Surrounding land is the subject of a substantial land claim, which may result in the need to expand the settlement)	
7	Sidbury (Entirely surrounded it has become the administrative centre for game farming and no longer performs a true human settlement function)	

2.9.2.3 INFORMAL DWELLINGS

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

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

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

Table 87

Informal Dwelling N (Backyard Shacks)	No. of persons (2001)	No. of persons (2011)	Change

Wards / Areas	Numeric	%	Numeric	%	Numeric	% change
Ward 1	46	2.93	28	1.96	-18	-39.13
Ward 2	76	4.85	4	0.28	-72	-94.74
Ward 3	27	1.72	396	27.65	369	1366.67
Ward 4	664	42.35	16	1.12	-648	-97.59
Ward 5	57	3.64	11	0.77	-46	-80.70
Ward 6	209	13.33	6	0.42	-203	-97.13
Ward 7	3	0.19	63	4.40	60	2000.00
Ward 8	12	0.77	15	1.05	3	25.00
Ward 9	-	29.27	127	8.87	-	
Ward 10	459	0.57	103	7.19	-356	-77.56
Ward 11	9	0.38	220	15.36	211	2344.44
Ward 12	6	-	1	0.07	5	-83.33
Ward 13	-	-	189	13.20	-	-
Ward 14	-		253	17.67	-	-
Makana – EC104	1568	100	1432	1000	-136	-8.67

Source: Statssa 2011

2.9.2.4 BACKYARD SHACKS

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

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

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

2.9.2.5 BACKYARD SHACKS FROM 2001

Table 88

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

21004004: Ward 4	155	20.05	23	3.18
21004005: ward 5	-	-	162	22.41
21004006: Ward 6	3	0.39	2	028
21004007: Ward 7	6	0.78	67	9.27
21004008: Ward 8	170	21.99	8	1.11
21004009: Ward 9	45	5.82	26	3.60
210040010: Ward 10	47	6.08	174	24.07
210040011: Ward 11	215	27.8	23	3.18
210040012: Ward 12	66	8.54	-	-
210040013: Ward 13	-	-	24	3.32
210040014: Ward 14	-	-	57	7.88
EC104: Makana	773		723	

2.8.7.5.7 Dwelling Types and Tenure Status

Table 89

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

Source: Stats' 2011

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

2.9.3 RHODES UNIVERSITY CAMPUS

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

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

Table 90

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

2.9.4 HOUSING DEMAND

The total estimated housing demand resulting from population growth (Based on the current growth rate) is 4430 additional households by 2030. This demand equates to a land requirement of approximately 220 ha across the entire municipality.

Most of this demand would be accommodated in Grahamstown. Based on the Census 2011 figure the housing demand associated with the eradication of informal dwellings would be 723 households, backyard shacks 1432 households and growing need for provision good quality rental accommodation for the upper end of the low income market, with the primary objective of urban restructuring, creating sustainable human settlements.

The associated land demand is 36ha and 72ha respectively. Officials speculate that there may be considerable duplication in the backlog figures for Grahamstown and estimate that the figure should be in the region of 7000 to 8000 households and can be more when it included social housing demand.

If the informal dwelling and backyard shacks figures are deducted from this approximately 6000 households or persons are accommodated elsewhere or in formal dwellings in the established

urban areas of the municipality. The settlement planning priority is therefore to provide adequate shelter to those households accommodated in informal settlements and in backyard shacks.

Social Housing Programme: There is an increasing need for affordable rental units which provide secure tenure to households which prefer the mobility provided by rental accommodation. Social housing provides good quality rental accommodation for the upper end of the low income market (R1500 - R7500), with the primary objective of urban restructuring, creating sustainable human settlements.

The programme provides for grant funding to establish, capacitate and capitalize social housing institutions which may develop, hold and administer affordable rental units within identified restructuring zones.

2.9.5 HOUSING BACKLOG

There is a need for housing throughout the Municipal Area. The table below indicates the housing needs per town as reflected by the Municipality's Housing Waiting List as at September 2011

TABLE: 91 HOUSING BACKLOGS

TOWN	BACKLOG
Fort Brown	188 (recently verified)
Seven Fountains	229 (recently verified
Riebeeck East	456 (recently verified)
Alicedale	948 Verified in 2013
Grahamstown	14 995 (not recently verified)

**The Municipality cannot provide housing on private land – Names of towns indicate town of origin of applicant.*

2.9.6 HOUSING SECTOR PLAN

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

Table 92

RUNNING PROJECTS:					
PROJECT NAME	No. of subsidy	Status	No. of units Completed	No. of units be built	Budget Requirement
Fingo Village 577(2)	3577 (237)	Blocked	237	0	R5.3m
Fingo Village 577 (3)	577 (340)	Planning	0	340	R38m

Eluxolweni 176 (15)	8 176	Blocked	158		R3,9m
Transit Camp (421)	4 440	Running	38 Incomplete		R1,7m
Transit Camp 440	1 19	Planning	19		R1,9m
Mayfield 2200 Ph. 2, Stage 1 (1200)	a1200	Planning	1200	1200	
Mayfield 2200 (1200)	P 1200	Installation services running & procurement section	R157 m	0	R0m

PLANNING PROJECTS:

PROJECT NAME	No. of subsidy	Status	Approved Budt	No of units complet ed	Budget Required
Fort Brown	188	Planning	R0 m	0	R4,4 m
Seven Fountains	229	Planning	R0 m	0	R5,3 m
Alicedale 316	316	Planning	R0 m	0	R5,3 m
Ethembeni 2000 (3	3330	Planning			
Alicedale16	27	Construction	R0 m	0	R5,3 m
Upper Mnandi	14	Planning	R0 m	0	R0,976 m
Lower Mnandi	40	Planning	R0 m	0	R2,7 m
Xolani	34	Planning	R0 m	0	R2,3 m
Zolani	167	Planning	R0 m	0	R11,6 m
N Street	27	Planning	R0 m	0	R1,8 m
J Street	31	Planning	R0 m	0	R2,1 m
K Street	31	Planning	R0 m	0	R2,1 m

PLANNING PROJECTS (SERVICED SITES)

Project Name	No Subsidies	Status	Approved budget	No units complet ed	Budget required
25 Sites	25	Construction	R0 m	0	
Newtown/K Ndancama	33	Planning	R0 m	0	
Phumlani 250	250	Planning	R0 m	0	R2,1 m
Glebe Mission 28	28	Planning	R0 m	0	R2,1 m
Erf 4103	28	Planning	R0 m	0	R2,1 m

RECTIFICATION PROJECTS

INFORMAL PROJECT AREAS

Project Name	No of Subsidies	Project name	No of Subsidies	Status	Approved Budget	Compl eted
Alicedale 221	221	Phaphamani	No information			
Scott's farm	90	Polar Park				
Ghost town	189	Upper Zolani				

Vukani location		J,N, Xolani, Up and lower Mnandi, Extension 9 and Farmer field		
DISASTER PROJECT				
Makana Disaster	161	Not started	R20 m	Information not available

2.10 COMPREHENSIVE INFRASTRUCTURE PLANS(Need to reviewed)

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

Table 93

Intervention	Total Amount	01 Mar '09	01 Mar '10	01 Mar '11	01 Mar '12	01 Mar '13	01 Mar '14	01 Mar '15	01 Mar '16
Housing	R 368 900.000	R 59 108.200	R 74 219.000	R 52 537.800	R 45 000.000	R 41 060.000	R 22 500.000	R 20 000.000	R -
Water backlogs	R 2 454.000	R 2 454.000	R -	R -	R -	R -	R -	R -	R -
Water refurbishment	R 15 000.000	R 2 000.000	R 2 000.000	R 2 000.000	R 3 000.000	R 2 000.000	R 2 000.000	R 1 000.000	R 1 000.000
Water bulk	R 25 888.205	R 4 040.630	R 14 062.000	R 6 098.757	R 500.000	R 500.000	R 500.000	R 187.000	R -
Water treatment works	R 26 000.000	R 5 000.000	R 5 000.000	R 5 000.000	R 5 000.000	R 6 000.000	R -	R -	R -
	R 69 342.205	R 13 494.630	R 21 062.000	R 13 098.575	R 8 500.000	R 8 500.000	R 2 500.000	R 1 187.000	R 1 000.000
Sanitation backlog	70 955.732	R 21 500.000	19 699.324	R 7 396.408	R 5 000.000	R 5 000.000	R 5 000.000	R 5 000.000	R 2 360.000
Sanitation refurbishment	R 31 500.000	R 4 500.000	R 4 500.000	R 4 500.000	R 4 000.000	R 3 500.000	R 3 500.000	R 3 500.000	R 3 500.000
Sanitation bulk	R 15 000.000	R 7 500.000	R 7 500.000	R -	R -	R -	R -	R -	R -
Sanitation Treatment Works	R 41 000.000	R 7 000.000	R 17 000.000	R 10 000.000	R 7 000.000	R -	R -	R -	R -
	R 158 455.732	40 500.000	R 48 699.324	R 21 896.408	R 16 000.000	R 8 500.000	8 500.000	R 8 500.000	R 5 860.000
Roads - New	R 161 200.000	R 27 000.000	R 26 000.000	R 25 000.000	R 25 000.000	R 25 800.000	R 18 300.000	R 14 100.000	R -
Roads – upgrading	R -	R -	R -	R -	R -	R -	R -	R -	R -

Taxi facilities	R -	R -	R -	R -	R -	R -	R -	R -	R -
Road maintenance	R -	R -	R -	R -	R -	R -	R -	R -	R -
	R 161 200.000	R 27 000.000	R 26 000.000	R 25 000.000	R 25 000.000	R 25 800.000	R 18 300.000	R 14 100.000	R -

Intervention	Total Amount	01 Mar '09	01 Mar '10	01 Mar '11	01 Mar '12	01 Mar '13	01 Mar '14	01 Mar '15	01 Mar '16
Electricity Backlog	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Refurbishment	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Distribution	R -	R -	R -	R -	R -	R -	R -	R -	R -
Electricity Substations	R -	R -	R -	R -	R -	R -	R -	R -	R -
Total Amount	R 757 897.937	R 140 102.830	R 169 980.324	R 112 532.783	R 94 500.000	R 83 860.000	R 51 800.000	R 43 787.000	R 6 860.000

2.11 FINANCIAL VIABILITY AND MANAGEMENT

2.11.1 INTRODUCTION:

- Makana Municipality has been experiencing financial difficulties for the past 5 years and has been receiving Disclaimer Audit Opinion from Auditor- General.
- Financial mismanagement has resulted in the municipality finding itself in a dismal financial position with demands for payment of long outstanding debts.
- The municipality budget for 2016/17 financial year was found to be flawed in respect of the principles applied during the compilation due to unknown long outstanding debts, tariffs not being cost reflective and billing challenges. 2017/18 Budget also includes budget for long outstanding debts
- Revenue enhancement strategy was developed for the purpose of improving the financial situation encountered by the municipality

2.11.2 REVENUE MANAGEMENT

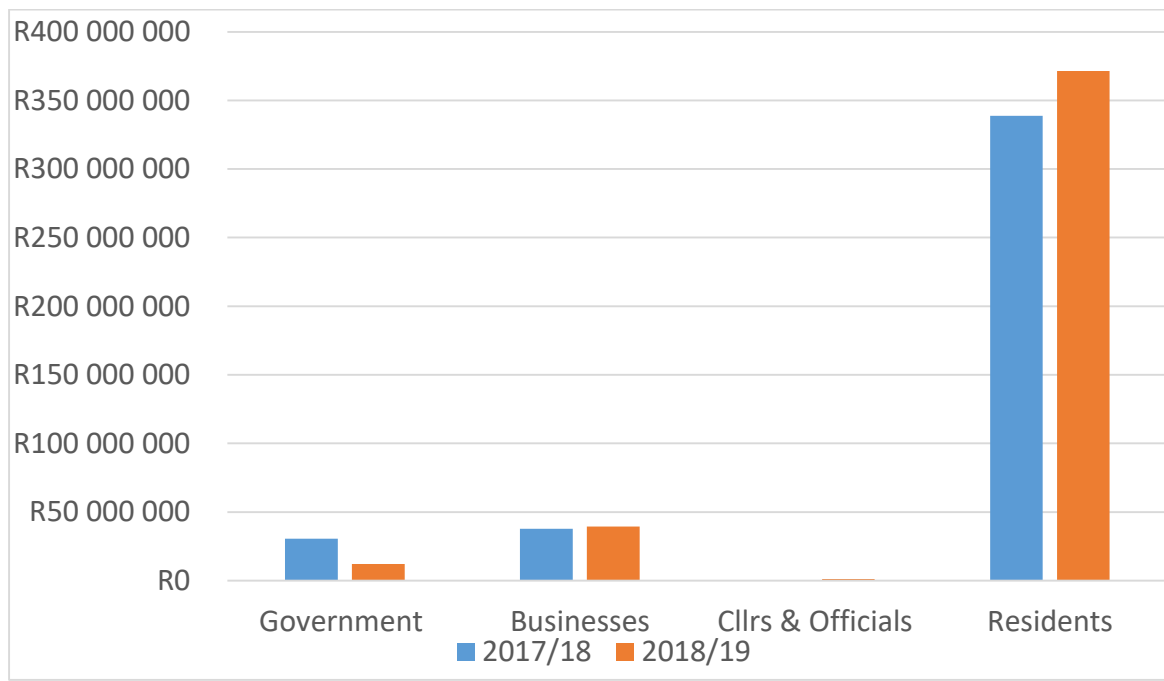
- Makana Municipality is highly reliant on the revenue from electricity provision for running of the institution including salaries which impacts negatively in honouring Eskom current account.
- Debtors' Age Analysis is currently sitting at R398 million.
- Most of uncollectable debt owed to municipality is mainly household's debts from Rini side, where electricity is supplied by Eskom, liquidated businesses and prescribed debts.
- Non- payment due to customer data accuracy and staff capacitation.
- Lack of communication within the municipality
- Overall collection rate for 2017/18 financial year is 71 % and 2018/19 is sitting at 91.5%
- Revenue collection rate is affected negatively due to the following issues:
 - Data integrity that leads to overstatement of debtor's book and billing.
 - Indigent write- offs that should occur every financial year.
 - Prescribed debts
 - Data cleansing exercise has been prioritised to address the overstatement of Age Analysis and debtors accounts.
- Implementation of smart metering project will involve meter audit and all illegal connections will be identified.
- Municipality has entered into agreement with Cogta for the purpose of revenue enhancement and data cleansing exercise. The above initiative will assist revenue collection.

2.11.3 DEBTORS' AGE ANALYSIS

Table 94

CATEGORY	BALANCE	% OF TOTAL OUTSTANDING
Business	R 39 411 331	9.2 %
Residential	R 371 318 979	87.5%
Government	R 12 185 588	2.8%
Councillors	R 14 539	0.0003%
Staff Debtors	R 1 049 797	0.2%
Total	R423 980 237	100%

2.11.4 MUNICIPAL DEBTORS



2.11.5 DEBT PER AREA BREAKDOWN

Table 95

AREA	PERCENTAGE
Rhini	58%
Grahamstown	31%
Alicedale	7%
Rural Area	3%
Riebeeck	1%

2.11.6 TOP 10 CREDITORS

Table 96

SUPPLIER		TOTAL AMOUNT OWED	MONTHLY INSTALMENT	AMOUNT PAID	BALANCE
Eskom	Bulk Account payment	R 68 547 149	Current account plus additional quarterly payments.	R Nil	R 37 458 195
Eskom	Thomas Baines installation	R 6 217 460	Current plus R230 276.30	R Nil	R 4 360 849
SALA pension Fund	Employee pension fund deductions were not paid over	R 2 649 430	R 106 249	None: followed up on requested interest waiver again after they had a board sitting and awaiting their response	R 1 104 308 (interest)
Auditor General (excluding current fees)	Prior years audit fees were never paid.	R 11 895 130	R 350 000	R 9 668 960: Part- payment made by NT	R 3 010 616
SALGA	Prior year and current levies	R 4 747 643	Need to pay current debt before arrears can be negotiated	R Nil	R 4 347 643
DBSA	20 Year loan	R 56 358 399	R 574 881	R 574 881	R 54 934 030
AMATOLA WATER	Crisis Intervention	R44 969 930	R3 600 000 upon receipt of Equitable Share	R Nil	R 38 683 466

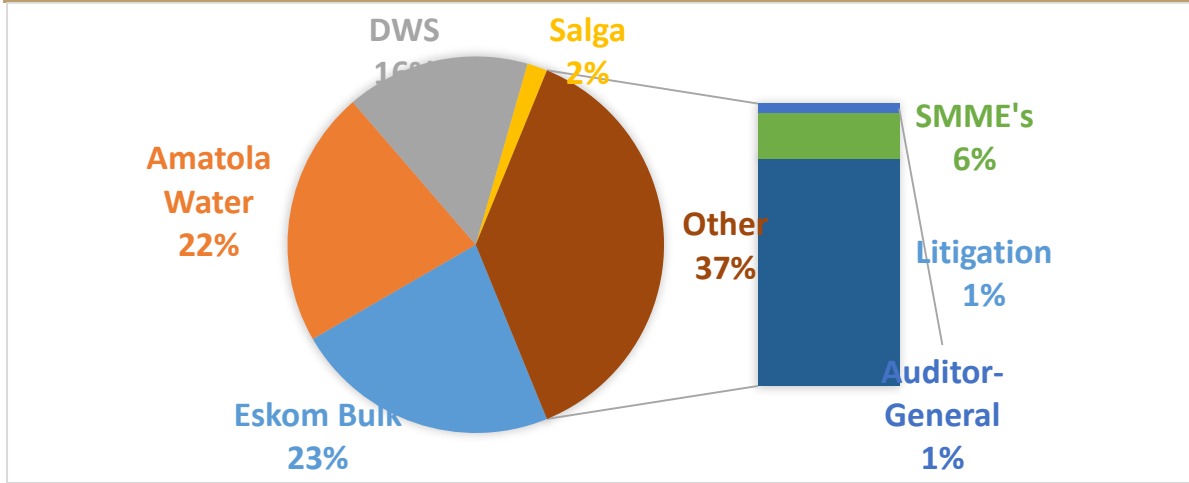
2.11.7 SALARY COST

Table 97

Months	Total Salaries inclusive of overtime & 3 rd Parties	Overtime Paid
July	R14 135 625.90	R735 811.76
August	R14 164 422.96	R801 348.05
September	R14 075 742.01	R450 421.62
October	R14 092 750.70	R501 137.06
November	R20 326 392.72	R424 113.66

December	R15 047 376.72	R599 472.43
January	R13 968 233.83	522 706.81
Total	R105 810 544.46	R4 485 289.53

2.11.8 MUNICIPAL CREDIT REPORT



2.11.9 MONTHLY COST

- The municipality is faced with monthly costs that ranges from R34 million to R40 million from monthly inflows into bank: ±R18 million.
- Actual monthly billing receipts are sitting at ± R16 – R19 million.
- Revenue generated goes to employee costs that are sitting at R14, 2 million a month.
- Equitable Share allocated to the municipality is mostly committed to pay long outstanding debts as per the payment plans attached.

