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**2018 - 2019**

# **INTEGRATED DEVELOPMENT PLAN**

**2018-2019**

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**ELUNDINI LOCAL MUNICIPALITY**

**No. 01 Seller Street**

**MACLEAR, 5480**

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## FOREWORD FROM THE MAYOR

The Integrated Development Plan (IDP) is the strategic document of the municipality. The Local Government: Municipal Systems Act, 2000, stipulates that municipalities must develop 5 Year IDPs to integrate planning and delivery; and to provide a framework for all development activities in the area of the municipality. The IDP is required to be reviewed every year. During the review of the IDP, community participation is fundamental. The Municipal Systems Act has many references to community participation to ensure that views and inputs from our communities are considered. Section 29(b) of the Municipal Systems Act outlines *“The process to be followed in developing an IDP”* which includes the local community consultations during the development of needs and priorities; and community participation in the drafting of the IDP.

As the Council we pride ourselves with this reviewed Integrated Development Plan as it is, for the first time, inclusive of ward-based plans. Ward-based planning aims at empowering communities to interact and engage with appropriate socio-economic development interventions including poverty reduction in their communities. Communities were empowered to plan for themselves through ward-based planning in order to understand, address and be responsive to their needs. The main objective of supporting the process of the development of Ward Based Plans was to promote a participatory process that focused on the mobilization of communities around planning with a view to:

- Improve the quality of the IDP and quality of services;
- Improve the community’s control over development; and
- Increase community action and reduce dependency.

These ward-based plans will also serve as a guide to direct the agenda of ward committees going forward; they reposition ward committees to deal with strategic issues and community development in a more meaningful way.

Lastly, we are proud as the Council that we maintained **High** rating for the credibility of our IDP during IDP provincial assessments. This means that our IDP does meet the required standards. We are also proud to have improved on Key Performance Area (KPA) specific based rating. On service delivery KPA, as the Council we have been receiving **Medium** rating until 2014/2015 financial year and since then we have been receiving **High** rating for the last three consecutive years.

We are therefore proud to present this credible IDP for 2018/2019 financial year. This IDP befits as a dedication to the Year of tata Nelson Mandela and mama Albertina Sisulu.

---

**Cllr. N. R. Lengs**  
**Mayor**

**DATE:** \_\_\_\_\_

## OVERVIEW BY THE MUNICIPAL MANAGER

The municipal council, supported by the administration, remains focused on the attainment of the municipality's constitutional mandate of (1) providing democratic and accountable government for local communities, (2) ensuring the provision of basic services in a sustainable manner, (3) promoting social and economic development, (4) promoting a safe and healthy environment and (5) encouraging the involvement of community and community organisations in the matters of local government. The municipality's Integrated Development Plan, being its overarching strategy, is designed to respond to this mandate. The inadequate basic services in the town of Mt Fletcher, for example, has been an affront to the municipality's quest for the economic development of the town. The inclusion of the town by the honourable Premier under the small town revitalisation program and the resultant financial injection towards infrastructure upgrades ( water, sanitation, electricity, roads and storm water, taxi and bus rank and vehicle testing station will inadvertently revitalise the town's economy, and attract much needed investment activities in essential amenities like banks. This is an apt demonstration of cooperative governance as envisaged in the constitution. As a rural municipality, ELM is immensely challenged and cannot, by itself, deliver on its constitutional mandate.

Other interesting initiatives are in the area of alternative energy. With the support of the Department of Energy, the ELM is implementing solar lighting systems for lighting in wards 14, 3 and 4 whilst 5000 solar heating systems are planned for implementation in the RDP houses and other low income households. Funding has already been allocated for the implementation of energy efficiency and demand side management. The issue of unscheduled power outages prevalent in the towns of Maclear and Ugie is receiving attention, and ESKOM has already been commissioned to increase the "notified maximum demand" which is actually the cause. We believe that, for the local economy to grow, there ought to be a sustainable supply of electricity.

Last, but not least, the integrated development plan is, for the first time, supported by ward based plans. This is an important step in the planning paradigm of the municipality and whilst there may be deficiencies observed, it is a significant milestone in the municipality's quest to live its vision of being ***"a leading rural municipality that delivers a better quality of life for all citizens, a municipality that is phenomenally viable, highly successful and passionately people."***

---

**Khaya Gashi**  
**Municipal Manager**

DATE: \_\_\_\_\_

## BACKGROUND

Section 34 of the Local Government: Municipal Systems Act, 32 of 2000 as amended, provides for the annual review of the IDP in accordance with an assessment of its performance measurements and to the extent that changing circumstances so demands. This document is the first draft of the 2017/2022 IDP and the final review of 2018/2019 IDP of the Elundini Local Municipality. The strategic objectives and targets contained in this document were reached subsequent to extensive systematic and structured internal and external consultation through various public participation mechanisms with the community and stakeholders within the Elundini Municipal area of jurisdiction.

In terms of the Local Government: Municipal Systems Act, Act 32 of 2000 as amended, Section 25 (1) 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, *inter alia*, links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality and aligns the resources and capacity of the municipality.

As far as the status of the IDP is concerned, Section 35 of the MSA clearly 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 IDP 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 that is consistent with its integrated development plan. The IDP is the key instrument to achieve developmental local governance for decentralized, strategic, participatory, implementation orientated, coordinated and integrated development.

Preparing an IDP is not only a legal requirement in terms of the legislation but it is actually the instrument for realizing municipalities' major developmental responsibilities to improve the quality of life of citizens". It seeks to speed-up service delivery by securing a buy-in of all relevant role-players and provides government departments and other social partners with a clear framework of the municipality's development trajectory to harness implementation efforts.

Integrated Development Planning also promotes intergovernmental co-ordination by facilitating a system of communication and co-ordination between local, provincial and national spheres of government. Local development priorities, identified in the IDP process, constitute the backbone of the local government's budgets, plans, strategies and implementation activities. Hence, the IDP forms the policy framework on which service delivery, infrastructure development, economic growth, social development, environmental sustainability and poverty alleviation rests.

The IDP therefore becomes a local expression of the government's plan of action as it informs and is informed by the strategic development plans at national and provincial spheres of government.

In terms of Section 26 of the Local Government: Municipal Systems Act, 32 of 2000 as amended, the core components of an IDP are:

- ✓ The municipal Council's vision for the long term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs;
- ✓ An assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services;
- ✓ The Council's development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs;
- ✓ The Council's development strategies which must be aligned with any national or provincial sector plans and planning requirements binding on the municipality in terms of legislation;
- ✓ A spatial development framework which must include the provision of basic guidelines for a land use management system for the municipality;
- ✓ The Council's operational strategies;
- ✓ Applicable disaster management plans;
- ✓ A financial plan, which must include a budget projection for at least the next three years; and
- ✓ The key performance indicators and performance targets determined in terms of the Performance Management System.

### **Guiding Parameters**

Within the multitude of government policy frameworks, legislation, guidelines and regulations that seek to advocate for the path, pace and direction for the country's socio-economic development agenda, the section below focuses on National Development Plan Vision 2030; Popular Mandate across Spheres of Government; Government Outcomes; Medium Term Strategic Framework (MTSF); the National Spatial Development

Perspective (NSDP); National Growth Path; the Joe Gqabi Growth and Development Strategy; Millennium Development Goals; State of the Nation Address (SONA); and State of the Province Address (SOPA).

*National Development Plan, Vision 2030*

The RDP formed the basis of government’s attempt to attack poverty and deprivation, and to build a united, non-racial and non-sexist South Africa. Informed by the principles of inclusivity, government translated the RDP into policies, programs and budgets.

The Diagnostic Report of the National Planning Commission, released in June 2011, sets out South Africa’s achievements and its shortcomings since 1994. The Vision Statement of the NDP is a step in the process of charting a new path for our country.

The NDP has the following objectives:

- ✓ Seeks to eliminate poverty and reduce inequality;
- ✓ Seeks a country wherein all citizens have the capabilities to grasp the ever-broadening opportunities available;
- ✓ Plans to change the life chances of millions of our people, especially the youth; life chances that remain stunted by the apartheid history

*Priority Programs Of The District*

Based on a comprehensive analysis of the District and the Strategic Goals and Objectives, the District has adopted eight “Priority Programs” to drive growth and development in the District over the next five to ten years. These priority programs were endorsed by all the social partners at the Growth and Development Summit held in February 2007 as well as in subsequent public meetings. The Strategic IDP objectives presented in the table below are aligned to the eight priority programs, MTAS and the 12 Outcomes of Government as well as the Millennium Development targets. The eight priority programs are depicted in the table below:

**Table 1: Priority Programs**

PRIORITY PROGRAM	OBJECTIVES OF THE PROGRAM
AGRICULTURE	Aims to improve livelihoods of emerging and subsistence
TIMBER	Aims to create new jobs through new afforestation and timber processing
TOURISM	Aims to grow the tourism industry
WATER AND SANITATION	Aims to eradicate backlogs in line with national targets
MUNICIPAL SERVICES UPGRADING	Aims to improve municipal services to create sustainable human settlements, particularly in the seven new rural nodes

SOCIAL SAFETY NET	Aims to support the poorest, through EPWP, home gardens etc.
ACCESS AND LINKAGES	Access Aims to improve roads and access to electricity and ICT, to support Economic development
GOVERNANCE	Aims to improve Government's performance, particularly in supporting economic development and improving service delivery (coordination, health, education, etc.)

### **Priority Programs of the Elundini Local Municipality**

ELM's priority programs are derived from various community engagement platforms like ward committee meetings, IDP roadshows, Ward Based Planning, etc.

**Table 2: ELM Priorities**

<b>PRIORITY PROGRAM</b>	<b>OBJECTIVES OF THE PROGRAM</b>
SMME DEVELOPMENT	Aims to stimulate local economy and create sustainable enterprises
MANUFACTURING	Aims to stimulate and create vibrant local economy
MINING	Aims to stimulate and create vibrant local economy
AGRICULTURE	Aims to improve livelihoods of emerging and subsistence
TIMBER	Aims to create new jobs through new afforestation and timber processing
TOURISM	Aims to grow the tourism industry
ROADS AND STORMWATER	Aims to eradicate backlogs in line with national targets
RURAL ELECTRIFICATION	Aims to improve municipal services to create sustainable human settlements, particularly in rural nodes
SMALL TOWN REGENERATION	The program focuses on Commercial, Institutional and residential property development
TOWNSHIP ESTABLISHMENT	Access Aims to improve roads and access to electricity and ICT, to support Economic development
GOVERNANCE	Aims to improve Government's performance, particularly in supporting economic development and improving service delivery (coordination, health, education, etc.)
ENVIRONMENTAL AND WASTE MANAGEMENT	Aims to protect the environment
SOCIAL INFRASTRUCTURE (PUBLIC AMENITIES)	Aims to create a conducive environment for social activities
COMMUNITY SKILLING	Aims to develop community capacity to champion their own development



# EXECUTIVE SUMMARY

## SECTION A: INTRODUCTION

Section 23 of the Local Government: Municipal Systems Act, 32 of 2000 as amended, explains that a municipality must undertake developmentally-oriented planning so as to ensure that it strives to achieve the objects of local government as set out in Section 152 of the Constitution of the Republic of South Africa, 1996 to give effect to its developmental duties as required by Section 153 of the Constitution of the Republic of South Africa, 1996 and together with other organs of state contribute to the progressive realization of the fundamental rights contained in Sections 24, 25, 26, 27 and 29 of the Constitution of the Republic of South Africa, 1996. An IDP is a super-plan that gives a framework for development. It tries to address the needs of the people in the area, draws in stakeholders and other spheres of government and plans for infrastructure and local economic development. The components of Elundini Integrated Development Plan are as set out in the Integrated Development Plan Format Guide developed by the Department of Provincial and Local Government of the Republic of South Africa.

## SECTION B: UPDATED SITUATIONAL ANALYSIS

The municipality has in terms of the situation analysis, analyzed each Key Performing Area 's current status and challenges thereof , and further proposed strategies that will bring change to the current situation to better the services of its communities. The list of community needs/priorities are included in section B below.

## SECTION C: VISION AND MISSION

In this section, the municipality reflects on its vision which serves as a framework or a road map to guide every aspect of the organization by describing what needs to be accomplished. It has also through its mission and values declared its purpose and the standard against which the institution will weigh its actions and decisions.

## SECTION D: STRATEGIC OBJECTIVES

This describes the goals and objectives and the priorities which serves as the end towards which the municipality's efforts and actions are directed and coordinated. It contains the performance indicators set by a municipality which include general key performance indicators prescribed by National Department of Local government and traditional affairs. Clear performance targets for the next five years are also reflected. The performance information reflected in the IDP informs the budget allocation with the service delivery receiving more consideration than other areas of operation.

#### **SECTION E: DEVELOPMENT STRATEGIES**

The IDP process is guided by various policies and strategies that are developed by both the National and Provincial government. The alignment is the process by which the various organs of government develop and implement consistent strategies and programs. This section therefore outlines the key policies and strategies considered by Elundini municipality in its intergraded development review.

#### **SECTION F: PERFORMANCE MANAGEMENT SYSTEM**

This section reflects on the functioning of the ELM's PMS.

#### **SECTION G: OPERATIONAL BASED AND SERVICE DELIVERY PROJECTS**

This section reflects on all planned projects by the district municipality and other sector departments, both funded and unfunded.

#### **SECTION H: FINANCIAL VIABILITY AND FINANCIAL PLAN**

This section deals with the analysis of the financial position and financial viability of the municipality.

# 1. SECTION A: INTRODUCTION

## 1.1. Purpose of this Document

An Integrated Development Plan (IDP), once adopted by the Municipal Council, is a key strategic planning tool for the municipality. It is described in the Municipal Systems Act (MSA) 32 of 2000 as:

*35(1) (a) "...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...";*

Elundini Local Municipality (ELM) developed its IDP and Budget in accordance with the requirements as set out in the Local Government: Municipal Systems Act (MSA) 32 of 2000, the Local Government: Municipal Planning and Performance Management Regulations 2001 and the Local Government: Municipal Finance Management Act 56 of 2003. In terms of the Local Government: Municipal Systems Act, Chapter 5, Section 25 (1) 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

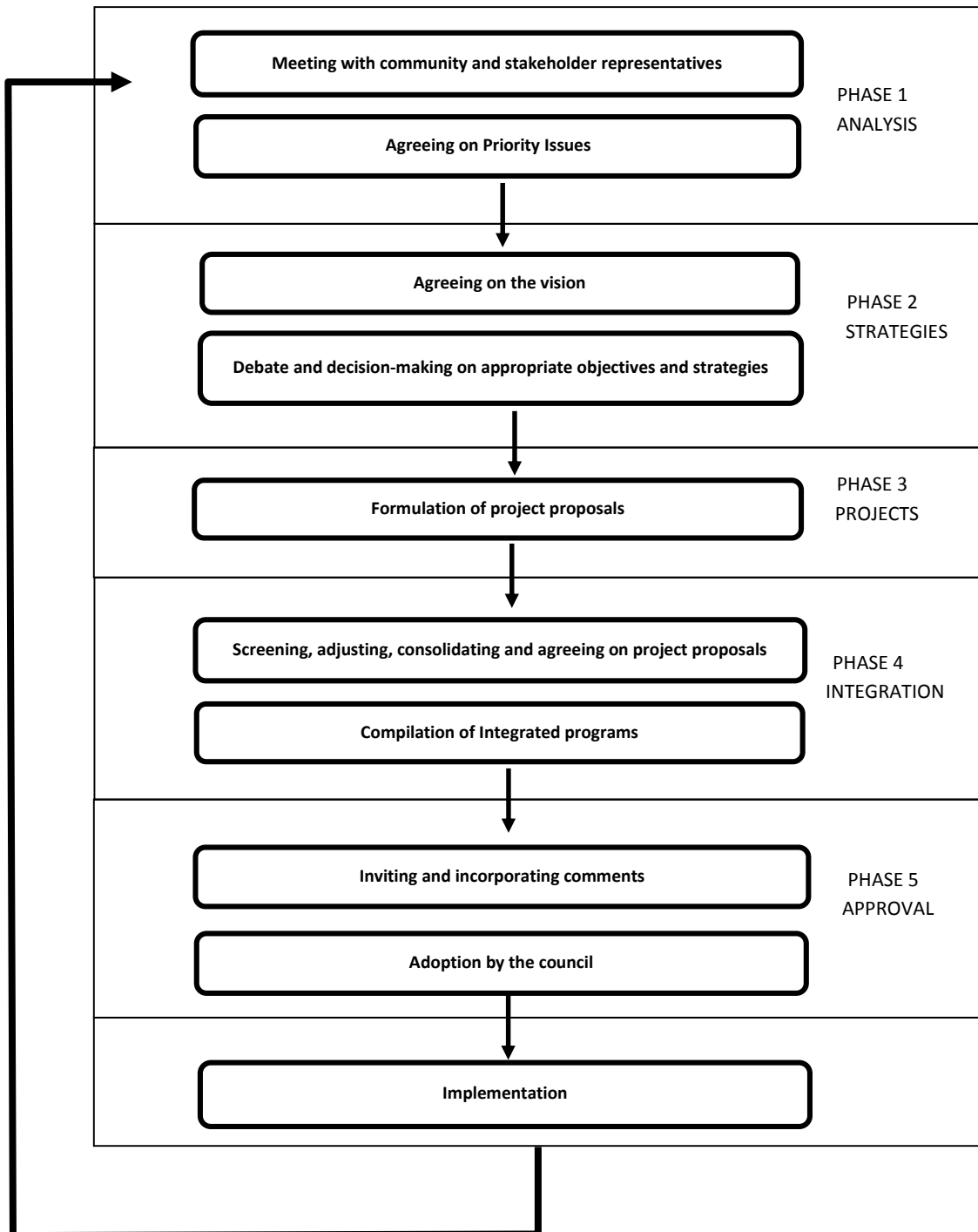
## 1.2. IDP Contents

The IDP development and content is informed by legislative framework; situational analysis; National, Provincial and District plans and policies such as the National Development Plan (NDP), the Medium-term Strategic Framework, the National Spatial Development Perspective (NSDP), the Eastern Cape Provincial Spatial Development Plan (ECPSDP), the Eastern Cape Provincial Growth and Development Plan (ECPGDP), the Ukhahlamba District Growth and Development Summit (GDS) and the Elundini 5 year Strategy. The IDP also contains performance management system, service delivery and budget implementation plan and financial plan

### 1.3. Process Followed

#### 1.3.1. Process Plan

The ELM 2018/2019 IDP and Budget Process Plan was noted by EXCO on 21 July 2017 and was adopted by Council on 05 October 2017 with Council Resolution No. **CON/177/17**. The Draft 2018/2019 IDP and Budget was adopted by Council on 28 March 2018 with Council Resolution No. **CON/30/18**. The IDP Process as depicted in the figure below is a continuous cycle of planning, implementation and evaluation.



### 1.3.2. Phases in the Development of the IDP

**Table 3: Phases in the development of the IDP**

PHASES	PERIOD	KEY EVENTS/ACTIVITIES	OUTPUT
Preparation	July 17 – Sept 17	<ul style="list-style-type: none"> <li>Mayor begins planning for next three-year budget in accordance with co-ordination role of budget process;</li> <li>Accounting officers and senior officials of the municipality begin planning for next three-year budget;</li> <li>Accounting officers and senior officials of the municipality review options and contracts for service delivery;</li> <li>Process Plan prepared;</li> <li>Submit Process Plan to EXCO for noting and consideration on 21 July 2017</li> <li>Submitted the Process Plan to Council for noting and adoption 5<sup>th</sup> October 2017.</li> <li>IDP process plan advertised</li> <li>1<sup>st</sup> IDP &amp; Budget Rep Forum Meeting held on 29/08/2017</li> </ul>	Approved Process Plan
Analysis	Oct 17 – Dec 17	<ul style="list-style-type: none"> <li>Accounting officer does initial review of national policies and budget plans and potential price increases of services</li> <li>2<sup>nd</sup> IDP &amp; Budget Rep Forum Meeting held on 16/11/2017</li> <li>Ward Committee Meetings</li> </ul>	Updated Situation Analysis
Objectives, Strategies & Projects	Nov 2017 - February 2018	<ul style="list-style-type: none"> <li>District IDP Rep Forum</li> <li>Accounting officer and senior officials consolidate and prepare proposed budget and plans for next financial year taking into account previous year's performance as per audited financial statements</li> <li>Council finalises tariff (rates and service charges) policies for next financial year</li> <li>Accounting officer reviews proposed national and provincial allocations to municipality for incorporation into the draft budget for tabling. (Proposed national and provincial allocations for three years must be available by 29 January)</li> </ul>	Draft Budget

PHASES	PERIOD	KEY EVENTS/ACTIVITIES	OUTPUT
Integration	31 January 2018 – 31 March 2018	<ul style="list-style-type: none"> <li>• Strategic planning session to prioritize projects and programs</li> <li>• IGR session to integrate programs and projects with other sector departments</li> <li>• IDP Steering committee to prepare draft budget</li> <li>• Accounting Officer finalizes and submits to Mayor proposed budgets and plans for next three-year budgets taking into account the recent mid-year review and any corrective measures proposed as part of the oversight report for the previous year’s audited financial statements and annual report</li> <li>• Accounting officer to notify relevant municipalities of projected allocations for next three budget years 120 days prior to start of budget year</li> <li>• Elundini strategic planning session was held from the 12 to 16 February 2018.</li> <li>• Council to approve draft IDP &amp; Budget in March 2018</li> </ul>	Strategic Framework & Draft IDP
Approval	April 2018 – June 2018	<ul style="list-style-type: none"> <li>• IDP Steering Committee</li> <li>• Council adopts draft IDP &amp; Budget</li> <li>• Draft IDP &amp; Budget submitted to MEC for Local Government and to Provincial Treasury</li> <li>• DM Rep Forum</li> <li>• IDP Rep Forum (draft IDP &amp; budget)</li> <li>• Advertise for comments &amp; public participation</li> <li>• Council interacts with public through ward meetings around draft Budget and IDP</li> <li>• Mayor’s strategic planning session</li> <li>• IDP &amp; Budget Rep Forum</li> <li>• Council approves final IDP &amp; budget</li> <li>• Final IDP Submitted to MEC for Local Government and to Provincial Treasury</li> <li>• Summaries of the adopted IDP and Budget published for public information</li> <li>• SDBIP and draft performance agreements of Section 56 Managers submitted to Mayor and EXCO</li> <li>• SDBIP and draft performance agreements of section 56 Managers to be approved by Council</li> </ul>	Final IDP, Budget, PMS & SDBIP

## 1.4. Key Developmental Challenges

The situational analysis reflected the following as the overarching development challenges in Elundini's development:

- ✓ Huge infrastructure development backlogs
- ✓ High rate of unemployment with decreasing levels of employment in key economic sector (Agriculture)
- ✓ Low levels of skills development and literacy
- ✓ Limited access to basic household and community services;
- ✓ High dependency on government grant
- ✓ Loss of Natural Capital
- ✓ Unutilized suitable land for agriculture and forestry production
- ✓ Lack of value adding initiatives
- ✓ Unsustainable developmental practices
- ✓ Inadequate energy and water supply;
- ✓ Ensuring food security;
- ✓ Waste Management
- ✓ Cost recovery and revenue collection

## 1.5. IDP Assessments

Every effort is made by the municipality in addressing all issues raised on our IDP when IDPs are assessed. As can be noted from the table below, there has been an improvement in the assessment of our IDP over the last five (5) years and the municipality has been able to improve on the Service Delivery KPA which it has been getting a medium rating on it as shown by the table below:

**Table 4: IDP Assessment Results**

KPA	RATING 2013/14	RATING 2014/2015	RATING 2015/2016	RATING 2016/2017	RATING 2017/2022
<b>Spatial Development Framework</b>	High	High	High	High	<b>High</b>
<b>Service Delivery</b>	Medium	Medium	High	High	<b>High</b>
<b>Financial Viability</b>	High	High	High	High	<b>High</b>
<b>Local Economic Development</b>	High	High	High	High	<b>High</b>

<b>Good Governance &amp; Public Participation</b>	High	High	High	High	<b>High</b>
<b>Institutional Arrangements</b>	High	High	High	High	<b>High</b>
Overall Rating	High	High	High	High	High



## 1.6. IDP Assessment Response Plan

Following the IDP Provincial Assessments that were held in August 2017 on the municipality's 2017 – 2022 IDP, the municipality has developed an IDP assessment response plan that seeks to respond to issues raised on the municipality's IDP. Below is the assessment response plan:

**Table 5: IDP Assessment Response Plan**

ISSUES RAISED	COMMENT/IMPROVEMENT MEASURES NEEDED IN IDP	PROGRESS TO DATE
<b>KEY PERFORMANCE AREA: SPATIAL PLANNING, LAND AND HUMAN SETTLEMENT</b>		
<b>Out of 19 issues that we were assessed on, we scored 14 issues and that makes 74% (HIGH)</b>		
a) Has the SDF been developed according to the requirements of the SDF Guidelines?	Not according to SPLUMA SDF Guidelines. It is in the process of review	ELM is in the process of developing SPLUMA compliant SDF which would integrate communal areas. There is budget set aside, the time frame is 2018/2019
b) Do the strategies/policy and maps reflect spatial implication with regard to ward investment in the urban and rural areas?	The SDF document speaks at node investment, not ward investment Pages 34 and 35 of SDF document The municipality needs to include ward investment in both urban and rural areas	The service provider has been appointed to review the SDF in order to make it SPLUMA compliant and to address issues of ward investments
c) Are there any SDF priorities that are translated into municipal IDP (budget/ financed) projects?	SDF does not talk to the prioritised in the IDP document. The municipality is in the process of reviewing the SDF document	The service provider has been appointed to review the SDF and to align it with the IDP

d) Is the Planning Tribunal a stand-alone or a joint tribunal? Is it functional if not what are the impediments?	Joe Gqabi District MPT Will start operational on the 16 August 2017	The municipality is part of the JGDM MPT and ELM has signed related SLA
e) Is there a credible land audit report for the municipality, if not is there a plan to conduct one	In the process of finalizing land audit project by the service provider- Ilizwe Town Planners	The draft Land Audit Report has been submitted and awaiting finalization.
f) Are there any records of outstanding land claims that may hinder human settlements and socio-economic developments?	Land Audit is being conducted. Once the process is completed the results will be known	Only one (1) Land Claim has been registered in Mt Fletcher town and is currently under investigation by the Land Claims Commissioner

**KEY PERFORMANCE AREA: LOCAL ECONOMIC DEVELOPMENT**

Out of 37 issues that we were assessed on, we scored 34 issues and that makes 92% (HIGH)

a) It could not be determined if the LED strategies have sufficient and appropriate economic infrastructure to back them	The state of economic infrastructure of the municipality needs to be captured in the situation analysis e.g. type of, quantity, condition of economic infrastructure	
b) The comparative and competitive advantages of the municipality have not been adequately articulated in the document	The natural, human and economic endowment of the economy need to be properly analysed and expressed in the IDP	
c) The IDP indicates that they have plans to develop some LED specific policies	These policies need to be developed as early as possible	

**KEY PERFORMANCE AREA: GOOD GOVERNANCE, PUBLIC PARTICIPATION & IGR, LABOUR, etc.**

Out of 37 issues that we were assessed on, we scored 35 issues and that makes 95% (HIGH)

a) Are CDWs integrated in municipal programs, plans and structures	Are CDWs integrated in municipal programs, plans and structures	CDW are integrated in municipal programs, plans and structures such as Ward Committee meetings, War Rooms and other municipal events but there is no effective system to monitor CDWs
b) Do the sector plans take SDGs, B2B, NDP, PDP and 12 Outcomes & targets into consideration?	Do the sector plans take SDGs, B2B, NDP, PDP and 12 Outcomes & targets into consideration?	Yes
<b>KEY PERFORMANCE AREA: FINANCIAL PLANNING AND BUDGETS</b>		
Out of 38 issues that we were assessed on, we scored 31 issues and that makes 82% (HIGH)		
a) Does the municipality have separate bank accounts for Conditional grants?	The municipality must have separate bank accounts for Conditional grants and reflect in the IDP.	
b) Did the municipality managed to spend 100% of their capital budget?	The municipality has spent 75% of capital expenditure. The expenditure should be 100%.	
c) Did the municipality managed to spend 100% of their grants (MIG etc.)	It does not reflect in the IDP document. The municipality should reflect on the expenditure of MIG in the IDP	
d) For the next cycle of the implementation of the MPRA have the municipality updated the project plan in terms of Sec. 81 of the amendment of the MPRA? (Provide council resolutions)	The municipality does have the updated Project Plan and Council Resolution has been submitted to COGTA. But this information should be reflected in the IDP document	
e) Does the municipality have mSCOA resolution, mSCOA implementation plan, SCOA champions and SCOA oversight committee?	The municipality must reflect on the mSCOA resolution, mSCOA implementation plan, SCOA champions and SCOA oversight committee	

f) Does the municipality review the Indigent Register annually to maintain its credibility?	The municipality must have and review the Indigent Register annually to maintain its credibility and reflect on the IDP	
g) Is there integration plans between District and LMs	The integration between DM and LM on FBS should be reflected in the IDP	
<b>KEY PERFORMANCE AREA: INSTITUTIONAL ARRANGEMENTS</b>		
Out of 24 issues that we were assessed on, we scored 20 issues and that makes 83% (HIGH)		
a) Does the Municipality has the following in place: HR Policies/Strategies, EEP, WSP	It has since expired in 2012 and the municipality is planning to review (HR)	<ul style="list-style-type: none"> <li>✓ HR Plan will be reviewed during 2018 / 2019 financial year;</li> <li>✓ 3 year EE Plan has been developed;</li> <li>✓ WSP is developed and submitted annually;</li> <li>✓ HR Policies have been reviewed awaiting council approval.</li> </ul>
b) Does your IDP reflect on ICT policy framework?	Municipality needs to indicate Governance framework	Has been reflected on the IDP
c) Does your IDP reflect the action plans to address the challenges mentioned above?	Municipality needs to indicate Governance framework	Has been reflected on the IDP
d) Does the municipality reflect Disaster Recovery Plan and its implementation	No implementation Plan	Has been reflected on the IDP
e) Does the IDP show proper records keeping?	Municipality needs to indicated the records Management	Has been reflected on the IDP
<b>KEY PERFORMANCE AREA: BASIC SERVICES</b>		
Out of 34 issues that we were assessed on, we scored 9issues and that makes 74% (HIGH)		

a) Does the Municipality have a Trade Effluent Policy?	It will be incorporated in EMP	Has been reflected on the IDP
b) Is there a budget for Operations and maintenance being ring fenced for the above purpose (Trade Effluent Policy?)	EMP will cater for that	Has been reflected on the IDP
c) Has the disaster management centre conducted vulnerability and risk assessment (both natural and man-made?)	The Risk assessment needs to be reviewed as its way out of date	Has been reflected on the IDP
d) Has the Municipality adopted a disaster management plan?	The Disaster Management Plan is mandatory to all local municipalities; The District Municipality of Joe Gqabi does have a corporate plan. It is however important that the municipality develops its own plan as required by the Disaster Management Amendment Act	Has been reflected on the IDP
e) Is the municipal Spatial Development Plan informed by disaster vulnerability and risk assessment reports?	The Spatial development Plan was adopted in 2012 and is now outdated. The Municipality will review the framework in the current financial year of 2017/18 so as to align it to the current SPLUMA legislation. (Page 59)	The municipality has enlisted the services of Umhlaba Consulting to review and update its SDF
f) Are emergency procurement measures stipulated in the disaster management plan?	The Municipality has no disaster management plan and has no emergency procurement measures. This is however contained in the Supply Chain Management Policy. Refer to the Supply Chain Management Policy of the Municipality. The Municipality is advised to include this on the IDP document	Is reflected in the IDP
g) Are disaster management by-laws adopted?	There is no Bylaw that is Disaster Management Specific, but there are Bylaws that relates to Disaster Management. This is however not contained on the IDP document	

h) Is the municipality operating a fulltime fire service?	The Municipality is assisted by Joe Gqabi District Municipality. There are discussions currently to take over the function (This information is contained in the IDP document on Page 59). The Municipality is encouraged to have a full time Fire services because it is mandatory	
i) Are fire services tariffs developed, adopted, implemented and periodically reviewed?	The Municipality has no tariffs for fire services. This will be implemented once the Municipality has taken over the function of Fire Service	

## 1.7. Powers and Functions

The Constitution indicates that the objects of local government are:

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

Within this Constitutional role, powers and functions have been defined in terms of the Local Government: Municipal Structures Act as amended. The powers and functions indicated by **x** below indicate those powers and functions that are performed by either the JGDM or the Elundini Municipality or both:

**Table 6: Powers and Function**

FUNCTION	JGDM	ELM
<b>SCHEDULE 4 PART B</b>		
Air pollution	X	
Building regulations		X
Child care facilities		X
Electricity reticulation	X	X
Fire fighting	X as per regulation	X
Local tourism	X as per White Paper	X
Municipal airports		X
Municipal planning	X	X
Municipal Health Services	X	

Municipal Public Transport		X
Pontoons and Ferries		
Storm water		X
Trading regulations		X
Water (potable)	X	
Sanitation	X	
<b>SCHEDULE 5 PART B</b>		
Beaches and amusement facilities		
Billboards and the display of adverts in public places		X
Cemeteries, Crematoria and funeral parlours		X
Cleansing		X
Control of public nuisances		X
Control of undertakings that sell liquor to the public		
Facilities for the accommodation, care and burial of animals		X
Fencing and fences		X
Licensing of dogs		X
Licensing and control of undertakings that sell food to the public		X
Local amenities		X
Local sport facilities		X
Markets		X
Municipal abattoirs		X
Municipal parks and recreation		X
Municipal roads		X
Noise pollution		X
Pounds		X
Public places		X
Refuse removal, refuse dumps and solid waste disposal		X
Street trading		X
Street lighting		X
Traffic and parking		X
<b>ADDITIONAL AGENCY FUNCTIONS PERFORMED</b>		
Licensing of vehicles		X
Primary Health Care	X	
Road maintenance	X	

## **1.8. Intergovernmental Relations**

The ELM has prioritized the IGR as one of its priority areas of focus to strengthen and has thus established an IGR structure that incorporates all IGR activities in the municipality that will also ensure that the structure is used as a reporting structure for all government activities. The uses ELM its IDP and Budget Forum to interact with other government departments and other State Owned Entities and, where possible, one-on-one engagements are usually held for strategic projects.

### **1.8.1. MUNIMEC**

The MUNIMEC has been established in terms of the provisions of the Intergovernmental Relations Act as a consultative forum between the Eastern Cape Provincial Government and the 39 municipalities in the Eastern Cape Province. To give credence to output 7 of delivery outcome 9, the provincial department of Local Government and Traditional Affairs is responsible for coordinating the activities of MUNIMEC. The MUNIMEC is attended by Mayors and Municipal Managers of municipalities. The department has also constituted a technical MUNIMEC which is a forum between the departmental management as led by the Superintendent General and the Municipal Managers from municipalities. At the technical MUNIMEC and the MUNIMEC, reports from the 6 district municipalities and the Nelson Mandela Metro, inter alia, whose main focus is progress with the implementation of the municipal turnaround strategies within the DMs and their constituent local municipalities as well as the Metro are presented and discussed. Both the Mayor and the Municipal Manager of the ELM participate and contribute in the provincial MUNIMEC.

### **1.8.2. District Mayors Forum: DIMAFO**

The District Mayors Forum of Joe Gqabi District, chaired by the Mayor of JGDM, sits quarterly to align key programs and issues between municipalities. DIMAFU is a Section 79 Committee. This is a special committee of council made up of Councillors (in this case the Mayors of the local municipalities and the Executive Mayor of the district) that deals with issues within the Municipal Managers office (communications, IGR, Special Programs dealing with Women, Youth, Disabled, People living with Aids, Elderly and Children) as well as internal audit functions. Key elements that form part of the performance of the municipal manager also form part such as statutory compliance issues.

### **1.8.3. SALGA Working Groups**

In order to share best practices in local government, SALGA has established a cluster of working groups. These working groups are replicated at a provincial level, and their structuring sometimes transcends the municipality's departmental divide. In order to ensure effective participation of the municipality into the SALGA working groups, the ELM has appointed the following councilors who will represent it not those working groups:



**Table 7: Councillors Participating in SALGA Working Groups**

COUNCILLOR	WORKING GROUP
<b>N. Nkalitshana</b>	Economic Empowerment and Employment Creation
<b>S. Magadla</b>	Environmental Planning and Climate Resilience
<b>M. Mqamelo</b>	Municipal Finance and Fiscal Relations
<b>M. Naketsana</b>	Community Development and Social Cohesion
<b>M. Marubelela</b>	Water, Sanitation and Waste Services
<b>T. May</b>	Public Transport and Roads
<b>M. Leteba</b>	Capacity Building and Institutional Resilience
<b>V. Hokwana</b>	Governance, Intergovernmental Relations and Councillor Welfare and Empowerment
<b>Cllr Mbombo</b>	Human Settlement and Municipal Planning
<b>K. Mgijima</b>	Municipal Innovation and Information Technology

The elected councillors have a responsibility of reporting back to the municipal council the deliberations and decisions taken on their respective clusters for the municipality to take its own appropriate decisions on the subject matter.

#### **1.8.4. Traditional Leadership – Partnerships**

In terms of the guidelines issued by the MEC for Local Government and Traditional Affairs in 2011, seven Traditional Leaders identified by the MEC are serving in the Municipal Council and its Committees with effect from 18 November 2011. Due to the rural nature of the Elundini Municipality, the participation of and cooperation with Traditional Leaders is critical for the success of the municipality’s development programs. To this end the municipality has categorized Traditional Leaders as a key stakeholder that the Mayor converses with on a regular basis under the guise of Mayor’s Conversations with stakeholders. In recognition of the valuable contribution of Traditional Leadership authorities in the programs of Elundini Municipality, the Council has adopted guidelines in terms of which assistance is being provided to Traditional Leaders on certain defined occasions.

## **1.9. Public Participation**

One of the main features about integrated development planning and budget process is the involvement of community and stakeholder organizations in the process. This ensures that the IDP addresses the real issues that are experienced by the citizens. The Constitution stipulates that one of the objectives of municipalities is “to encourage the involvement of communities and community organizations in the matters of local

government". The White Paper on Local Government also put emphasis on public participation. Through the Municipal Systems Act participation in the decision making processes of the municipality is determined to be a right of communities, residents and ratepayers. Integrated development planning is emphasized as a special field of public participation.

The ELM has a fully functional Public Participation Unit located in the Office of the Municipal Manager which is responsible for coordinating all public participation activities of the municipality. The ELM is busy with the review of its Public Participation Strategy it adopted in 2011 and the first draft has been developed and is awaiting further consultations and other due internal processes. There have been a number of public engagements held between the municipality and its strategic stakeholder as from the beginning of the financial year.

### **1.9.1. Public Participation Mechanisms**

The following are some of the public participation mechanisms that the ELM uses in engaging with its communities:

- ✓ Ward Based Planning processes;
- ✓ Ward War Room meetings;
- ✓ IDP Representative Forum;
- ✓ Mayor's conversations with different stakeholders;
- ✓ Public Participation Forum
- ✓ Ward community meetings convened by Councilors on quarterly basis;
- ✓ Published annual reports on municipal progress;
- ✓ Ward Committee meetings;
- ✓ Newspaper advertisements and notices;
- ✓ Making the IDP document available to all members of the public;
- ✓ Outreaches by Elundini Municipality to communities and Stakeholders;
- ✓ Use of loud hailers to invite communities to meetings;
- ✓ Information dissemination through the Blue Snow/Lehloa Le Bolou newsletter;
- ✓ Stakeholder Forums such as Farmers' Forum; Local Communicators Forums; Local AIDS Council; Roads Forums; Elundini Sports Council; Elundini Youth Council; PWD Structure; etc.

### **1.9.2. Public Participation Challenges**

As part of reviewing the strategy, the public participation performance of the institution was assessed. Functionality of public participation platforms such as ward Committees, village and township-based meetings

and war rooms was assessed. The following issues were identified as challenges for effective participation of communities in the affairs of the municipality:

❖ **Ward Committees**

- ✓ Lack of capacitation of the ward committees
- ✓ Lack of capacity of chairpersons of the ward committees
- ✓ Lack of proper mechanism to uplift the issues raised at ward committee level to relevant structures and eventually to council for implementation and feedback
- ✓ Poor or lack of monitoring of wards performance

❖ **Village Meetings**

- ✓ Poor sitting of village meetings which leads to ineffective utilization of CPLWs.
- ✓ Lack of training in minute taking and report writing for the CPLWs
- ✓ Lack of proper system for information management from the community to the municipality and sector departments for report back
- ✓ Minimal commitment from CPLWs who resign frequently
- ✓ Chairpersons' competing commitments mostly with programs of the district municipality to the detriment of local municipal programs

❖ **Information Management**

- ✓ Poor recording of information including minutes during public participation engagements
- ✓ Lack of information management system to process and
- ✓ There is no clear flow of information between the different platforms
- ✓ No relationship between the IDP outreaches, the village meetings, the ward committee meetings and the Public Participation Forum

## **1.10. Communications**

The ELM has reviewed and adopted its Communications Strategy in 2017 implementable until 2022. A fundamental difference between the previous strategy and the reviewed strategy is the embracing of social media as one of the key strategic communication platforms for effective and instant communication. Social media has been added as the fourth pillar in the strategy. The strategic thrust of this communication strategy is the following:

- Social media communication
- Information technology-based communication,

- Meet and Greet communication and
- Print communication.

The strength of this communication strategy will lie heavily on social media, meet and greet, and print communication. Information Technology-based communication will be used whenever possible and feasible or whenever resources allow. As a means of interacting and providing information to its communities, the municipality quarterly distributes its newsletter, Blue Snow, to its communities where communities are kept informed by the developments in their areas. ELM maintains its website, primarily to respond to legislative imperatives but also, developmentally, to provide meaningful feedback to communities.

### **1.10.1. Community Participation and Community Issues**

Community/Ward Based Planning (CBP/WBP) is a tool that is used to enhance participation of communities in local developmental processes. It was introduced to encourage ownership by communities in any development initiative in their areas. ELM has as from the 22<sup>nd</sup> November 2017 to 12<sup>th</sup> December 2017 undertaken the process of developing Ward Plans in all its 17 Wards. The product of this exercise will be, among other things, the updated situational analysis and the understanding of community needs.

Ward Committees have been established in sixteen (16) wards of the seventeen (17) wards of the municipality and their term of office will run with the term of Council. The ward that has not yet established its ward committee is due to unresolved community conflicts. Ward Committees contribute tremendously in the development of ward priorities because their meetings are the first level where ward development issues are deliberated. They also play a meaningful role in mobilizing communities to all IDP related gatherings including outreach meetings wherein priorities are recorded in the IDP.

A total of 12 War rooms were established in ELM wards except for five (05) wards which could not be established due to community challenges and non-establishment of ward committees. A concept of War Rooms was derived from the Integrated Service Delivery Model (ISDM) which was introduced by the National Government under the Office the Deputy President in August 2015. The aim of ISDM was to bring together all service delivery stakeholders to provider services in an integrated manner. ISDM embraces the principles of integration, coordination, collaboration and collocation and works well through partnership in order to rebuild the fabric of society. Ward Rooms refer to a physical space where community meets to resolve, refer, coordinate service delivery and report community issues. Composition of War Rooms should take into consideration stakeholders that exist in that particular Ward such as Traditional Leader, Civil Society structures, community workers, focus groups, business, government departments, etc.

In all community participation/engagement programs that the municipality is engaging with its communities, the municipality also uses the services of the Community Development Workers (CDWs) that are employed by the Provincial Department of Cooperative Governance and Traditional Affairs. Of the 17 Wards, there is only one (1) Ward that still has no CDW.

The Mayor has from the 17<sup>th</sup> to the 23<sup>rd</sup> April 2018 held its IDP and Budget Outreach program in all the 17 Wards. The table below depicts issues raised by communities during the outreach:

**Table 8: IDP Outreach Ward Priorities**

WARD PRIORITIES			
WARD 1 PRIORITIES	WARD 2 PRIORITIES	WARD 3 PRIORITIES	WARD 4 PRIORITIES
<p><b><u>Trustini / Maweni / Palisa</u></b> Water taps</p> <p><b><u>Tafeni / Joseph / Mamfengwini</u></b> Access road from main road to Tafeni and access road from DR2018 via Nondaba</p> <p><b><u>Cicira</u></b> Electricity infills, access road, clean drinking water</p> <p><b><u>Maplotini</u></b> Access road</p>	<p><b><u>Old Location</u></b> Access road from Old Location to Bholeni, Sewer tanker, RDP houses, Shelters in bus stops, shelters for hawkers</p> <p><b><u>Mandela Park</u></b> Road maintenance, new toilets, land for agricultural purposes, sites for farming, sportsfield</p> <p><b><u>Bhekela</u></b> Road maintenance, sites for churches, Scholar Transport from</p>	<p><b><u>Clearview</u></b> Funding and equipment for hospice; RDP houses at the open space in Clearview,</p> <p><b><u>Sithole</u></b> Learner escorts from Sithole to school;</p> <p><b><u>Tuin Blocks</u></b> Electricity in Tuin Blocks;</p> <p><b><u>Town</u></b> Cutting of wattle trees in front of Maclear Hospital,</p>	<p><b><u>Upper Tsitsana</u></b> Pedestrian bridge to Komkhulu, free public phone to call Eskom, RDP houses, water taps closer to households, pension paypoint,</p> <p><b><u>Matuguru</u></b> Reconstruction of Bridge, RDP houses</p> <p><b><u>Lower Tsitsana / Qobeni</u></b> Access road from Mabheleni to Qobeni via Mission to the road to Upper Tsitsana, Colbert at Gxubane river, RDP houses.</p> <p><b><u>Platana</u></b> Access Road, RDP houses</p>

<p><b><u>Montgomery</u></b> Jojo tanks</p> <p><b><u>Joseph</u></b> Access road</p> <p><b><u>Nigel</u></b> clean drinking water</p> <p><b><u>Mission &amp; Nxoxo</u></b> Taps do not have water</p> <p>Maintenance of road from Rocky Park to Nkalweni and Drayini; Access road (Manfengwini); wattle tree cutting (Ngingane)</p>	<p>various townships to ET Thabane</p> <p>School</p>	<p>stormwater drainage, pavement and maintenance of access road (Town)</p>	<p><b><u>Mission</u></b> Medication in clinic , RDP houses, Community hall</p> <p><b><u>Tsikarong</u></b> Water taps in streets, access road, RDP houses</p> <p><b><u>Mabalana</u></b> Electricity, Water, Access road, RDP houses</p> <p><b><u>Namba</u></b> Clean drinking water, RDP houses</p> <p><b><u>Khohlomriti</u></b> Access road to Bhekela, RDP houses</p> <p><b><u>Sigoga</u></b> Access road, water, pension paypoint, RDP houses</p> <p><b><u>Nqwaneni</u></b> Access Road to Mcwangele, RDP houses</p> <p><b><u>Mlamla</u></b> Three colberts in Mission, Komkhulu and Mlamla, RDP houses</p> <p><b><u>Popcorn valley</u></b> Stormwater drainage system, construction of streets, RDP houses</p> <p><b><u>Elundini</u></b></p>
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			<p>Network, electricity, RDP houses, Access Road to Mokgorwane</p> <p><b><u>All villages of the ward</u></b></p> <p>RAFI Programme, Dish for TV signal</p>
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<b>WARD PRIORITIES</b>				
<b>WARD 5</b>	<b>WARD 6</b>	<b>WARD 7</b>	<b>WARD 8</b>	<b>WARD 9</b>
<p><b><u>Hopedale / Ngxaza /Lower / Mountain</u></b></p> <p>Community Hall, 2 bridges between Hopedale and Mbonisweni, Low-lying bridge in Lower Ngxaza, Access road in Mountain, Kwatsha to Hopedale and Sidakeni, Speed Humps and sucking of toilets, water tanks or drinking water.</p> <p><b><u>Ntabelanga</u></b></p> <p>Access Road, Water taps, RDP houses, Electrification of infills, Toilets, Mobile Police</p>	<p><b><u>Gugwini / Queen Noti Clinic</u></b></p> <p>Construction of access road to clinic, access road from Ntlangeni Busstop to Jamangile SSS, extension of clinic size, services and addition of staff, security guards at Jamangile SSS, digging of boreholes</p> <p><b><u>Upper Ntywenka</u></b></p> <p>Access road construction from Bottle Store busstop to cross Upper Ntywenka village and join the access road in Mtshezi.</p> <p><b><u>Eziflatini</u></b></p>	<p><b><u>Sophonia</u></b></p> <p>Satellite Police Station</p> <p><b><u>Esigcwabeni</u></b></p> <p>Access road from kwaZulu Police Station to Esigcwabeni</p> <p><b><u>Bothsabelo</u></b></p> <p>Maintenance of Ngqayi Bridge</p> <p><b><u>Mafusini</u></b></p> <p>Access Road</p> <p><b><u>Magwaca / Nkahlulo</u></b></p> <p>Access Road between Nkahlulo and Ezigatini,</p>	<p><b><u>Luzie</u></b></p> <p>Upgrading of Access road to Pitseng, construction of speed humps opposite school, construction of pedestrian bridge, electrification</p> <p><b><u>Ntabelanga</u></b></p> <p>Electrification of all households, upgrading of access road, shortage of water</p> <p><b><u>Mfanta</u></b></p>	<p><b><u>Ephanette Mbeki</u></b></p> <p>Electricity instead of solar system</p> <p><b><u>Town</u></b></p> <p>Speed humps next to Mount Fletcher High school, clinic</p> <p><b><u>Katlehong</u></b></p> <p>Maintenance of access road</p>

<p>Station, Building of pre-school, reconstruction of national road, Medical doctors at least three times a week in clinic</p> <p><b><u>Upper/LowerNtywenka / Mpunkone</u></b> Access road, water and water taps, RDP houses, pre-school.</p> <p><b><u>Sithana</u></b> Access Road, Water, Grading of roads, employment opportunities</p> <p><b><u>Ntushuntushu</u></b> Electrification of 19 infills, network poles, RDP houses, road maintenance</p> <p><b><u>Ngcele</u></b> Water, Early Childhood Development Centre, school visits by Home Affairs</p> <p><b><u>Mbonisweni</u></b></p>	<p>Construction of access road from Mtshemla busstop to Eziflatini, clean drinking water, fencing and building of day care centre, RDP houses.</p> <p><b><u>Ngcele</u></b> Access road construction from Queen Noti, Ngcele, Eziflatini and Ngcele Down, High mast lights, chemical to treat Jojo tanks, sucking of toilets</p> <p><b><u>Mqokolweni</u></b> Access road and bridge, toilets for the clinic, extension of clinic size or provision of temporal structure.</p> <p><b><u>Ngxoto</u></b> Water, access road, electricity</p> <p><b><u>Ngcele Down &amp; Komkhulu</u></b> Blading and maintenance of access road, speed humps, RDP houses</p> <p><b><u>Lalini</u></b></p>	<p>Cutting of trees / bush at Nkahlulo JSS</p> <p><b><u>Marhoqa</u></b> Access Road</p>	<p>Construction of decent toilets, provision of gravel to maintain roads, protection of springs, fencing of fields</p> <p><b><u>Luzie Poort</u></b> Water, upgrading of access road, maintenance of pedestrian bridge, provision of water tanks</p> <p><b><u>Moreneng</u></b> Electrification of households, provision of VIP toilets, Water, RDP houses, Upgrading of Access road from Chief Lehana's place to Mabambeni, construction of clinic</p> <p><b><u>Pitoli</u></b> Upgrading of access road from R56 to Nkobongo, bridge, electricity</p>	
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<p>Access road, RDP houses, Bridge in Ngxaza and Diphini, repair of stormwater pipe, soil rehabilitation</p>	<p>Soil erosion, RDP houses, maintenance of access road.</p>		<p><b><u>Sigodini</u></b>  Construction of community hall, electrification of infills, toilets for infills, upgrading of access road, maintenance of springs</p> <p><b><u>Lithuteng</u></b>  Gravelling of access road, Water, toilets</p> <p><b><u>Mokgolong</u></b>  Electrification of households</p>	
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**WARD PRIORITIES**

WARD 10	WARD 11	WARD 12	WARD 13	WARD 14
<p><b><u>Mathafeni No. 1</u></b> Water, electricity for infills</p> <p><b><u>Skote</u></b> Road maintenance, electricity, community hall, RDP houses</p> <p><b><u>Siyalwini</u></b> Electricity, bridge and road maintenance, RDP houses, water</p> <p><b><u>Mpharane</u></b> RDP houses, Access road from R56 to Mpharane, water taps nearer the households, electricity for infills</p> <p><b><u>Mjika</u></b> Access road from Nkalweni to Silindini, water, RDP houses</p> <p><b><u>Xaxazana</u></b></p>	<p><b><u>Gobho / Tinana</u></b> CDW for the ward, no water, taps are not working, ±16km access road and a bridge</p> <p><b><u>Ntatyana / Lugcadweni</u></b> Access road and road maintenance, colberts and bridges, maintenance of bridge</p> <p><b><u>Fairview / Lubisini</u></b> Water, Community hall, RDP houses, VIP toilets</p> <p><b><u>Mpsi</u></b> VIP toilets</p> <p><b><u>Dengwane</u></b> Toilets, maintenance of access road, grading of sportsfield, reconstruction of bridge</p>	<p><b><u>Ntabayikhoniwa</u></b> Access road, repairs of damaged bridge, VIP toilets, clean drinking water / water taps, community hall</p> <p><b><u>Lehlakaneng</u></b> Access road</p> <p><b><u>Ngoliloe</u></b> Access road to Gengxe, Mobile clinic, community hall, scholar transport for learners from Ngoliloe to Sidinane SSS, Early Childhood Development Centre, fencing of mielie fields, RDP houses</p> <p><b><u>Mangoloaneng</u></b></p>	<p><b><u>Koebung</u></b> RDP houses, Police station, Completion of toilets, MTN network transmitter, Clinic to also service Sethathi, Mashata and Mohoabatsane, Access Road to Somerset, repair of water pipes, Electricity, Community Hall</p> <p><b><u>Seghobong</u></b> Ambulances in clinic, Network coverage</p> <p><b><u>Mohoabatsane</u></b> Windmills and dams, Access road to Khorong, Access road from T74 to Toropong, RDP houses, completion of toilets, 250 chairs for the community</p>	<p><b><u>Sathube</u></b> Access Road to 2 Roses for sand mining,</p> <p><b><u>Vuvu</u></b> Bridge, Rooi-cat challenge killing livestock</p> <p><b><u>Bethania</u></b> Paraffin supply</p> <p><b><u>Refele</u></b> Electricity, Sportsfield, Assistance with registration of projects</p> <p><b><u>Litaung</u></b></p>

<p>Sportsfield, RDP houses, projects for job creation</p> <p><b><u>Nkalweni</u></b></p> <p>Water, two bridges</p> <p><b><u>Westhoek</u></b></p> <p>Water, Road, electricity</p>		<p>Access road to Madumasini, Free Basic Electricity, extension of clinic, VIP toilets suitable for disabled people, pedestrian bridges for learners</p> <p><b><u>Mahanyaneng</u></b></p> <p>Repairs of damaged bridge, access road, RDP houses, rehabilitation of dongas</p> <p><b><u>Popopo</u></b></p> <p>Water, RDP houses, VIP toilets, Community Hall, Trimming of forest, access road to Thabakgubedu</p> <p><b><u>Polokoe / Zwelitsha</u></b></p> <p>Access road from Zwelitsha, Polokoe to Tabatlala, new generator to pump water, rehabilitation of dongas</p> <p><b><u>Tabatlala</u></b></p> <p>Bridge, Community Hall, water taps</p>	<p>hall, Shearing Shed, Electricity in Pre-school.</p> <p><b><u>Ntoko</u></b></p> <p>Access Road, kitchen at the school</p> <p><b><u>Nxotshana</u></b></p> <p>12 VIP toilets, Network, Rehabilitation of dongas.</p>	<p>Electricity, Fencing of graveyard</p>
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		<p><b><u>Setaka</u></b>  VIP toilets, community / pension hall, access road, cutting of trees, dipping tanks, sportsfield</p> <p><b><u>Moleko</u></b>  Water pump must be changed from generator to electricity</p> <p><b><u>Madumasini</u></b>  Access road to Mangoloaneng, Water, RDP houses, soil rehabilitation, access roads in the streets of Madumasini</p> <p><b><u>Kinira Poort</u></b>  Solid bridge, new VIP toilets, RDP houses, clinic, rehabilitation of dongas, electricity for infills, pre-school, building or renovation of Morulane PS, sportsfield for youth</p>		
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WARD PRIORITIES		
WARD 15	WARD 16	WARD 17
<p><b><u>Khorong</u></b> Access road to Tsekong and Lehana School</p> <p><b><u>Nkululekwani</u></b> Water taps do not have water</p>	<p><b><u>Sihom</u></b> Electricity infills, access road</p> <p><b><u>Koloni</u></b> Access Road</p>	<p><b><u>Greenfields</u></b> Water is of high priority, mobile clinic, pins to identify erven, land for ploughing</p> <p><b><u>Vincent</u></b></p>

<p><b><u>Kutloanong</u></b> Legal water connections, in-house water connections</p> <p><b><u>Diphofung</u></b> Access road,</p> <p><b><u>Ward</u></b> RDP Houses in the yards, Naming and signage of all roads, building of juvenile prisoner for young perpetrators, graveyard fencing, building of community hall, electricity connections, Sports field, Clinic, Police Station, Cellular network pole, Proper infrastructure for preschools</p>	<p><b><u>Chevy-chase</u></b> Proper construction of bridge</p> <p><b><u>Mdeni</u></b> Community Hall, abolition of drug abuse</p> <p><b><u>Msasangeni</u></b> Culverts for all roads</p> <p><b><u>Karadokhwe</u></b> SAPS visibility and patrol</p> <p><b><u>Nkangala</u></b> Water, Access road</p> <p><b><u>Koloni / Mcutha</u></b> Access road</p> <p><b><u>Mcambalala</u></b> Culverts, maintenance of roads</p> <p><b><u>Mlube</u></b> Water, improvement of standard of access road and maintenance</p> <p><b><u>Ward</u></b> Upgrading of electricity, shortage of staff in Hlankomo clinic, high mast lights, mall</p>	<p>Water, sucking of toilets, construction of roads in all streets, sport facilities and equipment, social grants for destitute, youth programs</p> <p><b><u>Mbidlana</u></b> Electricity for infills, reconstruction of access road near the bridge,clinic, sportsground</p> <p><b><u>Robben Island</u></b> Early Childhood Development Centre, completion of road construction.</p>
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## **1.11. Community Involvement to Social Cohesion Programs**

The ELM has a Mayor's Social Investment program which also contributes to the nation building has three pillars as follows:-

- ❖ Bursary – helps students from destitute families by paying for tuition and accommodation.
- ❖ Adopt-a-school – is aimed at assisting schools with immediate requirements while the Department of Education is still planning for the improvement of the school.
- ❖ Bridge of hope – is directed to help needy families.

ELM has also employed one hundred and fifty two (152) unemployed young people as Community Participation Liaison Workers (CPLWs) from each village of the municipality. The CPLWs are an attempt to close the social gap between the councillor and the communities. CPLWs visit household by household in their duties of information dissemination. CPLWs act as administrative support to community meetings and also in the dissemination of information from the Council and government departments.

ELM hosts and organizes Mayoral Cup as an annual sporting event that is aimed at uniting young people in the municipal area. The program is contributing to the development of youth in different sporting codes. The elimination process starts from ward level and this helps in building cohesion amongst communities as winners progress to represent clusters and regions of the municipal area during the roll out of the program.

## **1.12. Inter-Municipal Planning**

ELM has during the financial year 2016/17 entered into the inter-municipal planning with the City of Cape Town for the Inner City Precinct in order to be able to develop better and suitable plans for the towns of Maclear and Ugie. The municipality has also undertaken a study with the towns of Riverside and Knysna in the Western Cape to learn best practices around the functioning and operations of their SHARED fire services. Following the visit an agreement was then concluded by both the district and Elundini local municipality to adopt the model as investigated and recommended in terms of the section 78 study conducted by the Joe Gqabi district municipality. Council has since passed a resolution in principle approving the shared fire services model pending its finalization by and between the two municipalities. We continue to engage with the district on updates and progress towards finalization and eventual implementation of the model. Parties to the model are the JGDM, Elundini municipality as well as the Department of Environmental Affairs.

## 2. SECTION B: UPDATED SITUATIONAL ANALYSIS

### 2.1. Elundini Local Municipality Profile

The Elundini Local Municipality (ELM) is a Category B municipality located within the Joe Gqabi District in the north-eastern portion of the Eastern Cape Province. The municipality is bounded by the Alfred Nzo District in the north, Chris Hani District in the south, OR Tambo District in the east, and Lesotho and Senqu in the west. It is the smallest of three municipalities in the district, making up a quarter of its geographical area. The Elundini Local Municipality is one of the most scenic and attractive areas of the province, with considerable potential lying in its deep, fertile soils and high rainfall. Compared to the other municipalities in the Joe Gqabi District, Elundini has prospects of significant growth and upliftment in the quality of life for its residents due to its relative abundance of natural resources.

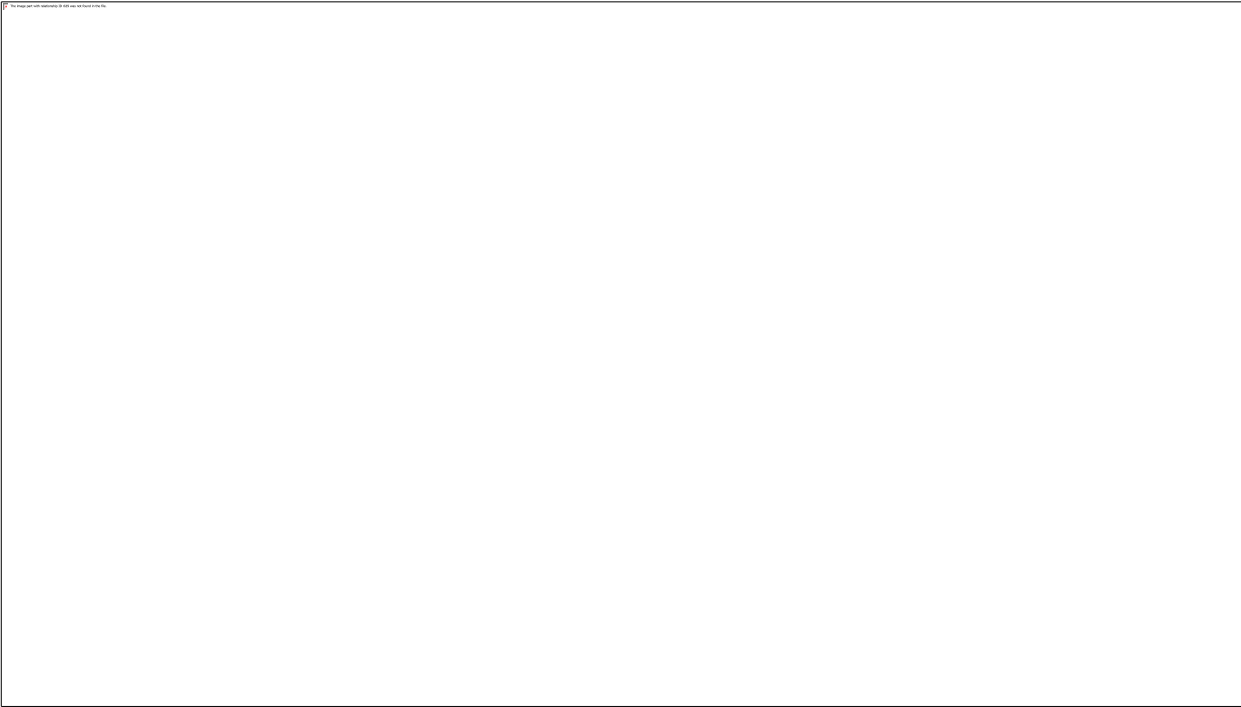
The urban areas and commercial farming district are the highest employers, where people have found employment in the agriculture, commercial and service sectors. There are very low levels of employment in the rural settlements. This can be partly attributed to the fact that these areas do not have a strong economic base, and partly to the fact that most inhabitants are involved in subsistence-related activities with little surplus being produced for economic profit. Due to the migrant system in operation in South Africa, the impact of recessionary downturns in the economy elsewhere (such as in the mining industry, Gauteng and Cape Town) have had an impact on the Elundini area. There is still a heavy reliance on income from migrant sources. The towns in Elundini are Maclear, Mount Fletcher, and Ugie. The main economic sectors are social services/government (41%), agriculture (28%), and wholesale and retail trade (14%).

ELM is the scenic and attractive area in the Eastern Cape with its potential lying in fertile soil and heavy rainfalls. The analysis of Elundini Local Municipality must be contextualized globally. The municipality covers an area of 5,064 km<sup>2</sup> and has 17 Wards and according to the recent Community Survey (CS) of 2016 released by Stats SA, the Elundini Local Municipality is the most populous municipality in the Joe Gqabi district with an estimated population of 144 929 an increase of 6 788 people, amounting to 4, 7%, from the Census 2011 figures of 138 141 people. The largest population of Elundini is made up of females which constitute 60, 9% (88 247) of the total population and males constitute 39, 1% (56 682) of the total population.

The ELM is one of the most scenic and attractive area of the Province, with considerable potential lying in its deep, fertile soils and high rainfall. Compared to the other municipalities in the Joe Gqabi District, Elundini has prospects of significant growth and upliftment in the quality of life for its residents, due to its relative abundance of natural resources.



## MAP SHOWING LOCALITY AND SETTLEMENT DISTRIBUTION



**Figure 1: Map showing settlement distribution**

### **2.2. Elundini Local Municipality Demographic Profile**

According to the Community Survey 2016 figures, the JGDM total population has increased by 23 144 people from the Census 2011 figures of 349 768 to 372 912 of the CS 2016 figures. This represents a 6, 2% increase between 2011 and 2016 from an increase of 2.3% between 2001 and 2011 figures. From the JGDM total population increase, the ELM has seen a significant increase of 6 790 people representing an increase of 4, 7% between 2011 and 2016 as compared to an increase of 0, 5% between 2001 and 2011.

Although there has been an increase in the number of people, between 2011 and 2016, in both the JGDM and the ELM, there is a noticeable decrease in the number of households both in the district and the municipality. Both the municipalities have experienced a decrease of 0, 2% and 0, 5% of households respectively as depicted by the table overleaf. Of the total number of households in both the JGDM and Elundini municipalities, there has been an increase in the formal structures were the formal structures in JGDM increased from 60, 3% to 69, 6% and on ELM increased from 33% to 47, 8%. The table below depicts the changes in the total numbers of households between JGDM and ELM from 2011 to 2016:

**Table 9: Population Changes**

Municipality	2001	2011	2016	% growth			Number of households			% Change
				1996 - 2001	2001 - 2011	2011 - 2016	2001	2011	2016	
JGDM	341 750	349 768	372 912	8.2%	2.3%	6.2%	84 835	95 294	95 107	-0.2%
Elundini	137 394	138 141	144 929	3.7%	0.5%	4.7%	33 209	35 992	35 804	-0.5%

Source: Census 2001, Census 2011 and CS 2016

## 2.3. Distribution of Total Population by age and Gender

The table below depicts the distribution of population by age and gender:

**Table 10: Table showing age and gender distribution**

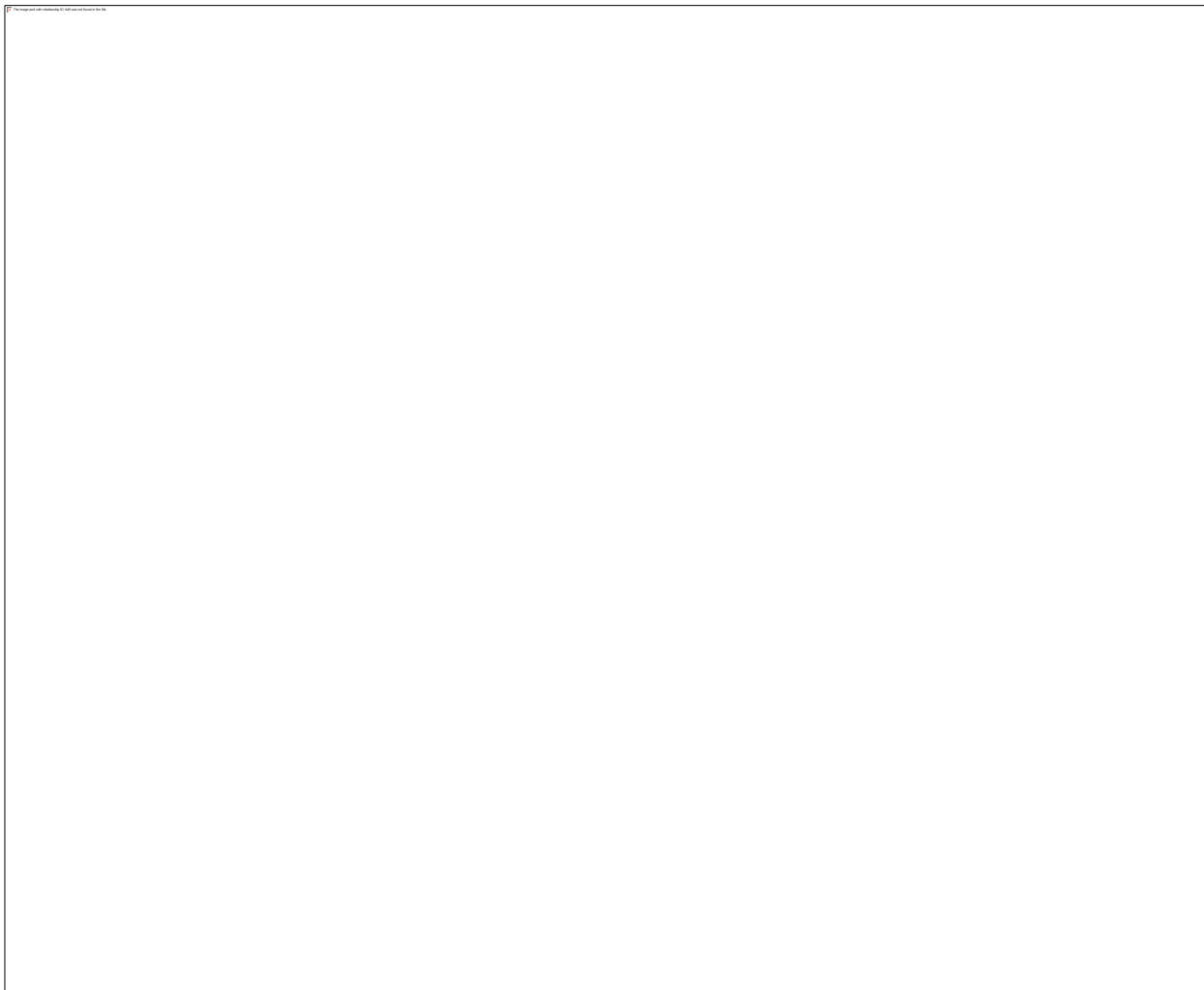
Age category	1996			2001			2011			2016		
	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total
00 – 04	8 907	8 900	17 807	7 577	7 364	14 941	8 188	7 949	16 137	8 761	8 489	17 250
05 – 09	11 047	10 798	21 845	10 130	9 926	20 057	8 164	7 829	15 993	9 052	9 304	18 356
10 – 14	11 229	11 168	22 398	11 391	11 337	22 727	8 860	7 866	16 726	9 976	8 702	18 678
15 – 19	8 251	8 901	17 152	9 763	9 274	19 037	9 013	8 166	17 180	10 528	9 617	20 145
20 – 24	4 331	5 431	9 763	4 688	4 975	9 663	6 441	5 746	12 187	7 762	7 035	14 797
25 – 29	2 352	3 676	6 028	2 721	3 791	6 512	4 397	4 302	8 699	6 523	5 965	12 488
30 – 34	1 938	3 739	5 677	2 213	3 364	5 577	3 189	3 453	6 641	4 982	5 300	10 282
35 – 39	1 933	3 458	5 391	2 060	3 543	5 603	2 743	3 512	6 256	2 306	2 557	4 863
40 – 44	1 665	2 839	4 504	2 129	3 606	5 736	2 210	3 387	5 597	1 959	2 549	4 508
45 – 49	1 435	2 468	3 904	1 955	3 022	4 977	2 074	3 508	5 582	1 604	2 214	3 818
50 – 54	1 278	2 141	3 419	1 730	2 594	4 324	2 120	3 587	5 707	1 502	2 492	3 994
55 – 59	1 325	2 035	3 361	1 486	2 167	3 653	2 095	3 189	5 285	1 388	2 532	3 920
60 – 64	1 334	2 873	4 206	1 475	2 560	4 034	1 938	2 804	4 742	1 429	2 273	3 702
65-69	1 227	2 222	3 449	1 559	2 579	4 137	1 382	2 032	3 414	943	2 105	3 048
70 – 74	814	1 231	2 046	1 019	1 905	2 924	1 156	1 911	3 067	603	1 570	2 173
75 – 79	730	1 191	1 921	565	963	1 528	765	1 666	2 431	360	921	1 281
80 – 84	241	505	747	439	930	1 369	453	1 044	1 497	163	713	876
85+	184	333	517	191	403	594	294	706	1 000	108	644	752
<b>Total</b>	<b>60 222</b>	<b>73 911</b>	<b>134 133</b>	<b>63 091</b>	<b>74 303</b>	<b>137 393</b>	<b>65 482</b>	<b>72 657</b>	<b>138 141</b>	<b>69 949</b>	<b>74 982</b>	<b>144 931</b>

Source: Census 1996, Census 2001, Census 2011 and CS 2016

Although there has been an overall increase of 4, 7% in the total population in Elundini, there has been a decrease of 3, 2% of the female population and an increase of 6, 8% of the male population between 2011 and 2016. The female population in Elundini makes 51.7% of the total population and males constitute 48, 3% of the total population. In terms of the demographic distribution of the Elundini population, a younger population,

between the ages of 15 and 19, comprises the largest population followed by 10 and 14, 05 and 09 and 00 and 04 respectively.

The pyramid below provides a clear depiction of age and sex distribution of the ELM population. In terms of the stages of demographic transition model, the ELM pyramid appears to be at the third stage, which shows stationary growth and mortality particularly in the 25 to 75+ years cohorts. It is clear how many people of each age range and sex are found within the municipality. Moreover, the pyramid shows that the population is generally older on average.



**Figure 2: Population Pyramid**

Source: CS 2016

## 2.4. Population by Race

According to Community Survey 2016, a large part of Elundini's population is made up of Black Africans (135 593) this figure translates to 98.01% of the entire population. The remaining 1.09% (2 580) is made up of 1 323 Coloureds (1%); 172 Asians (0.01%) 903 Whites comprising (0.07%) in the other category there are 183

inhabitants contributing (0. 01%) of the entire population. (2011 Statistics SA). The table below is the presentation of the racial distribution in Elundini:

**Table 11: Table showing racial distribution**

CATEGORY	NUMBER OF POPULATION	% DISTRIBUTION
Black Africans	135 559	98, 01%
Coloured	1 323	1%
Indian	171	0, 01%
White	905	0, 07%
Others	183	0, 01%

## 2.5. Distribution of Population by Language

As per the Community Survey 2016, the most spoke languages by households in the district including Elundini are isiXhosa, seSotho, Afrikaans and English as depicted by the table below:

**Table 12: Table showing language distribution**

LANGUAGES	NUMBER OF PEOPLE		
	JGDM	ELUNDINI	%
isiXhosa	275 521	104 581	
seSotho	66 419	34 152	
Afrikaans	18 889	1 905	
English	2 514	673	
Others	9 571	3 620	

## 2.6. Distribution of household by income

Community Survey 2016 has not released any updated information on household income and therefore the Census 2011 were used which showed that 28, 4% of the families earn between R 9 600 – R 38 200 per annum which is R 800 - R 3 183 per month whilst 19, 1% of the households earning R38 200 - R76 400 which is R 3183-6367. 38% of the households fall in the category which earns less than 800 per month or no income at all. The table below depicts the income levels of households within Elundini Municipality:

**Table 13: Table showing income levels**

Income level	No. of Households	%
No income	6 391	16, 8%
1 - 4800	3 113	8, 2%
4800 - 9600	4 868	12, 8%
9 600 - 38 200	10 770	28, 4%

38 200 - 76 400	7 217	19, 1%
76400 - 153 800	2 501	6, 6%
153 800 - 307600	889	2, 3%
307 600 - 641 400	324	0, 8%
641 400 - 1 228 800	53	0, 1%
1 228 800 - 2 457 600	45	0, 1%
2 457 600 or more	23	0, 06%

## 2.7. Literacy Levels

Community Survey 2016 indicates that there has been an increase of 4.7% in the levels of education in Elundini for those between 20 years and above from 2011 to 2016 from 11.9% to 16.6% of the entire population having completed Grade 12 but there has been a slight decrease of 0.4% between 2011 and 2016 from 4.9% in 2011 to 4.5% in 2016 of the population who has studied further than Grade 12. Community Survey 2016 also revealed that 10.7% has no schooling at all, 20.7% has some primary education, 7.4% has completed some primary education and 44% has completed some secondary education. The table below depicts the percentage levels of education between the period 2011 to 2016 as provided by Census 2011 and Community Survey 2016:

**Table 14: Table showing attendance of school**

	No schooling		Some primary		Completed primary		Some secondary		Matric		Higher	
	2011	2016	2011	2016	2011	2016	2011	2016	2011	2016	2011	2016
<b>JGDM</b>	14,7%	8%	24,4%	18%	7,2%	6,8%	33,2%	41,4%	14,3%	19,3%	5,85	5,3%
<b>ELM</b>	14,6%	10,7%	26,3%	20,7%	7,6%	7,4%	32,8%	44%	11,9%	16,5%	4,9%	4,5%

The table overleaf depicts the highest level of education as per the Community Survey 2016 of Elundini population as against that of the district:

**Table 15: Levels of Education Against the District**

	Joe Gqabi	Elundini	% Schooling
No schooling	55 899	19 142	13.21%
Grade 0	18 914	7 496	5.17%
Grade 1/Sub A/Class 1	13 943	5 740	3.96%
Grade 2/Sub B/Class 2	11 282	4 243	2.93%
Grade 3/Standard 1/ABET 1	19 375	7 736	5.34%
Grade 4/Standard 2	20 907	9 202	6.35%
Grade 5/Standard 3/ABET 2	19 749	8 309	5.73%
Grade 6/Standard 4	21 373	9 276	6.40%
Grade 7/Standard 5/ABET 3	19 823	8 119	5.60%
Grade 8/Standard 6/Form 1	27 160	11 819	8.16%
Grade 9/Standard 7/Form 2/ABET 4/Occupational certificate NQF Level 1	29 018	12 629	8.71%
Grade 10/Standard 8/Form 3/Occupational certificate NQF Level 2	31 218	12 557	8.66%
Grade 11/Standard 9/Form 4/NCV Level 3/ Occupational certificate NQF Level 3	30 892	11 305	7.80%
Grade 12/Standard 10/Form 5/Matric/NCV Level 4/ Occupational certificate NQF Level 3	38 641	12 331	8.51%
NTC I/N1	384	41	0.03%
NTCII/N2	231	72	0.05%
NTCIII/N3	308	78	0.05%
N4/NTC 4/Occupational certificate NQF Level 5	710	173	0.12%
N5/NTC 5/Occupational certificate NQF Level 5	362	165	0.11%
N6/NTC 6/Occupational certificate NQF Level 5	539	113	0.08%
Certificate with less than Grade 12/Std 10	83	22	0.02%
Diploma with less than Grade 12/Std 10	304	172	0.12%
Higher/National/Advanced Certificate with Grade 12/Occupational certificate NQF	1 647	470	0.32%
Diploma with Grade 12/Std 10/Occupational certificate NQF Level 6	2 630	801	0.55%
Higher Diploma/Occupational certificate NQF Level 7	1 176	308	0.21%
Post-Higher Diploma (Masters)	971	398	0.27%
Bachelor's degree/Occupational certificate NQF Level 7	1 632	552	0.38%
Honours degree/Post-graduate diploma/Occupational certificate NQF Level 8	929	376	0.26%
Masters/Professional Masters at NQF Level 9 degree	266	133	0.09%
PHD (Doctoral degree/Professional doctoral degree at NQF Level 10)	144	22	0.02%
Other	715	435	0.30%
Do not know	1 087	513	0.35%
Unspecified	599	181	0.12%
<b>TOTAL</b>	<b>372 911</b>	<b>144 929</b>	<b>38, 86%</b>

## 2.8. Grant Dependency

As of December 2017 data from SASSA indicated that the total value of state support in the form of grants, e.g. care dependency (disability), child support (0 – 18 years), foster care, grant in aid, old age (below 75 years), old age (75 years & over), permanent and temporary disability and war veterans to the Elundini population amounted to the value of R 49 439 369 per month in the three (3) towns of the municipality. The table below depicts the distribution of grants in Elundini:

**Table 16: Grant Dependency**

MACLEAR/UGIE	Grant Type	No. of Beneficiaries	No. of Children	Expenditure
	Care Dependency	145	150	R 226 500.00
	Child Support (Total 0-18)	9 978	18 450	R 6 642 000.00
	Foster Care	1 105	1 580	R 1 406 200.00
	Grant in Aid	316		R 113 760.00
	Old Age	4 610		R 6 919 365.00
	Old Age (75 Years & Over)	1 729		R 2 639 592.00
	Permanent Disability	1 579		R 2 384 290.00
	Temporary Disability	79		R 119 290.00
<b>MACLEAR/UGIE TOTAL</b>		<b>19 541</b>	<b>20 180</b>	<b>R 20 450 997.00</b>
<b>MOUNT FLETCHER</b>	Care Dependency	248	250	R 377 500.00
	Child Support (Total 0-18)	14 480	27 155	R 9 775 800.00
	Foster Care	863	1 163	R 1 035 070.00
	Grant in Aid	1 788		R 643 680.00
	Old Age	5 958		R 8 941 012.00
	Old Age (75 Years & Over)	3 374		R 5 151 421.00
	Permanent Disability	1 920		R 2 896 279.00
	Temporary Disability	111		R 167 610.00
<b>Mt FLETCHER TOTAL</b>		<b>28 742</b>	<b>28 568</b>	<b>R 28 988 372.00</b>
<b>GRAND TOTAL</b>		<b>48 283</b>	<b>48 748</b>	<b>R 49 439 369.00</b>

## 2.9. HIV and AIDS

The most recent statistics for HIV/AIDS in Elundini provided by the Department of Health in December 2017, as depicted by the table below, illustrated that 25.7% of pregnant women who visited health facilities for their Antenatal sessions for the first time had tested positive. The table below shows us that that there has been increase of HIV/AIDS infections within the municipality between April 2015 and March 2016 adding to 13 416

infections recorded in 2010. Strategies that seek to support HIV/AIDS programs in Elundini need to be enhanced within the institution and externally.

