



MHLONTLO LOCAL MUNICIPALITY

IDP REVIEW 2018 – 2019

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FOREWORD BY HONOURABLE MAYOR



The **Integrated Development Plan (IDP)** marks another step in Mhlontlo Municipality's on-going quest for increased quality service delivery. As opposed to just being a mechanistic made-for-the-shelf product, we want to continue to use this five-year plan (IDP 2017/2022) as the principal strategic planning instrument which guides and informs all decisions with regard to budgeting, planning, management and development, in the Mhlontlo Local Municipality. It is in that context that we will continue growing and giving life to our IDP as a means to create a community of fairness and opportunity for all our communities.

This reviewed Integrated Development Plan process (2018/2019) is built on past work, our experience in governing Mhlontlo Municipality, and the inputs of our citizens through ward based needs analysis and continuous interaction. This further allows the Mhlontlo Municipal Council to address challenges and political priorities (Ruling Party Manifesto). While the review of the five-year plan is legislated in the MSA chapter 5, section 34, it is also critical for the Mhlontlo Municipal Council's planning that these plan (ward needs analysis) are annually updated and that we continue to communicate with our stakeholders through Intergovernmental Relations and Public Participation programmes.

The Mhlontlo Municipal Council does not discard the information contained in the 2012-2017 five-year IDP that was approved in 2012, but it is used as a baseline information for the development of this IDP. In essence, the five-year development plan is used as a tool to help realise the medium- to long-term objectives of the Mhlontlo Municipal Council.

The Mhlontlo Municipal Council will continue to use the IDP as a roadmap to help meet community needs, while ensuring continued growth, equality and empowerment of the poor. I trust that this IDP will serve to stimulate and synergise our partnership with our colleagues in Government, the people of Mhlontlo and all those who live, work and do business in our towns not by prescribing and regulating but by outlining a common vision of changing Mhlontlo to the better.

“Sisonke Sophumelela

.....

Cllr N. Dywili

Mayor

REMARKS BY THE MUNICIPAL MANAGER

Section 34 of the Municipal Systems Act 32 of 2000, chapter 5 requires municipal councils to adopt a single, inclusive and strategic plan for the development of the municipality. Integrated development planning is a dynamic, continuous process that must respond to changing circumstances, demands and municipal functions. The IDP review ensures that the municipality is flexible and responsive to needs of the community, without losing sight of the vision and long-term objectives of the Mhlontlo Municipality. The review of this five year IDP will also ensure that the municipality's resources are directed at the delivery of basic needs and programmes that meet strategic development priorities.

The needs reflected in this IDP are based on public participation inputs from all stakeholders in the municipality and district. This review is undertaken to ensure and ascertain progress registered in the previous circle of the IDP. When circumstances permit it becomes necessary to municipality to take it as a baseline of our plan accordingly.

Alignment of IDP/Budget/Performance Management

During the previous cycle of the IDP, both the performance (under the performance management system) and budget of the Mhlontlo Municipality were simultaneously aligned to the IDP. Although this co-ordinated assessment was done, challenges still remain discernible.

The strategic approach by the Mhlontlo Local Municipality underpins the alignment which includes that:

- **The resources must maximise strategic objectives of Mhlontlo Local Municipality;**
- **The SDF must be the corner stone of the IDP;**
- **The IDP Strategy and Budget is output and outcome focused;**
- **The IDP Strategy must be aligned with NDP, PDP, DDP and B2B; and**
- **When everything is concluded we must be able to measure our performance.**

The Municipality has maintained its rating of high (Credible IDP) in 2017/2018 assessment for the sixth time. The Municipality has also progressed on its Audit Opinion during 2016/2017 financial year and retain unqualified audit opinion. Much has been done to retain this opinion, a lot needs to be done in order to achieve Clean Audit.

Let us all make a meaningful contribution towards the realization of integrated development plan and Clean Audit.

.....

S.G. Sotshongaye
Municipal Manager

LIST OF ACRONYMS

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

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



EXECUTIVE SUMMARY

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

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

This is the first review of its kind since the inauguration of the current Council that ushered in after 2016 Local Government Elections. It has been prepared in compliance and in line with the IDP framework and Process Plan that was approved by Council on the 31st of August 2017. The IDP framework and Process Plan defines the institutional mechanisms as well as a series of activities to be followed in the course of the development.

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

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

- **The Mhlontlo population has decreased and remains predominantly female and youthful. This reality requires the municipality to further strengthen development interventions that are targeted towards special programs such as children, youth, women, Elderly and people with disabilities.**
- **The number of households and density thereof has also decreased. A significant but related observation has been the dramatic decrease in the number of town houses which seemingly have been replaced by informal settlements. In planning the delivery of household services, town development and housing delivery, the municipality will take these dynamics into consideration.**
- **Approximately about 9.63% of the population is HIV positive and on ARV and 0.18% is not on ARVs. This means there is a light decrease compared to 11% of 2011. This also means that the scourge continues to pose a threat of reversing even the gains made by the municipality towards addressing its development deficits. Revamping the health system is thus of paramount importance to the municipality's fight against the spread of HIV and Aids as well as for a healthy population.**
- **Education and literacy levels remain considerably low. This challenge has the potential to completely undermine efforts to break the chain of intergenerational poverty.**
- **Although some improvements have been observed in the recent past, poverty and unemployment remain the most pressing challenge for the municipality.**

- **While more and more households are slowly gaining access to water, sanitation and housing, backlog remains huge. The electricity backlogs have decreased since there was an intervention by Department of Energy.**
- **Although the Municipality is gaining more access to energy, it is not under RED and also is not WSA.**

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

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

In addition, the municipality has managed to develop its own infrastructure atlas with the assistane of CSIR, and a municipal-wide Spatial Development Framework review has been completed and approved by the council. Spatial Planning and Land Use Management Act (SPLUMA) by-laws as developed by the Department of Rural Development and Land Reform were adopted by the council. Mhlontlo Local Municipality opted for District Tribunal due to budgetary constraints. Many of our sector plans have been reviewed during 2016/2017 financial year while the remainder will be reviewed during the current Council term.

Informed by the above analysis, a thorough development of our strategies has been carried out. From this, a municipal-wide scorecard with targets for the next four years has been developed which, in turn will lay the basis for the annual operational plans (SDBIP) and the performance agreements for the Section 56 managers.

Our key objectives over the medium term remain as follows:

- **Eradicating basic service delivery backlogs**
- **Building a responsive and accountable municipal governance**

- **Accelerating the reduction of poverty and unemployment**
- **Growing the economy to insure prosperity for all**

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



CHAPTER ONE: DEVELOPMENT PROCESS

1. Background and Legal Framework

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

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

Section 153 provides further that municipalities must:

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

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

In compliance with the above legislative prescripts, the Mhlontlo Local Municipality hereby presents its first IDP Review for the 2018/2019 term of office.

2. Institutional Arrangements

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

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

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

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

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

3. IDP Development Process Plan

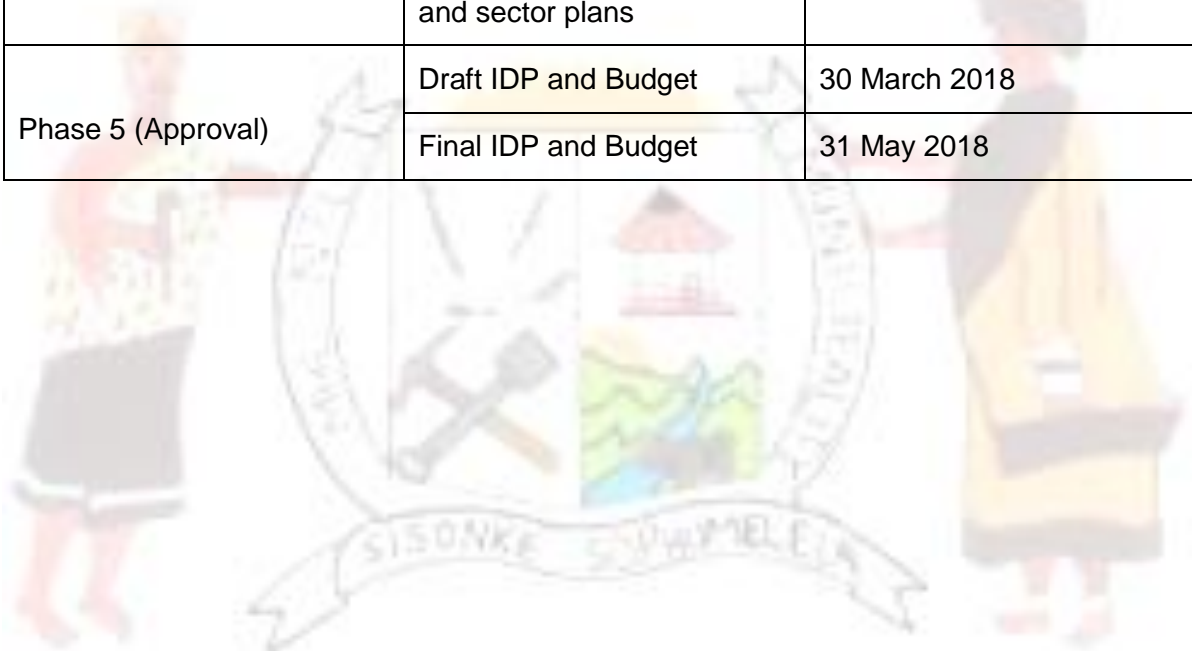
3.1 Legal framework

The Local Government; Municipal Systems Act 32 of 2000 require the Municipality to draw up an IDP process plan which details the institutional arrangements, work plan and public participation. On the 29th August 2017 the IDP and Budget Process Plan was tabled before the council for approval and it was approved.

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

3.2 IDP Phases

IDP PHASES	KEY ISSUES	TIMEFRAME
Phase 0 (Preparation)	Development of the IDP and Budget Process Plan	04 July – 31 August 2017
Phase 1 (Analysis)	Development and Review of the Status Quo Report and priority issues	06 Sept – 12 December 2017
Phase 2 (Strategic formulation)	Development of objectives and strategies	05-07 February 2018
Phase 3 (Projects)	Indicators and basic project implementation	14-17 February 2018
Phase 4 (Integration)	Integration of programmes and sector plans	20-28 February 2018
Phase 5 (Approval)	Draft IDP and Budget	30 March 2018
	Final IDP and Budget	31 May 2018



3.3 Detailed IDP Development Activity Plan

PROCESS	ACTIVITY	TIME FRAME	RESPONSIBILITY
JULY 2017 (PREPARATION PHASE)			
IDP	<ul style="list-style-type: none"> Development of IDP, PMS and Budget Process Plan 	18 Jul – 31 Aug 2017	IDP Manager
BUDGET	<ul style="list-style-type: none"> Municipality commences with planning for the next three-year budget (agreement with FMS service provider on mSCOA implications on budgeting) 	03 July – 04 August 2017	CFO
PMS	<ul style="list-style-type: none"> Draft Annual Performance Agreements to the Mayor and submission to the MEC Submission of Draft 4th Quarter Performance Report 2017/2018 to Executive Committee Finalise 2017/2018 performance agreements 	04 July 2017 15 July 2017 29 July 2017	COO
AUGUST 2017 (PREPARATION – ANALYSIS PHASE)			
IDP	<ul style="list-style-type: none"> Advertisement and Circulation of IDP Process Plan Launch of Process Plan in IDP Representative Forum (Stakeholder consultation on the draft IDP, PMS and Budget Process Plan 2018/2019) Adoption of the IDP Framework, PMS and Budget Process Plan 2018/2019 	16 August 2017 23 August 2017 31 August 2017	IDP Manager IDP Manager IDP Manager
BUDGET	<ul style="list-style-type: none"> Review of previous year's budget processes and completion of the budget evaluation checklist also taking into consideration comments from external stakeholders (NT and PT) 	25 August 2017	CFO
PMS	<ul style="list-style-type: none"> Submission of Draft Annual Performance Report 2016/2017 to AG Submission of Draft Annual Report to the council for noting 	31 August 2017 31 August 2017	COO COO
SEPTEMBER 2017 (SITUATIONAL ANALYSIS PHASE)			
IDP	<ul style="list-style-type: none"> Evaluate outstanding sector plan requirements and additional analysis where necessary Data Collection (Ward based needs analysis) 	11 – 20 Sept 2017 06 – 29 Sept 2017	All Heads departments IDP Manager
PMS	<ul style="list-style-type: none"> Circulation of first quarter report template to all departments 	22 September 2017	COO
OCTOBER 2017 (SITUATIONAL ANALYSIS PHASE)			
IDP	<ul style="list-style-type: none"> Data Collection Continues (Community based analysis) IDP Steering Committee sits to discuss issues identified during Analysis Phase 	02 - 12 October 2017 23 October 2017	IDP Manager IDP Manager
BUDGET	<ul style="list-style-type: none"> Budget office determines revenue projections and proposed rate and service charges and drafts initial allocations to functions and departments for the next financial year after taking into account strategic objectives. Engage with Provincial and National sector departments on sector specific programmes for alignment with municipalities plan (schools, libraries, clinics, water, roads, etc) 	02 October 2017	CFO
PMS	<ul style="list-style-type: none"> Consolidation of 1st quarter Report Discussion of 1st Quarter Report by Management First Quarterly Report to EXCO First Quarterly Report to council 	03 October 2017 10 October 2017 17 October 2017 21 October 2017	COO All HOD's Municipal Manager Mayor
NOVEMBER 2017 (SITUATIONAL ANALYSIS PHASE)			
IDP	<ul style="list-style-type: none"> Finalisation of Situational Analysis 	01 – 30 Nov 2017	IDP Manager
BUDGET	<ul style="list-style-type: none"> Initial review of national policies and budget plans and potential price increase of bulk resources with function and department officials 	02 – 16 October 2017	CFO
PMS	<ul style="list-style-type: none"> Place 1st Quarterly Report on the Municipal website 	03 November 2017	COO/ICT

PROCESS	ACTIVITY	TIME FRAME	RESPONSIBILITY
DECEMBER 2017 (SITUATIONAL ANALYSIS PHASE)			
IDP	<ul style="list-style-type: none"> IDP and Budget Steering Committee IDP Rep Forum (Draft Situational Analysis Report) 	04 December 2017 12 December 2017	Municipal Manager Mayor
BUDGET	<ul style="list-style-type: none"> Accounting Officer reviews and draft initial changes to IDP 	01 December 2017	CFO
PMS	<ul style="list-style-type: none"> Collation of draft 2016/2017 annual report incorporating financial and non-financial on performance, audit reports and annual financial statements Circulate template for 2nd Quarter and Midterm Performance Report 	12 December 2017 15 December 2017	COO COO
JANUARY 2018 (STRATEGIC FORMULATION – INTEGRATION PHASE)			
IDP	<ul style="list-style-type: none"> Making additions on situational analysis report 	08-31 January 2018	IDP Manager
BUDGET	<ul style="list-style-type: none"> Accounting Officer and Senior Officials consolidate and prepare proposed budget and plans for the next financial year taking into account previous year's performance as per Audited financial statements. Commence with the review of tariffs (rates and service charges) and budget related policies for the next financial year. 	07 -15 January 2018	CFO
PMS	<ul style="list-style-type: none"> Work session on mi-term Assessment and amended SDBIP for 2017/2018 Submission of mid-term by all departments Present Draft Annual Report & Mid-term Report and amended SDBIP for 2017/2018 to EXCO Mayor tables Annual Report (2016/17), amended SDBIP for 2016/2017 & mid-term assessment report for 2017/2018 to council 	16 th January 2018 16 th January 2018 16 th January 2018 31 January 2018	COO All departments Municipal Manager Mayor
FEBRUARY 2018 (STRATEGIC FORMULATION - INTEGRATION PHASE)			
IDP	<ul style="list-style-type: none"> Strategic Planning Session (Prioritisation of needs and draft strategic objectives). Finalisation of Strategic Planning Report IDP and Steering Committee meeting to discuss Draft Strategic Planning Report Stakeholder engagement to align projects and programmes with indicators of LMs, sector departments and parastatals 	17-19 Jan 2018 05 February 2018 15 February 2018	IDP Manager Municipal Manager Mayor
BUDGET	<ul style="list-style-type: none"> Review proposed national and provincial allocations to municipalities for the incorporation into the draft budget for the tabling. (Proposed national and Provincial allocations for the three years must be available by 20 January) 	10 February 2018	CFO
PMS	<ul style="list-style-type: none"> Publicise 2016/17 Annual report and invite comments from communities Submit tablet report to AG, National & Provincial Treasury and DLGTA Mid-year performance reviews (top management) Oversight roadshows on the 2016/17 Annual Report 	06-08 February 2018 14 February 2018 16-27 February 2018 23-28 February 2018	COO COO Municipal Manager Speaker's Office
MARCH 2018 (ADOPTION PHASE)			
IDP	<ul style="list-style-type: none"> Draft IDP presented to Steering Committee. Draft IDP tabled to the EXCO for consideration Draft IDP tabled to Council for adoption 	12 March 2018 19 March 2018 30 March 2018	Municipal Manager Municipal Manager Speaker

PROCESS	ACTIVITY	TIME FRAME	RESPONSIBILITY
BUDGET	<ul style="list-style-type: none"> Finalise and submit to the Mayor proposed budgets and plans for three-year budgets taking into account the recent mid-term review and any corrective measures proposed as part of the oversight report for the previous years audited financial statements and annual report. 	28 March 2018	CFO
PMS	<ul style="list-style-type: none"> Compilation of Third Term Report by all departments Approval of 2016/2017 oversight report on the Annual report Adopt the 2016/17 annual report with the comments of the Oversight Committee 	06 March 2018 31 March 2018 31 March 2018	COO Speaker Speaker
APRIL 2018 (CONSULTATION PHASE)			
IDP	<ul style="list-style-type: none"> Draft IDP advertised for public comments and Publicise Roadshows Submission of Draft IDP to CoGTA, PT & AG IDP& Budget Roadshows 	05 April 2018 12 April 2018 17-19 April 2018	IDP Manager IDP Manager Mayor's/ Speaker's Office
BUDGET	<ul style="list-style-type: none"> Assist the Mayor in revising budget documentation in accordance with consultative processes and taking into account the results from the third quarterly reviews of the current year 	20 April 2018	CFO
PMS	<ul style="list-style-type: none"> Compilation of Third Quarterly Performance Report Submission of Third Quarterly Performance Report to Council 	10 April 2018 28 April 2018	All departments Mayor
MAY 2018 (ADOPTION PHASE – FINAL IDP & BUDGET)			
IDP	<ul style="list-style-type: none"> IDP Steering Committee meeting to consider public comments EXCO to sit and consider public comments Council meeting to consider public comments Incorporation of public comments into the IDP EXCO to sit and consider Final IDP for 2018/2019 Mayor tables 2018/2019 IDP to Council for final adoption. 	01 May 2018 04 May 2018 08 May 2018 09 - 11 May 2018 17 May 2018 31 May 2018	Municipal Manager Mayor Speaker IDP Manager Mayor Speaker
BUDGET	<ul style="list-style-type: none"> Assist the Mayor in preparing the final budget documentation for consideration for approval at least 30 days before the start of the budget year taking into account consultative processes and any other new information of a material nature 	31 May 2018	CFO
JUNE 2018 (POST ADOPTION PHASE)			
IDP	<ul style="list-style-type: none"> Submission of Final IDP to CoGTA, AG, & Provincial Treasury. Publicise adoption of Final IDP for 2018/2019 	14 June 2018 19 June 2018	IDP Manager IDP Manager
BUDGET	<ul style="list-style-type: none"> Publicise adoption of the budget and plans 	07 June 2018	CFO
PMS	<ul style="list-style-type: none"> Final SDBIP to be submitted to the Mayor Submit approved SDBIP to MEC for Local Government, National and Provincial Treasury Approved SDBIP placed on the website 	01 June 2018 01 June 2018 09 June 2018	COO Chief Accountant COO

3.4 Mechanisms and Procedures for Public Participation

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

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

4. Policy and Legislative Frameworks

4.1 The Medium Term Strategic Framework (MTSF)

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

Similarly, informed by the MTSF and their 2016 mandates, municipalities are expected to adapt their Integrated Development Plans in line with the National Medium-Term priorities. The MTSF is reviewed annually during the mid-term Cabinet Lekgoatla in the light of new developments and experience in actual implementation.

The Mandate of the Ruling party identifies the following objectives:

- a. Creation of decent jobs;
- b. Rural Development, Land and Agrarian Reform;
- c. Education;
- d. Health; and
- e. Fighting Crime and Corruption.

Specific focus and attention was also given to local government, a critical focus area of the Ruling Party, and the identified catalytic sectors namely Energy, ICT, Transport and Water and Sanitation.

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

- a. Speeding up growth and transforming the economy to create decent work and sustainable livelihoods;
- b. Massive programme to build economic and social infrastructure;
- c. Comprehensive rural development strategy linked to land and agrarian reform and food security;
- d. Strengthen the skills and human resource base-access to quality education;
- e. Improve health care to all South Africans;
- a. Intensify the fight against crime and corruption;
- f. Build cohesive, caring and sustainable communities;

- g. Pursuing African Advancement and International relations;
- h. Sustainable resource management and use; and
- i. Building a developmental state including improving of public services.

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

- a. Quality basic education.
- b. A long and health life for all South Africans.
- c. All people in South Africa are safe and feel safe.
- d. Decent employment through inclusive economic growth.
- e. Skilled and Capable workforce to support an inclusive growth path.
- f. An efficient, competitive and responsive economic infrastructure network.
- g. Vibrant, equitable, sustainable rural communities contributing towards food security for all.
- h. Sustainable human settlements and improve quality of household life.
- i. Responsive, accountable, effective and efficient Local Government system.
- j. Protect and enhance our environment assets and natural resources.
- k. Create a better South Africa, a better Africa, a better world.
- l. An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.

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

4.2 12 Outcomes of Government

Outcome 1: Improve the quality of basic education		
Outputs	Key spending programmes	Role of local government
<ul style="list-style-type: none"> 1. Improve quality of teaching and learning. 2. Regular assessments to track progress. 3. Improve early childhood development. 4. A credible outcome-focused accountability system. 	<ul style="list-style-type: none"> • Increase in the number of Funza Lushaka bursary recipients from 9300 to 18100 over the 2011 MTEF. • Assess every child in grades 3, 6, and 9 every year. • Improve learning and teaching materials to be distributed to primary schools in 2014. • Improve maths and science teaching. 	<ul style="list-style-type: none"> • Facilitate the building of new schools by: • Participating in needs assessments • Identifying appropriate land • Facilitating zoning and planning process • Facilitate the eradication of municipal service backlog in schools by extending appropriate bulk infrastructure and installing connections

Outcome 2: improve health and life expectancy		
Outputs	Key Spending programmes	Roles of Local Government
<ol style="list-style-type: none"> 1. Increase life expectancy to 58 for males and 60 for females 2. Reduce maternal and child mortality rates to 30-40 per 1000 births 3. Combat HIV/Aids and TB 4. Strengthen health services effectiveness 	<ul style="list-style-type: none"> • Revitalise primary health care • Increase early antenatal visits to 50% • Increase vaccine coverage • Improve hospital and clinic infrastructure • Accredited health facilities • Extended coverage of new child vaccines • Extended HIV and prevention and treatment • Increase prevention of mother-to-child transmission • School health promotion, increase school visits by nurses from 5% to 20% • Enhance TB treatment 	<ul style="list-style-type: none"> • Many municipalities perform health functions on behalf of provinces • Strengthen effectiveness of health services by specifically enhancing TB treatments and expanding HIV/Aids prevention and treatments • Municipalities must continue to improve community health services infrastructure by providing clean water, sanitation and waste removal services.
Outcome 3: All people in South Africa are protected and feel safe		
Outputs	Key Spending Programmes	Roles of the Local Government
<ol style="list-style-type: none"> 1. Reduce overall level of crime 2. An effective and integrated criminal justice system 3. Improve investor perceptions and trust 4. Effective and integrated border management 5. Improve perception of 	<ul style="list-style-type: none"> • Increase police personnel • Establish tactical response teams in provinces • Upgrade IT infrastructure in correctional facilities • ICT renewal in justice cluster • Occupation – specific dispensation for legal professionals 	<ol style="list-style-type: none"> 1. Facilitate the development of safer communities through better planning and enforcement of municipal by-laws 2. Direct the traffic control function towards policing high risk violations – rather than revenue collection

<p>crime among the population</p> <p>6. Integrity of identity of citizens and residents secures</p> <p>7. Cyber-crime combated</p>	<ul style="list-style-type: none"> Deploy SANDF soldiers to South Africa's borders. 	
<p>Outcome 4: Decent Employment through inclusive economic growth</p>		
<p>Outputs</p>	<p>Key Spending Programmes</p>	<p>Role of the Local Government</p>
<ul style="list-style-type: none"> Faster and sustainable inclusive growth More labour-absorbing growth Strategy to reduce youth unemployment Increase competitiveness to raise net exports and gross trade Improve support to small business and cooperatives Implement expanded public works programme 	<ol style="list-style-type: none"> Invest in industrial development zones Industrial sector strategies - automotive industry; clothing and textiles Youth employment incentive Development training and systems to improve procurement Skills development and training Reserve accumulation Enterprise financing support New phase of public works programme 	<ol style="list-style-type: none"> Create an enabling environment for investment by mainstreaming planning application process Ensure proper maintenance and rehabilitation of essential services infrastructure Ensure proper implementation of the EPWP at municipal level Design services delivery processes to be labour intensive Improve procurement systems to eliminate corruption and ensure value for money Utilise community structures to provide services
<p>Outcome 5: A Skilled and capable workforce to support inclusive growth</p>		
<p>Outputs</p>	<p>Key spending programmes</p>	<p>Roles of Local Government</p>
<ul style="list-style-type: none"> A credible skills planning institutional mechanism Increase access to intermediate and high-level learning programmes Increase access to occupational – 	<ol style="list-style-type: none"> Increase enrolment in FET colleges and training of lectures Invest in infrastructure and equipment in colleges and technical schools Expand skills development learnerships funded through sector training 	<ol style="list-style-type: none"> Development and extend intern and work experience programmes in municipalities Link municipal procurement to skills development initiatives

<p>specific programmes (especially artisan skilled training)</p> <ul style="list-style-type: none"> • Research, development and innovation in human capital 	<p>authorities and National Skills Fund</p> <ol style="list-style-type: none"> 4. Industry partnership projects for skills and technology development 5. National Research Foundation centres excellence and bursaries and research funding 	
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Outcome 6: An efficient, competitive and responsive economic infrastructure network

Outputs	Key spending programmes	Roles of Local Government
<ul style="list-style-type: none"> • Improve competitive and regulation • Reliable generation, distribution and transmission of energy • Maintain and expand road and rail network, and energy efficiency, capacity and competitiveness of sea ports • Maintain bulk water infrastructure and ensure water supply • Information and communication technology • Benchmark for each sector 	<ol style="list-style-type: none"> 1. An integrated energy plan successful independent power producers 2. Passenger Rail Agency acquisition of rail rolling stock and refurbishment and upgrade of motor coaches and trailers 3. Increase infrastructure funding for provinces for the maintenance of provincial roads 4. Complete Gauteng Freeway Improvement Programme 5. Complete De Hoop Dam and bulk distribution 6. Nandoni pipeline 7. Invest in broadband network infrastructure 	<ol style="list-style-type: none"> 8. Ring-fence water, electricity and sanitation functions so as to facilitate cost-reflecting pricing of these services 9. Ensure urban spatial plans provide for commuter rail corridors, as well as other modes of public transport 10. Maintain and expand water purification works and waste water treatment works in line with growing demand 11. Cities to prepare and receive the developed public transport function 12. Improve maintenance of municipal road network

Outcome 7: Vibrant, equitable and sustainable rural communities and food security

Outputs	Key spending programmes	Roles of Local Government
<ul style="list-style-type: none"> • Sustainable agrarian reform and improved access to markets for small farmers 	<ol style="list-style-type: none"> 1. Settle 7000 land restitution claims 2. Redistribute 283 592ha of land use by 2014 3. Support emerging farmers 	<ol style="list-style-type: none"> 7. Facilitate the development of local markets for agricultural produce 8. Improve transport links with urban centres so as to

<ul style="list-style-type: none"> • Improve access to affordable and diverse food • Improve rural services and access to information to support live-hoods • Improve rural employment opportunities • Enable institutional environment for sustainable and inclusive growth 	<ol style="list-style-type: none"> 4. Soil conservation measures and sustainable land use management 5. Nutrition education programmes 6. Improve rural access to services by 2014: -water - 92% to 100% - Sanitation – 69% to 100% - Refuse removal – 64% to 75% - Electricity – 81% to 92% 	<p>ensure better economic integration</p> <ol style="list-style-type: none"> 9. Promote home production to enhance food security 10. Ensure effective spending of grants for funding extension of access to basic services
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Outcome 8: Sustainable human settlements and improved quality of household life

Outputs	Key spending programmes	Roles of Local Government
<ul style="list-style-type: none"> • Accelerate housing delivery • Improve property markets • More efficient land utilisation and release of state owned land 	<ol style="list-style-type: none"> 1. Increase housing units built from 220 000 to 600 000 a year 2. Increase construction of social housing units to 80 000 a year 3. Upgrade informal settlement: 400 000 units by 2014 4. Deliver 400 000 low-income houses on state owned land 5. Improve urban access to basic services: - water - 92% to 100% - Sanitation - 69% to 100% - Refuse removal - 64% to 75% - Electricity – 81% to 92% 	<ol style="list-style-type: none"> 6. Cities must wait to be accredited for the housing function 7. Develop spatial plans to ensure new housing developments are in line with national policy on integrated human settlement 8. Participate in the identification of suitable land for social housing 9. Ensure capital budgets are appropriately prioritised to maximum existing services – water – 92% to 100% - Sanitation – 69% to 100% - Refuse removal – 64% to 75% - Electricity – 81% to 92%

Outcome 9: A response and accountable, effective and efficient local government system

Outputs	Key spending programmes	Roles of Local government
<ul style="list-style-type: none"> - Differentiate approach to municipal financing, planning and support. - Community work programme. 	<ol style="list-style-type: none"> 1. Municipal capacity-building grant. 2. Systems improvement 3. Financial management (target: 100% unqualified audits) 	<ol style="list-style-type: none"> 11. Adopt IDP planning processes appropriate to the capacity and sophistication of the municipality

<ul style="list-style-type: none"> - Support for human settlements. - Refine ward committee model to deepen democracy. - Improve municipal financial administrative capacity. - Single coordination window. 	<ol style="list-style-type: none"> 4. Municipal infrastructure grant 5. Electrification programme 6. Public transport & systems grant 7. Bulk infrastructure & water grant 8. Neighbourhood development partnership grant 9. Increase urban density 10. Informal settlements upgrades 	<ol style="list-style-type: none"> 12. Implement the community work programme 13. Ensure ward committees are representative and fully involved in community consultation processes around the ID, budget and other strategic service delivery issues 14. Improve municipal financial and administrative capacity by capacity by competency norms and standards and acting against incompetence and corruption
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Outcome 10: Protection and enhancement of environmental assets and natural

Outputs	Key spending programmes (National)	Roles of local government
<ul style="list-style-type: none"> ▪ Enhance quality and quantity of water resources ▪ Reduce greenhouse gas emissions; mitigate climate change impacts; improve air quality ▪ Sustainable environmental management ▪ Protect biodiversity 	<ul style="list-style-type: none"> ▪ National water resource infrastructure programme ▪ Expanded Public Works environmental programmes ▪ Biodiversity and conservation 	<ul style="list-style-type: none"> ▪ Develop and implement water management plans to reduce water losses ▪ Ensure effective maintenance and rehabilitation of infrastructure ▪ Run water and energy saving awareness campaigns ▪ Ensure development does not take place on wetlands

Outcome 11: A better South Africa, a better and safer Africa and World

Outputs	Key spending programmes (National)	Roles of local government
<ul style="list-style-type: none"> ▪ Enhance Africa and sustainable development ▪ Enhance regional integration 	<ul style="list-style-type: none"> • Proposed establishment of South African Development Partnership Agent 	<ul style="list-style-type: none"> • Ensuring basic infrastructure is in place and properly maintained • Creating an enabling environment for investment

<ul style="list-style-type: none"> ▪ Reform global governance institutions ▪ Enhance trade and investment between South Africa and partners 	<ul style="list-style-type: none"> • Defence: peace support mechanisms • Border control: upgrade inland ports of entry
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Outcome 12: A development oriented public service and inclusive citizenship

Outputs	Key Programmes (National)	Spending	Roles of Local Government
<ol style="list-style-type: none"> 1. Improve government performance 2. Government wide performance and monitoring 3. Conduct comprehensive expenditure review 4. Celebrate cultural diversity 	<ol style="list-style-type: none"> 1. Performance monitoring and evaluation 2. Stats SA: Census 2011 – reduce undercount 3. Sport and Recreation: Support mass participation and school sport programmes 		<ol style="list-style-type: none"> 4. Continue to develop performance monitoring and management system 5. Comply with legal financial reporting requirements 6. Review municipal expenditures to reduce wastage 7. Ensure councils behave in ways that restore trust in local government

4.3 The Sustainable Development Goals (SDGs)

On September 25th 2015, countries adopted a set of goals to **end poverty, protect the planet, and ensure prosperity for all** as part of a new sustainable development agenda. Each goal has specific targets to be achieved over the next 15 years.



