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GLOSSARY OF TERMS

ABET	Adult Based Education and Training
ABSA	Amalgamated Banks of South Africa
AIDS	Acquired Immune Deficiency Syndrome
ASGISA	Accelerated and Shared Growth Initiative for South Africa
BDS	Business Development Services
CASP	Comprehensive Agriculture Support Programme
CBO	Community Based Organization
CHARTO	Chris Hani Regional Tourism Organisation
CHDM	Chris Hani District Municipality
CPF	Community Policing Forum
CSIR	Council for Scientific and Industrial Research
DBSA	Development Bank of South Africa
DEAT	Department of Environment and Tourism (Also known as DEA)
DFA	Development Facilitation Act No 67 of 1995
DLA	Department of Land Affairs

DLG&TA	Department of Local Government and Traditional Affairs
DM	District Municipality
DME	Department of Mineral and Energy
DoRDAR	Department of Rural Development and Agrarian Reform
DoE	Department of Education
DoH	Department of Health
DH	Department of Human Settlements
DoSD	Department of Social Development
DoRT	Department of Roads and Transport
COGTA	Department of Corporative Government and Traditional Affairs
DPW	Department of Public Works
DSAC	Department of Sport, Arts & Culture
DWA	Department of Water Affairs
ECA	Environmental Conservation Act
EIA	Environmental Impact Assessment
ES	Equitable Share (grant)
FBS	Faith Basic Services
ECDC	Eastern Cape Development Corporation
ECPGDS	Eastern Cape Provincial Growth & Development Strategy
EXCO	Executive Committee
GP	Gross Geographic Product
GIS	Geographical Information System
GTZ	German Technical Cooperation
GVA	Gross Value Added
HDI	Human Development Index
HIV	Human Immune Deficiency Virus
HR	Human Resource

IDC	Independent Development Corporation
IDP	Integrated Development Plan
IDT	Independent Development Trust
IT	Information Technology
ITP	Integrated Transportation Plan
IWMP	Integrated Waste Management Plan
LDO	Land Development Objectives
LED	Local Economic Development
MEC	Member of the Executive Committee
MIG	Municipal Infrastructure Grant
MFMA	Municipal Finance Management Act
MSIG	Municipal Support & Institutional Grant
MSyA	Municipal Systems Act, 2000
MStA	Municipal Structures Act, 1998
NDC	National Development Corporation
NEMA	National Environmental Management Act
NER	National Electrification Regulator
NGO	Non-Governmental Organizations
NSS	National Sanitation Strategy
PATA	Promotion of Administrative Justice Act
PMS	Performance Management System
PPP	Public Private Partnership
RDP	Reconstruction and Development Programme
REDS	Regional Electricity Distributors
RTP	Responsible Tourism Planning
SMME	Small Medium and Micron Enterprises
SOE	State Owned Enterprises

SoR	State of Environment Report
SADC	Southern African Development Community
SALGA	South African Local Government Association
SANDF	South African National Defence Force
SAPS	South African Police Service
SGB	School Governing Body
STDs	Sexual Transmitted Diseases
TB	Tuberculosis
TLC	Transitional Local Council
TRC	Transitional Rural Council
USAID	United States Agency for International Development
UYF	Umsobomvu Youth Fund
VAT	Value Added Tax
VIP	Ventilated Improved Pit (sanitation facility)
WSDP	Water Services Development Plan

EXECUTIVE SUMMARY

Legislated Framework and Policy Framework

The development of the simplified IDP framework is based on various legislative and policy mandates for developmental local government. The Constitution of the Republic of South Africa mandates local government to:

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

Informed by the broad principles of the Constitution, the White Paper on Local Government introduced the notion of developmental local government. Developmental local government is defined as local government that is committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives.

Considering the Constitutional mandate as well as the provisions of the White Paper, it can be summarized that the main function of local government is to provide *goods and services* that meets the *social, economic and material needs of the people*. Principles that underpin the manner in which these goods and services are provided should be *democratic, accountable, sustainable and public participative*.

In order to play this critical role, the municipalities are mandated to undertake a process of integrated development planning. The main objective of integrated development planning is to forge greater and better coordination and integration of development initiatives by the various development agencies within each local space.

The principal legislation in so far as the development of IDPs is concerned is the Municipal Systems Act 32 of 2000 as amended; section 25 of the act supra mandates each municipal council to adopt a single, inclusive and strategic plan for the development of the municipality. As a strategic plan of the municipality, the IDP should therefore provide a clear road map for the municipality that would take it from the current situation to its desired state in five years.

Introduction

The development of Integrated Development Plan (IDP) is a legislative requirement as entailed in terms of Section 25 of the amended Municipal Systems Act (MSA) Act (No 32) of 2000 and Engcobo Local Municipality is obliging to this piece of legislation. Reviewing of the IDP is also a legislative requirement in terms of Section 34 of Municipal System Act of 2000 (Act 32 of 2000). An IDP is one of the key tools for Local Government to cope with its new developmental role. Furthermore it seeks to facilitate strategic decisions on issues of Municipal budgets for the following Key Performance Areas;

- Basic Service Delivery-(infrastructure and Community Services);
- Local Economic Development;

- Municipal Transformation and Organizational Development;
- Municipal Financial Viability and Management.

The Municipal Systems Act which provides a framework for the preparation of IDP's recommends that once in place, each IDP must be reviewed annually to re-assess and re-evaluate Municipality's development priorities and challenges and to accommodate new developments in local government processes. Therefore, this particular document fulfils that review mandate for the ensuing financial year and beyond.

This IDP could be described as a single, inclusive and strategic plan for the development of the municipality, which:

- Links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;
- Aligns the resources and capacity of the municipality with the implementation of the plan;
- Forms the policy framework and general basis on which annual budgets must be based;
- Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.

The Reviewed Integrated Development Plan (IDP) consists of the following core components:

- The municipality's vision for long term development;
- An assessment of the existing level of development in the municipality (situational analysis) and Socio-Economic Analysis; A Spatial Development Framework (SDF) and basic guidelines for a land use management system;
- The Council's development priorities and objectives;
- The Council's development strategies, which must be aligned with national and provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;
- Projects and Programmes per Sector as prioritized;
- A Financial Plan with a budget projection for three years;
- Public Involvement.

Mayor's Foreword:



It is a great pleasure for me to be afforded this opportunity to present to this council the draft IDP 2018/19 tabled on 29 May 2018. This council was inaugurated in August 2016. We were given a clear mandate by our people to change their lives for better. The term of this council ends in June 2021.

The current IDP document will be adopted on 29 May 2018. Each year the Municipality will be reviewing this 5 year plan in order to ensure that the people are participating. The municipality started by adopting an IDP process plan which culminated to the adoption of the draft IDP and Budget in March 2016. Immediately after that the process of IDP roadshows in each ward followed. In those meetings, the municipality received many comments, questions and advise from the communities.

In some instances communities do appreciate the efforts undertaken by government but some exceptions are usually raised on dissatisfaction especially on electrification backlog, roads infrastructure, water and sanitation, housing delivery and disaster backlog etc. Infrastructure backlog is not only a local issue but generally a National and a Provincial challenge.

We have a responsibility as far as ensuring extensive participation is concerned and we believe that as this sphere of government that is closest to the people, we carry an obligation to respond directly, positively and immediately to the needs and frustrations of our communities as well as our internal stakeholders.

I thank you!

Councilor L. BONGA-TYALI | Mayor

Foreword from the Municipal Manager:



Engcobo Local Municipality is required by Section 34 of Municipal System Act 32 of 2000 to undertake a stakeholder driven process to develop its five (5) year IDP and review it annually. The IDP under development will be tabled before Council on 29 May 2018.

The existing IDP is developed in order to set-up a service delivery and growth path for the next financial years (2018/19 – 2020/21) as instructed by the Council. In keeping up with Section 34 of the Municipal Systems Act, the IDP will be reviewed annually in order to carry out continuous assessment and to give meaning and substance to our service delivery ambitions.

It should be noted that the IDP is the superseding policy guide/document for planning for the municipality, it is essential that the IDP is based on the real needs of the community which Engcobo Local Municipality is serving.

Therefore the fundamental principle and the overarching philosophy is that the IDP has to keep track of the changing priorities of the community. An extensive public participation process which involved all the stakeholders had been embarked on to determine those priority needs which are truly reflected within this document. The priority needs of the community will be used as a basis to inform the Municipal Budget Process for the 2018/19 -2020/21 financial years.

I trust that this IDP will prove to be one more meaningful step towards paving a way that would enable Engcobo Local Municipality, a place where all of us can live fulfilling lives and achieving our full human potential within our existing capabilities.

Yours in Developmental Local Government

S V Poswa | Municipal Manager

CHAPTER 1: SITUATIONAL ANALYSIS (GEOGRAPHIC, DEMOGRAPHIC AND SOCIO-ECONOMIC ANALYSIS)

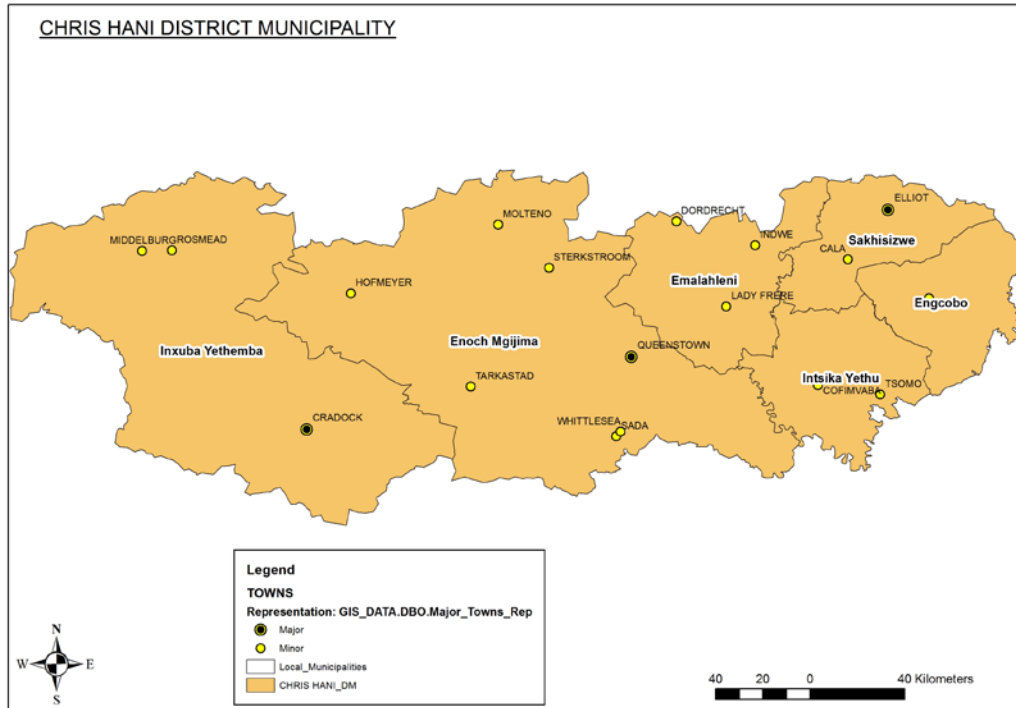
1.1. BACKGROUND

Engcobo Municipality is located in the Eastern Cape Province, the second largest province in terms of land coverage, on the south eastern sea board of South Africa.

The Eastern Cape Province has 6 District Municipalities, 2 Metros and 38 local municipalities covering towns and surrounding rural areas with Engcobo falling within the Chris Hani District Municipality.

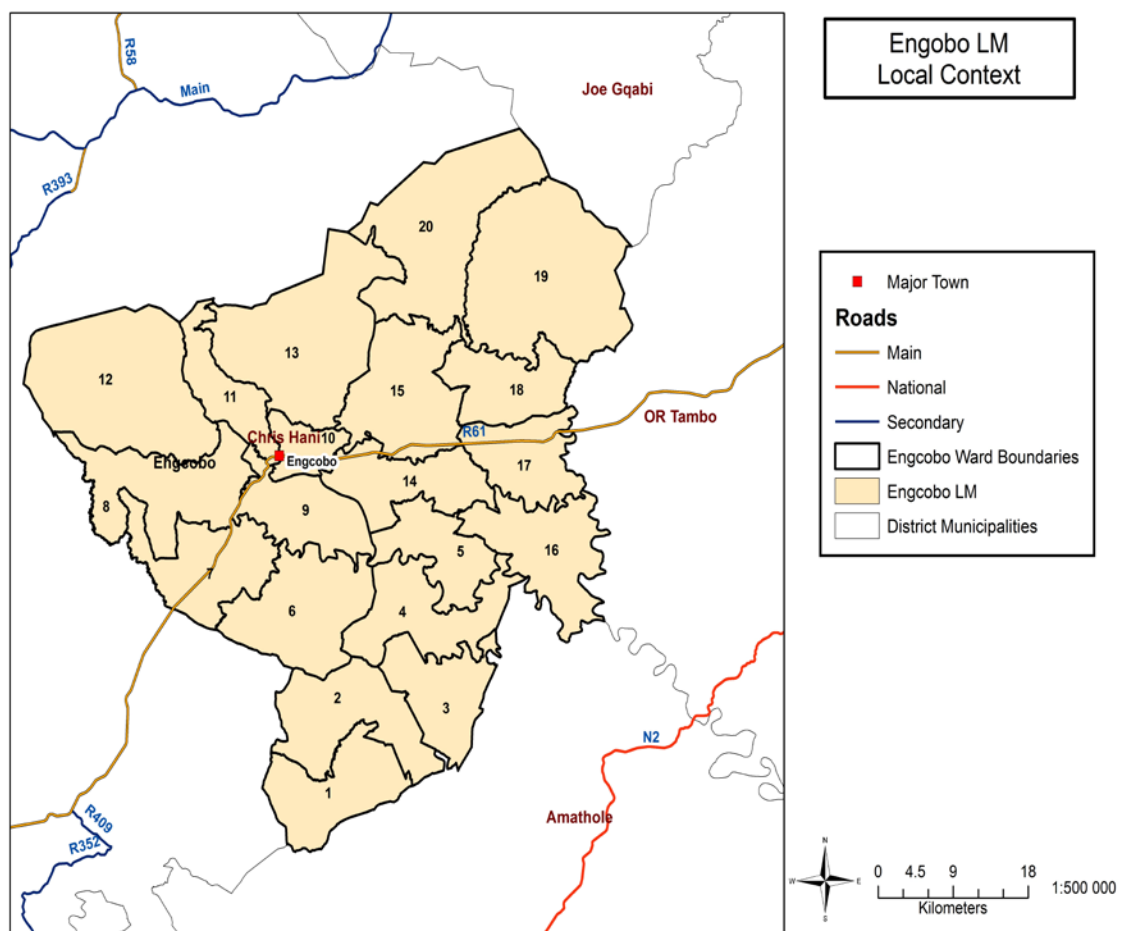
The Chris Hani District Municipality is located in the north-eastern side of the Eastern Cape Province. Neighbouring district municipalities within the Eastern Cape include the Joe Gqabi DM (to the North), Cacadu DM (to the south west), Amathole DM (to the south east), and OR Tambo (to the east).

The following graphic illustrates a Map of the local municipalities that make up the Chris Hani District Municipality;



The local municipalities are made up of the following urban nodes:

CHDM's Local Municipalities.		
#	Name of Municipality	Urban Nodes
1	Intsika Yethu LM	Cofimvaba and Tsomo
2	Enoch Mgijima LM	Queenstown, Hofmeyer, Molteno, Sada, Strekstroom, Tarkastad and Whittlesea
3	Engcobo LM	Engcobo
4	Sakhisizwe LM	Cala and Elliot
5	Emalaheni LM	Lady Frere, Dordrecht and Indwe
6	Inxuba Yethemba LM	Cradock, Middleburg and Mount Zebra National Park



Engcobo consists of 20 wards, extends over 2258.78 KM² and has 39 councillors and 8 traditional leaders. The new leadership of Engcobo Municipality is acutely aware of the challenges confronting the municipality and has identified the provision of basic services and facilitation of socio-economic development of the area as key priorities supported by capable and modern infrastructure for social, economic and institutional development.

Engcobo faces high levels of poverty, unemployment, illiteracy and infrastructure backlogs, including roads, water, sanitation, electricity and housing. Other challenges are identified as crime, HIV and TB prevalence, poor integration and cooperation across civic, private and public bodies. The local financial sector has been on the decline over the last few years.

The population is overwhelmingly rural and most land is communally owned and fertile, yet only a small portion is fully utilised. Forestry (especially pine), agriculture and tourism (agri-tourism and cultural tourism, including arts and crafts) are said to be key for the area's economic stimulation.

Other identified strengths and opportunities include:

- Local resources (natural, human and information);
- Potential for new businesses and community private-public partnership;
- Availability of local technical expertise;
- Non-political and resourced NGOs and CBOs that provide aftercare; and
- A taxi industry and route between Umtata and Queenstown.

The following is a list of wards and villages;

1) Ward 1 – Ward 4

Engcobo LM: Ward and Village Delineation			
Ward 1	Ward 2	Ward 3	Ward 4
Mandlaneni	Jinginja	Kwa Hala	Sihlabeni
Toleni	Ngqwaneni	Ntsimba	Mtini
KwaSibonda	Komkhulu	Mazizini	eLalini
Jojweni	KuNgwevana	Qanguleni	Maloseni
Ndaba	Mmangweni	Qengqeleka	Endulini
Cabophezulu	Skolweni	Bekileni	Esikolwni
Mankqoyi	Ntlakwevenkile	kwa Ndlangisa	KuNgcelelo
Kofu	Ntlakwesikolo	Shushwana	Ntlakwevenkile
KuNgcataru	Maqamkazini	Mdeni	Ncityana
KwaTshatshu	Lubiza	Sokweba	eChibini
KwaNdungwane	Sigubudwini		Ntabeni
Ngquthurha	eLalini		Singeni
Ematyabomvu	eNtlekiseni		Ngaphantsi
Nabileyo	Engasa		Ngqubusini

Ngxamagele	Engcotyeni		Mtshayelweni
Kunkani	Nkomponi		Chetyana
Mazizini	eSikolweni		Gotyibeni
Emamfeneni	Maqomeni		Ntlalukana
KwaMiya	Magqagqeni		
Ganya	New town		
Qolweni	Lalini -Cwecweni		
Dabulo	Mazizini		
	Mzwini		

2) Ward 5 – Ward 8

Engcobo LM: Ward and Village Delineation			
Ward 5	Ward 6	Ward 7	Ward 8
Ngcacu	Komkhulu	Gibeni	Tshatshu
Tywina	Nyandeni	Fama	eJojweni
Cwane	Ntlambo	Bodini	Ndlela
Kusigidi	KuGxwalibomvu	Tshatshatsha	Chibin
KuNgezantsi	Dala	kwaSigubudo	kwaQithi
KwaMdaca	eMmangweni	kwaDlomo	Mzangweni
Kwancango	eSilevini	Drayini	Macubeni
Lower Xuka	Kumageza	Nkalweni	Sigangeni
Upper Xuka	Mpindweni	Ntwashini	Embo
Upper Ngqokotho	Kunene	kwaNGxabane	Lucwecwe
Nqutwaneni	Nkalweni	Upper Beyele	Nongadlela
KwaSitelo	eNtwashini	eSgangani	eQolweni
Sidakeni	eKunene	Mafusini	Sgingqini
KwaNtondo	Kwelesha	KwaBhadi	Kunene
eQolweni	Eziqadini	Ntlakwendlela	Mtebele
Mbilini	eTaleni	Ndalasi	Maxesibeni
Komkhulu	eMmangweni	Mandaweni	Skobeni
KuHleke	Ngqayi	Ntshingeni	Jojweni
KuMalangazana	Goso	Nyongweni	Bojane
	Ngxebe	Lundini	Madladleni
	MaNdlaneni	Tshobane	Drayini
	kwaGandu	Magotsini	Gwetyubeni
	Sgoboti	Lower Beyele	Sigodlweni
	eMamfeneni	Nkonkobe	Bompas
	Jojweni	Qoba	
	eHukwini	Nkencezi	

		Nyathi	
		Gcabhalata	

3) Ward 9 – Ward 12

Engcobo LM: Ward and Village Delineation			
Ward 9	Ward 10	Ward 11	Ward 12
Mtwaku	masonwabe	Mkhenceni	Yalula
Mdeni	Zola	Madwaleni	Qolweni
Lalini	Nkole	Ngxingweni	KwaBinca
Komkhulu A	eDrayini	Machibini	Mthumeni
Luxeni	Gxojeni	Chefane	Nkwenkwezi
Sigangeni	Kalinyanga	Town	Maqwathini
KwaBlaai	Mxesibe	Zadungeni	Magqagaleni
Ntshobela	All Saints Mission	Gqutyini	Trust
Sikantini	Sdadeni		Mgwalana
Mgwali	Extention 5		Makhumeni
Qolweni	Extention 6		Maxesibeni
cottage	Extention 9		kuPahla
Mission	Nkalweni		Gqutyini
Sick line	New town		Phesheya
Msawawa			Voyizana
Green land farm			Mafusini
Komkhulu B			Mkhanzi
Lower Nduku			eMahlubini
Upper Nduku			Mntuntloni
Ntsunguzini			Gotyibeni
Dywabasini			Mqabo
			Elithuthu
			Zihekeni
			kuGxwalibomvu
			Mission
			Mbumbumbu

4) Ward 13 – Ward 16

Engcobo LM: Ward and Village Delineation			
Ward 13	Ward 14	Ward 15	Ward 16
Bulawayo	Efameni	Mdeni	Kwanqinwayo
Ratshwini	KwaGcina	Ngxangxasi	Tafeni
Ematyholweni	Ndungunyeni	Sigidi	Mhlophekazi
Esingeni	Sixholosi	Qolweni	Mampondweni
Zwelitsha	Mdeni	KuNqunduvane	Mangxongweni
Kuntaka	Mbombombo	Sigangeni	Mkunjana
eGxojeni	Upper Ndungunyeni	Ntwashini	KuMandebe
eSkhungwini	Lower Ndungunyeni	Magqoleni	Manuneni
kuZilithole	KuKanyi	Ngcwabeni	Luxeni-Sithebe
eNkalweni	Lower Nzolo	Msintsana	Mpindweni
Sigadleni	Upper Nzolo	Mampingeni	Mqwebedu
Xokonxa	Ntlelelengwane	KuNyoka	kwaMhaga
Mthwazi	Xuka	Makhumeni	Mbokothwana
kuGilandoda	Ngxabane	Nkobole	Mandlaneni
Lubisi	Lower Mangxongweni	KwaNdobe	Ngqurhu
Quthubeni Tsalaba	Ntwashini	Ntywenka	Ntseleni
Equthubeni	Lalini	Caca	Clarkebury
Engele	KwaXoxo	Mrhotshozweni	Tyeni
Lower Tsalaba	eMantlaneni	Madwaleni	Mdeni
Komkhulu	Mhlontlo	Matyeni	Mpompeni
KwaBlangwe	Entabeni	Engxogi	Mdodase
Hala	Emafusini	Mbendeni	Sithebe
Kwamqokoqo	Emadizeni	eChibini	Maqomeni
Eluqolweni	eXuka	Kwanzolo	Mbese
Mayirheni		Kwantaka	Upper Luxeni
Matyeni		Rasmeni	Lower Luxeni
Sixhanti		Lalini	Sidikidini
		Ngaphesheya	Ntabeni
		Gcabhalata	
		Qolweni	

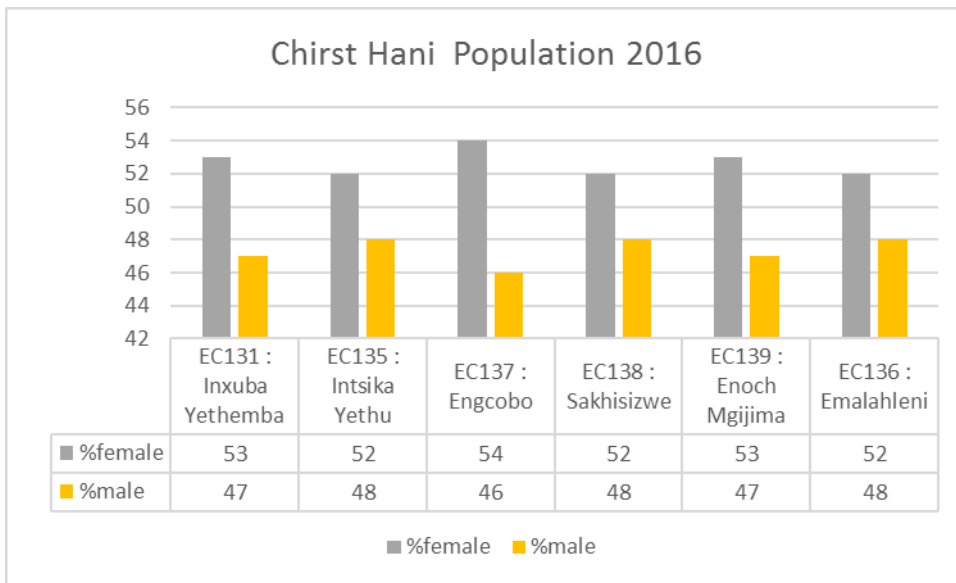
5) Ward 17 – Ward 20

Engcobo LM: Ward and Village Delineation			
Ward 17	Ward 18	Ward 19	Ward 20
Mdeni	Mazimeni	Smit	Nqancule
Mpandeni	Emamvulaneni	Madwaleni	Sinqumeni
Estishini	Komkhulu	Mdeni	Eluxeni
Tembisa	Amamvala		Sigangeni
Lower Manyisane	KwaNzolo	Mncwasi	eLixeni
Nkondlo,	Blangwe	Daligqili	Sidikidikini
Upper manyisane	kwaYawa	Mboleni	Lixeni
Kwa Mvala	KuNtlanzi	Sidindi	Matyeni
Macwerheni	Lower Gqobonco	Mkonkotha	Taleni
Mangxongweni	Tshapile	Nogqala	Ezinkonxa
Kungcebengwana	KwaFane	Jalisa	Tywabatywaba
Mamfengwini	Mthini	Bula	Nkanga
KwaNdima, Gubenxa	Sandile	Xhakonxa	Ngqayi
Ngwangwane, Qolo	Kwafane	Ngwemnyama	Ematyeni
Maqamkazeni		Lixeni	Sitshini
kwaMaya, Ntsinana		KoMkhulu	Didwayo
Ngwangwane, Qolo		Gqaga	Kubeki
Maqamkazeni		Mhlahlane	Mmangweni
KuNgxabane		Bumbane	Ntsuba
Cwane, Mtukuma		Ngaphezulu	Sigubudwini
Mission, Gcina, Didi		Lwandlana	Sitishini
Mdaca, Mandlaneni		Kuchibi	Ludadeni
Upper Manyisane		Zangcethe	eMachibini
Ntibaneni, Xhibeni		Kungubo	KuHlaba
Ngxabane, Ngcongci		Ndlunkulu	kwaMngqondo
Mangqileni, Maya		Zuburha	Elabafazi
Mpindweni			Caba
Tafeni,			KuMncayi
			Masunguzane
			Ndungwane
			Gxojeni
			Ndlunkulu
			Mdeni
			Dadeni
			Makhalane

			Manzakeni
			Mbabakazi
			Dyobhashe
			Esingeni
			Xhokonxa
			Etaleni
			Encalukeni
			Eluxeni
			Esigangeni
			Emdeni
			Zingcuka

Population Composition

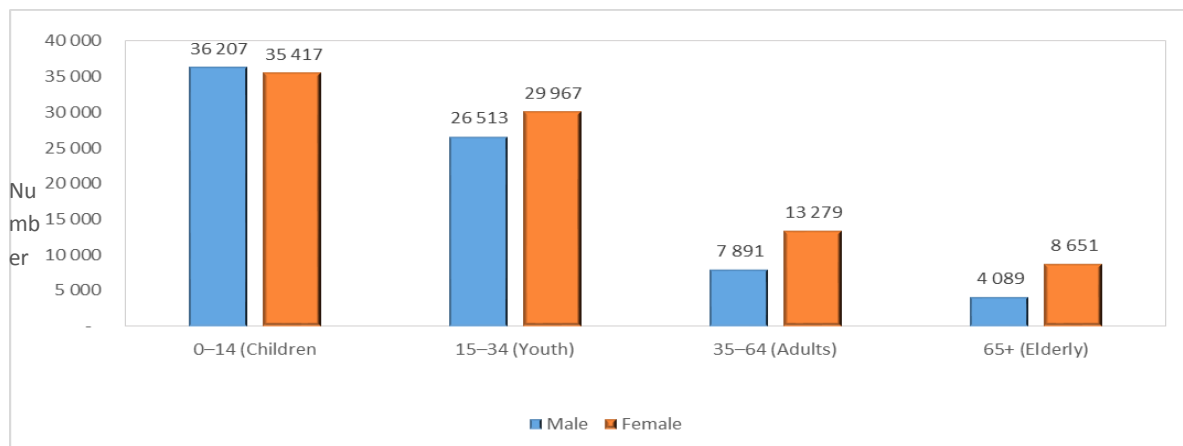
Community survey: 2016 indicates that in Chris Hani there are more females and less males in the District wide population. In Engcobo the ratio is the highest amongst all six (6) local municipalities at 54:46. This could imply that there are more females in informal businesses as seen in the streets of Engcobo.



Population by Gender and age, Community Survey 2016

The Community Survey of 2016 indicates that the population is predominantly children and teenagers on ages between 0-14 for both males and females. The distribution between males and females is almost even with a marginal difference of less than 1% between both genders.

However on the upcoming years the population diminishes particularly at ages sixty five (65+) and more. This age is not economically active and mostly die at this age due to old age.



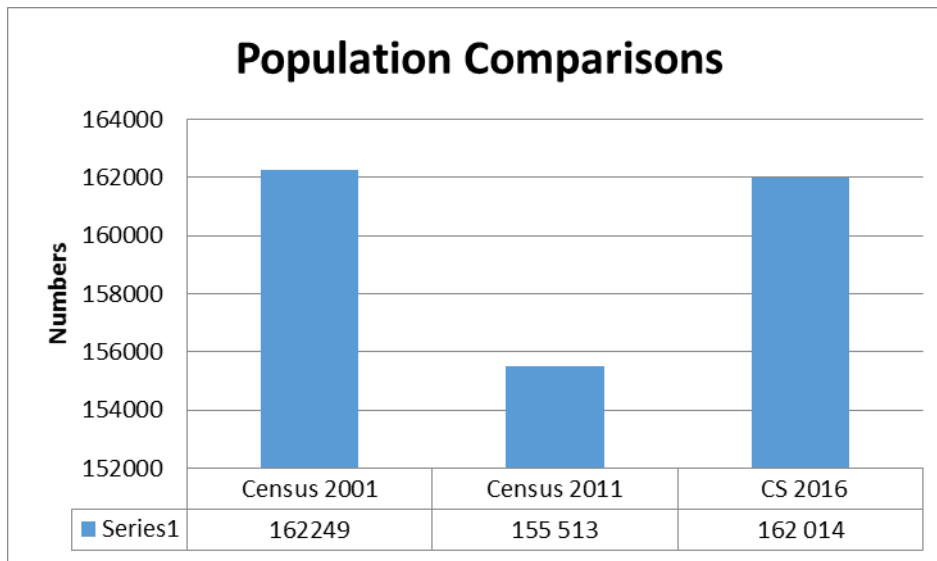
Source: Community Survey 2016

According to information supplied by Statistics SA, Engcobo LM had a population of about 155,514 in Census 2011. Whilst the population has increased by an average of 1% in 2016 from Community Survey with the population size of **162,014**. The population increase can be attributed to either a high birth rate or could be economic immigration from other provinces/countries. The table below summaries the population profile for Engcobo.

Engcobo Local Municipality Population		
Description	2011	2016
Population size	155 513	162,014
Population growth	-0.42%	0.93% per annum
Number of Households	38 442	33 156
Average Household size	4.0	4.9

Population Comparisons

The population based on STATSSA Census 2001, Census 2011 and Community Survey 2016 depicts that the population in 2001 was at 162, 249 whilst in 2011 the population declined at 155, 513. In the population steadily increased to 2016 162, 014. The figure below illustrates the situation. There are many factors could have attributed to population changes such as in/out migrations, birth and mortality rates.



Chris Hani District Wide Immigration

The table below demonstrates previous province of residence-derived by Geography hierarchy of Community Survey 2016.

	DC13: Chris Hani	EC131 : Inxuba Yethemba	EC135 : Intsika Yethu	EC137 : Engcobo	EC138 : Sakhisizwe	EC139 : Enoch Mjijima	EC136 : Emalahleni
Western cape	10034.15	351.27	2182.77	1276.41	420.07	2918.83	2884.79
Eastern cape	822006.78	69427.42	148897.34	159453.97	62966.22	260968.83	120292.99
Northern cape	193.70	50.13	-	13.37	-	117.39	12.82
Free state	885.09	54.15	137.17	175.60	142.23	249.55	126.39
Kwazulu-natal	556.88	27.40	39.35	102.49	55.12	234.26	98.25
North west	308.19	-	71.11	21.05	86.42	127.75	1.86
Gauteng	4320.92	369.30	570.28	692.48	102.39	1643.60	942.88
Mpumalanga	239.51	18.03	76.59	25.32	-	119.57	-
Limpopo	47.68	14.47	5.94	-	-	9.49	17.79
Outside south africa	1229.93	180.47	85.46	227.90	73.86	550.96	111.28

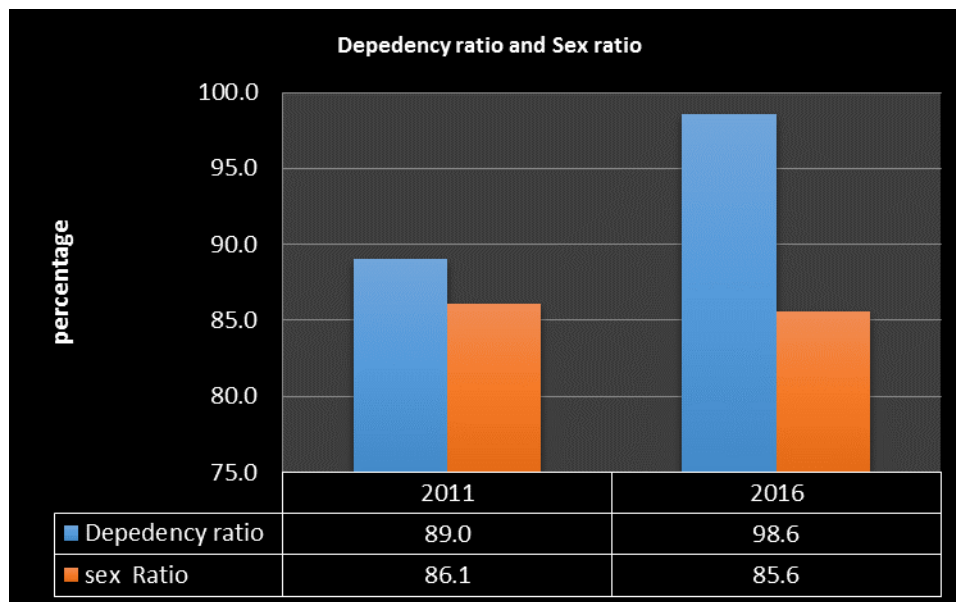
Dependancy and Sex Ratio

In 2016 Community Survey the dependency ratio of 98.6 % is recorded as higher than in Census 2011 at 89.0%. The sex ratio in 2011 is higher than that of the 2016 at 86.1 % in relations to 85.6%.

The population is predominantly female dominated, there is a universal consensus that women have a longer life expectancy than males, therefore given the current male to female ratio, various programmes and campaigns need to be put in place by Engcobo LM in order to empower women in the short to medium term. The other fact is in society at large.

The situation as it stands suggests that there are more women-headed-households than the contrary owing to various human circumstances, thus the argument of women empowerment need to be started and intensified. Such empowerment, when properly conceived and implemented will further curb population growth, which is perceived as an outcome of women's lack of economic opportunities.

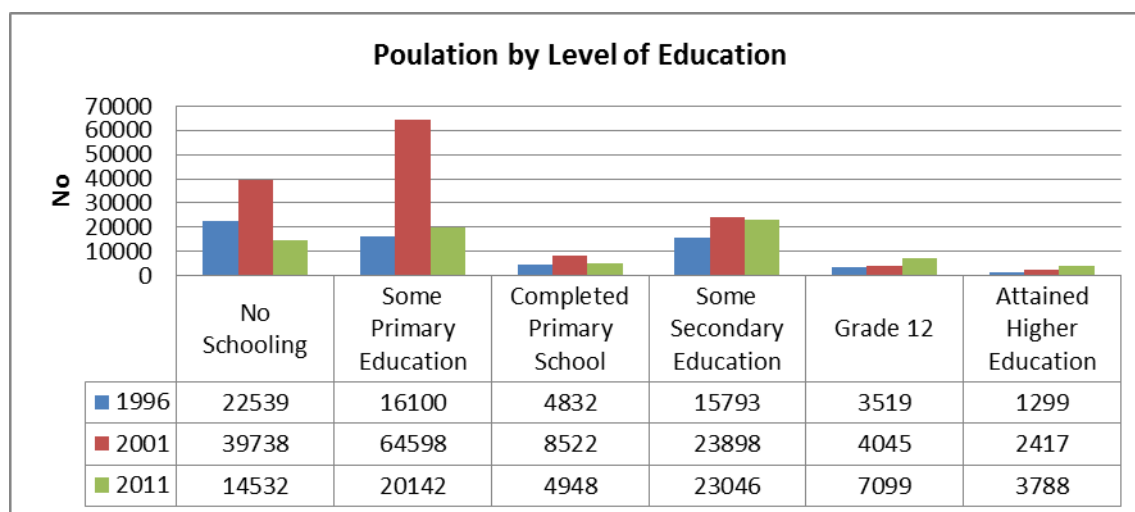
If women's health, education and economic well-being are improved along with their role and status in the community, the empowerment of women will inevitably lead to smaller families and lower or manageable population growth.



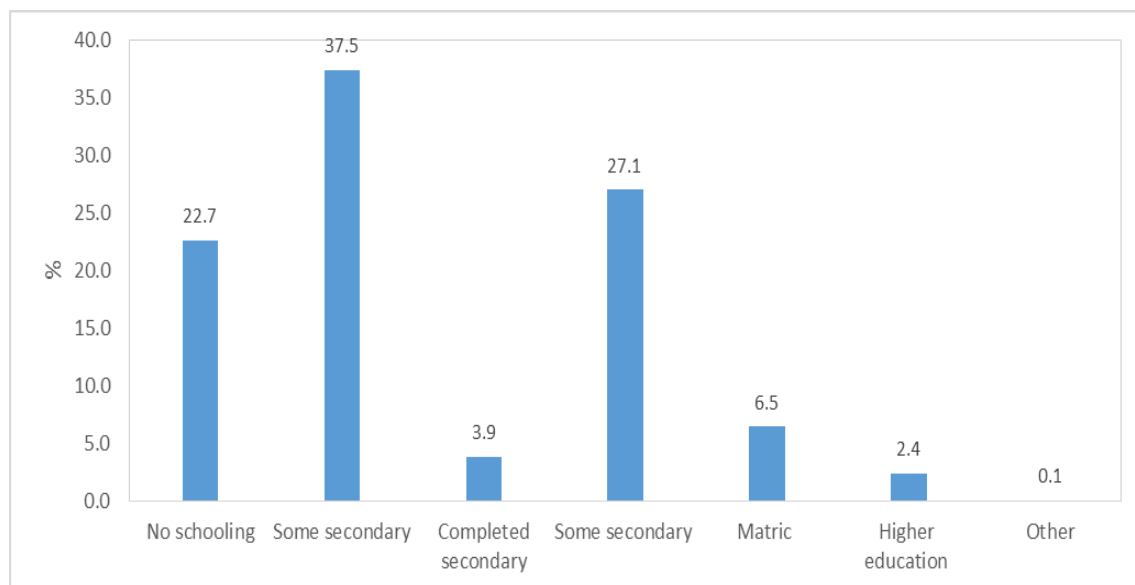
Population by Level of Education

The number of people with less than Grade 12 have decreased by considerable margin from 1996 to 2011. The decrease in people with no schooling can be attributed to various factors, such as urbanization, free basic education as well as adult basic education programmes that have been introduced by government whilst the increase in school leavers with tertiary education can be attributed to poor grades and lack of means to finance tertiary education.

Grade 12 pass rates have seen a gradual increase Year-on-Year from 1996 to 2011 by a very small margin and this is far from the acceptable levels. The graph below depicts the information above.



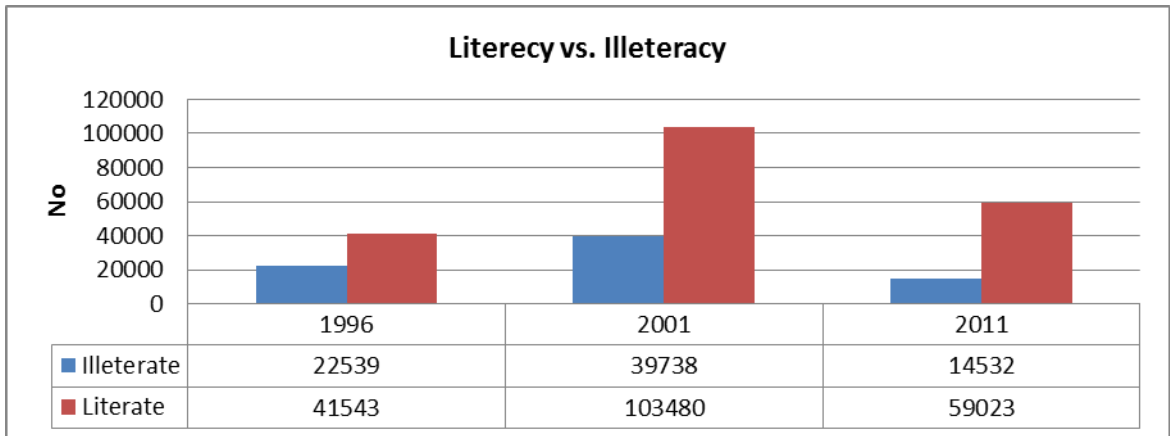
Highest level of education for Engcobo, Community Survey 2016



Source: Community Survey 2016

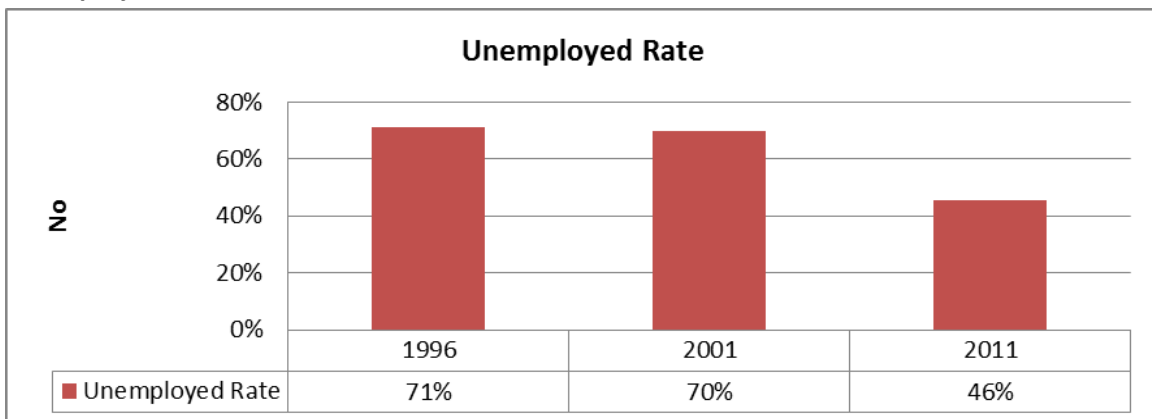
The table above is illustrating that few of Engcobo community possess higher education at 2.5% whilst the majority of the community are in possession of some secondary with very little percentage of 6.5% on matric completion. On average people with no school are voluminous at 22.7%.

Literacy vs. Illiteracy



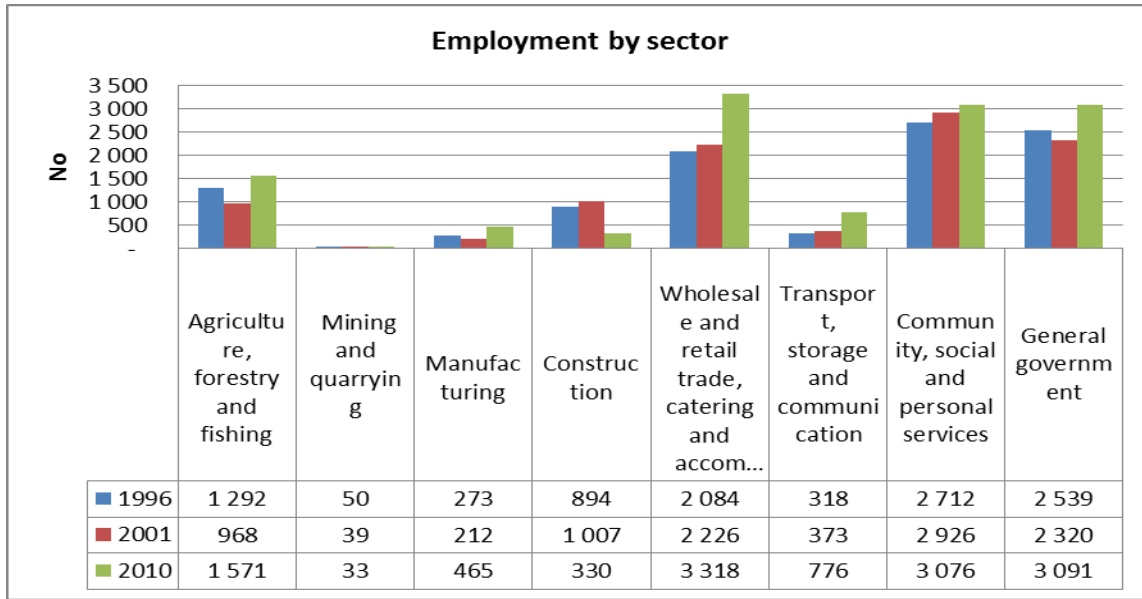
Literacy rate is fairly high amongst citizens whilst it has experienced decline between 2001 and 2011. The decrease in literacy rate will lead to lack of poor comprehension of socio-economic variables.

Unemployment Rate



The ELM's economy felt the full impact of a negative economic growth on general employment, which is evident from the above graph. About 70% of the Engcobo population was unemployed in 2001 and that has decreased by 24% to 46% in 2011.

Employment by Sector

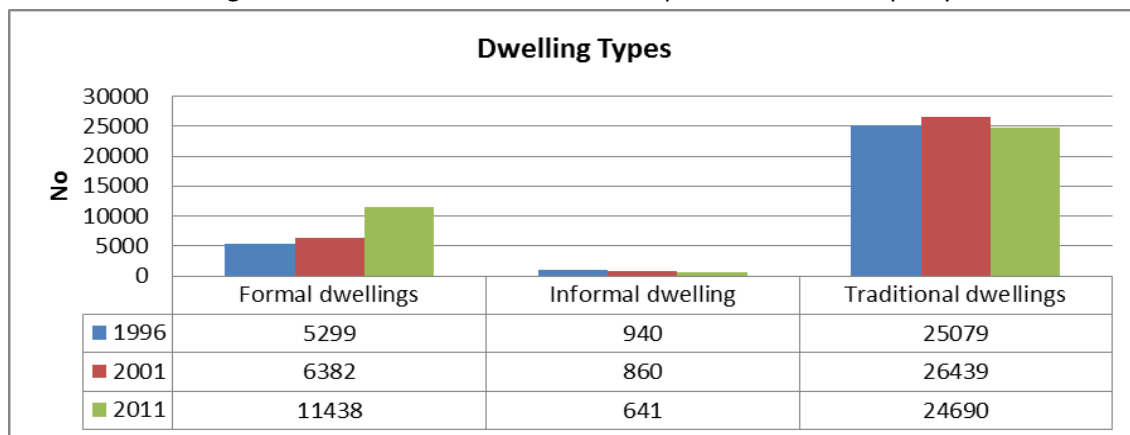


Despite it being generally a low wage sector, the trade sector shows a high labour absorption compared to the transport, business services and finance sector. This sector was followed by community, social and personal services as well as the general government sectors which accounted for more than 60% of the available jobs.

Based on the above graph the agricultural sector has created just over 1000 jobs in 2010 followed by manufacturing, with just over 500 jobs. The mining and quarrying has performed poorly over the years. The situation suggests that Engcobo produces very little or no commodities to support its retail sector and imports its goods from outside. The economic structure is not sustainable and depends on government to create jobs.

Dwelling Types

As the municipality is rural in nature, it stands to reason that almost 80% of dwellings are traditional dwellings which are found in the most rural parts of the municipality.



These traditional dwellings are characterized by the predominance of single-detached dwelling units.

Chris Hani District Wide Challenges

The local municipalities within the district have common challenges

	Citizen ranking of top priorities that the Chis Hani Municipalities should attend to		
	Priority 1	Priority 2	Priority 3
Inxuba Yethemba	Lack of safe and reliable water supply	Lack of/inadequate employment opportunities	Cost of electricity
Intsika Yethu	Inadequate roads	Lack of safe and reliable water supply	Lack of/inadequate employment opportunities
Engcobo	Lack of safe and reliable water supply	Inadequate roads	Lack of/inadequate employment opportunities
Sakhisizwe	Inadequate roads	Lack of/inadequate employment opportunities	Lack of safe and reliable water supply
Enoch Mgijima	Lack of safe and reliable water supply	Lack of/inadequate employment opportunities	Inadequate roads
Emalahleni	Lack of safe and reliable water supply	Inadequate roads	Inadequate sanitation/sewerage/toilet services

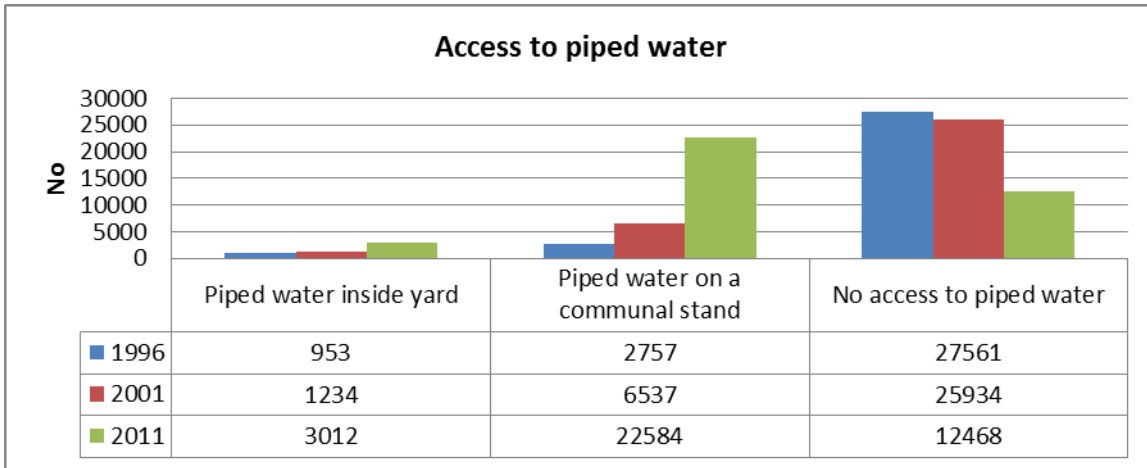
Access to Services

Household access to toilets

The municipality provides a supply of waterborne sanitation services through sewers provided that there are sufficient water resources and infrastructure to sustain such a service.

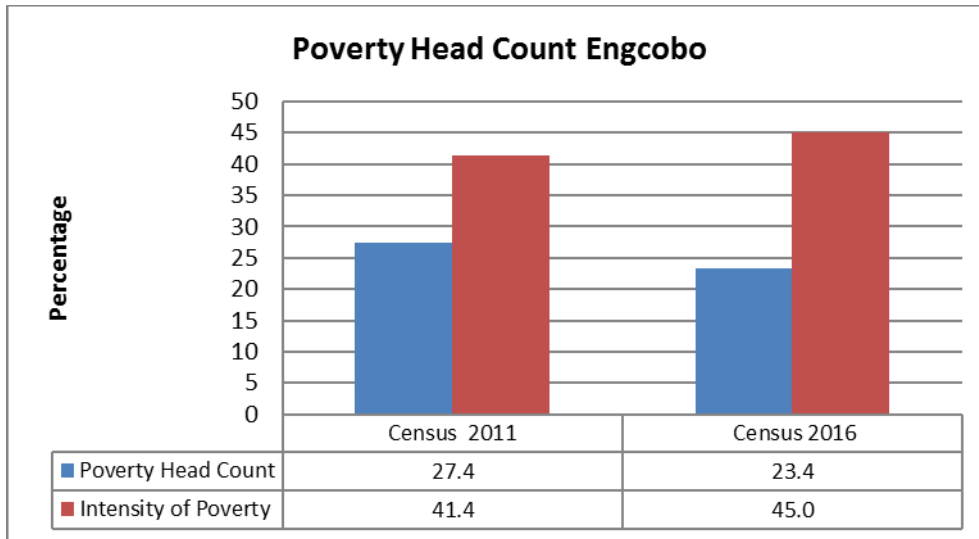
About 45% of the ELM population does not have access to either sanitation infrastructure or services. The consequence of lack of proper sanitation infrastructure and services will result in raw sewerage running on the streets, mixing with litter and garbage and contributing to environmental damage and spread of diseases.

Household access to water



There is a considerable decrease in the number of people who do not have access to water. However about 5% of the ELM population still fetches water from dams and streams.

Poverty Intensity



The table above demonstrates that poverty is rife under Census 2016 as compared to Census 2011.

1.2 ENVIRONMENTAL ANALYSIS

Engcobo Municipality's objective with regards to environmental management is to ensure conservation of natural resources that exist within its area of jurisdiction. Its function is derived and governed by a range of legislations including, but not limited to the Environmental Management Act of 1998, Environmental Conservation Act of 1989, Development Facilitation Act of 1995 and Air Quality Act of 2004.

1.2.1 Physical attributes

Topography and Drainage

Engcobo municipal area is drained by four perennial rivers- Mbashe, Xuka, Mgwali and Qumanco. It is situated on the plains or plateaux, below the foothills of the Baziya Mountains. The municipal area has a rolling topography dominated by mountains in the north and the four rivers dissecting the area in a north to south direction.

Climate

The climate is mild with warm to hot wet summers and cool to cold dry winters. Almost all areas receives a mean annual rainfall in excess of 700 mm with the highest rainfall (1000 to 1400 mm) recorded in the higher lying mountains of the north east. Most of the southern half of the municipality record 700 to 800 mm. between 65% and 75% of the rainfall occurs in the summer months (November to April).

Most of the municipality experiences summer daily maximum temperatures average for January of 26 to 28°C . These temperatures are cooler at higher altitudes in the north (24 to 26°C) and warmer in the lowlands of the south (28 to 30°C). Winter daily minimum temperatures averaged for July are cool in the south to cold in the north, with most of the region recording temperatures of 4 to 6°C, dropping to 2 to 4°C in the north.

A significant part of the central and eastern areas record less than 6 dekads of frost with only isolated area in the east and north east being frost free. More frost occurs in the west (7 to 9 dekads). The central and southern areas (with some exceptions) have a relatively short frost season with first frost recorded from 1 to 10 June and last frosts at the end of July.

Springs are generally dry to windy making the areas vulnerable to veld fires. The long dry spells commonly experienced in spring are followed by heavy summer rains making the soils vulnerable to erosion because of flash flooding.

Vegetation

Vegetation types represent an integration of the climate, soil and biological factors in a region, and as such, are a useful basis for land use and conservation planning. There are five vegetation types found in the Engcobo LM. The distribution of these of these vegetation types is illustrated in the table below.

Drakensburg foothill moist grassland covers 43% of the Municipality followed by Mthatha moist grassland 37%. Mthatha moist grassland vegetation type is classified as endangered.

Name	Area (Hectares)	%
Drakensburg foothill moist grassland	96786.0	47
Eastern Valley Bushveld	1866.5	1
Mthatha moist grassland	84308.3	37
Southern Mistbelt Forest	5441.9	2
Tsomo Grasslands	37496.2	17
Total	225899.0	100

Soils, Erodibility and Arability

The relatively moist climate has resulted in the occurrence of some relatively deep loam apedal soils in some of the basins and on some plateaux. These are arable with relatively low erodibility. The surrounding broken topography (ridges, hills and sloping land) is covered with mostly shallow, somewhat erodible soils.

Clay content in the topsoil over the northern and western areas tends to be higher (>25%) while in the central, southern and eastern areas, lower clay content (15 to 25%).

The extent of Grasslands suggests that the Municipality has huge potential for livestock production, in particular sheep and cattle. It is important however that grazing is properly managed to prevent degradation and depletion of vegetation type. The good climatic conditions and soils in some of the basins and plateau allow for the potential in crop production.

Geology and Mining

The geological units occurring in the area are mainly alluvium, dolerite, mudstone and sandstone. The area is generally characterized by deep, solonetzic soils with clay content. This gives way to shallow soils on red clay with poor drainage capabilities. Soils are generally characterized by high erodibility and low carrying capacities.

Mining (stone quarries and sand mining) is done illegally; needs permitting in terms of the Minerals and Petroleum Resources Development Act (stone, gravel, clay). Heavy mining (quarries and borrow pits); mining sites are left un-rehabilitated and this causes erosion and sedimentation of rivers. Mining sites are not licensed and therefore no one is obligated to rehabilitate the site. They pose a safety risk for local communities.

Engcobo LM (Eastern Cape Biodiversity Conversation Plan)

(Engcobo LM Eastern Cape Biodiversity Conversation Plan)

Engcobo LM has 24978 ha of Natural landscape (BLMC1) and 45670 ha of near Natural Landscape (BLM2). These land categories mostly occur in the northern section of the municipality. Extensive research should be conducted focusing on the availability of coal deposit areas such as Zadungeni and Gubenxa.

Areas of biodiversity conservation importance occur in the Northern section of the municipality and south of Ngcobo town.

1.2.2 Environmental Aspects and Endowments

Environmentally Sensitive Areas

In terms of the State of Environment Report of Chris Hani District Municipality, the following are priority environmental management issues:

- Qumanco wetland complex
- The high slope gradient in Engcobo, especially in the mountain areas in the north
- The conservation of indigenous forests
- The high occurrence of degraded land(63662 Hectares)
- Sensitive Fauna: Birds such as the Cape Parrot which occur in patches of the Afro Montane Forest
- Sensitive Flora: The Maputoland-Pondoland region of floristicendemism where many endemics and near endemics occur, especially in grassland vegetation
- Grassland priority zone exist in the south east corner of Engcobo where many endemic flora occur.

Conservation Areas

There are no conserved areas in Engcobo. The IUCN recommends that 10% of the area of Engcobo be conserved. It is proposed that the mountains in the north including 55 pockets of indigenous forests be preserved in a Nature Reserve and that a conservancy be established for the Grassland Priority Zone in the south, which will make up the required 10%.

Rivers

9 Perennial Rivers flow through Engcobo LM. They are- Nqancube, Mnyolo, Ntsuba, Mbashe, Xuka, Mgwali, Tora, Qumanco and Qitsi rivers. These rivers are all classified as vulnerable.