**Table 17: HIV/AIDS Infections**

Facility	Antenatal client HIV 1st test positive rate	Antenatal client HIV 1st test	Antenatal client HIV 1st test positive
Maclear Mobile 1	100	1	1
Barkly East Mobile 2	25	4	1
St Augustine's Clinic	23.5	34	8
Mqokolweni Clinic	20	5	1
Empilisweni Clinic	19.1	188	36
Maclear Clinic	16.5	127	21
Ulundi Clinic	15.2	33	5
Katkop Clinic	15	60	9
Lower Tsitsana Clinic	15	20	3
Queen Noti Clinic	14	43	6
Hlankomo Clinic	13.9	36	5
Sonwabile Clinic	12.7	79	10
Hlangalane Clinic	11.5	26	3
Taylor Bequest Gateway Clinic (Elundini)	11.5	485	56
Ncembu Clinic	11.4	35	4
Khungisizwe Clinic	10.5	19	2
Mangoloaneng Clinic	9.8	61	6
Gqaqhala Clinic	9.5	21	2
Ngxaza Clinic	9.5	21	2
Umnga Flats Clinic	9.1	11	1
Seqhobong Clinic	7.5	40	3
Bethania Clinic	3.2	31	1
	<b>25.7</b>	<b>724</b>	<b>186</b>

ELM established partnerships with Home Community Based Care Centres (HCBCs) as the main strategy to fight the scourge of HIV and AIDS within ELM. Through this partnership ELM currently supports 16 HCBCs financially and the partnership is renewed annually. The following are the deliverables for HCBCs:

- Education and awareness through door to doors, mobilization of communities to big venues and reaching out to areas where people had gathered themselves.
- Provision of care and support for orphans and vulnerable children



- Make referrals to relevant institutions like clinics, hospitals and government departments
- Create support system for people infected and affected

## 2.10. People Living With Disability

ELM established partnerships with two Non-Governmental Organizations (NGOs) – Cheshire Home and Siyamthanda Home. These partnerships are renewed annually based on satisfactory performance of these NGOs and financial support is provided to support the running of the centers and care-givers. A service level agreement is signed with each NGO annually with terms of reference and outputs. Below is the presentation of the categories of disabilities by people in the Elundini municipal area:

**Table 18: Categories of disability**

Category	% population
Seeing	16%
Hearing	10%
Communication	3,1%
Physical Disabilities	29%

*Source: Census 1996, Census 2001, Census 2011 and CS 2016*

The table below depicts the list of SPU programs that the municipality is implementing:

**Table 19: Special Programs Projects**

PROGRAM/PROJECT	PLANNED BUDGET (2017/2018)
Implementation of HIV/AIDS Strategy	954 074
Promotion of sport development	870 008
Women empowerment	852 157
Empowerment of PWD	251 759
Youth Development	319 200
Mayor's Social Investment	668 192

*Source: Census 1996, Census 2001, Census 2011 and CS 2016*

## 2.11. Unemployment

Stats SA has not released any new or updated employment statistics and therefore figures used in the analysis of employment for ELM are those that were released in 2011. Assessing employment remains a very complex task to undertake, due to the fact that there are a number of varying methodologies of measuring

unemployment. The variations in methods often result in unemployment rates being very different for the same area depending on who has conducted the measurement and which methods were employed in order to do so. The table below depicts that 9% of Elundini’s population is unemployed. Whilst this percentage may seem quite low it is also important to remember that 4% are classified as discouraged work seekers and are therefore technically also not gainfully employed. There is also 47 040 (34%) of the population which is not economically active. Many of those included in the (Not economically Active) population are of working age and therefore could be working. Regardless of the categories that have been used to describe those that are not employed, what is clearly evident is the fact that only 11% of those assessed in Elundini are considered gainfully employed, which is a low employment rate.

**Table 20: Employment Status**

INDICATOR	NUMBER OF PEOPLE	PERCENTAGE
Employed	14207	11%
Unemployed	11 323	9%
Discouraged work seekers	5305	4%
Not economically active	47040	34%
Not applicable	60 265	44%

Source: Census 2011 and CS 2016

## 2.12. Local Economic Development

The LED Strategy which was adopted in 2012 and implementable until the end of 2017 is up for review in 2018/2019 financial year. The implementation of the strategy is within the LED Section managed by the LED Manager located within the department of Spatial Planning and Economic Development and the LED unit structure has been reviewed to increase its capacity.

The key policies that primarily guide the ELM’s economic development are:

- ✓ National Framework for Local Economic Development;
- ✓ National Framework for Sustainable development in South Africa;
- ✓ Industrial Policy Action Plan;
- ✓ Integrated Sustainable Rural Development Strategy;
- ✓ National business Act;
- ✓ Spatial Planning and Land Use Management Act of 2013;
- ✓ Towards an Integrated Urban Development Framework;
- ✓ National Cooperative Development Act of 2011;
- ✓ National Housing Policy and Subsidy Programs;

- ✓ Elundini Local Economic Development Strategy;
- ✓ Elundini Spatial Planning Framework

The National Framework for LED in South Africa has been developed as a guide that seeks to advance an understanding of LED and has put forward a strategic implementation approach that municipalities, provinces, national government, State-owned enterprises and communities may concentrate on in order to improve local economic development.

As per the Elundini Local Economic Development Strategy, the objectives of the municipality are:

- ✓ To create an enabling environment which is conducive to attract investment in the region;
- ✓ To create new employment opportunities, thereby reducing high unemployment levels and poverty therefore improving livelihoods;
- ✓ To develop the human resource potential in the region and promote skills development;
- ✓ To strengthen linkages between urban and rural areas in the municipality;
- ✓ To provide a framework in which a culture of entrepreneurship can be created to reduce dependency on government;
- ✓ To ensure that existing LED projects are strengthened and/or consolidated;
- ✓ To identify new economic potential and how this can be unlocked;
- ✓ To diversify the economic base and strengthen existing industry;
- ✓ To maximize the use of local contractors, business and expertise in the implementation of programs and projects;
- ✓ To identify how resources can be harnessed to promote economic growth and development
- ✓ To encourage linkages between neighbouring municipalities.

The ELM's Local Economic Development program focusses on the following areas:

### **2.12.1. Formal and Informal Trade Development**

ELM recognizes the key role that informal trading plays in poverty alleviation, income generation and entrepreneurial development and, in particular, the positive impact that informal trading has on historically disadvantaged individuals and communities. The Municipality will continue playing its central role in supporting the employment and economic initiatives of micro-enterprises, and prioritized the informal economy in its local economic development strategies.

In the next five years the municipality will be developing guidelines to adopt a more developmental approach towards the informal economy and review the by law which related to street trading/ informal trading. The

Formal & Informal Business Regulations Compliance which focuses on ensuring that businesses have the necessary permits and licenses to conduct their operations within the legal framework will remain as a focus in trade management.

### **2.12.2. SMME and Cooperative Development**

The National Business Act defines the small business as a separate and distinct business entity including cooperatives and the non-governmental organization's managed by one or more owners. As per the act they are categorized into four such as the micro enterprises, very small enterprises, small enterprise and medium enterprises. Presently the SMME sector is not sustainable, it operates on a survival basis rather than growing the enterprises to create sustainable employment opportunities. ELM has begun a process of creating a necessary infrastructure to support SMMEs to operate on a platform that will grow their businesses to enter the formal sector of business. Furthermore the ELM will work on providing programs to equip SMMEs with critical skills to become more competitive and sustainable.

This will concentrate on:

- ✓ Programs for separate segments as per the act;
- ✓ Policy development and review;
- ✓ Nonfinancial entrepreneurial support initiatives with a particular focus on entrepreneurial training;
- ✓ Research on specific sectors and the role of SMMEs in building partnerships
- ✓ Business network development and support;
- ✓ Capacity building initiatives;
- ✓ Public private partnerships for sector development

ELM has a dedicated Cooperative Development Centre (CDC) that plays a role in promoting cooperatives through various support initiatives so that a wider spectrum of the community is able to participate in economic opportunities made available to cooperatives. The CDC also plays a role in identifying the needs for skilling local cooperatives and individuals. Secondary cooperatives are being setup to support primary cooperatives operating within the same sector.

### **2.12.3. Property Development**

Property development aims to increase value of the Elundini Municipality land portfolio and generate long term recurring income for Elundini, by facilitating development of Council owned land by third party private sector developers, through private partnerships. Discussion are underway between ELM and the Department of Public Works to develop land owned by the state within Elundini. Development facilitation includes project packaging, project preparation, development contracting & actual development.

The municipality will:

- ✓ Brand strategic municipal and state owned land;
- ✓ Acquire title deeds for all municipal owned land that has been identified for strategic development to expedite property development transactions;
- ✓ Revenue maximisation;
- ✓ Leveraging of private sector investment

The municipality has enhanced this function with the appointment of a skilled Project Officer in property development. The intention of the municipality going forward is also to empower municipal personnel within the LED section to effectively manage and develop municipal-owned properties.

#### **2.12.4. Industrial Development**

Rural industrialization means focus on promoting the rural based industries by involving local people, resources and expertise or exploring the new business opportunity related with available resources in that particular rural area or cluster in a professional way. Primary beneficiary must be local farmer, artisan and labour in small or medium enterprise establishment in the rural areas and also support the local eco-system and economy

The basic purpose of rural industrialization is to create alternate model for overall development of rural society to avoid over dependency on farming by utilizing available opportunities to establish small and medium industries.

ELM will concentrate on a three-way approach which will help in exploring the rural industrialization, and they are:

- i. Agriculture diversification by exploring the opportunities by farming a completely new range of grains, fruits or vegetables;
- ii. Establish agro-food processing initiatives; and
- iii. Non-farm product business establishment by promoting suitable rural enterprises

### **2.13. Types of Rural Industry available in Elundini (Competitive and the Comparative Advantages)**

There are various types of rural industrial possibilities present in Elundini rural areas such as:

#### **2.13.1. Agro Based Industries**

This industry is related with the processing of agro products such as wool, fruit, oil from oil seeds and other related processing from raw agro products.

### **2.13.2. Forest Based Industries**

There are possibilities to establish industries related to wood products, bamboo products, honey, preparing manure from plant leaves, herbal medicines production and others.

### **2.13.3. Mineral Based Industries**

Minerals identified in the rural areas should be primarily processed in the nearby villages and therefor creating industries within the rural areas.

### **2.13.4. Arts and Craft Industry**

Industries like handloom, handicraft and other local artisan product manufacturing have immense potential to become professionally managed as a small and medium industry. There is a considerable high demand in the market for traditional handloom and handicraft products and a tie-up in between local artisan and private SMEs can create a scope for small or medium scale industry in the rural areas for better growth. ELM has developed a Craft and Art Centre in Mt Fletcher which started its operation in 2016 as a centre of support to the Art and Craft industry.

### **2.13.5. Renewable Energy Industry**

Rural areas can be converted into industry hub for producing renewable energy by setting up of commercial alternative energy plant. The municipality will develop a renewable energy strategy which will guide the municipality of the enterprises that it should pursue in the sector.

### **2.13.6. Agriculture Development**

ELM intends to use the partnership it has with Chris Hani CDC and Joe Gqabi Development Agency to attract a direct foreign investment with Argentinians and other countries. The investment aims at both extensive and intensive farming as well as livestock development. ELM and the local farmers will enter into partnership agreements that will allow large scale production which will include local processing as well. An estimated total hectares to be planted in the next five years is 30 000 for the district of Joe Gqabi and 15 000 for Elundini municipality. The Ugie Industrial park will serve as a processing site for the commercial production. The intention of the municipality, though, is to have Industrial development site in each of the three towns.

The municipality will through its political leadership champion rural development programs that seek to alleviate poverty by targeting rural household leaving below the poverty levels. The program will concentrate on development of multipurpose centres that serve economic and social needs of the community as well as extensive and intensive agricultural activities. The table below depicts number of stock ownership and the type of agricultural activity undertaken in Elundini according to Community Survey 2016:

**Table 21: Stock ownership**

Agriculture	2016	
	Number	Percent
Agricultural households	15 209	42.5%
<b>CATTLE</b>		
1 – 10	5 547	75.5%
11 – 100	1 708	23.3%
100+	89	1.2%
<b>TOTAL</b>	<b>7 344</b>	<b>100%</b>
<b>SHEEP</b>		
1 – 10	1 778	30.2%
11 – 100	3 841	65.2%
100+	271	4.6%
<b>TOTAL</b>	<b>5 890</b>	<b>100%</b>
<b>GOAT</b>		
1 – 10	2 776	55%
11 – 100	2 226	44.1%
100+	46	0.9%
<b>Total</b>	<b>5 048</b>	<b>100%</b>
<b>TYPE OF AGRICULTURAL ACTIVITY</b>		
Livestock production	11 518	84.5%
Poultry production	10 549	81.1%
Vegetable production	4 730	52.3%
Other	5 145	15.3%

### 2.13.7. Tourism Development

Tourism as an economic sector has a potential to grow the local economy and create sustainable jobs and entrepreneurial opportunities. The municipal LED section has created internship posts to provide students who studied Tourism to get the necessary experience required for their studies and this in turn gives the municipality the necessary resources to keep the Tourism Information Centre on weekends opened. ELM in partnership with provincial and national tourism departments will provide opportunities to community members to be trained in various tourism related courses that will empower them to be qualified as tour guides. Various other programs offered by IDC through the national department of tourism will be introduced to the owners of the hospitality facilities.

During the process of developing ward based plans, a number of tourist attractions sites were identified and the Tourism Unit with LED Section is engaging with ward councillors to identify even more attractions that will be used in the tourism marketing material. The LED section will resource itself through the budgeting process to enable it to empower start-up entrepreneurs and community-based organisations within the tourism industry. ELM also provides financial and non-financial support to community initiatives that are tourism related and have a potential to empower local communities.

ELM plans to actively participate in the tourism routes like R56 Route, Madiba Corridor, Maluti Route and any other initiatives in partnership with neighbouring municipalities and the district municipality that have been established.

ELM is also looking at exploring other funding opportunities that made available by various government departments and agencies in order to address the following challenges:

- ✓ Limited funding from municipal resources for tourism;
- ✓ Tourism education, training and awareness;
- ✓ Protection of the environment;
- ✓ Tourism infrastructure, particularly in rural areas;
- ✓ Marketing material

## 2.14. Indicators of Economic Performance

### 2.14.1. Level of Economic Growth

- ✓ The average annual GGP growth for Elundini Municipality over the period 1995 - 2011 is 7.9%;
- ✓ This outpaces the growth of the Joe Gqabi District, which has an average growth rate of 5.1% and far;
- ✓ Outpaces the growth of the Eastern Cape, over the same period, which only shows growth of 2.8%;
- ✓ Elundini economic outlook has improved, but requires that we actively pursue a different trajectory if we are to address the challenges ahead

### 2.14.2. Sector Contribution to GGP

The table below depicts the contribution of different sector into the GDP in our area:

*Table 22: sector distribution to DGP*

SECTOR	2004	2007	2011
Agriculture	8%	6%	4%
Manufacturing	6%	10%	12%
Construction	2%	3%	4%
Trade	12	13%	15%
Transport and communication	9%	9%	7%
Finance and business services	19%	27%	30%
Government	40%	33%	30%



### 2.14.3. Sector Contribution To Employment: (Census 2011)

**Table 23: Contribution to employment**

SECTOR	2004	2007	2011
Agriculture	42%	33%	26%
Manufacturing	2%	4%	6%
Construction	8%	8%	9%
Trade	19%	18%	17%
Transport and communication	2%	2%	4%
Finance and business services	4%	7%	10%
Government	26%	27%	28%

As per the statistic above agriculture contribution to employment as well as contribution to the GGP has decreased whilst the manufacturing has increased. There is a need to diversify the composition of products by value adding products. The broadening of economic space through larger consumer markets can give Elundini Municipality the opportunity to develop its economy and increase its competitiveness. Elundini should focus or target high growth markets with the objective of creating investment and export opportunities in the manufacturing sector especially in forestry and agriculture value adding initiatives which are the back bone sectors of this economy. Exporting however should be pursued at the expense of producing for the local market must be ignored as the combination of both could stabilize the income.

### 2.14.4. Gross Value Added (GVA)

The table below demonstrates how the secondary sector which deals with economic activities such as manufacturing continues to be the largest earner in terms of Gross Value Added.

**Table 24: GVA**

Gross value added at basic prices, Rm ( current prices and constant 2005 prices)				
Industries	Prices	2008	2009	2010
Primary sector	R millions, constant 2005 prices	119	120	112
Secondary sector	R millions, constant 2005 prices	1,540	1,760	1,954
Tertiary sector	R millions, constant 2005 prices	119	120	112

### 2.14.5. Small Town Regeneration Program

The Eastern Cape Office of the Premier allocated R106m over the MTEF beginning 2017/18 ending 2021 for small town revitalisation which covers upgrading of roads, electricity upgrades, sewer reticulation and other

bulk services for revitalisation of Mt Fletcher. A contractor has been appointed to oversee these upgrades over the next three years. A project steering committee has been established and is led by the municipal manager and it is responsible for overseeing the success of the project and ensuring that necessary resources to maintain the infrastructure moving forward are provided.

In support of this initiative the ELM entered into an agreement with the National Department of Public Works and agreed upon a property exchange initiative that will best suit the needs of the community. A property developer has been appointed to build shopping mall that will serve the needs of Mt Fletcher and surrounding areas. Corrective measures have been put to finalise the Mt Fletcher Taxi Rank as part of small town revitalisation. It is however that the municipality has no control over the finalisation of the building of government offices in Mt Fletcher that are also part of the small town revitalisation program. Below is the breakdown of cost for the development of Mt Fletcher:

**Table 25: Projects Planned for Mt Fletcher**

List of projects		Estimations based on engineer's report			
		Estimated cost	Year 1	Year 2	Year 3
1.	Mt Fletcher Government office block development and electricity supply	R 3 million	R 3m		
2.	Mt Fletcher low cost and middle income housing development and electricity reticulation	R 2,510,000. 00		R 2,510,000. 00	
3.	Mt Fletcher Main Street electrical supply upgrade	R 2,073,000. 00	R 2,073m		
4.	Mt Fletcher substation and electrical network supply	R 8,250,000. 00		R 8,250m	
5.	Mt Fletcher Hillgate surfaced road	R 4 million	R 4m		
6.	Mt Fletcher housing bulk sewer supply	R 18 million	R 4,056m	R 7m	R 7m
7.	Mt Fletcher housing bulk water supply	R 19 million	R 5m	R 7m	R 7m
8.	Mt Fletcher residential access streets unpaved	R 24,5 million	R 11, 167m	R 14,167m	R 166 000

9.	Mt Fletcher sewer treatment plant	R 5,3 million	R 5, 3m		
10.	Mt Fletcher Thembeni surfaced ring road	R 10 million			R 10m
11.	Mt Fletcher town alternative surface route	R 8 million			R 8 m
	<b>TOTAL</b>	<b>R 106 636 000. 00</b>			

### 2.14.6. Partnership with P.G. Bison

The municipality has partnered with the private sector, i.e. P.G Bison, in improving various issues in Elundini around Local Economic Development and Social Development. The following are among the examples:

#### 2.14.6.1. *Business Adopt a Municipality Project*

In the area of Business Adopt a Municipality, P.G. Bison has partnered with the municipality around the following areas:

- ✓ Disaster Management
- ✓ Small town revitalization – Maclear & Ugie
- ✓ Furniture factory
- ✓ Skills Transfer

#### 2.14.6.2. *Community Afforestation Project*

- ✓ A formal strategic partnership agreement has been developed where skills transfer over a ten year period is guaranteed through the partnership arrangement with PG Bison.
- ✓ PG Bison is currently offering management, administration and technical support as it is anticipated that timber in close proximity of the PG Bison board plant will be sold to PG Bison at the time of harvesting.
- ✓ PG Bison has employed a Social Forester, whose responsibility is solely to provide all the support to the community Afforestation Projects.
- ✓ The Social Forester has been allocated a vehicle that she uses to travel to these communities on a daily basis.
- ✓ PG Bison offers a forestry learnerships, through funds made available by the Forestry Seta.

#### 2.14.6.3. *Imfundo Schools Learning Program*

The Imfundo Schools Learning Program is an educational program aimed at assisting High School teachers in Ugie and Maclear by equipping them with better teaching skills in Mathematics, Science, Accounting and English.

#### 2.14.6.4. Joe Gqabi and PG Bison Community Vegetable Garden

The community vegetable garden started in March 2014, and is under the ownership of 15 people from the community. The project is an initiative by Joe Gqabi District Municipality as well as PG Bison, with the hope to include Elundini Local Municipality as a partner since the project is in the municipality's jurisdiction.

## 2.15. Basic Service and Infrastructure Development

ELM has a functional PMU located within the Infrastructure Planning and Development Department that is capable in delivering all infrastructure programs. The PMU's Organogram and has since been revised to include the positions of the two (2) ISD Officers who play a social facilitation role and community mobilization in the implementation of all infrastructure projects and both positions have been filled. Among other responsibilities the ISD Officers play, are:

- ✓ Establishment of Project Steering Committee;
- ✓ Facilitation of employment on projects
- ✓ Ensure that project implementation runs smooth

## 2.16. Implementation of EPWP

ELM participates in the Expanded Public Works Program (EPWP) contributing mainly on the Social Sector, Infrastructure Sector and Environmental Sector. ELM has employed an EPWP Coordinator, located within the Community Services Department to ensure that EPWP programs are run and managed effectively. ELM received two (2) Kamoso awards for two consecutive years and recognition of their contribution on EPWP. In 2016 ELM received an award in the Social Sector Category in the Kamoso Award for the employment of CPLWs and in 2017 received an award in Infrastructure Sector Category for Roads and Maintenance.

## 2.17. Water and Sanitation

Water and Sanitation services are not competency of the local municipality. According to the Community Survey 2016, the table below depicts the main source of water for drinking in Elundini:

**Table 26: Main sources of drinking water**

	Joe Gqabi	Elundini	ELM's % access
Piped (tap) water inside the dwelling/house	66 355	13 295	9, 16%
Piped (tap) water inside yard	98 667	13 895	9, 58%
Piped water on community stand	70 294	45 826	31, 6%
Borehole in the yard	4 369	335	0, 23%
Rain-water tank in yard	15 399	3 986	2, 75%
Neighbours tap	10 330	259	0, 18%
Public/communal tap	27 200	13 913	9, 60%

Water-carrier/tanker	2 647	1 176	0, 81%
Borehole outside the yard	5 821	2 225	1, 54%
Flowing water/stream/river	47 567	33 668	23, 23%
Well	11 569	4 542	3, 1%
Spring	12 137	11 630	8, 03%
Other	556	179	0, 12%
	372 911	144 929	

In terms of access to water, 46.09% of households in the Elundini area do not have access to piped water at all. This percentage is quite high and speaks to major challenges in the delivery of this service to households. Only 7% of households have access to water inside the yard whilst 34% of households use a community stand as the main access to water. With regards to the sources of water, 29.06% of households in Elundini use municipal water as a main source of water whilst 15.60% of households use boreholes. 18.07% or 7071 households still use rivers or stream as a main source of water and another 6.49% of households use dams as the main source. It is clear from the statistics presented above that there are significant challenges in terms of ensuring that access to water for all households in Elundini is realized, some of the challenges include the following:

Many areas in Elundini Local Municipality do not have access to piped water. Most urban areas in Elundini have access to water, but shortages are occasionally experienced in Ugie and Maclear. In Mount Fletcher a borehole is being utilized which also results in occasional water shortages. Along with the issue of poor access to potable water is the need to improve water resource management. In the IDP ward analysis of needs identified that 50% of wards indicated that access to water or water supply was a service delivery issue.

The growth of towns such as Ugie is placing increased strain on the existing water infrastructure. Future growth will need to be supported by additional bulk water infrastructure. The insufficient bulk water and purification infrastructure is a significant constraint to future growth as any new residential, office or industrial development in Maclear, Ugie or Mount Fletcher will require additional infrastructure investment. The situation within Mount Fletcher is critical due to the current borehole system being unable to supply for the demand. Since the municipality is busy with the rollout of the Ward based Planning program in all its wards, more accurate figures of people with access to water will be available.

## 2.18. Roads and Storm Water

The Elundini Road Network is made up of the following roads of which the ELM is responsible for 750.4 km of municipal unpaved roads and 29.8 km of municipal paved roads as depicted by the table below:

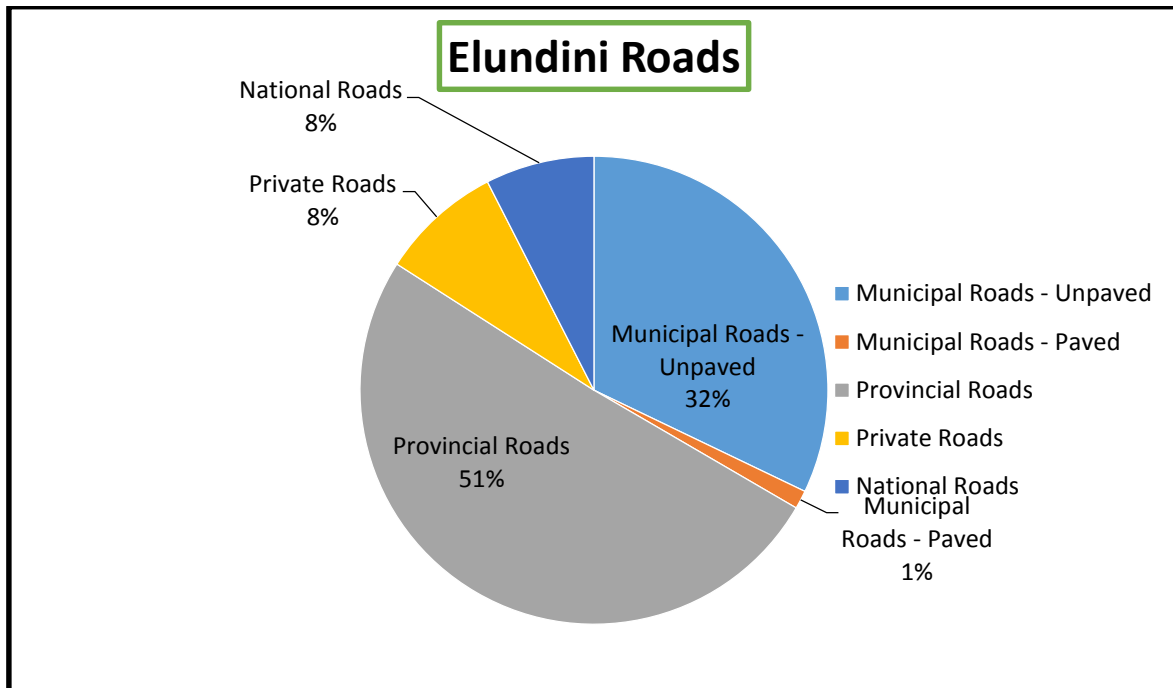
**Table 27: Types of Roads**

TYPE OF ROAD	KILOMETERS
Municipal Roads - Unpaved	750.396 km
Municipal Roads - Paved	29.739 km
Provincial Roads	1 183.83 km
Private Roads	196.655 km
National Roads	175.74 km
Total	2 336.36 km

**Table 28: Gravel Road Infrastructure**

Gravel Road Infrastructure						
	Kilometres					
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded	Gravel roads upgraded to tar	Gravel roads graded/maintained	Surfaced Roads
2013/14	903km	30km	6km	6km	157km	-
2014/15	921km	27km	6km	-	305km	-
2015/16	525km	50, 2km	11km	-	167, 8km	-
2016/17	525km	29.46km	-	2.1km		5448m <sup>2</sup>

As can be seen from the chart below, the municipality has 32% unpaved roads and only 1% of paved roads. Provincial Roads are proclaimed roads (51% of road network) which consist of MR (Main Roads), DR (District) roads and MM (Minor) roads. No funding has been provided for the maintenance of Minor Roads. The National Roads (8% of road network), R56 and R396 are maintained by SANRAL. Private Roads (8% of road network) are mainly farm roads.



**Figure 3: Elundini Roads**

The Department of Roads and Public Works is currently implementing a Roads Asset Management System (EASyRAMS). The program is managed through District Municipalities. The implementation of the SLA between the municipality and the DRPW has also seen the functioning of the Roads Forum with its meetings sitting quarterly chaired by the Political Head for IPD and the secretariate from the DRPW. The Roads Section now uses the EASyRAMS system for the process of establishing a Gravel Road Maintenance Plan.

### 2.18.1. National Roads

These roads are used by heavy freight vehicles and the timber haulage vehicles which have a significant impact in the deterioration of the road pavement design. In the past there were inadequate funds to accommodate road rehabilitation of National Roads but National Roads are now maintained by SANRAL and there has been significant maintenance to the R56 which traverses from the South to North through Elundini Municipality, connecting Ugie, Maclear and Mount Fletcher. It is assumed that future maintenance will be implemented by SANRAL to the R396 which connects Maclear to Tsolo.

### 2.18.2. Provincial Roads

Provincial Roads are proclaimed roads (51% of road network) which consist of MR (Main Roads, the MR00723 which connects Maclear to Rhodes), DR (District) roads and MM (Minor) roads. Most of provincial gravel roads have deteriorated significantly, due to recent rains, to the level where they would desperately need gravelling rather than occasional patchwork. This has resulted in most of the top surface of roads being eroded to the

road bed. Poor drainage leads to roads being impassable in wet weather. No funding is being provided for the maintenance of Minor Roads of which some are in an extremely poor condition. Many of these roads lead to farms and lodges which limits transportation of produce to the market and the travel of tourists into the area.

The DRPW is responsible for the maintenance of Provincial Roads and is doing this through the appointment of a service provider. ELM entered into a service level agreement with the Department of Roads and Public Works for the maintenance of roads in the northern area of Elundini, whereby both municipal and district roads are maintained. Implementation of the SLA has not been smooth-sailing due to financial constraints. This has a detrimental effect on our roads with constant high level of rainfall. All roads in this area have been assessed and are maintained according to a maintenance schedule.

### 2.18.3. Municipal Paved Roads

The table below depicts the number of Elundini’s paved roads:

**Table 29: Number of paved roads**

<b>TYPE OF ROAD</b>	<b>NUMBER OF KILOMETRES</b>
Tar	23,441 km
Block pave	4,145 km
Concrete	2,153 km
<b>TOTAL</b>	<b>29, 739 km</b>

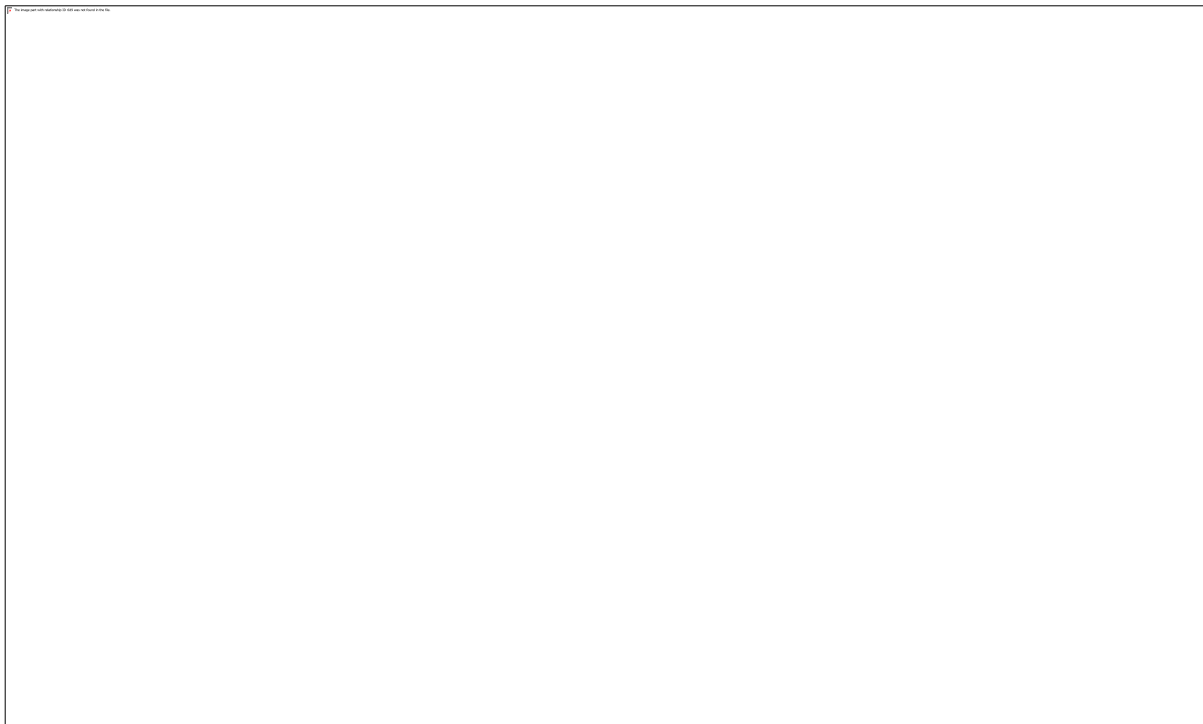
Many of the black top (tar) municipal paved roads are beyond the period of their useful life span resulting in many which need to be reconstructed. The volume of heavy duty traffic has increased considerably damaging roads that were never designed to carry such heavy loads on a regular basis. The municipality is currently investigating the process of resurfacing priority roads. In this regard, note should be taken that: -

- Some identified roads and streets in the town of Mt Fletcher, including the road to Hillgate will be upgraded and surfaced utilizing the grant funding provided by the Office of the Premier, under the small town revitalization program. Charles has some specifics
- Some of the streets in the town of Ugie have been paved by the Provincial Department of Roads and Public Works.
- Council has directed the Municipal Manager to initiate discussions with the Development Bank of Southern Africa (DBSA) for the purpose of procuring a loan estimated at R27, 4 million excluding VAT for the purpose of upgrading the Maclear town inner roads which have been declared as “top priority”. “Whilst DBSA has approved a loan of R31, 3 million to the municipality for the upgrading of certain priority streets in the town of Maclear, National Treasury has not supported the procurement of the loan citing,



inter alia, that such loans should be taken only to finance revenue generating infrastructure. This, as well as a prognosis made by management on a potential deterioration of the municipality’s cash flow situation, has necessitated that the loan being abandoned

**Figure 4: Municipal paved roads**



#### 2.18.4. Municipal Unpaved Roads

The table below depicts the number of Elundini’s paved roads:

**Table 30: Municipal unpaved roads**

TYPE OF ROAD	NUMBER OF KILOMETRES
Gravel roads	525, 037 km
Earth roads	39, 873 km
Tracks	185, 484 km
<b>TOTAL</b>	<b>750, 394 km</b>

From the chart below it can be seen that 5% of unpaved roads are earth roads and 25% of unpaved roads are tracks. No maintenance can be done on these roads and any rain would simply cause tracks to become muddy when bladed with a grader. The above chart does not take into consideration any new roads which require construction. This leaves the Roads Section with a total of 525km of gravel roads to maintain.



**Figure 5: Municipal unpaved roads**

**2.18.5. Condition of Gravel Roads Assessed**

The table below depicts condition of Elundini’s gravel roads:

**Table 31: Condition of Elundini roads**

CONDITION OF ROAD	NUMBER OF KILOMETRES
Maintenance	117, 714 km
Poor	129, 673 km
Very poor	140, 347 km
<b>TOTAL</b>	<b>387, 734 km</b>
Not Assessed	137, 303
<b>GRAND TOTAL</b>	<b>525, 036 km</b>

It can be noted that there were a number of roads that were not assessed. The reason for this is that these roads were either being constructed or that the roads technician could not gain access to the road. It can also be noted from the above diagram how important a maintenance plan is in order to ensure that our road infrastructure does not deteriorate any further. In the development of a maintenance plan, the above roads will be taken into consideration and presented for prioritization.

## 2.19. Documentation which Influences the Construction and Maintenance of Roads

There are a number of documents which set guidelines to both the PMU Section and the Roads Section when constructing or maintaining roads. They are:-

### a. Local Integrated Transport Plan (LITP)

Minimum contents for a Local Municipality's Integrated Transport Plan:

- ✓ The ELM Local Integrated Transport Plan (LITP) is prepared for every five years and submitted to the district municipality. The plan should be updated annually where appropriate;
- ✓ The plan has been prepared as an input to the District Integrated Transport Plan (DITP) and synchronised with the timing of the preparation of the DITP. The LITP must consist of the chapters as indicated below:
  - i. Introduction
  - ii. Transport Status Quo (Inventory and condition of transport infrastructure)
  - iii. Transport Needs Assessment
  - iv. Transport Improvement Proposals
  - v. Implementation budget and program
  - vi. The LITP is a working document in which changes are made and updated on an annual basis.
  - vii. The LITP is a comprehensive document and it identifies a number of projects that are required to be completed internally.
  - viii. The LITP incorporates the Roads Master Plan which is linked to the municipality's LED Strategy.

### b. Storm Water Master Plan (SMP)

The master plan has been implemented in the rehabilitation of the Sonwabile Roads Project and will continue in other projects.

The main aims of developing the SMP are, among others are:

- i. Update the existing records of infrastructure assets
- ii. Manage storm water assets
- iii. Identify problems or problematic areas within the storm water systems
- iv. Develop a rational basis from which to implement improvements
- v. Develop storm water guidelines and standards for future work

### c. Roads Asset Management Policy

The document provides an example of a road infrastructure asset management policy document that will meet the requirements of the ISO 55000 Asset Management International Standard and Act No. 19 of 2007: The Government Immovable Asset Management Act (GIAMA). The document is intended to serve as an example to Road Authorities to develop their own road infrastructure asset management policies and related systems.

The document strives to address the issues identified in ISO 55001 that need to be addressed in an Asset Management Policy namely:

- i. are appropriate to the purpose of the organization
- ii. provide a framework for setting asset management objectives
- iii. include a commitment to satisfy applicable requirements
- iv. Include a commitment to continual improvement of the asset management system.

The road infrastructure asset management policy shall:

- i. be consistent with the organizational strategic plan(s)
- ii. be consistent with other relevant organizational policies
- iii. be appropriate to the nature and scale of the organization's assets and operations
- iv. be available as documented information
- v. be communicated within the organization
- vi. be available to stakeholders, as appropriate
- vii. be implemented and be periodically reviewed and updated.

The goal of our road infrastructure asset management policy is:

*"To ensure that the Elundini Access Roads provide the best possible level of sustainable service to users and optimal economic growth of the ELUNDINI MUNICIPALITY, subject to budget constraints."*

#### **d. Road Maintenance Plan**

The Elundini Local Municipality has established a need for the development of a comprehensive Roads and Storm Water Maintenance Plan that provides a structure within the municipality to strategically budget for maintenance of its roads and storm water infrastructure. The purpose of the Maintenance Plan is to provide the Municipality with a broad overview of the Maintenance Strategy and how this is accommodated within the allocated budget. The following are the main items that are taken into consideration when developing the Maintenance Plan:

- i. Assessing the road network in order to quantify the required road maintenance activities,
- ii. Developing a preliminary road maintenance strategy,

- iii. Develop a priority list of work to be conducted which is acceptable to all stake holders to suite the available budget, and
- iv. Social requirements of the community.

Activities of Road Maintenance are listed below:-

- i. Paved (Tar) Roads:-
  - a. Pot Hole Patching
  - b. The application of a slurry to the road to seal cracks
  - c. Maintenance of associated storm water
  
- ii. Gravel Roads (these roads have existing storm water infrastructure):
  - a. Dry Blading
  - b. Wet Blading
  - c. Special Blading
  - d. Patch Gravelling
  - e. Maintenance of associated storm water
  - f. Rehabilitation of the road by rip, reshape, compact and add a new gravel wearing course to the road

Any roads where there is no gravel on the road and requires the design of storm water infrastructure should be accepted as roads which require construction.

#### **e. Funding for Road Maintenance**

Road maintenance funding for rural access roads has always been a challenge but recently there have been new developments.

There has been a change in the Division of Revenue Bill of 2016 which states that:

- ✓ Local municipalities investing in roads infrastructure must utilise data from the Rural Roads Asset Management System (RRAMS), where available, to identify and prioritise their investment on roads projects; including roads maintenance

ELM therefore is required to develop the Roads Maintenance Plan in line with the Rural Roads Asset Management System (RRAMS) including the funds that will be allocated to the plan.

## **2.20. Status Quo in the Roads Section**

ELM has a full functional Roads Construction Unit with a full set of Plant equipment to ensure quality services are rendered in our internal projects. ELM entered into a service level agreement with the Department of Roads

and Public Works for the maintenance of roads in Mt Fletcher. Of importance to note is that for each capital project to be undertaken, a thorough EIA is done to ensure compliance with the relevant applicable Act. In terms of this arrangement, the municipality is contracted by the Department of Roads and Public Works to undertake routine and extensive maintenance of provincial roads within demarcated areas, for a predetermined contractual amount. With the “earned profit” the Municipality is to also attend to the access roads that are adjacent and/ linked with the provincial roads in order to integrate service delivery and avoid creating service delivery islands.

The Municipality recovers its costs for roads construction through the Municipal Infrastructure Grant (MIG) and the district roads maintenance service level agreement (SLA) entered into with the Department of Roads and Public Works (DRPW). The municipality uses “An Industry Guide to Infrastructure Service Delivery Levels and Unit Costs” document, issued by Department of Cooperative Governance and Traditional Affairs (COGTA), to determine the upper limits of allowable rates to be recovered from the MIG, whilst the SLA with DRPW specifies the rates that can be charged for work completed. Below is a summary of detailed findings that focus on operational and procedural aspects of the review:

**Table 32: Review Findings**

	<b>FINDING</b>	<b>PERFORMANCE AREA</b>	<b>MANAGEMENT RESPONSE PLAN</b>
1	Insufficient reserves built up for replenishing of the fleet	Financial performance	Increase the productivity in order to provide sufficient reserves for the replenishing of the fleet
2	Plant nearing the end of its useful life	Financial performance	Accredited service provider will evaluate the plant to see if its useful life can be extended.
3	The Servicing and Maintenance of the plant has not been managed properly	Plant Productivity	Schedule of maintenance of the plant has been developed and is being implemented although the section requires additional capacity. The revision of the organogram calls for additional capacity to strengthen this function to implement some of the servicing in house to reduce expenditure with Bell Equipment who currently implements all maintenance and repairs on Bell plant

4	Lack of standard operating procedures or guidelines in the operation of the plant	Plant Productivity	A set of Standard Operating Procedures has been formulated and the policy adopted by Council. Additional capacity is required for the implementation of the policy. The additional capacity has been formulated in the new organogram
5	Deficiencies in preventative maintenance processes	Plant Productivity	This item has been addressed under item 3 above
6	Duties and responsibilities on personnel involved in running the plant	Staffing	There has been a lack of capacity in this section but the section is waiting for the outcome of the work study and new organisational structure to be adopted by Council
7	No continuous training for the key staff running the plant	Staffing	During this financial year the operators and other key personnel have been sent for training
8	Inefficient Records Management	Operations and Management	This was initially resolved through the appointment of a contract roads technician but the individual responded to an internal advert and accepted an appointment in the PMU. Internal memos have been issued to address the problem But the section requires the adoption of the new organisational structure to resolve the problem
9	Lack of monitoring of actual expenditure	Operations and Management	The post of a departmental accountant has been identified on the new organisational which requires the adoption by Council
10	Lack of project management on previous projects implemented	Operations and Management	PMU will ensure proper project management for all the projects that utilises the plant
11	Deficiencies noted on the licencing of vehicles	Operations and Management	Licensing deficiencies has been resolved
13	Lack of a letter of good standing.	Operations and Management	Letter of good standing has been obtained.

## 2.21. Housing Provision

The provision of houses remains the sole responsibility of the Department of Human Settlement and the Elundini Municipality only plays the facilitation role. The facilitation responsibilities of the municipality include but not limited to:

- ✓ Identification of suitable land for building of houses in line with the SDF;
- ✓ Engaging communities on the suitable type of houses to be built on their areas;
- ✓ Compiling a demand list, submit it to the municipal Council for endorsement then send project list to the DHS;
- ✓ The department then develops a project list of new houses to be built in dealing with the housing demand;
- ✓ Compiling of beneficiary lists and submitting it to the department for scanning;
- ✓ Engaging other sector departments for the provision of other services;

The Department of Human Settlement, together with the ELM, have during the financial year, 2014/2015, undertook a second round of reviewing the Elundini Housing Sector Plan (HSP). The review of the HSP has led to a substantive status quo analysis, aiming to meaningfully identify and assess the housing and infrastructure situation as it related to demand, supply and integration. Importantly so, when reviewing the HSP, much was put on the implementability of desired projects to ensure accelerated development of sustainable human settlement and therefore, for each identified project, a feasibility study was conducted. As a result, the HSP lists all implementable projects as 'planned', whereas the non-implementable ones are reflected as 'desired'. Other housing projects for ELM can also be seen on Section G of this document.

The pivotal foci of the HSP review process were: **integration** – characterized by visits to the broader community, sectorial departments and stakeholders; **inclusivity** – characterized by presentation of the HSP to the municipal Council for endorsements, resulting in ultimate approval of the HSP by the MEC for Human Settlements; and **analysis** – characterized by a study of the human settlement situation, latest statistical data and other relevant documentary evidence. The HSP, with further details on human settlement is attached to this document as an annexure. Although the housing provisioning rests with the department of Human Settlement, the municipality together with the officials from the department has identified all blocked and defective housing projects and those that are ready to be implemented. The identified housing projects are located in the urban areas as well as in the prioritized areas. ELM in line with the Municipal Property Rates Act, develops a valuation roll of all the registered properties within its area of jurisdiction. The Act requires that local municipalities to generate a valuation roll every 4 years and a supplementary valuation roll every year to update relevant information on the roll. The value of the properties



reflecting on the valuation roll serves as the basis for the property rates billed to property owners to generate municipal revenue as depicted in the annual budget report. Due to the alignment process with the amended property rates Act, CoGTA has requested all municipalities to extend the validity period of the valuation roll with one year in order to facilitate an improved reporting and assessment process for all municipalities to ensure compliance to the Act.

ELM is in the process of revising existing town planning schemes and policies in order to align with the Spatial Planning and Land Use Management Act. The municipality’s GIS system is being upgraded in order to ensure accuracy of all available information on properties and municipal assets and infrastructure. Importantly in line with the Property Rates Act, Municipal By- Law and Property Rates Policy, property owners are billed rates monthly which are due and payable within 30 days of date of invoice. Of importance to note is that in ELM there were no land claims lodged in our municipal area and this was verified by the letter received by the municipality from the Land Claims Commissioner.

## 2.22. Electricity

The statistics as per Community Survey 2016 for access to energy is as follows:

### 2.22.1. Household access to electricity

**Table 33: Access to electricity**

Source	JGDM	ELM
In-house conventional meter	21714	6165
In-house prepaid meter	283756	87741
Connected to other source which household pays for	2199	24
Connected to other source which household is not paying for	128	-
Generator	362	170
Solar home system	2832	2322
Battery	-	-
Other	4206	3659
No access to electricity	57715	44847

Source: Community Survey 2016

### 2.22.2. Household usage of candle

**Table 34: Use of candle**

	Yes	No	Unspecified
DC14: Joe Gqabi	197556	128730	46626
EC141: Elundini	94124	32907	17899

Source: Community Survey 2016

### 2.22.3. Municipal survey on electricity

Access to electricity has progressively improved since the last financial year because there have been some areas around the municipality that have been electrified. The most hit areas still without electricity are the rural villages around the Mt. Fletcher area. ELM bills its urban consumers of electricity on a monthly basis. ELM has developed the Electricity Master Plans, incorporating the Notified Maximum Demand (NMD) for electricity, for both Ugie and Maclear towns intended for both the development and expansion of electricity infrastructure and supply for both towns. ELM was given license by NERSA to supply and distribute electricity to the towns of Ugie and Maclear. The municipality is also providing alternative energy, solar system, to Wards 4, 8, 11, 12, 13, 14, 15 and 16. The electrification of rural households is largely dependent on the electrification program by ESKOM.

ELM, through its Public Participation Unit, together with the Ward Councillors has, towards the end of calendar year 2015, consolidated a list of all households in all the wards that are still not have been electrified. The electrification backlogs below reflect that there are still 21 523 households, equaling 44, 8% of households who are still not have been electrified and 26 559 households, equaling 55, 2% of households that have been electrified. This number indicates that there has been an increase of 16, 2% from 39% of households who have been electrified during the year 2015/2016. It must also be indicated that the updated figures of electricity backlogs will be updated once the program of the ward based planning has been completed.

The table below depicts the electrification backlogs and planned electrification for 2017/18 by ELM:

**Table 35: Planned electrification program**

				PLANNED 2017/18					
WARD	Villages	Total H/H	Electrified	ESKOM	ELM	COST	Not electrified	% Not electrified	Required to eradicate backlog
1	10	2 837	0		576	R 15 170 000.00	612	22%	R 14 076 000.00
3	1	200	0	675		R 12 213 365.00	200	100%	R 4 600 000.00
4	11	2 697	304	1 077		R 19 499 584.00	425	16%	R 9 775 000.00
5	15	2 704	2 348				356	13%	R 8 188 000.00
6	9	4 848	4 732				116	2%	R 2 668 000.00
7	26	3 017	548				2 358	78%	R 54 234 000.00
8	21	2 422	988	57	330	R 8 496 854.00	1 144	47%	R 26 312 000.00
9	7	2 354	1 648	282		R 4 580 000.00	706	30%	R 16 242 600.00
10	16	3 911	2 999	518		R 8 901 652.00	912	23%	R 20 976 000.00
11	12	3 065	2 281	120		R 2 010 251.00	749	24%	R 17 227 000.00
12	11	4 430	0				3 895	88%	R 89 585 000.00
13	13	2 619	0	541		R 9 984 000.00	2 069	79%	R 47 587 000.00

14	12	2 073	486	500		R 8 383 635.00	1 587	77%	R 36 501 000.00
15	24	2 826	626				2 200	78%	R 50 600 000.00
16	16	3 466	478				2 877	83%	R 66 171 000.00
17	16	2 866	1 784				532	19%	R 12 236 000.00
<b>17</b>	<b>220</b>	<b>46 335</b>	<b>19 222</b>	<b>3 770</b>	<b>906</b>	<b>R 89 239 341</b>	<b>20 738</b>	<b>45%</b>	<b>R 476 978 600.00</b>

As per the ESKOM electrification program, below is the plan for electrification for the financial year 2017/2018 in Elundini:

**Table 36: Planned electrification by ESKOM**

Project Name	Project Type	Total Planned CAPEX	Total Planned connections	Beneficiaries
Amahlubi 02	Household	R 2 010 251	120	Fletcherville
Amahlubi 02 Link Line	Infrastructure	R 980 000		
Bakoena 05 SP	Household	R 9 788 314	541	Diphini, Café (Khohlong), Ntoko
Bakoena 05 SP Link Line	Infrastructure	R 1 137 264		
Batlokoa 03 SP	Households	R 8 383 635	500	Lower Tokoana
Batlokoa 03 SP Link Line	Infrastructure	R 1 137 264		
Elundini Phase 3	Households	R 12 213 365		
Elundini Phase 3 Link Line	Infrastructure	R 1 137 264		
Elundini Phase 4	Households	R 19 499 584	1 077	Part of Emaromeni, Part of Platana, Mcambalala, Hardenberg, Nkobongo, Indingo, Njaboya, Plazini, Magedla
Elundini Phase 4 Link Line	Infrastructure	R 1 098 048		
Matsura Electrification	Households	R 931 380	57	Braki
Elundini Type 1 Infills	Infills	R 4 340 230	896	
Tinana	Households	R 4 490 232	282	Gobho, Thembeni
Tinana Link Line	Infrastructure	R 1 137 264		
Elundini Extensions	Households	R 8 901 652	518	Khalankomo, Thabakhulu (Popopo)
Elundini Pre-engineering	Pre-engineering	R 2 549 040		

## 2.23. Transportation

### 2.23.1. Freight transport

Being a rural municipality, freight transport is an important facility for the Elundini. The various businesses and institutions rely on freight transport services to import most of the food, products and goods needed for local consumption. The growing timber industry in the area places a significant burden on the road network and

damage to the roads is evident on most routes. National government has developed a strategy around freight transportation through rail systems. A railway line exists within the municipality but is defunct.

A truck stop in Ugie, owned by PG Bison was completed in 2008 and is operational, creating a significant impact on freight transportation in the area. PG Bison has proposed a by-pass route from MR 723 to R56 via Maclear. There are problems that are brought about by the heavy duty trucks ferrying logs in particular between Maclear and Ugie towns resulting in excessive silt on surfaced streets and blocking storm water drainage system. In the process of negotiating a bypass around Maclear with PG Bison, there is a need for PG Bison to provide wheel washing bays for their trucks. ELM is also looking at the possibility of constructing a weigh bridge so that the money generated from it can be used back in repairing and upgrading our roads as they are being damaged by the heavy loads carried by the heavy trucks.

### **2.23.2. Public transport**

Related to provision of public transport is the need for basic essential services such as water, sanitation and shelters at key facilities. There is a need to provide these services at all the nodes (rural and urban) as defined in the Spatial Development Plan. Areas with high dependency on public transport especially the primary and secondary nodes should receive priority. These are mostly remote rural of ELM. ELM currently has no vehicle testing station and a weigh bridge in place but there are plans in place for the construction of these two facilities. It must be noted that the municipality only provides for driving licensing for Code 8 and vehicle registration only on behalf of the Department of Transport.

There is no official taxi rank in Ugie but an informal taxi rank, on the main street is being used. This arrangement is not suitable for commuters and there are no shelters, however there are ablution facilities. There is a formal taxi rank in Maclear in Fourie Street. This taxi rank functions well as it has taxi / bus shelters and ablution facilities for commuters. The taxi rank is insufficient for all the taxis as taxis can be seen using other areas around town as informal taxi ranks. The ablution facilities in the Maclear taxi rank are not well maintained and need to be upgraded. There is a plan to close the storm water drain in the south eastern side of Fourie Street with a view to provide hawkers facilities.

During the year 2014/2015 ELM has set aside an amount of R 15 million for the construction of Mt Fletcher Taxi Rank to be completed in July 2016. The facility provides for both modes of transport, taxis and busses and as well has facilities for hawkers through the construction of hawkers' stalls. The facility also has a management building for the operators of the taxis and the busses. Within the management building there is also a provision for two (2) ATMs, should banks be interested to utilize the facility.

The municipality is in discussions with the Department of Public Works to acquire certain underutilized properties, notably Erven 245 and 246 for commercial development which will interface with the taxi and bus rank.

The following modes of public transport are prevalent in the Elundini Municipality:

- ✓ Long distance buses,
- ✓ Mini buses and taxis,
- ✓ LDV bakkies with canopies which also provide scholar transportation,
- ✓ Horseback
- ✓ Problems relating to public transportation include the following:
- ✓ Non availability of a local integrated transport plan. However the municipality is currently developing such a plan.
- ✓ Poor road conditions.
- ✓ Lack of designated public transport route.
- ✓ Lack of capacity at local authority levels to address public transport planning.
- ✓ Lack of sustainable and dedicated funding for public transport services, facilities and maintenance.
- ✓ Inadequate scholar, disabled and elderly transport.
- ✓ The illegal use of “bakkies” as public transport vehicles.
- ✓ Ageing of minibus-taxi vehicle fleets.
- ✓ Lack of public transport information.
- ✓ Public transport safety and security.
- ✓ Lack of roadworthy testing station

### **2.23.3. Railway services**

The weekly railway transport passenger services between Johannesburg and the Eastern Cape is only accessible at Burgersdorp to the West of the district and has very little impact on the rest of the area, especially Elundini, which is situated in the East of the district. The branch line which used to serve as a freight and passenger facility is no longer operational

### **2.23.4. Airfields**

There are two airfields in the area, which comprise grassed surfaces without lighting for night use. The airfield at Maclear is 1790 meters in length and the airfield at Ugie is 1000 meters in length.

### **2.23.5. Non-motorised transportation**

Mostly, pedestrians in the township walk to various destinations, few use bicycles. The municipality has also constructed sidewalks for use of bicycles.

## **2.24. Public Amenities**

### **2.24.1. Sports and Recreation Facilities**

Mt Fletcher and Ugie have facilities which have been built by DSRAC through the project called B.S.R.P. (Building for Sport and Recreation Project). The one built in Ugie has been vandalized. With the high percentage of youth in the population make-up it is essential to provide sports and recreation facilities. The Municipality has adopted a strategic intent to coordinate and support sporting activities through forming strategic partnerships and establishing sporting structure to promote sporting in ELM. The municipality has utilized the MIG funding to rehabilitate the Mount Fletcher sportsfield.

The stadium comprises a combined soccer/rugby field with irrigation system, synthetic running track, tennis court, netball/basketball combi-court, palisade fencing, flood lights, ticketing room, change rooms and ablution facilities. The stadium was completed in the 2012/13 financial year. However, it has not been open to public for use due to the lack of electricity which is necessary for proper irrigation. Engagements and interventions have since been made with Eskom but to date the power supply to the stadium has not been upgraded and energized. Since the stadium has been completed in 2012/13 the facility has been suffering from vandalism by the community.

During the year 2013/14 the Municipality started the construction of Hopedale Sports Field, planned for implementation over 2 financial years, at a value of R11, 3 million. The stadium comprises 1km access road to the stadium, 2 soccer fields, a rugby field, baseball field, netball court, sabhunga running track, flood lights, palisade fence, grand stand, change rooms, ablution facilities and the kiosk. The project has been completed in May 2016.

During the 2015/16 financial year the Municipality implemented the construction of TV Park Sports Field in Maclear, budgeted R5, 7 million. The scope of work consists mainly of soccer field/rugby field combination field, tennis/netball combination court, ablution facilities and change rooms and ticket office, construction of palisade fencing with secured gate(s), grand stand, etc. During the 2016/17 financial year the Municipality prioritized the implementation of Ugie Sports Stadium. The overall project estimate is R12, 8 million. However, only R4, 5 million has been budgeted for the 2016/17 financial year.

### 2.24.2. Community halls

From the table below, it shows that only 8 Wards in ELM have community halls and 9 wards do not have community halls. Some of the halls are either not accessible to the communities as there is no clear-cut policy of utilization or their accessibility is a challenge because of poor roads leading to them. Most rural communities are struggling as there are no halls within their areas of residence. In every community engagement with the Mayor the issues of the construction of community halls is always raised as a need in all the wards that do not have them.

The table below depicts the number of wards that have community halls and those that don't have community halls:

**Table 37: Community halls**

WARD No	NUMBER OF HALLS	NAME OF VILLAGE(S)
01	0	
02	1	Ntokozweni
03	1	Sonwabile
04	1	Maclear Town
05	0	
06	0	
07	0	
08	0	
09	1	Mt Fletcher Town
10	0	
11	0	
12	1	Mangoloaneng
13	1	Moabatsane Village
14	0	
15	1	Bethania Village
16	0	
17	1	Ugie Municipal Hall

Except for the Maclear and Mt Fletcher Town Halls, which have recently been renovated, the rest of the community halls are in a state of dilapidation and require emergency repairs.

### **2.24.3. Cemeteries**

Most of the cemeteries in the municipality are generally nearing maximum capacity and a cemetery management system is required to co-ordinate their effective use. Of critical urgency are the numerous informal cemeteries/grave yards which are being used in and around the informal settlements of the three towns. These burial places are not registered and are not compliant in terms of environmental and other legal provisions such as EIA compliance. In Maclear, the only possible land for expansion is located on a vacant land owned by Public Works and used by the Magistrates Court. A new cemetery has been reserved on the outskirts of Maclear and this could accommodate 3000 graves. Unfortunately the community is currently refusing to utilize this new facility.

Generally the key challenge regarding cemeteries in the municipality is around communities being reluctant to use formally established cemeteries to avoid paying user charges. They instead resort to using informally established and unplanned cemeteries which must be closed down as a matter of urgency since this severely compromises the natural environment.

### **2.24.4. Pounds for small and large animals**

In terms of the powers and functions, pound management is the responsibility of the municipality. Supporting legislation includes the relevant Pound Ordinance which is still applicable.

All three pounds are not in a good state and do not conform to the SPCA standards for animal care. With the exception of the Maclear pound the two other pounds in Mt. Fletcher and Ugie are placed in ideal locations. The Maclear pound is still situated within the office premises of the municipality, something that is likely to have serious health implications to both staff and municipal visitors. The pound needs to be relocated to an already identified and partially developed pound structure situated on the outskirts of Maclear town.

### **2.24.5. Parks and open spaces**

There are five (5) existing parks in ELM located in Ugie, Maclear and Mount Fletcher. Four of these parks were beautified. Caravan Park in Maclear was revamped and refurbished into an income-generating park for tourists. The refurbishment entailed the construction of swings, a braai area, tables and chairs, upgrading of electricity connections, building of walkways and installation of geysers and showers.

A lot, though, still needs to be done on the established parks in ensuring that they are well cared for and maintained. Upgrading of these which must include re-grassing, landscaping and fencing are matters which must receive priority attention. Installation of playground equipment as well as outdoor furniture within parks themselves and on pavements are features that have a potential of making our parks practical and user friendly



spaces. There still is a challenge of providing secured ablution facilities on our parks to promote health and hygiene. Some of the parks like the one opposite the entrance to the municipal offices may need to be transformed into botanical gardens also in line with the “greenest concept” embraced as part of the municipality’s strategic goals.

**NB. A public amenities maintenance and management plan has been developed and approved by council and is being implemented.**

### 2.24.6. Library and Information Services

Libraries are a function of the district sphere of government currently performed by the municipality on an agency basis. To give effect to this arrangement a Service Level Agreement has recently be signed with the district municipality who have committed to funding the services by way of a subsidy to the amount of R1,2m. All three towns operate library facilities through seconded professional librarians assisted by staff appointed by the municipality. Some of the challenges regarding libraries include:

- ✓ Lack of access to internet services (in some libraries)
- ✓ Space constraints (no discussion rooms, offices etc.)
- ✓ Lack of dedicated maintenance plans
- ✓ Adequate funding
- ✓ Non-existence of a Memorandum of Agreement

## 2.25. Community Safety and Security

The fight against crime remains a challenge in the municipality and this is exacerbated by a very few number of police stations found in our area. Even those that are available, accessing them still remain a challenge because of poor road infrastructure and poor telecommunication. There are Safety Forums chaired by Political Head responsible for Community Safety at the district and they sit quarterly. There are only eight (8) police stations in Elundini as indicated by the table below:

**Table 38: Ward with police stations**

POLICE STATION/COMMUNITY SERVICE CENTRE	AREA
Ugie	Ward 2
Maclear	Ward 3
Elands’ Height	Ward 4
Katkop	Ward 7
Mbizeni	Ward 8
Mt. Fletcher	Ward 9

<b>Tabase</b>	Ward 13
<b>Zamuxolo</b>	Ward 14

The municipality maintains a service of traffic officials to administer drivers licensing, traffic and parking management. The employment of Law Enforcement Officers has somehow eased the challenge of the implementation of by-laws although they still await their accreditation.

## 2.26. Primary Health Care and Municipal Services

In terms of the powers and functions, Environmental Health Services is a function of the District Municipality while Primary Health Care services have been provincialized. ELM responsibilities with regard to MHS are in the area of issuing of business licenses to food handling premises as well as registration of general dealers, control of nuisances, overgrown erven, enforcement of related bylaws and National regulations as well as other issues which may affect public health

### 2.26.1. Health Facilities

The ELM is characterized by a lack of access to health facilities as evident by the number of health facilities found in our area. The ELM has only two (2) hospitals and twenty one (21) clinics and four (4) mobile clinics in its area of jurisdiction. Areas that are normally serviced by the mobile clinics are usually those that are hard to reach areas due to either population size and mostly due to poor access roads. The Presidential Project of ideal clinics has been started in three (3) clinics of Maclear Town, Queen Noti and Taylor Bequest who will be functioning for 24 hours. The Emergency Medical Services are also found in Maclear, Ugie and Mt Fletcher. The two tables below depict the number of health facilities found in Elundini:

**Table 39: PHC Facilities per Sub-District**

Sub-Districts	Mobiles	Satellites	Clinics
Elundini Sub District	4	0	21
Maletswai Sub District	5	2	11
Senqu Sub District	8	2	20
District total	17	4	52

**Source: DHIS Pivot tables**

The table below as depicts the location of clinics in Elundini:

**Table 40: Location of clinics**

Name	Ward No.	Type of Facility	Name	Ward No.	Type of Facility
Empilisweni Clinic (Old location Ugie)	02	Clinic	Khungisizwe (Upper Nxaxa)	07	Clinic
Ngxaza Clinic	05	Clinic	Seqhobong Clinic	13	Clinic
Hlangalane Clinic (Ramatee)	07	Clinic	Sonwabile Clinic	03	Clinic
Hlankomo Clinic	16	Clinic	St. Augustine's Clinic	05	Clinic
Katkop Clinic	07	Clinic	Taylor Bequest Hospital	09	District Hospital
Maclear Town Clinic	03	Clinic	Taylor Bequest (Solomzi	09	Clinic
Maclear Hospital	03	Hospital	Ugie Town Clinic	02	Clinic
Mangoloaneng Clinic	12	Clinic	Ulundi Clinic	14	Clinic
Bethania Clinic	15	Clinic	Umnga Flats Clinic	01	Clinic
Mqokolweni Clinic	06	Clinic	Ncembu Clinic	01	Clinic
Queen Noti Clinic	06	Clinic	Gqaqhala Clinic	17	Clinic
Lower Tsitsana	04	Clinic			

A large number of people in Elundini remain without access to healthcare as there is no mobile service in the Mount Fletcher and the Ugie mobile service is not in operation. In the areas where the mobile clinic is operational, the poor conditions of the roads make it impossible to access some communities. Maclear has 131 mobile visiting points, but only frequents 120 because of the bad road conditions. There are on-going District Health Council (DHC) meetings which are held monthly in order to discuss plans to roll out primary health care facilities for better and equitable access. Possible extensions to the Ugie Clinic with a view to transforming it into a 24 hour facility/health center are as reportedly being considered by the provincial Government. It is too expensive for all of the communities to access the fixed health facilities in town. This means that they can't attend preventive services such as immunization for children and family planning.

The plan overleaf indicates the spatial location of community facilities in the form of clinics, hospitals, police stations and schools in the Elundini Municipality. Challenges that characterize the functioning of some health facilities in Elundini include, but not limited to, the following:

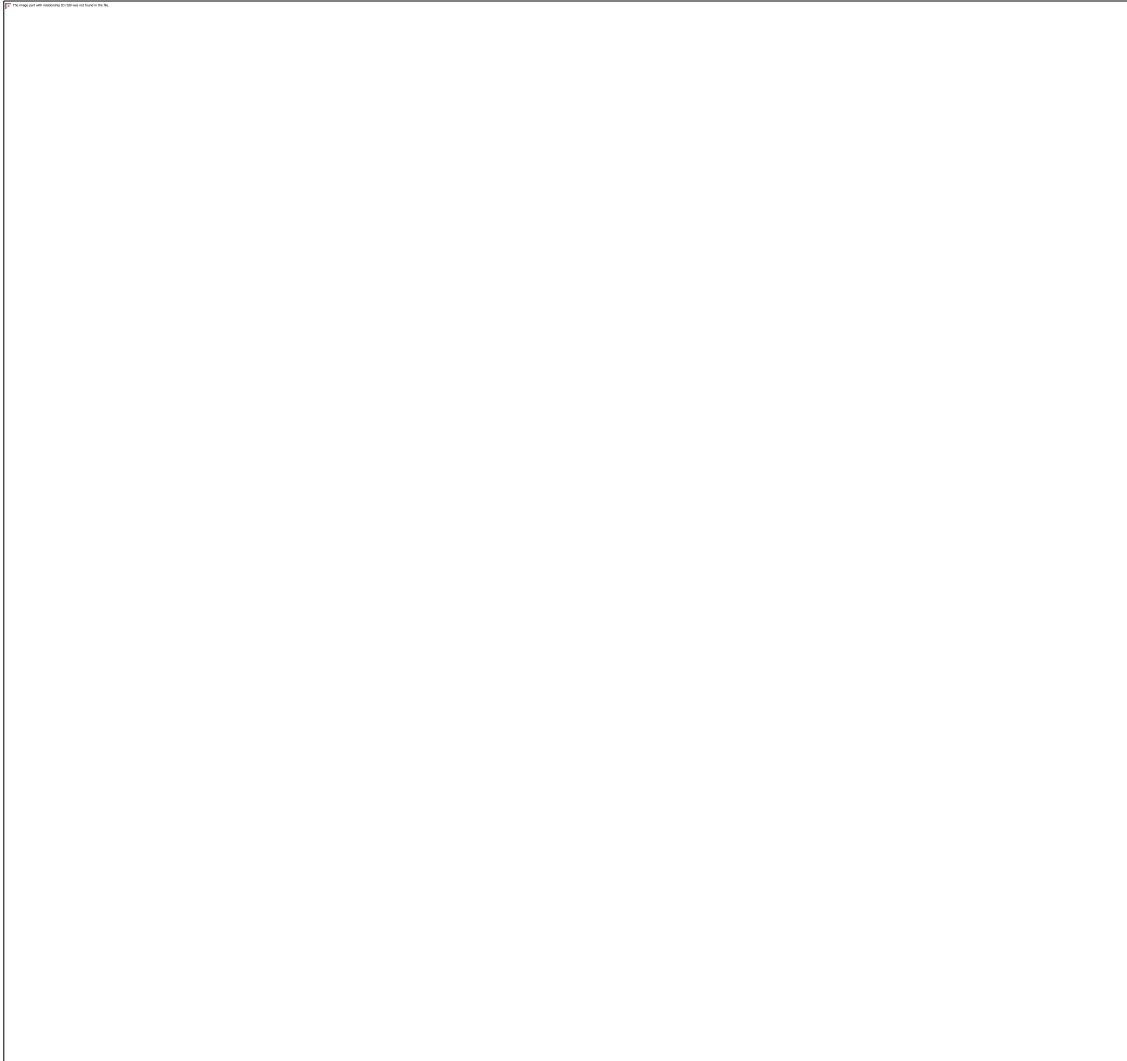
- ✓ Shortage of staff
- ✓ Lack of running water;
- ✓ Lack of telecommunications;
- ✓ Poor access roads;

- ✓ Lack of electricity;
- ✓ Continuous overflowing of sewerage ponds in clinics around Mt Fletcher;

### **2.26.2. Priority Health Promotion**

The priority programs are HIV and AIDS, TB and mother and child services. There are community based initiatives aimed at prevention of disease and promotion of healthy lifestyles. The district area is implementing the 5 priority health promotion campaigns of nutrition, substance abuse, tobacco, use of healthy environments and risks. In addressing the HIV/AIDS, the ELM has developed HIV/AIDS Strategy which was adopted by Council. In as far as implementation of the plan, the Local Aids Council has been established and launched. It is constituted by role players from different sectors of community including, Health, Business, other Govt. Dept., Community workers and HIV/AIDS activists/groups. The ward based HIV/ AIDS forums have also been establish across 16 wards in ELM. The HIV/AIDS program in Elundini is politically championed by Portfolio Head Community Services and administratively executed in the Office of the Municipal Manager.

## **MAP OF SOCIAL FACILITIES**



## **2.27. Natural Environment**

### **2.27.1. Topography and Hydrology**

The municipal area has a distinctive topographical character with mountain ranges along the western side overlooking a central plateau, giving way to an escarpment sloping down towards the eastern side and the lower reaches of the Tsolo and Mthatha regions. Much of Elundini has slopes steeper than 1:8 as it forms part of the southern Drakensberg range. This area located along the north and western side of the municipality, due to its high altitude, is unsuitable for arable farming. The mountainous terrain also limits accessibility and therefore hampers service and infrastructure delivery in the region. The Southern Drakensberg creates a scenic environment conducive to adventure and eco- tourism activities such as mountain biking, hiking, skiing etc. The mountains form a watershed which separates the eastern and western parts of the Joe Gqabi District.



**MAP SHOWING ELEVATION AND TOPOGRAPHY**

Topography influences the type of land use activities that occur, the nature and extent of settlement development and the type of agricultural activities, which are viable. Agriculture is accordingly limited to specific land pockets in the central, southern and eastern portions where the topography, water and soils are very suitable for agriculture and residential uses. The nature of slopes found within the municipality contributes to the high rate of erosion.

## **2.27.2. Climate and Rainfall**

### **2.27.2.1. Temperature**

The region is well known for its temperature fluctuations with temperatures ranging between 42<sup>o</sup>C and 11<sup>o</sup>C. On average there are 150 days of frost during the year, usually between March and November. During the winter season, areas affected mostly by snowfall are Maclear stretching to the higher lying areas of Mt Fletcher and temperatures are recorder to reach an average of -5<sup>o</sup> C.

### **2.27.2.2. Rainfall**

The higher mountain peaks in Elundini have between 800mm – 1200mm rain per annum. Mount Fletcher which is within the municipality falls within the wettest rainfall region. The rest of the area receives an average of 600-800mm per annum.

#### **2.27.2.3.      *Predominant wind***

The area is vulnerable to strong winds which are coming from a westerly direction. They are mostly travelling at an average speed of 60 km/h and are very damaging to property and the environment. Coupled to damaging winds, is an observed increase of thunderstorms, lightning and hailstorms. Winds which are associated with light rain are coming from the easterly direction.

#### **2.27.2.4.      *Climate change***

Climate change is affecting Elundini as the drier climate in the west moves towards the central portions of the province, wetter, higher rainfall and more frequent storms affect the eastern regions. The mountainous character of the region also has a bearing on the effects of climate change over time. The drier regions will experience loss of biomes and find water resources under increased pressure over time.

The eastern regions are expected to experience increased rainfall. This is already being seen Elundini in the form of increased storm activity resulting in disasters affecting settlements, roads and bridges, buildings, crops and livelihoods. Flooding, high winds and hailstorms are increasing in severity. Higher rainfall is also affecting the incidence of pests in the agricultural sector.

Higher temperatures as a result of global warming could affect the growing characteristics of trees to the extent that certain species may no longer be viable for the forest industry in the area. If this occurs, there may be impact on the forestry sector and the municipal economy.

### **2.27.3.      *Hydrology***

ELM is dissected by rivers like Tsitsa, Thina, Luzi. Within the municipality there are boreholes as well as springs. River sources within the municipality drain its water from Umzimvubu catchment area. Rivers flow eastwards draining towards the Indian Ocean. Water studies conducted for the district indicate that ELM. Elundini has very high groundwater development potential. Mooi River, Inxu River (Wilbeesrivier) and the Pot River are the main tributaries of Tsitsa River. The Maclear Dam on the Inxu River supplies water to Maclear town and the Ugie Dam on the Mooi supplies water to Ugie town. This municipality forms the catchment for the Umzimvubu River, which bisects the region and supplies large volumes of water down to the Indian Ocean.

#### **2.27.3.1.      *Tsitsa River Basin Land Use and Environmental Management Plan***

The Tsitsa River Basin Land Use and Environmental Management Plan were commissioned by ASGI-SA Eastern Cape, Elundini and Mhlontlo Municipalities to investigate possible development opportunities in the Tsitsa River basin area. The study was in response to a need for commercial land use developments in the catchment area

that could assist in alleviating poverty in communal areas. The first phase of the study was to undertake a Situation Assessment of the whole catchment that could be used to inform the planning process.

As part of this situation assessment, a number of potential land use development options suitable to the area were identified. The completion of the Situation Analysis was then followed by a more detailed land use planning process for a part of the Tsitsa River Catchment referred to as the focus area. This area was located in the middle of the catchment in the poverty stricken communal areas along the banks of the Tsitsa River and included 15 specific villages and eight Administrative Areas. A Land Use Planning Report was the final outcome of the study.

The study analyzed the status quo within administrative areas within Mhlontlo and Elundini that fell within the focus area. In Elundini these included Mqokolweni, Qurana and Sinxako all falling within Ward 6. The study considered the impact of the development of a dam, which would inundate 2,293ha of land with water. Mqokolweni and Sinxako are both areas that would lose land if a dam was constructed. The study looked at the possibility of interventions in these areas and the priority assigned to them by community representatives, these interventions included Forestry development.

#### **2.27.4. Geology and Soils**

ELM is the only area with soils suitable for cultivation in the JGDM, however, degradation is high in the communal land areas of Elundini with the primary cause found to be the overstocking of livestock and inappropriate grazing methods. The provision of infrastructure to enable the practice of controlled grazing is necessary to prioritize the rehabilitation of severely degraded areas.

##### **2.27.4.1. Erosion**

Degradation is high in the communal land areas of Elundini, with the primary cause found to be the overstocking of livestock and inappropriate grazing methods. The Department of Agriculture estimates that between 300 and 400 tons per hectare of soil are lost annually in the District, ELM being the highest eroded region. In addition to the provision of infrastructure to enable the practice of controlled grazing, the EMP recommends it is necessary to prioritize the rehabilitation of severely degraded areas. The district municipality has various land rehabilitation programs that it implements in the municipality to address land degradation

#### **2.27.5. Biodiversity**

##### **2.27.5.1. Vegetation and land cover**

Vegetation types represent an integration of the climate, soils and biological factors in a region and as such are a useful basis for land use and conservation planning. Unimproved Grassland dominates the Municipality,



covering 56.40% of the total surface area. This is followed by Degraded Unimproved Grassland (22.70%) and Semi- Commercial or Subsistence Dryland Cultivation (10.56%). The State of the Eastern Cape Province Report (2010) highlights the serious impact of settlement sprawl that is taking place throughout most rural areas, with an increase of 47% in the cover of built up areas compared to the year 2000. Coupled with this sprawl of settlements, is the depletion of resource areas by an estimated 33% and this is expected to have a serious effect on future sustainability of rural communities.

#### **2.27.5.2. Critical bio-diversity areas**

The Eastern Cape Bio-diversity Plan has analyzed the characteristics of the various environmental attributes throughout all municipalities. The critical bio-diversity areas in Elundini have been identified (refer to map below) and these need to be conserved for the benefit of future generations and preservation of the ecological balance in the area. These are primarily associated with the environmental sensitivity of the mountain range and foothills near Maclear and Ugie. It is of paramount importance that the critical biodiversity areas be reflected in the Spatial Development framework for Elundini so as to ensure effective land use management is achieved in future, in accordance with the requirements of the National Environment Management Act and the Provincial Spatial Development Plan.

#### **2.27.5.3. Biodiversity conservation**

According to the EMP, mountain areas contain a high number of endemic species, and have been identified as being important for the protection of biodiversity and ecosystem services. Grasslands dominate the district, but in general they have been severely degraded and transformed areas dominate much of the landscape, as revealed by the Eastern Cape Biodiversity Conservation Plan (ECBCP).