Over the next thirteen years, all countries will mobilise efforts to end all forms of poverty, fight inequalities and tackle climate change, while ensuring that no one

is left behind. The IDP, presents an opportunity to do resplicate the global and national efforts at a municipal level.

4.4 The National Development Plan (Vision 2030)

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

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

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

4.5 Provincial Development Plan

Goal 1: An Inclusive, Equitable And Growing Economy

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

Goal 2: A Healthy Population

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

Goal 3: An Educated, Innovative Citizenry

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

Goal 4: Vibrant, Cohesive Communities

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

Goal 5: Capable, Conscientious And Accountable Institutions

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

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

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

4.6 District Development Plan (DDP)

The overall purpose of the OR Tambo vision 2030 is to articulate development priorities of the District between 2017-2030 and beyond. The priorities and interventions were crafted to help achieve desired NDP/PDP linked outcomes and are informed by various national and provincial policies such as NDP (2012), the Eastern Cape Provincial Development Plan (2014), Eastern Cape Provincial Economic Development Plan (PEDS 2016) and Eastern Cape Infrastructure plan (2016). Embraces a host of current and planned major developments and initiatives in District IDP for 2017 – 2022). **Below** are the 5 goals and Strategic Pillars of the DDP;



2030 Vision: A prosperous, vibrant, innovative and people-centered district
Vision achieved through the realization of 5 Strategic Goals, accelerated in the short to medium term by 5 District Catalytic Projects all driven by the following 3 Strategic Pillars and 3 Foundational Planks

3 Strategic Pillars	Inclusive Economic Development <ul style="list-style-type: none"> • Primary Agriculture & Agro-industry (Wild Coast SEZ, Agri-parks, forestry) • Property Development & Land acquisition • Natural resource development and management aspects • Tourism (heritage, eco) • Creative Industries • Investment, trade and export support and promotion • Broadband roll-out • Localization • Oceans economy • Light manufacturing 	Human Development <ul style="list-style-type: none"> • Education and Skills (Access to quality ECD; Quality basic education; Quality and relevant post-school education and training (adult education, technical and vocational education and training, and higher/university education) and community and public agency) • Strengthening health systems capacities through NHI • Mass Employment Programme • Poverty Eradication Programme (nutrition support etc) • Access to basic services 	Infrastructure & Basic Services <ul style="list-style-type: none"> • N2 Wild Coast • Mzimvubu Multipurpose Scheme • Mthatha Airport & related air transport development • Harbour Development & related water transport development • Urban Development and Small Town revitalization (bulk, human settlement etc) • Water and sanitation • Waste Management • Irrigation and agro-logistics
	Constraints removal, project packaging and resource leveraging (investment partnerships)		
	Institutional Transformation – Governance and capacity of govt		
	IDP process alignment, consultation and stakeholder management		
3 Foundational Planks			

4.7 Back to Basics

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

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

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

4.8 Previous IDP Assessment

4.8.1 Issues Raised During the 2017/2018 IDP Assessment

KPA	RATING 2012/13	RATING 2013/14	RATING 2014/15	RATING 2015/16	RATING 2016/17	RATING 2017/18
Spatial Development Framework	High	High	High	High	High	High
Service Delivery	Medium	High	High	High	High	High
Financial Viability	Medium	Medium	High	Medium	High	High
Local Economic Development	High	High	High	High	High	High
Good Governance, IGR & Public Participation	High	High	High	High	High	High
Institutional Arrangements	High	Medium	Medium	High	High	High
Overall Rating	High	High	High	High	High	High

CHAPER TWO: SITUATIONAL ANALYSIS

5. Description of the Locality

5.1 Location and physical attributes

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

Map 1: Mhlontlo Location



Source: Map data 2017 AfriGIS

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

6. Demography

"Demographics", or "population characteristics", includes analysis of the population of a region. Distributions of values within a demographic variable, and across households, as well as trends over time are of interest.

6.1 Total population

Population statistics is important when analysing an economy, as the population growth directly and indirectly impacts employment and unemployment, as well as other economic indicators such as economic growth and per capita income.

TABLE 1. TOTAL POPULATION - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2005-2015 [NUMBERS PERCENTAGE]

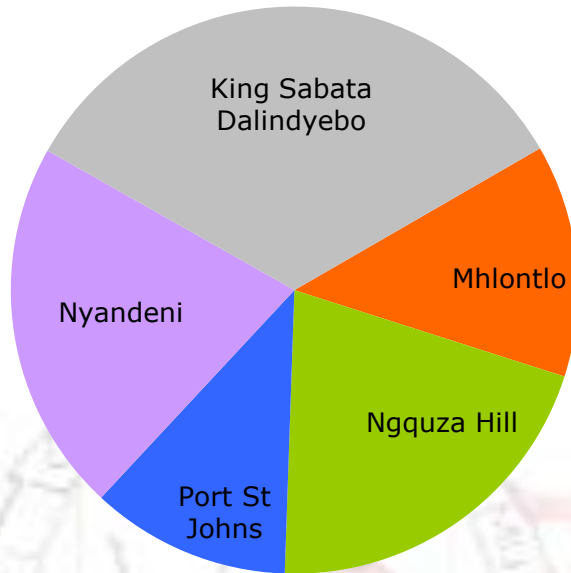
Year	Mhlontlo	O.R.Tambo	Eastern Cape	National Total	Mhlontlo as % of district municipality	Mhlontlo as % of province	Mhlontlo as % of national
2005	203,000	1,340,000	6,440,000	47,200,000	15.2%	3.2%	0.43%
2006	201,000	1,340,000	6,450,000	47,800,000	15.0%	3.1%	0.42%
2007	199,000	1,350,000	6,470,000	48,400,000	14.8%	3.1%	0.41%
2008	197,000	1,350,000	6,500,000	49,100,000	14.5%	3.0%	0.40%
2009	195,000	1,370,000	6,540,000	49,800,000	14.3%	3.0%	0.39%
2010	194,000	1,380,000	6,600,000	50,700,000	14.1%	2.9%	0.38%
2011	193,000	1,390,000	6,650,000	51,500,000	13.9%	2.9%	0.37%
2012	193,000	1,410,000	6,710,000	52,400,000	13.7%	2.9%	0.37%
2013	192,000	1,420,000	6,780,000	53,200,000	13.5%	2.8%	0.36%
2014	193,000	1,440,000	6,850,000	54,100,000	13.4%	2.8%	0.36%
2015	193,000	1,460,000	6,930,000	54,900,000	13.3%	2.8%	0.35%
Average Annual growth							
2005-2015	-0.52%	0.85%	0.74%	1.51%			

Source: IHS Global Insight 2016

With 193 000 people, the Mhlontlo Local Municipality housed 0.4% of South Africa's total population in 2015. Compared to O.R.Tambo's average annual growth rate (0.85%), the growth rate in Mhlontlo's population at -0.52% was significant lower than that of the district municipality.

CHART 1. TOTAL POPULATION - MHLONTLO AND THE REST OF O.R.TAMBO, 2015
[PERCENTAGE]

Total population
O.R.Tambo District Municipality, 2015



Source: IHS Global Insight 2016

When compared to other regions, Mhlontlo Local Municipality accounts for a total population of 193,000, or 13.3% of the total population in O.R.Tambo District Municipality ranking as the most populous local municipality in 2015. The ranking in terms of the size of Mhlontlo compared to the other regions remained the same between 2005 and 2015. In terms of its share Mhlontlo Local Municipality was significant smaller in 2015 (13.3%) compared to what it was in 2005 (15.2%).When looking at the average annual growth rate, it is noted that Mhlontlo ranked lowest (relative to its peers in terms of growth) with an average annual growth rate of -0.5% between 2005 and 2015.

6.2 Population projections

Based on the present age-gender structure and the present fertility, mortality and migration rates, Mhlontlo's population is projected to grow at an average annual rate of 0.4% from 193 000 in 2015 to 197 000 in 2020.

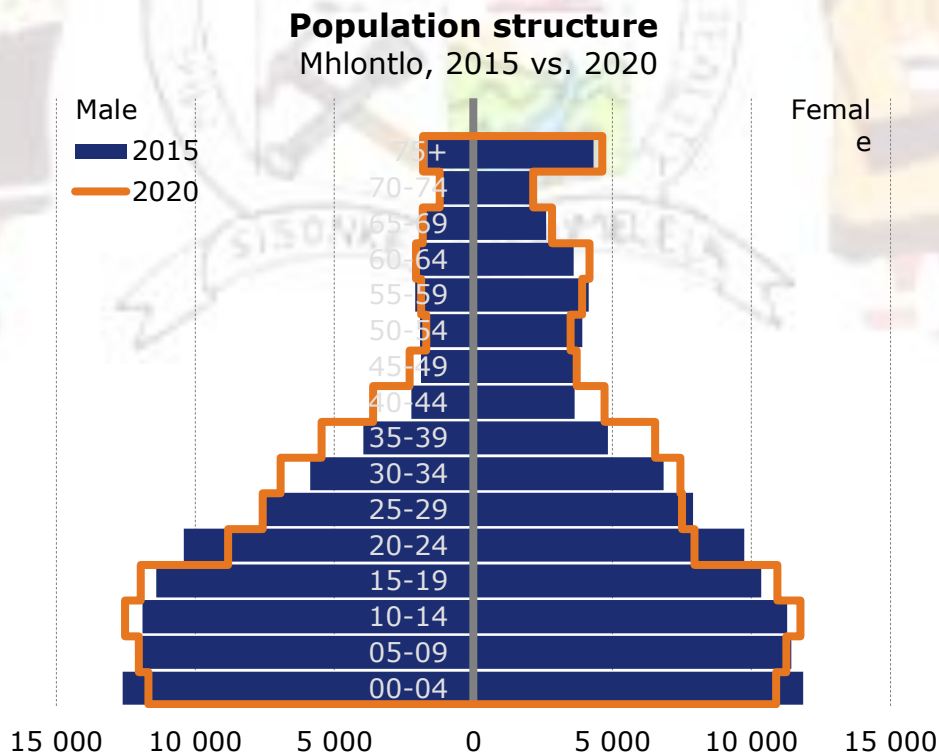
TABLE 2. POPULATION PROJECTIONS - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2015-2020 [NUMBERS PERCENTAGE]

Year	Mhlontlo	O.R.Tambo	Eastern Cape	National Total	Mhlontlo as % of district municipality	Mhlontlo as % of province	Mhlontlo as % of national
2015	193,000	1,460,000	6,930,000	54,900,000	13.3%	2.8%	0.35%
2016	194,000	1,470,000	7,010,000	55,700,000	13.2%	2.8%	0.35%
2017	194,000	1,490,000	7,080,000	56,500,000	13.0%	2.7%	0.34%
2018	195,000	1,510,000	7,160,000	57,400,000	13.0%	2.7%	0.34%
2019	196,000	1,520,000	7,240,000	58,100,000	12.9%	2.7%	0.34%
2020	197,000	1,540,000	7,310,000	58,900,000	12.8%	2.7%	0.33%
Average Annual growth							
2015-2020	0.45%	1.12%	1.08%	1.42%			

Source: IHS Global Insight 2016

When looking at the population projection of Mhlontlo Local Municipality shows an estimated average annual growth rate of 0.4% between 2015 and 2020. The average annual growth rate in the population over the projection period for O.R.Tambo District Municipality, Eastern Cape Province and South Africa is 1.1%, 1.1% and 1.4% respectively. The Eastern Cape Province is estimated to have an average growth rate of 1.1% which is very similar than that of the Mhlontlo Local Municipality. South Africa as a whole is estimated to have an average annual growth rate of 1.4% which is very similar than that of Mhlontlo's projected growth rate.

CHART 2. POPULATION PYRAMID - MHLONTLO LOCAL MUNICIPALITY, 2015 vs. 2020 [PERCENTAGE]



Source: IHS Global Insight 2016

The population pyramid reflects a projected change in the structure of the population from 2015 and 2020. The differences can be explained as follows:

- In 2015, there is a significantly larger share of young working age people between 20 and 34 (25.1%), compared to what is estimated in 2020 (23.4%). This age category of young working age population will decrease over time.
- The fertility rate in 2020 is estimated to be significantly higher compared to that experienced in 2015.
- The share of children between the ages of 0 to 14 years is projected to be significant smaller (35.6%) in 2020 when compared to 2015 (36.9%).

In 2015, the female population for the 20 to 34 years age group amounts to 12.7% of the total female population while the male population group for the same age amounts to 12.4% of the total male population. In 2020, the male working age population at 11.8% still exceeds that of the female population working age population at 11.6%, although both are at a lower level compared to 2015.

6.3 Population by population group, gender and age

The total population of a region is the total number of people within that region measured in the middle of the year. Total population can be categorised according to the population group, as well as the sub-categories of age and gender. The population groups include African, White, Coloured and Asian, where the Asian group includes all people originating from Asia, India and China. The age subcategory divides the population into 5-year cohorts, e.g. 0-4, 5-9, 10-13, etc.

TABLE 3. POPULATION BY GENDER - MHLONTLO AND THE REST OF O.R. TAMBO DISTRICT MUNICIPALITY, 2015 [NUMBER].

	Male	Female	Total
Mhlontlo	90,700	102,000	193,000
Ngquza Hill	141,000	159,000	300,000
Port St Johns	76,600	89,100	166,000
Nyandeni	144,000	165,000	309,000
King Sabata Dalindyebo	227,000	260,000	487,000
O.R.Tambo	679,000	776,000	1,460,000

Source: IHS Global Insight 2016

Mhlontlo Local Municipality's male/female split in population was 88.7 males per 100 females in 2015. The Mhlontlo Local Municipality has significantly more females (52.99%) than males, when compared to a typical stable population. This is most probably an area with high male out migration to look for work elsewhere. In total there were 102 000 (52.99%) females and 90 700 (47.01%) males. This is different from O.R.Tambo District Municipality as a whole where the female population counted 776 000 which constitutes 53.35% of the total population of 1.46 million.

TABLE 4. POPULATION BY POPULATION GROUP, GENDER AND AGE - MHLONTLO LOCAL MUNICIPALITY, 2015 [NUMBER].

Age Categories	African	
	Female	Male
00-04	11,800	12,500
05-09	11,400	12,100
10-14	11,200	11,900
15-19	10,300	11,300
20-24	9,680	10,400
25-29	7,840	7,640
30-34	6,800	5,800
35-39	4,820	3,910
40-44	3,600	2,190
45-49	3,600	1,840
50-54	3,890	1,880
55-59	4,120	2,070
60-64	3,580	1,920
65-69	2,610	1,780
70-74	2,100	1,200
75+	4,290	1,640
Total	102,000	90,000

Source: IHS Global Insight 2016

In 2015, the Mhlontlo Local Municipality's population consisted of 99.34% African (192 000), 0.26% White (498), 0.23% Coloured (438) and 0.17% Asian (333) people.

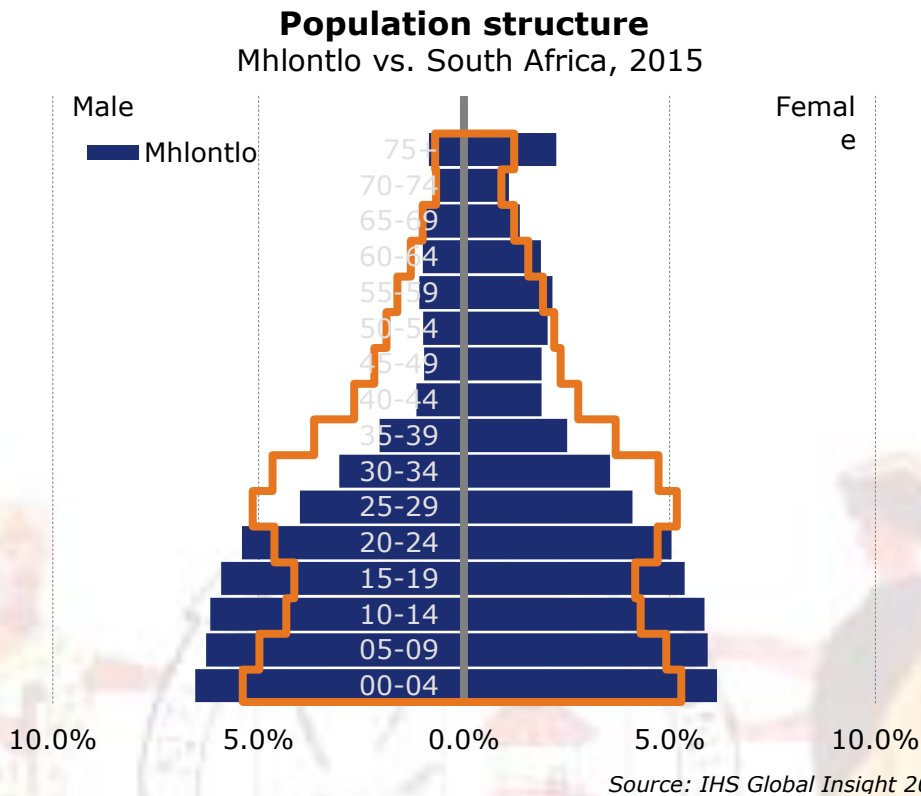
The largest share of population is within the babies and kids (0-14 years) age category with a total number of 71 200 or 36.9% of the total population. The age category with the second largest number of people is the young working age (25-44 years) age category with a total share of 22.3%, followed by the teenagers and youth (15-24 years) age category with 41 900 people. The age category with the least number of people is the retired / old age (65 years and older) age category with only 13 700 people, as reflected in the population pyramids below.

6.4 Population pyramids

A population pyramid is a graphic representation of the population categorised by gender and age, for a specific year and region. The horizontal axis depicts the share of people, where the male population is charted on the left-hand side and the female population on the right-hand side of the vertical axis. The vertical axis is divided in 5-year age categories.

With the African population group representing 99.3% of the Mhlontlo Local Municipality's total population, the overall population pyramid for the region will mostly reflect that of the African population group. The chart below compares Mhlontlo's population structure of 2015 to that of South Africa.

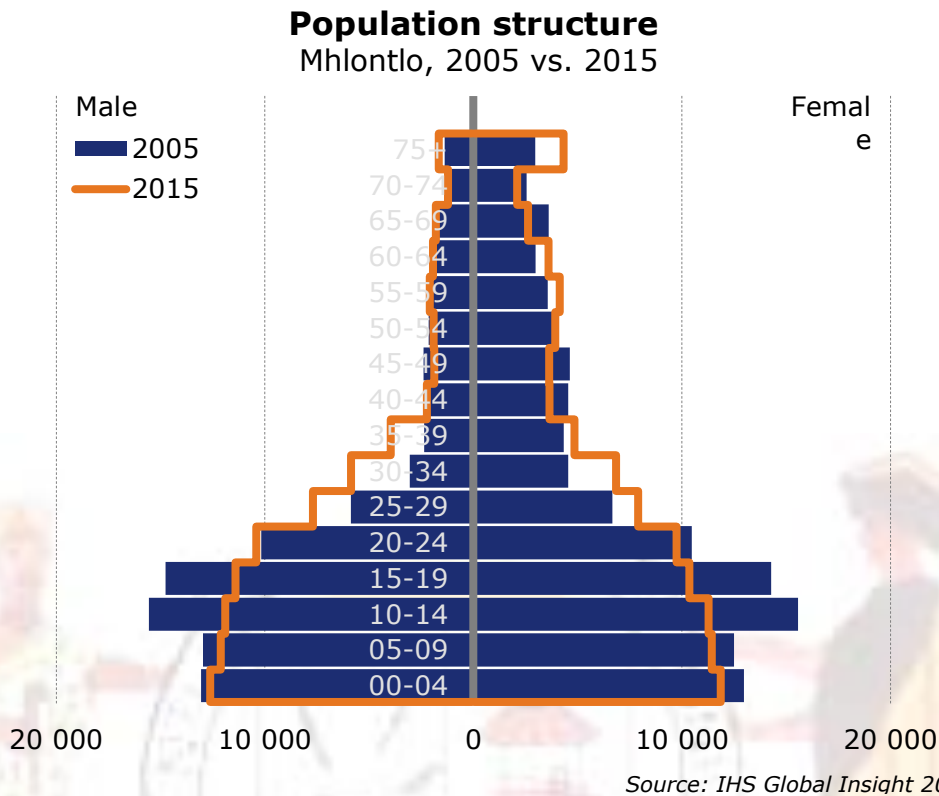
CHART 3. POPULATION PYRAMID - MHLONTLO LOCAL MUNICIPALITY VS. SOUTH AFRICA, 2015 [PERCENTAGE]



By comparing the population pyramid of the Mhlontlo Local Municipality with the national age structure, the most significant differences are:

- a. There is a significant smaller share of young working age people - aged 20 to 34 (25.1%) - in Mhlontlo, compared to the national picture (29.0%).
- b. The area seems to be a migrant sending area, with many people leaving the area to find work in the bigger cities.
- c. Fertility in Mhlontlo is significantly higher compared to South Africa as a whole.
- d. Spatial policies changed since 1994.
- e. The share of children between the ages of 0 to 14 years is significantly larger (36.9%) in Mhlontlo compared to South Africa (29.2%). Demand for expenditure on schooling as percentage of total budget within Mhlontlo Local Municipality will therefore be higher than that of South Africa.

CHART 4. POPULATION PYRAMID - MHLONTLO LOCAL MUNICIPALITY, 2005 vs. 2015 [PERCENTAGE]



Comparing the 2005 with the 2015 population pyramid for Mhlontlo Local Municipality, interesting differences are visible:

- a. In 2005, there were a significant smaller share of young working age people - aged 20 to 34 (20.1%) - compared to 2015 (25.1%).
- b. Fertility in 2005 was slightly higher compared to that of 2015.
- c. The share of children between the ages of 0 to 14 years is significantly larger in 2005 (40.7%) compared to 2015 (36.9%).
- d. Life expectancy is increasing.

In 2015, the female population for the 20 to 34 years age group amounted to 10.7% of the total female population while the male population group for the same age amounted to 9.4% of the total male population. In 2005 the male working age population at 12.4% did not exceeds that of the female population working age population at 12.7%.

6.5 Number of households by population group

A household is either a group of people who live together and provide themselves jointly with food and/or other essentials for living, or it is a single person living on his/her own. An individual is considered part of a household if he/she spends at least four nights a week within the household. To categorise a household according to population group, the population group to which the head of the household belongs, is used.

If the number of households is growing at a faster rate than that of the population it means that the average household size is decreasing, and vice versa. In 2015,

the Mhlontlo Local Municipality comprised of 43 900 households. This equates to an average annual growth rate of 0.03% in the number of households from 2005 to 2015. With an average annual growth rate of -0.52% in the total population, the average household size in the Mhlontlo Local Municipality is by implication decreasing. This is confirmed by the data where the average household size in 2005 decreased from approximately 4.7 individuals per household to 4.4 persons per household in 2015.

TABLE 5. NUMBER OF HOUSEHOLDS - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2005-2015 [NUMBER PERCENTAGE]

Year	Mhlontlo	O.R.Tambo	Eastern Cape	National Total	Mhlontlo as % of district municipality	Mhlontlo as % of province	Mhlontlo as % of national
2005	43,700	274,000	1,560,000	12,800,000	16.0%	2.8%	0.34%
2006	43,600	276,000	1,570,000	13,000,000	15.8%	2.8%	0.34%
2007	43,500	280,000	1,590,000	13,100,000	15.5%	2.7%	0.33%
2008	43,800	288,000	1,620,000	13,400,000	15.2%	2.7%	0.33%
2009	44,500	298,000	1,670,000	13,700,000	14.9%	2.7%	0.32%
2010	44,100	300,000	1,680,000	13,900,000	14.7%	2.6%	0.32%
2011	43,600	303,000	1,700,000	14,200,000	14.4%	2.6%	0.31%
2012	43,700	307,000	1,720,000	14,500,000	14.3%	2.5%	0.30%
2013	43,700	310,000	1,730,000	14,700,000	14.1%	2.5%	0.30%
2014	43,500	312,000	1,740,000	15,000,000	14.0%	2.5%	0.29%
2015	43,900	317,000	1,770,000	15,400,000	13.8%	2.5%	0.28%
Average Annual growth							
2005-2015	0.03%	1.49%	1.32%	1.86%			

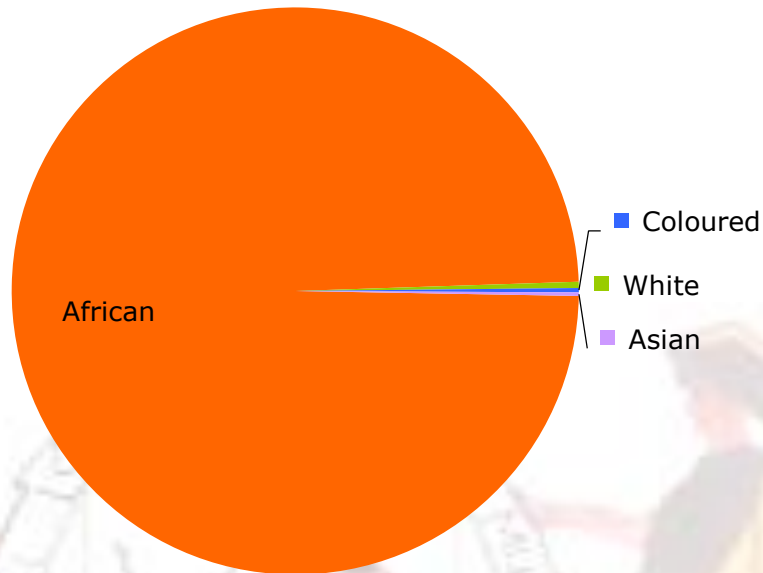
Source: IHS Global Insight 2016

Relative to the district municipality, the Mhlontlo Local Municipality had a lower average annual growth rate of 0.03% from 2005 to 2015. In contrast, the province had an average annual growth rate of 1.32% from 2005. South Africa as a whole had a total of 15.4 million households, with a growth rate of 1.86%, thus growing at a higher rate than the Mhlontlo.

The composition of the households by population group consists of 99.2% which is ascribed to the African population group with the largest amount of households by population group. The White population group had a total composition of 0.4% (ranking second). The Coloured population group had a total composition of 0.2% of the total households. The smallest population group by households is the Asian population group with only 0.2% in 2015.

CHART 5. NUMBER OF HOUSEHOLDS BY POPULATION GROUP - MHLONTLO LOCAL MUNICIPALITY, 2015 [PERCENTAGE]

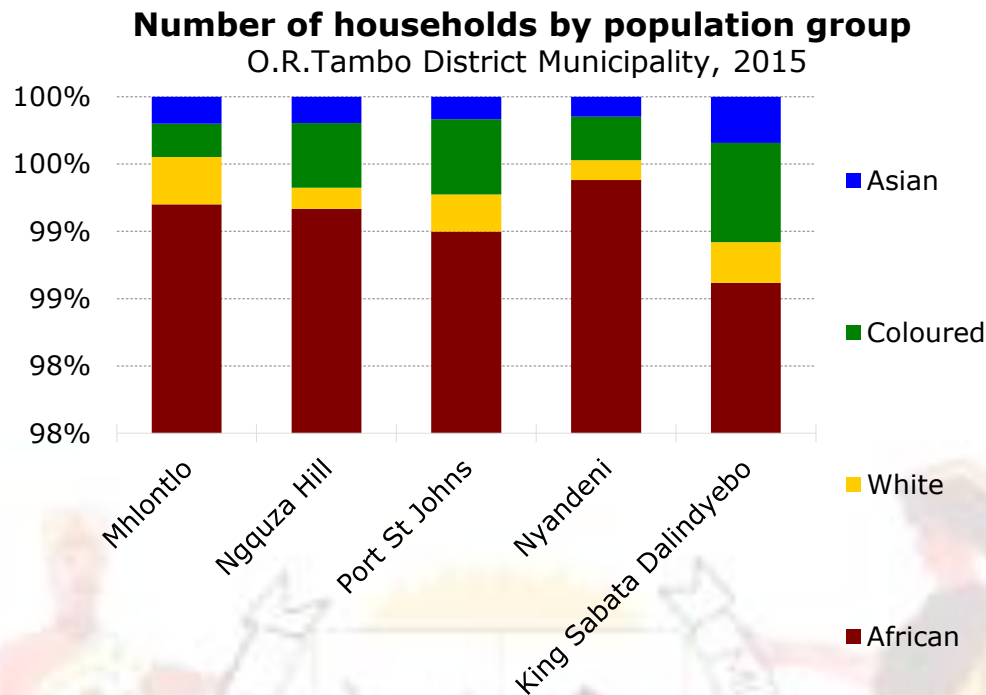
Number of Households by Population group Mhlontlo, 2015



Source: IHS Global Insight 2016

The growth in the number of African headed households was on average -0.02% per annum between 2005 and 2015, which translates in the number of households decreasing by -84.5 in the period. Although the White population group is not the biggest in size, it was however the fastest growing population group between 2005 and 2015 at 14.89%. The average annual growth rate in the number of households for all the other population groups has increased with 0.00%.

CHART 6. NUMBER OF HOUSEHOLDS BY POPULATION GROUP - MHLONTLO LOCAL MUNICIPALITY AND THE REST OF O.R.TAMBO, 2015 [PERCENTAGE]



Source: IHS Global Insight 2016

6.6 HIV+ and AIDS estimates

HIV and AIDS can have a substantial impact on the growth of a particular population. However, there are many factors affecting the impact of the HIV virus on population progression: adult HIV prevalence rates; the speed at which the virus progresses; age distribution of the virus; the mother-to-child transmission; child treatment; adult treatment; and the percentage by which the virus decreases total fertility. ARV treatment can also prolong the lifespan of people that are HIV+. In the absence of any treatment, people diagnosed with HIV live for approximately 10 years before reaching the final stage of the disease (called AIDS). When patients reach this stage, recovery is highly unlikely.

HIV+ and AIDS estimates are defined as follows:

The HIV+ estimates are calculated by using the prevalence rates from the HIV/AIDS model built by the Actuarial Society of Southern Africa (ASSA-2008). These rates are used as base rates on a provincial level. IHS slightly adjusted the provincial ASSA-2008 data to more accurately reflect the national HIV Prevalence rate per population group as used in the national demographic models. The ASSA model in turn uses the prevalence rates from various primary data sets, in particular the HIV/AIDS surveys conducted by the Department of Health and the Antenatal clinic surveys. Their rates are further adjusted for over-reporting and then smoothed.

TABLE 6. NUMBER OF HIV+ PEOPLE - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2005-2015 [NUMBER AND PERCENTAGE]

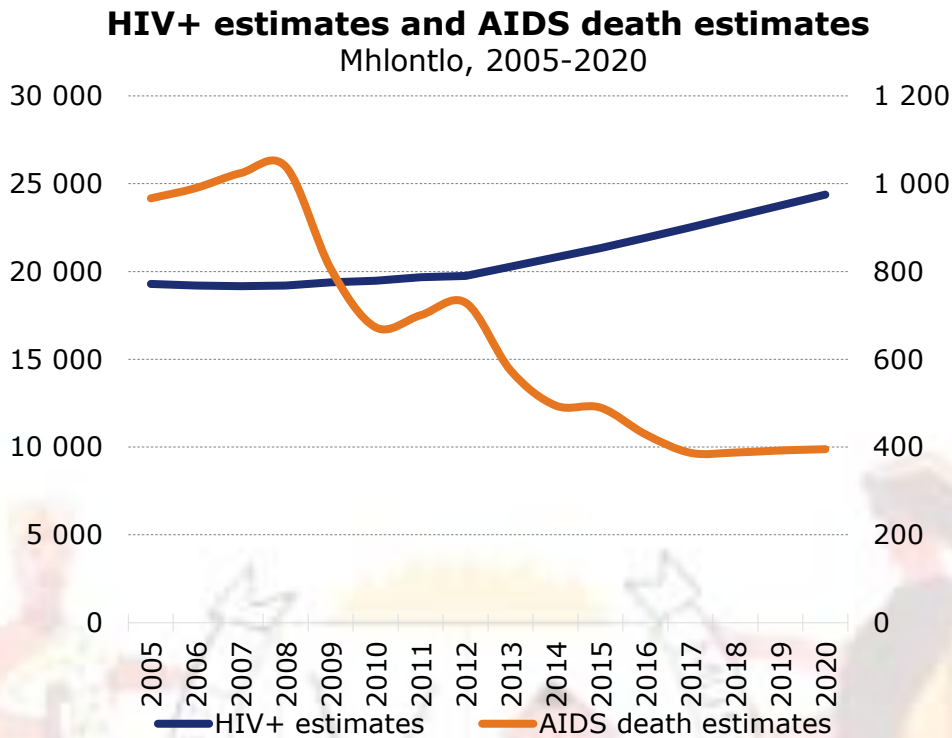
Year	Mhlontlo	O.R.Tambo	Eastern Cape	National Total	Mhlontlo as % of district municipality	Mhlontlo as % of province	Mhlontlo as % of national
2005	19,300	130,000	619,000	5,260,000	14.8%	3.1%	0.37%
2006	19,200	131,000	623,000	5,320,000	14.6%	3.1%	0.36%
2007	19,200	133,000	627,000	5,370,000	14.4%	3.1%	0.36%
2008	19,200	135,000	632,000	5,410,000	14.2%	3.0%	0.35%
2009	19,400	139,000	644,000	5,490,000	14.0%	3.0%	0.35%
2010	19,500	141,000	661,000	5,600,000	13.8%	2.9%	0.35%
2011	19,700	144,000	677,000	5,690,000	13.6%	2.9%	0.35%
2012	19,800	147,000	693,000	5,770,000	13.5%	2.9%	0.34%
2013	20,300	152,000	714,000	5,880,000	13.3%	2.8%	0.34%
2014	20,800	157,000	738,000	6,010,000	13.2%	2.8%	0.35%
2015	21,300	162,000	762,000	6,140,000	13.1%	2.8%	0.35%
Average Annual growth							
2005-2015	1.01%	2.22%	2.10%	1.56%			

Source: IHS Global Insight 2016

In 2015, 21 300 people in the Mhlontlo Local Municipality were infected with HIV. This reflects an increase at an average annual rate of 1.01% since 2005, and in 2015 represented 11.06% of the local municipality's total population. O.R.Tambo District Municipality had an average annual growth rate of 2.22% from 2005 to 2015 in the number of people infected with HIV, which is higher than that of the Mhlontlo Local Municipality. The number of infections in Eastern Cape Province increased from 619,000 in 2005 to 762,000 in 2015. When looking at South Africa as a whole it can be seen that the number of people that are infected increased from 2005 to 2015 with an average annual growth rate of 1.56%.