2.11.9.1 MONTHLY RUNNING COST

Table 98

CREDITORS	PERCENTAGE
Eskom	23%
Amatola water	22%
DWS	16%
Auditor General	1%
SMME	6%
Litigation	1%
Salga	2%
DBSA	37%

2.11.9.2 MONTHLY RUNNING COST

Table 99

RUNNING COST	AMOUNT
Employment Cost	R 14 500 000
Vehicle Maintenance	R 350 000
Water Purchased	R 350 000
Eskom Current	R 14 200 000
Pending Payment Plans(Excluding Eskom)	R 3 200 000

Loans Repayment	R 754 000
Operational Cost	R 1 500 000

2.11.10 GENERAL CHALLENGES COURSES SITUATION

High Staff turnover

- The municipality total staff costs amounts to R14m per month
- Has +/-750 employees
- Has 30-40 permanent managers, mostly on task grade 16, entry level R385
- Company contributions costs are high as all employees (except directors and interns are permanent)
- Normal overtime paid to employees exceeds R500 000 per month

Historical debts

- Demanding payments resulting to Litigation and claims
- Most revenue generated pay old debts, limitations in implementing new projects
- As a result of old debts, no internal funding for capital projects

Non Payment by ratepayers

- Age Analysis which was not monitored and readings not taken previous years resulted in consumer accounts being inaccurate
- Ratepayers refuse to pay as their accounts are abnormal
- Ratepayers refusing to pay due as they complain about service delivery (roads not fixed, water outages)
- Tariff structure not cost effective

2.11.11 FINANCIAL POLICIES

The purpose of financial policies is to provide a sound environment to manage the financial affairs of the municipality. The following are the key financial related policies:

Table 100

POLICY	LAST UPDATED	REMARKS
Tariff Policy	30 May 2018	Revised.
Rates Policy	20 June 2016	No action required at present.
Indigent Management Support Policy	June 2017	No action required at present
Budget Policy	30 May 2018	No action required at present.
Asset Management Policy	30 May 2018	Revised.

Accounting Policies	Part of Annual Financial Statements for year ended 30 June 2017	Accounting policies need to be updated, approved and implemented.
Assistance to poor and indigent policy	30 June 2017	No action required at present.
Supply Chain Management Policy	30 May 2018	Revised.
Credit Control and Debt Collection Policy	20 June 2016	No action required at present.
Cash Management and Investment Policy	20 June 2016	Given the cash flow challenges faced by the municipality the policy should be refined, approved and vigorously implemented.
Short-term Insurance Policy	20 June 2016.	Policy needs to be drafted, approved and implemented.
General Ledger Chart of Accounts Maintenance Policy	No policy supplied.	Policy needs to be drafted, approved and implemented.
Debt Management Policy	20 June 2016	No action required at present.
Debt Incentive Scheme	30 June 2017	No action required at present.
Cash Management Policy	20 June 2016	No action required at present.
Budget Process Policy	30 May 2018	New
Asset Management Policy	30 May 2018	New
SCM Infrastructure Policy	30 May 2018	New
Virement Policy	30 May 2018	Revised
Grant Policy	30 May 2018	New
Lease Policy	30 June 2017	No action required at present
Policy on provision For doubtful debt	30 June 201	No action required at present
Principles and policy on the provision of impairments to debtors, and writing off of irrecoverable	30 June 2017	No action required at present
Property Rates	26 May 2016	No action required at present

Customer care credit control	26 May 2016	No action required at present
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CHAPTER THREE: DEVELOPMENTAL STRATEGIC PLAN

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

3.1.1 MUNICIPAL DEVELOPMENT PRIORITIES FOR 2017-22

Table 101

NUMBER OF PRIORITY	DEVELOPMENT PRIORITY
Development Priority No. One:	Basic Service Delivery and Infrastructure Development
Development Priority No. Two	Community and Social Development
Development Priority No. Three:	Local Economic Development and Rural Development
Development Priority No. Four:	Institutional Development and Financial Management
Development Priority No. Five	Good Governance and Public Participation
Development Priority No. Six	Human Settlement Management

3.1.1.1 DEVELOPMENT PRIORITY ONE: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Table 102

NO	GOAL	NO	STRATEGIC OBJECTIVE
1.	Provision of reliable of basic service delivery infrastructure	1.	Efficient planning and Service delivery improvement plans
		2.	Maintenance of the existing water and sanitation infrastructure
		3	Improve the drinking water quality & disposal of effluent within SANS standards
		4	Improve the drinking water quality & disposal of effluent within SANS standards
		5	Upgrading and refurbishment of water and sanitation infrastructure
		6	Provision of new water and sanitation infrastructure
		7	Upgrading, maintenance and resurfacing of roads network
		8	Upgrading, maintenance and resurfacing of roads network

2	Provision of reliable of basic service delivery infrastructure	9	Efficient planning of the energy supply
		10	Ensure efficient infrastructure and reliable energy supply
		11	Adequate street lighting and electrification of all formal settlements
		12	Adequate street lighting and electrification of all formal settlements
3	A safe, healthy and secure living environment	13	A safe, healthy and sustainable environment
4	To provide economical and appropriate services for the poor	14	Increase % of households with access to free basic service

3.1.1.2 DEVELOPMENT PRIORITY TWO: COMMUNITY AND SOCIAL DEVELOPMENT:

NO	GOAL	NO	STRATEGIC OBJECTIVE
5	A safe, healthy and secure living environment	15	Ensure compliance with environmental health by-laws
		16	Reduce ecological foot print through renewable energy sources
		17	Provision, maintenance and repair of recreational facilities
		18	Provision and upgrading traffic law enforcement
		19	Provision and upgrading traffic law enforcement
6.	Access to basic Library Services	20	Provision and upgrading traffic law enforcement

3.1.1.3 DEVELOPMENT PRIORITY THREE: LOCAL ECONOMIC DEVELOPMENT AND RURAL DEVELOPMENT

NO	GOAL	NO	STRATEGIC OBJECTIVE
7.	Maximise economic growth and development takes place in a conducive environment	21	To ensure adherence to town planning and building control legislation
		22	Promote and support SMME development
		23	Promote Tourism and heritage development
		24	Promote and support investment attraction and business development
		25	Promote and support Agricultural development
		26	Promote job creation initiatives

3.1.1.4 DEVELOPMENT PRIORITY FOUR: INSTITUTIONAL DEVELOPMENT AND FINANCIAL MANAGEMENT

NO	GOAL	NO	STRATEGIC OBJECTIVE
8	An effective productive administration capable of sustainable service delivery	27	An effective productive administration capable of sustainable service delivery
		28	An effective productive administration capable of sustainable service delivery
		29	Effective organisational design and policy development
		30	To ensure that all Municipal buildings and staff adhere to and implement OHS
		31	To ensure effective management of staff through internal controls such as policies
		32	To ensure a continually secure, effective and efficient ICT service
9	To ensure a continually secure, effective and efficient ICT service	33	To ensure a continually secure, effective and efficient ICT service
		34	To ensure a continually secure, effective and efficient ICT service
		35	Effective and efficient administration and ensure effective integrated planning Effective and efficient administration
		36	Ensure maximum use of record centre
		37	Effective management of legal services and properties
10	Improve municipal revenue base and financial management	38	A financially viable and sustainable Municipality 2022
		39	Capacity building and effective financial management
		40	To provide a credible budget
		41	To ensure monitoring of Municipal Assets through annual checks and reporting
		42	Maintaining fully GRAP compliant asset register annually

3.1.1.5 DEVELOPMENT PRIORITY FIVE: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

NO	GOAL	NO	STRATEGIC OBJECTIVE
11	To provide open transparent corruption free governance	43	To implement the fraud prevention policy
		44	Improve planning of risk management
		45	Enhance risk management
		46	Enhance administration and Council oversight
		47	Enhance administration and Council oversight
		48	Improve Audit options outcome
		49	Enhance Inter governmental Relationships
		50	Empower vulnerable groups
		51	Support vulnerable groups
		52	To communicate effectively and be responsive to the needs of the community

3.1.1.6 DEVELOPMENT PRIORITY FIVE: HUMAN SETTLEMENT MANAGEMENT

NO	GOAL	NO	STRATEGIC OBJECTIVE
	To ensure equitable access to housing for communities	53	To ensure equitable access to housing for communities

3.2 FINANCIAL PLAN:

3.2.1 INTRODUCTION

The 2018/19 MTREF has been compiled with the above in mind to ensure that key observations by National Treasury during their previous reviews of Multi- year Budgets have been taken care of.

It is important to note that Makana applied to NERSA for an average tariff increase, Council's application was based on the guideline received from NERSA in which they indicated that the expected Eskom Bulk Purchases would increase by 8 per cent, NERSA has indicated that electricity bulk purchase cost will be limited to 6, 84 per cent for the 2018/19 financial year.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2018/19 Medium-term Revenue and Expenditure Framework

TABLE 103 CONSOLIDATED OVERVIEW OF THE 2018/19 MTREF

Description	Current Year 2017/18	18/19 Medium Term Revenue & Expenditure Framework		
		Budget Yr 2018/19	Budget Yr 2019/20	Budget Yr 2020/21
R'000	Adjusted Budget	Budget Yr 2018/19	Budget Yr 2019/20	Budget Yr 2020/21
Total Revenue	432 216	435 991	459 407	486 138
Total Expenditure	432 216	432 937	452 627	477 143
Surplus/(Deficit)	-	3 054	6 780	8 995
Total Capital Expenditure	45 251	68 498	32 308	30 469

3.2.2 PROPOSED CAPITAL FUNDING

Total operating revenue has grown by R3, 7 million for the 2018/19 financial year when compared to the 2017/18 Adjusted Budget. For the two outer years, operational revenue will increase by 5.4 and 5, 5 per cent respectively.

Total operating expenditure for the 2018/19 financial year has been appropriated at R434 million and translates into a budgeted surplus of R3 million. When compared to the 2017/18 Adjusted Budget, operational expenditure has grown by R721 thousand in the 2018/19 budget. The operating surplus for the two outer years remains constant at R6,7 million and then increases slightly to R7 million.

The capital programme for 2018/19 increases to R69 million in the 2018/19 when compared with 2017/18 adjusted budget and decreases to R31, 9 million in 2019/20.

The following projects for 2018/19 MTREF as indicated in the table below will be funded from external grants:

3.2.3 MUNICIPAL STANDARD CHART OF ACCOUNTS (MSCOA)

As Council is aware that 2017/18 budget was prepared on the new Municipal Standard Chart of Accounts version 6.1. For 2018/19 National Treasury introduced version 6.2 and changes are stipulated in MFMA Circular 89 & 91

The change in reporting is resulting in some positive business reforms:

- Ensuring a more consistent reporting of financial transactions across all municipalities in South Africa; and
- Ensuring that municipalities can budget per objective or project based, not on items or products. The entire budget is now Project Based in terms of the mSCOA regulations.

There were many challenges experienced during 2017/18 budget implementation, however most of those challenges relate to the effect the new chart has on existing business processes.

Governance and Change Management:

- Both the Executive and Senior Management are supporting the initiative which greatly assists the rolling out of the project.
- Reporting are submitted on a monthly basis both to Council and the National Treasury.

3.2.4 OPERATING REVENUE FRAMEWORK

Makana Municipality requires sustainable revenue streams in order to improve the lives of its citizens. The municipality must continuously review revenue management processes to ensure that revenue is protected and the municipality has an ability to maximize the revenue generating potential of all revenue sources through adequate and effective controls and allow for investment opportunities that will accelerate economic growth.

In comparison with the previous year, there are more favourable trends for the coming year, where it is observed that commodity prices have stabilised, drought conditions have improved across the country.

Table: 104 Summary of revenue classified by main revenue source

Description	Current Financial Year	2018/19 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget 2017/18	Budget Year 2018/19	Budget Year 2019/20	Budget Year 2020/21
R thousand				
Revenue By Source				
Property rates	64 080	67 345	70 982	74 815
Service charges - electricity revenue	118 542	122 721	129 316	136 271
Service charges - water revenue	49 587	70 493	74 255	78 228
Service charges - sanitation revenue	18 380	16 673	17 545	18 469
Service charges - refuse revenue	6 554	13 934	14 664	15 437
Service charges - other	-	-	-	-
Rental of facilities and equipment	1 425	1 425	1 502	1 584
Interest earned - external investments	500	800	843	890
Interest earned - outstanding debtors	12 065	7 418	7 818	8 248
Fines, penalties and forfeits	397	990	1 043	1 100
Licences and permits	4 009	2 550	2 688	2 836
Agency services	550	1 500	1 581	1 668
Transfers and subsidies	98 859	92 497	97 492	104 772
Other revenue	54 771	37 444	39 466	41 598
Gains on disposal of PPE	2 500	200	211	222
Total Revenue	432 216	435 991	459 407	486 138

Revenue generated from rates and services charges forms a significant percentage of the revenue basket for the municipality. The municipality will continue to significantly generate its own revenue and will only depend on the operational transfers to the equivalent of 27 per cent. Rates and service charges revenue comprise of 85 per cent of total operating revenue mix. In 2017/18 revenue from rates and service charges totalled R432 million and is projected to increase to R435 million in 2018/19 and steadily increase to R459 million in 2018/19 and R484 million in 2019/20.

Electricity service charges are the largest contributor towards municipal revenue in terms of turnover amounting to an average of 36 per cent over the MTREF. However, it needs to be noted that the actual revenue contributed by Electricity Service to municipal service delivery is the gross profit of Electricity Turnover less Bulk purchase cost this amounts to R85 million in the 2018/19 financial year. The tariffs were increased by 6.84 per cent for Electricity.

Table: 105 Operating Transfers and Grant Receipts

Description	2018/19 Medium Term Revenue & Expenditure Framework		
	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand			
RECEIPTS:			
Operating Transfers and Grants			
National Government:	89 991 800.00	96 574 950.00	104 771 500.00
Local Government Equitable Share	85 578 000.00	92 675 000.00	100 381 000.00
EPWP Incentive	1 000 000.00	-	-
Municipal Drought Relief			
Finance Management	2 215 000.00	2 680 000.00	3 112 000.00
MIG - PMU	1 198 800.00	1 219 950.00	1 278 500.00
Provincial Government:	405 200.00	4 469 000.00	-
Sport and Recreation	405 200.00	917 000.00	
District Municipality:	2 100 000.00	-	-
Fire Services	1 000 000.00	-	-
Health Subsidy	600 000.00	-	-
LED Subsidy	500 000.00	-	-
Total Operating Transfers and Grants	92 497 000.00	101 043 950.00	104 771 500.00

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the municipality.

The municipality has strived to ensure that affordability takes preference over the just achieving the desired income from a tariff increases which would be counterproductive.

It must also be appreciated that the consumer price index (CPI) is not a good measure of the cost increases of goods and services relevant to municipalities.

The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity and water, petrol, diesel, chemicals, cement etc. The current challenge facing the municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions.

3.2.4.1 Property Rates

The property rates are levied in accordance with the Municipal Property Rates Act, 2004 (Act No.6 of 2004), (MPRA) and the Local Government Municipal Finance Management Act.

Property rates are based on values indicated in the General Valuation Roll 2013 (GV) and Supplemental valuation 2016 (GV).

Effective from July 2017 new general valuation will be conducted with an implementation date of July 2019.