There are no conservation areas in the municipality

There are however a number of areas that require environmental management these include:

- Topography where slopes have a gradient greater than 1:5.
- Rivers/water source
- Areas containing plants and vegetation of conservation of importance e.g. afro montane forest and specific grassland areas,
- Wetland areas
- Other areas: the habitat of endangered animals and birds e.g. the wattle crane, cape parrot
- ***Environmental concern is the extent of the land degradation***

1.2.3 Environmental Elements

The Environment is a Dynamic System and therefore cannot be approached in a prescriptive manner. Environmental Guidelines and Principles must be outlined in order to facilitate responsible and environmentally sustainable development and highlight potential high-risk areas where further investigation (in the form of an EIA or scoping report) is required. The merit and desirability of each development needs to be individually assessed.

Legislation

The importance of the natural environment has been realized by the present government and over the past 10 years many new legislations, policies and laws have been adopted in order to better manage and conserve our environment. The following governmental legislation and policies are the key informants in the management and protection of the Environment.

- The Constitution Act 108 of 1996
- National Forest Act 84 of 1998 (NFA)
- Air Quality Act
- Biodiversity Act
- National Environmental Management Act (NEMA)
- Environment Conservation Act No. 73 of 1989 (ECA)
- Conservation of Agricultural Resources Act (CARA)
- National Water Act 36 of 1998 (NWA)
- Protected Areas Act

It is vital that Government Departments and Local Municipalities are familiar with the legislation in order to comply with and implement the legislation.

High risk Areas

The following are high-risk areas where development is discouraged.

- Topography: Slopes with a gradient greater than 1:5. This is due to the ecological impacts which may result e.g. soil erosion; slope failure etc.
- Rivers/ Water Source: Development within the 1:100 year flood line or within 100m of the high flood level. Development within 50m of riverbank; with 100m being the preferred distance.
- Vegetation: Afromontane Forest, Specific Grassland areas, Areas containing Plants and Vegetation of Conservation Importance
- Wetland Areas
- Heritage Sites: Rock Art Sites
- Other Areas: The habitat of endangers animals and birds e.g. the Wattle Crane and Cape Parrot
- Municipal Public Open Space.

Environmental Concerns/Issues

- Lack of Environmental Policy, Policing and Planning. There is a to lack of internal capacity and human resource skills provision in the Municipalities current structure and are unable to undertake important functions of environmental planning and monitoring..
- Flooding
- Drought
- Decaying urban aesthetics: due to poorly organized refuse collection and waste management programmes coupled with lack of enforcement of local by-laws for town planning, the Ngcobo CBD is characterized by litter and remains from burst water mains.
- Roaming animals: due to broken and sometimes non-existent fences along grazing areas and abutting villages to main roads. These animals are often responsible for motor accidents.
- Land degradation including soil erosion
- Depletion of natural resources and therefore the loss of habitat and biodiversity e.g. wetland areas.
- Lack of basic infrastructure leading to various environmental problems e.g. lack of sanitation facilities, formal waste removal etc.
- Water Pollution
- Alien and Invasive Plant Species
- Climate Change

1.2.4 Climate Change

Climate change is regarded by many as one of the most important environmental and developmental issues facing society. The scientific evidence for a rise in global temperature over the past century is unequivocal.

Globally and in the Eastern Cape, more energy is being used than ever before. This is causing the release of the highest quantities of Greenhouse Gasses ever, recorded. Greenhouse gasses lead to global warming, which in turn leads to climate change. Some impacts of climate change that scientists have predicted will affect Southern Africa, including the Eastern Cape, are:-

- More disasters related to severe weather events
- Longer and drier dry periods, leading to drought
- More runaway fires
- More intense flooding
- Sea-level rise
- Threats to food security and human health
- Loss of biodiversity
- Water supply problems
- Related economic impacts

There are two recognised ways of managing for a changing climate:

- Climate change mitigation (reducing the release of greenhouse gasses to the atmosphere. This is strongly linked to energy consumption and management efforts should focus on promoting energy efficiency, renewable energy, etc.)
- Climate change adaptation is a more reactionary approach to managing the effects of Climate Change (e.g. adapting to predict increases in climate change related disasters and adapting to changes in our environmental systems).

Municipalities in their policy planning can make meaningful contributions towards climate change mitigation and adaptation. The following notions are promoted through the objectives of SDFs, which have important implications for climate change:

- Spatial fragmentation has meant that transport distances (especially from home to work) are long and are therefore energy consuming;
- The lack of services (e.g. the absence of electricity) in certain areas forces communities to make use of more expensive and unsafe energy sources such as paraffin, fuel-wood, etc. Furthermore natural resources are in some cases being depleted for energy generation (e.g. fuel-wood);
- Higher density settlements are favourable in reducing transport distances;
- Promotion of public transport directly reduces energy consumption per capita;
- Avoiding settlement in potential disaster areas (such as floodlines; littoral active zones, etc.).

Climate Change Strategy

The municipality is in the process of developing a Climate Change Strategy; the strategy will be used as a planning document and is to be incorporated into all sector plans. The strategy will look at climatic trends of the area and add new climatic data to try and determine future climatic trends; thus will assist with planning purposes. Currently to manage climate change issues the municipality uses the district Environmental Plan and the Provincial Climate Change Strategy.

Projects that will emanate from the strategy will include developing educational posters to raise awareness about climate change both with staff and scholars throughout the area. The educational posters for schools will be developed for grades 10-12 as a supplementary education tool for teachers teaching subjects like natural sciences. Awareness campaigns will assist both with mitigation and adaptation to a phenomenon which will affect us and generation to come.

Air Quality

Air quality management in South Africa has recently undergone a major revision, with a shift from the source based air quality management approach under the Atmospheric Pollution Prevention Act (No. 45 of 1965) (APPA) to an ambient based approach under the National Environmental Management: Air Quality Act (No. 39 of 2004)(AQA). This change in air quality management approach has also seen a change in the responsibility for air quality management being devolved down from the national level to the local authority level (district and metropolitan municipalities).

Under the new Act each local authority is responsible for the development and implementation of an air quality management plan as part of their Integrated Development Plans (IDP). The terms of reference for the AQMP (JGDM) have already been developed.

Causes:

- The public transport sector (taxis, trucking, buses) are responsible for emitting pollutants in the form of exhaust fumes.
- Burning of waste in landfill sites.
- Uncontrolled, extensive and unnecessary burning of grasslands.
- Lack of public awareness of air quality issues and legislated pollution prevention.
- Lack of appropriately skilled monitoring and enforcement

Solid Waste Management

- Waste by laws
- Environmental by laws

1.3 SUMMARY OF POPULATION CONCERNS

Demographic Analysis	Socio-Economic Analysis	Relevant KPA
Population increase	Highest number of people is the youth and the economically active group of the society.	Good Governance and public participation
High unemployment levels	High indigence rate Low income housing	Infrastructure Development and Service Delivery; Financial Viability and Management
Low levels of income	Impoverishment and limited employment opportunities	Good Governance and public participation
High levels of disability	Dependence on social grants	Good Governance and public participation
High numbers of people with no schooling	Low levels of knowledge High indigence rate Dependence on grants Low levels of economic growth in the area	Good Governance and Public Participation
High illiteracy rates	Leads to poor comprehension of socio-economic variables	Good Governance and Public Participation
Increased migration levels	Increased urbunisation	Infrastructure and Service Delivery
High Service delivery backlogs	High number of rural households without electrification, water and sanitation	Infrastructure and Service Delivery
Predominant female population	Female headed households	All KPAs

CHAPTER 2: VISION, MISSION AND OBJECTIVES

2.1 VISION

The following vision was adopted for the Engcobo Local Municipality:

“A leading, transformed, people-centred Engcobo municipality with constantly improved and sustainable development”

2.2 MISSION STATEMENT

“To improve the quality of lives of the Engcobo Community by providing basic and affordable services whilst alleviating poverty through social and economic development of the area thereby creating a safe, healthy and secure environment.”

2.3 VALUES

In addition to the Batho Pele principles, our municipality commits itself to upholding the following set of values:

- Ensuring municipal wide good governance;
- Accountable and responsible local government;
- Maximum public participation;
- Focus on economic growth and human resource development;
- Honesty and integrity;
- Tolerance to the diverse nature of our clientele and communities;
- Acting responsible in our dealings;
- Safety and secure living for all residents
- Results orientation;
- Acceleration of service delivery;
- Effectiveness and efficiency in our approach; and
- Good governance, accountability, and public participation.

The values illustrated above are expected to serve as a guide in decision-making and operations of the municipality, more especially in relation to the following:

- Promote development which is in line with the Engcobo Spatial Development Framework.
- Protect the Engcobo Central Business District (CBD) as the primary node.
- Protect and promote public and private investment in the area.
- Preserve and protect natural resources and sensitive environmental areas.
- Support the socio-economic growth and development of the localities to the benefit of the entire Engcobo Local Municipality
- Promote physical, social and economic integration within the Engcobo Local Municipality.

- Ensure consistency in policies, strategies, land use management and by-laws.
- Promote gender equality and youth development.

The objectives, strategies and interventions forthcoming from the IDP support the vision and fundamentals. The Spatial Development Framework provides a spatial reflection of the vision, giving effect to the principles and fundamentals by guiding spatial development in the area.

2.4 OBJECTIVES

The aim of the IDP for the Engcobo Local Municipality is to move away from the idea of the IDP being a mere wish list and move towards a strategic and focused development plan. In order to achieve this, a series of Strategic Objectives have been formulated with each objective supported by strategies or interventions, which are to be implemented through projects and actions requiring budgetary allocations in the budgetary process of the Engcobo Municipality which is to follow from the Integrated Development Plan.

The Key Broad Strategic Objectives that will guide programs of the Municipality over the next five years are:

- a) To create a conducive environment for Local Economic Development and thereby improving access to economic opportunities.
- b) To improve overall financial management by developing and implementing appropriate and relevant financial management policies, procedures and systems
- c) To eradicate backlogs to eventually improve access to services and ensure proper operations and maintenance of infrastructure services
- d) To provide basic services that are affordable and reliable to the people of Engcobo within the available resources of the municipality,
- e) To improve solid waste and environmental management in line with applicable legislation,
- f) To ensure that the municipality becomes a viable and sustainable entity that has a reputation of effectively managing its scarce resources through a responsible, clean and accountable administration,
- g) To ensure that the municipality becomes a people-centered institution that creates space and platforms for its community and critical role-players to play a meaningful role in the planning, monitoring and evaluation of the performance of the organization.

STRATEGIC OBJECTIVES

KPA 1: INSTITUTIONAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT

- To ensure provision of adequate and competent personnel in line with the IDP by 2018/19 and beyond.

- To ensure adequate, effective, efficient and compliant preservation of institutional memory and registry facility by 2018/19 and beyond.
- To ensure continuous organizational cohesion for effective and compliant implementation of the IDP by 2018/19 and beyond.
- To ensure provision of adequate, effective and efficient ICT services that is commensurate with the IDP by 2018/19 and beyond.
- To ensure efficient, effective and compliant recruitment processes by 2018/19 and beyond.
- To enhance improvement education levels within municipality and communities by 2018/19 and beyond.

KPA 2.1: INFRASTRUCTURE AND SERVICE DELIVERY

- To ensure efficient provision of uninterrupted power supply to communities by 2018/19 and beyond.
- To ensure provision of adequate and sustainable human settlements by 2018/19 and beyond.
- To ensure provision of adequate and sustainable road network by 2018/19 and beyond.
- To ensure effective and efficient safeguarding of the municipal buildings and assets by 2018/19 and beyond.
- To ensure efficient provision of uninterrupted power supply to communities by 2018/19 and beyond.

KPA 2.2: INFRASTRUCTURE AND SERVICE DELIVERY

- To improve solid waste and environmental management in line with applicable legislation by 2018/19 and beyond.
- To enhance improvement in literacy levels within communities by 2022 and beyond
- To continuously reduce road accidents and road carnages within ELM through promotion of road safety regulations by 2018/19 and beyond
- To contribute towards reduction of HIV/AIDS prevalence in Engcobo Municipality by 2018/19 and beyond
- To continuously reduce the occurrence of disasters and related impacts to communities and other natural species by 2018/19 and beyond

KPA 3: LOCAL ECONOMIC DEVELOPMENT

- To ensure conducive environment for sustainable support on LED programmes/projects development by 2018/19 and beyond
- To ensure effective and efficient land management and spatial planning by 2018/19 and beyond

KPA 4: MUNICIPAL FINANCIAL VIABILITY MANAGEMENT

- To ensure effective, efficient, economical financial management processes culminating in sound financial viability by 2018/19 and beyond.
- To continuously ensure effective, efficient, transparent and compliant Supply Chain Management processes in pursuit for clean administration by 2018/19 and beyond.

- To ensure effective, efficient and compliant indigent management processes by 2018/19 and beyond.
- To ensure effective, efficient and compliant revenue management processes that increase own revenue by 2018/19 and beyond.
- To continuously ensure effective, efficient, transparent and compliant Asset Management processes in pursuit for clean administration by 2018/19 and beyond.

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

- To ensure co-ordination, co-operation and joint planning between spheres of government by 2018/19 and beyond.
- To ensure effective co-ordination of integrated planning, implementation, monitoring, evaluation and credible reporting by 2018/19 and beyond.
- To promote good governance in advisory and assurance services, risk management and Fraud awareness by 2018/19 and beyond.
- To ensure effective, efficient, economical and compliant public participation processes by 2018/19 and beyond.
- To ensure the implementation of council resolutions by 2018/19 and beyond.
- To ensure provision of adequate and competent personnel in line with the IDP by 2018/19 and beyond

2.5 KEY PERFORMANCE PRIORITIES

The following is a summary of the Key Development Priorities identified for the Engcobo area from the Situational Analysis process:

- Enhance local economic development by creating a conducive environment & a sustainable approach to agriculture, tourism and small business development.
- Rezoning, re planning of townships, SDF review and planning by-laws
- Enhance skills development in line with the Skills Development Act No. 97 of 1998.
- Correct the mismatch between the Organogram & the prevailing workplace environment.
- Implement job grading for correct remuneration structuring.
- Align the workplace practices paying particular attention on compliance with employment equity provisions as prescribed by the EEA No. 5 of 1998.
- Improve basic working conditions for employees, such as provision of adequate office and workspace as well as furniture.
- Enhance information management & operational efficiency through provision of IT support (hard-ware & software and internet connectivity).
- Improve labour relations by democratizing the workplace in line with the LRA.
- Create an enabling environment for the introduction & engagement with workplace forum meetings & collective bargaining in line with the LRA.
- Introduce workplace grievance processes for dispute resolution.

- Address service backlogs (water & sanitation, roads & bridges, storm-water & solid waste, electricity) needs to be addressed.**
- Upgrading and maintenance of roads & stormwater, sewer and purification networks.**
- Public transportation (building of bus & taxi rank).
- Upgrading of the town precinct along the main road (to be done with SANRAL).
- Improve revenue collection & broaden revenue base.
- Enhance indigent provision.
- Building of new and upgrading of existing sports facilities.
- Introduce better financial management practices for a better & improved audit outcome.
- Comply with the purpose & scope of the Occupational Health and Safety Act No. 85 of 1993.
- Mainstream all the SPU programmes.
- Improve internal governance structures such the functioning of the Audit Committee and Risk Committee.
- Improve all public participation practices and mechanisms.

2.6 STRATEGIC FRAMEWORK

Objectives are the specific goals that have to be achieved in order to bring the current situation including identified community needs closer to the Vision. The Strategies are the actions and interventions required to implement the objectives and eventually culminate in a list of Projects. This culminated into a **strategic framework of Engcobo municipality** which articulates **the roadmap for the 2018/19 to 2020/21 financial years**. The strategic framework is the output of the robust strategic planning session, which was anchored by rigorous SWOT analysis of departments. The strategic framework therefore represents the top layer of the performance planning and filters down to operations through the Service Delivery and Budget Implementation Plan (SDBIP), and this cascading of the strategic framework require accurate alignment between the two documents to ensure that the strategic thrust of the institution is notlost.

CHAPTER 3: IDP REVIEW PROCESS

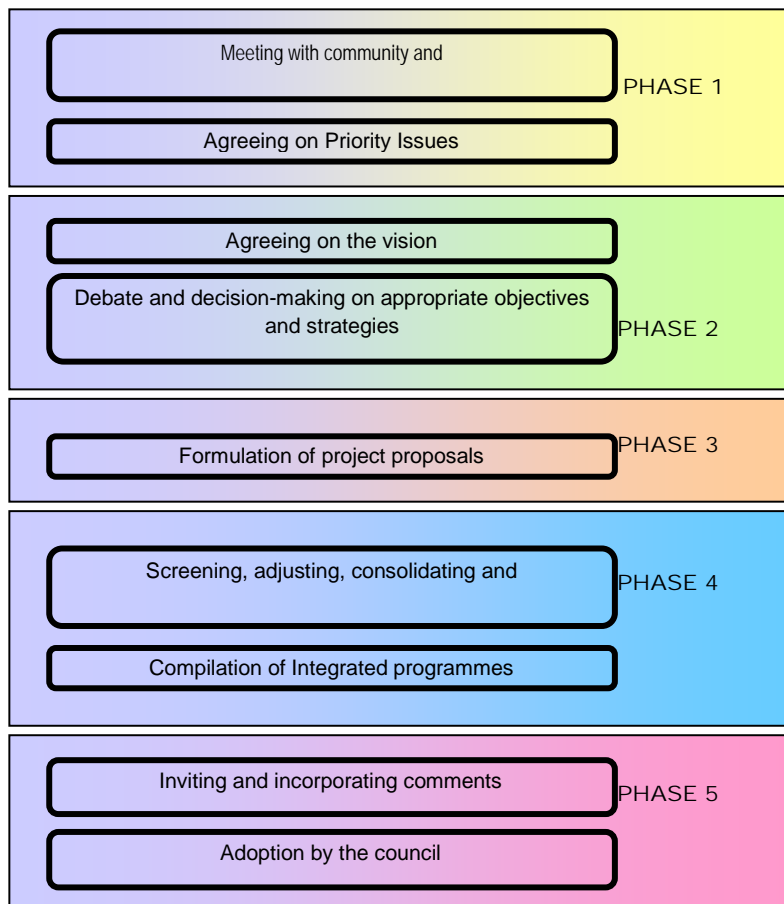
The IDP process is aimed at achieving faster and more effective service delivery and to provide a framework for economic and social development in Engcobo Municipality. The integrated context strives to create a planning environment that allows for the integration and alignment of government's strategic objectives and delivery priorities and is geared towards eliminating the development legacy of the past.

The Department of Provincial and Local Government IDP Guidelines summarized the purpose of the Integrated Development Planning Process as follows:

- Eradicating the development legacy of the past;
- Making the notion of developmental Local Government work;
- Laying the foundation for community building; and
- Fostering co-operative governance.

The methodology followed in the IDP process is based on the Department of Provincial Local Government (DPLG) model or approach which is staged over 5 phases: Analysis, Strategies, Project Formulation, Integration and Approval as illustrated in Figure 1.1 overleaf.

FIGURE 1.1: THE GENERIC IDP PROCESS



While the guide packs propose a systematic process of IDP preparation based on typical systems theories, the reality of planning in the Engcobo area is more similar to incremental planning and constant shaping of a concept, until consensus is reached. As such, the final approved IDP document is likely to change over subsequent years as external and internal factors impact and reshape strategic focus.

The Constitution provides the primary overarching framework within which Local Government planning must be understood. As has been mentioned earlier the Constitution gives Local Government a mandate to provide democratic and accountable Government for all communities; ensure the provision of services to communities in a sustainable manner; promote social and economic development; promote a safe and healthy environment and encourage the involvement of communities and community organizations in the matters of Local Government.

The under-mentioned Acts regulate the legal context within which all municipalities are expected to function:-

- Municipal Demarcation Act;
- Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998) as amended;
- Local Government: Municipal System Act, 2000 (Act No 32 of 2000) as amended;
- Municipal Planning and Performance Management Regulations, (Regulation No. R796, 24 August 2001); and
- Local Government: Municipal Finance Management Act, 2003 (No. 56 of 2003) as amended.

Annual Review and Amendment of the Integrated Development Plan

The Engcobo IDP for 2018/19 is based on the following prescripts:-

A Municipal Council:

- Must review its Integrated Development Plan annually in accordance with an assessment of its performance measurements, and to the extent that changing circumstances so demand a review;
- May amend its Integrated Development Plan in accordance with a prescribed process (Local Government Municipal Systems Act, 2000, Section 34).

The Mayor of a municipality must co-ordinate the annual revision of the Integrated Development Plan in terms of Section 34 of the Municipal Systems Act, and determines how the Integrated Development Plan is to be taken into account or is to be revised for the purposes of preparing the annual budget. Section 53 (1) (b) of the Municipal Finance Management Act, 2003 (Act 56 of 2003) as amended.

The Engcobo Municipality's Integrated Development Plan under development for 2018/19 – 2021/22 is structured as follows:

Chapter 1	Situational Analysis
Chapter 2	Vision, Mission and Objectives
Chapter 3	IDP Review Process
Chapter 4	Strategic Alignment with Key National, Provincial and District Government
Chapter 5	<p>Status Quo Assessment and Key Performance Areas</p> <ul style="list-style-type: none"> <input type="checkbox"/> Institutional Development and Transformation <input type="checkbox"/> Service Delivery and Infrastructure Development <input type="checkbox"/> Local Economic Development <input type="checkbox"/> Financial Viability <input type="checkbox"/> Good Governance and Public Participation
Chapter 6	<ul style="list-style-type: none"> <input type="checkbox"/> Programmes and Projects <input type="checkbox"/> Unfunded Projects
Chapter 7	High Level Sector Plans

CHAPTER 4: STRATEGIC ALIGNMENT WITH KEY NATIONAL, PROVINCIAL AND DISTRICT GOVERNMENT

Since the first democratic elections in South Africa in 1994, the nature and functions of municipalities changed drastically, with more emphasis being placed on the developmental role of local authorities. Developmental local government means a commitment to working with citizens to find sustainable ways to meet their social, economic and material needs to improve the quality of their lives. A duty is also placed on local authorities to ensure that development policies and legislation are implemented. Preference must therefore be given to this duty when managing the administrative and budgetary processes of the municipality.

The Constitution of the Republic of South Africa (1996) commits government to take reasonable measures, within its available resources, to ensure that all South Africans have access to adequate housing, health care, education, food, water and social security. The current goal of municipalities is to establish a planning process which is aimed at the disposal of the imbalances created by the apartheid era. Developmental local government can only be realized through integrated development planning and specifically the compilation of an Integrated Development Plan (IDP).

The IDP preparation and review processes are predominantly guided by various legislations, policies and guides as alluded above. These policy guides have to be carefully considered when the IDP is being developed and reviewed. These policies, guides and legislative frameworks include but not limited to the following;

- The Constitution of the Republic of South Africa.
- Municipal Structures Act No 117 of 1998.
- Municipal Systems Act No. 32 of 2000.
- Municipal Finance Management Act No. 56 of 2003.
- Millennium Development Goals-2015.
- National Development Plan 2030
- Batho pele Principles 1998
- National Spatial Development Perspective.
- Accelerated Shared Growth Initiative for South Africa (ASGISA).
- Provincial Growth Development Strategy.
- Joint Initiative on Priority Skills Acquisition (JIPSA).
- IDP Guides and Spatial Development Framework (SDF).

Section 25 of the Municipal Systems Act (Act 32 of 2000) stipulates that:

“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-ordinates 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 this Chapter; and*
- e) Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation”.*

As far as the status of an integrated development plan is concerned, Section 35 states that an Integrated Development Plan adopted by the council of a municipality:

- a) *“is the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development, in the municipality;*
- b) *binds the municipality in the exercise of its executive authority, except to the extent of any inconsistency between a municipality’s integrated development plan and national or provincial legislation, in which case such legislation prevails; and*
- c) *Binds all other persons to the extent that those parts of the integrated development plan that impose duties or affect the rights of those persons have been passed as a by-law”.*

Section 36 furthermore stipulates that:

“A municipality must give effect to its integrated development plan and conduct its affairs in a manner which is consistent with its integrated development plan”.

However, in terms of section 34 of the Municipal Systems Act, a municipal council “must review its integrated development plan annually”, and based on the outcome of the review process it “may amend its integrated development plan in accordance with a prescribed process”.

The MSA thus places a legislative duty on municipalities to adopt a single, inclusive and strategic plan (Integrated Development) for the development of the municipality which links; integrates an co-ordinates plans and takes into account proposals for the development of the municipality; aligns the resources and capacity of the municipality with the implementation of the plan; and forms the policy framework and general basis on which annual budgets must be based. The compilation of Integrated Development Plans by municipalities is regulated in terms of the Municipal Systems Act (Act 32 of 2000).

Moving from the premise that Engcobo municipality is an integral part of the South African developmental State, this chapter strives for synergy with the programmes of other organs of state, particularly at a strategic level.

This section lists the numerous Plans and Strategic initiatives that have informed and influenced the macro strategic direction followed by Engcobo municipality over the last few years. The democratization of Local Government demanded the crafting of new legislation, policies and strategies which have been tried and tested over the past ten to fourteen years. In retrospect some have worked very well and other held unintended consequences which necessitates continues redesign of policies and new approached to be tested. In this way some objectives and strategies at all levels of government have been modified over time to improve developmental effectiveness. Instilled in all these initiatives and objectives, old and emerging, is the welfare of South Africans citizens and for this reason Engcobo municipality will show the connectivity through to the Outcome 12 drive, in as far as it relates to local government.

4.1. BACK TO BASICS

In terms of Section 62(1)(c)(i) of the MFMA the accounting officer of the municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that, the municipality has and maintains an effective, efficient and transparent system of financial and risk management and internal control.

Circular No: 47/2014 from the Department of Cooperative Governance requires that all Municipal Managers adhere to the Back to Basics Information System: Monthly Indicators.

The launch of Back to Basics approach as per the Circular is designed to ensure that all municipalities perform their basic responsibilities and functions without compromise. The programme is built with five pillars, aligned below:

COGTA	ENGCOCO
Putting people first and their concerns	<p>Communities and other stakeholders are consulted and involved in the development of IDP and implementation feedback through quarterly performance reports and annual performance report. Website, pamphlets and radio stations are used to communicate developments and challenges in the municipal service delivery activities.</p> <p>40 IDP road shows, 40 EXCO Imbizo 4 IDP representative forum, LED forum, Agricultural forum, Mayoral campaigns, 80 Ward Committee meetings, 1 Mayors Cup</p> <p>Engage, consult, involve and provide feed back through various platforms of communication to avoid service delivery public protests from Engcoco communities</p> <p>Communication and public participation policies include complaints handling</p>
Demonstrating good governance and administration	<p>The municipality has oversight structures which are expected to sit at four times a year:</p> <p>Council comprises of 39 Councillors</p> <p>Executive Committee with all portfolio heads and the Mayor chairs the committee meetings</p> <p>7 Standing Committees (Infrastructure, Budget & Treasury Office, Special Programs, Waste & Refuse, Health & Community, Corporate Services)</p> <p>At least 4 MPAC to be held during the year</p> <p>Audit Committee quarterly reviews governance, risk management and control environment</p> <p>8 Traditional Councils within the municipal boundary</p> <p>Quarterly Troika plus one meetings</p> <p>Adopted Risk Management Strategy which includes Anti-fraud and risk management policies</p> <p>Annual fraud risk awareness to instill culture of ethics</p> <p>Local Labour Forum to discuss labour issues</p>
Delivering municipal services	<p>Engcoco Local Municipality are responsible for providing electricity services. The LM is also responsible for street lighting and installation and maintenance of high mast lights.</p> <p>The level of service that is provided by Eskom is the basic level of service and upgrades to the households are done through the normal Eskom procedures.</p> <p>Electricity infrastructure is being rolled out at different wards through grant funding from the Department of Energy.</p> <p>The majority of households are currently electrified. Out of a total of 37 215 households in the municipality a total 29 957 (80%) households have access to electricity. There is a current backlog of 5 718 households with 1540 households under construction to be energised by June 2018.</p>
Sound financial management and accounting	<p>The municipality has Supply Chain Management Policy.</p> <p>MIG monthly reporting as per MIG conditions and Treasury requirements.</p> <p>Supply Chain Management reports to oversight structures with</p>

	<p>amount of tenders awarded quarterly, mid-year and annually.</p> <p>Free basic services – electricity for indigent paid to Eskom</p> <p>Financial performance of the municipality is published in annual report,</p>
Sound institutional and administrative capabilities	<p>Councillors and municipal employees are trained for skill development</p> <p>The municipality has 5 head of the department and 3 managers that directly reports to the municipal manager.</p> <p>All 5 strategic position of senior managers (Sec 56 Managers) are filled.</p> <p>The municipality communicate Code Of Ethics and Disciplinary Policies to its employees.</p>

The Back to Basics approach will institutionalize a performance management system that will recognize and reward good performance, and ensure sufficient consequences and appropriate support for under-performance. The approach will integrate information on municipalities and ensure that the current challenges in the local government sphere, in the short and medium term specifically are addressed.

Although, best practice indicates that Internal Auditing should not be in direct control of the risk management function (Back to basics), Internal Auditing may perform advisory and consulting engagements on risk management in accordance with applicable standards (refer to the International standards for the Professional Practice of Internal Auditing - Performance standard 2110).

4.2 SUMMARY OF THE NATIONAL DEVELOPMENT PLAN 2030

High-level objectives to be achieved by 2030

- Reduce the number of people who live in **households with a monthly income below R419 per person** (in 2009 prices) from 39 percent to zero.
- Reduce **inequality**, as measured by the [Gini coefficient](#), from 0.69 to 0.6.
- To make meaningful progress in eliminating poverty and reducing inequality, South Africa needs to write a new story. The National Planning Commission envisions a South Africa where **opportunity is determined not by birth, but by ability, education and hard work**.
- Above all, we need **to improve the quality of education and ensure that more people are working**. We need to make the most of all our people, their goodwill, skills and resources will spark a cycle of development that expand opportunities, builds capabilities and raises living standards. We cannot continue with business as usual. We need to change the way we do things; the sooner we do this, the better.

Enabling milestones

- Increase employment from 13 million in 2010 to 24 million in 2030.
- Raise per capita income from R50 000 in 2010 to R120 000 by 2030.
- Increase the share of national income of the bottom 40 percent from 6 percent to 10 percent.
- Establish a competitive base of infrastructure, human resources and regulatory frameworks.
- Ensure that skilled, technical, professional and managerial posts better reflect the country's racial, gender and disability makeup.
- Broaden ownership of assets to historically disadvantaged groups.
- Increase the quality of education so that all children have at least two years of preschool education and all children in grade 3 can read and write.
- Provide affordable access to quality health care while promoting health and wellbeing.
- Establish effective, safe and affordable public transport.
- Produce sufficient energy to support industry at competitive prices, ensuring access for poor households, while reducing carbon emissions per unit of power by about one-third.
- Ensure that all South Africans have access to clean running water in their homes.
- Make high-speed broadband internet universally available at competitive prices.
- Realize a food trade surplus, with one-third produced by small-scale farmers or households.
- Ensure household food and nutrition security.
- Entrench a social security system covering all working people, with social protection for the poor and other groups in need, such as children and people with disabilities.
- Realize a developmental, capable and ethical state that treats citizens with dignity.
- Ensure that all people live safely, with an independent and fair criminal justice system.
- Broaden social cohesion and unity while redressing the inequities of the past.
- Play a leading role in continental development, economic integration and human rights.

Critical actions

- A social compact to reduce poverty and inequality, and raise employment and investment.
- A strategy to address poverty and its impacts by broadening access to employment, strengthening the social wage, improving public transport and raising rural incomes.

- ❑ Steps by the state to professionalize the public service, strengthen accountability, improve coordination and prosecute corruption.
- ❑ Boost private investment in labor-intensive areas, competitiveness and exports, with adjustments to lower the risk of hiring younger workers.
- ❑ An education accountability chain, with lines of responsibility from state to classroom.
- ❑ Phase in national health insurance, with a focus on upgrading public health facilities, producing more health professionals and reducing the relative cost of private health care.
- ❑ Public infrastructure investment at 10 percent of gross domestic product (GDP), financed through tariffs, public-private partnerships, taxes and loans and focused on transport, energy and water.
- ❑ Interventions to ensure environmental sustainability and resilience to future shocks.
- ❑ New spatial norms and standards – densifying cities, improving transport, locating jobs where people live, upgrading informal settlements and fixing housing market gaps.
- ❑ Reduce crime by strengthening criminal justice and improving community environments.

Building a future for South Africa's Youth

South Africa has an urbanizing, youthful population. This presents an opportunity to boost economic growth, increase employment and reduce poverty. The Commission, recognizing that young people bear the brunt of unemployment, adopted a "youth lens" in preparing its proposals, which include:

- ❑ A nutrition intervention for pregnant women and young children
- ❑ Universal access to two years of early childhood development
- ❑ Improve the school system, including increasing the number of students achieving above 50 percent in literacy and mathematics, increasing learner retention rates to 90 percent and bolstering teacher training
- ❑ Strengthen youth service programmes and introduce new, community-based programmes to offer young people life-skills training, entrepreneurship training and opportunities to participate in community development programmes
- ❑ Strengthen and expand the number of further education and training (FET) colleges to increase the participation rate to 25 percent
- ❑ Increase the graduation rate of FET colleges to 75 percent
- ❑ Provide full funding assistance covering tuition, books, accommodation and living allowance to students from poor families
- ❑ Develop community safety centers to prevent crime and include youth in these initiatives

- ❑ A tax incentive to employers to reduce the initial cost of hiring young labor-market entrants
- ❑ A subsidy to the placement sector to identify, prepare and place matric graduates into work. The subsidy will be paid upon successful placement
- ❑ Expand learnerships and make training vouchers directly available to job seekers
- ❑ A formalized graduate recruitment scheme for the public service to attract highly skilled people
- ❑ Expand the role of state-owned enterprises in training artisans and technical professionals.

4.3 COGTA: NATIONAL KEY PERFORMANCE AREAS FOR MUNICIPALITIES

Department of Cooperative Governance and Traditional Affairs (**CoGTA**) assess the progress made by municipalities against five Key Performance Areas (KPA) and cross-cutting interventions adopted in the 5-Year Local Government Strategic Agenda. The five KPAs that form the basis of the assessments are:

- ❑ **KPA 1:** Municipal Transformation and Organizational Development;
- ❑ **KPA 2:** Basic Service Delivery;
- ❑ **KPA 3:** Local Economic Development (LED);
- ❑ **KPA 4:** Municipal Financial Viability and Management; and
- ❑ **KPA 5:** Good Governance and Public Participation.

The above allow CoGTA to determine how well each municipality is performing, compare its performance to targeted goals, create measures to improve performance, identify the municipalities that have under-performed and propose remedial action to improve performance of municipalities.

Engcobo municipality has aligned to the KPAs in the next chapter, **chapter five (5) STATUS QUO ASSESSMENT PER KEY PERFORMANCE AREA.**

4.4 BATHO PELE PRINCIPLES (1998)

1. **CONSULTATION:** Citizens should be consulted about the level and quality of public service they receive, and where possible, should be given a choice about the services which are provided
2. **SERVICE STANDARDS:** Citizens should know what standards of service to expect
3. **ACCESS:** All citizens should have equal access to the services to which they are entitled
4. **COURTESY:** Citizens should be treated with courtesy and consideration

5. **INFORMATION:** Citizens should be given full and accurate information about the public services they are entitled to
6. **OPENNESS AND TRANSPARENCY:** Citizens should know how departments are run, how resources are spent, and who is in charge of particular services
7. **REDRESS:** If the promised standard of service is not delivered, citizens should be offered an apology, a full explanation, and a speedy and effective remedy, and when complaints are made, citizens should receive a sympathetic, positive response.

4.5 NATIONAL SPATIAL DEVELOPMENT PERSPECTIVE (NSDP)

The NSDP principles below suggest that a planning approach must take into account the economic development potential of areas where the public sector is to invest:-

- Rapid economic growth that is sustained and inclusive is a pre-requisite for the achievement of poverty alleviation;
- Government has a constitutional obligation to provide basic services to all citizens, wherever they reside;
- Government spending on fixed investment, should be focused on localities of economic growth and/or economic potential;
- Efforts to address past and current social inequalities should focus on people not places;
- Localities with high levels of poverty and low development potential, public spending should focus on human resource development.

4.6 AsgiSA/JIPSA

The main objectives of the Accelerated and Shared Growth Initiative (AsgiSA) and the Joint Initiative on Skills Acquisition (JIPSA) are:-

- Skills development
- Mainstreaming the second economy
- Infrastructure development

4.7 RURAL DEVELOPMENT STRATEGY (RDS)

The rural development strategy vision is “sustainable growth and development for improved quality of life”. Strategy is based on two goals and six objectives which give rise to six pillars namely;

Goal 1: Socio-economic and ecological development and transformation of rural areas.

Objective 1: Implement agrarian reform programmes

Objective 2: Enabling institutional environment for rural development and increasing the rate of implementation of the land reform programme

- Objective 3: Create decent jobs through farm and non-farm employment outside urban areas. The strategic priorities of this pillar are agro – processing, forestry, marine and aquaculture tourism and LED and small scale industry
- Objective 4: Fast track development of social and economic infrastructure
- Objective 5: Growing the agricultural sector, ensure household food security for all and contribute significantly to national food security.

Implementation of the Rural Development Strategy

Engcobo Municipality consists of two dimensions, the one is urban in nature and the other is rural with large tracks of communal and farm lands. All objectives are encompassed in our Service Delivery Budget Implementation Plan (SDBIP) for implementation and performance purposes.

4.8 EASTERN CAPE VISION 2030 PROVINCIAL DEVELOPMENT PLAN

A sustainable future for the Eastern Cape rests on people-centred development to achieve five related goals:

- An inclusive, equitable and growing economy for the province
- An educated, innovative and empowered citizenry
- A healthy population
- Vibrant, equitably enabled communities
- Capable agents across government and other institutional partners committed to the development of the province.

To realise the plan’s development goals, the province has identified four catalytic flagships that will establish a sound foundation for other developments to flourish. These catalytic initiatives cut across sectors and integrate the efforts of many role-players. The provincial catalytic flagships, outlined in further detail in this plan, are as follows:

Ilima Labantu

Ilima Labantu is an agricultural development initiative that aims to revive the rural economy and encourage other areas of development in the province. The Eastern Cape is endowed with significant natural resources that can be used to help address its food security needs, expand its capacity to provide jobs, raise income levels and trigger development in allied industries and other sectors. Ilima Labantu aims to mobilise communities and a range of departments and entities across government to act in a focused, integrated and coordinated manner on various elements of the programme:

- Research and development (R&D) institutions.** Develop appropriate technology to support production and related activities at various levels of the agricultural value chain.
- Education and training institutions.** Build the capabilities of producers and producer organisations, and support improvements in the capabilities of state and non-governmental agents who work with communities.
- Government.** Provide resources to drive the initiative, and ensure that there is proper coordination of the programme and accountability for mandated actions.

Ematholeni

Ematholeni (children first) aims to give all children a quality start to development and learning, providing a solid foundation for a future of equal opportunity. This foundation begins from the level of early childhood development (ECD). Ematholeni will ensure that the Eastern Cape increases its focus on this level of development. It also aims to build systemic continuity from ECD through to the foundation and intermediate phases of primary schooling. It will mobilise and develop the capabilities of communities to support the development and learning of their children.

Infrastructure

The flagship focuses on the provision and maintenance of infrastructure for spatially equitable social and economic development. This includes social infrastructure (human settlements, public institutions) and economic infrastructure (irrigation systems, factories, production technology, equipment and systems, as well as information and communication technology). Infrastructure development should be a concern for all development partners.

Building human and institutional capabilities for local development action

In keeping with the NDP's goals and the Back-to-Basics campaign, the flagship aims to build human and institutional capabilities for inclusive and meaningful local development action. This includes building and consolidating a capable state with strong local government and sub-entities; accountable sub-regional agents of national and provincial departments; skilled leaders and functionaries of non-governmental organisations and citizen associations; and capable and responsible citizens.

The PDP is a plan for all of the province's people – government, citizens, civil society organisations and the private sector. It is a living plan that will only find meaning if all role-players are committed to its implementation. The plan will be subject to ongoing monitoring and evaluation involving key stakeholders, which will inform any necessary changes going forward.

4.9 LOCAL GOVERNMENT TURN AROUND STRATEGY (LGTAS)

The Department of Local Government and Traditional Affairs in the Eastern Cape, in collaboration with the Department of Cooperative Governance and Traditional Affairs (COGTA), introduced a new approach to assist municipalities towards improving service delivery, through the development of a Local Government Turn Around Strategy (LGTAS) which embraces, inter alia, the Municipal Capacity Assessment Tool (MUCAT). Both approaches are based on the principle that "One size fits all does not work"

The main objectives of the LGTAS are:

- to ensure that municipalities meet the basic needs of communities
- to build clean, effective, efficient, effective responsive and accountable local government
- to improve performance and professionalism in municipalities
- to improve national and provincial policy, oversight and support
- to strengthen partnerships between communities, civil society and local government

LGTAS Implementation Framework

The LGTAS is 'everybody's business.' This refers to each sphere of government, working both vertically and horizontally, and with key stakeholders, to realize the objectives of the LGTAS. This means that detailed intergovernmental reporting will be required for the immediate pre-2017 and post 2017 implementation.

The implementation will comprise of the following:

- ❑ A Short term focus up to June 2018
- ❑ A Medium term focus from June 2018 to 2019

IMMEDIATE: POST-2018

- a) Policies developed and implemented
- b) Positions advertised and filled (including critical ones such as of Section 56)
- c) Cascading of Performance Management System for Middle Managers
- d) Training of employees, Councilors and ward committees
- e) Development and implementation of all required strategies
- f) Conduct LLF meetings on monthly basis
- g) Timely submission of AFS, IDP, SDBIP, Budget and Annual report
- h) Ring fencing of conditional grant
- i) Conforming to Financial Management Systems and Supply Chain Processes
- j) Upscale community works program ward based communities
- l) Development of the Revenue Enhancement Plan
- m) Governance values communicated and "good citizenship" campaign initiated
- n) Fully functional risk committee and risk champion identified

It is clear looking at the sequencing of the strategies above that the approach is evolving. Phase 1 of the LGTAS was a basic high impact plan that has been absorbed into a more comprehensive and complex development strategy. Specific functions have been outlined for each of the three spheres with predetermined expected outputs and provides for interaction between departments and municipalities. Engcobo Municipality has strived to align the LGTAS into the IDP taking into account the MDG and Outcome 12 priorities. Therefore, in going forward the remaining LGTAS actions and new outcome 12 outputs will be reported upon during the mid-year and Annual Report for 2018/19

4.10 MEDIUM TERM STRATEGIC FRAMEWORK

Through a policy commitment to 'continuity of change', each successive administration built on the development successes achieved, as well as to take stock of on-going challenges and develop strategic responses to address these limitations to growth and development.

Toward this goal the Medium Term Strategic Framework (MTSF, 2009–2014) is the most important Policy instrument as it contains a statement of governments' development intent. It identifies the development challenges facing South Africa and outlines the medium-term strategy for improving living conditions of South Africans. It is meant to guide planning and resource allocation across all spheres of government. National and provincial departments in particular need to develop their five-

year strategic plans and budget requirements, taking into account the medium-term imperatives. Similarly, informed by the MTSF and their 2006 mandates, municipalities are expected to adapt their integrated development plans in line with the national medium-term priorities.

The MTSF contain the following five development objectives:

- Halve poverty and unemployment by 2018;
- Ensure a more equitable distribution of the benefits of economic growth and reduce inequality;
- Improve the Nation's health profile and skills base and ensure universal access to basic services;
- Build a nation free of all forms of racism, sexism, tribalism and xenophobia; and
- Improve the safety of citizens by reducing incidents of crime and corruption.

4.11 OUTCOME 12

National Government has agreed on 12 outcomes as a key focus of work between now and 2018. These outcomes have been expanded into high-level outputs and activities, which in turn formed the basis of a series of performance agreements between the President and relevant Ministers.

Whilst all of the outcomes can to some extent be supported through the work of local government, **Outcome 9** (A responsive, accountable, effective and efficient local government system) and its 7 outputs are specifically directed at local government:

From the development focus of the MTSF the government has derived twelve outcome areas that set the guidelines for more results-driven performance. Cabinet has accordingly agreed on the following twelve key outcomes listed in their numerical order below:-

1. Improved quality of basic education;
2. A long and healthy life for all South Africans;
3. All people in South Africa are and feel safe;
4. Decent employment through inclusive economic growth;
5. A skilled and capable workforce to support and inclusive growth path;
6. An efficient, competitive and responsive economic infrastructure network;
7. Vibrant, equitable and sustainable rural communities with food security for all;
8. Sustainable human settlements and improved quality of household life;
9. A responsive, accountable, effective and efficient local government system;
10. Environmental assets and natural resources that is well protected and continually enhanced;

11. Create a better South Africa and contribute to a better and safer Africa and world;
12. An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.

4.12 THE NEW GROWTH PATH

This National Policy Framework deals specifically with issues such as creating decent work, reducing inequality and defeating poverty through ***“a restructuring of the South African economy to improve its performance in terms of labour absorption as well as the composition and rate of growth”***. Important and of practical consequence to local government, are the specific job drivers that have been identified:

- Substantial public investment in infrastructure both to create employment directly, in construction, operation and maintenance as well as the production of inputs, and indirectly by improving efficiency across the economy;
- Targeting more labour-absorbing activities across the main economic sectors – the agricultural and mining value chains, manufacturing and services;
- Taking advantage of new opportunities in the knowledge and green economies;
- Leveraging social capital in the social economy and the public services; and
- Fostering rural development and regional integration.

CHAPTER 5: STATUS QUO ASSESSMENT PER KEY PERFORMANCE AREA

IDP thematic clusters are conducted in-depth within the analysis of the situation at Engcobo Local Municipality. The situation analysis has been categorized according to the five (5) Local Government Key Performance Areas namely:

Local Government Key Performance Areas (KPAs)		
KPA #	KPA	Definition/Objective
Key Performance Area 1	Municipal Transformation and Organisational Development	To provide an effective and efficient workforce by aligning institutional arrangements to our overall strategy in order to deliver quality services.
Key Performance Area 2	Infrastructure Development and Service Delivery	To ensure efficient infrastructure and service delivery for the improvement of quality of life for all citizens within Engcobo
Key Performance Area 3	Local Economic Development	To facilitate sustainable economic empowerment for all communities within Engcobo and enabling a viable and conducive economic environment through the development of related initiatives including conducive environment for job creation and skills development
Key Performance Area 4	Municipal Financial Viability and Management	To ensure the financial sustainability of the municipality in order and to adhere to statutory requirements
Key Performance Area 5	Good Governance and Public Participation	To promote proper governance, accountability and public participation in municipal issues

5.1 KEY PERFORMANCE AREA 1: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

The legal framework guiding the institutional aspects of the IDP is contained in acts such as the Municipal Structures Act 117 of 1998, the Municipal Systems Act 32 of 2000, the Municipal Finance Management Act 56 of 2003, as well as the labor legislation applicable to workplaces in the Republic of South Africa.

The municipality has one administrative area being Engcobo municipality based in Engcobo town; all municipal offices are situated at Union Street No.58. The challenge the municipality is currently facing is shortage of office space; however the process of procuring a service provider to build municipal offices is in place.

5.1.1 Human Resource Plan

The municipality has developed a Human Resource Plan and was adopted by Council on 31st May 2017 and being reviewed on May 2018. The purpose of this plan is to guide the municipality in the management of its human resources, assist the planning for future service delivery needs and analyze the gap between the demand and supply which will eventually yield strategies for gap closure.

5.1.2 Municipal Powers and Functions

The Engcobo Local Municipality is a category B municipality mandated to perform those powers and functions vested in Engcobo area as contemplated in schedules 4 and 5 of the Constitution of the Republic of South Africa, Act 108 of 1996. In addition to these powers and functions as contemplated in the Act, the municipality is mandated to perform such functions and powers as determined by the MEC responsible for Local Government and as gazetted by the province. In relation to this, therefore, the core mandate is the supply of access road maintenance and construction, firefighting, municipal planning, tourism, local economic development and maintenance of electrification as per the agreement entered into between the municipality and Eskom. The table below further illustrates powers and functions vested in the district and those allocated to the various local municipalities within the district jurisdiction.

FUNCTION	CHRIS HANI DM	LUKHANJ I LM	INTSIK A YETHU LM	ENGOB O LM	SAKHISIZW E LM	ELM	TSOLWA NA LM	INKWANC A LM	INXUBA YETHEMB A LM
Air pollution	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Building regulations	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Child Care facilities	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Electricity reticulation	N/A								
Fire Fighting	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Local Tourism	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Municipal Planning	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Municipal Health Services	No	No	No	No	No	No	No	No	No
Municipal Public Transport	Regulation	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Storm water	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Trading regulations	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water (potable)	Bulk supply	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Sanitation	Bulk supply	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Schedule 5 part b									
Billboards and the display of adverts in public places	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Cemeteries, Crematoria and funeral parlors	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Cleansing	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Control of public nuisances	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Control of undertakings that sell liquor	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

to the public									
Fencing and fences	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Licensing and control of undertakings that sell food to the public	Yes	No	No	No	No	No	No	No	No
Local amenities	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Local sport facilities	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Markets	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Municipal abattoirs	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Municipal parks and recreational facilities	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Municipal roads	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Noise pollution	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Pounds	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Public places	N/A	Yes	Yes		Yes	Yes	Yes	Yes	Yes
Refuse removal, refuse dumps and solid waste disposal	Management of solid waste sites	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Street trading	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Street lighting	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Traffic and parking	N/A	Yes	Yes	yes	N/A	N/A	N/A	N/A	N/A
Licensing of vehicles	N/A	Yes	Yes	Yes	N/A	N/A	N/A	N/A	N/A
Road maintenance	Yes (Agent: DORT)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Libraries	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

5.1.2 Employee summary

The new Municipal Manager reported on duty on February 5, 2018. The two (2) section 56 Managers's positions have been advertised while the other two will be advertised in April 2018. There are 5 posts that are below section 56 Managers; the positions are on a five (5) year fixed term contract, namely Troika Manager, Senior Accountant, Monitoring and Evaluation Manager, Chief Audit Executive, Electrician and Diesel Mechanic..

The municipality has adopted the code of conduct as stipulated in schedules 1 & 2 of the Municipal Systems Act. All Councillors and Employees have signed the code of conduct.

TOTAL NUMBER OF EMPLOYEES	178	OF THE TOTAL NUMBER OF EMPLOYEES, HOW MANY ARE:			COUNCIL LORS		39		SECTION 56 & SECTION 57 EMPLOYEES			6			CONTRACT EMPLOYEES				5
OFO CODE	OCCUPATION CATEGORY	FEMALE			MALE		TOTAL		AGE GROUPS			TOTAL			PWD				NON-SA
		A	C	I	W	A	A	I	W	A	35 and below	35 - 55	>55	AGE	A	C	I	W	
1 – MANAGERS																			
11 – LEGISLATORS																			
111101	Executive Mayor	1					1			1		1		1					
111101	Speaker						1	1		1		1		1					
111101	Chief Whip	1					1			1		1		1					
111101	Member of Mayoral Committee	2					5	7		7	1	6		7					
111101	Ward Committee/PR Councillor	100					100	200		200	120	60	20	200					
111301	Traditional Leader (Paid by the Municipality)									8				8					
111301	Traditional Leader (Paid by The Provincial Dept)						0			0	0	0	0	0					
SUB-TOTAL : LEGISLATORS -		104	0	0	0	106	210	0	0	218	121	69	20	218	0	0	0	0	0
12 – MANAGERS																			
111203	Municipal Manager						1	1		1		1		1					
111203	Deputy City Manager																		

111203	Chief Operating Officer								0				0				
111204	Spokesperson								0				0				
121101	Chief Financial Officer				0				0	0			0				
121102	Payroll Manager								0				0				
121103	Credit Manager								0				0				
121104	Internal Audit Manager								0				0				
121201	Personnel / Human Resources Manager								0				0				
121202	Training and Development Manager								0				0				
121203	Compensation and Benefits Manager								0				0				
121204	Recruitment Manager								0				0				
121205	Employee Wellness Manager								0				0				
121206	Health and Safety Manager								0				0				
121301	Policy and Planning Manager	1				1			1		1		1				
121902	Corporate Services Manager	0							0		0		0				
121903	Asset Manager								0				0				
121904	Contract Manager								0				0				
121905	Project Manager								0				0				
121908	Quality Systems Manager								0				0				
122103	Director of Marketing								0				0				
122201	Public Relations Manager								0				0				
122301	Research Manager								0				0				
132301	Construction Project Manager				1	1			1		1		1				

132401	Supply Chain Manager								0				0					
132405	Fleet Manager								0				0					
133101	Chief Information Officer								0				0					
133102	ICT Project Director								0				0					
133105	Information Technology Manager				0				0				0					
133106	Information Systems Director								0				0					
134203	Primary Health Organisation Manager								0				0					
134401	Social Services Manager								0				0					
134402	Community Development Manager	1				1			1	0	1		1					
134901	Environmental Manager								0				0					
134902	Laboratory Manager								0				0					
134904	Officer Manager								0				0					
134907	Archives Manager (Committee Manager)								0				0					
134908	Library Manager								0				0					
134909	Museum Manager								0				0					
134912	Commissioned Fire and Rescue Officer								0				0					
143104	Arts and Culture Manager								0				0					
143105	Sports Administrator								0				0					
143901	Facilities Manager								0				0					
143904	Security Services Manager								0				0					
143905	Call or Contact Centre Manager								0				0					
143906	Caravan Park and Camping								0				0					

	Ground Manager																			
134999	Disaster Management Manager								0					0						
SUB-TOTAL : MANAGERS -		2	0	0	0	2	4	0	0	4	0	4	0	4		0	0	0	0	0
2 – PROFESSIONALS																				
213301	Conservation Officer								0					0						
213302	Environmental Officer								0					0						
213305	Air Quality Technician								0					0						
213306	Water Quality Technician								0					0						
213307	Park Ranger								0					0						
214201	Civil Engineer								0					0						
214202	Civil Engineering Technologist								0					0						
215101	Electrical Engineer								0					0						
215102	Electrical Engineering Technologist								0					0						
216101	Architect								0					0						
216401	Urban and Regional Planner								0					0						
216402	Transport Analyst								0					0						
222104	Registered Nurse (Community Health)								0					0						
222116	Nurse Manager								0					0						
226301	Environmental Health Officer								0					0						
226302	Safety, Health, Environment and Quality (SHE&Q)								0					0						
241101	Accountant (General)	1					1		1			1		1						
241102	Management Accountant					1	1		1	1				1						
241103	Tax Practitioner/Co								0					0						

	nsultant																	
241107	Financial Accountant	1			1	2			2	2			2	1				
242102	Work Study Officer								0				0					
242202	Policy Analyst/Researcher								0				0					
242203	Company Secretary																	
224901	Local Economic Development Officer/Coordinator				1	1			1	1			1					
224902	Liaison Officer				1	1			1	1			1					
242207	Compliance Officer (Risk Officer)				1	1			1	1			1					
242208	Organisational Risk Manager																	
242211	Internal Auditor	1				1			1	1			1					
242302	Skills Development Facilitator/Practitioner				1	1			1		1		1					
242303	Human Resource Officer	1				1			1	1			1					
242304	Industrial Relations Officer								0				0					
242307	Recreation Officer																	
242401	Training Officer								0				0					
243201	Media Liaison Officer/Communication Coordinator				1	1			1	1			1					
243203	Director Public Relations								0				0					
243204	Protocol Officer								0				0					
251101	ICT Specialist				1	1			1		1		1					
251302	Web Developer								0				0					
252101	Database Administrator								0				0					
252201	Systems Administrator								0				0					

252301	Systems Engineer									0				0					
252902	ICT Support Services Manager									0				0					
261102	Lawyer									0				0					
262102	Gallery or Museum Curator									0				0					
262201	Librarian	1					1			1		1		1					
262202	Records Manager									0				0					
263101	Economist									0				0					
263510	Employee Assistance Practitioner	1					1			1	1			1					
264301	Interpreter									0				0					
264302	Translator									0				0					
331501	Property Valuer									0				0					
341110	Legal Advisor/Officer									0									
399999	Disaster Management Coordinator/Officer					1	1			1		1		1					
SUB-TOTAL : PROFESSIONALS -		6	0	0	0	09	15	0	0	15	4	5	0	15	0	0	0	0	0
3 - TECHNICIANS AND TRADE WORKERS																			
311101	Chemistry Technician									0				0					
311201	Civil Engineering Technician					2	2			2		2		2					
311203	Town Planning Technician	1					1			1	1			1					
311301	Electrical Engineering Technician	1					1			1		1		1					
311501	Mechanical Engineering Technician									0				0					
311801	Draughtsperson									0				0					
311904	Quantity Surveying Technician									0				0					
312301	Building Construction Supervisor									0				0					

313201	Water Plant Operator									0	0	0		0					
313202	Waste Materials Plant Operator									0				0					
314101	Microbiology Technician									0				0					
314102	Environmental Science Technician									0				0					
325701	Environmental and Occupational Health Inspector									0				0					
335913	Building Site Inspector					1	1			1	1			1					
343101	Photographer									0				0					
351301	Computer Network Technician	1					1			1	1			1					
351302	Geographic Information Systems Specialist/Technician									0				0					
351401	Website Administrator									0				0					
611302	Parks Caretaker /Groundskeeper									0				0					
611304	Horticulturist									0				0					
641201	Bricklayer									0				0					
641301	Stonemason									0				0					
642601	Plumber (General)									0				0					
642605	Plumbing Inspector									0				0					
653101	Automotive Motor Mechanic									0				0					
653303	Fitter (General)									0				0					
671101	Electrician (General)									0				0					
671202	Millwright (Electromechanician)									0				0					
671302	Technical Cable Joiner									0				0					
SUB-TOTAL : TECHNICIANS AND TRADE WORKERS -		3	0	0	0	3	6	0	0	6	3	3	0	6	0	0	0	0	0

4 - COMMUNITY AND PERSONAL SERVICE WORKERS																		
323102	Ancillary Health Care Worker										0				0			
325802	Paramedic										0				0			
341201	Community Development Worker										0				0			
342201	Sports Development Officer										0				0			
SUB-TOTAL : COMMUNITY AND PERSONAL SERVICE WORKERS -		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5 - CLERICAL AND ADMINISTRATIVE WORKERS																		
331301	Finance Clerk/Administrator	1				2	3				3	2	1		3			
332302	Procurement Clerk	1				1	2				2	2			2			
333905	Supply Chain Practitioner					2	2				2	1	1		2			
334101	Officer Supervisor										0				0			
334102	Office Administrator										0				0			
334201	Legal Secretary										0				0			
334302	Executive Assistant	1				1	1				1	1			1			
335401	Driver Licensing Examiner/Officer					2	2				2		2		2			
411101	Administrative Assistant										0				0			
412101	Secretary (General)	3					3				3	2	1		3			
413101	Typist										0				0			
413201	Data Capturer										0				0			
422206	Call or Contact Centre Agent										0				0			
422301	Switchboard Operator										0				0			
422501	Client Liaison Officer										0				0			
422601	Receptionist (General)	1					1				1		1		1			

431101	Accounting Clerk									0				0					
431103	Taxation Clerk									0				0					
431301	Payroll Clerk									0				0					
432101	Stock/Stores Officer									0				0					
441101	Library Assistant	1					1			1		1		1					
441501	Records Clerk / Coordinator					1	1			1	1			1					
441502	Office Machine Operator									0				0					
441601	Human Resource Clerk	1					1			1	1			1					
441602	Skills Development Administrator	1					1			1		1		1					
441902	Contract Administrator									0				0					
441903	Programme / Project Coordinator									0				0					
441905	Communication Officer / Assistant									0				0					
672206	Radio Operator									0				0					
SUB-TOTAL : CLERICAL AND ADMINISTRATIVE WORKERS -		10	0	0	0	12	18	0	0	18	0	8	0	18	0	0	0	0	0
6 - SALES AND SERVICE WORKERS																			
511301	Gallery / Museum Guide									0				0					
511302	Tour Guide									0				0					
515301	Caretaker									0									
516401	Animal Attendant									0				0					
516403	Zookeeper/Zoo attendant									0				0					
523102	Cashier	4				1	5			5	2	3		5					
541101	Fire Fighter	1				1	2			2		2		2					
541201	Traffic Officer	1				2	3			3		3		3					
541202	Police Officer									0				0					
541401	Security Officer									0			0	0					
541901	Lifeguard									0				0					

541902	Emergency Service and Rescue Official									0				0					
SUB-TOTAL : SALES AND SERVICE WORKERS -		6	0	0	0	4	10	0	0	10	2	8	0	10	0	0	0	0	0

7 - MACHINERY OPERATORS AND DRIVERS

732101	Driver				3	3			3	1	2		3						
732201	Chauffeur								0				0						
732203	Emergency Vehicle Driver								0				0						
733101	Bus Driver								0				0						
733201	Truck Driver (General)				17	17			17	5	12		17						
733209	Road Marker								0				0						
734201	Earthmoving Plant Operator								0				0						
734204	Excavator Operator								0				0						
734205	Grader Operator								0				0						
SUB-TOTAL : MACHINERY OPERATORS AND DRIVERS -		0	0	0	0	20	20	0	0	20	6	14	0	20	0	0	0	0	0

8 - ELEMENTARY WORKERS

811201	General Worker	17			14	31			31	10	18	3	31					
811203	Tea Attendant								0				0					
811204	Caretaker/cleaner	10			1	11			11	1	09	1	11					
812902	Swimming Pool Cleaner				1	1			1		1		1					
821401	Garden Worker				1	1			1		1		1					
831301	Builders Worker								0				0					
831302	Drainage, Sewerage and Storm Water Worker								0				0					
831303	Earthmoving Worker								0				0					
831304	Plumbers Assistant								0				0					
861101	Recycling / Rubbish Collector								0				0					

862202	Handyperson									0				0					
862301	Meter Reader									0				0					
862918	Electrical / Telecommunications Trades Assistant									0				0					
862919	Mechanics Assistant									0				0					
SUB-TOTAL : ELEMENTARY WORKERS -		27	0	0	0	17	44	0	0	44	11	27	4	44	0	0	0	0	0
TOTAL										325		T O T A L		325	0	0	0	0	

5.1.3 Organizational Structure

The municipality reviews organogram on annual basis; the 2017/18 organogram was reviewed and adopted by Council on the 26 May 2017. It has 205 total posts of which 178 are filled and 2 are unbudgeted for. The Municipality is in a process of reviewing the 2018/19 organogram.