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

CHART 7. AIDS PROFILE AND FORECAST - MHLONTLO LOCAL MUNICIPALITY, 2005-2020 [NUMBERS]



Source: IHS Global Insight 2016

Presenting the number of HIV+ people against the number of people living with AIDS, the people with AIDS added up to 967 in 2005 and 490 for 2015. This number denotes an decrease from 2005 to 2015 with a high average annual rate of -6.57% (or -477 people). For the year 2015, they represented 0.25% of the total population of the entire local municipality.

7. Economy

The economic state of Mhlontlo Local Municipality is put in perspective by comparing it on a spatial level with its neighbouring locals, O.R.Tambo District Municipality, Eastern Cape Province and South Africa.

The Mhlontlo Local Municipality does not function in isolation from O.R.Tambo, Eastern Cape Province, South Africa and the world and now, more than ever, it is crucial to have reliable information on its economy for effective planning. Information is needed that will empower the municipality to plan and implement policies that will encourage the social development and economic growth of the people and industries in the municipality respectively.

7.1 Gross Domestic Product by Region (GDP-R)

The Gross Domestic Product (GDP), an important indicator of economic performance, is used to compare economies and economic states.

Gross Domestic Product by Region (GDP-R) represents the value of all goods and services produced within a region, over a period of one year, plus taxes and minus subsidies.

GDP-R can be measured using either current or constant prices, where the current prices measures the economy in actual Rand, and constant prices measures the economy by removing the effect of inflation, and therefore captures the real growth in volumes, as if prices were fixed in a given base year.

TABLE 7. GROSS DOMESTIC PRODUCT (GDP) - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2005-2015 [R BILLIONS, CURRENT PRICES]

Year	Mhlontlo	O.R.Tambo	Eastern Cape	National Total	Mhlontlo as % of district municipality	Mhlontlo as % of province	Mhlontlo as % of national
2005	1.6	13.3	125.8	1,639.3	11.9%	1.26%	0.10%
2006	1.8	15.0	142.2	1,839.4	12.1%	1.27%	0.10%
2007	2.2	17.7	168.2	2,109.5	12.3%	1.30%	0.10%
2008	2.3	18.1	174.1	2,369.1	12.4%	1.30%	0.10%
2009	2.5	20.1	191.2	2,507.7	12.3%	1.30%	0.10%
2010	2.7	22.2	211.6	2,748.0	12.3%	1.29%	0.10%
2011	2.9	23.7	226.1	3,023.7	12.3%	1.30%	0.10%
2012	3.2	26.4	252.2	3,254.0	12.3%	1.29%	0.10%
2013	3.6	28.9	274.3	3,549.2	12.6%	1.33%	0.10%
2014	4.0	31.1	290.6	3,812.6	12.9%	1.38%	0.11%
2015	4.4	33.3	307.5	4,013.6	13.1%	1.42%	0.11%

Source: IHS Global Insight 2016

With a GDP of R 4.36 billion in 2015 (up from R 1.58 billion in 2005), the Mhlontlo Local Municipality contributed 13.09% to the O.R.Tambo District Municipality GDP of R 33.3 billion in 2015 increasing in the share of the O.R.Tambo from 11.87% in 2005. The Mhlontlo Local Municipality contributes 1.42% to the GDP of Eastern Cape Province and 0.11% the GDP of South Africa which had a total GDP of R 4.01 trillion in 2015 (as measured in nominal or current prices). It's contribution to the national economy stayed similar in importance from 2005 when it contributed 0.10% to South Africa.

TABLE 8. GROSS DOMESTIC PRODUCT (GDP) - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2005-2015 [ANNUAL PERCENTAGE CHANGE, CONSTANT 2010 PRICES]

Year	Mhlontlo	O.R.Tambo	Eastern Cape	National Total
2005	1.3%	2.5%	5.0%	5.1%
2006	4.7%	2.6%	5.3%	5.3%
2007	6.8%	4.0%	5.3%	5.4%
2008	2.9%	2.8%	3.2%	3.2%
2009	-1.6%	-1.8%	-1.0%	-1.5%
2010	-0.6%	-0.3%	2.4%	3.0%
2011	2.8%	1.4%	3.7%	3.3%
2012	2.0%	0.6%	2.0%	2.2%
2013	4.2%	1.9%	1.2%	2.3%
2014	5.5%	3.0%	1.0%	1.6%
2015	2.2%	1.4%	0.5%	1.2%
Average Annual growth 2005-2015+	2.85%	1.54%	2.34%	2.58%

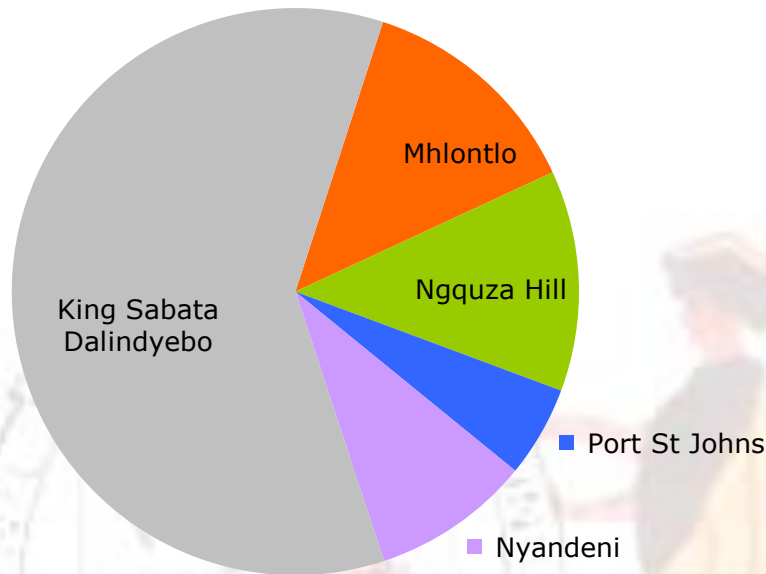
Source: IHS Global Insight 2016

In 2015, the Mhlontlo Local Municipality achieved an annual growth rate of 2.17% which is a significantly higher GDP growth than the Eastern Cape Province's 0.48%, but is higher than that of South Africa, where the 2015 GDP growth rate was 1.17%. Contrary to the short-term growth rate of 2015, the longer-term

average growth rate for Mhlontlo (2.85%) is slightly higher than that of South Africa (2.58%). The economic growth in Mhlontlo peaked in 2007 at 6.75%.

CHART 8. GROSS DOMESTIC PRODUCT (GDP) - MHLONTLO LOCAL MUNICIPALITY AND THE REST OF O.R.TAMBO, 2015 [PERCENTAGE]

Gross Domestic Product (GDP)
O.R.Tambo District Municipality, 2015



Source: IHS Global Insight 2016

The Mhlontlo Local Municipality had a total GDP of R 4.36 billion and in terms of total contribution towards O.R.Tambo District Municipality the Mhlontlo Local Municipality ranked second relative to all the regional economies to total O.R.Tambo District Municipality GDP. This ranking in terms of size compared to other regions of Mhlontlo remained the same since 2005. In terms of its share, it was in 2015 (13.1%) significantly larger compared to what it was in 2005 (11.9%). For the period 2005 to 2015, the average annual growth rate of 2.9% of Mhlontlo was the highest relative to its peers in terms of growth in constant 2010 prices.

TABLE 9. GROSS DOMESTIC PRODUCT (GDP) - REGIONS WITHIN O.R.TAMBO DISTRICT MUNICIPALITY, 2005 TO 2015, SHARE AND GROWTH

	2015 (Current prices)	Share of local municipality	2005 (Constant prices)	2015 (Constant prices)	Average Annual growth
Mhlontlo	4.36	13.09%	2.43	3.22	2.85%
Ngquza Hill	4.19	12.59%	2.48	3.07	2.17%
Port St Johns	1.73	5.20%	1.45	1.25	-1.50%
Nyandeni	3.02	9.05%	1.74	2.18	2.25%
King Sabata Dalindyebo	20.01	60.07%	12.60	14.40	1.35%

Source: IHS Global Insight 2016

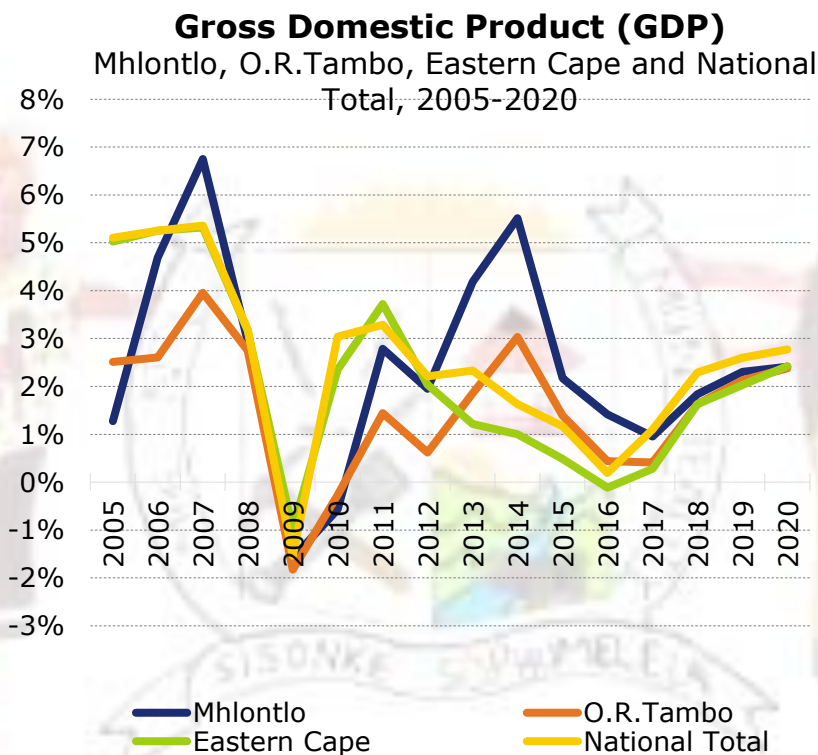
Mhlontlo had the highest average annual economic growth, averaging 2.85% between 2005 and 2015, when compared to the rest of the regions within O.R.Tambo District Municipality. The Nyandeni local municipality had the second

highest average annual growth rate of 2.25%. Port St Johns local municipality had the lowest average annual growth rate of -1.50% between 2005 and 2015.

7.2 Economic Growth Forecast

It is expected that Mhlontlo Local Municipality will grow at an average annual rate of 1.78% from 2015 to 2020. The average annual growth rate in the GDP of O.R.Tambo District Municipality and Eastern Cape Province is expected to be 1.39% and 1.24% respectively. South Africa is forecasted to grow at an average annual growth rate of 1.79%, which is higher than that of the Mhlontlo Local Municipality.

CHART 9. GROSS DOMESTIC PRODUCT (GDP) - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2005-2020 [AVERAGE ANNUAL GROWTH RATE, CONSTANT 2010 PRICES]



Source: IHS Global Insight 2016

In 2020, Mhlontlo's forecasted GDP will be an estimated R 3.52 billion (constant 2010 prices) or 13.6% of the total GDP of O.R.Tambo District Municipality. The ranking in terms of size of the Mhlontlo Local Municipality will remain the same between 2015 and 2020, with a contribution to the O.R.Tambo District Municipality GDP of 13.6% in 2020 compared to the 13.4% in 2015. At a 1.78% average annual GDP growth rate between 2015 and 2020, Mhlontlo ranked the second compared to the other regional economies.

TABLE 10. GROSS DOMESTIC PRODUCT (GDP) - REGIONS WITHIN O.R. TAMBO DISTRICT MUNICIPALITY, 2005 TO 2020, SHARE AND GROWTH

	2020 (Current prices)	Share of district municipality	2005 (Constant prices)	2020 (Constant prices)	Average Annual growth
Mhlontlo	6.37	24.64%	2.43	3.52	2.49%
Ngquza Hill	6.05	23.39%	2.48	3.32	1.97%
Port St Johns	2.31	8.94%	1.45	1.26	-0.97%
Nyandeni	4.46	17.25%	1.74	2.41	2.18%
King Sabata Dalindyebo	28.57	110.52%	12.60	15.35	1.33%

Source: IHS Global Insight 2016

7.3 Gross Value Added by Region (GVA-R)

The Mhlontlo Local Municipality's economy is made up of various industries. The GVA-R variable provides a sector breakdown, where each sector is measured in terms of its *value added* produced in the local economy.

Gross Value Added (GVA) is a measure of output (total production) of a region in terms of the value that was created within that region. GVA can be broken down into various production sectors.

The summary table below puts the Gross Value Added (GVA) of all the regions in perspective to that of the Mhlontlo Local Municipality.

TABLE 11. GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR - MHLONTLO LOCAL MUNICIPALITY, 2015 [R BILLIONS, CURRENT PRICES]

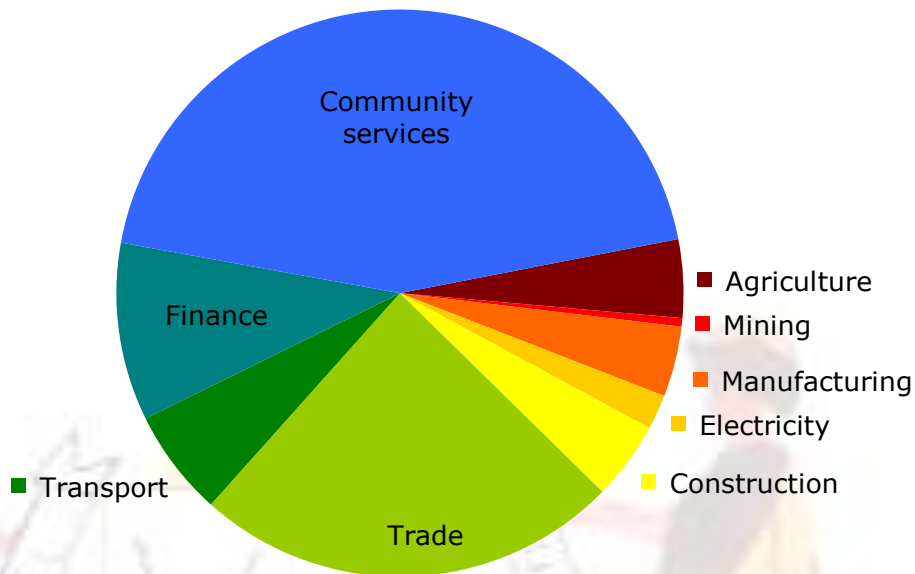
	Mhlontlo	O.R.Tambo	Eastern Cape	National Total	Mhlontlo as % of district municipality	Mhlontlo as % of province	Mhlontlo as % of national
Agriculture	0.2	0.5	5.1	85.1	33.8%	3.5%	0.21%
Mining	0.0	0.1	0.7	286.0	14.0%	2.8%	0.01%
Manufacturing	0.2	1.2	31.1	474.5	13.2%	0.5%	0.03%
Electricity	0.1	2.1	5.7	131.6	3.9%	1.4%	0.06%
Construction	0.2	1.2	12.9	145.3	14.7%	1.4%	0.12%
Trade	1.0	7.5	58.0	539.0	13.0%	1.7%	0.18%
Transport	0.2	1.8	26.4	368.0	13.4%	0.9%	0.07%
Finance	0.4	5.4	53.5	739.1	7.6%	0.8%	0.06%
Community services	1.8	11.1	81.7	821.2	16.1%	2.2%	0.22%
Total Industries	4.0	30.9	275.1	3,589.8	13.0%	1.5%	0.11%

Source: IHS Global Insight 2016

In 2015, the community services sector is the largest within Mhlontlo Local Municipality accounting for R 1.78 billion or 44.1% of the total GVA in the local municipality's economy. The sector that contributes the second most to the GVA of the Mhlontlo Local Municipality is the trade sector at 24.3%, followed by the finance sector with 10.1%. The sector that contributes the least to the economy of Mhlontlo Local Municipality is the mining sector with a contribution of R 19.6 million or 0.49% of the total GVA.

CHART 10. GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR -
MHLONTLO LOCAL MUNICIPALITY, 2015 [PERCENTAGE COMPOSITION]

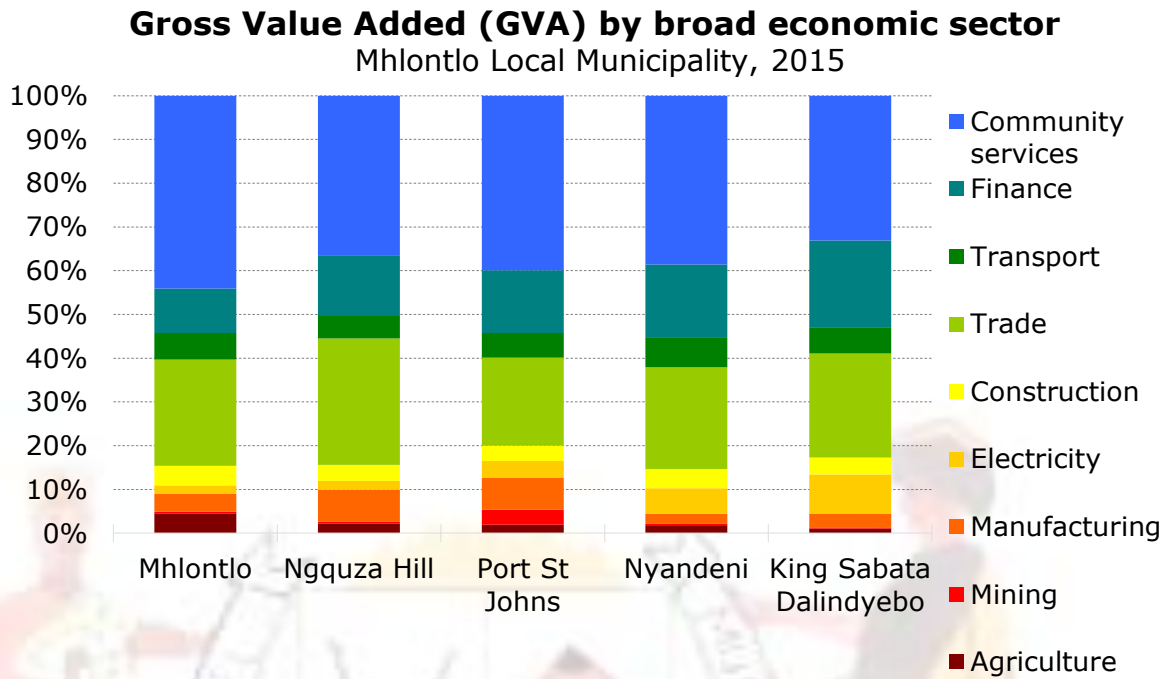
Gross Value Added (GVA) by broad economic sector
Mhlontlo Local Municipality, 2015



Source: IHS Global Insight 2016

The community sector, which includes the government services, is generally a large contributor towards GVA. When looking at all the regions within the O.R.Tambo District Municipality, it is clear that the King Sabata Dalindyebo contributes the most community services towards its own GVA, with 56.16%, relative to the other regions within O.R.Tambo District Municipality. The King Sabata Dalindyebo contributed R 18.8 billion or 60.72% to the GVA of O.R.Tambo District Municipality. The region within O.R.Tambo District Municipality that contributes the most to the GVA of the O.R.Tambo District Municipality was the Mhlontlo with a total of R 4.03 billion or 13.03%.

CHART 11. GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR - MHLONTLO, NGQUZA HILL, PORT ST JOHNS, NYANDENI AND KING SABATA DALINDYEBO, 2015 [PERCENTAGE COMPOSITION]



Source: IHS Global Insight 2016

7.4 Historical economic growth

For the period 2015 and 2005, the GVA in the construction sector had the highest average annual growth rate in Mhlontlo at 6.25%. The industry with the second highest average annual growth rate is the agriculture sector averaging at 5.26% per year. The manufacturing sector had an average annual growth rate of 1.16%, while the mining sector had the lowest average annual growth of -0.17%. Overall a positive growth existed for all the industries in 2015 with an annual growth rate of 2.06% since 2014.

TABLE 12. GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR - MHLONTLO LOCAL MUNICIPALITY, 2005, 2010 AND 2015 [R MILLIONS, 2010 CONSTANT PRICES]

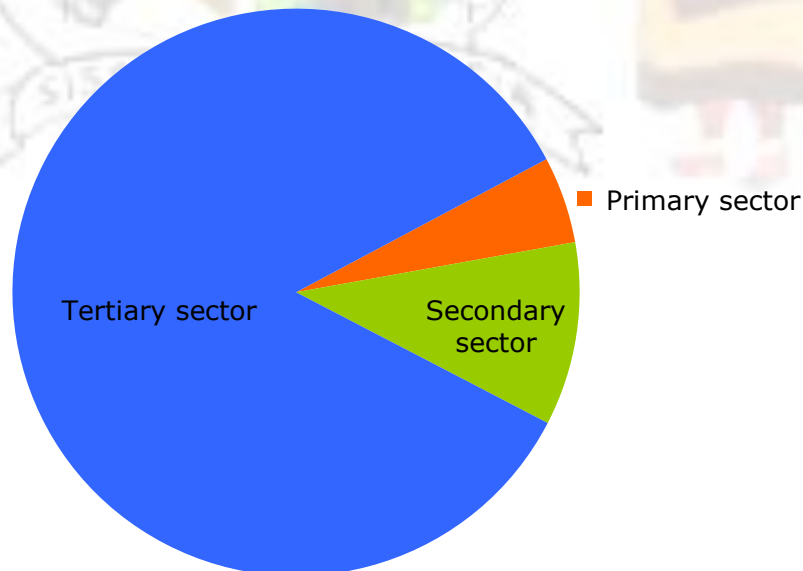
	2005	2010	2015	Average Annual growth
Agriculture	105.4	153.4	176.0	5.26%
Mining	17.8	15.5	17.5	-0.17%
Manufacturing	107.2	109.7	120.4	1.16%
Electricity	25.8	32.1	35.1	3.13%
Construction	62.8	92.7	115.2	6.25%
Trade	498.2	561.6	714.5	3.67%
Transport	123.3	130.7	157.9	2.50%
Finance	220.8	253.9	325.0	3.94%
Community services	1,075.3	1,187.6	1,340.2	2.23%
Total Industries	2,236.6	2,537.1	3,001.7	2.99%

Source: IHS Global Insight 2016

The tertiary sector contributes the most to the Gross Value Added within the Mhlontlo Local Municipality at 84.6%. This is significantly higher than the national economy (68.7%). The secondary sector contributed a total of 10.5% (ranking second), while the primary sector contributed the least at 4.9%.

CHART 12. GROSS VALUE ADDED (GVA) BY AGGREGATE ECONOMIC SECTOR - MHLONTLO LOCAL MUNICIPALITY, 2015 [PERCENTAGE]

Gross Value Added (GVA) by aggregate sector
Mhlontlo Local Municipality, 2015



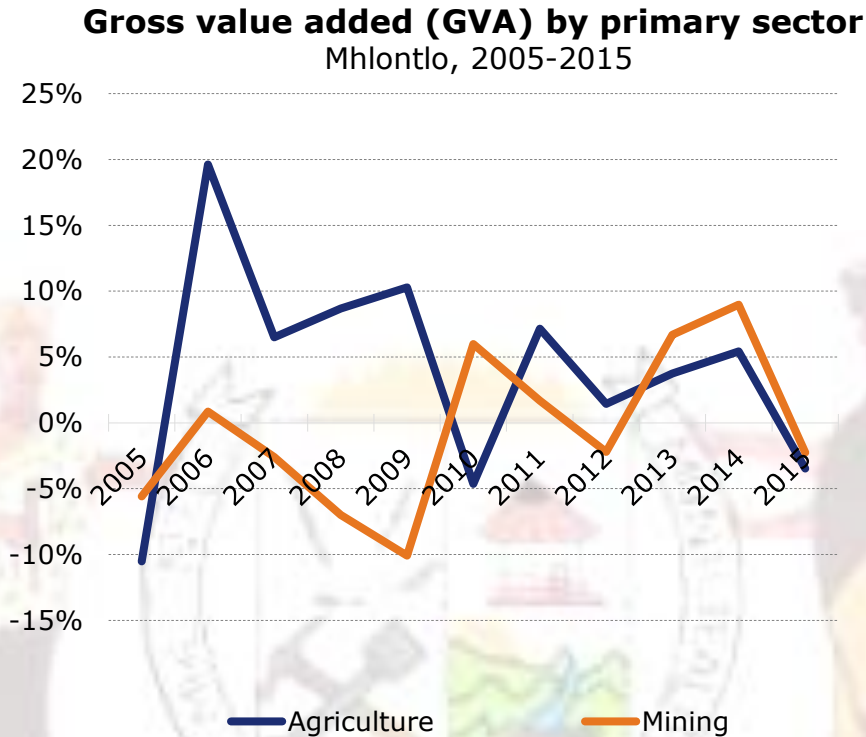
Source: IHS Global Insight 2016

The following is a breakdown of the Gross Value Added (GVA) by aggregated sector:

7.5 Primary sector

The primary sector consists of two broad economic sectors namely the mining and the agricultural sector. The following chart represents the average growth rate in the GVA for both of these sectors in Mhlontlo Local Municipality from 2005 to 2015.

CHART 13. GROSS VALUE ADDED (GVA) BY PRIMARY SECTOR - MHLONTLO, 2005-2015 [ANNUAL PERCENTAGE CHANGE]



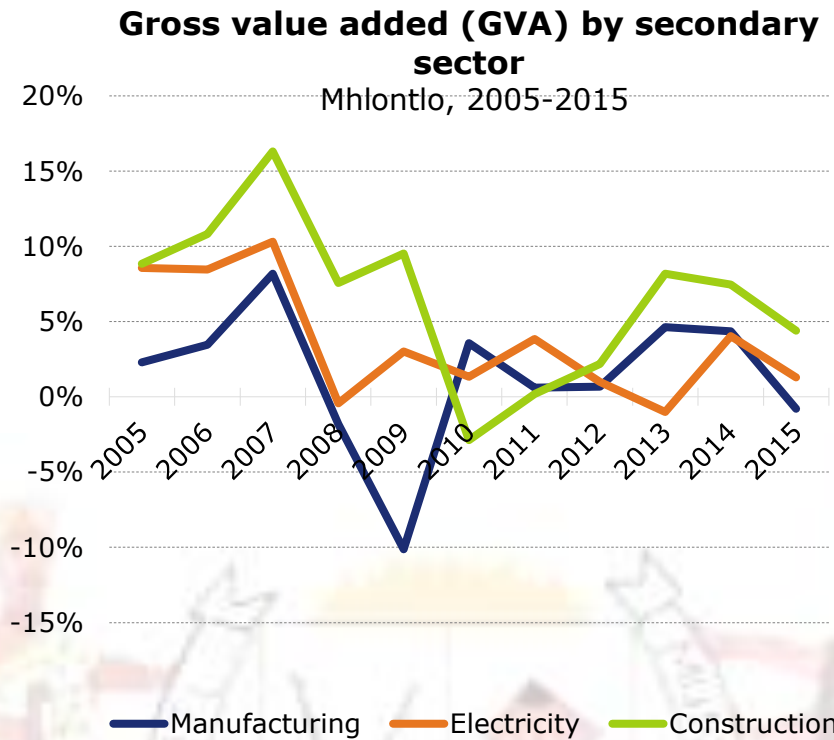
Source: IHS Global Insight 2016

Between 2005 and 2015, the agriculture sector experienced the highest positive growth in 2006 with an average growth rate of 19.6%. The mining sector reached its highest point of growth of 9.0% in 2014. The agricultural sector experienced the lowest growth for the period during 2005 at -10.5%, while the mining sector reaching its lowest point of growth in 2009 at -10.1%. Both the agriculture and mining sectors are generally characterised by volatility in growth over the period.

7.6 Secondary sector

The secondary sector consists of three broad economic sectors namely the manufacturing, electricity and the construction sector. The following chart represents the average growth rates in the GVA for these sectors in Mhlontlo Local Municipality from 2005 to 2015.

CHART 14. GROSS VALUE ADDED (GVA) BY SECONDARY SECTOR - MHLONTLO, 2005-2015 [ANNUAL PERCENTAGE CHANGE]



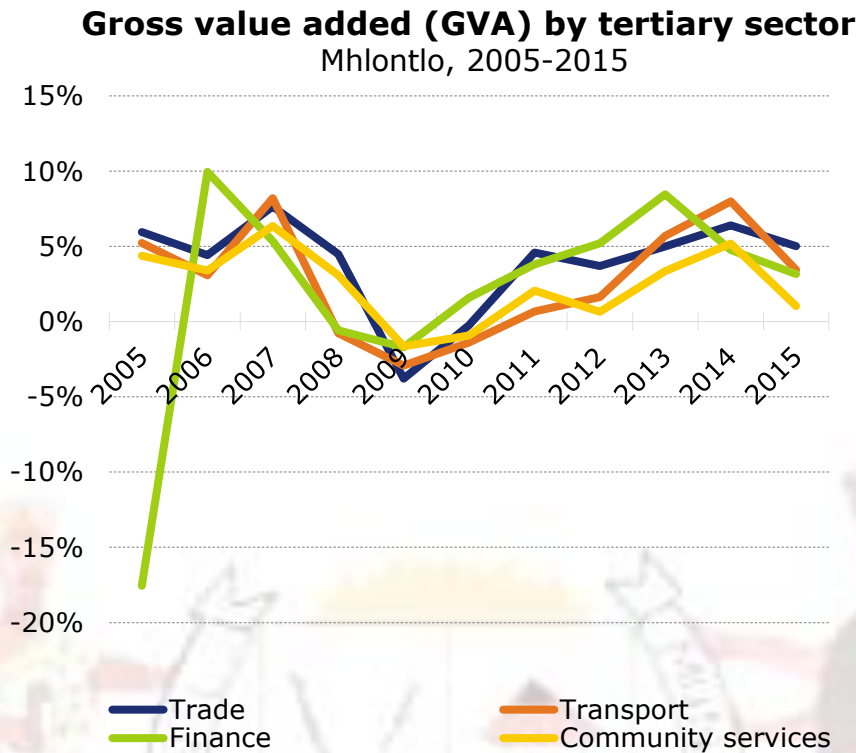
Source: IHS Global Insight 2016

Between 2005 and 2015, the manufacturing sector experienced the highest positive growth in 2007 with a growth rate of 8.2%. It is evident for the construction sector that the highest positive growth rate also existed in 2007 and it experienced a growth rate of 16.3% which is higher than that of the manufacturing sector. The manufacturing sector experienced its lowest growth in 2010 of -10.1%, while construction sector reached its lowest point of growth in 2010 a with -2.9% growth rate. The electricity sector experienced the highest growth in 2007 at 10.3%, while it recorded the lowest growth of -1.0% in 2013.

7.7 Tertiary sector

The tertiary sector consists of four broad economic sectors namely the trade, transport, finance and the community services sector. The following chart represents the average growth rates in the GVA for these sectors in Mhlontlo Local Municipality from 2005 to 2015.