This will ensure that every new property development, improvements to existing properties and changes to property usage and other such influences are correctly processed and filtered to the billing system. Property rates are levied per individual property depending on the property value compared with the valuation of all rateable properties in the municipal area. Rebates and concessions are granted to certain property categories based on usage or ownership as guided by the MPRA.

3.2.4.2 Sale of Water and Impact of Tariff Increases

The resource scarcity on water due to drought that has hit the entire country is a challenge in the municipal revenue stream. It is therefore expected that due to changes in the consumption patterns downwards by consumers, revenue budgeted to be generated will also be downsized over the MTREF.

The municipality has made investigations to determine the root cause on the failure to recover the revenue and it was established that, as a result of diminishing infrastructure, water leaks and lack of consumer education, the municipality still need to invest more resources to turn around the current situation.

A summary of the proposed tariffs for households (residential) and non-residential are as follows:

Table: 106 Proposed Water Tariffs

CATEGORY	KILOLITRES	STEPPED TARRIF (NORMAL PERIOD) 2017 /2018	STEPPED TARRIF (NORMAL PERIOD) 2018/2019	STEPPED TARRIF (CRITICAL PERIOD) 2017 2018	STEPPED TARRIF (CRITICAL PERIOD) 2018 / 2019
RESIDENTIAL PROPERTIES	0 - 10kl/pm	6.50	6.89	7.44	8.11
	11 - 20kl/pm	8.25	8.74	9.47	10.32
	21 - 30kl/pm	9.09	9.63	10.41	11.35
	31 - 40kl/pm	9.98	10.58	11.45	12.49
	41 - 50kl/pm	10.98	11.64	12.60	13.74
	>51kl/pm	12.09	12.81	13.87	15.11
BUSINESS AND INDUSTRIAL PROPERTIES	0 - 10kl/pm	6.50	7.08	8.85	9.64
	11 - 20kl/pm	8.68	9.46	11.81	12.88
	21 - 30kl/pm	9.54	10.40	13.00	14.17
	31 - 40kl/pm	10.48	11.43	14.30	15.58
	41 - 50kl/pm	11.54	12.58	15.72	17.14
	>51kl/pm	12.69	13.83	17.31	18.87

3.2.4.2.3 Sanitation and Impact of Tariff Increases

A tariff increase of 9 per cent for sanitation from 1 July 2018 is proposed. This is based on the input cost assumptions related to water.

Table: 107 Proposed Sewer Tariffs

ANNUAL SEWER CONNECTION CHARGES		2017/2018	2018/2019
Domestic	First 2 units	R 1 432.59	R 1 561.53
	Each unit over 2	R 715.29	R 779.66
Sporting/Churches /Monument	per each unit	R 715.29	R 779.66
Flats	First 2 units	R 1 432.59	R 1 561.53
	Each unit over 2	R 1 432.59	R 1 561.53
Business Sub-Economic	per each unit	R 1 432.59	R 1 561.53
Housing	per each unit	R 715.29	R 779.66
Industrial Area	per point In respect of the first 25 units	R 1 617.79	R 1 763.39
	after which the costs are the same as the business tariff of	R 1 433.25	R 1 562.25

3.2.4.4 Waste Removal and Impact of Tariff Increases

Solid waste removal is operating marginally below break-even and is currently being subsidised by the Equitable Share Grant over the MTREF. The municipality will have to implement a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. The waste removal is proposed to increase by 9 per cent effective from July 2018.

Table: 108 Proposed Refuse Tariffs

		2017/2018	2018/2019
Annual Refuse Removal Charges	That the charge for the removals where this is charged separately for de-rated properties be fixed at (per annum per bag removed	R 1 128.40	R 1 229.95

3.2.5 OPERATING EXPENDITURE FRAMEWORK

The expenditure framework for the 2018/19 budget and MTREF is informed by the following:

- Given that one of the primary drivers of this budget is to keep tariff increases with the inflationary envelope of 6 per cent, expenditure allocations in excess of the 2018/19 Adjustments budget are very limited;
- Repairs and Maintenance provisions are below the parameters of 8 per cent of Asset Cost and 13 per cent of Operating Expenditure. The weakness is due to the fact that there is no Municipal wide asset repairs and maintenance plan. Repairs and Maintenance is done in silo's hence it lacks in synergistic benefit of ensuring budget allocations are used efficiently and effectively;
- Related to the above weakness the capital programme carries the risk of not ensuring that the asset renewal strategy and backlog eradication is achieved in this budget;
- Funding of the budget over the medium-term is informed by Section 18 and 19 of the MFMA; and
- Strict adherence to the principle of "no project plan no budget". If there is no business plan no funding allocation can be made.

The following table is a high level summary of the 2018/19 budget and MTREF (classified per main type of operating expenditure):

Table: 109 Summary of operating expenditure by standard classification item

Description	2018/19 Medium Term Revenue & Expenditure Framework		
	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand			
Expenditure By Type			
Employee related costs	182 284 000.00	192 127 336.00	202 502 212.14
Remuneration of councillors	9 774 000.00	10 301 796.00	10 868 394.78
Debt impairment	20 000 000.00	21 080 000.00	22 239 400.00
Depreciation & asset impairment	11 500 000.00	12 121 000.00	12 775 534.00
Finance charges	7 500 000.00	7 905 000.00	8 339 772.00
Bulk purchases	83 065 000.00	87 550 510.00	92 278 237.54
Other materials	25 030 000.00	26 382 041.60	27 833 053.89
Contracted services	12 459 000.00	9 442 786.00	9 952 696.44
Transfers and subsidies	30 700 000.00	32 357 800.00	34 137 479.00
Other expenditure	50 624 573.00	51 334 620.54	54 081 123.82
Loss on disposal of PPE	-	-	-
Total Expenditure	432 936 973.00	452 626 569.54	477 142 885.90

The budgeted allocation for **employee related costs** for the 2018/19 financial year totals R 182 million, which equals 42 per cent of the total operating expenditure. Salary increases have been factored into this budget at a percentage increase of 7.5 per cent for the 2018/19 financial year. An annual increase of 5.5 per cent has been included in the two outer years of the MTREF.

Employee related cost is above the acceptable norm of 40 per due to inclusion of councillor's remuneration and the cost drivers are the following items:

• Salaries	R135 255 922
• Medical Aid Contribution	R10 3992 407
• Pension Fund	R20 623 000
• Overtime	R3 582 290
• Medical Aid for Retired members	R1 500 000
• Leave Pay	R1 370 000
• Car Allowance	R6 166 000

The structure of the organogram is dictated by the influences of the different Councils over the years and different managers, hence no collectively and best practice structured staff structure. The correct grading will rationalize this anomaly and ensure the trajectory of future posts created and filled is done properly.

Senior management has agreed in principle that no provision would be made in the 2018/19 and the subsequent two outer years for previously unfunded posts until such time the impact of the Job evaluation exercise and financial position of the institution has improved, only funded and revenue generating position that will be considered.

The cost associated with the **remuneration of councillors** is determined by the Minister of Cooperative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). An increase of 7.5 per cent has been budgeted for the 2018/19 financial year due to 6 per cent employee cost increase plus 1, 5 per cent for notch increase.

The provision of debt impairment was determined based on an annual collection rate of 91.5 per cent and the Debt Write-off Policy of the municipality. For the 2018/19 financial year this amount is R20 million. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

Provision for depreciation and asset impairment has been informed by the Municipality's Financial Asset Management Policy.

Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R11, 5 million for the 2018/19 financial and equates to 13 per cent of the total operating expenditure.

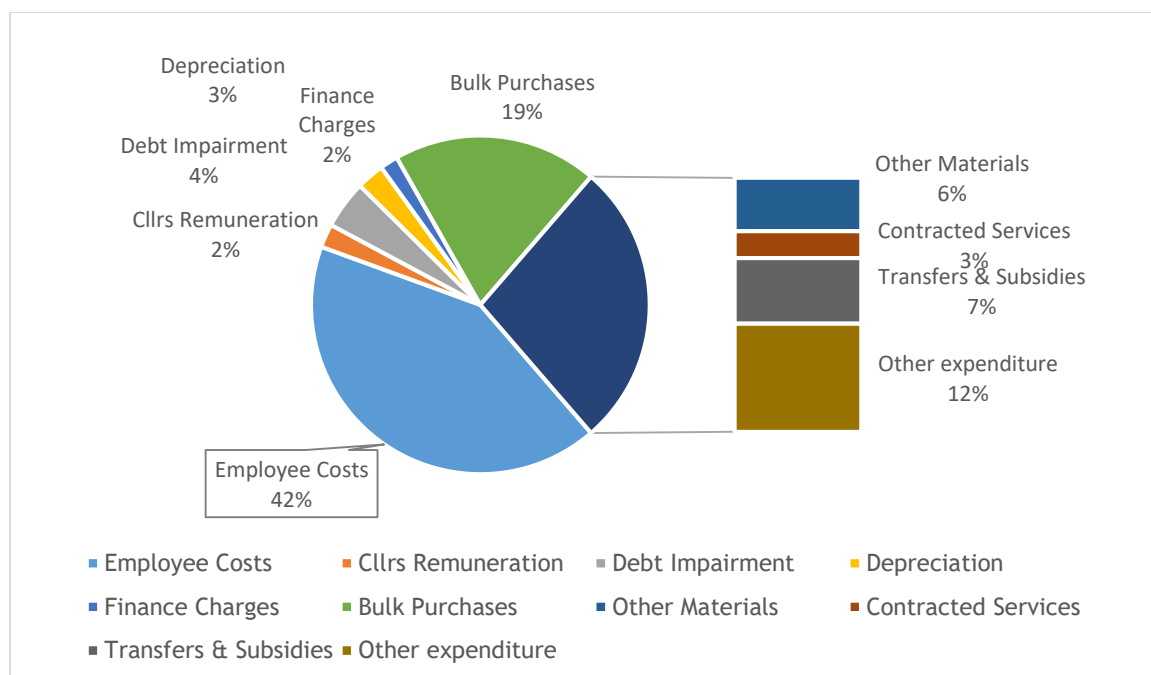
Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges on the budget make up R7, 5 million of operating expenditure.

Bulk purchases are directly informed by the purchase of electricity from Eskom and water from DWS. The annual price increases have been factored into the budget appropriations. Of the R83 million total electricity comprises R75 million and water R8 million.

Other materials comprise the purchase, of materials for maintenance. The appropriation against this group of expenditure has grown, however further effort will be made in the outer years to increase this appropriation over and above the inflationary boundaries.

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved.

The following chart gives a breakdown of the main expenditure categories for the 2018/19 Financial year



3.2.5 CAPITAL EXPENDITURE

Table: 110 Proposed Capital Funding

Vote Description	Current Year 2017/18	2018/19 Medium Term Revenue & Expenditure Framework		
		Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	Adjusted Budget			
Funded by:				
National Government	41 084	65 777	30 930	29 104
Provincial Government	567	1 522	–	–
District Municipality	–	–	–	–
Other transfers and grants	–	–	–	–
Transfers recognised - capital	41 651	67 299	30 930	29 104
Internally generated funds	3 600	1 750	1 000	1 000
Total Capital Funding	45 251	69 049	31 930	30 104

The capital programme for 2018/19 increases to R69 million in the 2018/19 when compared with 2017/18 adjusted budget and decreases to R31, 9 million in 2019/20.

The following projects for 2018/19 MTREF as indicated in the table below will be funded from external grants:

Table:111

Project Name	Funding Source	Budget 18/19 R'000	Budget 19/20 R'000	Budget 20/21 R'000
Electrification	INEP - Municipal	8 000	6 400	3 200
Alicedale Sewerage upgrade	MIG	11 381	12 199	12 785
Waainek Bulk Water	MIG	11 395	12 199	12 785
Office Equipment	DSRAC	1 522		
Water - Upgrading	Water Infrastructure Grant	35 000		

The following table provides a breakdown of budgeted capital expenditure by vote:

Table 112: 2018/19 Medium-term capital budget per vote

Vote Description	2018/19 Medium Term Revenue & Expenditure Framework		
	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand			
Capital Expenditure - Functional			
<i>Governance and administration</i>	750	1 000	1 000
Executive and council	-	-	-
Finance and administration	750	1 000	1 000
Internal audit	-	-	-
<i>Community and public safety</i>	2 522	-	-
Community and social services	1 000	-	-
Sport and recreation	1 522	-	-
Public safety	-	-	-
Housing	-	-	-
Health	-	-	-
<i>Economic and environmental services</i>	-	-	-
Planning and development	-	-	-
Road transport	-	-	-
Environmental protection	-	-	-
<i>Trading services</i>	65 777	30 930	29 104
Energy sources	8 000	6 400	3 200
Water management	46 396	12 500	13 200
Waste water management	11 381	12 030	12 704
Waste management	-	-	-
<i>Other</i>	-	-	-
Total Capital Expenditure - Functional	69 049	31 930	30 104
Funded by:			
National Government	65 777	30 930	29 104
Provincial Government	1 522	-	-
District Municipality	-	-	-
Other transfers and grants	-	-	-
Transfers recognised - capital	67 299	30 930	29 104
Public contributions & donations	-	-	-
Borrowing	-	-	-
Internally generated funds	1 750	1 000	1 000
Total Capital Funding	69 049	31 930	30 104

3.2.5 MAINTENANCE BUDGET

3.2.5.1 SERVICE DELIVERY MAINTENANCE BUDGET ALLOCATION 2018/19

Table 113

FUNCTION	SEGMENT DESCRIPTION	BUDGET
Waste water treatment:	Sewer reticulation	R 1 500 000,00
Water distribution:	Water reticulation	R 500 000,00
Water distribution:	Water conservation and demand management	R5 000 000,00
Electricity: administration	Electricity distribution maintenance reticulation system	R 1 500 000,00
Roads:	Maintenance storm drains	R 1 500 000,00
Roads: (Maintenance streets	R3 500 000,00
Cleansing:	Maintenance: sanitation	R10 000,00
Cleansing: (dept. 105020)	Maintenance: landfill sites	R 10 000,00
TOTAL		R13 520 000,00

3.2.5.2 SERVICE DELIVERY FLEET MANAGEMENT ALLOCATION

Table 114

FUNCTION	SEGMENT DESCRIPTION	FINAL BUDGET 2018/19
Traffic and Street Parking Control: (Dept. 105025)	Traffic law enforcement maintenance vehicles	R 60 000,00
Town Planning Building Regulations and Enforcement and City Engineer: LED - Town Planning & Land Usage (Dept. 107506)	Town planning maintenance vehicles	R 10 000,00
Disaster Management: Comm & Social Serv - Disaster Management (Dept. 105015)	Disaster maintenance vehicles	R 20 000,00
Community Parks (including Nurseries): (Dept. 105020)	Distribution parks maintenance vehicles	R 75 000,00
Roads:	Maintenance vehicles	R 90 000,00
Storm Water Management:	Stormwater MAINT VEHICLES	R 45 000,00
Electricity: Tech & Infra - Electricity Administration	Electricity distribution maintenance vehicles	R 250 000,00
Waste Water Treatment:	Sewer pail removal maintenance vehicles	R 60 000,00
Waste Water Treatment:	Sewer disposal maintenance vehicles	R 250 000,00
Waste Water Treatment:	Sewer reticulation maintenance vehicles	R 200 000,00
Fire Fighting and Protection:	Fire maintenance vehicles	r 159 000,00
Cleansing:	Domestic maintenance vehicles	R 250 000,00

Public Health Services:	Environmental health maintenance vehicles	R 10 000,00
Cleansing:	Refuse site maintenance vehicles	R 250 000,00
Libraries and Archives: Comm & Social Serv - Library - Hill Str (Dept. 105044)	All libraries maintenance vehicles	R 5 000,00
Water Distribution:	New unit Riebeeck East WTW distribution maintenance vehicles	R 250 000,00
Traffic and Street Parking Control:	Roadworthy maintenance vehicles	R 2 000,00
TOTAL		R 1 986 000,00

IDP PROJECT REGISTER

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
DEVELOPMENT PRIORITTY NO ONE: BASIC SERVICE DEVELIVERY AND INFRASTRUCTURE DEVELOPMENT								
Provision of reliable of basic service delivery infrastructure	1	Efficient planning and Service delivery improvement plans	1.1	Approved water Service Development Plan by Council	P001	Review of Water Services Development Plan	1.1.1.1.P001	Water and Sanitation
			1.2	Revised Water and Sanitation Master plan by Council	P002	Review of Water and Sanitation Master plan	1.1.1.2 P002	Water and Sanitation
			1.3	% of the milestone achieve in with project management plan	P003	Project Management Unit	1.1.1.3P003	PMU
			1.4	Prioritise Water Conservation and Demand Management	P004	Water Conservation	1.1.1.4P004	Water and Sanitation
			1.5	Plan Installation of services to housing development land	P005	Installation services	1.1.1.5P005	