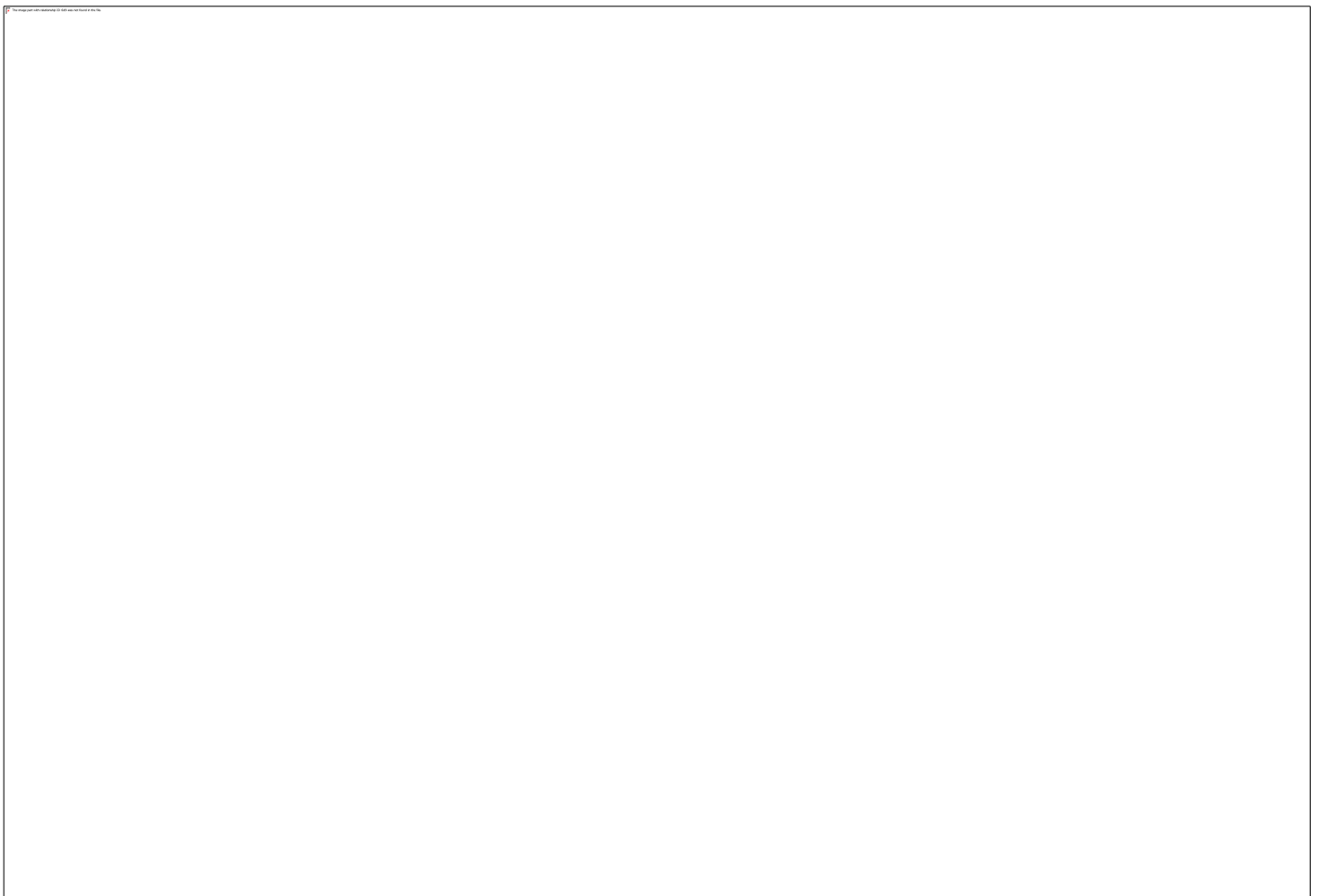
An opportunity therefore exists to formally protect the remaining intact grasslands, especially those classified as vulnerable and endangered, to ensure the important ecological functions they play in this area are preserved, and to build on the attractive and ecologically important landscape for tourism. One of the most important ecological ecosystem services provided by the district is the provision of good quality water, and the large numbers of wetlands found in the upper elevations within a range of vegetation types are critically important in this regard. The EMP suggests there is an opportunity to apply Payment for Ecosystem Principles for water resource protection therefore exists to ensure the protection of vegetation types dominated by wetlands.

#### **2.27.5.4. Threats to biodiversity**

The EMP states the unsuitable agricultural practices such as increasing irrigation in areas of poor soils and cash crop cultivation in marginal areas, is another threat to biodiversity in the Elundini area. The continuation of degradation of the District's land cover increases erosion. This is especially evident in Senqu and Elundini, but also prevalent in Gariiep and Maletswai (now Walter Sisulu) where there is an increase of the Karoo scrubland.

Unsustainable agricultural practices such as increasing irrigation in area of poor soils also contribute to erosion and undermine cash crop cultivation in marginal areas. Very little is being invested into land-care in proportion to the amount of degraded land. Ongoing urbanization and the growth of informal settlements around urban centers is increasing pressure on the environment and stretching infrastructure beyond capacity limits. The municipal area has no dedicated persons looking at environmental issues. Fire, especially in the grassland areas to the east of the District is another factor affecting the environment. Illegal sand mining threatens the aquatic and terrestrial biodiversity.

**MAP SHOWING CRITICAL BIO-DIVERSITY AREAS (SOURCE: ECPSDP 2010)**



## **2.28. Waste Management**

The municipality has a Solid Waste Management Section and Environmental Unit as part of Community Services Department which is charged with the responsibility of rendering all Solid Waste Management activities, environmental plans and programs which operates on limited capacity. The Section is responsible for refuse collection, street cleaning, and waste information or waste data management, recycling, awareness and landfill site management. The Municipality has adopted an IWMP and was sent to MEC for DEDEAT for Endorsement

and was duly endorsed. The Municipality has also been screened by DEDEAT as part of their process of updating the Provincial IWMP with specific focus to Joe Gqabi District Municipal Area.

### *Refuse Removal / Waste Collection*

The refuse removal service only focuses in the CBD and peri-urban areas of Elundini Municipality. ELM provides a weekly waste collection service to all the households and daily service to businesses in Maclear, Ugie and Mt. Fletcher. In residential areas, household waste is placed in the kerb outside the house and collected from there by municipality. This domestic waste should be contained in refuse bags which are tied or knotted. ELM provides daily refuse collection services in town focusing on Businesses and Government Institutions.

### *Street Cleaning / Cleansing*

Street cleaning is conducted daily with the main focus being in the CBD and adjoining streets. Clearing of Illegal Dump Sites and Township Street Cleaning is done through a program that is funded by Department of Environmental Affairs. The Youth Jobs in Waste Program is implemented by Cokisa Consulting. There are also skip and sidewalk bins placed at strategic points in Mt. Fletcher, Ugie and Maclear town to ensure that Businesses and people have access to them and ultimately reduce levels of littering.

### *Waste Disposal/Landfill Site*

ELM has three permitted waste sites namely: Maclear transfer, Ugie and Mt. Fletcher landfill sites. The three sites came into operation in 2004. The Elundini municipality entered into PPP agreement with Interwaste (PTY) Ltd. Interwaste started operating and managing the sites on the 1 July 2014. The main responsibility of Interwaste is the operation and management of Ugie, Mt Fletcher and Maclear Landfill Sites and to ensure that the permit conditions of the waste facilities are adhered to. The Maclear landfill site is utilised as a transfer station, while Ugie and Mt. Fletcher are being utilised as disposal sites.

Other responsibilities for Interwaste in the operation and management landfill sites, is to provide monthly reports on waste volumes and also ensure that the sites are operated in accordance with the permit conditions. The Municipality regularly visits the sites to ensure compliance with the Permit Conditions of the Sites and with the terms of the Contracts with Interwaste.

### *Recycling*

ELM is working closely with Elundini Cooperative Development Centre to ensure that Cooperatives in the Recycling Sector are organised and assisted. This platform created an opportunity for the Municipality to consolidate the different requests that are submitted by Cooperatives and will ensure that everyone benefits from any assistance that is offered by the Municipality. ELM also has a Material Recovery Facility located at the Ugie Landfill Site. Currently the MRF is not in a suitable condition to be accepted by the Municipality and operated accordingly. The Municipality will make efforts to rectify the structure and be able to offer recyclers an opportunity to be involved in the sector. Ongoing discussions between the municipality and the implementing agents of the MRF project have yielded positive results. Accordingly the MRF is undergoing repairs towards finalisation to enable planned operations.

ELM aims to promote waste minimization and recycling in the three towns and to create employment opportunities through that MRF. The MRF will contribute towards local economic development and increase the lifespan of landfill site.

### *Education and Awareness*

ELM has initiated programs to increase awareness concerning waste management and particularly to promote a cleaner environment to live in, in and around urban areas. The main purpose of the programs is to raise awareness and educate Elundini Municipality residents/community about issues related to cleanliness, waste, environmental management and sustainable development. The waste management awareness focuses on the anti-littering programs for the public/clean up campaigns. The Municipality intended to hold a minimum of two Campaigns per year in order to influence community mind set on waste and environmental management matters. Clean-up Campaigns and Awareness Campaigns have been conducted in all three towns. The position of an education and awareness officer has recently been approved and awaiting filling. ELM is an active participant of the Climate Change, Waste and Environment SALGA Forum, DEDEAT Waste Management Forum and the Joe Gqabi District Environmental Management Forum.

#### *(a) The achievements in the waste management program*

- Collection Services to more than 7000 households and 222 Businesses
- Daily Street Cleaning and Skip Bin Removal Services for Businesses
- A purchase of 2 new 4 Ton Truck for servicing Ugie
- Purchase of vehicle tracking system
- Purchase of 6 additional Skip Bins for Ugie and Maclear
- Provision of additional Skip Bins for Mt Fletcher

- Penalizing Interwaste on poor performance in terms of the PPP Agreement
- Incorporation of the Youth Jobs in Waste Beneficiaries in Municipal Operations

*(b) Challenges*

- Inability to extend basic waste/lack of refuse removal services in rural areas
- Shortages of personnel for effective Management of Solid Waste
- Poor Condition of the Ugie MRF
- Poor road conditions for accessing landfill sites and some townships

*Available Fleet – Refuse Removal Vehicles*

<b>MACLEAR</b>	<b>UGIE</b>	<b>MT FLETCHER</b>
Supervisor vehicles X 2	Supervisor vehicles X	Supervisor vehicle X 2
1 x REL Compactor Truck 1 x 4 Ton truck 2 x Tractor and trailers	2 x Tractor and Trailers 1 x 4 Ton Truck	1 x Tractor and Trailer 1 x Tractor and Skip Loader 1 x 4 Ton truck

## 2.29. Free Basic Services

The function that deals with the free basic services is performed within the Income and Expenditure section in the Budget and Treasury Office and is filled. The ELM has adopted its Indigent Support Policy which it reviews annually, together with the IDP and Budget, which makes it accurate and credible. The basic principles of this policy are captured by indicating that the policy is to ensure that poor households are not denied their constitutional right of access to services, the Elundini LM is required to implement an indigent support policy that makes adequate financial provision to ensure the provision of efficient and sustainable services to all residents within the area of jurisdiction. The indigent policy is intended to provide poor households on-going access to a specified level of service. The subsidies contained in the policy should not compromise the quality or efficiency of service delivery. The municipality currently provides free basic refuse removal service to poor households.

## 2.30. By-Laws and Enforcement

ELM has recently revised its existing waste by-laws to comply with the NEMWA Act, 2008. Due to inadequate enforcement of the by-laws, there are numerous sporadic cases of illegal dumping and littering by commercial businesses. Even though these are usually identified and cleared they soon reoccur due to lack of enforcement. At times community members with full knowledge and access to regular collection service still dump their waste indiscriminately. Other relevant municipal bylaws being enforced include the street bylaws, informal trading, nuisance, cemetery and road traffic bylaws to name but a few.

### **2.31. Air and Noise Pollution**

ELM does not have an Air Quality Management Plan and air pollution bylaws in place and will have to consider developing these as part of its compliance to Air Quality Act, 2004 as well as to monitor and manage air pollution in the area given the operations by P.G Bison where there is a lot of air pollution taking place and also because of the envisaged wool manufacturing to be established in the area of Mt Fletcher. Other sources of air pollution such as manmade agricultural activities, burning of fossil fuels, vehicular traffic and natural sources as wind will receive corresponding priority. This plan will also ensure that air and noise pollution, especially in urban areas are effectively monitored and by-laws are enforced.

Plans are advanced to designate an existing employee as an air pollution control officer which shall later be designated by the relevant MEC as an Environmental Management Inspector (EMI) in order to fully enforce compliance with all relevant environmental legislation including air pollution control and monitoring. Currently the forms of pollution are dealt with through existing framework of legislation such as the approved Integrated Waste Management Plan (IWMP), waste and nuisance bylaws.

### **2.32. Sewage Spillages**

Sewerage spillages (water and land pollution) are also monitored. These are the most frequent type of environmental pollution. Unfortunately, their frequency is very high especially in the central business district of Maclear town due to lack of bulk services capacity, poor management and insufficient funding for maintenance. The water services authority, Joe Gqabi district, has offices stationed in Maclear in order to facilitate easy and quick response in the event of any such spillages, leakages and other water nuisances occasioned by burst water pipes.

### **2.33. Environmental Opportunities**

The ELM does not have its own Environmental Management Plan and will consider developing it and is currently using the one developed by the district municipality. Some areas of the District area are endowed with scenic beauty that has significant potential for agriculture and tourism sectors. In addition, a number of endemic species contributes to the potential of the District. In addition, climatic, soil and topographic aspects show that Elundini has an environment more suited to a variety of agricultural activities.

Finally, the Environmental Management Plan recommends a set of Environmental Action Plans for implementation:

- ✓ Alien Plant Species Management Plan:

- ✓ Conservation Strategy;
- ✓ Climate change: Adaptation and mitigation strategy;
- ✓ Land Management: Erosion rehabilitation program;
- ✓ Land Management: Rural sprawl;
- ✓ Investigation of Renewable Energy and Energy Efficiency technologies in JGDM;
- ✓ Fresh Water Quality Monitoring and Reporting Program;
- ✓ Wastewater Treatment Works (WWTW) Effluent Water Quality Monitoring and Reporting Program.
- ✓ Proper waste management practices

Even though this plan is not in existence, our realization is such that it will be prioritized within the short budgeting period.

## **2.34. Southern Drakensberg Sustainable Development and Conservation Strategy**

The Southern Drakensberg Sustainable Development and Conservation Strategy, developed for the Elundini and Senqu Local Municipalities, has the following vision: “Improving the quality of life for all by facilitating sustainable economic opportunities in balance with the environment”. This long-term developmental vision contains the following key principles:

- ✓ Improving quality of life
- ✓ Facilitating local economic development
- ✓ Sustainability
- ✓ Creating opportunities
- ✓ In balance with the environment

These principles enforce the strategy’s primary objective which is to investigate the opportunity to unlock the economic potential of the region in a sustainable manner. It aims to strengthen the environmental sustainability of the IDPs and SDFs and address key structural and systems issues that are inhibiting the economic potential of the area.

The overarching goal of this strategy is to improve the quality of life of individuals in the eastern portion of the JGDM. These goals are influenced by the principles of sustainable development with the strategy using the moderate to strong definition of sustainable development which entails the improvement of human and social

capital without the loss of natural capital. Through this sustainability process the strategy aims to conserve all forms of capital in the area i.e. Natural, Human, Social, Financial, and Manufactured capital.

To achieve these goals the Southern Drakensberg Sustainable Development and Conservation Strategy identified five strategic pillars. These pillars are:

- ✓ Sector Development
- ✓ Environmental Management
- ✓ Investment in Infrastructure
- ✓ Creation of Strategic Partnerships and Institutional development
- ✓ Human Resource Development

### 2.34.1. Waste Collection Services: Refuse Removal

SOURCE	JGDM	ELM	%
Removed by local authority/private company/community members at least once a week	117 381	28 395	19, 59%
Removed by local authority/private company/community members less often than once a week	5 696	308	0, 21%
Communal refuse dump	6 160	2 047	1, 41%
Communal container/central collection point	1 329	108	0, 08%
Own refuse dump	220 293	96 419	66, 53%
Dump or leave rubbish anywhere (no rubbish disposal)	17 120	13 074	9, 02%
Other	4 933	4 579	3, 16%
	372 912	144 930	100%

Source: CS 2016

Elundini LM has addressed the issue of unlicensed landfill sites since 2007 when the first LED Strategy was compiled. There are capacity issues with the expansion of the existing waste site at Ugie, however a program for recycling has been put in place and it is hoped that this will reduce the volume of waste entering the site. The recycling program is to be a Public Private Partnership (PPP). Landfill sites abound in the rural areas where refuse is not collected.

## 2.35. District Disaster Management Plan

The disaster risk assessment was conducted by the district in 2008, the district is in the process of developing disaster management plan. The District has formulated a Disaster Management Framework, a generic Disaster Management Framework and a Corporate Disaster Management Plan. These plans are used by the District to



exercise its powers and conduct its duties in disaster management. The District Disaster Management Centre is developing a Scientific Based and Proven District Disaster Management Plan. This quantifies various risks, and provides strategies on how to identify and classify risks, ensures proper prevention, mitigation and response mechanisms, which are to be managed by all stakeholders.

The current institutional arrangement regarding fire and disaster management is not adequate for the purposes of discharging the municipality's mandate towards its citizens. At the helm of providing response to the various incidents and disasters only two Fire and Disaster Management officers have been employed. These efforts are assisted by participation and affiliation to the local Fire Protection Agency under the auspices of PG Bison and the local farming community. Various efforts have been made to conclude a Service Level Agreement with the Joe Gqabi district municipality for the release of a Hino fire engine truck aimed at improving ELM's capacity to render a comprehensive fire response. Up till now the municipality relies on a skid vehicle, being a small bakkie carrying a mini water tank.

ELM does not have its own approved Disaster Management Plan but fully recognizes the value and importance associated with having one. While continuing to use the district wide Disaster plan, plans are at an advance stage to free resources in order to develop one. The ability of the municipality to maintain its operations and service delivery following major incidents and or natural disasters is highly dependent on its disaster preparedness. The municipality is planning a review of its organogram to accommodate the planned shared fire services model in partnership with Joe Gqabi District municipality and Working on Fire.

Electing to participate in the shared model will yield various benefits to the municipality which include a complete revamp of existing fire hydrants, erection of fully equipped fire stations/disaster centers, secondment of staff from Working on Fire as well as provision of state of the art firefighting engines and equipment. The premium that the municipality will have to pay for all this would be considerably far less in comparison with what costs it would incur were it to provide these itself. Section 78 study reports have already been tabled before the Local Labor Forum (LLF) to pave way for a Council resolution in support of the shared service model.

## **2.36. Spatial Planning**

In terms of Section 35 (2) of the Municipal Systems Act, the Spatial Development Framework for ELM has statutory status and overrides any other plan for the area or portions of the municipality that may have been compiled previously and which is described in the Physical Planning Act (Act No. 125 of 1991). Such plans would include regional development plans, regional structure plans and more localized plans such as Urban Structure Plans. As such, the Elundini Spatial Development Framework becomes the principle instrument for forward

planning and decision-making on land development in the Elundini Municipal area. The ELM SDF was adopted by Council on August 2012 with Council Resolution Number CON/163/12. The municipality has as from May 2018 appointed Umhlaba Consulting to review and update its SDF to be in line with SPLUMA and other applicable regulations. The reviewed SDF is anticipated to be completed by October 2018.

All elements of environmental analysis with regard to risks vulnerability and risk assessment are taken into account by the SDF of the District and the municipality. During the stage when the Spatial Planning and Land Use Management Act No 16 of 2013 was a Bill the traditional authorities of Elundini had not received any consultation, it was thus imperative that information sharing sessions were held in order for the traditional authorities to understand the legislation that was brought into full operation on the 1<sup>st</sup> of July 2014 with a time frame of full implementation of five years.

#### (i) By- Laws

Of the five standard by-laws received from the Department of Rural Development and Land Reform (model planning and land use by-laws; model framework for delegations; model of tariffs; transitional provision and supporting document); the institution has customised and adopted the land use by-law; merges the model tariff structure with the institutions tariff structure and is in the process of customizing the delegations framework to fit that of the institution.

#### (ii) The establishment of Municipal Tribunal

The ELM Council has resolved that the municipality will form part of the District Tribunal with Joe Gqabi and the other local municipalities under this district and the JGDM will be a stakeholder as the WSA. The municipality has thus signed the service level agreement into this effect. The different stakeholders have identified the expertise which will be required to sit in the District Tribunal and Joe Gqabi is in the process to procure relevant expertise to serve on the tribunal.

### Work in the planning stages for SPLUMA implementation

SPLUMA also requires that each institution compile a wall to wall Spatial Development Framework (SDF) and Land Use Scheme (LUS) in order to align with relevant legislation. To accomplish this planning work, it is the intention of the Town Planning Unit to first compile Ward Based Plans and then the SDF and LUS. The above must be accomplished during the 5 year transition phase on the implementation of SPLUMA.

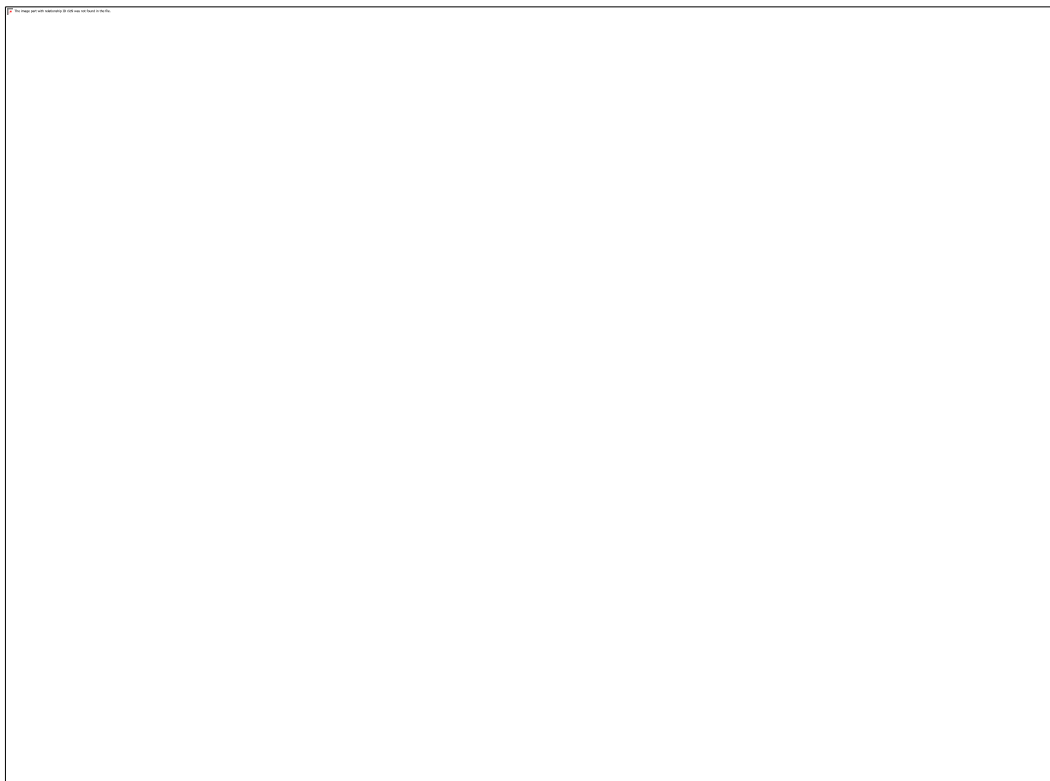
The ELM has embarked in developing the inner-city /town precinct plans for its three town so as to:

- To create efficient and productive cities/ towns with less poverty and sustained by dynamic Economies
- To reduce existing infrastructure and service disparities
- To provide better housing and shelter and greater security of tenure for urban residents
- To encourage affordable growth of local economies
- To tackle spatial inefficiencies, especially the mismatch between where people live and work - to improve the quality of the urban environment
- To transform local authorities into effective and accountable local government institutions
- To establish safe and secure living and working environments

All the three town, Ugie, Maclear and Mount fletcher have the drafts at this stage which will be finalised shortly. Strategic projects identified through these plans will be implemented in the next four years in alignment with the budget availability.

### **2.36.1. Spatial Planning Elements**

#### **2.36.1.1. Land use package**



The land cover pattern is largely determined by topographical and climatic factors. However, past political engineering, current tenure arrangements and population densities have impacted on the type of land cover.

An overall view of land use (cover) in Elundini LM indicates the following:

- ✓ Unimproved grassland dominates the Municipality, covering 56.40% of the total surface area. This is followed by degraded unimproved grassland (22.70%) and semi-commercial/subsistence dry land cultivation (10.56%)
- ✓ The presence of grasslands indicates the potential for livestock and game farming in the agricultural economy of the area.
- ✓ A concern however, is the fact that some 23% of the total land area is classified as degraded/eroded. The majority of this area falls within the rural settlement areas of the former Transkei. This is indicative of:
  - ✓ An imbalance between the resident population and the available land resource; and/or
  - ✓ Inefficient land management practices in regard to agricultural activities. In this instance, it is likely that overstocking and overgrazing is largely responsible for the state of the land.
  - ✓ The importance of agriculture in the region is highlighted by the fact that 6.3% of the land cover is forestry and commercial farming, with a further 10, 56% subsistence farming.
  - ✓ Land upon which urban development and/or human settlements have been developed comprises only 1.02% of the total land area, which is indicative of a low-density settlement pattern. This emphasizes the opportunity presented now by ensuring that future development is undertaken in an environmentally friendly manner, so securing the greatest asset of the area for future generations.
  - ✓ Of environmental significance is that wetlands cover 0.62% of the Municipal area.

#### **2.36.1.2. Land Ownership**

Plans illustrate the current land ownership patterns prevailing across the municipal area, as well as within the main urban settlements. The following points are noted:

- ✓ There is a lack of ownership information for the urban areas in particular the town of Mt. Fletcher.
- ✓ From the information that is available, it is evident that the majority of land ownership is private
- ✓ The distribution of land ownership indicates that any meaningful land reform program to be pursued in the Elundini LM area will be reliant on restitution and land redistribution programs.

#### **2.36.2. Development priorities in alignment to Spatial Framework**

The development priorities of the municipality focus on infrastructure and service delivery. The situational analysis revealed that there is a severe shortage of essential services and infrastructure in some areas of Elundini, especially in the former Transkei. There are also discrepancies in the service delivery between the rural and the urban areas. The spatial implications in providing these basic essential services and infrastructure are:

- ✓ To identify the areas in greatest need of basic essential services and those areas must be prioritise for level one investment.
- ✓ To provide affordable and sustainable level of housing, services and infrastructure.

- ✓ To ensure that the environmental factors and constraints are taken into account in the delivery of services.
- ✓ To ensure equitable distribution of infrastructure and services.

### **2.36.3. Addressing Spatial Fragmentation**

- ✓ Spatially fragmented settlement patterns, often comprising of low density, sprawling settlements areas are costly and difficult to service. Therefore, it is necessary to develop a means to prioritise service delivery and attempt to encourage more efficient settlement patterns by focusing on areas of potential and/or greater accessibility.
- ✓ The urban nodes of Ugie, Maclear and Mount Fletcher play a vital role in the functioning of the Municipality. It is where the largest concentration of economic activities, resources and services are situated. In order for the effective utilization of these resources and services, it is important that the towns' forms promote efficiency. In order to achieve this, the following principles need to be adopted, the urban sprawl needs to be contained, ensuring compact urban settlements by means of urban intensification (infill projects & promotion of higher densities).
- ✓ Absorption of population growth within the existing urban edge. The benefits achieved from this relate to efficiency, cost, convenience and resource utilization. The continuity of urban development, as opposed to fragmentation, so as to functionally integrate urban areas. There must be integration of uses and activities, to maximize convenience and vitality. There must be multi-functionality and sharing of public spaces and facilities in order to make the most efficient use of public investment. The integration of built and non-built environments, in order to achieve the economic, environmental and recreational interaction that potentially exists between them and to make maximum productive use of urban resources. Equitable distribution of public facilities and services throughout the Municipality. Incorporated into the principal of urban efficiency is the controlled management of urbanization. A trend of urbanization is evident in the Municipality especially in Ugie and Maclear. The pressure of urbanization is not only in the need for land for housing but also increased pressure on commonage land, cemeteries, social infrastructure e.g. sports field etc.
- ✓ Land use and development decisions must promote a harmonious relationship between the built and the natural environment while ensuring that land development is sustainable over the longer term period'. Therefore Land use planning and development in the Elundini Municipality should protect existing natural, environmental and cultural resources. It is also important that the prime agricultural land should remain in production. Environmental Management principles dictated than development

must be sustainable, and not to the detriment of future development. This places great emphasis on the linkage between sound land use management and environmental management and highlights the need to integrate the two functions in an operational manner in the land management functions of the Elundini Municipality.

#### **2.36.4. Kei Development Corridor**

The Kei Development Corridor is an initiative to promote economic development in the area surrounding the main road and rail links from East London to Mthatha. The Kei Rail Project is the “anchor” project in the Kei Development Corridor and is centered on the upgrading of the railway line between East London and Mthatha. While the focus of the project has been on improvements to the rail infrastructure, the project also aims to stimulate and sustain socio-economic growth and development within the Kei Development Corridor. The Kei Rail Project is just one of a number of identified Mega Projects in the Kei Development Corridor, other Mega Projects include Wild Coast Meander, N2 Toll Road EIA, Kei Rail Business Plan, East London Harbour, Umzimvubu Basin Water Projects, Ugie-Langeni Road, East London IDZ, MELD Corridor and Massive Food Production Program

The Ugie-Langeni Road and The Umzimvubu Basin Scheme Mega Projects impact on Elundini LM. The Kei Development Corridor Report highlighted the importance of The Ugie-Langeni Road with regard to providing access for timber and agricultural produce to markets and production facilities and increase freight opportunities for the Kei rail. In addition, the construction of the Ugie-Langeni road will have positive ‘spin-offs’ for the tourism industry and travel patterns by unlocking the natural resources of the Ugie and Engcobo areas

## **2.37. Municipal Transformation and Organizational Development Status Quo on Human Resources Management and Development**

### **2.37.1. Institutional Characteristics** **Institutional Structure**

At present the Elundini Municipal Council consists of 34 Councillors and has 17 Wards, half of which are elected in terms of proportional representation and the remaining Councillors are directly elected, i.e. are Ward Councillors. The Elundini Municipality has a Collective Executive System with a Ward Participatory System. The Executive Committee is chaired by the Mayor and consists of five (5) members of the Executive Committee appointed by the Council on a proportional basis. The Mayor is also mandated with the responsibility of the IDP formulation and review processes and their tabling to the Council. The Executive Committee is the principal committee of the Council. It is the Committee which receives reports from the Standing or Portfolio Committees of Council and it must forward these reports together with its recommendations to the Council when it cannot dispose of matters in terms of its delegated authority.

The chairperson of the Municipal Council is the Speaker. The Council has defined the following roles for the Speaker (over and above the roles assigned by the Municipal Structures Act):-

- ✓ Leader of council in respect of the oversight function;
- ✓ Custodian of the interests of the members of the municipal council;
- ✓ Politically in charge of the community development workers' program; and
- ✓ Responsible for the training and development of ward committees

In terms of Section 72 – 78 of the Municipal Structures Act, the Council has established 17 ward committees which are chaired by their respective Ward Councillors. Each committee has 10 elected representatives and their term of office runs concurrently with that of the municipal council. The ward committees are consultative community structures without any formal powers accorded to them. Where a ward committee is fully functional and effective, it is able to influence the decision taken in Council. There is a cordial relationship between the communities and their ward committees and ward committee meetings are held as per their schedule and they submit reports to the municipal council for noting through the Office of the Speaker.

ELM has established six (6) Section 79 committees and five (5) Section 80 Committees which are aligned to the administrative departments and are chaired by members of the Executive Committee. These committees sit their meetings according to the adopted municipal council calendar.

### ***Administrative Structure***

ELM's executive management structure consists of the Municipal Manager, appointed in terms of section 54 (a) of the Local Government: Municipal Systems Act and five managers that have been appointed by the municipal council in terms of Section 56 of the Municipal Systems Act and one non-section 56 senior manager directly accountable to the municipal manager. The ELM macro organizational structure consists of the following departments:-

**Table 41: Top Management**

	NAME	POSITION	DEPARTMENT
1.	Mr. Khayaletu Gashi	Municipal Manager	Office of the Municipal
2.	Mrs Nonkuselo Sokutu	Senior Manager: Strategic Support Services	Manager
2.	Mrs. Ntomboxolo Eddie	Director	Planning and Economic Development
3.	Mr. Sandile Matubatuba	Director	Corporate Services
4.	Mrs. Sisekho Sako	Director	Infrastructure Planning and Development
5.	Mr. Luther Kokose	Director	Community Services
6.	Mr. Jack Mdeni	CFO	Budget and Treasury Office

The municipality's main political and administrative offices are situated in Maclear with two administrative units in Mount Fletcher and Ugie headed by their respective unit heads. Only the municipal manager and managers reporting directly to the municipal manager are on a 5 year performance-based contracts and have all signed their performance agreements which are reviewable annually. All other employees are employed on permanent basis except for the EPWP workers who are employed on six months basis and those who are interns.

## **2.37.2. Council Oversight Role**

### **2.37.2.1. Audit Committee**

The current ELM Audit Committee, which is functional, was appointed in terms of Section 166 of the Municipal Finance Management Act, No 56 of 2003 will run until June 2018. The ELM Audit Committee performs its



functions in terms of the adopted ELM Audit Committee Charter. The ELM Audit Committee also audits performance information of the municipality.

#### **2.37.2.2. *Municipal Public Accounts Committee (MPAC)***

In order to meaningfully play its Oversight Role, the Elundini Municipal Council has formally appointed the current Municipal Public Accounts Committee (MPAC) on 23 August 2017 which will run its term with the current term of Council. Prior to this, an Oversight Committee established in terms of Circular 32 of the MFMA was operational. The Department of Cooperative Governance and Traditional Affairs has provided guidelines on the establishment of MPACs and thus proposed terms of reference for the MPACs. The MPAC functions well. Other Section 79 Committees established by the municipality are the Rules Committee and the Members' Interest Committee.

#### **2.37.3. Risk Management**

ELM has Risk Management Policy, Risk Management Strategy and Implementation Plan in place. ELM has reviewed its Risk Management Policy, Risk Management Strategy and Implementation Plan. A position for a Risk Management Officer has been created during the review of the organogram and the appointment has since been made and the person has assumed duties on 02 May 2018. ELM has also established a Risk Management Committee (RMC) constituted by municipal management and is chaired by the Municipal Manager. The RMC sits quarterly and functions within the municipality's Risk Management Charter that further provides terms of reference for the Risk Management Committee. A risk register is developed annually where the municipality classifies its risks and then develops mitigating factors to deal with the identified risks.

#### **2.37.4. Anti-Corruption, Fraud and Complaints Management**

ELM has developed a Fraud Prevention Strategy, Fraud Prevention Plan and Whistle Blowing Policy which are now being reviewed together with the Risk Management Strategy. ELM also established a fraud prevention hotline managed by an independent firm of auditors. As part of awareness, the municipality's website, newsletter, municipal letterheads and municipal accounts bear details of the hotline prevention numbers. ELM, likewise, maintains a fully functional customer care service that receives and deals with all service delivery related complaints, including billing related queries. ELM manages all logged complaints in line with the service standards charter, which inter alia, regulates communications protocols and stringent turnaround times.

#### **2.37.5. King IV Code**

ELM commits to align its policies, strategy and its operational procedures to the King IV Code. As indicated in the King IV Code, it applies to municipalities because they operate in a system of corporate governance which

requires that the various spheres of government (National, Provincial and local) cooperate in exercising powers and performing their functions. In adhering aligning itself to the code, the municipality, will consider:

King IV Code's objectives which as follows:

- To promote corporate governance as integral to running an organisation and delivering governance outcomes such as Ethical Culture, Good performance, Effective Control and legitimacy;
- Broaden the acceptance of King IV Code to be acceptable and fit for implementation across the various sector and organisation types;
- Reinforce corporate governance as a holistic and interrelated set of arrangement to be understood and implemented;
- Encourage transparent and meaning reporting to stakeholder;
- Present corporate governance as a concerned with not only structure and processes but also with ethical consciousness and conduct.

The governance outcomes:

These are the benefits that the organisation could realise if the underlying principles are achieved. The governance outcomes are:

- Ethical culture
- Good performance
- Effective control
- Legitimacy

King IV principles such as following

- The governing body should lead ethically and effectively;
- Govern the ethics of the organisation in a way that supports the establishment of an ethical culture;
- Ensure that the organisation is and is seen to be a responsible corporate citizen;
- The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process;
- The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance, and its short, medium and long-term prospects;
- The governing body should serve as the focal point and custodian of the corporate governance in the organisation;

- The governing body should serve as the focal point and custodian of the corporate governance in the organisation;
- The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively;
- The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement, and assist with balance of power and the effective discharge of its duties;
- The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness;
- The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and effective exercise of authority and responsibilities;
- The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives;
- The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives;
- The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that it supports the organisation being ethical and a good corporate citizen

ELM has started to infuse the broad principles of the King IV report in its systems and processes during the 2017/2018 financial year, by undertaking an ethics management maturity assessment, through an instrument that contains indicators that are structured around the following categories:

- Leadership commitment
- Community ownership
- Governance structures
- Integrity management strategy
- Prevention:
  - ✓ Promoting a professional ethical culture
  - ✓ Policies and procedures
  - ✓ Corruption risk management
  - ✓ Pre-employment screening
  - ✓ Conflict of interest management
- Detection

- Investigations
- Resolution
- Monitoring and reporting

The draft Integrity Management Strategy has been developed following the outcomes of the Municipal Integrity Maturity Assessment.

### 2.37.6. Elundini Organizational Structure Overview

As part of the annual IDP & Budget review processes, the Municipality has reviewed its institutional Organogram in order to reflect whether the municipality will be able to deliver on its Constitutional mandate and as circumstances so demand. The reviewed Organizational structure is adopted with the adoption of the final IDP and Budget. The Municipal Manager and Managers directly accountable to the Municipal Manager have all been appointed and are on a 5 year performance contract besides those employees who are employed on an EPWP program. Managers that report directly to the Directors and Senior Manager annually sign their performance agreements that are aligned to the municipality's SDBIP. Below is the municipality's macro structure that was reviewed and adopted with the adoption of the IDP and Budget. The whole structure of the municipality is attached as an annexure to the document. The following are the municipal departments:

DEPARTMENT	FUNCTIONS
1. Office of the Mayor and Speaker	✓ Strategic support to both the Mayor and Speaker
2. Municipal Manager's Office	<ul style="list-style-type: none"> <li>✓ Strategic Support</li> <li>✓ Legal Services</li> <li>✓ Internal Audit</li> <li>✓ IDP</li> <li>✓ PMS</li> <li>✓ M&amp;E</li> <li>✓ Risk Management</li> <li>✓ Special Programs, including HIV &amp; AIDS, Youth, Women and PWD</li> <li>✓ Public Participation and Strategic Communication</li> </ul>
3. Corporate Services	<ul style="list-style-type: none"> <li>✓ Human Resources</li> <li>✓ Administration and Support</li> <li>✓ Information Communication Technology and Support</li> </ul>
4. Planning and Economic Development	<ul style="list-style-type: none"> <li>✓ Spatial Planning, GIS and Town Planning</li> <li>✓ LED</li> </ul>

	<ul style="list-style-type: none"> <li>✓ Property development</li> </ul>
<b>5. Community Services</b>	<ul style="list-style-type: none"> <li>✓ Waste Management and Environment;</li> <li>✓ Public Safety;</li> <li>✓ Fire &amp; Disaster Management;</li> <li>✓ Law Enforcement</li> <li>✓ Libraries</li> <li>✓ EPWP/CWP</li> </ul>
<b>6. Budget and Treasury Office</b>	<ul style="list-style-type: none"> <li>✓ Income and Expenditure;</li> <li>✓ Budget Planning, Monitoring, Financial Statements and Report;</li> <li>✓ Supply Chain Management;</li> <li>✓ Asset Management</li> </ul>
<b>7. Infrastructure Planning and Development</b>	<ul style="list-style-type: none"> <li>✓ Project Management;</li> <li>✓ Building and Civil Works</li> <li>✓ Electricity</li> </ul>

**Council Speaker**  
 Aim:  
 Structure the Legislative and Executive functions. Presides at meetings of Council

**Mayor**  
 Functions, Powers and Responsibilities:  
 • In terms of Section 56 of the Municipal System Act;  
 • Chapter 7 of the MFMA;  
 • etc.

**Executive Committee**  
 Exercises executive powers as per the Municipal Systems Act, viz. approving of budgets; approval of the IDP; passing of By-laws; etc.

**Whip – Section 79 Committees**  
 Functions:  
 • Determining agendas of Council;  
 • Ensuring that Party Councillors have been nominated  
 • Providing support to the Speaker in terms of Rules, Conduct, etc.

**Municipal Manager**  
 As head of Administration, powers and functions as defined in the Municipal Systems Act and MFMA amongst others; including functions delegated by the Mayor and Council  
 (Filled)

**Portfolio Councillors**  
 (Section 80 Committees)  
 • MM Office  
 • Finance  
 • Corporate Services  
 • Planning & Economic Development  
 • Infrastructure Planning and Development &  
 • Community Services

Senior Manager: Strategic Support Services: Office of the Municipal Manager  
 1. IDP  
 2. Institutional PMS  
 3. Monitoring and Evaluation  
 4. Risk Management  
 5. Public Participation, Customer Services and Communication  
 6. Special Programmes  
 7. Legal and Compliance Services  
 8. Internal Audit Services  
 9. Strategy Coordination  
 10. Manage the office of the MM, Mayor and the Speaker

Director: Corporate Services  
 (Section 56)  
 (Filled)

Chief Financial Officer  
 (Section 56)  
 (Filled)

Director:  
 Community Services  
 (Section 56)  
 (Filled)

Director: Planning &  
 Economic Development  
 (Section 56)  
 (Filled)

Director: Infrastructure  
 Planning & Development  
 (Section 56)  
 (Filled)

**2.37.6.1. Status on Vacancies**

The Municipality’s organizational structure consists of 322 positions in total. Out of the total number there are only 42 positions that are still vacant, 280 positions including all Section 56 Managers have been filled. All the vacant positions have been budgeted for and the delay in filling them has been the delays in the job evaluation process. Below is the breakdown in the filling of posts per department:

DEPARTMENT	NO. OF POSTS	NO. OF FILLED POSITIONS	VACANCIES	Period vacant	Vacancy rate	Budgeted for 2018/2019
MM’s Office	32	27	5	1 year	18.5%	Yes
Infrastructure Planning & Development	58	50	8	1 year	13.79%	Yes
Budget and Treasury	42	38	4	1 year	10.5%	Yes
Community Services	135	118	17	1 year	12.59%	Yes
Corporate Services	44	39	5	1 year	12.8%	Yes
Planning and Economic Development	11	8	3	1 year	37.5%	Yes
TOTAL	322	280	42		13.04%	Yes

**2.37.6.2. Records Management**

ELM has a functional Records Management Unit located within the Corporate Services Department. The File Plan of the municipality has standards of record-keeping which are followed accordingly. The ELM’s file plan has goals which are not limited to the following that are followed in the Registry office:

- ✓ To provide a systematic framework for the classification of all records in their active, semi-active and inactive stages;
- ✓ To assist registry staff in the orderly filling and retrieval of records;
- ✓ To ensure that records are retained and destroyed or preserved in accordance with legal and fiscal requirements, archival value and operational needs;
- ✓ To reduce the volume of records in the offices by providing guidelines on the retention and destruction of records.
- ✓ Transfer of records to the filling room.

**2.37.6.3. Employment Equity Plan**

ELM has adopted its five year employment equity plan and annually reviews it and approves the review before the start of each financial year. The reviewed equity plan shows the relationship between the current workforce profile and possible barriers in employment equity policies and procedures. Below is the gender breakdown of

staff compliment of ELM per occupational level: The table below contains information on all employees, including people with disabilities:

**Table 42: Employees including People With Disabilities**

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Municipal Manager)	1	0	0	0	0	0	0	0	0	0	1
Senior management (Directors)	3	0	0	0	2	0	0	0	0	0	5
Professionally qualified and experienced specialists and mid-management	12	0	0	2	7	0	0	0	0	0	21
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	27	0	0	1	42	0	0	1	0	0	71
Semi-skilled and discretionary decision making	54	0	0	0	32	0	0	0	0	0	86
Unskilled and defined decision making	53	0	0	0	42	1	0	0	0	0	96
TOTAL PERMANENT	150	0	0	3	125	1	0	1	0	0	280
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
<b>GRAND TOTAL</b>	<b>150</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>125</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>280</b>

#### **2.37.6.4. Human Resources/ Skills Development**

ELM annually develops its Workplace Skills Plan (WSP), linked to its Human Resources Development Plan, which sets out the training needs and plans for the financial year for both councillors and staff. Such plan is then submitted to the Employment Equity and Training Steering Committee for consultation and then to Council for approval. The Workplace Skills Plan (WSP) is also submitted to the LGSETA. The municipality also developed skills audit and competency profiling report to guide development of WSP for the coming years.

ELM will during the financial year 2018/19 develop a new Integrated Human Resources Development Strategy that will incorporate the Training, Recruitment, Retention Strategy, Talent Management, Succession Planning and Scarce Skills since the HRD Plan it developed has since expired in 2012. The scarce and critical skills that the HR Plan intends to address are those of fields of finance, engineering, environmental management and town planning. ELM has rolled out ICT – End User Learnership for the unemployed youth of Elundini Local Municipality and thereafter they were enrolled to ICT Systems Administrator and ICT Technical Support and a number learners have benefited from this initiative.

#### **2.37.6.5. Job Evaluation**

ELM reviews its organizational structure annually as part of the IDP review process. Job profiling and job description process is conducted for all new positions and those that have been affected by the review process.



Review of job descriptions for existing positions that are affected by the review of the organogram is also conducted. Job descriptions for all new positions and affected positions are subjected to a job evaluation process which is conducted through District Job Evaluation Committee and audited by the Provincial Audit Committee. ELM uses the Task system to evaluate positions as adopted SALGA.

**2.37.6.6. Occupational Health And Safety**

ELM is currently in the process of developing Occupational Health and Safety Management System that is intended to improve ELM's performance standards in terms of Health and Safety. The development of the system will be in line with ELM operations and activities and constantly reviewed to cater for any changes for improvement. ELM also has an Occupational Health and Safety structure in place called ELM Health & Safety Committee which seeks to improve ELM performance in terms of health and safety. The Health & Safety Committee is comprised of various representatives from different municipal departments.

**2.37.6.7. Employee Health And Wellbeing**

ELM is currently implementing its Employee Wellness Strategy that was adopted by council. There are numerous activities that employees are embarking on which include among others counselling, referrals for counselling, sports events; FUN walks, observation of National Health Calendar which is done in conjunction with the Department of Health and this is done to encourage and foster Inter Governmental Relations. The municipality has also resolved to give those employees who participate in sports afternoon off on Wednesdays from 15:30 to go and participate in their various sporting codes.

**2.37.6.8. Leave Management**

Leave Management was previously noted as a problem arising from audits by the Auditor General. The Human Resources Department revised its policy and procedures in order to address these shortcomings and have implemented various steps aimed at improving Leave Management. An electronic system is used to record all kinds of leaves that employees have taken. The system enables the manager responsible for the leave to approve it in the system and human resource is able to assess all filed leaves in the system.

**2.37.6.9. Labour Relations**

There is general labour peace in the institution in so far as labour related issues are concerned. Management is trying by all means to consult with labour on all matters of concern. The employer has developed an open door approach to consult with the trade unions even outside the legitimate structure created for consultation. The council calendar also include the monthly sitting of Local Labour Forum (LLF) so as to further enhance sound labour relations and compliance with the Organizational Rights Agreement. Councillors, management and employees adhere to the Code of Conduct for both Councillors and employees.

### **2.37.6.10. Information Communication Technology And Support**

Information Communication Technology (ICT) division, located within the Corporate Service Department, is responsible for providing support services to its internal and external clients. ELM has gone through major renovation of its ICT section with the intention of enhancing Information and Communication Technologies services that are delivered to support its delivery objectives. ELM has thus developed and approved its Master Systems Plan (MSP) that will work as a guiding document to implement ICT projects and automate business processes. ELM has also developed the Disaster Recovery Plan (DRP) that will assist the municipality during disasters where ICT systems are affected so that systems can be restored quickly. ELM has also an ICT Governance Framework in place. With the sophistication of modern hardware, software and Internet services, paperless environments are growing in popularity. Going paperless is a greener option than using rims of paper and may cut down on overhead expenses. Gaps have been identified in the manner in which council agendas are being prepared and distributed to Council members:

- ✓ A large volume of paper rims was being utilized to prepare agendas which are costly to the Municipality and environment.
- ✓ Printing and binding of agendas was time consuming due to equipment malfunctions e.g. (Paper Jams/Print Errors) due to streamline printing and duplicating of documents.
- ✓ Large amount of toners/ink cartridges is being utilized
- ✓ Repairs on faulty printers' delays the preparation process due to high reliance on service provider to render required repair services as mass production printers are being leased within the municipality.
- ✓ Agendas have to be physically delivered to Council Members
- ✓ Agendas are inaccessible if forgotten or out office
- ✓ Too much physical space is being utilized and leads to untidiness and bulky filling

As ICT office research was conducted to establish a suitable application that could meet the municipality's needs, SharePoint was identified to be compatible to our specific requirements for a paperless environment, of which it has been deployed and introduced to counsellors and is currently being used for obtaining agendas over the network using their mobile devices in order to eliminate bulk printing of agendas and also eliminate manual distribution of agendas.

After deployment and introduction of SharePoint a training session took place within the municipality at the main board room where councillors were familiarized and monitored on procedures that they should follow to download agendas to their mobile devices from SharePoint. ELM issued laptops and 3G cards to Elundini councillors so as to assist with connectivity in their respective wards. ICT further facilitated the development of a revamped ELM's website [www.elundini.org.za](http://www.elundini.org.za) that is user-friendly and can be accessed from any platform

including smart phones. Also, ICT facilitated the development of electricity vending system that uses SASWITCH (bank ATM vending).

## 2.38. External Environmental Analysis

The municipality also analyzed both its external and external environment during its strategic planning session. Below is the summary of the analysis:

**Table 43: Environmental Analysis**

### (a) POLITICAL FACTORS

OBSERVATIONS	
	<ul style="list-style-type: none"> <li>✓ Perceived lack political stability in the country manifested through instability in certain structures of government such as security cluster, SOEs etc.</li> <li>✓ Corruption embedded within government poses serious reputational risks for the country.</li> <li>✓ Politicization of the public service resulting to a divided focus and vision of different parties and allocation of resources.</li> <li>✓ Unfair allocation of resources to small municipalities.</li> <li>✓ Inadequate technical expertise and resources support resulting to slow service delivery.</li> <li>✓ Inability to successfully collect debt due to the municipality from other public bodies.</li> <li>✓ Insufficient budget allocation for public body offices at local level resulting</li> <li>✓ Poor integrated planning between the municipality and public bodies</li> <li>✓ IGR platform within Joe Gqabi District is not effective resulting on missed out opportunities to address service delivery challenges.</li> <li>✓ Regular elections ensure legitimacy of difference spheres of government.</li> <li>✓ Active participation of traditional leadership in the council</li> <li>✓ All wards have ward committees</li> <li>✓ Augmented community participation through village and township based interactions</li> <li>✓ Establishment of ward war rooms for improved handling of service delivery issues</li> </ul>
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>✓ Diverse political party governance at different increase competition among political parties and benefits community.</li> <li>✓ Changing political landscape resulting to improvement of service for service delivery for citizens.</li> </ul>

<b>OBSERVATIONS</b>	
	<ul style="list-style-type: none"> <li>✓ Political stability within the Joe Gqabi resulting to citizen loyalty for the ruling party.</li> <li>✓ Public body offices increase accessibility at local level.</li> <li>✓ Availability of resources within public bodies which may result to partnership and maximization of resources for service delivery.</li> <li>✓ Existence of IGR platforms for engagement and sharing of information</li> <li>✓ Factionalism at ward level (ward councilor and ward committees) compromises service delivery</li> </ul>
<b>Implications for the Municipality</b>	<ul style="list-style-type: none"> <li>✓ Service delivery is compromised by the threats</li> </ul>
<b>Preliminary options</b>	<ul style="list-style-type: none"> <li>✓ Election and appointment of credible leaders who are moral, ethical, transparent and accountable</li> <li>✓ Political intervention for IGR challenges need to be strengthened</li> <li>✓ Develop alternatives strategies to increase revenue such as building of way-bridge.</li> <li>✓ Planning processes between three spheres of government need to be re-looked at and improved for better service delivery.</li> <li>✓ National government should develop clear guidelines for traditional leaders and councilors roles</li> <li>✓ Introduce electronic election processes to promote social cohesion and eliminate factionalism</li> <li>✓ Institutional and Social Development enhancement and integration</li> </ul>

**(b) ECONOMIC FACTORS**

<b>OBSERVATIONS</b>	
<b>Threats</b>	<ul style="list-style-type: none"> <li>✓ Poverty intensity of the municipality increased from 41% to 44%</li> <li>✓ Dependency rate on social grant is 75%</li> <li>✓ Household size increased from 3,6 to 4 people</li> <li>✓ High unemployment rate 44%</li> <li>✓ Reduced contribution of the primary sector to the local economy ( agriculture and forestry)</li> <li>✓ All other sectors increased and yet the primary sector decreased</li> <li>✓ Increase in informal business owned by foreign nationals who do not contribute to the fiscus by taking the money out of the local economy</li> </ul>

	<ul style="list-style-type: none"> <li>✓ Low levels of skills and education increases dependency</li> <li>✓ High inflation ( affects purchasing power and input prices)</li> <li>✓ Located inland (high cost of doing business)</li> <li>✓ National treasury allocations are declining in real terms</li> <li>✓ Dual use of properties by foreign nationals ( residence and business)</li> </ul>
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>✓ Tertiary sector ( retail and financial services)</li> <li>✓ Secondary sector ( construction and manufacturing )</li> <li>✓ National policies which encourage primary sector productivity (IPAP)</li> <li>✓ Untapped sectors which can be tested (energy and mining and quarry )</li> <li>✓ Natural resources (arable agricultural land)</li> <li>✓ Property development (serves as an infrastructure for commercial enterprises)</li> <li>✓ Tourism (getting into partnerships with land owners like the dinosaur footprint &amp; Tsitsa fall, land suitable for adventure tourism)</li> </ul>
<b>Implications for the Municipality</b>	<ul style="list-style-type: none"> <li>✓ The municipality has to serve more people with less money</li> <li>✓ Social instability (protests, increase in crime, etc.)</li> <li>✓ Migration of young people with skills</li> <li>✓ Unattractive to investors due to the high cost of business</li> <li>✓ Arable land being used for residential purposes</li> </ul>
<b>Preliminary options</b>	<ul style="list-style-type: none"> <li>✓ Public private partnerships (initiation and management secondary and secondary)</li> <li>✓ Development of local skills (technical and business knowledge)</li> <li>✓ Development of inner city (economic infrastructure)</li> <li>✓ Cost containment (doing more with less)</li> <li>✓ Research skill for continuous economic update (provide economic information to potential investors)</li> <li>✓ More focus on economic development from the municipality and an increased budget allocation to local economic development</li> <li>✓ Strategies should take care of growing the survivalists, micro, small medium and large</li> <li>✓ Full utilization of our natural resources (municipal land)</li> </ul>

### (c) SOCIAL FACTORS

<b>OBSERVATIONS</b>	
<b>Threats</b>	<ul style="list-style-type: none"> <li>✓ Inaccessibility to higher education, skills development centre</li> <li>✓ Performance and facilities in the basic education, ECDs</li> <li>✓ Skilled early childhood practitioners</li> </ul>

	<ul style="list-style-type: none"> <li>✓ High crime rate</li> <li>✓ Lack police visibility</li> <li>✓ Drug abuse particularly among the youth</li> <li>✓ High unemployment rate</li> <li>✓ Poor and inaccessible primary health care</li> <li>✓ Residing shops</li> <li>✓ Chronic disease</li> <li>✓ Dependency on social grants</li> <li>✓ Child headed households</li> <li>✓ Diversified cultures resulting in lack of promotion of a single belief system</li> </ul>
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>✓ Funding for infrastructure development to schools</li> <li>✓ NSFAS and Government for education</li> <li>✓ TVET College is available in Mt. Fletcher</li> <li>✓ Arable land</li> <li>✓ Anti-poverty policies government policies</li> <li>✓ Active youth participation in sports</li> <li>✓ Diversified cultures promote tourism</li> </ul>
<b>Implications for the Municipality</b>	<ul style="list-style-type: none"> <li>✓ Increase in indigents</li> <li>✓ Improved literacy rate</li> <li>✓ Disinvestment as a results of a stagnant economy</li> <li>✓ High crime levels areas to classification as a high insurance risk lead to higher premiums</li> <li>✓ Poor state of health/ well being</li> <li>✓ Unskilled labour, low skill levels literacy</li> <li>✓ Poor and inaccessible primary health care</li> <li>✓ Unhygienic and fermenting environment in shops</li> </ul>
<b>Preliminary options</b>	<ul style="list-style-type: none"> <li>✓ Increase budget to fund indigents</li> <li>✓ Allocate more resources of skills development</li> <li>✓ Partnerships with skills providers</li> <li>✓ More police visibility and awareness</li> <li>✓ Support social and recreational opportunities</li> <li>✓ Skills development centres</li> <li>✓ Career information centre</li> <li>✓ Upgrade and maintain access roads to primary health centre</li> <li>✓ Implementation of bylaws on the health inspectors and law enforcement</li> </ul>

**(d) TECHNOLOGICAL FACTORS**

<b>OBSERVATIONS</b>	
<b>Threats</b>	<ul style="list-style-type: none"> <li>✓ Because of the rural nature of our municipality, there is limited space for innovation.</li> <li>✓ Broadband penetration is low.</li> <li>✓ Impact of social media</li> <li>✓ Reputational risks as people can spread perception</li> <li>✓ Unfair and uniformed insults intended for public representatives</li> <li>✓ Telecommunication infrastructure is limited.</li> <li>✓ Electricity theft (Izinyoka)</li> </ul>
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>✓ Great and cheaper communication tool for service delivery to the community.</li> <li>✓ The Elundini population is becoming younger, with 42% of the population younger 35 years.</li> </ul>
<b>Implications for the Municipality</b>	<ul style="list-style-type: none"> <li>✓ Need to advocate for the mainstream ICT infrastructure through IGR.</li> <li>✓ Leverage on existing infrastructure to increase access to internet.</li> </ul>
<b>Preliminary options</b>	<ul style="list-style-type: none"> <li>✓ Establish the Twitter and Facebook pages.</li> </ul>

**(e) ECOLOGICAL FACTORS**

<b>OBSERVATIONS</b>	
<b>Threats</b>	<ul style="list-style-type: none"> <li>✓ Climate Change/ Global Warming - Extreme Weathers (very hot, very cold)– RSA, District, and Elundini</li> <li>✓ Extinction Of Species, E.G Vulture &amp; other birds, animals and certain vegetation</li> <li>✓ Deterioration Of Ecosystems And Wetlands (due to over Fishing, Hunting, New Developments)</li> <li>✓ Environmental Pollution (Air, Water, Soil, Noise)</li> <li>✓ Landfill Sites (running out of Space, houses within the buffer zone, dumping of unacceptable materials)</li> <li>✓ Natural Disasters (Dongas, Floods, Storms, Veld Fires, Gust Winds)</li> <li>✓ Use Of Fossil Fuels (wood burning, fire)</li> <li>✓ Environmental Health Issues (Communicable Diseases)- waterborne and airborne diseases</li> <li>✓ Land Invasion &amp; Lack Of Land Use Management – Building in Cemeteries, Wetlands, Landfill Sites and Flood Plains.</li> </ul>

<b>Opportunities</b>	<ul style="list-style-type: none"> <li>✓ Precipitation Harvesting – Rain water tanks, Snow melting , Mist And Mountains (as water sources)</li> <li>✓ Ground Water (extraction of water)</li> <li>✓ Legislation – Protected Areas, Conservation, 1996 Constitution section 24. NEMA 1998</li> <li>✓ Technology – use of Solar Panels, Sensors, Alternative Energy Sources</li> <li>✓ Support From National and Provincial Environmental Affairs</li> <li>✓ Education And Awareness Programs</li> <li>✓ Recycling initiatives</li> <li>✓ Land Use Management Planning extended to rural areas.</li> </ul>
<b>Implications for the Municipality</b>	<ul style="list-style-type: none"> <li>✓ Waters Scarcity And Droughts</li> <li>✓ Effects on Eco-Tourism (Bird Watching, Fly Fishing, Tsitsa Falls) – Tourists from overseas will no longer come</li> <li>✓ Disasters / Ecosystems – threat to Food Security – increase on Dependence on Social Grants/ Indigents</li> <li>✓ Disasters - Loss Of Life, Loss Of Productivity (working hours), Disruption To Service Delivery and its Implications</li> <li>✓ Socio-Economics - Health Implications, Investment Issues, Economic Issues, Migrations To Better &amp; Safer</li> <li>✓ Environmental Deterioration – poor produce, browner pasture, invasive alien species</li> </ul>
<b>Preliminary options</b>	<ul style="list-style-type: none"> <li>✓ Paperless Administration + Recycled Papers, ICT</li> <li>✓ Energy Efficient Operations / Alternative Energy (Switching off Lights &amp; Heaters, use of Led, sensors)</li> <li>✓ Education And Awareness Campaigns – Environment, Energy Use &amp; Disasters</li> <li>✓ Effective Solid Waste Management, Implement New Technologies, allocate financial resources</li> <li>✓ Establishment of Full Fire Services and Disaster Management</li> <li>✓ Development of Climate Change Strategies, Environmental Management Plans, Energy Efficiency Strategies</li> </ul>

**(f) LEGAL FACTORS**

**OBSERVATIONS**



<b>Threats</b>	<ul style="list-style-type: none"> <li>✓ Over regulated environment when it comes to remuneration of section 56/7 managers, making it difficult for the municipality to attract and retain competent senior managers.</li> <li>✓ Conditions of Services for municipal staff are decided at a Central and Divisional Bargaining council levels , especially the salaries and other benefits, as such municipalities are obliged to implement which affects the attraction &amp; retention of staff.</li> <li>✓ Strikes, picketing and protests due to salary and wage negotiations / service delivery.</li> <li>✓ Regulations leading to confusion (SCM) regulations and central database, PPPFA.</li> <li>✓ Disjuncture between regulations, legislation and practices especially in the SCM field (SARS tax clearance, etc.).</li> <li>✓ No synergy between national, provincial and local government in terms of submissions of WSPs, ATRs and budgets.</li> <li>✓ The manner in which legislation is written makes it difficult for smaller municipalities to comply, leading to law enforcement unit not legally constituted thereby exposing the municipality to possible litigations.</li> <li>✓ Misalignment of powers and functions exposing the municipality into unnecessary protest and possible litigations.</li> <li>✓ Land invasions especially in the Mt. Fletcher area due to a slow process of formalization of residential areas that has been promised.</li> <li>✓ Noncompliance by other sister departments exposes the municipality to litigation and protest actions (Formalization of sites in Mt. Fletcher and Maclear).</li> </ul>
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>✓ There are functional IGR structures in place to address the issues (DIMAFO; MUNIMEC etc...).</li> <li>✓ SALGA and COGTA to raise issues on behalf of the member municipalities.</li> <li>✓ LRA (lockouts, no –work –no pay)</li> </ul>
<b>Implications for the municipality.</b>	<ul style="list-style-type: none"> <li>✓ Delays and disjuncture in terms of service delivery;</li> <li>✓ There may be possible service delivery protests and interruptions.</li> <li>✓ Unnecessary litigations; and or disputes</li> <li>✓ Lack of trust from the communities.</li> <li>✓ Inability to attract and retain competent staff.</li> <li>✓ Increased informal / illegal dwellings with limited / services that are unaccounted for.</li> </ul>
<b>Preliminary options</b>	<ul style="list-style-type: none"> <li>✓ There is a need to harmonize all of the by –laws, regulations and legislations.</li> <li>✓ There is a need to closely monitor the IGR performance.</li> <li>✓ More interactions with SALGA so that they can have better understanding of their plight during the negotiations at SALGBC.</li> </ul>

### 2.39. Organisational Analysis

#### Organizational Strengths & Weakness

In order to respond effectively to the challenges in which we operate, as prescribed by our legislative and constitutional mandate. We have note the following strengths which we intend to use to achieve our goals. We have also noted weaknesses which we intend to convert into strengths through effective management.

**Table 44: SWOT Analysis**

KPA	STRENGTHS	WEAKNESSES
<b>GOOD GOVERNANCE AND PUBLIC PARTICIPATION</b>	<ul style="list-style-type: none"> <li>✓ Functional Council supported by committees</li> <li>✓ Functional Audit Committee</li> <li>✓ Traditional Leaders are participation in council</li> <li>✓ Established and functional ward committees</li> <li>✓ Established war-rooms</li> <li>✓ CDWs in all wards</li> <li>✓ Community Participation Liaison Workers in all villages</li> <li>✓ Unqualified audit report</li> <li>✓ Mayor’s conversations properly coordinated</li> <li>✓ Creative and innovative projects (Khaba ka difaha, kairos moment, MSI etc.)</li> <li>✓ SPU strategic plans (Sports Development plan, HIV and AIDs multi-sectorial response plan, Women Development plan etc.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Lack of customer care system</li> <li>✓ Lack of proper system to disseminate information emanating from ward committees</li> <li>✓ Archaic public participation methods</li> <li>✓ Failure to review strategies (Risk Management Strategy, Communication, Customer Care, Youth Center, Public Participation etc.)</li> <li>✓ Lack of Accountability (PMS)</li> <li>✓ Poor implementation of service charter.</li> <li>✓ Poor management of political processes resulting in delay in the establishment of ward committees in some wards</li> </ul>
<b>FINANCIAL VIABILITY AND MANAGEMENT</b>	<ul style="list-style-type: none"> <li>✓ Policies and Procedures and By-Laws are in place</li> <li>✓ All senior Levels position are filled.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Inability to enforce directorate to make supply chain submissions</li> </ul>

KPA	STRENGTHS	WEAKNESSES
	<ul style="list-style-type: none"> <li>✓ Maintained effective systems of internal control</li> <li>✓ Continuous improvement in audit outcomes</li> <li>✓ Maintained an improved grant utilization mechanism.</li> <li>✓ Accumulated adequate cash reserves to curb immediate financial interventions.</li> <li>✓ Procurement Strategy that has led to reduce delays in infrastructure acquisition</li> <li>✓ Grossly reduced consultant dependency on external service providers</li> <li>✓ Achieved improved debt collections mechanisms.</li> </ul>	<ul style="list-style-type: none"> <li>✓ There are constant compliance changes resulting in reduced short term procurement life cycle</li> <li>✓ Inefficient debt collection strategies.</li> <li>✓ Weakness in formulating adequate Specifications.</li> <li>✓ Ineffective mechanisms in convening Bid Committees.</li> <li>✓ Poor contract and project management.</li> <li>✓ Ineffective people management skills.</li> <li>✓ Lack of proactive asset management mechanism (need identification, timely disposal, maintenance)</li> <li>✓ Lack of continuous review of organizational structure.</li> </ul>
<b>SERVICE DELIVERY AND INFRASTRUCTURE</b>	<ul style="list-style-type: none"> <li>✓ Capacity to Plan and develop strategies</li> <li>✓ Integrated Waste Management Plan</li> <li>✓ 3 Year Capital Plan</li> <li>✓ Human Resource Capacity – Qualified personnel</li> <li>✓ Availability of Budget for Infrastructure for Roads Construction</li> <li>✓ Availability of Plant and Equipment for Construction and refuse Collection.</li> <li>✓ Construction Procurement Strategy in place to address the support of local contractors</li> <li>✓ Compliance with Landfill Site Permit Conditions</li> <li>✓ Provincial Recognition - Greenest Municipality Awards</li> </ul>	<ul style="list-style-type: none"> <li>✓ Lack of Customer Satisfaction Surveys</li> <li>✓ Poor Contract Management and poor project management.</li> <li>✓ Lack of By-law enforcement</li> <li>✓ Over reliance on overtime.</li> <li>✓ Over reliance on Mass Jobs and Casual Employees.</li> <li>✓ Reliance on external service providers.</li> <li>✓ Lack of Infrastructure Asset Management Strategy</li> <li>✓ (From Procurement, use, maintenance and disposal).</li> <li>✓ Dependence on MIG Funding with No Internal funding for Infrastructure.</li> <li>✓ Lack of Supervision of general staff by their supervisors, Managers and HODs</li> </ul>

KPA	STRENGTHS	WEAKNESSES
<b>INSTITUTIONAL TRANSFORMATION AND MANAGEMENT</b>	<ul style="list-style-type: none"> <li>✓ Trade unions are recognized by the institution.</li> <li>✓ Recruitment &amp; selection is internally focused thus giving promotional opportunities.</li> <li>✓ Most of the grievances are settled internally before turning into disputes.</li> <li>✓ Sound ICT infrastructure in place.</li> <li>✓ Information sharing sessions are held quarterly.</li> <li>✓ There is an employee wellness office in place.</li> <li>✓ Job security and institutional memory guaranteed to all employees other than section 56/7 managers.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Under recovery on cost of services rendered (waste and electricity)</li> <li>✓ No proper implementation of performance management systems.</li> <li>✓ LLF meetings tends not to quorate</li> <li>✓ Labour turn over on critical positions, where we cannot get suitably qualified person internally.</li> <li>✓ Most of the policies are obsolete and require reviews / development.</li> <li>✓ Implementation of most of the policies and strategies remains a challenge.</li> <li>✓ Some of the policies are replaced by collective agreements as such they are not implementable.</li> <li>✓ Job hopping as a result of internal recruitment. People to at least complete probationary period prior to applying for another post.</li> <li>✓ There is a capacity (under staffing and lack of competent staff) challenge within the ICT section.</li> <li>✓ Lack of proper systems and processes.</li> <li>✓ Lack of monitoring and evaluation of policies, systems and processes.</li> <li>✓ Training and development of staff is a challenge.</li> <li>✓ No proper occupational health and safety systems in place.</li> <li>✓ Staff retention is a challenge.</li> <li>✓ Wellness programs exclude councillors &amp; traditional leaders.</li> </ul>

KPA	STRENGTHS	WEAKNESSES
		<ul style="list-style-type: none"> <li>✓ Under staffing especially in service delivery departments.</li> <li>✓ Delays in filling of critical vacancies.</li> </ul>
<b>DEVELOPMENT PLANNING AND LOCAL ECONOMIC DEVELOPMENT</b>	<ul style="list-style-type: none"> <li>✓ Institutional knowledge on economic development needs</li> <li>✓ Agricultural development plan (in place)</li> <li>✓ Mount Fletcher economic feasibility study</li> <li>✓ Business enabling environmental study</li> <li>✓ Permits and licenses plan</li> <li>✓ Local business development support institutions (CDC &amp; craft centre)</li> <li>✓ Industrial development plan( furniture and other natural resources)</li> <li>✓ Municipal property development plan</li> <li>✓ Effective partnerships are in place</li> <li>✓ Procurement strategy allows for 25% benefit for SMMEs</li> <li>✓ By-laws - SPLUMA</li> <li>✓ Processes in place for applications</li> <li>✓ Policies (property rates)</li> <li>✓ Draft precinct plans (for three town)</li> <li>✓ Land audit – land inventory</li> <li>✓ Functional PMS (section 56/7)</li> <li>✓ PMS policy in place</li> <li>✓ 5-year IDP</li> </ul>	<ul style="list-style-type: none"> <li>✓ LED strategy needs to be reviewed</li> <li>✓ Tourism strategy need to be reviewed</li> <li>✓ Policy to regulate informal trading</li> <li>✓ Lack of resources to implement plan</li> <li>✓ Lack of Research skills</li> <li>✓ Budget constraints</li> <li>✓ Non-functioning Maclear Open Market (separation of duties)</li> <li>✓ Forestry development partnership eastern side and no initiative on the western side</li> <li>✓ Office space</li> <li>✓ Tourism information centre not fully utilized</li> <li>✓ SPLUMA aligned town planning scheme</li> <li>✓ GIS ( data not upgraded)</li> <li>✓ Budget constraints</li> <li>✓ Revision of SDF</li> <li>✓ Physical protection of land (enforcement)</li> <li>✓ Lack of regulation to force improvements on property</li> <li>✓ Revision of outdoor advertising by-law and policy.</li> <li>✓ Inadequate office space</li> <li>✓ Lack of long term vision of the municipality (e.g. Elundini 2050)</li> <li>✓ Lack of Ward based plans</li> </ul>

KPA	STRENGTHS	WEAKNESSES
		<ul style="list-style-type: none"> <li>✓ No effective engagement with stakeholders – IDP forum</li> <li>✓ Monitoring and evaluation framework</li> <li>✓ Specialist on monitoring and evaluation</li> <li>✓ PMS below 56 is not well functioning</li> </ul>

### 3. SECTION C: VISION AND MISSION

The Mission and Vision Statements and Values of the Municipality were confirmed as valid and were not changed.

#### 3.1. Vision Statement

*“A leading rural municipality that delivers a better quality of life for all citizens - a municipality that is phenomenally viable, highly successful and passionately people-centered.”*

#### 3.2. Mission Statement

Our mission is to operate a rural municipality that:

- *delivers excellent services to its people who remain its priority in everything that it does,*
- *is financially viable,*
- *has good governance in place,*
- *is transformed and developmental,*
- *is clean, green and sustainable*

#### 3.3. Values

**Table 45: Values**

Team Work:	We work together as a team, each playing their role to achieve common goals.
Commitment:	We are dedicated to achieving municipal objectives.
Trustworthiness:	We are honest & reliable.
Transparency:	We promote openness and accessibility to information
Ethical Conduct:	We subscribe to high morals and principles to promote and maintain integrity of the Municipality
Professionalism:	We utilise our skills and knowledge with due care and integrity.
Accountability:	We take responsibility for our actions and decisions.
Respect:	We treat all people with dignity and courtesy

## 4. SECTION D: GOALS, STRATEGIC OBJECTIVES, KEY PERFORMANCE AREAS AND PERFORMANCE INDICATORS

The Council and Administration of ELM have, in its strategic planning session held in February 2018, recommitted themselves to working towards the realization of the following three (3) strategic goals which have been aligned to the Vision, Mission and Key Performance Areas of the Municipality:

- **Goal One:** Accelerate service delivery and infrastructure development;
- **Goal Two:** Promote economic growth, environmental sustainability and creation of decent jobs;
- **Goal Three:** To improve the effectiveness of governance administrative and financial systems

### 4.1. Strategic Goals and Objectives

There was a consensus among participants that there were too many objectives in the current strategy, and some of them were over-lapping or purely activities. Discussions lead to the following reconfiguration of Strategic Goals and Objectivities.

**Table 46: Strategic Goals and Objectives**

<b>Strategic Goals</b>	<b>Strategic Objectives</b>
Goal 1: Accelerate service delivery and infrastructure development.	1.1. Efficient construction, rehabilitation and maintenance of municipal infrastructure
	1.2. Promote environmental health and safety of local communities
	1.3. Increase quantum of households receiving free basic services
Goal 2: Promote Sustainable economic growth and creation of decent jobs.	2.1. Increase mining, agricultural, forestry and tourism products and services
	2.2. Support the development of SMME to participate in a diversified and growing economy.
	2.3. To increase investment through land and socio-economic infrastructure development.
	2.4. Promote creation of employment opportunities and decent jobs
	3.1. Strengthen integrated planning, monitoring and evaluation of municipal programs.



Goal 3: Improve the effectiveness of governance, administrative and financial systems.	3.2.Enhance organisational performance and management of municipal resources
	3.3.Improve public participation and oversight to enhance accountability

## 4.2. Alignment of National Outcomes

ELM supports the National Development Plan and the Eastern Cape Provincial Development Plan. Our Strategic Plan will contribute to the realization of the outcomes articulated for South Africa and Eastern Cape respectively:

National Outcomes		How Elundini will contribute to these outcomes
1	Decent employment through inclusive growth	<ul style="list-style-type: none"> <li>• Increase agricultural, forestry and tourism products and services by 2021</li> <li>• Support the development of SMME to participate in a diversified and growing economy.</li> <li>• Effective implementation of the Procurement Strategy</li> </ul>
2	Skilled and capable workforce to support an inclusive growth path	<ul style="list-style-type: none"> <li>• Support the development of SMME to participate in a diversified and growing economy.</li> </ul>
3	An efficient, competitive and responsive economic infrastructure network	<ul style="list-style-type: none"> <li>• Efficient construction, rehabilitation and maintenance of municipal infrastructure</li> <li>• Build new and rehabilitate existing child care facilities to promote early childhood development by 2021.</li> <li>• To increase investment through property and economic infrastructure development.</li> <li>• Increase productive use of land</li> <li>• Efficient allocation of financial resources in line with IDP and Budget.</li> <li>• Increase quantum of households receiving free basic services</li> </ul>
4	Vibrant, equitable and sustainable rural communities with food security	<ul style="list-style-type: none"> <li>• Rural job creation linked to skills development and promoting economic livelihood</li> </ul>
5	Sustainable human settlements and improve quality of household life	<ul style="list-style-type: none"> <li>• Improve public safety and security</li> </ul>

6	Responsive accountable, effective and efficient local government	<ul style="list-style-type: none"> <li>• Improve contract management and project monitoring systems.</li> <li>• Improve efficiencies in management of financial resources</li> <li>• Optimize the participation of communities in the affairs of the Municipality.</li> <li>• Strengthen integrated planning, monitoring and evaluation of municipal programs</li> </ul>
7	Protect and enhance our environment assets and natural resources	<ul style="list-style-type: none"> <li>• Provide a safe and healthy environment</li> </ul>

### 4.3. The Five Year Implementation Plan

Strategic objectives and KPI meant to track progress in addressing priority issues and realizing the goals across, and within, each of the KPA over the next five years are outlined below. This information is specifically informed by existing Local, District, Provincial, and National priorities. Some of the indicators included are taken directly from the Local Government Performance Management Regulations, Schedule to the Municipal Systems Act. This information will also be included in individual performance plans thus ensuring an integrated performance management system which fosters accountability and responsiveness.