CHART 15. GROSS VALUE ADDED (GVA) BY TERTIARY SECTOR - MHLONTLO, 2005-2015 [ANNUAL PERCENTAGE CHANGE]



Source: IHS Global Insight 2016

The trade sector experienced the highest positive growth in 2007 with a growth rate of 7.6%. It is evident for the transport sector that the highest positive growth rate also existed in 2007 at 8.2% which is higher than that of the manufacturing sector. The finance sector experienced the highest growth rate in 2006 when it grew by 9.9% and recorded the lowest growth rate in 2005 at -17.6%. The Trade sector had the lowest growth rate in 2009 at -3.8%. The community services sector, which largely consists of government, experienced its highest positive growth in 2007 with 6.4% and the lowest growth rate in 2009 with -1.6%.

7.8 Sector growth forecast

The GVA forecasts are based on forecasted growth rates derived from two sources: historical growth rate estimates and national level industry forecasts. The projections are therefore partly based on the notion that regions that have performed well in the recent past are likely to continue performing well (and vice versa) and partly on the notion that those regions that have prominent sectors that are forecast to grow rapidly in the national economy (e.g. finance and telecommunications) are likely to perform well (and vice versa). As the target year moves further from the base year (2010) so the emphasis moves from historical growth rates to national-level industry growth rates.

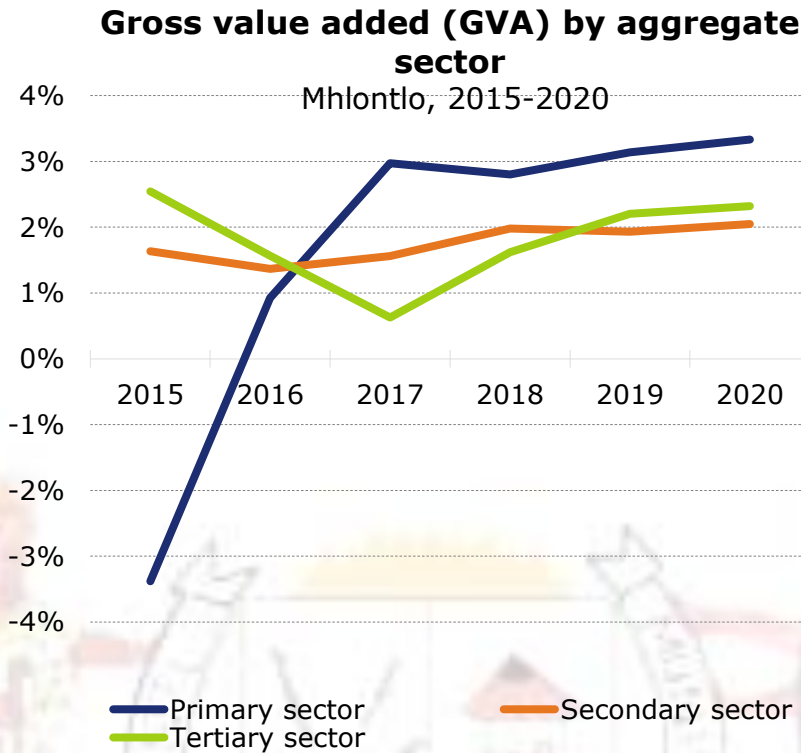
TABLE 13. GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR - MHLONTLO LOCAL MUNICIPALITY, 2015-2020 [R MILLIONS, CONSTANT 2010 PRICES]

	2015	2016	2017	2018	2019	2020	Average Annual growth
Agriculture	176.0	178.3	183.8	189.4	195.8	203.0	2.90%
Mining	17.5	17.0	17.2	17.3	17.4	17.2	-0.26%
Manufacturing	120.4	121.5	121.4	122.4	123.3	124.0	0.59%
Electricity	35.1	34.7	34.7	35.1	35.7	36.4	0.76%
Construction	115.2	118.1	122.5	126.6	130.6	135.1	3.25%
Trade	714.5	731.8	743.9	766.6	797.2	830.6	3.06%
Transport	157.9	158.7	161.6	166.4	171.1	177.1	2.32%
Finance	325.0	330.1	336.3	348.0	359.8	372.7	2.78%
Community services	1,340.2	1,356.7	1,351.7	1,354.5	1,365.5	1,375.7	0.52%
Total Industries	3,001.7	3,046.9	3,073.1	3,126.3	3,196.4	3,271.9	1.74%

Source: IHS Global Insight 2016

The construction sector is expected to grow fastest at an average of 3.25% annually from R 115 million in Mhlontlo Local Municipality to R 135 million in 2020. The community services sector is estimated to be the largest sector within the Mhlontlo Local Municipality in 2020, with a total share of 42.0% of the total GVA (as measured in current prices), growing at an average annual rate of 0.5%. The sector that is estimated to grow the slowest is the mining sector with an average annual growth rate of -0.26%.

CHART 16. GROSS VALUE ADDED (GVA) BY AGGREGATE ECONOMIC SECTOR - MHLONTLO LOCAL MUNICIPALITY, 2015-2020 [ANNUAL GROWTH RATE, CONSTANT 2010 PRICES]



Source: IHS Global Insight 2016

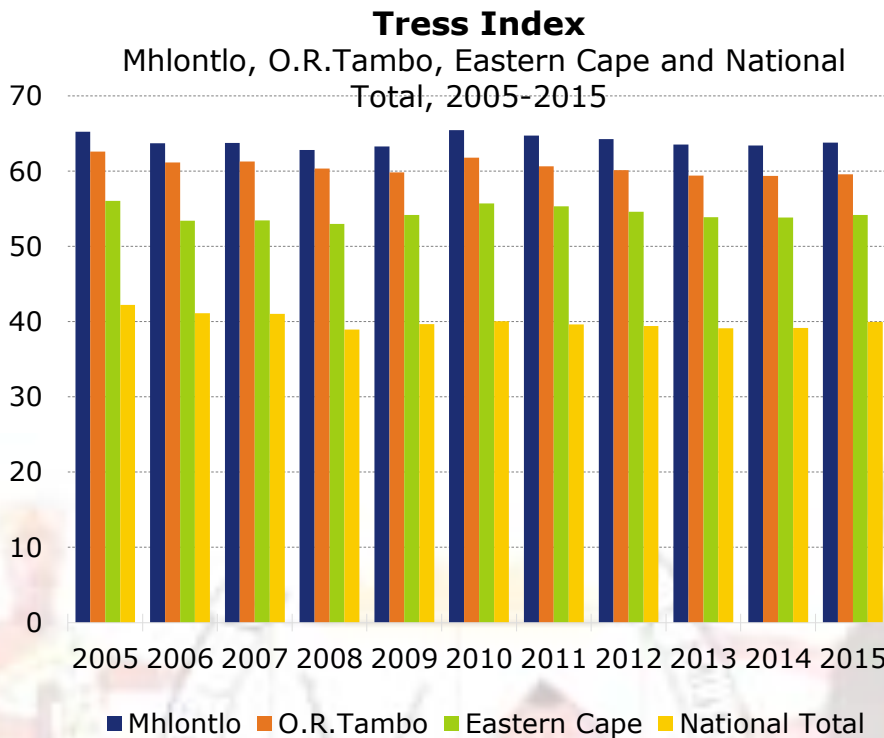
The Primary sector is expected to grow at an average annual rate of 2.63% between 2015 and 2020, with the Secondary sector growing at 1.78% on average annually. The Tertiary sector is expected to grow at an average annual rate of 1.67% for the same period.

Based on the typical profile of a developing country, we can expect faster growth in the secondary and tertiary sectors when compared to the primary sector. Also remember that the agricultural sector is prone to very high volatility as a result of uncertain weather conditions, pests and other natural causes - and the forecasts presented here is merely a long-term trend rather than trying to forecast the unpredictable weather conditions.

7.9 Tress Index

The Tress index measures the degree of concentration of an area's economy on a sector basis. A Tress index value of 0 means that all economic sectors in the region contribute equally to GVA, whereas a Tress index of 100 means that only one economic sector makes up the whole GVA of the region.

CHART 17. TRESS INDEX - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2005-2015 [NUMBER]



Source: IHS Global Insight 2016

In 2015, Mhlontlo's Tress Index was estimated at 63.8 which are higher than the 59.6 of the district municipality and higher than the 59.6 of the province. This implies that - on average - Mhlontlo Local Municipality is less diversified in terms of its economic activity spread than the province's economy as a whole.

The Mhlontlo Local Municipality has a concentrated community services sector.

The more diverse an economy is, the more likely it is to create employment opportunities across all skills levels (and not only - for instance - employment opportunities that cater for highly skilled labourers), and maintain a healthy balance between labour-intensive and capital-intensive industries. If both economic growth and the alleviation of unemployment are of concern, clearly there need to be industries that are growing fast and also creating jobs in particular the lower skilled categories. Unfortunately, in practice many industries that are growing fast are not those that create many employment opportunities for unskilled labourers (and alleviate unemployment).

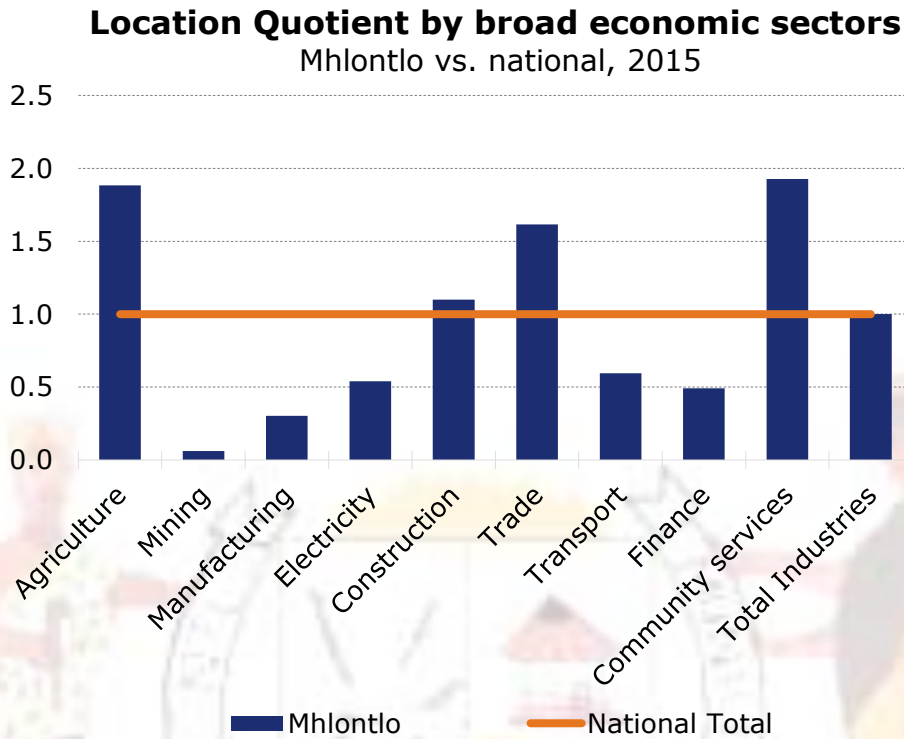
7.10 Location quotient

A specific regional economy has a comparative advantage over other regional economies if it can more efficiently produce the same good. The location quotient is one way of measuring this comparative advantage.

If the location quotient is larger than one for a specified sector within a region, then that region has a comparative advantage in that sector. This is because the share of that sector of the specified regional economy is greater than the same sector in the national economy. The location quotient is usually computed by

taking the percentage share of the sector in the regional economy divided by the percentage share of that same sector in the national economy.

CHART 18. LOCATION QUOTIENT BY BROAD ECONOMIC SECTORS - MHLONTLO LOCAL MUNICIPALITY AND SOUTH AFRICA, 2015 [NUMBER]



Source: IHS Global Insight 2016

For 2015 Mhlontlo Local Municipality has a very large comparative advantage in the community services sector. The agriculture sector also has a very large comparative advantage. The trade also has a comparative advantage when comparing it to the South Africa economy as a whole, although less prominent. The Mhlontlo Local Municipality has a comparative disadvantage when it comes to the mining and manufacturing sector which has a very large comparative disadvantage. In general mining is a very concentrated economic sector. Unfortunately the Mhlontlo Local Municipality area currently does not have a lot of mining activity, with an LQ of only 0.061.

7.11 Labour

The labour force of a country consists of everyone of working age (above a certain age and below retirement) that are participating as workers, i.e. people who are actively employed or seeking employment. This is also called the economically active population (EAP). People not included are students, retired people, stay-at-home parents, people in prisons or similar institutions, people employed in jobs or professions with unreported income, as well as discouraged workers who cannot find work.

TABLE 14. WORKING AGE POPULATION IN MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2005 AND 2015 [NUMBER]

	Mhlontlo		O.R.Tambo		Eastern Cape		National Total	
	2005	2015	2005	2015	2005	2015	2005	2015
15-19	29,000	21,800	188,000	168,000	810,000	637,000	5,340,000	4,550,000
20-24	20,600	20,200	145,000	158,000	694,000	712,000	5,150,000	5,110,000
25-29	12,500	15,600	93,300	136,000	509,000	679,000	4,380,000	5,660,000
30-34	7,590	12,700	56,300	109,000	345,000	570,000	3,460,000	5,150,000
35-39	6,700	8,800	45,400	71,600	292,000	407,000	2,910,000	4,030,000
40-44	6,860	5,880	46,000	44,200	294,000	284,000	2,600,000	2,990,000
45-49	7,010	5,520	42,300	37,800	285,000	248,000	2,260,000	2,490,000
50-54	5,920	5,840	36,500	38,500	237,000	253,000	1,830,000	2,240,000
55-59	5,690	6,240	29,700	37,700	201,000	246,000	1,470,000	1,940,000
60-64	4,810	5,540	29,600	31,700	172,000	203,000	1,150,000	1,570,000
Total	106,811	108,039	712,184	832,692	3,838,059	4,239,339	30,554,969	35,730,681

Source: IHS Global Insight 2016

The working age population in Mhlontlo in 2015 was 108 000, increasing at an average annual rate of 0.11% since 2005. For the same period the working age population for O.R.Tambo District Municipality increased at 1.58% annually, while that of Eastern Cape Province increased at 1.00% annually. South Africa's working age population has increased annually by 1.58% from 30.6 million in 2005 to 35.7 million in 2015.

In theory, a higher or increasing population dividend is supposed to provide additional stimulus to economic growth. People of working age tend to uphold higher consumption patterns (Final Consumption Expenditure, FCE), and a more dense concentration of working age people is supposed to decrease dependency ratios - given that the additional labour which is offered to the market, is absorbed.

7.12 Economically Active Population (EAP)

The economically active population (EAP) is a good indicator of how many of the total working age population are in reality participating in the labour market of a region. If a person is economically active, he or she forms part of the labour force.

The economically active population (EAP) is defined as the number of people (between the age of 15 and 65) who are able and willing to work, and who are actively looking for work. It includes both employed and unemployed people. People, who recently have not taken any active steps to find employment, are not included in the measure. These people may (or may not) consider themselves

unemployed. Regardless, they are counted as discouraged work seekers, and thus form part of the non-economically active population.

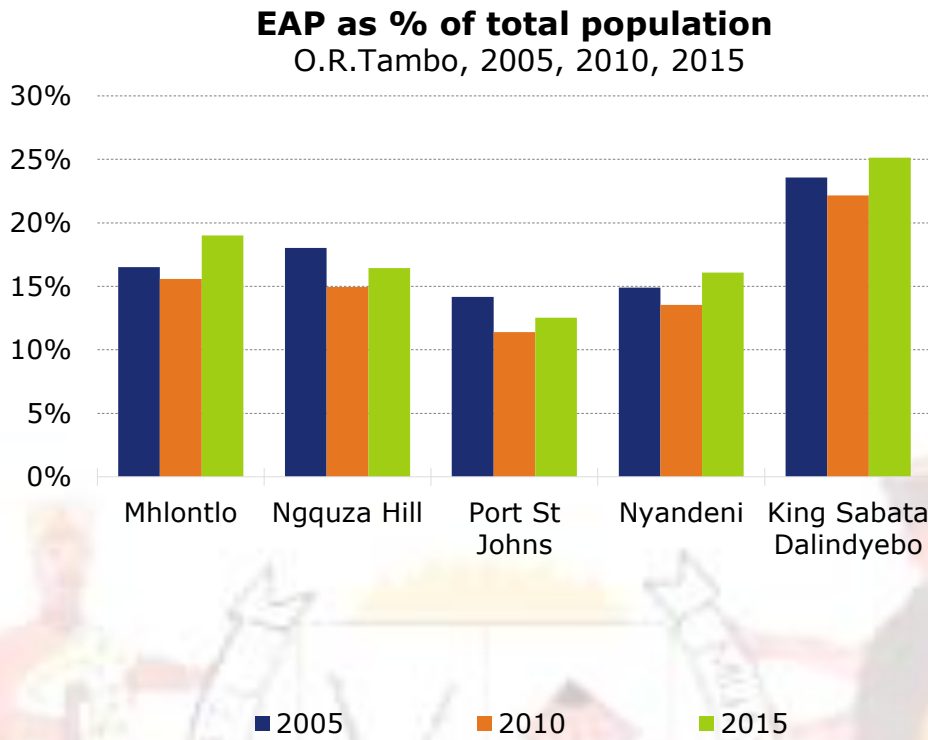
TABLE 15. ECONOMICALLY ACTIVE POPULATION (EAP) - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2005-2015 [NUMBER, PERCENTAGE]

	Mhlontlo	O.R.Tambo	Eastern Cape	National Total	Mhlontlo as % of district municipality	Mhlontlo as % of province	Mhlontlo as % of national
2005	33,600	247,000	1,800,000	17,100,000	13.6%	1.86%	0.20%
2006	34,600	256,000	1,840,000	17,500,000	13.5%	1.88%	0.20%
2007	34,500	259,000	1,850,000	18,000,000	13.3%	1.87%	0.19%
2008	33,700	254,000	1,840,000	18,400,000	13.2%	1.83%	0.18%
2009	32,100	244,000	1,790,000	18,300,000	13.1%	1.79%	0.17%
2010	30,200	231,000	1,730,000	18,100,000	13.1%	1.74%	0.17%
2011	29,700	227,000	1,740,000	18,300,000	13.1%	1.71%	0.16%
2012	30,400	232,000	1,770,000	18,700,000	13.1%	1.72%	0.16%
2013	32,400	246,000	1,840,000	19,300,000	13.2%	1.76%	0.17%
2014	35,200	268,000	1,940,000	20,100,000	13.2%	1.82%	0.17%
2015	36,700	279,000	1,990,000	20,700,000	13.1%	1.84%	0.18%
Average Annual growth							
2005-2015	0.88%	1.22%	1.01%	1.92%			

Source: IHS Global Insight 2016

Mhlontlo Local Municipality's EAP was 36 700 in 2015, which is 19.00% of its total population of 193 000, and roughly 13.14% of the total EAP of the O.R.Tambo District Municipality. From 2005 to 2015, the average annual increase in the EAP in the Mhlontlo Local Municipality was 0.88%, which is 0.332 percentage points lower than the growth in the EAP of O.R.Tambo's for the same period.

CHART 19. EAP AS % OF TOTAL POPULATION - MHLONTLO AND THE REST OF O.R.TAMBO, 2005, 2010, 2015 [PERCENTAGE]



Source: IHS Global Insight 2016

In 2005, 16.5% of the total population in Mhlontlo Local Municipality were classified as economically active which increased to 19.0% in 2015. Compared to the other regions in O.R.Tambo District Municipality, King Sabata Dalindyebo local municipality had the highest EAP as a percentage of the total population within its own region relative to the other regions. On the other hand, Port St Johns local municipality had the lowest EAP with 12.5% people classified as economically active population in 2015.

7.13 Labour Force Participation Rate (LFPR)

The labour force participation rate (LFPR) is the Economically Active Population (EAP) expressed as a percentage of the total working age population. The following is the labour participation rate of the Mhlontlo, O.R.Tambo, Eastern Cape and National Total as a whole.

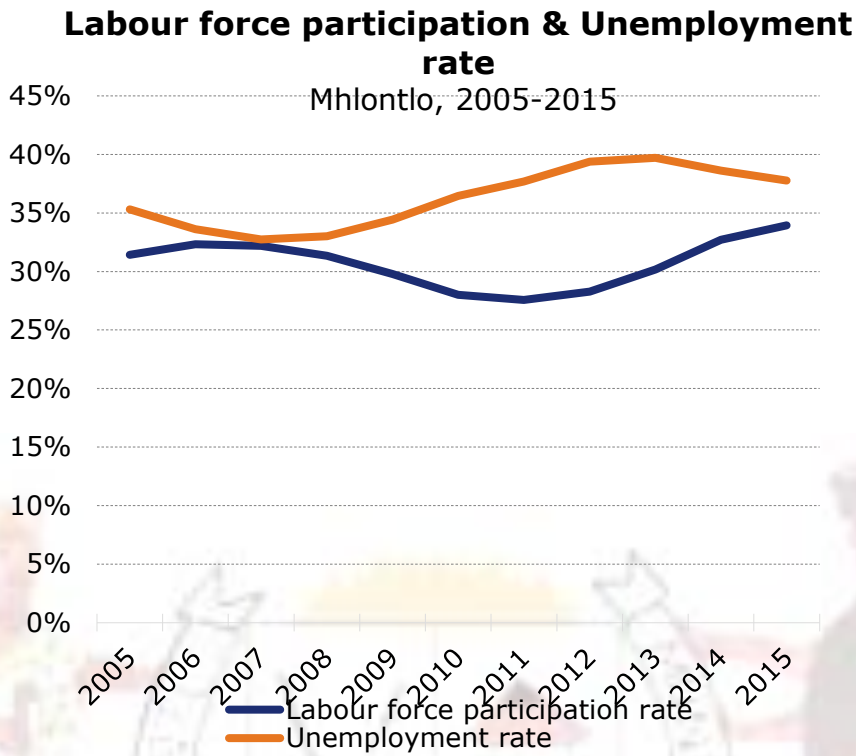
TABLE 16. THE LABOUR FORCE PARTICIPATION RATE - MHLONTLO, O.R. TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2005-2015 [PERCENTAGE]

	Mhlontlo	O.R.Tambo	Eastern Cape	National Total
2005	31.4%	34.7%	46.9%	55.9%
2006	32.3%	35.5%	47.6%	56.4%
2007	32.2%	35.1%	47.3%	57.0%
2008	31.3%	33.8%	46.5%	57.4%
2009	29.8%	31.7%	44.9%	56.2%
2010	28.0%	29.5%	42.9%	54.5%
2011	27.6%	28.6%	42.6%	54.3%
2012	28.3%	28.9%	43.1%	54.7%
2013	30.2%	30.4%	44.4%	55.7%
2014	32.7%	32.6%	46.2%	57.1%
2015	33.9%	33.5%	47.0%	57.9%

Source: IHS Global Insight 2016

The Mhlontlo Local Municipality's labour force participation rate increased from 31.44% to 33.94% which is an increase of 2.5 percentage points. The O.R.Tambo District Municipality decreased from 34.71% to 33.50%, Eastern Cape Province increased from 46.92% to 46.95% and South Africa increased from 55.93% to 57.85% from 2005 to 2015. The Mhlontlo Local Municipality labour force participation rate exhibited a higher percentage point change compared to the Eastern Cape Province from 2005 to 2015. The Mhlontlo Local Municipality had a lower labour force participation rate when compared to South Africa in 2015.

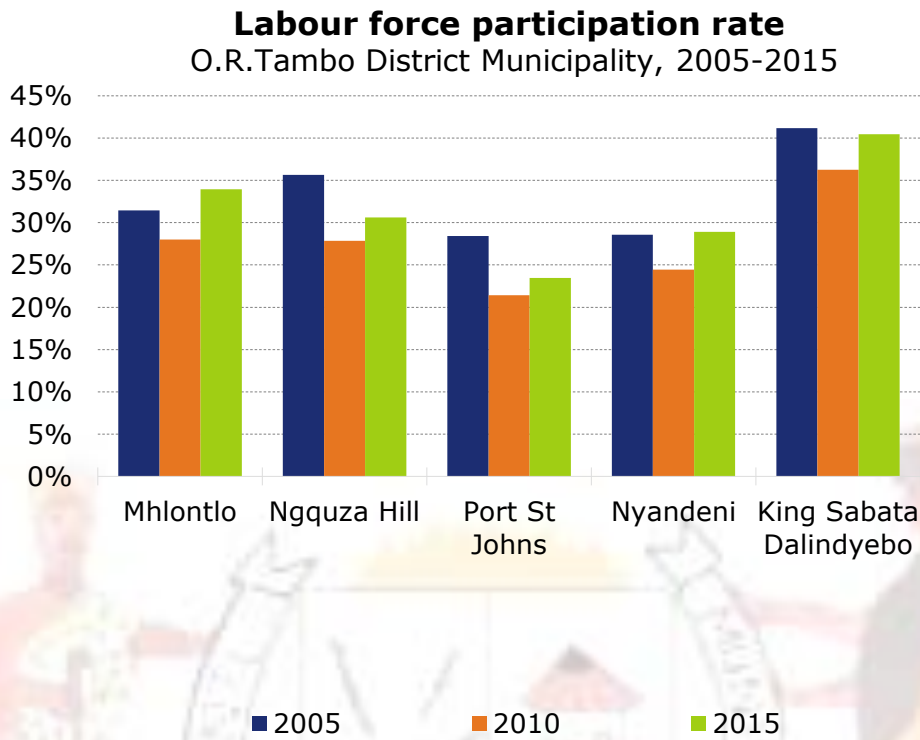
CHART 20. THE LABOUR FORCE PARTICIPATION RATE - MHLONTLO LOCAL MUNICIPALITY, 2005-2015 [PERCENTAGE]



Source: IHS Global Insight 2016

In 2015 the labour force participation rate for Mhlontlo was at 33.9% which is slightly higher when compared to the 31.4% in 2005. The unemployment rate is an efficient indicator that measures the success rate of the labour force relative to employment. In 2005, the unemployment rate for Mhlontlo was 35.3% and increased overtime to 37.8% in 2015. The gap between the labour force participation rate and the unemployment rate decreased which indicates a negative outlook for the employment within Mhlontlo Local Municipality.

CHART 21. THE LABOUR FORCE PARTICIPATION RATE - MHLONTLO, NGQUZA HILL, PORT ST JOHNS, NYANDENI AND KING SABATA DALINDYEBO, 2005, 2010 AND 2015 [PERCENTAGE]



Source: IHS Global Insight 2016

King Sabata Dalindyebo local municipality had the highest labour force participation rate with 40.4% in 2015 decreasing from 41.2% in 2005. Port St Johns local municipality had the lowest labour force participation rate of 23.4% in 2015, this decreased from 28.4% in 2005.

7.14 Total employment

Employment data is a key element in the estimation of unemployment. In addition, trends in employment within different sectors and industries normally indicate significant structural changes in the economy. Employment data is also used in the calculation of productivity, earnings per worker, and other economic indicators.

Total employment consists of two parts: employment in the formal sector, and employment in the informal sector.

TABLE 17. TOTAL EMPLOYMENT - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2005-2015 [NUMBERS]

	Mhlontlo	O.R.Tambo	Eastern Cape	National Total
2005	21,900	163,000	1,290,000	12,500,000
2006	23,200	173,000	1,330,000	13,000,000
2007	23,700	178,000	1,350,000	13,500,000
2008	23,200	176,000	1,350,000	14,100,000
2009	21,900	167,000	1,320,000	14,000,000
2010	20,200	155,000	1,260,000	13,600,000
2011	19,600	151,000	1,260,000	13,800,000
2012	19,400	149,000	1,270,000	14,000,000
2013	20,500	156,000	1,310,000	14,500,000
2014	22,500	171,000	1,370,000	15,100,000
2015	23,700	180,000	1,410,000	15,400,000
Average Annual growth				
2005-2015	0.79%	1.05%	0.93%	2.07%

Source: IHS Global Insight 2016

In 2015, Mhlontlo employed 23 700 people which is 13.16% of the total employment in O.R.Tambo District Municipality (180 000), 1.68% of total employment in Eastern Cape Province (1.41 million), and 0.15% of the total employment of 15.4 million in South Africa. Employment within Mhlontlo increased annually at an average rate of 0.79% from 2005 to 2015.

TABLE 18. TOTAL EMPLOYMENT PER BROAD ECONOMIC SECTOR - MHLONTLO AND THE REST OF O.R.TAMBO, 2015 [NUMBERS]

	Mhlontlo	Ngquza Hill	Port St Johns	Nyandeni	King Sabata Dalindyebo	Total O.R.Tambo
Agriculture	1,400	928	571	442	2,090	5,439
Mining	36	76	46	76	123	358
Manufacturing	1,100	798	516	576	2,730	5,716
Electricity	122	143	76	197	573	1,112
Construction	3,010	3,310	1,990	2,360	9,980	20,652
Trade	4,740	5,290	3,270	4,460	24,400	42,210
Transport	1,330	875	588	1,080	4,740	8,622
Finance	1,890	1,980	1,280	2,350	10,700	18,232
Community services	8,180	8,620	5,470	7,140	33,500	62,953
Households	1,920	1,960	1,120	1,670	8,460	15,131
Total	23,700	24,000	14,900	20,400	97,400	180,424

Source: IHS Global Insight 2016

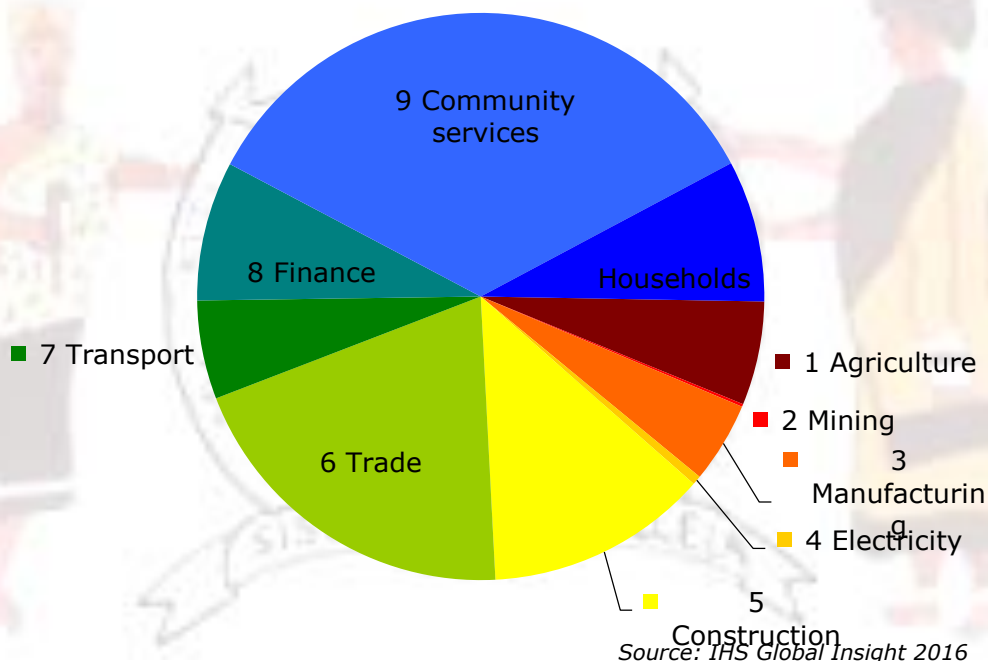
Mhlontlo Local Municipality employs a total number of 23 700 people within its local municipality. The local municipality that employs the highest number of people relative to the other regions within O.R.Tambo District Municipality is King Sabata Dalindyebo local municipality with a total number of 97 400. The local

municipality that employs the lowest number of people relative to the other regions within O.R.Tambo District Municipality is Port St Johns local municipality with a total number of 14 900 employed people.

In Mhlontlo Local Municipality the economic sectors that recorded the largest number of employment in 2015 were the community services sector with a total of 8 180 employed people or 34.5% of total employment in the local municipality. The trade sector with a total of 4 740 (20.0%) employs the second highest number of people relative to the rest of the sectors. The mining sector with 36.4 (0.2%) is the sector that employs the least number of people in Mhlontlo Local Municipality, followed by the electricity sector with 122 (0.5%) people employed.