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
Provision of reliable of basic service delivery infrastructure	1	Efficient planning and Service delivery improvement plans	1.6	Number of water harvesting initiatives provided	P017	Water Harvesting	1.5.5.7P017	Bulk water infrastructure development
			1.7	Resuscitate boreholes in rural areas	P018	Resuscitate boreholes	1.5.5.8P018	Bulk water infrastructure development
	2	Maintenance of the existing water and sanitation reticulation system	2.1	Disposal of waste water as per authorised licences	P004	Sewer Disposal	1.2.2.1P004	Water and Sanitation services
			2.2	Number of planned maintenance sewer reticulation supply network Infrastructure	P005	Maintenance of the Water reticulation system infrastructure	1.2.22P005	Water services
			2.3	Number of water and sewer complaints resolved or pending	P006	Water and sewer customer care complaints	1.2.2.3P006	Sanitation services
			2.4	Number of planned maintenance water reticulation supply network Infrastructure	P007	Water conservation and demand management	1.2.2.4P007	Water and Sanitation
			2.5	Provision alternative basic sanitation infrastructure	P258	Sewer Pail Removal	1.2.2.5P258	Sanitation services

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
Provision of reliable of basic service delivery infrastructure	3.	Improve the drinking water quality & disposal of effluent within SANS standards	3.1	Compliance to SANS quality water standard	P008	Blue status	1.3.3.1P008	Water service
			3.2	Compliance to SANS quality waste water standard	P009	Green status	1.3.3.2.P009	Waste Water service
	4.	Provide Quality Drinking water	4.1	90% Compliance to SANS quality drinking water standard	P010	Water sample testing	1.4.4.1P010	Water service
	5	Upgrading and refurbishment of water and sanitation infrastructure	5.1	Upgrading James Kleynhans Water Treatment Works (East)	P011	James Kleynhans WTW (East)	1.5.5.1P011	Bulk water infrastructure
			5.2	Upgrading of the Alicedale Bulk water supply(Water Pump station	P012	Alicedale Bulk water supply(Water Pump station)	1.5.5.2P012	Bulk water infrastructure development

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
Provision of reliable of basic service delivery infrastructure		Upgrading and refurbishment of water and sanitation infrastructure	5.3.	Upgrading of Riebeeck East Bulk water supply	P013	Riebeeck East Bulk water supply	1.5.5.3P013	Bulk water infrastructure development
			5.4	Refurbishment Fort Brown bulk water supply	P014	Fort Brown bulk water supply	1.5.5.4P014	Bulk water infrastructure development
			5.5	Refurbishment existing Waainek Bulk Water Supply infrastructure	P015	Waainek Bulk Water Supply Refurbishment of WT W	1.5.5.5.P015	Bulk water infrastructure development
			5.6	Refurbishment Howison's Poort and Settlers Dams	P016	Howison's Poort and Settlers Dams	1.5.5.6P016	Bulk water infrastructure development
			5.9	Number of KM/Meters of reticulation lines refurbished	P019	Water & Waste Water Infrastructure	1.5.5.9P019	Bulk water infrastructure development
Provision of reliable of basic service delivery infrastructure		Upgrading and refurbishment of water and sanitation infrastructure	5.10	Number of water pump station maintained or refurbished	P020	Maintenance or refurbishment of of Pump stations, and Substations	1.5.5.10P020	Bulk water infrastructure development

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
			5.11	Upgrading Water Waste Treatment Works	P021	Mayfield Waste Water Treatment Works upgrade	1.5.5.11P021	Bulk water infrastructure development
			5.12	Upgrading Belmont Valley Waste Water Treatment Work	P022	Belmont Valley Waste Water Treatment works upgrade	1.5.5.12P022	Bulk water infrastructure development
			5.13	Upgrading Kwa Thatha Bulk Sewer Line	P023	Kwa Thatha Bulk Sewer Line	1.5.5.13P023	Bulk water infrastructure development
			5.14	Upgrading of Extension 4 and 5 sewer overflow	P024	Extension 4 and 5 sewer overflow	1.5.5.14P024	Bulk water infrastructure development
			5.15	Number of Waste Water Treatment Works Refurbishment/Maintenance	P025	Refurbishment/Maintenance Bulk Infrastructure	1.5.5.15P025	Bulk water infrastructure development
			5.16	Upgrading Hooggenoeg Outfall	P026	Hooggenoeg Outfall Sewer Upgrade	1.5.5.16P026	Bulk water infrastructure development

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
Provision of reliable of basic service delivery infrastructure			5.17	Upgrading Transit Camp sewer	P027	Transit Camp sewer connection	1.5.5.17P027	Bulk water infrastructure development
			5.18	Refurbishment of existing Alicedale Sewerage Reticulation infrastructure	P028	Refurbishemen of Alicedale sewerage reticulation system and rising main	1.5.5.18P028	Bulk water infrastructure development
	6	Provision of new water and sanitation infrastructure	6.1	Construction of Riebeeck East Waste Water Treatment Works	P029	Riebeeck East Waste Water Treatment Works	1.6.6.1P029	Water and Sanitation
			6.2	Installation of Sewer reticulation RIEBEECK EAST	P030	Sewer reticulation RIEBEECK EAST	1.6.6.2P030	Water and Sanitation
			6.3	Installation of Fort Brown bulk sewer and reticulation	P031	Fort Brown bulk sewer and reticulation	1.6.6.3P031	Water and Sanitation
			6.4	Installation of Seven Fountains bulk sewer and reticulation	P032	Seven Fountains bulk sewer and reticulation	1.6.6.4P032	Water and Sanitation

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
			6.7	Installation of Salem water and sanitation infrastructure	P033	Salem water and sanitation infrastructure	1.6.6.7P033	Water and Sanitation
			6.8	Installation Extension 6 stage 4 Sewer Reticulation	P034	Extension 6 stage 4 Sewer Reticulation	1.6.6.8P034	Water and Sanitation
			6.9	Construction of Extension 6 stage 4 Toilet Top-structures	P035	Extension 6 stage 4 Toilet Top-structures	1.6.6.9P035	Water and Sanitation
			6.10	Eradication of Bucket to Infill Areas, J street, Zolani, Suncity, Phaphamani	P036	Bucket Eradication to Infill Areas, J street, Zolani, Suncity, Phaphamani	1.6.6.1.P036	Water and Sanitation
		Upgrading, maintenance and resurfacing of roads network	7.1	Review Road and Storm water Master Plan	P037	Road ND Storm water Master Plan	1.7.7.1P037	Roads and storm water
			7.2	Number of KM/Meters of road surface in KwaNomzamo	P038	Access Road Improvement KwaNomzamo	1.7.7.2P038	Roads and storm water

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
			7.3	Number road, paving KM/Meter maintained	P039	Maintenance of roads and paving	1.7.7.3P039	Roads and Tumwater
			7.4	Number of KM upgraded and resurface Alicedale N2	P040	Road from Alicedale to N2	1.7.7.4P040	Roads and Tumwater
		Upgrading, maintenance and resurfacing of roads network	7.5	Number of KM upgraded and resurface Riebeeck East to N1	P041	Road from Riebeeck East to N1	1.7.7.5P041	Roads and Tumwater
			7.6	Number of planned maintenance of roads network Infrastructure:	P042	Maintenance of surface and gravel roads	1.7.7.6P042	Roads and Stormwater
			7.7	Number of meters, resurface, Rehabilitation roads	P043	Rehabilitation/ resurface of Ncame and Joza street	1.7.7.7P043	Roads and Tumwater
			7.8	Facilitate Stakeholder engagement regarding road maintenance	P044	Sign MoU concerning the province owned roads between MLM &DRPW	1.7.7.8P044	Roads and Stormwater
GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA

			7.9	Refurbishment/Rehabilitation of Alicedale Roads and Stormwater Improvements in Transrivier and Mandela Park Phase	P045	Alicedale Roads and Stormwater Improvements Phase	1.7.7.9P045	Roads and storm water
	8		7.10	Number of KM/Meters paved in all identifies areas	P046	Paving of roads	1.7.7.10P046	Roads and Storm water
		Maintenance of Stormwater channels	8.1	Number of planned maintenance of stormwater network Infrastructure:	P045	Maintenance of storm water channels	1.8.8.1P045	Storm water
Provision of reliable of basic service delivery infrastructure	9	Efficient planning of the energy supply	9.1	Development of Electricity Master Plan	P046	Electricity master plan	1.9.9.1P046	Electricity Planning

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA	
	10	Ensure efficient infrastructure and reliable energy supply	10.1	Review provision of electricity to Grahamstown east	P047	Review provision of electricity in Grahamstown East	1.10.10.1P047	Electricity Planning	
			10.2	Report on the number water and sewer electricity bulk infrastructure	P048	Maintenance of the existing bulk infrastructure	1.10.10.2P048	Operation and maintenance	
			10.3	Report on the number meters audit conducted quarterly	P049	Meter audits	1.10.10.3P049	Operation and maintenance	
		11	Adequate street lighting and electrification of all formal settlements	11.1	To maintenance and repair of electricity reticulation system	P050	Maintenance and repair of reticulations system	1.11.11.1P050	Street light infrastructure
		11.2		Number of electrical supply and infrastructure provided	P051	Electrification of recreational facilities and	1.11.11.2P051	Electricity infrastructure	
		11.3		Electrification urban and rural areas	P052	Electrification household	1.11.11.3P052	Electricity infrastructure	

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
			11.4	Number of planned maintenance high-mast and Street lights Repaired	P264	Repair of high-mast and streetlights	1.11.11.4P264	Street light infrastructure
			11.5	Upgrading of of 66 KV Line	P265	Refurbishment of 66 KV Line	1.11.11.5P265	Electricity infrastructure
	12	Upgrading and refurbishing of the existing electricity network	12.1	Upgrading of Overhead District lines	P053	Upgrading of Overhead District lines	1.12.12.1P053	Electricity infrastructure
			12.2	Upgrading and refurbishment LV Pane	P054	LV Pane-Installation of new panel in substation	1.12.12.1P054	Electricity infrastructure
			12.3	Upgrading and refurbishment MV Panel	P056	MV Pane-Installation of new panel in substation	1.12.12.3P055	Electricity infrastructure
			12.4	Number of planned maintenance of electrical Infrastructure power Plants	P057	Maintenance and Refurbishment of electrical infrastructure	1.12.12.4P056	Electricity infrastructure

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
			12.5	Acquires material and equipment to electricity operations	P060	Purchasing of materials and equipment's	1.12.12.5P060	Electricity infrastructure
			12.6	Report of the number of Planned/Unplanned of electricity reticulation system refurbished or maintenance	P061	Refurbishment or maintenance of reticulation electricity system	1.12.12.6P061	Electricity infrastructure
A safe, healthy and secure living environment	13	A safe, healthy and sustainable environment within Makana Municipality	13.1	Review Integrated Waste Management	P068	Review Integrated Waste Management	1.13.13.1P067	Waste Management - And Clean City
			13.2	Conduct clean-up campaigns	P069	Clean-city programme	1.13.13.2P069	Waste Management - And Clean City
			13.3	Expand Recycling and composting programme	P070	Recycling and composting project	1.13.13.3P070	Waste Management - And Clean City

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
			13.4	Provided alternative refuse collection to rural areas	P071	Refusal of collection service in rural areas	1.13.13.4P071	Environment and Cleansing
			13.5	Provision Tipper Trucks	P072	Acquisition of Tipper Truck	1.13.13.5P072	Waste Management Sanitation
			13.6	Provision of Front loader	P073	Acquisition of Front loader	1.13.13.6P073	Waste Management Sanitation
			13.7	Acquisition containers	P074	Acquisition containers	1.13.13.7P074	Waste Management Sanitation
A safe, healthy and secure living environment			13.8	Number Maintenance of landfill waste site in Makana	P075	Maintenance of landfill waste site	1.13.13.8P075	Waste Management And Clean City
			13.9	Number of environmental education awareness programme conducted	P076	Reduce eradication of illegal dumping sites	1.13.13.9P076	Waste Management And Clean City

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
			13.10	Number of areas, domestic refuse collected per week	P078	Domestic refuse collection	1.13.13.10P077	Waste Management And Clean City
			13.11	Number of cleaner-up programme conducted	P079	Ward clean-up Campaign programme	1.13.13.11P079	Waste Management And Clean City
To provide economical and appropriate services for the poor	14	Increase % of households with access to free basic service	14.1	Report number of indigent households with access free basic service quarterly	P080	Free basic services	1.14.14.1P080	FBS
			14.2	Update indigent register annually	P081	Annual review of Indigent register	1.14.14.2P081	FBS
DEVELOPMENT PRIORITY NO TWO: COMMUNITY AND SOCIAL DEVELOPMENT								
A safe, healthy and secure living environment	15	Ensure compliance with environmental health by-laws	15.1	Number of portable water test conducted	P082	Testing of portable water and in streams	2.15.15.1P082	Environmental Management

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
			15.2	Licensing and control of stray animal included vicious dogs	P083	Development of bylaws on the control stray animal	2.15.15.2P084	Environmental Management
			15.3	Report quarterly on environmental project compliance Development of environmental compliance register	P084	Environmental Management compliance register	2.15.15.3P085	Environmental Management
	16	Reduce ecological foot print through renewable energy sources	16.1	Establishment of Biomass generation plant	P085	Biomass energy generation(Ali en vegetation to energy)	2.16.16.1P086	Sustainable Energy
			16.2	Establishment of Landfill gas generation plant	P086	Landfill gas generation	2.16.16.2P087	Sustainable Energy
			16.3	Establishment of waste to energy project	P087	Renewable energy waste	2.16.16.3P087	Sustainable Energy
	A safe, healthy and secure living environment		Reduce ecological foot print through renewable energy sources	16.4	Establishment of Solar photovoltaic energy generation	P088	Solar photovoltaic energy generation	2.16.16.4.P088
16.5				Establishment Small-scale embedded generation	P089	Small- scale embedded generation	2.16.16.5P089	Sustainable Energy

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
			16.6	Development of Hydroelectricity	P090	Hydroelectricity	2.16.16.6.P090	Sustainable Energy
			16.7	Establishment Municipal own energy efficiency	P091	Efficiency in municipal buildings	2.16.16.7P091	Sustainable Energy
			16.8	Establishment Municipal own energy efficiency street and traffic light	P092	Street and traffic lights	2.16.16.8P092	Sustainable Energy
			16.9	Establishment Energy efficiency in the water sector	P093	Energy efficiency in the water sector	2.16.16.9P093	Sustainable Energy
			16.11	Installation smart meters	P095	Installation smart meters	2.16.16.11P095	Sustainable Energy
			16.12	Installation of Solar panels and geysers	P096	Solar panels and geysers	2.16.16.12P096	Sustainable Energy
A safe, healthy and secure living environment		Reduce ecological foot print through renewable energy sources	16.13	Number of Climate change initiatives awareness program implemented	P097	General climate change planning and awareness	2.16.16.13P097	Sustainable Energy
			16.14	Adaptation	P098	Adaptation	2.16.16.14P098	Sustainable Energy
			16.15	Introduction of Green and public transport	P099	Green and public transport	2.16.16.15P099	Sustainable Energy

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
	17.	Provision, maintenance and repair of recreational facilities	17.1	Development of Sport Master Plan	P100	Sport Master Plan	2.17.17.1P100	Park and sport Recreation facilities
			17.2	Maintenance and repair sport recreational facilities	P101	Maintenance of Sport fields	2.17.17.2P101	Park and sport Recreation facilities
			17.3	Number of Children park and recreational facilities established	P102	Children's Playpark and sport recreational facilities	2.17.17.3P102	Park and sport Recreation facilities
			17.4	Number of trees planted area	P103	Tree Planting	2.17.17.4P103	Park and Recreation facilities
A safe, healthy and secure living environment		To promote the well-being, health , safety and security of our community	17.5	Report on number of recreational facilities upgraded/maintained per quarter	P104	Upgrading and maintenance of the existing recreational facilities	2.17.17.5P104	Park and Recreation facilities

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
			17.6	Number of Commonages established	P106	Establishment of Commonages	2.17.17.6P106	Park and Recreation facilities
			17.7	Number of areas cleared of alien vegetation and invasive quarterly	P107	Eradication of Alien and Invasive Trees:	2.17.17.7P107	Park and Recreation facilities
			17.8	Established and extend Cemeteries	P108	Cemetery Extension	2.17.17.8P108	Cemeteries and pauper burials
			17.9	Maintenance of cemeteries quarterly	P109	Maintenance of cemeteries quarterly	2.17.17.9P109	Cemeteries and pauper burials
			17.10	Number cemeteries fenced or repaired quarterly	P110	Fencing and repairs of cemeteries	2.17.17.10P100	Cemeteries and pauper burials
	18.	Provision traffic law enforcement infrastructure and community safety	18.1	Upgrading of fleet infrastructure	P111	Upgrading of fleet	2.18.18.1P111	Traffic law enforcement and Directorate
A safe, healthy and secure living environment			18.2	Number of community road safety awareness programmes and development plan	P112	Community forum safety and development plan	2.18.18.2P112	Traffic law enforcement

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
	19.	To promote the well-being, health , safety and security of our community	19.1	Review of Disaster Management Plan and Fire Management Plan	P113	Review of Disaster Management and Fire Management Plan	2.19.19.1P113	Fire and Rescue Services
			19.2	Provision of fire and rescue infrastructure to Alicedale and Riebeeck East	P114	Establishment of fire station	2.19.19.2P114	Fire and Rescue Services
			19.4	Number of fire, rescue and disaster management community awareness programme	P115	Fire, rescue and disaster management community awareness programme	2.19.19.4P115	Fire and Rescue Services
			19.5	To provided firefighting capacity building	P116	Fire and rescue capacity building training	2.19.19.5P116	Fire and Rescue Services
Access to basic Library Services	20.	To provide reading and study material	20.1	Number of community education outridge programmes conducted quarter	P117	Community Outreach programme	2.20.20.1P117	Library services
			20.2	Provision of library facilities to need areas and resources	P118	Provision of Libraries and resources	2.20.20.2P118	Library services