All posts in the organizational structure have available job descriptions and the new posts are in a process of evaluation.

All posts in the organizational structure have available job descriptions and the new posts are in a process of evaluation.

This section will deal with the following key focus areas:

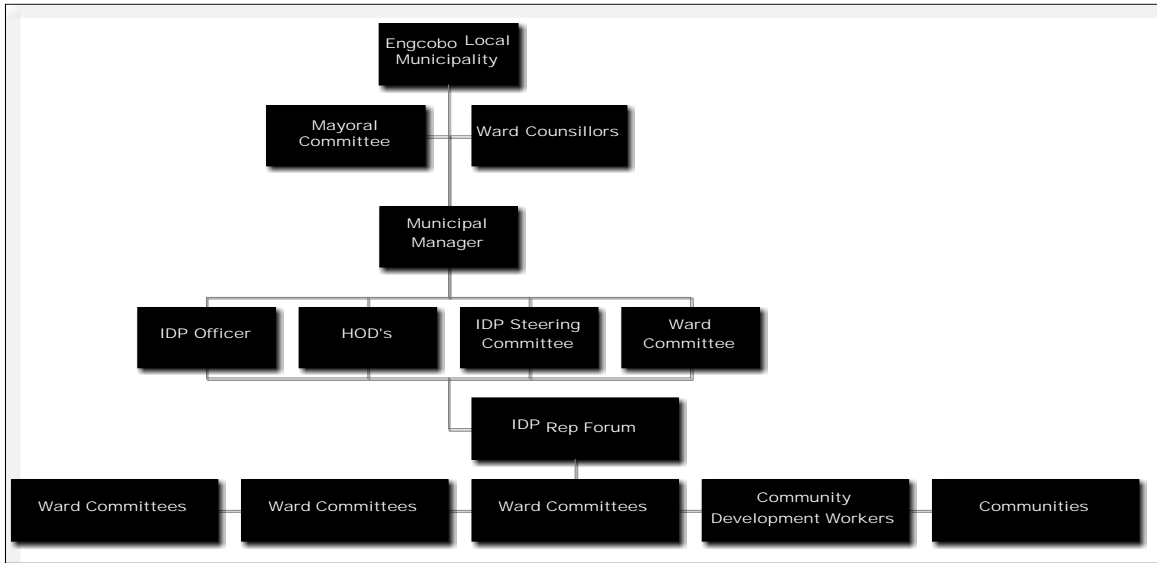
Organizational structure of Engcobo Local Municipality: Council Structure

The Municipal Council is chaired by the Mayor and has the following role in the IDP review process;

- Oversee the development and adoption of the IDP review;
- Adopt final Integrated Development Plan and Budget;

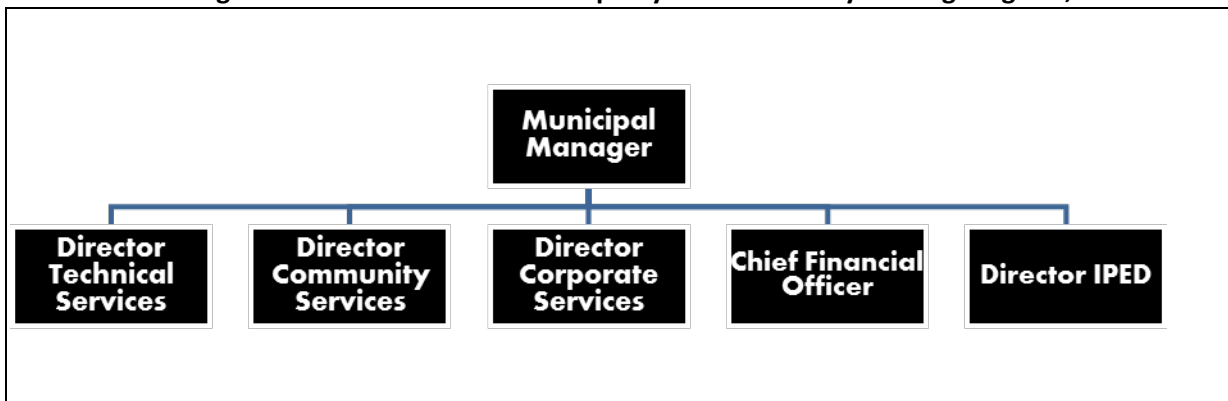
Insert 2018/19 organisational structure

The roles and responsibilities of the various parties involved in the IDP Revision are listed below:



Engcobo Local Municipality has an organizational structure that is aligned to the IDP. The organizational structure comprises of a total of 205 funded posts. However, the organizational structure in its current format requires a review as it is not process driven and limits upward mobility and job descriptions need to be compiled. Of these funded posts, 27 were vacant as at 26 March 2018. The high number of vacancies was due to the high number of retirements and delays in job evaluation process. However, the process of filling these vacancies is underway and will be filled by the end of MAY 2018. Engcobo Local Municipality has an office for the Municipal Manager and 4 Directorates.

The Senior Management structure of the municipality is illustrated by the Organogram;



5.1.4 Employment Equity Plan

Employment Equity Act (EEA) 55 of 1998 is meant to drive equality in the workplace through equitable representation of employees from designated groups to broadly reflect the national demographics of the Economically Active Population (**EAP**). The Act is intended to ensure that workplaces are free of discrimination and that employers take active steps to promote employment equity. Chapter 3 of the Act requires employers to take certain affirmative action measures to achieve employment equity. These are set out in an Employment Equity Plan.

Engcobo Local Municipality has developed a 5 year Employment Equity Plan, which started from July 2010 to June 2015. The Municipality has adopted a newly developed 5 year Successive Employment

Equity Plan which came into effect in July 2015 to June 2020. The municipality is doing well in addressing employment equity in terms of gender and this will be alluded to in the paragraph below.

The municipality has six Senior Manager Positions including the Municipal Manager, two (2) of which are filled by males. All employees in the municipality are from designated group, this is 100% in terms of race. 43.32% constitutes of females in top positions however there is still vacancies available which will be filled by a female to make 56.68% representation.

The females in the whole institution constitute 43.32% and there are still vacancies to be filled. Concerted efforts are in place to attract more; Engcobo Local Municipality therefore remains committed to attracting suitably qualified, dedicated personnel by endeavouring to achieve defined equity targets. The municipality is doing well in the employment of people with disabilities. They constitute 2.35 % of the total workforce which is above the national target of 2%.

5.1.5 Delegation System

A system of Delegation, with a Delegation Matrix, is in place and utilised in guiding how the transfer of authority from the Municipal Manager to a delegated official takes place. This allows for consistent oversight and decision making in the daily administration of the municipality.

5.1.6 Human Capital and Skills Development

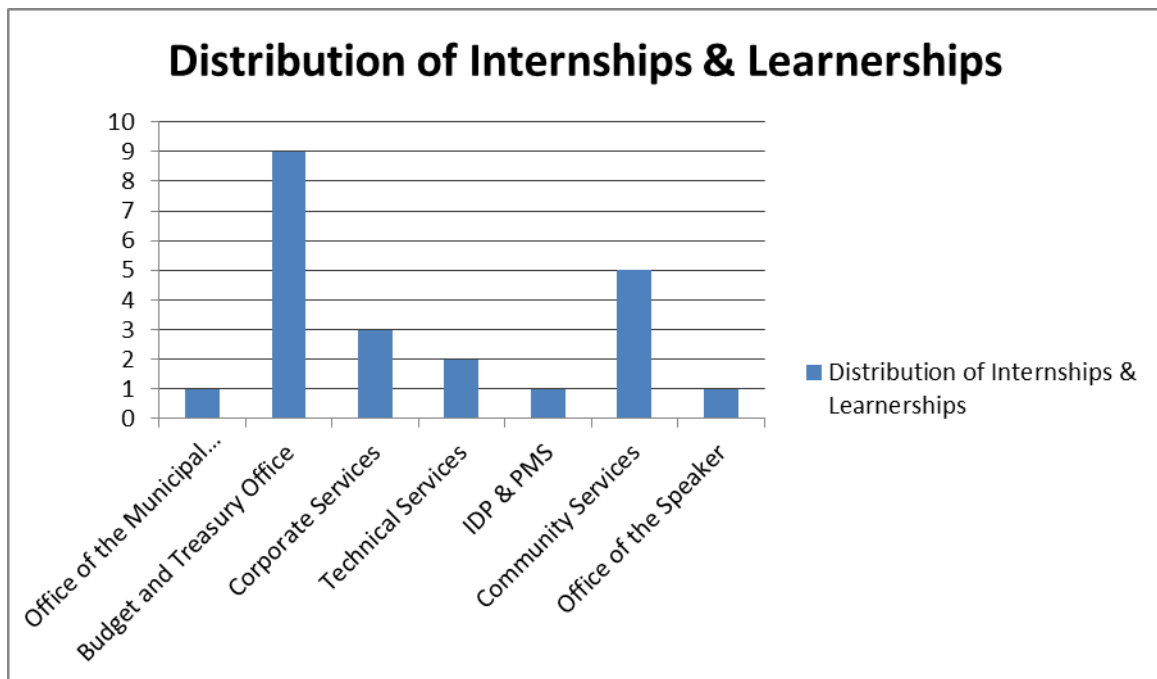
Skills Development

Skills development of human capital is one of Engcobo Local Municipality's priorities. To this effect, Engcobo Local Municipality annually develops a Workplace Skills Plan which sets out the training needs and plans for the financial year for Councillors and staff. The Employment Equity and Training Committee is in place and functional. Skills audit has been undertaken prior to the development of a Workplace Skills Plan (WSP). WSP 2017/18 and Annual Training Report were developed and submitted to LGSETA on the 30th April 2018.

At present, Engcobo Local Municipality has also implemented further human resources development initiatives such as Learnerships, internships and in-service training of students as well as bursaries to both members of the public and staff members.

Skills development of human capital is one of Engcobo Local Municipality's priorities. To this effect, Engcobo Local Municipality annually develops a Workplace Skills Plan which sets out the training needs and plans for the financial year for Councillors and staff. The Employment Equity and Training Committee is in place and functional. Skills audit has been undertaken prior to the development of a Workplace Skills Plan (WSP). WSP 2017/18 and Annual Training Report were developed and submitted to LGSETA on the 26th April 2018.

The distribution of internships and Learnerships is illustrated in the following graphic;



The following are some of the challenges facing the Learnerships and internship programme;

- a) Confusion between Learnerships and internships.
- b) Limited capacity
- c) Non-response on Discretionary Grant Applications by LGSETA

The municipality has also offered bursaries to seven (7) destitute qualifying student to pursue studies in Accounting, Civil & Electrical Engineering and Medicine, four of which have completed their studies and are undergoing internship programme within the municipality.

Employee Health and Wellness

Engcobo Local Municipality needs to comply with the requirements of the Occupational Health and Safety Act of 1993, and regulations, to provide for the Health and Safety of persons at work. All injuries must be investigated by Management in order to determine preventative measures and necessary action to rectify below standard work environment and employee behaviour.

The following have been achieved in Occupational Health and Safety;

- a) OHS Committee has been established and trained.
- b) SHE Reps have been appointed in all Departments/ Units and have been trained.
- c) OHS Risk Register has been developed and implemented
- d) OHS Policy was developed and adopted by Council and is reviewed annually

Employee Health and Wellness

Engcobo Local Municipality needs to comply with the requirements of the Occupational Health and Safety Act of 1993, and regulations, to provide for the Health and Safety of persons at work. All injuries must be investigated by Management in order to determine preventative measures and necessary action to rectify below standard work environment and employee behaviour.

The following have been achieved in Occupational Health and Safety;

- a) OHS Committee has been established and trained.
- b) SHE Reps have been appointed in all Departments/ Units and have been trained.
- c) OHS Risk Register has been developed and implemented
- d) OHS Policy was developed and adopted by Council and is reviewed annually

5.1.7 Performance Management

The municipality has a functional performance management system and is being implemented. The performance has been cascaded to Managers below s56 and in 2018/19 Financial Year it will be cascaded to Assistant Managers's Level. The intention is that by 2022 PMS will be cascaded to all employees.

5.1.8 Information and Communication Technology

Engcobo Local Municipality's Information Communication Technology (ICT) division is responsible for providing Information, Communication and Technology support services to its internal clients. From time to time, the Municipality engages in various initiatives with the intention of enhancing Information and Communication Technologies services that are delivered to support its delivery objectives.

The municipality has developed a draft ICT Master Plan which was tabled before Council in December 2017. The Disaster Recovery Plan will follow. The ICT Risk Register has been developed and is implemented. The issues raised in the AG Report on ICT have been incorporated in the Audit Action Plan and 50% of the issues have been addressed.

The ICT Steering Committee has been established and is functional. We have developed ten (10) ICT Policies which were adopted in May 2017 for implementation in July 2018 and have been reviewed to incorporate gaps identified by Auditor General. The Strong Room has been upgraded to meet the required standards and we are in a process of upgrading our network.

The municipality currently runs its operations on the following IT platforms;

A. Promun Financial System

A Linux based program integrated with the windows operating systems. It's mainly used by the finance and human resource departments and only relies on the technical part on the IT departments. It's not an internet based system which makes it highly secured as its sever managed with the use of secured passwords renewed monthly and it's also assigned under the domain policies where you have to enter your password not more than three times before its locked.

B. Internet Services

Supplied by a contracted service provider by means of an ADSL solution 1MB every month. It has been programmed as a firewall for in and outgoing dials, VPN or remote access by means of a strong and guaranteed encrypted username and password.

C. Exchange Solution

This is the solution only based on electronic mail system. The municipality manages this solution and gets access to the outside by means of an ADSL solution with an anti-spam and firewall configured and encrypted for security reasons.

D. Integrated Service Access

Integrated Service Access (ISA), this solution is a server based solution which acts as a link between users and the web. It's a secured firewall that adds and removes unsecured websites for the purpose of dangerous web programs.

5.1.9 Processes and Procedures

Some processes and procedures were derived from policies that were currently outdated and therefore require review.

5.1.10 Municipal Facilities

Most municipal facilities such as buildings and offices are not in a good functioning state and do not support operational efficiency.

5.1.11 Local Labour Forum (LLF) Functionality

The municipality has a functional LLF that meets on monthly basis. The forum consists of two Managers, three Councillors and five members of labour union.

Nevertheless the challenge from the Union members who often do not attend the LLF meetings remains and leads to postponement of meetings. The last LLF meeting was on 11 December 2017.

5.1.12 Attraction and Retention Strategy

The municipality has a Retention policy adopted in May 2013. The aim is to attract and retain scarce skills through benefits and skills development initiatives.

5.1.13 Succession Plan

The municipality has reviewed its succession plan and will be adopted by Council on the 31 May 2017. The purpose of the plan is to make the necessary arrangements to ensure that suitably qualified people are recruited to fill relevant positions which will arise within any specific department over time and also to retain institutional memory.

5.1.14 EPWP Policy

The policy on EPWP was reviewed and will be adopted on 31 May 2018. The EPWP Forum has been established and is functional.

5.2 KEY PERFORMANCE AREA 2: INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY

5.2.1 Comprehensive Infrastructure Master Plan

This Master Plan has been developed in December and will have to be reviewed the Engcobo Local Municipality for the following sectors:

- Roads and Stormwater
- Transport
- Electricity.

This Infrastructure Master Plan is intended to create a vision for Engcobo Local Municipality in order to guide decision making processes and provide a basis for a comprehensive planning framework relating to the roads and stormwater, transport and electricity infrastructure.

This Master Plan is for a 5 year horizon up to 2018. The Plan is aligned with Engcobo Local Municipality's IDP, SDF, the Eastern Cape Growth and Developments Plan (ECGDP) and other priorities of the National Government. The Infrastructure Master Plan should be reviewed and updated periodically to conform to any changes that may occur within the local municipality and adapted to suit those changes.

5.1.2 Energy and Electricity Efficiency

Engcobo Local Municipality are responsible for providing electricity services. The LM is also responsible for street lighting and installation and maintenance of high mast lights.

The level of service that is provided by Eskom is the basic level of service and upgrades to the households are done through the normal Eskom procedures.

The municipality currently does not have an electricity distribution license and thus energy efficiency is the function of Eskom; it is provided directly by Eskom to the municipality, local businesses, other government departments as well as residents. The provision is on both prepaid and contract basis. Electricity infrastructure is being rolled out at different wards through grant funding from the Department of Energy.

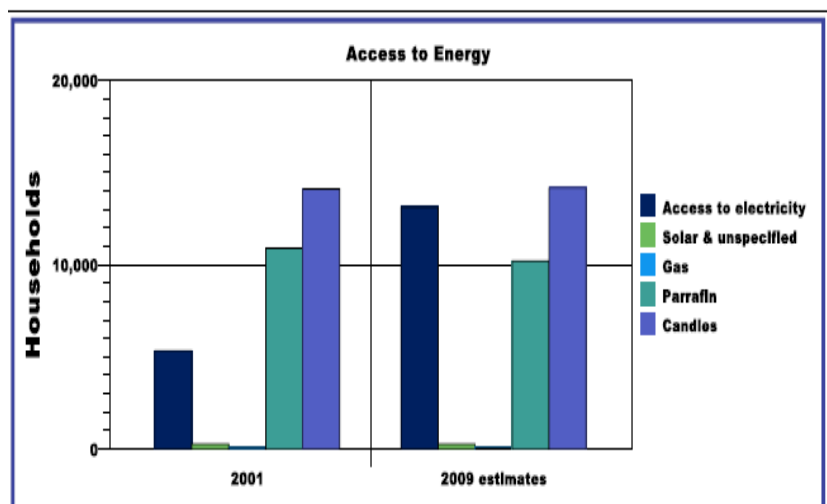
The majority of households are currently electrified. Out of a total of 37 215 households in the municipality a total 29 957 (80%) households have access to electricity. There is a current backlog of 5 718 households with 455 households and 21km Link Line is under construction to be energised by June 2018. The infrastructure which has been installed to service these mainly rural areas is fairly new and is in a good to fair condition.

Some key challenges related to electricity and electrification projects include density of the villages, terrain theft of copper cables and vandalism of Eskom installations. Prioritised capital for the period 2018/19 to 2020/21 are estimated at **R33 000 000.00**

The municipality currently does not have an electricity distribution license and thus energy efficiency is the function of Eskom; it is provided directly by Eskom to the municipality, local businesses, other government departments as well as residents. The provision is on both prepaid and contract basis. Electricity infrastructure is being rolled out at different wards through grant funding from the Department of Energy.

Means of energy

In 2009 Eskom embarked on a rural electrification programme to include areas in the Engcobo. The number of households with access to electricity is increasing as every year there are new connections that are connected on to the Eskom grid. A total of about 455 households and 21km Link Line is expected to be energised before the end of 2018/19. The backlog for electrification is currently about households.



Source | ECSECC, Graphic | Executive Insights

	2001	2009 estimates
Access to electricity	5,351	13,135
Solar & unspecified	281	285
Gas	123	109
Paraffin	10,908	10,203
Candles	14,128	14,186

Current Electrification Projects

The following table shows 2017/18 financial year projects

Village Name	Households	Status
Lower Gqaqa – Sitholeni Link Line	21km	Planning
Tsalaba	220	Planning

No funding has been allocated for the 2018/19 financial year

5.1.3 Roads and Storm water Infrastructure

Roads and Storm water

The total road network in Engcobo Local Municipality is 930.33 km long consisting of 111.68 km of surfaced roads and 818.65 km gravel roads. The entire road network of paved and unpaved (gravel) roads in Engcobo Local Municipality are generally in a poor condition and thus in need of upgrading and maintenance.

Access across streams and watercourses is generally poor during rainstorms and a need therefore exists for the construction of appropriate causeways and bridges. There is a huge backlog within the

municipality with regards to storm water infrastructure particularly in the rural areas. The existing stormwater drainage system is inadequate as evident from the number of roads with no drains and the resultant erosion problems.

There is a need to upgrade and improve the existing road and stormwater network. A phased approach over a number of years has to be adopted to upgrade and improve the existing network. Prioritised capital, operational and maintenance projects on the backlog for roads infrastructure is estimated at **R465 000 000.00**

The road network is one of the key components of the transportation system. The road network has a huge backlog and construction of access road does not meet the demand. At the same time the maintenance of road infrastructure is a challenge. The road network has been classified as require by the legislation. The department of roads and public works assisted by EAS (Engineering Advice and Services) and the CHDM as completed the road network classification.

Capital allocations are always insufficient and only a small percentage of the road network is adequately maintained or upgraded on an annual basis. The municipality has developed a Three (3) Year Capital Plan which reflects extensively on all roads that still need to be constructed. The capital plan is subjected to public participation during the 2018/2019 IDP review.

Storm water Infrastructure.

This infrastructure is provided and maintained regularly by Engcobo Local Municipality.

Roads and Transportation

Transport plays a critical role in economic development. Transport service has two levels. It includes public and physical transportation systems. The ELM's role in transport is largely focused on planning for movement of goods and people across our landscape. The municipality is not a transport authority and currently share the District Integrated Transport Plan.

Due to the mainly rural nature of Engcobo local municipality, the public transport patterns are notably different from those in an urban environment. Road based public transport for local and long distance travel essentially consists of minibus taxis and a bus service.

People travel to places of employment and government departments and services such as healthcare, police and education, which can often only be accessed some distance from home. Other destinations to which there is demand to travel to include business and service clusters.

A study conducted for the CHDM indicated that most people in the larger Chris Hani District (including Engcobo) walk to work. Rural access was identified as a key issue affecting Engcobo Local Municipality mobility.

Key issues and challenges relating to transport in Engcobo Local Municipality relate to public facilities administration issues, lack of / inadequate facilities and poor services. Prioritised capital, and maintenance projects for the period 2018/19 to 2020/21 are estimated at about **R125 868 000.00**.

However, it the ELM's intention to develop and adopt such a sector plan in order to guide how it intervene and play a role in facilitating public transport, mobilization of transportation infrastructure support and coordination of movement patterns in support of our economic development objectives.

The physical transportation systems are poorly linked and overly rely on road based network. The lack of established rail systems linked to the municipality's road based networks is a huge obstacle to realizing the existing potential in underperforming yet promising economic sectors like forestry, manufacturing and agriculture production.

The poorly maintained road infrastructure contributes negatively to our competitive advantage. It makes it difficult for industries to have effective distribution networks necessary to link out local produce to markets.

Public transport is also uncoordinated and poorly planned. For example, the public transport facility (taxi rank) is under construction that offers well designed and planned public facilities. The town centre is characterized by many small informal ranks in street corners, shop fronts and parking spaces.

Together with Engcobo the District municipality has financed a project towards the revitalisation of the town and its beautification; amongst others the construction of public facilities. Phase 1 of the project will be handed over before the end of June 2018.

The municipality through working relations with the department of Roads and Public Works has established roads and transport forums to assist in planning related matters; the seating occurs once a quarter. Matters of road maintenance, priority list for construction, road safety, etc are being discussed at these meetings.

Through the engagement of Municipal Infrastructure Support Agency (MISA) is planning to review Infrastructure Master Plan, Intergrated Waste Management Plan, develop Technical Support Plans, and develop infrastructure operational and maintenance plans.

Infrastructure Projects (Three Year Capital Plan)

IDP NUMBER	Project Name	Ward	Component	Projects Category	FINANCIAL YEAR			Project Status	Comments	
					2017-2018	2018-2019	2019-2020			
<i>MUNICIPAL INFRASTRUCTURE GRANT(MG)</i>										
RP/01/2017/18	Chibini-Kwaija	1	B	ACCESS ROADS	2 000 000,00			Construction		
RP/02/2017/18	Cwecweni-Mzwini	2	B	ACCESS ROADS	2 000 000,00			Construction		
RP/03/2017/18	KwaDlomo- Bekleni	3	B	ACCESS ROADS	2 000 000,00			Construction		
RP/04/2017/18	Nshingeni	4	B	ACCESS ROADS	2 000 000,00			Construction		
RP/05/2017/18	Mgwali-Nggokoto	5	B	ACCESS ROADS	1 591 660,00			Construction		
RP/06/2017/18	Ngqaba- Ngxebe	6	B	ACCESS ROADS	1 600 000,00			Construction		
RP/08/2017/18	Mgudlwa- Mzangweni	8	B	ACCESS ROADS	2 000 000,00			Construction		
RP/09/2017/18	Ntsunguzini	9	B	ACCESS ROADS	1 000 000,00			Construction		
RP/10/2017/18	New Town - Sdadeni	10	B	ACCESS ROADS	2 000 000,00			Construction		
RP/11/2017/18	Nontwintwa-Dipini	11	B	ACCESS ROADS	2 000 000,00			Construction		
RP/12/2017/18	Nombewu- Komkhulu	12	B	ACCESS ROADS	2 000 000,00			Construction		
RP/13/2017/18	Gilandndoda - Lubisi	13	B	ACCESS ROADS	2 000 000,00			Construction		
RP/14/2017/18	Roma - Xoxo	14	B	ACCESS ROADS	2 000 000,00			Construction		
RP/15/2017/18	T226 via Gingqi- mhotshozweni	15	B	ACCESS ROADS	2 000 000,00			Tender		
RP/16/2017/18	Bhashe school- Siviwe	16	B	ACCESS ROADS	1 600 000,00			Construction		
RP/17/2017/18	Mandlaneni -Zwelllunghile	17	B	ACCESS ROADS	2 000 000,00			Construction		
RP/19/2017/18	Loyi-Nogqala eMkhonkoto	19	B	ACCESS ROADS	2 000 000,00			Construction		
RP/20/2017/18	Nqancule	20	B	ACCESS ROADS	2 000 000,00			Construction		
SP/01/2017/18	Sports Facility	1&2	P	SPORTS FACILITY	2 600 340,00			Tender for Professional Services		
IPED/2017/18	Ngcobo Poultry Valve Chain			LED	1 000 000,00			Tender		
PMU/2017/18	Project Management Unit			PMU	2 000 000,00					
					39 392 000,00					

INTERGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP)

IDP NUMBER	Project Name	Ward	Component	Projects Category	FINANCIAL YEAR			Project Status	Comments	
					2017-2018	2018-2019	2019-2020			
RE/13/2017/18	Tsalaba	13		RURAL ELECTRIFICATION	4 000 000,00					
RE/20/2017/18	Upper Gqaga, Sitholeni Link Line	19 & 20		RURAL ELECTRIFICATION	9 000 000,00					
					13 000 000,00					

IDP NUMBER	Project Name	Ward	Component	Projects Category	FINANCIAL YEAR			Project Status	Comments	
					2017-2018	2018-2019	2019-2020			
<i>MUNICIPAL INFRASTRUCTURE GRANT(MG)</i>										
BP/01/2018/19	Nqutura Bridge	1		BRIDGE		2 000 000,00				
RP/02/2018/19	Mqonci JSS	2		ACCESS ROAD		1 600 000,00				
RP/04/2018/19	Community Hall	3		COMMUNITY HALL		1 400 000,00				
RP/06/2018/19	Matleka - Lalini	4		ACCESS ROAD		1 500 000,00				
CH/07/2018/19	Community Hall	5		COMMUNITY HALL		1 400 000,00				
BP/16/2018/19	Hukwini to Nkobongo	6		ACCESS ROAD		1 700 000,00				
CH/07/2018/19	Community Hall	7		COMMUNITY HALL		1 400 000,00				
RP/10/2018/19	Chibini - Bojane Access Road	8		ACCESS ROAD		2 000 000,00				
BP/09/2018/19	Goboti Bridge	9		BRIDGE		2 000 000,00				
RP/12/2018/19	Gadini Access Road	10		ACCESS ROAD		1 000 000,00				
CH/13/2018/19	Community Hall	11		COMMUNITY HALL		1 400 000,00				
RP/14/2018/19	Mntuntlani Access Road	12		ACCESS ROAD		1 200 000,00				
RP/15/2018/19	Sixhanti - Hala Access Road	13		ACCESS ROAD		2 500 000,00				
CH/16/2018/19	Community Hall	14		COMMUNITY HALL		1 400 000,00				
RP/17/2018/19	Xuka -Bridge via Rhasi to Ndobe SPS	15		ACCESS ROAD		1 923 660,00				
BP/18/2018/19	Didi Sithebe Bridge	16 & 17		BRIDGE		3 500 000,00				
RP/19/2018/19	Community Hall	8		COMMUNITY HALL		1 700 000,00				
RP/20/2018/19	Community Hall	18		COMMUNITY HALL		1 400 000,00				
	Mhlahlane	19		ACCESS ROAD		1 500 000,00				
	Nqancule bridge	20		BRIDGE		4 400 000,00				
	Sports Facility	14&5				2 600 340,00				
	project Management unit					2 000 000,00				
					41 524 000,00					

IDP NUMBER	Project Name	Ward	Component	Projects Category	FINANCIAL YEAR			Project Status	Comments
					2017-2018	2018-2019	2019-2020		
					-				

Shortfall

IDP NUMBER	Project Name	Ward	Component	Projects Category	FINANCIAL YEAR			Project Status	Comments	
					2017-2018	2018-2019	2019-2020			
<i>MUNICIPAL INFRASTRUCTURE GRANT(MG)</i>										
	Nqutura Bridge	1					4 000 000,00			
	Goboti Bridge	9					4 000 000,00			
	Sportsfacility	4 & 5					7 000 000,00			
	Masonwabenathi Access Roads	10					5 657 200,00			
	Didi Sithebe Bridge	17 & 16					9 000 000,00			
	Nqancule bridge	20					2 500 000,00			
	LED Project						2 175 400,00			
	Sportsfacility	1 & 2					7 000 000,00			
	PMU fund						2 175 400,00			
Allocation					43 508 000,00			43 508 000,00		

IDP NUMBER	Project Name	Ward	Component	Projects Category	FINANCIAL YEAR			Project Status	Comments
					2017-2018	2018-2019	2019-2020		
RE/13/2016/17	Mpindweni, Silindini, Hala	13		RURAL ELECTRIFICATION			6 000 000,00		
RE/19/2016/17	Sitholeni Villages	20		RURAL ELECTRIFICATION			6 000 000,00		
Allocation					12 000 000,00				

5.1.4 Infrastructure Capacity

The department responsible for infrastructure is fully flagged as per the municipal organogram. All projects to be implemented are funded and external contractors will be sourced to implement and municipal resources (personnel and equipment) will be used to maintain municipal roads and assets. The municipality does have a Project Monitoring Unit (PMU) that undertakes the duties inclusive of Project management and ISD functions.

5.1.5 Water and Sanitation Infrastructure

This infrastructure is provided by the District Municipality and maintained by the District Municipality as off the 1st July 2014.

Water and Sanitation Services and Customer Care

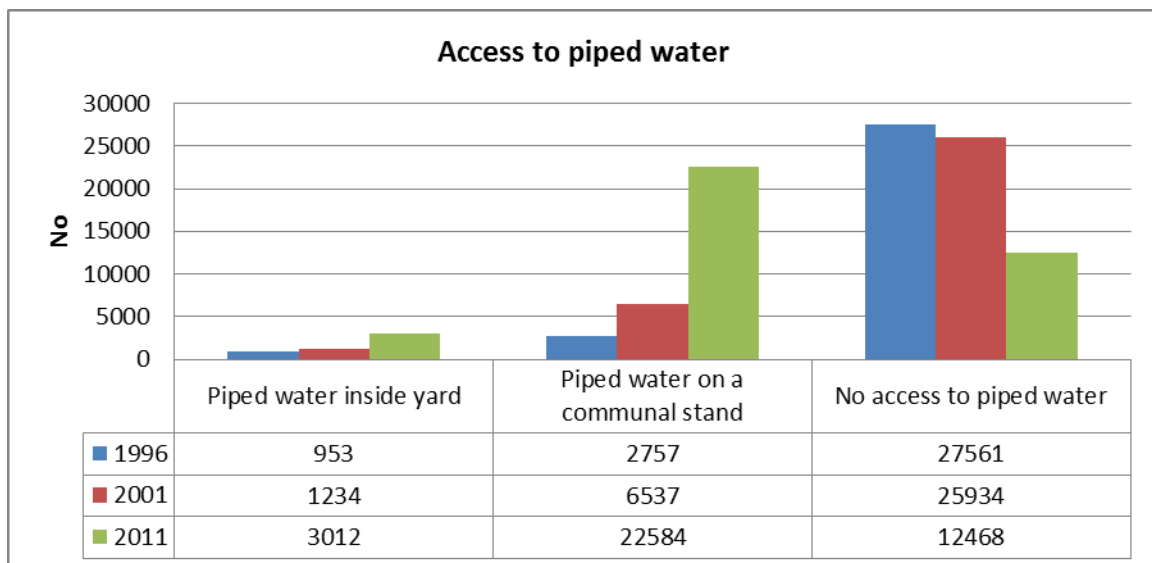
Water and Sanitation Services

Provision and governance of water and sanitation services in all our areas is a competence of the district municipality.

In order to achieve one of the Millennium Development Goals, (“MDG”), the water network and distribution has been extended to cover more than 20, 000 households in the area of Engcobo Local Municipality.

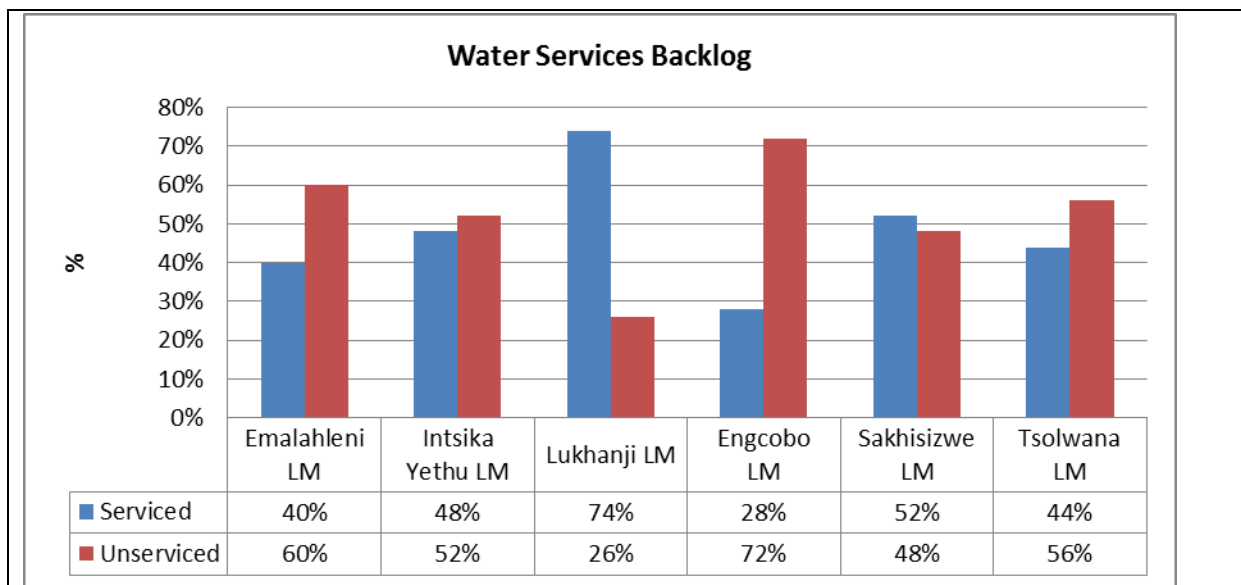
The figures below give a comparison of household access to different levels of service for water and sanitation:

Access to Water by household can be illustrated as follows:



The ELM uses the CHDM WSDP and is in the process of developing its own as the appointment of the service provider.

The following estimate of the extent of water service delivery backlogs has been derived from Chris Hani DM data on village service levels.



Source: Chris Hani DM Community Service Level Data 2007 escalated to 2012 estimated population levels and updated to incorporate projects completed since 2011 WSDP

Water Supply

The municipality currently sources its raw water from Xuka River, Chefane River, Ngcotyana River and boreholes and purifies it at its Water Treatment Works which also contains a storage back-up.

The CHDM has done a water provision plans and came up with the Cluster programme which will see different Water Augmentation Schemes being integrated.

Water Demand Management

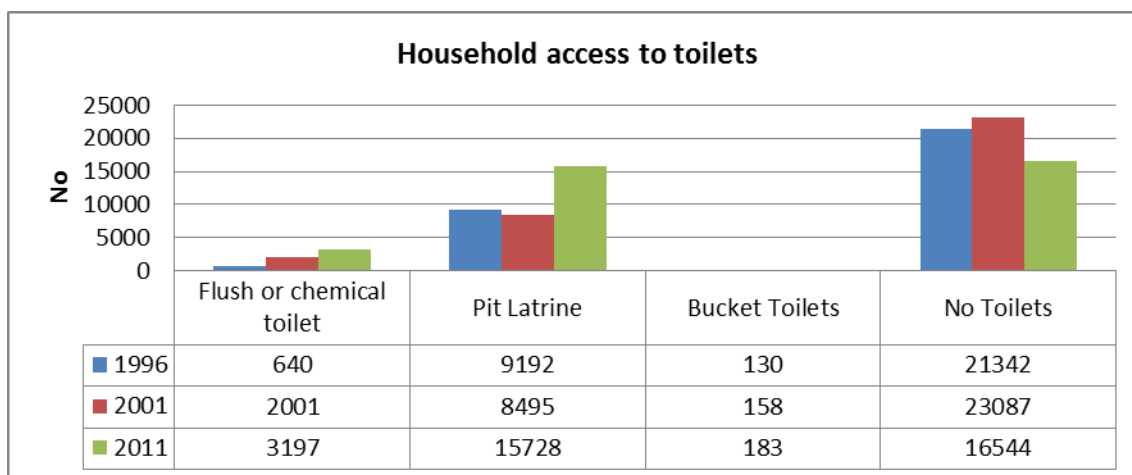
The municipality has had a relatively large incidence of ‘water loss’ or non-revenue water. This occurs either through physical losses (leaks etc.), billing inaccuracies, users who are not on the database or illegal connections and faulty water meters. The result is an unnecessary demand on water resources, wastage of water and loss of income.

Sanitation Services

The municipality uses Oxidation ponds and they are near capacity are currently being refurbished. There are plans underway for a new WWTW (waste water treatment works). There is no deferred maintenance on the sewer system and minimum maintenance done due to the new WWTW.

Access to Sanitation Services

The municipality provides a supply of waterborne sanitation services through sewers provided that there are sufficient water resources and infrastructure to sustain such a service.



About 45% of the ELM population does not have access to either sanitation infrastructure or services. The consequence of lack of proper sanitation infrastructure and services will result in raw sewerage running on the streets, mixing with litter and garbage and contributing to environmental damage and spread of diseases.

District Wide Distribution of household by access to safe drinking water and municipality, CS 2016

The table below demonstrates that amongst all local municipalities within the district Engcobo is the least at 47.5% on access to safe drinking water. On the same level Engcobo is at 52.4% at not having access to safe drinking water; once again the least amongst Chris Hani local municipality.

District/Local municipality/Province	Access to safe drinking water		No access to safe drinking water		Total
	N	%	N	%	
DC13 Chris Hani	146 063	76,0	46 017	24,0	192 080
2026 EC131 : Inxuba Yethemba	16 541	90,7	1 689	9,3	18 229
2027 EC135 : Intsika Yethu	22 285	63,2	12 989	36,8	35 275
2028 EC137 : Engcobo	15 307	47,6	16 861	52,4	32 168
2029 EC138 : Sakhisizwe	12 666	85,5	2 141	14,5	14 806
2043 EC139 : Enoch Mgijima	56 899	88,0	7 766	12,0	64 666
2045 EC136 : Emalahleni	22 365	83,0	4 571	17,0	26 936

Excludes do not know and unspecified

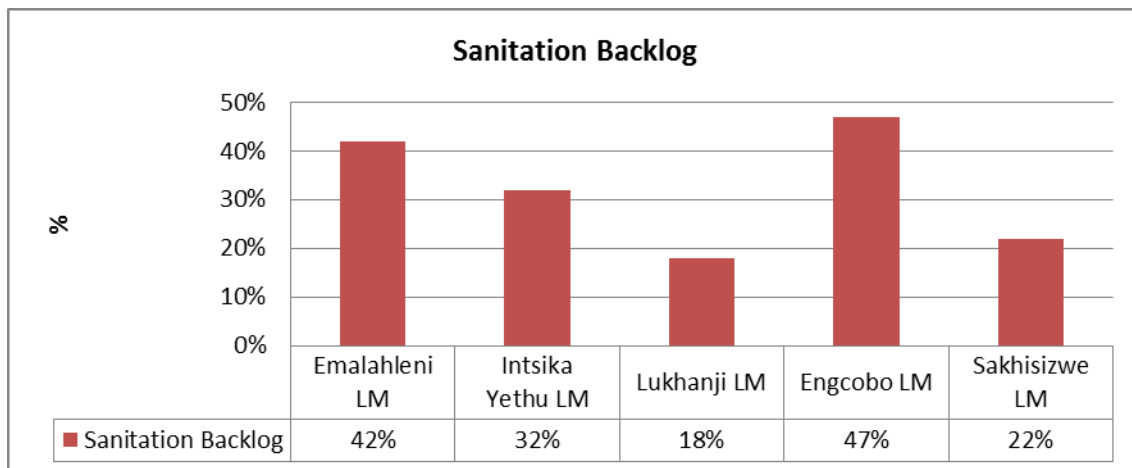
District Wide Distribution of Households by Main Source of Water for Drinking, CS 2016

District/Local municipality/Province	Piped water inside the dwelling/house	Piped water inside yard	Piped water on community stand	Neighbour's tap	Public/communal tap
DC13 Chris Hani	43 385	41 972	51 787	2 400	18 865
2026 EC131 : Inxuba Yethemba	11 168	5 864	442	87	123
2027 EC135 : Intsika Yethu	873	1 716	17 102	157	4 451
2028 EC137 : Engcobo	1 556	1 641	10 612	139	1 892
2029 EC138 : Sakhisizwe	2 187	5 176	3 590	454	2 253
2043 EC139 : Enoch Mgijima	26 349	19 496	9 672	1 135	5 647
2045 EC136 : Emalahleni	1 253	8 079	10 369	428	4 498

The table above puts emphasis on household access to piped water in the house, in the yard, in the community and so forth. Engcobo has the lowest number of households with piped water inside the yard.

Sanitation Services Backlog

According to the CHDM WSDP 2012 (*Sanitation Services Backlog, Page 9 of 143*), the current sanitation services backlog per municipality has been measured as follows;



The biggest proportion of the CHDM population with a high share of sanitation services backlog resides at Engcobo LM followed by Emalahleni and Intsika Yethu LM respectively. This could be attributed to spatial size of these municipalities and the fact that they are highly rural in nature. This trend is similar to the water services backlog, which is highest in the same municipalities.

Water and sanitation

The table below illustrates the extent of backlogs on the provision of water to households and also highlights the need for effective management of the current sources to ensure healthy households, especially in relation to the 25% of the population that relies on river streams and the 19% of the population that relies on spring water. (IDP, 2012 – 2017).

a. Water

The table illustrates the extent of backlogs on the provision of water to households and also highlights the need for effective management of the current sources to ensure healthy households, especially in relation to the 25% of the population that relies on river streams and the 19% of the population that relies on spring water

Percentage of household water sources

Water Sources	%
Water vendor	0
Rain water tanks	2
Other	0
Piped water inside dwelling	7
Piped water inside yard	4
Piped water from access point outside yard	41
Borehole	2
Spring	19
Dam / pool	0
River / stream	25

Engcobo Small Town Revitalisation strategy, 2013

Sanitation

The backlog for sanitation is about 58%. The provision of sanitation services is illustrated in the following table:

Number and Percentage of sanitation provision services sources

Facility	2008		2009		2010		Year on year growth
	Number	%	Number	%	Number	%	%
Flush or chemical toilet	2163	6.9%	2245	7.1%	2327	7.3%	3.80%
Pit latrine	7620	24.4%	7575	24.1%	7530	23.8%	-0.60%
Bucket latrine	156	0.5%	158	0.5%	160	0.5%	1.30%
None	21274	68.1%	21463	68.2%	21652	68.3%	0.90%
Unspecified	37	0.1%	36	0.1%	34	0.1%	-4.10%
Total	31250	100.0%	31477	100.0%	31703	100.0%	0.70%

Engcobo Small Town Revitalisation strategy, 2013

The high proportion of households who have no access to flush/chemical toilet, pit latrine or bucket latrine is a cause of concern, especially given the health risks posed by this situation coupled with issues around human dignity. The provision of the flush/chemical toilet system has not seen significant growth over the three years between 2008 and 2010. The increase in the number of households with no facilities exceeded the number of households that obtained one or another form of sanitation during this period.

a. Sanitation

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Facility	2008		2009		2010		Year on year growth
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Unspecified	37	0.1%	36	0.1%	34	0.1%	-4.10%
Total	31250	100.0%	31477	100.0%	31703	100.0%	0.70%

Percentage of sanitation provision services sources - are likely to be linked to local economic development initiatives”.

Integrated Waste Management Plan (IWMP)

Engcobo Local Municipality’s IWMP was developed and adopted in December 2014. The municipality will soon be experiencing major development pressures; these developments will place additional pressure on the existing landfill site. The success of this plan will not depend on municipal planning authorities only, but on the co-operation and involvement of all stakeholders including the general public. The plan indicates the requirements to be complied with to achieve goals that will improve or give better service to the community regarding waste management. It further sets a direction for waste management programs and provides a basis for budget planning. The waste management services is implemented as per approved IWMP.

The following methodology was adopted in developing the IWMP;

Status Quo Report

- Data collection and review of all available information, guidelines and development frameworks relating to Waste Management Practices within Engcobo Local Municipality.
- Conducting interviews with all key stakeholders including relevant Municipal officials.
- On-site verifications regarding infrastructure and waste management practices within the local municipality.

Feasibility Study

- Identifying the existing national, provincial and local acts, policies relating to waste management.
- Conducting a Gaps Analysis and Needs Assessments for waste management.

- Development of variants of potential solution.
- Evaluation of variants and recommending the most practical feasible solution.

Implementation Plan

- Identification of projects that will have to be undertaken for the recommended variants.
- Estimating the cost for the different projects identified.
- Developing an implementation program for the recommended waste management plan.

Cleaning and Waste Management

In Solid Waste Management the following services are being rendered:

- Street cleaning
- Refuse removal
- Landfills
- Waste minimization
- Recycling programme
- Education and awareness

As per the National Domestic Standards, solid waste is collected from the CBD daily, residential areas Wednesdays, Thursday and Friday, All Saints Hospital and Masonwabe Clinic Fridays. The municipality has a refuse officer recruited in 2007; he is responsible for waste management and cleaning of town and the surrounding areas. The municipality has two refuse compactor trucks, 300 dustbins and black plastic bags being distributed to households.

Landfill Site

The municipality has one fully licensed landfill site with material recovery facility; it is used for general waste and all medical waste is disposed at commercial sites by the Department of Health. The site is regularly maintained by the municipality. The municipality is continuously being evaluated by the DEAT with improvements to the facility.

Local Amenities and Public Places

This infrastructure is provided and maintained regularly by Engcobo Local Municipality.

Engcobo Local Municipality		
Municipal Amenities		
Strategic Pillar	Type of Amenity	Condition and Required Action
Infrastructure	Sports fields	Engcobo LM has two sports fields (eNgcobo and Nkondlo) in good working condition
Infrastructure	Swimming pools	Engcobo LM has one swimming pool (Ngcobo town) in good working condition
Infrastructure	Cemeteries	Engcobo LM has one fenced cemetery. A new site will be required in the future following rezoning and land management
Infrastructure	Halls	Engcobo LM has fourteen halls in different wards. More halls are required as not all wards have halls

Audit of Community Facilities and Public Amenities

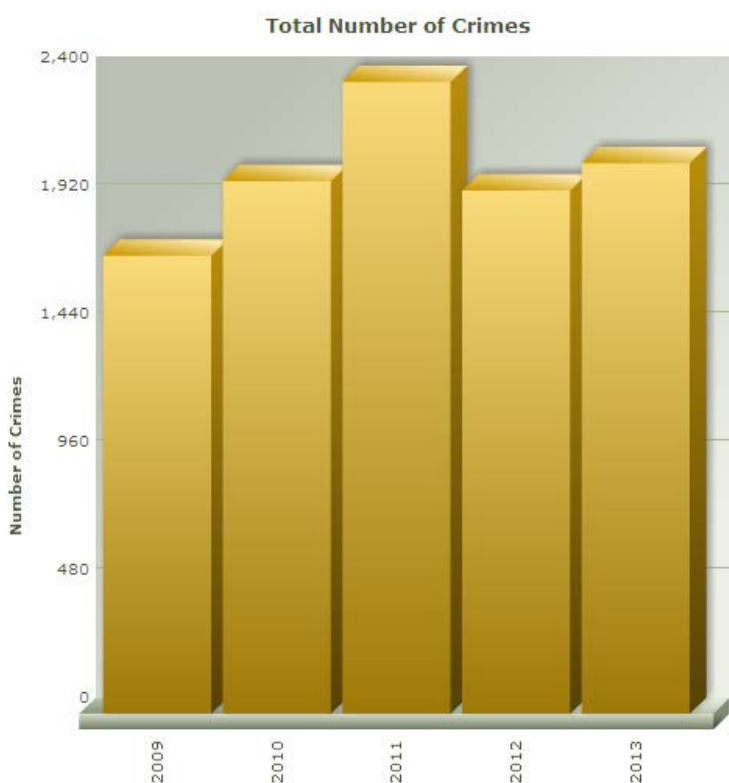
Community facilities and public amenities are monitored on monthly basis by the municipality and on annual basis an audit is undertaken to fulfill Grap requirements.

Customer Relations

Whilst customer complaints are handled as and when they are escalated; a documented and/or approved customer complaints management system in a form of a register placed at the town hall.

Building Regulations and Municipal Planning

Building regulations are contained on gazetted by-laws.



5.1.6 Safety and Security

Crime and safety in Engcobo

Due to a number of social and economic factors, crime remains one of the major problems in Engcobo Local Municipality. From the graphs below, the total number of crimes in Engcobo has increased significantly from 2009 to 2013. Among the crimes that have increased in the municipality are murder and sexual crimes. Common crimes and robberies on the other hand have decreased over this period. Robbery

with aggravating circumstances has also significantly increased from 2009 to 2013.

Traffic control

Engcobo municipality is responsible for enforcing compliance with traffic regulations and testing of vehicles as well as issuing of licences to its people.

The main concerns about this service that need attention relates to:

- Need to improve capacity and efficiency of systems in licensing and vehicle testing.
- There is visible policing in the CBD leading to frequent traffic checks for parking, overtaking and driving over speed limit.
- Lack of clear signage on streets (poor road markings and invisible lines to guide motorists).
- Poorly designed and almost non-existent pedestrian integration systems. Pedestrian compete with hawkers for space on the pavements resolving to walk inside streets and causing traffic congestion. There are not demarcated areas to facilitate safe pedestrian crossings or speed limiting means like humps in busy points where school kids and pedestrians are concentrated.
- Increasing number of noticeably illegal vehicles on our roads.

5.1.8 Housing

Housing is a national competence. It is a priority for our communities who have identified it during the broad consultation workshops as a critical need in short supply. Housing is also a basic need. The municipality has identified as part of this IDP's project list, a need to develop a sector plan for guiding our role in facilitating the implementation of sustainable housing and settlement development.

The municipality is not a developer, but a facilitator with current role encompassing facilitating and processing of applications for low cost housing, planning for new settlements and implementing RDP housing delivery programme on behalf of the provincial housing and development board or the department of human settlements.

There are housing projects that have been undertaken in the past few years by the municipality. However, the municipality does have several different urban and rural projects that are registered with the department.

The table below indicates the existing housing projects:

#	Project	Approved Scope	Status of Project	Approved Budget
1.	Engcobo EXT 11-1854	1854	Construction services only	R79,000,000.00
2.	Deberha Rural Pilot – 706	706	Planning	R149 608 177.60
3.	Mntutloni Rural -1000	1000	Planning	R322 722 990.00
4.	Inkenkwezi Rural - 300	300	Construction	R45 438 985.00
5.	Nkondlo Rural – 500	500	Construction	R59 510 350.00
6.	Goboti Rural – 300	300	Construction	R36 142 650.00

7.	All Saints – 700	700	Construction	R106 024 299.00
8.	Cefane Hook -350	350	Planning	R75 302 031.00
9.	Engcobo Consolidation 952- Water and Sewer Services	952	Planning	R29,678,600.00
10.	Engcobo Consolidation – 666 Houses	666	Construction	R82 953 609.54
11.	Engcobo Vulnerable/Destitutes	288	Planning	R32,312,160.00
12.	Chris Hani Emergency/Disaster	47+26	Planning	R5,418,380.47

Sustainable Human Settlements

Human settlements become sustainable when residents of the settlement have access to a variety of basic services, social services and housing.

Housing is the competency of the Provincial Department of Human Settlements, and Engcobo LM provides support in the form of land and bulk services through normal channels when requested to do so.

2018/2022 Financed Linked Individual Programme Scheme (FLIPS) for Middle Income Earners

The department of human settlement in conjunction with Engcobo municipality is embarking on housing provision for middle income groups to close the gap market where earners between R3, 500 and R15, 000 are taken care of. Currently 500 applicants and more are submitting their applications and the municipality on the other side has dedicated suitable land in extension 7.

Community Rental Units (CRU)

The municipality has been assisted by the department of human settlement to develop community rental units. The plan is to accommodate 400 people earning between R800 and R3, 500 (low income earners). Currently 285 and more applications are being received.

RDP Extension 11 Project

The project infrastructure (access road, sewer line, water and sanitation) has been planned for 1854 applications which have been approved.

Rural Housing The analysis estimates the housing demand to be as follows:

The identified areas and analysis estimates on rural housing demand are as follows;

- ❑ Inkwenkwezi (300 houses)
- ❑ All Saints (700)
- ❑ Nkondlo (500)
- ❑ Goboti (300)
- ❑ Deberha (706)

Projects in the planning stage;

- Mntuntloni (1500)
- Cefane Hook (350)

Households with access to Basic Housing

Percentage of households with access to basic housing			
Year end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of households in formal Settlements
2012	36910	1634	4.4%
2013	37047	1634	4.4%
2014	37214	1634	4.4%
2015	37214	1634	4.4%
2016	37214	1634	4.4%

KPA Challenges

- Infrastructure backlogs due to financial constraint
- Maintenance of roads infrastructure due to in house machinery and equipment
- Continuous water and sanitation operation and maintenance
- Inaccessibility of electrification for some villages
- Inaccessibility of schools and clinics due to limited access roads
- Limited capacity
- Limited equipment and machinery for waste and refuse
- Lack of professionals in waste and environment

Environmental management

Environmental management is a competency of Chris Hani District Municipality and Engcobo LM assists in cases of emergency where it has manpower and resources.

Disaster management

Disaster management is a competency of Chris Hani District Municipality and Engcobo LM assists in cases of emergency where it has manpower and resources. The municipality does conduct disaster awareness campaigns yearly; the policy was adopted by Council in May 31, 2017.

Vulnerability and Risk Assessment on Disaster

The municipality is vulnerable to the following disasters

- Rural base
- Thatched and ancient houses
- Lightning
- Veld and house fires
- Hail storm
- Informal structures
- Over population and congestion

Fire fighting services

Engcobo LM has a fully functioning Fire and Rescue Service. The services rendered to Engcobo communities include provision of Fire and Rescue service, fire safety inspections, internal & external (public) training and risk assessments. Fire and Rescue services response times are governed by the South African National Standards (SANS) Code 10090: Community Protection against Fire. Fire awareness campaigns are conducted on yearly basis.

Municipal by-law enforcement

The municipality does endeavour to enforce all Council approved and gazetted bylaws.

Parks and open spaces

Parks and open spaces are serviced regularly to acceptable operational standards.

Social and Community Development

The following are the key focus areas;

Sport and Recreation

Engcobo LM has two sport fields (Engcobo and Nkondlo) that accommodate various sporting codes that are in good working condition.

Libraries

The municipality has one library under its jurisdiction in the town and modular ones namely Clarkbury, Walter Sisulu and Dr A.B Xuma. All are fully functional and were funded by DSRAC. The latter two were formally launched on April 2017.

Cemeteries and Crematoria

Engcobo LM has one fully fenced cemetery. A new site will be required in the future.

Special Programmes (Gender, Elderly, Youth and Disabled)

Support to the vulnerable groups is mainstreamed. The unit has dedicated resources and capacity to support and mainstream groups and their needs. The amount of **R3.5m** has been put aside for 2018/19

Childcare Facilities

The municipality doesn't have childcare facilities under its control.

5.1.7 Spatial Development Framework

In terms of Section 26 (e) of the Municipal Systems Act (Act no. 32 of 2000), the Spatial Development Framework is a legally required component of the IDP. It therefore has the status of a statutory plan, and serves to guide and inform all decisions made by the Municipal Council on spatial development and land use management in the Engcobo Municipality.