CHART 22. TOTAL EMPLOYMENT PER BROAD ECONOMIC SECTOR - MHLONTLO LOCAL MUNICIPALITY, 2015 [PERCENTAGE]

Total Employment Composition
Mhlontlo, 2015



7.15 Formal and informal employment

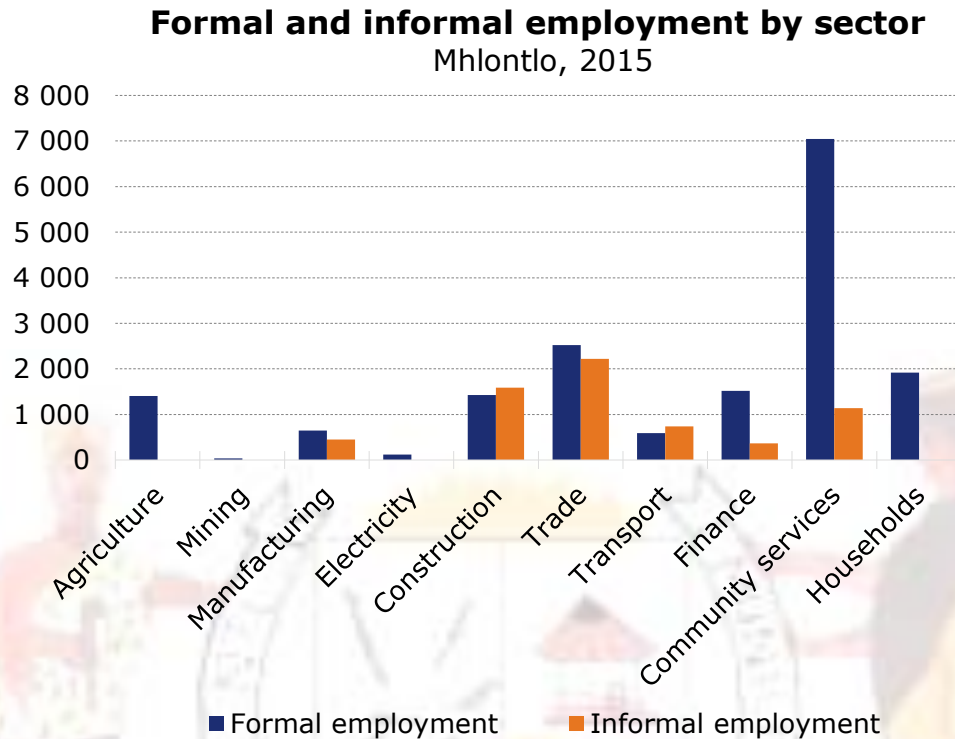
Total employment can be broken down into formal and informal sector employment. Formal sector employment is measured from the formal business side, and the informal employment is measured from the household side where formal businesses have not been established.

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

The number of formally employed people in Mhlontlo Local Municipality counted 17 200 in 2015, which is about 72.58% of total employment, while the number of people employed in the informal sector counted 6 510 or 27.42% of the total

employment. Informal employment in Mhlontlo increased from 6 200 in 2005 to an estimated 6 510 in 2015.

CHART 23. FORMAL AND INFORMAL EMPLOYMENT BY BROAD ECONOMIC SECTOR - MHLONTLO LOCAL MUNICIPALITY, 2015 [NUMBERS]



Source: IHS Global 2016

Some of the economic sectors have little or no informal employment: Mining industry, due to well-regulated mining safety policies, and the strict registration of a mine, has little or no informal employment. The Electricity sector is also well regulated, making it difficult to get information on informal employment. Domestic Workers and employment in the Agriculture sector is typically counted under a separate heading.

In 2015 the Trade sector recorded the highest number of informally employed, with a total of 2 220 employees or 34.14% of the total informal employment. This can be expected as the barriers to enter the Trade sector in terms of capital and skills required is less than with most of the other sectors. The Finance sector has the lowest informal employment with 368 and only contributes 5.66% to total informal employment.

TABLE 19. FORMAL AND INFORMAL EMPLOYMENT BY BROAD ECONOMIC SECTOR -
MHLONTLO LOCAL MUNICIPALITY, 2015 [NUMBERS]

	Formal employment	Informal employment
Agriculture	1,400	N/A
Mining	36	N/A
Manufacturing	647	448
Electricity	122	N/A
Construction	1,420	1,590
Trade	2,520	2,220
Transport	593	741
Finance	1,520	368
Community services	7,040	1,140
Households	1,920	N/A

Source: IHS Global Insight 2016

The informal sector is vital for the areas with very high unemployment and very low labour participation rates. Unemployed people see participating in the informal sector as a survival strategy. The most desirable situation would be to get a stable formal job. But because the formal economy is not growing fast enough to generate adequate jobs, the informal sector is used as a survival mechanism.

7.16 Unemployment

The unemployed includes all persons between 15 and 65 who are currently not working, but who are actively looking for work. It therefore excludes people who are not actively seeking work (referred to as discouraged work seekers).

The choice of definition for what constitutes being unemployed has a large impact on the final estimates for all measured labour force variables. The following definition was adopted by the Thirteenth International Conference of Labour Statisticians (Geneva, 1982): The "unemployed" comprise all persons above a specified age who during the reference period were:

- "Without work", i.e. not in paid employment or self-employment;
- "Currently available for work", i.e. were available for paid employment or self-employment during the reference period; and
- "Seeking work", i.e. had taken specific steps in a specified reference period to seek paid employment or self-employment. The specific steps may include registration at a public or private employment exchange; application to employers; checking at worksites, farms, factory gates, market or other assembly places; placing or answering newspaper advertisements; seeking assistance of friends or relatives; looking for land.

TABLE 20. UNEMPLOYMENT (OFFICIAL DEFINITION) - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2005-2015 [NUMBER PERCENTAGE]

	Mhlontlo	O.R.Tambo	Eastern Cape	National Total	Mhlontlo as % of district municipality	Mhlontlo as % of province	Mhlontlo as % of national
2005	11,900	82,300	515,000	4,550,000	14.4%	2.3%	0.26%
2006	11,600	80,700	512,000	4,510,000	14.4%	2.3%	0.26%
2007	11,300	78,600	503,000	4,460,000	14.4%	2.2%	0.25%
2008	11,100	77,100	488,000	4,350,000	14.4%	2.3%	0.26%
2009	11,000	76,400	483,000	4,370,000	14.5%	2.3%	0.25%
2010	11,000	75,600	480,000	4,490,000	14.6%	2.3%	0.25%
2011	11,200	76,100	485,000	4,570,000	14.7%	2.3%	0.25%
2012	12,000	82,000	508,000	4,690,000	14.6%	2.4%	0.25%
2013	12,900	88,900	542,000	4,850,000	14.5%	2.4%	0.27%
2014	13,600	94,300	569,000	5,060,000	14.4%	2.4%	0.27%
2015	13,800	96,500	584,000	5,280,000	14.4%	2.4%	0.26%
Average Annual growth							
2005-2015	1.56%	1.60%	1.27%	1.50%			

Source: IHS Global Insight 2016

In 2015, there were a total number of 13 800 people unemployed in Mhlontlo, which is an increase of 1 990 from 11 900 in 2005. The total number of unemployed people within Mhlontlo constitutes 14.36% of the total number of unemployed people in O.R.Tambo District Municipality. The Mhlontlo Local Municipality experienced an average annual increase of 1.56% in the number of unemployed people, which is better than that of the O.R.Tambo District Municipality which had an average annual increase in unemployment of 1.60%.

TABLE 21. UNEMPLOYMENT RATE (OFFICIAL DEFINITION) - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2005-2015 [PERCENTAGE]

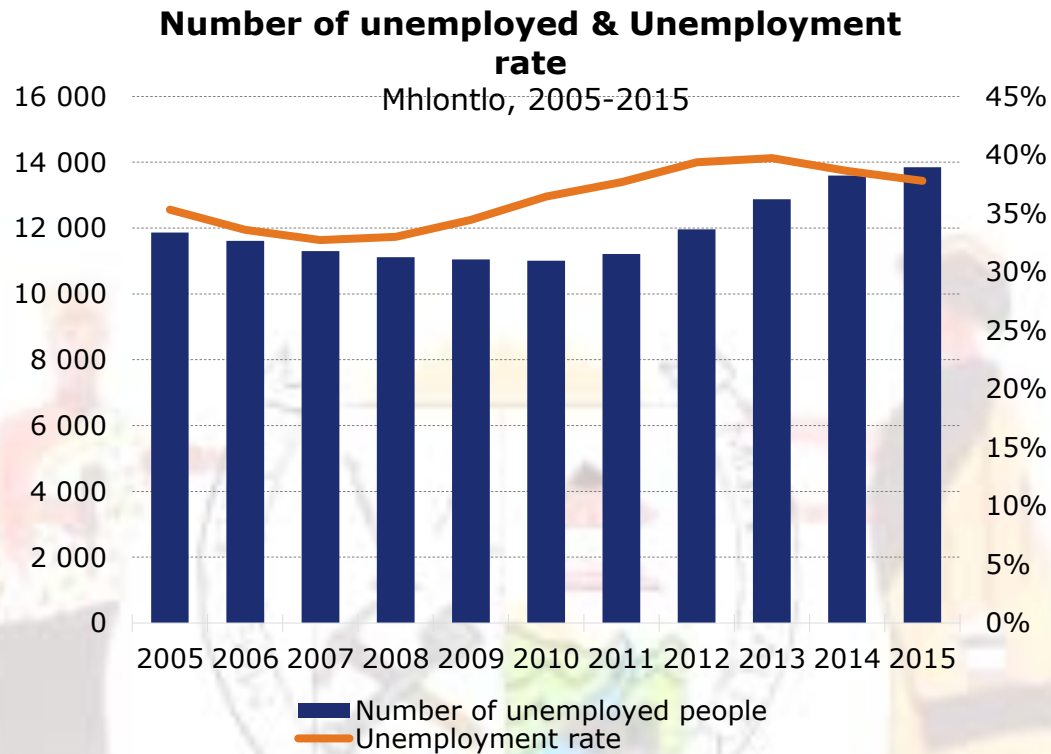
	Mhlontlo	O.R.Tambo	Eastern Cape	National Total
2005	35.3%	33.3%	28.6%	26.6%
2006	33.6%	31.5%	27.8%	25.8%
2007	32.7%	30.4%	27.2%	24.8%
2008	33.0%	30.3%	26.6%	23.6%
2009	34.4%	31.3%	26.9%	23.8%
2010	36.4%	32.8%	27.7%	24.8%
2011	37.7%	33.5%	27.9%	24.9%
2012	39.4%	35.4%	28.7%	25.0%
2013	39.7%	36.1%	29.4%	25.1%
2014	38.6%	35.2%	29.4%	25.1%
2015	37.8%	34.6%	29.4%	25.5%

Source: IHS Global Insight 2016

In 2015, the unemployment rate in Mhlontlo Local Municipality (based on the official definition of unemployment) was 37.77%, which is an increase of 2.45

percentage points. The unemployment rate in Mhlontlo Local Municipality is higher than that of O.R.Tambo. Comparing to the Eastern Cape Province it can be seen that the unemployment rate for Mhlontlo Local Municipality was higher than that of Eastern Cape which was 29.36%. The unemployment rate for South Africa was 25.53% in 2015, which is a decrease of 1.07 percentage points from 26.60% in 2005.

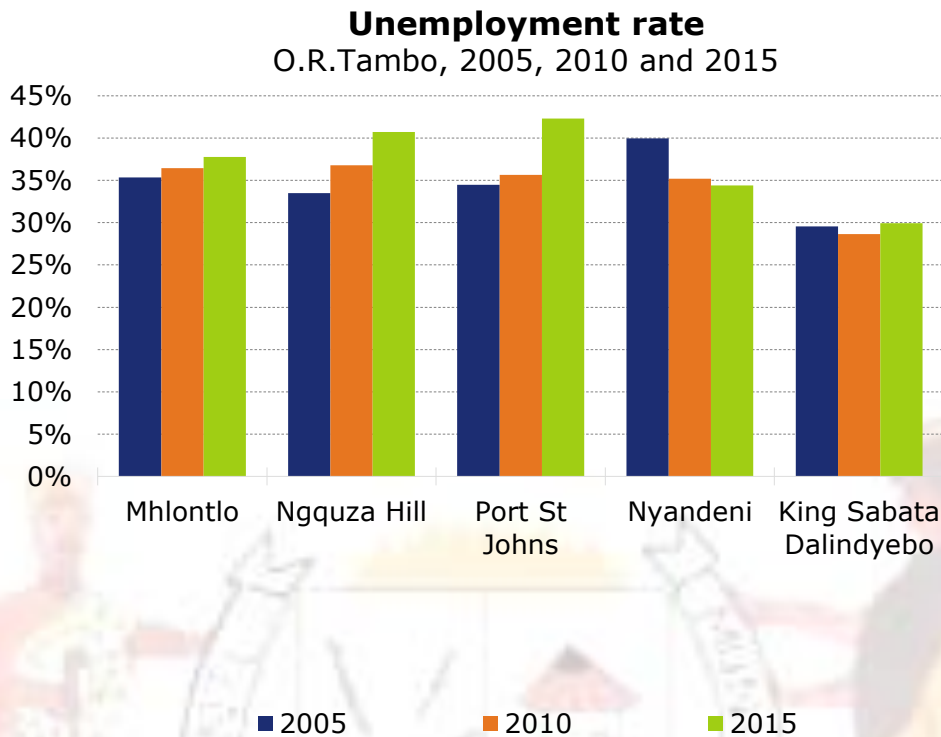
CHART 24. UNEMPLOYMENT AND UNEMPLOYMENT RATE (OFFICIAL DEFINITION) - MHLONTLO LOCAL MUNICIPALITY, 2005-2015 [NUMBER PERCENTAGE]



Source: IHS Global Insight 2016

When comparing unemployment rates among regions within O.R.Tambo District Municipality, Port St Johns local municipality has indicated the highest unemployment rate of 42.3%, which has increased from 34.5% in 2005. It can be seen that the King Sabata Dalindyebo local municipality had the lowest unemployment rate of 29.9% in 2015, this increased from 29.6% in 2005.

CHART 25. UNEMPLOYMENT RATE - MHLONTLO, NGQUZA HILL, PORT ST JOHNS, NYANDENI AND KING SABATA DALINDYEBO, 2005, 2010 AND 2015 [PERCENTAGE]



Source: IHS Global Insight 2016

7.17 Income and expenditure

In a growing economy among which production factors are increasing, most of the household incomes are spent on purchasing goods and services. Therefore, the measuring of the income and expenditure of households is a major indicator of a number of economic trends. It is also a good marker of growth as well as consumer tendencies.

7.18 Number of Households by income category

The number of households is grouped according to predefined income categories or brackets, where income is calculated as the sum of all household gross disposable income: payments in kind, gifts, homemade goods sold, old age pensions, income from informal sector activities, subsistence income, etc.). Note that income tax is included in the income distribution.

Income categories start at R0 - R2,400 per annum and go up to R2,400,000+ per annum. A household is either a group of people who live together and provide themselves jointly with food and/or other essentials for living, or it is a single person living on his/her own. These income brackets do not take into account inflation creep: over time, movement of households "up" the brackets is natural, even if they are not earning any more in real terms.

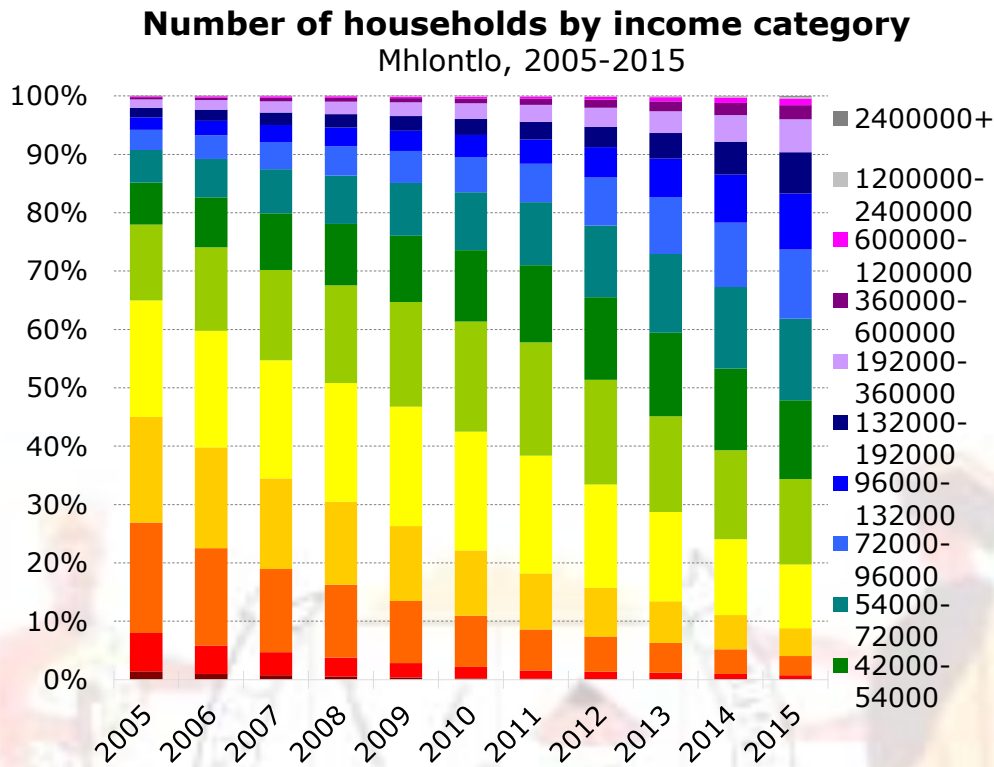
TABLE 22. HOUSEHOLDS BY INCOME CATEGORY - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2015 [NUMBER PERCENTAGE]

	Mhlontlo	O.R.Tambo	Eastern Cape	National Total	Mhlontlo as % of district municipality	Mhlontlo as % of province	Mhlontlo as % of national
0-2400	36	309	1,450	11,800	11.7%	2.5%	0.30%
2400-6000	293	2,380	11,800	92,100	12.3%	2.5%	0.32%
6000-12000	1,450	11,800	59,800	466,000	12.2%	2.4%	0.31%
12000-18000	2,090	16,900	86,900	685,000	12.4%	2.4%	0.31%
18000-30000	4,780	37,400	186,000	1,420,000	12.8%	2.6%	0.34%
30000-42000	6,430	48,300	243,000	1,790,000	13.3%	2.6%	0.36%
42000-54000	5,920	42,700	221,000	1,620,000	13.9%	2.7%	0.37%
54000-72000	6,130	41,800	218,000	1,640,000	14.7%	2.8%	0.37%
72000-96000	5,190	33,800	182,000	1,460,000	15.4%	2.9%	0.36%
96000-132000	4,220	27,100	154,000	1,390,000	15.6%	2.7%	0.30%
132000-192000	3,100	20,600	130,000	1,320,000	15.0%	2.4%	0.24%
192000-360000	2,470	19,100	140,000	1,610,000	12.9%	1.8%	0.15%
360000-600000	1,050	9,260	78,800	1,000,000	11.4%	1.3%	0.11%
600000-1200000	501	4,290	45,700	667,000	11.7%	1.1%	0.08%
1200000-2400000	129	1,010	12,500	207,000	12.8%	1.0%	0.06%
2400000+	63	494	3,290	49,300	12.8%	1.9%	0.13%
Total	43,900	317,000	1,770,000	15,400,000	13.8%	2.5%	0.28%

Source: IHS Global Insight 2016

It was estimated that in 2015 19.71% of all the households in the Mhlontlo Local Municipality, were living on R30,000 or less per annum. In comparison with 2005's 64.94%, the number is more than half. The 30000-42000 income category has the highest number of households with a total number of 6 430, followed by the 54000-72000 income category with 6 130 households. Only 36 households fall within the 0-2400 income category.

CHART 26. HOUSEHOLDS BY INCOME BRACKET - MHLONTLO LOCAL MUNICIPALITY, 2005-2015 [PERCENTAGE]



For the period 2005 to 2015 the number of households earning more than R30,000 per annum has increased from 35.06% to 80.29%. It can be seen that the number of households with income equal to or lower than R6,000 per year has decreased by a significant amount.

7.19 Annual total personal income

Personal income is an even broader concept than labour remuneration. Personal income includes profits, income from property, net current transfers and net social benefits.

Annual total personal income is the sum of the total personal income for all households in a specific region. The definition of income is the same as used in the income brackets (Number of Households by Income Category), also including the income tax. For this variable, current prices are used, meaning that inflation has not been taken into account.

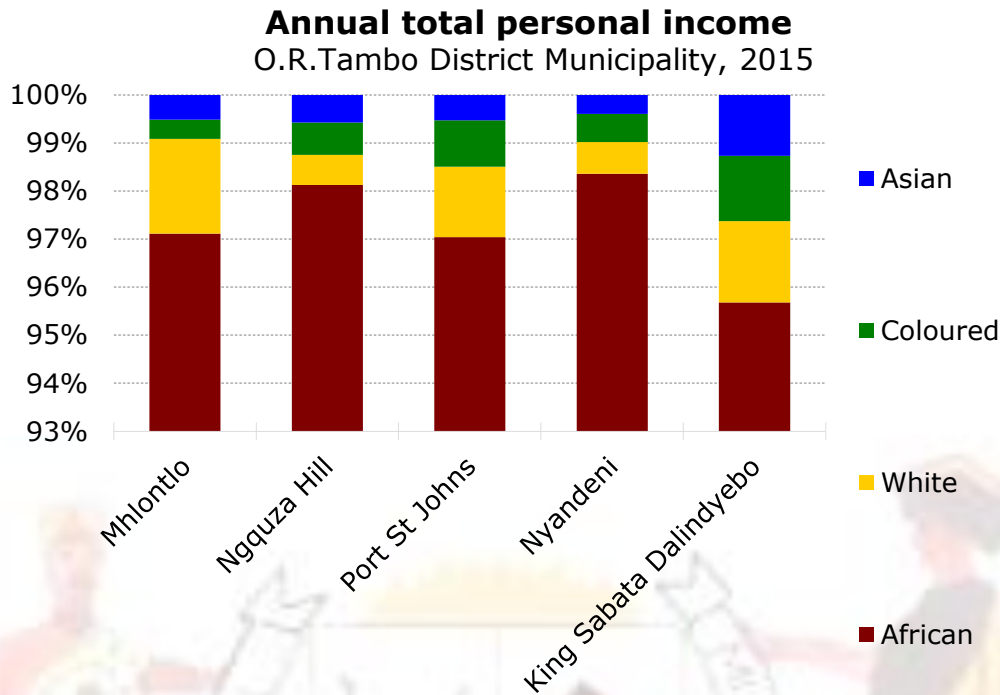
TABLE 23. ANNUAL TOTAL PERSONAL INCOME - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL [CURRENT PRICES, R BILLIONS]

	Mhlontlo	O.R.Tambo	Eastern Cape	National Total
2005	1.7	11.8	96.6	1,145.4
2006	1.8	13.0	106.6	1,259.4
2007	2.0	14.8	121.0	1,432.2
2008	2.2	16.5	134.0	1,587.9
2009	2.4	17.9	143.2	1,695.1
2010	2.5	19.2	154.0	1,843.3
2011	2.6	20.9	167.4	2,032.7
2012	3.0	23.3	187.1	2,226.0
2013	3.4	25.9	203.7	2,414.1
2014	3.9	29.0	218.0	2,602.5
2015	4.5	33.2	238.6	2,783.8
Average Annual growth				
2005-2015	10.30%	10.90%	9.47%	9.29%

Source: IHS Global Insight 2016

Mhlontlo Local Municipality recorded an average annual growth rate of 10.30% (from R 1.67 billion to R 4.46 billion) from 2005 to 2015, which is less than O.R.Tambo's (10.90%), but more than Eastern Cape Province's (9.47%) average annual growth rates. South Africa had an average annual growth rate of 9.29% (from R 1.15 trillion to R 2.78 trillion) which is less than the growth rate in Mhlontlo Local Municipality.

TABLE 24. ANNUAL TOTAL PERSONAL INCOME BY POPULATION GROUP - MHLONTLO AND THE REST OF O.R. TAMBO [CURRENT PRICES, R BILLIONS]



Source: IHS Global Insight 2016

The total personal income of Mhlontlo Local Municipality amounted to approximately R 4.46 billion in 2015. The African population group earned R 4.33 billion, or 97.12% of total personal income, while the White population group earned R 87.8 million, or 1.97% of the total personal income. The Asian and the Coloured population groups only had a share of 0.52% and 0.40% of total personal income respectively.

TABLE 25. ANNUAL TOTAL PERSONAL INCOME - MHLONTLO, NGQUZA HILL, PORT ST JOHNS, NYANDENI AND KING SABATA DALINDYEBO [CURRENT PRICES, R BILLIONS]

	Mhlontlo	Ngquza Hill	Port St Johns	Nyandeni	King Sabata Dalindyebo
2005	1.67	1.96	1.04	2.05	5.06
2006	1.81	2.18	1.14	2.27	5.57
2007	2.02	2.50	1.29	2.57	6.39
2008	2.22	2.81	1.43	2.88	7.16
2009	2.36	3.06	1.54	3.12	7.80
2010	2.49	3.30	1.63	3.35	8.46
2011	2.65	3.59	1.75	3.61	9.26
2012	2.98	4.08	1.85	4.04	10.35
2013	3.37	4.58	1.99	4.58	11.34
2014	3.85	5.17	2.19	5.32	12.50
2015	4.46	5.97	2.49	6.18	14.06
Average Annual growth					
2005-2015	10.30%	11.77%	9.10%	11.67%	10.77%

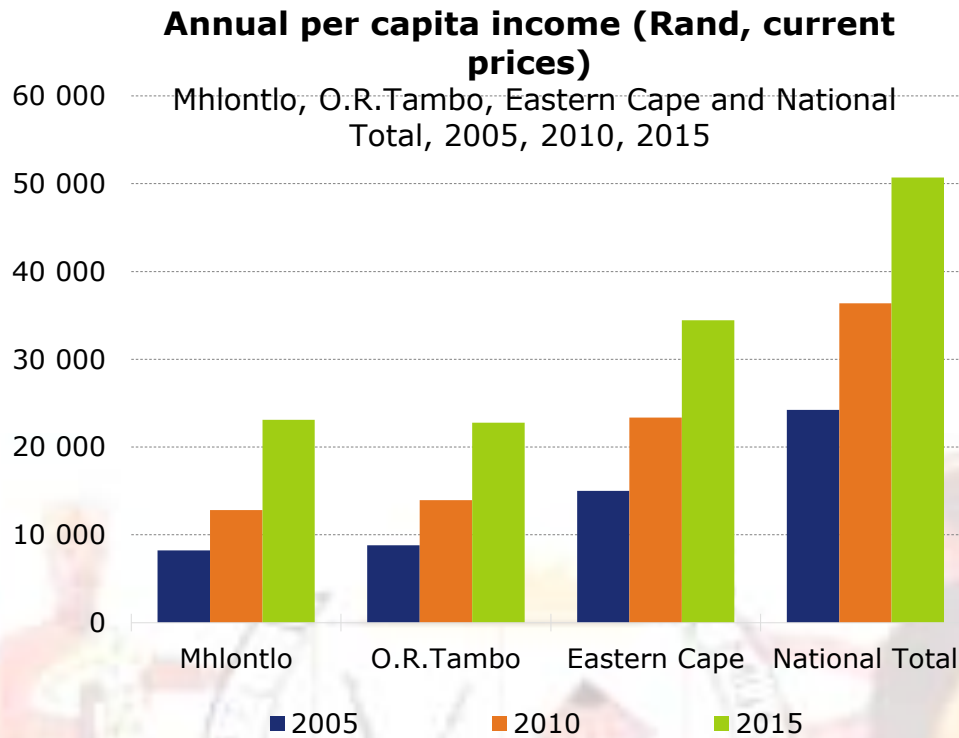
Source: IHS Global Insight 2016

When looking at the annual total personal income for the regions within O.R.Tambo District Municipality it can be seen that the King Sabata Dalindyebo local municipality had the highest total personal income with R 14.1 billion which increased from R 5.06 billion recorded in 2005. It can be seen that the Port St Johns local municipality had the lowest total personal income of R 2.49 billion in 2015, this increased from R 1.04 billion in 2005.

7.20 Annual per capita income

Per capita income refers to the income per person. Thus, it takes the total personal income per annum and divides it equally among the population. Per capita income is often used as a measure of wealth particularly when comparing economies or population groups. Rising per capita income usually indicates a likely swell in demand for consumption.

CHART 27. PER CAPITA INCOME - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2015 [RAND, CURRENT PRICES]



Source: IHS Global Insight 2016

Although the per capita income in Mhlontlo Local Municipality is R 23,100 and is lower than the Eastern Cape (R 34,400), it is more than that of the O.R.Tambo District Municipality (R 22,800). The per capita income for Mhlontlo Local Municipality (R 23,100) is lower than that of the South Africa as a whole which is R 50,700.

CHART 28. PER CAPITA INCOME BY POPULATION GROUP - MHLONTLO AND THE REST OF O.R.TAMBO DISTRICT MUNICIPALITY, 2015 [RAND, CURRENT PRICES]

	African
Mhlontlo	22,600
Ngquza Hill	19,700
Port St Johns	14,700
Nyandeni	19,800
King Sabata Dalindyebo	28,000

Source: IHS Global Insight 2016

King Sabata Dalindyebo local municipality has the highest per capita income with a total of R 28,900. Mhlontlo local municipality had the second highest per capita income at R 23,100, whereas Port St Johns local municipality had the lowest per capita income at R 15,000. In Mhlontlo Local Municipality, the African population group has the highest per capita income, with R 22,600, relative to the other population groups. . Some of the population groups - where there are less than 1,000 people living in the area were excluded from the analysis.

7.21 Index of buying power

The Index of Buying Power (IBP) is a measure of a region's overall capacity to absorb products and/or services. The index is useful when comparing two regions in terms of their capacity to buy products. Values range from 0 to 1 (where the national index equals 1), and can be interpreted as the percentage of national buying power attributable to the specific region. Regions' buying power usually depends on three factors: the size of the population; the ability of the population to spend (measured by total income); and the willingness of the population to spend (measured by total retail sales).

TABLE 26. INDEX OF BUYING POWER - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2015 [NUMBER]

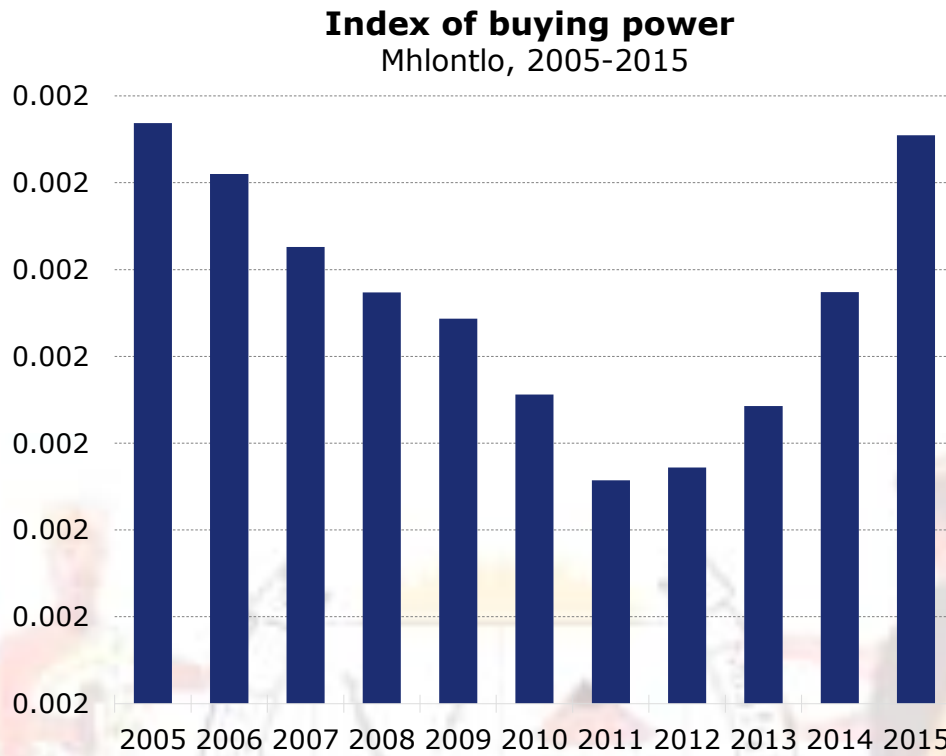
	Mhlontlo	O.R.Tambo	Eastern Cape	National Total
Population	192,961	1,455,018	6,929,508	54,897,094
Population - share of national total	0.4%	2.7%	12.6%	100.0%
Income	4,455	33,162	238,612	2,783,791
Income - share of national total	0.2%	1.2%	8.6%	100.0%
Retail	1,471,271	10,942,947	69,456,851	855,879,000
Retail - share of national total	0.2%	1.3%	8.1%	100.0%
Index	0.00	0.01	0.09	1.00

Source: IHS Global Insight 2016

Mhlontlo Local Municipality has a 0.4% share of the national population, 0.2% share of the total national income and a 0.2% share in the total national retail, this all equates to an IBP index value of 0.0018 relative to South Africa as a whole. O.R.Tambo has an IBP of 0.014, were Eastern Cape Province has an IBP index value of 0.088 and South Africa a value of 1 relative to South Africa as a whole.

The considerable low index of buying power of the Mhlontlo Local Municipality suggests that the local municipality has access to only a small percentage of the goods and services available in all of the O.R.Tambo District Municipality. Its residents are most likely spending some of their income in neighbouring areas.

CHART 29. INDEX OF BUYING POWER MHLONTLO LOCAL MUNICIPALITY, 2005-2015
[INDEX VALUE]



Source: IHS Global Insight 2016

Between 2005 and 2015, the index of buying power within Mhlontlo Local Municipality increased to its highest level in 2005 (0.001834) from its lowest in 2011 (0.001330). The buying power within Mhlontlo Local Municipality is relatively small compared to other regions and it decreased at an average annual growth rate of -0.04%.