## 4.4. IDP FIVE YEAR PLAN – 2018 TO 2023

Table 47: Five Year IDP Project Priorities

Strategic Goal 1: Accelerate service delivery and infrastructure development									
Strategic objectives	Activities	Indicators	Indicative Budget (18/19)	TARGET					
				5 Year Target	2018/19	2019/20	2020/21	2021/22	2022/23
1. Efficient construction, rehabilitation and maintenance of municipal infrastructure	<ul style="list-style-type: none"> <li>• Electrification of households and provision of public lighting</li> <li>• Construction, Upgrading and Maintenance of Electrical network</li> <li>• Planning of Roads Infrastructure</li> <li>• Design of Roads Infrastructure</li> <li>• Procurement of Service Provider for construction of roads</li> <li>• Construction and Maintenance of Roads Infrastructure</li> <li>• Planning of Public Amenities</li> <li>• Design of Public Amenities</li> <li>• Procurement of Service Provider for construction of Public Amenities</li> <li>• Determine locations of child care facilities.</li> <li>• Develop business plan.</li> <li>• Intergrade it with a 3 year plan MIG capital PCM.</li> </ul>	1.1.1. Number of households in electrification program connected	R 25 636 000	5000	1100	861	839	1 160	1 140
		1.1.2. Number of Street lights Installed in Maclear	R 613 600	400	70	100	100	50	80
		1.1.3. Number High Mast Lights installed	R 1 951 376	24	0	8	8	4	4
		1.1.4. % of street lights maintained	R 566 048	100%	100%	100%	100%	100%	100%
		1.1.5. % high mast lights maintained		100%	100%	100%	100%	100%	100%
		1.1.6. Number of Smart meters installed	R 1 968 400	3400	0	1000	2000	200	200
		1.1.7. Number of transformers in electrical network refurbished	R 1 862 000	10	2	2	2	2	2
		1.1.8. % of electrical network maintained	R 1 200 000	100%	100%	100%	100%	100%	100%
		1.1.9. Kms of paved roads constructed	R 12 984 707	40.18	7.8	12.59	10.69	4.55	4.55
		1.1.10. KMs of unpaved access roads constructed	R 8 610 589	70.5	10.57	18.28	20	10.74	10.91

Strategic Goal 1: Accelerate service delivery and infrastructure development									
Strategic objectives	Activities	Indicators	Indicative Budget (18/19)	TARGET					
				5 Year Target	2018/19	2019/20	2020/21	2021/22	2022/23
	<ul style="list-style-type: none"> <li>Procure service provider/determine implementation modality.</li> </ul>	1.1.11. Number of public amenities constructed	R 11 827 602	8	3	1	2	1	1
		1.1.12. KMs of roads rehabilitated	R 1 280 722	90	0	30km	30km	30km	-
		1.1.13. KMs of DR roads maintained under SLA	R 6 000 000	880	220km	220km	220km	220km	-
		1.1.14. KMs of access roads maintained under SLA		962	200	254	254	127	127
		1.1.15. Number of public amenities maintained	R0	16	0	4	4	4	4
		1.1.16. % of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan, including INEP grant		100%	100%	100%	100%		
2. Increase quantum of households receiving free basic services	<ul style="list-style-type: none"> <li>Review and update municipal indigent register</li> <li>Encourage qualifying beneficiaries to register on</li> </ul>	2.1.1. The number of indigent households with access to free basic services	R 6 289 427	12500	10500	11000	11500	12000	12500

Strategic Goal 1: Accelerate service delivery and infrastructure development									
Strategic objectives	Activities	Indicators	Indicative Budget (18/19)	TARGET					
				5 Year Target	2018/19	2019/20	2020/21	2021/22	2022/23
	the municipal Indigent Register								
3. Efficient construction, rehabilitation and maintenance of municipal infrastructure	<ul style="list-style-type: none"> <li>•</li> </ul>	3.1.1. Number of child care facilities built/rehabilitated (rollover 2018/19)	R 750 000	5	1	1	1	1	1
4. To promote environmental health and safety of local communities	<ul style="list-style-type: none"> <li>•</li> </ul>	4.1.1 Percentage of reported fire incidents responded to	R 0	100%	100%	100%	100%	100%	100%
4. Improve public safety and security	<ul style="list-style-type: none"> <li>• Construction and Maintenance of Public Amenities</li> <li>• Conduct Road blocks</li> <li>• Enforcement of By-laws</li> <li>• Erection and Replacement of Road Signs, Road marking and calming measures</li> <li>• Fire Responses and prevention measures</li> </ul>	4.1.2. Number of inspections relating to fire safety	R100 000	80	20	20	20	20	-
		4.1.3. Number of Health, Safety and security related interventions implemented	R40 000	10	2	2	2	2	2
5. Provide a safe and healthy environment	<ul style="list-style-type: none"> <li>• Refuse collection, street cleaning, litter picking and cleansing.</li> <li>• Public Awareness and Education on environmental management</li> </ul>	5.1.2. Number of households and commercial properties with access to refuse collection services	R600 000	11 000	7558	7630	7800	7800	7800
		5.1.3. Number of entries to Greenest	R15 000	5	1	1	1	1	1

Strategic Goal 1: Accelerate service delivery and infrastructure development									
Strategic objectives	Activities	Indicators	Indicative Budget (18/19)	TARGET					
				5 Year Target	2018/19	2019/20	2020/21	2021/22	2022/23
	<ul style="list-style-type: none"> <li>Environmental Conservation Programs conducted</li> </ul>	Municipality Competition 5.1.4. Number of land fill sites audits conducted	R450 000	5	1	1	1	1	1
<ul style="list-style-type: none"> <li>To increase investment through property and economic infrastructure development</li> </ul>	<ul style="list-style-type: none"> <li>Development of municipal &amp; other government owned land including maximizing the existing assets (include a commercial element in multi-purpose centres)</li> <li>Facilitate the establishment of government services</li> <li>Facilitate the improvement and densification of private owned land</li> <li>Asset (land &amp; other economic infrastructure) management plan</li> <li>Sign Public Private Partnership agreements</li> <li>Workshops with various stakeholders</li> <li>Conduct various research, studies and analysis</li> </ul>	5.1.5. Number of property development projects successfully concluded	R15m	8	3	2	2	1	-
		5.1.6. Rand value of property development attracted		R450m	R 95m	R144m	R123m	R87m	
		5.1.7. Rand value of capital budget for small town development		R130m	R29.5m	R39m	R34m		
		5.1.8. Number of construction jobs work opportunities created (artisans, electricians)		800	250	300	250		
		5.1.9. Number of permanent jobs created		260	50	60	70		
5.2. Increase quantum of households receiving free basic services	<ul style="list-style-type: none"> <li>Conducting of awareness sessions to educate households</li> <li>Identification and registration of qualifying households</li> </ul>	5.2.2. Number of households receiving free basic services	R6.5m	10000	10 000	9600	9800		

GOAL 2: PROMOTE ECONOMIC GROWTH, ENVIRONMENTAL SUSTAINABILITY AND DECENT JOBS

Strategic Goal 2: Promote economic growth, environmental sustainability and creation of decent jobs									
Strategic objectives	Activities	Indicators	Indicative Budget	TARGET					
				5 Year Target	2018/19	2019/20	2020/21	2021/22	2021/22
2.1. Increase agricultural, forestry and tourism products and services by 2021	<ul style="list-style-type: none"> <li>Facilitate sector based enterprise development</li> <li>Marketing the Elundini area to investors and tourists</li> <li>Facilitate PPPs</li> <li>Host an Investment Summit</li> <li>Review the LED strategy</li> <li>Develop a Rural Development Strategy for Elundini.</li> <li>Commission Feasibility Studies for Industry based enterprises</li> </ul>	2.1.1. Number of jobs created from agriculture	R5m	15 000	2000	7000	12000		
		2.1.2. Number of tourism initiatives supported		14	2	3	3		
		2.1.3. Number of jobs created from forestry		26	26	26	26		
		2.1.4. Number of rural industry development projects implemented		3	0	1	1		
		2.1.5. Number of new direct investors attracted		8	3	2	2		
		2.1.6. Number of new indirect investors attracted indirectly through		4	1	1	1		

Strategic Goal 2:		Promote economic growth, environmental sustainability and creation of decent jobs							
Strategic objectives	Activities	Indicators	Indicative Budget	TARGET					
				5 Year Target	2018/19	2019/20	2020/21	2021/22	2021/22
		enabling environment							
2.2. Support the development of SMME to participate in a diversified and growing economy	<ul style="list-style-type: none"> <li>Develop and implement a support program to provide entrepreneurial skills</li> <li>Establish business networks and provide support</li> <li>Form partnerships with ECDC, SEDA and other agencies to support incubation hub within the area.</li> <li>Develop the knowledge base to enhance the Knowledge economy and support skills aligned to economic growth</li> </ul>	2.2.1. Number of SMMEs receiving development support from the municipality	R5m	450	100	150	200		
		2.2.2. % of SMMEs supported with 10 percent increase in turnover		30%	20%	25%	30%		
		2.2.3. % of infrastructure budget spent through local SMMEs		25%	25%	30%	25%		
	<ul style="list-style-type: none"> <li>Develop and submit business plans for EPWP (Mass Job Creation &amp; Capital Projects, etc.)</li> </ul>	2.2.4. Number of EPWP work opportunities created (FTE)	17/18–R2.6 m 18/19 – R 19/20 – R	668	128	156	156		
		2.2.5. Number of Recycling Initiatives supported		11	3	4	4		
		2.2.6. Number of energy efficiency programs initiated		9	2	3	4		
	<ul style="list-style-type: none"> <li>To lobby partnership (FET College) on youth development.</li> <li>Develop and implement a model for the</li> </ul>	2.2.7. Number of young people (17-35 years) subjected to critical skills development programs	R0	250	50	50	50		



Strategic Goal 2:		Promote economic growth, environmental sustainability and creation of decent jobs							
Strategic objectives	Activities	Indicators	Indicative Budget	TARGET					
				5 Year Target	2018/19	2019/20	2020/21	2021/22	2021/22
	operationalization of Elundini Youth Centre situated in Mount Fletcher. <ul style="list-style-type: none"> <li>To undertake career exhibitions.</li> <li>Provide support to focus groups on planning, sourcing of funding and business operations.</li> </ul>	2.2.8. Number of bursaries awarded		25	5	5	5		
		2.2.9. % of focus groups benefiting from the procurement strategy		15%	15%	15%	15%		
2.3. Effective implementation of the Procurement Strategy	<ul style="list-style-type: none"> <li>Identify and register local SMME on incubation database</li> </ul>	2.3.1. % of infrastructure budget spent through local SMMEs	R0	25%	25%	25%	25%		
2.4. Increase productive use of land	<ul style="list-style-type: none"> <li>Conduct land audit</li> <li>Develop partnerships on communal and private land areas</li> <li>Review the SDF</li> <li>Develop land use policy</li> <li>Conduct Research and Studies</li> <li>Training &amp; workshops</li> <li>Engage National Department of Public Works, BG Bison and other landowners for cemeteries and human settlement</li> </ul>	2.4.1. Hectares of private land available for agricultural activities	R50m	15 000ha	2000ha	7000ha	12000ha		
		2.4.2. Hectares of land zoned for commercial/industrial development		15 ha	15 hectares	5 hectares	5Hectares		
		2.4.3. Hectares of land zoned for housing development		15 ha	8 hectares	5 hectares	5Hectares		
		2.4.4. Number of phases undertaken towards the development of LUS & SDF	R 580 000	New	4	4	-	-	-

Strategic Goal 2:		Promote economic growth, environmental sustainability and creation of decent jobs							
Strategic objectives	Activities	Indicators	Indicative Budget	TARGET					
				5 Year Target	2018/19	2019/20	2020/21	2021/22	2021/22
		2.4.5. Number of activities undertaken towards RAFI Investment initiative	R 500 000	New	3	3	-	-	-

**GOAL 3: TO IMPROVE THE EFFECTIVENESS OF GOVERNANCE, ADMINISTRATIVE AND FINANCIAL SYSTEMS**

Strategic Goal 3		To improve the effectiveness of governance, administrative and financial systems							
Strategic objectives	Activities	Indicators	Indicative Budget	TARGET					
				5 Year Target	2018/19	2019/20	2020/21	2021/22	2021/22
3.1. Improve contract management and project monitoring systems.	<ul style="list-style-type: none"> <li>Identification and procurement of suitable contract management and project monitoring system.</li> <li>Submission of Reports to standing committees and council</li> <li>Standardisation of Tender Documents and Contracts</li> </ul>	3.1.1. % reduction in contract queries		50%	25%	35%	45%	50%	55%
		3.1.2. % contracts completed with quality timeframe and costs		90%	90%	90%	90%	90%	90%
		3.1.3. % adherence to the compliance framework		100%	100%	100%	100%	100%	100%
3.2. Improve efficiencies in management of financial resources	<ul style="list-style-type: none"> <li>Update and continuous review of policies and procedures</li> <li>Timeous Compilation of compliant reports</li> </ul>	3.4.2. Liquidity Ratios	RO	1:5:1	1:5:1	1:5:1	1:5:1	1:5:1	1:5:1
		3.4.2. Cost Coverage Ratio		1 month	1 month	1 month	1 month	1 month	1 month

Strategic Goal 3	To improve the effectiveness of governance, administrative and financial systems								
Strategic objectives	Activities	Indicators	Indicative Budget	TARGET					
				5 Year Target	2018/19	2019/20	2020/21	2021/22	2021/22
	<ul style="list-style-type: none"> <li>Prevention and execution of consequence management on unauthorised, irregular, fruitless &amp; wasteful expenditure.</li> <li>Updated GRAP compliant FAR</li> </ul>	3.4.2. Net Debtor's Day		200 days	200 days	200 days	200 days	200 days	200 days
		3.4.2. Capital vs Total Expenditure Ratio		10%	10%	10%	10%	10%	10%
		3.4.2. Collection Rate		95%	95%	95%	95%	90%	90%
		3.4.2. PPE Ratio		3%	3%	3%	3%	3%	3%
		3.4.2. Number of asset verifications conducted		10	2	2	2	2	2
	<ul style="list-style-type: none"> <li>Provide quarterly reports to MPAC on irregular, fruitless, unauthorised expenditure</li> <li>Conducted feasibility study report to determine cost effectiveness of tariffs</li> <li>Reduction of electricity distribution losses to 15%</li> <li>Identify and recruit Revenue Protection Officer (Electricity)</li> <li>Conduct Feasibility studies</li> </ul>	3.4.2. % increase in revenue generated from rates and taxes	RO	27.6% (compound ed)	5%	5%	5%	5%	5%
3.3. Continuous monitoring of capital spending	<ul style="list-style-type: none"> <li>Contract Management Monitoring</li> <li>Development of Demand Management Plan</li> <li>Produce Section 71 Reports</li> <li>Develop Bid Evaluation schedule</li> <li>Develop a Bid Adjudication schedule</li> </ul>	3.4.2. % variance on capital expenditure	RO	+ -5%	+ -5%	+ -5%	+ -5%	+ -5	+ -5

Strategic Goal 3	To improve the effectiveness of governance, administrative and financial systems									
Strategic objectives	Activities	Indicators	Indicative Budget	TARGET						
				5 Year Target	2018/19	2019/20	2020/21	2021/22	2021/22	
3.4. Improvement of ICT efficiency in order to support municipal objectives.	<ul style="list-style-type: none"> <li>Develop an off - site ICT disaster recovery site.</li> <li>Review and implement ICT risk register.</li> <li>Implementation of encryption tools.</li> <li>To provide efficient ICT support to the institution and every ward (by 2021).</li> <li>Implement ICT disaster recovery plan.</li> </ul>	3.4.2. Number of municipal facilities with access to ICT services	R1.5m	14	4	4	4	2	-	
		3.4.3. % Network Uptime		(60%)	95%	95%	95%	95%	95%	
		3.4.4. % of system with latest antivirus or anti spyware signatures		95%	95%	95%	95%	95%	95%	
		3.4.5. % of remote backups per month		100%	100%	100%	100%	100%	100%	
3.5. Improvement of security system to all administrative Units and facilities.	<ul style="list-style-type: none"> <li>Develop Security Master Plan.</li> <li>Improve physical access controls.</li> <li>Install visual monitoring systems by 2021. % improvement of security systems.</li> <li>Improve safety and security of municipal employees and assets.</li> </ul>	3.6.1. % decrease in lost assets	R1.5m	75%	50%	60%	75%	90%	100%	
		3.6.2. % reduction in security related incidents.		80%	50%	70%	80%	90%	100%	
3.6. Enhance organisational performance in order to achieve organisational objectives.	<ul style="list-style-type: none"> <li>Review organogram</li> <li>Develop an Organisation Development Strategy;</li> <li>Develop recruitment plans.</li> <li>Develop standard operation procedures.</li> <li>Review HR related policies.</li> <li>Review Human Resources Management Plan</li> </ul>	3.6.3. Turnaround times in responding to queries in days	R0	10 Working Days	14 Working Days	12 Working Days	10 Working Days	7 Working Days	5 Working Days	
		3.6.4. Improve turnaround time in filling of vacant budgeted positions in days		70 Days	90 Days	80 Days	70 Days	60 Days	60 Days	
		3.6.5. Improve turnaround time in resolving disputes in days		10 Days	20 Days	15 Days	10 Days	10 Days	10 Days	
		3.6.6. Number of employees on	R0	259	30	30	259	259	259	

Strategic Goal 3	To improve the effectiveness of governance, administrative and financial systems									
Strategic objectives	Activities	Indicators	Indicative Budget	TARGET						
				5 Year Target	2018/19	2019/20	2020/21	2021/22	2021/22	
	<ul style="list-style-type: none"> <li>Review of Human Resources Development Strategy.</li> <li>Annual development and implementation of WSP.</li> <li>Number of performance agreements concluded and assessed.</li> <li>Performance Management Systems cascaded to all levels</li> </ul>	performance agreements subjected to performance assessments.								
		3.6.7. % of allocated budget for WSP spent	95%	95%	95%	95%	95%	95%		
		3.6.8. Number of employees trained	259	150	200	259	280	280		
		3.6.9. Number of Councillors/Traditional Leaders trained	41	41	41	41	41	41		
	<ul style="list-style-type: none"> <li>Review Employee Wellness Strategy</li> <li>Develop OHS Management systems</li> <li>Review OHS Risk register.</li> </ul>	3.6.10. % Reduction in OHS incidents	50%	20%	20%	40%	40%	40%		
		3.6.11. % reduction in the rate of absenteeism due to occupational ill-health	20%	20%	20%	20%	20%	20%		
3.7. Promote good governance by providing efficient administrative support to councillors, traditional leaders and council	<ul style="list-style-type: none"> <li>Develop standard operation procedures.</li> <li>Development of schedule of resolutions.</li> <li>Implementation of GG on council support.</li> </ul>	3.7.1. Number of committee meetings held	R0	50	10	10	10	10	10	
		3.7.2. Number of council meetings held		20	4	4	4	4	4	
		3.7.3. % of council resolutions implemented		100%	100%	100%	100%	100%	100%	
3.8. Optimize the participation of communities in the affairs of the Municipality.	<ul style="list-style-type: none"> <li>Establish functional ward committees.</li> <li>Establish functional war rooms.</li> <li>Convene village based interactions with communities.</li> </ul>	3.8.1. Number of wards with functional committees	R10m	17	17	17	17	17	17	
		3.8.2. Score in the community satisfaction survey (Index of 1-5)		2	-	-	1	-	-	

Strategic Goal 3		To improve the effectiveness of governance, administrative and financial systems							
Strategic objectives	Activities	Indicators	Indicative Budget	TARGET					
				5 Year Target	2018/19	2019/20	2020/21	2021/22	2021/22
	<ul style="list-style-type: none"> <li>Explore and implement modern technologies to enhance community participation.</li> </ul>	3.8.3. Number of IT-based public participation methods used		3	3	-	-	-	-
3.9. Strengthen integrated planning, monitoring and evaluation of municipal programs	<ul style="list-style-type: none"> <li>Develop the institutional strategy</li> <li>Develop the SDBIP</li> <li>Review the strategy and the SDBIP</li> <li>Establish high level negotiation platforms with relevant departments to improve service delivery</li> <li>Organise Mayor's engagement sessions with key stakeholders.</li> <li>To develop Monitoring and evaluation framework for the institutional strategy</li> <li>Develop a Municipal Scorecard</li> <li>Conduct Municipal Performance Reviews</li> </ul>	3.9.1. % of targets met on the municipal scorecard	R500 000	95%	80%	85%	90%	95%	100%
		3.9.2. % participation of sector departments in IDP processes		100%	100%	100%	100%	100%	100%
		3.9.3. Rating score on the COGTA IDP standard		High	High	High	High	High	High
		3.9.4. Number of ward based plans development		17	8	9	17	17	17
		3.9.5. Number of performance reviews conducted		10	2	2	2	2	2
	<ul style="list-style-type: none"> <li></li> </ul>	3.9.6. % of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan, including INEP grant		100%	100%	100%	100%		

Strategic Goal 3	To improve the effectiveness of governance, administrative and financial systems								
Strategic objectives	Activities	Indicators	Indicative Budget	TARGET					
				5 Year Target	2018/19	2019/20	2020/21	2021/22	2021/22
	•	3.9.7. % expenditure on Mt. Fletcher Infrastructure Upgrades funded by Office of the Premier	R 29 m	100%	100%	100%	100%		

## 5 SECTION E - POLICIES, SECTOR PLANS AND STRATEGIES

The strategic approach to the development of the ELM's integrated development plan is underpinned by policies and strategies of the national and the provincial government. The development objectives of these policies have influenced the development of the strategic direction that the Municipality has identified. The national development plan is an overarching national policy that has informed the municipal strategy formulation. The other recent and relevant developmental policies which the municipal strategy has been aligned to are National Strategic Infrastructure Projects, Millennium Development Goals, Service Delivery Agreement Outcome 9, the King IV Code and the Provincial Government Development priorities. The section will also list the sector strategies that led the strategic direction of the municipality.

### 5.1. National Development Plan

#### 5.1.1. Introduction

Through previous programs (reconstruction and development program) South Africa looks different from 1994. However, there is much that looks the same. There are still short coming in the development path. There is insufficient progress in reducing poverty and inequality and unemployment. South Africa has a potential and capacity to eliminate poverty and reduce in equality over the next decade – Long term development plan. Elundini municipality should in the future have a long term development plan aligned to the National Plan. It should integrate the plans to the IDP and also promotes that people should be champion of their own development and government must work effectively to develop people’s capabilities to lead the lives they desire.

The National development plan is based on:

- ✓ effective participation of South African Citizens in their own development;
- ✓ redressing of the injustice of the past effectively;
- ✓ faster economic growth and higher investment and employment;
- ✓ rising standard of education;
- ✓ a healthy population and effective social protection;
- ✓ strengthening the linkages between the social and economic strategies;
- ✓ effective capable government, collaboration between government and private sector, strong sector leadership.



## 5.1.2. Strategic Projects Priorities By President's Infrastructure Coordinating Commission

The ELM through the district initiatives has also aligned its strategies to the national strategic project initiatives which it could benefit from such as follows:

➤ **SIP 6: INTEGRATED MUNICIPAL INFRASTRUCTURE PROJECT**

Develop national capacity to assist the 23 least resourced districts (19 million people) to address all the maintenance backlogs and upgrades required in water, electricity and sanitation bulk infrastructure. The road maintenance program will enhance service delivery capacity thereby impacting positively on the population.

➤ **SIP 10: ELECTRICAL INFRASTRUCTURE**

Electricity transmission and distribution for all. Expand the transmission and distribution network to address historical imbalances, provide access to electricity for all and support economic development. Align the 10-year transmission plan, the services backlog, the national broadband roll-out and the freight rail line development to leverage off regulatory approvals, supply chain and project development capacity.

➤ **SIP 11: AGRO PROCESSING INFRASTRUCTURE**

Investment in agricultural and rural infrastructure that supports expansion of production and employment, small-scale farming and rural development, including facilities for storage (silos, fresh-produce facilities, packing houses); transport links to main networks (rural roads, branch train-line, ports), fencing of farms, irrigation schemes to poor areas, improved R&D on rural issues (including expansion of agricultural colleges), processing facilities (abattoirs, dairy infrastructure), aquaculture incubation schemes and rural tourism infrastructure.

➤ **SIP 18: WATER AND SANITATION INFRASTRUCTURE**

A 10-year plan to address the estimated backlog of adequate water to supply 1.4 million households and 2.1 million households to basic sanitation. The project will involve provision of sustainable supply of water to meet social needs and support economic growth. Projects will provide for new

infrastructure, rehabilitation and upgrading of existing infrastructure, as well as improve management of water infrastructure.

## 5.2. Millennium Development Goals

The Millennium Declaration signed by world leaders of 189 countries in 2000, established 2015 as the deadline for achieving most of the millennium development goals. South Africa adopted vision 2014, which is derived directly from the United Nations Millennium Goals. Vision 2014 outlined the following:

- Reduce unemployment by half through new jobs, skills development, assistance to small businesses, opportunities for self-employment and sustainable community livelihoods.
- Reduce poverty by half through economic development, comprehensive social security, land reform and improved household and community assets.
- Provide the skills required by the economy, build capacity and provide resources across society to encourage self-employment with an education system that is geared for productive work, good citizenship and a caring society.
- Ensure that all South Africans, including, especially the poor and those at risk – children, youth, women, the aged and people with disabilities- are fully able to exercise their constitutional rights and enjoy the full dignity of freedom.
- Compassionate government service to the people, national, provincial and local public representatives who are accessible, and citizens who know their rights and insist on fair treatment and efficient service.
- Massively reduce cases of TB, diabetes, malnutrition and maternal deaths, and turn the tide against HIV and AIDS, and, working with the rest of Southern Africa, strive to eliminate malaria, and improve services to achieve a better national health profile and reduction of preventable causes of death, including violent crime and road accidents.
- Significantly reduce the number of serious and priority crimes as well as cases awaiting trial, with a society that actively challenges crime and corruption, and with programs that also address the social roots of criminality.
- Position South Africa strategically as an effective force in global relations, with vibrant and balanced trade and other relations with countries of the South and the North, and in an Africa that is growing, prospering and benefiting all Africans, especially the poor.

The goals consist of quantified targets to address extreme poverty in its many dimensions viz. poverty, hunger, disease, lack of adequate shelter, and exclusion whilst promoting gender equality, education,

and environmental sustainability. At the same time the goals also represent basic human rights i.e. the rights of each person on the planet to health, education, shelter, and security.

### **5.3. Delivery Agreement: Outcome 9**

The aim of Delivery Agreement: Outcome 9 is to ensure a responsive, accountable, effective and efficient local government system so as to restore the confidence of citizens in the local government sphere. As such municipalities need to ensure that the basic needs of communities are met; build clean, effective, efficient, responsive and accountable local government; improve performance and professionalism and strengthen partnerships between local government, communities and civil society. The Outcome consists of seven outputs which need to be achieved, viz.:

- ✓ Implement a differentiated approach to municipal financing, planning and support;
- ✓ Improve access to basic services;
- ✓ Implementation of the Community Work Program;
- ✓ Actions supportive of the human settlement outcome;
- ✓ Deepen democracy through a refined Ward Committee Model;
- ✓ Improve administrative and financial capability;
- ✓ A single window of coordination.

The outputs consist of targets, indicators and key activities which need to be achieved. The achievement of these outputs will go a long way in improving the lives of residents whilst at the same time improving the processes within government so they are able to operate more effectively and efficiently.

### **5.4. Other Polices and Strategies**

The other polices and strategies that the ELM has aligned its strategies to are:

#### **5.4.1. Provincial and National**

- ✓ Provincial Growth and Development Strategy
- ✓ Cooperative Development Strategy
- ✓ Provincial Job Creation Strategy
- ✓ Rural Development Strategy
- ✓ Spatial Development Framework
- ✓ Investment and Promotion Strategy

## 5.4.2. District Municipality

- ✓ Integrated Transport Plan
- ✓ District Environmental Plan
- ✓ Water Services Development Plan
- ✓ Integrated Solid Waste Management Plan
- ✓ Disaster Management Plan
- ✓ Environmental Management Plan
- ✓ Agricultural Development Plan
- ✓ Forestry Sector Plan

## 5.4.3. Elundini Local Municipality

### 5.4.3.1. Key Sector Plans

**Table 48: Compulsory sector plans to be included in IDPs**

No	Sector Plans	ELM Status	Custodian	Comment	Action	Timeframes
1	Spatial Development Framework	✓	SP&LED	Requires review	Need to develop SPLUMA compliant SDF which would integrate communal areas. There is budget set aside for 2017/2018.  Land use scheme  Already started with the project	2018/2019
2	Financial Plan	✓	CFO	In good standing	N/A	
3	Applicable Disaster Management Plan	X	Community Services	This plan exists at a district level	N/A	
4	Integrated Transport Plan	✓	IP&D	In good standing	N/A	
5	Housing Sector Plan/Strategy	✓	SP&ED	Reviewed in 2014/2015	Need to confirm whether the plan requires review or not depending on progress in the implementation of the current housing sector plan.  Housing sector plan for RDP in existence. Reviewed in 2016/2017	
6	Environmental Management Plan	✓	Community Services	ELM uses the District EMP of 2011.	Need to develop our own ELM plan instead of relying on the district plan.  No progress yet.	2018/2019

7	Water Services Development Plan	✓	JGDM	This plan only exists at district level	Not applicable to ELM as the district is the water services authority	
8	(Integrated) Waste Management Plan	✓	Community Services	In Good Standing	N/A	
9	Public Participation Strategy/Plan (Stakeholder Engagement Strategy/Plan)	✓	MM's Office	Requires review	Review internally a public participation plan	End June 2018
10	Communication Strategy/Plan	✓	MM's Office	Recently reviewed	N/A	
11	Workplace Skills Development Plan	✓	Corporate Services	In good standing 2016/2017		
12	Employment Equity Plan	✓	Corporate Services	In good standing 2016/2017	In good standing	
13	Human Resources Plan	✓	Corporate Services	Requires review		2018/2019
14	Human Resource Development Strategy	✓	Corporate Services	Requires review	Redirecting funding of talent management to HR plans and strategy	2018/2019
15	Performance Management Framework and Policy	✓	Corporate Services	Requires review	Under review	December 2017
16	Recruitment and Selection Strategy	X	Corporate Services	Planned to be developed together with HRD Plan and Strategy		Q4 2017/2018
17	Scarce Skills Attraction and Retention Strategy	X	Corporate Services	Planned to be developed together with HRD Plan and Strategy		Q4 2017/2018
18	Succession Plan Need to reconsider whether ELM needs it or not. Research further with institutions such as SALGA, etc.	X	Corporate Services	Planned to be developed together with HRD Plan and Strategy		Q4 2017/2018
19	Occupational Health And Safety Management System	X	Corporate Services	It is not explicit in the IDP whether the plan exists or not	There is OHS draft policy. Alignment between policy and system to be reviewed.	Q4 2017/2018
20	Anti-corruption and Anti-fraud Strategy	✓	MM's Office	Requires review	In progress	
21	LED Strategy	✓	SP&ED	Requires review	Need funding	2018/2019

22	Comprehensive Infrastructure Plan <ul style="list-style-type: none"> <li>Storm-water Master Plan</li> <li>3 Year MIG Capital Plan</li> <li>3 Year INEP Capital Plan</li> <li>3 Year Roads Maintenance Plan</li> </ul>	✓	IP&D	The plan is developed and broken down into different plans	In good standing  Need to be reviewed every two years (storm-water needs to be reviewed)  3 year roads maintenance plan under review-	2020/2021
	Electricity master plan				Needs to be developed	June 2018
23	Delegations Framework	✓	MM's Office	Recently reviewed in 2016/2017	In good standing	
	Disaster/emergency preparedness plan	X	Community Services & IP&D	Need to be developed	Not in place	2018/2019
	Air Quality Management Plan	X	Community Services	Not in Place	Not in place	2018/2019

- Municipalities need to have their own plans on how to respond to their disasters, including flooding of bridges, fires,
- Policy on Trade Effluent Plan to be incorporated in the Integrated Waste Management Plan.

## 4.5. Ward-Based Plans

### 4.5.1. Ward 01 – Development Plan

#### Vision

A ward with access to all government services, with employment opportunities, no substance abuse and safe and secured.

#### Mission

Ward 1 will achieve its vision through working together and communicating with each other well; encourages the involvement of traditional leaders and churches in its affairs; participates in sporting activities.

#### Values

- ✓ We are a ward that still upholds its cultural values;
- ✓ We are a religious ward;
- ✓ We are a creative ward

#### Strategic Objectives

- 1.1.1. To promote economic development and improve rural livelihood
- 1.1.2. To promote investment of human capital through skills development
- 1.1.3. To build ward infrastructure to support social and economic development
- 1.1.4. To promote social well-being, security and safety
- 1.1.5. To provide safe and secure environment for the ward especially women and children
- 1.1.6. Promote social cohesion and togetherness

#### Strategies and Projects

##### Program 1. Economic Development

• Strategies	• Projects	• Activities
• <i>Strategic Objective: To promote economic development and improve rural livelihood</i>		
	Livestock farming	• Approach DRDAR for building grazing camps for livestock

<ul style="list-style-type: none"> <li>Establish partnerships to develop and sustain cooperatives and enterprises in agricultural.</li> </ul>		<ul style="list-style-type: none"> <li>Solicit people who are trained on dangerous wild animals to investigate and advise on how the <b>rooi cat</b> which is eating livestock can be eliminated</li> <li>Explore value add business for livestock such as cutting of meat service, shisanyama, butchery, etc.</li> </ul>
	Vegetable and crop farming	<ul style="list-style-type: none"> <li>Household gardens for subsistence</li> <li>Reuse of wattles for food security gardens</li> <li>Explore value add such as processing and packaging of vegetables</li> </ul>
	Sheep-shearing project	<ul style="list-style-type: none"> <li>Facilitate provision of capital funding to start and sustain businesses</li> <li>Establish wool processing plant</li> </ul>
	Peach production	<ul style="list-style-type: none"> <li>Spray existing peach trees to improve the quality and quantity of the fruit.</li> <li>Identify more land for mass production and expansion of peach production for commercial use.</li> <li>Investigate suitable business model for running of peach production</li> </ul>
	Poultry project	<ul style="list-style-type: none"> <li>Revitalize Makhoaseng Poultry Project and ....</li> </ul>
<ul style="list-style-type: none"> <li>Develop and sustain cooperatives and enterprises in fishing.</li> </ul>	Fishing project	<ul style="list-style-type: none"> <li>Identify and protect the rivers with fishing potential</li> <li>Identify fishermen/women in the ward</li> <li>Organise them into a business entity and facilitate registration</li> <li>Organise training for fishermen/women and fishing licensing (for subsistence and commercial purposes).</li> <li>Create tourism attraction activities on identified fishing sites</li> </ul>
<ul style="list-style-type: none"> <li>Develop and sustain cooperatives and enterprises in mining.</li> </ul>	River sand mining project	<ul style="list-style-type: none"> <li>Identify people who willing and prepared to be sand miners.</li> <li>Organise them into a business entity and facilitate registration</li> </ul>



		<ul style="list-style-type: none"> <li>Facilitate registration in the government supply chain database</li> <li>Provide material and equipment for mining</li> </ul>
<ul style="list-style-type: none"> <li>Develop and sustain cooperatives and enterprises in manufacturing.</li> </ul>	Brick-making project	<ul style="list-style-type: none"> <li>Identify brick-makers and ensure their business registration.</li> <li>Provide training to improve product quality</li> <li>Provide material and equipment for big scale and massive production</li> </ul>
	Rock-processing project	<ul style="list-style-type: none"> <li>Identify people who are interested in starting rock-making business</li> <li>Mobilise them into a business entity</li> <li>Purchase equipment and material for rock-making</li> <li>Train people on rock sawing, rock design and polishing and how to operate rock machines</li> <li>Identify a site for operation and storage of finished product</li> </ul>
	Agro processing and packaging project	<ul style="list-style-type: none"> <li>Engage government bodies to secure capital funding for establishment of agro-processing facility</li> </ul>
	Wood-Logging Project	<ul style="list-style-type: none"> <li>Identify the area/s such as Thaba Khubedu and others that are suitable for wood logging and clearing of unwanted trees with ward leadership</li> <li>Destroy the bush and wattle trees especially along the rivers for cropping purposes and grazing lands.</li> <li>Identify people who are interested in wood logging business</li> <li>Organise them into a business entity and facilitate registration.</li> <li>Purchase equipment or machines for the cutting of wood.</li> <li>Organise transport to take cut wood to selling points.</li> <li>Identify perfect areas for selling of wood.</li> <li>Develop marketing plan for this business.</li> </ul>

<ul style="list-style-type: none"> <li>Develop and sustain cooperatives and enterprises in arts and craft.</li> </ul>	<p>Sewing and Beading Project</p>	<ul style="list-style-type: none"> <li>Identify people who are good in beading and sewing.</li> <li>Organise them into a business entity and facilitate registration</li> <li>Organise training for fishermen/women and fishing licensing (for subsistence and commercial purposes).</li> <li>Provide material and equipment for big scale or massive production</li> <li>Develop marketing plan</li> </ul>
	<p>1. Youth, arts and entertainment</p>	<ul style="list-style-type: none"> <li>Develop a database of youth in arts for the ward</li> <li>Provide technical training for youth in arts</li> <li>Establish ward arts platforms for youth to showcase their talent annually</li> <li>Assist youth groups to participate in local, district, provincial and national talent promotion platforms such as Elundini municipality Open MIC sessions, Sondela Festival, Tru FM talent search, SA Has Got Talent, etc.</li> </ul>
<ul style="list-style-type: none"> <li>Support ward integrated transport system to facilitate economic growth</li> </ul>	<p>2. Local bus operation</p>	<ul style="list-style-type: none"> <li>Engage commuters and bus owners on how to offer transport service that is responsive to the community</li> <li>Incentivize bus fares for people with disability</li> <li>Local transport owners must/should benefit from government bus system by engaging local relevant stakeholders e.g. Department of Transport</li> <li>Local transport owners engage with community to satisfy community need and schedules</li> <li>Local transport should consider the people living with disability and elderly persons</li> <li>Application of government transport system???</li> </ul>
<ul style="list-style-type: none"> <li></li> </ul>	<p>3. Community money-lending scheme (stockvel)</p>	<ul style="list-style-type: none"> <li>Formalize stockvels into community money-lending schemes to provide security for participants in these stockvels.</li> </ul>

**1.1.7. Program 2. Skills Development**

• Strategies	• Projects	• Activities
• <b>Strategic Objective: To promote investment of human capital through skills development student finance</b>		
• Training and empowerment of human resource in the ward	• Training	<ul style="list-style-type: none"> <li>• Categorise ward human resource into commodity groups</li> <li>• Provide technical and business skills for individuals on key economic sectors identified in the ward (agriculture, arts &amp; crafts, mining, transport, mining, fishing &amp; manufacturing)</li> </ul>
• Provide bursaries for skills development	• Bursary Assistance	<ul style="list-style-type: none"> <li>• Facilitate increased entry of learners to tertiary institutions.</li> <li>• Provide learner support and organise career guidance to help learners make right career choices.</li> <li>• Provide learners with information on bursaries and academic financial schemes available.</li> <li>• Career guidance sessions in schools including information on bursaries provided by different companies.</li> </ul>

### 1.1.8. Program 3 : Infrastructure Development

• Strategies	• Projects	• Activities
• <b>Strategic Objective: To build ward infrastructure to support social and economic development</b>		
• Building of ward infrastructure	• Vukuzenzele infrastructure project	• Explore building of access roads, early childhood development centres and community buildings with rocks and sand from the ward
• Provide electricity and explore alternative electricity	• Electrification of household and schools	• Explore renewable energy (wind turbines) due to massive wind in the ward for households and schools.
• Better access to health care	• Health services	<ul style="list-style-type: none"> <li>• Build a second clinic in Hlanganisa</li> <li>• More provision of medical equipment and information sharing</li> </ul>

		<ul style="list-style-type: none"> <li>Stability and consistence in providing mobile clinic services</li> <li>Provide medical equipment in the servicing hospitals e.g. X Ray in Tailor bequest.</li> </ul>
<ul style="list-style-type: none"> <li>Protection of springs</li> </ul>	<ul style="list-style-type: none"> <li>Water</li> </ul>	<ul style="list-style-type: none"> <li>Identify and protect all the unprotected spring fountains</li> </ul>
<ul style="list-style-type: none"> <li>Building of ward infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Multi-purpose community centres</li> </ul>	<ul style="list-style-type: none"> <li>Build a multi-purpose community centre at Hlanganisa that would accommodate: <ul style="list-style-type: none"> <li>Community activities</li> <li>Pay-point for elderly</li> <li>Arts and performance activities</li> <li>Ward office</li> <li>Information centre and government services</li> <li>Indoor sporting, etc.</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>Access to police services</li> </ul>	<ul style="list-style-type: none"> <li>Police Station</li> </ul>	<ul style="list-style-type: none"> <li>Satellite police station in Thaba Khubedu</li> </ul>
<ul style="list-style-type: none"> <li>Better access to education</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>	<ul style="list-style-type: none"> <li>Development of Pirintsu JSS</li> </ul>

#### 1.1.9. Program 4 : Social Development

Strategies	Projects	Activities
<p><b><i>Strategic Objective: To provide safe and secure environment for the ward especially women and children</i></b></p>		
<ul style="list-style-type: none"> <li>Providing of ward infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Home affairs</li> </ul>	<ul style="list-style-type: none"> <li>Working together of ward leadership to assist the Home Affairs requirements</li> <li>Provision of paternity testing for children without birth certificates</li> <li>Collaboration of government departments such as SAPS and Health etc....</li> <li>Establishment of bridging commissions that includes all the relevant stakeholders to bridge the Birth Certificated Gaps</li> </ul>

<ul style="list-style-type: none"> <li>• Providing safe environment</li> </ul>	<ul style="list-style-type: none"> <li>• Social security</li> </ul>	<ul style="list-style-type: none"> <li>• Active community surveillance groups with involvement of SAPS and parents of perpetrators for agreed corrective measures</li> <li>• Establishment of community safety police forums</li> <li>• strengthen cooperation on issue of safety and security</li> <li>• encourage community participation</li> <li>• Whistle blowing on issues affecting the ward e.g. infrastructure projects</li> <li>• Promote ethical behaviour</li> </ul>
<ul style="list-style-type: none"> <li>• Providing better health services</li> </ul>	<ul style="list-style-type: none"> <li>• Social health and well-being</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>• Legalise imperatives by chiefs on houses selling imiqombothi</li> <li>• Sharing of information on drug selling households</li> <li>• Parental talks with children and capacitation on parents</li> <li>• Promote VCT in households</li> <li>• Availing taverns by owner for purposes of health talking sessions</li> <li>• Awareness on issues of sugar daddys and sugar mamas</li> </ul>

**1.1.10. Program 5 : Social Mobilization**

• Strategies	• Projects	• Activities
<b>1.1.11. To promote effective communication, social cohesion and institutional support for strategy implementation</b>		
<ul style="list-style-type: none"> <li>• Encourage participation of stakeholders in the ward development.</li> </ul>	<ul style="list-style-type: none"> <li>• Community participation</li> </ul>	<ul style="list-style-type: none"> <li>• Organise ward leadership engagements to discuss development periodically</li> <li>• Develop community trust for the ward to oversee development and redistribution of natural resources.</li> </ul>
	<ul style="list-style-type: none"> <li>• Communication</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>• Create social network pages for ward development and communication</li> <li>• Research for the establishment of website for long term purposes</li> </ul>

- |  |  |   |
|--|--|---|
|  |  | <ul style="list-style-type: none"><li>• Monitoring and evaluation of service delivering</li></ul> |
|--|--|---|

## Ward 2: Development Plan

### Vision

A prosperous society, secure and safe with access to all basic services.

### Mission

Ward 2 will achieve its vision when communities work together and effectively communicates with each other; creation of more employment opportunities; education and skill development.

### Values

- ✓ We are a religious ward;
- ✓ We are a ward that settles its disputes through peaceful negotiations;
- ✓ We are a ward that still upholds its cultural beliefs

### Strategic Objectives

- To promote economic development and improve community livelihood through enterprise development and cooperatives
- To promote investment of human capital through skills development
- To build ward infrastructure to support social and economic development
- To promote social well-being, security and safety

### Program 1. Economic Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote economic development and improve community livelihood through enterprise development and cooperatives</i>		
Establish partnerships to develop and sustain cooperatives and enterprises in agricultural. 4.	Vegetable and crop farming	<ul style="list-style-type: none"> <li>• Assist with the ploughing implements</li> <li>• Assist with marketing of products after harvesting in order to sell and make profits</li> <li>• Establish wool processing association</li> </ul>
Develop and sustain cooperatives and enterprises in mining.	River sand mining project	<ul style="list-style-type: none"> <li>• Establish a sand mining business or cooperative to commercialize the usage of the resource</li> <li>• Set tariffs for river sand loads per ton</li> </ul>

		<ul style="list-style-type: none"> <li>Establish a committee to manage utilization of these resources</li> </ul>
Develop and sustain cooperatives and enterprises in manufacturing.	Brick-making project	<ul style="list-style-type: none"> <li>Facilitate resuscitate the brick making project</li> </ul>
Develop and sustain cooperatives and enterprises in arts and craft.	Youth, arts and entertainment	<ul style="list-style-type: none"> <li>Develop youth talent to fully reach their potential</li> </ul>
Environmental Management	Water catchment	<ul style="list-style-type: none"> <li>Catchment of water reservation</li> <li>Protect the resources</li> </ul>
	SME development	<ul style="list-style-type: none"> <li>Assist with the registration of businesses and cooperatives</li> <li>Obtain trading licenses to operate legally (taverns)</li> <li>Conduct business development outreaches for information dissemination</li> <li>Facilitate provision of technical and business management skills</li> <li>Facilitate provision of funding from financial institutions</li> <li>Provide mentoring to emerging businesses</li> <li>Establish cooperatives with like-minded people who share the same vision and expertise for sustainability</li> </ul>

### Program 2. Skills Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote investment of human capital through skills development student finance</i>		
Training and empowerment of human resource in the ward	Training	Provide technical and business skills for individuals on key economic sectors identified in the ward

### Program 3 : Infrastructure Development

Strategies	Projects	Activities
<i>Strategic Objective: To build ward infrastructure to support social and economic development</i>		
Construction of ward infrastructure for the development of the ward	Libraries	<ul style="list-style-type: none"> <li>Construction of library</li> </ul>
	Clinics	<ul style="list-style-type: none"> <li>Construction of clinic</li> </ul>
	Hospitals	<ul style="list-style-type: none"> <li>Construction of hospital</li> </ul>



Program 4 : Social Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote social well-being, security and safety</i>		
Build partnerships for social cohesion and sport development	Social health and well-being	<ul style="list-style-type: none"> <li>• Provide dignity to the community and minimizes wrong doings.</li> <li>• Use the stability to unite community and protect its properties</li> <li>• Religious people must spread the word of God</li> <li>• To encourage young people to join and contribute in the societies</li> <li>• Allow for political tolerance to guard against corruption</li> </ul>
	Sport development	<ul style="list-style-type: none"> <li>• Encourage young people to take part in sporting activities</li> <li>• Build/upgrade sport fields</li> </ul>
Provision health services	Health services	<ul style="list-style-type: none"> <li>• Provide social support and health services</li> </ul>

## Ward 03 Development Plan

### Vision

A prosperous ward using available natural resources in inspiring local economy to create jobs for a crime free society.

### MISSION

The ward will achieve its vision by providing training to communities on various skills including cooperative management, providing operational sites or centres for projects and do close monitoring, organising workshops and awareness campaigns to capacitate those interested in art and provide youth development centre, developing programs to encourage communities to participate in Vukuzenzele other than relying to scarce employment opportunities, working as a team and sharing information adequately.

### VALUES

- We believe in setting and attaining realistic goals
- We embrace and are proud of our cultural and religious diversity.
- We are a unified ward with respect for each other.
- We strongly recommend and willing to protect the assets we have in the ward.

### Strategic Objectives

- 4.1.1 To promote economic development and environmental management through enterprise development and cooperatives
- 4.1.2 To promote investment of human capital through capacity building
- 4.1.3 To promote social cohesion through sport and partnerships
- 4.1.4 To improve communication and access to technology
- 4.1.5 To build ward infrastructure to support social and economic development

### Strategies and Projects

#### Program 1. Economic Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote economic development and environmental management through enterprise development and cooperatives</i>		
Establish partnerships to develop and sustain	<ul style="list-style-type: none"> <li>• Farming</li> </ul>	<ul style="list-style-type: none"> <li>• Assist emerging farmers with training and obtaining suitable land.</li> </ul>

cooperatives and enterprises in agriculture.		<ul style="list-style-type: none"> <li>• Provide training, proper equipment and assist in registration of cooperatives</li> </ul>
Develop and sustain cooperatives and enterprises in mining.	Coal Mining	5. Conduct feasibility study for coal mining and bottled water
Develop and sustain cooperatives and enterprises in manufacturing.	Water-bottling business	<ul style="list-style-type: none"> <li>• Establish a water-bottling cooperative or enterprise</li> <li>• Solicit support on how to start a water bottling business</li> <li>• Train people on water-bottling skills</li> <li>• Provide the necessary material and equipment for the project.</li> </ul>
	Waste recycling	<ul style="list-style-type: none"> <li>• Recyclers must be assisted with skills in manufacturing from waste</li> <li>• Municipality must also assist recyclers in obtaining suitable equipment and land for recycling</li> <li>• Municipality to provide communities with clear time table of collection dates</li> </ul>
Establish partnerships for community financing	Community finance	<ul style="list-style-type: none"> <li>• Provide financial management skills (trust) to burial societies</li> </ul>

### Program 2. Infrastructure Development

Strategies	Projects	Activities
<i>Strategic Objective: To build ward infrastructure to support social and economic development</i>		
Conservation of Spring Water	Spring water	6. Provide fencing for spring water / fountains and rivers.
Provide recreational facilities	Youth centre	<ul style="list-style-type: none"> <li>• Build a youth centre for the ward to cater for indoor sports, arts &amp; culture, people with disability activities, etc.</li> </ul>
SMME support	SME facilities	<ul style="list-style-type: none"> <li>• Assist SMEs in getting permanent and proper structures and equipment</li> </ul>

		<ul style="list-style-type: none"> <li>Engage Department of Social Development &amp; Special Programs to use local service providers for burial of local people to ensure local economic development</li> </ul>
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### Program 3. Communication and Technology

Strategies	Projects	Activities
<i>Strategic objective: To improve communication and access to technology</i>		
Improve communication and access to technology infrastructure	Communication and Technology	<ul style="list-style-type: none"> <li>Assist communities with access to internet</li> <li>Follow up with the District municipality with provision of free Wifi</li> <li>Cooperation with the leadership of the ward for proper implementation of service delivery initiatives</li> <li>Increase distribution points of local newspapers</li> </ul>
Capacity Building of SMMEs	Education and Training	<ul style="list-style-type: none"> <li>Develop database for cooperatives, SMMEs in order to get assistance from government</li> <li>Assist recyclers with skills on waste manufacturing</li> <li>Assist SMEs with accredited business and technical training to successfully manage their businesses</li> <li>Assist matriculants with information on bursaries and scholarships</li> <li>Develop database of trained educators and other skills</li> <li>Facilitate registration of qualified youth in government database for employment opportunities</li> <li>Forge relations with sector departments for exit strategy for capacitated people and those working in hospices.</li> <li>Recognition of Prior Learning</li> <li>Lobby Department of Education for the establishment of a TVET college to assist drop-outs with various skills</li> <li>Conduct motivational sessions for learners to contribute towards school results improvement.</li> <li>Invite JOGEDA for information sharing at ward 3</li> </ul>

### Program 4. Social Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote social cohesion through sport and partnerships</i>		
Promotion of sport and social cohesion	Sport development	<ul style="list-style-type: none"> <li>• Relations with various sport federations for coaching youth in various codes</li> <li>• Establishment of relations with various sports academy</li> </ul>
Promotion of social cohesion and political tolerance	Community stability	<ul style="list-style-type: none"> <li>• The ward should use the present stability to foster implementation of the planned projects</li> <li>• Communities to distinguish between politics and development</li> </ul>

## Ward 04: Development Plan

### Vision

A self-sustainable ward with access to basic services, more employment opportunities, safe and secure environment

### Mission

Ward 4 will achieve its vision by working together; effective communication and trusting one another.

### Values

- ✓ We are religious community;
- ✓ We are ward that still upholds its cultural values;
- ✓ We are a ward that treats each other with respect;
- ✓ We are a ward that accepts cultural diversity;
- ✓ We are a patient ward;
- ✓ We are a ward that actively participates in sporting activities;
- ✓ We are a ward that believes in communication and sharing of information

### Strategic Objectives

- ✓ To promote local economic development
- ✓ To promote investment of human capital through education and training
- ✓ To build ward infrastructure to support social and economic development
- ✓ To promote social well-being, security and safety

### Strategies and Projects

#### Program 1: Economic Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote economic development and environmental management through enterprise development and cooperatives</i>		
Build partnerships to promote SME development and environmental management	• Forestry	<ul style="list-style-type: none"> <li>• Establish a committee to manage utilization of forests</li> <li>• Cutting of forests to make wood for selling</li> </ul>
	Sand Mining	<ul style="list-style-type: none"> <li>• Establish a committee to manage utilization of sand</li> <li>• Setting tariffs for selling of sand</li> </ul>
	Financing	<ul style="list-style-type: none"> <li>• Assistance to get funding from financial institutions in order to sustain cooperatives</li> </ul>
	Tourism	<ul style="list-style-type: none"> <li>• Provision of tourism &amp; marketing skills</li> </ul>

		<ul style="list-style-type: none"> <li>Promote tourism attraction for caves to generate income</li> </ul>
	Crop production	<ul style="list-style-type: none"> <li>Ploughing of vegetable</li> </ul>
	Wool processing	<ul style="list-style-type: none"> <li>Establish wool processing association</li> </ul>
	Environmental management	<ul style="list-style-type: none"> <li>Awareness programs of water preservation</li> <li>Protect the resources (springs and forests)</li> <li>planting of more trees to sustain the forests</li> </ul>
	<ul style="list-style-type: none"> <li>Business registration and marketing</li> </ul>	<ul style="list-style-type: none"> <li>assistance with registering of their business</li> <li>To market their products in order to sell them and make profit</li> </ul>

### Program 2: Infrastructure Development

Strategies	Projects	Activities
<i>Strategic Objective: To build ward infrastructure to support social and economic development</i>		
Construction of ward infrastructure to improve the livelihood of community members	<ul style="list-style-type: none"> <li>Sport fields</li> </ul>	<ul style="list-style-type: none"> <li>Building of sport field</li> </ul>
	<ul style="list-style-type: none"> <li>Shearing sheds</li> </ul>	<ul style="list-style-type: none"> <li>Construction of additional shearing sheds</li> </ul>
	7. Dams and irrigation system	8. Building of dams 9. Building of irrigation systems
	10. Wool processing	<ul style="list-style-type: none"> <li>Construction of wool processing facility</li> </ul>

### Program 3: Social Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote social cohesion and community building</i>		
Build partnerships for social cohesion and sport development	<ul style="list-style-type: none"> <li>Sport development</li> </ul>	<ul style="list-style-type: none"> <li>to encourage young people to be more involved in sports</li> </ul>
	<ul style="list-style-type: none"> <li>Burial society</li> </ul>	<ul style="list-style-type: none"> <li>encourage community members to be committed in paying premiums</li> <li>Burial societies provide support when people have passed away</li> </ul>
	Moral regeneration	11. Religious groups provide moral regeneration.

### Program 4: Skills Development

Strategies	Projects	Activities
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*Strategic Objective: To promote investment of human capital through skills development*

Training and empowerment of human resource and the provision of information in the ward	training and development	<ul style="list-style-type: none"><li>• training on business skills</li><li>• training on management skills</li></ul>
	Business information	<ul style="list-style-type: none"><li>• provision of business information</li></ul>



## Ward 05: Development Plan

### Vision

A ward that uses the available skills and natural resources to stimulate local economy to create jobs for a safe and secure society with no substance abuse

### Mission

The ward will achieve its vision by using available natural resources and create job opportunities, registering community trust to administer sand mining, improving management of co-operatives, making ward an industrial hub of the entire district due to abundance of its resources and capacitating community with desired skills and knowledge.

### Values

- We treat each other with mutual respect and dignity.
- We uphold diverse cultures and religions.
- We excel in cooperation that believe in unity.

### Strategic Objectives

- ✓ To promote economic development and environmental management through enterprise development and cooperatives
- ✓ To improve community social wellbeing through sport and health
- ✓ To build ward infrastructure to support social and economic development
- ✓ To strengthen service delivery monitoring and evaluation

### Strategies and Projects

#### Program 1. Economic Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote economic development and environmental management through enterprise development and cooperatives</i>		
Establish partnerships to develop and sustain cooperatives and enterprises in agriculture.	<ul style="list-style-type: none"> <li>• SME Development</li> </ul>	<ul style="list-style-type: none"> <li>• Assist in Co-ops and CC registration and Training</li> <li>• Register in database to departments</li> <li>• Visit craft center in Mt. Fletcher</li> <li>• Financial assistance</li> <li>• Registration of Co-ops and on site trainings</li> <li>• Registration of community trust</li> </ul>

		<ul style="list-style-type: none"> <li>• Provision of market for products</li> <li>• Approach other levels of government for assistance in the identified projects</li> <li>• Approach government for assistance on obtaining land and financial assistance</li> <li>• Proper implementation of the data base</li> <li>• Ward Cllr to have a copy of database for oversight purposes</li> </ul>
Develop and sustain cooperatives and enterprises in mining.	Coal Mining	Feasibility study for the establishment of a coal mine
Develop and sustain cooperatives and enterprises in game farming.	Game farming	Game reserve and any potential farming
Environmental management	Waste recycling	12. Encourage recycling of waste material
Protection of wet lands	Wet lands	13. Engage Department of Environmental Affairs to assist in preservation of wet lands

### Program 2. Infrastructure Development

Strategies	Projects	Activities
<i>Strategic Objective: To build ward infrastructure to support social and economic development</i>		
Provide recreational facilities	Sports fields	<ul style="list-style-type: none"> <li>• Build a ward sports facility to accommodate all codes played in the ward such as soccer, horse-racing, indigenous games, people with disability, etc.</li> <li>• Engage local chiefs for provision of land for village based training and play grounds</li> <li>• Facilitate clearing and blading of all village play and training grounds</li> </ul>
Provide art and culture facilities	Art Centre	<ul style="list-style-type: none"> <li>• Build an art centre for the ward to cater for arts &amp; culture, people with disability activities, etc.</li> </ul>
	Bridge	<ul style="list-style-type: none"> <li>• Municipality to provide suitable bridge</li> </ul>

Provide basic services for the ward	Electrification	<ul style="list-style-type: none"> <li>Government to provide electricity and network pole</li> </ul>
Construction health care facilities	Clinics	<ul style="list-style-type: none"> <li>Department of Health to provide more clinics</li> </ul>

### Program 3. Social Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote social cohesion through sport and partnerships</i>		
Promotion of sport and social cohesion	Sport development	<ul style="list-style-type: none"> <li>Facilitate affiliation of all sporting codes to local sport council</li> <li>Facilitate the establishment of Elundini League</li> <li>Invite scouts during mayoral cup and league season</li> <li>Proper use of the existing mobilization structures</li> <li>Engage the Department of Sport, Recreation, Arts and Culture, private sector and provincial sporting bodies assistance from the department of sports and Provincial sporting bodies to provide all the necessary support of all sports codes</li> <li>Establish relations with various sports federations and academies for coaching youth in various codes</li> </ul>
Provide of social safety net	Social security	<ul style="list-style-type: none"> <li>Facilitate registration of deserving beneficiaries in order to register for social grants</li> <li>Inform deserving beneficiaries about relevant documentation required for grant registration</li> </ul>
Provide health care system	Health services	<ul style="list-style-type: none"> <li>Encourage of clinic visits</li> <li>Provide adequate medication at existing clinics</li> </ul>

### Program 4. Monitoring and Evaluation

Strategies	Projects	Activities
<i>Strategic Objective: To strengthen service delivery monitoring and evaluation</i>		
Strengthening of monitoring system	Monitoring and evaluation	<ul style="list-style-type: none"> <li>Enforce government accountability on service delivery issues</li> </ul>

- |  |  |   |
|--|--|---|
|  |  | <ul style="list-style-type: none"><li>• Encourage communities to distinguish between politics and service delivery or community needs</li></ul> |
|--|--|---|

## Ward 06: Development Plan

### Vision

A ward with vibrant and sustainable local economy supported by a highly developed infrastructure and basic services.

### Mission

The ward will achieve its vision by building the local economy through establishment and strengthening of cooperatives and enterprise; investment in human capital; building of infrastructure to facilitate socio-economic activities of the ward.

### Value Statement

- We are a ward of active people who are united, we work together and we are willing to initiate and pioneer our own development.
- We subscribe to the principles of sustainable development, self-sufficiency and self-dependency.
- We have accountable and ethical leadership with high emotional intelligence.
- We are warm and kind to people, we treat them with love, care, respect and hospitality.
- We are honest, trustworthy and faithful. We live our lives by example and integrity.
- We listen to each other and we love peace.
- We believe youth development is the backbone our economy and development.
- We celebrate, embrace and are proud of our own culture.
- We believe effective communication and information sharing are key ingredients for ward development.

### Strategic Objectives

- ✓ To promote economic development and improve rural livelihood
- ✓ To promote investment of human capital through skills development
- ✓ To build ward infrastructure to support social and economic development
- ✓ To promote social well-being, security and safety

### Strategies and Projects

#### Program 1 : Economic Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote economic development and improve rural livelihood</i>		

Establish partnerships to develop and sustain cooperatives and enterprises in agricultural.	Vegetable and crop farming	<ul style="list-style-type: none"> <li>Facilitate access for market for farmers fresh produce</li> <li>Provide implements and inputs such as fertilizer and fencing for ploughing fields</li> <li>Establish irrigation scheme for agriculture development and expansion</li> <li>Establish agro-food processing enterprises such as vegetable processing and packaging</li> </ul>
	Sheep-shearing project	<ul style="list-style-type: none"> <li>Facilitate provision of capital funding to start and sustain businesses</li> <li>Establish wool processing plant</li> </ul>
	Citrus production	<ul style="list-style-type: none"> <li>Explore development of citrus fruit production at Somerville</li> </ul>
Develop and sustain cooperatives and enterprises in mining.	River sand mining project	<ul style="list-style-type: none"> <li>Identify people who willing and prepared to be sand miners.</li> <li>Organise them into a business entity and facilitate registration</li> <li>Facilitate registration in the government supply chain database</li> <li>Provide material and equipment for mining</li> </ul>
Develop and sustain cooperatives and enterprises in manufacturing.	Rock-processing project	<ul style="list-style-type: none"> <li>Establish tiling; brick design; crush stone businesses using rocks in the ward</li> <li>Identify people who are interested in starting rock-making business</li> <li>Mobilise them into a business entity</li> <li>Purchase equipment and material for rock-making</li> <li>Train people on rock sawing, rock design and polishing and how to operate rock machines</li> <li>Identify a site for operation and storage of finished product</li> </ul>
	Agro processing and packaging project	<ul style="list-style-type: none"> <li>Engage government bodies to secure capital funding for establishment of agro-processing facility</li> </ul>
	Wood Processing Project	<ul style="list-style-type: none"> <li>Identify the area/s that are suitable for wood logging and clearing of unwanted trees</li> </ul>

		<ul style="list-style-type: none"> <li>• Destroy the bush and wattle trees especially along the rivers for cropping purposes and grazing lands.</li> <li>• Identify people who are interested in wood logging business</li> <li>• Organise them into a business entity and facilitate registration.</li> <li>• Purchase equipment or machines for the cutting of wood.</li> <li>• Organise transport to take cut wood to selling points.</li> <li>• Identify perfect areas for selling of wood.</li> <li>• Explore furniture making, toilet papers, papers using wood from local plantations</li> </ul>
SMEs Development	Adventure Tourism Site	<ul style="list-style-type: none"> <li>• Establish adventure and camp site next to Ntywenka plantation focussing on the indigenous plantation for tourism</li> <li>• The site to have conference/retreat sites; self-catering units/chalets; team-building activities; outdoor activities; etc.</li> </ul>
	Aloe processing	<ul style="list-style-type: none"> <li>• Explore suitable products herbal products from aloe such as medicine, soap, facial cream, body lotion, etc.</li> </ul>
	Bee Farming	<ul style="list-style-type: none"> <li>• Establish a bee farming business</li> </ul>
	Water delivery business	<ul style="list-style-type: none"> <li>• Support and expand water delivery services for households by providing the necessary equipment and machinery.</li> </ul>
Develop and sustain cooperatives and enterprises in arts and craft.	Sewing and Beading Project	<ul style="list-style-type: none"> <li>• Identify people who are good in beading and sewing.</li> <li>• Organise them into a business entity and facilitate registration</li> <li>• Provide material and equipment for big scale or massive production</li> <li>• Organise exhibitions for crafters to showcase their product</li> </ul>

### Program 2. Skills Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote investment of human capital through skills development student finance</i>		

Training and empowerment of human resource in the ward	Training	<ul style="list-style-type: none"> <li>• Training of brick-layers to be qualified and certified brick-layers</li> <li>• Provide learnerships for out of school youth who finished Grade 12</li> <li>• Provide technical and business skills for individuals on key economic sectors identified in the ward (agriculture, arts &amp; crafts, mining, manufacturing)</li> </ul>
	Learner Support	<ul style="list-style-type: none"> <li>• Facilitate increased entry of learners to tertiary institutions.</li> <li>• Provide learner support and organise career guidance to help learners make right career choices.</li> <li>• Provide learners with information on bursaries and academic financial schemes available.</li> <li>• Career guidance sessions in schools including information on bursaries provided by different companies.</li> </ul>

**Program 3 : Infrastructure Development**

Strategies	Projects	Activities
<i>Strategic Objective: To build ward infrastructure to support social and economic development</i>		
	Access Roads	<ul style="list-style-type: none"> <li>• Prioritize the building of access roads especially kuGabele mountain overlooking or adjacent to dangerous cliffs. The road is so prone to accidents especially when it is raining.</li> <li>• Building of bridges especially in communities where learners have to cross over to go to school</li> </ul>
	Access to Water	<ul style="list-style-type: none"> <li>• Revitalize utilization of water taps that were installed years back at Sinxako;</li> <li>• Provide water for all villages</li> </ul>
	Multi-purpose community centres	<ul style="list-style-type: none"> <li>• Build a multi-purpose community centre that would accommodate: <ul style="list-style-type: none"> <li>○ Community development activities</li> <li>○ Arts and performance activities</li> <li>○ Ward office</li> <li>○ Information centre and government services</li> </ul> </li> </ul>



		<ul style="list-style-type: none"> <li>○ Indoor sporting, etc.</li> </ul>
	Education	<ul style="list-style-type: none"> <li>● Facilitate employment of physics and maths teachers at Jamangile SSS</li> <li>● Reconsider merger of Sommerville School with Lower Sinxako. Learners struggle to access the school which was chosen for after the merger.</li> </ul>

**Program 4 : Environment and Social Development**

Strategies	Projects	Activities
<i>Strategic Objective: To provide safe and secure environment for the ward especially women and children</i>		
Develop strategic partners to advance development of youth in sports.	Sports development	<ul style="list-style-type: none"> <li>● Sponsor for teams, provide kits and balls for local teams</li> <li>● Scouting of talent and attending trials</li> </ul>
	Youth, arts and entertainment	<ul style="list-style-type: none"> <li>● Develop a database of youth in arts for the ward</li> <li>● Provide technical training for youth in arts</li> <li>● Establish ward arts platforms for youth to showcase their talent annually</li> <li>● Assist youth groups to participate in local, district, provincial and national talent promotion platforms such as Elundini municipality Open MIC sessions, Sondela Festival, Tru FM talent search, SA Has Got Talent, etc.</li> </ul>
Establish environmental programs in partnership with relevant departments.	Eco-friendly projects	<ul style="list-style-type: none"> <li>● Establish waste recycling cooperative/enterprise</li> <li>● Support the existing steel/metal recycling initiative in the ward</li> <li>● Conduct veld fire awareness</li> <li>● Utilize and facilitate employment of trained fire fighters (Ngcele, Ntywenka and other villages)</li> </ul>
Establish social security cluster to deal with local health and safety issues	Social security	<ul style="list-style-type: none"> <li>● Active community surveillance groups with involvement of SAPS and parents of perpetrators for agreed corrective measures</li> <li>● Conduct community dialogues with leadership, parents and children/youth</li> </ul>

		<ul style="list-style-type: none"> <li>• Provide community/household counselling for families affected by social ills (crime, drug abuse, etc.)</li> <li>• Establishment of community safety police forums</li> <li>• Encourage community participation</li> </ul>
	Social health and well-being	<ul style="list-style-type: none"> <li>• Parental talks with children and capacitation on parents</li> <li>• Education and awareness on issues of drug abuse, HIV/AIDS, teenage pregnancy, etc.</li> <li>• Involve DSD and SAPS to fight drug abuse</li> <li>• Report drug abuse to traditional authority</li> </ul>
	Community fund	<ul style="list-style-type: none"> <li>• Establish community fund to assist needy households and individuals in areas such as education and other basic needs.</li> </ul>

#### Program 5 : Social Mobilization and Community Participation

Strategies	Projects	Activities
<i>To promote effective communication, social cohesion and institutional support for strategy implementation</i>		
Encourage participation of stakeholders in the ward development.	Community participation	<ul style="list-style-type: none"> <li>• Establish ward war room</li> <li>• Convene monthly village-based meetings</li> </ul>
	Community communication	<ul style="list-style-type: none"> <li>• Create social network pages for ward development and communication</li> <li>• Research for the establishment of website for long term purposes</li> </ul>
Strengthen monitoring systems	Monitoring and evaluation	<ul style="list-style-type: none"> <li>• Establish a community-based service delivery monitoring and evaluation system by: <ul style="list-style-type: none"> <li>✓ Developing community project completion satisfaction certificate before handing over.</li> </ul> </li> </ul>

### Ward 07: Development Plan

#### Vision

Self-sustainable and prosperous ward, safe and secured with less unemployment.

#### Mission

The ward will achieve its vision by creating job opportunities through projects, prioritising youth in employment opportunities, marketing available natural resources and establish community trust,

reducing illegal liquor outlets, promoting youth programs in church and sport activities, honouring our cultures and improving communication.

### Values

- We uphold diverse cultures, languages.
- We respect diverse religions in the ward.
- We are a unified ward.

### Strategic Objectives

- ✓ To promote economic development and environmental management to improve rural livelihood
- ✓ To promote investment of human capital through skills development
- ✓ To build ward infrastructure to support social and economic development
- ✓ To promote social well-being, security and safety

### Strategies and Projects

#### Program 1. Economic and Enterprise Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote economic development and environmental management to improve rural livelihood</i>		
Establish partnerships for SMME support	SMME Support	<ul style="list-style-type: none"> <li>• Assistance with registering company as an individual or as a cooperative and provision of training</li> <li>• Assistance in grant funding for young people in farming</li> <li>• Gather information from other govt. depts, craft centre in Mt Fletcher on funding and other assistance</li> <li>• Registration with Cooperative Development Centre</li> <li>• Assistance with registration of community trust for business purposes (sand mining)</li> <li>• Government must conduct awareness campaigns and ward committees must provide feedback to communities</li> </ul>

		<ul style="list-style-type: none"> <li>• Establish co-operatives</li> <li>• Provision of business incubation centers</li> <li>• Assist them to register their own businesses</li> <li>• Seek assistance from various departments</li> <li>• Municipality to use existing services providers to assist young people</li> <li>• Cooperative to fundraise money for registration</li> <li>• Assist with funding and capacitation</li> </ul>
Establish partnerships to develop and sustain cooperatives and enterprises in agricultural.	Livestock farming	<ul style="list-style-type: none"> <li>• Fencing of ward boundaries to prevent stock theft</li> <li>• Provision of drugs for livestock diseases</li> <li>• Construction of dipping tanks for livestock</li> <li>• Assist with fencing of camps</li> <li>• Assist with grant funding for young people who wish to pursue farming career</li> </ul>
	Vegetable and crop farming	<ul style="list-style-type: none"> <li>• Assist with implements, weeding, fencing and funding</li> </ul>
Establish partnerships for SMME support	Tourism	<ul style="list-style-type: none"> <li>• Establishment of hospitality facilities at Tsitsa Falls to attract tourists and promote tourism</li> <li>• Provide financial support</li> </ul>
Establish partnerships for SMME support in order to create job opportunities	Job Creation	<ul style="list-style-type: none"> <li>• Unemployed graduates must be registered in government databases for job seekers and employers must extract from the database when vacancies arise.</li> <li>• Graduates must also familiarize themselves with newspaper adverts.</li> </ul>
Develop and sustain cooperatives and enterprises in mining.	River sand mining project	<ul style="list-style-type: none"> <li>• Provide support to develop cooperatives for sand and mining</li> </ul>

Program 2. Skills Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote investment of human capital through skills development</i>		

Training and empowerment of human resource in the ward	Training	<ul style="list-style-type: none"> <li>Youth of the ward needs coaching and capacitation in developing skills in art (music, drama, etc.)</li> <li>Training in financial management for burial societies and stokvels</li> <li>Local electricity department to be trained</li> </ul>
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Program 3 : Infrastructure Development

Strategies	Projects	Activities
<i>Strategic Objective: To build ward infrastructure to support social and economic development</i>		
	Community Electrification	<ul style="list-style-type: none"> <li>High mast lights to decrease crime on stock theft</li> </ul>
	School Infrastructure	<ul style="list-style-type: none"> <li>Assistance with provision of security for the school equipment like computers and to be assisted with information on “Adopt a School” program</li> </ul>
	Health Infrastructure	Approach department of Health to add clinic in Hlangalane / Ramlane,

Program 4 : Social Development

Strategies	Projects	Activities
<i>Strategic Objective: To provide safe and secure environment for the ward especially women and children</i>		
	Sport Development	<ul style="list-style-type: none"> <li>Seek assistance regarding sport development from the youth office in all govt. dept including municipality</li> </ul>
	Community Mobilisation	<ul style="list-style-type: none"> <li>Provide details of other stakeholders in the ward</li> <li>Differentiate between politics and development</li> </ul>
	Health Services	<ul style="list-style-type: none"> <li>Approach department of Health to add staff and provide medication</li> </ul>

		<ul style="list-style-type: none"> <li>• Approach department to also strengthen ambulance operational services</li> </ul>
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3.1.1. Program 5 : Environmental Management

Strategies	Projects	Activities
Encourage participation of stakeholders in the ward development.	Veld fires	<ul style="list-style-type: none"> <li>• Create firebelts to prevent and fight veld and forest fires</li> <li>• Relevant department must provide maintenance plan (veld fires)</li> </ul>

Program 6 : Communication and Technology

Strategies	Projects	Activities
Encourage participation of stakeholders in the ward development.	Communication	<p>To plan and cooperate with government and participate in all service delivery activities</p> <p>Use internet to market businesses and products</p> <p>Comply with legislation of the country</p> <p>Full use of available media</p> <p>Assistance with improvement of network signal</p> <p>Establishment of internet cafee</p> <p>Basic training on use of internet</p> <p>Interested communities must consult government offices</p> <p>Request legislation to be available in suitable languages.</p> <p>Negotiate closer distribution points</p>

## Ward 08: Development Plan

### Vision

A ward with better access to services, safe and secure with more employment opportunities

### Mission

Ward 8 will achieve its vision through working together; effective communication; creation of employment opportunities; establishment of community safety forums.

### Values

- ✓ We are a religious community;
- ✓ We are a community that participates in sporting activities;
- ✓ We are a community that still upholds its cultural values;
- ✓ We are a community that believes in education;
- ✓ We are a community that still practices agricultural/farming activities;
- ✓ We are a ward that believes in effective communication

### Strategic Objectives

- ✓ To promote economic development and environmental management through enterprise development and cooperatives
- ✓ To promote investment of human capital through capacity building
- ✓ To promote social wellbeing, security and safety
- ✓ To build ward infrastructure to support social and economic development

### Strategies and Projects

#### Program 1. Economic Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote economic development and environmental management through enterprise development and cooperatives</i>		
	<ul style="list-style-type: none"> <li>• River sand mining</li> </ul>	<ul style="list-style-type: none"> <li>• Establish Coops to manage the selling of sand</li> <li>• Establish a committee to manage utilization of these resources</li> <li>• Set tariffs of loads sold per tons</li> </ul>
	Forestry	<ul style="list-style-type: none"> <li>• Establish Coops to manage the forests</li> <li>• Planting more trees so sustain the forests</li> </ul>

		<ul style="list-style-type: none"> <li>• Cutting of tress to make wood and generate income.</li> </ul>
	Tourism attraction	<p>Promote tourism attraction for caves to generate income</p> <p>Provision of tour guiding &amp; marketing skills</p>
	SMME support	<p>Establish business forum in order to be able to buy in bulk</p> <p>Assist in getting funding for business start-up capital and business growth</p> <p>Assistance with registering of their business</p> <p>Outreach on business information dissemination</p> <p>Establishment of wool processing association</p> <p>Creation of employment</p> <p>Establish cooperatives with common purpose</p>
	Vegetable and crop production	Encourage communities to plough their own garden for commercial farming
	Fruit production	<p>Establish households orchard cooperatives</p> <p>Planting of gardens to grow more peach</p> <p>Build a fruit processing and packaging facility</p>
	Wool processing facility	To build processing facilities for processing of products (building of wool processing facility)
	Environmental management	<p>Preservation of caves</p> <p>Protect the resources</p> <p>Conduct more awareness programs for disaster management</p>

### Program 2. Infrastructure Development

Strategies	Projects	Activities
<i>Strategic Objective: To build ward infrastructure to support social and economic development</i>		
	Water	<ul style="list-style-type: none"> <li>• Building of catchments for water reservation.</li> <li>• Building of dams to cater for residents and livestock</li> </ul>
	Disaster Management	<ul style="list-style-type: none"> <li>• To build strong residential houses that are not vulnerable to disaster</li> </ul>

### Program 3. Social Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote social cohesion through sport and partnerships</i>		



	Social cohesion	<ul style="list-style-type: none"> <li>• Encourage communities to start burial societies</li> <li>• Encourage young people to join and contribute in the societies</li> <li>• Provide dignity to the community and minimizes wrong doings</li> <li>• Provide social support and health services</li> <li>• Provide support in the time of need</li> <li>• Promote accountable leadership to communities and not to parties</li> <li>• To build unity and social cohesion</li> <li>• Involve religious leaders in community development and moral regeneration</li> </ul>
	HCBC support	<ul style="list-style-type: none"> <li>• Advocate for payment of decent stipend for caregivers</li> <li>• Advocate for more funding for HCBCs</li> <li>• Construction of permanent structures for HCBC</li> <li>• Provide training of caregivers</li> </ul>
	Sport development	<ul style="list-style-type: none"> <li>• Encourage young people to participate in sporting activities</li> <li>• Provide support such as kits and other resources for all sporting codes</li> <li>• Construction of sport fields</li> <li>• building of multipurpose centre to cater for art &amp; culture</li> </ul>
	Training	<ul style="list-style-type: none"> <li>• Train business forums, cooperatives, enterprises and entrepreneurs on business management skills</li> <li>• Train burial societies on financial management</li> </ul>

### Program 1. Monitoring and Evaluation

Strategies	Projects	Activities
<i>Strategic Objective: To strengthen community monitoring and evaluation of all government programs</i>		
	Monitoring and evaluation	<ul style="list-style-type: none"> <li>• Monitoring of projects/programs funded by government and municipality</li> </ul>

## Ward 9: Development Plan

### Vision

*An economically sustainable ward with full employment; highly skilled and educated people; cutting-edge infrastructure; clean environment and superior services.*

### Mission

The ward will achieve its vision by:

- Focusing on property and business development
- Creating employment opportunities through development of entrepreneurs; small and micro businesses
- Developing economic and social infrastructure
- Promoting environmental protection and management

### Value Statement

- ✓ We are a progressive, open-minded and united community that supports each other in everything we do.
- ✓ We initiate development that is sustainable and that is able to create job opportunities for all.
- ✓ We lead with clarity, humility and direction.
- ✓ We are accessible and communicate effectively and efficiently.
- ✓ We live life of integrity, mutual respect and honesty.
- ✓ We believe in creation of equal opportunities for all citizens in the ward.
- ✓ We are a caring, loving and faithful community.
- ✓ We are ambitious, smart, creative and innovative.
- ✓ We are confident and determined and allow nothing to stop us to achieve our dreams and aspirations.

### Strategic Objectives

- ✓ To promote local economic development
- ✓ To promote investment of human capital through education and training
- ✓ To build ward infrastructure to support social and economic development
- ✓ To promote social well-being, security and safety

## Strategies and Projects

### Program 1 : Economic Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote local economic development</i>		
Develop and sustain cooperatives/enterprises and entrepreneurs.	Entrepreneurship Development	<ul style="list-style-type: none"> <li>• Provide funding for entrepreneur</li> <li>• Fund raising to support development</li> </ul>
	SME Development	<ul style="list-style-type: none"> <li>• Expand spazas to operate as fully-fledged shops through provision of business management training and seed funding for stock buying, building make-over and reliable transportation of goods.</li> <li>• Provide support to enable bulk buying for SMEs</li> <li>• Provide all businesses with business support such as development of business plans for further funding, marketing of businesses, necessary equipment, capital funding and access to the market.</li> <li>• Provide proper infrastructure for motor mechanic's and other small businesses</li> </ul>
	Brick making	<ul style="list-style-type: none"> <li>• Establish and support brick-making enterprise</li> <li>• Provide business support for sustainability of the enterprise</li> </ul>
	Rock processing	<p>Establish rocks business as the main local economic development driver in the ward</p> <p>Use this natural resource to build ward infrastructure</p> <p>Purchase equipment and material for rock-making</p> <p>Train people on rock sawing, rock design and polishing and how to operate rock machines</p> <p>Identify a site for operation and storage of finished product</p>
Promote clean environment.	Waste Recycling	Establish/resuscitate waste-recycling enterprise

### Program 2 : Infrastructure Development

Strategies	Projects	Activities
<i>Strategic Objective: To build ward infrastructure to support social and economic development</i>		

	Retail Development	<ul style="list-style-type: none"> <li>• Build a shopping complex/mall with commercial banks and infrastructure to support SMEs</li> </ul>
	Property Development	<ul style="list-style-type: none"> <li>• Municipality to build property for rentals targeting middle income workers</li> <li>• Municipality to develop by-laws on basic standards for house rental business and enforce compliance thereof to ensure that people live in good conditions</li> <li>• Build decent property for residential purposes to accommodate professionals living in town</li> <li>• Regulate private properties for renting to meet minimum standards and afford tenants decent and dignified places to stay.</li> <li>• Improve refuse collection</li> <li>• Provide title deeds for residential properties</li> </ul>
	Sanitation	<ul style="list-style-type: none"> <li>• Build decent public toilets in town</li> </ul>

Program 3 : Social Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote social well-being, security and safety</i>		
	Talent Development	<ul style="list-style-type: none"> <li>• Hosts annual shows to promote and showcase youth talent in the ward</li> <li>• Participate on trials annually to expand the horizon and chances for talented youth in sport</li> </ul>
	Tavern Operation	<ul style="list-style-type: none"> <li>• Communities need to report illegal operation of taverns to the liquor board</li> <li>• Conduct education and awareness on environmental health for spaza owners</li> </ul>
	Safety and security	Organize stipend for CPFs through local business contribution whilst lobbying for remuneration of CPFs at a national level
	Communication	<ul style="list-style-type: none"> <li>• Create ward 09 page on Elundini website</li> <li>• Provision of free Wi-fi</li> <li>• Conduct constant engagement and information sharing with communities</li> </ul>

		<ul style="list-style-type: none"> <li>Establish community radio for advertising and promoting small businesses</li> </ul>
		<p>Establish structure for disable people (working with SPU)</p> <p>Local NGO's must meet targets set adhered to by National legislative frameworks</p> <p>Explore strategies that encourage maximum participation on legislative</p>

Program 4 : Human Capital Investment

Strategies	Projects	Activities
<i>Strategic Objective: To promote investment of human capital through education and training</i>		
Training and empowerment of human resource in the ward	Business Training	<ul style="list-style-type: none"> <li>Train people on commercial rock processing to boost the economy of the ward.</li> <li>Training skills on technical and business management</li> <li>Conduct education and awareness on confidentiality of personal information for the public and nurses</li> <li>Educate people on value of money, spending and saving</li> </ul>
	Social Training	<ul style="list-style-type: none"> <li>Conduct education and awareness sessions on change of attitude and behaviour</li> <li>Encourage community participation to solve social needs such as drugs, teenage pregnancy, etc.</li> <li>Lobby the local business to absorb students for in-service training</li> <li>Trainings for care's on key population(TBLGC)and vulnerable people</li> </ul>

## Ward 10: Development Plan

### Vision

*“A ward that has efficient service delivery, centre of attraction and development, safe and secure, job opportunities, skills development, empowered youth with improved education level and health services with proper infrastructure”*

### Mission

The ward will achieve its vision by implementing sustainable projects, community capacity building, reviving and strengthening of community police forums.