The Spatial Development Framework for Engcobo Local Municipality aims to provide guidelines for settlement growth and development needs in the town of Ngcobo as well as providing guidance on where best to direct resources in upgrading the rural settlements. The Spatial Development framework also aims to highlight areas where strategic development intervention is required (areas of particular development potential and/or areas where current development activities represent a development opportunity).

The **Engcobo Spatial Development Framework** will apply to the whole area of jurisdiction of the Engcobo Local Municipality. This area is characterized by a composite settlement and land use pattern, incorporating urban, peri-urban and rural components. The area covered by the Engcobo Municipality is approximately 22587 ha in extent. Political representation is based on 20 Wards within this area.

Key Informants of the Spatial Development Framework

For the Engcobo Spatial Development Framework, the key legislative and policy elements of this new approach to spatial planning are derived from:

- The White Paper in Wise Land Use: Spatial Planning and Land Use Management (March 2001)
- The White Paper on National Transport Policy (August 1996)
- Spatial Planning & Land Use Management, Act 16 of 2013 (SPLUMA)

The above laws and policy documents provide the foundations for establishing the parameters of a Spatial Development Framework. As such, these are the principle informants on matters of policy for the Municipality and, in the case of the enacted laws, the Municipality is legally obliged to apply their provisions when engaging in spatial planning and land use management.

In addition, the SDF is materially informed by the outcomes of completed and ongoing Sector Planning processes within the ELM and the CHDM.

In accordance with the requirements of legislation governing municipal planning, the Engcobo Local Municipality reviewed its 2010 Spatial Development Framework (SDF) in 2016 and was adopted by Council in December 2016.

The main changes to the SDF of 2018/19 are as follows: -

- Boundary changes as per the demarcation board are reflected;
- Revised Priority Spatial Issues identified on the basis of a new Analysis as well as the revision of the related Spatial Development Objectives and Strategies, in line with the current Engcobo IDP

- A revision of the Development Nodes with the identification of additional secondary nodes and the inclusion of the concept of rural settlement edges.
- Updating the proposals in the town of Engcobo in line with the Engcobo Local Spatial Development Framework
- A consideration of the requirements related to the implementation of the Spatial Planning & Land Use Management, Act 16 of 2013 (SPLUMA)

The table below describes the key spatial development issues that arose from the situation analysis:

Spatial Planning Issues	
Provision of Basic Infrastructure	Given the prevailing levels of poverty and social need, much of the developmental focus for the Municipality must be directed to the improvement of services and facilities in the least well-off settlements in the area (where the majority of the population resides).
Sustainability	There are high levels of unemployment and very low levels of income in the Municipality, which impacts on the levels of affordability and type of development needed. The provision of services and infrastructure should not be undertaken at a level that is likely to undermine the longer-term financial and environmental sustainability in the area. It is crucial, therefore, that an appropriate Level of Service linked to the ability to sustain the maintenance and operations of new networks is pursued.
Land Ownership and Tenure	The complex tenure arrangement in the former Transkei region hinders development, investment and appropriate planning in the area. The focus in this area therefore, needs to be placed on setting in motion a programme of local planning, which should inform the establishment of appropriate institutional arrangements to oversee and manage land use decisions.
Settlement Patterns	The current settlement pattern within the Municipality is fragmented both at the broader Municipal scale and at the local urban scale. This fragmentation mirrors differences in levels of infrastructure provision, land tenure arrangements and socio-economic well-being. It is essential, therefore, that strategies to overcome this spatial and socio-economic fragmentation be implemented where physically and fiscally possible.
Urban Development	<p>Ngcobo town is the hub of retail and commercial facilities in the Municipality and is the main center for high order services for the surrounding communities. In recent years there has been growth of the town and peri urban area surrounding Ngcobo as people move closer to the town to access these services.</p> <p>The spatial development emphasis in the urban area should be on ensuring that there is the infrastructure and services in place to support the development of the town and that there are adequate linkages between the town and surrounding settlements.</p> <p>The functioning of Ngcobo town as the “Shopping Centre” for the surrounding rural areas (hinterland) needs to be amplified and improved by addressing the shortcomings of the town’s Business Centre as a place, firstly, to do business in (for business owners/entrepreneurs) and, secondly, for people wanting to gain access to goods and services (consumers)</p>
Identifying Areas of Greatest Opportunity	The Municipality has limited resources. These resources therefore need to be focused in areas that will provide the greatest return on investments (both economic and social returns).
Opportunity in Agriculture and Forestry	<p>Agriculture and Forestry have been identified as the sectors with the most developmental potential in the Municipal area. The spatial areas with identified development potential need to be conserved and managed in order to be best utilised in a sustainable manner.</p> <p>In order to harness the natural resource potential in these sectors, it is very likely that the Engcobo Municipality will need engage in and/or participate in partnerships with other spheres of government or agencies.</p>

<p>Natural Resource Management (Environmental Management)</p>	<p>There has been extensive land degradation through inappropriate management and planning, and this has led to a depletion of natural resources and agricultural land. The natural resources, scenic assets and prime forestry/agricultural land that exist in the Engcobo LM area need to be carefully managed in order to ensure their appropriate development and sustainable use.</p> <p>The forestry, agriculture and tourism sectors have been highlighted as sectors for potential growth. These sectors are largely dependent on Natural Resources (assets) and therefore it is essential that these resources are properly managed in order for these sectors to function as best possible.</p> <p>Finally, it should be noted that there are a number of environmental health risks identified in the Engcobo area. These include: -</p> <ul style="list-style-type: none"> • The need to license a properly designed and managed Solid Waste Facility in Ngcobo; • The need to identify a new Cemetery to serve the town of Ngcobo; and • The need for the management of the conditions under which rural cemeteries are identified and utilised.
<p>Sustainability</p>	<p>There are high levels of unemployment and very low levels of income in the Municipality, which impacts on the levels of affordability and type of development needed. The provision of services and infrastructure should not be undertaken at a level that is likely to undermine the longer-term financial and environmental sustainability in the area. It is crucial, therefore, that an appropriate Level of Service linked to the ability to sustain the maintenance and operations of new networks is pursued.</p>
<p>Land Ownership and Tenure</p>	<p>The complex tenure arrangement in the former Transkei region hinders development, investment and appropriate planning in the area. The focus in this area therefore, needs to be placed on setting in motion a programme of local planning, which should inform the establishment of appropriate institutional arrangements to oversee and manage land use decisions.</p> <p>Finally, it should be noted that there are a number of environmental health risks identified in the Engcobo area. These include: -</p> <ul style="list-style-type: none"> • The need to license a properly designed and managed Solid Waste Facility in Ngcobo; • The need to identify a new Cemetery to serve the town of Ngcobo; and <p>The need for the management of the conditions under which rural cemeteries are identified and utilised.</p>

SPATIAL PROPOSALS

In recognition of the need to plan for the maximization of available human and natural resources within a context of achieving sustainability, the Engcobo LM acknowledges that there is a need to focus limited public resources in areas of opportunity in order to achieve maximum impact. From a spatial planning perspective, this means certain structuring elements have been identified to guide future planning and expenditure. These structuring elements are clustered into four main components: -

- Development Nodes;
- Development Corridors ;
- Environmental Elements and
- Strategic Development Areas defined on the basis of specific development potential and/or development need

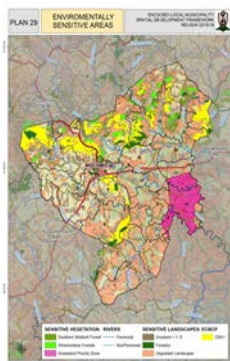
DEVELOPMENT NODES

The identified development nodes are given in the table below;

<p>PRIMARY DEVELOPMENT NODE (Sub-District Service Centre)</p>	<p>NGCOBO</p>	<p>Ngcobo is a Retail and Service Centre to the surrounding rural settlements. It also has an administrative role as the Local Municipalities Headquarters. It also functions as an Industrial Node. Caters for permanent and temporary residents.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Managed urban expansion and Public-funded Housing development <input type="checkbox"/> Infrastructure development to cater for expansion <input type="checkbox"/> Business Centre Management and focus on Urban Aesthetics <input type="checkbox"/> Improved pedestrian and vehicular linkages between suburbs in town <input type="checkbox"/> Social facilities (incl. cemeteries) <input type="checkbox"/> Environmental management
<p>SECONDARY NODES (Sub-Local Centres)</p>	<p>MNYOLO, NKONTLO, CLARKESBURY, MJANYANE, MANZANA MNTINTLONI QUMANCO MQONCI</p>	<p>Commercial and Social Facilities serving surrounding rural areas</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Basic level of service extension <input type="checkbox"/> Settlement Edge <input type="checkbox"/> Local planning to maximise use of resources <input type="checkbox"/> Local land use schemes to be negotiated
<p>PRIMARY DEVELOPMENT NODE (Sub-District Service Centre)</p>	<p>NGCOBO</p>	<p>Ngcobo is a Retail and Service Centre to the surrounding rural settlements. It also has an administrative role as the Local Municipalities Headquarters. It also functions as an Industrial Node. Caters for permanent and temporary residents.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Managed urban expansion and Public-funded Housing development <input type="checkbox"/> Infrastructure development to cater for expansion <input type="checkbox"/> Business Centre Management and focus on Urban Aesthetics <input type="checkbox"/> Improved pedestrian and vehicular linkages between suburbs in town <input type="checkbox"/> Social facilities (incl. cemeteries) <input type="checkbox"/> Environmental management

SECONDARY NODES (Sub-Local Centres)	MNYOLO, NKONTLO, CLARKEBURY, MJANYANE, MANZANA MNTINTLONI QUMANCO MQONCI	Commercial and Social Facilities serving surrounding rural areas	<input type="checkbox"/> Basic level of service extension <input type="checkbox"/> Settlement Edge <input type="checkbox"/> Local planning to maximise use of resources <input type="checkbox"/> Local land use schemes to be negotiated
Rural Settlement	ALL OTHER RURAL SETTLEMENT	Residential	<input type="checkbox"/> Basic level of service extension <input type="checkbox"/> Settlement Edge <input type="checkbox"/> Gradual introduction of land use management mechanisms to integrate with prevailing customary practices

TYPE	AREA/DESCRIPTION OF LOCALITY	FUNCTION
Primary Movement Corridor	<input type="checkbox"/> R61 (Queenstown –Ngcobo – Mthatha)	These routes carry passing traffic and provide access between local areas in Engcobo and centres further a field
Secondary Movement Corridor	<input type="checkbox"/> R58 (Elliot - Ngcobo) <input type="checkbox"/> R408 (Ngcobo –N2 –Dutywa)	These routes carry passing traffic and provide access between local areas in Engcobo and centres further a field
Municipal Activity/ Link Corridor	<input type="checkbox"/> Access Roads linking Ngcobo (R61) to the Secondary Nodes of Mnyolo, Coglán, Clarkesbury and Mjanyane	Linking areas of development potential to Movement Corridors and Ngcobo
Development Corridor	<input type="checkbox"/> East Corridor (R61)	Corridor of district and municipal-level economic importance



ENVIRONMENTAL ELEMENTS

The following were identified as high-risk areas where development is discouraged.

- **Topography:** Slopes with a gradient greater than 1:5. This is due to the ecological impacts which may result e.g. soil erosion; slope failure etc.
- **Rivers/ Water Source:** Development within the 1:100 year flood line or within 100m of the high flood level. Development within 50m of riverbank; with 100m being the preferred distance.

- **Vegetation:** Afromontane Forest, Specific Grassland areas, Areas containing Plants and Vegetation of Conservation Importance
- **Wetland Areas**
- **Heritage Sites:** Rock Art Sites
- **Other Areas:** The habitat of endangers animals and birds e.g. the Wattle Crane and Cape Parrot
- **Municipal Public Open Space.**

STRATEGIC DEVELOPMENT AREAS (SDAs)

In line with the approach of attempting to direct development according to the Guidelines of the National Spatial Development Perspective, the SDF Review has identified priority area for Strategic Development in Engcobo and has focused on the following categories of SDA:

1. Areas of Priority Basic Needs
2. Land Reform & Settlement Zones
3. Areas of Local Economic Development Potential

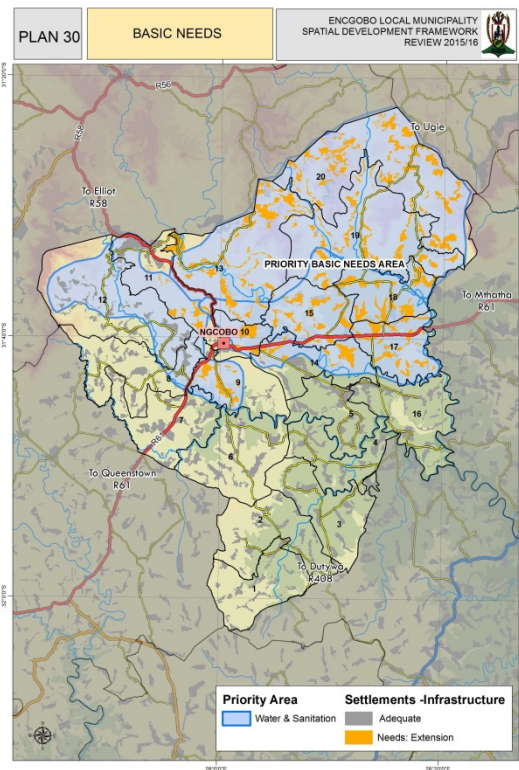
Strategic Development Areas

Description

1. Areas of Priority Basic Needs

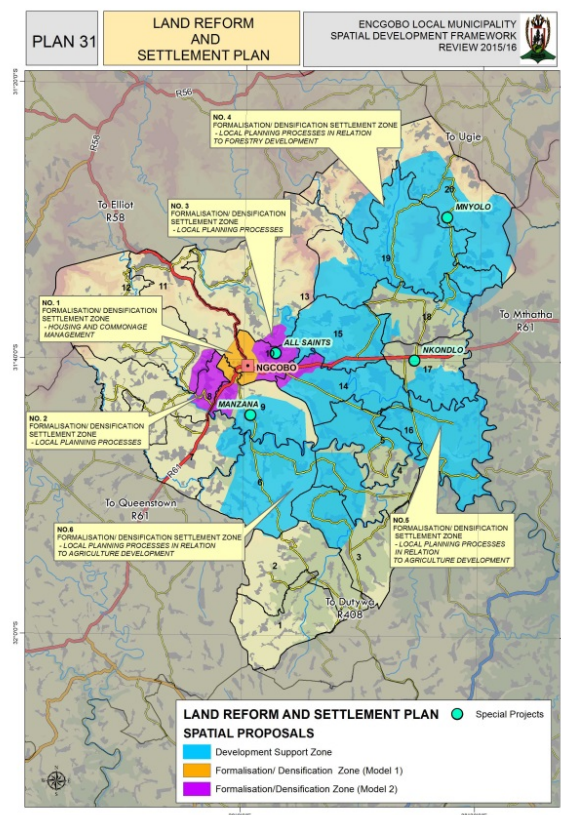
Areas of greatest need are defined as those areas with the lowest income per capita income levels and worst-off settlement areas ncome levels and worst-off settlement areas

These SDAs require priority basic needs intervention and strategic proposals to improve the level of well-being of communities in these areas (poverty alleviation programs and basic infrastructure investment).



2. Land Reform and Settlement Zones

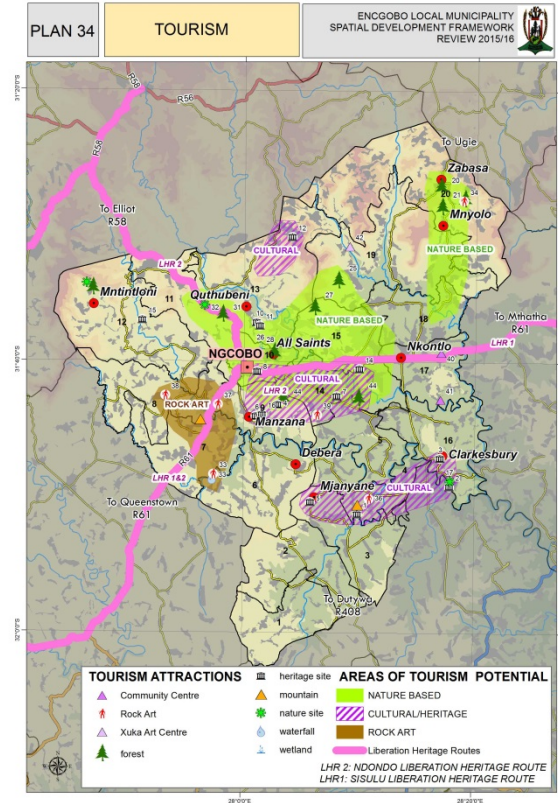
Land Reform & Settlement Zones are areas identified in the course of a participatory process with LMs. These Zones reflected areas that are identified as requiring specific forms of planning and development interventions in the interests of furthering land and agrarian reform and managed settlement development processes.



3. Areas of Local Economic Development Potential

- Forestry Sector
- Agricultural Sector
- Tourism Sector

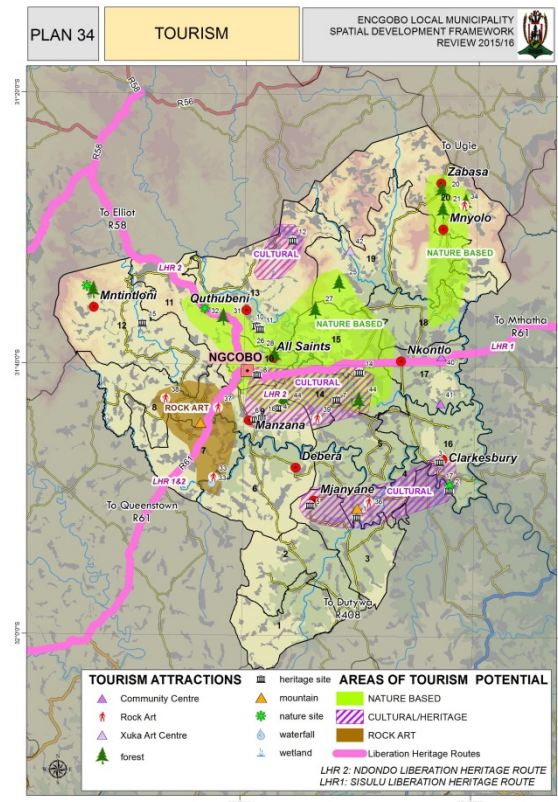
SDAs that focus more specifically on defining spatial areas where certain forms of development potential have been identified, either through previous planning exercises and sector reports

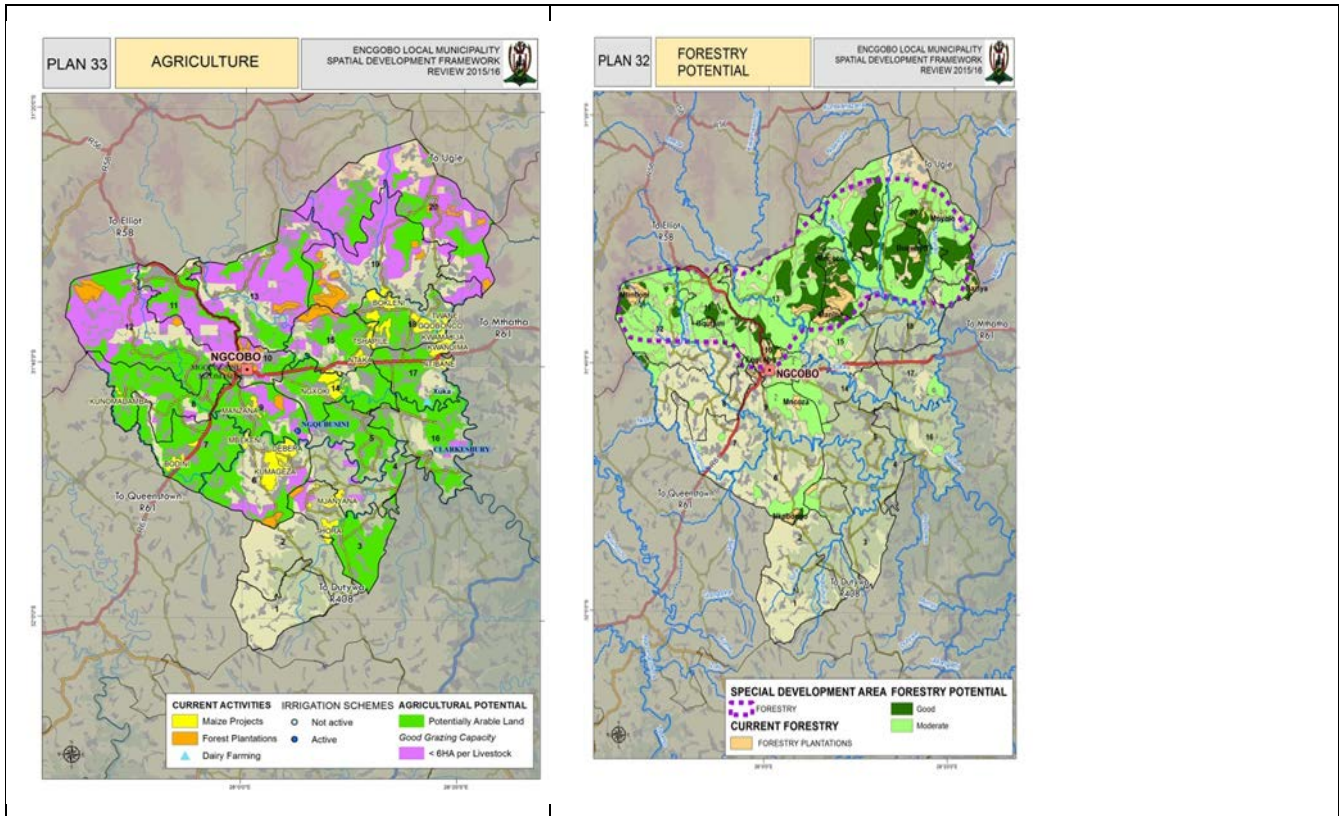


4. Areas of Local Economic Development Potential

- Forestry Sector
- Agricultural Sector
- Tourism Sector

SDAs that focus more specifically on defining spatial areas where certain forms of development potential have been identified, either through previous planning exercises and sector reports





Land Use Management.

The formulation of land use management guidelines is a legally required component of a Spatial Development Framework. In complying with this requirement, it is important to be clear on what is understood by the term “*land use management*”, and therefore, how this is translated into a set of usable guidelines, relevant to the Municipality and its assigned roles and functions.

The following excerpt from the White Paper on Spatial Planning and Land Use Management (Dept Land Affairs, 2001) provides a broad definition of what, *in essence*, a **Land Use Management System** is expected to achieve in the new spatial planning system in South Africa, and how this **differs from the development control approach** that was central to the old planning system in this country: -

“The term land use management includes the following activities:

- The regulation of land-use changes such as, for example, the rezoning of a property from residential to commercial use;
- The regulation of ‘green fields’ land development, i.e. the development of previously undeveloped land;
- The regulation of the subdivision and consolidation of land parcels;
- The regulation of the regularization and upgrading process of informal settlements, neglected city centres and other areas requiring such processes;
- The facilitation of land development through the more active participation of the municipality in the land development process, especially through public-private partnerships.

Land-use management has two main underlying rationales. The first is the widely felt resistance to the idea of uncontrolled land development and the second is the commonly expressed wish by particular sectors in society to promote various types of desirable land development.

The resistance to uncontrolled development is motivated by:

- Environmental concerns:** uncontrolled development of land can have adverse effects on natural habitats, cultural landscapes and air and water quality.
- Health and safety concerns:** uncontrolled development can lead to overcrowding and unsafe building construction. Certain land uses can also be detrimental to the health and safety of neighbors.
- Efficiency of infrastructure provision and traffic management:** increasingly it has become clear that where the granting of development permissions is not coupled with the provision of adequate infrastructure and traffic management the consequences can be severe. Similarly, where infrastructure is provided, generally at high financial cost, without taking into account likely and relevant land-use and settlement patterns the opportunity costs to society are very high.
- Determination of property values for purposes of rating:** the market value of land is the basis on which property valuation is determined and the extent and nature of the development permitted on the land is a key factor in that determination.
- Aesthetic concerns:** the control of land development enables government to prescribe certain design parameters for buildings.
- The wish to promote desirable development is also driven by a number of different concerns:
- The land development needs of the market seldom match precisely the social and political needs of government:** government may well want to promote a type of land development in an area that the market neglects. It then has to take certain steps to facilitate that development or provide incentives.
- Investment promotion:** changing the applicable land-use management instruments is often seen as a prerequisite for attracting certain types of investment to certain areas. This can take the form of both relaxing controls in those areas and increasing controls in other areas which might be more favored by the market. These strategies are likely to be linked to local economic development initiatives”.

Land Use Management and Engcobo Local Municipality

In terms of the Land Use Regulation, Engcobo LM is a designated Land Use Regulator with a responsibility for Municipal Planning. Authorised official, CHDM Tribunal, Land Audit

Current Legal Instruments Relevant To Land Use Management within Engcobo Local Municipality

- The area covered by the Engcobo Municipality is a complex, composite area comprising a variety of landscapes and land types ranging from formal, planned urban settlement (Engcobo town), formal and informal peri-urban and rural settlement (villages), and transformed, less impacted and almost pristine natural areas.
- In the main, land use management across this variety of land forms is not undertaken in terms of a coherent and overarching or integrated land use management system. In legal terms, land uses are subject to monitoring and regulation in terms of environmental laws that apply across the country as a whole but that are, in reality, only enforced in certain areas.
- This “unevenness” of land use management monitoring and enforcement is also the result of a historically complex and “splintered” application of legislation across the study area.
- The relevant legislation to be employed to carry out land use management is the Transkei Townships Ordinance (Ordinance 33 of 1934).

- ❑ These pieces of legislation are used in conjunction with a suite of environmental legislation that also has bearing on land use management and should strictly speaking, also be applied in rural areas.
- ❑ The municipality has appointed IPED manager as the Authorized Official and has joined in the Chris Hani District Municipality Planning Tribunal. The Appeals Authority is formed by the Executive Authority of the municipality. The Engcobo Local Municipality has appointed Umhlaba Consulting Group (Pty) Ltd to undertake the land audit of all properties within Engcobo municipal area of jurisdiction. The municipality intends to establish the status of all land parcels to address the high demand for urban development. The municipality is faced with land disputes on Erf 1, Engcobo which impacts negatively on developments as there are formal and informal land claims and invasions. The municipality has appointed Hansen Land Surveyor to calculate and identify the commonage boundary beacons.

Land Reform

Land reform is a central factor to economic development and especially rural development. There are two dominant forms of tenure or means of land ownership in our jurisdictional areas, namely freehold (identified through a registered mortgage and issuance of a formal title deed to the landlord) and communal (often found in rural village settlements and not linked to a single landlord through issuance of a title deed).

Freehold ownership patterns are common in urban and peri-urban areas of Engcobo and Clarkebury while other forms are dominant in rural settlement areas. The common tendency and legacy inherited from past government is for communal land to be under the control and authority of traditional leaders while not always but commonly the local municipal authority tends to have more control and rule over formalized freehold urban tenure systems. The co-existence of these tenure systems often creates confusion and difficulties in implementing uniform planning regulations and by-laws to govern land use management and development. Hence, the choice for 2017/2022 to focus on building strong relationships with traditional authorities and putting in place mechanisms for implementing effective joint planning and land use administration.

Rural areas have often lagged behind urban centers when comparing their share of benefits for development in our municipality. This has been caused by historic reasons wherein services were delivered to areas with already developed networks and reticulated service distribution systems (e.g. waterborne sanitation, refuse collection and electricity connections). This has led to urban-rural inequalities. To deal with this challenge the municipality has identified rural development as a new development priority for 2017/2022 with emphasis on the following:

- ❑ Planning for improved household access to basic services
- ❑ Leveraging the District municipality on rural service infrastructure installation
- ❑ Facilitation and mobilization of resources to achieve integrated delivery of government services via one-stop service centres to rural areas
- ❑ Coordination of poverty alleviation interventions and livelihood support
- ❑ Integration of settlements to mainstream economic participation and contribution. Main focuses here being on agriculture, farming, cultural tourism and agro-processing initiatives

- ❑ Improved access to community involvement in decision making through war rooms and other tools.

Land and Property Management

In terms of the Municipal Finance Management Act municipalities are obliged to manage the assets under its control, section 78 of the Act specifically stipulates that senior management should take all reasonable steps within their respective areas of responsibility to ensure, inter alia, “that assets of the municipality are managed effectively and maintained to the extent necessary to derive maximum benefits from these assets both in providing basic infrastructure and generating revenue.

An immovable capital assets management and maintenance information system is in place and this is a comprehensive system which incorporates collection of all data related to municipal owned properties, verification of new and existing data, quality control and skills transfer. It also incorporate all property valuations that have obtained through the General Valuations as well as all maintenance and expenditure carried out on each municipal property.

The development of Corridor Clusters

The Forestry/Wood Cluster in the north by:-

- Providing new community forests especially near existing sawmills
- Providing new sawmills
- Establishing a wood manufacturing industry at Engcobo
- This project on forests is now handled by Chris Hani because local municipalities cannot afford to manage.

The Agricultural Clusters in the south by:-

- Developing new irrigation schemes
- Maximizing production at existing schemes Providing a market and agro-industrial at Ngcobo

The Tourism Cluster

- Conserve and develop bushman paintings and developing a bushman painting trail
- To develop the waterfalls for tourist visits i.e. parking area, ablution facilities etc.
- Develop dams for fishing and camping/overnight facilities
- A Tourism Centre within Hero’s Park
- Tourism facilities and conference centre at Xuka
- Cultural village (horse and hiking trails, waterfalls and busmen painting)
- Partaking in Clarkbury (former Nelson Mandela school)

The Beef and Dairy Cluster

- Dairy production at Xuka
- Develop beef production at Xuka and other areas
- Dipping Tanks
- Stock Dams
- A beef auction and production facility at (Engcobo)

In terms of the SPLUMA bylaw, it is anticipated that the Engcobo Local Municipality will be required to formulate an integrated Land Use Management System within the next 5-year planning period.

In the interim, the Municipality will focus on the following actions:-

- Establishing appropriate land use management procedures to deal with all formal land development procedures in the Urban Areas in terms of currently applicable Town Planning Schemes.
- Ensure the implementation of procedures in terms of the Environmental Conservation Act.

Spatial Planning Issues	
Provision of Basic Infrastructure	Given the prevailing levels of poverty and social need, much of the developmental focus for the Municipality must be directed to the improvement of services and facilities in the least well-off settlements in the area (where the majority of the population resides).
Sustainability	There are high levels of unemployment and very low levels of income in the Municipality, which impacts on the levels of affordability and type of development needed. The provision of services and infrastructure should not be undertaken at a level that is likely to undermine the longer-term financial and environmental sustainability in the area. It is crucial, therefore, that an appropriate Level of Service linked to the ability to sustain the maintenance and operations of new networks is pursued.
Land Ownership and Tenure	The complex tenure arrangement in the former Transkei region hinders development, investment and appropriate planning in the area. The focus in this area therefore, needs to be placed on setting in motion a programme of local planning, which should inform the establishment of appropriate institutional arrangements to oversee and manage land use decisions.
Settlement Patterns	The current settlement pattern within the Municipality is fragmented both at the broader Municipal scale and at the local urban scale. This fragmentation mirrors differences in levels of infrastructure provision, land tenure arrangements and socio-economic well-being. It is essential, therefore, that strategies to overcome this spatial and socio-economic fragmentation be implemented where physically and fiscally possible.

Geographic Information System (GIS)

The municipality is in a process of establishing a full functioning GIS unit. It is the responsibility of the municipality to build and maintain spatial information system to provide more efficient services to communities. The municipality has a GIS equipment and has a system called OVVIIO to assist the municipality. COGTA is also supporting the municipality in terms of GIS mainly with human capital and information sharing.

5.3 KEY PERFORMANCE 3: LOCAL ECONOMIC DEVELOPMENT

Local Economic Development

In fulfilling the Local Economic Development Key Performance Area, Engcobo Local Municipality has developed a five year Local Economic Development Strategy (“LED”). The LED Strategy was developed in 2010 and reviewed in 2014.

It (“LED Strategy”) incorporates the following cross-cutting programmes;

- a) Small and Medium Enterprise Development including cooperatives.
- b) Agricultural Development

5.3.1 Local Economic Development (LED) Strategy

Background information

Engcobo Local Municipality (ELM) is predominantly rural and is characterised by a relatively low population density with more than 300 villages scattered across the municipality. Engcobo town being the only relatively densely populated, is the economic hub serving almost the entire municipal population. The municipality is faced with challenges relating to high prevalence of poverty, declining employment levels and concentration of employment in unskilled positions. In terms of the South African Constitution (1996), the Municipal Structures Act (2000) and the Municipal Systems Act Amended (2003), the local municipality is responsible for ensuring the development and implementation of Local Economic Development (LED) to facilitate employment creation and poverty eradication within its jurisdiction. Local Economic Development (LED) is essential in ensuring growth and stability of the economy. It is one of the most effective ways of ensuring that growth occurs on a sustainable basis while also assisting with the development of the PDI/HDI. The LED strategy serves as a tool with which the Engcobo Municipality can broaden the local economic base, increase sustainable growth and contribute to poverty alleviation in the area.

In order to fulfil the above mandate, in 2010 the Engcobo municipality developed the strategy for 2005 to 2010 LED Strategy leading to the current strategy. Apart from updating the baseline data, the 2010 review report addressed various issues including the lack of convergence in terms of determining priority projects resulting in the stating of the 3 Bankable projects: Upgrading the CBD with improved Taxi Ranks and Hawking facilities; Leveraging off of the agricultural, livestock (Poultry), water and forestry potential; and Recycling project. Furthermore, the review reduced the initial 15 objectives to just 5 objectives providing the strategy more scientific or strategic support. The objectives are: Develop LED department Institutionally; To strengthen and maintain partnerships and ensure intergovernmental alignment and cooperation; To mobilize resources and implement LED and Tourism programmes; To develop and sustain a research, monitoring and evaluation system; and Review the LED strategic Plan. Objective 5 aims to ensure that the strategic plan remains relevant.

However, the Engcobo LED strategy has been reviewed and adopted by Council in **May 2015/16** financial year. The existing LED strategy ensures that it remains applicable and relevant to the changing socio-economic-political environment. Furthermore, the LED strategy review form part of the IDP process and is a critical steps towards achieving local economic development within the

Engcobo Local Municipal area. Determining what sectors, commodities and stakeholders are significant to the economic activity of Engcobo Local Municipality will enable identification of appropriate market interventions that will lead to economic development of the municipality.

LED Objectives

The objectives of this LED Strategy can be summarised as follows:

To improve the local Economic Growth – through improving access to economic opportunities that includes but not limited to:

- Strengthening the commercial and retail sector as well as farmer settlement support;
- Creating an enabling environment for the agricultural sector to establish sustainable agro-processing business and develop new products;
- identifying tourism potential and Increase tourism contribution to the area; and
- Diversified economy with contribution different areas through the optimisation of local market opportunities.

To improve Infrastructure Development – ensure improved access to services and ensure proper operations and maintenance of infrastructure services through the following;

- Reduce the housing backlog in the area;
- Electrical connections throughout the other towns of Engcobo Local Municipality;
- Constant, cost effective and quality supply of electricity to meet National Electricity Regulator (NER) Standards;
- Support the construction of new access roads and maintenance of the existing ones;
- Improve the image of Engcobo town through the town beautification and attract tourist and investors.

To ensure Business Development and Economic Environment – aimed at but not limited to the following:

- Promoting investment and employment opportunities;
- Empowering the people of Engcobo (particularly the large number of unemployed and poorly educated) to become economically active and to participate and contribute to the development of the area; and
- Increasing the number of entrepreneurs and ensure effective operation on the existing small business;
- Training and Capacity building;
- Development of trading by-law and law enforcement and
- Financial support services; and
- Development and Implementation of an Enterprise Development plan.

Institutional Framework – To ensure coordination between activities, and to establish an institutional organisation with sufficient capacity responsible for the implementation of the plan

5.3.2 Economic policy contexts

Since the early 1990s the government of South Africa has been actively engaged in policy development. Local economic development has been identified as the prime mechanism for: job creation, empowerment and local development. The following sub-sections provide a brief overview of the national, provincial, district and local economic development policies that are categorized according to the spheres of government. These policies provide a platform from which a summary is provided of their implications for the economic development within the Engcobo Municipal area.

Engcobo Spatial Development Framework

The Engcobo Spatial Development Framework was developed in alignment with the municipality's IDP as well as the Provincial Spatial Development Framework. The Spatial Planning and Land Use Management Act of 2013 require local municipalities to produce a Spatial Development Framework to ensure equitable and efficient spatial planning. With the regards to the municipality of Engcobo, the following planning informants have been used in creating the spatial development framework package:

- Provision of basic infrastructure
- Sustainability
- Land ownership and tenure
- Settlement patterns
- Identifying areas of greatest opportunity
- Urban development
- Environmental management
- Agriculture and Forestry

In other words, the spatial implications of the IDP development objectives are that the municipality aims to deal with spatial fragmentation and management of and development; ensuring ease of access to opportunities; and increasing the functioning of Ncgobo town.

Engcobo response to national and provincial policies

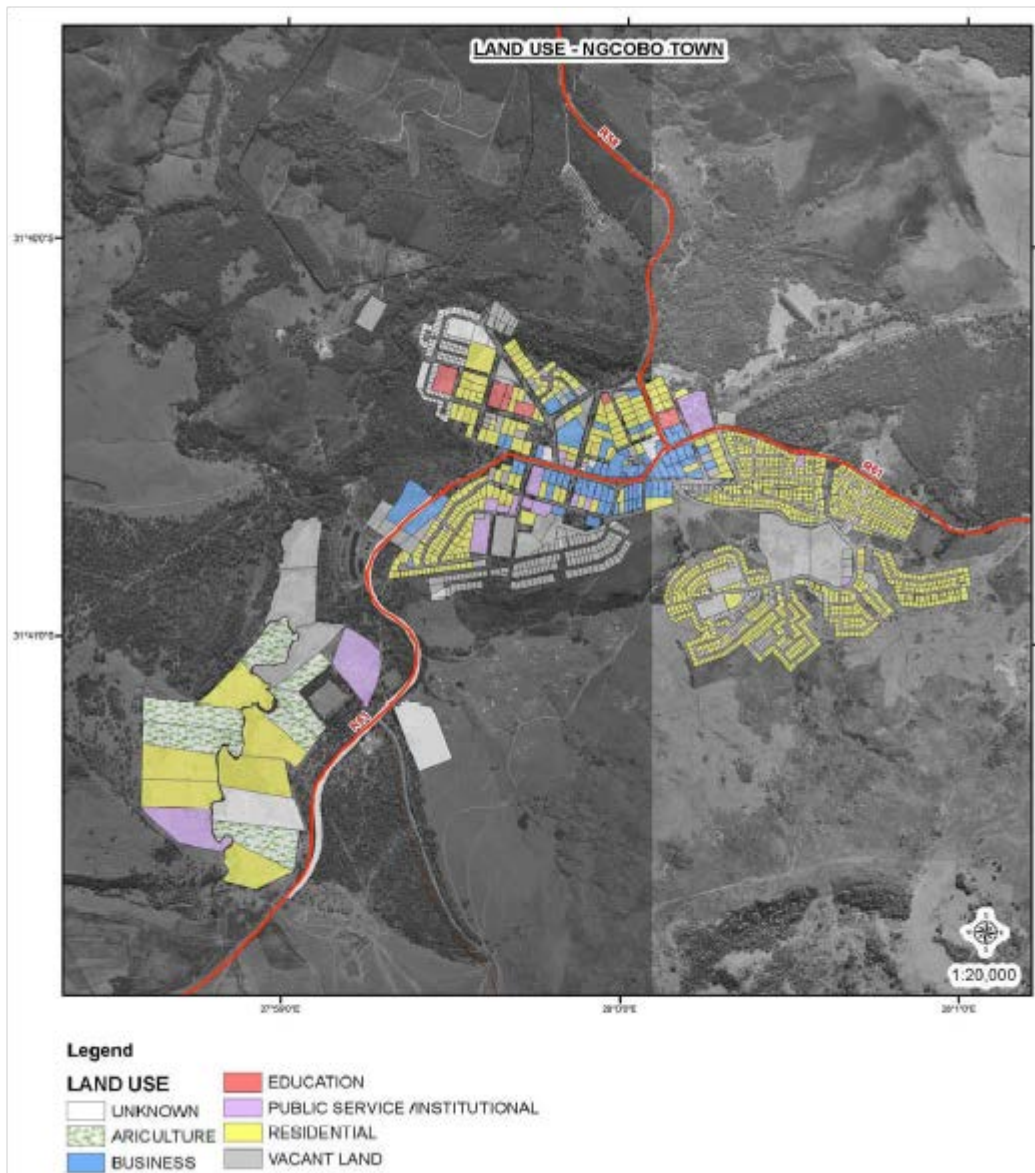
Engcobo's LED Strategy

The local municipality has very little economic regeneration with Ncgobo town being the Municipality's principal service centre and administrative node, future focus for economic growth and development. The objective is to provide a well-functioning town so as to enable and stimulate economic and job creation opportunities and a future sustained town. This will also assist in providing security of tenure and ownership of land which will act as a catalyst and provide investment opportunities in Engcobo town.

This will mostly assist in meeting the principles set by the Development Facilitation Act 1995, which is to create an enabling environment for development and investment, create opportunities for job creation and help to discourage land invasion by providing formal development for the poorer sector of the community, promoting efficient and Integrated Development.

Engcobo town (LED node)

Under the Small Town Revitalisation, Engcobo Local Municipality has identified the development of Ngcobo town as a primary node of the municipality. The town is seen as a main hub of the economic activities, service centre and administrative node which will stimulate economic regeneration within the municipality.



Engcobo's Response to NSDP:

- Engcobo has embarked on Small Town Revitalisation;
- Capitalising the strategic position along the newly upgraded R61 connecting Queenstown and Mthatha;
- Focus on the industrial potential in Engcobo Municipality.

Alignment to National, Provincial and District's Objectives:

National Objectives	Engcobo LED Strategy: addresses the following
Sustainable Economic growth to reduced unemployment and poverty	<p>Set to ensure sustainable local Economic Growth – through improving access to economic opportunities that includes but not limited to;</p> <ul style="list-style-type: none"> • Strengthening the commercial and retail sector as well as farmer settlement support; • Creating an enabling environment for the agricultural sector to establish sustainable agro-processing business and develop new products along the value chain; • Co-ordinate, facilitate and mobilise key LED stakeholders; • Identifying tourism potential & Increase tourism contribution to the area – Engcobo town beautification under the Small town ; Revitalisation; and • Diversified economy with contribution different areas through the optimisation of local market opportunities.
Infrastructure Development to improve service delivery, - improve health, education and housing	<p>To improve Infrastructure Development – ensure improved access to services and ensure proper operations and maintenance of infrastructure services through the following;</p> <ul style="list-style-type: none"> • Reduce the housing backlog in the area; • connection throughout the other towns of Engcobo Local Municipality – Road upgrade; • Constant, cost effective and quality supply of electricity to meet National Electricity Regulator (NER) Standards; • Construction of new roads and new taxi rank and; • Town beautification
Inclusive Rural Economy	<ul style="list-style-type: none"> • Creating an enabling environment for the agricultural sector to establish sustainable agro-processing business and develop new value adding products; and • Create conducive environment for SMMEs.
Building a safer communities, a capable state, with Social protection, Education, training and innovation Fighting corruption and enhancing accountability	<ul style="list-style-type: none"> • Institutional Framework – To ensure coordination between activities, and to establish an institutional organisation with sufficient capacity responsible for the implementation of the plan.
Infrastructure Policy Action Plan (IPAP): to set the economy on a growth path that is value-adding, labour-intensive and environmentally sustainable	Construction of the taxi rank and the Town Beautification under the Revitalisation plan of Engcobo allows for growth that is value-adding and labour intensive
Infrastructure Development Bill: to provide for the facilitation and co-ordination of public infrastructure development which is of significant economic or social importance to the Republic	Construction of various infrastructures such as the taxi rank as well as the revitalisation of Engcobo. Construction of the mall
NSDP for small business: Alleviating poverty by making it possible for poor people to generate income to meet basic needs	The revitalisation allows for the creation of new jobs and improving conditions of the existing jobs as well as creating new businesses through formalisation of the street vendors (provision of stall);
BBBEE: Increasing the number of black people that manage, own and control enterprises and productive assets. Facilitating ownership and management of enterprises and productive assets by communities, workers, co-operatives and other collective enterprises	BBBEE allows for access to land, infrastructure and finance. It enables the people of Engcobo, who are primarily black and previously disadvantaged, to access land through the revitalisation and beautification

Provincial strategic framework	Engcobo LED Strategy: addresses the following
EC PGDP: strategic framework, sectoral strategies and programmes aimed at a rapid improvement in the quality of life for the poorest people of the Province	Job opportunities created as well as market access created through the development programmes introduced.
EC PIDS Building a coherent economic development support environment	Creating an enabling environment for the agricultural sector to establish sustainable agro-processing business and develop new products;
EC PIDS Economic transformation and revitalisation	To improve Infrastructure Development – ensure improved access to services and ensure proper operations and maintenance of infrastructure services through the following; <ul style="list-style-type: none"> • Reduce the housing backlog in the area; • connection throughout the other towns of Engcobo Local Municipality; • constant, cost effective and quality supply of electricity to meet National Electricity Regulator (NER) Standards; • Support the construction of new and maintenance of roads; and • Town beautification.

CHDM Objectives	Engcobo LED Strategy: addresses the following
CHDM IDP 2017-18: To consistently create an enabling environment for Economic Growth, Rural Development and Employment opportunities.	Improving the local Economic Growth – through improving access to economic opportunities that includes but not limited to: <ul style="list-style-type: none"> • Strengthening the commercial and retail sector as well as farmer settlement support; • Creating an enabling environment for the agricultural sector to establish sustainable agro-processing business and develop new value adding products; • Identifying tourism potential & Increase tourism contribution to the area; and • Diversified economy with contribution different areas through the optimisation of local market opportunities.
Ensuring provision of Basic Services in a well structured, efficient and integrated manner.	To improve Infrastructure Development – ensure improved access to services and ensure proper operations and maintenance of infrastructure services through the following; <ul style="list-style-type: none"> • Reduce the housing backlog in the area; • Connection throughout the other towns of Engcobo Local Municipality; • Constant, cost effective and quality supply of electricity to meet National Electricity Regulator (NER) Standards; • Support the construction of new and maintenance of roads; and • Town beautification
To encourage the involvement and collaboration of Communities and Stakeholders through working together to achieve good governance in an integrated manner.	The strategy gives room to ensure community and stakeholders collaboration.
To establish and maintain a skilled labour force guided by policies to function optimally towards the delivery of services to communities.	Programmes aimed at developing enterprises in area of Engcobo include provision of training of the communities. Furthermore, the strategy covers the need for training of officials as a way towards improving service delivery.

Implications for LED in Engcobo

Based on the preceding sections, it is evident that there are several pieces of legislation, strategies and policies in existence to address the issue of local economic development. LED involvement requires government intervention in the form of facilitation, support and funding. In Engcobo, national government, the district and local municipality all have an essential role to play in the successful implementation of local economic development initiatives. These institutions establish principles and provide a framework for the formulation of localized economic development strategies. They create a range of opportunities for funding, institutional development and initiatives for economic growth and development in Engcobo. Based on this, it is important that LED within Engcobo focuses on the following areas:

- Addressing local development needs, poverty crises and job creation requirements;
- A partnership between all key stakeholders – the local authority, communities, and the private sector. (Currently there is an existence of LED Forum in each town);
- Local leadership;
- Initiative and entrepreneurship;
- The use of local resources and skills;
- Appropriate external support , advice and facilitation; and
- Creating an environment that facilitates economic growth and diversification, and
- Stakeholder’s empowerment and capacitation.

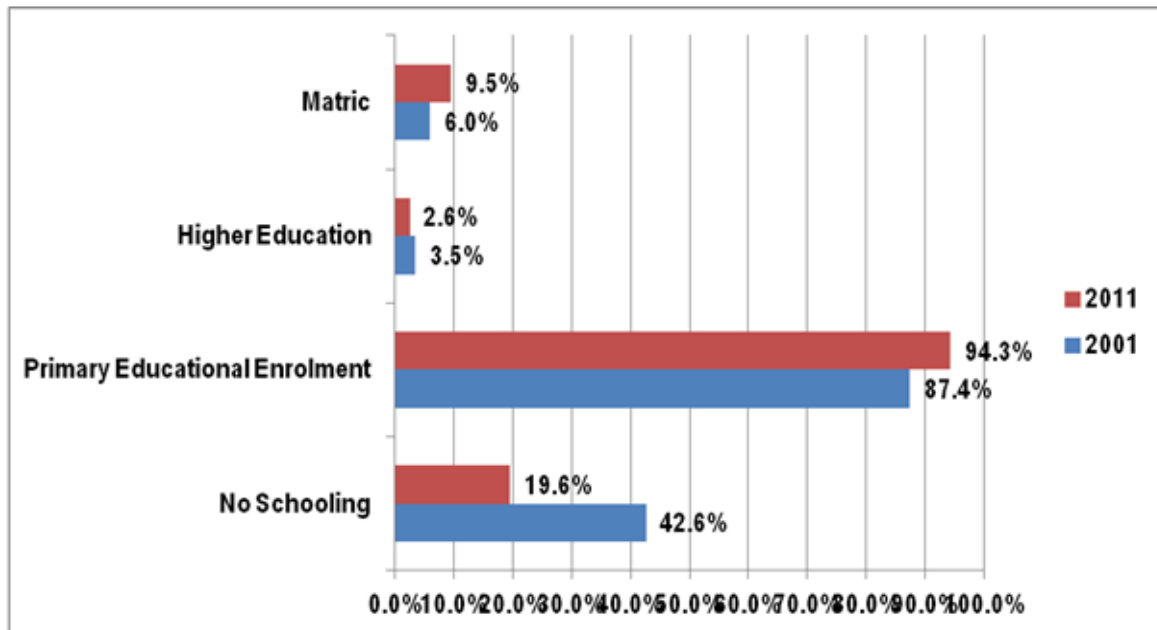
5.3.3 Socio - Economic Assessment of Engcobo Local Municipality

The aim of this section is to provide a detailed account of the current social and demographic situation in Engcobo. By so doing, it will be possible to ascertain those areas in which economic development potential exists.

Economic Analysis of Engcobo Local Municipality

Educational level

The level of education amongst the people of the Engcobo Local Municipality is fairly low despite significant decline in the number of people with no schooling.



Source: ECSECC, 2012

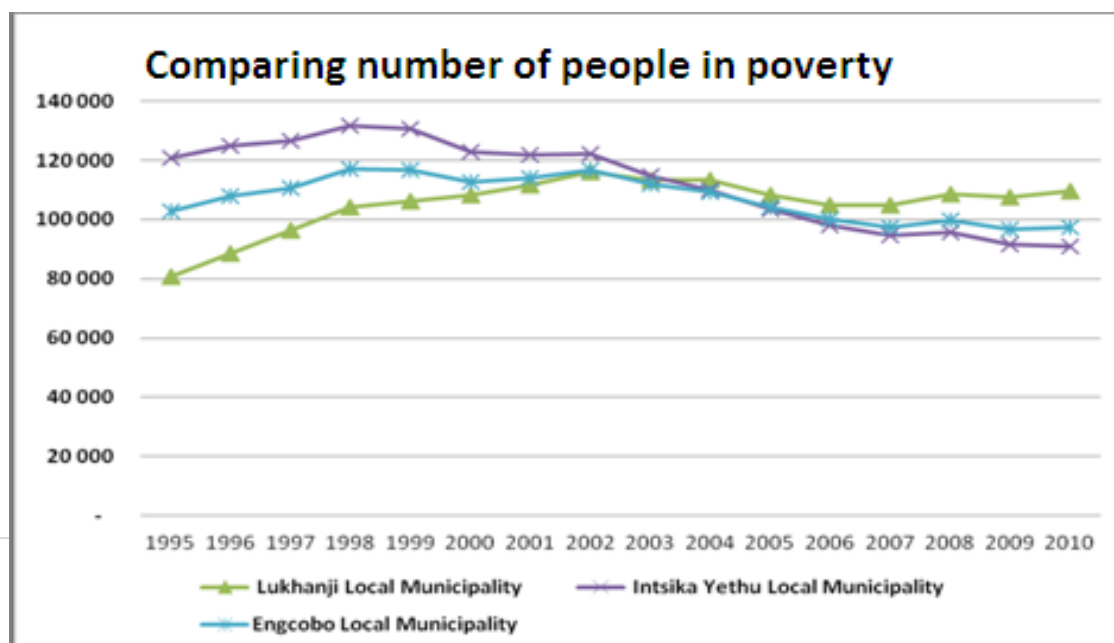
Income

The majority of Engcobo’s residents are low-income earners. This is exacerbated by the fact that the unemployment rate is very high. Engcobo has a Gini Coefficient of 0.61 which means that the income levels are relatively equitable. A large percentage (32%) of households in Engcobo is indigent with incomes of less than the sum of two state pensions (R3000) or a monthly gross income of R1500. This spurs on the need for low income housing to cater for these people. The figure below shows a comparative distribution of households by income category using annual figure

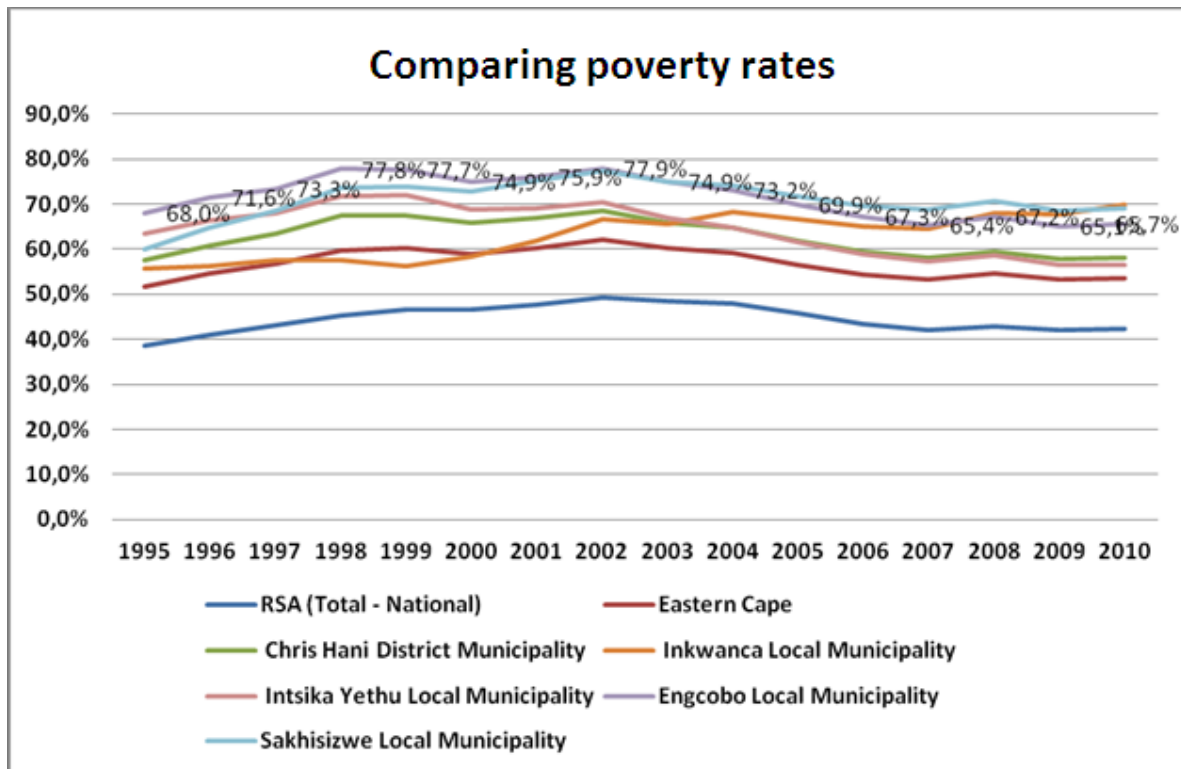
Source: ECSECC, 2012

Poverty

When compared to the other local municipalities with Chris Hani District Municipality, Engcobo recorded highest number of people in poverty 1995 to 2003. However, since then the situation has



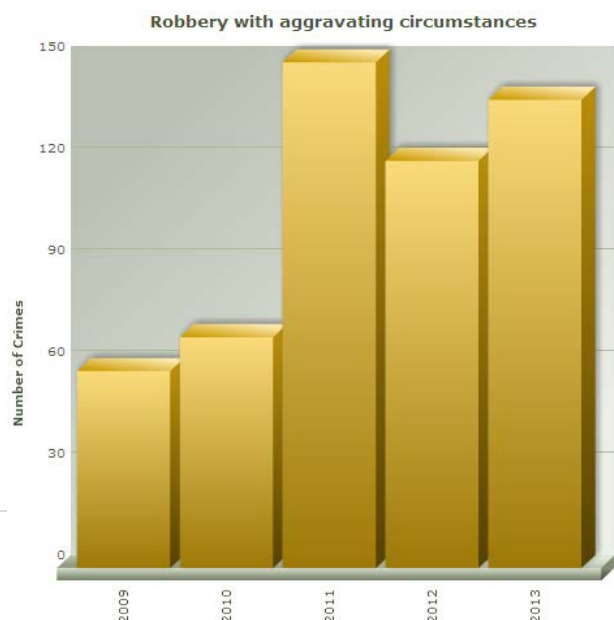
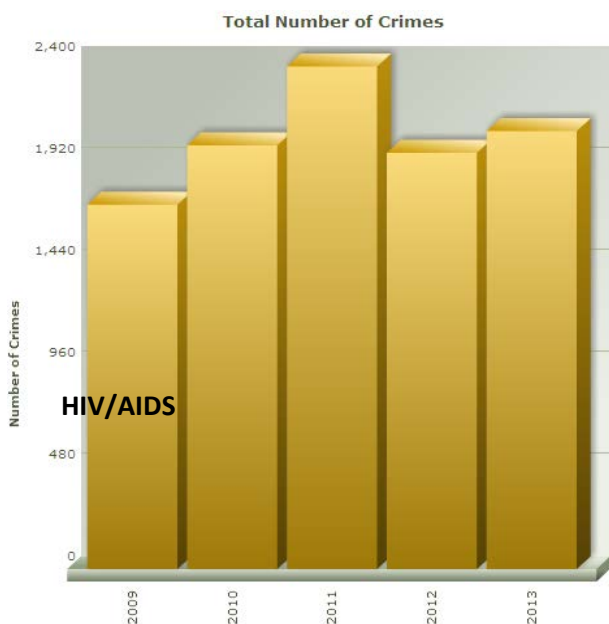
improved significantly. Comparing the poverty rates, Engcobo recorded the higher percentages than the national, provincial as well as district with the highest rate 77.9% recorded in 2012/13.