8. Development

Indicators of development, like the Human Development Index (HDI), Gini Coefficient (income inequality), poverty and the poverty gap, and education, are used to estimate the level of development of a given region in South Africa relative to the rest of the country.

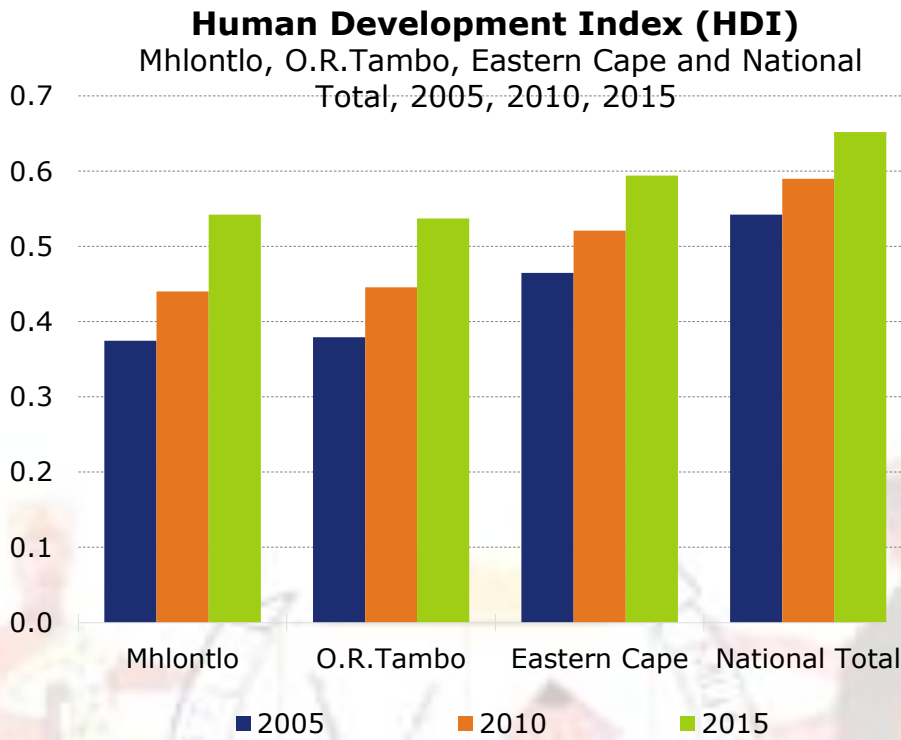
Another indicator that is widely used is the number (or percentage) of people living in poverty. Poverty is defined as the deprivation of those things that determine the quality of life, including food, clothing, shelter and safe drinking water. More than that, other "intangibles" is also included such as the opportunity to learn, and the privilege to enjoy the respect of fellow citizens. Curbing poverty and alleviating the effects thereof should be a premise in the compilation of all policies that aspire towards a better life for all.

8.1 Human Development Index (HDI)

The Human Development Index (HDI) is a composite relative index used to compare human development across population groups or regions.

HDI is the combination of three basic dimensions of human development: A long and healthy life, knowledge and a decent standard of living. A long and healthy life is typically measured using life expectancy at birth. Knowledge is normally based on adult literacy and / or the combination of enrolment in primary, secondary and tertiary schools. In order to gauge a decent standard of living, we make use of GDP per capita. On a technical note, the HDI can have a maximum value of 1, indicating a very high level of human development, while the minimum value is 0, indicating no human development.

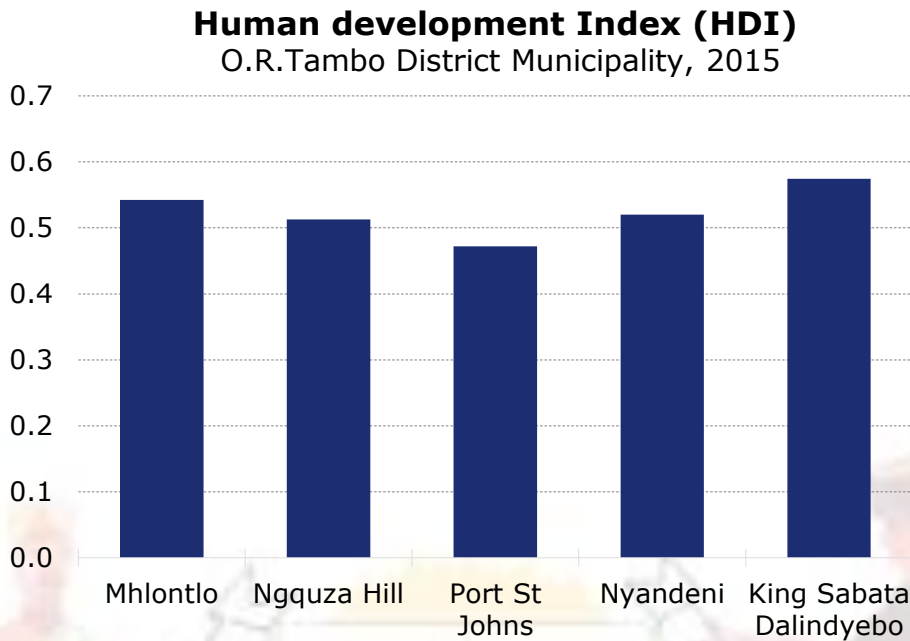
CHART 30. HUMAN DEVELOPMENT INDEX (HDI) - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2005, 2010, 2015 [NUMBER]



Source: IHS Global Insight 2016

In 2015 Mhlontlo Local Municipality had an HDI of 0.542 compared to the O.R.Tambo with a HDI of 0.537, 0.594 of Eastern Cape and 0.652 of National Total as a whole. Seeing that South Africa recorded a higher HDI in 2015 when compared to Mhlontlo Local Municipality which translates to worse human development for Mhlontlo Local Municipality compared to South Africa. South Africa's HDI increased at an average annual growth rate of 1.86% and this increase is lower than that of Mhlontlo Local Municipality (3.76%).

CHART 31. HUMAN DEVELOPMENT INDEX (HDI) - MHLONTLO, NGQUZA HILL, PORT ST JOHNS, NYANDENI AND KING SABATA DALINDYEBO, 2015 [NUMBER]



Source: IHS Global Insight 2016

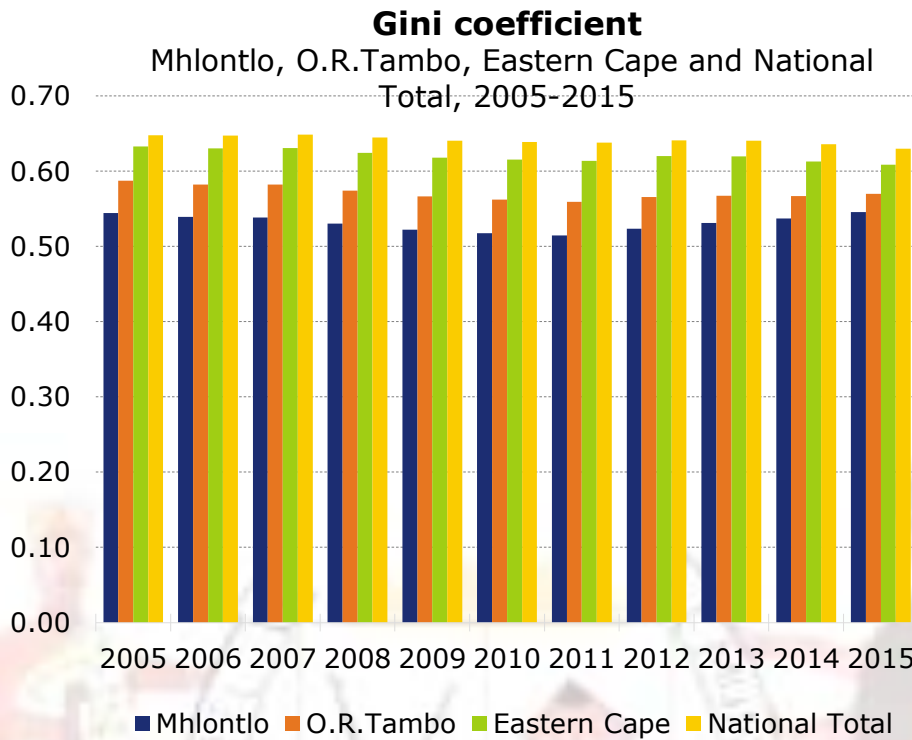
In terms of the HDI for each the regions within the O.R.Tambo District Municipality, King Sabata Dalindyebo local municipality has the highest HDI, with an index value of 0.575. The lowest can be observed in the Port St Johns local municipality with an index value of 0.472.

8.2 Gini Coefficient

The Gini coefficient is a summary statistic of income inequality. It varies from 0 to 1.

If the Gini coefficient is equal to zero, income is distributed in a perfectly equal manner, in other words there is no variance between the high and low income earners within the population. In contrast, if the Gini coefficient equals 1, income is completely inequitable, i.e. one individual in the population is earning all the income and the rest has no income. Generally this coefficient lies in the range between 0.25 and 0.70.

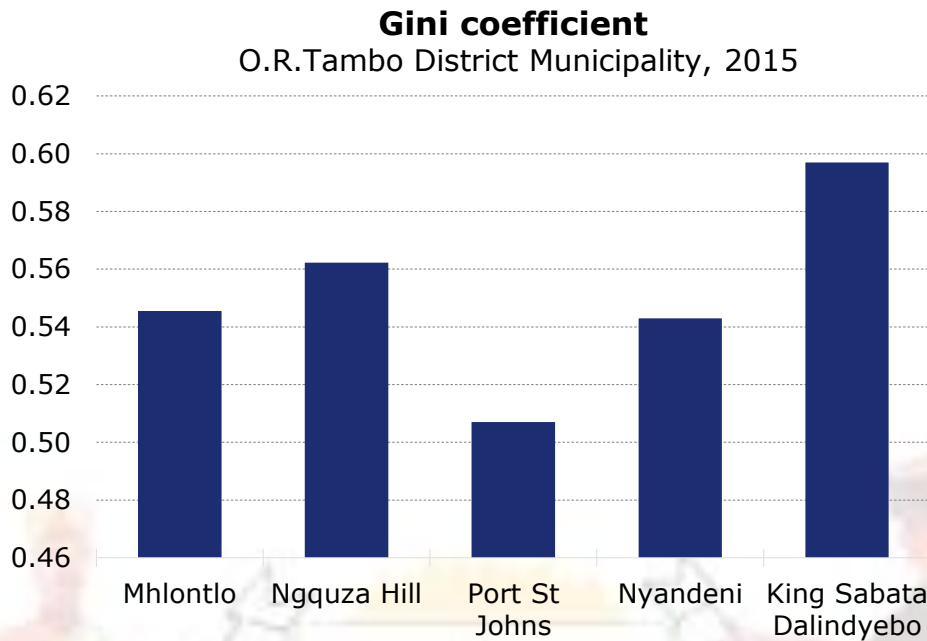
CHART 32. GINI COEFFICIENT - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2005-2015 [NUMBER]



Source: IHS Global Insight 2016

In 2015, the Gini coefficient in Mhlontlo Local Municipality was at 0.545, which reflects a marginal increase in the number over the ten-year period from 2005 to 2015. The O.R.Tambo District Municipality and the Eastern Cape Province, both had a more unequal spread of income amongst their residents (at 0.57 and 0.609 respectively) when compared to Mhlontlo Local Municipality.

CHART 33. GINI COEFFICIENT - MHLONTLO, NGQUZA HILL, PORT ST JOHNS, NYANDENI AND KING SABATA DALINDYEBO, 2015 [NUMBER]



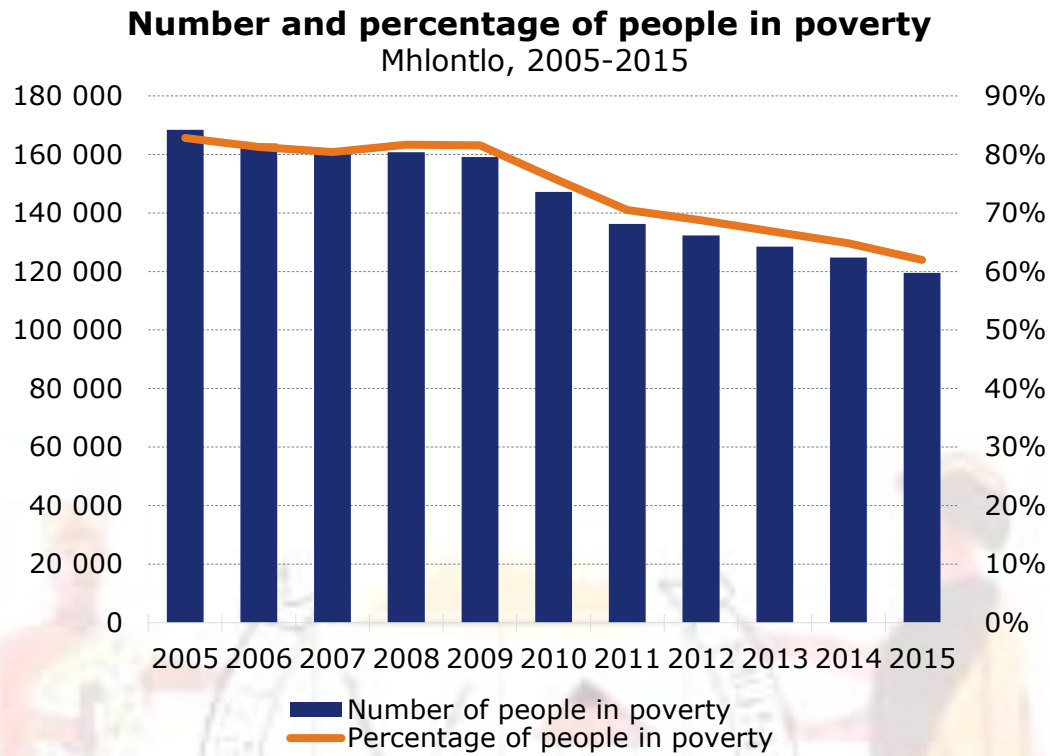
Source: IHS Global Insight 2016

In terms of the Gini coefficient for each of the regions within the O.R.Tambo District Municipality, King Sabata Dalindyebo local municipality has the highest Gini coefficient, with an index value of 0.597. The lowest Gini coefficient can be observed in the Port St Johns local municipality with an index value of 0.507.

8.3 Poverty

The upper poverty line is defined by StatsSA as the level of consumption at which individuals are able to purchase both sufficient food and non-food items without sacrificing one for the other. This variable measures the number of individuals living below that particular level of consumption for the given area, and is balanced directly to the official upper poverty rate as measured by StatsSA.

CHART 34. NUMBER AND PERCENTAGE OF PEOPLE LIVING IN POVERTY - MHLONTLO LOCAL MUNICIPALITY, 2005-2015 [NUMBER PERCENTAGE]



In 2015, there were 120 000 people living in poverty, using the upper poverty line definition, across Mhlontlo Local Municipality - this is 29.00% lower than the 168 000 in 2005. The percentage of people living in poverty has decreased from 82.84% in 2005 to 61.96% in 2015, which indicates a decrease of 20.9 percentage points.

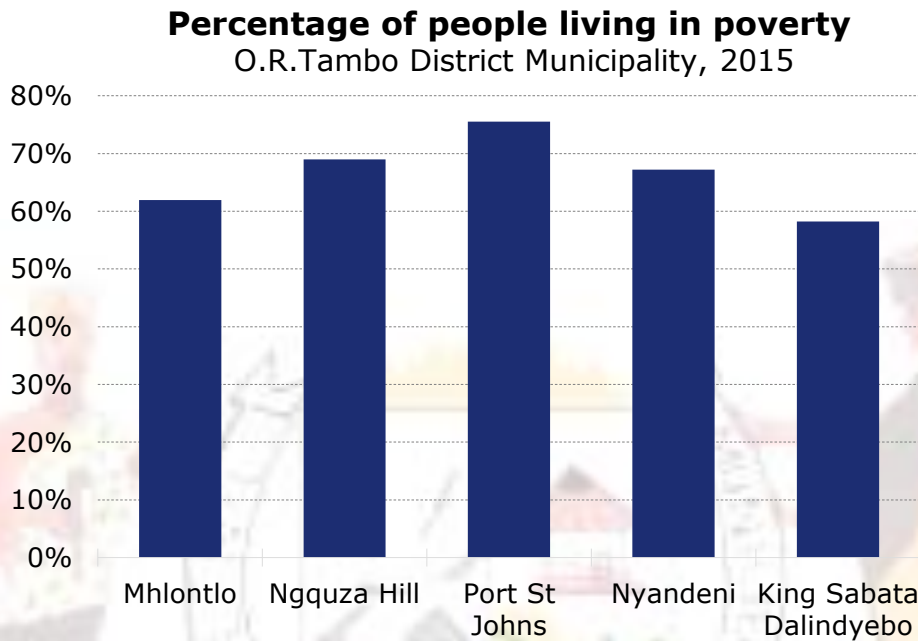
TABLE 27. PERCENTAGE OF PEOPLE LIVING IN POVERTY BY POPULATION GROUP - MHLONTLO, 2005-2015 [PERCENTAGE]

	African
2005	83.0%
2006	81.5%
2007	80.6%
2008	81.9%
2009	81.8%
2010	76.2%
2011	70.8%
2012	69.1%
2013	67.1%
2014	65.1%
2015	62.3%

Source: IHS Global Insight 2016

In 2015, the population group with the highest percentage of people living in poverty was the African population group with a total of 83.0% people living in poverty, using the upper poverty line definition. The proportion of the African population group, living in poverty, decreased by 20.7 percentage points, as can be seen by the change from 82.99% in 2005 to 62.26% in 2015.

TABLE 28. PERCENTAGE OF PEOPLE LIVING IN POVERTY - MHLONTLO, NGQUZA HILL, PORT ST JOHNS, NYANDENI AND KING SABATA DALINDYEBO, 2015 [PERCENTAGE]



Source: IHS Global Insight 2016

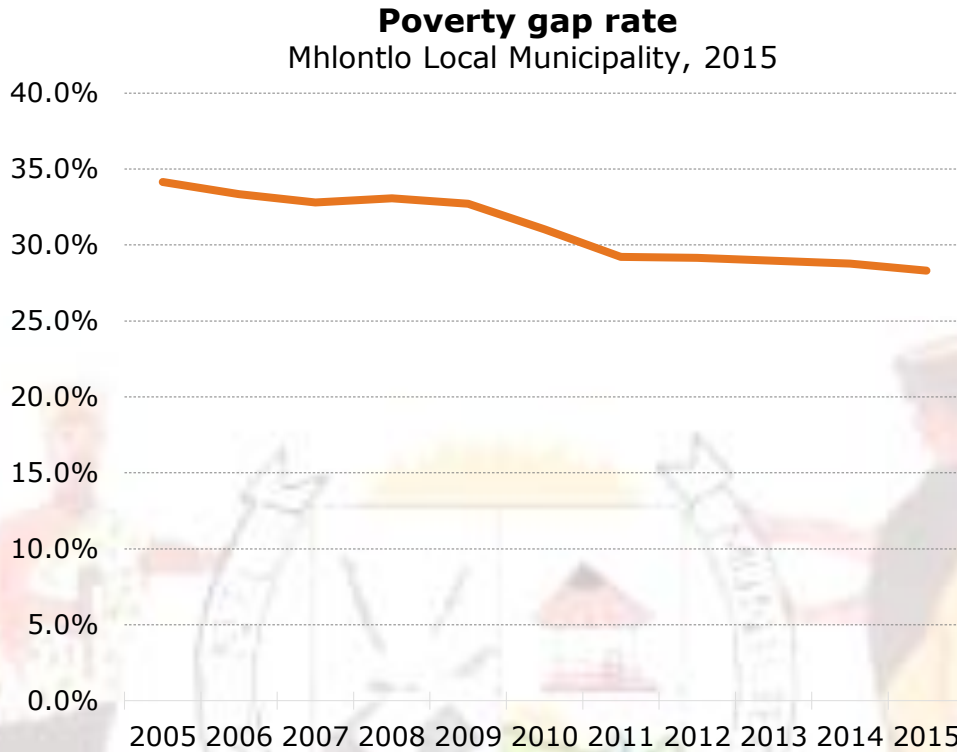
In terms of the percentage of people living in poverty for each of the regions within the O.R.Tambo District Municipality, Port St Johns local municipality has the highest percentage of people living in poverty, with a total of 75.5%. The lowest percentage of people living in poverty can be observed in the King Sabata Dalindyebo local municipality with a total of 58.2% living in poverty, using the upper poverty line definition.

8.4 Poverty gap rate

The poverty gap is used as an indicator to measure the depth of poverty. The gap measures the average distance of the population from the poverty line and is expressed as a percentage of the upper bound poverty line, as defined by StatsSA. The Poverty Gap deals with a major shortcoming of the poverty rate, which does not give any indication of the depth, of poverty. The upper poverty line is defined by StatsSA as the level of consumption at which individuals are able to purchase both sufficient food and non-food items without sacrificing one for the other.

It is estimated that the poverty gap rate in Mhlontlo Local Municipality amounted to 28.3% in 2015 - the rate needed to bring all poor households up to the poverty line and out of poverty.

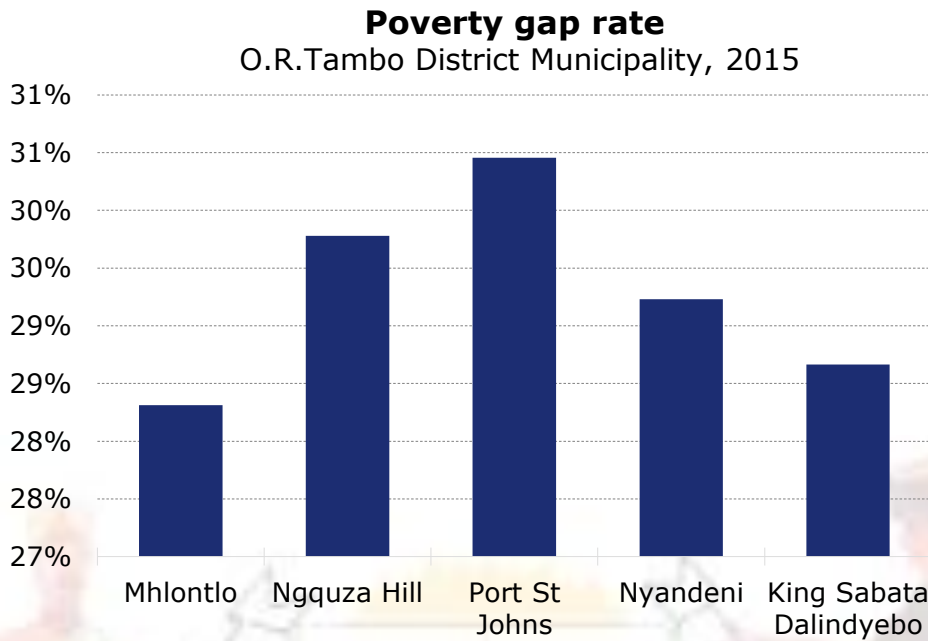
TABLE 29. POVERTY GAP RATE BY POPULATION GROUP - MHLONTLO LOCAL MUNICIPALITY, 2005-2015 [PERCENTAGE]



Source: IHS Global Insight 2016

In 2015, the poverty gap rate was 28.3% and in 2005 the poverty gap rate was 34.2%, it can be seen that the poverty gap rate decreased from 2005 to 2015, which means that there were improvements in terms of the depth of the poverty within Mhlontlo Local Municipality.

TABLE 30. POVERTY GAP RATE - MHLONTLO, NGQUZA HILL, PORT ST JOHNS, NYANDENI AND KING SABATA DALINDYEBO, 2015 [PERCENTAGE]



Source: IHS Global Insight 2016

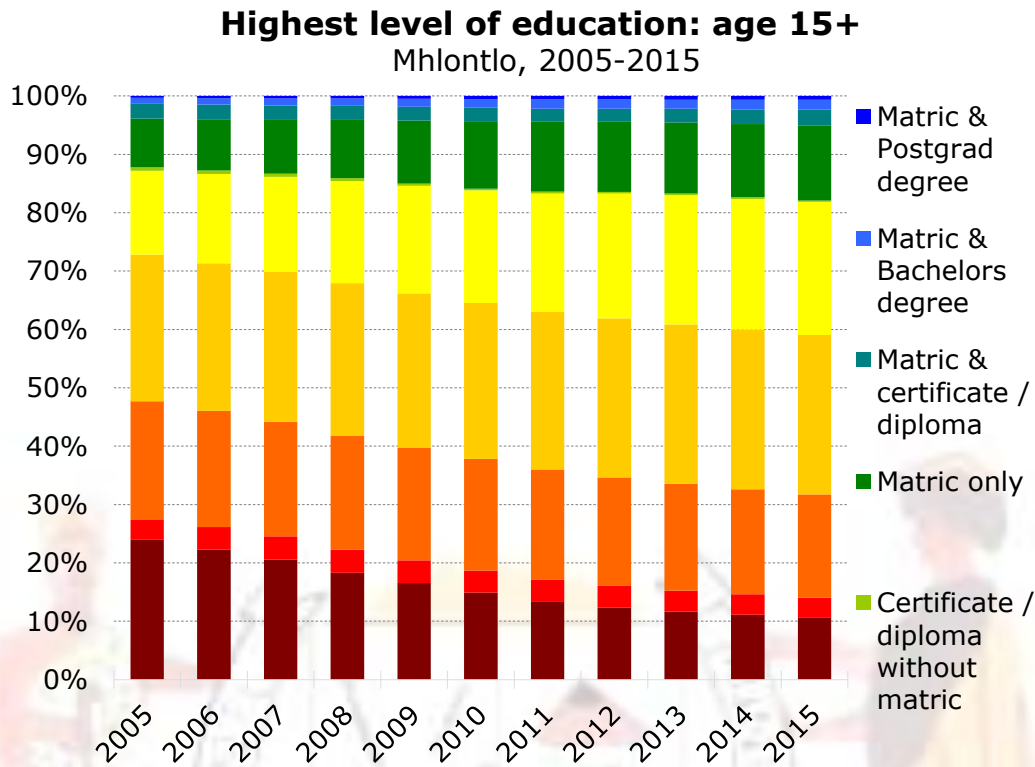
In terms of the poverty gap rate for each of the regions within the O.R.Tambo District Municipality, Port St Johns local municipality had the highest poverty gap rate, with a rand value of 30.5%. The lowest poverty gap rate can be observed in the Mhlontlo local municipality with a total of 28.3%.

8.5 Education

Educating is important to the economic growth in a country and the development of its industries, providing a trained workforce and skilled professionals required.

The education measure represents the highest level of education of an individual, using the 15 years and older age category. (According to the United Nations definition of education, one is an adult when 15 years or older. IHS uses this cut-off point to allow for cross-country comparisons. Furthermore, the age of 15 is also the legal age at which children may leave school in South Africa).

CHART 35. HIGHEST LEVEL OF EDUCATION: AGE 15+ - MHLONTLO LOCAL MUNICIPALITY, 2005-2015 [PERCENTAGE]



Within Mhlontlo Local Municipality, the number of people without any schooling decreased from 2005 to 2015 with an average annual rate of -6.97%, while the number of people within the 'matric only' category, increased from 7,660 to 12,800. The number of people with 'matric and a certificate/diploma' increased with an average annual rate of 1.09%, with the number of people with a 'matric and a Bachelor's' degree increasing with an average annual rate of 6.83%. Overall improvement in the level of education is visible with an increase in the number of people with 'matric' or higher education.

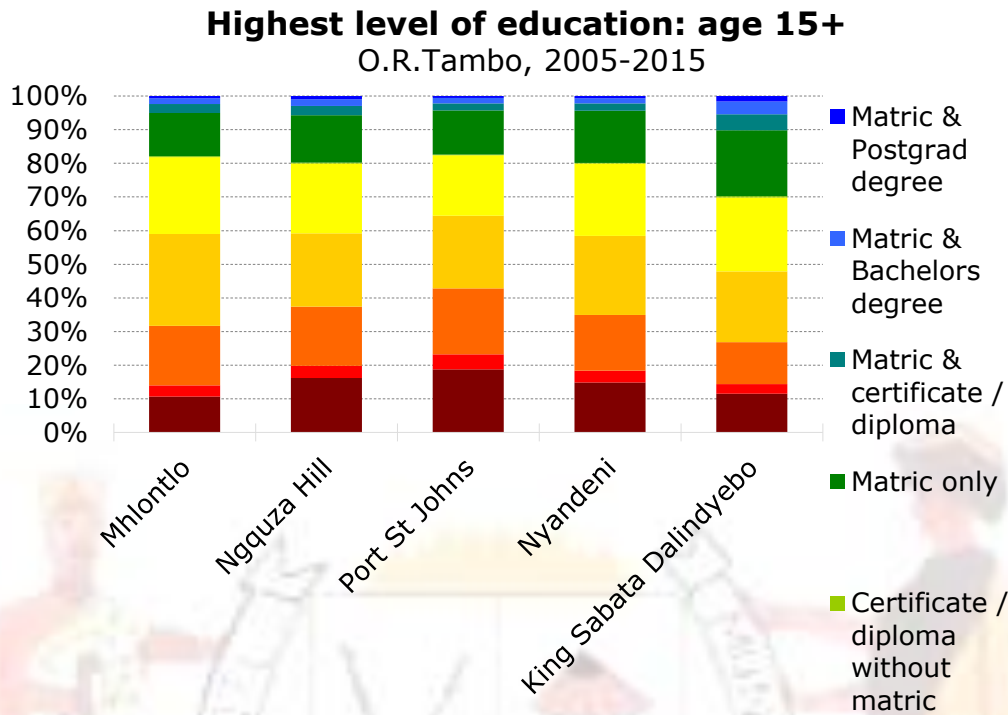
TABLE 31. HIGHEST LEVEL OF EDUCATION: AGE 15+ - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2015 [NUMBERS]

	Mhlontlo	O.R.Tambo	Eastern Cape	National Total	Mhlontlo as % of district municipality	Mhlontlo as % of province	Mhlontlo as % of national
No schooling	10,600	102,000	328,000	2,370,000	10.5%	3.2%	0.45%
Grade 0-2	3,360	24,800	130,000	729,000	13.5%	2.6%	0.46%
Grade 3-6	17,600	117,000	568,000	3,170,000	15.1%	3.1%	0.56%
Grade 7-9	27,200	167,000	921,000	5,950,000	16.3%	3.0%	0.46%
Grade 10-11	22,800	158,000	922,000	7,780,000	14.4%	2.5%	0.29%
Certificate / diploma without matric	255	2,110	14,800	171,000	12.1%	1.7%	0.15%
Matric only	12,800	119,000	818,000	9,790,000	10.8%	1.6%	0.13%
Matric certificate / diploma	2,680	24,400	182,000	2,000,000	11.0%	1.5%	0.13%
Matric Bachelors degree	1,660	18,600	125,000	1,490,000	8.9%	1.3%	0.11%
Matric Postgrad degree	670	7,520	50,100	678,000	8.9%	1.3%	0.10%

Source: IHS Global Insight 2016

The number of people without any schooling in Mhlontlo Local Municipality accounts for 10.47% of the number of people without schooling in the district municipality, 3.24% of the province and 0.45% of the national. In 2015, the number of people in Mhlontlo Local Municipality with a matric only was 12,800 which is a share of 10.76% of the district municipality's total number of people that has obtained a matric. The number of people with a matric and a Postgrad degree constitutes 8.93% of the district municipality, 1.33% of the province and 0.11% of the national.

TABLE 32. HIGHEST LEVEL OF EDUCATION: AGE 15+, MHLONTLO, NGQUZA HILL, PORT ST JOHNS, NYANDENI AND KING SABATA DALINDYEBO 2015 [PERCENTAGE]



Source: IHS Global Insight 2016

8.6 Functional literacy

For the purpose of this report, IHS defines functional literacy as the number of people in a region that are 20 years and older and have completed at least their primary education (i.e. grade 7). Functional literacy describes the reading and writing skills that are adequate for an individual to cope with the demands of everyday life - including the demands posed in the workplace. This is contrasted with illiteracy in the strictest sense, meaning the inability to read or write. Functional literacy enables individuals to enter the labour market and contribute towards economic growth thereby reducing poverty.