### Value

- We uphold diversity in our cultures and religions.
- We treat each other with mutual respect.
- We are a ward that strongly believe in unity, commitment, honesty, communication and transparency.
- We respect one’s opinion.

### Strategic Objectives

- ✓ To promote economic development and environmental management to improve rural livelihood
- ✓ To promote investment of human capital through skills development
- ✓ To build ward infrastructure to support social and economic development
- ✓ To promote social well-being, security and safety
- ✓ To ensure effective communication

### Strategies and Projects

#### Program 1. Economic Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote economic development and improve employment opportunities</i>		
Establish partnerships to develop and sustain cooperatives and enterprises in agricultural.	Livestock farming	Livestock <ul style="list-style-type: none"> <li>• Protection and extra care of our livestock</li> <li>• To avoid stock theft animals must be identified (animal identification)</li> </ul>

	Agriculture	14. Maintenance of the existing cultivated land 15. Government to supply seeds and fertilizer to assist communities
	SMME Support	SMME Development <ul style="list-style-type: none"> <li>• Registration of businesses for better marketing</li> <li>• Business people must insure properties and assets</li> <li>• Relations with business people to assist brickmakers when marketing bricks</li> <li>• To be assisted with registration of cooperatives, funding and marketing skills</li> </ul>
	Environmental Management	<ul style="list-style-type: none"> <li>• Development of disposal areas and recycling</li> <li>- Use of other means of transport other than those with engines to minimise air pollution</li> <li>- Plant trees to minimise air pollution and maintain oxygen in the atmosphere</li> </ul>

Program 2. Skills Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote investment of human capital through skills development</i>		
Training and empowerment of human resource in the ward	Skills Development	Training <ul style="list-style-type: none"> <li>• Advanced training on financial management and marketing of products</li> <li>• Training on business management</li> </ul>

Program 3 : Infrastructure Development

Strategies	Projects	Activities
<i>Strategic Objective: To build ward infrastructure to support social and economic development</i>		
	Water	<ul style="list-style-type: none"> <li>• Build dams to reserve more water to fight drought</li> </ul>
	Job creation	<ul style="list-style-type: none"> <li>• Establishment of shopping malls for job creation</li> </ul>

Program 4 : Social Development

Strategies	Projects	Activities
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<i>Strategic Objective: To provide safe and secure environment for the ward</i>		
	Arts and Entertainment	<ul style="list-style-type: none"> <li>• Create platforms for youth to showcase talent</li> </ul>
	Social Cohesion	<ul style="list-style-type: none"> <li>• Educate community about diversity of cultures</li> <li>• Learn to know, understand and respect other cultures</li> <li>•</li> </ul>

Program 5 : Information and Technology

Strategies	Projects	Activities
<i>Strategic Objective: To provide safe and secure environment for the ward</i>		
	Information and Awareness	<ul style="list-style-type: none"> <li>• Improve communication amongst leaders</li> <li>• Manage use of social media by developing policies that govern the use of media platforms.</li> <li>• Avoid pasting of personal information</li> <li>• Create more awareness campaigns on benefits of media</li> </ul>

## Ward 11: Development Plan

### Vision

*“A crime free ward with skilled communities, using its natural resources to stimulate local economy for the creation of jobs”*

### Mission

The ward will achieve its vision by providing requisite training and skills to the communities, creating sustainable projects and promoting tourism through ward attraction centres (e.g Tinana has a grave of a soldier from Poland who died in the war with Tabachacha in the 1800 century).

### Values

- ✓ We uphold diverse culture and religion.
- ✓ We treat each other with mutual respect and dignity.
- ✓ We are a ward that strongly believe in unity.



## Strategic Objectives

- To promote economic development and improve rural livelihood;
- To promote investment of human capital through skills development;
- To build ward infrastructure to support social and economic development;
- To promote social well-being, security and safety; and
- Effective communication and Technology

## Strategies and Projects

### Program 1. Economic Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote economic development and improve rural livelihood</i>		
Establish partnerships to develop and sustain cooperatives and enterprises in agricultural.	SME Development	<ul style="list-style-type: none"> <li>• Assistance with registration of cooperative</li> <li>• Assistance with equipment for Women Bakery Project</li> <li>• Suitable plot and funding for victim empowerment</li> <li>• Assist Agricultural cooperative with funding</li> <li>• Assist sewers and artist dressmakers to register cooperative</li> <li>• Artists must visit municipality's youth section and the Craft centre in Mt. Fletcher for assistance and guidance</li> <li>• Registration of village trust (Forest, River Sand)</li> <li>• Registration / formalization of burial societies</li> </ul>
	Agriculture	<ul style="list-style-type: none"> <li>• Livestock improvement</li> <li>• Establishment of Wool scouring facility</li> <li>• Government must assist livestock owners with fencing shearing sheds and grazing pastures</li> </ul>
	Funding	<ul style="list-style-type: none"> <li>• Seek government funding for proposed projects and programs</li> </ul>

### Program 2. Skills Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote investment of human capital through skills development</i>		

Training and empowerment of human resource in the ward	Training	<ul style="list-style-type: none"> <li>• Assist members of victim empowerment centres with training in better caring of victims</li> <li>• Training of farmers in various skills</li> <li>• Capacitation of burial societies on Financial Management</li> <li>• Awareness and empowerment of young people</li> </ul>
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### Program 3. Infrastructure Development

Strategies	Projects	Activities
<i>Strategic Objective: To build ward infrastructure to support social and economic development</i>		
	Electrification	<ul style="list-style-type: none"> <li>• Provision of electricity (Specify Areas)</li> </ul>

### Program 4. Social Development

Strategies	Projects	Activities
<i>Strategic Objective: To provide safe and secure environment for the ward especially women and children</i>		
	Sport Development	<ul style="list-style-type: none"> <li>• Provision of sports facilities</li> <li>• Revival of sport associations at ward levels</li> <li>• Municipality must increase the scope and cater for other codes</li> </ul>
	Arts and Culture	<ul style="list-style-type: none"> <li>• Publicity of cultural groups and opportunities for marketing</li> </ul>
	Community Participation	<ul style="list-style-type: none"> <li>• Community of the ward to participate and be vocal in activities of the ward related to service delivery</li> <li>• Consultation and involvement of communities during policy making processes</li> <li>• Proper policy implementation</li> <li>• Involvement of all stakeholders</li> </ul>

		<ul style="list-style-type: none"> <li>• Government to come up with other means beside social grants for the young and middle aged communities.</li> <li>• Revive and participate in CPF to work with police to fight stock theft</li> <li>•</li> </ul>
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### Program 1. Information and Technology

Strategies	Projects	Activities
<i>To promote effective communication, social cohesion and institutional support for strategy implementation</i>		
Encourage participation of stakeholders in the ward development.	Communication	<ul style="list-style-type: none"> <li>• Accessibility of relevant documents to meet requirements when applying for the grants</li> <li>• Establishment of internet café</li> <li>• Provision of cellphone signals</li> <li>• Provide signal for both TV and radio</li> <li>• Negotiating closest distribution point</li> </ul>

## Ward 12: Development Plan

### Vision

*A ward that is a local Gauteng; economically stable with all basic services; a ward where health and safety of citizens is guaranteed.*

### Mission

We will achieve our mission by productively using our natural resources for development of our communities; learning and skills development; infrastructure development.

### Values

We are a ward that is united in development, free from any form of discrimination, tribalism and ethnicity. We have shared-vision and future; we do not compromise who we are; we are law-abiding citizens and we stand for the truth; we serve each other with mutual respect; we are proud of our culture and heritage; we are patriots and development activists. We are responsible and serve our communities with honour, honesty and integrity. We are talented individuals and communities who are willing to learn and impart knowledge to others.

### Strategic Objectives

- ✓ To promote economic development and improve rural livelihood
- ✓ To promote investment of human capital through skills development student finance
- ✓ To build ward infrastructure to support social and economic development
- ✓ To promote social well-being, security and safety for all communities

### Strategies and Projects

#### Program 1. Economic Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote economic development and improve rural livelihood</i>		
Establish partnerships to develop and sustain cooperatives and enterprises in agriculture.	Livestock farming	<ul style="list-style-type: none"><li>• Provide technical and business management training for farmers.</li></ul>
	Leather tanning	<ul style="list-style-type: none"><li>• Establish a leather tanning business/cooperative</li><li>• Solicit training for people in leather tanning business</li><li>• Solicit capital funding to start leather tanning business</li><li>• Produce leather sandals, belts, hats, bags, etc.</li></ul>

	Vegetable and crop farming	<ul style="list-style-type: none"> <li>• Support farmers with seedlings and the necessary equipment and tractors; irrigation equipment; fencing of fields and herbicides/weed-killers.</li> <li>• Promote household gardens for subsistence farming</li> </ul>
	Sheep-shearing business	<ul style="list-style-type: none"> <li>• Facilitate provision of capital funding to sustain sheep shearing business</li> <li>• Provide training for sheep shearers to make them certified and qualified shearers</li> </ul>
	Poultry and piggery business	<ul style="list-style-type: none"> <li>• Formalise existing poultry and piggery individual business initiatives by establishing private companies or cooperatives</li> <li>• Provide technical and business management training</li> </ul>
Develop and sustain cooperatives and enterprises in mining.	River sand mining project	<ul style="list-style-type: none"> <li>• Identify people who willing and prepared to be sand miners.</li> <li>• Organise them into a business entity and facilitate registration</li> <li>• Provide material and equipment for mining</li> </ul>
Develop and sustain cooperatives and enterprises in manufacturing.	Brick-making project	<ul style="list-style-type: none"> <li>• Provide the necessary support for brick-making business</li> <li>• Provide training to improve product quality</li> <li>• Provide material and equipment for big scale and massive production</li> </ul>
	Saw-milling plant	<ul style="list-style-type: none"> <li>• Establish a saw-milling plant to produce diverse products for commercial purposes.</li> <li>• Establish a wood-logging component within the plant to sell wood for fire and cooking.</li> <li>• Purchase equipment or machines for the cutting of wood.</li> <li>• Build a transport component for transportation of cut wood to selling points.</li> <li>• Train semi-skilled people as carpenters to make furniture and built-in cupboards</li> <li>• Train young people as truck drivers</li> <li>• Identify perfect areas for selling of wood.</li> <li>• Develop marketing plan for this business.</li> </ul>

	Water-bottling business	<ul style="list-style-type: none"> <li>• Establish a water-bottling cooperative or enterprise</li> <li>• Solicit support on how to start a water bottling business</li> <li>• Train people on water-bottling skills</li> <li>• Provide the necessary material and equipment for the project.</li> </ul>
	Disposable nappies	<ul style="list-style-type: none"> <li>• Establish a cooperative or enterprise for production</li> <li>• Organise training for the cooperative to produce high quality product.</li> <li>• Provide start-up material and equipment for massive production</li> </ul>
	Catering and baking	<ul style="list-style-type: none"> <li>• Establish a cooperative or enterprise for massive baking and catering to supply schools for nutrition programs, shops, government, etc.</li> <li>• Organise training for the cooperative to improve product quality</li> <li>• Provide start-up material and equipment for big scale or massive production</li> </ul>
Develop and sustain cooperatives and enterprises in arts and craft.	Sewing and Beading Project	<ul style="list-style-type: none"> <li>• Establish a cooperative or private company for sewing and beading project</li> <li>• Organise training for the cooperative to improve product quality</li> <li>• Provide start-up material and equipment for big scale or massive production (school uniform, tracksuits, etc.)</li> </ul>
	Youth, arts and entertainment	<ul style="list-style-type: none"> <li>• Develop a database of youth in arts for the ward</li> <li>• Provide technical training for youth in arts (singing, dancing, instrument players, acting, etc.)</li> <li>• Establish ward arts shows for youth to showcase their talent</li> <li>• Assist youth groups to participate in local, district, provincial and national talent promotion platforms such as Elundini municipality Open MIC sessions, Sondela Festival, Tru FM talent search, SA Has Got Talent, etc.</li> </ul>

## Program 2. Infrastructure Development

Strategies	Projects	Activities
<i>Strategic Objective: To build ward infrastructure to support social and economic development</i>		
Provide basic services to the ward	Access roads	<ul style="list-style-type: none"> <li>Build access roads in all remaining communities especially in Mangoaleng east.</li> <li>Rebuild collapsed bridge at Mahanyaneng, Mabekong and Thabatlala;</li> </ul>
	Electrification of household	<ul style="list-style-type: none"> <li>Complete electrification of five households that were left by a contractor at Mangoloaneng and six households at Ntabayikhonjwa.</li> </ul>
	Water	<ul style="list-style-type: none"> <li>Provide access to water and sanitation to all villages</li> <li>23 taps that were promised by Joe Gqabi were never provided in Mangoloaneng West;</li> <li>Provide protection for all the unprotected fountains</li> <li>Provide sanitation in Popopo, Ntabayikhonjwa, Polokoe, Tabatlala and other villages</li> </ul>
	RDP Houses & High school	<ul style="list-style-type: none"> <li>Build RDP houses;</li> <li>Build a high school for the ward;</li> </ul>
Provide other government social infrastructure	Health services	<ul style="list-style-type: none"> <li>Build a second clinic</li> <li>Provide mobile clinic and add Saturdays for the service</li> <li>Improve efficiency and effectiveness of the clinic – sufficient supply of medication</li> <li>Lobby department of Health to open the existing clinic 24/7 including weekends</li> </ul>
	Police station	<ul style="list-style-type: none"> <li>Build a satellite police station in the ward to fight heinous murder crime</li> </ul>
Provide recreational facilities	Multi-purpose community centres	<ul style="list-style-type: none"> <li>Build a multi-purpose centre for the ward to cater for indoor sports, arts &amp; culture, people with disability activities, etc.</li> </ul>
	Community Pay-points	<ul style="list-style-type: none"> <li>Provide pay points for all villages except Mangoloaneng</li> <li>Rehabilitate pay-point in Mangoloaneng</li> </ul>

## Program 3. Human Capital Investment

Strategies	Projects	Activities
<i>Strategic Objective: To build ward infrastructure to support social and economic development</i>		
Provide business education and awareness programs	Information sharing	<ul style="list-style-type: none"> <li>Organize community ethical leadership dialogues to deal with issues of corruption and fraud</li> <li>Utilize ward war rooms, ward committees and Tribal Authority Council meetings as platforms to share information</li> <li>Invite relevant government departments to share information</li> </ul>
	Communication	<ul style="list-style-type: none"> <li>Create awareness platforms for information sharing sessions</li> <li>Information sharing with youth and encouragement of economic participation</li> <li>Create social network pages for ward development and communication</li> <li>Research for the establishment of website for long term purposes</li> <li>Develop a community based monitoring and evaluation system for service delivery implementation</li> </ul>
	Training	<ul style="list-style-type: none"> <li>Provide training and education in areas such as driving, building, music, business management, computer, agricultural trainings, sewing, sheep shearing carpentry</li> </ul>

#### Program 4. Social Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote social well-being, security and safety</i>		
	Leadership development	<ul style="list-style-type: none"> <li>Encourage youth and community members of integrity to consider a career in politics</li> <li>Promote consistent election of ethical leadership</li> <li>Whistle blowing on fraudulent and corrupt issues affecting the ward e.g. development projects</li> <li>Promote ethical behaviour</li> </ul>



	Coaching and mentoring	<ul style="list-style-type: none"> <li>• Assist upcoming talented soccer players with exposure through trials and scouting opportunities.</li> <li>• Organize sport role models to visit and do motivational talks with aspiring talented players</li> </ul>
	Social security	<ul style="list-style-type: none"> <li>• Reduce number of taverns and lobby for closing taverns that do not operate in line with their licenses and taverns that never approached communities for opening and running their businesses</li> <li>• Encourage restorative justice and engage ex-offenders to motivate youth to stay away from criminal activities</li> <li>• encourage community participation</li> <li>• Department of Justice to consider adding personnel in magistrate courts to deal with case backlogs</li> </ul>
	Social health and well-being	<ul style="list-style-type: none"> <li>• Parental talks with children and capacitation on parents</li> <li>• Encourage households voluntary counselling and testing</li> <li>• Promote cultural activities that encourage purity of girls such as virginity testing (Inkciyo) and motivational talks</li> <li>• Availing taverns by owner for purposes of health talking sessions</li> <li>• Conduct family planning awareness to prevent teenage pregnancy</li> </ul>

## Ward 13: Development Plan

### Vision

*A prototype of economic and rural development in the country with highly talented and educated people; a ward that lives a prosperous and abundant life; a ward that is safe and secure to live in.*

### Mission

We will achieve our vision through a leadership that works together; promotion of business development and self-employment; effective communication and information sharing system; education and skills development; nurturing of talent and building of modern infrastructure.

### Values

- ✓ We are a ward that is united and shares common vision.
- ✓ A ward that is transparent and accountable to its community.
- ✓ A ward that has ethical leadership who lead its people with integrity and honesty.
- ✓ A ward that embraces restorative justice and reconciliation between communities and individuals.
- ✓ A ward that resolves its issues through peaceful engagements.

Working together, poverty alleviation environment and strengthen employment, strengthen farming and cropping, infrastructure development( basic Services), highly educated, employment, Sporting facilities, opportunities, encouragement of business development and opportunities, skill development, creation of water harvesting through boreholes, machinery and equipment for assistance in factories, Disability schools/centres, encouragement of self-employment looking into school nutritional program, crime free environment, information sharing and transparency of all stakeholders, leadership forums(involving government),

### Strategic Objectives

- ✓ To promote economic development and improve rural livelihood
- ✓ To promote investment of human capital through skills development student finance
- ✓ To build ward infrastructure to support social and economic development
- ✓ To promote social well-being, security and safety
- ✓ To provide safe and secure environment for the ward especially women and children
- ✓ Promote social cohesion and togetherness

## Strategies and Projects

### Program 1. Economic Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote economic development and improve rural livelihood</i>		
Establish partnerships to develop and sustain cooperatives and enterprises in agricultural.	Livestock farming	<ul style="list-style-type: none"> <li>• Approach DRDAR for building grazing camps for livestock</li> <li>• Solicit people who are trained on dangerous wild animals to investigate and advise on how the <i>rooi cat</i> which is eating livestock can be eliminated</li> <li>• Explore value add business for livestock such as cutting of meat service, shisanyama, butchery, etc.</li> </ul>
	Vegetable and crop farming	<ul style="list-style-type: none"> <li>• Household gardens for subsistence</li> <li>• Reuse of wattles for food security gardens</li> <li>• Explore value add such as processing and packaging of vegetables</li> </ul>
	Sheep-shearing project	<ul style="list-style-type: none"> <li>• Facilitate provision of capital funding to start and sustain businesses</li> <li>• Establish wool processing plant</li> </ul>
	Peach production	<ul style="list-style-type: none"> <li>• Spray existing peach trees to improve the quality and quantity of the fruit.</li> <li>• Identify more land for mass production and expansion of peach production for commercial use.</li> <li>• Investigate suitable business model for running of peach production</li> </ul>
	Poultry project	<ul style="list-style-type: none"> <li>• Revitalize Makhoaseng Poultry Project and ....</li> </ul>
Develop and sustain cooperatives and enterprises in fishing.	Fishing project	<ul style="list-style-type: none"> <li>• Identify and protect the rivers with fishing potential</li> <li>• Identify fishermen/women in the ward</li> <li>• Organise them into a business entity and facilitate registration</li> <li>• Organise training for fishermen/women and fishing licensing (for subsistence and commercial purposes).</li> <li>• Create tourism attraction activities on identified fishing sites</li> </ul>

Develop and sustain cooperatives and enterprises in mining.	River sand mining project	<ul style="list-style-type: none"> <li>• Identify people who willing and prepared to be sand miners.</li> <li>• Organise them into a business entity and facilitate registration</li> <li>• Facilitate registration in the government supply chain database</li> <li>• Provide material and equipment for mining</li> </ul>
Develop and sustain cooperatives and enterprises in manufacturing.	Brick-making project	<ul style="list-style-type: none"> <li>• Identify brick-makers and ensure their business registration.</li> <li>• Provide training to improve product quality</li> <li>• Provide material and equipment for big scale and massive production</li> </ul>
	Rock-processing project	<ul style="list-style-type: none"> <li>• Identify people who are interested in starting rock-making business</li> <li>• Mobilise them into a business entity</li> <li>• Purchase equipment and material for rock-making</li> <li>• Train people on rock sawing, rock design and polishing and how to operate rock machines</li> <li>• Identify a site for operation and storage of finished product</li> </ul>
	Agro processing and packaging project	<ul style="list-style-type: none"> <li>• Engage government bodies to secure capital funding for establishment of agro-processing facility</li> </ul>
	Wood-Logging Project	<ul style="list-style-type: none"> <li>• Identify the area/s such as Thaba Khubedu and others that are suitable for wood logging and clearing of unwanted trees with ward leadership</li> <li>• Destroy the bush and wattle trees especially along the rivers for cropping purposes and grazing lands.</li> <li>• Identify people who are interested in wood logging business</li> <li>• Organise them into a business entity and facilitate registration.</li> <li>• Purchase equipment or machines for the cutting of wood.</li> <li>• Organise transport to take cut wood to selling points.</li> <li>• Identify perfect areas for selling of wood.</li> </ul>

		<ul style="list-style-type: none"> <li>• Develop marketing plan for this business.</li> </ul>
Develop and sustain cooperatives and enterprises in arts and craft.	Sewing and Beading Project	<ul style="list-style-type: none"> <li>• Identify people who are good in beading and sewing.</li> <li>• Organise them into a business entity and facilitate registration</li> <li>• Organise training for fishermen/women and fishing licensing (for subsistence and commercial purposes).</li> <li>• Provide material and equipment for big scale or massive production</li> <li>• Develop marketing plan</li> </ul>
	Youth, arts and entertainment	<ul style="list-style-type: none"> <li>• Develop a database of youth in arts for the ward</li> <li>• Provide technical training for youth in arts</li> <li>• Establish ward arts platforms for youth to showcase their talent annually</li> <li>• Assist youth groups to participate in local, district, provincial and national talent promotion platforms such as Elundini municipality Open MIC sessions, Sondela Festival, Tru FM talent search, SA Has Got Talent, etc.</li> </ul>
Support ward integrated transport system to facilitate economic growth	Local bus operation	<ul style="list-style-type: none"> <li>• Engage commuters and bus owners on how to offer transport service that is responsive to the community</li> <li>• Incentivize bus fares for people with disability</li> <li>• Local transport owners must/should benefit from government bus system by engaging local relevant stakeholders e.g. Department of Transport</li> <li>• Local transport owners engage with community to satisfy community need and schedules</li> <li>• Local transport should consider the people living with disability and elderly persons</li> <li>• Application of government transport system???</li> </ul>
	Community money-lending scheme (stockvel)	<ul style="list-style-type: none"> <li>• Formalize stockvels into community money-lending schemes to provide security for participants in these stockvels.</li> </ul>

### Program 2. Skills Development

Strategies	Projects	Activities
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<i>Strategic Objective: To promote investment of human capital through skills development student finance</i>		
Training and empowerment of human resource in the ward	Training	<ul style="list-style-type: none"> <li>• Categorise ward human resource into commodity groups</li> <li>• Provide technical and business skills for individuals on key economic sectors identified in the ward (agriculture, arts &amp; crafts, mining, transport, mining, fishing &amp; manufacturing)</li> </ul>
	Bursary Assistance	<ul style="list-style-type: none"> <li>• Facilitate increased entry of learners to tertiary institutions.</li> <li>• Provide learner support and organise career guidance to help learners make right career choices.</li> <li>• Provide learners with information on bursaries and academic financial schemes available.</li> <li>• Career guidance sessions in schools including information on bursaries provided by different companies.</li> </ul>

### Program 3 : Infrastructure Development

Strategies	Projects	Activities
<i>Strategic Objective: To build ward infrastructure to support social and economic development</i>		
	Vukuzenzele infrastructure project	<ul style="list-style-type: none"> <li>• Explore building of access roads, early childhood development centres and community buildings with rocks and sand from the ward</li> </ul>
	Electrification of household and schools	<ul style="list-style-type: none"> <li>• Explore renewable energy (wind turbines) due to massive wind in the ward for households and schools.</li> </ul>
	Health services	<ul style="list-style-type: none"> <li>• Build a second clinic in Hlanganisa</li> <li>• More provision of medical equipment and information sharing</li> <li>• Stability and consistence in providing mobile clinic services</li> <li>• Provide medical equipment in the servicing hospitals e.g. X Ray in Tailor bequest.</li> </ul>
	Water	<ul style="list-style-type: none"> <li>• Identify and protect all the unprotected spring fountains</li> </ul>
	Multi-purpose community centres	<ul style="list-style-type: none"> <li>• Build a multi-purpose community centre at Hlanganisa that would accommodate: <ul style="list-style-type: none"> <li>○ Community activities</li> <li>○ Pay-point for elderly</li> </ul> </li> </ul>

		<ul style="list-style-type: none"> <li>○ Arts and performance activities</li> <li>○ Ward office</li> <li>○ Information centre and government services</li> <li>○ Indoor sporting, etc.</li> </ul>
	Police Station	<ul style="list-style-type: none"> <li>● Satellite police station in Thaba Khubedu</li> <li>● Development of Pirintsu JSS</li> </ul>

#### Program 4 : Social Development

Strategies	Projects	Activities
<i>Strategic Objective: To provide safe and secure environment for the ward especially women and children</i>		
	Home affairs	<ul style="list-style-type: none"> <li>● Working together of ward leadership to assist the Home Affairs requirements</li> <li>● Provision of paternity testing for children without birth certificates</li> <li>● Collaboration of government departments such as SAPS and Health etc....</li> <li>● Establishment of bridging commissions that includes all the relevant stakeholders to bridge the Birth Certificated Gaps</li> </ul>
	Social security	<ul style="list-style-type: none"> <li>● Active community surveillance groups with involvement of SAPS and parents of perpetrators for agreed corrective measures</li> <li>● Establishment of community safety police forums</li> <li>● strengthen cooperation on issue of safety and security</li> <li>● encourage community participation</li> <li>● Whistle blowing on issues affecting the ward e.g. infrastructure projects</li> <li>● Promote ethical behaviour</li> </ul>
	Social health and well-being	<ul style="list-style-type: none"> <li>● Legalise imperatives by chiefs on houses selling imiqombothi</li> <li>● Sharing of information on drug selling households</li> <li>● Parental talks with children and capacitation on parents</li> <li>● Promote VCT in households</li> </ul>

		<ul style="list-style-type: none"> <li>• Availing taverns by owner for purposes of health talking sessions</li> <li>• Awareness on issues of sugar daddys and sugar mamas</li> </ul>
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**Program 5 : Social Mobilization**

Strategies	Projects	Activities
<i>3.3.1 To promote effective communication, social cohesion and institutional support for strategy implementation</i>		
Encourage participation of stakeholders in the ward development.		<ul style="list-style-type: none"> <li>• Organise ward leadership engagements to discuss development periodically</li> <li>• Develop community trust for the ward to oversee development and redistribution of natural resources.</li> </ul>
	Communication	<ul style="list-style-type: none"> <li>• Create social network pages for ward development and communication</li> <li>• Research for the establishment of website for long term purposes</li> <li>• Monitoring and evaluation of service delivering</li> </ul>



## Ward 14: Development Plan

### Vision

A prototype of economic and rural development in the country with highly talented and educated people; a ward that lives a prosperous and abundant life; a ward that is safe and secure to live in.

### Mission

We will achieve our vision through a leadership that works together; promotion of business development and self-employment; effective communication and information sharing system; education and skills development; nurturing of talent and building of modern infrastructure.

### Values

- ✓ We are a ward that is united and shares common vision.
- ✓ A ward that is transparent and accountable to its community.
- ✓ A ward that has ethical leadership who lead its people with integrity and honesty.
- ✓ A ward that embraces restorative justice and reconciliation between communities and individuals.
- ✓ A ward that resolves its issues through peaceful engagements.

### Strategic Objectives

- ✓ To promote economic development and improve rural livelihood
- ✓ To promote investment of human capital through skills development and student finance
- ✓ To build ward infrastructure to support social and economic development
- ✓ To provide safe and secure environment for the ward especially women and children
- ✓ To promote effective communication, social cohesion and institutional support for strategy implementation

### Strategies and Projects

#### Program 1. Economic Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote economic development and improve rural livelihood</i>		
Establish partnerships to develop and sustain cooperatives and enterprises in agricultural.	Livestock farming	<ul style="list-style-type: none"> <li>• Approach DRDAR for building grazing camps for livestock</li> <li>• Solicit people who are trained on dangerous wild animals to investigate and advise on how the <i>rooi cat</i> which is eating livestock can be eliminated</li> </ul>

		<ul style="list-style-type: none"> <li>• Explore value add business for livestock such as cutting of meat service, shisanyama, butchery, etc.</li> </ul>
	Vegetable and crop farming	<ul style="list-style-type: none"> <li>• Household gardens for subsistence</li> <li>• Reuse of wattles for fencing of food security gardens</li> <li>• Explore value add such as processing and packaging of vegetables</li> </ul>
	Sheep-shearing project	<ul style="list-style-type: none"> <li>• Facilitate provision of capital funding to start and sustain businesses</li> <li>• Establish wool processing plant</li> </ul>
	Peach production	<ul style="list-style-type: none"> <li>• Spray existing peach trees to improve the quality and quantity of the fruit.</li> <li>• Replant fruit trees to improve quality and quantity</li> <li>• Identify more land for mass production and expansion of peach production for commercial use.</li> <li>• Investigate suitable business model for running of peach production</li> </ul>
	Poultry project	<ul style="list-style-type: none"> <li>• Revitalize Makhoaseng Poultry Project</li> </ul>
Develop and sustain cooperatives and enterprises in fishing.	Fishing project	<ul style="list-style-type: none"> <li>• Identify and protect the rivers with fishing potential</li> <li>• Identify fishermen/women in the ward</li> <li>• Organise them into a business entity and facilitate registration</li> <li>• Organise training for fishermen/women and fishing licensing (for subsistence and commercial purposes).</li> <li>• Create tourism attraction activities on identified fishing sites</li> <li>• Provide training for tour guides</li> <li>• Improve homestays by providing training for homestay owners</li> </ul>
Develop and sustain cooperatives and enterprises in mining.	River sand mining project	<ul style="list-style-type: none"> <li>• Identify people who willing and prepared to be sand miners.</li> <li>• Organise them into a business entity and facilitate registration</li> </ul>

		<ul style="list-style-type: none"> <li>Facilitate registration in the government supply chain database</li> <li>Provide material and equipment for mining</li> </ul>
Develop and sustain cooperatives and enterprises in manufacturing.	Brick-making project	<ul style="list-style-type: none"> <li>Identify brick-makers and ensure their business registration.</li> <li>Provide training to improve product quality</li> <li>Provide material and equipment for big scale and massive production</li> </ul>
	Rock-processing project	<ul style="list-style-type: none"> <li>Identify people who are interested in starting rock-making business</li> <li>Mobilise them into a business entity</li> <li>Purchase equipment and material for rock-making</li> <li>Train people on rock sawing, rock design and polishing and how to operate rock machines</li> <li>Identify a site for operation and storage of finished product</li> </ul>
	Agro processing and packaging project	<ul style="list-style-type: none"> <li>Engage government bodies to secure capital funding for establishment of agro-processing facility</li> </ul>
	Wood-Logging Project	<ul style="list-style-type: none"> <li>Identify the area/s such as Thaba Khubedu and others that are suitable for wood logging and clearing of unwanted trees with ward leadership</li> <li>Destroy the bush and wattle trees especially along the rivers for cropping purposes and grazing lands.</li> <li>Identify people who are interested in wood logging business</li> <li>Organise them into a business entity and facilitate registration.</li> <li>Purchase equipment or machines for the cutting of wood.</li> <li>Organise transport to take cut wood to selling points.</li> <li>Identify perfect areas for selling of wood.</li> <li>Develop marketing plan for this business.</li> </ul>
Develop and sustain cooperatives and enterprises in arts and craft.	Sewing and Beading Project	<ul style="list-style-type: none"> <li>Identify people who are good in beading and sewing.</li> <li>Organise them into a business entity and facilitate registration</li> </ul>

		<ul style="list-style-type: none"> <li>• Establish clothing factory with all the necessary material, equipment and technology for big scale or massive production</li> <li>• Develop marketing plan</li> </ul>
	Youth, arts and entertainment	<ul style="list-style-type: none"> <li>• Develop a database of youth in arts for the ward</li> <li>• Provide technical training for youth in arts</li> <li>• Establish ward arts platforms for youth to showcase their talent annually</li> <li>• Assist youth groups to participate in local, district, provincial and national talent promotion platforms such as Elundini municipality Open MIC sessions, Sondela Festival, Tru FM talent search, SA Has Got Talent, etc.</li> </ul>
Support ward integrated transport system to facilitate economic growth	Local bus operation	<ul style="list-style-type: none"> <li>• Engage commuters and bus owners on how to offer transport service that is responsive to the community</li> <li>• Incentivize bus fares for people with disability</li> <li>• Local transport owners must/should benefit from government bus system by engaging local relevant stakeholders e.g. Department of Transport</li> <li>• Local transport owners engage with community to satisfy community need and schedules</li> <li>• Local transport should consider the people living with disability and elderly persons</li> <li>• Application of government transport system???</li> </ul>
	Community money-lending scheme (stockvel)	<ul style="list-style-type: none"> <li>• Formalize stockvels into community money-lending schemes to provide security for participants in these stockvels.</li> </ul>

### Program 2. Skills Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote investment of human capital through skills development and student finance</i>		

Training and empowerment of human resource in the ward	Training	<ul style="list-style-type: none"> <li>• Categorise ward human resource into commodity groups</li> <li>• Provide technical and business skills for individuals on key economic sectors identified in the ward (agriculture, arts &amp; crafts, mining, transport, mining, fishing &amp; manufacturing)</li> </ul>
	Bursary Assistance	<ul style="list-style-type: none"> <li>• Facilitate increased entry of learners to tertiary institutions.</li> <li>• Provide learner support and organise career guidance to help learners make right career choices.</li> <li>• Provide learners with information on bursaries and academic financial schemes available.</li> <li>• Career guidance sessions in schools including information on bursaries provided by different companies.</li> </ul>

## Ward 15: Development Plan

### Vision

*A ward that is prosperous, benefiting from its natural resources where there are better services and high employment, safe and secure environment with no substance abuse.*

### Mission

Ward 15 will achieve its vision through working together, taking responsibility for its actions, being committed in what we do and being patient.

### Values

- ✓ We are a ward that treat each other with respect;
- ✓ We are a ward that upholds its cultural values;
- ✓ We are a religious ward;
- ✓ We are a ward that believes in effective communication;
- ✓ We are a ward that still believes in its agricultural/farming activities;
- ✓ We are a ward that still uses its natural talents

### Strategic Objectives

- ✓ To promote economic development and improve employment opportunities
- ✓ To promote investment of human capital through skills development
- ✓ To build ward infrastructure to support social and economic development
- ✓ To promote social well-being, security and safety

### Strategies and Projects

#### Program 1. Economic Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote economic development and improve employment opportunities</i>		
Establish partnerships to develop and sustain cooperatives and enterprises in agricultural.	Livestock farming	<ul style="list-style-type: none"> <li>• Assistance on breed improvement.</li> <li>• Assistance with provision of abattoir</li> <li>• Fencing of arable land</li> <li>• Assistance in obtaining grazing land</li> </ul>

		<ul style="list-style-type: none"> <li>Assistance in obtaining and fencing of suitable land</li> </ul>
	Fruit Production	<ul style="list-style-type: none"> <li>✓ Assistance in obtaining suitable citrus fruit trees</li> <li>✓ Assistance on establishing cooperative for citrus</li> </ul>
	Wool Processing	<ul style="list-style-type: none"> <li>Provision of wool processing facilities.</li> </ul>
	SMME Support	<ul style="list-style-type: none"> <li>Registration of cooperatives</li> <li>Strengthen &amp; Improve integration between municipality and sector departments in respect of registration of cooperatives</li> <li>Provide more opportunities to participate in the economy, e.g. ploughing, farming etc.</li> <li>Export products to other towns</li> <li>Produce own products</li> <li>Assistance in the marketing of the products</li> </ul>
Develop and sustain cooperatives and enterprises in mining.	River sand mining project	Assistance on fencing of sand mining area
	Water bottling	Use existing spring water to start a water bottling project
	Mountains, castle rocks,	
	Forest plantations	natural forests
	Rock production	Stones,
	Grass Processing	beading grass (Irhashu), thatching grass

#### Program 2. Skills Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote investment of human capital through skills development</i>		
Training and empowerment of human resource in the ward	Skills Development	<ul style="list-style-type: none"> <li>Provision of training and security services for government services(communal stand pipes)</li> <li>Training on business management, agricultural skills.</li> </ul>

		<ul style="list-style-type: none"> <li>• Provision of training/skills for cooperatives</li> <li>• Provision of training on maintenance of trees and processing of fruit</li> <li>• Approach &amp; Negotiate with higher education and training (TVET colleges) to include curriculum on agricultural studies</li> </ul>
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Program 3 : Infrastructure Development

Strategies	Projects	Activities
<i>Strategic Objective: To build ward infrastructure to support social and economic development</i>		
	Electrification project	<ul style="list-style-type: none"> <li>• Assist with provision of high mast lights to depreciate crime on stock theft</li> </ul>
	Water	<ul style="list-style-type: none"> <li>• Conservation of springs and fountains</li> </ul>
	Sports field	<ul style="list-style-type: none"> <li>• Building of grounds for sport</li> </ul>

Program 4 : Social Development

Strategies	Projects	Activities
<i>Strategic Objective: To provide safe and secure environment for the ward</i>		
	Arts and Entertainment	<ul style="list-style-type: none"> <li>• Create platforms for youth to showcase talent</li> </ul>
	Social Cohesion	<ul style="list-style-type: none"> <li>• Sector department and youth agencies must develop plan/ campaigns for social activities</li> <li>• Awareness/acceptance of ethnic groups</li> </ul>



	Community Participation	<ul style="list-style-type: none"><li>• Mobilisation of maximum participation of communities in all government services.</li><li>• Improved interactions among communities</li><li>• Encourage people to make use of advancing technology to increase their knowledge base.</li><li>• Create a database of all organizations around the ward to manage dissemination of information to the community</li><li>• Create more awareness campaigns</li><li>• Conduct awareness on consequences involved around misuse of services.</li><li>• Conduct awareness campaign on political environment and leadership</li></ul>
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## Ward 16: Development Plan

### Vision

A ward that is an economic hub, environmentally friendly with clean and green communities, a ward that is healthy, safe and secure for its people and visitors to live in peacefully.

### Mission

This ward will achieve its vision through establishment of the necessary infrastructure for development; creation of job and business opportunities; skilling of communities; education and awareness on social ills and environment.

### Values

- We are a God-fearing community that works together in unity.
- We celebrate and pride ourselves with our own culture
- We treat each other with respect and dignity.
- We support each other and participate actively in community affairs and affairs of government.
- We are pioneers of development change and embrace continuous learning
- We value clean environment.

### Strategic Objectives

- ✓ To promote economic development through identified economic sectors to improve rural livelihood;
- ✓ To build ward infrastructure to support social and economic development
- ✓ To promote social well-being, security and safety

### Strategies and Projects

#### Program1: Economic Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote economic development and improve rural livelihood</i>		
Establish partnerships for development and sustenance of cooperatives and enterprises in agricultural.	Livestock farming	<ul style="list-style-type: none"><li>• Establish feedlot for livestock to improve its commercial value</li><li>• Install livestock tracking system for easy recovery of stolen livestock</li><li>• Tattoo or stamp all livestock for easy identification</li></ul>

		<ul style="list-style-type: none"> <li>Organise livestock shows to showcase ward livestock to the market</li> <li>Solicit people who are trained on dangerous wild animals to investigate and advise on how the <i>rooi cat</i> which is eating livestock can be eliminated</li> </ul>
	Vegetable and crop farming	<ul style="list-style-type: none"> <li>Establish a secondary cooperative for the ward to facilitate development and growth of primary cooperatives.</li> <li>Provide tractors and inputs for all farmers in the ward through the secondary cooperatives.</li> <li>Facilitate fencing of agricultural fields</li> <li>Household gardens for subsistence</li> <li>Explore value add such as processing and packaging of vegetables</li> </ul>
	Sheep-shearing project	<ul style="list-style-type: none"> <li>Provide electricity to all shearing sheds</li> <li>Provide training for sheep shearers to eliminate mistakes that often lead to fatal injuries of livestock</li> <li>Communicate to farmers prices for sheep wool categories in advance to promote transparency and assist farmers to know what to expect and be able to predict income.</li> </ul>
	Poultry and piggery project	<ul style="list-style-type: none"> <li>Provide business support for poultry and piggery projects for expansion</li> </ul>
Develop and sustain cooperatives and enterprises in SMEs	Small Business Development (Contractors, caterers, hairstylists, sand mining, brick-making, stockvels)	<ul style="list-style-type: none"> <li>Develop database of service providers in the ward</li> <li>Assist all the service providers in the registration of their entities and government database registration to position these local service providers to do business with government.</li> <li>Facilitate periodic business development services visits from institutions such as SEDA, ECDC, NYDA, etc. closer to communities.</li> <li>Provide material and equipment for big scale or massive production</li> </ul>

	Wood-Logging Project	<ul style="list-style-type: none"> <li>• Identify the area and others that are suitable for wood logging and clearing of unwanted trees with ward leadership</li> <li>• Destroy the bush and wattle trees especially along the rivers for land care and rehabilitation.</li> <li>• Identify people who are interested in wood logging business</li> <li>• Organise them into a business entity and facilitate registration.</li> <li>• Purchase equipment or machines for the cutting of wood.</li> <li>• Organise transport to take cut wood to selling points.</li> <li>• Identify perfect areas for selling of wood.</li> <li>• Develop marketing plan for this business.</li> </ul>
	Youth arts and entertainment	<ul style="list-style-type: none"> <li>• Develop a database of youth in arts for the ward</li> <li>• Provide technical training for youth in arts (drama, music, dance, etc.)</li> <li>• Establish ward arts platforms for youth to showcase their talent annually</li> <li>• Assist youth groups to participate in local, district, provincial and national talent promotion platforms such as Elundini municipality Open MIC sessions, Sondela Festival, Tru FM talent search, SA Has Got Talent, etc.</li> </ul>
	Tourism	<ul style="list-style-type: none"> <li>• Profile caves with Khoi San writings in the mountains to promote tourism</li> <li>• Package a tourism program around caves</li> <li>• Game Reserve activities- create tourism area for tourists. Caves can be used to attract tourist</li> </ul>
Training and empowerment of human resource in the ward	Training	<ul style="list-style-type: none"> <li>• Provide technical and business skills for individuals on key economic sectors identified in the ward</li> <li>• Provide training to improve skills for youth talented in technology related services</li> </ul>

## Program2: Infrastructure Development

Strategies	Projects	Activities
<i>Strategic Objective: Building and developing infrastructure to facilitate economic growth and social upliftment</i>		
Provide basic services and infrastructure for the ward	Access roads	<ul style="list-style-type: none"> <li>• Build access roads</li> </ul>
	Electrification of household	<ul style="list-style-type: none"> <li>• Continue with electrification of the remaining villages in the ward</li> <li>• Explore renewable energy for the ward such as hydro energy due to availability of major and minor rivers.</li> </ul>
	Water and Sanitation Services	<ul style="list-style-type: none"> <li>• Protect spring water</li> <li>• Make a dam to harvest and/or re-channel water from major rivers for households to be provided with tap waters and for irrigation purposes.</li> <li>• Provide sanitation for the rest of household and churches</li> </ul>
Provide other social services and infrastructure	Health services	<ul style="list-style-type: none"> <li>• Pursue the building of a second clinic which was promised some time ago for the ward</li> <li>• Build formal structures for early childhood development centres (EDCCs)</li> <li>• Explore utilization of available trees to build ECDCs and other community infrastructure.</li> </ul>
	Police Station	<ul style="list-style-type: none"> <li>• Provide satellite and mobile police services to improve visibility of police and reduce theft, drug abuse and other criminal activities in the ward.</li> </ul>
Provide recreational facilities for the ward	Multi-purpose community and youth centre	<ul style="list-style-type: none"> <li>• Build a multi-purpose community centre that accommodate: <ul style="list-style-type: none"> <li>○ Community meetings</li> <li>○ Youth and arts and performance activities</li> <li>○ Ward office</li> <li>○ Information centre and government services</li> <li>○ Indoor sporting, etc.</li> </ul> </li> </ul>
	Sports facilities	<ul style="list-style-type: none"> <li>• Build a ward sports facility to accommodate all codes played in the ward such as soccer, horse-racing, indigenous games, people with disability, etc.</li> </ul>

		<ul style="list-style-type: none"> <li>Request land from chiefs to provide training and play grounds for sport in each village</li> <li>Clear and grade all village play and training grounds</li> </ul>
	<ul style="list-style-type: none"> <li>HCBCs</li> </ul>	<ul style="list-style-type: none"> <li>Build HCBC structures</li> </ul>
	<ul style="list-style-type: none"> <li>Rehabilitation Centre</li> </ul>	<ul style="list-style-type: none"> <li>Establish a rehabilitation centre for drug abuse and other related social ills</li> </ul>
	<ul style="list-style-type: none"> <li>Library</li> </ul>	<ul style="list-style-type: none"> <li>Build at least one library for the ward</li> </ul>

### Program 3: Social Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote social well-being, security and safety</i>		
Promote cultural activities	December sport/cultural event	<ul style="list-style-type: none"> <li>Organize annual cultural pride activities</li> <li>Solicit support from the municipality and relevant government departments</li> </ul>
Provide safety and security for the community	Community Watch	<ul style="list-style-type: none"> <li>Establish neighbourhood watch and parent policing</li> <li>Establish community surveillance groups with the involvement of SAPS, parents and ward leadership</li> <li>Re-enforce with soldiers to curb livestock theft.</li> </ul>
	People with disability care, gender and drug abuse	<ul style="list-style-type: none"> <li>Report gender abuse, rape and other criminal activities</li> <li>Encourage anonymous reporting for people living with disability care</li> <li>(whistle blowing on issues affecting the ward)</li> <li>Provide mobile policing to improve community police visibility</li> <li>Parental talks with children and capacitation of parents</li> <li>Conduct household Voluntary Counselling and Testing</li> <li>Conduct education and awareness for people with disability care; tavern operation and drug abuse.</li> <li>Lobby government to change the legislation on voluntary request of help for drug abusers.</li> </ul>

## Ward 17: Development Plan

### Vision

A successful and highly developed ward with full employment, educated people, basic services, high technological infrastructure and viable businesses; a ward that is self-sufficient and independent; a ward that is safe and secure to live and do business in.

### Values

We are a ward that is united, God-fearing and trustworthy

We embrace diversity and listen to one another;

We are a ward with leadership and parents who lead by example with a generation that is humble and respectful;

We believe in dialogues to sort out and resolve conflicts;

Education, sobriety, security and safety of our children is our priority;

We are a ward with sustainable development;

### Strategic Objectives

- ✓ To promote economic development and improve rural livelihood
- ✓ To build ward infrastructure that support social and economic development
- ✓ To promote social well-being, security and safety
- ✓ To promote investment of human capital through skills development

### Strategies and Projects

#### Program 1. Economic Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote economic development and improve rural livelihood</i>		
Support small, micro and enterprises development Support	SME Development	<ul style="list-style-type: none"> <li>• Facilitate the development of new cooperatives and/or cooperatives in identified economic sectors (farming – livestock, crop and vegetable production).</li> <li>• Assist in the registration of new enterprises and development of business plans for implementation and funding</li> <li>• Conduct business empowerment and information sharing sessions</li> </ul>

		<ul style="list-style-type: none"> <li>• Assist existing enterprises in developing their business portfolios to attract funding for business expansions</li> <li>• Conduct community-based enterprise information and awareness of business opportunities</li> </ul>
Establish partnerships to develop and sustain cooperatives and enterprises in agricultural.	Livestock farming	<ul style="list-style-type: none"> <li>• Approach the municipality to allocate grazing camps for livestock farming for Greenfields/Vincent farmers whose land was taken for forestry development</li> </ul>
	Vegetable and crop farming	<ul style="list-style-type: none"> <li>• Provide implements/inputs/seedlings and fencing for ploughing fields</li> <li>• Provide irrigation scheme from Nxu river</li> </ul>
	Sheep-shearing project	<ul style="list-style-type: none"> <li>• Complete the shearing shed that was left incomplete for use by sheep shearers (building completion, dip tank and fencing)</li> <li>• Train sheep shearers to produced qualified and accredited sheep shearers and to avoiding harming/hurting of sheep during shearing.</li> </ul>
Develop and sustain cooperatives and enterprises in mining.	River sand and quarry mining project	<ul style="list-style-type: none"> <li>• Fencing of quarries</li> <li>• Rehabilitation of quarries</li> <li>• Establish business initiatives/co-operatives in sand and quarry mining</li> <li>• Identify people who willing and prepared to be sand miners.</li> <li>• Organise them into a business entity and facilitate registration</li> <li>• Facilitate registration in the government supply chain database</li> <li>• Provide material and equipment for quarry and sand mining</li> <li>• Facilitate fencing and protection of quarries and river sand areas</li> <li>• Train people on the rehabilitation of land for river sand and quarry.</li> </ul>



Develop and sustain cooperatives and enterprises in manufacturing.	Brick-making project	<ul style="list-style-type: none"> <li>Support the existing brick-making business at Nqanqaru, Vincent with coal for heating of bricks and other necessary support.</li> </ul>
	Water-bottling Project	<ul style="list-style-type: none"> <li>Protect spring water fountains by fencing them</li> <li>Facilitate establishment of a water-bottling business</li> <li>Build proper infrastructure for water bottling</li> <li>Train people in water bottling business</li> </ul>
	Wood Process Project	<ul style="list-style-type: none"> <li>Identify people who are interested in wood logging business</li> <li>Facilitate establishment of a wood processing enterprise/s in the ward for job creation</li> <li>Seek agreement from Tribal Authority for permission to start a wood processing project and to destroy unwanted bush and wattle trees.</li> <li>Purchase equipment or machines for the cutting of wood.</li> <li>Organise transport to take cut wood to selling points.</li> <li>Identify perfect areas for selling of wood.</li> <li>Develop marketing plan for this business.</li> </ul>
Develop and sustain cooperatives and enterprises in arts and craft.	Sewing Project	<ul style="list-style-type: none"> <li>Identify people who are good in sewing.</li> <li>Organise them into a business entity and facilitate registration</li> <li>Organise training for sewing</li> <li>Provide material and equipment for big scale or massive production</li> <li>Develop marketing plan</li> </ul>

Program 2. Skills Development

Strategies	Projects	Activities
<i>Strategic Objective: To promote investment of human capital through skills development student finance</i>		
Training and empowerment of human resource in the ward	Training	<ul style="list-style-type: none"> <li>Conduct skills and interest audit within the ward and group individuals according to their interests and skills</li> <li>Provide technical training to improve product quality and business skills for individuals on key economic sectors</li> </ul>

		<p>identified in the ward (on wood-cutting, water-bottling, waste-recycling, brick-making, farming/agriculture, sewing, quarry mining).</p> <ul style="list-style-type: none"> <li>• Provide technical training for youth in arts</li> </ul>
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Program 3 : Infrastructure Development

Strategies	Projects	Activities
<i>Strategic Objective: To build ward infrastructure to support social and economic development</i>		
Provide basic infrastructure	Access roads	<ul style="list-style-type: none"> <li>• Complete street construction at Vincent (road storm water drainage.</li> <li>• Consider building other streets in Vincent that are in bad condition</li> <li>• Build speed humps at Vincent</li> <li>• Robben Island and Takalani gravel road need to be bladed</li> <li>• Maintain and pave other roads</li> <li>• Complete the construction of storm water/drainage system at Vincent</li> </ul>
	Electrification of household and schools	<ul style="list-style-type: none"> <li>• Electrify new households that were built after electrification process at Gqaqhala and Mbidlana.</li> <li>• Maintain the high mast lights at Robben Island and Takalani</li> <li>• Build street / high mast lights at Gqaqhala and Mbidlana as part of crime prevention</li> </ul>
	Health services	<ul style="list-style-type: none"> <li>• Build a second clinic for the ward at Mbidlana</li> <li>• Lobby for the employment of permanent staff at Gqaqhala clinic to ensure effective and efficient operation of the clinic.</li> <li>• Lobby for improved turnaround time for ambulance services</li> </ul>
	Play grounds	<ul style="list-style-type: none"> <li>• Build play grounds for village-based sport and training</li> <li>• Provide kits for local clubs</li> </ul>
	Water	<ul style="list-style-type: none"> <li>• Water taps at Greenfields and consider provision of tanks</li> <li>• Provide water taps at Gqaqhala and Mbidlana</li> <li>• Identify and protect all the unprotected spring fountains</li> </ul>

	Sanitation	<ul style="list-style-type: none"> <li>• Provide water or water tanks for flushing toilets are currently not working at Greenfields due to water</li> <li>• Provide toilets for new additional households at Gqaqhala and Mbidlana</li> </ul>
	Multi-purpose community centres	<ul style="list-style-type: none"> <li>• Build a multi-purpose community centres at Gqaqhala/Mbidlana and Vincent that would accommodate: <ul style="list-style-type: none"> <li>○ Community and ward committee meetings</li> <li>○ Arts and performance activities</li> <li>○ Ward office</li> <li>○ Information centre and government services</li> </ul> </li> </ul>
	House development	<ul style="list-style-type: none"> <li>• Accelerate the issuing of title deeds</li> <li>• Develop RDP houses</li> <li>• Municipality need to facilitate dual allocation of house numbers and confirm the correct household numbers to be officially used.</li> </ul>
	Network	<ul style="list-style-type: none"> <li>• Facilitate network access in Gqaqhala and Mbidlana</li> </ul>

Program 4 : Environment and Social Development

Strategies	Projects	Activities
<i>Strategic Objective: To provide safe and secure environment for the ward especially women and children</i>		
Sustain local environment	Eco-friendly project	<ul style="list-style-type: none"> <li>• Conduct land care and rehabilitation for quarry at Greenfields and other affected areas</li> <li>• Establish waste recycling and refuse removal sites</li> <li>• Provide training on waste recycling and refuse removal</li> <li>• Clean and protect Gximfiza river in Maclear which people use as dumping of disposable nappies</li> <li>• Consider changing septic tanks at Takalani &amp; Robben Island to sewerage system to promote healthy environment</li> </ul>
Arts and culture support	Youth, arts and entertainment	<ul style="list-style-type: none"> <li>• Develop a database of youth in arts for the ward</li> <li>• Provide technical training for youth in arts</li> <li>• Establish ward arts platforms for youth to showcase their talent annually</li> </ul>

		<ul style="list-style-type: none"> <li>• Assist youth groups to participate in local, district, provincial and national talent promotion platforms such as Elundini municipality Open MIC sessions, Sondela Festival, Tru FM talent search, SA Has Got Talent, etc.</li> </ul>
Build partnerships for social security, health and well-being	Social security	<ul style="list-style-type: none"> <li>• Active community surveillance groups with involvement of SAPS and parents of perpetrators for agreed corrective measures</li> <li>• Strengthen operation of Community Safety Police Forums and cooperation between CPFs, SAPS and community</li> <li>• Encourage whistle blowing on criminal activities in the ward.</li> <li>• Encourage increased visibility of mobile SAPS service. Police need to be requested to come to the ward wearing private attire and cars to avoid alerting criminals of their visits.</li> </ul>
	Social health and well-being	<ul style="list-style-type: none"> <li>• Share information on drug and alcohol abuse</li> <li>• Involve Social and Health workers to help families and communities deal with attitudes and behaviour relationships</li> <li>• Awareness on how to deal with the new generation lifestyle</li> <li>• Conduct family dialogues to address social ills including children and parent behaviour/relationship</li> <li>• Encourage parents to support their children when they are playing</li> <li>• Enforce compliance of tavern operation with the law and lobby for the closure of illegally operated taverns.</li> <li>• Promote Voluntary Counselling and Testing in households and mobile services to ensure privacy regarding HIV/AIDS</li> </ul>
Improve standard of education	Education	<ul style="list-style-type: none"> <li>• Facilitate employment of graduate in the ward</li> <li>• Increase the number of classes and teachers at Samuel Nombewu and Gqaqhala</li> </ul>

		<ul style="list-style-type: none"> <li>• Lobby for building of a TVET college to provide access to education and to improve skills.</li> <li>• Build early childhood development centres to increase the existing number and improve access for children.</li> <li>• Establish Adult Basic Education and Training to Improvement of education</li> <li>• Facilitate increased entry of learners to tertiary institutions.</li> <li>• Provide learner support and organise career guidance to help learners make right career choices.</li> <li>• Provide learners with information on bursaries and academic financial schemes available.</li> <li>• Career guidance sessions in schools including information on bursaries provided by different companies.</li> </ul>
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Program 5 : Social Mobilization and Communication

Strategies	Projects	Activities
<i>3.1.1. To promote effective communication, social cohesion and institutional support for strategy implementation</i>		
Encourage participation of stakeholders in the ward development.	Community participation	<ul style="list-style-type: none"> <li>• Develop community trust for the ward to oversee development and use of natural resources.</li> <li>• Establish Ward War Room and ensure its functionality to deal with day to day issues of the ward and to bring government department services closer to the ward.</li> <li>• Ward Committee members to conduct door to door visits to assess conditions people live in.</li> </ul>
	Community Communication	<ul style="list-style-type: none"> <li>• Create social network pages such as WhatsApp and Facebook page for ward development and communication</li> <li>• Provide SMS bundles and data bundles</li> </ul>

# 5. SECTION F – PERFORMANCE MANAGEMENT SYSTEM

## 5.1. Introduction

The municipality has since 01 July 2017 cascaded performance management to lower levels until Task Grade 12 and this process has necessitated the review of the municipality's PMS Policy. The PMS review process has taken place and the PMS policy is awaiting adoption by the municipal council. ELM currently conducts mid-term and annual performance reviews for the municipal manager and managers reporting directly to him and all other employees who are subjected to the performance management system. Performance bonuses are therefore paid to all deserving individuals. ELM has also migrated from manual system to an automated system with the assistance of PWC.

In terms of the Municipal Planning and Performance Management Regulations (2001), the Performance Management System:

*“entails a framework that describes and represent how the municipality's cycle and processes of performance planning, management, measurement, review, reporting and Improvement will be conducted, organised and managed including determining of roles of different role players”*

Accepting this definition as contained in the Act, the ELM has reviewed and adopted its PMS Policy to drive towards the following objectives:

- To give effect to the legislative obligations of the ELM in an open, transparent and focused manner;
- To incorporate the already implemented performance management processes applicable to Section 57 Managers and how these relate to and link with the system in a holistic, institution wide, policy;
- To provide a firm foundation from which to steer the process of performance management through all phases of implementation and devolvement; and
- To link and eventually to lock the IDP, the Budget and a Performance Management System in a cycle of prioritised, affordable and accountable municipal planning and effective service delivery involving all staff and the local community.
- The establishment of a system which translates the IDP into measurable objectives and targets;
- The institutionalisation of sound management principles ensuring effective and efficient governance of service delivery;
- Adequate provision for community consultation and the opportunity to have a clearer insight in the performance of the municipality; and

- The promotion of an accountable municipality.

## 5.2. Principles governing Elundini PMS

The following principles guided and informed the process of developing the Performance Management System for Elundini Municipality:

- Simplicity
- Politically acceptable
- Transparency and accountability
- Efficiency and Sustainability
- Consultation and Community Involvement
- Incremental Implementation

## 5.3. Role players in ELM Performance Management System

The roles and responsibilities regarding the implementation of PMS as contained in ELM policy for PMS is discussed in the table below:

**Table 49: Role of Council:**

PLANNING	MONITORING		
	REVIEW	REPORTING	PERFORMANCE ASSESSMENT
<ul style="list-style-type: none"> <li>• Adopts priorities and objectives of the Integrated Development Plan</li> <li>• Adopts the municipal scorecard</li> <li>• Establishes the oversight committee for the purpose of the annual report.</li> </ul>	<ul style="list-style-type: none"> <li>• Approves the annual review program of the IDP.</li> <li>• Approves the top level SDBIP.</li> <li>• Approves changes to the SDBIP and adjustment Budget</li> <li>• Approves any changes to the priorities, objectives, key performance indicators and performance targets of the municipality.</li> </ul>	<ul style="list-style-type: none"> <li>• Report the performance of the municipality to the Community at least twice a year. (through a public Report).</li> <li>• Receives externally audited performance reports from the Executive Committee twice a year.</li> <li>• Approves the recommendations for the improvement of the PMS.</li> <li>• Annually receives report on the Municipal Manager and the s57 managers' performance.</li> <li>• Submits the annual report to the MEC and Auditor General.</li> </ul>	<ul style="list-style-type: none"> <li>• Approves the annual Audit Plan and any substantial standards to it.</li> </ul>

**Table 50: Role of Municipal Manager:**

PLANNING	IMPLEMENTATION	MONITORING		
		REVIEW	REPORTING	PERFORMANCE ASSESSMENT
<ul style="list-style-type: none"> <li>Submits priorities and objectives of Integrated Development Plan to Council for Approval.</li> <li>Approves Service Delivery and Budget Implementation Plan.</li> <li>Enters into Performance Agreement with Municipal Manager on behalf of the Council.</li> <li>Assigns the responsibility for the management of the PMS to the Municipal Manager.</li> <li>Tables the budget and the Top level SDBIP to Council for Approval.</li> </ul>	<ul style="list-style-type: none"> <li>Manages the overall implementation of the IDP.</li> <li>Ensures that all role players implement the provisions of the role players</li> <li>Ensures that the Departmental scorecards serve the strategic scorecard of the municipality.</li> </ul>	<ul style="list-style-type: none"> <li>Formulation of the annual review program of the IDP, including the review of KPI's and targets for consideration by Council and Executive Mayor.</li> <li>Formulation of the annual performance improvement measures.</li> <li>Quarterly and annually reviews the performance of Departmental Managers.</li> </ul>	<ul style="list-style-type: none"> <li>Receives performance reports quarterly from the internal audit unit</li> <li>Receives performance reports twice a year from Performance Audit Committee.</li> <li>Submits annual report of the municipality to Council.</li> </ul>	<ul style="list-style-type: none"> <li>Formulates response to the performance audit report the Auditor General and makes recommendations to the executive mayor.</li> </ul>

**Table 51: Role of S57 Managers:**

PLANNING	IMPLEMENTATION	MONITORING		
		REVIEW	REPORTING	PERFORMANCE ASSESSMENT
<ul style="list-style-type: none"> <li>Participate in the identification of IDP priorities and the whole IDP.</li> <li>Process.</li> </ul>	<ul style="list-style-type: none"> <li>Manages the implementation of the SDBIP.</li> <li>Ensures that the annual programs are implemented</li> </ul>	<ul style="list-style-type: none"> <li>Participates in the Formulation of the annual review of the KPI and targets.</li> <li>Annually reviews the performance of</li> </ul>	<ul style="list-style-type: none"> <li>Submit quarterly departmental performance reports.</li> </ul>	<ul style="list-style-type: none"> <li>Participates in the formulation of the response to the performance audit report of the Auditor General and makes</li> </ul>



<ul style="list-style-type: none"> <li>Participate in the Formulation and Revision of the municipal strategic scorecard.</li> <li>Participate in the formulation of the Top level SDBIP.</li> <li>Manages Subordinates performance measurement system.</li> <li>Enters into a performance agreement with the Municipal Manager.</li> <li>Reports quarterly to Municipal Manager.</li> </ul>	<p>according to the targets and timeframes agreed to.</p> <ul style="list-style-type: none"> <li>Implements performance improvement measures approved by the Executive Committee.</li> <li>Ensures that performance objectives in the performance agreements are achieved.</li> </ul>	<p>the department to improve the economy, efficiency and effectiveness of the departments. .</p> <ul style="list-style-type: none"> <li>Quarterly and annually evaluates the performance of the department</li> <li>Participates in Mid – Term Review.</li> </ul>	<p>recommendations to the municipal manager.</p> <ul style="list-style-type: none"> <li>Participates in the formulation of the response to the recommendations of the internal auditor and PAC.</li> </ul>
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**Table 52: Role of the Audit Committee:**

PLANNING	MONITORING	
	REVIEW	REPORTING
<ul style="list-style-type: none"> <li>Participates in the formulation of the annual audit plan.</li> </ul>	<ul style="list-style-type: none"> <li>Review quarterly reports from the internal auditors.</li> </ul>	<ul style="list-style-type: none"> <li>Reports twice a year to the Municipal Council.</li> </ul>

The KPIs and Targets of the S.57 managers was an essential first step in the implementation of performance management and laid the foundation for the devolvement of the KPIs and Targets process of the system down to the next level of management and thereafter to the entire workforce.

## 5.4. Performance Agreements with Sectional Heads

- Legislation places no obligation on a municipality to enter into performance agreements with sectional heads. However, the Council recognises such agreements as a logical further step to cement the PMS in the administrative executive component of the Municipality provided these agreements are in accordance with applicable legislation.
- The Council has adopted the Rewards and Incentives Policy and this policy will necessitate the existence of performance agreements with employees who may benefit from such a policy.

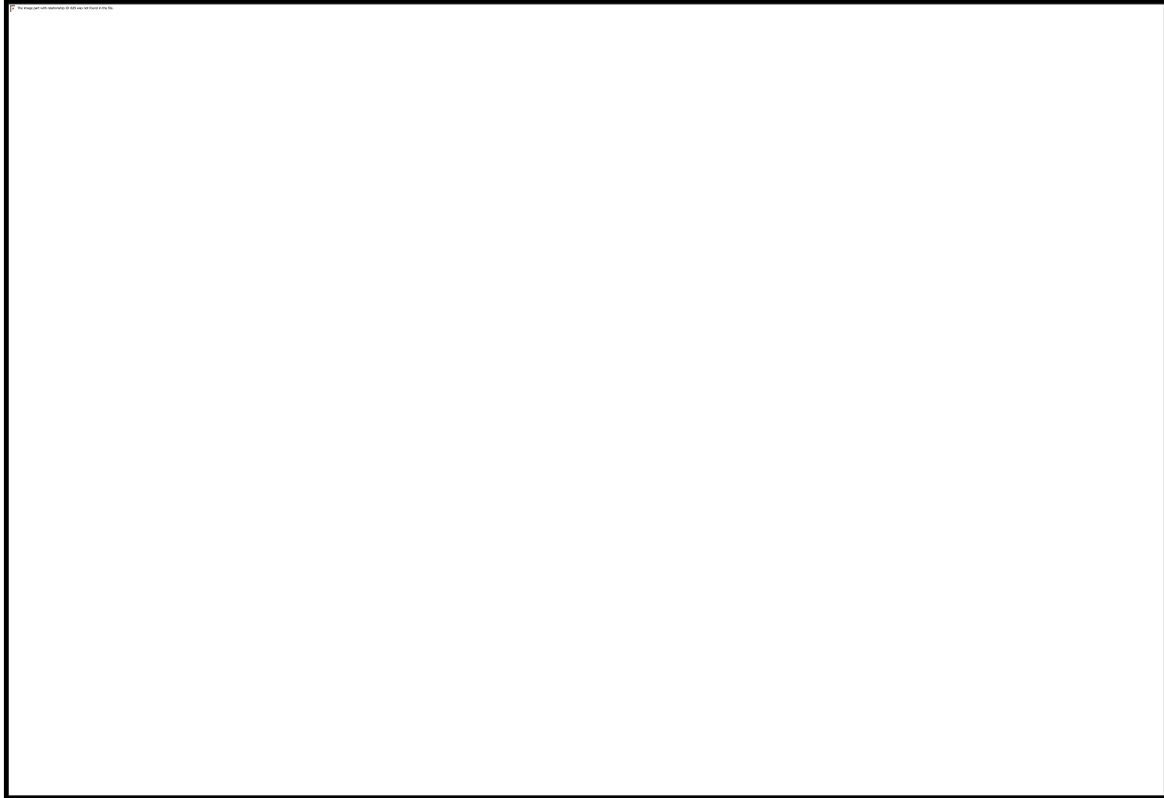
- The municipality has reviewed its performance management system policy to be able to reward deserving lower level employees and has been adopted by the Council.

### ***Culture and Work Situation***

The ELM is committed to establish and maintain a culture and work situation conducive for the implementation and maintenance of a performance management system including regular performance appraisals and establishing a factual foundation for the system. The activities to be embarked on will, of necessity, be running concurrently with actual monitoring and measuring of performance and will include the following:

- ✓ To introduce the performance management system via an internal brief prepared by the Management Team, having consulted the Local Labour Forum (in its PMS Subcommittee should this be established) and approved by the Council.
- ✓ The brief will be circulated to all departments and employees via formal communication channels.
- ✓ The brief will inter alia explain the legislative obligations underlying the system, the process to be followed and the principles that will be adhered to by the Council.
- ✓ The system will be regularly reviewed and, in doing so, employee evaluations and constructive suggestions will, where possible, be incorporated to ensure the system is organisation-specific while adhering to the legislative framework.
- ✓ Amendments to the system will be communicated to departments and employees in the same manner as outlined above.
- ✓ To establish and maintain a factual basis for the performance appraisals, the job analysis of each position in the Municipality will be regularly updated with respect to line functional activities and linked to the relevant department's objectives and targets as derived from the IDP.
- ✓ Based thereon, the appraisors and appraisees will determine mutually agreed to performance criteria, based on a format designed and approved by the Corporate Services Department for standardisation and equality purposes.

The annual process of managing performance at organizational level in ELM involves the steps as set out in the diagram overleaf:



**Figure 6: PMS**

## **5.5. Planning for performance**

The process of compiling an IDP and the annual review thereof constitutes the process of planning for performance.

### **5.5.1. Setting Key Performance Indicators**

Many of the key performance indicators are prescribed in Section 10 of the Regulations and in terms of Section 43 of the Municipal systems Act. These are listed as:

- The percentage of households with access to basic level of water, sanitation, electricity and solid waste removal;
- The percentage of households earning less than R1100 per month with access to basic free services;
- The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's IDP;
- The number of jobs created through municipality's LED initiatives including Capital projects;
- The number of people from employment equity target groups employed in three highest levels of management in compliance with an approved employment equity plan;
- The percentage of a municipality's budget actually spent on implementing its workplace skills plan;
- Financial viability.

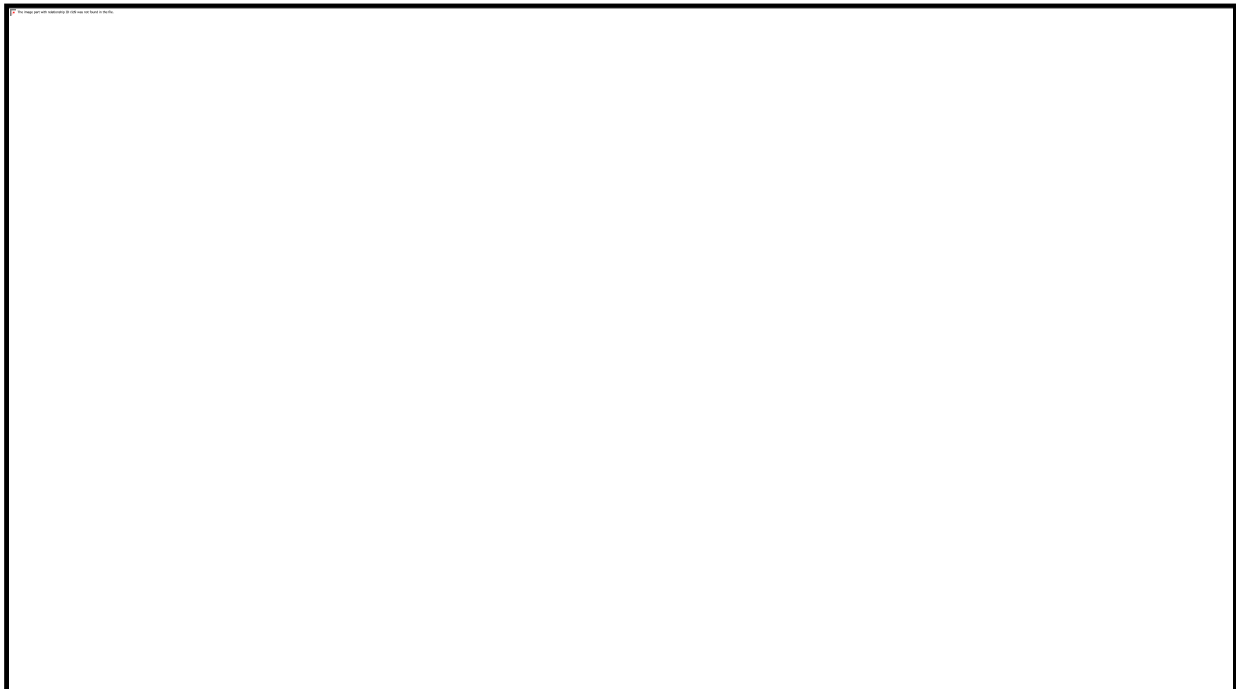
## 5.6. Alignment of the PMS to the IDP and Budget

The IDP fulfils the planning stage of Performance Management, which in turn fulfils the implementation, management, of IDPs. The last component of the cycle of OPMS is review, and the outcome of the performance review process must inform the next cycle of the IDP compilation/review. There are several components to the integration of the PMS.

PMS determines the visions of the municipality as well as its IDP priorities, objectives, performance management and budget, Council's priorities and objectives. They are based on community needs, the Constitutional mandate of Local Government, national legislation and the general KPIs within the framework of powers and functions of ELM. The Regulations for Municipal Managers and Managers directly accountable to the Municipal Managers (2006) 26(6) outlines five Key Performance Areas for Municipal Manager and the S57 Managers and these are as follows:

- ✓ Basic Service Delivery
- ✓ Municipal Transformation and Institutional Development
- ✓ Local Economic Development
- ✓ Municipal Financial Viability and Management; and
- ✓ Good Governance and Public Participation

The KPA's of the Elundini Municipality IDP 2014/2015 is being reviewed and will be aligned accordingly.



**Figure 7: Linkage between IDP Budget & PMS**

## 5.7. Tracking and Reporting Progress

- Since the municipality has migrated for the manual performance management system to an automated one, with the assistance of PWC, the Office of Municipal Manager through the PMS Unit, verifies the performance reports submitted by departments and develops quarterly reports which it submits them to the municipal manager, Standing Committee, EXCO and eventually the municipal council.
- The Internal Auditors provide quarterly audit reports to the Municipal Manager and the Performance Audit Committee.
- The Audit Committee convenes at least four times per annum and four audit committee reports are submitted to the Council. These reports must include enough details so that early warning signals of underperformance can be detected. The reports must also indicate corrective measures where such under-performance has been identified.
- The Municipal Manager oversees the compilation of an annual performance report to the Council, which report is then also submitted to the Auditor General.
- Within one month of receiving the AG's audit report on the Performance Information and the Audited Financial Statements of the previous financial year, the Municipal Manager must submit to the Council a consolidated Annual Report for adoption. The media, community, AG and MEC must be informed of the meetings at which this report will be tabled. The minutes of the meeting/s should be provided to the Auditor General and the MEC. The adopted annual report must be made available to the media, public and interested parties and submitted to the MEC.

The Consolidated Annual Report to include:

- ❖ The Performance Report reflecting the:
  - ✓ Performance of the Municipality and any service provider based on the KPIs and specifying the extent to which targets were achieved;
  - ✓ Measurements taken or to be taken to improve performance;
  - ✓ Development and service delivery priorities and targets set for the following year and reasons for significant differences in these targets from the one to the other year;
  - ✓ A statement by the external auditor concerning the reasonableness of the report.
- ❖ Audited financial statements for the year
- ❖ Annual audit of the Auditor General on the PMS report
- ❖ Any other legislated matters for reporting.

## 5.8. Publication of Performance Reports

- ❖ The ELM publishes at least once a year a public report on its performance in terms of the MSA, 2000.
- ❖ Existing Public Participation Structures and mechanism for ELM which will be used include:
  - ✓ IDP Rep Forum
  - ✓ Youth & Women Groups
  - ✓ Disability Groups
  - ✓ Local Newspaper
  - ✓ Audio Media / Loud Hailers
  - ✓ Public Notices

## 5.9. Public Feedback Mechanisms

The public Feedback on reported performance can be obtained if the public are aware of dedicated mechanisms for submitting feedback such as:

- ✓ Telephone numbers (toll free)
- ✓ Fax lines
- ✓ Emails
- ✓ Feedback boxes at Municipal Services offices

The Elundini will develop a comprehensive Communications strategy to among other things propose public feedback mechanism and structures for ELM. Upon its adoption this section will be read together with that policy and or strategy.

## 5.10. Performance Reviews and Assessments

Performance review is a process whereby the municipality, after measuring its own performance, assesses whether it is doing the right things and doing them right. The municipality is required to identify strengths, weaknesses, opportunities and threats of the municipality in meeting the key performance indicators and performance targets set by it. The Municipal Manager utilises Institutional Scorecard as a basis for reporting to the Mayor, Council and most importantly to the Public through quarterly reports, Mid-Year assessments, Annual Report and performance assessment.

The review framework for Elundini Municipality will be conducted based on the following:

- ❖ Baseline Indicators – this entails assessing whether the current level of performance is better than the previous year by using baseline indicators.