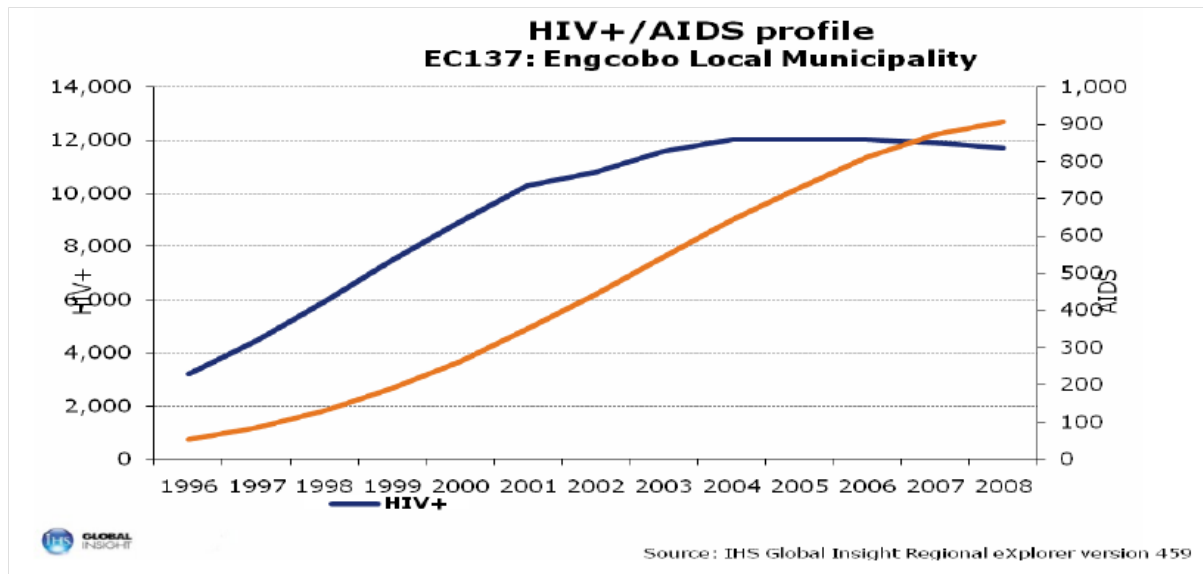
Source: ECSECC, 2012

Crime and safety in Engcobo

Due to a number of social and economic factors, crime remains one of the major problems in Engcobo Local Municipality. From the graphs below, the total number of crimes in Engcobo has increased significantly from 2009 to 2013. Among the crimes that have increased in the municipality are murder and sexual crimes. Common crimes and robberies on the other hand have decreased over this period. Robbery with aggravating circumstances has also significantly increased from 2009 to 2013.



HIV/AIDS continues to be an epidemic in South Africa as well as in the district in which Engcobo Local Municipality is located, that is, Chris Hani District Municipality. The eradication of HIV has been viewed as a priority outcome of the municipality. Statistics show that approximately one quarter of the population in the district is HIV positive. The rate has fluctuated between 20% and 27% in the past decade. This has socio-economic consequences in the long term. It is estimated that over 900 people in the municipality are HIV positive based on the Global Insight Report from 2008. The HIV/AIDS trends from 1996 to 2008 are shown in the figure below.



Social implications

Based on the preceding analysis, there are a number of implications with regard to development within the Engcobo Local Municipality which can be summarised:

The demographic profile for Engcobo presents a hurdle for economic growth of the municipality, as growth must occur fast enough to create job opportunities for the youth. With over half the population being females, this suggests a need for co-operatives targeting women, youth and people with disabilities in the area. An important aspect of this profile is that it reflects an age cohort that is more vulnerable to HIV/AIDS, crime and violence.

The education profile for Engcobo shows a high level of illiteracy with corresponding high levels of unemployment and poverty. The low levels of income reflect a situation of impoverishment and limited employment opportunities. The current paints a bleak picture in terms of the ability of a large proportion of the Engcobo population to meet their basic needs and improve their quality of life. Therefore, the key challenges for the municipality are to improve the literacy level, so that people are equipped to search for suitable employment. In addition to this, greater focus is required on skills development and training in order to empower individuals and promote SMMEs within the area. The need for facilities across the education spectrum as a means to prepare the youth to play a meaningful role in building the economy of Engcobo should be prioritised.

The demographic and migration patterns raise a number of broad policy questions that need to be addressed. Firstly, the fact that a large number of population is emigrating, raises the issues as to whether the municipality should continuously plough infrastructure projects in the poor areas where people are leaving or should it concentrate on human capital development programmes that seek to enhance the potential of local residents to lead decent lives in major towns and thus increase remittances flowing into the area. Broadly speaking though, it also raises questions about the municipality's ability to stop the nature of urbanization processes.

In terms of the National Spatial Development Perspective (NSDP) Framework, the fact that the majority of local population outside is illiterate, highly dependent on social grants, lacking economic potential and searching for employment opportunities outside the area means that the municipality should consider the following:

- Improve on its labour market intelligence and human resources development programmes aimed at equipping locals, especially youth, with skills that will help them find employment in their migration destination points of Bloemfontein and Johannesburg.
- Working together with the Department of Social Development to enhance the effectiveness of social welfare and security programmes in the area. This will also help to strengthen the poverty alleviation programmes of the municipality.
- Working together with the Department of Water Affairs and Fisheries to enhance the effectiveness of the Department in the area. This will help in the projects of Aquaculture and Water Harvesting.

Spatial Profile

This sub-section summarise the spatial profile of Engcobo, namely the Development Corridors and the Development Nodes of Engcobo critical role in the growth and development of the municipality.

Development Corridors

Development Corridors are defined as roads of significance at Municipal Level that:

- Facilitate movement of people and goods to and from an area
- Link places in the Municipal area to other places of significance (i.e. markets, places of work or social/economic opportunity)
- Create a focus for activity

Engcobo local municipality's spatial framework has the following significant corridors namely:

- Primary movement corridor (R61), - the East Corridor of importance to both the municipality and district linking the Engcobo to Queenstown and Mthatha.
- Secondary movement corridors (R58 Elliot – Ngcobo & R408 Engcobo – N2 –Dutywa). These routes carry passing traffic and provide access between local areas in Engcobo and other centres.

- Link corridors - Access Roads linking Ngcobo (R61) to the Secondary Nodes of Mnyolo, Coglan, Clarkesbury, Mjanyane and Hala. Linking areas of development potential to Movement Corridors and Ngcobo.

Development Nodes

The municipality has Ngcobo town as its primary node with five other secondary nodes:

Node	Name	Role
Primary	Ngcobo	Ngcobo is the economic hub of the municipality; the Retail and Service Centre to the surrounding rural settlements. It also has an administrative role as the Local Municipalities Headquarters. It also functions as an Industrial Node. Caters for permanent and temporary residents.
Secondary	Mnyolo, Coglan/ Nkontlo, Clarkesbury, Mjanyane, Manzana, Hala	Commercial and Social Facilities serving surrounding rural areas.

Engcobo Competitive and Comparative Advantage

Key Elements	Competitive Assessment
Infrastructure and Services	<ul style="list-style-type: none"> • Engcobo's Communications (transport and telecommunications) infrastructure is underdeveloped, with no rail, air or water port facilities coupled with very limited surfacing of all roads (8.79%) and low percentage (16.65%) of direct access to telephones by the local population. • Engcobo has favourable cellular network coverage and is situated close to Umtata, but is some distance from the Provincial secondary economy of East London. • On Quality of Life, Engcobo fares poorly with low measures of access to all basic services (water, electricity, sanitation, and refuse removal) but adequate shelter, and with low access to schools. Access to health care facilities is comparable to the Provincial average, but below District average. • Poor television reception limited to SABC 1 and 2, implying that families will have to buy DSTV to access more channels • Economic infrastructure is poorly represented, with few commercial banks, post offices with banking capability and ECDC properties.
Institutional Environment	<ul style="list-style-type: none"> • The overwhelming majority (95.07%) of the population is resident on tribal land and more than half (55.24%) of all households own their properties, of which the majority (93.85%) are fully paid up owners. • The coverage of police stations relative to geographical area and population size is lower than for the Eastern Cape, yet the crime rate stands at less than half (15.36 crimes per 1000 people) of the Provincial rate. However, Engcobo is one of the few municipalities in the Province to experience a growth (0.05%pa) in crime over the past three years. The prevalence of livestock and business-directed crime is roughly equivalent. • The local economy is highly concentrated, dominated by the Community Services sector

	<p>in terms of both GVA and employment. The cost of doing business in the area is relatively high, principally on the basis of transaction costs arising through distance, and travel time, to a major economic centre (East London), while expenditure on transport, communication and finance is moderate.</p> <ul style="list-style-type: none"> • Further considerations are the absence of a Telkom service branch, poorly developed municipal regulatory capacity and limited access to business service providers and development and financial support institutions. However, various economic development structures are represented in the area, including a business chamber and LED forum.
Economic Indicators	<ul style="list-style-type: none"> • Engcobo claims the most youthful as well as the highest rates of poverty and unemployment in district, coupled with a high dependency ratio. An indication of the depth of poverty in the area is revealed by the Municipality's share of the Provincial poverty gap (3.79%), which is substantially higher than its share of the Provincial population (2.65%). • The Municipality has low Productivity score which points to the low GDP per worker (formal and informal), a relative shortage of skills available to the economy, and low growth in value creation relative to labour remuneration and especially employment. • Engcobo's low Formal Economy Performance reflects particularly on the concentrated local economy, relatively high financial grant dependence and GDP performance, but is bolstered by positive employment growth performance. • Engcobo emerges as a leading economy, both nationally and provincially, in respect of formal employment growth performance and has experienced a positive shift in share of employment, but a negative shift in share for GDP contribution. • Economic Absorption Capacity is fairly low considering the negative income-expenditure balance against a higher than average employment multiplier as well as moderate informal sector capacity, total disposable income and buying power. • The local economy claims a comparative advantage, for both GDP and employment, in Community Services (dominated at 26.51% of GVA and 33.47% of employment). • Further comparative advantages, in terms of GDP contribution, are reflected for Agriculture – centred on Forestry and Logging (5.94%); Construction (2.83%) and Trade – centred on the Retail sub-sector (12.32%). A further employment advantage emerges as the Households sector (18.46%). • The Municipality claims a range of leading products, including sheep, goats, cattle, sunflowers and maize, where the latter is identified as having very high potential. • Dry land potential exists for maize and beans, and the area is identified as suitable for forestry. • Potential exists for further expansion of goat (Boer) production, while the high number of sheep in the area presents opportunities for expansion of the wool industry and the relatively large local market presents meat processing opportunities. • Engcobo falls into both the "Friendly N6" and Wild Coast tourism regions, with attractions centred on the natural environment and related outdoor activities.
Capacity	<ul style="list-style-type: none"> • Low Resident Participation Capacity in Engcobo as seen in the low HDI (0.42), below average access to education and health professionals, and a comparatively high proportion of child-headed households in the Eastern Cape. • Functional literacy (45.32%) is low, as is the qualification rate (4.92%) and the proportion of residents that have gained at least a matric (11.26%).

	<ul style="list-style-type: none"> • Women’s Economic Participation is marginal, where women account for 54.27% of the population yet constitute 48.87% of the EAP and face substantially higher unemployment (83.27%) and rate of growth in unemployment (5.79%pa) than men. • Engcobo reflects poor Municipal Capacity considering the very low ratio of municipal employees to population, moderate managerial experience and limited number of functions performed with capacity.
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5.3.4 Economic Overview of Engcobo Local Municipality

This section is set to provide an analysis on the key economic trends for Engcobo Local Municipality and identify key sectors of economic activity and potential growth in comparison to other districts. The aim is to provide insight about the economic environment of the area, thereby setting the need for the LED strategy. The economic profile will be reviewed under the following sub-headings:

- ➔ GDP output
- ➔ GVA output per sector
- ➔ Sector contribution towards employment

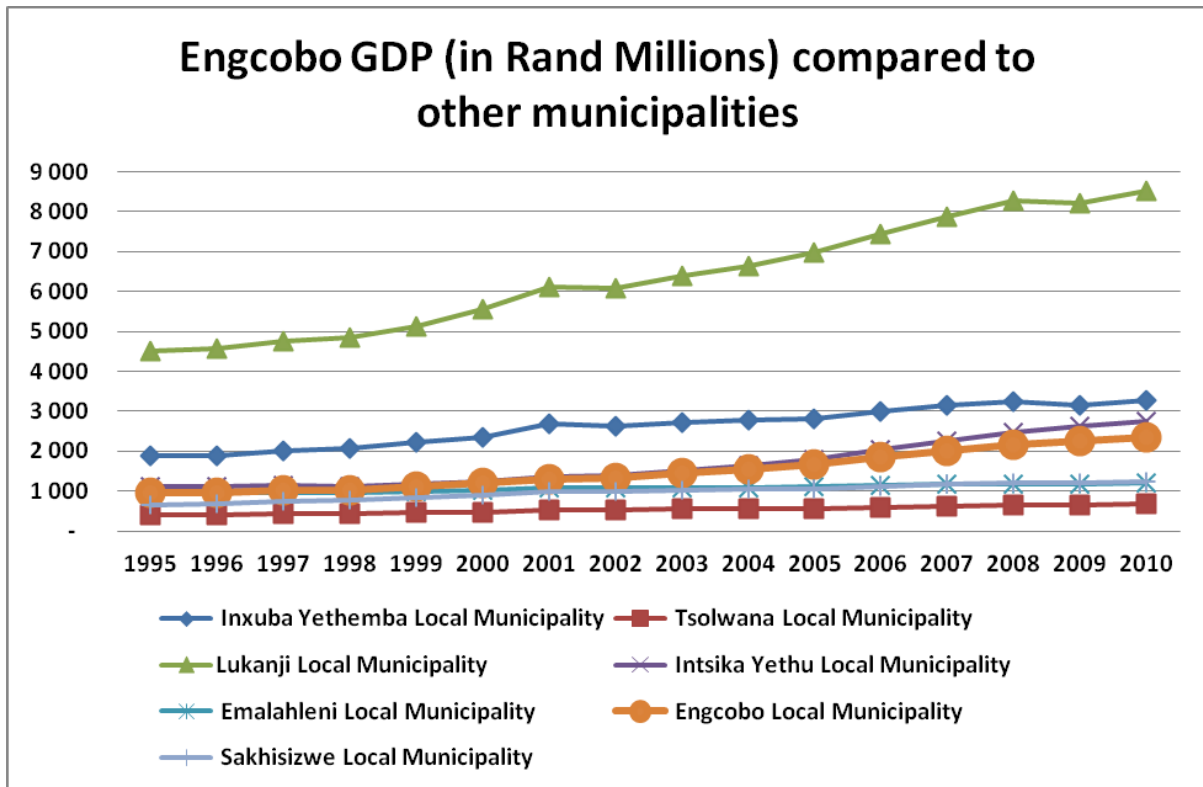
Engcobo town is the most significant economic node in the Engcobo Local Municipality. The town is host to all retail and consumer outlets in the municipality. Almost all formal and informal trade takes place in the town. Furthermore, the town is home to banking outlets as well as all the municipality offices. There are few peri-urban nodes that include; All Saints, Cochlan, Clarkesbury and Mjanyane outside of Engcobo town. The main activity within the peri-urban areas is informal trade such as catering for traffic to and from hospitals and clinics. The rest of Engcobo is made up of more than 300 villages scattered across the entire municipality. These villages usually consist of a few dozen households and contain no formal businesses, banks or public services such as police stations, post offices or libraries. This implies that Engcobo town is vital in terms of access to goods and services by the Engcobo residents.

It should be noted that the economic statistics used in this section do not account for the informal sectors and reflect only the formal economy.

This sub-section provides an analysis of the key economic trends for Engcobo Local Municipality identifying key sectors, potential growth areas and highlights on the areas of competitive as well as comparative advantage. The aim is to provide insight about the economic environment of the area, thereby setting a platform for economic planning, potential future developments and investment prospects.

Economic growth: Gross Domestic Product Output & Gross Value Added

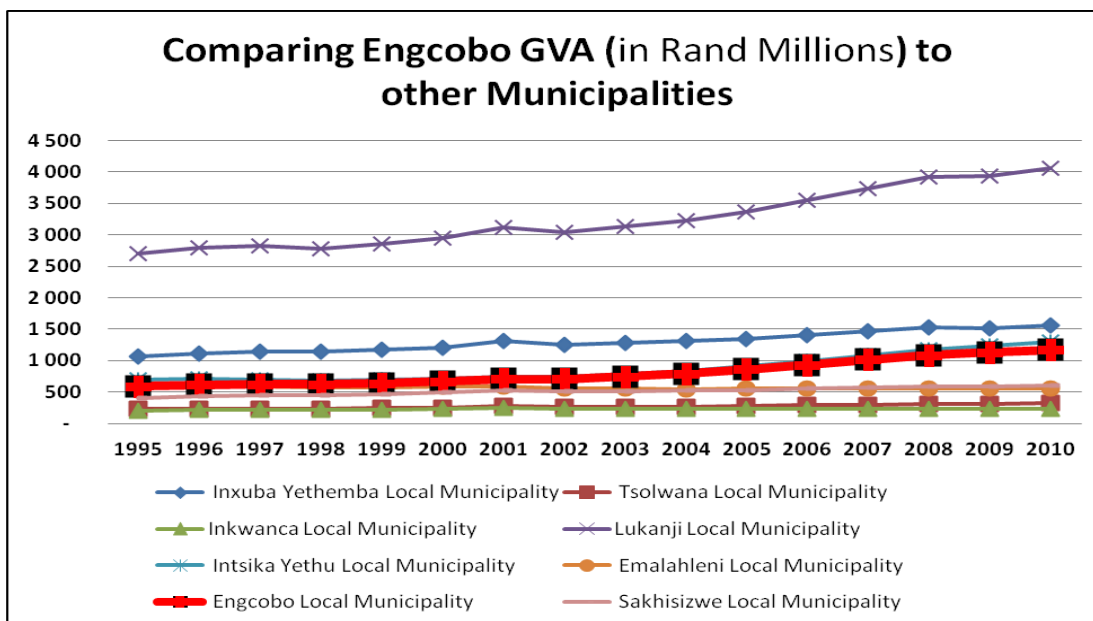
Based on a comparison of Engcobo’s GDP (1995-2010) to the rest of the other municipalities within the District the municipality can be placed in the 3rd position following Lukhanji, Inxuba Yethemba and Intsika Yethu respectively. The figure below set illustrates the Engcobo’s GDP performance (1995 to 2010) in comparison to the rest of other municipalities.



Engcobo Gross Domestic Product (Source: Global Insights, Annual GDP output) (2011)

The Engcobo Infrastructure Master Plan, 2012 reported GDP of R1 215 million for the local municipality. The economy has grown at an average growth rate of 1.03% between 1996 and 2010. There has been steady growth since 2007. This is attributed by the fact that the economy is dependent on government and community services.

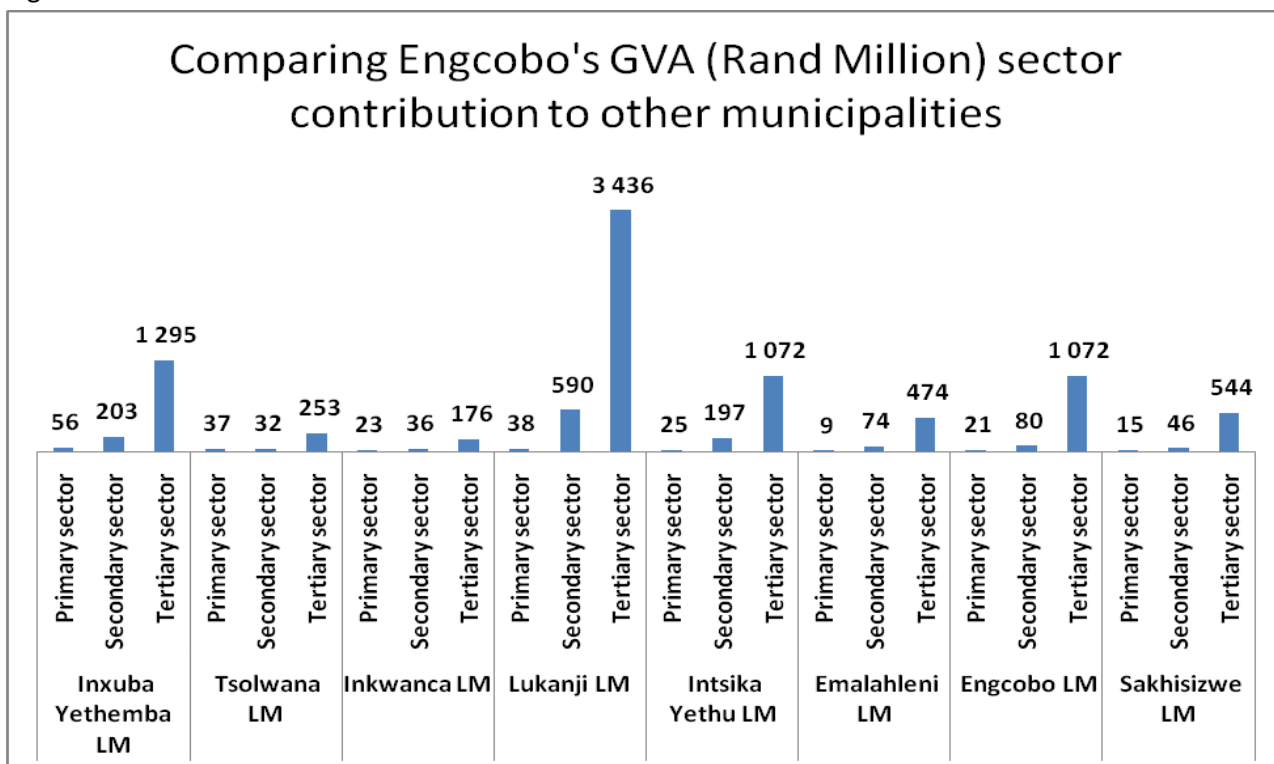
Engcobo town being the hub of the local economy, more than half of the GVA takes place in the town, the municipality is place 3rd when the GVA is compared to the other municipalities within the district. See figure below.



Source: ECSECC, 2012

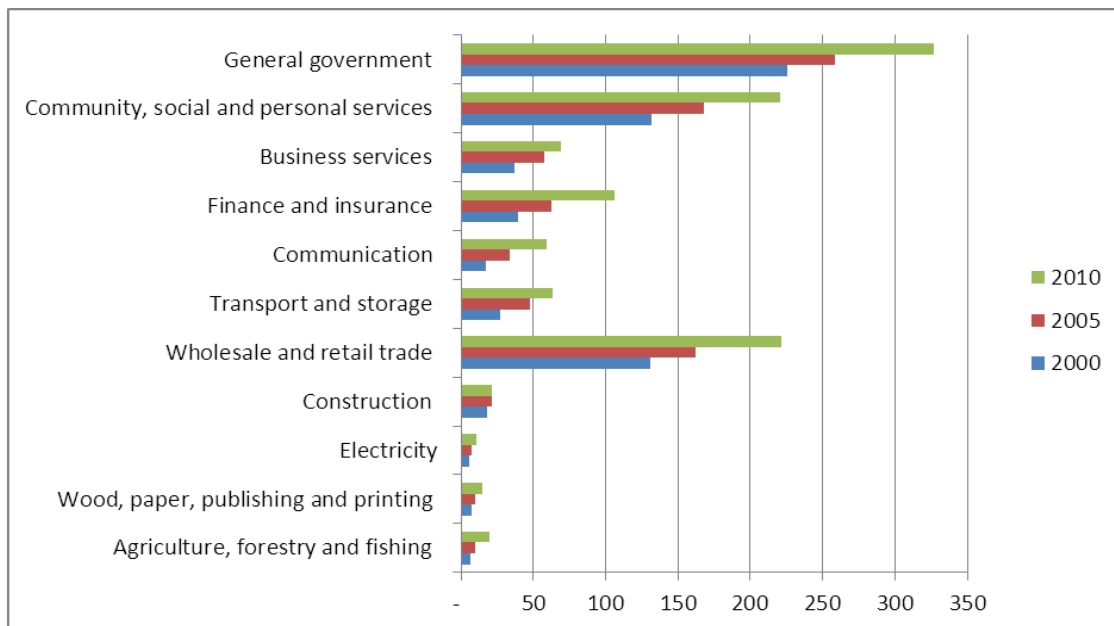
Sector Contribution Economic Growth

In terms of sector contribution to economic growth, it is clear the tertiary sector dominates in all the municipalities' economy. Engcobo's tertiary sector contribution to GVA (R1 072 million) is placed 3rd following Lukhanji (R3 436 million) and Inxuba Yethemba (R1 295 million). In terms of secondary sectors, Engcobo is placed 4th (R80 million) following Lukhanji (R590 million), Inxuba Yethemba and Intsika Yethu. Engcobo's primary sector contributes (R21 million) to the municipal GVA compared to highest Inxuba Yethemba.



Source: ECSECC, 2012

Zooming in to Engcobo’s tertiary sector, it is clear that general government and community services are the greatest contributors to the GVA. This indicates that Engcobo LM lacks diversity. Wholesale and Retail Trade are the second contributor to the economy and 68% of the activities occur in Engcobo town (see figure below). In addition, Engcobo town is the hub to commercial, financial and manufacturing sector. Therefore, it is vital to develop and maintain the infrastructures and links to Engcobo town. The graph below show the profile of sectors with significant contribution to the GVA (Rands – millions):



Source: ECSECC, 2012

With reference to the above Sector Contribution table the following is noted:

- Clearly high dependency on government spending through social grants and constantly increasing since 2000.
- The Finance and Business Services sector has experienced steady growth between 2000 and 2010. This is an indication of the growing professional and business market in Engcobo.
- The Agricultural sector’s contribution towards GVA is very small (approximately 2%). This is largely due to the sector being dominated by subsistence farming which does not contribute towards the formal economy and it is an under-developed sector.
- Output by sectors indicates growth though this growth is both uneven and the output is low in areas that should present significant competitive advantage for the municipality (e.g. agriculture and trade, both retail and wholesale).

Sector Contribution - Employment

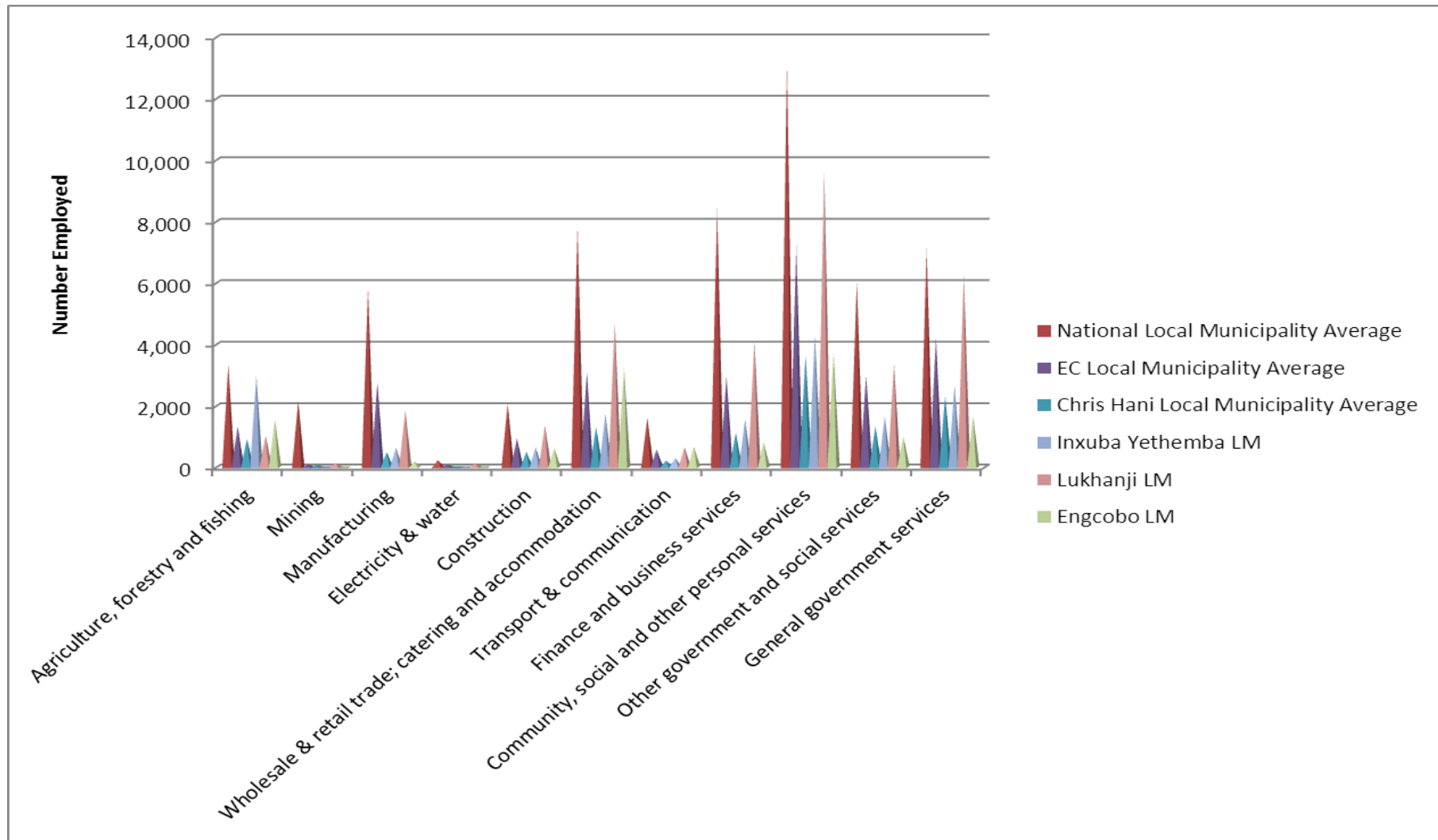
The general trend across the four levels shows that Community, social and other personal services is the highest contributor to employment. When compared to the other municipalities within Chris Hani district, Engcobo’s contribution in terms of employment is less than that of Lukhanji and Inxuba Yethemba at National, Provincial and District level.

Interesting to note that Engcobo's wholesale and retail sector contribute significantly toward employment at all spheres.

Sector Contribution to formal employment comparison at National, Provincial, District and municipal level below (ECSECC 2012)

Sectors	National Local Municipality Average	EC Local Municipality Average	Chris Hani Local Municipality Average	Inxuba Yethemba LM	Lukhanji LM	Engcobo LM
Agriculture, forestry and fishing	3,348	1,325	933	2,988	1,035	1,536
Mining	2,165	91	70	14	145	29
Manufacturing	5,844	2,768	495	632	1,858	183
Electricity & water	227	79	36	35	131	40
Construction	2,075	935	503	655	1,366	620
Wholesale & retail trade; catering and accommodation	7,855	3,107	1,319	1,737	4,728	3,232
Transport & communication	1,604	583	212	297	660	672
Finance and business services	8,413	2,970	1,124	1,574	4,135	811
Community, social and other personal services	13,186	7,225	3,664	4,296	9,670	3,735
Other government and social services	6,053	2,987	1,334	1,642	3,373	1,000
General government services	7,133	4,238	2,330	2,654	6,297	1,660

Sector Contribution to formal employment comparison at National, Provincial, District and municipal level (In a pyramid form)



In terms of labour absorption, the following can be noticed for Engcobo Local Municipality:

- The Government and Community Services sector is the largest employer, providing employment to approximately 49% of employed people in Engcobo LM. Again this is an indication of the population's dependency on the public sector for income.
- Although the Agricultural sector GVA contribution is small, the sector has employed a significant population (approximately 11%). This more evidence to show that the Agriculture sector of Engcobo is relatively unproductive.
- Trade is employing a significant proportion (25%) of Engcobo population.

Employment

In the following table the number of people employed the different sectors of the economy is illustrated:

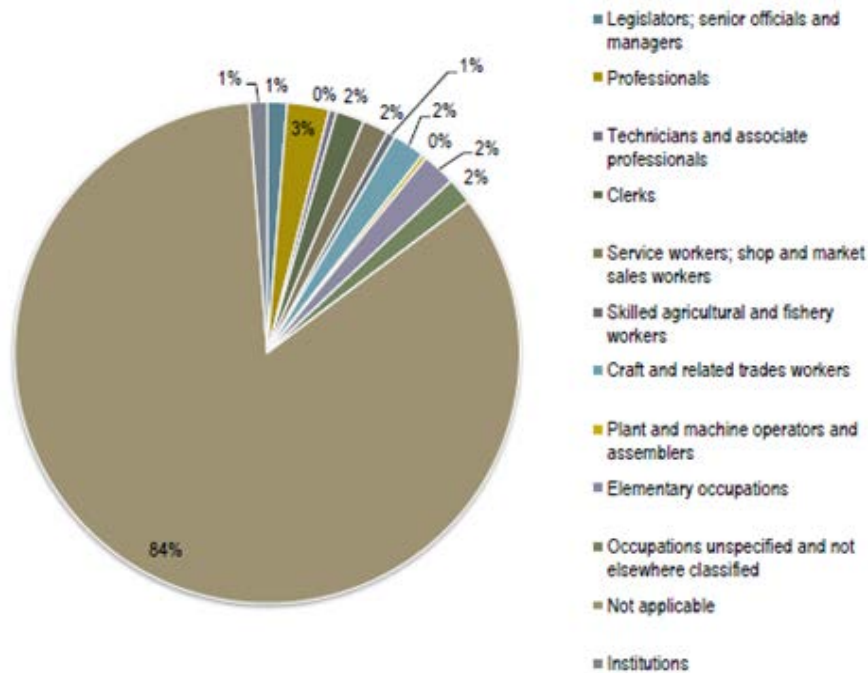
Sector	Employment within sectors during:					% Growth Y on Y
	2006	2007	2008	2009	2010	
Primary	1501	1608	1715	1795	1565	1.05
% Primary Sector	12%	12%	13%	13%	12%	
Agricultural, forestry and fishing	1468	1575	1682	1764	1536	1.12
Mining and quarrying	33	33	33	31	29	-3.18
Secondary	1254	1186	1055	928	1112	-2.96
% Secondary Sector	10%	9%	8%	7%	8%	
Food beverages and tobacco	12	13	15	18	14	3.9
Textiles, clothing and leather goods	107	121	123	133	118	2.5
Wood, paper, publishing and printing	166	191	209	192	195	13.8
Petroleum products, chemicals, rubber and plastic	10	11	13	15	11	2.4
Other non-metal mineral products	35	39	42	39	34	-0.7
Metals, metal products, machinery and equipment	50	58	64	76	60	4.7
Electrical machinery and apparatus	0	0	0	0	0	0
Radio, TV, instruments, watches and clocks	0	0	0	0	0	0
Transport equipment	0	0	0	0	0	0
Furniture and other manufacturing	16	19	19	22	20	5.7
Electricity	22	21	21	17	24	2.2
Water	13	17	13	10	16	5.3
Construction	823	696	536	406	620	-6.8
Tertiary Sector	9790	10247	10797	11082	10616	2.05
% Tertiary Sector	78%	79%	80%	80%	80%	
Wholesale and retail trade	2882	3006	3101	3170	3137	2.1
Catering and accommodation service	117	117	114	117	95	-5.1
Transport and storage	457	507	602	648	584	6.3
Communication	74	79	88	98	88	4.4
Finance and insurance	167	169	181	183	163	-0.6
Business services	511	570	640	634	648	6.1
Community, social and personal service	3044	3143	3257	3288	3241	1.6
General Government	2538	2656	2814	2944	2660	1.2
Total	12545	13041	13567	13805	13293	1.46

Source: ECSECC, 2012

Constant growth was only represented in the wholesale and retail trade within the tertiary sector whilst the largest growth took place within wood, paper, publishing and printing within the secondary sector.

The unemployment rate of Engcobo is estimated to be 77, 2%. This situation is compounded by the lack of efficiencies in the employment industries and sectors of the economy.

The skills levels of the labour force have a direct correlation to the household income, quality of work and productivity. There is a notable high number of semi-skilled to unskilled labour across all sectors. The profile of occupation levels can be illustrated as follows:

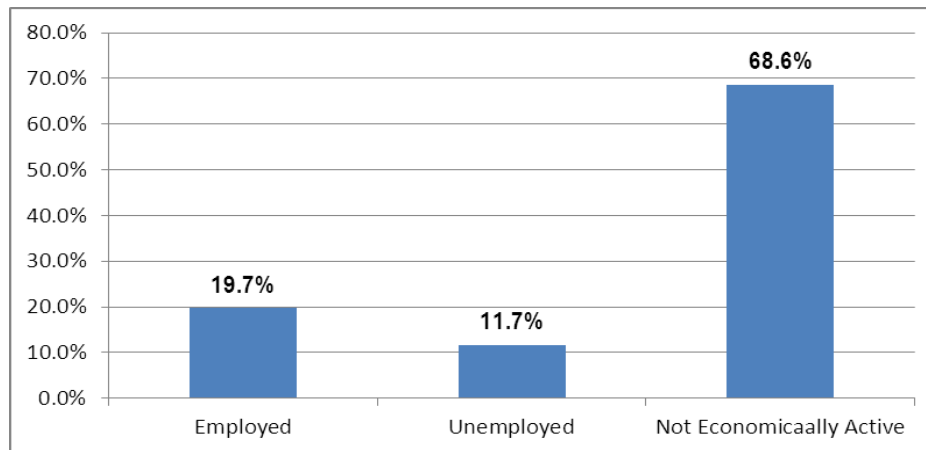


Occupational levels for the Engcobo residents

The number of highly skilled and skilled employees is relatively low though this is a critical element and pillar of any effective local economic development; the municipality will have to develop programs this challenge in its local economic development planning.

Engcobo has a large informal sector and it is likely that a significant percentage of the unemployed and not economic active have find employment in the informal sector; however due to the nature of the informal sector it is not possible to acquire statistics on employment for the informal sector. (Engcobo Infrastructure Master Plan, 2012)

While education levels have a direct impact on employability of the community members, employment in turn has an impact on income levels and the economic structure of the area.



Employment profile (Source: Statssa Census 2011)

- Based on the Graph above, the important employment elements in the Engcobo can be summarised as follows:
- Only 19.7% of the economic active people in Engcobo local municipality are employed. This clearly indicates that there is a low supply of job opportunities within municipality.
- Approximately 68.6% of the population in the municipality is not economically active. This can be the effect of the following aspects:
 - limited employment opportunities,
 - lack of skill,
 - low education levels

Despite a decrease in the rate of unemployment from 69.9% (2001) to 45.7% (2011), the current rate is of unemployment of concern for Engcobo. According to Statssa Census 2011 the youth unemployment rate (55.3%) for Engcobo is still very high even though it decreased from 79.5% in 2001. This is a clear indication that more employment opportunities need to be created in the Municipality, particularly within the youth age groups.

A comparison of youth unemployment rate in the figure below shows that Engcobo’s rate of youth unemployment (55.3%) is above national, provincial and district rate. This implies that more initiatives towards employment creations are required in Engcobo.

Source: Statssa Census 2011

Summary Analysis: Social and Economic Overview

Social Attributes	Status
Population	Approximately 155,513 in 2011 census. The population declined slightly (-42% 2001-2011) when compared to the previous years
Young (0-14)	Engcobo has a young 39,5% when compared to the other municipality
Working Age (15-64)	A significant proportion 52,9% of the population is labour force
Elderly (65+)	7,6%
Dependency ratio	Dependency ratio 89,2 is considered very high if compared to the District averages

Population density	63 persons/km ²
Unemployment rate	45,7% is highest within the district
Youth unemployment rate	55,3% is the highest within the district
No schooling aged 20+	Recorded highest percentage (19,7%) of people with no schooling within the district.
Higher education aged 20+	Placed 5th in the district on percentage of people with higher education (5,2%)
Matric aged 20+	Only 9,6% of the people with matric 20 years and above, and its placed last in the district.
Number of households	37,214, placed 3rd in the district
Number of Agricultural households	22,187 live on agricultures
Average household size	4, is the highest within district
Female headed households	Majority 57,7% of the households are female headed, the highest in the district.
Formal dwellings	Only 30,7% of the household have formal dwelling, the lowest in the district 61%.
Housing owned/paying off	A significant percentage (63,8%) of household with housing owned/paying off, placed 3rd within the district.
Flush toilet connected to sewerage	Only 3,8% reported flush toilet connected to sewerage
Weekly refuse removal	Only 2,9% reported weekly refuse removal
Piped water inside dwelling	Only 3% reported piped water inside dwelling
Electricity for lighting	About 50,9% have electricity for lighting, the lowest in the district
Economic Attributes	Status
Economic growth: Gross Domestic Product	Steady increase since 1995 but below the District GDP average rate,
Productivity	Low Productivity contributing to the low GDP per worker (formal and informal), which can be derived to a shortage of skills, and low growth in value creation relative to labour remuneration and especially employment.
GVA contribution by sector	Tertiary sector (Wholesale & Retail, General Government & Community, social and personal services) contributes the most to Engcobo GVA. Significant contribution for the secondary sector mainly construction wood, paper, publishing and print. The primary sector mainly Agriculture, forestry and fishing is the least contributor to the Engcobo GVA. Economy heavily reliant on the government support services
Sector contribution on employment	Government & Community service are the largest employers followed by Trade Industry. Agriculture contributes significantly to employment.
Employment	Employment shortage to accommodate the youthful population of Engcobo. The local economy is currently under-performing with very limited capacity and performance in job creation and expansion.
Labour and skills availability	High number of semi-skilled to unskilled labour across all sectors
Sectors with potential identified	Forestry sector, Agriculture sector, Tourism sector and Retail/trade sector

Identified Sectors

Based on the IDP 2017-2018 and the situational analysis above the economic development potential of the Municipality lies within the following sectors:

- Agriculture and Forestry Sector;

- Tourism Sector; and
- Retail/Trade Sector.

Agriculture and Forestry Sector

If supported, the agriculture and forestry sectors in Engcobo are considered to have potential to improve the municipality's economy. Currently the sectors contribute approximately only 9.22% to the district's agriculture and forestry sectors compared to the highest contributor Inxuba Yethemba (25.56%). However, the sectors only contribute approximately 0.73% and 0.05% to the Provincial and National respectively. The agriculture and forestry sectors at district level contribute only 7.87% and 0.5% to the provincial and national respectively. The percentage contribution at district level can be enhanced by unlocking the potential that lies in Engcobo's agriculture and forestry sectors.

	SA	EC Province	Chris Hani	Inxuba Yethemba	Tsolwana	Inkwanca	Lukhanji	Intsika Ye	Engcobo	Emalahleni
Total Agric & Forestry GVA	41 244	2 746	216	55	36	22	36	25	20	8
% contribution District Agric & Forestry				25,56	16,53	10,33	16,78	11,37	9,22	3,54
% contribution Province Agric & Forestry			7,87	2,01	1,30	0,81	1,32	0,89	0,73	0,28
% contribution National Agric & Forestry		6,66	0,52	0,13	0,09	0,05	0,09	0,06	0,05	0,02

Source: ECSECC, 2012

The sectors contribute significantly (11.36%) to employment in Engcobo. Approximately 20.58% of the employment from agriculture and forestry at district level is from Engcobo and it is higher than the 3.10% contribution from Lukhanji. This shows that Engcobo agriculture and forestry contributes significantly towards employment in agriculture and forestry sectors if compared to other municipalities within the district.

Engcobo Agriculture and Forestry sector contribution to employment

Sectors	South Africa	Eastern Cape	Chris Hani	Inxuba Yethemba	Lukanji	Engcobo
Agriculture, forestry and fishing	756591,75	51685,21429	7462,178571	2988,25	1034,85714	1536
% Contribution Agriculture and Forestry Engcobo				18,09	3,10	11,36
% contribution to District Agriculture & forestry				40,05	13,87	20,58
% contribution provincial				5,78	2,00	2,97
% contribution national				0,39	0,14	0,20

Source: ECSECC, 2012

The Agriculture Sector

As indicated above, forestry and agriculture sectors are considered to have potential of being the primary active sectors in the local economy. However this potential is not adequately utilised. Most households focus on subsistence farming with the most commonly kept livestock being cattle, sheep, goats, horses and donkeys. There are several irrigation schemes underutilised in areas such as: Clarkebury, Gqutyini and Mhlophekazi.

Number of Agricultural Households for Engcobo, Community Survey 2016

Type of Agricultural Activity	Number of Agricultural Households
Livestock production	14 306
Poultry production	13 478
Grains and food crops	4 288
Vegetable production	1 673

Source: Community Survey 2016

Agriculture sector SWOT Analysis

Strengths	Weakness
<ul style="list-style-type: none"> Climate: Engcobo has got climatic weather that favours agricultural crops - fields and cash crops Rainfall: Average Rainfall Temperature : is conducive for most agricultural crop Soils: Engcobo has soils suitable for arable agricultural forestry Land is available for further agricultural activities including Agro-Processing 	<ul style="list-style-type: none"> Lack of Human Capital (skill for farming, agricultural economics expertise) Shortage of equipment Inadequate marketing of agricultural product Lack of financial resources.
Opportunities	Threats
<ul style="list-style-type: none"> Aqua-cultural activities/projects 	<ul style="list-style-type: none"> Infrastructure, e.g. electricity, roads , water supply Means of communication Shortage of sustainable market

The Engcobo IDP 2017/18 identified forestry as a potential sector to become one of the most productive sectors in the local economy with approximately 5,455ha of forests. The Integrated Sustainable Rural Development Programme looks at the development of a vibrant wood cluster.

The main type of wood found in the local plantations is soft wood commonly from pine trees. The existing types and names of forest plantations and indigenous forests in the municipal area can be summarised as follows:

Commercial Plantations cover approximately 3, 733ha and is common in following areas:

- Ngcobo
- Manina
- Mntuntloni
- Nkobongo
- Mbeni, Mboleni, Qulunqu

Indigenous Forests cover approximately 1,722 ha and is commonly found in areas such as:

- Mxikixwa
- Gulandoda

- Ngqongqotha
- Mjanyane, Nkobongo, Mqabu
- Mkhonkotho, Mhlahlane, Khovoti
- Mngcozo, Waca, Dumba, Eliphakathi, Ntsunguzi
- Ngquku, Nkcoyi
- Haba

Sawmills have various sizes and are commonly found in the following areas:

- Transkei Timber
- Maqwathini
- Dyampi
- Javi

The types of forestry plantations and their numbers in Engcobo Local Municipality are represented in the following table according to the Department of Forestry and Fisheries. As mentioned previously, Pine is the most common type of wood.

Type	Area	Pine	Eucalyptus	Wattle	Other	TU	Total
Commercial	Ngcobo	82	24		5	110	222
	Manina	508	161	23	5	169	865
	Mtuntloni	154	16		2	321	493
	Nkobongo	160	65	10		51	286
Woodlot	Buswayo		20				20
	Mngcozo		77				77
	Mnyolo		28	15		7	50

The following table shows the forestry potential of local municipalities within the Chris Hani District Municipality. The figures are presented in terms of hectares. As seen from the table below, Engcobo has the largest amount of land with potential for forestry in the district.

District	Local Municipality	Forestry Potential (hectares)		
		Good	Moderate	Total
Chris Hani	Emalahleni	3,656	27,869	30,925
	Engcobo	21,181	63,697	84,878
	Inkwanca		1,401	1,401
	Intsika Yethu	1,271	23,740	25,011
	Lukanji	79	3,250	3,329
	Sakhisizwe	987	56,494	57,481
	Tsolwana		71	71
	Total	27,174	175,923	203,097

Tertiary Sector

Within the tertiary sector, apart from the government services, wholesale and retail industry is considered a significant contributor to the sector's growth. This section compares the wholesale and retail industry's performance and potential against that of the other surrounding municipalities with the district.

Wholesale and Retail industry

The Engcobo's wholesale and retail sector is currently considered the main contributor to the municipality's GVA. The sector contributes approximately only 15.71% to the district's wholesale and retail sectors compared to the highest contributor Lukhanji (48.13%). The sector only contributes approximately 1.36 and 0.11% to the Provincial and National respectively. At district level, wholesale and retail sector only contributes 8.63% and 0.69% to the same sector at provincial and national level respectively. The district's wholesale and retail contribution can therefore be enhanced by unlocking the potential that lies within Engcobo's wholesale and retail sector.

	SA	EC Provin	Chris Han	Inxuba Yethemba	Tsolwana	Inkwanca	Lukhanji	Intsika Yethu	Emalahleni	Engcobo
Total Wholesale & Retail GVA	204 967	16 346	1 410	148	14	38	679	147	121	222
% contribution District Wholesale & Retail				10,46	1,02	2,71	48,13	10,39	8,54	15,71
% contribution Province Wholesale & Retail			8,63	0,90	0,09	0,23	4,15	0,90	0,74	1,36
% contribution National Wholesale & Retail		7,97	0,69	0,07	0,01	0,02	0,33	0,07	0,06	0,11

Source: ECSECC, 2012

As indicated above, Engcobo's retail and wholesale sector collectively contribute the highest amount of GDP to the economy of Engcobo. Due to this fact, it has been the main focus of development objectives through the Small Town Revitalisation Strategy of Engcobo as well as the proposed establishment of a taxi rank to ensure connectivity. Business support services have also been seen as a key area that needs support to enhance this sector.

Tourism, catering and accommodation industry

Research conducted by the World Travel and Tourism Council has identified tourism as the world's largest generator of jobs. South Africa is already observing this trend, however, the White Paper released in 1995 by the Department of Trade and Industry states that tourism should be properly organised and focused in order to create jobs within a short period of time. The Tourism industry should be looked at a broader view as it influences other sectors of the economy.

For Engcobo, the local tourism development is a competence of local municipal sphere but currently there is no comprehensive strategy to drive the interventions in this sector of the economy. The sector has potential but remains under-utilized contributing only R5million toward GVA compared to that of Lukhanji R23 million (ECSECC, 2012). Tourism Sector Plan that drives all tourism activities was developed and adopted by the Council in 2016.

The tourism potential exists in the following areas for Engcobo:

- Heritage Sites such as the Walter Sisulu Historic Centre;

- Rock Art and Caves such as the Sinqumeni rock art and Dyobashe Rock Art;
- Natural Tourism which include, Amaxhosa traditional activities and Qutubeni Cultural Village

Strengths	Weakness
<ul style="list-style-type: none"> • Upgraded R61 easy access to the municipality • Arts and Craft Centres 	<ul style="list-style-type: none"> • Human Capital • No financial Resources, • Unavailability of tourism shows and exhibition centres.
Opportunities	Threats
<ul style="list-style-type: none"> • Town Beautification under the Small Town Revitalisation programme; • Back up from Chris Hani District Municipality 	<ul style="list-style-type: none"> • Aging Infrastructure • Roads poor • Means of communication • Few accommodation facilities; • Few social facilities; • Few health facilities

Infrastructure

The R61 road is connecting Engcobo to two towns namely Queenstown and Mthatha being upgraded is regarded as source of growth potential for the municipality through the Corridor development. Nevertheless, the road network in Engcobo local municipality has a huge backlog and construction of access road does not meet the demand (Engcobo IDP 2017/18). At the same time the maintenance of road infrastructure is a challenge.

The municipality developed a Three (3) Year Capital Plan which reflects extensively on all roads that still need to be constructed. The following infrastructure is provided and maintained regularly by the municipality: Storm water, water and sanitation infrastructure, landfill sites service station, local amenities and public places. The following table shows the types of amenities and the conditions and required action for the municipality. Electricity is being rolled out at different wards through grant funding from the Department of Energy.