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
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DEVELOPMENT PRIORITY NO THREE: LOCAL ECONOMIC DEVELOPMENT AND RURAL DEVELOPMENT

Maximise economic growth and development takes place in a conducive environment	21	To ensure adherence to town planning and building control legislation	21.1	Review and adopt SDF by June 2019	P119	Review Spatial Development Framework (SDF)	3.21.21.1P119	Spatial planning
			21.2	Development and implement policy on land invasion and demolition of illegal structures	P120	Development of Land invasion policy	3.21.21.2P120	Spatial planning
			21.3	Development of the SPLUMA By-Law	P121	Township Establishment	3.21.21.3P121	Spatial planning
			21.4	Establishment of the Tribunal and Appeals Board	P122	Establishment of SPLUMA compliant Planning Tribunal	3.21.21.4P122	Spatial planning
			21.5	Upgrading Air filed	P123	Air filed development	3.21.21.5P123	Spatial planning

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
			21.6	Conduct land audit	P124	Land Audit	3.21.21.6P124	Spatial planning
			21.7	Establishment of Waste to Energy	P125	Waste to Energy(Power X project)	3.21.21.7P125	Spatial planning
Maximise economic growth and development takes place in a conducive environment		To ensure adherence to town planning and building control legislation	21.8	Number of infill areas approved for town establishment	P126	Town establishment	3.21.21.8P126	Spatial planning
			21.9	Review of the Sub division, Rezoning and Building control policy	P127	Rezoning and Building and building control policy	3.21.21.9P127	Building control
	22	Promote and support SMME development	22.1	Establishment SMME hub Business plan	P135	Establishment SMME hub Business plan	3.21.22.1P135	SMME Development
			22.2	Number of hawker stalls constructed	P136	Construction hawker stalls	2.22.22.2P136	SMME Development
			22.3	Report quarterly on implementation of Preferential Procurement Regulations of 2017	P137	Implementation of Preferential Procurement Regulations of 2017	2.22.21.3P137	SMME Development
			22.4	Number of stands allocated to crafters at the National Arts Festival	P138	Festival support programme for crafters	3.22.22.4P138	Trade and investment
GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA

Maximise economic growth and development takes place in a conducive environment	23	Promote Tourism and heritage development	23.1	Implementation of Town Regeneration Phase 1	P139	Town Regeneration Phase 1	3.23.231P139	Tourism and heritage
			23.2	Report to Portfolio Committee on initiatives identified for implementation under Creative City project	P140	Creative City project	3.23.23.2P140	Tourism and heritage
			23.2	Number of SMMEs in tourism sector supported and Capacitated Quarterly	P141	Tourism Business Development Programmes	3.23.23.2P141	Tourism and heritage
			23.3	Report on funding allocated to Makana Tourism by the Municipality quarterly	P142	Support Makana Tourism	3.23.23.3P142	Tourism and heritage
			23.4	Development of Gray Dam	P143	Gray Dam Development	3.23.23.4P143	Tourism and heritage
			23.5	Development of Makana area profile by June 2018	P144	Township Tourism Profiling and Promotion	3.23.23.5P144	Tourism and heritage
GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
Maximise economic growth		Promote and Tourism heritage	23.6	Review of Tourism Sector Plan by June	P145	Tourism Sector Plan	3.23.23.6P145	Tourism and heritage

and development takes place in a conducive environment		development		2018		Review		
			23.7	Provided security for Egazini Memorial site	P146	Security - Egazini Memorial Site	3.23.23.7P146	Tourism and heritage
Maximise economic growth and development takes place in a conducive environment	24	Promote and support investment attraction and business development	24.1	Development Trade and Investment attract Strategy	P147	Small Town regeneration	3.24.24.1P147	Trade and investment
			24.2	Support enterprise development initiative	P148	Support enterprise development	3.24.24.2P148	Enterprise Development
	25	Promote and support Agricultural development	25.1	Number of hectares provided to households	P149	One hector one household	3.25.25.1P149	Agricultural Development
			25.2	Championing food security y initiative through Designate personnel	P150	Food Security	3.25.25.2P150	Agricultural Development
			Promote and support Agricultural development	25.3	Number of MOU signed with strategic partners	P151	MOU with strategic partners	3.25.25.3P151

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
			25.4	Number of capacity building conducted annually	P152	Co-operative development and capacity building	3.25.25.4P152	Agricultural Development
			25.5	Report on the number of co-operatives benefited agricultural emerging competition	P153	Promote and support cooperative through funding	3.25.25.5P153	Agricultural Development
			25.6	Promote green economy through Community sustainable Urban Agriculture initiatives	P154	Sustainable Urban Agriculture (SUA) both in rural and urban	3.25.25.6P154	Agricultural Development
			25.7	Report on the number of women and youth initiative supported	P155	Promotion of women and youth in agriculture	3.25.25.7P155	Agricultural Development
			25.8	Infrastructure development of emerging famers in Thornpack	P156	Thornpack Infrastructure development	3.25.25.8P156	Agricultural/Rural Development

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
			25.9	Facilitate access to finance from emerging farmers	P157	Report Rand value received	3.25.25.9P157	Agricultural Development
			25.10	Report the progress made in mentorship programme Quarterly	P158	Mentorship programme	3.25.25.10P158	Agricultural Development
			25.11	Number of Rural ward forum established	P159	Establishment of Rural development ward forum	3.25.25.11.P159	Agricultural Development
			25.12	Establishment of east commonage	P133	East Commonage Management	3.25.225.12P133	Spatial planning
	26	Promote job creation initiatives	26.1	Number of Job opportunities created through CWP	P134	Facilitate CWP	3.26.26.1P134	Local Economic development
			26.2	Number of Job opportunities created through EPWP	P135	Facilitate EPWP	3.26.26.2P1135	Municipal Manager
			26.3	Number of Job opportunities created through infrastructure development interventions	P136	Number job opportunities created	3.26.26.3P136	Engineering and Infrastructure development

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICTOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
DEVELOPMENT PRIORITY NO FOUR: INSTITUTIONAL DEVELOPMENT FINANCIAL MANAGEMENT								
An effective productive administration capable of sustainable service delivery	27	Ensure good relationship between management and employees	27.1	Number of LLF meeting hosted annually and Roadshows and staff briefing	P162	Quarterly LLF Meetings, Conduct Hr Roadshows & Staff brief quarterly.	4.27.27.1P162	Human Resource Management
	28	To create an efficient, effective and accountable administration	28.1	Number of succession policy initiative implemented	P163	Implement the succession policy, Source funds for study assistance & review salaries	4.28.28.1P163	Human Resource Management
			28.2	Number of staff moral programmes implemented annually	P164	Implement staff morale programmes	4.28.28.2P164	Human Resource Management
			28.3	Evaluate all job description	P165	Job Evaluation	4.28.28.3P165	Human Resource Management
			28.4	Number performance agreements signed	P166	Implement performance management system.	4.28.28.4P166	Human Resource Management

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATORS	PROJECT NO	PROJECT NAME	INDICATOR CODE	FUNCTION AREA
An effective productive administration capable of sustainable service delivery		To create an efficient, effective and accountable administration	28.5	Number wellness programme conducted	P167	Develop Conduct Wellness awareness programmes	4.28.28.5P167	Human Resource Management
			28.6	Development Work Skills Plan	P168	Work Skills Plan	4.28.28.6P168	Human Resource Management
			28.7	Human Resource Capacity development	P169	Conduct skills audit	4.28.28.7P169	Human Resource Management
			28.8	Number of employees assisted	P170	Employee assistance	4.28.28.8P170	Human Resource Management
			28.9	Number of Bursaries issued annually	P171	Municipal Bursaries	4.28.28.9P171	Human Resource Management
			28.10	Quarterly reports on EE plan implementation. Submission of annual report	P172	Implementation Employment Equity Plan	4.28.28.10P172	Human Resource Management
			28.11	Fill vacant post with three month	P173	Improve recruitment and selection rate	4.28.28.11P173	Human Resource Management

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
An effective productive administration capable of sustainable service delivery	29	Effective organisational design and policy development	29.1	Annual Review of Organogram	P174	Review of organogram	4.29.28.12P174	Organisational Design
			29.2	Number of job descriptions revised	P175	Review job descriptions,	4.29.29.2P175	Human Resource Management
			29.3	Number of roadshows conducted	P176	HR Policy Road Shows	4.29.29.3P176	Human Resource Management
	30	To ensure that all Municipal buildings and staff adhere to and implement OHS	30.1	Number of OHS meetings quarterly	P177	4 OHS meetings.	4.30.30.1P177	Human Resource Management
	31	To ensure effective management of staff through internal controls such as policies	31.1	Number of report issued on adherence with HR policies	P178	Quarterly reports on adherence to HR policies such as leave, recruitment etc.	4.31.31.1P178	Human Resource Management
	An effective productive administration capable of sustainable service delivery	32	To ensure a continually secure, effective and efficient ICT service	32.1	Review of ICT Strategic Plan annually	P179	Review of ICT Strategic Plan	4.32.32.1P179

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
			32.2	installation VPN Solution	P180	VPN Solution installation	4.32.30.2P180	Information Communication n Technology
			32.3	% of budget spend I acquiring new computer and cabling installed	P181	Data Cabling	4.32.32.3P181	Information Communication n Technology
			32.4	Installation of Wi-Fi infrastructure	P182	Installation of Wi-Fi/New/Acquisition	4.32.32.4P182	Information Communication Technology
			32.5	Upgrading IT Network infrastructure	P183	Maintenance IT Network	4.32.32.5P183	Information Communication Technology
			32.6	Upgrading of Website	P189	Upgrading of Website	4.32.32.6P189	Information Communication Technology
			32.7	Report of the number ICT network maintenance conducted per quarter	P266	Maintenance ICT network	4.32.32.7P267	Information Communication n Technology
An effective productive administration capable of sustainable service delivery	33	To ensure that disaster recovery plans are fully implemented	33.1	Review and Update disaster recovery plans	P190	Review and Update disaster recovery plans	4.33.33.1P190	Information Communication n Technology

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
	34	To ensure that the Municipality moves towards e governance -	34.1	Number of councillors capacitated on use computer	P191	Paper less project	4.34.34.1P191	Information Communication n Technology
	35	Effective and efficient administration and ensure effective integrated planning	35.1	Centralisation of customer complaints Management system	P192	Development Customer care management system	4.35.35.1P192	Administratio n
			35.2	Issue newsletter quarter	P193	Quarterly news letter	4.35.35.2P193	Media and communicatio n
			35.3	Number of corporate branding implemented	P194	Corporate Branding	4.35.35.3P194	Media and communicatio n
			35.4	Institutionalisation of PMS and to all municipal levels	P209	Cascading PMS to all level	4.35.35.4P209	Performance management
			35.5	Number of stakeholder and community engagement	P210	Stakeholders and community Engagement	4.35.35.5P210	Integrated Development

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICATOR CODE	FUNCTION AREA
An effective productive administration capable of sustainable service			35.6	Review of ward development priorities ward annually	P211	IDP - Ward Based Planning	4.35.35.6P211	Integrated Development
			35.7	Annually review of IDP	P212	IDP -Annually Review	4.35.35.7P212	Integrated Development
			35.8	To ensure that all municipal staff are adequately housed and hall area maintained .	P213	Renovation of office buildings and maintenance hall	4.35.35.8P214	Office Space
	36	Ensure maximum use of record centre	36.1	Report quarterly on the number of media and communication activities	P195	Review Policy and Procedure	4.36.36.1P195	Media and communication
		Ensure maximum use of record centre	36.2	Review of Fillings System	P196	Review and approved Fillings System	4.36.34.2P196	Records and Archives Management
			36.3	Number staff capacitated on record management	P197	Capacity Building and Training	4.36.36.3P197	Records and Archives Management
			36.4	Number of Terminated records Disposed	P198	Disposal of Terminated Records	4.36.36.4P198	Records and Archives Management
			36.5	Re-Introduce electronic management system	P199	Re- establish Electronic Records Management System	4.36.36.5P199	Records and Archives Management

GOALS			NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
			36.6	Establishment of offsite Records storage	P200	Off-site Records storage	4.36.36.6P200	Records and Archives Management
An effective productive administration capable of sustainable service delivery	37	Effective management of legal services and properties	37.1	Monitor and evaluate litigation for and against Municipality	P201	Litigation register	4.37.37.1P201	Legal Service
			37.2	Reduced legal cost	P202	Reduced legal cost through settlement	4.37.37.2P202	Legal Service
			37.3	Monitor and evaluated lease and transfer by the Municipality	P203	Lease and Transfer	4.37.37.3P203	Properties

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
Improve municipal revenue base and financial management	38	A financially viable and sustainable Municipality 2022	38.1	90% Debt Collection	P215	Enhance Revenue strategy	4.38.38.1P215	Financial management: Revenue
			38.2	Improve billing	P216	Accurate billing	4.38.38.2P216	Financial management: Revenue
			38.3	Number of smart meters Installed	P217	Installation of smart meter	4.38.38.3P217	Financial management: Revenue
			38.4	Review of all service tariffs structure	P218	Tariffs Review	4.38.38.4P218	Financial management: Revenue
			38.5	Reporting on the % of the budget actually spend	P219	MFMA Reporting	4.38.38.5P219	Financial Management :Budget and Reporting

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY PERFORMANCE INDICATOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
			38.6	To ensure the efficient and effective procurement of goods and services	P220	Empowering SMME's	4.38.38.6P220	Financial Management : SCM
			38.7	Quarterly reports on bid committee functionality	P221	Bid Committee	4.38.38.7P221	Financial Management : SCM
			38.8	Annual stock count report to CFO.	P222	Stock Management	4.38.38.8P222	Financial Management : SCM
	39	Capacity building and effective financial management	39.1	Number of capacity building training conducted or attending	P223	Capacity Building and Training	4.39.39.1P223	Financial management: Administration
			39.2	Number of internship programmed provided annually	P224	Provide internship	4.39.39.2P224	Financial management: Administration
			39.3	Compliance to Section 102 of MFMA	P225	Decrease in unauthorised, irregular, fruitless, wasteful expenditure	4.39.39.3P225	Financial Management : SCM
			39.4	Compliance to Section 99b of MFMA	P226	Creditors payment within 30 Day	4.39.39.4P226	Financial Management : SCM

			39.5	Annual update of the indigent register	P227	Credible indigent register	4.39.39.5P227	Financial management: Revenue
			39.6	Improve management of expenditure management and its liabilities	P228	Compliance to financial commitments	4.39.39.6P228	Financial management: Revenue
			39.7	Implementation of mSCoa Plan	P229	mSCOA	4.39.39.7P229	Financial Management Administration
			39.8	Review of property rates	P230	General Valuation Roll and Supplementary	4.39.39.8P230	Financial management: Revenue
	40	To provide a credible budget	40.1	Prepare and adoption budget by Council annually	P231	Annual Budget	4.40.40.1P231	Financial Management :Budget and Reporting
			40.2	Prepare and adoption adjustment budget by Council annually	P232	Adjustment budget	4.40.40.2P232	Financial Management :Budget and Reporting
	41	To ensure monitoring of Municipal Assets through annual checks and reporting	41.1	Annual count of assets	P233	Annual asset count & fleet management report	4.41.41.1P233	Financial Management: Assets

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY RFORMANCE INDICTOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
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	42	Maintaining fully GRAP compliant asset register annually	42.1	Fully GRAP Compliant Asset register	P234	Assets Management	4.42.42.1P234	Financial Management: Assets
			42.2	Annual disposal sale of assets	P235	Disposal sales of assets	4.42.42.2P235	Financial Management: Assets

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY RFORMANCE INDICTOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
DEVELOPMENT PRIORITY NO F1VE- GOOD GOVERNANCE AND PUBLIC PARTICIPATION								
To provide open transparent corruption free governance	43	To implement the fraud prevention policy	43.1	To conduct awareness programme annually	P236	Awareness Program	5.43.43.1P236	Risk Management
	44	Improve planning of risk management	44.1	To Establishment of a Hotline	P237	Establishment of a Hot line	5.44.44.1P237	Risk Management
			44.2	To Conduct annually risk assessment	P238	Annual review of Institutional and operational Risk registers	5.44.44.2P238	Risk Management
	45	Enhance risk management	45.1	Institutionalisation of risk management	P239	Quarterly on the risk management activities	5.45.45.1P239	Risk Management
	46	Enhance administration and Council oversight	46.1	Number of Audit Committee meeting held annually	P240	Quarterly audit committee	5.46.46.1.P240	Municipal Manager/Internal Audit
	47	Enhance administration and Council oversight	47.1	Issue Quarterly Action sheet and report	P241	Monitor meeting resolution	5.47.47.1P241	Administration and Committee Systems
GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY RFORMANCE INDICTOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA