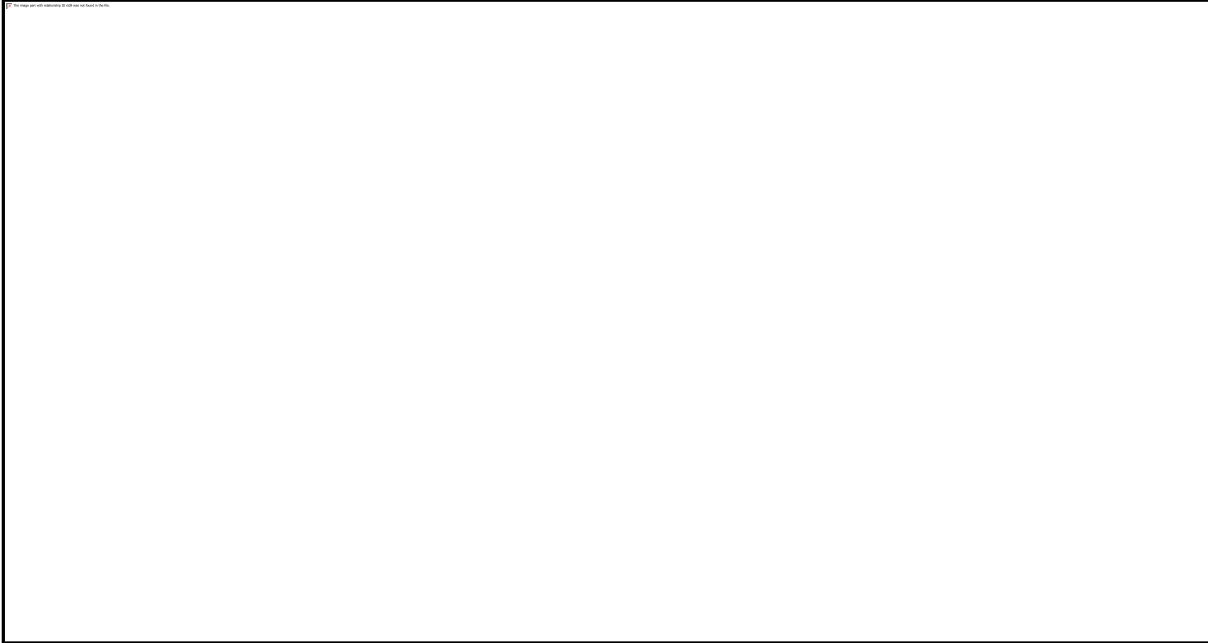
- ❖ Community Feedback – survey to obtain feedback from the community about their views of the performance of the municipality in one PMS cycle.
- ❖ Performance Review in ELM will take place annually at least a month after all Performance Information (PI) has been audited and Auditor Report issued on PI.
- ❖ In the review process, a careful analysis of the municipality performance will be done in order to understand why it has performed well or underperformed in that particular financial year.
- ❖ The results of the review will be used to develop measures to improve performance and inform the planning stage of the following years’ institutional scorecards and annual programs.
- ❖ The lines of accountability with regard to Performance Review can be summarized as follows:
  - ✓ Managers/Sectional Heads will review performance of their respective functions or sections on a regular basis and should cover all the organisational priorities relevant to the function or section
  - ✓ Executive Management:
    - Review performance quarterly to minimise risks and poor performance.
    - Review performance before reporting to the Executive Committee. This will enable them to prepare and control the quality of performance reports and include adequate response strategies in cases of poor performance.
  - ✓ Executive Committee: As the delegated authority for the management of development of the performance management system in terms of the Act, the Executive Committee plays a most significant role in reviewing the performance of the administration. Review at this level should be strategic and not restrained by operational discussions. The content of the review should be confined to agreed or confirmed priority areas and objectives.
  - ✓ Standing or Portfolio Committees need to review the performance of functions or sections according to their assigned portfolios on a regular basis, i.e. quarterly.
  - ✓ Council should review the performance of the municipal council, its committees and the administration at least twice per year.
  - ✓ The public: It is required by the Act and the Regulations published in accordance therewith, that the municipality secure community participation in the review process. This could ideally be done when the annual report is compiled at the end of the financial year.

## 5.11. Monitoring and Measurement Framework

Monitoring is a continuous process of measuring, assessing and analysing and evaluating the performance with regard to the SDBIP, KPI’s and targets. Performance measurement is essentially the process of analysing the data provided by the monitoring system on order to assess performance. The preferred and adopted model for Performance Management in Elundini Municipality is the Municipal Scorecard Model.

According to this model, in measuring performance municipalities need to look at:

- ❖ Inputs: ( Resources, Financial Perspective)
- ❖ Outputs: ( Results, Service Delivery Perspective)
- ❖ Outcomes: ( Impact, Customer satisfaction, growth, Quality of Life)



**Figure 8: Governance Process and Public Participation**

### **5.11.1. Performance Audit**

The Municipal Planning and Performance Management Regulations, 2001, require municipalities to develop and implement mechanisms, systems and processes for auditing results of performance measurements as part of its auditing processes:

- ❖ Internal Auditors audit on a continuous basis which will result in quarterly reports being submitted to the Municipal Manager;
- ❖ Audit Committee receives quarterly reports from the Internal Auditors which it reviews together with PMS's economy, efficiency, effectiveness and impact based on the KPI's and Targets;
- ❖ The Audit Committee must submit at least two audit reports to the Council in a financial year.

### **5.11.2. Evaluation**

- ❖ In terms of the adopted PMS, the Municipal Manager evaluates the quarterly performance reports from the S.57 Managers and use them to inform the steps to be taken to improve performance to meet annual targets and to intervene in case of red flag situations.



- ❖ The Municipal Manager must submit a consolidated quarterly report to the Internal Auditors. The Auditors must evaluate these reports together with other information obtained through their auditing obligations and in turn must provide the Municipal Manager with quarterly Audit Reports.
- ❖ The Municipal Manager then submits such reports as prescribed to the Council including a consolidated annual report for adoption by the Council.
- ❖ The Council must assess the performance of the Municipal Manager and S.57 Managers during June/July of each year with the assistance of an independent facilitator as further detailed in their performance agreements.
- ❖ The S.57 Managers must evaluate the quarterly performance reports from the Sectional Heads and use these to inform their own quarterly reports to the Municipal Manager.

## **5.12. Employee Performance Appraisal**

- The performance appraisal of the Managers/ Sectional Heads will be the responsibility of the S.57 Managers with the assistance of an independent facilitator.
- These appraisals will be done on an annual basis as further detailed in the performance agreements of Managers and Sectional Heads prior to the Council's appraisal of the S.57 Managers.
- The S.57 Managers and Managers must ensure performance appraisal interviews are done on a regular basis by the appraisers within their respective departments/sections as further set out below, co-ordinate the results thereof and through their own quarterly reports report on the progress with implementation of the system, successes and failures thereof and problems experienced.
- Managers will be responsible for the performance interviews with their respective middle management employees.
- The first round of assessments executed for middle management staff could be done with the assistance of an independent facilitator should the staff so prefer.
- Thereafter the option of requesting a co-appraiser to be present at their interviews will be available to these employees.
- The appraisals of lower level employees must be carried out by their immediate supervisor or line manager who has the best knowledge of the content of the job concerned and in a position to observe the employee's performance on a daily basis.
- If no suitable supervisor or line manager is available to do the performance appraisal, the head of the section must take responsibility for the performance appraisal.

- If an employee is of the opinion that exceptional circumstances exist which requires a co-appraiser to be present at the appraisal interview, the matter must be taken up with the relevant S.57 Manager. In such circumstances the S.57 Manager or the S.57 Manager of the CSD could also fulfil the role of a co-appraiser.
- The first formal performance appraisals of a staff level will take place three months after introduction of the system to such a staff level and thereafter on an annual basis.
- The steps to be taken to rectify substandard performance or enable continued support, coaching and counselling based on the results of the performance appraisals will be implemented on a continuous basis determined by the circumstances of each individual case. These performance meetings must be of a more informal nature but still recorded in writing.
- The time and place of annual interviews must be mutually agreed between the appraiser and appraisee. An employee must not be given less than two weeks to prepare for the appraisal interview. The time allowed for the actual interview will vary according to the complexity of the job and each individual's circumstances.
- The place where a performance interview is conducted must be comfortable for both the appraiser and the appraisee and care must be taken that the place is quiet, no interruptions will occur during the duration of the interview and confidentiality is protected.
- Written feedback on the annual performance appraisal must be given to an employee within a reasonable period after the performance interview. A reasonable period would not exceed four weeks.

### **5.13. Performance Improvement**

Although the municipality should strive to continuously improve performance to meet the needs of communities, it is poor performance that needs to be addressed as a matter of priority:

- The Council must advise the Municipal Manager on steps to be taken to improve performance based on the Auditor General's assessment. The IDP review process must provide a barometer of how well the Municipality performed in terms of service delivery and, if as prescribed, the community is provided with the Consolidated KPIs and Targets document, the latter could serve to inform the community's input in the review process.
- The training needs of staff, originating from their performance appraisals shall be fed into the Workplace Skills Plan and addressed by the sourcing of relevant providers and training courses to largely address the internal capacity shortcomings of the Municipality.

#### **5.14. Performance Incentives and Rewards**

- The municipality has reviewed its performance management system in 2014 to accommodate the performance rewards to the deserving lower level staff.

- The performance reward system of the Municipal Manager and the S.57 Managers is built into their contracts of employment and performance agreements as prescribed by the Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, 2006.
- Based on the Internal Auditors and the Audit Committee's evaluation of the progress made with the PMS and the commitment of management and staff thereto, the Council undertakes to investigate the financial, legal and institutional feasibility of performance rewards and to adopt a Rewards and Incentives Policy in this regard.
- The process will include a consultative process with the ELM Local Labour Forum.
- The criteria to be used is the following:
  - ✓ There should be measurable assessment criteria based on the IDP;
  - ✓ There should be a formal assessment against these criteria through the appraisal system as detailed in this policy;
  - ✓ The results of these assessments should be clear enough and of such a standard that a pre-determined scale of rewards could be based thereon;
  - ✓ In the case of financial rewards, the annual budget must be able to provide for it;
  - ✓ An incentive and reward system should not be in conflict with any local government legislation or binding ruling given by the Department of Provincial and Local Government (COGTA), the South African Local Government Association (SALGA) and/or the South African Local Government Bargaining Council (SALGBC).

## **5.15. Institutional Scorecard 2018/2019**

The appropriate municipal scorecards (top layer SDBIP for 2018/2019 financial year) linked to this IDP is depicted below:

**Table 53: SDBIP 2018-2019**



ELUNDINI LOCAL MUNICIPALITY  
 INSTITUTIONAL TOP LAYER SDBIP  
 2018/2019 FINANCIAL YEAR

**KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE**

Goal(s) 1: Accelerate service delivery and infrastructure development

Department Name	Strategic Objective	Indicator	Project Name	Indicator Type	Budget Allocation 2018/2019	Baseline	Annual Target 2018/2019	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Infrastructure Planning and Development	Efficient construction, rehabilitation and maintenance of municipal infrastructure	Number of households electrified	P001 Electrification	KPI	R 25 636 000	22637	1100	Finalising designs	Contractor establishes site	Digging trenches, planting poles	1100
Infrastructure Planning and Development	Efficient construction, rehabilitation and maintenance of municipal infrastructure	Number of Street lights installed	P002 Street Lights	KPI	R 613 600	100	70	Advert, Tender specification	Appointment of contractor	Establish site, Trenching	70
Infrastructure Planning and Development	Efficient construction, rehabilitation and maintenance of municipal infrastructure	KMs of paved roads constructed	P009 Upgrading of Sonwabile to Old Location Road and Storm water	KPI	R 12 984 707	32.57	11.5	Surfacing and road signs	5.5km	N/A	N/A
	Efficient construction, rehabilitation and maintenance of municipal infrastructure		P010 upgrading of Sithole Streets & Storm water					Base course and priming of surface	Surfacing and road signs	2.3km	N/A

	Efficient construction, rehabilitation and maintenance of municipal infrastructure		P011 Upgrading of Vincent Streets & Storm water					Subbase completion	Base course	priming surface	Wearing course and signs
		KMs of unpaved access roads constructed	P015 Mjikelweni Access Road & Bridge (Phase 2)	KPI	R 8 610 589	525	22.6	Bridge base	Bridge slab complete	1.47km	N/A
	P016 Construction of T74 via Mohoabatsane to Khohlong Access Road		3.1km					N/A	N/A	N/A	
	P017 Liphofung Access Road		Contractor establishes					Roadbed preparation	Wearing course started	Wearing course and signs	
	P019 Construction of Ntabayikhonjwa Access Road		Contractor establishes					Roadbed preparation	Wearing course and signs	6km	
Infrastructure Planning and Development	Efficient construction, rehabilitation and maintenance of municipal infrastructure	Number of public amenities constructed	P022 Construction of Ilisolomzi Community Centre	KPI	R 13 951 354	2	5	Brickwork	Roofing	Ablutions and Electrical	1
			P023 Completion of Mt Fletcher Sports Field					Grassing, Pavillion	1	N/A	N/A
			P025 Lower Tsitsana Community Centre					package order issued	Foundations	brickwork, roofing	1
			P024 Completion of Ugie Sports Field Phase 2					Appointment of contractor	Contractor establishes site, site clearance	Bulk earthworks, fencing and leveling	1

			P024 Completion of Ngcele Sports Field					Grassing, Pavillion	1	N/A	N/A
Infrastructure Planning and Development	Efficient construction, rehabilitation and maintenance of municipal infrastructure	KMs of DR roads maintained under SLA	P029 DR Roads Maintenance	KPI	R 6 348 000	120	240	40	80	160	240
Infrastructure Planning and Development	Efficient construction, rehabilitation and maintenance of municipal infrastructure	KMs of access roads maintained under SLA	P029 Maintenance of access roads	KPI		156	200	50	100	150	200
Budget & Treasury Office	Increase quantum of households receiving free basic services	The number of indigent households with access to free basic services	P033 Free Basic Services	NKPI	R 6 289 427	10500	13000	13000	13000	13000	13000
Infrastructure Planning and Development	Efficient construction, rehabilitation and maintenance of municipal Infrastructure	Number of rollover child care facilities built/rehabilitated	P034 Child Care Facilities	KPI	R750 000	1	1	roofing	1	N/A	N/A
Community Services	To promote environmental health and safety of local communities	Number of households and commercial properties with accesses to refuse collection services	P036 Solid Waste Management HH	NKPI	R 2 466 423	7558	7558 (7336 for households & 222 for commercial properties)	7558	7558	7558	7558
<b>KEY PERFORMANCE AREA (KPA) 2: LOCAL ECONOMIC DEVELOPMENT</b>											
<b>Goal(s) 2: Promote Sustainable economic growth and creation of decent jobs</b>											
Department Name	Strategic Objective	Indicator	Project Name	Indicator Type	Budget Allocation 2018/2019	Baseline	Annual Target 2018/2019	Quarter 1	Quarter 2	Quarter 3	Quarter 4

OMM, Community Services, IP&D, SPED	Promote creation of employment opportunities and decent jobs	Number of jobs created through municipality's local economic and social development initiatives including capital projects	Community forestry development Rafi program	KPI	R 2 300 000	176	385	N/A	N/A	N/A	385
Planning and Economic Development	To increase investment through property and economic infrastructure development	Number of property investments successfully concluded	Maclear Mixed Development Clearview housing development	KPI	Same budget as above	2 (Ugie Mixed Use, Ugie Middle Income housing)	2 (Ugie Mixed Development & Clearview housing development)	Approved plans - Ugie Mixed	Lay-out of Clearview housing development	N/A	2
Planning and Economic Development	To increase investment through land and socio-economic infrastructure development	Rand value of property development attracted	P041Feasibility studies	KPI	Same budget as above	R95m	25 M	Sketches drawn	Title deeds	Appointment of the developer	25M
Office of the Municipal Manager	Support the development of SMME to participate in a diversified and growing economy	Number of young people (17-35 years) trained in critical skills development programs	P052Capacity Building for Young People	KPI	R 280 000	50	50	N/A	N/A	N/A	50

**KEY PERFORMANCE AREA (KPA) 3: FINANCIAL MANAGEMENT & VIABILITY**

Goal(s) 3: To improve the effectiveness of governance administrative and financial systems

Department Name	Strategic Objective	Indicator	Project Name	Indicator Type	Budget Allocation 2018/2019	Baseline	Annual Target 2018/2019	Quarter 1	Quarter 2	Quarter 3	Quarter 4
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Budget & Treasury Office	Enhance organisational performance and financial management of municipal resources	% of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan, including INEP grant	P070 Capital Expenditure Budget	NKPI	TBD	TBD	100%	20%	40%	60%	100%	
Infrastructure Planning and Development	Strengthen integrated planning, monitoring and evaluation of municipal programs.	% expenditure on Mt. Fletcher Infrastructure Upgrades funded by Office of the Premier	Capital Expenditure	KPI	29 Million	100%	100%	10%	40%	65%	100%	
Budget & Treasury Office	Enhance organisational performance and financial management of municipal resources	Liquidity Ratios	P057 Liquidity Ratio	NKPI	R 0	1.5:1	1.5:1	1.5:1	1.5:1	1.5:1	1.5:1	N/A
<b>KEY PERFORMANCE AREA (KPA) 4: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT</b>												
<b>Goal(s) 3: To improve the effectiveness of governance administrative and financial systems</b>												
Department Name	Strategic Objective	Indicator	Project Name	Indicator Type	Budget Allocation 2018/2019	Baseline	Annual Target 2018/2019	Quarter 1	Quarter 2	Quarter 3	Quarter 4	
Corporate Services	Enhance organisational performance and financial management of municipal resources	% of allocated budget for WSP spent	P063 WSP Budget Expenditure	NKPI	R 1 900 000	100%	95%	10%	40%	65%	95%	



Corporate Services	Enhance organisational performance and financial management of municipal resources	The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	P064 Employment Equity	NKPI	R 12 056 357	40	62	N/A	N/A	N/A	62
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**KEY PERFORMANCE AREA (KPA) 5: GOOD GOVERNANCE & PUBLIC PARTICIPATION**

Goal(s) 3: To improve the effectiveness of governance administrative and financial systems

Department Name	Strategic Objective	Indicator	Project Name	Indicator Type	Budget Allocation 2018/2019	Baseline	Annual Target 2018/2019	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Office of the Municipal Manager	Strengthen integrated planning, monitoring and evaluation of municipal programs	Number of Oversight Strategies developed	Oversight Strategy	KPI	R325 000	New Indicator	1	N/A	N/A	N/A	1
Office of the Municipal Manager	20. Strengthen integrated planning, monitoring and evaluation of municipal programs	Level of proficiency of the Internal Audit unit (level 1 = Low, Level 2 = Medium, Level 3 = High)	P030 Audit Committee	KPI	R 0	New Indicator	3	N/A	N/A	3	N/A

## 6. SECTION G – PROJECTS LIST

6.1. MIG Three Year Capital Implementation Plan										
2018/2019 FINANCIAL YEAR										
Project No	Project Name	Ward No	EXTENT OF WORKS	STATUS	Project Value	REGISTRATION STATUS (YES/NO)	FUNDER	MTEF ALLOCATIONS: 2018/19 - 2020/21		
								2018/2019	2019/2020	2020/2021
								R 41,731,000	R 43,993,000.00	
	Project Management Unit	-	-		-		MIG	R 2 086 550.00	R 2 199 650.00	R 0.00
	Upgrading of Sonwabale to Old Location Road and Stormwater	3	6.5km	Construction	R 23 209 953.15	Yes	MIG	R 4 055 742.72		
	Construction of Ilisolomzi Community Centre	9	1 Unit	Planning stage	R 4 500 000.00	Yes	MIG	R 2 000 000.00		
	Upgrading of Sithole Streets & Stormwater	3	3km	Planning stage	R 11 731 757.21	Yes	MIG	R 6 800 000.00	R 4 931 757.21	
	Upgrading of Vincent Streets & Stormwater	17	3.7km	Planning stage	R 16 423 057.06	Yes	MIG	R 8 506 828.92	R 7 916 228.14	
	Lower Tsitsana Community Centre	4	1 Unit	Registered	R 4 500 000.00	No	MIG	R 4 500 000.00		
	Liphofung access road	15	13.5km	Registered	R 10 125 000.00	Yes	MIG	R 4 616 909.50	R 5 508 090.50	
	T83 to Upper Tsitsana Access Road	4	8km	Registered	R 6 000 000.00	Yes	MIG	R 6 000 000.00		
	Construction of Ntabayikhonjwa Access Road	12	6km	Registered	R 3 164 968.86	Yes	MIG	R 3 164 968.86		
	Construction of Ugie Sports Field	2	1 Unit	Registered	R 12 781 750.85	Yes	MIG		R 5 907 848.23	
	Upgrading of Kinirapoort Access Road	12	4.5km	Require Business Plan	R 4 843 933.55	No	MIG		R 4 843 933.55	

	Upgrading of Greenfields Streets & Stormwater	17	8km	Require Business Plan	R 38 400 000.00	No	MIG		R 6 630 152.85	
	Lower Sithana	5	9km	Registered	R 6 750 000.00	yes	MIG		R 6 750 000.00	
	Construction of Ugie Open Market	2	1 unit	Require Business Plan	R 2 389 950.00	No	MIG		R 2 389 950.00	
	Upgrading & Rehabilitation of Maclear Roads (Cluster 1 Roads)	3	3.99km	Registered	R 31 253 567.61	Yes	MIG		R 9 763 374.87	R 10 745 096.37
	Tembeni housing project: infrastructure	9	TBC	require business plan	TBC	No	MIG			
	Community Hall in Tribal Authority	10	TBC	Require Business Plan	TBC	No	MIG			
	Community Hall at Kinira Poort	12	1 Unit	Require Business Plan	TBC	No	MIG			
	Tabase (Bridge between Sigingqini & Tsoekile)	13	1 Unit	Require Business Plan	TBC	No	MIG			
	Lenge/ Rhina Bridge	14	1 Unit	Require Business Plan	TBC	No	MIG			
	Mount Fletcher access roads (Nkululekweni Surfacing)	9	TBC	Require Business Plan	TBC	No	MIG			
	Construction of Mount Fletcher Open Market	9	1unit	Require Business Plan	TBC	No	MIG			
	TOTAL FOR MIG PROJECTS							R 41 731 000.00	R 56 840 985.35	R 10 745 096.37

## 6.2. Provincial Allocations per DORA

### 6.2.1. Indicative National Grants Allocation as Per DORA

*Table 54: Indicative National Allocation as Per DORA*

Grants	Direct/Indirect	2018/19 (R'000)	2019/20 (R'000)	2020/21 (R'000)
<b>EQUITABLE SHARE</b>	Direct	138 382	149 117	160 009
Energy Efficiency and Demand Side Management Grant	Direct	5 000	8 000	8 000
Local Government Financial Management Grant	Direct	1 700	1 700	1700
Expanded Public Works Programs Integrated Grant for Municipalities	Direct	1 777	0	0
Municipal Infrastructure Grant	Direct	38 207	38 948	40 997
Integrated National Electrification Program Grant (Municipal)	Direct	25 636	19 200	19 154
Integrated National Electrification Program Grant (Eskom)	Indirect	56 672	46761	49 333
<b>TOTAL</b>		<b>267 374</b>	<b>263 726</b>	<b>279 193</b>

### 6.2.2. Provincial Indicative Allocation

*Table 55: Provincial Indicative Allocation*

GRANTS	Direct/Indirect	2018/19 (R'000)	2019/20 (R'000)	2020/21 (R'000)
Small Town Revitalization Grant	Direct	29 588	20 305	14 521
Small Town Revitalization Program – Wool Shearing Sheds	Direct	500	0	0
Library Subsidies	Direct	750	838	884
<b>TOTAL</b>		<b>30 838</b>	<b>21 143</b>	<b>15 405</b>

## 6.3. Planned projects by the Department of Human Settlements

**Table 56: Human Settlement Planned Projects**

Project Name	Scope	Target	Allocated Budget	Status Quo
Mount Fletcher Thembeni 2400 Units (Phase 1)	2400	350		Planning Studies
Maclear - Elundini 100 subs Destitute (- 96 subs)	96	43	R 7 905 335.00	18 Approved Beneficiaries (14 Outstanding) Service Provider busy with 20 units this year
Maclear - Sinxako 486 Subs (Phase 1)	486	50	R 10 333 895.00	310 approved beneficiaries. Service Provider on site
Maclear - Mqokolweni 305 Subs (Phase 1)	305			248 approved beneficiaries. SCM Underway. Planned for 2 years
Mount Fletcher - Mangoloaneng 365 Units (Phase 1)	365	49 outstanding units at various stages	R2 564 578	All 365 beneficiaries approved. Service Provider quote received for various stages including 29 left by previous Service Provider.
Mount Fletcher - Kuebung 290 Subs (Phase 1)	290			247 Approved beneficiaries. SCM underway. Planned for 2 years

## 6.4. Progress on Elundini Electrification

**Table 57: Electrification Progress**

Project Name	Budget	Expenditure Amount	Progress to date
Rural Electrification (Ntushuntushu Village)	5,700,000.00	3,299,221.88	11%
Rural Electrification (Mission Village)	8,970,000.00	6,849,317.66	9%
Rural Electrification (Moroka Village)	5,020,000.00	3,743,314.73	70%
Rural Electrification (Embizeni Village)	1,700,000.00	1,680,629.39	0
Rural Electrification (Castle Rock Village)	980,000.00	647,971.42	0

Rural Electrification (Batlokoa Link Line)	4,250,000.00	2,199,976.32	45%
Makhatlaneng (Intervention project COGTA)	4 000 000	3 118 563.75	92%
Smart Metering	R3,270,351.25	R436,266.25	29%

## 6.5. Programs by Department of Rural Development and Land Reform

**Table 58: Land Acquisition 2018/2019**

Farm Name	Property description	Hectares	Proposed Commodity in line with APAP	Program	Estimated Budget for Land Acquisition (As per valuation report or asking price)	District Status	Comments
Snowyside	Portion 1 of Mount Sephton, portion 2 of Rob Roy and remainder of the farm Snowyside No 250	1286.8181	Livestock	PLAS	R5 500 000.00	Valuation	Still waiting for valuation report

**Table 59: 1 Household 1 Ha Projects**

Farm Name	Property description	Hectares	Proposed Commodity in line with APAP	Program	Estimated Budget for Land Acquisition (As per valuation report or asking price)	District Status	Comments
Mount Fletcher commonage		700	Livestock and crop	Commonage	R 3 000 000.00	Planning	To facilitate the initial meeting
Ugie Commonage		750	Livestock and crop	Commonage	R 2 500 000.00	Planning	To facilitate the initial meeting
TOTAL BUDGET					R 5 500 000.00		

**Table 60: Reid Projects: 2017 – 18-19**

Farm Name	Property description	Hectares	Proposed Commodity in line with APAP	Program	Estimated Budget for Land Acquisition (As per valuation report or asking price)	District Status	Comments
Elundini FPSU	Mcwangele Agric. Coop, Gqaqhala Project 1 Massive Food Production and Ezingonyameni Project	120	Crop production e	Agri Park	R 1 550 000.00	R 540 000.00 (Production inputs)	Mechanization could not be done due to late delivery of crop production inputs.
Washota and Maclear Recyclers	Maclear	N/A	Non Agric Project	Enterprise Development	R 200 000.00 (Baling Machine for Maclear recycles)	R 000	To be implemented next year due to budget constraints, they will be implemented next year
<b>TOTAL BUDGET</b>					<b>R1 750 000.00</b>	<b>R 540 000.00</b>	

## 6.6. Electrification program

**Table 61: Electrification Backlog**

Estimated Outstanding Number of Household Connections	Comments
12 566	GPSing of outstanding historical backlogs to be done by the municipality to consolidate the household numbers

**Table 62: Electrification Plan for 2018/2019 by ESKOM**

Projects	No. of Connections	Estimated Costs	Villages (Based on available funding)
Batlokoa 03	100	R 2 350 000. 00	Gwaleni B
Batlokoa 03 Link Line		R 1 960 000. 00	
Amahlubi 02	1 035	R 24 322 500. 00	Madubou, Makoatlana, Makoatlane, Mjikkweleni, Diphofung, Stabataba, Phirintsu, A & B, Zanyeni & Gxojeni
Amahlubi 02 Line Line		R 3 920 000. 00	
Elundini Phase 3	41	R 705 000. 00	Nkolosane
Elundini Phase 3 Link Line		R 1 120 000. 00	

Elundini Phase 4	572	R 11 750 000. 00	Njaboya, Magedla, Plazini, Katkop, Chevy-chase A & B
Elundini Infills	1 062	R 5 310 000. 00	Growth in already electrified areas
Elundini Pre-engineering		R 981 780. 44	Pre-planning
<b>TOTAL</b>		<b>R 49 712 790. 44</b>	

### 6.6.1. Electrification Program by Department of Energy

#### *Electricity Funding Initiatives*

The Department of Energy (DoE) through SANEDI has commenced the Smart Grid program for which ELM has been selected as a participant in the EU Donor Funded Smart Grid program. It is the intention of the program to implement innovative, intelligent, interactive and improved solutions that will also take other components of the Smart Grid program into consideration, though in a limited way. ELM made a request to implement the Smart Metering and Advance Asset Management for Electrical Infrastructure projects. These two projects were proposed in order to address the high level of financial losses due to technical/non-technical losses. Many electricity assets are nearing their end of life. There is therefore a need to provide efficient and stable electricity to the citizens of Elundini in order to promote economic growth and reduce unemployment.

In brief, a Smart Grid is a modernised electrical network grid that uses two-way information and communications technology to gather and act on information, such as information about the behaviour of suppliers and consumers, in an automated fashion to improve the efficiency, reliability, economics, and sustainability of the production and distribution of electricity.

#### *Funding Projects Identified*

##### **Grants for refurbishment of electrical distribution infrastructure.**

Most electrical distribution infrastructure is in urgent need of refurbishment or replacement. National government has in the past provided funding through the ADAM (Approach to Distribution Asset Management) project to municipalities to carry out this refurbishment. It is understood that funding may again be available for this purpose. The plan is to conduct a condition assessment and audit of all the distribution infrastructure. Develop a business plan for the refurbishment and replacement of the infrastructure and source funding from the department of energy.

##### **Grants for Solar Water Heating supply and installation.**

Funding exists nationally for the installation and maintenance of low pressure solar water heating systems (SWH). The SWH have been procured through a National process and are currently in storage. ELM is one of the first municipalities to apply for this installation and maintenance funding. A full audit of households needs to be



completed and a business plan submitted to the Central Energy Fund, that is administering this project on behalf of the Department of Energy. This process is currently underway.

### **Smart Grid**

The plan is to maximize the use of the existing infrastructure e.g. high mast, street lights, high sites etc. to minimize the capital cost of new infrastructure. This project would seamlessly fit into National and Provincial Governments program to provide broadband to all communities. It is understood that very little fibre networks exist within the municipality. It is therefore envisaged to provide communications through wireless networks like GSM and Wi-Fi. This technology has been piloted successfully within some metros.

- a) The following services will be provided through the smart grid project:
- b) Provide a communication network access between the various departments within the municipality.
- c) Establishment of an electrical control room and communication between the electrical infrastructure and controllers to ensure efficient operation of the network.
- d) Use the spare capacity on the communication network to provide broadband Wi-Fi to schools, clinics and communities.
- e) Pilot the use of electric mobility vehicles charge through renewable energy.
- f) Allow real time connectivity to electrical and water meters, thus reducing technical and non-technical losses on the systems

### **Integrated National Electrification Program Grant**

The municipality currently benefits from funding through INEP. The allocation have seen a decrease over the years, mainly due to funding constraints within the fiscus. Current allocations do not provide sufficiently for the needs of the communities there is a need to develop additional business plans and source additional funding for these needs.

### **Smart Grid initiatives and related broadband technologies enabling ELM to transition towards a smart city.**

The implementation of smart grids would provide real time communication between various devices in the utilities infrastructure and provide solutions for Wi-Fi and broadband to underprivileged communities. Funding is required to implement proof of concept for smart city initiatives and to prepare business plans for Smart Grid Initiatives.

### **Energy Efficiency and Demand Side Management on Municipal Infrastructure.**

A desktop audit of the main municipal buildings and public lighting infrastructure was completed. This information was used to complete funding application for Energy Efficiency and Demand Side Management. This application was successful and the municipality has received confirmation from the Department of Energy. All main buildings and public lighting will be retrofitted with the latest energy efficient technologies. This project will be carried out

in phase over the next 3 years through a total indicative allocation of 21 Million that has been allocated over the MTEF.

**Off grid and all other renewable energy projects**

The department of energy has indicated that a pilot project is about to be initiated that seeks to provide alternate cooking and heating energy sources for households that have no access to formal electricity. It is envisaged that LPG with relevant canisters be provided to qualifying households. Gas will be refilled on a bi monthly basis until formal electricity is provided to the households. The Department of Energy has allocated funding that will see the realization of installation of 5000 solar water heaters being installed in low cost housing designated installation areas within the municipality. During the 2017/18 financial year, DOE initiated a program for the installation of solar PVs within Ward 14, 4 and 3 which saw over 1100 households benefiting. The department will continue with the installations to identified beneficiaries even into the 2018/19 financial year.

## 6.7. Projects/Programs by the Department of Social Development

**Table 63: Directorate: ECD and Partial Care 2018/2019**

AREA OFFICE	LOCATION (PHYSICAL ADDRESS OF THE ORGANISATION)	WARD	FACILITY NO	PROJECT NAME	PURPOSE	Max Cap	RATE	DAYS	ECD PROGRAM ALLOCATION
Mt Fletcher	Siqhobobong Village (Mt Fletcher)	13	8978	Bakwena Pre School	Day Care	35	15	237	124 425
Mt Fletcher	Isolomzi Village (Mt Fletcher)	9	1500	Bongani Pre School	Day Care	35	15	237	124 425
Mt Fletcher	Ugie Park Location (Ugie )	17	9066	Ekuphumleni Pre School	Day Care	45	15	237	159 975
Mt Fletcher	Hlankomo Village (Maclear)	16	2073	Eluxolweni Pre School	Day Care	20	15	237	71 100
Mt Fletcher	Esidikidini Village (Maclear)	3	1513	Esidikidini Pre School	Day Care	30	15	237	106 650
Mt Fletcher	Nyibibeni Village (Ugie)	1	9561	Ikhwezi Lomso	Day Care	30	15	237	106 650
Mt Fletcher	Land Camp Location (Ugie)	2	9064	Khanyisa Creche	Day Care	40	15	237	142 200
Mt Fletcher	Ntokozweni Location (Ugie)	2	366	Kuyasa Creche-Pre-School	Day Care	30	15	237	106 650
Mt Fletcher	Xaxazana Village (Mt Fletcher)	10	9152	Lingelihle Day Care	Day Care	20	15	237	71 100
Mt Fletcher	Mandela Park Location (Ugie)	2	1736	Lonwabo Creche	Day Care	46	15	237	163 530
Mt Fletcher	Farview Village (Mt Fletcher)	10	1517	Masiphathisane Pre-School	Day Care	20	15	237	71 100
Mt Fletcher	Elubisini Village (Mt Fletcher)	11	1501	Ncedanani Pre School	Day Care	20	15	237	71 100
Mt Fletcher	Sonwabile Location (Maclear)	3	1511	Nonkqubela Pre School	Day Care	40	15	237	142 200
Mt Fletcher	Xaxazana Village (Mt Fletcher)	11	1515	Noxolo Pre School	Day Care	25	15	237	88 875
Mt Fletcher	Vincent Park Location (Maclear)	3	60	Noxolo Pre-School	Day Care	30	15	237	106 650
Mt Fletcher	Peter Mokaba Location (Maclear)	3	1522	Peter Mokhaba Pre School	Day Care	30	15	237	106 650
Mt Fletcher	Moroka Village (Mt Fletcher)	8	1514	Phaphamang Pre School	Day Care	30	15	237	106 650
Mt Fletcher	Kinira Poort A/A (Mt Fletcher)	12	13192	Thusanang Pre-School	Day Care	20	15	237	71 100
Mt Fletcher	Vuvu Village (Mt Fletcher)	15	1506	Sicelinceba Pre School	Day Care	40	15	237	142 200
Mt Fletcher	Mathafeni Village (Mt Fletcher)	10	775	Sinethemba Pre School	Day Care	25	15	237	88 875
Mt Fletcher	Ngaqangana Village ( Mt Fletcher)	10	524	Siyabulela Pre School	Day Care	25	15	237	88 875
Mt Fletcher	Ngcele Village (Maclear)	5	9571	Siyazama Pre-School	Day Care	25	15	237	88 875
Mt Fletcher	Moroka Village (Mt Fletcher)	8	9570	Tshepang Pre-School	Day Care	30	15	237	106 650
Mt Fletcher	Ngqayi Village (Maclear)	7	61	Tswelopele Day Care	Day Care	20	15	237	71 100
Mt Fletcher	Ngcele Village ( Maclear)	6	9569	Vusisizwe DCC	Day Care	20	15	237	71 100
Mt Fletcher	Isolomzi Village ( Mt Fletcher)	9	9150	Vuyolwethu Day Care	Day Care	35	15	237	124 425
Mt Fletcher	Ugie Park (Ugie)	2	9096	Vuyolwethu Educare Centre	Day Care	45	15	237	159 975

Mt Fletcher	Kat Kop Village (Maclear)	7	9702	Etyeni Pre-school	Day Care	20	15	237	71 100
Mt Fletcher	Bekela Location (Ugie)	2	9869	Skhathalele Pre-school	Day Care	27	15	237	95 985
Mt Fletcher	Koebong Village (Mt Fletcher)	13	9867	Slovo Preschool	Day Care	25	15	237	88 875
Mt Fletcher	Luzie Village (Mt Fletcher)	8	9868	Rathato Preschool	Day Care	20	15	237	71 100
Mt Fletcher	Mdeni Village (Maclear)	7	9870	Frank Moshesh Preschool	Day Care	25	15	237	88 875
Mt Fletcher	Thinana Village (Mt Fletcher)	11	9913	Vuyisanani Preschool	Day Care	25	15	237	88 875
Mt Fletcher	Polokoe Village (Mt Fletcher)	12	9914	Katlehong Preschool	Day Care	20	15	237	71 100
Mt Fletcher	Kutloanong Village (Mt Fletcher)	9	9945	Zusakhe Creche	Day Care	20	15	237	71 100
Mt Fletcher	Ethembeni Village (Mt Fletcher)	9	9915	Masimanyane Preschool	Day Care	20	15	237	71 100
Mt Fletcher	Magedla Village (Maclear)	16	10042	Magedla Preschool	Day Care	20	15	237	71 100
Mt Fletcher	Sinxako Village (Maclear)	6	10047	Sifundise Preschool	Day Care	20	15	237	71 100
Mt Fletcher	Lower Tsitsana Village (Maclear)	4	10045	Mandingasali Preschool	Day Care	20	15	237	71 100
Mt Fletcher	Matuguru A/A (Maclear)	4	13415	Masilinge Preschool	Day Care	20	15	237	71 100
Mt Fletcher	Upper Sinxako Village (Maclear)	6	10647	Samkele Pre School	Day Care	20	15	237	71 100
Mt Fletcher	Dengwane Village (Mt Fletcher)	11	10644	Noluzuko Pre-school	Day Care	25	15	237	88 875
Mt Fletcher	Mashata Village (Mt Fletcher)	13	10646	Ikaheng Pre-school	Day Care	25	15	237	88 875
Mt Fletcher	Siqhungqwini Village (Maclear)	6	10801	LD Mabandla Pre -school	Day Care	20	15	237	71 100
Mt Fletcher	Khalatsu Village (Mt Fletcher)	15	11353	Itikeng Pre-School	Day Care	20	15	237	71 100
Mt Fletcher	Nkalweni Village (Ugie)	17	11355	Sinethemba Pre -School	Day Care	20	15	237	71 100
Mt Fletcher	Makhatlanyeng Village (Mt Fletcher)	8	11685	Phumolong Pre-school	Day Care	20	15	237	71 100
Mt Fletcher	Katkop Village (Maclear)	7	11930	Thokozani Pre-school	Day Care	20	15	237	71 100
Mt Fletcher	Mtshezi Village (Maclear)	5	727	Sikhokhele Pre-school	Day Care	38	15	237	135 090
Mt Fletcher	Upper Sinxako Village (Maclear)	6	552	Sivelele Pre-school	Day Care	38	15	237	135 090
Mt Fletcher	Somerville Village (Maclear)	6	579	Somerville Pre-school	Day Care	24	15	237	85 320
Mt Fletcher	St Augustines Village (Maclear)	5	633	St Augustines Pre-school	Day Care	36	15	237	127 980
Mt Fletcher	Ncembu Village (Ugie)	1	8961	Lukhanyo Pre-school	Day Care	35	15	237	124 425
Mt Fletcher	Setaka Village (Mt Fletcher)	12	12387	Ipopeng Pre-school	Day Care	20	15	237	71 100

**Table 64: Directorate: ECD and Partial Care: New ECD 2018/2019**

AREA OFFICE	LOCATION (PHYSICAL ADDRESS OF THE ORGANISATION)	WARD	FACILITY NO	PROJECT NAME	PURPOSE	Max Cap	RATE	DAYS	ECD PROGRAM ALLOCATION
Mt Fletcher	Mbindlana Village (Mt Fletcher)	17	12869	Zukisani Pre-School	Day Care	20	15	237	71 100

Mt Fletcher	Bhekela Township (Ugie)	2	12868	Sonwabise Pre-School	Day Care	20	15	237	71 100
Mt Fletcher	Ngcele Village (Maclear)	5	12886	Hlalanathi Pre-School	Day Care	20	15	237	71 100
Mt Fletcher	Mpharane Village (Mt Fletcher)	10	12870	Latatsebo Pre-School	Day Care	20	15	237	71 100

**Table 65: Directorate: Care & Support to people with disabilities 2018/2019**

Name of Organisation	Beneficiaries	Area Office	Ward	Location	Local Municipality	Facility Type	Sub-Program	Recommended Amount
Mt Fletcher Cheshire Home	20	Mt Fletcher	9	Solomzi location	Elundini	Residential Home for Children with disabilities	Services to People with Disabilities	R 423 360
Cheshire Home Welfare Organisation	1	Mt Fletcher	9	Solomzi location	Elundini	Welfare Organisation	Services to People with Disabilities	R 168 140

## 6.8. Projects/Programs by the Department of Sport, Recreation, Arts and Culture

**Table 66: Program: Arts and Culture**

DATE	EVENT	BUDGET	VENUE	STAKEHOLDERS	RESPONSIBILITY & CONTACT PERSON	PARTNERSHIP
October 2018	Indigenous Music Research	R40 000	(Senqu, Elundini, Walter Sisulu)	CCIFSA	Performing Arts and Language Assistant Manager	ECAVC
November 2018	Product development workshop	R93 500	Mt Fletcher	Joe Gqabi Visual Arts and Craft	Performing Arts and Language Assistant Manager	Elundini LM Owezandla Crafts and Mt Fletcher Craft Centre
February 2019	District language awareness seminar (Setlokwa)	R47 000	(Sterkspruit and Mount-Fletcher)	Houses of Traditional Leaders and Writer's	Assistant Manager Performing Arts and Language	PANSALB
<b>GRAND TOTAL</b>		<b>R1 449 000</b>				

**Table 67: Program: Museums and Heritage**

DATE	EVENT	BUDGET	VENUE	STAKEHOLDERS	RESPONSIBILITY & CONTACT PERSON	PARTNERSHIP
September	Heritage day celebrations build-up	R85 000	Mt. Fletcher	Gov Depts., Veterans, Political parties	Assistant Manager- Museums & Heritage Services -	House of traditional leaders, community organizations, district and local municipalities
April 2018- March 2019	DGNC – Public hearings	R20 000	All LMS	DGNC, heritage structures LM’s	Assistant Manager- Museums & Heritage Services -	House of traditional leaders, community organizations, district and local municipalities
<b>GRAND TOTAL</b>		<b>R105 000</b>				

**Table 68: Program: Libraries and Information services**

DATE	EVENT	BUDGET	VENUE	STAKEHOLDERS	RESPONSIBILITY & CONTACT PERSON	PARTNERSHIP
April 2018- March 2019	Library subsidies	R 750 000	Elundini	Government Departments, Councilors, Educators, Learners, and community members	Assistant Manager- Libraries & Information Services-	Local municipalities, traditional authorities, sector departments
Sept 2018	Literacy Day celebration	R73 000	Elundini Municipality	Government Departments, Councilors, Educators, Learners, and community members	Assistant Manager- Libraries & Information Services-	Local municipalities, sector departments
<b>GRAND TOTAL</b>		<b>R 823 000</b>				

**Table 69: Program: Recreation**

DATE	EVENT	BUDGET	VENUE	RESPONSIBILITY & PERSON	CONTACT	PARTNERSHIP
05 May 2018 10 August 2018	Support Public Sector Sport Leagues  <b>District Trials:</b> Soccer, Netball Volley ball, Chess, Morabaraba Juskskei  Tug of war, Lawn tennis, Table tennis Pool table, Darts)	R80 000	Aliwal North / Mount Fletcher/Sterkspruit  Aliwal North	Assistant Manager S.V.Sopazi	Rec. Dev.	Private companies, insurance companies, Local municipalities, Museums, Departments
28 April 2018 21 July 2018	Support Health & Fitness training- & Festivals	R55 000	Mt. Fletcher, Mt. Fletcher	Assistant Manager Sopazi	Rec. Dev. S.V.	Aerobic local Clubs
30 June 2018	Support Horse Riding & Racing Festival-	R120 000	Elunyaweni	Assistant Manager Sopazi	Rec. Dev. S.V.	Horse racing Structure
23 November 2018	Support Good Will Games(Sanlam):		Aliwal North / Mount Fletcher/Sterkspruit	Assistant Manager Sopazi	Rec. Dev. S.V.	Private companies, insurance companies, Local municipalities, Museums, Departments
<b>GRAND TOTAL</b>		<b>R 255 000</b>				

**Table 70: Program: Siyadlala**

DATE	EVENT	BUDGET	VENUE	RESPONSIBILITY& CONTACT PERSON	PARTNERSHIP
May 2018	Coordinate recruitment of Youth Camp participants in the District-	R80 000	All local (Walter Sisulu /Senqu & Elundini ) Municipality	Private companies, insurance companies, Local municipalities, Museums, Departments	Love Life Department of Education
December 2018	Coordinate District Big Walk	R20 000	Mt. Fletcher	Aerobic local Clubs	
Aug 2018	Coordinate local and District Golden Games festival:	R30 000	Mt. Fletcher	Assistant Manager Rec Dev S.V.Sopazi	Local municipalities, SOCDEV
Apr – June 2018	Coordinate Recreation hub festivals:	R120 000	Ncembu	Assistant Manager Rec Dev S.V. Sopazi	Local municipalities, Hub Coordinators
Apr - Jun 2018 Jul - Sep 2018	Coordinate Indigenous Games training in 4 hubs	R20 000	Maclear Ugie	Assistant Manager Rec Dev S.V. Sopazi	Local municipalities, Indigenous Games Structure
Jul - Sep 2018 Oct - Dec 2018 Jan - Mar 2019	Support hubs with sport equipment and attire	R270 000	All LMS	Assistant Manager Rec Dev S.V.Sopazi	Local municipalities,
<b>GRAND TOTAL</b>		<b>R 540 000</b>			

**Table 71: Program: Sport Development**

DATE	EVENT	BUDGET	VENUE	RESPONSIBILITY& CONTACT PERSON	PARTNERSHIP
April 2018	Elundini Road Race	R 39 000,00	Ugie	Assistant Manager: Sport Development- Mr. S.M. Mashalaba	Elundini Municipality, Elundini Sport Council & Elundini Municipality
June 2018	District Youth Tournament	R80 000,00	Maclear	Assistant Manager: Sport Development- Mr. S.M. Mashalaba	Elundini Sport Council, SAFA, Drakensberg Referees, BKB & PG Bison
August	District Women's Rugby tournament	R40 000,00	Elundini	Assistant Manager: Sport Development- Mr. S.M. Mashalaba	Elundini Sport Council, Rugby federation Elundini Municipality



September 2018	Esiqhungwini Development Tournament	R 80 000,00	Maclear	Assistant Manager: Sport Development- Mr. S.M. Mashalaba	Elundini Sport Council, House of Traditional Leaders, Somerville Trust Fund, Esiqhungwini Community
<b>GRAND TOTAL</b>		<b>R 540 000</b>			

**Table 72: Program: Club Development**

DATE	EVENT	BUDGET	VENUE	RESPONSIBILITY& CONTACT PERSON	PARTNERSHIP
01 April 2018 to 31 March 2019	Support hosting of federation leagues in: rugby, football, netball, athletics, cricket, swimming, table tennis and boxing	R898 000	All LMS	Assistant Manager: Sport Development	Federations and Sport Confederation
<b>GRAND TOTAL</b>		<b>R 540 000</b>			

**Table 73: Program: Mass Participation**

DATE	EVENT	BUDGET	VENUE	STAKEHOLDERS	RESPONSIBILITY& CONTACT PERSON	PARTNERSHIP
August 2018	Mega Top Schools Tournament – Summer Games	180 000 District & Province	Mt. Fletcher District	Joe Gqabi School Sport Code Structures	Assistant Manager – School Sport	DOE
August 2018	Provincial Cross Country Competitions (80)	DoE	Mt. Fletcher	Joe Gqabi School Sport Code Structures	Assistant Manager – School Sport	DOE
October 2018	School Sport leagues Aliwal North Athletics Spring Challenge	88 000	All Circuits	Joe Gqabi Circuit Structures	Assistant Manager – School Sport	DOE
May 2018	Basic Sports Administration	Head office	Mt. Fletcher	Joe Gqabi School Sport Code Structures	Assistant Manager – School Sport	DOE
September 2018 September 2018	Code Specific Training in Soft ball & Netball	Head office	Mt. Fletcher Maclear	Joe Gqabi School Softball & Netball Structures	Assistant Manager – School Sport	DOE

Feb 2019	Fundamental Principles of Sport	Head office	Mt. Fletcher	Joe Gqabi School Sport Code Structures	Assistant Manager – School Sport	DOE
Apr-June 2018 Sept 2018	Facilitate the procurement and distribution of equipment and playing attire	Head office	Joe Gqabi Schools	Principals	Assistant Manager – School Sport	DOE
<b>GRAND TOTAL</b>		<b>R 682 000</b>				

## 6.9. Projects/Programs by the Department of Rural Development and Agrarian Reform

*Table 74: DRDAR Projects*

INFRASTRUCTURE				
Commodity	Project Name	Ward	Description of project/program (e.g. activities/commodities)	Total cost of project
Maize	Lower Ngxaza	5	Erection of Arable Land Fencing (2.779 Km) In Communal Area For The Production Of Maize	R 210 000
	Mboniseni	2	Erection of Boundary Fencing (4.950 Km) on Land Reform Farm Producing Maize and Red Meat	R 395 000

	Sondernaam	4	Construction of a Multipurpose Shed (Storage Facility) with holding Kraals and Shearing equipment on a privately owned farm producing maize and wool	R 850 000
<b>TOTAL</b>				<b>R 1 455 000</b>
Red Meat	Colon PTN 3	8	Erection of boundary and internal fencing (27.458 Km) on Land Reform Farm producing red meat	R 890 000
	Bisset Vrede	8	Erection of boundary fencing (13.432 Km) on Land Reform Farm producing red meat	R 468 000
<b>TOTAL</b>				<b>R 1 358 000</b>
Live stock	Chevy Chase Land Care		Supply and delivery of fencing material for 6 km of fencing of eradicated rangeland areas	R 275 000
<b>TOTAL</b>				<b>R 275 000</b>
<b>GRAND TOTAL</b>				<b>R 3 088 000</b>

## 6.10. Joe Gqabi District Municipality – 3 Year Infrastructure Plan (2018/19 – 2020/21)

Table 75: Joe Gqabi Three Capital Plan

JOE GQABI DISTRICT MUNICIPALITY											
3-YEAR INFRASTRUCTURE PLAN											
2018/19 to 2020/2021											
PROJECT NUMBER	PROJECT NAME	LM	Project type: Water, Sanitation, Roads Solid waste, Street lighting, Public municipal services	Project Status for example Not yet registered Design and Tender Construction indicate for any status	Approved Budget	Source of Funding	Budget Implication	Projected expenditure for 2018/2019  (Incl. VAT)	Projected expenditure for 2019/2020  (Incl. VAT)	Projected expenditure for 2020/2021  (Incl. VAT)	
MIG											
MIG/EC2015106	Ugie Bulk Water Infrastructure Phase 2	Elundini	Water	Tender	R 100 243 070	MIG	CAPITAL	R 5 000 000	R 11 000 000	R 17 000 000	
MIG/EC1211	Mt Fletcher Villages - Bulk Water Supply Scheme	Elundini	Water	Construction	R 152 000 000	MIG	CAPITAL	R 9 000 000	R 0	R 0	
MIG/EC20100001	Elundini Rural Sanitation Program	Elundini	Sanitation	Construction	R 182 117 245	MIG	OPERATIONAL	R 20 000 000	R 15 000 000	R 25 000 000	
EC20110081	Elundini Rural Water Program (Orio)	Elundini	Water	Tender	R 143 813 803	MIG	CAPITAL	R 10 000 000	R 30 000 000	R 35 000 000	
EC2012142	Maclear Upgrading of Bulk Water Services	Elundini	Water	Construction	R 95 995 638	MIG	CAPITAL	R 25 000 000	R 40 500 000	R 30 000 000	
EC2012141	Maclear Upgrading of Bulk Sanitation	Elundini	Sanitation	Construction	R 49 006 769	MIG	CAPITAL	R 15 000 000	R 20 000 000	R 15 000 000	
<b>TOTAL</b>								<b>R 74 000 000</b>	<b>R 116 500 000</b>	<b>R 122 000 000</b>	

# 7. SECTION H: FINANCIAL VIABILITY AND FINANCIAL PLAN

## 9.1 Introduction

In accordance with the outcomes of the latest assessment conducted as part of the mid-term review for the 2017/2018 financial year in accordance with the provisions of section 72 of the Municipal Finance Management Act (MFMA), the ELM remains financially sustainable and is able to meet its financial commitments. Significant reforms within the adoption of new accounting standards, being Generally Recognised Accounting Practice (GRAP), coupled with significant reforms within Municipal Budgeting and Reporting Regulations has significantly enhanced the credibility, sustainability, transparency, accuracy and reliability of financial planning, management and reporting within the ELM. In meeting the demands associated with modernised practices towards sustaining and enhancing financial viability; and addressing the specific needs of ELM within the context of limited resources and mounting service delivery expectations, has necessitated that a comprehensive integrated approach towards financial sustainability be developed.

In terms of the approach adopted, the report will clearly define financial risks which have been identified as being a financial threat to the long termed sustainability of the Organisation, linked to key challenges, with a detailed focus on effective strategies employed to mitigate against financial threats and weaknesses, concluded by a detailed analysis of the service delivery package and associated financial implications on the operations, statement of financial position and cash-flows for the MTREF which collectively aims to position ELM on a sustainable approach to service delivery.

## 9.2 Financial risks and key challenges

In order to maintain and improve on the financial efficiencies and position of ELM, certain risks need to be managed, while financial management practices need to be continuously improved. The key financial risks confronting ELM can be summarised as follows:

- (a) Limitation on Revenue Raising Capacity due to high poverty indices;
- (b) Maintaining existing collection levels and arresting the debt composition associated with Low level Service Offerings;
- (c) Financial Distress- ratio analysis- specific on Working capital elements - containment of costs within set benchmarks as established within the budget process;
- (d) The escalation of electricity costs due to tariff increases imposed by Eskom and the effect on affordability and non-payment levels;
- (e) Deficit position associated with trading services
- (f) Electricity distribution losses estimated in excess of 20%

(g) Increases associated with deferred maintenance and backlog eradication;

### **9.2.1 Key Challenges**

1. Maintaining an unqualified audit opinion, and achieving a clean audit by 2016;
2. Affordability of a desired Organisational Structure;
3. Reducing overall cost exposure, maximise productivity and enhance revenue streams;
4. The need to improve customer care functioning;
5. The need to ensure legal compliance through all procedures and programs;
6. Recurring under spending of the capital budget;
7. % Capital budget allocations to refurbishment of existing infrastructure;
8. Deficit position of trading services operations

## **9.3 Financial Strategies**

The Financial Strategy has been formulated to ensure that the ELM maximises all available opportunities that would enhance Councils financial strength especially considering the cost-shift environment that has been created with the implementation of assigned powers and functions. Council's overall Financial Strategy is structured into the following core components to allow for a clearer understanding of the overall task:

- ✓ Revenue enhancement and maximisation Strategies
- ✓ Asset Management strategies
- ✓ Financial Management Strategies
- ✓ Capital Financing Strategies
- ✓ Operational Financing Strategies
- ✓ Supply Chain Management turnaround Strategy
- ✓ Cost Containment Strategies
- ✓ Free Basic Services and indigent Support

These segments are intended to provide operational guidance to staff to assist them in achieving identified objectives and goals. Importantly the strategies formulated are deemed to be primary mitigating tool against the financial risks identified, and giving effect to the objectives of the Integrated Development Plan, through ensuring that the performance targets as per the Budget underlying the IDP are achieved. The strategies are premised on ensuring compliance with adopted financial policies, modelled on modernized reform practices applicable to Local Government.

### **9.3.1 Revenue Enhancement and Maximization Strategy**

The purpose of this strategy is to ensure that all possible avenues are explored to maximise the receipt of any monies available to Council by way of intergovernmental transfers and Grants or Donations, including expanding the billing database and maximising income opportunities on every registered serviced site within the LM's jurisdiction. The second component of this strategy focuses on strengthening and building capacity within credit control and debt management practices and processes of Council, ensuring the attainment and exceeding of collection rates in line with key budgetary requirements.

The third component of the strategy focuses on maximising the registration of households eligible for participation within the Free Basic Services program of Council, this component is aimed at arresting spiralling debts associated with this user group, and limiting consumption of services in line with the FBS allocation threshold. In line with the strategy employed, Council has formalised the appointment of a Specialist Service Provider on a contingency arrangement over three years to undertake revenue enhancement and debt reduction, with a special focus on skills transfer to a dedicated internal unit that will be created during this financial year.

The success of this program has been profound, in that the organisation has effectively been able to sustain collection rates in excess of 80% in line with budget expectations over the Medium Term Revenue Expenditure Framework. Financial performance as per the adopted mid-term assessment reveals that the organisation is poised to achieve the anticipated revenue inflows underpinning the budget framework adopted, being a minimum of 95%. The additional revenue inflows beyond planned performance has provided significant impetus to funding additional programs to enhance service delivery offerings e.g. outsourcing of the solid waste management site within Ugie estimated at R 2.7 Million per annum.

The targeted debt collection rate over the MTREF is positioned at 95%, increasing to 100%, and 100% respectively.

### **9.3.2 Subsidies and Grants**

In order for ELM to obtain maximum benefit from external monies available, a policy laying out the relevant procedures has been put in place within the Institution to ensure that all grants, donations and subsidies are investigated, applied for and received at the appropriate times. The policy will ensure that Council receives maximum benefit from external funding available. The ELM has entered into a Service Level Agreement with the Department of Roads and Public works, whereby the ELM undertakes road construction and maintenance activities on District Roads, the Revenue Inflows associated with this activity is estimated at R 6 Million over the MTREF. ELM has prioritised an initiative to appoint a funding agent over the MTREF to conclude business plan development and applications through various government funding agents.

### **Capital Transfers- MTREF ELM**

In terms of the DORA the indicative allocations as defined within table A4 clearly defines that over the MTREF ELM will receive R 118.1 Million prioritized for road infrastructure.

### **In-kind Allocations**

Eskom's electrification program funded through the Integrated National Electrification Grant (INEG) will see R 152.7 million being invested over the MTREF within Elundini service area to address inherent service delivery backlogs.

#### **9.3.3 Administration Fee Policy**

The Administration Fee Policy has been updated to address the needs of Council with regards to administration of contracts on behalf of third parties. Importantly, this component will result in R 60.2 Million being appropriated to own revenue over the MTREF from conditional grants held within the Organization.

#### **9.3.4 Credit Control and Debt Collection Policy**

The Policy sets out to control and manage the recovery of outstanding debt due to Council. This policy is in place and is subject to regular updates. The policy lays down the basis for distribution of accounts, collection procedures, interest and penalties to be charged in the event of non-payment, with strong focus on management reporting requirements pursuant of key legislative requirements and performance management.

Giving effect to the administration of this policy, Council through the appointment of a revenue specialist has invested in a Revenue Management and Debt collection System fully compliant with Municipal Bylaws and objects of the policy framework, the system effects have result in macro approach to debt management and collection being effected, in an effective and efficient manner, maximize the return on investment and per household.

#### **9.3.5 Tariff Policy**

This policy sets key guidelines on what should be considered when pricing services and guiding principles for the compilation of water, sanitation, solid waste and electricity tariffs. This policy is subject to constant review, given significant reforms within the electrification and water sectors, which impact on the price cost of services rendered, and ultimately on the sustainability of trading services. Through the policy framework adopted and implemented, Council has for the MTREF prioritized the continuation of the revenue protection strategy employed during the current financial year to further reduce existing losses of 25% to an acceptable technical loss of 10%.



### **9.3.6 Asset Management Strategy**

The purpose of the strategy is to optimize the use of all assets under the control of Elundini Local Municipality, given the financial exposure and the revenue streams earned by the Municipality in the rendering of services to the community. Due to the strategic importance that the entire asset base presents around the continued viability of the organization R 178.4 million will be invested over the MTREF in capital expansion programs.

### **9.3.7 Asset Management Policy**

This policy is deemed necessary in order to facilitate the effective management, control and maintenance of the assets. The policy is in place and is subject to regular review. The prime objectives of the policy are to ensure that the assets of Elundini are properly managed and accounted for by:

- ✓ Ensuring the accurate recording of asset information
- ✓ The accurate recording of asset movements
- ✓ Exercising strict control over all assets
- ✓ Providing correct and meaningful management information
- ✓ Compliance with Council's Insurance Policy and Payment Procedure
- ✓ Effecting adequate insurance of all assets
- ✓ Maintenance of Council's Assets

The implication of this policy on the administration and planning of assets has been profound, in that the organisation has a comprehensive understanding of all assets under the Management Control of the Municipality, has an acute understanding of the conditions and remaining lifespan etc. of the asset base, all of which are aimed at ensuring that sound financial planning occurs, especially around investment choices and reserve creation to safe guard against ageing infrastructure; the Funding and Reserves policy is directly influenced through the outcomes of the annualised conditional assessment on all infrastructural assets. ELM likewise has incurred losses of less than R50 000 due to theft of assets over the preceding financial year, all of which we subject to insurance claims; all assets have been adequately verified and accounted for in line with GRAP requirements, and has received no negative audit reports in this regard. It is envisaged that strict adherence to policy framework will continue to be applied in order to protect the resource of the community, and ensure the continued viability of the Municipality.

### **9.3.8 Asset Movement System**

At the time of commissioning a GRAP compliant Asset Register, an asset tracking system using bar-coded discs and scanners was put in place. With the completion of the Asset Register, the asset tracking system is now fully operational. The system allow for regular audits of all assets to be completed in a shorter time frame and therefore allowing for more regular

updates of the register. Asset verifications are undertaken twice a year for purposes of validating the existence and proper recording of all assets; all assets not accounted for are thoroughly investigated and reported to Council.

### **9.3.9 Financial Management Strategy**

The purpose of this strategy is to ensure that the Financial Systems in place at ELM are of such quality to allow for the generation of accurate and timely reporting at all times. The Strategy has culminated in the institution being able to effectively make informed decisions around service delivery, identify financial risks and impeding financial problems, through having an acute understanding of the financial affairs of the Municipality, through a simplified qualitative analysis being provided based on the in-year reports focusing on budgeted performance( revenue, expenditure, capital); impact of the trading activity on the financial position and cash-flows within the Organisation, this is in compliance with international standards on in year reporting.

### **9.3.10 Supply Chain Management Turnaround Strategy**

ELM has during the course of the financial year implemented a comprehensive SCM turnaround strategy aimed at significantly enhancing overall compliance with SCM regulations and addressing internal control deficiencies addressed within the last year's audit report issued by the Auditor-General, whilst improving significantly on operational efficiencies aimed at promoting quicker turnaround times and improving overall internal and external client satisfaction. This strategy has been hailed a success as evidenced by the fact that the organisation for the audited financial year received less findings relating to SCM processes.

Importantly the turnaround strategy employed has seen the creation of a fully-fledged SCM unit fully compliant with SCM regulations, reporting to the office of the Chief Financial Officer.

The organisational structure has been redesigned to ensure logical arrangement of critical functions overseen by the Supply Chain Manager, and is segmented into the following core functional areas, namely:

- ✓ Demand and Acquisition Management
- ✓ Bid Administrations and Contracts Management
- ✓ Logistics Management
- ✓ Disposal Management

In terms of the systems of delegations adopted, the Municipality currently uses a fully functional bid committee system that regulates all competitive bids ranging from R 200 000. In terms of the committee system in use, three distinct committees are in existence, each comprising of specialists within various fields that assist in the discharge of roles and responsibilities assigned, the committees system in use comprise the following:

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

The Chairmanship of all bid committees are highly regulated and all appointment are authorised by the Accounting Officer in line with Municipal Regulations issued; all committees are furthermore represented by a senior supply chain practitioner. Importantly in terms of the code of conduct applicable to bid committees, all members are required to declare annually, financial interests.

## 9.4 Budget and Finance Reform

A considerable amount of time and effort has been expended on ensuring that Elundini Local Municipality has the capacity to deliver on the finance and budget reporting requirements as prescribed by National Treasury. The institution has reaffirmed its commitment to the development of capacity to service local government interest within financial management and administration and as such has invested R 1.7 Million towards this program over the MTREF. The process is being overseen by a Finance Standing committee and significant progress has been made in some areas. Specific tasks being performed are:

- ✓ Employment of 5 interns and short term contract workers
- ✓ Reconciliation of assets
- ✓ Training
- ✓ Supply Chain Management
- ✓ Liability Management
- ✓ Revenue Management
- ✓ Financial Systems Reporting
- ✓ Automation of Section 71 reporting

## 9.5 Policy for accessing Donor Funds

Due to the large number of projects that are being requested from the community, a policy has been developed and implemented which creates a framework for accessing funds both locally and internationally. The policy outlines the type of donors available and the conditions related to the donations. All procedures and special conditions attributable the different donors will be catalogued in the policy to ensure the smoothest approach to these donors when the occasion arises. This policy implementation lies with the Municipal Manager's Office as an extension of the Subsidies and Grants Policy.

Please refer to section on Subsidies and Grants around the successful application of the policy framework.

## **9.6 Operational Financing Strategies**

The purpose of this strategy is to assess the viability (IA) of any association or alliance or partnership that may arise from time to time. ELM has been assigned various functions and authorities by the MEC for Local Government, Housing and Traditional Affairs or Structures Act. The Council, through National Treasury have begun a formal process of exploring a PPP option on the landfill sites within the areas of Maclear, Ugie and Mt Fletcher on a 10 year outsourced option, aimed at significantly passing financial risk onto the private party (R30 Million over 10 years); Council has provided R 8.1m over the MTREF for this purpose financed through enhanced debt collection initiatives. Similarly, a memorandum of understanding has been concluded between the Elundini LM and Department of Public Works for the construction of divisional roads within Elundini, aimed at maximising the returns of investment for Elundini around the acquisition and utilisation of plant (road construction) acquired, outside of planned performance linked to MIG internal road construction framework, whilst reducing input costs for the Department and hence generate significant project related savings which may be reprioritised to increase service coverage.

## **9.7 Strategies to enhance Cost-Effectiveness**

The purpose of this strategy is to ensure that Elundini Local Municipality employs the most cost effective operating practices. Importantly, this strategy is driven on the principles enshrined within the Costing policy, which amongst other things advocates that the sustainability of Elundini LM is not primarily driven on resource generation capacity, rather a combination of effective resource utilisation, premised on cost conscious decision making practices and processes. ELM over the MTREF has adopted a formal cost reduction plan in line with the strategy requirements that will see a material shift away from consumptive based practices in favour of enhancing allocations towards building internal working capital reserves and capital replacement reserves.

## **9.8 Benchmarking and Performance Indicators**

A set of performance indicators will be developed in so as to conform to Local Government benchmark indicators set for financial sustainability and performance; the Long Term Plan presented is modelled to ensure a sustain approach to align existing performance to that of a desired performance level. Benchmarking these against similar organisations will allow for regular internal assessment and upgrading. These bench mark indicators will supplement the battery of indicators that have been developed as part of the new budget reporting formats and regulations, aimed at gauging the efficacy of financial performance and management.

## **9.9 Training and development of staff**

Training sessions and courses are continually being planned to ensure that all financial as well as non-financial, senior staff and councillors will be in a better position to evaluate the financial position of the Municipality. The Council also has an approved skills development plan, which is being implemented and is used to guide training of both Councillors and Officials. The training related budget provided over the MTREF supporting the workplace skills plan equates to R 5.9 Million. Similarly the organisation has enrolled 2 employees on the Minimum Municipal Competency training program for the current financial year; it is anticipated that by the end of Dec 2018 all officials required to be fully competent would have complied with the regulations issued.

## **9.10 Cost-effectiveness**

In line with the cost containment strategy formulated and implemented, line functions are thoroughly assessed from a business process perspective, in terms of the outcomes reports furnished line departments will be engaged in business process reengineering aimed at enhancing overall performance and reducing ELM's cost footprint. Municipal departments are required to develop departmental specific reduction strategies for approval and implementation in line with the key strategy developed.

## **9.11 Post-retirement benefits**

Post-retirement benefit obligations have been quantified and disclosed with the AFS in compliance with relevant accounting standards, the Funding and Reserves policy adopted has quantified the basis of cash back provisioning required to provide to wholly fund the obligations presented.

## **9.12 Free Basic Services**

### **9.12.1 The Indigence Support Policy:**

The basic principles of this policy are captured by indicating that the policy is to ensure that poor households are not denied their constitutional right of access to services, the Elundini LM is required to implement an indigent support policy that makes adequate financial provision to ensure the provision of efficient and sustainable services to all residents within the area of jurisdiction. The indigent support policy is an integral part of the Elundini's tariff policy that is developed and implemented in a transparent manner to ensure the sustainability of local public services to all of its citizens at an affordable cost. The indigent policy is intended to provide poor households ongoing access to a specified level of service.

The subsidies contained in the policy should not compromise the quality or efficiency of service delivery. Critically as part of ELM commitment to improve continued access to service and provide a basket of free services as part of the poverty alleviation program, Council has resolved to accelerate the provision of solar system to non-grid electrified homes within the region( 7 500 new applications over the MTREF), to this effect the service delivery targets have been amended to reflect this target; indigent support funding envelope has significantly increased to R 18.4 Million over the MTREF period.

## **9.13 Financial Plan**

This plan is prepared in terms of Section 26 (h) of the *Local Government: Municipal Systems Act*, as amended, which stipulates that a financial plan must be prepared as part of the Integrated Development Plan. The three year financial plan includes an Operating Budget and Capital Budget informed by the IDP priorities. It takes into account the key performance areas of the IDP. All programs contained in the budget are reflected in the IDP. The review of the Municipality's IDP has a ripple effect on the budget. In addition to being informed by the IDP, the municipal fiscal environment is influenced by a variety of macro-economic control measures. National Treasury determines the ceiling of year-on-year increases in the total Operating Budget, whilst the National Electricity Regulator of Southern Africa (NERSA) regulates electricity tariff increases. Various government departments also affect municipal service delivery through the level of grants and subsidies.

### **9.13.1 Executive Summary**

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities. The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programs so as to maintain sound financial stewardship. The Municipality has embarked on implementing revenue enhancement strategy to optimize the collection of debt owed by consumers. Furthermore, the Municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

National Treasury's MFMA Circular No. 91 was used to guide the compilation of the MTREF. The main challenges experienced during the compilation of the MTREF can be summarized as follows:

- ✓ The ongoing difficulties in the national and local economy;
- ✓ Inadequate resources to reduce roads and electricity infrastructure backlogs;
- ✓ The need to reprioritize projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;

- ✓ The increased cost of bulk electricity (due to tariff increases from Eskom), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable - as there will be point where services will no-longer be affordable;
- ✓ Salary budget increases for municipal staff due to a critical need to fill critical vacancies;

The following budget principles and guidelines directly informed the compilation of the MTREF:

- ✓ The 2017/18 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2018/19 annual budget;
- ✓ Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- ✓ Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk electricity. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;
- ✓ There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;
- ✓ There's also a budget allocation set for the following items:
  - Special Projects;
  - Consultant Fees;
  - Furniture and office equipment;
  - Special Events;
  - Refreshments and entertainment;
  - Subsistence, Travelling & Conference fees (national & international).

In view of the aforementioned, the following table is a consolidated overview of the proposed MTREF:

**Table A 76 Consolidated Overview of the 2018/19 MTREF**

R thousand	Adjustments Budget 2017/18	Budget Year 2018/19	Budget Year 2019/20	Budget Year 2020/21
Total Operating Revenue	326.4m	399.5	415.9	439.7
Total Operating Expenditure	229.5m	342.3	356.8	377.5
(Surplus)/Deficit	88.1m	57.2	59.0	62.1
Total Capital Expenditure	88.1m	57.2	59.0	62.1

Total operating revenue has grown by 18 per cent or R73.1 million for this financial year when compared to the previous financial year budgeted revenue. For the two outer years, operational revenue increased by 3 per cent and 5 per cent. Total operating expenditure grown by 33% or R113 for the financial year when compared to previous financial year budgeted expenditure. For two outer years, operating expenditure increased by 4 per cent and 5 per cent. Operating expenditure has been appropriated at R342.3 million and translates into a budgeted surplus of R57.2 million. The operating surplus for the two outer years steadily increases to R59 million and then R62.1 million. These surpluses will be used to fund capital expenditure.

The capital program increases to R59 million and R62 million in the outer years. A substantial portion of the capital budget will be funded from government grants from National and Provincial Treasury over the MTREF. The balance will be funded from internally generated funds.

### **9.13.2 Operating Revenue Framework**

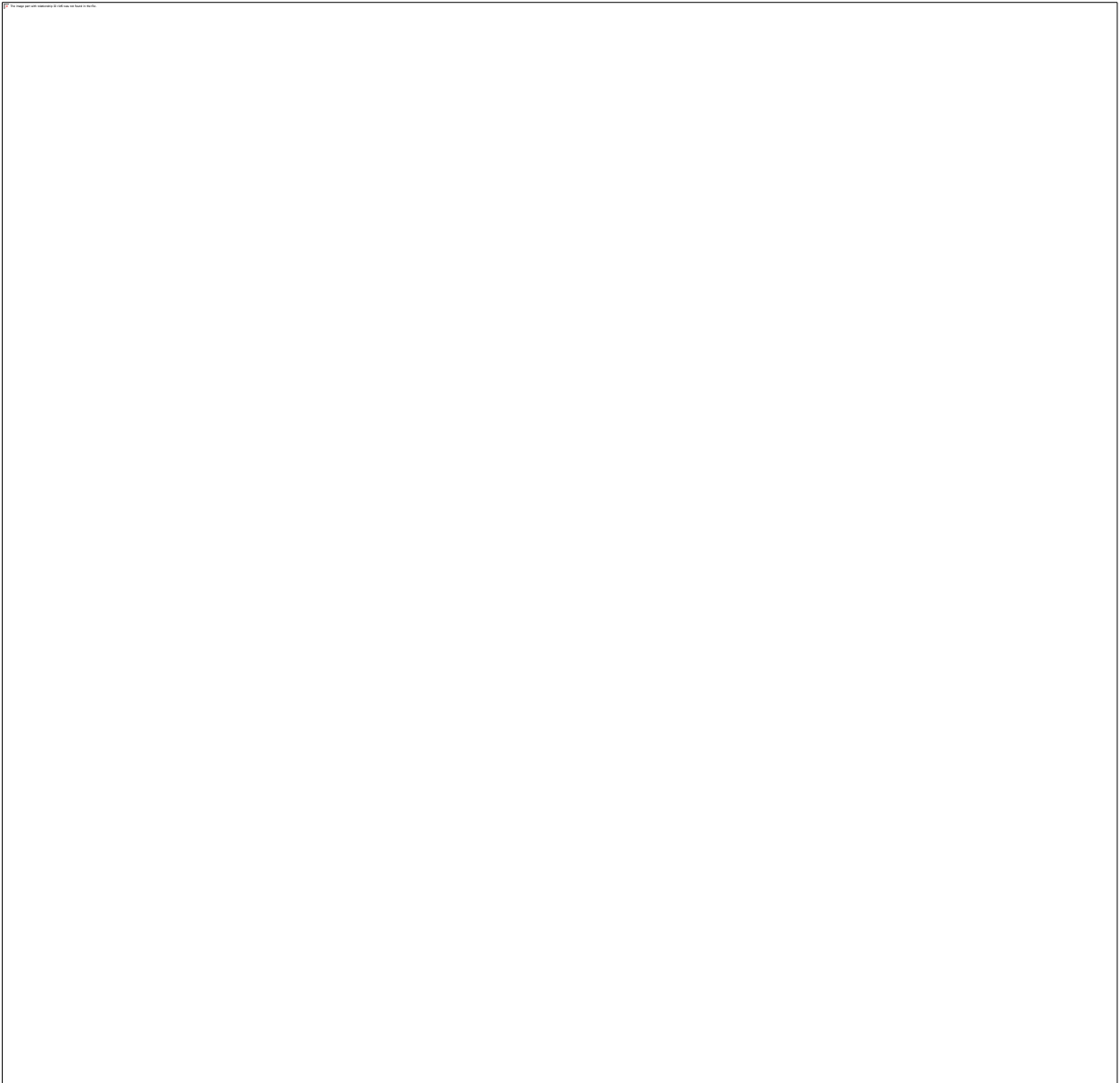
In order for ELM to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- ✓ National Treasury's guidelines and macroeconomic policy;
- ✓ Growth in the Municipality and continued economic development;
- ✓ Efficient revenue management, which aims to ensure a 95 per cent annual collection rate for property rates and other key service charges;
- ✓ Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- ✓ Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- ✓ The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- ✓ The municipality's Indigent Policy and rendering of free basic services; and
- ✓ Tariff policies of the municipality.

The following table is a summary of the 2019/2021 MTREF (classified by main revenue source):





In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit. Our total revenue mix comprises of revenue generated from rates and services charges which are Electricity and solid waste and other revenue derived from rentals, plant income investment income and others.

### **9.13.3 Property rates**

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process. Revenue generated from Property Rates totals to R20.7 million for 2018/2019 financial year and has increased by 5.3% when compared with 2017/2018 original budget and it increases to R21.8 million and R23 million for the two outer years. The following stipulations in the Property Rates Policy are highlighted:

- ✓ The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA). In addition to this rebate, a further R25 000 reduction on the market value of a property will be granted in terms of the Municipality's own Property Rates Policy;
- ✓ 35 per cent rebate will be granted on all residential properties (including state owned residential properties);
- ✓ 100 per cent rebate will be granted to registered indigents in terms of the Indigent Policy;
- ✓ For pensioners, physically and mentally disabled persons, a maximum/total rebate of 50 per cent (calculated on a sliding scale) will be granted to owners of rate-able property if the total gross income of the applicant and/or his/her spouse, if any, does not to exceed the amount equal to twice the annual state pension as approved by the National Government for a financial year. In this regard the following stipulations are relevant:
  - The rate-able property concerned must be occupied only by the applicant and his/her spouse, if any, and by dependents without income;
  - The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, proof of certification by a Medical Officer of Health, also proof of the annual income from a social pension;
  - The applicant's account must be paid in full, or if not, an arrangement to pay the debt should be in place; and
  - The property must be categorized as residential.
- ✓ The Municipality may award a 100 per cent grant-in-aid on the assessment rates of rate-able properties of certain classes such as registered welfare organizations, institutions or organizations performing charitable work, sports grounds used for purposes of amateur sport. The owner of such a property must apply to the Chief Financial Officer in the prescribed format for such a grant.

## **9.13.4 Revenue from Services**

### *9.13.4.1 Electricity*

Electricity and Solid waste services are the main revenue sources for the municipality. Revenue generated from Electricity totals to R25.9 million for the budget year and increases to R27.3 million and R28.8 million for outer years. NERSA has announced the revised bulk electricity pricing structure. A 6.84 per cent increase in the Eskom bulk electricity tariff to municipalities will be effective from 1 July 2018. Considering the Eskom increases, the consumer tariff had to be increased by 7.32 per cent to offset the additional bulk purchase cost from 1 July 2018. Furthermore, it should be noted that given the magnitude of the tariff increase, it is expected to depress growth in electricity consumption, which will have a negative impact on the municipality's revenue from electricity.

Registered indigents will again be granted 50 kWh per 30-day period free of charge. In addition those residential customers that are not registered as indigent, but that consume less than 50 kWh per 30-day period will receive 50 kWh free of charge.

Currently Electricity is operating at a deficit. It is widely accepted that the rendering of this service should at least break even, which is currently not the case. Considering the deficit, it is recommended that a comprehensive investigation into the cost structure of Electricity function be undertaken, and that this include investigating alternative service delivery models. The outcomes of this investigation will be incorporated into the next planning cycle.

#### **9.13.4.2 Solid Waste**

Revenue generated from Solid waste totals to R2.8 million for this financial year and increases to R3 million and R3.2 million for the two outer years. It must also be noted that an amount of free basic refuse has been reduced from the total revenue expected from refuse removal. Both of these services are operating at a loss, the revenue derived from these services is unable to cover expenditure in relation to these services. It is important that the municipality should consider come up with a cost recovery strategy to ensure that they are cost reflective. Currently solid waste removal is operating at a deficit. It is widely accepted that the rendering of this service should at least break even, which is currently not the case.

ELM will have to implement a revenue enhancement strategy to ensure that this service can be rendered in a more sustainable manner over the medium to long-term. The main contributors to this deficit are repairs and maintenance on vehicles, increases in general expenditure such as petrol and diesel and the cost of remuneration as well as to some extent lack of billing of commercial businesses in terms of the recognized Polluter Pays Principle as outline in the National Waste Management Strategy of 2008. Considering the deficit, it is recommended that a comprehensive investigation into the possibility of reviewing our approach to billing in terms of the existing tariff structure as approved by Council.

#### **9.13.5 Other Revenue**

Other sources of revenue which consists of various items such as income received from permits and licenses, building plan fees, connection fees, investment income and interest from debtors. Departments have been urged to review the tariffs of these items on an annual basis to ensure they are cost reflective and market related.