Challenges facing LED

During the social and economic profile analysis the following issues were raised and were regarded as key challenges to economic development in Engcobo that need to be addressed in order to ensure sustainability economic development and growth occur in the area:

- Heavy reliance on government support grant;
- Lack of funding;
- Lack of infrastructure / infrastructure that is aging;
- High unemployment rates;
- Lack of skills;
- Poor access to support services;
- Limited production/ service delivery
- Limited access to markets

5.3.5 LED Implementation plan

Project/Programme	Objectives	Responsible person/Funder	Budget	Output	Outcome	Timeframe
Small Town Revitalisation - Construction of the Main Taxi rank	To facilitate smooth flow of public transport while creating a connectivity hub where public transport converges to ferry commuters to and from local and regional destinations	<ul style="list-style-type: none"> ✓ CHDM ✓ Engcobo LM ✓ Government Departments 	R15m (Phase1) R10m (Phase2)	<ul style="list-style-type: none"> • Increased parking; • Proper taxi rank; • Stalls for vendors; • Greening; • Paved streets ways; • Enterprise opportunities; • Number of new businesses created; • Number of people employed 	<ul style="list-style-type: none"> • Improved traffic flows; • Attracted investments; • New businesses created; • Improved living standard of the beneficiaries ; • Improvement in the tourism sector 	June 2018
Small Town Revitalisation – Town Beautification	To increase business activity in the town through urban development	<ul style="list-style-type: none"> ✓ NGOs ✓ Private Sector 				July 2020
Mall Construction	To increase business and retail activities in Ngcobo town to increase economic activities in the municipality with the town as the centre	<ul style="list-style-type: none"> ✓ Private Sector 	Unknown	<ul style="list-style-type: none"> • Enterprise opportunities; • Number of new businesses created; • Number of people employed 	<ul style="list-style-type: none"> • Improvements in the wholesale & retail; • Improved living standards of people in Engcobo; • Improved unemployment levels 	July 2019
Local Economic Development	LED Forum	<ul style="list-style-type: none"> ✓ ELM 	Opex	<ul style="list-style-type: none"> • Number of workshop & training; 	<ul style="list-style-type: none"> • Improved local economic development; • Reduced poverty levels; • Reduced unemployment 	Quarterly Basis
	Renovation of Transido 30 flats	<ul style="list-style-type: none"> ✓ ELM ✓ DPLGTA 	R3000,000	<ul style="list-style-type: none"> • Number of the renovated flats; • Number of beneficiaries 	<ul style="list-style-type: none"> • Improved living environment 	June 2019

	Poultry value chain	✓ Engcobo LM	R10 million	<ul style="list-style-type: none"> Number of beneficiaries from the project; 	<ul style="list-style-type: none"> Improved living standards; Reduced unemployment; Reduced poverty 	June 2019
	LED - SMME Projects	<ul style="list-style-type: none"> ✓ Engcobo LM ✓ DRDAR ✓ DEDEA ✓ ECDC ✓ CHDM ✓ SEDA ✓ ECRDA 	R6.8 million	<ul style="list-style-type: none"> Number of new SMME created; Number of LED SMME projects; Number of beneficiaries 	<ul style="list-style-type: none"> Improved living standards; Reduced unemployment 	June 2019
Agricultural and job development programmes. Farmer support and development	Farmers Support services to reduce the levels of unemployment while increasing agricultural output	<ul style="list-style-type: none"> ✓ CHDM ✓ Engcobo LM ✓ Government Departments ✓ NGOs ✓ Private Sector 	R3million	<ul style="list-style-type: none"> Number of projects created; Number of jobs created; Number of farmers supported 	<ul style="list-style-type: none"> Improved agricultural sector for Engcobo; Improved living standards from agriculture 	June 2019
Agro-processing	To create an enabling environment for the agricultural sector to establish sustainable agro-processing business and develop new products.	<ul style="list-style-type: none"> ✓ CHDM ✓ Engcobo LM ✓ Government Departments ✓ NGOs ✓ Private Sector 	R3million	<ul style="list-style-type: none"> Number of new value adding projects created; Number of jobs created; Number of farmers supported Number of sustainable agro-processing project. 	<ul style="list-style-type: none"> Improved agricultural sector for Engcobo; Improved living standards from agriculture 	June 2019
Crop production	Number of hectares cultivated for maize, soya beans & seasonal vegetables	<ul style="list-style-type: none"> ✓ Engcobo LM ✓ DRDAR ✓ CHDM ✓ ECRDA ✓ ECDC ✓ CDC 	R3 million	<ul style="list-style-type: none"> Number of hectares cultivated; 	<ul style="list-style-type: none"> Improved living standards from crop production 	June 2019

Biomass production	Turnaround of the charcoal producing projects to become self-sustainable & financially viable	<ul style="list-style-type: none"> ✓ Engcobo LM ✓ CHDM ✓ ECDC ✓ CSIR 	R500 000	<ul style="list-style-type: none"> • Number of beneficiaries; • Number of sustainable projects 	<ul style="list-style-type: none"> • Improved living standards from crop production 	Annual Basis
	Turnaround of the Nursery Project to become self-sustainable & financially viable	<ul style="list-style-type: none"> ✓ Engcobo LM ✓ CHDM 	R500 000	<ul style="list-style-type: none"> • Number of beneficiaries; • Number of sustainable projects 	<ul style="list-style-type: none"> • Improved living standards from crop production 	Annual Basis
	Production & processing of soya beans	<ul style="list-style-type: none"> ✓ Engcobo LM ✓ DRDAR ✓ CHDM ✓ ECRDA ✓ ECDC 	R1.5million	<ul style="list-style-type: none"> • Number of beneficiaries; • Number of sustainable projects 	<ul style="list-style-type: none"> • Improved living standards from crop production 	June 2021
Tourism	Engcobo Beautification	<ul style="list-style-type: none"> ✓ DEAT ✓ DSRAC ✓ Engcobo LM 	R6million R1,9million R250,000	<ul style="list-style-type: none"> • Number of tourists attracted annually; • Number of beneficiaries; • Number of people employed 	<ul style="list-style-type: none"> • Improved tourist sector; • Improved living standards for the people ; 	June 2019/22
	Renovation of a monument and Chief Ngubengcuka's grave & upgrading of historical buildings	<ul style="list-style-type: none"> ✓ Clarkbury ✓ IDSC ✓ DSRAC ✓ ECTPA ✓ NHC 				
	Engcobo History Book	<ul style="list-style-type: none"> ✓ Engcobo LM 	R300,000			
	Development of Tourism Sign Boards; Banners and upgrading of Tourism brochures	<ul style="list-style-type: none"> ✓ Engcobo LM 	R150,000			
	Development of Tourism Conference Centre	<ul style="list-style-type: none"> ✓ 	R2 million			
	Operationalisation of the LTO	<ul style="list-style-type: none"> ✓ Engcobo LM ✓ CHDM 	R50,000 R120,000			
	Fencing of Qoba Game Reserve	<ul style="list-style-type: none"> ✓ Engcobo LM ✓ DSRAC ✓ ECTB ✓ ECDC 	R400,000			
Livestock Improvement	Breeding of high quality cross and pure-breed sheep	<ul style="list-style-type: none"> ✓ ELM 	R3million	<ul style="list-style-type: none"> • Number of animals; 	<ul style="list-style-type: none"> • Improved 	June 2019/20

Programme		<ul style="list-style-type: none"> ✓ DRDAR ✓ CHDM ✓ ECRDA ✓ CDC 		<ul style="list-style-type: none"> • Number of projects; • Number employed; 	<ul style="list-style-type: none"> • agricultural sector; • Improved living standards in Engcobo 	
	Breeding of Nguni Cattle at Mjanyana	<ul style="list-style-type: none"> ✓ Engcobo LM ✓ DRDAR ✓ CHDM ✓ ECRDA 	R2million			
Rural development	Creation of conducive environment for job creation	✓ CHDM	Opex	<ul style="list-style-type: none"> • Number of new jobs created; • Number of projects; • Number of beneficiaries 	<ul style="list-style-type: none"> • Employment provided; • Improved food security; • Improved living standard 	June 2022
	Afforestation Programme	✓ CHDM	EPWP fund			
	Food Security	✓ CHDM	R3,488,158			
	Comprehensive Rural Development Plan	✓ Engcobo LM	R250,000			
Spatial planning	Formalization of Extension 12	✓ Engcobo LM	R300,000	<ul style="list-style-type: none"> • Number of new projects • Number of land audited 	<ul style="list-style-type: none"> • Improvements in the spatial development; 	2018/ 2022
	Wall to wall Land Use Scheme	✓ Engcobo LM	R500 000			
	Beacon relocation of Erf 1 Engcobo	✓ Engcobo LM	R100 000			
	SPLUMA Awareness Campaigns	✓ Engcobo LM	R300 000			
	Subdivision and rezoning of municipal land	✓ Engcobo LM	R400 000			
	Land Audit	✓ DRDLR	R500,000			

Engcobo Enterprises Profiling

Categories	Characteristics	Examples	Challenges	Possible solutions
Survivalist enterprises/ Vendors	<ul style="list-style-type: none"> • Operate in the informal sector of the economy; • Mainly undertaken by the unemployed as a source of income; • Income generating below poverty line; • Little capital invested; • Opportunities for growing the business are very small and the is 	<ul style="list-style-type: none"> • Barber • Car wash • CD/DVD Pirates • Chicken vendors • Clothing, shoes and caps • Crafts – curios and doilies, etc. • Food vendor – e.g. fast food • Leather goods – belts, etc. • Phone accessories and repairs 	<ul style="list-style-type: none"> • Street vendors lack social protection and unemployment as result many are driven to street vending. Street vending thus becomes more of a refuge occupation for the unemployed to provide subsistence income; • With low or no barriers to market entry implies high competition – small profits; • Victimization in environments with no proper by-laws (vendors can be easily negatively viewed by the municipal authorities); 	<ul style="list-style-type: none"> • Establish by-laws • Entrepreneurial development • Business Support Services • Provision of Business Support Services • Establishing safe and secure vending stalls;

	<ul style="list-style-type: none"> little or no training; No business skills 	<ul style="list-style-type: none"> Phone shop Plastic container vendor Reed mat vendor Shoe repair Snack vendors Tyre repair Vegetable and fruit vendors 	<ul style="list-style-type: none"> Lack of business skills, education and training; Lack of infrastructure i.e. permanent business locations; Lack of support from the authorities. Bad weather conditions Theft of products; and Hygiene and health environment conditions. 	<ul style="list-style-type: none"> Business registration
Micro enterprises	<ul style="list-style-type: none"> Informal – no licence, tax registration, formal business premises or compliance with labour legislation; Turnover is below the VAT registration level; Basic skills and training; Potential to make transition to a viable small business; 	<ul style="list-style-type: none"> Barbershop Hair salon Gas store Printing, lamination, and photocopy services Internet café Take Away – tuck shop Tours/Taxi Car wash Computer training Dry cleaning Motor spares 	<ul style="list-style-type: none"> Inability to compete with well-established bigger enterprises who can afford sell goods at cheaper prices due to economies of scale (bulk buying); Lack of access to credit facilities; Low clientele particularly those in the services sector; Limited resources and development skills; Limited business related information; High competition; Insufficient physical and institutional support infrastructure; Limited profits due to high competition; Lack managerial and technical skills required to operate a business resulting cash flow management and financial controls problems; Lack of a taxi rank as well as parking; Theft. 	<ul style="list-style-type: none"> Business Support Services Lending facilities Town revitalisation Entrepreneurial development Town expansion Taxi Rank Road expansion Managerial and technical training; Business registration
Small and Medium enterprises	<ul style="list-style-type: none"> Employs less than 100 employees; More formalised and registered with fixed business premises (or operate out of rented premises); Owner-managed; Can be franchises of a national or international business. 	<ul style="list-style-type: none"> Business Consultants Cash loans Funeral services Furniture and hardware Insurance Legal practitioners Liquor store Supermarket 	<ul style="list-style-type: none"> Competition from micro and survivalist enterprises – smaller competitors may sell similar products right outside the premises where the small enterprises operate; Limited clientele due to the small size of the town; Lack of qualified workforce to avoid paying competitive salaries as well as the lack of such personnel in the area – this however results in a sub-standard product or service. Small rental spaces Theft Parking spaces for deliveries Traffic congestion 	<ul style="list-style-type: none"> Employee/Skills development Entrepreneurial development Increased security Alternative transport routes to be established Road upgrade Increased parking Establishing a shopping mall/ complex

			<ul style="list-style-type: none"> Limited routes 	
Large enterprises	<ul style="list-style-type: none"> Employs less than 250 employees Formalised and registered Fixed business premises Hired management Can be franchises of a national or international business. Community sponsor 	<ul style="list-style-type: none"> Business Consultants Furniture and hardware Insurance Legal practitioners Large Supermarket/ Wholesaler 	<ul style="list-style-type: none"> Competition from SMMEs Limited clientele due to the small size of the town; Lack of qualified workforce Theft Traffic congestion Parking spaces for deliveries 	<ul style="list-style-type: none"> Increased security Employee/Skills Development Parking lot/ spaces Alternative routes Road upgrades

Mining	Quarry development for Crush Stone	<ul style="list-style-type: none"> ✓ SANDRAL ✓ ELM 	Unknown	<ul style="list-style-type: none"> Number of projects 	<ul style="list-style-type: none"> Improved living standards; 	On-going
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Instruments to advance small-business development

A range of instruments are available to support the SMMEs are summarised in the table below:

Type of the instrument	Example
Policy frameworks with relevance to SMMEs	<ul style="list-style-type: none"> - LED Strategy; - Small Town Revitalisation strategy - Enterprise Development Strategy - Business reform, BBBEE, - provincial growth and development strategies, etc.
Legislation	<ul style="list-style-type: none"> - National Small Business Act - Co-operatives Act - Companies Act
Regulations and administrative Procedures	<ul style="list-style-type: none"> - Company regulations - Tax regulations - By laws - Procurement regulations - Trade administration
Advisory structures	<ul style="list-style-type: none"> - Small enterprise Advisory Agencies
Co-ordination mechanisms	<ul style="list-style-type: none"> - Provincial and local co-ordination structures - Co-ordination structures across delivery partners, including private sector, NGO and international assistance
Research	<ul style="list-style-type: none"> - Baseline sector and area research
Information and advice via institutions, mass media, networks, etc.	<ul style="list-style-type: none"> - Industry and market information - Information about support services - Information channelled
Monitoring and evaluation	<ul style="list-style-type: none"> - Development of indicators, monitoring systems, evaluation systems and feedback mechanisms
Institutional capacity building	<ul style="list-style-type: none"> - Enhancement of small-enterprise specialist institutions - Alignment of related institutions dealing with small-enterprise issues
Leadership and promotion of SMME concerns	<ul style="list-style-type: none"> - Public leadership, providing direction - Catalytic projects - Piloting of initiatives - Interest promotion
Training and capacity building	<ul style="list-style-type: none"> - Specialist small-enterprise training - Sector-based training - Entrepreneurship training
Networking organisations	<ul style="list-style-type: none"> - Chamber structures - Sector associations - BBBEE structures - Supply chain and cluster networks
Provision of finance	<ul style="list-style-type: none"> - Grants - Loans - Venture capital - Sureties and guarantees
Access to infrastructure and utilities	<ul style="list-style-type: none"> - Transport and traffic management - Utilities: water, electricity, waste - Information and telecommunications - Security - Street lighting
Targeted projects	<ul style="list-style-type: none"> - Sector-specific projects - Competitiveness projects - Technology-enhancement projects - Small-business incubators

5.3.6. Implementation Plan on Small and Medium Enterprises

Programme	Objectives	Funder/ Sponsor	Budget	Action	Outputs	Outcome	Timeframes
Develop trading by-laws and policies	To regulate the trading affairs and the services the municipality provides in its area of jurisdiction.	Local Government, CHDM; ELM, LGTA, etc.	Unfunded	<ul style="list-style-type: none"> ✓ Promoting a safer and orderly municipality ✓ Registration of the different types of enterprises with the municipality ✓ Providing guidelines on the do's and don'ts in street trading, etc. ✓ Guidelines on dealing with contraventions 	<ul style="list-style-type: none"> ✓ Monthly workshops with stakeholders; ✓ Training ✓ Publishing by-laws ✓ Facilitation ✓ Law enforcement 	<ul style="list-style-type: none"> ✓ Registration of enterprises with municipality ✓ Increase in orderliness of vending ✓ Increase in control of activities and monitoring 	2018/2022
Build a conducive business environment	To promote investment and employment opportunities.	SEDA; SETA; etc.	Unfunded	<ul style="list-style-type: none"> ✓ Provision of appropriate infrastructure, technological capabilities, availability of investment capital, and human resources ✓ Accessing DTI offerings and other government incentives vital towards creating an inflow of capital of development within Engcobo ✓ Create a system to interact with other important departments on support for LED. ✓ Identify and source all government incentive funding and programmes available 	<ul style="list-style-type: none"> ✓ Monthly workshops with stakeholders; ✓ Training ✓ Facilitation 	<ul style="list-style-type: none"> ✓ Increase in the competitiveness of SMMEs ✓ % of businesses increasing in each sector ✓ % of women businesses 	2018/22
Capacity Building and Training	To empower the people of Engcobo (particularly the large number of unemployed and poorly educated) to become economically active and to participate and contribute to the	SEDA; SETA; etc.	Unfunded	<ul style="list-style-type: none"> ✓ Provide people with a wide range of technical, vocational and entrepreneurial training programmes; ✓ Linkages with the Sector Education and Training Authorities (SETAs), will allow training of individuals in all sectors of the economy in order to broaden the skills base of the municipality. 	<ul style="list-style-type: none"> ✓ Monthly workshops with stakeholders; ✓ Training ✓ Facilitation 	<ul style="list-style-type: none"> ✓ Improvement in the number of those who are economically active in the business environment ✓ Significant % 	2018/22

	development of the area					increase in competitiveness; ✓ Increased efficiency within the enterprises	
Incubation, Business Support and Advice	Increase the number of entrepreneurs and ensure effective operation on the existing small businesses	SEDA; SETA; etc.	Unfunded	<ul style="list-style-type: none"> ✓ Establishment of Business Support Centre in Engcobo; ✓ Small business incubation centre ✓ Linking this initiative to the SEDA programme 	<ul style="list-style-type: none"> ✓ Monthly workshops with stakeholders; ✓ Training ✓ Advisory services ✓ Facilitation 	<ul style="list-style-type: none"> ✓ Encourage business development ✓ % increase in entrepreneurs; ✓ Increased Employment 	2018/22
Financial sustainability	To ensure the number of enterprises are financially healthy and able to self-sustain	Khula; SEFA; etc.	Unfunded	<ul style="list-style-type: none"> ✓ Establishment of Financial skills and financial control practices ✓ Creating funding in the form of short-term and long-term lending schemes 	<ul style="list-style-type: none"> ✓ Monthly workshops with stakeholders; ✓ Financial training ✓ Facilitation 	<ul style="list-style-type: none"> ✓ Service delivery by Financial sponsors through ✓ Giving access to financial resources; ✓ Training on methods of ensuring financial sustainability 	2018/22
Enhancing management capabilities	Increasing managerial skills of owners and managerial employees as well as at municipal officials dealing with enterprise development	SEDA; SETA; Government Departments promoting enterprise development etc.	Unfunded	<ul style="list-style-type: none"> ✓ Building effective management and supervisory skills that can help enterprises succeed even in challenging economic times ✓ Provision of self-motivation, change management, business analysis and process monitoring management methods ✓ Training of the municipal official on enterprise development 	<ul style="list-style-type: none"> ✓ Monthly workshops with stakeholders; ✓ Training ✓ Facilitation 	<ul style="list-style-type: none"> ✓ Improved efficiency on the enterprises; ✓ Expansion on the existing enterprises; ✓ Improved Sustainable businesses in Engcobo 	2018/22

5.4 KEY PERFORMANCE 4: FINANCIAL VIABILITY AND MANAGEMENT

Municipal Financial Viability and Management

A detailed situational analysis of the financial sustainability of the Municipality is contained below:

5.4.1 Financial Plan

This section deals with financial related key focus areas such as:

Capital Expenditure

Capital expenditure is budgeted per department and the HOD's monitors their budgets and also Budget and treasury do monitor the budget. Capital expenditure is guided by Asset management Policy and expenditure policy. Capital expenditure includes Movable assets, Intangible assets and Infrastructure Assets. These fall under Property Plant and equipment on the Financial Statements. All capital projects are fully funded and all conditional grants relating to capital assets are ring fenced. Reconciliation for additions and work in progress for infrastructure related projects is done on a monthly basis.

Expenditure and Cost Management

The expenditure is guided by the supply chain management policy, expenditure policy and the budget approved by the council. There is segregation of duties in the section to eliminate the risk of irregularities. Registers are in place to monitor the segregation of duties and the movement of documents between supply chain and expenditure section. A check list has been developed and implemented to ensure compliance with MFMA, expenditure and supply chain management policy. All invoices are submitted to expenditure section and recorded on the invoice register. The section is responsible to communicate with department concerned to sign confirmation form for confirmation of the work done. These controls are monitored on daily basis to ensure that are implemented and are working effectively as intended. All payments before they are effected are reviewed by the senior accountant and Chief financial officer. Irregular, unauthorised, fruitless and wasteful expenditure register is in place. Expenditure reports are done on a monthly and quarterly basis and submitted to the Mayor, audit committed and council.

Expenditure Plan

Table 1: Operational Expenditure:

EXPENDITURE	PY2			PY1			CY			Outer years		
	2016/17			2017/18			2018/19			2019/20	2020/21	2021/22
	Budget	Actuals	% spent	Budget	Actuals	R'000	Budget	Actuals	% spent	R'000	R'000	R'000
R'000	R'000	R'000		R'000	R'000							
Salaries	48 897	46 714	95,54%	53 450	53 349	99,81%	69 107	69 107	100,00%	72 701	72 908	76 918
Remuneration of councilors	11 971	11 941	99,75%	12 945	12 750	98,49%	14 553	14 553	100,00%	15 310	15 353	16 198
General Expenses	75 182	60 288	80,19%	77 300	67 451	87,26%	55 650	55 650	100,00%	58 544	58 711	61 940
Repairs	6 227	4 496	72,20%	8 107	5 925	73,08%	5 570	5 570	100,00%	5 860	5 876	6 200
TOTALS	142 277	123 439	86,76%	151 802	139 475	91,88%	144 880	144 880	100,00%	152 414	152 848	161 255

Table 2: Grant Expenditure:

Description	PY2			PY1			CY		Outer years		
	2016/17			2017/18			2018/19		2019/20	2020/21	2021/22
	Budget	Actuals	%	Budget	Actuals	R'000	Budget	Actuals	R'000	R'000	R'000
R'000	R'000	spent	R'000	R'000	R'000		R'000				
Finance Management	1 600	1 600	100%	1 600	1 600	100%	1 700 000	1 700 000	1 700	1 700	1 700
Municipal Systems Improvement	930	930	100%	930	930	100%	-	-	-	-	-
Epwp Incentive	1 687	1 687	100%	1 672	1 672	100%	2 160 000	2 160 000	2 272 320	2 390 481	2 514 786
Small Town Revitalization	4 850	3 319	68%	3 000	3 000	100%	4 000	4 000	4 208	4 427	4 657
Chdm Grant	22 558	21 926	97%	20 501	21 133	103%	-	-	-	-	-
Electrification	11 000	11 000	100%	20 000	20 000	100%	0	0	12 800 000	21 000 000	22 092 000
Municipal Infrastructure Grant	35 804	35 804	100%	37 304	37 304	100%	37 794 000	37 794 000	38 525 000	40 549 000	42 657 548
TOTALS	78 429	76 266	97%	85 007	85 639	101%	41 658 000	41 658 000	53 603 228	63 945 607	67 270 691

Table 3: Analysis of Salary Budget:

EXPENDITURE	PY2			PY1			CY		
	2016/17			2017/18			2018/19		
	Budget	Actuals	% spent	Budget	Actuals	R'000	Budget	Actuals	% spent
R'000	R'000	R'000		R'000	R'000				
Salaries	48 897	46 714	95,54%	53 450	53 349	99,81%	68 038	68 038	100,00%
Remuneration of councilors	11 971	11 941	99,75%	12 945	12 750	98,49%	15 621	15 621	100,00%
General Expenses	75 182	60 288	80,19%	77 300	67 451	87,26%	55 650	55 650	100,00%
Repairs	6 227	4 496	72,20%	8 107	5 925	73,08%	5 570	5 570	100,00%
TOTALS	142 277	123 439	86,76%	151 802	139 475	91,88%	144 880	144 880	100,00%
% of Salary Budget To Total Operational Budget	42.8%			43.7%			46.96%		
% of Repairs & Maintenance Budget To Total Operational Budget	4.4%			5.3%			3.8%		

Revenue Management

Rates, Debt and credit control policies are in place and were approved by the council, these policies are reviewed on yearly basis to ensure that they are in line with relevant acts and community's needs. The municipality bills its debtors on a monthly basis as per the Rates, Debt and credit control policies and also statements are sent to debtors on a monthly basis. Debtors which are older than 120 days and have not done arrangements to settle their debts with the municipality are handed over to attorneys for collection. Monthly reports from the attorneys on the progress made on the collection in done on a monthly basis and presented to the council. Revenue and debtors registers and reconciliations are done on daily and monthly basis and are reviewed by the accountant and chief financial officer. Banking of cash collected is done on a daily basis by private security company contracted by the municipality.

The municipality has a general valuation roll which is approved by the council, the valuation roll is effective for a period of 4 years. Supplementary valuations are done on a yearly basis. Rates are billed as per approved general valuation roll.

Table 3: Total Revenue

Revenue	PY2			PY1			CY			Outer years		
	2016/17			2017/18			2018/19			2019/20	2020/21	2021/22
Category	Budget R'000	Actuals R'000	% spent	Budget R'000	Actuals R'000	% spent	Budget R'000	Actuals R'000	% spent	R'000	R'000	R'000
Property rates	4 000,00	2 999,00	74,98%	3 611,00	3 496,00	96,82%	4 079	4 079	100,00%	4 304	4 540.00	4 789.70
Service charges - refuse revenue	1 000,00	725,00	72,50%	1 000,00	839,00	83,90%	909.00	909	100,00%	960	1 012.00	1 067.66
Rental of facilities and equipment	298,00	247,00	82,89%	390,00	209,00	53,59%	144	144	100,00%	152	160	168.80
Interest earned - external investments	3 500,00	2 839,00	81,11%	3 500,00	5 047,00	144,20%	7 500	7 500	100,00%	7 913	8 348.00	8 807.14
Fines	100,00	17,00	17,00%	100,00	16,00	16,00%	500	500	100,00%	528	557	587.64
Licenses and permits	5 500,00	3 668,00	66,69%	5 500,00	4 040,00	73,45%	1 800	1 800	100,00%	1 899	2 003.00	2 113.17
Transfers recognised - operational	108 212,00	108 212,00	100,00%	139 046,00	139 046,00	100,00%	139 991	139 991	100,00%	146 589	156 453.00	165 057.92
Other revenue	37 743,00	687,00	1,82%	44 285,00	1 361,00	3,07%	622	622	100,00%	657	693.00	731.12
Total Revenue (excluding capital transfers and contributions)	160 353,00	119 394,00	74,46%	197 432,00	154 054,00	78,03%	155 545	155 545	100%	163 002	173 766	183 323.

Table 4: Ratios

Description	PY2 2015/16 Audited	PY1 2016/17 Audited	CY 2017/18 Actual
Debtors' turnover	360 days	23 days	188 days
Creditors turnover	36 days	6 days	15 days

Funding

The municipality has a low funding base and relies on MIG and Electrification grants for capital expenditure and Equitable Share for operational expenditure.

Basic Service Delivery and Infrastructure Development

Is responsible for the following activities;

- a) Infrastructure development and construction
- b) Service delivery maintenance
- c) Addressing service backlogs
- d) Development and implementation of capital projects

Economic Growth and Development

The Economic Development cluster mandate is to create an enabling environment for economy, derived from the following legislations:

- a) Constitution of the Republic of South Africa, 1996;
- b) Municipal Systems Act, 32 of 2000;
- c) National Local Economic Development Framework;

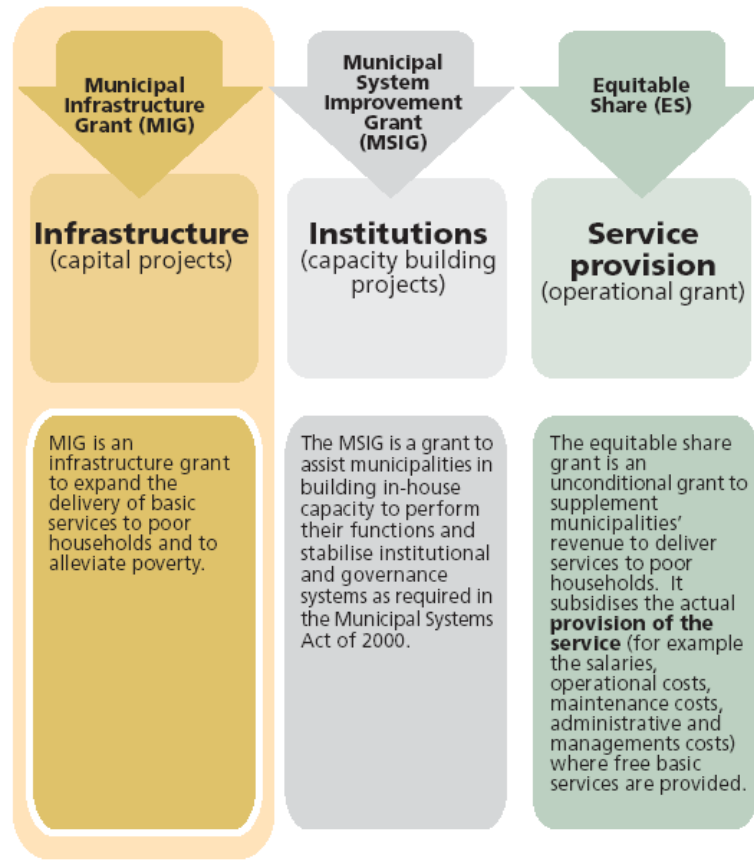
Various interventions have been implemented in support of the Engcobo LM's economy; however macro and micro environmental challenges had a negative impact on economic growth in Engcobo Local Municipality.

Some of the undesirable consequences include, but not limited to the following:

- a) Job losses through retrenchments.
- b) Limited investment attraction.
- c) Declining economy.
- d) Business closures.
- e) Increasing numbers of unemployment.

Grants Allocated for Service Delivery

The figure below indicate the different types of grants which are available to Municipality, however such grants are subject to business plans being submitted to National DPLG and National Treasury.



The Financial Plan forms the cornerstone of any planning and financial strategy of Council. The principle within such a financial plan is depending on the resources available to the Council.

FUNDING STREAMS

As a municipality with low revenue levels, we depend almost entirely on national grants for all our operations. This situation is not sustainable, however we are acknowledging that the solution lies in turning around our local economy’s performance and hence our resolve to make LED one of the top-10 priorities of the municipality. The municipality has developed and is implementing revenue enhancement strategy to increase the revenue base and current revenue streams

Application of Funds

The municipality has a three year operational budget as a guide on what resources are available or required over the next three years in order to deliver on its mandates. In May 2018, the budget will be adopted by Council for 2018/19 implementation. The municipality has so far managed to put in place key institutional systems and processes including:

- ❑ A three year capital budget and operational budget

- SDBIP
- Review and completion of our finance policies

OWN REVENUE BASE

The municipality's revenue base relies on the following;

- Assessment rates and taxes;
- Refuse removal;
- Motor vehicle licensing and traffic fines,
- Hire of halls, stadium fees
- Tender fees
- Learners license and Driver's license fees
- System reticulation
- Toilet fees
- Lease Rentals
- Rental of facilities and equipment
- Cemetery
- Agricultural
- Building plans
- Pound
- Bill boards
- Rezoning
- Swimming pool
- Valuation rates clearance

Internal sources of income are expected to contribute as follows to overall income of the municipality:

Revenue	PY2 2016/17			PY1 2017/18			CY 2018/19			Outer years		
	Budget R'000	Actuals R'000	% spent	Budget R'000	Actuals R'000	% spent	Budget R'000	Actuals R'000	% spent	2019/20 R'000	2020/21 R'000	2021/22 R'000
Property rates	4 000,00	2 999,00	74,98%	3 611,00	3 496,00	96,82%	4 079	4 079	100,00%	4 304	4 540.00	4 789.70
Service charges - refuse revenue	1 000,00	725,00	72,50%	1 000,00	839,00	83,90%	909.00	909	100,00%	960	1 012.00	1 067.66
Rental of facilities and equipment	298,00	247,00	82,89%	390,00	209,00	53,59%	144	144	100,00%	152	160	168.80
Interest earned - external investments	3 500,00	2 839,00	81,11%	3 500,00	5 047,00	144,20%	7 500	7 500	100,00%	7 913	8 348.00	8 807.14
Fines	100,00	17,00	17,00%	100,00	16,00	16,00%	500	500	100,00%	528	557	587.64
Licenses and permits	5 500,00	3 668,00	66,69%	5 500,00	4 040,00	73,45%	1 800	1 800	100,00%	1 899	2 003.00	2 113.17
Transfers recognised - operational	108 212,00	108 212,00	100,00%	139 046,00	139 046,00	100,00%	139 991	139 991	100,00%	146 589	156 453.00	165 057.92
Other revenue	37 743,00	687,00	1,82%	44 285,00	1 361,00	3,07%	622	622	100,00%	657	693.00	731.12
Total Revenue (excluding capital transfers and contributions)	160 353	119 394	74,46%	197 432	154 054	78,03%	155 545	155 545	100%	163 002	173 766	183 323.

GRANTS FUNDING

- **Equitable Share:** which we utilise largely to fund our operations
- **MIG:** which is a conditional grant for funding all our infrastructure development programmes
- **MSIG:** which is a grant to fund institutional development and installation of systems and governance plans
- **FMG:** grant aimed at funding the building of capacity in the financial management and system procurement

- **DM Transfers:** moneys received from the district to carry-out planning and implementation of functions that we undertake on their behalf with a service level agreement
- **Extended Public works program:** Grant aimed at poverty alleviation through short term job creation.
- **Electrification Grant:** Grant aimed at electrification of previously disadvantaged rural areas
- **Small Town Revitalization grant:** the grant used to revitalize Engcobo town
- **Library Grant.** Grant aimed to fund all library related expenses.
- **Other grants:** moneys that are not received every year but on an ad-hoc basics from various national departments for activities relating to their functions or specific projects that they've asked the municipality to deliver on their behalf.

Grants are expected to contribute as follows to overall income of the municipality:

Description	PY2			PY1			CY		Outer years		
	2016/17			2017/18			2018/19		2019/20	2020/21	2021/22
National	Budget	Actuals	%	Budget	Actuals		Budget	Actuals			
	R'000	R'000	spent	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Finance Management	1 600	1 600	100%	1 600	1 600	100%	1 700 000	1 700 000	1 700	1 700	1 700
Municipal Systems Improvement	930	930	100%	930	930	100%	-	-	-	-	-
Epwp Incentive	1 687	1 687	100%	1 672	1 672	100%	2 160 000	2 160 000	2 272 320	2 390 481	2 514 786
Small Town Revitalization	4 850	3 319	68%	3 000	3 000	100%	4 000	4 000	4 208	4 427	4 657
Chdm Grant	22 558	21 926	97%	20 501	21 133	103%	-	-	-	-	-
Electrification	11 000	11 000	100%	20 000	20 000	100%	0	0	12 800 000	21 000 000	22 092 000
Municipal Infrastructure Grant	35 804	35 804	100%	37 304	37 304	100%	37 794 000	37 794 000	38 525 000	40 549 000	42 657 548
TOTALS	78 429	76 266	97%	85 007	85 639	101%	41 658 000	41 658 000	53 603 228	63 945 607	67 270 691

In order to support the financial plan various policies will be developed, reviewed and adopted on the 30 June 2018 by Council.

Free Basic Service Unit

Indigent policy is in place and will be reviewed and approved by the council in May 2018; the unit is under capacitated as it has only one employee. The register is updated on an annual basis where all awareness campaigns are conducted in all wards of the municipality. The unit is embarking on an alternative energy (Solar) with the assistance of the Department of Energy where all wards will benefit. The unit work hand in hand with sector departments to ensure that the program runs smoothly. Training are being organised to ensure the employees are well equipped. The municipality provides for Rates, refuse, electricity and solar to its beneficiaries.

Indigent Register (Updated)

Attachment A

Supply Chain Management

Supply chain management policy is in place and is in line with the Treasury Regulations. Process manuals have been developed which gives guidance to the process to be followed. A checklist was developed/ documented / implemented to ensure that the policy has been implemented accordingly. The SCM unit is fully functional. All bidding documents (MBDs) are in accordance with those prescribed by the National Treasury. Contract register is in place and is updated on monthly basis.

Tenders awarded are registered on treasury data base. Monthly and quarterly reports are in place. All prescribed bid committees are in place. The turnaround time for awarding quotations is approximately 3 days. Tenders are awarded on average 1 months after the closing date. We have also developed a procurement plan, which is updated on a quarterly basis. The annual procurement plan is developed from the IDP and SDBIP.

Table of Turn Around Times For Various Level Of Procurement Processes

No.	Bid Process Indicators	Turnaround Time Indicators
1	Three written or verbal quotations for goods and services with a transaction value over between R2 000 up to R 30 000. (Requisition, specifications , request for quotations, evaluations, award and official order)	5 working days from receipt of correct specifications / order issued requests from end-user excluding delays Excluding Section 36 approvals
2	Seven (7) day process for goods and services with a transaction value between R30 000 and R200 000. (Requisition, specifications, ad, 7 day notice on website and notice boards,	Advertisement : 5 working days from receipt of correct specifications from end user

	evaluations, approval memo awards and order/appointment letter)	30 from the closing of tender
3	<p>Turnaround time for the formal SCM bid process for goods and services above R200 000.</p> <p>(specifications, bid spec committee, ad, formal ad in local media, on website and notice boards, bid opening commercial report capturing, technical evaluations, formal bid evaluation committee and formal bid adjudicating committee approval and issue of order/appointment letter)</p>	<p>Advertisement : 5 working days from receipt of correct specifications from end user</p> <p>40 from the closing of tender</p>
4	<p>Bid Committees:</p> <p>Bid Specification Committee</p> <p>Bid Evaluation Committee</p> <p>Bid Adjudication Committee</p>	<p>On a monthly basis (2-3 days) to be allocated for bid committees to sit in accordance with the following guidelines. A calendar must be developed and circulated to all members:</p> <p>Notice minimum 5 working days in advance.</p> <p>Notice minimum 5 working days in advance.</p> <p>Notice minimum 5 working days in advance.</p> <p>Agenda's to be issued the Friday before the Thursday meetings as advertised.</p>

Contract Management Unit

Due to the size of the municipality, a formal contract management unit has not been established. However, compensating controls and procedures have been developed in the municipality to mitigate the risks of not having a contract management unit:

- All tenders are signed/awarded by the municipal manager.
- A contracts register is maintained and updated on a daily basis. It is approved by the CFO. See **Annexure B**
- The performance of suppliers is monitored on an ongoing basis but formerly on a quarterly basis.

Internal Controls and Procedure Manuals

Internal controls and procedure manuals have been developed / documented / and implemented for all the major business cycles. Procedure manuals are as follows:

No.	Description of Procedure Liability
1	Contingent Liability
2	Expenditure Management
3	Monthly / Year-end Creditors
4	Monthly and Year End Payroll
5	Leave Management
6	Cash & Investments Management
7	Leases
8	Risk Management
9	Fraud Management
10	Subsequent Events
11	Conditional Grants
12	Budget Management Process
13	Overtime

14	Daily Attendance
15	Inventory Count
16	Revenue Management
17	Petty Cash
18	Credit Control
19	Property Rates
20	Subsistence & Travel
21	Tariffs
22	Bad Debts Write-offs
23	SCM Infrastructure Management
24	Asset & Fleet Management
	By-Laws
1	Credit and debt control by-law
2	Tariff by-law
3	Rates by-law

Mscoa Compliance

The municipality transacted on mscoa since July 01, 2017. Strings are submitted to R-data on monthly basis. IDP and budget personnel are receiving on going capacity on mscoa.

Risk Management

A Risk Officer was appointed during the year under review. The Risk Officer works closely with the Finance Department and assisting to mitigate risks where applicable. A risk register is updated and maintained on a quarterly basis. The Risk Officer is also a member of the audit committee and prepares quarterly risk management reports for the audit committee. A risk management workshop for officials and councillors was conducted, with the assistance of the Provincial Treasury. Refer to **Annexure C** for Risk Register.

Filing system and Audit file

The municipality maintains a very good archiving system. Records management and archives post have been filled to ensure that all municipal documents are archived in accordance with the National Minimum Information Requirements Act. All audit requests for information have been responded to timeously. The municipality has no finding for a limitation of scope (none submission of documentation.) However, the municipality recognises that more effort need to be put in for the improvement of the filing of performance management systems information.

Audit Opinion (three past years)

2012/13 – Unqualified opinion

2013/14 - Unqualified opinion

2014/15 – Unqualified opinion

2015/16 – Clean audit

2016/17 – Unqualified opinion

Progress on issues raised in Audit report

The municipality has maintained an unqualified audit opinion over the last three financial periods. It received a clean audit opinion in 2015/16. In 2016/17 the municipality regressed from clean audit to unqualified audit opinion with so recurring AGSA issues. An audit action plan was developed and is updated on a monthly basis in order to track progress. Refer to **Annexure A** for the Audit Action Plan.

Asset Management

Asset management policy is in place and approved by the council and is in line with the GRAP Assets standards. Assets counts are done on a quarterly basis and all exceptions are followed up and corrected. Asset register is updated on a quarterly basis but additions are updated on a monthly basis. It is GRAP compliant. Acquisitions are first approved by the HOD and CFO and then captured by the asset clerk. Year-end count is done in June. Movements of assets are monitored by HOD's and asset officer. Infrastructure assets are monitored with the assistance of consultants.

Financial Reporting

The following reports are in place:

- Monthly budget reports
- Monthly Section 71 reports

- Monthly and quarterly Revenue Reports
- Monthly , quarterly and yearly Supply Chain Reports
- Section 72 report
- Quarterly Asset management reports

Annual Financial Statements Process Plan

The municipality has developed / documented / implemented an AFS process plan in order to ensure that it meets legislated AFS submission deadline. The process is briefly outlined in the attached **Annexure D1 and D2**.

Budgeting

Budget process is done as outlined in the MFMA and is approved by the councils as per requirement. Budget is monitored on a daily basis through controls that have been implemented. Monthly Budget reports are prepared and submitted to the HODs and the Municipal Manager and submitted on a quarterly basis to the council. The section is under resource as it has only one personnel. The draft budget for 2018-19 financial year was presented and will be finalised and presented to Council on the 27 March 2018 before it is submitted to the Treasury. Refer to **Annexure E** for the final budget.

5.4.2 Financial Policies

The policies listed below are reviewed on annual basis and promulgated into gazetted by-laws. The reviews take place in May 2018 and approved by Council on May 31, 2018.

Revenue enhancement and Collection Policy

The Local Government Municipal Systems Act no. 32 of 2000, Section 96, rules as follows:

- a) must collect all money that is due and payable to it, subject to this Act and any other applicable legislation; and
- b) for this purpose, must adopt, maintain and implement a credit control and debt collection policy which is consistent with its rates and tariff policies and complies with the provisions of this Act.”

Engcobo Local Municipality has adopted a Credit Control and Indigent Policy that ensure full compliance to relevant legislation. The principles and objectives of the above are as follows:

- a) Provide for indigents as determined in SALGA guidelines. Council’s policy is very sensitive towards these households.
- b) Ensure that all monies due are collected.

- c) Provide for credit control procedures and mechanisms for debt collection.
- d) Ensure that By-Laws as developed are enforced by officials and public.

The current projections in our budget are realistic and are based on projected revenue for the current financial year based on the collection levels to-date and actual revenue collected in previous financial years.

Banking and Investment Policy

The Council has adopted a policy to ensure that monies received by Council are accounted for as required by Section 64 (b) – (e) of MFMA no. 56 of 2003.

- a) that revenue due to the municipality is calculated on a monthly basis;
- b) that accounts for municipal tax and charges for municipal services are prepared on a monthly basis, or less often as may be prescribed where monthly accounts are uneconomical;
- c) that all money received is promptly deposited in accordance with this Act into the municipality's primary and other bank accounts;
- d) that the municipality has and maintains a management, accounting and information system which-
 - i. recognises revenue when it is earned;
 - ii. accounts for debtors; and
 - iii. accounts for receipts of revenue;"

Where surplus funds realise or grants are received, Council invests these funds as determined in the investment policy to ensure that minimum risk is realised on these funds.

Supply Chain Management Policy

Council has developed a policy as required by chapter 11 of MFMA no. 56 of 2003. The municipality has established the following Supply Chain Management Committees:

- Specifications Committee
- Evaluation Committee
- Adjudication Committee

Asset Management Policy

The municipality has a GRAP compliant Asset Register.

Section 35[g] of the Local Government: Municipal Finance Management Bill, 2000 defines one of the responsibilities of the Municipal Manager as being responsible for the management of:

- The assets of the municipality, including the safeguarding and the maintenance of those assets; and
- The liabilities of the municipality.

Council has already adopted a Fixed Asset management Policy. Such a policy mainly incorporates and defines the following concepts:

- Definition of a fixed asset.
- Role of the Municipal Manager and the Chief Financial Officer.
- Format and classification of the fixed asset register.
- Recognition of heritage and donated assets.
- Identification and safekeeping of fixed assets.
- Procedure for loss, theft, destruction, or impairment of fixed assets.
- Capital criteria: Material value, Intangible items: Reinstatement and maintenance expenses.
- Maintenance Plans, Deferred maintenance, General maintenance.
- Depreciation: Rate, Method, Alternative methods.
- Amendment of asset lives.
- Creation of Non-Distributable Reserves.
- Carrying values and Revaluation of fixed assets.
- Verification, Alienation and Write offs of fixed assets.
- Insurance of fixed assets and Replacement norms.

Indigent policy

Council adopted its indigent policy in 26/05/2017 and was recently reviewed on the 16/03/2018 in order to guide how it plans to manage the subsidization of services to households who are poor and defined indigents. This policy forms a foundational element of our comprehensive billing operations.

Tariff policy

Tariffs are revised annually as we review and adopt a new budget and in accordance with necessary changes linked to CPIX (CONSUMER PRICE INDEX) and inflation adjustments. Our

current policy has been revised to ensure compliance with the new valuation roll (Property Rates Act -2003) requirements. Changes have had to be made in determining rates to the indigent as well as to the generally billed properties. Additionally, changes were effected on the services and municipal facilities that are often rented or provided for a fee.

Auditor General Concerns.

The audit outcome for the past three financial years has been Unqualified Audit Opinion. Auditor general has raised some issues that are concerns in the compliance issues with certain legislation. The municipality has since developed and adopted a management response plan to these issues which will be coordinated and led by the CFO. However, each manager is expected to commit a plan of action towards resolving key concerns in the AG report relating to his/her function or processes then report regularly in the management meeting on how he/she is progressing on resolving those items.

The council remains focused in its intention to achieve a clean audit outcome and would continue to build necessary capacity in our internal audit, risk management and financial reporting operations. In order for this to happen, efforts will be emphasized on:

- Need for full compliance with all aspects of the MFMA (GRAP compliant statement) and Property Rates Act (tariff policy linkages to the updated Valuation Roll)
- Improvement of asset management policy and register
- Improvement of revenue and billing turnovers / performance
- Improvement of supply chain management policy compliance
- Improvement of in year reporting in terms of section 71 and 72 of the MFMA in order to be able to compile year-end report.

5.4.3 Financial Recovery Plan – to address cash flow problems

The municipality has a financial recovery strategy/plan. The strategy is based on the following principles and covers 3 years:-

- (a) Viability and sustainability of the municipality;
- (b) Optimisation of the municipal revenue basket, taking into consideration the following:
 - Grant funding is optimally utilised and managed; and
 - Effective credit control and debt collection, ensuring optimal revenue collection in the context of the socio-economic environment.
- (c) Continuous improvement and expansion in service delivery framework, and
- (d) Effective financial strategies.

Revenue Enhancement Strategy has been developed and adopted by Council in May 2015. A three year implementation plan has been developed.

The Financial Recovery Strategy Plan is developed using the following steps:

1. Status Quo Assessment and Data Collection
2. Financial Modelling
3. Identify / Develop Financial Strategies
4. Review and interpret Financial Modelling Results
5. Prepare a Financial Plan for Approval by Council (MTREF)

5.4.4 List of Annexures

ANNEXURE A: AUDIT ACTION PLAN

ANNEXURE B: CONTRACT REGISTER

ANNEXURE C: UPDATED INDIGENT POLICY

ANNEXURE D1 & D2: ANNUAL FINANCIAL STATEMENTS PROCESS PLAN

ANNEXURE E: FINAL 2018/19 BUDGET

ANNEXURE F: REVENUE ENHANCEMENT STRATEGY

5.5 KEY PERFORMANCE 5: PUBLIC PARTICIPATION AND GOOD GOVERNANCE

5.5.1 IDP Manager

The IDP is legislated as the role residing with Municipal Manager's office who has in turn delegated IDP responsibilities to the IDP Manager. In terms of the process the IDP Manager is tasked to:

- Ensure that the Process Plan is drafted and adopted by the Municipal Council;
- Manage the local municipal IDP by ensuring that all daily planning activities are performed within an efficient and effective consideration of available time, financial and human resources;
- Encourage an inclusive participatory planning process and compliance with action programme;
- Facilitate the horizontal and vertical alignment of the various internal and external departmental programmes;
- Ensure that the planning process outcomes are properly documented;
- Manage service providers engaged in the municipal IDP process;
- Chair the IDP Steering Committee;
- Nominate persons in charge of different roles.
- Responds to comments on the draft reviewed IDP from the public.
- Adjusts the IDP in accordance with the comments of the MEC for local Government.
- The Municipal IDP Officer will coordinate with various government departments and other HODs to ensure that all the projects, strategies and objectives of the local municipality are shared and distributed amongst government departments so that they might incorporate them in their planning process and vice versa

5.5.2 Process Plan

SCHEDULE	ITEM DESCRIPTION	DUE DATE	RESPONSIBLE PERSON
Pre- planning Phase	JULY AND AUGUST 2017		
	Developing the 2018/9 IDP/ Budget Process	1-30 July 17	Municipal Manager
	Q4 Performance reporting	10-13 July 17	All HODs
	Compilation of Draft Annual Report 16/17	24 July-08 Aug 17	Municipal Manager and all HODs
	Signing of Performance Agreements by S56 Managers and Managers below S56	31 July 17	Municipal Manager
	IDP/PMS and Budget Technical Steering Committee: Alignment of the IDP, PMS and Budget Process Plans; Identification of the key assumptions and factors affecting the medium term budget forecasts.	04 August 17	Municipal Manager
	IDP/PMS and Budget Steering Committee - Presentation of the draft IDP/PMS and Budget Process Plan 2018/19; Annual Performance Report 2016 /2017 and Draft Annual Report 16/17	06 August 17	Mayor
	Presentation of the draft IDP/PMS and Budget Process Plan	10 August 17	IPED Manager

	for IDP 2018-2019 Review ; Annual Performance Report 2016 /2017 and Draft Annual Report 2016/17 to the IPED Standing Committee and EXCO		
	Special Council Meeting for the adoption of the IDP/PMS/Budget process plan 2018-2019 ,Annual Financial Statements 16/17 and Annual Performance Report 2016/2017 and Draft Annual Report 2016/17	30 August 17	Mayor
	Submission of the adopted Annual Performance Report 16/17, IDP/Budget/PMS Process Plan 2018-2019, Draft Annual Report 2016/17 and AFS 16/17 to the provincial, national treasury ,AG and CoGTA	31/08/17	IPED Manager, CFO
	SEPTEMBER-DECEMBER 2017		
	Publication of Draft Annual Report for comments purposes	11 September 2017	IPED Manager
Analysis Phase commences	EXCO/ BUDGET STEERING COMMITTEE MEETING: executive committee to meet and	12 September 17	Chief Financial Officer

	identify strategies and guidelines for the development of the 2018/19 to 2019/2020 Budgets. Committee should adopt the 'Budget Preparation and Financial Guidelines' proposed.		
	IDP Rep forum MEETING. Presentation of the adopted process Plan, APR 16/17.	13 September 17	Municipal Manager
	IGR Meeting	21 September 17	Municipal Manager
	MEETING WITH DIRECTORS AND MANAGERS: Directorates to be provided with the current Baseline Operating Medium Term Expenditure Forecasts (MTEF) 2017/18 thru 2018/19 that are to be used as a basis for the development of new Operating Medium Term Expenditure	25 September 17	Chief Financial Officer
	Check with National, Provincial Governments and District Municipality for any adjustments to projected allocations for the next three years.	25 September 17	Chief Financial Officer
	COUNCIL MEETING	29 September 17	Municipal Manager
	1 st Quarterly Reports submitted(July – September)	10 October 17	IPED Manager

KEY DEADLINES FOR BUDGET PREPARATION SCHEDULE			
	Item description	Due Date	Responsible Person
	OCTOBER 2017		
	IDP/Budget road shows for Reviewing the Ward Based needs and presentation of Draft Annual report for community comments purposes	10 -13 October 17	Mayor
	/ STEERING COMMITTEE MEETING: - review progress and baseline operating budget.	20 October 17	Chief Financial Officer
	Schedule individual meetings with Directorate to review baseline budget and work progress for completion of changes and supplemental requests	23 October 17	Chief Financial Officer
	Quarter 1 Performance reviews for S56 Managers and Managers below S56(informal)	25-27 October 17	Municipal Manager
	IDP/PMS and Budget Technical Committee – Presentation of the Situational Analysis under review (Situational analysis review phase commence)	31 October 17	Municipal Manager
		31 October 17	Municipal Manager

	Review current tariffs, receive requested changes from directorates and prepare options for consideration	31 October 17	Chief Financial Officer , Accountant
	SUBMISSION OF BASELINE BUDGETS AND SUPPLEMENTAL REQUESTS FROM DIRECTORATES: Final date for submission of all Baseline Operating Budgets, Capital Budgets and Operational plans by Directorates to the budget office.	31 October 17	Directorates
STRATEGIES	NOVEMBER 2017		
	IDP/PMS and Budget Technical Steering Committee – presentation and discussion of the situational analysis. Launch of the second phase of the IDP (Review of the objectives and strategies commences); review progress and proposed tariff report	07 November 17	Municipal Manager and Chief Financial Officer
	IGR Meeting	10 November 17	Municipal Manager
	IDP/PMS /Budget steering Committee	14 November 17	Mayor
	IDP/Budget Rep Forum to review	28 November 17	Mayor

	objectives and strategies and presentation of Comments on the Draft Annual Report 16/17		
	Prepare first draft of operating and capital medium term budget based on baseline operating budgets submitted by directorates	29 November 17	Chief Financial Officer
	Receive audited Financial Statements and Audit report from the Auditor-General for the 2016/17 financial year	29 November 17	Auditor-General
	DECEMBER 2017		
	IDP/PMS and Budget Technical Steering Committee to discuss draft objectives and strategies, baseline budget report and Draft Tariffs.	06 December 17	Municipal Manager
	Ordinary Council meeting. Final adoption of the AR 16/17. Presentation of oversight report on the Draft AR 16/17	12 December 17	Speaker
	Analysis phase completed		
	JANUARY 2018		
Strategies Phase commences	2 nd quarterly Reports (Oct-Dec 2017)	09 January 18	IPED Manager
	Management Retreat to prepare Mid-term	15-17 January 18	Municipal Manager

	report, SDBIP review and budget adjustment		
	IDP/PMS and Budget Technical Steering committee to present and discuss draft objectives and strategies. Launch of the third phase of the IDP (Discussions on the projects commences, preparation of the IDP Core components for submission no later than the end of February 2018)	18 January 18	Municipal Manager
	EXCO MEETING: PRESENT MIDYEAR PERFORMANCE REPORT TO EXCO : Final review of 2017/18 operating and capital budget for mid - year adjustments to EXCO for approval to council and submission to the provincial and national treasury	18 January 18	Municipal Manager
	SUBMISSION OF CAPITAL BUDGET REQUESTS FROM DIRECTORATES: Final date for submission of all Capital Budget plans by Directorates to the budget office.	20 January 18	All Managers

	Special COUNCIL Meeting. Tabling of mid Term performance Report , Budget adjustment and SDBIP review	25 January 18	Mayor
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KEY DEADLINES FOR BUDGET PREPARATION SCHEDULE			
	Item description	Due Date	Responsible Person
	FEBRUARY 2018		
	IGR Meeting	02 February 18	Municipal Manager
	Submission of mid-year performance reports to the Sector Departments (National / Provincial Treasury and the EC-CoGTA	03 February 18	Municipal manager
	Mid –Year Performance Assessment of S56 Managers and Managers below S56	7-8 February 18	Municipal Manager
	IDP/PMS/Budget rep forum meeting to review Key Performance Indicators	14 February 18	Mayor
	IDP Strategic planning workshop	19,20,21,22-23 February 18	Municipal Manager
	Special Council	28 Feb 18	Municipal

	Meeting		Manager
	MARCH 2018		
Projects Phase	STEERING COMMITTEE MEETING: - review progress and DRAFT BUDGET.	07 March 18	Municipal Manager
	Presentation of draft Reviewed IDP 2018-2019 to IDP/PMS and Budget Technical committee and alignment of budget	14 March 18	Municipal Manager
	Submission of draft directorate SDBIPs 2018/2019 for consolidation	15 March 18	HODs
	IDP/PMS/Budget Steering Committee Meeting: final draft of IDP and operating and capital budget presented to EXCO for review	20 March 18	Chief Financial Officer
	COUNCIL MEETING: Council to adopt draft IDP 2018-2029 and draft Budget 18/19.	30 March 18	Mayor
	Engcobo Draft IDP and Draft Budget published. Advertise for public comment (21days)	05 April 18	IPED Manager
	Quarter 3 Performance Reports (Jan – March 18)	12 April 18	IPED Manager
	Submit draft budgets in required form and IDP to NT, Provincial Treasury and CoGTA	12 April 18	Chief Financial Officer, IPED Manager

KEY DEADLINES FOR BUDGET PREPARATION SCHEDULE			
	Item description	Due Date	Responsible Person
Integration Phase	April 2018		
	IGR Meeting	13 April 18	Municipal Manager
	Check with National, Provincial Governments and District Municipality for any adjustments to projected allocations for the next three years.	13 April 18	Chief Financial Officer
	Public meetings/ roadshows and consultation on IDP/ Budget a list of Capital Projects	16- 20 April 18	Speaker and Mayor
	IDP/PMS and Budget Technical Steering Committee to consider public comments and those from sector departments; presentation of performance reports for the 3 rd quarter	09 May 18	Municipal Manager
	IDP/PMS and Budget Representative Forum – presentation of the Public	11 May 18	Mayor

	Comments and the final draft IDP 2018 - 2019		
	MAYORAL IMBIZO	18 May 2018	MAYOR
Adoption/Approval Phase	Final Budgets prepared taking into consideration submissions made during consultation process	18 May 18	CFO
	COUNCIL MEETING: IDP 2018-2019 & Budget for 2018/19 adopted by Council along with the Mayor's budget address	30 May 18	Mayor
	JUNE 2018		
	The Service Delivery and Budget Implementation Plans (SDBIP) to be brought to the Mayor by the MM for approval	11 June 18	Municipal Manager
	Submission of IDP & Annual Budget reports to National, Provincial Treasury and the District municipality.	11 June 18	Chief Financial Officer / IPED Manager
	Stakeholders Engagement on IDP/BUDGET	12-15 June 18	Municipal Manager
	SDBIP approved and Performance agreements signed by S56 Managers and Managers below S56	28 June 2018	MAYOR

	Quarter 4 Performance reporting (April – June 18))	07 July 18	IPED Manager
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KEY DEADLINES FOR BUDGET PREPARATION SCHEDULE			
	Item description	Due Date	Responsible Person
ALIGNMENT AND ADOPTION	FEBRUARY 2017		
	IGR Meeting	02 February 17	Municipal Manager
	Submission of mid-year performance reports to the Sector Departments (National / Provincial Treasury and the EC-CoGTA	03 February 17	Municipal manager
	Mid –Year Performance Assessment of S56 Managers and Managers below S56	7-8 February 17	Municipal Manager
	IDP/PMS/Budget rep forum meeting to review Key Performance Indicators	14 February 17	Mayor
	IDP Strategic planning workshop	20,21,22-23 February 17	Municipal Manager
	MARCH 2017		
	STEERING COMMITTEE MEETING: - review progress and DRAFT BUDGET.	07 March 17	Municipal Manager

	Presentation of draft Reviewed IDP 2017- 2022 to IDP/PMS and Budget Technical committee and alignment of budget	14 March 17	Municipal Manager
	Submission of draft directorate SDBIPs 2017/2018 for consolidation	17 March 17	HODs
	IDP/PMS/Budget Steering Committee Meeting: final draft of IDP and operating and capital budget presented to EXCO for review	22 March 17	Chief Financial Officer
	COUNCIL MEETING: Council to adopt draft IDP 2017- 2022 and draft Budget 17/18.	29 March 17	Mayor
	Engcobo Draft IDP and Draft Budget published. Advertise for public comment (21days)	04 April 17	IPED Manager
	Quarter 3 Performance Reports (Jan - March))	07 April 17	IPED Manager
	Submit draft budgets in required form and IDP to NT, Provincial Treasury and CoGTA	07 April 17	Chief Financial Officer, IPED Manager

KEY DEADLINES FOR BUDGET PREPARATION SCHEDULE			
	Item description	Due Date	Responsible Person
	April 2017		
	IGR Meeting	7 April 17	Municipal Manager
	Check with National, Provincial Governments and District Municipality for any adjustments to projected allocations for the next three years.	10 April 17	Chief Financial Officer
	Public meetings/ roadshows and consultation on IDP/ Budget a list of Capital Projects	18 April -03 May 17	Speaker and Mayor
	IDP/PMS and Budget Technical Steering Committee to consider public comments and those from sector departments; presentation of	09 May 17	Municipal Manager

	performance reports for the 3 rd quarter		
	IDP/PMS and Budget Representative Forum – presentation of the Public Comments and the final draft IDP 2017 - 2022	11 May 17	Mayor
	MAYORAL IMBIZO	19 May 2017	MAYOR
	Final Budgets prepared taking into consideration submissions made during consultation process	19 May 17	CFO
	COUNCIL MEETING: IDP 2017-2022 & Budget for 2017/18 adopted by Council along with the Mayor's budget address	30 May 17	Mayor
	JUNE 2017		
	The Service Delivery and Budget Implementation Plans (SDBIP) to be brought to the Mayor by the MM for approval	09 June 17	Municipal Manager
	Submission of IDP & Annual Budget reports to National, Provincial Treasury and the District municipality.	09 June 17	Chief Financial Officer / IPED Manager
	Stakeholders Engagement on IDP/BUDGET	06-15 June 17	Municipal Manager
	SDBIP approved and Performance agreements signed by S56 Managers and Managers below S56	26 June 2017	MAYOR
	Quarter 4 Performance reporting (April - June)	07 July 17	IPED Manager

5.5.3 Action Plan on MEC Comments

#	MEC Comment	Engcobo Response
1.	IDP Planning process should be prioritised by S56 Managers and Portfolio Committees in their Oversight responsibility to ensure quality information provided. Clear synergy of issues raised in the IDP to ensure that IDP respond directly to needs of communities	The IDP processes are being prioritised by S56 Managers and Portfolio Committees in their Oversight responsibility. Each Manager reports to a Standing Committee on IDP processes per quarter

2.	Issues of sector departments continues to remain a challenge and commitment of all management in IDP processes is critical	Sector departments are invited and phoned 7 days before the meeting but often they send junior officials who do not submit required information
3.	Cognisance should be taken of all powers and functions that are performed as well as SLA and MOU that exists	Powers and functions of the municipality are included in the IDP
4.	Adherence to the process of legislated time-frames regarding the commencement and completion of the IDP processes	Process plan is adopted by Council and Managers align

IDP Rating

KPA	Rating 08/09	Rating 09/10	Rating 10/11	Rating 11/12	Rating 12/13	Rating 13/14	Rating 14/15	Rating 15/16	Rating 16/17	Rating 17/18
Spatial Development	Low	Low	Medium	High	High	High	High	High	High	High
Institutional Transformation and Organisational Development	Med	Med	Med	High	Med	Med	High	High	High	High
Infrastructure and Service Delivery	Low	Low	Med	Med	Med	Med	High	High	High	High
Financial Viability and Management	Low	Low	Low	High	Med	High	Med	High	High	High
Local Economic Development	Low	Low	Low	High	High	High	High	High	High	High
Good Governance and Public Participation	Low	Low	Med	Low	Med	High	High	High	High	High
Overall Rating	Low	Low	Med	High	High	High	High	High	High	High

MPAC Oversight

Section 79 of the Municipal Structures Act of 2000 provides for the establishment of Municipal Public Accounts within the municipality and Report to the Council. The MPAC is consisting of (8) eight members including the Chairperson and meets monthly as per its terms of reference.

The responsibility of MPAC is to assist the municipality in attending the matters affecting the performance monitoring on financial administration, risk management, internal and external auditing. It strives to achieve this by operating within its terms of reference/Charter which was adopted by the Council in 2012 and is being reviewed on annual basis.

Public Participation Process

The goal of the Engcobo LM on Good Governance and Public Participation is to realize a viable and caring institution that will promote and support a consultative and participatory local government. Good governance is in the main a participatory, transparent, democratic and accountable system of governance.

Developmental local government legislation put in place mechanisms for community interface so as to create enablers to realize good governance within a municipality. The key focal area within good governance is that good governance is a responsibility of all service delivery directorates/units and as such must find a concrete expression in their operational plans. The strategic intent of good governance and public participation is to ensure that Engcobo LM is accessible to its citizens.

Public Participation forms an integral part of the Engcobo Local Municipality IDP process. The IDP process is a continuous process and therefore the process of public participation. During the 2017/2018 Engcobo Local Municipality IDP process, public meetings were conducted with each ward, chaired by the Ward Councillor and assisted by the Ward Committees.

The People's Assembly, comprising of, *inter alia*, 10 Ward Committees, Government Structures, parastatals and service providers, were held during 2017/2018 IDP process plan, where the projects and programmes, SDF and Ward IDP's were presented and inputs were improved.

IDP Steering Committee

The IDP steering committee comprising largely of internal senior management will be tasked to:

- Provide technical and advisory support to the IDP Officer;
- Perform daily planning activities including the preparation and facilitation of events; documentation of outputs and making recommendation to the IDP Officer and the Municipal Council;
- Commission feasibility studies and business plans for projects;
- Commission in depth studies;
- Interact with the Local steering committee local members regarding local projects;

- Prepare, facilitate and document meetings;
- Act as the secretariat for the IDP Representative Forum;
- Meetings shall be held as per the action programme or when considered necessary by the chairperson.

IDP Representatives Forum

This forum is a combination of all major stakeholders in the Municipal area; it is chaired by the Mayor and is composed of representatives from the following institutions or interest groups:

- Secretariat of IDP steering committee.
- Ward Committees
- Youth groups
- Rate payers
- Traditional Leaders
- Civic bodies and Entities
- NGO's and CBOs
- Sector Departments and the District Municipality
- IDP Steering Committee
- IDP road shows
- Community development workers

The total budget on IDP roads shows and all representative forum meetings on annual basis is more or less than **R200 000**.

The task of the representative forum shall be to:

- Represent the interest of various constituencies in the IDP planning process.
- Provide an organizational platform and mechanism for discussion, negotiation and decision making between stakeholders.
- Provide a communication mechanism for the exchange of ideas and opinions among the various stakeholder interest groups.
- Participate in the setting up of key performance indicators including the monitoring thereof in line with the performance Management Manual of the Local Municipality.
- Monitor the performance of the planning and implementation process.

Roles and Responsibility of Stakeholders

The IDP planning process includes a wide range of role-players with certain key responsibilities. To enable smooth implementation of the IDP Review action plan the following roles and responsibilities have been allocated in the following manner.