	48	Improve Audit options outcome	48.1	Achieved qualified audit options	P242	Audit Action Plan	5.48.48.1P242	Municipal Manager
Foster partnership with external stakeholders to enhance Social Cohesion	49	Enhance Inter governmental Relationships	49.1	Number of IGR forum hosted	P243	Four IGR Forum	5.49.49.1P243	IGR
	50	Empower vulnerable groups	50.1	Establishment of Youth hub -centres	P244	Building of youth centres	5.50.50.1P244	Community development
			50.2	Number of CSI initiated annually	P245	Identification of CSI Initiative	5.50.50.2P245	Municipal Manager
	51	Support vulnerable groups	51.1	Number of Youth programme implemented and report	P246	Youth programme	5.51.51.1P246	Municipal Manager
			51.2	Number of HIV/Aid Council meeting and reports activities quarterly	P247	Implementation n of HIV/AIDS PLAN	5.51.51.2P247	Municipal Manager
			51.3	Number of elderly, children, disability and women programme implemented	P248	Elderly, Children and Women programme	5.51.51.3P248	Municipal Manager
52	To communicate effectively and be responsive to the needs of the community	52.1	Implementation of Service Delivery Model	P250	Implementation Msiphathisane Model	5.52.52.1P250	Public participation	
		52.2	Improve ward committee function and public participation meetings/events	P251	Ward committee function and public participation meetings/ events	5.52.52.2P251	Ward Committee	

GOALS	NO	STRATEGIC OBJECTIVES	NO	KEY RFORMANCE INDICTOR	PROJECT NO	PROJECT NAME	INDICTOR CODE	FUNCTION AREA
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DEVELOPMENT PRIORITY NO SIX: HUMAN SETTLEMENT MANAGEMENT

	53	To ensure equitable access to housing for community of Makana	53.1	Hectors land secure for housing development	P253	Source land for housing development	6.53.53.1P253	Housing Development
			53.2	Review Housing Plan	P254	Review Housing Plan	6.53.53.2P254	Housing Development
			53.3	Number of RDP House rectified annually	P255	Facilitate rectification of RDP Houses	6.53.53.3P255	Housing Development
			53.4	Number of housed built annually	P256	Facilitate completion Housing Development planned projects	6.53.53.4P256	Housing Development
			53.5	Review Housing beneficiary list annually	P257	Facilitate Housing beneficiary list	6.53.53.5P257	Housing Development
			53.6	Facilitate FLIPS housing development	P258	Facilitate FLIPS Projects	6.53.53.6P258	Spatial Development
			53.7	Facilitate Social housing development	P259	Facilitate Social Projects	6.53.53.7P259	Spatial Development

3.4 SECTOR ALIGNMENT

Sector departments were requested to be part of the process by providing input on the programmes and projects they have planned to implement in the Makana Local Municipality. This is done to ensure alignment of programmes / projects by the Sector Departments and Local Municipalities. It is also to eliminate duplication of budgeting by the Sector departments and LM's. The table below is a plan by various departments.

3.4.1 NATIONAL AND PROVINCIAL DRIVEN PROJECTS

SARA BAARTMAN DISTRICT MUNICIPALITY: HUMAN SETTLEMENT PROJECT BUDGET ALLOCATION 2017- 18

Table 116

HOUSE	NUMBER
Units	708
Services	1 225
Rectification	135
Budget	113 450 000

3.4.2 YEAR PLANS (SERVICE AND TOP STRUCTURE)

Table 117

PROJECTS	COMMENTS
Makana Transit Camp 440	The administrative process of seeking additional funding is currently underway. The contractor will commence in the 2 nd quarter.
Makana Infill Project	The municipality to determine the number of serviced sites so that the project size can be determined.
Makana Disaster Project	The project is currently under procurement
Makana Alicedale 321	The planning stage is currently under way (Site pegging to start)
Makana Alicedale 27	The contractor has been appointed and has stopped due to quality matters which are being addressed.

3.4.3 DEPARTMENT OF SOCIAL DEVELOPMENT AND AGRARIAN REFORM:

Table 118

INFRASTRUCTURE PROJECTS			
MUNICIPALITY	PROJECT NAME	ENTERPRISE	DESCRIPTION
MAKANA LM	Grahamstown Abattoir	Poultry	Development of poultry structures
	Grahamstown lab		Upgrading of veterinary laboratories
	Junior Land Care Agro Eco School project		Educating learners on CA practices for 13 schools around quarter and 0.5 ha

3.4.4 DEPARTMENT OF WATER AND SANITATION: RBIG 2018/ 19

Table 119

SCHEME	IMPLEMENTING AGENT	PROJECT COST	RBIG COMPONENT PORTION COMMITMENT	SOCIAL
James Kleynhans Bulk Water Supply	Amatola Water	R 66 000 000	R 66 000 000	
Makana Bulk Sewer	Makana	R 15 000 000	R 15 000 000	
Belmont Valley WWTW	Makana	R 142 000 000	142 000 000	
Mayfield WWTW	Makana	R 72 433 000	R 72 433 000	
Total		R 295 433 000	R 295 433 000	

4.6.2 STATE AGENCIES: ESKOM PROJECTS

Table 120

MUNICIPALITY	PROJECT NAME	CATEGORY
Makana LM	Makana infill	Infills
	Mayfield Housing Development	Household

4.6.3 RURAL DEVELOPMENT AND AGRARIAN REFORM 18/19 PROJECT

Table 121

PROJECT NAME	ASSISTANCE	BUDGET ALLOCATION	FUNDING PROGRAM
Makana -151 hh	Inputs and seed	R52 850,00	FS - Siyazondla
Broughton	Chicory inputs	R50 000,00	Food Security
Yarrow	Chicory inputs	R30 000,00	Food Security
Castle	Chicory inputs	R 30 000,00	Food Security
Ripley	Chicory inputs	R25 000,00	Food Security
Humans	Chicory inputs	R10 000,00	Food Security
NV Chewu PP S.	Inputs		
Archie Mbolekwa	Inputs, Jojo tank	R80 000, 00	Junior LC
Fikizolo P.S	Inputs		
Makana P.S.	Inputs		

CHAPTER FOUR: INTEGRATION

4.1 INTRODUCTION:

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

4.2 SUMMARY OF SECTOR PLANS:

Table 122

STATUS	SECTOR PLANS	
EXISTING PLANS	Review Water Service Development Plan	
	Integrated Waste Management Plan	
	Area Based Plan	
	Comprehensive Infrastructure Plan	
	Disaster Management Plan	
	Housing Settlement Plan	
	Review of Transport Plan	
	Review Fire and rescue plan(CPS report)	
	Environmental strategy(LEAP)	
	Spatial Development Framework	
NEW ONE TO BE DEVELOPED	Five Invest Financial plan	
	Development of Job creation sector plan	
	Poverty alleviation plan	
	Fleet management plan	
	Development of Electricity Master Plan	
	Asset Management Strategy	
	Supply chain Management Strategy	
	Cooperative strategy	
	Revenue enhancement strategy	
CROSS CUTTING PLANS	Plans	Action required
	Local Economic Development Plan	Strategy was approved and due for review 2017
	HIV/AIDS action plan t	To be developed
	Special Programs sectorial plans	<ul style="list-style-type: none"> • Youth plan need to be develop • People with Disability

4.2.1 HUMAN RESOURCES PLAN

Municipality has developed a Human Resources Plan with the assistance of Provincial Government (Department of local government in 2011, was adopted by council in 2016.

Alignment of the Human Resource Plan with municipal objectives

Alignment: Effective achievement of our Municipality goals through implementing the following development strategies and policies:

- Enhance Employee retention & recruitment
- Improve human resource administration
- Employment wellness
- Training and Development
-

Strategic direction: b

Makana Municipality Development Priorities

- Institutional transformation and Organisational Development
- Basic Service delivery
- Local Economic Development
- Municipal Financial Viability Management
- Good Governance and Public Participation
- Empower Rural Communities and support to vulnerable groups

Table 123

DEVELOPMENT PRIORITY	OPERATIONAL OBJECTIVE	HR PROGRAM
<p style="text-align: center;">Institutional transformation and Organisational Development</p>	<p>Develop HR Plan by in order to provide an conducive working environment and ensure compliance with legislative requirements HR Plan will assist in coordinating all HR programmes as listed below</p>	<p style="text-align: center;">HR Plan</p>
	<p>Ensure the cascading of Performance Management System to all employees to ensure effective service delivery.</p>	<p style="text-align: center;">Performance Management System</p>
	<p>2010-2011 cascaded to HOD level,</p>	<p style="text-align: center;">Training and</p>

DEVELOPMENT PRIORITY	OPERATIONAL OBJECTIVE	HR PROGRAM
	2011-2012 cascaded to supervisory and Forman level, 2012-2013 to all employees.	Development
	Development of work skills plan that seeks to achieve organisational goal e.g. shortage of qualified electricians, accountants, etc. DTIS: Assessment shortage of skills by DBSA	
Institutional transformation and Organisational Development	Operationalization of wellness policy to enforce health and safety regulations. There is vacant position in the organogram of Employment well facilitator.	Wellness (Health and safety)
	Operationalization of career succession plan policy	Career planning
	To ensure sound good working relations between the employer and employees. (LLF) To empower members of LLF –all stakeholders (training) i.e. ORA, Labour relations Act, Basic conditions Act, LLF constitution and other related courses	Labour relations
	Ensure smooth exit procedure 1. Resignation 2. Retirement 3. Dismissal 4. Early retirement due to health	Exit management

4.2.2 COMMUNICATION STRATEGY

Chapter 4 of the Municipal Systems Act (Act 32 of 2000), equally, states that all Municipalities must strive to meet the following object, among others: -

- foster meaningful dialogue and interface within the internal structures of Municipalities, external bodies and members of the public.
- Likewise, the Promotion of Administrative Justice Act (Act 3 of 2000) and Promotion of Access to Information Act (Act 2 of 2000) charge Government Bodies to observe and adhere to the principles and practices of good governance,
- It is within this context that this policy shall direct Makana Municipality on how to constructively engage the members of the public and external bodies in particular media institutions as instructed by the Constitution of the Republic of South Africa and applicable pieces of legislation and the institutional policies.

Scope of the policy

This policy and strategy applies to the Councillors and Officials of Makana Municipality, be they casuals, part time, full time, contract or consultants. The communication policy and strategy will be reviewed and revised when the need arises by the Council. The last review was done in 2016 and adopted on the 24 June 2016.

Aims of the policy

The aim of this policy is to ensure the streamlining of communication within the Makana jurisdiction and to ensure a coherent and coordinated communication process.

To provide a framework within which internal and external communication of the Municipality will be discharged with its stakeholders and to reduce the risk of damaging or ineffective communication, and to ensure that staff and Councillors are aware of how communication is best conveyed externally and internally, and who has responsibility for which aspects.

Objectives of the Policy

The objectives of the Communication Policy of Makana Municipality are as follows:

- (a) Ensuring that there is a clear and co-ordinated communication process within the Municipality, to enhance and promote cooperative governance between its clientele, partners, stakeholders and the media.
- (b) Ensuring that there are clear roles of communication by the staff of Makana Municipality and to foster meaningful dialogue and interface between and among the internal role players.
- (c) Ensuring that the image of the Municipality is at all times upheld.

- (d) Ensuring that the Municipality complies with the legislative requirements as far as communication is concerned.
- (e) Ensuring that resources are used in support of the achievement of the Municipality's strategic goals.
- (f) Ensuring effective coordination and coherent system of communication within Makana Municipality.

Official Communicators

All staff members (officials) as defined above and Councillors are communicators of the Council by virtue of their work. All staff members and Councillors are representatives and messengers of the Municipality.

Staff members and Councillors should always be mindful that when they communicate with a member from the public, things they say are seen as official statements expressing the views of the municipality. In instances where Councillors speak in their personal capacity or for their political parties, they must make sure that point is clear.

However it is critical to note that for interview or research purposes, whether by institutions, organisations, private companies, media, etc. consent to engage with such bodies must be sought from the Municipal Manager by officials and from the Executive Mayor or Speaker by the Councillors. Councillors do not need to seek the approval of the Speaker or the Executive Mayor when they speak in their personal capacity or for their political parties.

The Media and Communications Officer (Municipal Spokesperson), the Municipal Manager and the Executive Mayor are not only the official communicators of the Municipality but the primary communicators. However, they can delegate their powers to whomever they see fit at times.

4. 2.3 INTEGRATED WASTE MANAGEMENT

Purpose: Makana municipal integrated waste development consideration various service categories as well as evaluate the service delivery in each of the towns in the Municipality. The service categories that are taken into consideration can be summarised as follows:

- Refuse Removal:
- Residential
- Commercial
- Industrial
- Garden Refuse

- Builders' Rubble and
- Medical Waste
- Street and ablution cleaning
- Landfill Sites,
- Transfer Stations and
- Bulk Containers

The Status Quo investigation of the waste management section considered each of these aspects, In addition to this existing structure, the status quo study also considered planned developments for service extensions and any planned projects that have been identified in the IDP. The Integrated Waste Management Plan was development in November 2008 and adopted by Council May 2009 is due for review.

4.2.4 DISASTER MANAGEMENT PLAN

Introduction:

The Makana Local Municipality Disaster Management Plan has been prepared in accordance with the provisions of the Disaster Management Act no 57 of 2002, and within Cacadu Disaster Management Framework and was adopted was by Council In May 2009, currently under review. The plan is aimed at ensuring an integrated and uniform approach to comprehensive disaster management in the Municipality.

This Plan has been documented by the Disaster Management Centre, Cacadu District Municipality, with the support of Makana Municipality.

Objectives:

To strengthen the capacity of Makana disaster management system to reduce unacceptable risks and improve response and recovery activities.

Strategic focus:

Move disaster management programming efforts from a response and relief emphasis to comprehensive risk management culture.

Top priority risk for Makana municipality:

A Risk Priority Rating has been determined for Makana Municipality and the top three being, Storms, Fires and Epidemics. Within the Plan there are contingency plans for all the Hazards/Disasters that the Municipality is prone to and the purpose of this is to be effective and efficient during emergencies.

Below is the list of contingency plans that are in place to deal with disasters that has strike or threatening to occur.

1. Contingency Plan for Floods
2. Contingency Plan for Fires
3. Contingency Plan for Epidemics
4. Contingency Plan for Accidents

4.2.5 WATER SERVICE DEVELOPMENT PLAN

The purpose of IDP and WSDP goals is to provide the Municipality's long term direction and desired state for water services provisioning within the Makana Water Services Authority.

To comply with the Water Services Act (Act 108 of 1997) and the National Water Act (Act 36 of 1998), the WSDP should be prepared as part of the IDP process unless there is no IDP process in which case it can be prepared separately. The WSDP is a sectorial plan that falls within the inter-sectorial umbrella plan of the IDP.

The strategies developed as part of the WSDP has been based on the IDP vision, priority issues and objectives in terms of addressing the when, who, what, etc.

Should it be found that insufficient resources are available to support the strategy, the IDP priority issues and objectives would have to be reconsidered Municipal WSDP was last revised 2008 and adopted by Council in June 2009 and will be revised in the 2017/18 financial year.

Objectives

The primary objective is for Makana Municipality to provide effective, efficient and sustainable water services and sanitation for all communities within the Makana Municipality jurisdiction and the planning to eradicate backlogs

Table 124 Backlogs

Water Works Service Area	Water needs to RDP Level		Sanitation Needs to RDP Level	
	Technical	Management	Technical	Management
Reticulation	35%	35%	35%	35%

Bulk	45%	35%	45%	45%
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Table 125 Status of supply to higher levels

Present services level	Basic RDP	Hugh RDP	Urban
LM-Services Levels	%	95.5%	95.5%
LM- Sanitation Services	13.6%	73.3%	86.6%

Cost of Eradicating of backlogs:

Typical Required Water Sector (DWAf & Local Gov.) Cash flow to meet target dates of 2008 for Water Services and 2010 for Sanitation (DWAf & CMIP) – RM

Table 126

As in 08/09 -10/11	TOTAL
Bulk Water Supply System	48,891,927
Reticulation and Cost Recovery	728,640
Household Sanitation (Up to 2010/11)	38,264,507
Rehabilitation	12,297,966
Sub Total	100,183,040

What is the strategy to eradicate backlogs?

COST split of Water Sector Funding Requirements for Different Service Levels (RM) Note: Estimates are provided only in the categories where integrated supply services are (to be) provided. The remaining categories can readily be isolated on municipal level and can be financed by consumer contributions and external (non-governmental loan grant etc., funding)

Table 127

Backlogs	Basic	High	Urban	Total
	(%)	(%)	(%)	(%)
Bulk Water Supply System	28	20.8	48.8	48.8
Village Reticulation and Cost Recovery	0.7		0.7	0.7

Household Sanitation (Up to 2010/11)		38.2	38.2	38.212.3
Rehabilitation		12.3	12.2	

4.2.6 LOCAL ECONOMIC DEVELOPMENT STRATEGY

INTRODUCTION: The Council approved its LED Strategy 2010 and under review. The Strategy comprises a situational analysis and a local economic development framework.