#### **9.13.6 Operating Grants**

Operating grants and transfers totals R173.2 million in the 2018/19 financial year and steadily increases to R198.5 million by 2019/20 and R211.4 million by 2019/2020. Note that the year-on-year growth for the 2017/18 financial year is 9 per cent and 12% per cent and 18 per cent for the two outer years. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

**Table SA18 Operating Transfers and Grant Receipts**



### 9.13.7 Tariff-Setting

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions and the affordability of services were taken into account to ensure the financial sustainability of the Municipality. National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 6 per cent upper boundary of the South African Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The table below indicates the tariffs increases as per circular No. 91 and NERSA guidelines in tariff determination.

Category	2017/2018 Year	Budget	2018/2019 Year	Budget	2019/2020 Year	Budget	2020/2021 Year	Budget
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Property Rates	6.4%	5.3%	5.4%	5.5%
Electricity	1.88%	6.84%	5.4%	5.5%
Solid waste	6.4%	5.3%	5.4%	5.5%

The following table compares Solid Waste's current and proposed amounts payable from 1 July 2019 with previous year's tariffs:

Refuse Removal - Per Month	2017/2018	2018/2019
Households	R112.57	R 118.54
Business	R223.44	R 235.28
Townships	R46.38	R 48.83
Loads per removal Business & Refuse garden	R340.20	R 358.23
Building Rubble per Load	R629.99	R 663.37
Use of refuse site where the public off load refuse - Price is per cubic meter (Prepaid Coupon)	R30.62	R 32.24
Illegal Dumping- Fine	R4082.36	R 4298.72

Electricity's current and proposed amounts that will be payable from 1 July 2018 are detailed on the tariff list which will be approved as the budget related document.

### 9.13.8 Overall impact of tariff increases on households

The following table shows the overall expected impact of the tariff increases on a large and small household, as well as an indigent household receiving free basic services.

#### 9.13.8.1 Operating Expenditure Framework

The municipality's expenditure framework for the 2018/19 budget and MTREF is informed by the following:

- ✓ Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- ✓ Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- ✓ The capital program is aligned to the asset renewal strategy and backlog eradication plan;
- ✓ Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- ✓ Strict adherence to the principle of no project plan no budget. If there is no business plan no funding allocation can be made.

The following table is a high level summary of the 2018/19 budget and MTREF (classified per main type of operating expenditure):

**Table A4 Summary of operating expenditure by standard classification item**

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**9.13.8.2 Employee Related Costs**

The budgeted allocation for employee related costs for the 2018/19 financial year totals R98.5 million, which equals 28 per cent of the total operating expenditure. A three year collective SALGBC agreement, salary increases has come to an end and at this stage there is no guideline in terms of salary increase therefore a CPI increase of 7.36 % (last year's increase) has been factored into the budget. As part of the Municipality's cost reprioritization and cash management strategy vacancies have been significantly rationalized upwards. As part of the planning assumptions and interventions all vacancies were

originally included from the budget and a report was compiled by the Corporate Services Department relating to the prioritization of critical vacancies within the Municipality.

#### **9.13.8.3 Remuneration of Councillors**

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the Municipality's budget. Budget appropriation in this regard totals to R12.3 million and equates to 3 percent of the total operating expenditure.

#### **9.13.8.4 Debt impairment Provision**

The provision of debt impairment was determined based on an annual collection rate of 95 per cent and the Debt Write-off Policy of the municipality. For the budget year this amount equates to R9.4 million and equates to 3% of the total operating expenditure and escalates to R9.9 and R10.5 million for the two outer years. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

#### **9.13.8.5 Depreciation Provision**

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R51.2 million for the budget year financial and equates to 15 per cent of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register. This has resulted in a higher increase in depreciation relative to previous years.

#### **9.13.8.6 Bulk purchases**

Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. Budget appropriations in this regard total to R26 million for the budget year and equates to 8 percent, the expenditure includes distribution losses.

#### **9.13.8.7 Other Material**

Other materials comprises of amongst others the maintenance of roads, materials for maintenance and the provision equates to .27 percent of the total operating expenditure. In line with the Municipality's repairs and maintenance plan this group of expenditure has been prioritized to ensure sustainability of the Municipality's infrastructure.

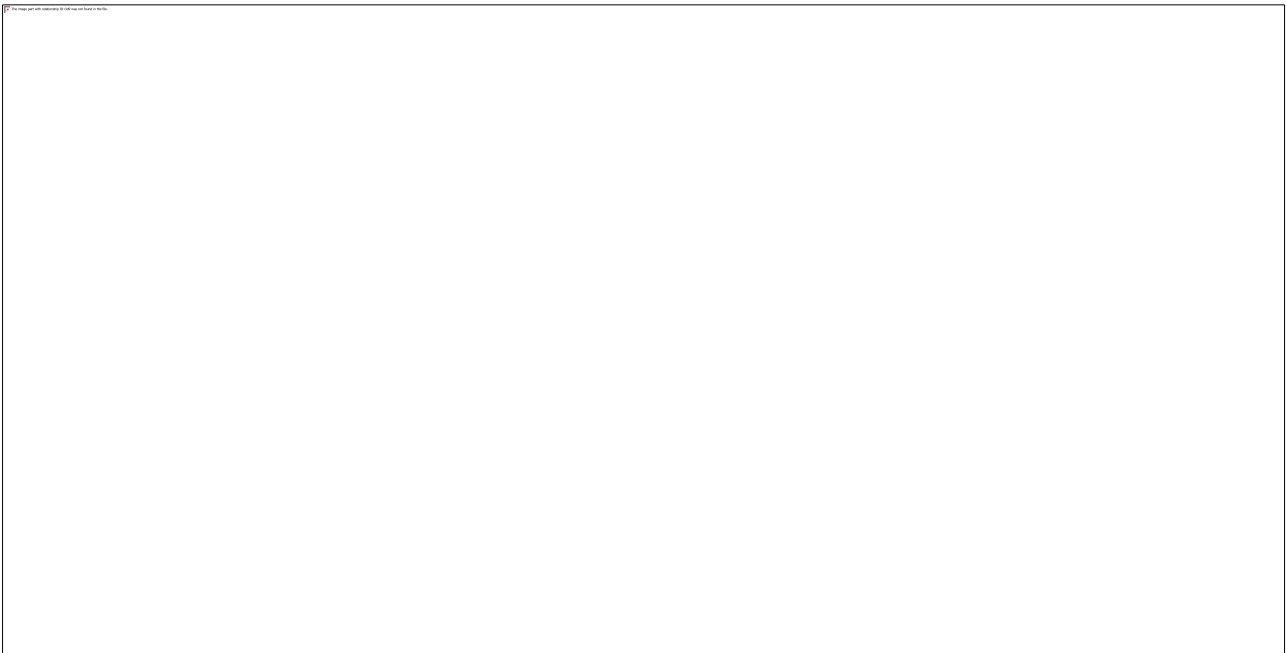
### **9.13.8.8 Contracted Services**

In the 2018/19 financial year, this group of expenditure totals R90 million and equates to 26% of the total operating budget.

### **9.13.8.9 Other Expenditure**

Other expenditure comprises of various line items relating to the daily operations of the municipality. Budget appropriations in this regard totals to R58.4 million and equates to 17%.

The following graph gives a breakdown of the main expenditure categories for the 2018/19 financial year.



### **Repairs and maintenance per asset class**

For the 2018/19 financial year, repairs and maintenance are budgeted as a project not a line item therefore we do not have an amount on the A4 as a line item for repairs and maintenance.

### **9.13.9 Free Basic Services: Basic Social Services Package**

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy. The target is to register 10 000 or more indigent households during the 2017/18 financial year, a process reviewed annually. Detail relating to free services, cost of free basis services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table SA21.



The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act. In this budget year the municipality made a provision of R6.5 million for free basic services.

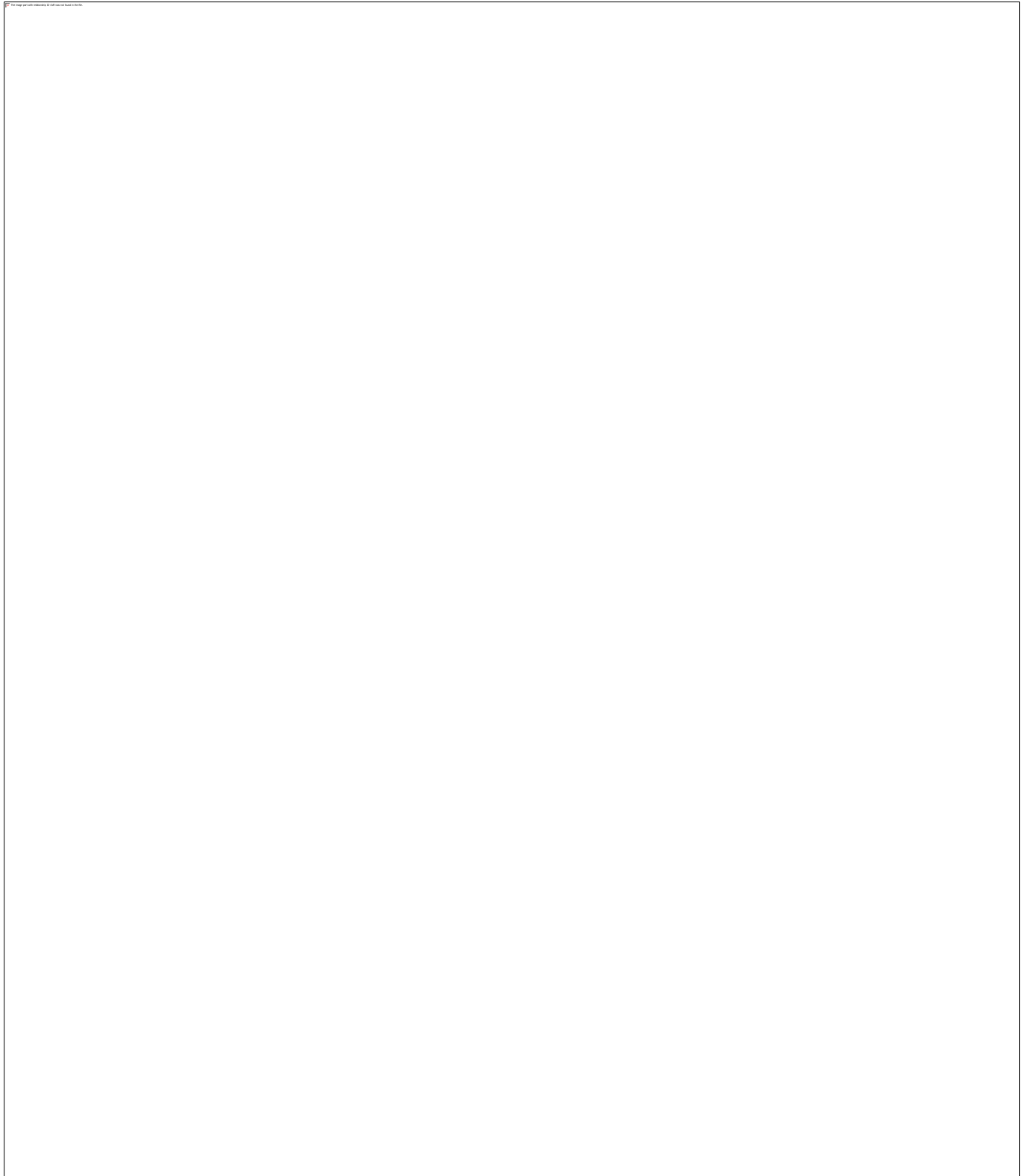
**9.13.9.1 Expenditure by major type**

1. Bulk purchases have increased over the 2018/2019 to 2020/20/21 period escalating from R26 million, R27 million and R29 million. These increases can be attributed to the substantial increase in the cost of bulk electricity from Eskom.
2. Employee related costs and bulk purchases are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.

**9.13.9.2 Capital expenditure**

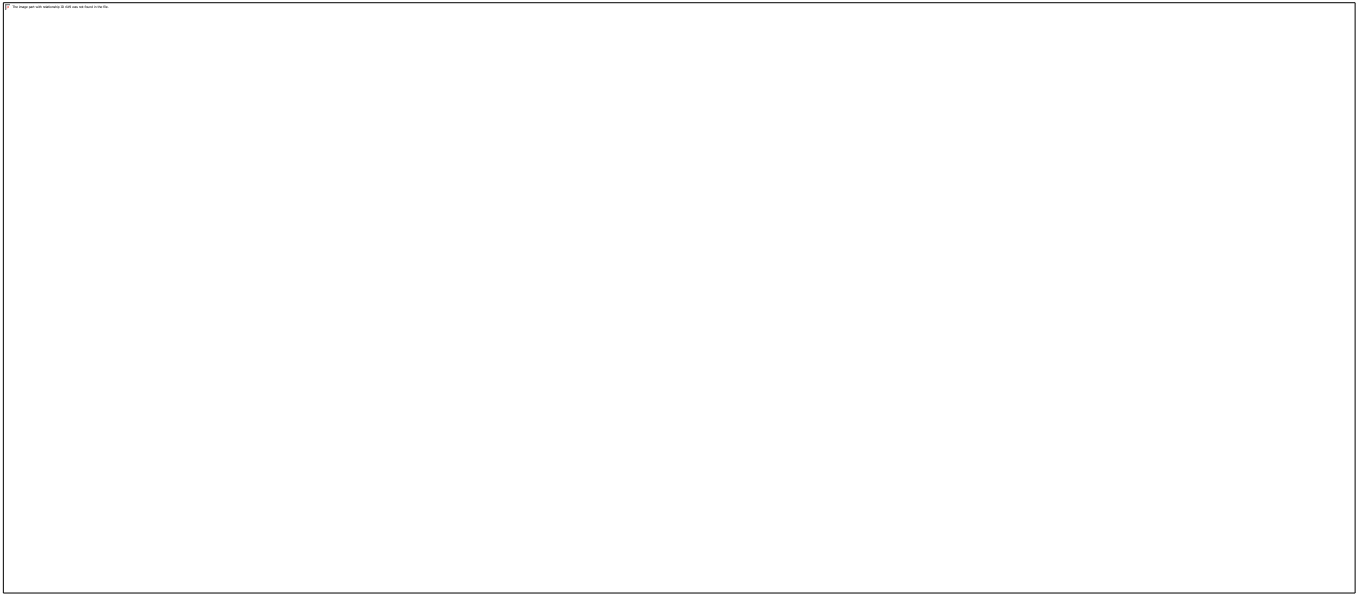
The following table provides a breakdown of budgeted capital expenditure by vote:

**Table 77 2017/18 Medium-term capital budget per vote**



For this budget year an amount of R57.2 million has been appropriated for the development of infrastructure which represents 17 per cent of the total expenditure budget. The amount totals to R59 million and R62.1million for the outer years.

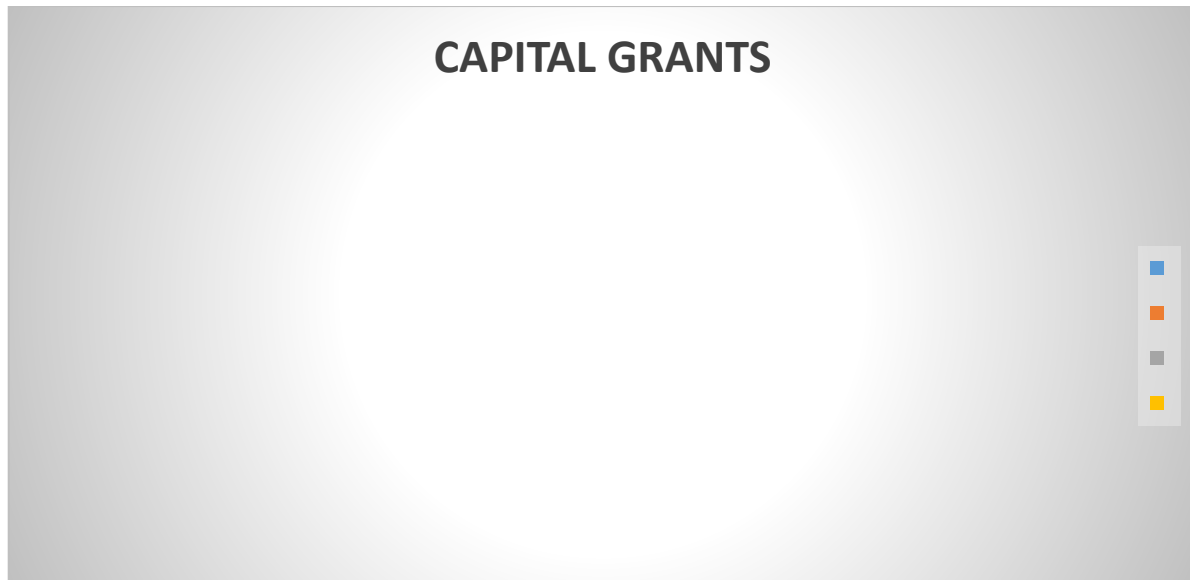
The following graph gives a breakdown of the Capital expenditure by vote for the 2018/19 financial year.



### 9.13.10 Funding of the Capital Budget

The capital program is funded from capital and provincial grants and transfers, public contributions and donations and internally generated funds from current year surpluses. Capital transfers totals to R38.2 million and escalates to R38.9 million and R40.9 million for the two outer years.

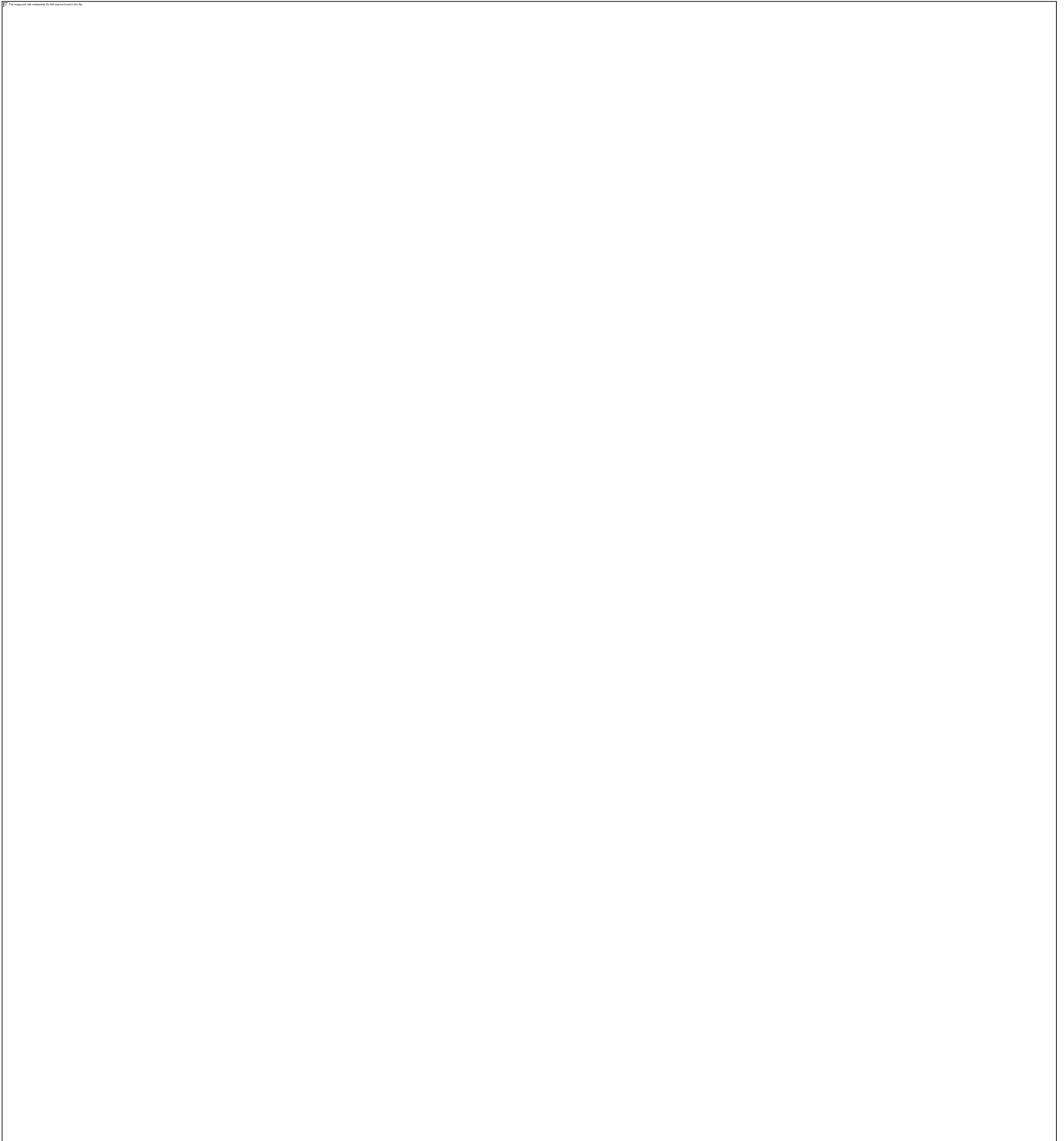
The graph below illustrate the funding sources for Capital Expenditure



## 9.14 Annual Budget Tables - Elundini Municipality

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2018/19 budget and MTREF as approved by the Council. Each table is accompanied by explanatory notes on the facing page.

### Table A1 - Budget Summary



### **Explanatory notes to Table A1 - Budget Summary**

1. Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasizes the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
  - a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
  - b. Capital expenditure is balanced by capital funding sources, of which
    - i. Transfers recognized is reflected on the Financial Performance Budget;
    - ii. Internally generated funds is financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing/surplus reconciliation indicates that the municipality is paying much attention in managing of its finances mainly building of internal reserves that can be cash- backed to fund the budget.
5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.

### **Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)**

**Explanatory notes to Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)**

- a) Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
- b) Note the Total Revenue on this table includes capital revenues (Transfers recognized – capital) and so does not balance to the operating revenue shown on Table A4.
- c) Note that as a general principle the revenues for the Trading Services should exceed their expenditures. The table highlights that this is not the case for Electricity and Waste management functions. As already noted above, the municipality will be undertaking a detailed study of this function to explore ways of improving efficiencies and provide a basis for re-evaluating the function's tariff structure.

- d) Other functions that show a deficit between revenue and expenditure are being financed from rates revenues and other revenue and Equitable share.

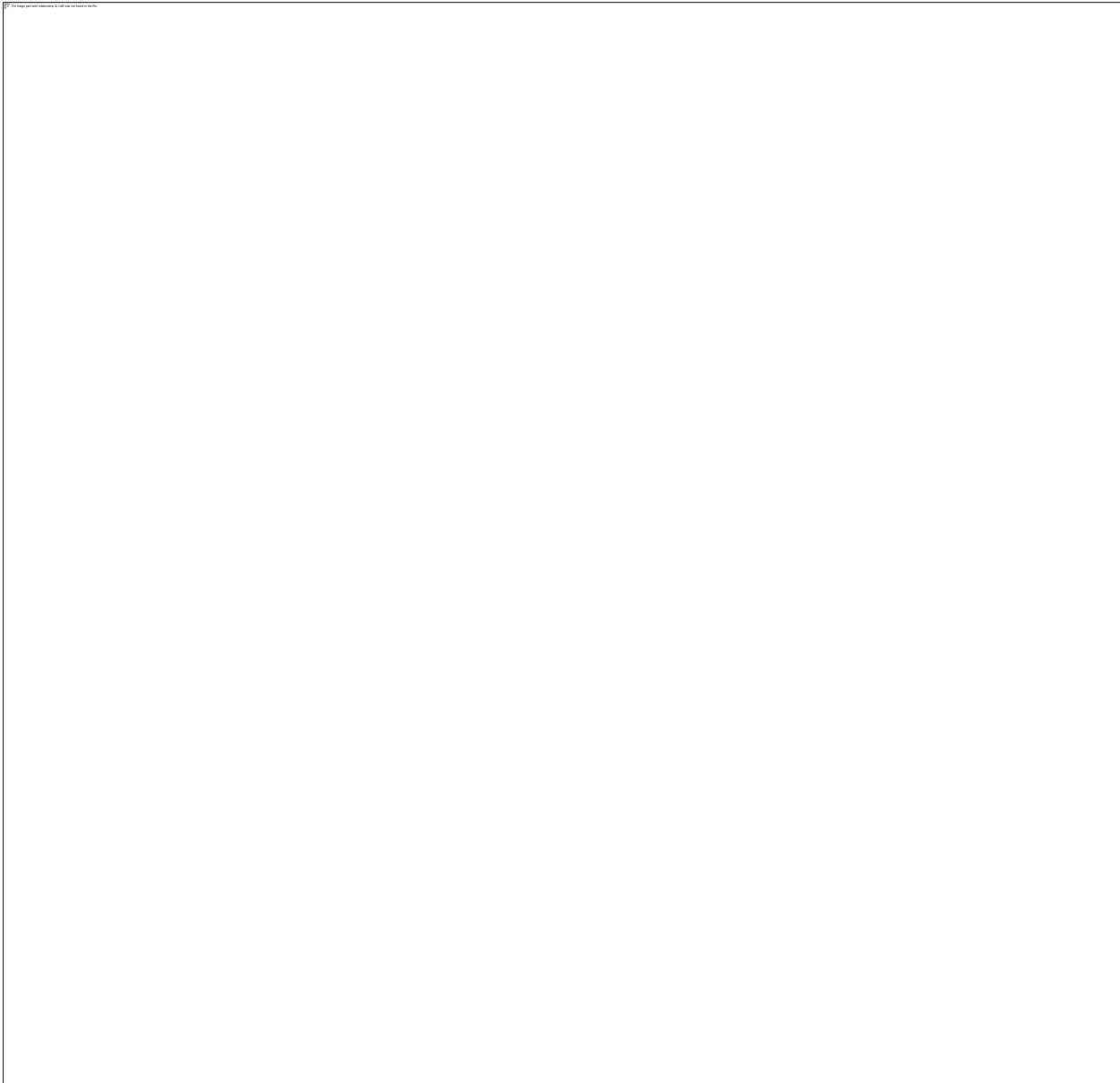
**Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)**



**Explanatory notes to Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)**

- a) Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organizational structure of the municipality. This means it is possible to present the operating surplus or deficit of a vote.

**Table A4 - Budgeted Financial Performance (revenue and expenditure)**



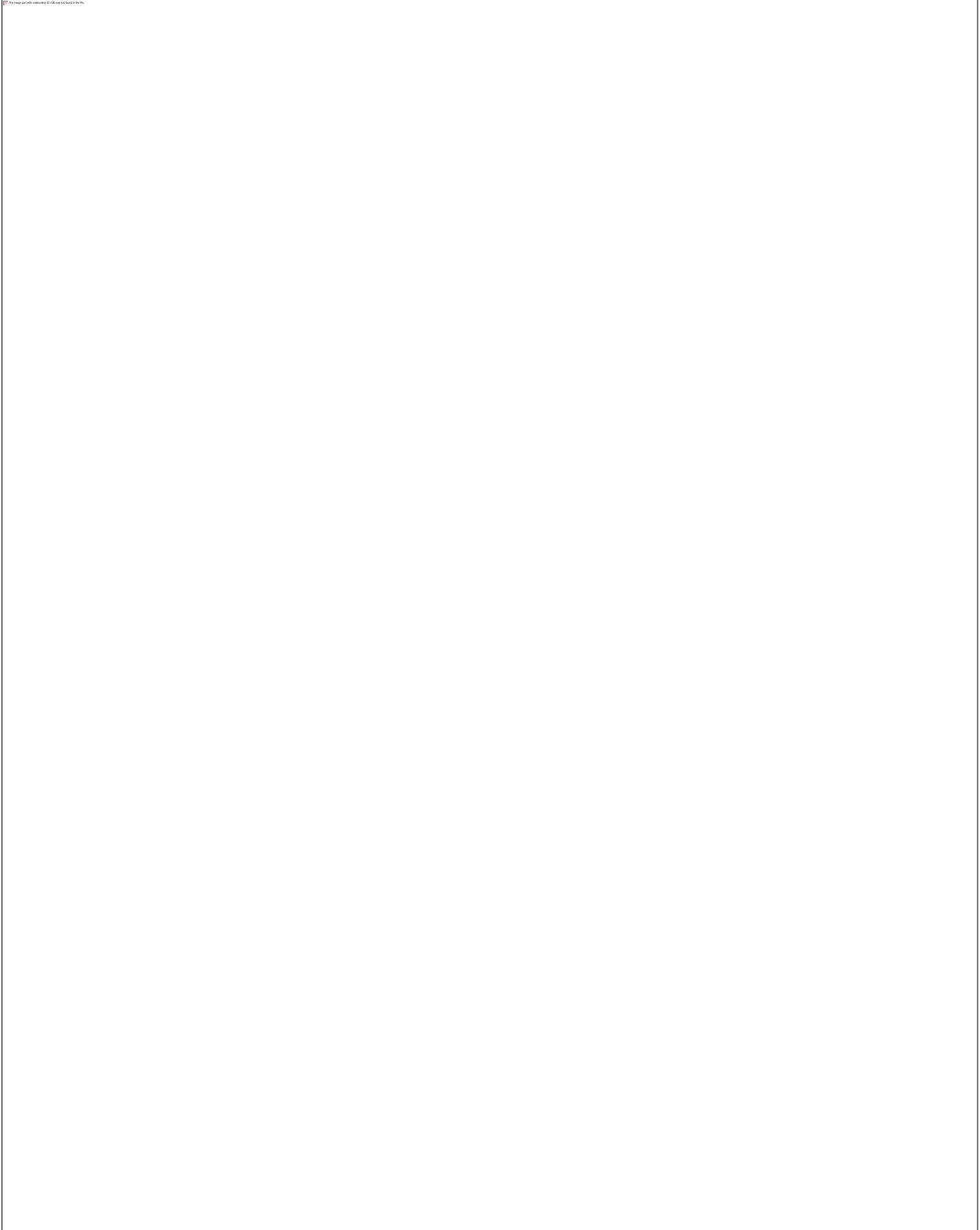
**Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)**

1. Total revenue is R361.3 million in the budget year and escalates to R376.9 million and R398.7 for the outer years.
2. Revenue to be generated from property rates is R20.7 million in the budget year and increases to R21.8 million and R23 million in the outer years. The property Rates represents 5.7 per cent of the operating revenue base of the municipality and clearly shows that the municipality is grant depended it cannot sustain itself should the grants be taken away.
3. Services charges relating to electricity, and refuse removal constitutes the biggest component of the revenue basket of the municipality totaling R28.8 million in the budget year and increasing to R30.4 million and R32.1 million for the outer years. For the budget year services charges amount to 8 per cent of the total revenue base and grows by 9 per cent per annum over the medium-term.



4. Transfers recognized – operating includes the local government equitable share and other operating grants from national and provincial government. It needs to be noted that in real terms the grants receipts from national government are increasing over the MTREF.

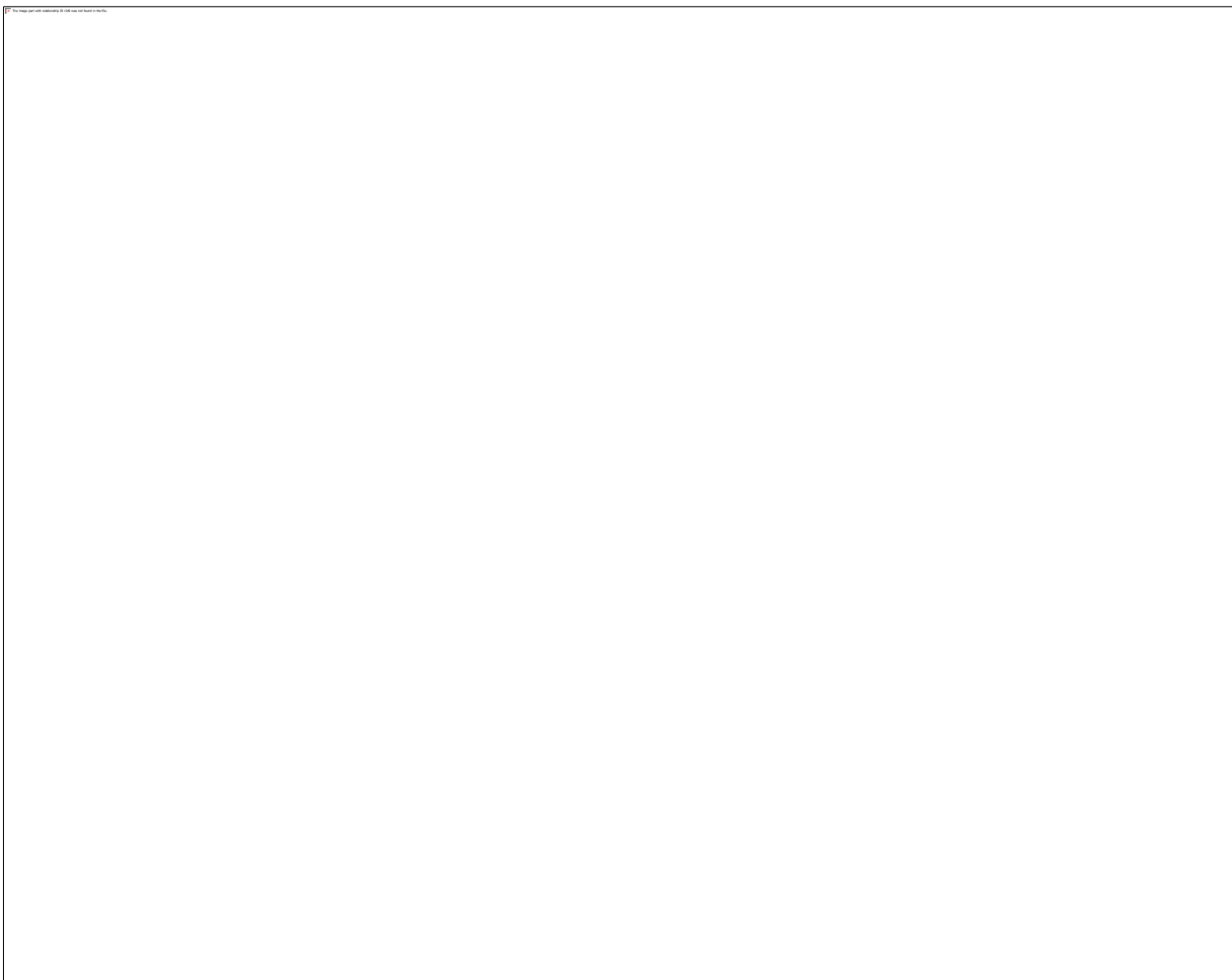
**Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source**



Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

- 1) Table A5 is a breakdown of the capital program in relation to capital expenditure by municipal vote (single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
- 2) Single-year capital expenditure has been appropriated at R57.2 million for the budget year and R59 million and R62.1 million for the two outer years.
- 3) Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.

**Table A6 - Budgeted Financial Position**



## Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table A6s supported by an extensive table of notes (SA3 ) providing a detailed analysis of the major components of a number of items, including:
  - ✓ Call investments deposits;
  - ✓ Consumer debtors;
  - ✓ Property, plant and equipment;
  - ✓ Trade and other payables;
  - ✓ Provisions noncurrent;
  - ✓ Changes in net assets; and
  - ✓ Reserves
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

## **BREAKDOWN OF CAPITAL AND OPERATIONAL PROJECTS**

### **Project Type**

### **Amount**

#### **MIG Funded Projects**

Upgrading of Sonwabile to Old Location Road and Stormwater	4 055 743
Construction of Ilisolomzi Community Centre	2 000 000
Upgrading of Sithole Streets & Stormwater	6 800 000
Upgrading of Vincent Streets & Stormwater	8 506 829
Liphofung access road	8 979 773
Construction of Ntabayikhonjwa Access Road	5 954 305
	36 296 650

#### **Own Revenue funded projects**

Electrical projects	4 739 000
Master System's Plan	1 685 000
Finance pool vehicle	300 000
Street sweeper	750 000
Vehicle	400 000
Fire fighting vehicle	800 000
EDMS	400 000
Trolley Bins	80 000
Municipal buildings	2 660 000
Hawker stalls	953 000
Tourism bakkie	25 000
Bridges	4 000 000
Other Capital Assets	115 000
	16 907 000

Total for Capital projects	53 203 650
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#### **Operational Projects**

##### **INEP funded projects**

176 connections and associated MV & LV infrastructure.	3 696 000
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210 connections and associated MV & LV infrastructure.	4 410 000
160 connections and associated MV & LV infrastructure.	3 360 000
111 connections and associated MV & LV infrastructure.	2 331 000
35 connections and associated MV & LV infrastructure.	735 000
167 connections and associated MV & LV infrastructure.	3 507 000
7km of FOX link line to be constructed	1 750 000
11km of FOX link line to be constructed	2 750 000
Survey and Designing	1 500 000
Surcharge for split meters and pad locks	1 597 000
	25 636 000

## Part 2 – Supporting Documentation

### 9.15 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act. The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the Portfolio Head for Finance.

The primary aims of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

#### 9.15.1 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in September 2017) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required the IDP and budget time schedule on 30 September 2017. Key dates applicable to the process were:

- September 2017 – Joint strategic planning session of the Mayoral Committee and Executive Management. Aim: to review past performance trends of the capital and operating budgets, the economic realities and to set the prioritization criteria for the compilation of the 2011/12 MTREF;
- July/Aug 2017 – Detail departmental budget proposals (capital and operating) submitted to the Budget and Treasury Office for consolidation and assessment against the financial planning guidelines;
- August 2017 - Review of the financial strategy and key economic and financial planning assumptions by the Budget Steering Committee. This included financial forecasting and scenario considerations;
- January 2018 – Multi-year budget proposals are submitted to the Mayoral Committee for endorsement;
- January 2018 - Council considers the 2017/18 Mid-year Review and Adjustments Budget;
- March 2018 - Recommendations of the Executive Committee are communicated to the Budget Steering Committee, and on to the respective departments. The draft 2017/18 MTREF is revised accordingly;
- 29 March 2018 - Tabling in Council of the draft 2017/22 IDP and 2019/20 MTREF for public consultation;
- May 2018 – Public consultation;
- April 2018 - Closing date for written comments;
- June 2018 – finalization of the 2019/23 IDP and 2018/19 to 2020/21 MTREF, taking into consideration comments received from the public, comments from National Treasury, and updated information from the most recent Division of Revenue Bill and financial framework; and
- June 2018 - Approval of the 2017/18 MTREF before Council for consideration and approval.

There were no deviations from the key dates set out in the Budget Time Schedule tabled in Council.

### **9.15.2 IDP and Service Delivery and Budget Implementation Plan**

This is the fourth review of the IDP as adopted by Council in June 2017. It started in September 2017 after the tabling of the IDP Process Plan and the Budget Time Schedule for the 2018/19 MTREF in September. The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the fourth revision cycle included the following key IDP processes and deliverables:

- ✓ Registration of community needs;
- ✓ Compilation of departmental business plans including key performance indicators and targets;
- ✓ Financial planning and budgeting process;
- ✓ Public participation process;

- ✓ Compilation of the SDBIP, and
- ✓ The review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the 2018/19 MTREF, based on the approved 2017/18 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections. With the compilation of the 2018/19 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2017/18 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital program.

### **9.15.3 Financial Modelling and Key Planning Drivers**

As part of the compilation of the 2018/19 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2018/19 MTREF:

- ✓ Municipality's growth
- ✓ Policy priorities and strategic objectives
- ✓ Asset maintenance
- ✓ Economic climate and trends (i.e. inflation, Eskom increases, household debt, migration patterns)
- ✓ Performance trends
- ✓ The approved 2017/18 adjustments budget and performance against the SDBIP
- ✓ Cash Flow Management Strategy
- ✓ Debtor payment levels
- ✓ Loan and investment possibilities
- ✓ The need for tariff increases versus the ability of the community to pay for services;
- ✓ Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 85 and 86 has been taken into consideration in the planning and prioritisation process.

### **9.15.4 Community Consultation**

The draft 2018/19 MTREF as tabled before Council on 28 March 2018 for community consultation was published on the municipality's website, and hard copies were made available at customer care offices, municipal notice boards and various libraries. In addition a further development of this year's consultation process included the launch of E-based consultation.

E-mail notifications were sent to all organisations on the municipality's database, including ratepayer associations, community-based organisations and organised business. The opportunity to give electronic feedback was also communicated on the Municipality's website, and the Municipality's call centre was engaged in collecting inputs via e-mail, fax and SMS.

All documents in the appropriate format (electronic and printed) were provided to National Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs. Ward Committees were utilised to facilitate the community consultation process from 23 to 29 May 2017, and included nine public briefing sessions. The applicable dates and venues were published in all the local newspapers and on average attendance of 5000 was recorded per meeting. This is up on the previous year's process. This can be attributed to the additional initiatives that were launched during the consultation process, including the specific targeting of ratepayer associations. Individual sessions were scheduled with organised business and Imbizos were held to further ensure transparency and interaction. Other stakeholders involved in the consultation included churches, non-governmental institutions and community-based organisations.

Submissions received during the community consultation process and additional information regarding revenue and expenditure and individual capital projects were addressed, and where relevant considered as part of the finalisation of the 2017/18 MTREF. Feedback and responses to the submissions received are available on request.

## **9.16 Overview of alignment of annual budget with IDP**

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process. Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic program of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning,



development and decision making in the municipality. It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the Municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the Municipality strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the Municipality’s response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

- ✓ Green Paper on National Strategic Planning ;
- ✓ Government Program of Action;
- ✓ Development Facilitation Act of 1995;
- ✓ Provincial Growth and Development Strategy (GGDS);
- ✓ National and Provincial spatial development perspectives;
- ✓ Relevant sector plans such as transportation, legislation and policy;
- ✓ National Key Performance Indicators (NKPIs);
- ✓ Accelerated and Shared Growth Initiative (ASGISA);
- ✓ National 2019 Vision;
- ✓ National Spatial Development Perspective (NSDP) and
- ✓ The National Priority Outcomes.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP’s five strategic objectives for the 2017/18 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 78 IDP Strategic Objectives

2017/18 Financial Year	2018/19 MTREF
Accelerate service delivery and infrastructure development	Accelerate service delivery and infrastructure development

Promote economic growth, environment sustainability and creation of decent jobs	Promote economic growth, environmental sustainability and creation of decent jobs
To improve the effectiveness of governance administrative and financial systems	To improve the effectiveness of governance administrative and financial systems

In order to ensure integrated and focused service delivery between all spheres of government it was important for the Municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements. Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities. The key performance areas can be summarised as follows against the five strategic objectives:

1. Provision of quality basic services and infrastructure which includes, amongst others:
  - ✓ Provide electricity;
  - ✓ Provide waste removal;
  - ✓ Provide roads and storm water;
  - ✓ Maintaining the infrastructure of the Municipality.
2. Economic growth and development that leads to sustainable job creation by:
  - ✓ Ensuring there is a clear structural plan for the Municipality;
  - ✓ Ensuring planning processes function in accordance with set timeframes;
  - ✓ Facilitating the use of labour intensive approaches in the delivery of services and the building of infrastructure.
- 3.1 Fight poverty and build clean, healthy, safe and sustainable communities:
  - ✓ Effective implementation of the Indigent Policy;
  - ✓ Working with the provincial department of health to provide primary health care services;
  - ✓ Extending waste removal services and ensuring effective city cleansing;
  - ✓ Ensuring all waste water treatment works are operating optimally;
  - ✓ Working with strategic partners such as SAPS to address crime;
  - ✓ Ensuring safe working environments by effective enforcement of building and health regulations;
  - ✓ Promote viable, sustainable communities through proper zoning; and
  - ✓ Promote environmental sustainability by protecting wetlands and key open spaces.
- 3.2 Integrated Social Services for empowered and sustainable communities
  - ✓ Work with provincial departments to ensure the development of community infrastructure such as schools and clinics is properly coordinated with the informal settlements upgrade program
4. Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service by:

- ✓ Optimizing effective community participation in the ward committee system; and
- ✓ Implementing Batho Pele in the revenue management strategy.

5.1 Promote sound governance through:

- ✓ Publishing the outcomes of all tender processes on the municipal website

5.2 Ensure financial sustainability through:

- ✓ Reviewing the use of contracted services
- ✓ Continuing to implement the infrastructure renewal strategy and the repairs and maintenance plan

5.3 Optimal institutional transformation to ensure capacity to achieve set objectives

- ✓ Review of the organizational structure to optimize the use of personnel;

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the Municipality. The five-year program responds to the development challenges and opportunities faced by the Municipality by identifying the key performance areas to achieve the five the strategic objectives mentioned above. In addition to the five-year IDP, the Municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years. This process is aimed at influencing the development path by proposing a substantial program of public-led investment to restructure current patterns of settlement, activity and access to resources in the Municipality so as to promote greater equity and enhanced opportunity. The strategy specifically targets future developmental opportunities in traditional dormitory settlements. It provides direction to the Municipality's IDP, associated sectoral plans and strategies, and the allocation of resources of the municipality and other service delivery partners.

This development strategy introduces important policy shifts which have further been translated into seven strategic focus areas/objectives as outlined below:

- ✓ Developing dormant areas;
- ✓ Enforcing hard development lines – so as to direct private investment;
- ✓ Maintaining existing urban areas;
- ✓ Strengthening key economic clusters;
- ✓ Building social cohesion;
- ✓ Strong developmental initiatives in relation to the municipal institution as a whole; and
- ✓ Sound financial fundamentals.

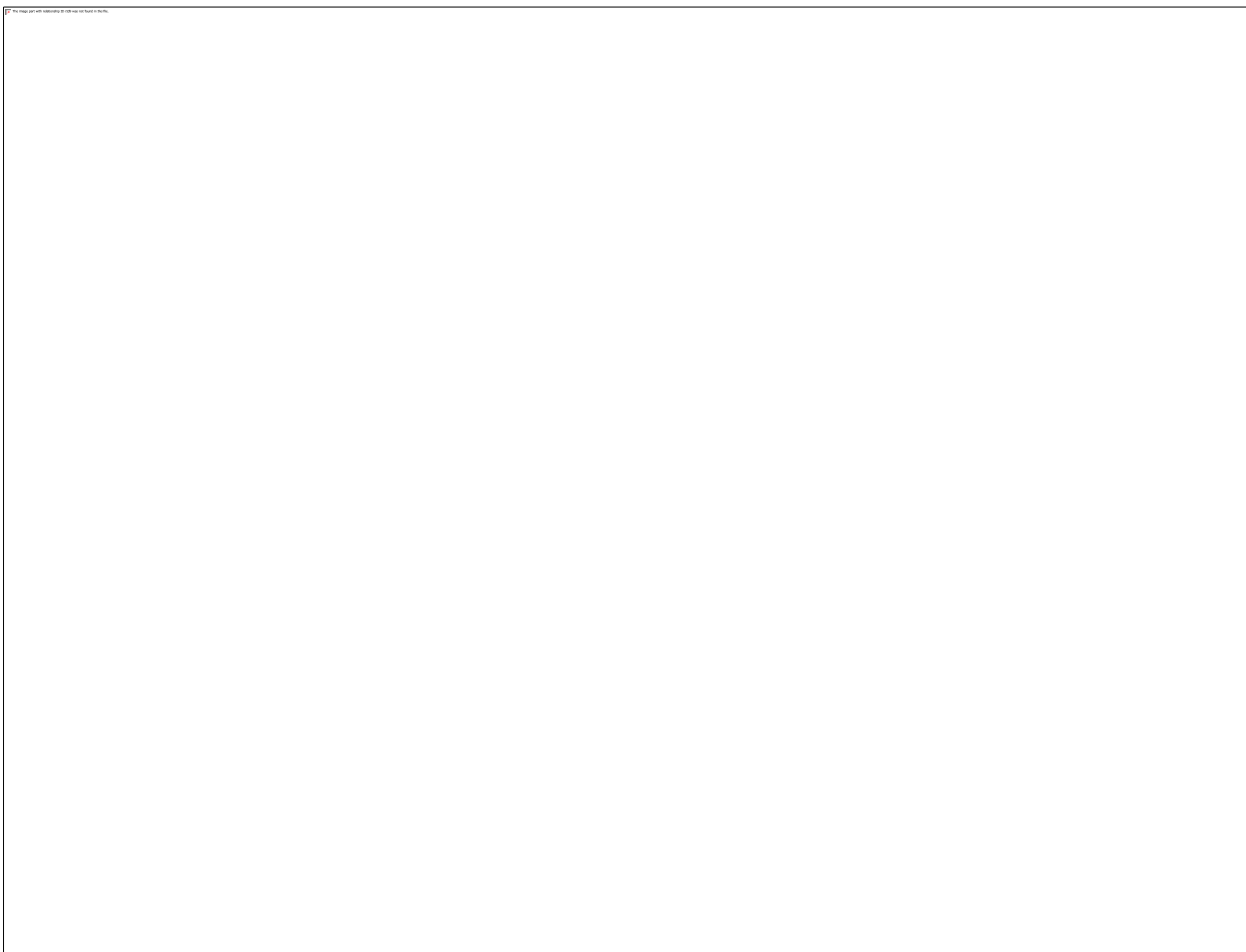
Lessons learned with previous IDP revision and planning cycles as well as changing environments were taken into consideration in the compilation of the fourth revised IDP, including:

- ✓ Strengthening the analysis and strategic planning processes of the Municipality;

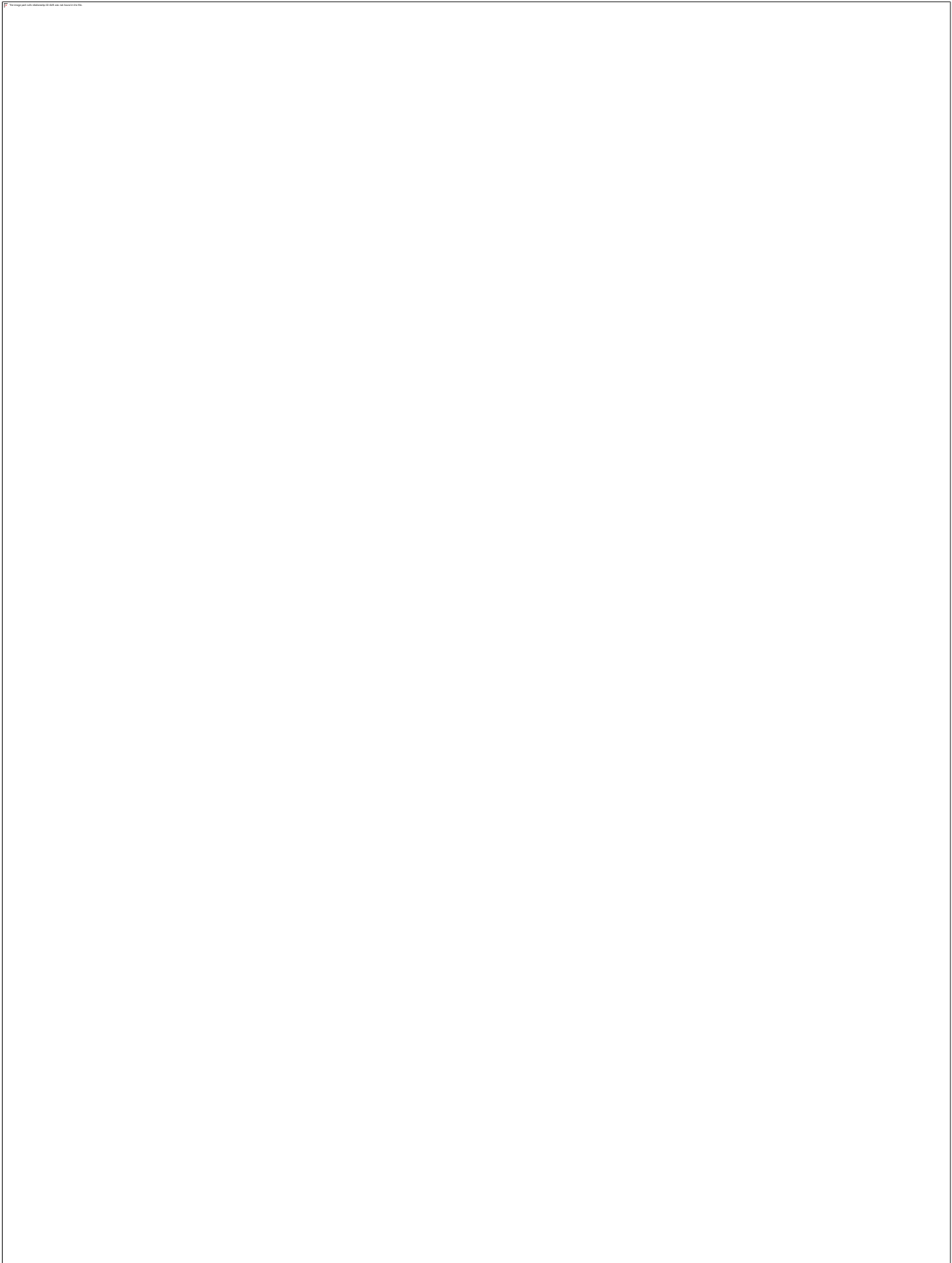
- ✓ Initiating zonal planning processes that involve the communities in the analysis and planning processes. More emphasis was placed on area based interventions, within the overall holistic framework;
- ✓ Ensuring better coordination through a programmatic approach and attempting to focus the budgeting process through planning interventions; and
- ✓ Strengthening performance management and monitoring systems in ensuring the objectives and deliverables are achieved.

The 2018/19 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

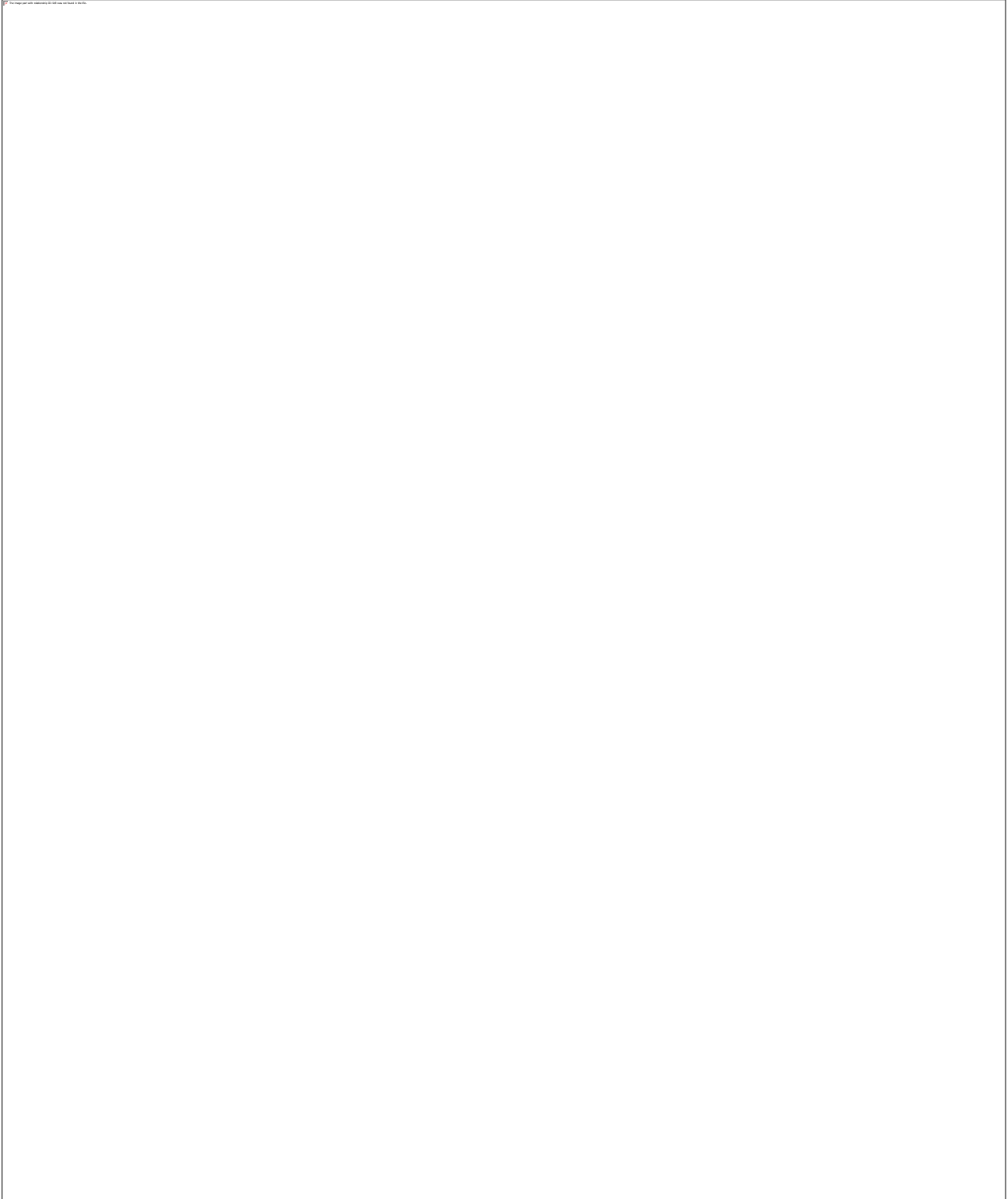
**Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue**



**Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure**



**Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure**

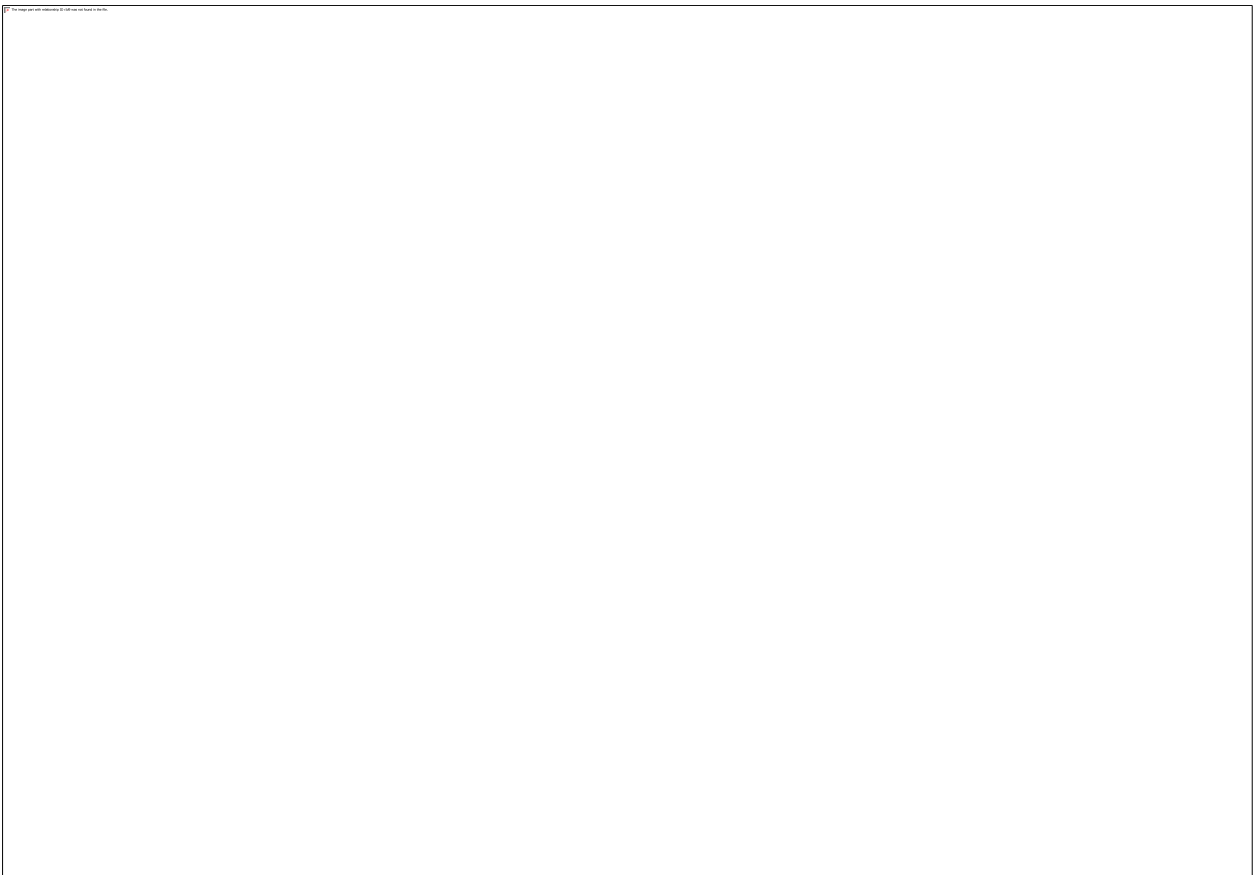


## **9.17 Measurable performance objectives and indicators**

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Program Performance Information, the Municipality has developed and

implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assesses and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:



*Figure 2 Planning, budgeting and reporting cycle*

The performance of the Municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The ELM therefore has adopted one integrated performance management system which encompasses:

- ✓ Planning (setting goals, objectives, targets and benchmarks);
- ✓ Monitoring (regular monitoring and checking on the progress against plan);
- ✓ Measurement (indicators of success);
- ✓ Review (identifying areas requiring change and improvement);

- ✓ Reporting (what information, to whom, from whom, how often and for what purpose); and
- ✓ Improvement (making changes where necessary).

The performance information concepts used by the Municipality in its integrated performance management system are aligned to the *Framework of Managing Program Performance Information* issued by the National Treasury:

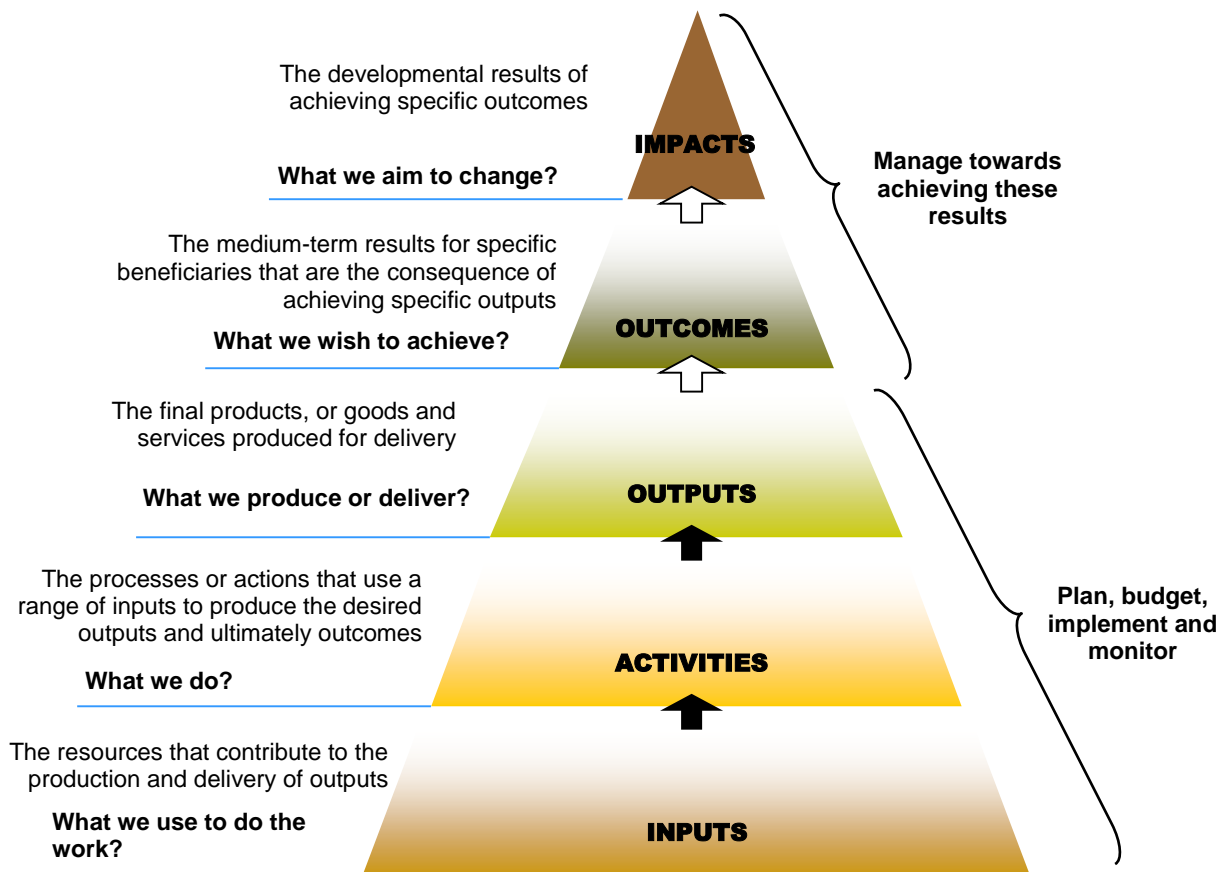


Figure 3 Definition of performance information concepts

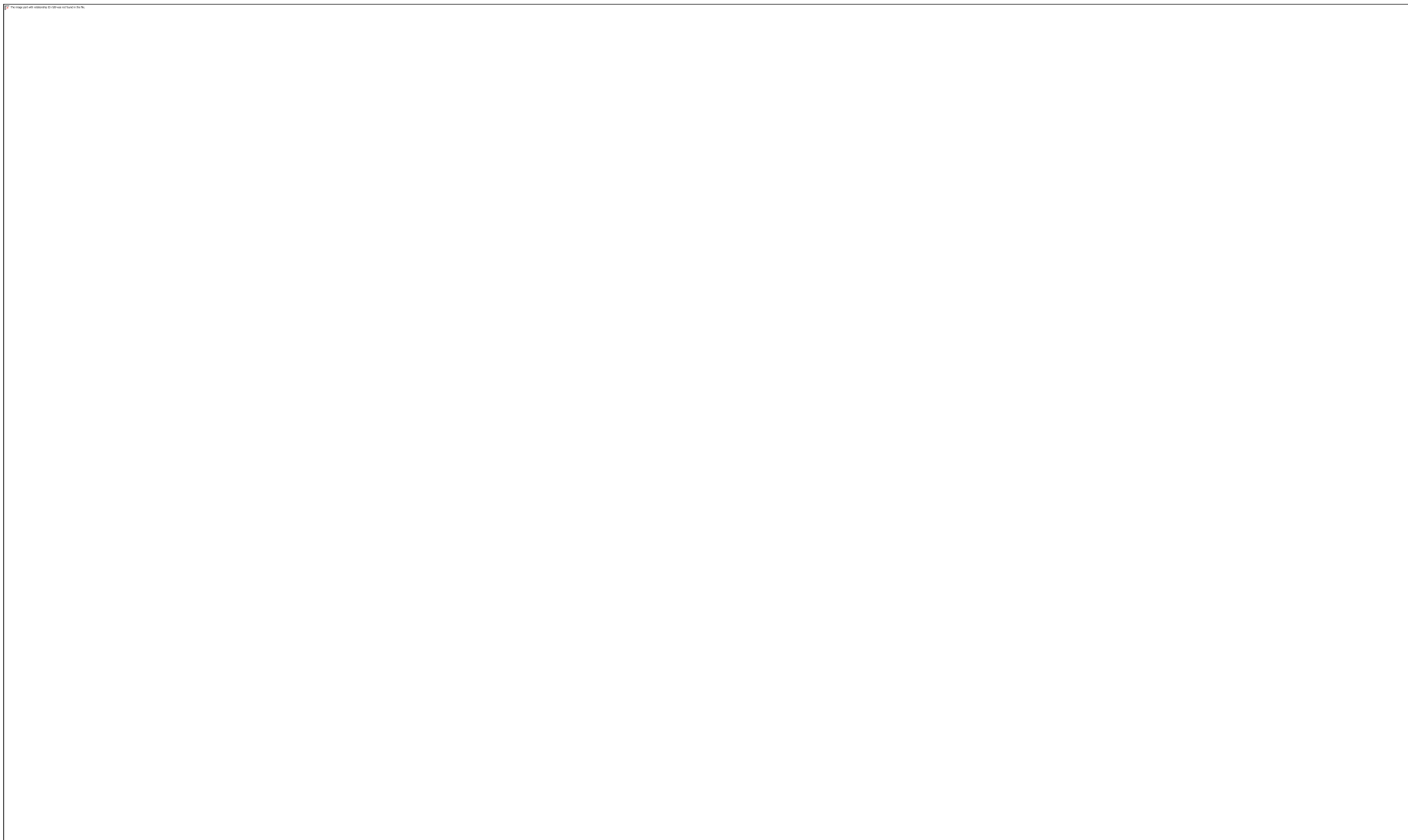
The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.



Table SA7 - Measurable performance objectives

**The following table sets out the municipality's performance objectives for the 2017/18 MTREF.**

Table SA7



**The following table sets out the municipalities main performance objectives and benchmarks for the 2017/18 MTREF.**

Table SA8 - Performance indicators and benchmarks

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## 9.18 Performance indicators and benchmarks

### 9.18.1 Liquidity

- ✓ *Current ratio* is a measure of the current assets divided by the current liabilities and as a benchmark the Municipality has set a limit of 1.5: 1 as per national treasury norm. For the 2017/18 MTREF the current ratio is 2:1 and remains 2:1 for the two outer years of the MTREF. Going forward it will be necessary to maintain these levels.
- ✓ *The liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1,5: 1 as per national treasury norm. 1. Anything below 1,5 indicates a shortage in cash to meet creditor obligations. This needs to be considered a pertinent risk for the Municipality as any under collection of revenue will translate into serious financial challenges for the Municipality. As part of the longer term financial planning objectives this ratio will have to be set at a minimum of 1.

### 9.18.2 Revenue Management

- ✓ As part of the financial sustainability strategy, an aggressive revenue management framework has been implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, credit control and debt collection.

### 9.18.3 Creditors Management

- ✓ The municipality has managed to ensure that creditors are settled within the legislated 30 days of invoice. While the liquidity ratio is of concern, by applying daily cash flow management the municipality has managed to ensure a 100 per cent compliance rate to this legislative obligation. This has had a favourable impact on suppliers' perceptions of risk of doing business with the municipality, which is expected to benefit the municipality in the form of more competitive pricing of tenders, as suppliers compete for the municipality's business.

### 9.18.4 Other Indicators

- ✓ The electricity distribution losses have been managed downwards from 23 per cent in the 2016/17 financial year, the plan is to reduce them to 10 per cent over the MTREF. The initiatives to ensure these targets are achieved include managing illegal connections and theft of electricity by rolling out smart metering systems, including prepaid meters.

- ✓ Employee costs as a percentage of operating revenue continues to decrease over the MTREF. This is primarily owing to the high increase in bulk purchases which directly increase revenue levels, as well as increased allocation relating to operating grants and transfers.
- ✓ Similar to that of employee costs, repairs and maintenance as percentage of operating revenue is also decreasing owing directly to cost drivers such as bulk purchases increasing far above inflation. In real terms, repairs and maintenance has increased as part of the municipality's strategy to ensure the management of its asset base.

## **9.19 Free Basic Services: Basic social services package for indigent households**

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the Municipality, only registered indigents qualify for the free basic services. For the 2016/17 financial year 9556 registered indigents have been provided for in the budget with this figured increasing to R10 000 by 2017/18. In terms of the Municipality's indigent policy registered households are entitled, 50 KWH of electricity and free waste removal, as well as a discount on their property rates.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained in Table SA21.

## **9.20 Overview of budget related-policies**

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies:

### **9.20.1 Review of Indigent Policy**

The emphasis will be placed on speeding up the indigent registration process to ensure that credit control and debt collection efforts are not fruitlessly wasted on these debtors. As most of the indigents within the municipal area are unable to pay for municipal services because they are unemployed, the Integrated Indigent Exit Program aims to link the registered indigent households to development, skills and job opportunities. The program also seeks to ensure that all departments as well as external role players are actively involved in the reduction of the number of registered indigent households.

### **9.20.2 Supply Chain Management Policy**

The Supply Chain Management Policy was adopted by Council in September 2007. An amended policy will be considered by Council in due course of which the amendments will be extensively consulted on.

### **9.20.3 Budget and Virement Policy**

The Budget and Virement Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the municipality's system of delegations. The Budget and Virement Policy was approved by Council in August 2009 and was amended on February 2017 in respect of both Operating and Capital Budget Fund Transfers.

### **9.20.4 Cash Management and Investment Policy**

The municipality's Cash Management and Investment Policy was amended by Council in January 2011. The aim of the policy is to ensure that the City's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and cash equivalents required at any point in time and introduces time frames to achieve certain benchmarks.

### **9.20.5 Petty Cash Policy**

The old Petty Cash Management Policy did not cater for all municipal departments, which results into the petty cash being replenished every week. In the new policy all departments have been catered for which is believed will improve day to day transacting on the petty cash.

### **9.20.6 Tariff Policy**

The City's tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery. The policies have been approved on various dates and a consolidated tariff policy is envisaged to be compiled for ease of administration and implementation of the next two years.

All the above policies are available on the Municipality's website, as well as the following budget related policies:

- ✓ Property Rates Policy;
- ✓ Credit control Policy;
- ✓ Supply chain management Policy
- ✓ Budget Policy
- ✓ Virement Policy
- ✓ Investment Policy
- ✓ Indigent Policy
- ✓ Tariff Policy

## 9.21 Overview of budget assumptions

### 9.21.1 External factors

It must be noted that Elundini municipality is predominantly rural, therefore there are limited job opportunities within the municipal area. Be that as it may the municipality has managed to give jobs to many households through Expanded Public Works Program. The municipality has set aside from its own reserves an amount of R2 million for the expansion of the EPWP program in order to give more jobs to the community.

Financial resources are limited due to the non-payment of debtors, most households are indigent they cannot afford to pay municipal accounts. The municipality is forced to implement Indigent policy and write off debts for the qualifying debtors.

### 9.21.2 General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2018/19 MTREF:

- ✓ National Government macro-economic targets;
- ✓ The general inflationary outlook and the impact on municipality's residents and businesses;
- ✓ The impact of municipal cost drivers;
- ✓ The increase in prices for bulk electricity
- ✓ The increase in the cost of remuneration. Employee related costs comprise 27.7 per cent of total operating expenditure in the 2018/19 MTREF.

### 9.21.3 Collection rate for revenue services

The base assumption is that tariff and rating increases will increase at a rate of 5.3%. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as a percentage (95 per cent) of annual billings. Cash flow is assumed to be 95 per cent of billings, plus an increased collection of arrear debt from the revised collection and credit control policy. The performance of arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

### 9.21.4 Salary increases

The collective agreement regarding salaries/wages came into operation on 1 July 2018 and shall remain in force until 30 June 2019. The salary increase that has been applied is 5.3 percent for the 2018/2019 budget year.

### 9.21.5 Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- ✓ Creating jobs;
- ✓ Enhancing education and skill development;
- ✓ Improving Health services;
- ✓ Rural development and agriculture; and
- ✓ Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

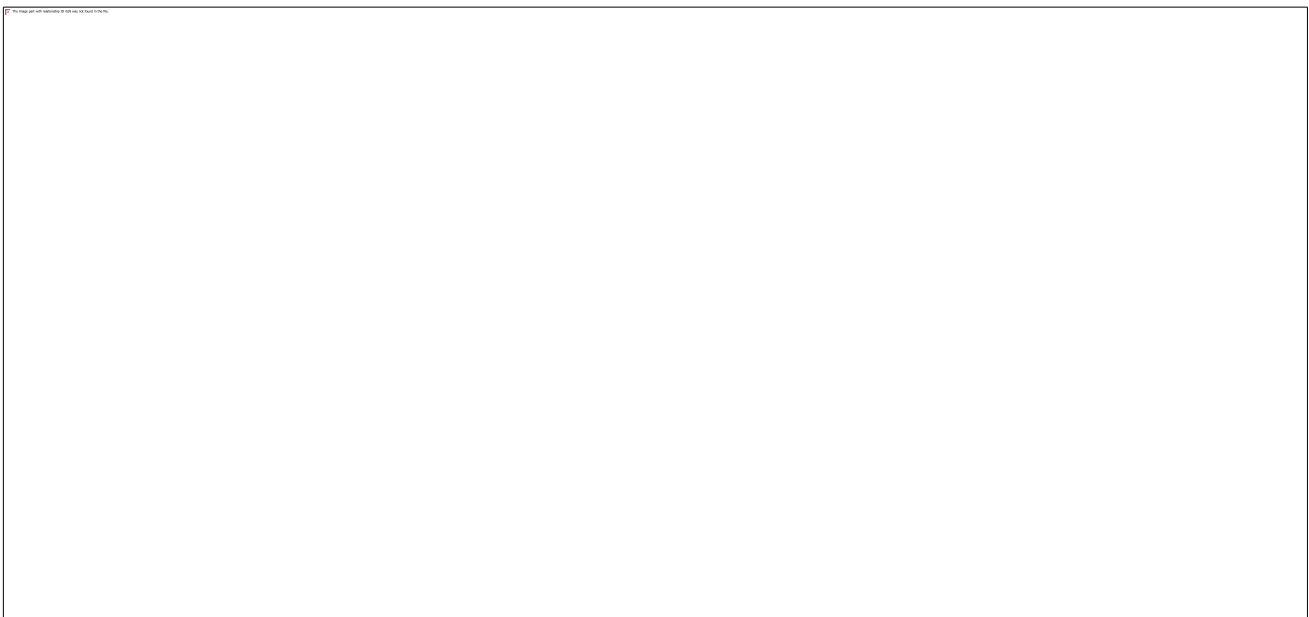
### 9.21.6 Ability of the municipality to spend and deliver on the programs

It is estimated that a spending rate of at least 97 per cent is achieved on operating expenditure and 100 per cent on the capital program for the 2018/19 MTREF of which performance has been factored into the cash flow budget.

## 9.22 Overview of budget funding

### 9.22.1 Medium-term outlook: operating revenue

The following graph is a breakdown of the operational revenue per main category for the 2018/19 financial year.





Household billing Table SA14




## SA15 – Detail Investment Information

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Investment	Account	Balance	YTD Change	Unrealized Gain/Loss	Realized Gain/Loss	Dividends	Interest	Capital Gains	Other
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Table SA16 – Investment particulars by maturity



For the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity. The MTREF therefore provides for a budgeted surplus of R88.1 million, R93.2 million and R98.4 million in each of the financial years. This surplus is intended to partly fund capital expenditure from own sources as well as ensure adequate cash backing of reserves and funds.

### 9.22.2 Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2017/18 medium-term capital program:

**Table A5 Sources of capital revenue over the MTREF**



Capital grants and receipts equates to 17 per cent of the total funding source which represents R70.27 million for the 2017/18 financial year and R68.1 million for 2018/2019 and R64.9 million. Growth relating to grant receipts is 69 %, and 5 per cent for the two outer years.

Internally generated funds consist of a mixture between surpluses generated on the operating statement of financial performance and cash backed reserves. In determining the credibility of this funding source it becomes necessary to review the cash flow budget as well as the cash backed reserves and accumulated funds reconciliation, as discussed below. Internally generated funds consist of R17 million in 2017/18, R25 million in 2018/19 and R33 million in 2019/20.

**Table SA 18 - Capital transfers and Grant receipts**

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
RECEIPTS:	1, 2									
- <u>Operating Transfers and Grants</u>										
National Government:		87 066	135 908	147 673	168 465	168 465	168 465	172 495	197 765	210 706
<b>Local Government Equitable Share</b>		<b>84 626</b>	<b>132 110</b>	<b>129 070</b>	<b>134 116</b>	<b>134 116</b>	<b>134 116</b>	<b>138 382</b>	<b>149 117</b>	<b>160 009</b>
<b>Finance Management</b>		<b>1 550</b>	<b>1 600</b>	<b>1 625</b>	<b>1 700</b>	<b>1 700</b>	<b>1 700</b>	<b>1 700</b>	<b>1 700</b>	<b>1 700</b>
<b>Municipal Systems Improvement</b>		<b>890</b>	<b>930</b>	<b>930</b>						
<b>EPWP Incentive</b>			<b>1 268</b>	<b>1 548</b>	<b>2 649</b>	<b>2 649</b>	<b>2 649</b>	<b>1 777</b>		
<b>Integrated National Electrification Program</b>				<b>14 500</b>	<b>30 000</b>	<b>30 000</b>	<b>30 000</b>	<b>25 636</b>	<b>38 948</b>	<b>40 997</b>
<b>Energy Efficiency and Demand Management</b>								<b>5 000</b>	<b>8 000</b>	<b>8 000</b>
<b>Other transfers/grants [insert description]</b>										
Provincial Government:		656	656	750	750	750	750	750	750	750
<b>Sport and Recreation</b>		<b>656</b>	<b>656</b>	<b>750</b>	<b>750</b>	<b>750</b>	<b>750</b>	<b>750</b>	<b>750</b>	<b>750</b>
<b>Other transfers/grants [insert description]</b>										
District Municipality:		-	-	-	-	-	-	-	-	-
<b>[insert description]</b>										
Other grant providers:	-	-	-	-	-	-	-	-	-	
<b>[insert description]</b>										
Total Operating Transfers and Grants	5	87 722	136 564	148 423	169 215	169 215	169 215	173 245	198 515	211 456
<u>Capital Transfers and Grants</u>										

National Government:		32 992	32 992	37 250	39 587	39 587	39 587	38 207	38 948	40 997
<b>Municipal Infrastructure Grant (MIG)</b>		<b>32 992</b>	<b>32 992</b>	<b>37 250</b>	<b>39 587</b>	<b>39 587</b>	<b>39 587</b>	<b>38 207</b>	<b>38 948</b>	<b>40 997</b>
<b>Other capital transfers/grants [insert desc]</b>										
Provincial Government:		-	-	-	30 635	30 635	30 635	-	-	-
<b>Other capital transfers/grants [insert description]</b>					<b>30 635</b>	<b>30 635</b>	<b>30 635</b>			
District Municipality:		-	-	-	-	-	-	-	-	-
<b>[insert description]</b>										
Other grant providers:		-	-	-	-	-	-	-	-	-
<b>[insert description]</b>										
Total Capital Transfers and Grants	<b>5</b>	32 992	32 992	37 250	70 222	70 222	70 222	38 207	38 948	40 997
TOTAL RECEIPTS OF TRANSFERS & GRANTS		120 714	169 556	185 673	239 437	239 437	239 437	211 452	237 463	252 453

### 9.22.3 Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understandability for councillors and management. Some specific features include:

- ✓ Clear separation of receipts and payments within each cash flow category;
- ✓ Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provide for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue.