Needs Identification and Project Prioritisation

After all the needs were collected, the projects/programmes were updated and finalized by October 2017/18 financial year. The prioritization of projects was included in the Budget process.

Community Participation

All stakeholder and public participation engagements were undertaken through the guidance provided by the Public Participation Policy which was adopted by Council.

PHASE	PARTICIPATION MECHANISM & PLANNING EVENTS
Analysis	<ul style="list-style-type: none"> ▪ Use of workshops to verify data on community priorities ▪ Use of ward Committees to verify data
Strategy	<ul style="list-style-type: none"> ▪ Use of IDP representative and LED Forum meetings
Projects	<ul style="list-style-type: none"> ▪ Use of workshops to verify data on community priorities ▪ Use of ward Committees to verify data
Approval	<ul style="list-style-type: none"> ▪ Use of workshops to verify data on community priorities ▪ Use of ward Committees to verify data
Monitoring ⁴	<ul style="list-style-type: none"> ▪ Assessment and Reporting

5.5.4 Mechanisms for Public Participation

Community participation is pivotal to the sustainability of the entire IDP review and implementation process and will occur in the following manner as outlined in the table below:

PARTICIPATION MECHANISMS
<ul style="list-style-type: none"> ▪ Use of IDP Representative Forum to verify data & add additional data. ▪ Use of IDP representative forum to ensure that community priorities are adequately reflected in the IDP. ▪ Use of Councillors to call meetings to keep communities informed on the IDP progress. ▪ Publish Annual reports on municipal progress. ▪ Newspaper advertisements to inform communities of the process. ▪ Pamphlets/summaries on IDP's ▪ Making the IDP available for public comment. ▪ Making the IDP document accessible to all members of the public.

Appropriate Language Usage

Formal documentation and communication will be done in English but in meetings, participants would be encouraged to use their own language where this would enhance communication and participation. In some instances, interpreters may be used to facilitate smooth communication. Facilitators of meetings would be encouraged to make use of simple language in explaining

concepts so that people can understand the process and become empowered to participate in the IDP process.

Logistics Arrangements

Meetings will be held in Engcobo and transport will be provided for those councillors coming from outlying villages in line with council policy for rebates and stipends. The municipality will be responsible for organizing workshop logistics and venue equipment.

Service Level Agreements

SLA	Duration
DSRAC	2 years
CHDM	2 years
CHDA	5 years
DEADEAT	2 years
Treasury	2 years
SITA	5 years
Comofin	50 years
Amatole District Municipality	1 year
SETA	1 year

Social Cohesion: Traditional Dance Championship

Background

Traditional Dance Championships is designed to promote Arts, Culture, Entertainment, Recreation, tourism and social cohesion in the Community of Engcobo Municipality and is an annual event that started as the festival in 2007 the initiative gives a platform to performers to showcase their talents, whilst competition among each other. The concept is an opportunity to enjoy and benefit from the rich and diverse Arts and Culture the Nation through participation in various Arts and Culture activities. The event normally is hosted in Heritage month.

Cultural groups compete at ward level then the outstanding group will compete with other groups from other wards at the main event date which is normally hosted in town.

Crafters are given platform to showcase the art work they produce through by displaying in stalls on the day of the event.

The outstanding groups are given prizes by the municipality, for support the prize vary from cash to vouchers for purchasing of traditional material they wear as attire/costumes when performing.

Aims and Objectives

- The Championships aims to foster the development of diverse, vibrant, flourish arts and culture in the district.
- Building a sense of involvement, encouraging multicultural understanding whilst developing talent.
- To afford the artists an opportunity to attract resources and share experiences in and culture
- To raise the level of cultural awareness and pride in the municipal area.
- To promote and encourage mass participation inn arts and culture.

Benefits

Benefits for Community

- A regular high Arts and Culture Festival in their doorstep.
- An opportunity to high home grown talent festival for the benefit of the whole Engcobo
- An opportunity to build the project to greater heights through constructive participation.

Benefits to Groups and Artists

Whilst the objective to empower the artists in particular around the Engcobo, it must be accepted that this process will have a starting point and then cascade to other people during its duration. It is a fact that artists have benefited from the training programmes ran by the municipality.

Mayoral Cup

Municipal progamme for youth (men and women) and it is conducted on yearly basis. The aim is to reduce crime, health society, talent search, reduce ill activities ans so forth. The youth are put together to play different sporting codes such as netball and soccer.

The municipality invites sector departments in the preparations and attendance of the occasion; all 20 wards participate. All sporting code teams receive sport kit at the end of the games and the talent searches become enhanced.

5.5.5 Community Based Planning for 2018/2019 Financial Year

In addition to the existing ongoing projects and programs identified during the 2012/2017 IDP process, a large number of additional projects will be identified during the respective ward meetings and will be included in the 2018/2021 IDP.

WARD 1	NEEDS	CHALLENGES
16/10/2017	Access Roads	Chibini to Kwa Jija Ntimeni to Roma Roma to Jija Maintenance of Ngquturha access road Komkhulu to Roma Access road Ngcataru to toleni Mandlaneni access road Ngcatharu to Tholeni (maintenance)
	Electricity	All areas that were not been Electrified needs Electricity 118 infields
	SANITATION	Ganya, Ngquthura, Chaba , Dubula ,Ntimeni and Lunda
	WATER	Water scheme in the whole ward is a problem. Lunda Water extension & infills need to be electrified Lunda requests toilets Ganya request water taps Mandlaneni needs water taps Ntimeni
	BRIDGE	Ngqutura Bridge Mmangweni to Ndungwane
	PROJECT	Luxeni Maize Project, Luxeni co-op request fencing Ngqutura, Ganya Maize, Qolweni, Vukani Mamiya
	RDP HOUSES	The whole ward need RDP houses

	DIPPING TANK	Nxamagele,& Ganya
	CLINIC	Community requested clinic
	SCHOOL	Nxamagele & Ganya requested High school
WARD 2	NEEDS	CHALLENGES
16/10/2017	PROJECTS	<p>Xonya, Ntabeni Youth project, piggery project cwecweni, Shearing shed</p> <p>Ngqwaneni maize project & Siyaqweba requested funding</p> <p>Xonya – Ntibaneni and Vuza request poultry project</p> <p>Mqonci request Vuka Mqonci project to be funded as well as fencing of of Siyaphinda project</p> <p>Mqonci request fencing of Masizondle project as well as feeding for Icebo lomama project</p> <p>Siyazabalaza youth project at cwecweni request material for their carpentry material</p> <p>Philani older persons at Cwecweni request kits & Feed</p>
	ACCESS ROADS	<p>The community requested Sigubudwini-Mqonci-Ngwevana-Maqomeni Access road. Xonya Access road, Mazizini Access Road, Access road to Ntabeni School, Access road from Mqonci via Nkomponi, Access road to Jojweni, Maqamkazini, Ntlakweskolo to Mqonci, Ntlekiseni to Mzwi ni Access Road, Mmangweni request access road & slab. Maintainance of Lalinl access road. Mazizini to Ndulini. Maqmakazini to .Lubhiza need maintenance. Mazwai to Ndulini access road. Mjanyane to Lubhiza access road. Mzwini via Dolophini to Cwecweni access road. Mqonci to mjanayana. Maintanace of road at Emakhaxeni. R48 to clarkerbury access road. Emjikelweni to Qanguleni access road. Emazizini to Esigubudwini access road.</p>
	WATER & SANITATION	<p>The community requested Ablution facilities for the ward, Mqonci area, Maqomeni, Mqonci-Boreholes, Sigubudwini and Mzwini</p> <p>Sanitation at Mqonci</p>
	ELECTRICITY	The community requested Electrification at

		Mazizini(Lalini) Mmangweni need electricity as well as infills
	COMMUNITY HALL	Whole ward
	DIPPINK TANK	Maintenance of dipping tank at sigubudwini as well as construction of dipping tank at Lubhiza Maintenance of dipping tank at Maqomeni, Cwecweni & Ngwevane Dipping tank at Mqonci
	CLINICS	Clinics are needed at Xonya & Mqonci
	BRIDGE	The community requested a Bridge in Sigubudwini Mmangweni to Ndungane bridge Lalweni bridge at Cwecweni Mqoma to Torha bridge Ndongane bridge at Mqonci Maintainance of bridge atTyhangatyhangeni Maqamakazini to Lubhiza bridge Lalini to Cwecweni bridge Mqoma to Torha Mmangweni to Cwecweni Ndlangisa to Bhekileni bridge is too flat Ntsimba bridge need maintenance
	SANITATION	Mqonci
	WATER	Mqonci Sigubudu
	SPORT FIELD	Sporting field in the ward
	COMMUNITY	Hall with chairs

.WARD 3	NEEDS	CHALLENGES
16/10/2017	ACCESS ROADS	Access roads and maintenance in the following areas Shushwane, Mazizini Sgubudwini. Bekileni, Kwadila, Kunene to Ntimba Clinic and JSS. Heaps of gravel for maintenance. Bekileni to Ntsimba. Bypass road in Town. Dila to Main road, Kwadila to Ntsindeni road construction. Bekileni to Kunene
	WATER	Installation of new Water pipes and taps Mdeni, newrest construction and Extension of taps in whole ward Ekunene & Emjikelweni community need water Old tanks must be used as a reserved tanks Silver tanks are not working. Mdeni with no water
	RDP HOUSES	Construction of RDP Houses in the whole ward.
	DAM	Dam for livestock in the whole. Cleaning of Dams in the ward.
	PROJECT	Mjikweleni project is requesting financial assistance. Mdeni poultry project, Ntsimba poultry project, Carpentry, Shushwana baking project, Thembelihle Poultry, Masihlume Poultry, Qukeza Sebenza older persons. Maize project, Livestock improvement Nguni project
	DIPPING TANK	The community requested revamping of an existing dipping tank at Bekileni and Ntsimba and Bekileni Dipping tank at Eqanguleni construction.
	MAYORS CUP	The community request the prize
	BOREHOLE	Construction of borehole at Mjikweleni
	ELECTRICTY	Infills whole ward.
	SPORTS GROUND	Whole ward
	TAR ROAD	Road from Coghlan to Mjanyana need to be Tarred. Mqonci
	POLICE STATION	Mobile police station in the ward.

	BRIDGE	Mqonci, Mqoma, Dabulingwe
	RIVER CROSSING	Whole ward
WARD 4	NEEDS	CHALLENGES
16/10/2017	WATER	Extention of water taps in the following areas Ntlalukana Gotyibeni Cobosi Quluqu, Water pipes at Mafilika Electric pump Cobosi, Quluqu ngaphantsi requested water tanks
	BOREHOLE	Ntlalukana
	ACCESS ROADS	Access road Ntlalukana to Clinic via Mchuba to Mbanga, Zihlangu to Thambeka(Hlathi), Diphini via Mzinini to Makhumeni, Qolweni to Mtshayelweni, Matiwane via Mrhoyiya to Water tank, Mandlandleneni to Mjanyane Hospital, Qolweni to Mtshayelweni, Chibini to Mampingeni, Mafilika to Sihlabeni, Chibini to Water tank, Ncityan to Hleke, Ndzame to Madinga, Ntlalukana to Nkwenkwana, Ntlalukana to Mchuba, Bongani-Xhibeni Sokapase via Muncushe- Esikhobeni. Zulayo via Kwafunisilei to matasa Skhom T junction, Singeni to Mafika, thathemtwin access road, hleke to ncityana access road
	SANITATION	Installation of ablution facilities at the following schools Mizamoyethu Senior Secondary School and Ntlalukana Junior Secondary School Ablution facilities for whole ward (Infields)
	BRIDGE	Ntlalukana to Nkwenkwana, Ngqubusini to Malangazana, Mcityana to Hleke, Quluqu ngaphantsi to Madikane, Ntabeni to Tora, Cobosi Sabalele to Mbilini, Nkobongo bridge needs to be elevated. Beautification of Nkobongo ,Mafilika & Ntlalukana Bridge to nosimo school

	PROJECTS	<p>The community requested a shearing shed for the whole, Sibonile poultry project, Quluqu dipping tank, Nosizwe poultry project, Mjanyana Maize project</p> <p>Thubaletu farming, Quluqu shearing shed, Ntlalukana shearing shed, Cobosi shearing shed & Madasa shearing shed.</p> <p>Quluqu/ sitshu monument</p> <p>Library for the whole ward, Poultry project requested assistance with shelter. Training of co-ops in baking and sewing</p>
	ELECTRICITY	<p>Malasini, endulini & emadwaleni</p> <p>Infields for the whole ward</p> <p>Completion of Maloseni, Madwaleni & Gotyubeni.</p>
	DAMS	<p>Construction of Dams in</p> <p>Dongaz at Gotyubeni, Singeni</p> <p>Maitanance of dam at ntlalukana & mjanyana</p>
	SPORT GROUNDS	<p>Sport ground for Cobosi, gotyubeni ,madasa, ngqubusini, ngaphantsi & Ntlalukana (Soccer & Net Ball)</p>
	CLINIC	<p>Clinic has no electricity</p> <p>Community requested a Clinic at Cobosi & Ntlalukana</p>
	SCHOOLS	<p>Construction of Khanyolwetu S.S.S, Imizamo yethu S.S.S, Bazindlovu P.J.S & renovations at Ntlalukana P.J.S & Mjanyana</p> <p>Cresh at ntlalukana</p> <p>Makukhanye need to be renovated</p>
	DIPPING TANK	<p>Dipping tank at Ntlalukana & esingeni</p>
	SANITATION	<p>Infills the whole ward</p>
	COMMUNITY HALL	<p>Community hall need chairs and toilets</p>

WARD 5	NEEDS	CHALLENGES
16/10/2017	PROJECTS	Nkwenkwana wool growers Association. Fencing & manyol for Masilime Ngcacu project. Fertilizer & Manyol for Maqanda maize project. Financial support for Masiphakamise Poultry project. Sakhisizwe maize project need support of anything possible.
	FENCING	Fencing of arable land and Grazing fields in the whole ward
	ELECTRICITY	Mdaca and Ntunguzini Infills at Nkwenkwana. Infills in the whole ward. They also requested free basic electricity. Boxes are not registered
	ACCESS ROADS	Anglican road in Maqanda needs to be maintained Construction of road from Mthethwa to Gila via Mcuphi. Maintainance of Ngqokotho to Roma
	WATER	Installation of water tapes at Mdaca the only area without water in the ward
	DIPPING TANK	Construction of dipping tank at Nkwenkwana. Maintenance of dipping tank at Ngqokotho
	BRIDGES	Mdaca area needs a bridge Malangazana to Ngqubusheni Nkwenkwana bridge Xuka
	CLINIC	Xuka
	PLAY GROUNDS	Maqanda residents requested play grounds and sponsors who can sponsor their teams
	DAMS	Dam for Livestock at Nkwenkwana , Qotha & Maqanda
	SANITATION	Infills

	CREACH	Vetyu with no funding
	COMMUNITY HALL	Renovation of Vetyu hall
	FEED LOT	Nkwenkwana, Qotha, and Maqonda
WARD 6	NEEDS	CHALLENGES
	ACCESS ROADS	<p>Construction of road from Mageza to Mjanyane, From tar road Hayeni</p> <p>Ngqaba to Ngxebe School(maintenance)</p> <p>Ngqaba,Mkhwezweni Goso</p> <p>Bulelani Shop, Malawini and Qhitsi (construction)</p> <p>Tafeni (maintenance)</p> <p>Goso to Ngxebe (maintenance)</p> <p>Goso to Hukwini (maintenance)</p> <p>Mpindweni (maintenance)</p> <p>Bulelani shop to Tshatshatha school (construction)</p>
	WATER	<p>Goso Phezulu</p> <p>Emamfeneni</p> <p>Mageza</p> <p>Thaleni</p> <p>Mbekeni</p> <p>Phesheya</p> <p>Dala</p>
	ELECTRICITY	Ngxebe and Ngqayi
	BRIDGES	<p>Mpindweni Bridge</p> <p>Nodyasana Bridge</p> <p>Goso Bridge</p> <p>Ngxebe Bridge</p>

	RDP HOUSES	Construction of RDP houses whole
	PROJECTS	Debera agric project, Mbekeni agric project, Debera, Hukini Wool growers, Vuka Mawulele Project
	SPORT FIELD	Whole ward
WARD 7	NEEDS	CHALLENGES
20/10/17	WATER	The community requesting repairs for the pipes in ntwashini, Bhodini, Emadwaleni, Bhadi, Beyele, Qoba, Qumanco, Gxubane, Gubenxa, Nkonkobe New households in Beyele with no water The community requested Jojo tanks, but the tanks were never delivered, Gcabalati, Luthothweni, ,Tshobani, Lundini, Mandaweni extension of pipes. Qolweni pipes needs to be fixed, Qoba extension of taps.Cabalathi it's been years with no water. Beyele sigangeni extension of taps. Ezihagwini taps, Farmer no water since 1994, Nkonkobe no taps, Lundini no water at all, Beyele – Ntwashini no water, Qolweni pump has been taken out, Gubenxa-Blokweni extension of taps, Nkencezi engine not working and Pipe not working, Sigangeni Beyele Taps not working, Luthotweni – Gcabalati no taps at all, Badi no taps at all, Mandaweni no taps at all, Qolweni and Nkanini no water at all, Elucwecwe Extension of taps
	RIVER CROSSING	River crossing at Blokweni to Falo SSS Gcabalata and Mtwaku Ngqayi and Drayini Tshatshatsha and Ndalasi. Qumanco to Blokweni. Mtwaku to Gcabalatha river crossing. Ntwashini to Pakamani school. Beyele ngezantsi to Manzana. Beyele village to school. Ngqayi-Tshatshatsha
	PROJECT	Tree nursery in kwaJo Nursery. Drayini project requested fencing and Drayini wool growers, Qoba, Blokweni Wool growers requested wool compactor and equipment

		for wool project and siyazondla. Beyele ngezantsi fencing for greenfields and shearing shed. Dudla project in green fields (ntwashini). Tshatsha shearing shed. Qoba project wool cutting. Masomelele youth project, Sharing shed Blokweni, Masibambaneni wool growers.
	ACCESS ROADS	Completion of Ntwashini Access road, Jenceza-Gxubane access road, Ngubeszwe access road, From R61 Xhibeni access road, Gubenxa Access road, Emadwaleni Access road, Xhibeni access road, Upper-lower beyele- Ngubeszwe SSS, XhibeniSPS, Sigangeni & Beyele JSS. R61 Beyele to Mbekeni road needs maintenance. Gubenxa, Blokweni via Jojweni needs maintenance. Qumanco to Tshatsha road needs maintenance. Nkecezi to Qoba requested a construction of access road. Mafusini to Qoba access road needs maintenance. Beyele to Mandladleni via Qoba to Nkecezi access road needs maintenance, R61 to Mbekeni, R61-Nkanunu-Matyhaleni, Blokweni- Jojweni Badi via Nkonkobe-Farm, Mafusini Embo nto Qoba, Nqevu to Ndalasi, and Qolweni to Blokweni.
	BRIDGE	Mgwall Bridge
	ELECTRICITY	Completion of Infills in whole ward infills not completed, Eluthothwei, Mandaweni, Lundini, Tshobane, and Ezihagwini. Nyathi with no electricity
	RDP HOUSES	Whole ward
	SANITATION	whole ward
	COMMUNITY HALLS	Qumanco and Beyele ongezantsi, Blokweni, Gubenxa, Qumanco.
	BOREHOLE	Maqanda addition of pipes
WARD 8	NEEDS	CHALLENGES
20/10/2017	WATER	Water on and off due to insufficient. Pipes not connected in road, Sikhobeni and Bojane, Water to be connected at Nkwalweni, Water to be drained from Ncora Dam, Borehole at Qolweni, Ntabosizi additional taps at Lahlangubo.
	ELECTRICITY	New households needs electricity Infields-Magebeni, Jojweni and Gubenxa. Maqanda, Skobeni/Mtebele infills,

		Kwadlomo, Ntabosizi, Weak electricity with load shading it has been strengthened with Eskom office at Engcobo.
	BUS SHELTERS	B us shelters to be constructed.
	NETWORK AND TV POLES	The community the network and TV poles in the ward.
	COMMUNITY HALLS	Community halls at all pay points
	ACCESS ROADS	Jada Mgudlwa SSS Maduka- Phakamisa Bhompas to Mkanzi, Maqanda to Qoba road need maintenance .Jojweni to Mangwevini, Gubenxa to Maduka road needs maintenance, Zitandini to Mampingeni, Signage in all access road.
	SANITATION	Toilets are full and dilapidated
	DIPPING TANK	Qolweni
	CLINIC	Mkazi
	SPORT GROUND	Bojane sport ground needs to be constructed, Lucwecwe sport ground needs to be levelled,
	RIVER CROSSING	Mgudlwa to Lahlangubo, Tshatshi to Mampingeni
	RDP HOUSES	RDP Houses for the whole ward(Destitute)
	BRIDGE	Lahlangubo to School Hagreaves JSS, Construction a Bridge from Lahlangubo to School, Kom Kom bridge
	PROJECTS	Gubenxa Maize, Lucwecwe Vegetable, Bamanye Maize.
WARD 9	NEEDS	CHALLENGES
23/10/2017	ELECTRICITY	New houses in the ward needs electrification Ntsunguzini, Dywabani, Singangeni Infields. Skantini requested Electricity. Bojane requested electricity for new houses. Goboti (Entsunguzini) need electricity. Community of Tsazo requested electricity.

	WATER	<p>Installation of water tapes at the only area without water in the ward. Bojane, Emadladleni requested water.</p> <p>Residents of Chibini are complaining about water saying they are not enough.</p> <p>Komkhulu requested requested water taps.</p> <p>Community of Goboti requested water.</p> <p>Rhafu and Qolo with no water. Msawawa extension of water taps. Gobothi, Mzantsi Enduku. Tsazo extension of taps</p>
	PROJECTS	<p>Community raised their needs as follows fencing of grazing fields and fencing of the arable land. Renovation of Manzana Hall.</p> <p>Green farms need fencing. Assistance with Ploughing</p>
	ACCESS ROAD	<p>The ward needs a road maintenance in whole in whole needs, Goboti- Ntsunguzini</p> <p>R61- Tsazo school, Sigangeni-sikhantini-Gobhoti-Greenland farm. Kwamajwela via Emantlaneni to Chibini.</p> <p>Msawawa access road. Rhobololo road, Majuwela, Bompass road</p>
	BRIDGE	<p>Maintainance of Sgangani Bridge.</p> <p>Goboti community requested a Bridge</p> <p>Bojane to chibini bridge</p>
	SPORT GROUND	<p>Engcobo stadium to be named after TATU Somakhonco (The founder).</p> <p>Community of Tsazo requested sport ground. Bojane</p>
	RDP HOUSES	Whole Ward
	WATER & SANITATION	<p>Bojane & Msawawa need toilets for new houses.</p> <p>Toilets in Goboti are in progress but they need to be monitored.</p> <p>Toilets in Tsazo are needed.</p> <p>Manzana Hall needs toilets</p>
	AGRICULTURE	No class of Agriculture but the municipal mission says SIPHUHLISA NGOLIMO

		NAMAHLATHI. Farmers are not getting support from the municipality.
	CLINIC	Community of Bojane , Madladleni & Mkhanzirequested
	CREECH	Ntsobela - Nogayi
	PRE- SCHOOL	Community of Greenland Farm need a pre-school.
	WATTLE REMOVAL	Wattle removal Gobothe
	RIVER CROSSING	Chibini to Bojane
WARD 10	NEEDS	CHALLENGES
20/10/2017	ACCESS ROADS	The community requested access road in Masonwabe to School. Maintainance of road from Mkiwa via Zola to Sdadeni Stoppini to Sdadeni Mxesibe access road Nkalweni to Bakery New rest to Ntabeni Price to polite Sotyingwa to Tshongweni Somana to Tshongweni Mchancato to Masonwabe school Mgolombana to Mafilika Mchancato to Masonwabe school
	ELECTRICITY	Masonwabe community requested Apolo lights at Masonwabe. Community of Bojane requested electricity for new houses Community of new rest requested Apolo lights & electricity Extension 9 community requested Apolo light to be functional Pholile community requested electricity for infields

		<p>Enkalweni astopini requested apolo lights</p> <p>Mxesibe & emaxelegwini need electricity</p> <p>Allsaints requested apolo lights to be operational</p> <p>New town needs Apollo lights.</p>
	WATER	<p>Water tank at Esidadeni</p> <p>New rest (Entabeni)</p> <p>Egadini no water</p> <p>Nyanga pipes has been broken</p> <p>Drayini (water is not moving)</p> <p>Nkalweni community need water</p> <p>The community requested water and relocation of water pumps to the Mountain.</p> <p>Installation of water pipes at ANGLICAN CATHEDRAL</p>
	SANITATION	<p>Improvement of Sewerage at Masonwabe and Nyanga</p> <p>Allsaints hospital need sanitation</p> <p>Extension 5 pipeline has not been joined (Masonwabe school)</p> <p>New rest (New homes need toilets)</p>
	DAM	The community requested DAM creation
WARD 11	NEEDS	CHALLENGES
20/10/2017	ACCEESS ROAD	Ngxungweni road extension construction of phase 2, potholes in town
	WATER	Ngxingweni water taps. Taps repairs and maintenance at Zadungeni area
	BRIDGE	Ngxingweni community requested bridge. Bridge between Gorana and Cefane. Cefane bridge
	RDP HOUSES	RDP Houses at Nkanini and kwa Ndlovu
	SANITATION	Dranage System
	ELECTRICITY	The Community also request at Nqxingweni, street lights, upgrading of street lights in

		town
	PROJECTS	Zadungeni requested youth projects. Cefane agricultural project. Shearing shed at Cefane The community requested the construction of football grounds in the ward, cutting of Trees in town
	DIPPING TANK	Communty requested a dipping tank at Cefane location
WARD 12	NEEDS	CHALLENGES
18/10/2017	ACCESS ROAD	Gqutyini to Zadungeni, Nombewu to Komkhulu, Gqutyini to Mgwalana, Maintenance of Makhaleni, Pholile-Mhlangweni, Phahla Qhalo Luqolweni access road, Zadungeni, Luthuthu, Mission, Heke. From R61 to Mntuthloni, Bojane access road(232)
	ELECTRICITY	Qolweni, Hukwini, Nkwenkwezi, Mtuntloni, Mgwalana, Mqabo, Gqutyini
	WATER	Gqutyinini, Mgwalana, Mqwathini, Nqumakala, Nkwenkwezi, Mkhanzi, Mntuntloni school with no water, Mgwalana phezulu
	DIPPING TANK	dipping tank at Gqutyini to Tribal for sheep
	BRIDGE	The requested a bridge at Mgwalana, Mntuntloni (323) Nkwenkwezi/Magebeni, Lahlangubo to clinic. Mgwalana to Lityelinzima
	SANITATION	Need maintenance/ Whole ward
	RDP HOUSES	The ward requested RDP in Mkhanzi and Lahlangubo
	PROJECTS	Farming, Ploughing and Mining
WARD 13	NEEDS	CHALLENGES
18/10/2017	ACCESS ROADS	Tsalaba road need to be finished constructed. Public works roads need to be maintained. Gilandoda access road. Qutubeni to Ngele access road. Lubisi to Gilandoda access road. Access road from school to Mahlunuseni. Extension of road from Komkhulu to Sitholeni. Access road from lower Qebe to Ntshunguzi to hola. Access road from Diphini via Sigadleni to Nkwabobona. Access road from I230 to Qolweni. Access road from Qolweni to Gilandoda

		<p>Ematyeni access road</p> <p>Hala access road</p> <p>Ematyeni access road</p> <p>Lamfemfe to moltino</p> <p>New rest to nkanga</p> <p>Dlubenge to zone 14</p> <p>Sdadeni to ncanabana</p> <p>Ncanabana to skolweni</p> <p>Qebe via ntsunguzini to mhlwazi</p> <p>Simelweni to ngqutura</p> <p>Maqwatini to hukwini</p> <p>Mdeni via sthonga to hala</p> <p>Qebe via mfecane to madlampunga</p> <p>Komkhulu to kwasibonda</p>
	WATER	<p>Hala location needs water. Water Mqokoqo. Development of water walls, Sixhantini, Matyeni, Hala, Upper Sitholeni, Tsalaba, Sundwane, Lower and Upper Qebe</p> <p>Ncanabana residents requested water from mountain</p> <p>Mdeni pipes are liking</p> <p>Community of zola requested 5 boreholes from mountains</p> <p>Tsalaba community requested water tanks</p> <p>Water operator sometimes stop the water without the reason</p> <p>Hala, silindini and mthwasi</p> <p>Pressure volume to be increased</p> <p>Bomboto not complete</p>
	CLINIC	Clinic need to be eletrified

	BRIDGE	<p>Hala community need bridge</p> <p>Lubisi community requested bridge</p> <p>Ntsunguzini community requested a bridge</p>
	ELECTRICITY	<p>Community requested electricity at Tshalaba, Hala, Sitholeni(Infeilds Mpindweni, Ntabomvu, Bhambotho)</p> <p>Community of Esilindini requested electricity</p> <p>Lubisi residence requested electricity</p> <p>Ncanabana community requested electricity</p> <p>Qutubeni and nkole residents requested electricity</p> <p>60 households at Sitholeni need to be electrified</p> <p>Community requested free basic services (Umbane)</p> <p>Electric Poles are fallen at ntlawedipohu</p>
	SANITATION	<p>Upper Sitholeni and Hala</p> <p>Toilets are not complete at Esitholeni</p> <p>Mthwasa toilets are not complete</p> <p>Upper Qebe & Tslaba community need water</p> <p>Toilets for whole ward</p> <p>Silindini & hala requested toilets</p>
	SATELITE POLICE STATION	<p>The community Requested satellite police station in Qebe</p>
	PROJECTS	<p>Ncanabana community requested assistance on how to register project</p> <p>Qebe Poultry, Lower Qebe Sewing project, Silindini Beading, Badala Project in upper Qebe, Lower Qebe food security'</p> <p>Upper qebe (Ingobozi agric. Project</p> <p>Community requested Nguni cows</p> <p>Upper tsalaba requested a project</p> <p>Mdeni comm. Requested a poultry project</p>

	RIVER CROSSING	Ematyeni and Hala, sixhanti and hala
	SCHOOL	Lower Qebe community requested a crash Sithonga school need to be upgaded, xhokonxa crash, mdeni crash, upper tsalaba, timoti & ncanabana
	WATTLE	Upper Qebe & lower qebe community requested a wattle to be removed because criminals hide there and rapping kids there.
WARD 14	NEEDS	CHALLENGES
	ACCESS ROADS	Cefane access road. Caca access road. Maintenance of Roma to Ngcacu. Khanyi access road. Road Maintenance Roma to Ngcacu. Xhamlashe via Fihla to Ndungunyeni. Luhewini clinic to Mhlontlo. Madwaleni to Mhlontlo, Ntlengwane to Luhewini clinic. Mampingeni Café to Stishini(nkondlo). Noxolo SPS to Silo Jss. Fihla to Qhaziyana. Construction of Madwaleni to Mhlontlo. Caca. Construction of Ntlelelengwana to Luhewini. Construction of Fihla to Qhaziyana road. Maintenance of Roma to Luhewini, Maintenance of Cefane road, Construction of Khanyi to Gcina access road
	WATER	Installation of Water at Caca .Water at Cefane. All other villages that had water installed are all dry. Maintenance of Ntwashini water scheme. Addition of water taps at Ntlengwane. Addition of taps at Mcobololo. Water taps at Mangxongweni. Changing of some taps at Khalinyanga scheme. Connection of water pipes at houses at houses beyond R61 (Sixholosine). Water installation at Caca. Change of diesel engine to electric ones. Addition of water taps at Khanyi. Addition of water taps at Luhewini. Installation of water at Mhlontlo. Additional water taps at Sixholosini. Installation of additional taps in Caca/Mhlontlo. Additional taps in Gcina and Zimbovaneni, Extension of taps in Cefane, Maintenance of Ntwashini water scheme. Additional taps in Khanyi, Extension of additional taps in Ndungunyeni.
	BRIDGE	Cefane to Qota bridge, Mhlontlo to Xuka,
	RIVER CROSSING	River crossing in Sixolosine to Silo
	ELECTRICITY	Infills whole ward. Electrification of Luhewini

		clinic.
	DAM	Water dam at kwanzolo next to tribal
	SANITATION	Completion of toilets. Infills in the whole ward. Installation of toilets at Mhlontlo.
	SOLAR SYSTEM	Installation of solar system so long. Houses with no electricity requested solar systems as a temporal measure
	COMMUNITY HALL	The community requested mulit-purpose community hall in Roma
	CRECHE	Creche in Roma Ntelengwane , Eluhewini and Computer room.
	FENCING	Fencing of grazing fields at Mchobololo, Fencing of millie fields at Luhewini,
	CLINIC	Clinic at Chefane, Roma
	DIPPING TANK	Dipping tank at Mhlontlo
	LIBRARY	The community request Library in Roma
	PROJECTS	The community requested assistance in Projects Poultry , Baking, Farming project(medication), Sewing project in Ntabeni, Screen project and embroidery, Piggery in Khalinyanga, Fencing in Khanyi and Poultry ,Bid work and sewing, CBO in Sixholosine to be fenced. Sewing in Ndungunyeni, Bakery in Cefane
	PLAYING GROUND	Community requested a sports field in Caca, Revamping of playing ground in Khanyi and Ndzolo
	RDP HOUSES	The whole ward requested RDP houses.
WARD 15	NEEDS	CHALLENGES
18/10/17	ACCESS ROADS	Mbuthuma to Ngxangxen. Maintanance at Sentube, Ngcwabeni-Gingqi-Mrhotshozweni, Gxojeni-Rasmeni, Dayina, Xuka Bridge-Ndobe, Mbuthuma road needs construction, Ziphamkeni to Xhojeni, Dayina road needs maintenance, From Xuka bridge Makhumeni to Nonyentu road needs construction, Mthonjeni to Nonyentu access road. Ngxogi to Msintsana via Ngxangxasi road needs maintenance. Kwacenge maintenance of access road. Mampingeni via Msintsana to Gilandonda Ehlathin road needs maintenance. Maqolweni to Phangweni access road. From bridge Qoko ndima to

		Komkhulu road. Maintenance of Sentube, Ngcwabeni via Gingqi. Emagqoleni to Ehlathi egatini. Ngxogi via Menyani-Siphambukeni Bokleni
	ELECTRICITY	The community requested electricity for the newly build Houses, Ngxogi, Sentube
	SANITATION	Msintsana-Caca, Matyeni, Rhasi, Makhumeni, Nonyentu, Madwaleni Ngxangxasi sanitation needs maintenance.
	WATER	The Community needed improvement of water. Installation and maintenance of water taps, Ngxongi, Madwaleni, Ngxangxasi, Madotyeni, Ngaphesheya Ngxogi community requested construction of water. Ndzolo water needs concentrate reservoir, Ngaphesheya community needs additional Taps and Jojo Tanks, Ngxogi, Engxangxasi extension Taps, Nonyentu ezantsi extension of Taps
	SPORTS FIELDS	The community requested sports ground in Ndumisweni and Msitsana.
	CLINIC	Ward 15 community requested a Clinic. Mobile clinic times needs to be re-scheduled.
	DAM	The community requested DAM creation. Ngxogi requested water and Dam.
	RIVER CROSSING	The community requested river crossing.
	FENCING	The community requested fencing of grazing fields.
	PROJECTS	Mazihluthe Food security
	RDP HOUSES	Whole Ward
	BRIDGE	Nonyentu bridge needs to be fast tracked. From R61 – Mtshevela bridge, Kata-bridge Nonyetu
	RIVER CROSSING	Madotyeni
	POLICE STATION	Mobile police station in the ward
	HIGH SCHOOL	The community requested High school in the ward
	DIPPING TANK	Sentube

WARD 16	NEEDS	CHALLENGES
19/10/2017	ACCESS ROAD	<p>2km from Ntabeni gongqozayo (esthebe). Road from Sikhobeni to Mandebe. Road from Mandebe to Mangxongweni. Nkondlo to Clarkebury access road, Gongqozayo-Sixeni, Xuka-Sihokotwana, Coghlan-Dutywa</p> <p>Ngqurhu access road</p> <p>Mhaga access road</p> <p>Egongqozayo access road</p> <p>Eluxeni to Entabeni access road</p> <p>Emkhunjane access road</p>
	COMMUNITY HALLS	Zulu SSS
	WATER	<p>Water pipes at Mandebe. Taps at Manuneni and Sithebe. Water at Tafeni Ndungana. Water engine at Ntsabeni Tyeni Nqinawe to Mampondweni. Mampondweni extension need water. Mbashe water engine and additional taps, Mhlophekazi, Tafeni, Mandebe, Ngqurhu</p>
	RDP HOUSES	RDP houses for the whole ward
	DAM	construction of a Dam at Caca A/A
		ELECTRICITY
SPORTS FIELD		<p>Sport Fields at Ntseleni and Tyeni</p> <p>Sport fiel at Sthebe & Mhlophekazi</p>
BRIDGE		<p>Bridge from Mampondweni to Mhlophekazi/ Didi – Sithebe</p> <p>Bridge from Ludidi to Sthebe</p>
PROJECTS		<p>Community requested Poultry project at Manuneni</p> <p>Fencing at Mbashe</p> <p>Old age home</p> <p>The whole ward need fencing</p>

WARD 17	NEEDS	CHALLENGES
19/10/2017	BRIDGE	R61-Zwelilungile-Didi, Ntibaneni-Siviwe
	PRE-SCHOOL	Mangxongweni, Zwelakhe, Mphandeni, Mandlaneni, Khibeni, Stishini, upper manyisane
	RDP HOUSES	The community is requesting RDP houses for the the community
	ACCESS ROAD	R61- Zwelilungile, Didi-komkhulu- Didi store, R61- Maqamkazini, R61- Didi
	SCHOOLS	Didi JSS, Siviwe, Bashee
	SANITATION	Wole ward
	RDP HOUSES	Whole ward
	CLINIC	Ntibaneni and Didi
	ELECTRICITY	Infields
	WATER	Mandlaneni and Didi
	DAM	NTibaneni, Mangxongweni, Maqamkazini and Sidakeni

WARD 18	NEEDS	CHALLENGES
19/10/2017	ACCESS ROADS	Majija, Yawa, Zangcethe and Tshapile, Nkondlo to Qaka (T56). Zibuthe to Bekela road. Quthu to Qobonco Access road. Maintenance of access road Thozana, Zincethe. Road Maintenance in Siphambukeni (TT224). Nkondlo to Siqumeni road needs maintenance. Road to Majija. Road from Dalasile to Majija. Damane to Bongisizwe. Mnyolo to Sandile, Slop from Damane road
	RDP HOUSES	RDP houses in Bokleni. RDP houses in Yawa. Qobonco. Tsapile RDP Houses. RDP houses Majija. Sandile
	WATER	Maintenance and Extension of Taps. Extension of taps. Extension of taps in Yawa. Extension of taps Qobonco. Extension of taps in Majija. All villages in the needs extension of water taps
	CO-OPERATIVES	When dealing with agricultural initiatives where to go. Provision for farming co-operatives. The community requested

		plounging of grazing land.
	BRIDGE	bridge at Yawa location to be fast tracked
	SHEARING SHED	The community requested a shearing shed in Qobonco. Bokleni and Sandile,
	SANITATION	Ntanzi (Infields New homes/ houses). Sanitation in Yawa
	CLINIC	The community requested a mobile clinic in Tsapile. Sandile, Bokleni, Fane Ezantsi and Mnyolo
	FOOD PARCELS	The community requested food parcels in Sandile, Majija, Whole ward
	SPORTS FIELDS	Qobonco location requested a sports field. Tsapile sports fields need poles. Majija sports fields, Bombas sport field needs poles, Whole ward
	APOLLO LIGHTS	The community requested Apollo lights in Qobonco. Tsapile Apollo lights. Apollo lights in Majija. Sandile , Bokleni, Whole ward
	SOUP KITCHEN	The community requested container with soup kitchen
	RIVER CROSSING	Dumelo to Sandile, Bombas to Cekwe
	DIPPING TANK	The community requested a dipping tank in the ward. They also requested maintenance of dipping tank. Dipping tank in Tsapile. Majija , Bokleni and the Whole ward
	DAM	Bokleni Dam creation in Qobonco. And Majija. Cleaning of existing Dams in the whole ward
	ELECTRICITY	Infields in Bokleni. Electricity infills Sandile. Electricity infills. Infills in Tshapile.

	FENCING	Bokleni and Gqobonco. Fencing of Millie fields in Sandile. Fencing of Millie fields. Fenci
	CREACH	Creach in Yawa for young pioneers. Creach in Majija requested support from Municipality
	COMMUNITY HALL	The Community requested a community hall. Community hall in Tsapile. Bokleni, Qobonco Majija.
	OLD AGE HOME	Service centre for Elderly people
WARD 19	NEEDS	CHALLENGES
19/10/2017	ACCESS ROAD	Ngwemnyama Access Road Maintenance- of Roads Ndlunkulu to T28 Zabasa- Madwaleni Lower Gqaga Via Sikolweni to Clinic, Zangcethe- Sandile, Sandile-Mdeni- Nogqala, Hesini Magqobokeni, Madwaleni-Zangcethe, Loyi venkileni-Lazu, Daligqili to Umga flats, Daligqili road incomplete, Groom to Daligqili, Mboleni to Mmagweni, Mngwemnyama to Luxeni, T28 to Mmangweni, Mboleni (circle) to T junction kwa Loyi, Welenkabi to Nogqala, T28 to Entabeni (komkhulu), Maintanance of T28, Njongozabantu to Soweto, Ntshiqo to Sandile. Mgudu road. Madwaleni to Ndlunkulu, Mhlahlane to Eskolweni not completed, Mmangweni access road, Matyeni access road, Nogqala access road, Sandile to Zangcethe, Chibi maintenance and extension, Mhlahlane access road, Lower Gqanga
	RIVER CROSSING	Daligqili,
	WATER	Zabasa and Gqaka scheme. Additional taps. Repiars of taps at lower Gqaga. Mmangweni taps no water running. Mgudu water pipes

		were cut by the tractor constructing access road. Msengeni/Ntshiqo water installation. Water pipe was damaged at Gqaga when the access was maintained, Maintenance of water tanks at Zabasa, Water at lower Gqaga, Water at Gqaga not complete,
	CRECHE	Zangcethe and Mchancatho, Sqikini, Lower Gqanga
	SANITATION	Chibini, Ndlunkulu, Mkhonkotho, Mmangweni, Upper Gqaga (Ngwemnyama) Ntshiqo, Zangcethe, Mgudu (38 households) Infills, Ndlunkulu incomplete, Chibi, Ntshiqo and Zangcethe. 27 households at Mgudu with no sanitation,
	ELECTRICITY	Ndlunkulu 27 Households, Whole ward need infills, Nomyayi (Eskom says no access to the village), 38Households at Ngwemyama, Hesini village was pinned but is out of Map, 3Households, Ndlunkulu at Hotolo. Electricity in Mkhonkotho, Ndlunkulu, Mgudu infills, Chibini infills,
	BRIDGE	The community requested for a Bridge in the ward, Lower Gqaga and Bokleni, Ndlunkulu to Mchancato, Lower Gqanga, mpolweni and silindini
	CLINIC	Lower Mnyolo, Ndlunkulu clinic, Mkonkotho clinic, Mobile clinic at Chibi Komkhulu
	RDP HOUSES	Nopina Ndathane is living in a very hostile environment requested RDP House and Whole Ward
	PROJECT	Community requested Thandisizwe HIV project. No six farmers Co-op, Mjoli Co-op. Zabasa project requested assistance
	EPWP	The community requested EPWP employees
	WATTLE	The also requested a removal of wattle at Mkhonkotho to Zabasa, Mnyolo, Mgudu.
	PRE-SCHOOL	Lower Gqaga and Sqikini , Mboleni Pre-school,
	SCHOOL	Ntsinga SPS, Ntshiqo, Zihlaheni
	COMMUNITY HALL	Ndlunkulu. Lower Gqanga
	CO-OPERATIVES	The community was advised to approach LED for assistance
	FENCING	Fencing of Thala project.
	SPORT FIELD	Chibi requested sport field for all sporting

WARD 20	NEEDS	CHALLENGES
19/10/2017	ACCESS ROAD	<p>Zabegilana-Kweletyeni, Lower stholeni-Komkhulu</p> <p>Mbabakazi-Dyobashe</p> <p>Sitholeni, Ezinkonxa, Nkondlo to Komkhulu road needs maintenance, Zabasa Mandwaleni to Dolophini SSS. Road construction from Café to Nqancule via Ncangathi to Magubevini. Road from Sbheneni to Tywaba tywaba. Nkalweni to Zinkonxa, Sidikidiki via Zinkonxa. Phezulu Kobeki construction of access road. Manzimdaka to Beki, Zandukukwana to Manzimdaka. Nkanka via Mathebesse to Mqwazana. Qayi via Bokleni. Sgubudwini road. Lower Sitholeni to Nqayi. Ndidwayo road needs maintenance. Gubenxa via Ntsumba to Engcobo. Manzimdaka to Matyeni maintenance. Maintenance of Xeni access road. Nkalweni to Komkhulu. Nqokotweni to Bengu maintenance. Mevana to Beki construction of access road. Sigama via Stholeni to Sigubudu construction of access road. Mevana to Sigubudu. Maqolombana to Hlaba maintenance. Road from Mdanjelwa to Lower Sitholeni, Hlophekazi access road. Mbabakazi to Sikolweni road needs maintenance. Gxokonxa to Sinqumeni road maintenance. Mkwani via Qancule to Ngxokonxa. Maintenance of from Manzimdaka via Gubenxa, Mbabakazi, Xhokonxa, Sundwana, Didwayo. Zinkonxa road to be completed. Hlophekazi access road to be completed. Mevane to Manzimdaka, Mbabakazi to Gubenxa</p>
	WATER	Sinqumeni, Nqancule, Lower sitholeni, Hlophekazi, Mbabakazi, Gubenxa, Beki and whole ward.
	FENCING	The community requested fencing of Millie fields by government. Fencing of mallei fields in Manzimdaka. Fencing of grazing camps from Nqancule to Entabeni. Grazing camps Gubenxa. Grazing fields Mandzimdaka and Crazing fields in Sitholeni, Grazing fields Qaka
	RIVER CROSSING	Machibini
	SANITATION	Hlaba, Beki and Lower Sitholeni. From high

		school to Mafeneni infills. Sidikidiki infills, Platini.
	POLICE STATION	The whole ward requested community Police station.
	RDP HOUSES	Whole ward
	SPORT GROUND	The whole requested sporting grounds for all sporting codes, Manzimdaka
	ELECTRICITY	Siqumeni no electricity. Nqancule ezingcukeni (infills). Venkileni Emamfeneni no electricity. Lower Sitholeni, Mncayi, Mbabakazi, Hlophekazi, Nqancule, Gubenxa and Manzimdaka, Lower Sitholeni infills. Gxokogxa electrification.
	CREACH	Sitholeni community requested Creech for young pioneers.
	DIPPING TANK	The community requested maintenance of dipping tank.
	BRIDGE	Nqancule- Gubenxa and Mbashe- Mncayi. Bridge Sinqumeni to Qaka. Nqokoqweni. Hlaba, phesheya kobeki.
	CLINIC	Community requested a clinic in Lower Sitholeni. Community also requested a clinic in Manzimdaka. Clinic in Gubenxa. Siganga, Nqancule needs mobile clinic. Manzimdaka community requested mobile clinic so long. Mobile clinic Mncayi. Gubenxa
	COMMUNITY HALL	Community hall in Sinqumeni ,Nqancule, Skolweni
	PROJECTS	Nkonkxa Cop-ops, Fencing of grazibg camps Gubenxa, Hlophekazi, Mbabakazi, Mncayi and Lower Sitholeni
	SCHOLAR TRANSPORT	Izibuko colbat to bokleni high school
	FEEDLOT	Feedlot is not yet constructed.

Communication Plan

Engcobo Local Municipality utilizes several communication channels to convey information to the internal staff and to the community in general.

Communication for internal staff

The staff members are being informed of any important information by way of notices to individual desks [offices] or through the Council's notice boards. The notice boards serve both the internal staff and the public.

Memorandums are distributed to the Heads of Departments to inform their departmental staff regarding certain information.

Communication with unions

There is continuously contact between the Local Authority and the local unions [SAMWU] in order to disseminate information to their members. This dissemination may take different forms ranging from meetings with union shop stewards to circulars to members. The Local Labour Forum is also functional.

Communication for the community

The general public or the community is usually given information through their monthly bills. Notice boards are used to notify the public regarding vacancies available. The local newspaper is another media tool used to advertise vacancies, Council resolutions or any other important notice. The Council Website is operational, which is a major information source to the members of the public.

Sport and Recreation has a budget of R500 000 in 2018/19 financial year.

Traditional Leaders

The municipality has 7 traditional leaders who are part of the Municipal Council and participate in municipal decision making processes. The traditional leaders participate in all forum meetings, Council meetings, performance standing committee meetings and so forth. The 2018/19 budget is **R350 000**

Ward Committees

Ward Committees are operational and Ward Committee meetings are being held on monthly basis. The municipality has 20 wards where ward committees assist Councillors on ward issues, minutes and alignment from municipal decisions. The budget for this financial year is **R3.6m**

Audit Committee

The municipality appointed audit committee members in August 2016. The mandate of the Audit Committee is legislated in terms of section 166 of the Municipal Finance Management Act, 2003 (MFMA) which requires the Audit Committee to advise the Accounting Officer and Council on matters relating to: Internal financial control and internal audits; risk management; adequacy, reliability and accuracy of financial reporting and information; accounting policies; performance management and evaluation; effective governance; Compliance with the MFMA, the Annual Division of Revenue Act (DORA) and any other applicable legislation and / or policies and any other issues referred to it by the municipality.

The Audit Committee is also required to fulfill the functions of a Performance Management Committee constituted in terms of Regulation 14(2) of the Local Government: Municipal Planning and Performance Management Regulations, 2001.

Audit Committee reviews and respond to Council on matters raised by the Auditor General and carry out investigations into the financial affairs of the Municipality

Corporate Governance and Structures

Corporate governance is comprised of Risk Management and Fraud Mitigation, Internal Audit/ Audit Committee, Compliance Services, Legal Services, Communication and Development Cooperation, Public Participation and Special Programmes, Knowledge Management, Research and Policy.

The preamble to the Local Government: Municipal Systems Act provides inter alia for the “core principles, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities, to define the legal nature of a municipality as including the local community working in partnership with the municipality’s political and administrative structures; to provide for the manner in which municipal powers and functions are exercised and performed; to provide for community participation; to establish an enabling framework for the core processes of planning, performance management, resource mobilization and organizational change which underpin the notion of developmental local government; to provide a framework for local public administration and human resource development to put in place service tariffs and credit control policies by providing a framework for the provision of services, service delivery agreements to provide for credit control and debt collection; and to provide for matters incidental thereto”.

The importance of good governance is widely recognized. Good corporate governance generates the goodwill necessary to enable sustainable value creation.

Other pieces of the legislative framework impact on the activities of the Municipality and for the purpose of this cluster the King III Report is considered important. The introduction of the King III Report on Corporate Governance necessitates increased attention being paid to compliance issues. This covers activities such as Internal Audit, Fraud and Risk Management as well as Information Technology. In addition the implications of the introduction of a Municipal Public Accounts Committee should also be considered.

Within this overall framework fall activities such as risk and fraud management, internal audit, legal and compliance, knowledge management as well as public participation.

The sections set out hereunder all exhibit similar constraints. As a result, material backlogs in dealing with core governance issues develop, resulting in adverse findings by regulatory and oversight bodies. In all instances, backlogs cannot be quantified as the outcomes from this sector relate more to qualitative than quantitative issues.

Risk and Fraud Mitigation

Risk management has reached the level of being embedded within the Municipality; a Risk Officer was appointed in 2014 and risk assessments within specific activities are conducted.

A similar situation exists with Anti Fraud Management policy was developed and adopted by Council in May 2017; it is being reviewed on an annual basis. There is a need to identify dedicated resources for this activity and resource capacity constraints hinder implementation of this strategy. The number of detected cases of fraud and related irregularities within the Municipality is cause for concern. The resources required for implementation will require to be considered during future budgetary cycles.

Policies and Procedures

Policies and procedures are updated as and when they expire. All finance policies have expired and will be reviewed before the end of the financial year.

By-laws

Various by-laws have been developed and gazetted by provincial government.

Monitoring and Evaluation

M&E Manager was appointed on April 2017 responsible for monitoring Performance Management, Integrated Governmental Relations for fulfilment of the implementation of the Integrated Development Plan. The performance of an organization is integrally linked to that of its staff. It is critical and important for any organization to periodically review its own performance as well as that of its employees. In order to comply with legislation and to improve on good governance and service delivery it is essential for municipality to adopt a policy on Institutional and individual performance management.

In 207/2018, Council approved a Framework for Institutional Performance Management which is being reviewed on annual basis. The Framework contains an annual work plan with processes to be followed in developing and implementing Performance Management.

Performance Management is a strategic approach through which the performance objectives of the Municipality are identified, defined, translated into business plans and cascaded into individual scorecards allowing for regular planning, monitoring, evaluating and reviewing of performance at both organizational and individual levels, effectively responding to inadequate performance and recognizing outstanding performance.

Inter-Governmental Relations

Engcobo LM has a responsibility of forging relations with other spheres of government. The aim is to integrate planning, resource utilization and mobilization to maximize service delivery. Our multi-sphere engagements strive to comply with Act No 13 of 2005 of IGR Framework Act.

The concerns of the national and provincial government are also concerns of the municipality. Therefore going forward as metro concerted and coordinated efforts will be required so that Engcobo LM works with and leverages of all of government, parastatals, the private sector and civil society partners. It would also align the organization, strategy, budget and implementation programmes so that resources are used optimally and to enhancing service delivery.

Internal and External Communication

The municipality has a communication strategy in place and uses it in its process of stakeholder communication and engagement.

Compliance

Compliance is audited internally by the Audit Unit and there is no specific committee set-up to deal with this matter.

Legal

The municipality has an internal unit dealing with legal issues and a person with legal expertise employed to deal with internal legal issues. Legal issues including litigation and drafting of legal instruments are attended internally and some are outsourced to external legal expertise.

Special Programmes

Engcobo LM must ensure that the Vision 2030 is integrated/mainstreamed both internally as an employer and externally as a provider of service, so as to address the needs of the vulnerable and marginalized groups.

Within this IDP the following are termed cross-cutting issues;

- a) HIV and AIDS
- b) Local Agenda 2020
- c) Poverty
- d) Gender
- e) Disability
- f) Older Persons
- g) Youth and Children
- h) Public Participation
- i) South African Youth Council
- j) Sport Council

Each of the Special Programmes Focal Areas namely HIV and AIDS, Youth and Children, Gender/ Women, Disability, South African Youth Council, Sport Council and Older Persons have dedicated Engcobo LM Strategies. SPU budget for 2018/19 financial year is approximately **R1.5 million**.

Institutional Challenges Facing Integrated Development Planning and Performance Management System

- a) Performance management not cascaded to levels lower than Section 56/57 Managers.
- b) Limited funding to execute some of the projects with potential developmental agenda.

Customer Relationship

Successful customer relationship management (CRM) starts with a business strategy, which drives change in the organization and work processes, enabled by technology. It needs to be recognized as a cross cutting function whose main purpose is to see to the implementation of CRM initiatives in a consistent way across the political, corporate and functional dimensions of the organization.

Matters for consideration by Engcobo LM would include capacity, skills and resource constraints which remain a problem in the municipal environment. Internal streamlining will also need to be aligned as it provides a major stumbling block in providing adequate service delivery. Furthermore, blockages need to be removed, processes need to be streamlined and systems need to be put in place to avoid bottlenecks and misinformation. Customer relationship management can provide immense opportunity for turning negative perceptions into a positive image of the municipality.