This LED was developed using the following methodology: **Step One:** Consolidating of the existing research

Step Two: Target Sectoral Stakeholder Engagement

Step Three: Economic Potential Analysis

Step Four: Package Five LE Strategy

Situational Analysis

The situation analysis explores several components namely: policy, socio-economic, economic, infrastructural, environmental and institutional profiles, as well as an opportunity and constraints analysis.

The structure of the Situation Analysis report is as follows:

Table 128

CHAPTER	TITLE	PURPOSE
2	Policy Framework	This chapter provides an overview of the national, provincial, district and local municipal planning initiatives that provide the framework in which the LED strategy will be developed.
3	Socio-economic Profile	The socio-economic profile provides a demographic overview of the population residing in the project area and considers indicators such as population growth, education, income and access to basic services
4	Economic Profile	The economic profile considers various economic indicators such as RGDP size and growth, and provides a profile of the each of the productive economic sectors in the project area.
5	Infrastructural Profile	This chapter assesses the level of economic infrastructure available in Makana in terms of roads electricity network, water, sanitation and telecommunications so as to better understand

		the resources available.
6	Environmental Profile	The environmental profile provides a background to the biophysical and environmental characteristics of the area, with reference to topography, climate, vegetation, hydrology and biodiversity.
7	Institutional Profile	This chapter provides an overview of the institutional structure and capacity of the Makana Local Municipality.
8	Economic Potential Analysis	The potential analysis incorporates an opportunity and constraints assessment, which assists in creating an understanding with regard to the sectoral competitive advantages of the local economy and is used to determine the development potential within the area. Key factors that may be inhibiting growth are also identified as part of this process.

Strategic Development Framework

Local Economic Development Framework considers the strategic development framework for LED, implementation plan, monitoring and evaluation framework and benchmarking of the LED strategy.

The Report Outline

Chapter 2: Strategic Development Framework This section presents the framework of t

strategy and includes the vision, goal programmes and strategic initiatives conceived

Chapter 3: Implementation Plan

This section provides guidelines for the implementation of the strategic framework in terms of recommended actions, roles and responsibilities and associated timeframes.

Annexure 1: Support Agencies

A compendium of support agencies and their contact details.

Annexure 2: Monitoring & Evaluation Framework	A monitoring and evaluation framework based the SDBIP is provided for the 10 priorities initiatives.
Annexure 3: Benchmarking for LED best practice	Provides criteria for successful LED strategy based on government guidelines.

Elements of the LED Framework

The strategic framework is developed in line with and adapted from World Bank LED principles, and is made up of the following elements:

Vision: The vision describes the stakeholders' (community, private sector, municipality, nongovernmental organisations) agreement on the preferred economic future of the economy.

Goals: Objectives are based on the overall vision and specify desired outcomes of the economic planning process. They set performance standards and identify target activities for development.

Programmes: Programs are set out approaches to achieving realistic economic development goals.

Strategic Initiatives: Allow the prioritised implementation of specific programme components.

The vision sets out what the LED strategy seeks to achieve. All the other elements of the strategic framework thus cascade from the vision. The Makana LED strategy vision was developed after stakeholder engagement convened in the form of an Indaba. The Indaba allowed public participation and input into the vision. The other element that forms a central part of the LED vision is the Makana municipality's vision, as set out in its IDP document.

The Long Term Economic Vision for The Development of The Makana Area is:

A robust, vibrant and sustainable economy that promotes local inclusive development

The vision can be broken down to certain key words, phrases and principles that are expanded upon in Table 1.

Explanation of the Vision Key Principles

Table 129

KEY PRINCIPLE	EXPLANATION
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KEY PRINCIPLE	EXPLANATION
Robust	Robustness is the quality of being able to withstand stresses brought on by changes in circumstance. In the ever-changing global economy, it is vital that the economy have the ability to dynamically respond to various pressures. This is to be attained through an ability to adapt to industry trends and adopt evolving technologies and approaches
Vibrant	A vibrant economy is seen through high levels of activity and growth in terms of business attraction and establishment, employment creation and a bustling entrepreneurial base. Given Makana's relatively slow pace of growth from 1995 to 2007, it is vital that an injection of purpose-driven activity infuse the orientation of all economic activity in the area to boost growth and development.
Sustainable	<p>All economic activity that takes place in Makana must be founded on principles of long term sustainability (environmental and economic). Accelerated development and sustainability are not mutually exclusive but should rather be considered at complimentary.</p> <p>A shift towards a green economy (environmentally sustainable) is possible and even desirable within the context of Makana's development and such considerations must be made throughout the economic planning process.</p> <p>Economic sustainability relates to growth that is based on activity that is viable and feasible over the long-run. It thus relates to positioning the economy to be driven by key sectors that tap into and maximize its inherent traits.</p>
Local	This element underscores the importance of retaining incomes and expenditures within the municipality. This places forth notions of reduced income leakage, prioritised local procurement, and internalised business sector solidarity and stakeholder cohesion. Also intrinsic in this statement is an element of local ownership of and responsibility for the area's growth and development.

KEY PRINCIPLE	EXPLANATION
<p>Promotes development</p>	<p>This key principle deals with the ability of stakeholders to translate the area's latent potential and comparative advantage into developments that benefit the community at large in a practical and discernible way. Makana has significant unrealised and unexploited development potential and it is pivotal that such low hanging fruit be grasped.</p> <p>Efficiently and effectively utilising available resources makes up part of this key principle. The realisation of Makana's development potential is to be articulated through the interventions envisaged in the programmes and strategic initiatives contained in the strategic framework.</p>
<p>Inclusive development</p>	<p>Balanced development is envisaged on a household level as well as on the economy-wide level.</p> <p>On the household level there is a need for reduced poverty and other forms of deprivation, employment creation and access to economic opportunities and greater participation levels by all residents of the Municipality. Development and growth must not bypass or lead to the marginalisation of any sections of society.</p> <p>On the economy-wide level the economy whilst concentrating on its competitive and comparative advantages, must also allow for and promote diversification of activity. This reduces the chance of undue reliance on a few sectors, with balanced growth occurring in all sectors of the economy.</p> <p>Imbued in both these elements is the importance of redressing historical and structural imbalances. Historical imbalances relate to marginalisation of various groups into an economic periphery. Structural imbalances are based on the spatial and sectoral distribution of economic activity in the Municipality.</p>

The setting of goals was primarily based on district, provincial and national goals, where appropriate. This was then ratified via public participation at the Economic indaba. It is important to note that although ideally objectives should be SMART (i.e. specific, measurable, achievable, realistic and time bound); it is not always possible to set quantifiable goals.

Based on the vision discussed above, and the traits of the economy revealed in the situation analysis, the following goals will guide the local economic development strategy:

- a) Increase R-GDP by 3.5% per year to match district and the provincial growth rates by 2014
- b) Maintain employment at current levels from 2010 to 2011, with the view of increasing trade and service sector employment by 4% from 2012 to 2014
- c) Grow the tourism related component of the local economy.
- d) Maintain sustainable levels of capital expenditure on key LED infrastructure from 2010 to 2014
- e) Increase the role of formal and informal strategic partnerships in and between the public and private sectors as a catalyst for growth
- f) Reduce income leakage and support SMME activity through increased local procurement and labour force support measures.

Programs and strategic initiatives

In order for the goals discussed in the previous section to be achieved, the strategic framework contains key developmental thrusts packaged in the form of programs. The programs are based on the findings of the situational analysis, seeking to reduce identified constraints and maximise untapped economic potential. Each program is made up of several strategic initiatives, which fall in the public and private realms. The programs and strategic initiatives discussed in this section all seek to ensure that Makana maximises economic development based on its unique attributes and characteristics.

The programs for the LED strategy are:

- a) Strategic Partnerships
- b) Infrastructure Provision And Services
- c) Investment Attraction
- d) SMME Promotion
- e) Tourism Development
- f) Leveraging of educational capital
- g) Agricultural sectoral development

The first four programs deal with cross cutting issues that have been identified as requiring strategic interventions. Cross cutting issues relate to challenges and opportunities that transcend sectoral barriers. This can be seen by how the need for strategic partnerships

applies across all economic sectors in Makana, how infrastructure promotes development across the economic spectrum, investment attraction is needed by all participants, and SMMEs operate across the board. Cross cutting programs thus apply for the general economic landscape of Makana and are vital for the creation of a conducive and enabling environment for growth and development.

The last three programs provide targeted actions in sectors deemed to be important in shaping the overall future of the economy (tourism, education and agriculture). These sectors were selected based on the following outcomes of the situation analysis:

- Comparative advantage analysis
- Sectorial performance classification
- Opportunities and constraints analysis

The strategic initiatives in each of the sectorial programs zone in on critical success factors that will allow maximisation of their development potential. Each programme is discussed in the proceeding sections, with elaborations on its motivation, rationale and strategic initiatives. The strategic initiatives are listed in descending order of prioritised, as voted for by stakeholders at the Makana Economic Indaba.

STRATEGIC PARTNERSHIPS The strategic initiatives that relate to strategic partnerships in Makana mainly involve the municipality as one of the partners and were developed in response to perceived gaps in intergovernmental and inter-organisational relations.

Filling in these gaps will have a beneficial impact on the ability of government, business, civil society and he community to contribute towards LED.

ALIGNMENT

The LED Strategic Framework was used as the basis for the LED planning objectives and projects reflected in the IDP 2012-2017 Review.

4.3 PERFORMANCE MANAGEMENT INSTITUTIONAL LEVEL

The PM process at organizational level in the Municipality is characterized by the steps that are set out in Figure2. Although the steps and what follows relate mainly to performance management at organizational level, the principles and approaches as espoused could also be applied to performance management at departmental level.

4.3.1 PERFORMANCE PLANNING

Performance will be managed in terms of the IDP and the process of compiling the IDP information; therefore the annual review of the IDP planning process for performance. From figure 2 it should be noted that the last step of the cycle is" Performance review" and

the outcome thereof should inform the next cycle of IDP compilation / review by focusing the planning processes on the areas in which the Municipality has under-performed.

4.3.2 PERFORMANCE MONITORING

Performance monitoring is an on-going process by which a manager accountable for a specific indicator as set out in the organizational scorecard (and a service delivery target contained in a SDBIP) continuously monitoring current performance against the set targets. The aim of the monitoring process is to take appropriate and immediate action where it appears that target will not be timeously met. The same will apply to the various SDBIPs.

Performance monitoring requires appropriate action to be taken should it become evident that a specific performance target is not going to be met. In undertaking performance monitoring processes, the following aspects need to be determined and provided for

- ❖ The data that must be collected in order to assess performance.
- ❖ The methods that must be employed of n the collection, storage, verification and analysis of that data.
- ❖ The processes and formats that must be used in compiling reports on that data.
- ❖ Corrective measures that will be employed when poor performance has been detected.
- ❖ Mechanisms to compare current performance with baseline indicators and performance during the previous financial year.

4.3.3 MONITORING REPORTS SHOULD BE SUBMITTED AS FOLLOWS:

Table 130

Submitted to	Frequency
Director	At least quarterly
Municipal Manager	At least Monthly

Managers should track performance trends against targets for those indicators that lie within their area of accountability at least once per month. That will allow them to identify performance related problems and take appropriate remedial action in time. In addition each senior manager should delegate to the direct line manager the responsibility to monitor the performance for his/her sector.

4.3.4 PERFORMANCE MEASUREMENT

Performance measurement refers to the formal process of collecting and capturing performance data to enable reporting to take place for each KPI and against the target set for such indicator. A manual process will be used to measure performance at Makana Municipality. The municipality's SDBIP scorecards should spell out the name of an official who will be reporting on each indicator. The said official will, when performance measurement is due, have to collect and collate the necessary performance data or information and capture the result against the target for the period concerned. As such, they need not be against the target for the period concerned. As such, they need not be accountable for performance on the said performance indicator.

4.3.5 PERFORMANCE ANALYSIS

Performance analysis involves the process of making sense of measurements. It requires interpretation of the performance measurements to determine whether targets have been met / exceeded and to project whether future targets will be met or not. Where targets have not been met, the reasons thereof should be examined and corrective action recommended. Where targets have been met or corrective action recommended. Where targets have been met or exceeded, the key factors that resulted in such success should be documented and shared so as to ensure organizational learning.

4.3.6 THE MANAGER RESPONSIBLE FOR EACH INDICATOR SHOULD, THEREFORE DO THE FOLLOWING:-

1. Capture the performance data against targets on the scorecard.
2. Analyse reasons for meeting or not meeting a target
3. Capture a summary of findings on the scorecard.
4. Recommend remedial actions as appropriate.

The completed organizational and SDBIP scorecards should be submitted to a formal meeting of the senior management team for further analysis and consideration of draft recommendations from the relevant managers. This level of analysis should examine performance across the municipality in terms of all its priorities with the aim to reveal and capture whether there are any broader organizational factors that are limiting the ability to meet any performance targets.

Such analysis should also ensure that quality performance reports are submitted to the Executive committee and that adequate response strategies are proposed in cases of poor

performance. After reaching agreement on the analyses the management team can take the scorecards to the executive committee for consideration and review.

4.3.7 PERFORMANCE REPORTING AND REVIEW

The next two steps in the process of performance management (i.e. Performance reporting and performance Review) will be dealt with at the same time.

This section is further divided into three sections dealing with the requirements for in –year versus annual reporting and reviews respectively and lastly a summary is provided for the various reporting requirements.

4.3.8 IN – YEAR PERFORMANCE REPORTING AND REVIEW

The submission of the scorecards to the executive committee for consideration and review of the entire municipal performance is the next step in the process. The first such report is a major milestone in the implementation of any PMS and it marks the beginning of what should become a regular event (i.e. using the performance report as a tool to review the municipality’s performance and to make important political and management decision on how to improve).

Performance Review is the process where the leadership of an organization reviews the results; and decides on appropriate action, after the performance of the organization has been measured and reported. In reviewing the organizational and departmental scorecards, the Executive Committee will have to ensure that the committed targets have been met; and where they have not, that satisfactory and sufficient reasons have been provided and that the proposed corrective action is adequate. If satisfied with the proposed corrective action those should be adopted as formal resolution of Council, minutes read and actioned accordingly.

As indicated earlier, the organizational and SDBIP scorecards should be submitted to the executive committee for consideration and review on a quarterly basis. The reporting should therefore take place as follows:-

Table 131

QUARTER	PERIOD UNDER REVIEW	MONTH OF REPORTING
1	July to end of September	October
2	October to end December	January

3	January to end March	April
4	April to end June	July

The review in January will coincide with the mid-year performance assessment as per section 72 of the MFMA. The said section determines that the accounting officer must, by 25 January of each year, assess the performance of the municipality and report to council on inter alia, its service delivery performance during the first half of the financial year and service delivery targets and performance indicators as set out in the SDBIP

4.3.9 ANNUAL PERFORMANCE REPORTING AND REVIEW

❖ On an annual basis a comprehensive report on the performance of the Municipality also needs to be compiled. The requirements for the compilation, consideration and review of such annual report are set out in chapter 12 of the MFMA. In summary it requires that:-

□ All Municipalities for each financial year compile an annual report.

- ❖ The annual report should be tabled within seven months after the end of the financial year.
- ❖ Soon after the annual report has been tabled it should be made public and local community should be invited to submit representations thereon.
- ❖ The Municipal Council should consider the annual report within nine months after the end of the financial year and adopt an oversight report containing the Council's comments on the annual report.
- ❖ The adopted oversight report should be made public.
- ❖ The annual report as tabled and council's oversight report should be forwarded to Auditor General, the Provincial Treasury and the department responsible for local government in the Province.
- ❖ The annual report as tabled and the council's oversight report should be submitted to the provincial legislature.

The oversight report to be adopted provides the opportunity for full Council to review the performance of the Municipality. The requirements that the annual report once tabled and oversight report be made public similarly provides the mechanism for general public to review the performance of the Municipality. However the Municipality will budget for the compilation of a user friendly citizens' report. The citizens' report should be a simple, easily readable and attractive document that translates the annual report for public consumption.

Over and above the legal requirements of the MSA and the MFMA, there should be an annual public campaign that involves the community in the review of municipal performance. Such a campaign could involve all or any combination of the following methodologies:-

- ❖ Various forms of media should be used to convey the annual report e.g. radio newspapers, notice boards (in shops and community halls) and billboards.
- ❖ The public should be invited to submit comments on the annual report via physical visits to the Municipality offices, telephone, fax and email.
- ❖ Public hearings could be held in a variety of locations to obtain input of the annual report.
- ❖ Making use of existing structures such as ward committees to disseminate the annual report and invite comments.
- ❖ Hosting a number of public meetings and roadshows at which the annual report could be discussed and input invited.
- ❖ Producing a special issue of the municipal newsletter in which the annual report is highlighted and the public invited to comment.

The public review process should be concluded by formal review of the annual report by the IDP representative Forum of the Municipality.

The annual performance report should be compiled and completed no later than two months after financial – year end. That will ensure that its outcomes can timeously inform the next cycle of performance planning.