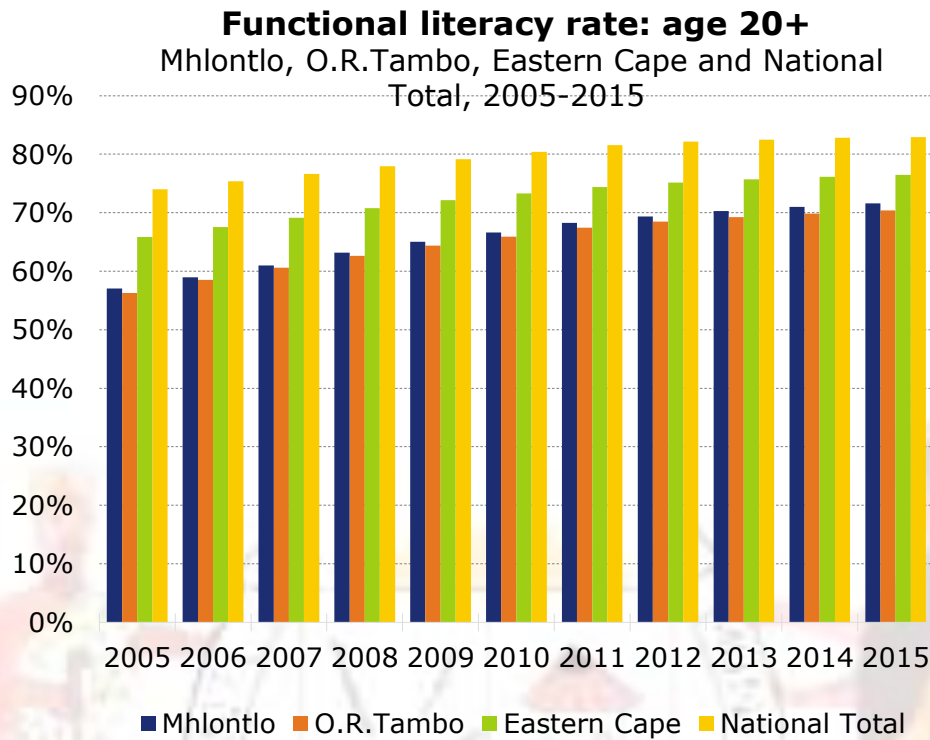
TABLE 33. FUNCTIONAL LITERACY: AGE 20+, COMPLETED GRADE 7 OR HIGHER - MHLONTLO LOCAL MUNICIPALITY, 2005-2015 [NUMBER PERCENTAGE]

	Illiterate	Literate	%
2005	51,826	68,801	57.0%
2006	49,541	71,259	59.0%
2007	47,237	73,844	61.0%
2008	44,620	76,483	63.2%
2009	42,369	78,816	65.0%
2010	40,455	80,827	66.6%
2011	38,451	82,767	68.3%
2012	37,033	83,845	69.4%
2013	35,932	84,922	70.3%
2014	35,134	85,938	71.0%
2015	34,465	86,994	71.6%
Average Annual growth			
2005-2015	-4.00%	2.37%	2.30%

Source: IHS Global Insight 2016

A total of 87 000 individuals in Mhlontlo Local Municipality were considered functionally literate in 2015, while 34 500 people were considered to be illiterate. Expressed as a rate, this amounts to 71.62% of the population, which is an increase of 0.15 percentage points since 2005 (57.04%). The number of illiterate individuals decreased on average by -4.00% annually from 2005 to 2015, with the number of functional literate people increasing at 2.37% annually.

CHART 36. FUNCTIONAL LITERACY: AGE 20+, COMPLETED GRADE 7 OR HIGHER - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2005-2015 [PERCENTAGE]

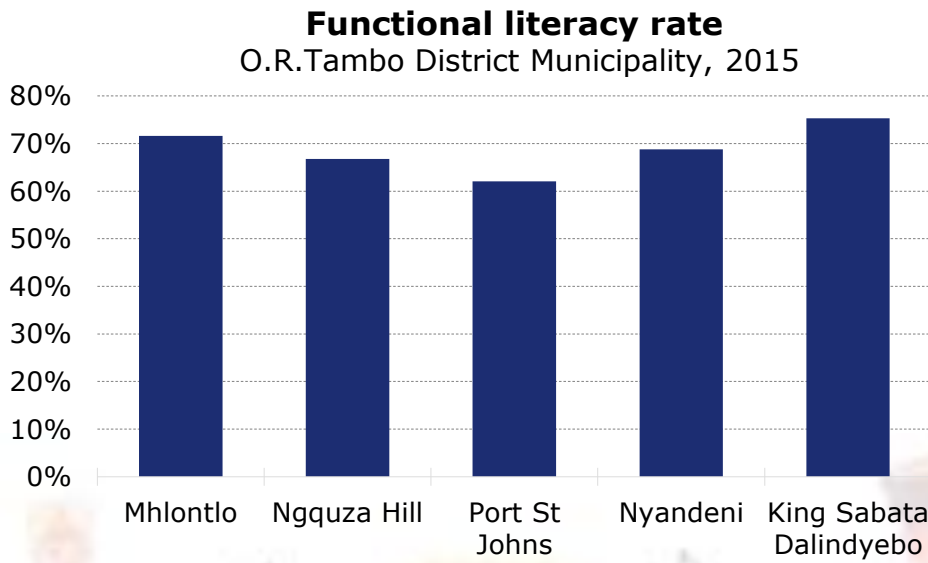


Source: IHS Global Insight 2016

Mhlontlo Local Municipality's functional literacy rate of 71.62% in 2015 is higher than that of O.R.Tambo at 70.38%, and is higher than the province rate of 76.49%. When comparing to National Total as whole, which has a functional literacy rate of 82.93%, it can be seen that the functional literacy rate is higher than that of the Mhlontlo Local Municipality.

A higher literacy rate is often associated with higher levels of urbanization, for instance where access to schools is less of a problem, and where there are economies of scale. From a spatial breakdown of the literacy rates in South Africa, it is perceived that the districts with larger cities normally have higher literacy rates.

CHART 37. LITERACY RATE - MHLONTLO, NGQUZA HILL, PORT ST JOHNS, NYANDENI AND KING SABATA DALINDYEBO, 2015 [PERCENTAGE]



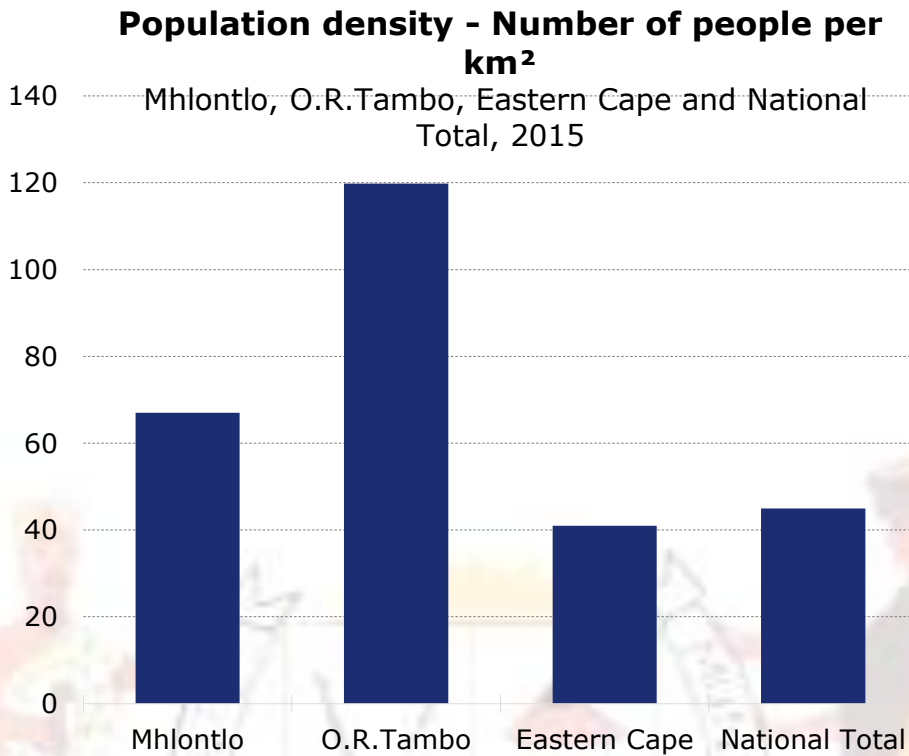
Source: IHS Global Insight 2015

In terms of the literacy rate for each of the regions within the O.R.Tambo District Municipality, King Sabata Dalindyebo local municipality had the highest literacy rate, with a total of 75.3%. The lowest literacy rate can be observed in the Port St Johns local municipality with a total of 62.1%.

8.7 Population density

Population density measures the concentration of people in a region. To calculate this, the population of a region is divided by the area size of that region. The output is presented as the number of people per square kilometre.

CHART 38. POPULATION DENSITY - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2015 [NUMBER OF PEOPLE PER KM]



Source: IHS Global Insight 2016

In 2015, with an average of 67 people per square kilometre, Mhlontlo Local Municipality had a lower population density than O.R.Tambo (120 people per square kilometre). Compared to Eastern Cape Province (41 per square kilometre) it can be seen that there are more people living per square kilometre in Mhlontlo Local Municipality than in Eastern Cape Province.

TABLE 34. POPULATION DENSITY - MHLONTLO AND THE REST OF O.R. TAMBO, 2005-2015 [NUMBER OF PEOPLE PER KM]

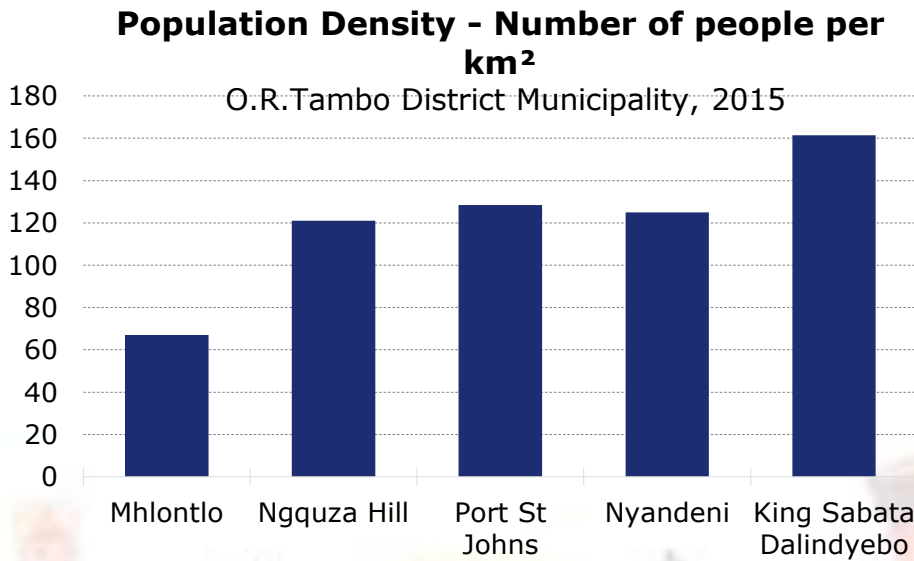
	Mhlontlo	Ngquza Hill	Port St Johns	Nyandeni	King Sabata Dalindyebo
2005	70.57	106.72	116.10	115.04	143.82
2006	69.91	107.50	116.57	115.51	144.80
2007	69.11	108.51	117.39	115.93	145.89
2008	68.33	109.83	118.61	116.51	147.24
2009	67.72	111.39	120.08	117.36	148.97
2010	67.33	113.00	121.52	118.43	150.90
2011	67.07	114.61	122.88	119.63	152.90
2012	66.84	116.10	124.08	120.78	154.82
2013	66.78	117.71	125.43	122.10	156.93
2014	66.84	119.39	126.87	123.52	159.13
2015	66.99	121.10	128.36	125.00	161.36
Average Annual growth					
2005-2015	-0.52%	1.27%	1.01%	0.83%	1.16%

Source: IHS Global Insight 2016

In 2015, Mhlontlo Local Municipality had a population density of 67 per square kilometre and it ranked highest amongst its peers. The region with the highest population density per square kilometre was the King Sabata Dalindyebo with a total population density of 161 per square kilometre per annum. In terms of growth, Mhlontlo Local Municipality had an average annual growth in its population density of -0.52% per square kilometre per annum. The region with the highest growth rate in the population density per square kilometre was Ngquza Hill with an average annual growth rate of 1.27% per square kilometre., it was also the region with the lowest average annual growth rate of -0.52% people per square kilometre over the period under discussion.

Using population density instead of the total number of people creates a better basis for comparing different regions or economies. A higher population density influences the provision of household infrastructure, quality of services, and access to resources like medical care, schools, sewage treatment, community centres, etc.

CHART 39. POPULATION DENSITY - MHLONTLO, NGQUZA HILL, PORT ST JOHNS, NYANDENI AND KING SABATA DALINDYEBO, 2015 [PERCENTAGE]



Source: IHS Global Insight 2016

In terms of the population density for each of the regions within the O.R.Tambo District Municipality, King Sabata Dalindyebo local municipality had the highest density, with 161 people per square kilometre. The lowest population density can be observed in the Mhlontlo local municipality with a total of 67 people per square kilometre.

8.8 Crime

The state of crime in South Africa has been the topic of many media articles and papers in the past years, and although many would acknowledge that the country has a crime problem, very little research has been done on the relative level of crime. The media often tend to focus on more negative or sensational information, while the progress made in combating crime is neglected.

8.8.1 IHS Composite Crime Index

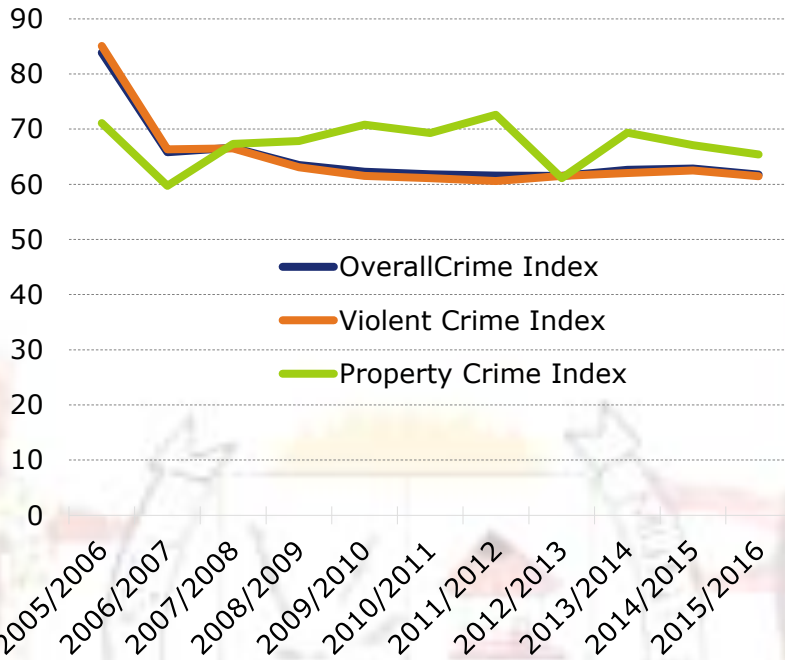
The IHS Composite Crime Index makes use of the official SAPS data, which is reported in 27 crime categories (ranging from murder to crime injuries). These 27 categories are divided into two groups according to the nature of the crime: i.e. violent crimes and property crimes. IHS uses the (a) Length-of-sentence and the (b) Cost-of-crime in order to apply a weight to each category.

8.8.2 Overall Crime Index

The crime index is a composite, weighted index which measures crime. The higher the index number, the higher the level of crime for that specific year in a particular region. The index is best used by looking at the change over time, or comparing the crime levels across regions.

CHART 40. IHS CRIME INDEX - CALENDER YEARS (WEIGHTED AVG / 100,000 PEOPLE) - MHLONTLO LOCAL MUNICIPALITY, 2005/2006-2015/2016 [INDEX VALUE]

Overall, Violent and Property Crime Index
Mhlontlo, 2005/2006-2015/2016



Source: IHS Global Insight 2016

For the period 2005/2006 to 2015/2016 overall crime has decrease at an average annual rate of 3.01% within the Mhlontlo Local Municipality. Violent crime decreased by 3.20% since 2005/2006, while property crimes decreased by 0.82% between the 2005/2006 and 2015/2016 financial years.

TABLE 35. OVERALL CRIME INDEX - MHLONTLO LOCAL MUNICIPALITY AND THE REST OF O.R.TAMBO, 2005/2006-2015/2016 [INDEX VALUE]

	Mhlontlo	Ngquza Hill	Port St Johns	Nyandeni	King Sabata Dalindyebo
2005/2006	83.88	59.17	87.65	70.03	128.83
2006/2007	65.78	49.21	70.39	55.84	100.89
2007/2008	66.60	44.68	63.32	56.91	91.50
2008/2009	63.48	41.74	59.20	51.49	78.30
2009/2010	62.30	45.86	56.00	51.60	87.80
2010/2011	61.81	44.81	52.82	60.79	94.96
2011/2012	61.59	41.98	51.94	54.94	91.66
2012/2013	61.49	43.88	51.42	50.94	87.18
2013/2014	62.63	48.02	58.31	56.58	89.02
2014/2015	62.87	40.55	50.80	48.26	73.72
2015/2016	61.77	35.43	47.32	50.07	70.05
Average Annual growth					
2005/2006-2015/2016	-3.01%	-5.00%	-5.98%	-3.30%	-5.91%

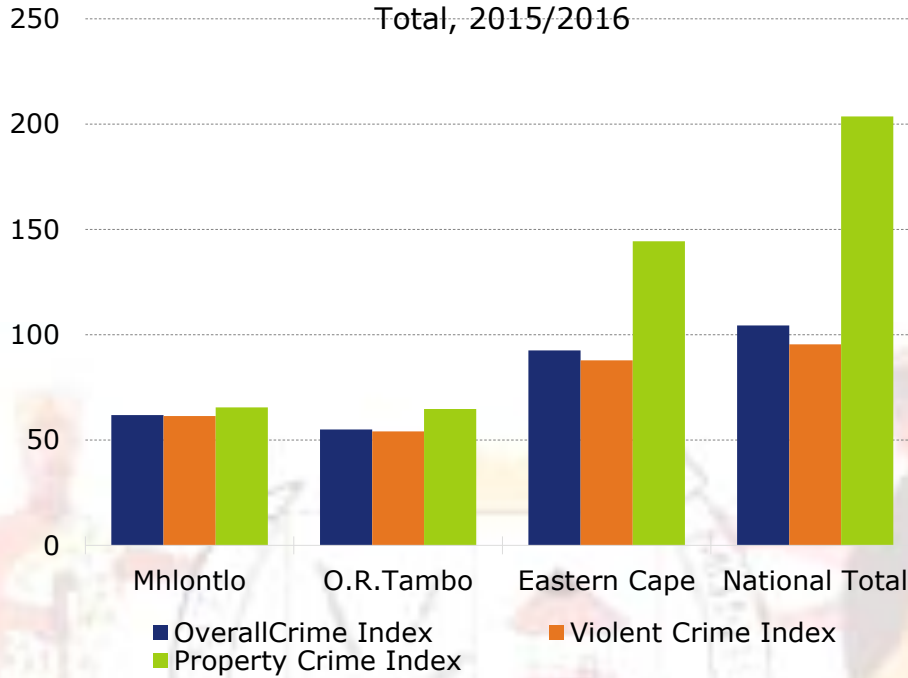
Source: IHS Global Insight 2016

In 2015/2016, the King Sabata Dalindyebo local municipality has the highest overall crime rate of the sub-regions within the overall O.R.Tambo District Municipality with an index value of 70. Mhlontlo local municipality has the second highest overall crime index at 61.8, with Nyandeni local municipality having the third highest overall crime index of 50.1. It is clear that all the crime is decreasing overtime for all the regions within O.R.Tambo District Municipality. Port St Johns local municipality has the second lowest overall crime index of 47.3 and the Ngquza Hill local municipality has the lowest overall crime rate of 35.4. It is clear that crime is decreasing overtime for all the regions within O.R.Tambo District Municipality. The region that decreased the most in overall crime since 2005/2006 was Port St Johns local municipality with an average annual decrease of 6.0% followed by King Sabata Dalindyebo local municipality with an average annual decrease of 5.9%.

CHART 41. IHS CRIME INDEX - CALENDER YEARS (WEIGHTED AVG / 100,000 PEOPLE) - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2015/2016 [INDEX VALUE]

Overall, Violent and Property Crime Index

Mhlontlo, O.R.Tambo, Eastern Cape and National Total, 2015/2016



Source: IHS Global Insight 2016

From the chart above it is evident that property crime is a major problem for all the regions relative to violent crime.

9. Household Infrastructure

Drawing on the household infrastructure data of a region is of essential value in economic planning and social development. Assessing household infrastructure involves the measurement of four indicators:

- a. Access to dwelling units
- b. Access to proper sanitation
- c. Access to running water
- d. Access to refuse removal
- e. Access to electricity

A household is considered "serviced" if it has access to all four of these basic services. If not, the household is considered to be part of the backlog. The way access to a given service is defined (and how to accurately measure that specific Definition over time) gives rise to some distinct problems. IHS has therefore developed a unique model to capture the number of households and their level of access to the four basic services.

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

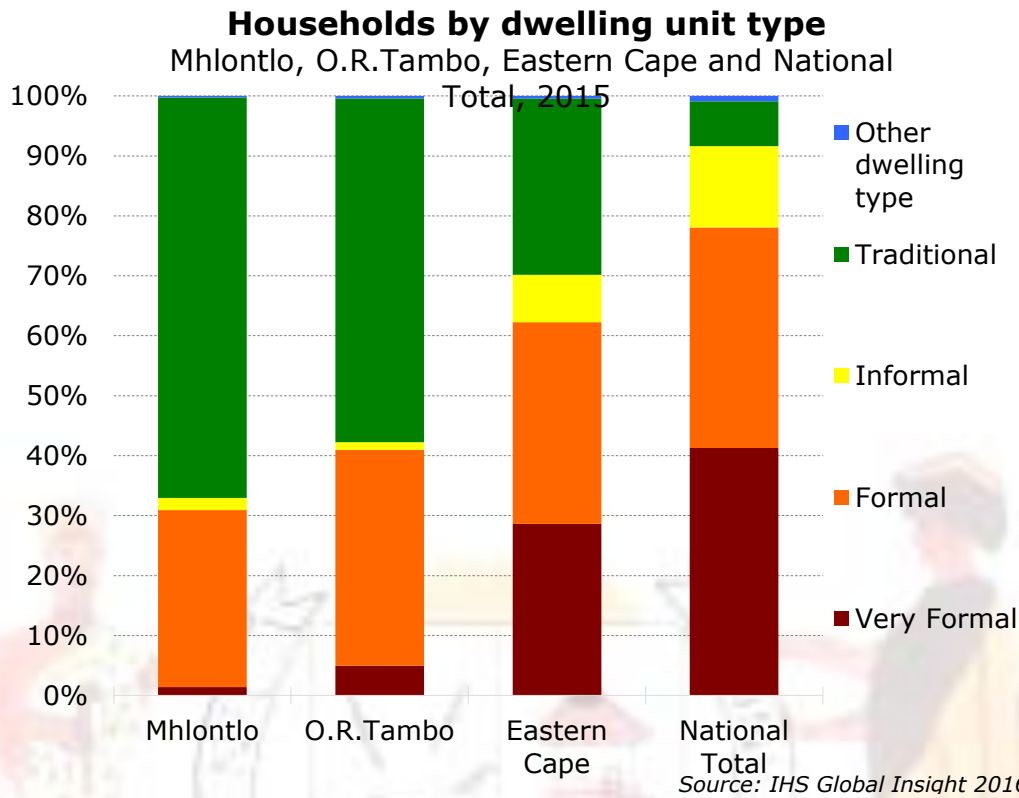
The next few sections offer an overview of the household infrastructure of the Mhlontlo Local Municipality between 2015 and 2005.

9.1 Household by Dwelling Type

Using the StatsSA definition of a household and a dwelling unit, households can be categorised according to type of dwelling. The categories are:

- a. **Very formal dwellings** - structures built according to approved plans, e.g. houses on a separate stand, flats or apartments, townhouses, rooms in backyards that also have running water and flush toilets within the dwelling.
- b. **Formal dwellings** - structures built according to approved plans, i.e. house on a separate stand, flat or apartment, townhouse, room in backyard, rooms or flatlet elsewhere etc, but without running water or without a flush toilet within the dwelling.
- c. **Informal dwellings** - shacks or shanties in informal settlements, serviced stands, or proclaimed townships, as well as shacks in the backyards of other dwelling types.
- d. **Traditional dwellings** - structures made of clay, mud, reeds, or other locally available material.
- e. **Other dwelling units** - tents, ships, caravans, etc.

CHART 42. HOUSEHOLDS BY DWELLING UNIT TYPE - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2015 [PERCENTAGE]



Mhlontlo Local Municipality had a total number of 608 (1.38% of total households) very formal dwelling units, a total of 13 000 (29.56% of total households) formal dwelling units and a total number of 894 (2.04% of total households) informal dwelling units.

TABLE 36. HOUSEHOLDS BY DWELLING UNIT TYPE - MHLONTLO AND THE REST OF O.R.TAMBO, 2015 [NUMBER]

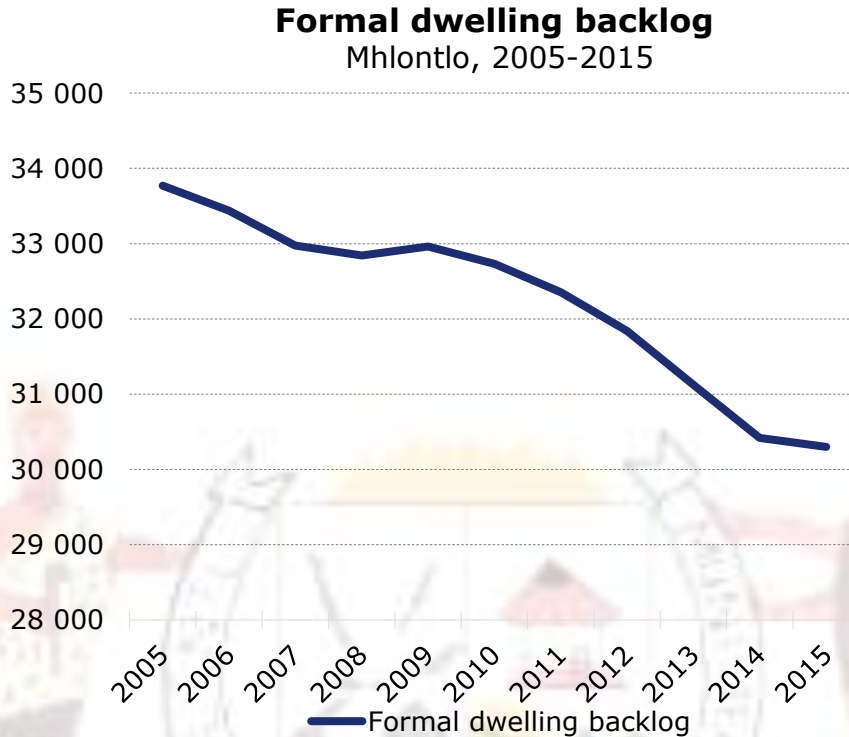
	Very Formal	Formal	Informal	Traditional	Other dwelling type	Total
Mhlontlo	608	13,000	894	29,300	121	43,900
Ngquza Hill	629	22,000	481	36,400	162	59,600
Port St Johns	286	7,240	271	25,200	44	33,100
Nyandeni	381	20,500	344	43,700	247	65,200
King Sabata Dalindyebo	13,900	51,500	2,060	47,200	689	115,000
Total O.R.Tambo	15,795	114,154	4,048	181,833	1,263	317,094

Source: IHS Global Insight 2016

The region within the O.R.Tambo District Municipality with the highest number of very formal dwelling units is King Sabata Dalindyebo local municipality with 13 900 or a share of 87.95% of the total very formal dwelling units within O.R.Tambo. The region with the lowest number of very formal dwelling units is

Port St Johns local municipality with a total of 286 or a share of 1.81% of the total very formal dwelling units within O.R.Tambo.

CHART 43. FORMAL DWELLING BACKLOG - NUMBER OF HOUSEHOLDS NOT LIVING IN A FORMAL DWELLING - MHLONTLO LOCAL MUNICIPALITY, 2005-2015 [NUMBER OF HOUSEHOLDS]



Source: IHS Global Insight 2016

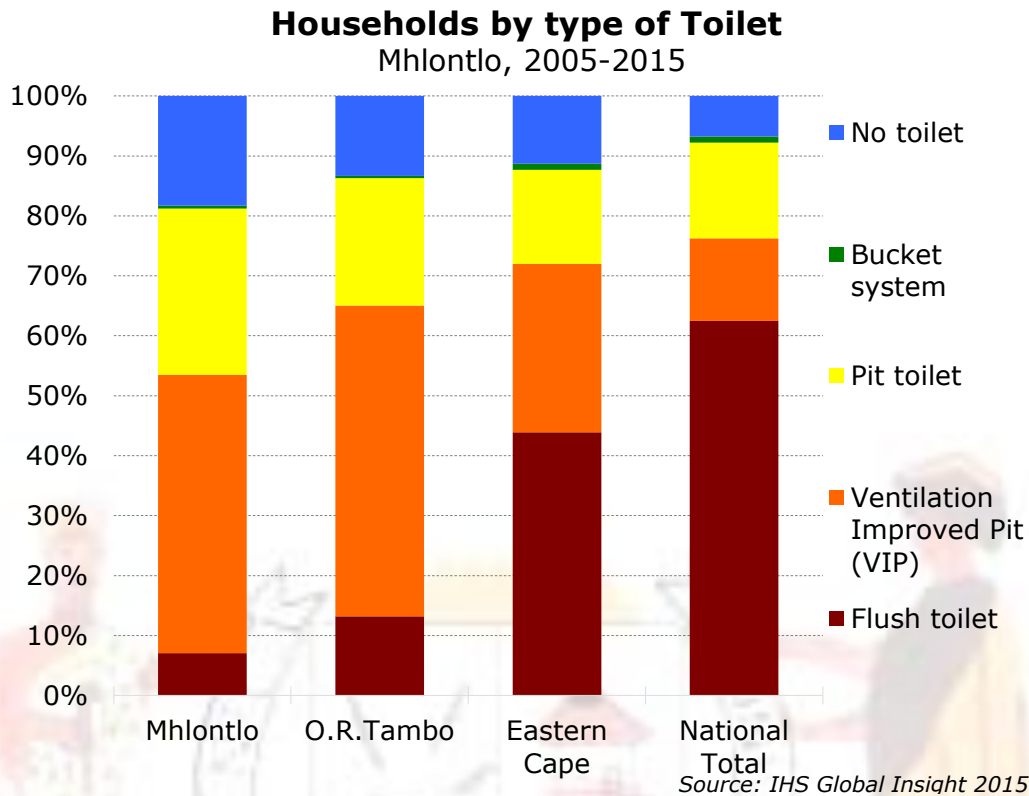
When looking at the formal dwelling unit backlog (number of households not living in a formal dwelling) over time, it can be seen that in 2005 the number of households not living in a formal dwelling were 33 800 within Mhlontlo Local Municipality. From 2005 this number decreased annually at -1.08% to 30 300 in 2015.

9.2 Household by type of sanitation

Sanitation can be divided into specific types of sanitation to which a household has access. We use the following categories:

- a. **No toilet** - No access to any of the toilet systems explained below.
- b. **Bucket system** - A top structure with a seat over a bucket. The bucket is periodically removed and the contents disposed of. (Note: this system is widely used but poses health risks to the collectors. Most authorities are actively attempting to discontinue the use of these buckets in their local regions).
- c. **Pit toilet** - A top structure over a pit.
- d. **Ventilation improved pit** - A pit toilet but with a fly screen and vented by a pipe. Depending on soil conditions, the pit may be lined.
- e. **Flush toilet** - Waste is flushed into an enclosed tank, thus preventing the waste to flow into the surrounding environment. The tanks need to be emptied or the contents pumped elsewhere.

CHART 44. HOUSEHOLDS BY TYPE OF SANITATION - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2015 [PERCENTAGE]



Mhlontlo Local Municipality had a total number of 3 100 flush toilets (7.06% of total households), 20 400 Ventilation Improved Pit (VIP) (46.38% of total households) and 12 200 (27.78%) of total households pit toilets.