DEPARTMENTAL PROGRAMMES AND PROJECTS

CORPORATE SERVICES

FOCUS AREA	STRATEGIC OBJECTIVE	Projects	Key performance indicators	PROPOSED PERFORMANCE MEASUREMENTS										
				Outcome Indicators	Baseline	Progress on Target	Challenges	Variation	2018-2019	New Target	Budget	2019-2020	2020-2021	2020-2022
HUMAN RESOURCES	To ensure continuous organisational cohesion for effective and compliant implementation of the IDP by 2023	Development of HR Strategy	In the process of being developed	Council adopted HR Strategy	Only HR Plan in existence	Still in development stages	There is no director at the Corporate Services Department	N/A	A draft HR strategy in place	N/A	R 1 000 000.00	Review of HR Strategy	Review of HR Strategy	Review of HR Strategy
		Review of HR Policies	% of reviewed HR Policies	Good governance and administration through compliance with approved policies and procedures.	Existing HR Policies and Procedures	Reviewed policy to be adopted by council by end of May 2018	There is no director at the Corporate Services Department	TBA	100% Review of Policies and Procedures	On going	0.00	100% Review of Policies and Procedures	100% Review of Policies and Procedures	100% Review of Policies and Procedures
HUMAN RESOURCE DEVELOPMENT	To provide competent and skilled personnel to the institution to ensure capacitated	Recruitment of competent personnel	Percentage of vacant posts filled.	Full capacitated municipality to meet service delivery objectives.	We are currently sitting at 93% of filled posts	Only the post of the M/M was filled but there were numerous posts that were advertised but	Instability and the end of contract period for senior managers	8% due to resignations and end of contracts	95% of vacant and budgeted posts filled	On going	R 1 000 000.00	95%	95%	95%

FOCUS AREA	STRATEGIC OBJECTIVE	Projects	Key performance indicators	PROPOSED PERFORMANCE MEASUREMENTS										
				Outcome Indicators	Baseline	Progress on Target	Challenges	Variation	2018-2019	New Target	Budget	2019-2020	2020-2021	2020-2022
	human resources.					have since lapsed and were re-advertised								
		Provision of training and development initiatives to all personnel, Councillors and Traditional Leaders through Workplace Skills Plan	Number of trainings and workshops conducted	Developed and implemented Workplace Skills Plan	WSP developed and submitted to LGSET Annually	25 of 30 trainings and workshops were conducted	Supply chain processes	5 workshops to be conducted	100% implementation of developed WSP and planned trainings.	30	R 1 000 000.00	100% implementation of developed WSP and planned trainings.	100% implementation of developed WSP and planned trainings.	100% implementation of developed WSP and planned trainings.
PERFORMANCE MANAGEMENT	To ensure that employee performance is managed	Cascading of Performance Management System to all employees	Percentage of performance agreements signed	Over 80% Optimum Service Delivery	PMS cascade to level below S56 Managers	Employees yet to sign performance agreement	Formal introduction has not been communicated	N/A	Cascading of Performance Management System to all employees	% OF Signed of performance plans/ Evaluation reports	TBA	Percentage of performance agreements signed	Percentage of performance agreements signed	Percentage of performance agreements signed
HEALTH AND SAFETY	To ensure compliance with the Occupational	Implementation of OHS Policy and Risk	Percentage implementation of OHS Plan	Safety in the workplace	OHS Risk Register and Policy	50% implementations	Inadequate Budget	50%	70%	On going	R 300 000.00	70%	70%	70%

FOCUS AREA	STRATEGIC OBJECTIVE	Projects	Key performance indicators	PROPOSED PERFORMANCE MEASUREMENTS										
				Outcome Indicators	Baseline	Progress on Target	Challenges	Variation	2018-2019	New Target	Budget	2019-2020	2020-2021	2020-2022
	onal Health and Safety Act by 2022	Register and OHS Plan			in place									
COMPLIANCE WITH LABOUR ACT	To ensure sound labour relations	Monthly sitting of Local Labour Forum	Number of Local Labour Forum meetings coordinated	Sound labour relation and minimum labour disputes	Monthly	2 sittings	none sittings as per the schedule	10 sittings	Quarterly sittings of Local Labour Forum	4	0	4	4	4
ICT SERVICES	To ensure provision of adequate, effective and efficient ICT services that is commensurate with the IDP	Provision and implementation of MSCOA compliance system	Server procured, service provider appointed and project signed off	System reports (Promun)	MSCOA Compliant server has been procured	Achieved	Appointment delays	Version upgrade by end of 2019	System must meet the requirements of the whole institution	Quarter 4		0	0	0
ICT Governance		Review ICT risk register and monitor action plans	Compliance with ICT Governance Practises	Reviewed ICT risk register and performance report on action plans to mitigate risks	1	1	Website not functional and lack of access of remote sites. Inadequ	NIL	Review ICT risk register and monitor action plans Establish functiona	TBA	Installation of wi-fi	% implementation of ICT risk action plans	% implementation of ICT risk action plans	% implementation of ICT risk action plans

FOCUS AREA	STRATEGIC OBJECTIVE	Projects	Key performance indicators	PROPOSED PERFORMANCE MEASUREMENTS											
				Outcome Indicators	Baseline	Progress on Target	Challenges	Variation	2018-2019	New Target	Budget	2019-2020	2020-2021	2020-2022	
							ate resources - no web server			I ICT Steering Committee (capacity)					
ICT INFRASTRUCTURE	To ensure that ICT Infrastructure is adequate to support operational and strategic processes	In-house hosting of municipal website	Purchase of the web server	In house hosting	Website hosted by a service provider	Awaiting the appointment of the service provider	Delays in SCM processes	Web server not yet procured	Procure and install 1 webserver	1 webserver procured and installed	TBA	0	0	0	
		Installation of Wi-Fi for all employees/councillors and Traditional Leaders	Purchase of wi fi equipment	Installed Wi-Fi	Test wi-fi environment	Procurement processes in place and awaiting appointment of service provider	Delays in sitting of appointing committees	Testing environment in place	Fully accessible Wi-fi	Quarter 4	0	0	0	0	

TECHNICAL SERVICES

FOCUS AREA	STRATEGIC OBJECTIVE	Key Strategic Interventions/	Projects	Outcome Indicators	Key Performance Indicator	Baseline	PROPOSED PERFORMANCE MEASUREMENTS									
							2017-2018	Progress on Target	Challenges	Variation	2018-2019	Budget	New Target	2019-2020	2020-2021	2021-2022
Planning	Improved three year capital plan inclusive of all infrastructure projects	Adopted three year capital plan inclusive of planning projects and all infrastructure forms	Adopted three year capital plan	Adopted three year capital plan	Adopted three year capital plan	Adopted three year capital plan	Adopted three year capital plan	Plan adopted	The three year does not include forward planning to cater for EIA and other infrastructure permits. All infrastructure types should be included like Sports facilities, Community hall, high mast lights, LED Projects, community facilities, bridges, pedestrian crossings, traffic calming etc	Nil	Adopted three year capital plan	N/A	No	Adopted three year capital plan	Adopted three year capital plan	Adopted three year capital plan

FOCUS AREA	STRATEGIC OBJECTIVE	Key Strategic Interventions/				PROPOSED PERFORMANCE MEASUREMENTS									
						Projects	Outcome Indicators	Key Performance Indicator	Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	Budget
		Improvement of Ext 5, 6 & 9	Adopted improvement plan for Ext 5, 6 & 9	Approved improvement plan	none`	N/A	None	The area is a low cost housing development that is faced with many challenges like erf demarcation, roads, water, sanitation, refuse removal, community facilities	Nil	Development of the improvement plan	R 150 000	Yes	Repegging of erf's	Construction of roads and stormwater Liaise with CHDM and DOH for the rehabilitation of water and sanitation infrastructure	Construction of community facilities
Planning	To ensure construction of feed lot, arts centre, conference centre, car wash and catering kitchen, access road to municipal pound,	Infrastructure provision	Progress report and completion certificates	Provide infrastructure for sister department	Nil	NIL	NIL	NIL	NIL	construction of feed lot, arts centre, conference centre, access road to municipal pound, access road to	9 450 000	construction of feed lot, arts centre, conference centre, access road to	Construction of catering kitchen	N/A	N/A

FOCUS AREA	STRATEGIC OBJECTIVE	Key Strategic Interventions/ Projects	Outcome Indicators	Key Performance Indicator	Baseline	PROPOSED PERFORMANCE MEASUREMENTS									
						2017-2018	Progress on Target	Challenges	Variation	2018-2019	Budget	New Target	2019-2020	2020-2021	2021-2022
	access road to municipal landfill site, traffic calming (speed humps)									municipal landfill site		municipal pound, access road to municipal landfill site			
Planning	Development of RAMS	Development of Road Management System	Approved and Adopted RAMS	Approved RAMS	Nil	N/A	The Department of Roads and Publicworks and the CHDM has started the program	Funding is a big challenge for the program. The program is funded by the department. A consultant and Technicians have been employed. The program is being championed by the CHDM	N/a	Nil	200 000	Yes	Adoption of RAMS plan.	nil	Review of plan.

FOCUS AREA	STRATEGIC OBJECTIVE	Key Strategic Interventions/				PROPOSED PERFORMANCE MEASUREMENTS									
						Projects	Outcome Indicators	Key Performance Indicator	Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	Budget
Environmental Management	To ensure construction of Wet deck	Liaise with infrastructure department	Clean environment	200sqm	New indicator	Wet Deck fully operational	200sqm	not included in the 17/18 sdbip	No budget	200sqm	R 950 000	N/A	N/A	N/A	N/A
	To ensure construction of additional, waste cell	Organise funding from relevant stakeholders Municipal Infrastructure Support Agent (MISA); Dept. of Environmental Affairs and Chris Hani District Municipality.	Manage waste disposal	% completion of construction of additional waste cell	New indicator	100%	20%	Not done	No budget. Estimated cost R30Million	N/A	N/A	N/A	N/A	N/A	N/A

FOCUS AREA	STRATEGIC OBJECTIVE	Key Strategic Interventions/	Projects	Outcome Indicators	Key Performance Indicator	Baseline	PROPOSED PERFORMANCE MEASUREMENTS								
							2017-2018	Progress on Target	Challenges	Variation	2018-2019	Budget	New Target	2019-2020	2020-2021
	To provide machinery for waste management services.	To appoint a service provider to supply and deliver cage truck, skip truck with 3 skips, excavator machine	Available machinery	1 cage truck, 1 excavator and 1 skip truck with 3 skips	2 compact or trucks available	100%	Advert and appointment letter	cification has been submitted to Supply Chain during November 2017, will be procured through transversal tender	None	N/A	N/A	N/A	N/A	N/A	N/A
SMME support	To create a conducive environment for sustainable and viable SMMEs, cooperatives and Tourism industry through provision of	Support SMMEs, and cooperatives to promote LED	Construction of Poultry project	Promoting community projects	Construction of Poultry project	% completion of fencing of Poultry project	Fencing is still in progress	Limited budget	% outstanding	100% Completion of designs for Construction	New Target	R 1 600 000	% Completion of construction	% Completion of construction	% Completion of construction
			Fencing of Car wash premises	Employment Creation through Support of SMMEs	Car wash erf	0	N/A	None	NIL	Fencing of Car wash premises	New Target	TBA	0	0	0

FOCUS AREA	STRATEGIC OBJECTIVE	Key Strategic Interventions/	PROPOSED PERFORMANCE MEASUREMENTS												
			Projects	Outcome Indicators	Key Performance Indicator	Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	Budget	New Target	2019-2020	2020-2021
	capacity building and financial support by June 2022.		Purchase of Car Wash Office Furniture and Equipment	Employment Creation through Support of SMMEs	Car wash erf	0	N/A	None	NIL	Purchase of Car Wash Office Furniture and Equipment	New Target	TBA	0	0	0
			Number of SMME Offices renovated in Transido	Employment Creation through Support of SMMEs	29 rooms SMME Offices in Transido	Renovation of existing rooms in Transido	Not Achieved, will continue to 2019	Supply Chain delays	29	Renovation of 29 SMME Offices in Transido	N/A	TBA	0	0	0
			Number of new SMMEs Offices constructed in Transido		29 rooms SMME Offices in Transido	Construction 8 SMME Offices in Transido	8 Rooms Completed	None	NIL	0	0	0	0	0	0

COMMUNITY SERVICES

FOCUS AREA	STRATEGIC OBJECTIVE	Projects	Key performance indicators	Outcome Indicators	PROPOSED PERFORMANCE MEASUREMENTS										
					Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	New Target	Budget	2019-2020	2020-2021	2020-2022
Public Amenities	To ensure availability of a cemetery management plan and meet social obligation	Development of a cemetery management plan.	Approved cemetery management plan	Promote social responsibility	Cemetery in place	Improved management of cemeteries	Approved plan	target to be moved to the next f/y due to insufficient budget	Insufficient budget	0	1	R 450 000	yes	N/A	N/A
Environmental management	To ensure compliance with environmental management of landfill site licencing.	Appointment of service provider to conduct EIA and renewal of licence.	Renewed landfill site licence.	Compliance with environmental management standards	Existing licence	Approved EIA Report and renewed licence	0	Limited budget Conducted DEA for assistance.	2	2	2	TBA	0	0	0
	To ensure compliance with environmental management of landfill sites	Repair palisade fence at landfill site	% of vandalised palisade fence repaired.		Vandalized and stolen palisade fence.	Repair and concrete fence landfill site	0	No budget allocated	100%	% of vandalised palisade fence repaired.	N/A	R 1 200 000	N/A	N/A	N/A
	To provide machinery for waste management services.	To appoint a service provider to supply and deliver cage	Number of waste equipment procured		2 compact or trucks available	Procure 1 cage truck, 1 excavator and 1 skip truck with 3 skips	Advert.	Specification has been submitted to Supply Chain during Novemb	6	0	N/A	N/A	N/A	N/A	N/A

FOCUS AREA	STRATEGIC OBJECTIVE	Projects	Key performance indicators	Outcome Indicators	PROPOSED PERFORMANCE MEASUREMENTS										
					Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	New Target	Budget	2019-2020	2020-2021	2020-2022
		truck, skip truck with 3 skips, excavator machine.							er 2017, will be procured through transversal tender						
	To ensure compliance with environmental waste management requirements.	Appointment of service provider for supply and installation of recycling machinery.	Procurement and installation of recycling machine		Recycling program currently in place	NEW TARGET	N/A	N/A	N/A	Procurement and installation of recycling machine	New Target	N/A	N/A	N/A	N/A
		Appointment of service provider for supply and installation of waste bins	Number of waste bins procured and installed		Existing bins	Procurement and installation of bins	N/A	N/A	N/A	100	New Target	N/A	N/A	N/A	N/A
Environmental Management	To ensure that greening programmes are implemented	Liaise with department of agriculture, fisheries	Number of schools participating in the greening programmes	Sustainable environmental Management	5 schools were supplied with 5 trees during 2016/201	20 schools participating in greening programme	22 schools participates in greening programme	2	None	2 Schools and	20 schools	R 80 000	20 schools	20 schools	20 schools

FOCUS AREA	STRATEGIC OBJECTIVE	Projects	Key performance indicators	Outcome Indicators	PROPOSED PERFORMANCE MEASUREMENTS										
					Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	New Target	Budget	2019-2020	2020-2021	2020-2022
		and forest. Liaise with local schools on greening program.		Number of households participating in greening programme	7 FY	NEW TARGET	N/A	N/A	N/A	160 households	New Target	R 70 000	160 households	160 households	160 households
		Removal of Alien Species			2015/16	0	N/A	N/A	N/A	30 workers	New Target	R1 000 000			
	To develop a climate change strategy	Appointment of service provider for development of climate change strategy	Approved climate change strategy	Approved climate change strategy	New indicator	NEW TARGET	N/A	N/A	N/A	Develop climate change strategy	New Target	R 700 000	Review Climate Change Strategy	Review Climate Change Strategy	Review Climate Change Strategy

LOCAL ECONOMIC DEVELOPMENT

FOCUS AREA	STRATEGIC OBJECTIVE	Projects	Key performance indicators	Outcome Indicators	PROPOSED PERFORMANCE MEASUREMENTS										
					Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	New Target	Budget	2019-2020	2020-2021	2020-2022
Agricultural development	To create a conducive environment for sustainable and viable SMMEs, cooperatives and Tourism industry through provision of capacity building and financial support by June 2022.	Support SMMEs, and cooperatives to promote LED	Number of hectares of Vegetable ploughed	Promoting community agricultural projects	500	100	Achieved, 100 hectors has been ploughed (Ward 18, 09, 17 and 19)	Late delivery of inputs(Community Resistance)	NIL	120 Hectors Ploughed (Ward 06, 09, 16, 08 and 12)	120	R 1 000 000	120	120	120
			Number of hectares of Crop production ploughed	Promoting community agricultural projects	2500	500	Not Achieved, 240 Hectors ploughed(Ward 123, 19, 15 and 12)	Supply Chain delays and climate change	260	500 (Ward 17, 123, 19, 20)	500	R 2 000 000	500	500	500
			Number of bags of Fertilizers Purchased	Promoting community agricultural projects	5 000	1000	Achieved, 1000 bags purchased	Inputs arrived late/ Supply Chain delays	NIL	1000 bags of Fertilizer Purchased	On going	R 1 500 000	1000	1000	1000

FOCUS AREA	STRATEGIC OBJECTIVE	Projects	Key performance indicators	Outcome Indicators	PROPOSED PERFORMANCE MEASUREMENTS										
					Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	New Target	Budget	2019-2020	2020-2021	2020-2022
			Number of bags of seedlings Purchased	Promoting community agricultural projects	NIL	500	Achieved, 500 bags purchased	Inputs arrived late/ Supply Chain delays	NIL	500 bags of seedlings Purchased	500 of bags of Seedlings	R 500 000	500	500	500
SMME support	To create a conducive environment for sustainable and viable SMMEs, cooperatives and Tourism industry through provision of capacity building and financial support by June 2022.	Support SMMEs, and cooperatives to promote LED	Number of feedlots supported	Live Stock improvement	1 Feedlots constructed	1 Feedlots constructed	Achieved, 1 Feedlot Constructed and 1 Feedlot Maintained with inputs purchased	Limited budget	NIL	1 Feedlot Constructed in Ward 3	On going	R 800 000	1	1	1
			Number of feedlots supported	Live Stock improvement	2 Feedlots Maintained and supported with inputs	Maintenance of 1 existing Feedlot and inputs purchased	Achieved, 1 Feedlot Maintained with inputs purchased	Limited budget	NIL	Maintenance of the 2 existing Feedlots,	On going	R 320 000	100% maintenance of existing feedlots	100% maintenance of existing feedlots	100% maintenance of existing feedlots
			Number of dairy livestock cooperatives supported	Live Stock improvement	2 Feedlots supported with inputs	1 Feedlots supported with inputs purchased.	Achieved, 1 Feedlot supported with inputs purchased	Limited budget	NIL	Purchasing of inputs for the 2 Feedlots	On going	R 80 000	2	2	2
			Number of Rams Purchased	Promote income generation through community	0	40 Rams Purchased with Vaccin	0	Limited budget	40	40 Rams Purchased	New Target	R 250 000	0	0	0

FOCUS AREA	STRATEGIC OBJECTIVE	Projects	Key performance indicators	Outcome Indicators	PROPOSED PERFORMANCE MEASUREMENTS										
					Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	New Target	Budget	2019-2020	2020-2021	2020-2022
				projects		es					with Vaccines (Ward 13, 20, 1, 3,4, 14, 5, 7, 09, 10)				
			Number of the Piggery projects supported	Promoting community projects	4 Piggery projects assisted with inputs	4	4	Lack of infrastructure to support more piggery projects	0	4	4 Piggery projects assisted with inputs (20, 06, 17, 09, 1)	R 200 000	4	4	4
			Number of brickmaking cooperative through purchase of brick making machine and construction slab		New	0	N/A	None	NIL	1 brick making cooperative supported	New Target	R 400 000	0	0	0
SMME support	To create a conducive environment for sustainable and viable SMMEs,	Promote LED	Social Facilitation and development an EIA for water	Employment Creation through Support of SMMEs	Feasibility Assessment Report for water	EIA Report for water bottling (Hala Develo	EIA Report completed after feasibility study.	0	0	0	0	R 1 000 000	0	0	0

FOCUS AREA	STRATEGIC OBJECTIVE	Projects	Key performance indicators	Outcome Indicators	PROPOSED PERFORMANCE MEASUREMENTS										
					Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	New Target	Budget	2019-2020	2020-2021	2020-2022
	cooperatives and Tourism industry through provision of capacity building and financial support by June 2022.		bottling (Hala development)		bottling (Hala development)	ment)									
			Number of Business Forum(Capacity building(Grading) and support) workshops facilitated.	SMMs supported through capacity building	Business Forum(Capacity building(Grading) and support)	4 Business Forum(Capacity building(Grading) and support) workshops conducted	Achieved 4(Capacity Building) workshops	Community Resistance, Divisions in the forum, Lack of Knowledge	0	0	Construction of Kitchen for caterers and purchasing of Equipment	0	Construction of Kitchen for caterers and purchasing of Equipment	0	0
			Number of youth awareness workshops conducted	(Job opportunities) through Youth awareness workshops on Entrepreneurship	Youth awareness on Entrepreneurship (Job opportunities)	1	1	0	0	1	On going	R 200 000	1	1	1
Tourism Development	To create a conducive environment for the development of the Tourism Industry	Increased number of tourists in Engcobo	Adventure trail developed	Promoting the Tourism Industry	Site Clearing	Business plans, EIA and feasibility studies for adventure trail	Achieved, Business plans, EIA and feasibility studies for adventure trail	Limited budget	Phase 1 construction not implemented	100% Designs for the Adventure Trail	100% Designs for the Adventure Trail	R 2 000 000	Phase 1 construction for adventure trail	Phase 2 construction for adventure trail	Phase 3 construction for adventure trail

FOCUS AREA	STRATEGIC OBJECTIVE	Projects	Key performance indicators	Outcome Indicators	PROPOSED PERFORMANCE MEASUREMENTS										
					Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	New Target	Budget	2019-2020	2020-2021	2020-2022
			Construction of conference centre	Business plans, EIA and feasibility studies for adventure trail and conference centre,	Site Clearing	Business plans, EIA and feasibility studies for adventure trail and conference centre,	Achieved, Business plans, EIA and feasibility studies for adventure trail and conference centre,	Limited budget	Phase 1 construction not implemented	100% Designs for the Conference Center	100% Designs for the Conference Center	R 2 000 000	Phase 1 construction for conference center	Phase 2 construction for conference center	Phase 3 construction for conference center
		Establishment of Art centre for exhibition of (Mbaco, Ntsimbi, Paintings and Umxhentso)	Coordination of Ubuntu Cultural Festival	Promotion of our Heritage through Arts, Culture through support of SMMEs.	Celebration of our Heritage, Arts and Culture	N/A	N/A	Limited budget	N/A	Coordination of Ubuntu Cultural Festival	New Target	R 500 000	1	1	1
Town Planning	To ensure equitable land use management	Development of Land Audit	Land Audit developed and conducted	New Indicator	Development of Land Audit	Development of Land Audit	in Progress	Limited budget	Partial completion of land audit	100% completion of land audit	On going	TBA	0	0	0
		Beacon relocation of ERF 1 Engcobo	Beacon relocation of ERF 1 Engcobo	New Indicator	Existing beacons	Beacon relocation of ERF 1 Engcobo	in Progress	Limited budget	Not yet completed	0	0	0	0	0	0

FOCUS AREA	STRATEGIC OBJECTIVE	Projects	Key performance indicators	Outcome Indicators	PROPOSED PERFORMANCE MEASUREMENTS											
					Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	New Target	Budget	2019-2020	2020-2021	2020-2022	
		Develop of SPLUMA compliant Wall to Wall Land use scheme	Approved SPLUMA compliant Wall to Wall Land use scheme	New Indicator	Land Audit Report	N/A	0	0	0	0	0	Development of SPLUMA compliant Wall to Wall Land use scheme	0	0	0	0
		Development of Local SDF	Local SDF developed.	New Indicator	Development of Nkondlo Local SDF, Clarkebury, Mnyolo, Mtintloni, Manzana, Mjanyane, Qumanco, Mqonci	N/A	0	0	0	0	0	Development of Nkondlo Local SDF	R 500 000	Clarkebury, Mnyolo,	Mtintloni, Manzana	Mjanyane, Qumanco, Mqonci
		Coordinate the Engcobo town centre design	Approve Engcobo town centre urban designs	New Indicator	Engcobo town centre urban design	N/A	0	0	0	0	Approved Engcobo town centre urban design	New Target	R 1 000 000	0	0	0

FOCUS AREA	STRATEGIC OBJECTIVE	Projects	Key performance indicators	Outcome Indicators	PROPOSED PERFORMANCE MEASUREMENTS											
					Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	New Target	Budget	2019-2020	2020-2021	2020-2022	
		Coordinate Township Establishment Extension 12	Approved Township Establishment Extension 12	New Indicator	Township Establishment Extension 12	N/A	0	0	0	0	Approved Township Establishment Extension 12	New Target	R 100 000	0	0	0
		Facilitate subdivision of Municipal Land	Approved Subdivision of Municipal land	New indicator	Subdivision of Municipal land	N/A	0	0	0	0	Facilitation of Subdivision of Municipal land	New Target	R 500 000	Subdivision of Municipal land	Subdivision of Municipal land	Subdivision of Municipal land
		Erection of Signage to discourage land invasions	Erected Signage to discourage land invasions	New indicator	Potential land invasions	N/A	0	0	0	0	Erected Signage to discourage land invasions	New Target	R 200 000	0	0	0
		Conduct awareness campaign on Spatial Planning	Awareness Campaign on Spatial Planning	New Indicator	Spatial Planning Framework	1 Awareness Campaign on Spatial Planning	Achieved, Awareness on SDF	Poor attendance	1	1	Awareness Campaigns on Spatial Planning	On going	R 300 000	2 Awareness Campaigns on Spatial Planning	2 Awareness Campaigns on Spatial Planning	2 Awareness Campaigns on Spatial Planning

FOCUS AREA	STRATEGIC OBJECTIVE	Projects	Key performance indicators	Outcome Indicators	PROPOSED PERFORMANCE MEASUREMENTS										
					Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	New Target	Budget	2019-2020	2020-2021	2020-2022
		Instal hawkers stalls	Number of hawkers stalls installed	New Indicator	Spatial Planning Framework	Beautification/ Small Town/ Hawkers	N/A	None	N/A	40 Hawker stall installed	New Target	R 2 000 000	0	0	0

FINANCE SERVICES

FOCUS AREA	STRATEGIC OBJECTIVE	Key Strategic Interventions / Projects	Key Performance Indicator	Outcome Indicators	Budget Estimates	PROPOSED PERFORMANCE MEASUREMENTS									
						Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	New Target	2019-2020	2020-2021	2020-2022
		Preparation and approval of the draft and final budgets within the legislated timelines (MTREF)	Draft Budget fully aligned to mSCOA by 31 March 2018		NIL	1 report	1 report	On track	Mscosa limited knowledge	N/A	1 approved report	N/A	1 approved report	1 approved report	1 approved report
Administrative and financial capabilities of municipalities enhanced	To ensure effective, compliant and credible financial planning, management and		Final budget fully aligned to mSCOA by 31 May 2018		NIL	1 report	1 report	On track	Mscosa limited knowledge	N/A	1 approved report	N/A	1 approved report	1 approved report	1 approved report
		Timorous submission of in-year reports	12 monthly S71 reports submitted 10days after end of every		NIL	12 reports	12 reports	Partially submitted	Late submission	Late submission	12 reports	N/A	12 reports	12 reports	12 reports

FOCUS AREA	STRATEGIC OBJECTIVE	Key Strategic Interventions / Projects	Key Performance Indicator	Outcome Indicators	Budget Estimates	PROPOSED PERFORMANCE MEASUREMENTS									
						Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	New Target	2019-2020	2020-2021	2020-2022
	reporting by 2018 and beyond.		month												
			4 quarterly s52 reports		NIL	4 reports	4 reports	On track	N/A	N/A	4 reports	N/A	4 reports	4 reports	4 reports
			1 mid-term S72 report		NIL	1 report	1 report	On track	N/A	N/A	1 report	N/A	1 report	1 report	1 report
		Preparation and Submission of credible Annual Financial Statements	1 set of financial statements submitted to the following structures / institutions: 1x AGSA 1x Council 1x Audit Committee 1x Provincial Treasury 1x Cogta		2 000 000.00	set of annual financial statements submitted to the following structures / institutions: 1x AGSA 1x Council 1x Audit Committee 1x Provincial Treasury 1x Cogta	5x reports	5x reports	On track	N/A	N/A	5x reports	N/A	5x reports	5x reports

FOCUS AREA	STRATEGIC OBJECTIVE	Key Strategic Interventions / Projects	Key Performance Indicator	Outcome Indicators	Budget Estimates	PROPOSED PERFORMANCE MEASUREMENTS									
						Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	New Target	2019-2020	2020-2021	2020-2022
		Effective expenditure management (Turnaround time of paying suppliers)	Creditors paid within 30 days		NIL	30 days	30 days	On track	N/A	N/A	30 days	N/A	30 days	30 days	30 days
		Effective revenue management	12 monthly debtors age analysis reports prepared by 30 June 2018		NIL	12 monthly debtors age analysis reports	12	On track	N/A	N/A	12	N/A	12	12	12
		12x Monthly statements by 30 June 2018			NIL	12x Monthly statements	12	On track	N/A	N/A	12	N/A	12	12	12
		12x monthly debt collection reports by 30 June 2018			300 000.00	new indicator	12	On track	N/A	N/A	12	N/A	12	12	12
		4x indigent reports by 30 June 2018			150 000.00	4x indigent reports	4	On track	Poor maintenance of the Indigent register	N/A	4	N/A	4	4	4

FOCUS AREA	STRATEGIC OBJECTIVE	Key Strategic Interventions / Projects	Key Performance Indicator	Outcome Indicators	Budget Estimates	PROPOSED PERFORMANCE MEASUREMENTS									
						Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	New Target	2019-2020	2020-2021	2020-2022
		Effective asset management	4 quarterly asset counts by 30 June 2018		NIL	4 quarterly asset counts	4	On track	N/A	N/A	4	N/A	4	4	4
			12 monthly additions reports by 30 June 2018		NIL	12 monthly additions reports	12	On track	N/A	N/A	12	N/A	12	12	12
			12 monthly reconciliations by 30 June 2018		NIL	12 monthly reconciliations	12	On track	N/A	N/A	12	N/A	12	12	12
			1 x annual asset count report by 30 June 2018		1 500 000.00	1 x annual asset count report	1x reports	On track	N/A	N/A	1	N/A	1	1	1
		Effective Supply Chain Management processes	1x Approved Institutional Procurement Plan by 30 June 2018		NIL	1x Approved Institutional Procurement Plan	1x Approved Institutional Procurement Plan	On track	N/A	N/A	1x Approved Institutional Procurement Plan	N/A	1x Approved Institutional Procurement Plan	1x Approved Institutional Procurement Plan	1x Approved Institutional Procurement Plan
			1x bid committees sitting schedule		NIL	1x bid committees sitting schedule	1x bid committees sitting schedule	On track	N/A	N/A	1x bid committees sitting schedule	N/A	1x bid committees sitting schedule	1x bid committees sitting schedule	1x bid committees sitting schedule
			4x quarterly		NIL	4x quarterly	4x quarterly	On track	N/A	N/A	3x quarterly	N/A	3x quarterly reports	3x quarterly	3x quarterly reports

FOCUS AREA	STRATEGIC OBJECTIVE	Key Strategic Interventions / Projects	Key Performance Indicator	Outcome Indicators	Budget Estimates	PROPOSED PERFORMANCE MEASUREMENTS									
						Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	New Target	2019-2020	2020-2021	2020-2022
			reports			reports	reports				reports			reports	
			4x contract management reports		NIL	4x contract management reports	4x contract management reports	On track	N/A	N/A	3x contract management reports	N/A	3x contract management reports	3x contract management reports	3x contract management reports
			4x performance reports		NIL	4x performance reports	4x performance reports	On track	N/A	N/A	3x performance reports	N/A	3x performance reports	3x performance reports	3x performance reports
			1 x annual SCM report		NIL	1 x annual SCM report	1 x annual SCM report	On track	N/A	N/A	1 x annual SCM report	N/A	1 x annual SCM report	1 x annual SCM report	1 x annual SCM report
			1x an annual service provider performance report in line with section 46 of the MSA		50000.00	1x an annual service provider performance report in line with section 46 of the MSA	1x an annual service provider performance report	On track	Service delivery protests	N/A	1x an annual service provider performance report in line with section 46 of the MSA	N/A	1x an annual service provider performance report in line with section 46 of the MSA	1x an annual service provider performance report in line with section 46 of the MSA	1x an annual service provider performance report in line with section 46 of the MSA
		Financial misconduct committee???								N/A		N/A			

FOCUS AREA	STRATEGIC OBJECTIVE	Key Strategic Interventions / Projects	Key Performance Indicator	Outcome Indicators	Budget Estimates	PROPOSED PERFORMANCE MEASUREMENTS									
						Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	New Target	2019-2020	2020-2021	2020-2022
		Effective co-ordination and management of audit process(es)	(specify days)Turnaround time repending to RFIs and COFs (Internal & external)		NIL				N/A	N/A		N/A			
			Unqualified audit opinion		3 500 000.00	Unqualified audit opinion			N/A	N/A		N/A			
	To ensure that staff is adequately competent to perform tasks in line with legislation by 2018 and beyond.	Assessment and identification of skills gaps for Finance Department staff	1x Skills audit report by September 2018		350 000.00	1x Skills audit report	1*report	On track	N/A	N/A	1 skills report	N/A	1 skills report	1 skills report	1 skills report
	To increase the municipal own revenue base by 2% by 2018	Monthly billing	12x reports billing reports		100 200.00	12 reports of billable consumers	12 reports	On track	N/A	N/A	12 reports	N/A	12 reports	12 reports	12 reports
		Review and implementation of	1 x workshop facilitated		-	1 workshop	1 workshop	On track	N/A	N/A	1 workshop	N/A	1 workshop	1 workshop	1 workshop

FOCUS AREA	STRATEGIC OBJECTIVE	Key Strategic Interventions / Projects	Key Performance Indicator	Outcome Indicators	Budget Estimates	PROPOSED PERFORMANCE MEASUREMENTS									
						Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	New Target	2019-2020	2020-2021	2020-2022
	and beyond.	the 5 year revenue enhancement strategy	reviewed 5 year strategy approved		20 000.00	Approved revenue enhancement strategy from 2015/16	1*report	On track	N/A	N/A	1 x report	N/A	1 x report		

GOOD GOVERNANCE AND PUBLIC PARTICIPATION

FOCUS AREA	STRATEGIC OBJECTIVE	Key Strategic Interventions / Projects	Outcome Indicators	Key Performance Indicator	Baseline	PROPOSED PERFORMANCE MEASUREMENTS									
						2017-2018	Progress on Target	Challenges	Variation	2018-2019	Budget	New Target	2019-2020	2020-2021	2021-2022
Organisational Performance Management	Design and implement monitoring and evaluation system	Provide quarterly quality assurance on the reported performance results.	Over 80% Optimum Service Delivery	No. of audited performance reports submitted to Mayor within 31 days after the end of each quarter	4	4	3	Late submission of quarterly performance reports by departments	1	4	R 195 000.00	N/A	4	4	4

FOCUS AREA	STRATEGIC OBJECTIVE	Key Strategic Interventions/			PROPOSED PERFORMANCE MEASUREMENTS										
		Projects	Outcome Indicators	Key Performance Indicator	Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	Budget	New Target	2019-2020	2020-2021	2021-2022
		Co-ordinate performance reviews between MM and senior managers.	Over 80% Optimum Service Delivery	No. of performance evaluation reports.	No Baseline	2	0	Ineffective performance management system	2	2	OPEX	New Target	2	2	2
Communication	To enhance and promote effective communication in all municipal activities.	Develop strategy Quarterly Progress reports on the implementation of Communication Strategy	Effective communication with all stakeholders	Adopted Communication strategy and signed progress reports. (to include crisis management and reputation)	Reviewed communication strategy	NIL	Progress report on communication strategy	None	0	Reviewed Communication Strategy which includes crisis management	R 340 000.00	N/A	% implementation of the communication plan	% implementation of the communication plan	% implementation of the communication plan

FOCUS AREA	STRATEGIC OBJECTIVE	Key Strategic Interventions/			PROPOSED PERFORMANCE MEASUREMENTS										
		Projects	Outcome Indicators	Key Performance Indicator	Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	Budget	New Target	2019-2020	2020-2021	2021-2022
Public Participation.	To ensure that public participates in the affairs of the municipality.	To develop and implement public participation and petitions strategy.	Involvement of community in local government decision making	Adopted Public Participation and Petitions Strategy	No baseline	1	Public participation report is prepared and tabled to oversight committees	1. Public participation in Back to Basic not effectively implemented Poor coordination and lack of stakeholder engagement strategy Putting peoples first is not implemented effectively in Back to Basic 14 ward committee reports were not received in Q2	0	4 Quarterly 2018/19 Public Participation Plan progress reports		N/A	4	4	4

FOCUS AREA	STRATEGIC OBJECTIVE	Key Strategic Interventions/			PROPOSED PERFORMANCE MEASUREMENTS										
		Projects	Outcome Indicators	Key Performance Indicator	Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	Budget	New Target	2019-2020	2020-2021	2021-2022
Community Projects		To co-ordinate community based projects steering committee meetings	Successful implementation of community projects	Number of meetings held	No Baseline	4	Progress reports on community projects	Ineffective communication between project managers with community based projects, Social Facilitator	0	Quarterly meetings on community projects	OPEX	N/A	4	4	4
		Develop and implement a strategy for functional ward based projects steering committees		Approved strategy for community projects	No baseline	0	N/A	Poor administration of community based projects steering committee meetings	0	Develop and implement a strategy for functional ward based projects steering committee.	OPEX	New Target	1 Reviewed Community Projects Strategy	1 Reviewed Community Projects Strategy	1 Reviewed Community Projects Strategy
		Development and implementation of Ward Committee capacitati	Strengthen relations between ward committees, CDW's and councillors	Number of meetings held.	2016/17 meetings held.	26	TBA # meetings were held	Difficulties in obtaining minutes or reports from ward committee	TBA # meetings were held	TBA Number of planned meetings to be held	OPEX	N/A	TBA Number of planned meetings to be held annually	TBA Number of planned meetings to be held	TBA Number of planned meetings to be held

FOCUS AREA	STRATEGIC OBJECTIVE	Key Strategic Interventions/			PROPOSED PERFORMANCE MEASUREMENTS										
		Projects	Outcome Indicators	Key Performance Indicator	Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	Budget	New Target	2019-2020	2020-2021	2021-2022
		on plan developed and implemented						es/councillors		annually as legislated			as legislated	annually as legislated	annually as legislated
Special Programmes.	To ensure mainstreaming of Special Programmes.	SPU implementation plan developed and approved	Promotion of Community awareness and welfare	Adopted SPU plan and signed progress report	No baseline.	2	Adopted SPU plan and signed progress report	NIL	HIV programs not included	Reviewed SPU Plan and Progress Report	OPEX	N/A	Reviewed SPU Plan and Progress Report	Reviewed SPU Plan and Progress Report	Reviewed SPU Plan and Progress Report
Co-ordination of oversight committee meetings.	Ward Committee support strategy developed and adopted	Develop annual plans for oversight committees	Effective monitoring of service delivery performance	No. of oversight committee meetings.	2016/17 meetings held.	4	4	Municipal calendar in place however the dates are not set according to municipal reporting hierarchy . Meetings are not flowing smoothly	0	4	OPEX	N/A	Planned Number of oversight committee meetings.	Planned Number of oversight committee meetings.	Planned Number of oversight committee meetings.
IGR	To ensure co-ordination, co-operation and joint	Co-ordination and attending	Improve inter-governmental	No. of IGR meetings	2016/17 meetings held.	2	2 IGR meetings were held	NIL	NIL	4		N/A	4	4	4

FOCUS AREA	STRATEGIC OBJECTIVE	Key Strategic Interventions/				PROPOSED PERFORMANCE MEASUREMENTS									
		Projects	Outcome Indicators	Key Performance Indicator	Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	Budget	New Target	2019-2020	2020-2021	2021-2022
	planning between spheres of government.	IGR meetings.	relations.												
Risk Management and Assurance	Promote good governance in risk management and performance	Review existing risk management strategy.	Compliance with good governance practices	Adopted risk management strategy	1	1	Draft Strategy	None	0	2 (Review risk management strategy and Anti Fraud and Corruption Strategy)	R 50 000	Ongoing	2 (Review risk management strategy and Anti Fraud and Corruption Strategy)	2 (Review risk management strategy and Anti Fraud and Corruption Strategy)	2 (Review risk management strategy and Anti Fraud and Corruption Strategy)
		Conduct strategic risk assessment.	Compliance with good governance practices	Number of risk assessments conducted	2	2	2	Risk management skills gap	0	2	R 100 000	Ongoing	2	2	2
		Risk maturity level assessed	Compliance with good governance practices	Number of risk maturity level assessments conducted	1	1	None	Risk maturity level will be assessed in Q4.	1	1	R 30 000	Ongoing	1	1	1

FOCUS AREA	STRATEGIC OBJECTIVE	Key Strategic Interventions/			PROPOSED PERFORMANCE MEASUREMENTS										
		Projects	Outcome Indicators	Key Performance Indicator	Baseline	2017-2018	Progress on Target	Challenges	Variation	2018-2019	Budget	New Target	2019-2020	2020-2021	2021-2022
		Risk based internal audits (Co-sourced audits)	Compliance with good governance practices	Number of internal audit assignment completed	12	12	TBA	Inadequate internal audit structure and specialised skills	TBA	12	TBA	Ongoing	12	12	12
		Provide oversight	Compliance with good governance practices	Number of audit committee meetings conducted	4	4	TBA	Skills gaps	TBA	12	TBA	Ongoing	12	12	12
		Manage risk	Compliance with good governance practices	Number of risk committee meetings conducted	4	4	TBA	Skills gaps	TBA	12	TBA	Ongoing	12	12	12
		Conduct risk awareness campaigns	Minimised fraud risk	Number of fraud risk awareness campaigns conducted	TBA	2	TBA	Skills gaps and economic hardships	TBA	2	TBA	TBA	2	2	2

FOCUS AREA	STRATEGIC OBJECTIVE	Key Strategic Interventions/				PROPOSED PERFORMANCE MEASUREMENTS									
						Projects	Outcome Indicators	Key Performance Indicator	Baseline	2017-2018					
		Implement audit recommendations	Clean audit	% of audit recommendations implemented	TBA	100%	TBA	Incomplete implementation of audit recommendations	TBA	100%	OPEX	Ongoing	100	100%	100%
Litigations		Minimise litigations	Reduced litigations	Percentage reduction in litigations	TBA	NEW	N/A	Long outstanding litigations	NEW	3% reduction	TBA	New Target	3%	3%	3%
Compliance		Assess compliance with laws and regulations	Compliance with good governance practices	Number of compliance reports submitted	4	4	TBA	None	0	4	TBA	N/A	4	4	

6.7 UNFUNDED PROGRAMMES AND PROJECTS

UNFUNDED PROJECTS	WARD	RESPONSIBLE DEPARTMENTS	BUDGET ESTIMATE
Mining and quarry	All	Mining, Agriculture, Forestry, DEDEA	Unknown
Poultry Anchor Project	All	CHDM, CHDA, Engcobo LM,	24 000 000 +10 000 000
Comprehensive Integrated Transportation Network Plan with Road & Stormwater Management System	1,2,3,4,5	CHDM, Transport	
Fuel/Filling Station + Offices + v) Residential Units (CRU) + GAP/FLISP Houses + Block of flats) Nkobongo Mountain/Forest + + Plant Water Bottle: Natural Water Bottled from Emchatha Spring (Ntsimba Sub-Village) and Natural Water from Nkobongo Mountain (Deberha Area)	All	CHDM, Water Affairs	
Industrial Development and Associated Engineering Services Including Bulk Services	3	Infrastructure, CHDM	
Establishment of brick and block making firm	1,2,3,4,5	Buildings, Engcobo LM	1 000 000
Preparation of an Agricultural and Farming Development Plan + General Agriculture and Farming Developments _ A holistic Comprehensive Development Programme	All	Agriculture, CHDM, CHDA, Engcobo LM	1 500 000
Construction of a private senior secondary boarding school that commence from grade 7 to grade 12 which will accommodate at least 1000 students in both classes and boarding accommodation	1,2,3,4,5	Education	
Hotel and all associated		Tourism	
Construction of Community Halls in each centre of each Administrative Area (Community Hall x 9No of AA)	1,2,3,4,5	Infrastructure	
Construction of a new police station with holding cells at Mqonci/Ngquthurha Developmental Area	1,2,3,4,5	SAPS	
Construction of a new clinic at Mqonci/Ngquthurha Developmental Area	1,2,3,4,5	Health	
Upgrading of Mjanyana hospital	1,2,3,4,5	Health	
Upgrading of Nosimo Technical School and Provision Necessary Resources		Education	
Construction of Bazindlovu Junior Secondary School which will accommodate at least 800 students in both classes and a hall and a staff room	ALL	Education	

Construction of Ntlalukane Junior Secondary School which will accommodate at least 800 students in both classes and a hall and a staff room	ALL	Education	
Upgrading and/or construction of the existing gravel access roads into surface standard (120x20km/village)	ALL	Infrastructure, Engcobo LM, Roads	
Upgrading of the existing major gravel road network to surfaced standard	1,2,3,4,5	Infrastructure, Engcobo LM, Roads	
Upgrading and/or construction of the existing gravel access roads into surface standard (120x20km/village)	1,2,3,4,5	Infrastructure, Engcobo LM, Roads	
Upgrading and/or construction of the existing gravel access roads into surface roads into surface standard (120x20km/village)	1,2,3,4,5	Infrastructure, Engcobo LM, Roads	
Upgrading of the existing major gravel road network to surfaced standard	1,2,3,4,5	Infrastructure, Engcobo LM, Roads	
Upgrading and/or construction of the existing gravel internal loop roads in the villages (120x20km/village)	1,2,3,4,5	Infrastructure, Engcobo LM, Roads	
Upgrade and/or construction of new bridges _ 14No.	1,2,3,4,5	Infrastructure, Engcobo LM, Roads	
14 new pedestrian Bridges	1,2,3,4,5	Infrastructure, Engcobo LM, Roads	
Holding Dam	1,2,3,4,5	Water Affairs	
Construction of a new water treatment plant, service reservoirs and reticulation to the communities	1,2,3,4,5	Water Affairs	
Construction of a new water treatment plant, service reservoirs and reticulation to the communities	1,2,3,4,5	Water Affairs	
Sanitation – Septic Tanks System for all households (Average household per village is 300HH, total number of villages is 90 villages)	1,2,3,4,5	Water Affairs	
Construction of a new water treatment plant, service reservoirs and reticulation to the communities	1,2,3,4,5	Water Affairs	
Sanitation – Septic Tanks System for all households (Average household per village is 300HH, total number of villages is 90 villages)	1,2,3,4,5	Water Affairs	
Construction Cultural Village	1,2,3,4,5	Hala Traditional Council	

Construction of Hala Traditional Council	1,2,3,4,5	Hala Traditional Council	
Construction of Hala Traditional Council	1,2,3,4,5	Hala Traditional Council	
Construction of 12 clinics + All Engineering Services	1,2,3,4,5	Health	
Construction of descent sport centres in each centre of each administrative area of 9 administrative areas to accommodate Soccer, Rugby, Netball, Cricket, Baseball, Athletics, Recreation, Arts and Culture	1,2,3,4,5	DSRAC	
Upgrading of Bekileni Junior Secondary School	1,2,3,4,5	Education	
Upgrading of Nkala Junior/ Secondary School	1,2,3,4,5	Education	
Upgrading of Qengqeleka Junior Secondary School	1,2,3,4,5	Education	
Upgrading of Sobuza Junior Secondary School	1,2,3,4,5	Education	
Upgrading of Tora Junior Secondary School	1,2,3,4,5	Education	
Upgrading of Kidstone Junior Secondary School	1,2,3,4,5	Education	
Upgrading of Quluqu Junior Secondary School	1,2,3,4,5	Education	
Construction of Laphethuka Junior Secondary Schools	1,2,3,4,5	Education	
Upgrading of Zama-zama Senior Secondary School	1,2,3,4,5	Education	
Upgrading of Dabulingwe Junior Secondary School	1,2,3,4,5	Education	
Upgrading of Zwelihle Senior Secondary School	1,2,3,4,5	Education	
Establishment of 200 computer laboratory at Zwelihle High School	1,2,3,4,5	Education	
Establishment of 200 computer laboratory at Bekileni J.S.S.	1,2,3,4,5	Education	
Establishment of 200 computer laboratory at Bekileni J.S.S.	1,2,3,4,5	Education	
Establishment of 200 computer laboratory at Nosimo S.S.S.	1,2,3,4,5	Education	
Establishment of 200 computer laboratory at Qengqeleka J.S.S.	1,2,3,4,5	Education	
Construction of Silimela Primary School which will accommodate at least 800 students in both classes and a hall and a staff room	1,2,3,4,5	Education	
Establishment of 200 computer laboratory at Sobuza J.S.S.	1,2,3,4,5	Education	

Establishment of 200 computer laboratory at Tora J.S.S.	1,2,3,4,5	Education	
Establishment of 200 computer laboratory at Quluqu J.S.S.	1,2,3,4,5	Education	
Establishment of 200 computer laboratory at Silimela Primery School	1,2,3,4,5	Education	
Establishment of 200 computer laboratory at Bazindlovu S.S.S.	1,2,3,4,5	Education	
Construction of acceptable play grounds in each sub-village of Hala Area to accommodate Soccer, Rugby, Netball, Cricket, Baseball, Athletics, Recreation, Arts and Culture (111 sub-villages)	1,2,3,4,5	DSRAC	
Community Hall x 81No.	1,2,3,4,5	Infrastructure	

Department of Social Development Projects

NO	WARD	NAME OF PROJECT	LOCALITY	NO.OF BENEFICIARIES	BUDGET ALLOCATION
1.	01	Nxamagele household food garden programme	Nxamagele	10	R50,000.00
2.	02	Ntabeni household food garden programme	Ntabeni	10	R50,000.00
3.	03	Dila household food garden programme	Dila	10	R50,000.00
4.	05	Qota household food garden programme	Qota	10	R50,000.00
5.	07	Tshatshatsha household food garden programme	Qumanco	10	R50,000.00
6.	07	Sakhingomso Youth Development Project	Qumanco	10	R50,000.00
7.	08	Lahlangubo household food garden programme	Lahlangubo	10	R50,000.00
8.	09	Tsazo household food garden programme	Tsazo	10	R50,000.00
9.	10	All Saints household food garden programme	All Saints	10	R50,000.00
10.	11	Zadungeni household food garden programme	Zadungeni	10	R50,000.00
11.	12	Gxwalubomvu household food garden programme	Gxwalubomvu	10	
12.	16	Clarkebury household food garden programme	Clarkebury	10	R50,000.00
1.	16	Mhlopekazi household food garden programme	Mhlopekazi	10	R50,000.00
2.	20	Ndlunkulu household food garden programme	Ndlunkulu	10	R128,000.00

The Engcobo SASSA Local Office will be handling the following projects/programs in a financial year 2018/2019:-

Program/Project	Villages	Ward	No of Beneficiaries	Budget Allocation
1. Beneficiary Maintenance : a) Foster Care Reviews b) Administrative reviews c) Regulation 26A d) Unenrolled beneficiaries e) Social relief Of Distress	All villages with affected beneficiaries as per issued lists.	All wards with affected beneficiaries as per issued lists.	a) <i>Foster Care Reviews</i> = 1413 b) <i>Administrative Reviews</i> = c) <i>Regulation 26 A</i> = 509 d) <i>Unenrolled beneficiaries</i> = 1851 e) <i>Social Relief Of Distress</i> = 430	a) Centrally controlled b) Centrally controlled c) Centrally controlled d) Centrally controlled e) R 600.000.
2. Pay point development & Rationalization	a) Mhlophekazi (Mpuhlu Pay point)		a) 191	R 490. 000
	b) Sentubi (Gila Pay point)		b) 143	R 490. 000
	c) Sinqumeni (Madwaleni)		c) 105	R 490.000

Department of Rural Development and Agrarian Reform

NAME OF SUB-PROGRAMME	NAME OF PROJECT	NO OF BENEFICIARIES	WARD	AMOUNT
Food Security	Farmers are going to contribute towards the program with mechanization.		All wards	R2,080m
	Siyazondla for backyard gardens		All wards	R200 000
	Anti-poverty		All wards	R100 000
	plant animal feed for Sinqumeni breeding		All wards	R100 000
Infrastructure Projects	Mjanyana Nguni breeding scheme fencing project		4	R500 000
	Renovation of fencing of the camps		4	
	Land care project at All saints, for construction gabion structures and eradication of noxious weeds.		10	R500 000
	Repairs of dipping tank -Ponds evaporation		All wards	R1,8m
2017/18 Projects	Renovation of dipping tanks		1,3,5,17	R1,8m
2018/19 Projects	Shearing Shed		1,5,6,7,12,13,19	R6m

Other Departments

WARD	NAME OF PROJECT	DEPARTMENT	BUDGET ALLOCATION
11, 12	Operational support to Egcobu Lm	DSRAC	R 588'000
10	All Saints (700 units) rural	Human Settlements	R 106 024 303,00
12	Inkwenkwezi (300 units) rural		R 45 438 987,00
17	Nkondlo 500		R 58 094 400,00
9	Goboti 300		R 34 856 640,00
10	R56 East of Elliot All Saints to Baziya Phase 1 Phase 2	Sandral Capital	R400 million
	Engcobu Rural Exts 18/19	ESKOM	R9,750,000.00
	Engcobu Rural Exts 18/19 Link Line		R3,750,000.00
	Xonya Electrification 18/19		R3,363,000.00
	Engcobu Infills		R1,200,000.00
	Engcobu Ward Exts		R250,000.00

CHAPTER 7: HIGH LEVEL SECTOR PLANS AND BY-LAWS

7.1 THE LEGISLATED PLANS AND SERVICE

The oriented plans are indicated in the table below;

Sector Plan/Strategy	Status Quo	Strategic Intervention
Public Participation 2011	Available	N/A
<p>Overview -The Strategy encourages and create conditions for the local community to participate in the affairs of the Municipality amongst others the preparation, implementation and review of the Municipality's Integrated Development Plan (IDP), the establishment, implementation, and review of the Municipality's Performance Management System, the monitoring and review of the Municipality's performance, including the outcome and impact of such performance, consideration of draft by – laws, the preparation of the Municipality's budget and consideration of the Municipality's Tariffs and Debt Collection policies.</p>		
HIV and AIDS Mainstreaming	Shared with CHDM	Being mainstreamed at department level
<p>Overview – The municipal goal is the creation of a community that is well educated and aware of HIV and AIDS that strives for reduction of the infection rate by 50; have access to educational, prevention programmes and is mobilized against the stigma and discrimination of the infected and affected.</p>		
Special Programmes (Youth, Women, People with disability)	Unavailable	N/A
Integrated Transport Plan (ITP) 2010	Shared with CHDM	N/A
Area Based Plan 2010	Shared with CHDM	Funds and technical support for implementation
Water and Sanitation Development Plan 2011	Shared with CHDM	N/A
Infrastructure Master Plan 2014	Available	Covers infrastructure such as electricity, water and sanitation, and others' with clear interventions
Environmental Management Plan	Shared with CHDM	N/A
Integrated Waste Management Plan 2014	Available	N/A
Disaster Management Plan	Shared with CHDM	N/A
Climate Change Strategy (new)	Unavailable	CHDM is in the process of developing the Strategy to be shared by the local municipalities
Storm Water Management Plan	Available	N/A
Spatial Development Framework 2014	Available	N/A
<p>Overview -The Engcobo SDF was adopted by Council during August 2010 SDF is crucial in unlocking the land development potential to achieve the following key issues; basic needs and Spatial Fragmentation; linkages and Access; land Use and environmental Management; coordination of Integrated capacity & Planning System; and sustainable socio-economic and infrastructure development. It identifies nodal points to guide future planning, this is Central Business District (CBD)</p>		
Integrated Human Settlement Strategy	Shared with DoHS	N/A

Electricity Master Plan 2010	Available	Funds for implementations and maintenance
Infrastructure Investment Plan 2011	Available	
Overview		
Land Use Management Plan	Unavailable	Continuous lobby for technical and financial support from relevant sector departments
Enterprise Development Plan 2014	Available	N/A
Local Economic Development Strategy 2014	Available	N/A
<p>Overview - The Engcobo LED Plan was developed and approved by council in November 2010. In terms of the National LED Framework, it seeks to achieve the following; provide direction to the LED unit; emphasize the role of the entire municipality and other stakeholders in terms of LED; set LED targets that are aligned to national and provincial priorities; coordinate efforts of private and public sector stakeholders in LED; inform the municipalities IDP (as the LED Plan is a sector plan of the IDP)</p> <p>The objective of the LED Plan is therefore to identify economic potential in the Engcobo Local Municipality and develop a plan of action to exploit these opportunities.</p>		
Information Technology Policy 2011	Available	Currently being implemented
<p>Overview-Information Technology policy was adopted by Council in November 2011; it serves to outline management's expectations of IT systems and employees as far as securing information is concerned. All information security, any related activities and personnel are required to abide by the policy, any deviations will be authorized by senior management or the information security officer.</p> <p>The objective of this Policy is to define and propagate an environment that will ensure that the municipality's information assets are properly protected, these include data stored electronically, data transmitted across networks, data transmitted by fax, printed or written on paper, or unwritten data and through meetings and telephonically.</p>		
Workplace Skills Development Plan 2012	Available	N/A
Performance Management System (PMS) Framework 2012	Available	Cascading to lower levels
<p>Overview -The PMS framework was reviewed in September 2012 for performance alignment on IDP, SDBIP and balanced scorecards. The implementation and institutionalization of an Integrated PMS within Engcobo requires that performance management and assessment occurs at two levels. It requires that performance is managed both at an institutional level and at an individual level. The Municipal Manager and s57 Managers have all signed performance agreements. Quarterly reports mid-year and annual reports are developed and submitted.</p>		
Succession Plan	Available	N/A
Attraction and Retention Strategy 2012	Available	N/A
Municipal By – laws 2012	Available	26 by-laws have been gazetted
Comprehensive Infrastructure Plan (CIP) 2012	Available	Funds for implementation
<p>Overview - In collaboration with DLGTA the municipality appointed a service provider to assist in preparing a comprehensive infrastructure plan, it was adopted 2012.</p>		
Draft Risk Management Plan 2013	Available	In a draft form awaiting Council Resolution

Communication Strategy 2012	Available	N/A
Overview - The purpose of the Communications Strategy is to ensure that all communications initiatives in Engcobo Local Municipality are well coordinated, integrated and focused. The strategy is being designed at the end of the Financial Year. It is going through all the Council processes to be adopted. The intention is to budget for a Communications Unit as one of the mere existences of Council is based on the mandate by the communities. They must at all times be informed about the activities of the municipality.		
Anti-Corruption Strategy 2013	Available	N/A
Overview - Policy has been developed and approved by Council in 2013. Awareness workshops are still to be conducted and the procedure manual for the policy is yet to be finalized.		
Financial Management Policies 2013	Available	Funds for implementation
Overview -The policies aim at enhancing smooth service delivery through policy guidelines on the understanding, use and control of resources and the extent of their availability. The policies include the following; budget policy; asset management; credit control; indigent policy; rates policy, cash receipts and banking policy.		
Human Resources and Institutional Development Policies 2013	Available	Funds for implementation
Overview -The comprehensive Human Resources policy contains the human resources policies and procedures of the Municipality. The purpose of this Human Resources Policy is to ensure that service delivery is enhanced within an environment characterized by employment justice, cultural diversity and transparency. It further provides a set of processes, procedures, rules and regulations for the consistent interpretation and application of collective agreements and legislation governing human resources management.		

7.2 ENGCOBO LOCAL MUNICIPALITY: ADOPTED BY- LAWS AND POLICIES

NO:	BY-LAW – ADOPTED NOVEMBER 2015
1.	Credit Control and Debt Collection by-law
2.	Indigent by-law
3.	Caravans and mobile homes
4.	Parking Attendants
5.	Cemeteries
6.	Accommodation Establishments
7.	Swimming Pool
8.	Lease of Municipal Halls
9.	Ward Committees
10.	Street Trading
11.	Advertising Signs
12.	Advertising Signs
13.	Use of Liquor

14.	Control of Stray Animals
15.	Keeping of dogs
16.	Slaughtering of Animals
17.	Keeping of wild animals
18.	Nuisance by-law
19.	Roads and traffic
20.	Storm water management in built-up areas
21.	Impoundment of animals
22.	Animals birds and domestic pets
23.	Advertising signs and displacement of the frontages of streets
24.	Prevention of nuisances
25.	Keeping of animals
26.	SPLUMA By-laws
27.	Buildings
NO:	HUMAN RESOURCE POLICIES – ADOPTED MAY 2017
1.	Acting and Acting Allowance Policy
2.	Disciplinary procedure policy
3.	Leave Policy
4.	Code of Conduct
5.	Night Work and Shift Allowance Policy
6.	Overtime and Work on Sundays and Public Holidays Policy
7.	Recruitment, Selection and Placement Policy
8.	Attraction and Retention Policy and Strategy
9.	Smoking Policy
10.	Standby Policy
11.	Integrated Telephone Usage and Cell phone Policy
12.	Transport and Vehicle Usage Policy
13.	Motor Vehicle Acquisition Policy
14.	Performance Management System Policy

15.	Communication Policy
16.	Dress Code Policy
17.	Risk Management Policy
18.	SMME Funding Policy
19.	Tourism Management Policy
20.	Tractor Management Policy
21.	SMME Policy
22.	Street Trading Policy
NO	FINANCE POLICIES - ADOPTED MAY 2017
1	Contingent Liability
2	Expenditure Management
3	Monthly / Year-end Creditors
4	Monthly and Year End Payroll
5	Leave Management
6	Cash & Investments Management
7	Leases
8	Risk Management
9	Fraud Management
10	Subsequent Events
11	Conditional Grants
12	Budget Management Process
13	Overtime
14	Daily Attendance
15	Inventory Count
16	Revenue Management

17	Petty Cash
18	Credit Control
19	Property Rates
20	Subsistence & Travel
21	Tariffs
22	Bad Debts Write-offs
23	SCM Infrastructure Management
24	Asset & Fleet Management
26	Tariffs Policy
27	Subsequent Events
28	Virement Policy
29	Subsistence and Travelling Policy
30	Contingency Liability
NO	OTHER POLICIES - ADOPTED MAY 2017
1.	Risk Management
2.	Mainstreaming Policy frame work
3.	Communication Policy
4.	Public Participation Policy
5.	Cemetery Policy
6.	Traffic Policy
7.	Disaster and Risk Policy
8.	Vehicle Impounding Policy
9.	Street trading
10.	HIV/AIDS
11.	Open Space by-law
12.	Prevention of Nuisance by-law
13.	Liquor trading hours

14.	Impoundment of Animals
15.	Fire arm Policy
16.	Tractor Management
17.	Tourism Policy
18.	SMMES/ Co-operatives
19.	Street Trading Policy
20.	Funding Policy
21.	Business Licence