4.3.10 SUMMARY OF VARIOUS PERFORMANCES REPORTING REQUIREMENT

Annual Performance Report

Section 121(3) A annual performance report would have to be Section 121 (3) (c) of the MFMA outlines the requirements for Annual performance reporting. An assessment of municipal performance together with recommendations for council by the audit committee, corrective actions undertaken arising from audit report and competency compliance for inclusion in the annual report. **Table 133**

Report	Frequency	Submitted for Consideration and	Remarks
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		or review to	
1. SDBIP	Quarterly	ExCo	See MFMA Circular 13 of National Treasury for further information
2. Monthly Budget Statements	Monthly	Mayor in consultation with ExCo	See sections 71 and 54 of the MFMA
3. Organisational Scorecard	Quarterly	ExCo	This PMS framework (see section 2.
4. SDBIP mid- year budget and performance assessment	Annually in Jan of each year	Mayor + ExCo Council	See section 72 and 54 of the MFMA
5. Performance Report	Annually	Council	See section 46 of the Municipal Systems Act as amended. Said report to form part of the annual report
6. Annual Report	Annually	Council	See chapter 12 of the MFMA

Table134 PERFORMANCE MANAGEMENT PLAN

Reporting Structure	Reviewing Structure	Report	Submission Date	Where	When
Divisions	Directorates	Monthly performance reports	25 th of each month	Directorate	Monthly
Directorates	Executive Management Committee	Monthly performance reports	27 th of each month	Municipal Manager's Office	Monthly

Reporting Structure	Reviewing Structure	Report	Submission Date	Where	When
Directorates	□ IDP/PMS and Budget Steering Committee	Quarterly performance reports	10 th the of next month after the end of each Quarter	IDP/PMS Unit	Quarterly
Directorates	□ IDP/PMS and Budget Steering Committee	Mid-term performance reports	10 th of January	IDP/PMS Unit	Mid-year
Portfolio Committee	□ Portfolio Committee	SDBIP Quarterly Report	First and second week next month after the end of each Quarter	IDP/PMS Unit	Quarterly
Directorates	<ul style="list-style-type: none"> • Executive Mayoral Committee ▪ Council 	Mid-term performance reports	25 th January	Strategic Planning Session	Mid-year
IDP/PMS Unit	<ul style="list-style-type: none"> ▪ Audit Committee ▪ Internal Audit Unit 	<ul style="list-style-type: none"> ▪ Consolidate Directorates Quarterly performance reports audit ▪ Quarterly Performance analysis report 	14 th of the next month after the end of the Quarter	<ul style="list-style-type: none"> ▪ Municipal Manager's Office ▪ Internal Audit Unit 	Quarterly

Reporting Structure	Reviewing Structure	Report	Submission Date	Where	When
Directorates	<ul style="list-style-type: none"> ▪ IDP/ PMS and Budget Steering Committee ▪ Council 	Annual Performance reports	10 th July	IDP/PMS Unit	Annually
IDP/PMS Unit	<ul style="list-style-type: none"> ▪ IDP/ PMS and Budget Steering Committee ▪ Council 	<ul style="list-style-type: none"> ▪ Consolidate Directorates Annual performance reports ▪ Annual Performance analysis report 	14 th July	<ul style="list-style-type: none"> ▪ Municipal Manager's Office ▪ Internal Audit Unit 	Annually

4.3.11 THE AUDITING OF PERFORMANCE MEASURES

THE ROLE OF INTERNAL AUDIT IN TERMS OF PERFORMANCE MANAGEMENT:

The MFMA requires that the Municipality must establish an internal audit section which could be outsourced (depending on municipal resources and specific requirements) Section 45 of the MSA stipulates that the results of the municipality's performance measures should be audited by the said internal audit sections as part of the internal auditing process and annually by the auditor- General. For Makana, the internal audit function will be outsourced in liaison with the Cacadu District Municipality.

The Municipal Planning and Performance management Regulations stipulates that the internal audit section must, on a continuous basis, audit all performance and auditing must include an assessment of the following:-

- The functionality of the Municipality's performance management system.
- The internal audit section must therefore on a regular basis audit whether the PMS of the Municipality is functioning as developed and described in this framework.
- Whether the Municipality's performance management systems complies with the act.

- This compliance check would require that the Municipality's internal audit unit, at least on an annual basis verify that the Municipality's PMS complies with the said legal requirements.
- The extent to which the Municipality's performance measurements are reliable in measuring the performance of by making use of indicators.
- The Municipality should have proper information that the internal audit function is able to access information regularly and to verify its correctness.
- The Municipality's internal auditors must submit quarterly reports on the audits undertaken to the Municipal Manager and the Audit Committee.

AUDIT COMMITTEE: The MFMA and the Municipal Planning and Performance Management Regulations require that the Municipal Council Should establish an audit committee consisting of a minimum of three members, where the majority of members are not employees of the Municipality. No Councillor maybe a member of an audit committee. Council should also appoint a chairperson who is not an employee of Makana Municipality.

The regulations give Municipalities the option to establish a separate performance audit committee whereas the MFMA provides only for a single audit committee. The operation of Audit Committee when dealing with performance management is governed by section 14 (2-3) of the regulations which require the audit committee to do the following:-

- Review the quarterly reports submitted to it by the internal audit unit.
- Reviews the municipality PMS and make recommendations in this regard to the council of the Municipality.

At least twice during a financial year submit an audit report to the Municipal Council.

In order to fulfil their function, a performance audit committee may according to the MFMA and the regulations:-

- ❖ Communicate directly with the council, Municipal manager or the internal and external auditor of the Municipality concerned;
- ❖ Access any municipal records containing information that is needed to perform its duties or exercise its powers;
- ❖ Request any relevant person to attend ant of its meetings and if necessary to provide information requested by the committee, and
- ❖ Investigate any matter it deems necessary for a performance of its duties and the exercise of its powers.

PERFORMANCE INVESTIGATIONS: The Audit Committee should also be able to commission in depth performance investigations where there is either continued poor performance or a lack of reliability in the information being provided. Those performance investigations should assess the following:-

- ❖ The reliability of reported information.
- ❖ The extent of performance gaps from targets.
- ❖ The reasons for performance gaps.
- ❖ Corrective action and improvement strategies.

The outsourced internal audit section will be used to conduct these investigations and should ensure the involvement of people who are experts in this area. For each investigation, clear terms of reference will need to be adopted by council.

4.3.12 STAKEHOLDER ROLES AND RESPONSIBILITIES

Table 135

STAKEHOLDER	ROLE
Council / ExCo	<ul style="list-style-type: none"> ➤ Adopt the PMS Framework & PMS ➤ Adopt the Municipal Scorecards ➤ Conduct Annual Review ➤ Commission Performance Audits ➤ Reports to the Public and Province
Management team	<ul style="list-style-type: none"> ➤ Plan for PM ➤ Adopt the PMS Framework & PMS ➤ Draft scorecards ➤ Approve Departmental Scorecards ➤ Conduct Performance Measurements ➤ Produce PM reports ➤ Commission Performance Audits
Audit committee	<ul style="list-style-type: none"> ☐ Assess Performance Management Reports & Make recommendation
Internal audit	<ul style="list-style-type: none"> ☐ Audit the results of performance Measurements

4.4 PERFORMANCE MANAGEMENT AT INDIVIDUAL LEVEL

The reality is that the Municipality is an institution that employs people, thus its performance is highly dependent on employees. It therefore follows that performance needs to be managed at individual employee level. The individual performance management system is a vehicle for implementing the operational plans emanating from the linkages between individuals, functions and the broader Municipal objectives, The PMS is aimed at providing specific standards to assist the employer, management and municipal staff to perform to the required standards. Makana will use the individual PMS to:-

- ❖ Manage and measure behaviours' that contribute to organisational and individual success.
- ❖ Recognise levels of actual performance in relation to agreed targets □ Encourage continuous improvement and efficiency
- ❖ Identify and act on areas for individual development.
- ❖ Provide a platform for communication on performance between superiors and employees.

This section discussed the structured process for managing performance of the municipal manager and the employees that are directly report to her separately discussed the process of managing performance for the rest of municipal staff.

4.4.1 PERFORMANCE MANAGEMENT FOR SECTION 57 MANAGERS

Performance management for municipal manager and the employees that directly report to him will strictly adhere to the provisions of the Municipal performance regulations (2006). The key phases are, namely, Performance Contracting, Performance review, and Performance assessment. This section will also discuss dispute relating to PM.

4.4.2 PERFORMANCE CONTRACTING

Performance contracting is characterized by the consultation between the employer and the employee regarding specific performance standards that should be adhered to during the given financial year. Being the first of the three key phases, performance contracting entails the signing of the performance Agreement within one month after commencement of each financial year, with the purpose to:-

- ❖ Comply with the contract of employment
- ❖ Comply with section 57 of the MSA;
- ❖ Specify the agreed objectives and targets, and communicate within municipality's performance expectations in line with the IDP, the SDBIP and the budget;

- ❖ Specify accountabilities that are drawn in the Performance Plan
- ❖ Serve as basis of the municipality's commitment to a performance orientated relationship
- ❖ Provide a platform for monitoring, evaluating and measurement performance against targeted outputs and subsequently rewarding good performance.

At this phase, the employee will commit to focusing on implementing the key objectives (i.e. KPA's including any relevant special projects and the core Competency Requirements (CCR's).

The KPA and CCRs are assigned a weight, respectively. Such weighting (as it is known) denotes the relative importance of the key objective to each other. The KPAs would cover the main areas of work and would account for 80% whereas the CCRs would account for 20% of the final performance assessment. For the MM the KPA's are as follows:

- ❖ Basic Service Delivery
- ❖ Municipal Institutional Development and Transformation
- ❖ Local Economic development
- ❖ Municipal Financial Viability and Management
- ❖ Good Governance and Public Participation

For managers that directly account to the MM, the KPAs that are related to the functional areas of that manager's position, should be negotiated between that manager and municipal manager. The CCR that is critical for the employee's job should be selected from the following list and must also note the compulsory Core Managerial Competencies.

4.4.3 CORE MANAGERIAL COMPETENCIES

- ❖ Strategic Capability and Leadership
- ❖ Programme and Project Management (compulsory)
- ❖ Financial Management
- ❖ Change Management
- ❖ Knowledge Management
- ❖ Service Delivery Innovation
- ❖ Problem solving and analysis
- ❖ People Management and Empowerment (Compulsory)
- ❖ Client orientation and customer focus (Compulsory)
- ❖ Communication
- ❖ Honesty and Integrity

4.4.4 CORE OCCUPATIONAL COMPETENCIES

- ❖ Competence in self –Management
- ❖ Interpretation of and implementation within the legislative and national policy frameworks
- ❖ Knowledge of development local government
- ❖ Knowledge of Performance Management and reporting
- ❖ Knowledge of global and South African specific political, social and economic context
- ❖ Competence in policy conceptualization, analysis and implementation
- ❖ Knowledge of more than one functional municipal field / discipline
- ❖ Skills in mediation
- ❖ Skills in governance
- ❖ Competence as required by other national line sector departments
- ❖ Exceptional and dynamic creativity to improve the functioning of the municipality

4.4.5 LIST OF CORE COMPETENCY REQUIREMENTS (CCRS) FOR EMPLOYEES

In order to address the development gaps that support the achievement of set performance targets, a personal development plan (PDP) will be developed and form part of the Performance Agreement i.e. In line with the MFMA the performance agreements will be made available to the public.

4.4.6 PERFORMANCE REVIEW

Performance review is aimed at checking and monitoring progress of the employee in satisfying the key objectives and their targets. Performance reviews will happen at the end of the first, second and third quarters of the year as noted below

Table 136

Quarter	Period under review	Month of conducting review
1	July to end September	October
2	October to the end of December	January
3	January to the end of March	April
4	April to the end June	July

Makana Municipality may elect to conduct verbal reviews for the first and third quarters, particularly if performance is deemed satisfactory. During any of the reviews, the municipality will however make use of the assessment tools that will be ultimately used in performance assessment phase (4th Quarter). Despite the force stated performance review intervals, the employer reserves a choice to review performance at any stage (for as long as the employment contract is still valid). For the operational reasons and also based on agreement with the employee the employer will be entitled to making changes to the provisioning of the performance plan. In addition, performance feedback will be based on the employer's assessment of the employee's performance.

The performance review will entail the "stock taking" of the achievements on KPA and CRRs. Each of the two will be reviewed as follows:-Key performance areas.

Table 137

Level	Terminology	Rating				
		1	2	3	4	5
5	Outstanding Performance					
4	Performance significantly above expectations					
3	Fully Effective					
2	Performance not fully effective					
1	Unacceptable performance					

The rating calculator will be developed and used for adding the scores for each KPA thus giving a final KPA score

4.4.7 CRITICAL COMPETENCY REQUIREMENTS

- a) Each CCR will be reviewed in terms of the extent to which the specified standards have been met.
- b) The fore going five-point scale will be used for each CCR.
- c) The rating will be multiplied by the weighting for each CCR and result in a score.
- d) The rating calculator will be used to add the scores and calculate the final CCR score.

It should be noted that for the mid-year review (i.e. October – December) it is important for the employer to keep records.

4.4.8 PERFORMANCE ASSESSMENT

Performance assessment is aimed at concluding the employee’s performance measurement and development against set objectives. It will happen during the fourth quarter of the financial year. For purposes of practicality, performance assessment will be executed similar to the

Performance Review (explained above), save the following important variations:

It will not be “stock take” but a “final evaluation” exercise for the financial year.

a) The minimum composition requirements of the evaluation panels will be as follows:

Table 138

EVALUATION OF THE MM	EVALUATION OF MANAGERS ACCOUNTABLE TO THE MM
Mayor	MM
Chairperson of the audit committee	Chairperson of the audit committee
Executive Committee Member	Executive Mayoral Committee Member
Mayor or MM from another municipality	MM from another municipality
Ward Committee Member nominated by Mayor	HR Manager or Manager responsible PMS for secretarial purposes
HR Manager or Manager responsible PMS for secretarial purposes	

c) Performance assessment will form the basis of rewarding outstanding performance and correcting unacceptable performance.

d) Using the rating calculator, the range of performance bonus will allocated as follows, as a percentage of the all-inclusive remuneration package.

Table 139

Performance Score	Performance Bonus
150% +	10% - 14%
130% to 149%	5% - 9%

e) Unacceptable performance will be handled through providing remedial support to improve the employee’s performance for an agreed timeframe (with the employer). If such structured attempts prove to be unsuccessful, the employer should take steps to terminate the contract on ground of unfitness or incapacity. In the case, there should be adherence to the provisions of the Labour Relations Act.

- f) Within 14 days of concluding the assessment of the MM's performance, the results thereof will be submitted to the MED for Eastern Cape local government and the national Minister for local government.

4.4.9 PERFORMANCE MANAGEMENT FOR ALL OTHER MUNICIPAL STAFF MEMBERS

The Municipality will be focusing in the next following years in cascading Performance management to all employees. PMS has been cascade up HOD level but no review has been conducted yet.

4.4.10 GENERAL ISSUES RELATING TO PERFORMANCE MANAGEMENT

This section highlights some general issues related to performance management that need to be taken into account in implementing the PMS in the Municipality.

4.4.11 ANNUAL REVIEW OF THE PERFORMANCE MANAGEMENT SYSTEM

After the full cycle of the annual review and reporting is complete and the audit committee has met as required, the internal audit function will compile a comprehensive assessment/ review report. The report will be on whether the Municipality's PMS meets the system objectives and principles as set out in this framework and whether it complies with the MSA, PMS Regulations and the MFMA.

The report will need to be considered by the audit committee who will then submit any recommendations to the Executive Committee. The review undertaken and recommendations made by the audit committee could serve as input into the wider municipal review of the PMS. After the full cycle of the annual review, the Municipal Manager should initiate an evaluation report that includes inputs from departments. The report will then be discussed by the management team and finally submitted to the Council for discussion and approval. All those steps will also fulfil the MSA's requirement that the Municipality should annually evaluate its PMS.

4.4.12 AMENDMENTS TO KPI'S AND TARGETS

The Municipality will need to adopt a policy on amendments to performance indicators and targets. As a policy area, such amendments may be proposed but will be subject to the approval of the Executive Committee in consultation with the Municipal Manager.

4.4.13 INTEGRATING PMS WITH THE COUNCIL'S EXISTING MANAGEMENT CYCLE

International best practice indicates that PMS stands the chance to succeed if it is integrated with the current management cycle of the Municipality.

The purpose of such a cycle would be to guide the integration of important process e.g. the strategic planning or development process in terms of the IDP methodology, the annual budget process and the formal process of evaluating and assessing Council's performance in terms of the approved PMS and this framework. Makana Municipality will develop and adopt a similar cycle that is suitable to its own circumstances and requirements.

4.4.14 INSTITUTIONAL ARRANGEMENTS

The implementation of the PMS in terms of this framework would require coordination at organisational level and that will be the task of the IDP–PMS Manager's position which will be acting on behalf of the Municipal Manager Performance Agreement.

For PMS at an individual level, the responsibility for co-ordination, administration and record keeping will be the responsibility of the position that is responsible for human resource management. Likewise, such duties will form part of the Corporate Service Director Performance Agreement.

The municipality will ensure that its outsourced internal audit section has expertise in dealing with performance management responsibilities which are practically over and above the traditional financial audit responsibilities.

4.4.15 CONCLUSION

Performance Management System has been implemented for section 57 managers and plans are in place to cascade to lower levels starting from Head of Department level in the next financial year 2017/22.