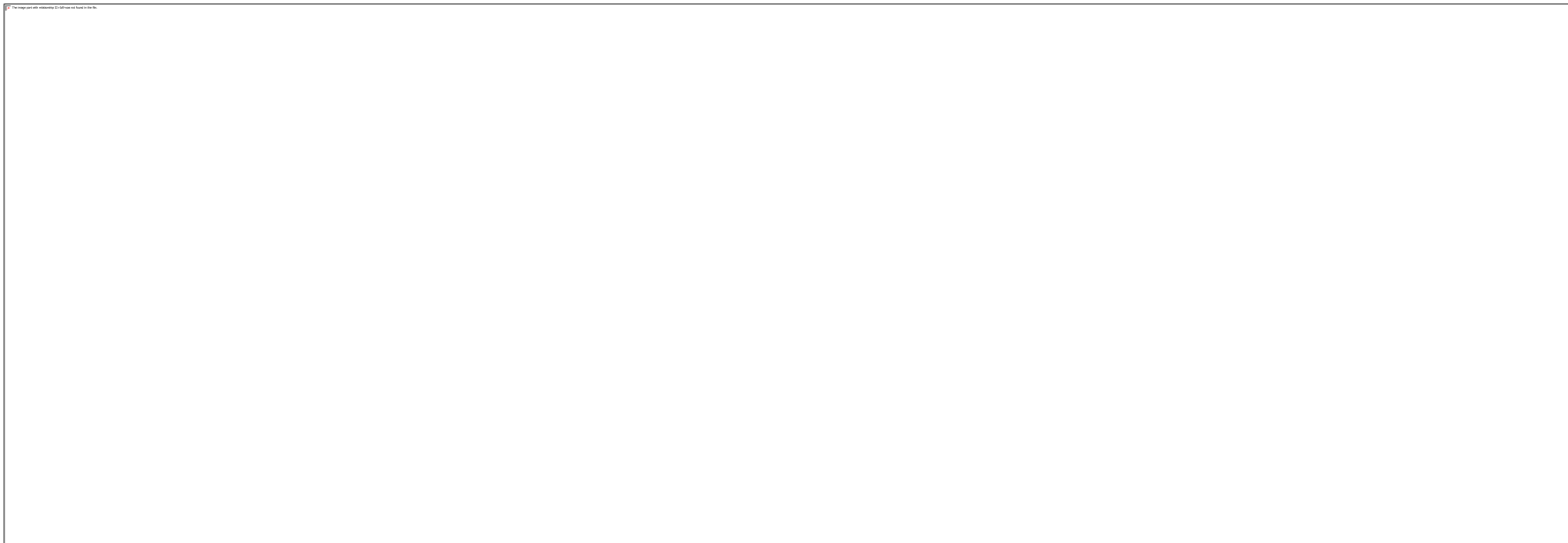
#### 9.22.4 Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

- ✓ What are the predicted cash and investments that are available at the end of the budget year?
- ✓ How are those funds used?
- ✓ What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected).

Table A8 - Cash backed reserves/accumulated surplus reconciliation



### 9.22.5 Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.

**Table SA10 – Funding compliance measurement**

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<u>Household service targets</u>	1									
<u>Water:</u>										
Piped water inside dwelling		-	-	-	-	-	-	-	-	-
Piped water inside yard (but not in dwelling)		-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	2	-	-	-	-	-	-	-	-	-
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
<u>Sanitation/sewerage:</u>										
Flush toilet (connected to sewerage)		-	-	-	-	-	-	-	-	-
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-



No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
<u>Energy:</u>										
Electricity (at least min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
<u>Refuse:</u>										
Removed at least once a week		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
<u>Households receiving Free Basic Service</u>	7									
Water (6 kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-	-
<u>Cost of Free Basic Services provided - Formal Settlements (R'000)</u>	8									
Water (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)		-	-	-	2 751	2 751	2 751	2 940	3 099	3 269
Refuse (removed once a week for indigent households)		-	-	-	2 231	2 231	2 231	2 349	2 476	2 612
<u>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</u>		-	-	-	-	-	-	2 940	3 099	3 269
Total cost of FBS provided		-	-	-	4 982	4 982	4 982	8 229	8 673	9 150
<u>Highest level of free service provided per household</u>										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										

Sanitation (Rand per household per month)										
Electricity (kwh per household per month)										
Refuse (average litres per week)										
Revenue - cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) ( impermissible values per section 17 of MPRA)										
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		-	-	-	3 120	3 120	3 120	3 285	3 462	3 653
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates	6									
Housing - top structure subsidies										
Other										
Total revenue cost of subsidised services provided		-	-	-	3 120	3 120	3 120	3 285	3 462	3 653

## 9.23 Expenditure on grants and reconciliations of unspent funds

Table SA19 - Expenditure on transfers and grant programs

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
EXPENDITURE:	1									
- Operating expenditure of Transfers and Grants										
National Government:		87 066	135 908	147 673	168 465	168 465	168 465	172 495	197 765	210 706
Local Government Equitable Share		84 626	132 110	129 070	134 116	134 116	134 116	138 382	149 117	160 009
Finance Management		1 550	1 600	1 625	1 700	1 700	1 700	1 700	1 700	1 700
Municipal Systems Improvement		890	930	930	-	-	-	-	-	-
EPWP Incentive			1 268	1 548	2 649	2 649	2 649	1 777	-	-
Integrated National Electrification Program				14 500	30 000	30 000	30 000	25 636	38 948	40 997
Energy Efficiency and Demand Management								5 000	8 000	8 000
Other transfers/grants [insert description]										

Provincial Government:	656	656	750	750	750	750	750	750	750
<b>Sport and Recreation</b>	<b>656</b>	<b>656</b>	<b>750</b>	<b>750</b>	<b>750</b>	<b>750</b>	<b>750</b>	<b>750</b>	<b>750</b>
<b>Other transfers/grants [insert description]</b>									
District Municipality:	-	-	-	-	-	-	-	-	-
<b>[insert description]</b>									
Other grant providers:	-	-	-	-	-	-	-	-	-
<b>[insert description]</b>									
Total operating expenditure of Transfers and Grants:	87 722	136 564	148 423	169 215	169 215	169 215	173 245	198 515	211 456
<u>Capital expenditure of Transfers and Grants</u>									
National Government:	32 992	32 992	37 250	39 587	39 587	39 587	38 207	38 948	40 997
<b>Municipal Infrastructure Grant (MIG)</b>	<b>32 992</b>	<b>32 992</b>	<b>37 250</b>	<b>39 587</b>	<b>39 587</b>	<b>39 587</b>	<b>38 207</b>	<b>38 948</b>	<b>40 997</b>
<b>Other capital transfers/grants [insert desc]</b>									
Provincial Government:	-	-	-	30 635	30 635	30 635	-	-	-
<b>Other capital transfers/grants [insert description]</b>				<b>30 635</b>	<b>30 635</b>	<b>30 635</b>			
District Municipality:	-	-	-	-	-	-	-	-	-
<b>[insert description]</b>									
Other grant providers:	-	-	-	-	-	-	-	-	-
<b>[insert description]</b>									
Total capital expenditure of Transfers and Grants	32 992	32 992	37 250	70 222	70 222	70 222	38 207	38 948	40 997
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	120 714	169 556	185 673	239 437	239 437	239 437	211 452	237 463	252 453

## 9.24 Councilors and employee benefits

Table SA22 - Summary of councilors and staff benefits

Summary of Employee and Councillor remuneration	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand		A	B	C	D	E	F	G	H	I
- <u>Councillors (Political Office Bearers plus Other)</u>	1									
Basic Salaries and Wages		7 228		7 646	7 402	8 362	8 362	8 978	9 462	9 983
Pension and UIF Contributions		-						-	-	-
Medical Aid Contributions		-						-	-	-
Motor Vehicle Allowance		2 062		3 013	2 289	2 292	2 292	2 461	2 594	2 736
Cellphone Allowance		1 347		882	775	893	893	959	1 011	1 066
Housing Allowances		-						-	-	-
Other benefits and allowances		92			122	-	-	-	-	-
Sub Total - Councillors		10 729	-	11 541	10 589	11 548	11 548	12 398	13 067	13 786
% increase	4		(100.0%)	-	(8.2%)	9.1%	-	7.4%	5.4%	5.5%
<u>Senior Managers of the Municipality</u>	2									
Basic Salaries and Wages				4 705	3 823	3 823	3 823	4 104	4 325	4 563
Pension and UIF Contributions				193	549	549	549	589	621	655
Medical Aid Contributions				188	124	124	124	133	140	148
Overtime				-	-	-	-	-	-	-
Performance Bonus				652	1 222	1 222	1 222	1 311	1 382	1 458
Motor Vehicle Allowance	3			1 321	1 202	1 202	1 202	1 291	1 361	1 435
Cellphone Allowance	3			-	-	-	-	-	-	-
Housing Allowances	3			-	170	170	170	183	193	203
Other benefits and allowances	3			571	263	263	263	242	255	269
Payments in lieu of leave					-	-	-	-	-	-
Long service awards					-	-	-	-	-	-
Post-retirement benefit obligations	6				-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		-	-	7 630	7 353	7 353	7 353	7 853	8 277	8 732
% increase	4		-	-	(3.6%)	-	-	6.8%	5.4%	5.5%
<u>Other Municipal Staff</u>										
Basic Salaries and Wages		38 366		45 068	59 395	59 395	59 395	63 766	67 210	70 906

Pension and UIF Contributions		5 989		9 445	10 904	10 904	10 904	10 904	11 493	12 125
Medical Aid Contributions		3 327		7 529	3 754	3 754	3 754	3 754	3 957	4 174
Overtime		1 851		1 703	-	-	-	-	-	-
Performance Bonus		37		1 455	1 579	1 579	1 579	1 579	1 664	1 755
Motor Vehicle Allowance	3	15 432		7 785	2 736	2 736	2 736	2 736	2 884	3 042
Cellphone Allowance	3	118		763	-	-	-	-	-	-
Housing Allowances	3	1 764		357	131	131	131	131	138	146
Other benefits and allowances	3	1 518		2 727	5 389	5 389	5 389	7 816	8 238	8 692
Payments in lieu of leave		-		254	-	-	-	-	-	-
Long service awards		149		56	-	-	-	-	-	-
Post-retirement benefit obligations	6	-		-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		68 551	-	77 142	83 889	83 889	83 889	90 687	95 584	100 841
% increase	4		(100.0%)	-	8.7%	-	-	8.1%	5.4%	5.5%
Total Parent Municipality		79 280	-	96 313	101 830	102 789	102 789	110 938	116 928	123 359
			(100.0%)	-	5.7%	0.9%	-	7.9%	5.4%	5.5%
<u>Board Members of Entities</u>										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Board Fees										
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Board Members of Entities		-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-
<u>Senior Managers of Entities</u>										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									

Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Entities		-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-
<u>Other Staff of Entities</u>										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Other Staff of Entities		-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		79 280	-	96 313	101 830	102 789	102 789	110 938	116 928	123 359
% increase	4		(100.0%)	-	5.7%	0.9%	-	7.9%	5.4%	5.5%
TOTAL MANAGERS AND STAFF	5,7	68 551	-	84 772	91 242	91 242	91 242	98 540	103 861	109 574

Table SA23 - Salaries, allowances and benefits (political office bearers/councillors/ senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.



Total for municipal entities	8,10	-	-	-	-	-	-	-	-
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	-	8 977 624	-	3 420 673	-			12 398 297

(Note that National Treasury has deliberately left the above table blank so as not to appear to be setting benchmarks for acceptable remuneration levels for the relevant positions. Municipalities MUST, however, provide the required information as applicable to their municipalities)

Table SA24 –Summary of personnel numbers

Summary of Personnel Numbers	Ref	2016/17			Current Year 2017/18			Budget Year 2018/19		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
<b>Councillors (Political Office Bearers plus Other Councillors)</b>		34	-	34	34		34	34	-	34
<b>Board Members of municipal entities</b>	4							-	-	-
Municipal employees	5							-	-	-
<b>Municipal Manager and Senior Managers</b>	3	6	-	6	7		7	6	-	6
<b>Other Managers</b>	7	24	4	20	24	24		21	21	-
<b>Professionals</b>		10	9	-	9	9	-	4	4	-
<i>Finance</i>		3	3	-	3	3				
<i>Spatial/town planning</i>		2	2	-	2	2		1	1	-



<i>Information Technology</i>		2	2	-	1	1				
<i>Roads</i>		3	2	-	3	3				
<i>Electricity</i>										
<i>Water</i>										
<i>Sanitation</i>										
<i>Refuse</i>										
<i>Other</i>							3	3	-	
<b>Technicians</b>		<b>16</b>	<b>16</b>	<b>-</b>	<b>19</b>	<b>19</b>	<b>-</b>	<b>20</b>	<b>15</b>	<b>5</b>
<i>Finance</i>								-	-	-
<i>Spatial/town planning</i>								-	-	-
<i>Information Technology</i>		2	2	-	2	2		3	3	-
<i>Roads</i>		5	5	-	6	6		2	2	-
<i>Electricity</i>		9	9	-	11	11		10	10	-
<i>Water</i>		-	-					-	-	-
<i>Sanitation</i>		-	-					-	-	-
<i>Refuse</i>								-	-	-
<i>Other</i>								5	-	5
<b>Clerks (Clerical and administrative)</b>		<b>97</b>	<b>97</b>	<b>-</b>	<b>144</b>	<b>144</b>		<b>85</b>	<b>85</b>	<b>-</b>
<b>Service and sales workers</b>		<b>1</b>	<b>1</b>	<b>-</b>				<b>20</b>	<b>20</b>	<b>-</b>
<b>Skilled agricultural and fishery workers</b>								-	-	-
<b>Craft and related trades</b>								-	-	-
<b>Plant and Machine Operators</b>		<b>37</b>	<b>37</b>	<b>-</b>	<b>37</b>	<b>37</b>		<b>40</b>	<b>40</b>	<b>-</b>
<b>Elementary Occupations</b>		<b>60</b>	<b>60</b>		<b>65</b>	<b>65</b>		<b>97</b>	<b>97</b>	<b>-</b>
<b>TOTAL PERSONNEL NUMBERS</b>	<b>9</b>	<b>285</b>	<b>224</b>	<b>60</b>	<b>339</b>	<b>298</b>	<b>41</b>	<b>327</b>	<b>282</b>	<b>45</b>
% increase					18.9%	33.0%	(31.7%)	(3.5%)	(5.4%)	9.8%
Total municipal employees headcount	6,10									
Finance personnel headcount	8,10									
Human Resources personnel headcount	8,10									

Table SA25 - Budgeted monthly revenue and expenditure



Table SA26 - Budgeted monthly revenue and expenditure (municipal vote)

A large empty rectangular box with a thin black border, intended for the content of Table SA26. The box is currently blank.

SA27-Budgeted Monthly revenue and expenditure by municipal vote

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Revenue - Functional</b>	-															
<i>Governance and administration</i>		19 471	19 471	19 471	19 471	19 471	19 471	19 471	19 471	19 471	19 471	19 471	19 471	233 649	246 266	259 811
<b>Executive and council</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Finance and administration</b>		19 471	19 471	19 471	19 471	19 471	19 471	19 471	19 471	19 471	19 471	19 471	19 471	233 649	246 266	259 811
<b>Internal audit</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		261	261	261	261	261	261	261	261	261	261	261	261	3 133	3 302	3 484
<b>Community and social services</b>		259	259	259	259	259	259	259	259	259	259	259	259	3 112	3 280	3 460
<b>Sport and recreation</b>		2	2	2	2	2	2	2	2	2	2	2	2	21	22	24
<b>Public safety</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Housing</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Health</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		8 161	8 161	8 161	8 161	8 161	8 161	8 161	8 161	8 161	8 161	8 161	8 161	97 935	98 068	104 383
<b>Planning and development</b>		11	11	11	11	11	11	11	11	11	11	11	11	130	137	145
<b>Road transport</b>		8 150	8 150	8 150	8 150	8 150	8 150	8 150	8 150	8 150	8 150	8 150	8 150	97 805	97 931	238
<b>Environmental protection</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		5 400	5 400	5 400	5 400	5 400	5 400	5 400	5 400	5 400	5 400	5 400	5 400	64 797	68 296	72 052
<b>Energy sources</b>		4 963	4 963	4 963	4 963	4 963	4 963	4 963	4 963	4 963	4 963	4 963	4 963	59 559	62 775	66 227
<b>Water management</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Waste water management</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Waste management</b>		437	437	437	437	437	437	437	437	437	437	437	437	5 238	5 521	5 825
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>		33 293	33 293	33 293	33 293	33 293	33 293	33 293	33 293	33 293	33 293	33 293	33 293	399 513	415 932	439 729
			<b>38 526</b>	<b>38 526</b>	<b>38 526</b>	<b>38 526</b>	<b>38 526</b>	<b>38 526</b>	<b>38 526</b>	<b>38 526</b>	<b>38 526</b>	<b>38 526</b>	<b>38 526</b>			
<b>Expenditure - Functional</b>	-															
<i>Governance and administration</i>		12 366	12 366	12 366	12 366	12 366	12 366	12 366	12 366	12 366	12 366	12 366	12 366	148 398	156 411	165 014
<b>Executive and council</b>		4 054	4 054	4 054	4 054	4 054	4 054	4 054	4 054	4 054	4 054	4 054	4 054	48 648	51 275	54 095
<b>Finance and administration</b>		8 312	8 312	8 312	8 312	8 312	8 312	8 312	8 312	8 312	8 312	8 312	8 312	99 750	105 136	110 919
<b>Internal audit</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		1 130	1 130	1 130	1 130	1 130	1 130	1 130	1 130	1 130	1 130	1 130	1 130	13 559	14 291	15 077

Community and social services		509	509	509	509	509	509	509	509	509	509	509	509	6 109	6 439	6 793
Sport and recreation		621	621	621	621	621	621	621	621	621	621	621	621	7 450	7 852	8 284
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		7 299	7 299	7 299	7 299	7 299	7 299	7 299	7 299	7 299	7 299	7 299	7 299	87 593	88 425	94 298
Planning and development		913	913	913	913	913	913	913	913	913	913	913	913	10 961	11 553	12 188
Road transport		6 386	6 386	6 386	6 386	6 386	6 386	6 386	6 386	6 386	6 386	6 386	6 386	76 633	76 873	82 110
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		7 730	7 730	7 730	7 730	7 730	7 730	7 730	7 730	7 730	7 730	7 730	7 730	92 760	97 769	103 147
Energy sources		6 217	6 217	6 217	6 217	6 217	6 217	6 217	6 217	6 217	6 217	6 217	6 217	74 607	78 636	82 961
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		1 513	1 513	1 513	1 513	1 513	1 513	1 513	1 513	1 513	1 513	1 513	1 513	18 153	19 134	20 186
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional		28 526	28 526	28 526	28 526	28 526	28 526	28 526	28 526	28 526	28 526	28 526	28 526	342 310	356 897	377 535
Surplus/(Deficit) before assoc.		4 767	4 767	4 767	4 767	4 767	4 767	4 767	4 767	4 767	4 767	4 767	4 767	57 203	59 035	62 194
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	4 767	4 767	4 767	4 767	4 767	4 767	4 767	4 767	4 767	4 767	4 767	4 767	57 203	59 035	62 194

**Table SA28 - Budgeted monthly capital expenditure (municipal vote)**

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	
R thousand																	
<i>Multi-year expenditure to be appropriated</i>	1																
Vote 1 - [NAME OF VOTE 1]														-	-	-	-
Vote 2 - [NAME OF VOTE 2]														-	-	-	-
Vote 3 - [NAME OF VOTE 3]														-	-	-	-
Vote 4 - [NAME OF VOTE 4]														-	-	-	-
Vote 5 - [NAME OF VOTE 5]														-	-	-	-
Vote 6 - [NAME OF VOTE 6]														-	-	-	-

Vote 7 - [NAME OF VOTE 7]													-	-	-	-
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Single-year expenditure to be appropriated</i>																
Vote 1 - [NAME OF VOTE 1]		27 076.17	27	27	27	27	27	27	27	27	27	27	27	325	342	361
Vote 2 - [NAME OF VOTE 2]		277 006.50	277	277	277	277	277	277	277	277	277	277	277	3 324	3 504	3 696
Vote 3 - [NAME OF VOTE 3]		192 152.25	192	192	192	192	192	192	192	192	192	192	192	2 306	2 430	2 564
Vote 4 - [NAME OF VOTE 4]		184 643.33	185	185	185	185	185	185	185	185	185	185	185	2 216	2 335	2 464
Vote 5 - [NAME OF VOTE 5]		109 025.00	109	109	109	109	109	109	109	109	109	109	109	1 308	1 379	1 455
Vote 6 - [NAME OF VOTE 6]		#####	3 977	3 977	3 977	3 977	3 977	3 977	3 977	3 977	3 977	3 977	3 977	47 724	49 044	51 654
Vote 7 - [NAME OF VOTE 7]													-	-	-	-
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Capital single-year expenditure sub-total	2	4 767	4 767	4 767	4 767	4 767	4 767	4 767	4 767	4 767	4 767	4 767	4 767	57 203	59 035	62 194
Total Capital Expenditure	2	4 767	4 767	4 767	4 767	4 767	4 767	4 767	4 767	4 767	4 767	4 767	4 767	57 203	59 035	62 194



**Table SA29 - Budgeted monthly capital expenditure (standard classification)**

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<i>Capital Expenditure - Functional</i>	1															
<i>Governance and administration</i>		496	496	496	496	496	496	496	496	496	496	496	496	5 955	6 276	6 622
<i>Executive and council</i>		27 076.17	27	27	27	27	27	27	27	27	27	27	27	325	342	361
<i>Finance and administration</i>		469 158.75	469	469	469	469	469	469	469	469	469	469	469	5 630	5 934	6 260
<i>Internal audit</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		82	82	82	82	82	82	82	82	82	82	82	82	986	1 039	1 096
<i>Community and social services</i>		6 655.00	7	7	7	7	7	7	7	7	7	7	7	80	84	89
<i>Sport and recreation</i>		8 775.00	9	9	9	9	9	9	9	9	9	9	9	105	111	117
<i>Public safety</i>		66 713.33	67	67	67	67	67	67	67	67	67	67	67	801	844	890
<i>Housing</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Health</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		3 691	3 691	3 691	3 691	3 691	3 691	3 691	3 691	3 691	3 691	3 691	3 691	44 294	45 429	47 839
<i>Planning and development</i>		109 025.00	109	109	109	109	109	109	109	109	109	109	109	1 308	1 379	1 455
<i>Road transport</i>		#####	582	582	582	582	3 582	3 582	3 582	3 582	3 582	582	3 582	42 985	44 050	46 384
<i>Environmental protection</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		497	497	497	497	497	497	497	497	497	497	497	497	5 969	6 291	6 637
<i>Energy sources</i>		394 910.25	395	395	395	395	395	395	395	395	395	395	395	4 739	4 995	5 270
<i>Water management</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Waste water management</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Waste management</i>		102 500.00	103	103	103	103	103	103	103	103	103	103	103	1 230	1 296	1 368
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Total Capital Expenditure - Functional	2	4 767	767 <sup>4</sup>	767 <sup>4</sup>	767 <sup>4</sup>	767 <sup>4</sup>	4 767	4 767	4 767	4 767	4 767	767 <sup>4</sup>	4 767	57 203	59 035	62 194
<b>Funded by:</b>																
National Government		#####	184 <sup>3</sup>	184 <sup>3</sup>	184 <sup>3</sup>	184 <sup>3</sup>	3 184	3 184	3 184	3 184	3 184	184 <sup>3</sup>	3 184	38 207	38 948	40 997
Provincial Government													-	-	-	-
District Municipality													-	-	-	-
Other transfers and grants													-	-	-	-
Transfers recognised - capital		3 184	184 <sup>3</sup>	184 <sup>3</sup>	184 <sup>3</sup>	184 <sup>3</sup>	3 184	3 184	3 184	3 184	3 184	184 <sup>3</sup>	3 184	38 207	38 948	40 997
Public contributions & donations													-	-	-	-
Borrowing													-	-	-	-
Internally generated funds		#####	583 <sup>1</sup>	583 <sup>1</sup>	583 <sup>1</sup>	583 <sup>1</sup>	1 583	1 583	1 583	1 583	1 583	583 <sup>1</sup>	1 583	18 996	20 087	21 197
Total Capital Funding		4 767	767 <sup>4</sup>	767 <sup>4</sup>	767 <sup>4</sup>	767 <sup>4</sup>	4 767	4 767	4 767	4 767	4 767	767 <sup>4</sup>	4 767	57 203	59 035	62 194

SA30-Budgeted Monthly Cash Flows

MONTHLY CASH FLOWS	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>R thousand</b>															
<b>Cash Receipts By Source</b>													<b>1</b>		
Property rates	603	9 966	603	603	603	603	603	603	603	603	603	610	16 606	17 503	18 465
Service charges - electricity revenue	536	565	802	591	1 072	2 015	1 708	1 662	2 608	119 <sup>3</sup>	992 <sup>3</sup>	2 117	20 786	21 908	23 113
Service charges - water revenue												-		-	-
Service charges - sanitation revenue												-		-	-
Service charges - refuse revenue	240 766.83	241	241	241	241	241	241	241	241	241	241	241	2 889	3 045	3 213
Service charges - other												-		-	-
Rental of facilities and equipment	750 288.67	750	750	750	750	750	750	750	750	750	750	750	9 003	9 490	10 012
Interest earned - external investments	430	105	110	156	320	109	111	199	360	156	189	196	2 441	2 573	2 714

Interest earned - outstanding debtors	133	133	103	97	128	89	75	88	102	99	83	109	1 239	1 306	1 378
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	20	5	2	5	8	7	3	4	7	4	5	316	385	406	428
Licences and permits	215	159	139	108	167	180	155	114	122	215	105	923	2 602	2 743	2 894
Agency services												-	-	-	-
Transfer receipts - operational	66 400				50 045				56 800			-	173 245	198 515	456
Other revenue	3 333	3 333	3 333	3 333	3 333	3 833	3 833	3 835	3 833	833	834	21 945	61 615	64 942	68 514
Cash Receipts by Source	72 661	15 258	6 084	5 884	56 667	7 827	7 479	7 497	65 426	9 020	9 803	27 207	290 812	322 431	342 187
Other Cash Flows by Source															
Transfer receipts - capital	17 235	-	-	-	10 046	-	-	-	10 926	-	-	-	38 207	38 948	40 997
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)															
Proceeds on disposal of PPE															
Short term loans															
Borrowing long term/refinancing															
Increase (decrease) in consumer deposits															
Decrease (Increase) in non-current debtors															
Decrease (increase) other non-current receivables															
Decrease (increase) in non-current investments															
Total Cash Receipts by Source	89 896	15 258	6 084	5 884	66 713	7 827	7 479	7 497	76 352	9 020	9 803	27 207	329 019	361 379	383 184
Cash Payments by Type															

Employee related costs	7 903	7 903	7 903	7 903	7 903	7 903	7 903	7 903	7 903	903	7	903	7	7 903	94 834	99 955	452	105
Remuneration of councillors	929	929	929	929	929	929	929	929	929	929	929	929	929	929	11 150	11 752		12 398
Finance charges	5	5	5	5	5	5	5	5	5	5	5	5	5	5	56	59		62
Bulk purchases - Electricity	2 175	2 175	2 175	2 175	2 175	2 175	2 175	2 175	2 175	175	2	175	2	2 175	26 098	27 508		29 021
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
Other materials	79	79	79	79	79	79	79	79	79	79	7	79	7	79	943	994		1 049
Contracted services	7 504	7 504	7 504	7 504	7 504	7 504	7 504	7 504	7 504	504	7	504	7	7 504	90 050	94 913	133	100
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
Transfers and grants - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
Other expenditure	3 891	3 891	3 891	3 891	3 891	3 891	3 891	3 891	3 891	891	3	891	3	3 891	46 691	49 212		51 919
Cash Payments by Type	22 485	22 485	22 485	22 485	22 485	22 485	22 485	22 485	22 485	485	22	485	22	22 485	269 822	284 393		300
Other Cash Flows/Payments by Type																		034
Capital assets	4 767	4 767	4 767	4 767	4 767	4 767	4 767	4 767	4 767	767	4	767	4	4 767	57 203	60 292		63 608
Repayment of borrowing														-				
Other Cash Flows/Payments														-				
Total Cash Payments by Type	27 252	27 252	27 252	27 252	27 252	27 252	27 252	27 252	27 252	27 252	27	27	27	27 252	327 025	344 685		363
NET INCREASE/(DECREASE) IN CASH HELD	62 644	(11 994)	(21 169)	(21 368)	39 461	(19 425)	(19 773)	(19 755)	49 100	(18 232)	(17 450)	(17 450)	(45)	1 994	16 694			19 542
Cash/cash equivalents at the month/year begin:	28 776	91 420	79 425	58 257	36 889	76 350	56 925	37 152	17 397	66 497	66	48 264	30 815	28 776	30 770			47 464
Cash/cash equivalents at the month/year end:	91 420	79 425	58 257	36 889	76 350	56 925	37 152	17 397	66 497	48 264	48	30 815	30 770	30 770	47 464			67 005

## 9.25 Annual budgets and SDBIPs – internal departments

## 9.26 Contracts having future budgetary implications

In terms of the Municipality's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Financial Management Division of the Treasury Department.

## 9.27 Capital expenditure details

The following three tables present details of the Municipality's capital expenditure program, firstly on new assets, then the renewal of assets and finally on the repair and maintenance of assets.

Table SA 34a - Capital expenditure on new assets by asset class

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1									
<u>Capital expenditure on new assets by Asset Class/Sub-class</u>										
-										55
<u>Infrastructure</u>		24 141	29 668	41 718	80 994	82 778	82 778	51 260	52 771	586
<b>Roads Infrastructure</b>		24 141	28 266	37 370	51 726	74 956	74 956	42 985	44 050	384
<i>Roads</i>		24 141	28 266	37 370	51 726	74 956	74 956	42 985	44 050	384
<i>Road Structures</i>										46

<i>Road Furniture</i>									
<i>Capital Spares</i>									
<b>Storm water Infrastructure</b>	-	-	-	-	-	-	-	-	-
<i>Drainage Collection</i>									
<i>Storm water Conveyance</i>									
<i>Attenuation</i>									5
<b>Electrical Infrastructure</b>	-	542	3 461	14 112	7 022	7 022	4 739	4 995	270
<i>Power Plants</i>							4 739	4 995	270
<i>HV Substations</i>									5
<i>HV Switching Station</i>									
<i>HV Transmission Conductors</i>	-	542	3 461	4 500	7 022	7 022			
<i>MV Substations</i>				9 612					
<i>MV Switching Stations</i>									
<i>MV Networks</i>									
<i>LV Networks</i>									
<i>Capital Spares</i>									
<b>Water Supply Infrastructure</b>	-	-	-	5 000	-	-	-	-	-
<i>Dams and Weirs</i>									
<i>Boreholes</i>									
<i>Reservoirs</i>									
<i>Pump Stations</i>									
<i>Water Treatment Works</i>				5 000					
<i>Bulk Mains</i>									
<i>Distribution</i>									
<i>Distribution Points</i>									
<i>PRV Stations</i>									
<i>Capital Spares</i>									
<b>Sanitation Infrastructure</b>	-	-	-	9 356	-	-	-	-	-
<i>Pump Station</i>									
<i>Reticulation</i>									
<i>Waste Water Treatment Works</i>				9 356					
<i>Outfall Sewers</i>									
<i>Toilet Facilities</i>									
<i>Capital Spares</i>									

Solid Waste Infrastructure	-	859	887	800	800	800	1 230	1 296	368	1
<i>Landfill Sites</i>										
<i>Waste Transfer Stations</i>										
<i>Waste Processing Facilities</i>										
<i>Waste Drop-off Points</i>		859	887	800	800	800	1 230	1 296	368	1
<i>Waste Separation Facilities</i>										
<i>Electricity Generation Facilities</i>										
<i>Capital Spares</i>										
Rail Infrastructure	-	-	-	-	-	-	-	-	-	-
<i>Rail Lines</i>										
<i>Rail Structures</i>										
<i>Rail Furniture</i>										
<i>Drainage Collection</i>										
<i>Storm water Conveyance</i>										
<i>Attenuation</i>										
<i>MV Substations</i>										
<i>LV Networks</i>										
<i>Capital Spares</i>										
Coastal Infrastructure	-	-	-	-	-	-	-	-	-	-
<i>Sand Pumps</i>										
<i>Piers</i>										
<i>Revetments</i>										
<i>Promenades</i>										
<i>Capital Spares</i>										
Information and Communication Infrastructure	-	-	-	-	-	-	2 306	2 430	564	2
<i>Data Centres</i>							2 306	2 430	564	2
<i>Core Layers</i>										
<i>Distribution Layers</i>										
<i>Capital Spares</i>										
Community Assets	-	713	586	1 012	1 012	1 012	1 787	1 883	986	1
Community Facilities	-	123	470	1 012	1 012	1 012	1 787	1 883	986	1
<i>Halls</i>		88		219	1 012	1 012				

<i>Centres</i>									
<i>Crèches</i>									
<i>Clinics/Care Centres</i>									
<i>Fire/Ambulance Stations</i>									
<i>Testing Stations</i>									
<i>Museums</i>									
<i>Galleries</i>									
<i>Theatres</i>									
<i>Libraries</i>									
<i>Cemeteries/Crematoria</i>									
<i>Police</i>		36	355	793		-	801	844	890
<i>Parks</i>			115				986	1 039	096
<i>Public Open Space</i>									
<i>Nature Reserves</i>									
<i>Public Ablution Facilities</i>									
<i>Markets</i>									
<i>Stalls</i>									
<i>Abattoirs</i>									
<i>Airports</i>									
<i>Taxi Ranks/Bus Terminals</i>									
<i>Capital Spares</i>									
<b>Sport and Recreation Facilities</b>	-	590	116	-	-	-	-	-	-
<i>Indoor Facilities</i>									
<i>Outdoor Facilities</i>		590	116						
<i>Capital Spares</i>									
<u>Heritage assets</u>	-	-	-	-	-	-	-	-	-
<b>Monuments</b>									
<b>Historic Buildings</b>									
<b>Works of Art</b>									
<b>Conservation Areas</b>									
<b>Other Heritage</b>									
<u>Investment properties</u>	-	-	-	-	-	-	-	-	-



Revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property					-				
Unimproved Property									
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property									
Unimproved Property									
Other assets	23 443	13 389	13 760	2 660	2 660	2 660	2 660	2 804	958
Operational Buildings	23 443	13 389	13 760	2 660	2 660	2 660	2 660	2 804	958
Municipal Offices	2 749	13 389	13 760	2 660	2 660	2 660	2 660	2 804	958
Pay/Enquiry Points									
Building Plan Offices	1 277								
Workshops									
Yards									
Stores									
Laboratories	2 853								
Training Centres									
Manufacturing Plant									
Depots	16 564								
Capital Spares									
Housing	-	-	-	-	-	-	-	-	-
Staff Housing									
Social Housing									
Capital Spares									
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets									
Intangible Assets	-	-	-	-	-	-	-	-	-
Servitudes									
Licences and Rights	-	-	-	-	-	-	-	-	-
Water Rights									
Effluent Licenses									

<i>Solid Waste Licenses</i>										
<i>Computer Software and Applications</i>										
<i>Load Settlement Software Applications</i>										
<i>Unspecified</i>										
<u>Computer Equipment</u>		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>										
<u>Furniture and Office Equipment</u>		-	-	-	2 712	2 712	2 712	-	-	-
<b>Furniture and Office Equipment</b>					2 712	2 712	2 712			
<u>Machinery and Equipment</u>		-	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>										
<u>Transport Assets</u>		-	-	-	800	800	800	1 496	1 578	665 <sup>1</sup>
<b>Transport Assets</b>					800	800	800	1 496	1 578	665 <sup>1</sup>
<u>Libraries</u>		-	-	-	-	-	-	-	-	-
<b>Libraries</b>										
<u>Zoo's, Marine and Non-biological Animals</u>		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>										
Total Capital Expenditure on new assets	1	47 584	43 770	56 065	88 178	89 962	89 962	57 203	59 035	194 <sup>62</sup>

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand	1									
<u>Repairs and maintenance expenditure by Asset Class/Sub-class</u>										
-										
<u>Infrastructure</u>										
		2	3	7						
	802	816	053		15 055	-	-	-	-	-
<b>Roads Infrastructure</b>										
	2	2	3							
	801	102	362		10 454	-	-	-	-	-
<i>Roads</i>										
	2	2	3							
	501	007	362		10 454					
<i>Road Structures</i>										
<i>Road Furniture</i>										
<i>Capital Spares</i>										
	300	95								
<b>Storm water Infrastructure</b>										
<i>Drainage Collection</i>										
<i>Storm water Conveyance</i>										
<i>Attenuation</i>										
	-	-	-		-	-	-	-	-	-
<b>Electrical Infrastructure</b>										
<i>Drainage Collection</i>										
<i>Storm water Conveyance</i>										
<i>Attenuation</i>										
	1	714	059		3 803	-	-	-	-	-
<i>Power Plants</i>										
<i>HV Substations</i>										
<i>HV Switching Station</i>										
<i>HV Transmission Conductors</i>										
<i>MV Substations</i>										
<i>MV Switching Stations</i>										
<i>MV Networks</i>										
<i>LV Networks</i>										
<i>Capital Spares</i>										
	1	714	059		3 803					
<b>Water Supply Infrastructure</b>										
<i>Dams and Weirs</i>										
<i>Boreholes</i>										
<i>Reservoirs</i>										
<i>Pump Stations</i>										
	-	-	-		-	-	-	-	-	-

<i>Water Treatment Works</i>								
<i>Bulk Mains</i>								
<i>Distribution</i>								
<i>Distribution Points</i>								
<i>PRV Stations</i>								
<i>Capital Spares</i>								
Sanitation Infrastructure	-	-	-	-	-	-	-	-
<i>Pump Station</i>								
<i>Reticulation</i>								
<i>Waste Water Treatment Works</i>								
<i>Outfall Sewers</i>								
<i>Toilet Facilities</i>								
<i>Capital Spares</i>								
Solid Waste Infrastructure	-	-	633	798	-	-	-	-
<i>Landfill Sites</i>								
<i>Waste Transfer Stations</i>								
<i>Waste Processing Facilities</i>								
<i>Waste Drop-off Points</i>			633					
<i>Waste Separation Facilities</i>				798				
<i>Electricity Generation Facilities</i>								
<i>Capital Spares</i>								
Rail Infrastructure	-	-	-	-	-	-	-	-
<i>Rail Lines</i>								
<i>Rail Structures</i>								
<i>Rail Furniture</i>								
<i>Drainage Collection</i>								
<i>Storm water Conveyance</i>								
<i>Attenuation</i>								
<i>MV Substations</i>								
<i>LV Networks</i>								
<i>Capital Spares</i>								
Coastal Infrastructure	-	-	-	-	-	-	-	-
<i>Sand Pumps</i>								
<i>Piers</i>								

<i>Revetments</i>								
<i>Promenades</i>								
<i>Capital Spares</i>								
<b>Information and Communication Infrastructure</b>	-	-	-	-	-	-	-	-
<i>Data Centres</i>								
<i>Core Layers</i>								
<i>Distribution Layers</i>								
<i>Capital Spares</i>								
<b>Community Assets</b>	-	-	-	2 350	-	-	-	-
<b>Community Facilities</b>	-	-	-	624	-	-	-	-
<i>Halls</i>								
<i>Centres</i>								
<i>Crèches</i>								
<i>Clinics/Care Centres</i>								
<i>Fire/Ambulance Stations</i>								
<i>Testing Stations</i>								
<i>Museums</i>								
<i>Galleries</i>								
<i>Theatres</i>								
<i>Libraries</i>								
<i>Cemeteries/Crematoria</i>				532				
<i>Police</i>				92				
<i>Parks</i>								
<i>Public Open Space</i>								
<i>Nature Reserves</i>								
<i>Public Ablution Facilities</i>								
<i>Markets</i>								
<i>Stalls</i>								
<i>Abattoirs</i>								
<i>Airports</i>								
<i>Taxi Ranks/Bus Terminals</i>								
<i>Capital Spares</i>								
<b>Sport and Recreation Facilities</b>	-	-	-	1 726	-	-	-	-
<i>Indoor Facilities</i>								

<i>Outdoor Facilities</i>				1 726					
<i>Capital Spares</i>									
	1	1	1	1	1	1	1	1	1
<u>Heritage assets</u>	-	-	-	-	-	-	-	-	-
Monuments									
Historic Buildings									
Works of Art									
Conservation Areas									
Other Heritage									
<u>Investment properties</u>	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property									
Unimproved Property									
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property									
Unimproved Property									
	2	1	2						
<u>Other assets</u>	722	650	566	2 926	-	-	-	-	-
Operational Buildings	2	1	2						
722	650	566	2 926	-	-	-	-	-	
Municipal Offices	2	1	2						
722	650	566	2 926						
Pay/Enquiry Points									
Building Plan Offices									
Workshops									
Yards									
Stores									
Laboratories									
Training Centres									
Manufacturing Plant									
Depots									
Capital Spares									
Housing	-	-	-	-	-	-	-	-	-
Staff Housing									

<i>Social Housing</i>										
<i>Capital Spares</i>										
<u>Biological or Cultivated Assets</u>	-	-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>										
<u>Intangible Assets</u>	-	-	-	-	-	-	-	-	-	-
<b>Servitudes</b>										
<b>Licences and Rights</b>	-	-	-	-	-	-	-	-	-	-
<i>Water Rights</i>										
<i>Effluent Licenses</i>										
<i>Solid Waste Licenses</i>										
<i>Computer Software and Applications</i>										
<i>Load Settlement Software Applications</i>										
<i>Unspecified</i>										
<u>Computer Equipment</u>	-	-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>										
<u>Furniture and Office Equipment</u>	-	-	-	1 267	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>				1 267						
<u>Machinery and Equipment</u>	-	-	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>										
<u>Transport Assets</u>	-	-	-	-	-	-	-	-	-	-
<b>Transport Assets</b>										
<u>Libraries</u>	-	-	-	-	-	-	-	-	-	-
<b>Libraries</b>										
<u>Zoo's, Marine and Non-biological Animals</u>	-	-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>										
<b>Total Repairs and Maintenance Expenditure</b>	<b>1</b>	523 <sup>5</sup>	465 <sup>5</sup>	619 <sup>9</sup>	21 597	-	-	-	-	-

Vote Description  R thousand	Ref	2018/19 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21	Forecast 2021/22	Forecast 2022/23	Forecast 2023/24	Present value
<u>Capital expenditure</u>	1							
Vote 1 - [NAME OF VOTE 1]		325	342	361				
Vote 2 - [NAME OF VOTE 2]		3 324	3 504	3 696				
Vote 3 - [NAME OF VOTE 3]		2 306	2 430	2 564				
Vote 4 - [NAME OF VOTE 4]		2 216	2 335	2 464				
Vote 5 - [NAME OF VOTE 5]		1 308	1 379	1 455				
Vote 6 - [NAME OF VOTE 6]		47 724	49 044	51 654				
Vote 7 - [NAME OF VOTE 7]		-	-	-				
Vote 8 - [NAME OF VOTE 8]		-	-	-				
Vote 9 - [NAME OF VOTE 9]		-	-	-				
Vote 10 - [NAME OF VOTE 10]		-	-	-				
Vote 11 - [NAME OF VOTE 11]		-	-	-				
Vote 12 - [NAME OF VOTE 12]		-	-	-				
Vote 13 - [NAME OF VOTE 13]		-	-	-				
Vote 14 - [NAME OF VOTE 14]		-	-	-				
Vote 15 - [NAME OF VOTE 15]		-	-	-				
<b>List entity summary if applicable</b>								
Total Capital Expenditure		57 203	59 035	62 194	-	-	-	-
<u>Future operational costs by vote</u>	2							
Vote 1 - [NAME OF VOTE 1]								
Vote 2 - [NAME OF VOTE 2]								
Vote 3 - [NAME OF VOTE 3]								
Vote 4 - [NAME OF VOTE 4]								
Vote 5 - [NAME OF VOTE 5]								
Vote 6 - [NAME OF VOTE 6]								
Vote 7 - [NAME OF VOTE 7]								
Vote 8 - [NAME OF VOTE 8]								
Vote 9 - [NAME OF VOTE 9]								
Vote 10 - [NAME OF VOTE 10]								
Vote 11 - [NAME OF VOTE 11]								
Vote 12 - [NAME OF VOTE 12]								
Vote 13 - [NAME OF VOTE 13]								



Vote 14 - [NAME OF VOTE 14]								
Vote 15 - [NAME OF VOTE 15]								
<b>List entity summary if applicable</b>								
Total future operational costs		-	-	-	-	-	-	-
<u>Future revenue by source</u>	3							
Property rates								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse revenue								
Service charges - other								
Rental of facilities and equipment								
<b>List other revenues sources if applicable</b>								
<b>List entity summary if applicable</b>								
Total future revenue		-	-	-	-	-	-	-
Net Financial Implications		57 203	59 035	62 194	-	-	-	-

Table SA36 - Detailed capital budget per municipal vote

The image shows a large, empty rectangular box with a thin black border. This box is intended to contain the data for Table SA36, but it is currently blank. The text 'Table SA36 - Detailed capital budget per municipal vote' is positioned above the box.

Table SA37: Detailed capital budget per municipal vote (continued)

Table SA38: Detailed capital budget per municipal vote (continued)



## 9.28 Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting

Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the municipality's website.

2. Internship program

The Municipality is participating in the Municipal Financial Management Internship program and has employed five interns undergoing training in various divisions of the Financial Services Department. Of the five interns one has been appointed permanently from Jan 2018. The remaining three, their contracts are still valid, and extension for one year has been granted by National Treasury. Since the introduction of the Internship program the Municipality has successfully employed and trained 14 interns through this program and a majority of them were appointed either in the Municipality or other Institutions.

3. Budget and Treasury Office

The Budget and Treasury Office has been established in accordance with the MFMA.

4. Audit Committee

An Audit Committee has been established and is fully functional.

5. Service Delivery and Implementation Plan

The detail SDBIP document is at a draft stage and will be finalized after approval of the 2018/19 MTREF in June 2017 directly aligned and informed by the 2018/19 MTREF.

6. Annual Report

Annual report is compiled in terms of the MFMA and National Treasury requirements.

7. MFMA Training

The MFMA training module in electronic format is presented at the municipality's internal centre and training is ongoing.

8. Policies

Budget related policies are reviewed on yearly basis.

## 9.29 Other supporting documents

Table SA1- Supporting detail to budgeted financial performance

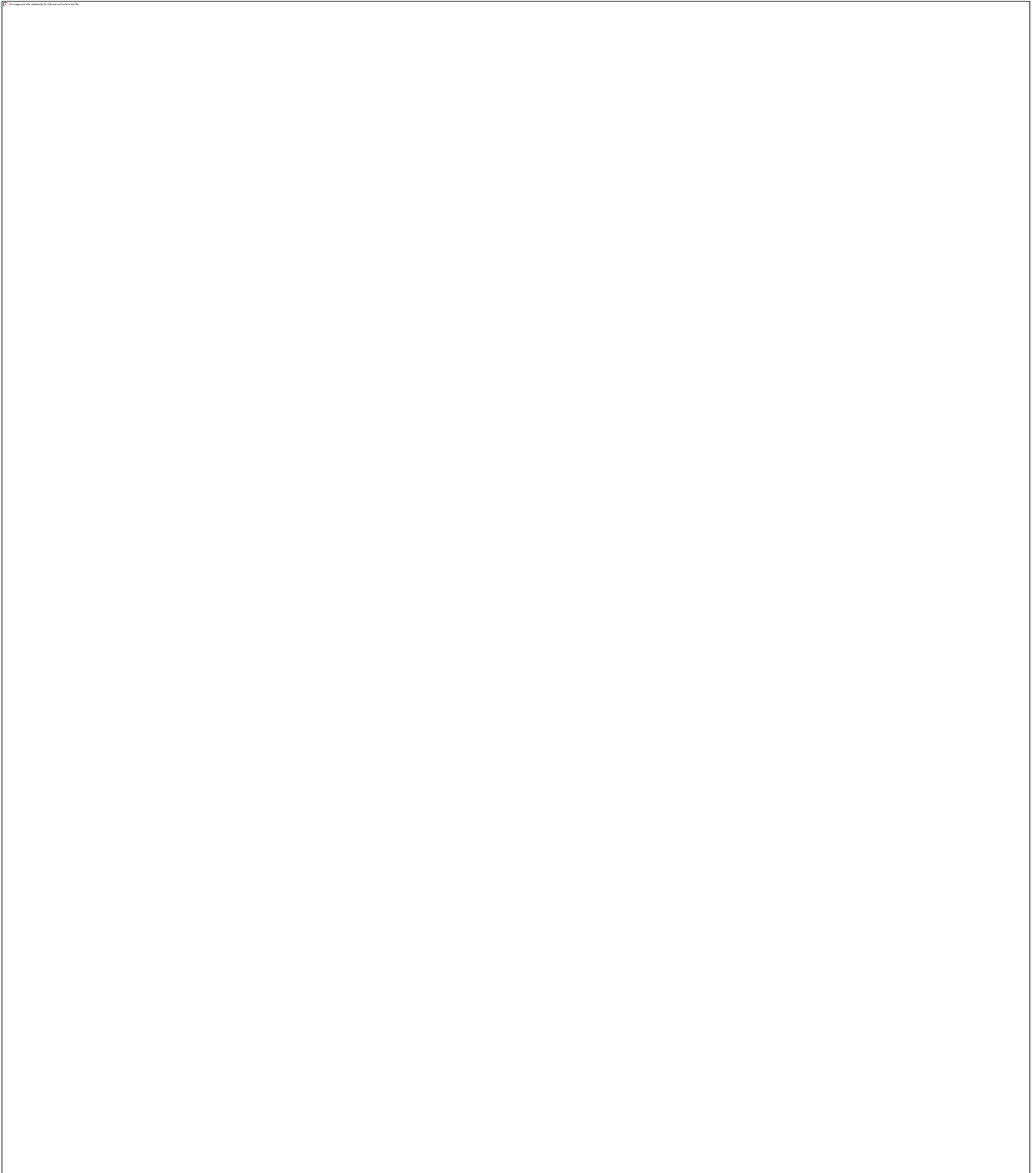




Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

The table content is currently blank, represented by a large empty rectangular box. The caption indicates it should be a matrix of financial performance budget data, but no data is visible on this page.

Table SA3 – Supporting detail to Statement of Financial Position





## 9.30 Audit Reports

Below is the history of audit reports achieved by the municipality for the past five (5) financial years:

- ✓ Unqualified 2012/2013
- ✓ Unqualified 2013/2014
- ✓ Unqualified 2014/2015 – one compliance finding
- ✓ Unqualified 2015/2016 - one compliance finding
- ✓ Unqualified 2016/2017 – three compliance findings

## **9.31 Audit Response Plan 2016/2017**

It is to be noted that all matters contained in action plan presented have been adequately addressed

COMPONENT C: AUDIT RESPONSE PLAN

ELUNDINI LOCAL MUNICIPALITY

AUDIT ACTION PLAN: 2017

Source	Reference	Component	Query	Audit finding	Root cause	Progress	Responsible person	Due date	Remedial action	Progress from last report date
External audit	CoAF 1	SCM	SCM : Quotations - Evaluation process not followed properly	The supplier was therefore incorrectly disqualified even though they met all the requirements per the advert.	Leadership: Exercise oversight responsibility regarding financial and performance reporting and compliance and related internal controls.	25%	CFO	31-01-2018	As a norm, an annual training for all SCM role players is scheduled for January 2018. In particular, this irregularity will be highlighted in the training. Ongoing basis Evaluation reports will be assessed against this element.	Processes for the appointment of the training service provider have commenced
External audit	CoAF 1	SCM	SCM : Quotations - Evaluation process not followed properly	The supplier should have been disqualified as the supplier did not submit all documents as required. This is clearly stated on the advert that failure to comply with the conditions may invalidate your offer.	Leadership: Exercise oversight responsibility regarding financial and performance reporting and compliance and related internal controls.	25%	CFO	31-01-2018	As a norm, an annual training for all SCM role players is scheduled for January 2018. In particular, this irregularity will be highlighted in the training. Ongoing basis Evaluation reports will be assessed against this element.	Processes for the appointment of the training service provider have commenced
External audit	CoAF 1	SCM	SCM : Reasons for deviation not in terms of SCM policy	During the performance of supply chain management regulations compliance audit, it was noted that the municipality incorrectly applied a limited bidding process	Financial and performance management: Review and monitor compliance with applicable laws and regulations.	99%	CFO	30-11-2017	Any approval to Regulation 36 must be scrutinized to ensure accountability, and ensure that all the requirements (implicitly and explicitly) are adhered to.	Validity and reasonability of all deviations is tested rigorously. Deviations will only be done when it is impractical to follow any other SCM process
External audit	CoAF 1	SCM	SCM: Reasons for deviation in contract not in terms of SCM Policy	During the performance of supply chain management deviations testing, it was noted that the municipality incorrectly applied the Municipal SCM	Financial and performance management: Review and monitor compliance with applicable laws and regulations.	99%	CFO	30-11-2017	SCM Manager must scrutinize all the submitted deviations and ensure that are in line with the requirements of Regulation 36 and as spelt out in the Elundini SCM Policy	Validity and reasonability of all deviations is tested rigorously. Deviations will only be done when it is impractical to follow any other SCM process

Source	Reference	Component	Query	Audit finding	Root cause	Progress	Responsible person	Due date	Remedial action	Progress from last report date
				Regulation paragraph 36 deviation process as the reasons stated in the tender do not meet to the deviations requirements.						
External audit	CoAF 1	SCM	SCM: Bid quote not evaluated as per the bid advertisement	The bid adjudication committee seems to override work done by the bid evaluation committee.	Leadership: Exercise oversight responsibility regarding financial and performance reporting and compliance and related internal controls.	99%	CFO	30-11-2017	The accounting officer has issued a directive that the Bid Adjudication Committee may not re-evaluate any tender but where there is uncertainty of recommendations, BAC must refer the bid to the Bid Evaluation Committee or solicit an advice from the Accounting officer.	The accounting officer has issued a directive that the Bid Adjudication Committee may not re-evaluate any tender but where there is uncertainty of recommendations, BAC must refer the bid to the Bid Evaluation Committee or solicit an advice from the Accounting officer.
External audit	CoAF 1	SCM	SCM: Specification requirements drafted in a biased manner	The bid specification committee did not adhere to the Municipal SCM Requirements of the bid specification committee.	Leadership: Exercise oversight responsibility regarding financial and performance reporting and compliance and related internal controls.	99%	CFO	30-11-2017	The Municipality has taken a resolution that all the Specifications should after BSC be referred to the BAC to check completeness and compliance prior the approval of the Accounting officer.	All specifications go through the BAC before being finalized.
External audit	CoAF 2	Performance management	Performance Agreement not signed timeously by Managers	Inspected the performance agreements for Managers, and noted that they were signed on 21 February 2017 which was not within one month of the new financial year as per the Elundini Municipality	Lack of planning	0%	DCS	31/07/2018	To liaise with the various departments to ensure that agreements are signed by no later than July of each calendar year.	None

Source	Reference	Component	Query	Audit finding	Root cause	Progress	Responsible person	Due date	Remedial action	Progress from last report date
				Performance Management Policy. Through enquiry with the Corporate Services Manager, he highlighted that all Managers did not sign their performance agreements on time because they had no faith in the process of evaluation. This has since been resolved in the subsequent year.						
External audit	CoAF 2	Disclosure	Expenditure-Misstatement between AFS and TB	The total amount of operating grant expenditure in the Financial Statements for 2016/17 is different from the amount in the 2016/17 Trial Balance.	The account in the note was not activated in the Caseware after preparing the financial statements.	100%	CFO	30-11-2017	Review AFS to ensure that all notes reconcile to AFS	The note was corrected and submitted to AG for further audit
External audit	CoAF 2	Employee costs	Inconsistencies between Trial Balance and AFS	Through comparison of amounts on Trial Balance and AFS, noted that there is a difference higher than trivial materiality (R82 708, 00).	Amounts incorrectly mapped to the Financial Statements from the Trial Balance.	100%	CFO	30-11-2017	Review AFS to ensure that all notes reconcile to AFS	The note was corrected and balanced to TB submitted to AG for further audit
External audit	CoAF 2	General IT controls	No approved extension agreement contract for IT Service Providers	Through inspection of IT service providers SLAs, noted that there was no agreement/ contract extension for the year under review. Refer to list below: Sebata SLA	Lack of Management oversight.	100%	CFO	30-11-2017	Ensure that all agreements are renewed before they expire	All agreements were updated and were submitted to AG

Source	Reference	Component	Query	Audit finding	Root cause	Progress	Responsible person	Due date	Remedial action	Progress from last report date
				(effective from 01 October 2014 and valid for 12 months), PayDay SLA (effective from 01 October 2014 and valid for 12 months)						
External audit	CoAF 2	Operating expenditure	Expenditure- Bulk Purchases; Misstatement	The amount of VAT is an amount that is collected on behalf of a third party therefore is it claimable and cannot be recognized as an expense. The total amount of expenditure is misstated as the amount of bulk purchases include VAT in the records as follows:-	Inadequate system of reviewing the financial information before preparing the financial statements.	100%	CFO	30-11-2017	Ensure that VAT transactions are correctly accounted for when recording transactions	VAT was correctly accounted for and proof was submitted to AG for further verification
External audit	CoAF 2	Expenditure	Repairs and Maintenance: Limitation of scope	Repairs and renovation, voucher 15038675 was not received for the amount of R29 946.13	Records are not kept in a secured and timely manner	100%	CFO	30-11-2017	Ensure that all vouchers are properly filed for ease of access when needed	The voucher was submitted to AG
External audit	CoAF 2	Revenue	Lead schedule differences	There is a difference between the amount disclosed as profit on sale of Property, plant and equipment on the Annual Financial and the Trial balance resulting in a difference of R172 870	The Trial balance was not updated with the Financial Statement amounts.	100%	CFO	30-11-2017	Ensure that a thorough review of AFS is carried out prior to submission to AG	AFS were corrected and submitted to AG for audit

Source	Reference	Component	Query	Audit finding	Root cause	Progress	Responsible person	Due date	Remedial action	Progress from last report date
External audit	CoAF 3	Procurement and Contract Management	SCM : Bid Not Evaluated in terms Of the Bid Specifications Committee Criteria	The bid evaluation committee did not comply with regulation 28(1) (a) (ii) as they did not evaluate the bid in terms of the specifications made by the bid specifications committee.	Leadership: Exercise oversight responsibility regarding financial and performance reporting and compliance and related internal controls	25%	CFO	28-02-2018	An annual training for all SCM role players is scheduled for January 2018. In particular, this irregularity will be highlighted in the training. On an on-going basis Evaluation reports will be reviewed for adequacy.	An advert for bids committee training has already been issued
External audit	CoAF 4	Subsistence and travel	Subsistence and Travel Allowance- Internal Control deficiency	There is no evidence of the pre-approval of the following trips before they were taken;	There is no proper planning or communication before the trip is taken	100%	CFO	30-11-2017	Ensure that all trips get preauthorized, whenever possible	All documentation for trips identified by AG were submitted
External audit	CoAF 4	Performance management	AOPO - Performance Management System not adequate	During the audit the following issues were noted with the Performance Management System (PMS): No evidence to prove that the PMS is reviewed annually, PMS does not provide for the procedure by which the system is linked to the municipality's IDP processes, PMS does not provide for policies and procedures to take steps to improve performance with regard to those development priorities and objectives where performance targets are not met.	The Performance Management System (PMS) is not recognized as control tool to ensure that indicators and targets are properly achieved and also the PMS is not reviewed on an annual basis.	50%	DCS	28-02-2018	Review the Policy on Performance Management.	A service provider, Action Assist, has been appointed for this purpose.



Source	Reference	Component	Query	Audit finding	Root cause	Progress	Responsible person	Due date	Remedial action	Progress from last report date
External audit	CoAF 4	SCM	Bid not evaluated in terms of the bid advertisement	The municipality's PMS will not restrict or avoid all possible non compliance	Leadership: Exercise oversight responsibility regarding financial and performance reporting and compliance and related internal controls	25%	CFO	28-02-2018	An annual training for all SCM role players is scheduled for January 2018. In particular, this irregularity will be highlighted in the training. On an ongoing basis Evaluation reports will be reviewed for adequacy.	An advert for bids committee training has already been issued
External audit	CoAF 5	SCM	Quotations- Deviations not justifiable	The following issues were identified as not meeting the requirements of regulation the during audit of quotations, details are as follows; Times Media and Maestro Media R19 836, Deloitte and Touche R115 230.74, Liskho (PTY) Ltd R129 739.17	Leadership: Establish and communicate policies and procedures to enable and support understanding and execution of internal control objectives, processes, and responsibilities.	0%	CFO	28-02-2018	SCM Manager must scrutinize all the submitted deviations and ensure that are in line with the requirements of Regulation 36 and as spelt out in the Elundini SCM Policy. An advert for Publishing will be advertised in February 2018.	
External audit	CoAF 6	Revenue	Indigent - Incorrect indigent recognized	We have performed CAATs procedures on the indigent people on the register and found that there are people who are on the register who are not meant to be on the indigent register.	Develop and monitor the implementation of action plans to address internal control deficiencies.	0%	CFO	30/06/2018	The Provincial Treasury will continuously be used to ensure indigent beneficiaries and applicants are not public servants. Further enquiries will be made to check suitability.	

Source	Reference	Component	Query	Audit finding	Root cause	Progress	Responsible person	Due date	Remedial action	Progress from last report date
External audit	CoAF 7	SCM	SCM Regulation 32 applied incorrectly	The municipality incorrectly applied the provisions of SCM Regulation 32 as depicted below: 1. The regulation states that the municipality can procure goods and services under a contract that is already secured by other organ of state. The contract needs to be open at the time, meaning the contract must be active. This is an interpretation we have of what is a contract. 2. The benefit stated by municipality for using this regulation is saving of time since it is close to year end. SCM Regulation states that demonstrable benefits or discounts should be presented by the municipality. "Saving of time" is not a benefit and indicates improper planning by the management. SCM Regulation 32 cannot be used to compensate for improper planning.	Financial and performance management: Review and monitor compliance with applicable laws and regulations.	99%	CFO	30-11-2017	The municipality has decided to do away with the use of Regulation 32 at all costs	The municipality has decided to do away with the use of Regulation 32 at all costs

Source	Reference	Component	Query	Audit finding	Root cause	Progress	Responsible person	Due date	Remedial action	Progress from last report date
External audit	CoAF 8	Cash and Cash equivalents	Differences between TB and AFS	There is a difference amounting to R33 229.14 between the cash and cash equivalents per the TB and those disclosed in the AFS	There is no reconciliation performed between the Trial balance and Financial Statements.	100%	CFO	30-11-2017	Review AFS to ensure that all notes reconcile to AFS	The note was corrected and balanced to TB submitted to AG for further audit
External audit	CoAF 8	Cash and Cash equivalents	Inconsistency between the AFS and Notes	Recalculated the amount disclosed as cash and cash equivalents in the AFS and agreed to the notes disclosed, the following differences were noted	Inadequate controls and review of financial information to ensure that all legislative requirements pertaining to disclosure of financial information are adhered to. Further, it was established that there is a lack of review of Annual Financial Statements.	100%	CFO	30-11-2017	Review AFS to ensure that all notes reconcile to AFS	The note was corrected and balanced to TB submitted to AG for further audit
External audit	CoAF 8	Immovable assets	Assets owned by the municipality not recorded in the asset register	Assets in the name of the municipality per valuation roll were not included in the asset register. From the comparison performed between the valuation roll and the asset register it was ascertained that 1352 properties which are owned by the municipality as per the valuation roll were not included in the asset register of the municipality.	Lack of reconciliation between the asset valuation roll and asset register.	100%	CFO	31-05-2018	Ensure that there is an annual comparison between deeds records and asset register	Properties identified as being owned by the municipality were recorded in the asset register
External audit	CoAF 8	Investment property	Inappropriate de-recognition of investment property	The following assets were derecognized in the current year as disposals when in actual fact they	This is due to improper interpretation and application of the accounting standard	100%	CFO	30-06-2018	Ensure appropriate accounting in terms of GRAP is complied with on Investment Properties	Identified properties were corrected and submitted to AG

Source	Reference	Component	Query	Audit finding	Root cause	Progress	Responsible person	Due date	Remedial action	Progress from last report date
				were disposed of in the preceding financial periods.	specifically on de-recognition of land.					
External audit	CoAF 8	Predetermined objectives	AOPO :Targets reported as achieved but not achieved	During the audit it was noted that the following targets could not be calculated to reach or agree with the reported targets	Inadequate reviews performed between planned and reported targets to ensure accuracy of reported targets	100%	SMSS	31-03-2018	Due diligence needs to be conducted by all HODs to ensure that target and evidence information is verified and aligned before submission for auditing	the annual performance report target achievement was updated in line with the AG findings
External audit	CoAF 9	Cash flow statement	Differences in cash-flow amounts	There are differences between our recalculations and the amounts presented in the cash flow statements.	Lack of proper reviews on financial statements	100%	CFO	30-11-2017	Review AFS to ensure that all notes reconcile to AFS	The note was corrected and balanced to TB submitted to AG for further audit
External audit	CoAF 9	Provisions	Classification of Post-employment medical benefit obligation and other disclosure amendments	The post-employment medical benefit obligation of was not split into current and non-current classes as required by GRAP 1.	Lack of proper reviews on the financial statements.	100%	CFO	30-11-2017	Review AFS to ensure that all notes reconcile to AFS	The note was corrected and balanced to TB submitted to AG for further audit

Source	Reference	Component	Query	Audit finding	Root cause	Progress	Responsible person	Due date	Remedial action	Progress from last report date
External audit	CoAF 9	Accumulated leave days	Accumulated leave days over the prescribed number of days per SALGA	From the inspection of the leave pay provision schedule it was noted that employee 1084 has 52 leave days as at 30 June 2017. The leave days are more than the prescribed allowed leave days to be accumulated of 48 days.	Improper interpretation of SALGA regulation	0%	DCS	July 205 moving forward	In terms of new Collective Agreement that came into effect on 1st July 2015 running till 30th June 2020, the following clauses appear: “ 8.1.4 An employee must take annual leave not later than six months after the end of the annual leave cycle; 8.1.5 Annual leave shall only be accumulated to a maximum of forty-eight (48) working days. 8.1.6 Any leave in excess of forty-eight (48) working days may be encashed should the employee be unable to take such leave, despite applying and because the employer refused to grant him such leave, as a result of the employer's operational requirements. If, despite, being afforded an opportunity to take leave, an employee fails, refuses or neglects to take the remaining leave due to him during this period; such remaining leave shall fall away; 8.1.7 Within six months of the end of a leave cycle, an employee may not have more than 48 days annual leave to his credit. “	As at December 2017, the employee has 30 days credit to his annual leave.

Source	Reference	Component	Query	Audit finding	Root cause	Progress	Responsible person	Due date	Remedial action	Progress from last report date
									<ul style="list-style-type: none"> <li>Based on the afforested set of clauses, it is therefore clear that there is a new Main Collective Agreement in place. In terms of the new agreement, employees cannot have more than 48 days to their respective credits six months after the end of the leave cycle [ 8.1.7 ]</li> <li>As at today's date the 8th November 2017, the employee in question herein has 42 leave days to his credit. The employ could only forfeit any leave in excess of 48 days only after December 2017. We will continue implementing the new collective agreement.</li> </ul>	
External audit	CoAF 9	Provisions	Negative balances in the leave provision	Per the inspection of the leave pay it was noted that the employees below has negative leave pay balances as at 30 June 2017.	Lack of proper reviews	0%	DCS	01-02-2018	<ul style="list-style-type: none"> <li>Monthly leave reports will be produced and submitted to HODs so that they can be in a better position to check if their staff members do not have negative leave balances including those who are exceeding the 48 days threshold. The system will be reviewed such that it does not allow anyone to be on the negative balance.</li> </ul>	Nothing
External audit	CoAF 10	Procurement and Contract Management	SCM: Contract management not implemented effectively	The progress reports completed for monitoring of contracts on a	Review and monitor compliance with applicable laws and regulations	25%	CFO	30-01-2018	All payments shall be accompanied by progress reports.	All payments are only processed upon submission of progress report

Source	Reference	Component	Query	Audit finding	Root cause	Progress	Responsible person	Due date	Remedial action	Progress from last report date
				monthly basis were not consistent for the following projects:						
External audit	CoAF 10	SCM	Variation order above legislated amount	A contract for preparation of Thembelani infrastructure technical reports done by Hekima Projects cc and was awarded on December 2012. The report was completed by the supplier on 04 December 2014. Subsequently, the municipality contacted the supplier on 15 December 2014 for additional scope of work. There was a variation order request issued by the supplier of an amount of R83386.85 which is 79% above the contract price. A variation order is limited to 15% when procuring services and if it is above 15% a new procurement process should be followed.	Review and monitor compliance with applicable laws and regulations	0%	CFO	31-01-2018	All variations will strictly be informed by MFMA Circular 62 and section 116 of the MFMA.	
External audit	CoAF 10	SCM	Service Level Agreement (SLA) Penalties clause not implemented	The municipality has failed to impose the SLA clauses relating to penalties. Each SLA has conditions that	Review and monitor compliance with applicable laws and regulations	99%	CFO	30-11-2017	End users and Legal service should sign the service Level Agreement before it is signed by the Service provider. Contract	

Source	Reference	Component	Query	Audit finding	Root cause	Progress	Responsible person	Due date	Remedial action	Progress from last report date
				the supplier should abide by in terms of performance of each contract. This has led to suppliers slacking in performance. The following contracts were performed beyond their contract term:					management should attend monthly progress meetings with PMU in order to curb this noncompliance. All payment certificated should be accompanied by progress reports. SCM Manager will alert Manager Income & Expenditure to withhold penalties on defaulting vendors	
External audit	CoAF 10	SCM	Contract extensions not approved by council	The municipality extended the contract for building a taxi rank without following the MFMA section 116(3) (a), requirements where the municipality merely extended the contract without consultation of the end users and council. Furthermore, the matter was not brought to council for approval. The municipality extended the contract for building a sports field without following the MFMA section 116(3) (a), requirements where the municipality merely extended the contract without	Review and monitor compliance with applicable laws and regulations	0%	CFO	31-01-2018	Any approval for extension must be in line with MFMA s116 (3) (a) where the Council should approve the extension thereof. All extensions must be noted on all SCM monthly reports.	



Source	Reference	Component	Query	Audit finding	Root cause	Progress	Responsible person	Due date	Remedial action	Progress from last report date
				consultation of the end users and council. Furthermore, the matter was not brought to council for approval.						
External audit	CoAF 10	SCM	Non-submission	The following items were not submitted to the auditors: Kumkani Electrical: ELM-3/069/2016-2017. Progress reports of the project.	Implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting. (F1)	99%	CFO	31-01-2018	Monthly meetings will be proposed with line departments affected. All payments shall be accompanied by progress reports. No payments will be effected without progress reports	No contractor payments are being processed without progress reports
External audit	CoAF 11	Cash and cash equivalents	Cash and bank - Inconsistency between AFS and Auditors recalculated amount	Recalculated the interest income on investment per bank confirmations obtained from the bank were noted.	The financial statements and supporting schedules are not reviewed for completeness and accuracy prior to submission for audit.	100%	CFO	31-03-2018	Ensure that all interest is supported by bank statements	Bank statements supporting interest received were submitted to AG
External audit	CoAF 11	Payables	Completeness of creditors (accruals)	It was noted from the inspection of supporting documentation for the payment to Bell Equipment of that 2 of the invoices which related to the 2016/17 financial year and were not included in the creditors as at 30 June 2017.	Inappropriate application of the recognition criteria for expenses and liabilities.	0%	CFO	30-06-2018	Ensure all invoices are recorded in the correct period	
External audit	CoAF 11	Payables	Negative balances in the retention schedule	Per inspection of the retention register it was ascertained that the following projects have	Lack of proper reviews of the retention register.	0%	CFO	31-01-2018	The retentions' register will be updated on a monthly basis	Retentions register was revised as at 30 June 2017 and submitted to AG

Source	Reference	Component	Query	Audit finding	Root cause	Progress	Responsible person	Due date	Remedial action	Progress from last report date
				negative retention balances.						
External audit	CoAF 11	Payables	Retention balances per client schedule does not agree to suppliers payment certificates	The following retention balances per retention register does not agree to the accumulated retention balance per suppliers payment certificates.	Lack of proper reviews and reconciliations on the retentions register.	0%	CFO	31-01-2018	The retentions' register will be updated on a monthly basis	Retentions register was revised as at 30 June 2017 and submitted to AG
External audit	CoAF 12	Roads Infrastructure	Control deficiencies identified	The municipality does not have an approved priority list in place for the renewal and routine maintenance of roads infrastructure. The municipality did not provide a needs analysis for the Vuvu to Nkumandeni and Mpindweni to Gamakhulu. 3. There were no reasons for delays provided for the Vuvu to Nkumandeni Access Road.	This is caused by lack of management oversight to ensure that there is a proper process on roads maintenance and renewal infrastructure.	0%	DIPED	28-02-2018	A detailed maintenance plan will be developed reflecting the prioritization of roads as well as the process to be undertaken for maintenance and submitted for council adoption	The drafting of the roads maintenance plan is in progress. Upon completion this will be taken to councillors for work shopping and final adoption.
External audit	CoAF 12	Roads Infrastructure Performance	The municipality does not have a policy for routine maintenance and renewal of roads	During the audit of the routine maintenance and renewal of roads infrastructure of the municipality it was noted that the municipality does not have a roads	There is no approved process that is followed to manage and carry out the roads maintenance and renewal infrastructure projects.	0%	DIPED	28-02-2018	A detailed Roads Maintenance Policy on which the road maintenance plan will be based needs to be formulated and submitted for council adoption	A draft Roads Asset Management policy has been made and will be finalized for council adoption along with the maintenance plan

Source	Reference	Component	Query	Audit finding	Root cause	Progress	Responsible person	Due date	Remedial action	Progress from last report date
				maintenance and renewal infrastructure policy (Roads Maintenance Plan (RMP)).						
External audit	CoAF 12	Movable Assets	Existence of assets could not be confirmed	During the audit of other assets, we could not verify the existence of some of the assets selected.	This cause is a result of lack of review of the annual financial statements to the fixed asset register.	75%	CFO	31-01-2018	The asset register is going to be reconciled to asset verification reports on a quarterly bases	In December 2017 a physical asset verification was carried out
External audit	CoAF 12	Procurement and Contract Management	SCM : Competitive bidding - Winning bidder failed functionality	The municipality in its bid advertisement dated 20 April 2017 listed "A statement of Municipal account that is not older than three months OR a lease agreement OR Affidavit from SAPS stating that the bidder is not obliged to pay municipal rates OR a letter from a ward councillor" as one of its Mandatory documents. The advert further stated that failure to submit the required information will lead to zero score on Functionality stage. However according Mark Wilson, the winning bidder, did not submit the	Management is not firm on applying SCM regulations. This also indicates lack of proper review of compliance with SCM policies.	0%	CFO	31-01-2018	As a norm, an annual training for all SCM role players is scheduled for January 2018. In particular, this irregularity will be highlighted in the training. Ongoing basis Evaluation reports will be assessed against this element.	Processes for the appointment of the training service provider have commenced

Source	Reference	Component	Query	Audit finding	Root cause	Progress	Responsible person	Due date	Remedial action	Progress from last report date
				Municipal statement.						
External audit	CoAF 12	SCM	Local content non compliance	For the following contracts it was confirmed that the advert did not stipulate that only locally produced and manufactured goods will be considered and none of the contracts were evaluated in terms of the minimum threshold requirements.	This is as a results of the regulation being revised and updated and the municipality not training officials on updated regulations.	0%	CFO	31-01-2018	As a norm, an annual training for all SCM role players is scheduled for January 2018. In particular, this irregularity will be highlighted in the training. Ongoing basis Evaluation reports will be assessed against this element.	Processes for the appointment of the training service provider have commenced
External audit	CoAF 13	Revenue	Inappropriate plant Income recognized	Management recognized plant income for using their own plant in construction of their own infrastructure assets. This doesn't meet the definition of an exchange transaction as defined by the standard.	Financial and Performance management: Management did not prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information	100%	CFO	30-06-2018	GRAP will have to be complied with when preparing AFS	The note on plant income was reviewed and submitted to AG

Source	Reference	Component	Query	Audit finding	Root cause	Progress	Responsible person	Due date	Remedial action	Progress from last report date
External audit	CoAF 14	Contingent liabilities	Contingent liabilities: Limitation of Scope	No supporting information has been received for contingent liabilities disclosed in note number 39 of the annual financial statements.	Financial and Performance management: Implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting.	100%	CFO	30-11-2017	Supporting documentation will be compiled and appended to the audit file	Information supporting contingent liabilities was submitted to AG
External audit	CoAF 15	Unauthorized expenditure	Unauthorized expenditure incorrectly disclosed	The municipality has disclosed unauthorized expenditure in relation to the corporate services vote of R520 178 which is incorrect has the vote is not overspent.	Financial and performance management: Review and monitor compliance with applicable laws and regulations	100%	CFO	30-11-2017	AFS will be thoroughly reviewed before submission	The note on unauthorized expenditure was revised and submitted to AG
External audit	CoAF 16	Employee costs	Unauthorized Overtime worked	The employees listed below were identified that they worked overtime that was not authorized prior they work and some items belong to prior year and therefore recorded in an incorrect accounting period.	Exercise oversight responsibility regarding financial and performance reporting and compliance and related internal controls.	0%	DCoS	31-10-2017	Implement procedures for prior approval of overtime.	Worked overtime has always been approved prior to it being worked. The procedure involved communication and agreement between the relevant Supervisor, Manager and finally Head of department on employees to be engaged and for how long. Prior approval forms have been developed and are now being completed prior to overtime being worked.
External audit	CoAF 16	Disclosure	Budget amount disclosed disagree with the final approved budget	The differences between budget disclosed amount and final approved	Financial and performance management: Implement proper record keeping in	100%	CFO	30-11-2017	The original budget will be reported on in the AFS going forward, and	All virements were disregarded and the original budget was submitted to the

Source	Reference	Component	Query	Audit finding	Root cause	Progress	Responsible person	Due date	Remedial action	Progress from last report date
				budget amount were identified.	a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting.				all virements will be disregarded	budget in the AFS was updated to the original budget excluding virements and submitted to AG
External audit	CoAF 17	Commitments	Commitments: limitation of Scope	The information requested on commitment has not been received in full.	Financial and performance management: Implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting	100%	CFO	30-11-2017	Information supporting commitments will be appended to the audit file	The outstanding information on commitments was submitted to AG
External audit	CoAF 18	Expenditure	Depreciation calculation differences	It was noted that the depreciation calculations were not consistent with the accounting policy of the municipality	Prepare regular, accurate and complete financial and performance reports that are supported and evidenced by reliable information.	0%	CFO	30-06-2018	Depreciation calculation will be done in line with GRAP	
External audit	CoAF 18	Revenue	Rental facilities : No valid lease contracts	No leases were submitted for audit	Financial and Performance management: Implement proper record keeping in a timely manner to ensure that complete, relevant and accurate information is accessible and available to support financial and performance reporting	0%	CFO	31-01-2018	All tenants will be enforced to sign lease agreements before taking occupation of premises. For existing tenants other mechanisms will be developed to enforce signing of lease agreements	