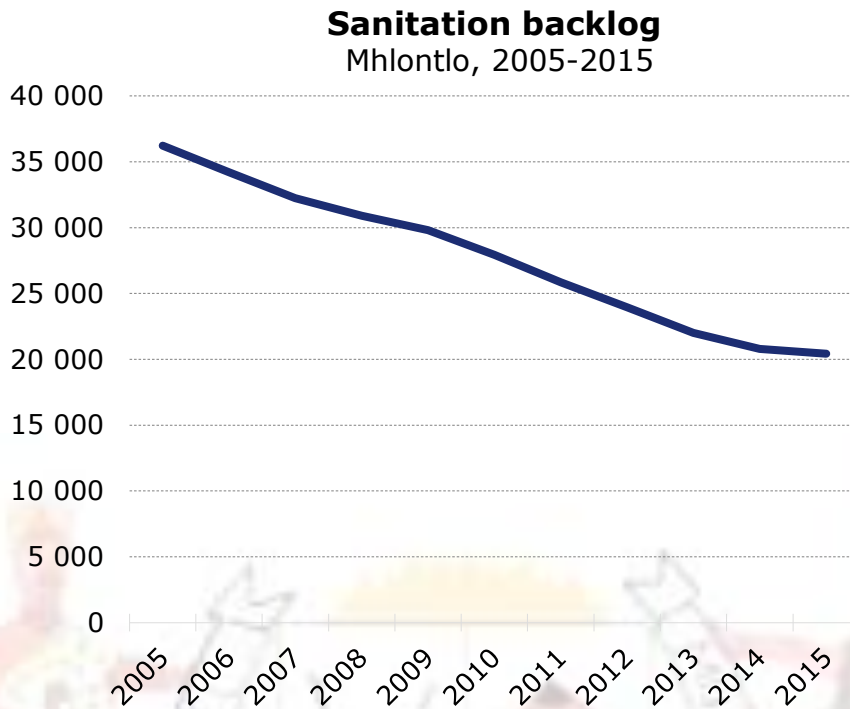
TABLE 37. HOUSEHOLDS BY TYPE OF SANITATION - MHLONTLO LOCAL MUNICIPALITY AND THE REST OF O.R.TAMBO, 2015 [NUMBER]

	Flush toilet	Ventilation Improved Pit (VIP)	Pit toilet	Bucket system	No toilet	Total
Mhlontlo	3,100	20,400	12,200	209	8,030	43,900
Ngquza Hill	6,200	30,100	18,400	224	4,690	59,700
Port St Johns	3,350	15,500	6,960	167	7,040	33,100
Nyandeni	2,820	42,400	8,740	175	11,000	65,200
King Sabata Dalindyebo	26,400	56,000	21,000	397	11,500	115,000
Total O.R.Tambo	41,889	164,429	67,291	1,172	42,321	317,103

Source: IHS Global Insight 2016

The region within O.R.Tambo with the highest number of flush toilets is King Sabata Dalindyebo local municipality with 26 400 or a share of 63.07% of the flush toilets within O.R.Tambo. The region with the lowest number of flush toilets is Nyandeni local municipality with a total of 2 820 or a share of 6.73% of the total flush toilets within O.R.Tambo District Municipality.

CHART 45. SANITATION BACKLOG - MHLONTLO LOCAL MUNICIPALITY, 2005-2015
[NUMBER OF HOUSEHOLDS WITHOUT HYGIENIC TOILETS]



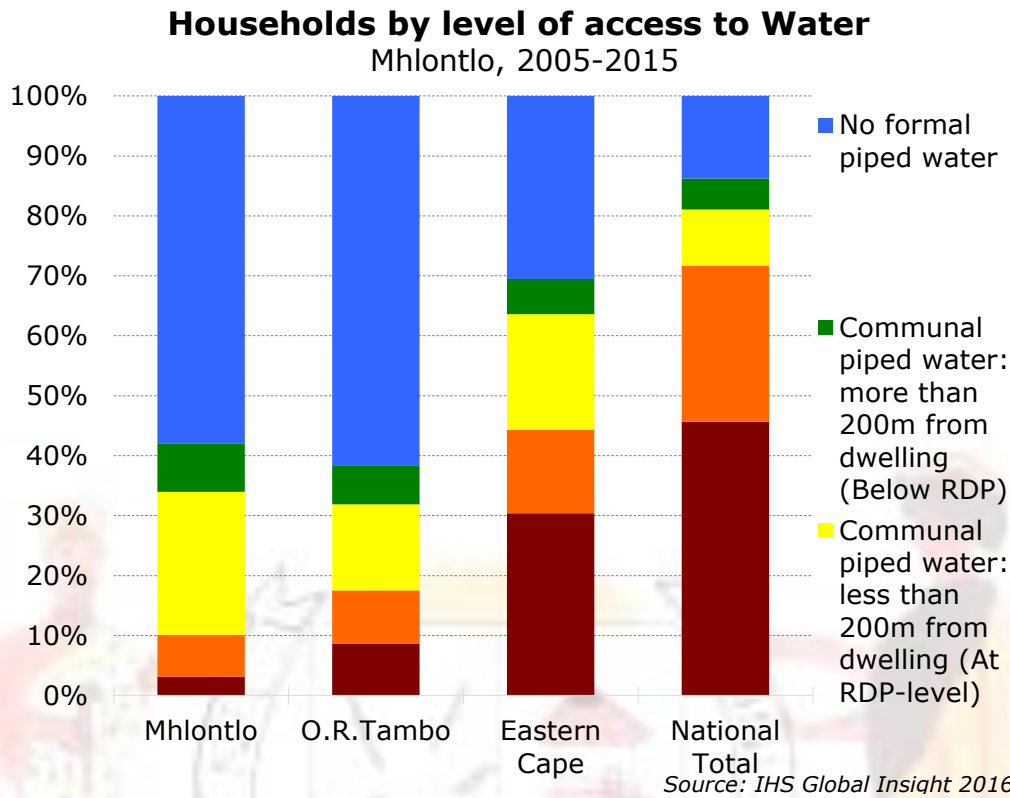
Source: IHS Global Insight 2016

When looking at the sanitation backlog (number of households without hygienic toilets) over time, it can be seen that in 2005 the number of Households without any hygienic toilets in Mhlontlo Local Municipality was 36 200, this decreased annually at a rate of -5.56% to 20 400 in 2015.

9.3 Households by access to water

A household is categorised according to its main access to water, as follows: Regional/local water scheme, Borehole and spring, Water tank, Dam/pool/stagnant water, River/stream and other main access to water methods. No formal piped water includes households that obtain water via water carriers and tankers, rain water, boreholes, dams, rivers and springs.

CHART 46. HOUSEHOLDS BY TYPE OF WATER ACCESS - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2015 [PERCENTAGE]



Mhlontlo Local Municipality had a total number of 1 370 (or 3.11%) households with piped water inside the dwelling, a total of 3 060 (6.99%) households had piped water inside the yard and a total number of 25 400 (58.02%) households had no formal piped water.

TABLE 38. HOUSEHOLDS BY TYPE OF WATER ACCESS - MHLONTLO AND THE REST OF O.R.TAMBO, 2015 [NUMBER]

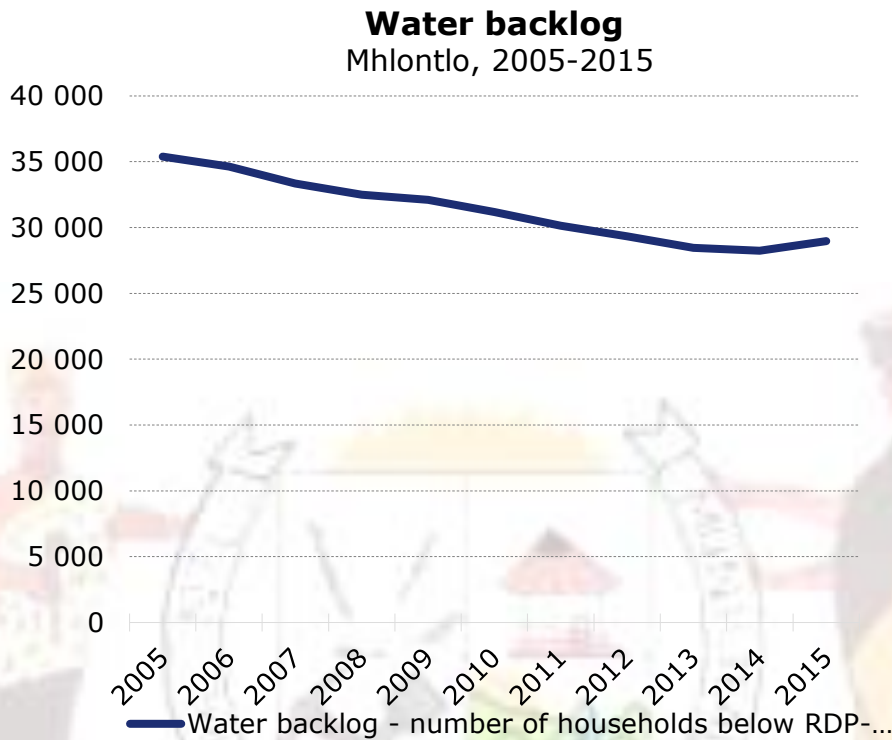
	Piped water inside dwelling	Piped water in yard	Communal piped water: less than 200m from dwelling (At RDP-level)	Communal piped water: more than 200m from dwelling (Below RDP)	No formal piped water	Total
Mhlontlo	1,370	3,060	10,500	3,530	25,500	43,900
Ngquza Hill	1,530	1,890	5,140	3,300	47,800	59,700
Port St Johns	713	1,680	5,640	1,920	23,100	33,100
Nyandeni	1,240	1,600	15,100	6,240	41,100	65,200
King Sabata Dalindyebo	22,600	19,800	9,320	5,570	58,000	115,000
Total O.R.Tambo	27,457	28,060	45,617	20,561	195,415	317,110

Source: IHS Global Insight 2016

The regions within O.R.Tambo District Municipality with the highest number of households with piped water inside the dwelling is King Sabata Dalindyebo local municipality with 22 600 or a share of 82.37% of the households with piped water

inside the dwelling within O.R.Tambo District Municipality. The region with the lowest number of households with piped water inside the dwelling is Port St Johns local municipality with a total of 713 or a share of 2.60% of the total households with piped water inside the dwelling within O.R.Tambo District Municipality.

CHART 47. WATER BACKLOG - MHLONTLO LOCAL MUNICIPALITY, 2005-2015
[NUMBER OF HOUSEHOLDS BELOW RDP-LEVEL]



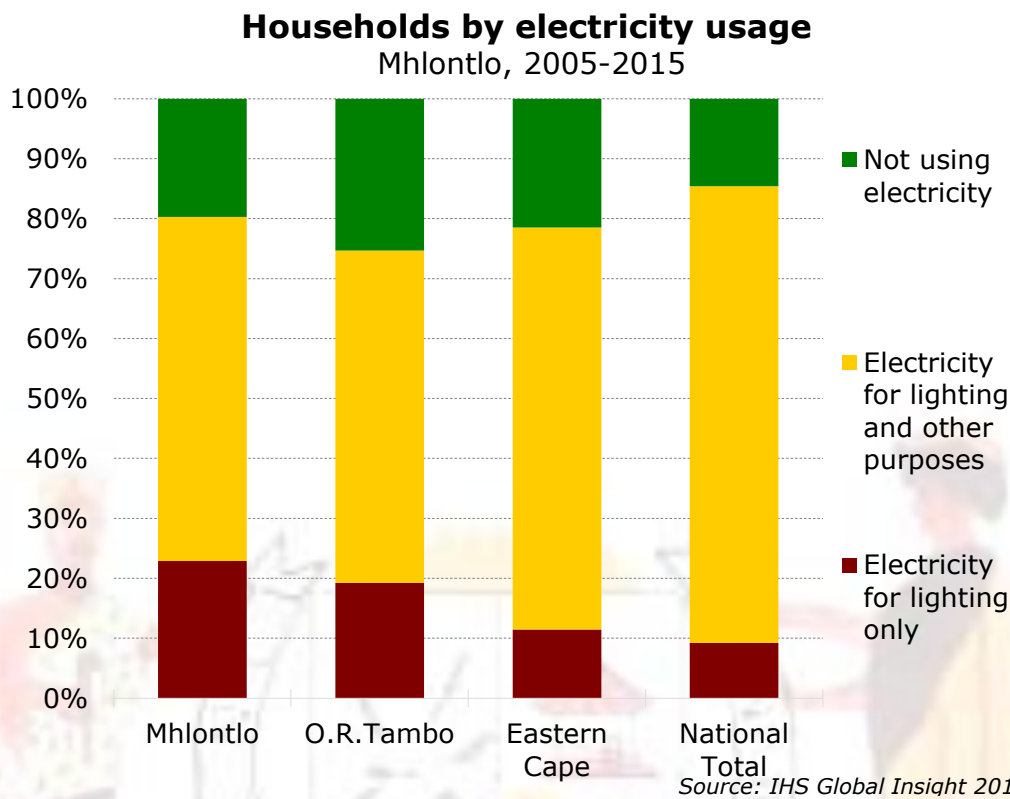
Source: IHS Global Insight 2016

When looking at the water backlog (number of households below RDP-level) over time, it can be seen that in 2005 the number of households below the RDP-level were 35 400 within Mhlontlo Local Municipality, this decreased annually at - 1.97% per annum to 29 000 in 2015.

9.4 Households by type of electricity

Households are distributed into 3 electricity usage categories: Households using electricity for cooking, Households using electricity for heating, households using electricity for lighting. Household using solar power are included as part of households with an electrical connection. This time series categorises households in a region according to their access to electricity (electrical connection).

CHART 48. HOUSEHOLDS BY TYPE OF ELECTRICAL CONNECTION - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2015 [PERCENTAGE]



Mhlontlo Local Municipality had a total number of 10 000 (22.87%) households with electricity for lighting only, a total of 25 200 (57.38%) households had electricity for lighting and other purposes and a total number of 8 660 (19.75%) households did not use electricity.

TABLE 39. HOUSEHOLDS BY TYPE OF ELECTRICAL CONNECTION - MHLONTLO AND THE REST OF O.R.TAMBO, 2015 [NUMBER]

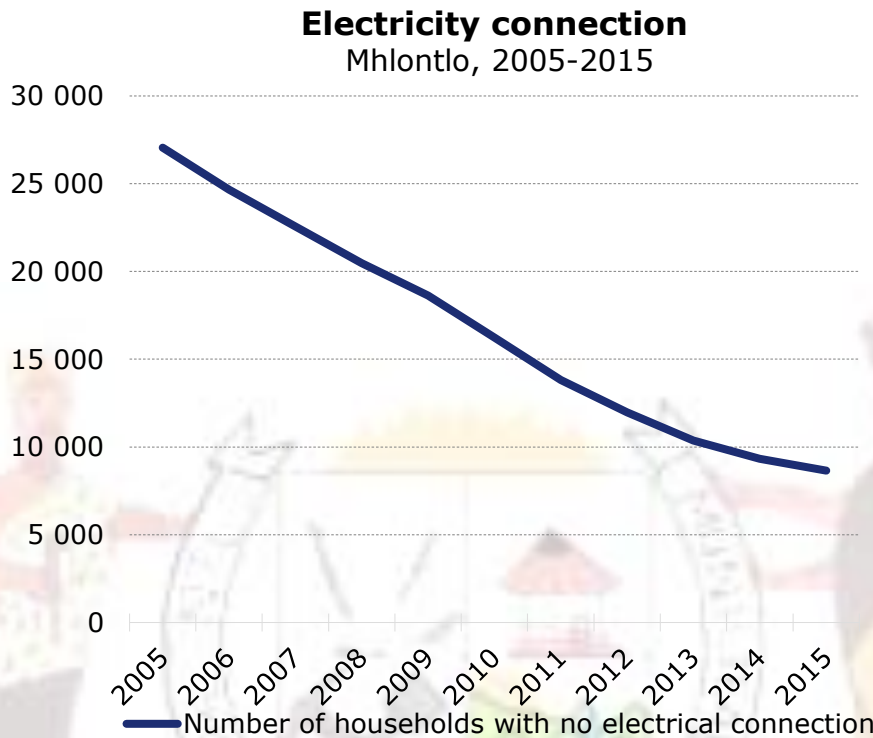
	Electricity for lighting only	Electricity for lighting and other purposes	Not using electricity	Total
Mhlontlo	10,000	25,200	8,660	43,900
Ngquza Hill	5,200	34,200	20,200	59,700
Port St Johns	8,300	15,800	9,010	33,100
Nyandeni	17,600	29,600	18,000	65,200
King Sabata Dalindyebo	20,000	71,000	24,300	115,000
Total O.R.Tambo	61,087	175,772	80,242	317,101

Source: IHS Global Insight 2016

The region within O.R.Tambo with the highest number of households with electricity for lighting and other purposes is King Sabata Dalindyebo local municipality with 71 000 or a share of 40.41% of the households with electricity for lighting and other purposes within O.R.Tambo District Municipality. The region

with the lowest number of households with electricity for lighting and other purposes is Port St Johns local municipality with a total of 15 800 or a share of 8.96% of the total households with electricity for lighting and other purposes within O.R.Tambo District Municipality.

CHART 49. ELECTRICITY CONNECTION - MHLONTLO LOCAL MUNICIPALITY, 2005-2015 [NUMBER OF HOUSEHOLDS WITH NO ELECTRICAL CONNECTION]



Source: IHS Global Insight 2016

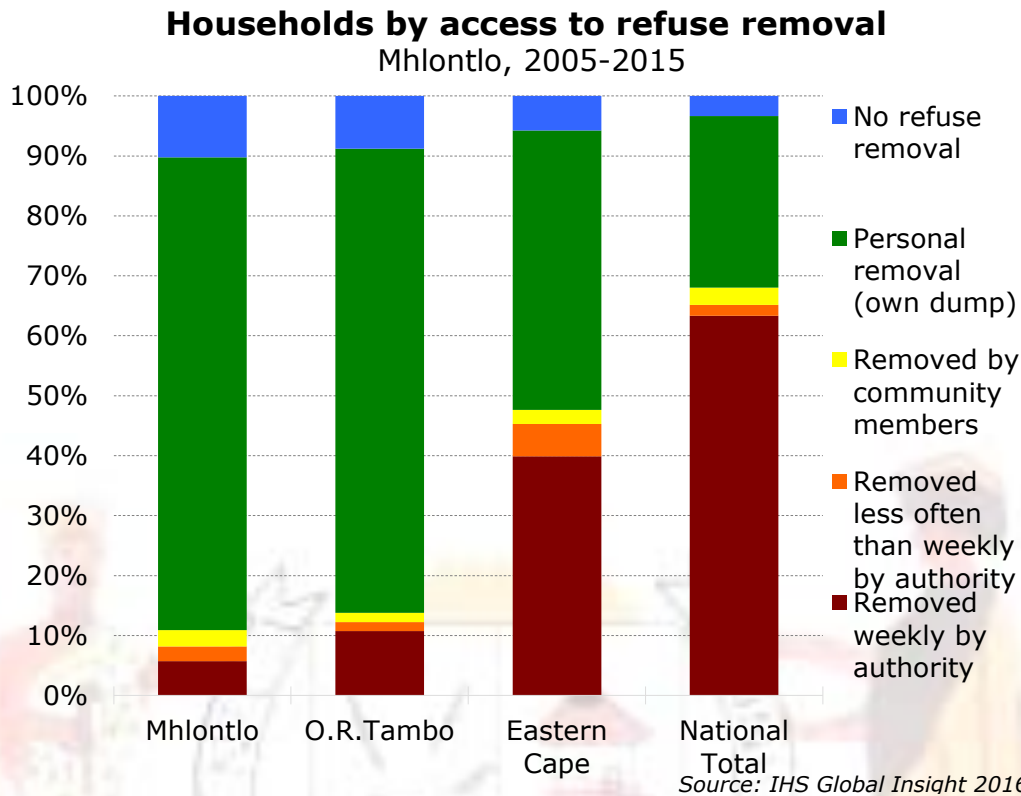
When looking at the number of households with no electrical connection over time, it can be seen that in 2005 the households without an electrical connection in Mhlontlo Local Municipality was 27 000, this decreased annually at -10.76% per annum to 8 660 in 2015.

9.5 Households by refuse disposal

A distinction is made between formal and informal refuse removal. When refuse is removed by the local authorities, it is referred to as formal refuse removal. Informal refuse removal is where either the household or the community disposes of the waste, or where there is no refuse removal at all. A further breakdown is used in terms of the frequency by which the refuse is taken away, thus leading to the following categories:

- a. Removed weekly by authority
- b. Removed less often than weekly by authority
- c. Removed by community members
- d. Personal removal / (own dump)
- e. No refuse removal

CHART 50. HOUSEHOLDS BY REFUSE DISPOSAL - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2015 [PERCENTAGE]



Mhlontlo Local Municipality had a total number of 2 500 (5.71%) households which had their refuse removed weekly by the authority, a total of 1 080 (2.46%) households had their refuse removed less often than weekly by the authority and a total number of 34 600 (78.83%) households which had to remove their refuse personally (own dump).

TABLE 40. HOUSEHOLDS BY REFUSE DISPOSAL - MHLONTLO AND THE REST OF O.R.TAMBO, 2015 [NUMBER]

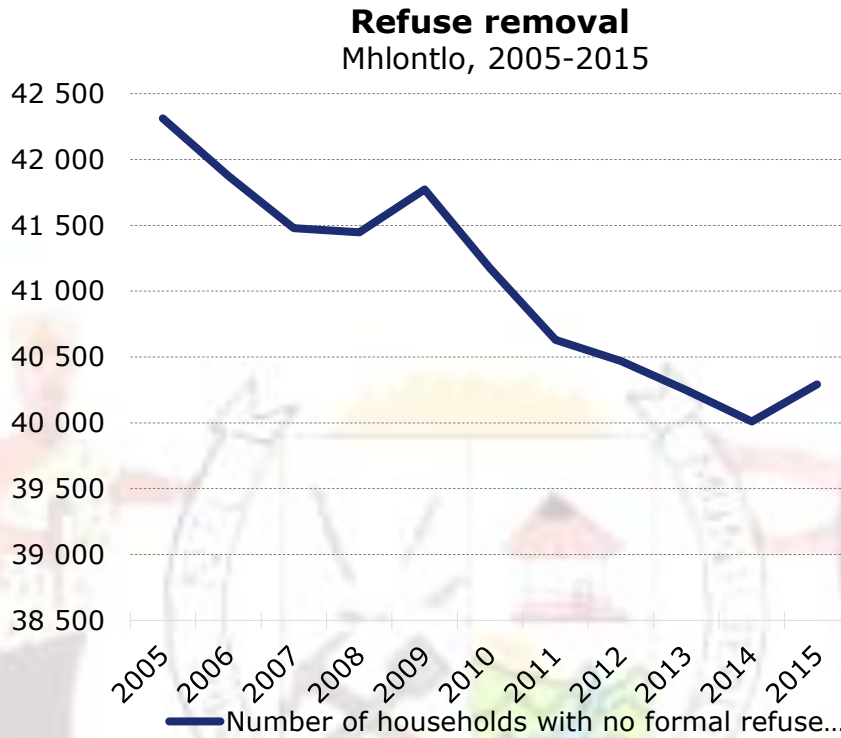
	Removed weekly by authority	Removed less often than weekly by authority	Removed by community members	Personal removal (own dump)	No refuse removal	Total
Mhlontlo	2,500	1,080	1,210	34,600	4,500	43,900
Ngquza Hill	2,040	544	1,170	51,900	3,990	59,700
Port St Johns	1,190	372	584	27,300	3,580	33,100
Nyandeni	1,320	360	680	56,400	6,470	65,200
King Sabata Dalindyebo	27,000	2,420	1,210	75,300	9,440	115,000
Total O.R.Tambo	34,018	4,770	4,860	245,490	27,963	317,102

Source: IHS Global Insight 2016

The region within O.R.Tambo with the highest number of households where the refuse is removed weekly by the authority is King Sabata Dalindyebo local municipality with 27 000 or a share of 79.25% of the households where the refuse

is removed weekly by the authority within O.R.Tambo. The region with the lowest number of households where the refuse is removed weekly by the authority is Port St Johns local municipality with a total of 1 190 or a share of 3.50% of the total households where the refuse is removed weekly by the authority within the district municipality.

CHART 51. REFUSE REMOVAL - MHLONTLO LOCAL MUNICIPALITY, 2005-2015
[NUMBER OF HOUSEHOLDS WITH NO FORMAL REFUSE REMOVAL]



Source: IHS Global Insight 2016

When looking at the number of households with no formal refuse removal, it can be seen that in 2005 the households with no formal refuse removal in Mhlontlo Local Municipality was 42 300, this decreased annually at -0.49% per annum to 40 300 in 2015. The Municipality has two licensed landfill sites, one in Qumbu is operational and one in Tsolo not yet constructed. The municipality also participate in the District waste management forum where the municipality is invited as a stakeholder to participate.

10. Tourism

Tourism can be defined as the non-commercial organisation plus operation of vacations and visits to a place of interest. Whether you visit a relative or friend, travel for business purposes, go on holiday or on medical and religious trips - these are all included in tourism.

10.1 Trips by purpose of trips

As defined by the United Nations World Tourism Organisation (UN WTO), a trip refers to travel, by a person, from the time they leave their usual residence until they return to that residence. This is usually referred to as a round trip. IHS likes to narrow this definition down to overnight trips only, and only those made by

adult visitors (over 18 years). Also note that the number of "person" trips are measured, not household or "party trips".

The main purpose for an overnight trip is grouped into these categories:

- a. Leisure / Holiday
- b. Business
- c. Visits to friends and relatives
- d. Other (Medical, Religious, etc.)

TABLE 41. NUMBER OF TRIPS BY PURPOSE OF TRIPS - MHLONTLO LOCAL MUNICIPALITY, 2005-2015 [NUMBER PERCENTAGE]

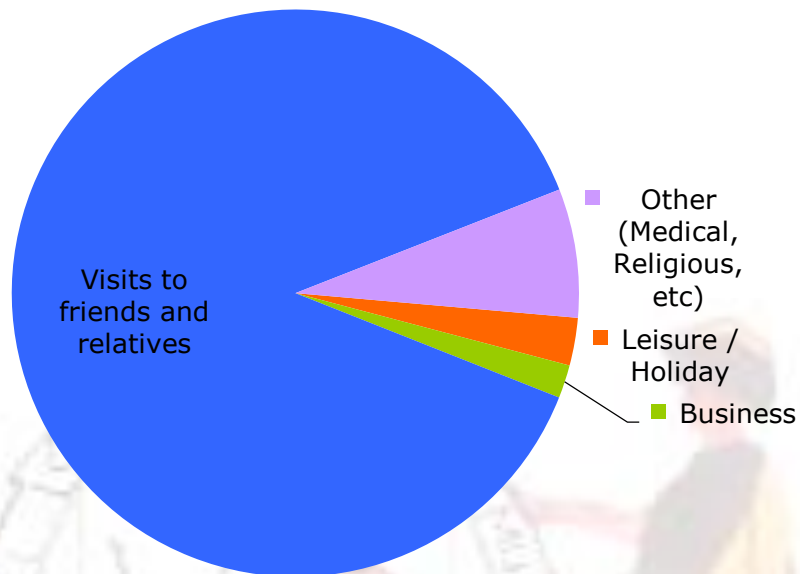
	Leisure / Holiday	Business	Visits to friends and relatives	Other (Medical, Religious, etc)	Total
2005	3,290	635	60,100	2,730	66,700
2006	2,950	661	57,900	2,850	64,300
2007	2,720	642	54,600	2,840	60,800
2008	2,300	595	49,100	3,130	55,200
2009	1,770	563	43,400	3,010	48,700
2010	1,370	567	38,000	2,880	42,800
2011	1,200	527	33,800	2,690	38,200
2012	1,040	530	30,300	2,510	34,400
2013	842	486	27,300	2,220	30,800
2014	771	511	24,400	2,080	27,800
2015	675	469	21,800	1,820	24,800
Average Annual growth					
2005-2015	-14.65%	-2.98%	-9.62%	-3.97%	-9.42%

Source: IHS Global Insight 2016

In Mhlontlo Local Municipality, the Business, relative to the other tourism, recorded the highest average annual growth rate from 2005 (635) to 2015 (470) at -2.98%. Visits to friends and relatives recorded the highest number of visits in 2015 at 21 800, with an average annual growth rate of -9.62%. The tourism type that recorded the lowest growth was Leisure / Holiday tourism with an average annual growth rate of -14.65% from 2005 (3 290) to 2015 (675).

CHART 52. TRIPS BY PURPOSE OF TRIP - MHLONTLO LOCAL MUNICIPALITY, 2015
[PERCENTAGE]

Tourism - trips by Purpose of trip
Mhlontlo Local Municipality, 2015



Source: IHS Global Insight 2016

The Visits to friends and relatives at 88.05% has largest share the total tourism within Mhlontlo Local Municipality. Other (Medical, Religious, etc) tourism had the second highest share at 7.34%, followed by Leisure / Holiday tourism at 2.72% and the Business tourism with the smallest share of 1.89% of the total tourism within Mhlontlo Local Municipality.

10.2 Origin of tourists

In the following table, the number of tourists that visited Mhlontlo Local Municipality from both domestic origins, as well as those coming from international places, are listed.

TABLE 42. TOTAL NUMBER OF TRIPS BY ORIGIN TOURISTS - MHLONTLO LOCAL MUNICIPALITY, 2005-2015 [NUMBER]

	Domestic tourists	International tourists	Total tourists
2005	61,400	5,310	66,700
2006	59,000	5,350	64,300
2007	55,800	5,030	60,800
2008	50,700	4,510	55,200
2009	44,800	3,940	48,700
2010	39,100	3,730	42,800
2011	35,000	3,170	38,200
2012	31,300	3,120	34,400
2013	27,900	2,960	30,800
2014	24,900	2,930	27,800
2015	22,200	2,620	24,800
Average Annual growth			
2005-2015	-9.68%	-6.80%	-9.42%

Source: IHS Global Insight 2016

The number of trips by tourists visiting Mhlontlo Local Municipality from other regions in South Africa has decreased at an average annual rate of -9.68% from 2005 (61 400) to 2015 (22 200). The tourists visiting from other countries decreased at an average annual growth rate of -6.80% (from 5 310 in 2005 to 2 620). International tourists constitute 10.58% of the total number of trips, with domestic tourism representing the balance of 89.42%.

CHART 53. TOURISTS BY ORIGIN - MHLONTLO LOCAL MUNICIPALITY, 2015
[PERCENTAGE]

Tourism - tourists by origin
Mhlontlo Local Municipality, 2015



Source: IHS Global Insight 2016

10.3 Bednights by origin of tourist

A bed night is the tourism industry measurement of one night away from home on a single person trip. The following is a summary of the number of bed nights spent by domestic and international tourist within Mhlontlo Local Municipality between 2005 and 2015.

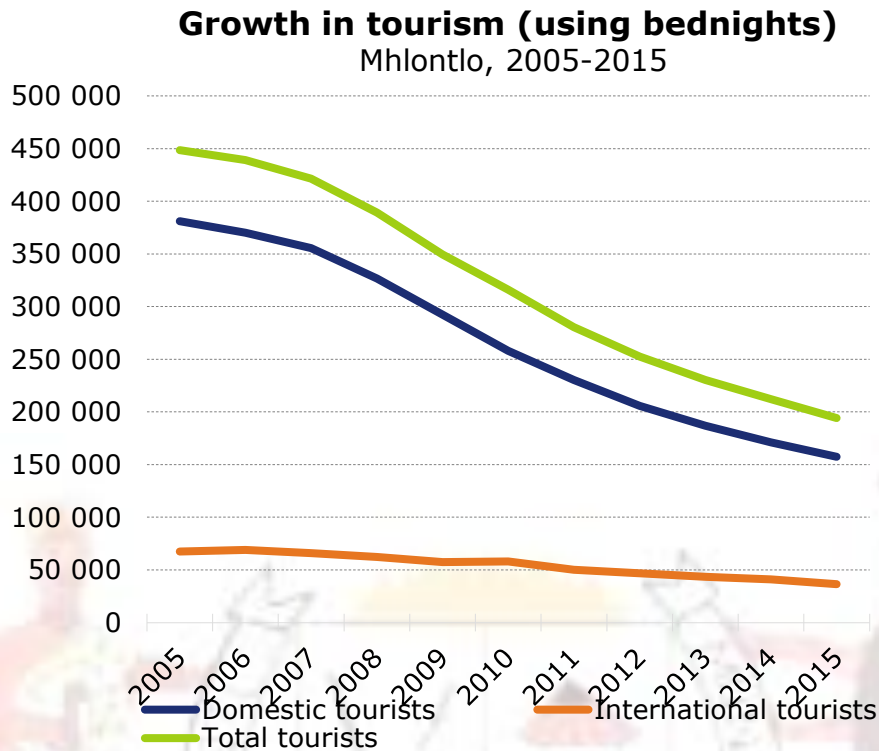
TABLE 43. BEDNIGHTS BY ORIGIN OF TOURIST - MHLONTLO LOCAL MUNICIPALITY, 2005-2015 [NUMBER]

	Domestic tourists	International tourists	Total tourists
2005	381,000	67,300	448,000
2006	370,000	69,100	439,000
2007	356,000	66,100	422,000
2008	327,000	62,400	389,000
2009	292,000	57,400	350,000
2010	258,000	58,000	316,000
2011	230,000	50,100	280,000
2012	206,000	46,700	253,000
2013	187,000	43,300	230,000
2014	171,000	41,000	212,000
2015	157,000	36,600	194,000
Average Annual growth			
2005-2015	-8.46%	-5.92%	-8.04%

Source: IHS Global Insight 2016

From 2005 to 2015, the number of bed nights spent by domestic tourists has decreased at an average annual rate of -8.46%, while in the same period the international tourists had an average annual decrease of -5.92%. The total number of bed nights spent by tourists decreased at an average annual growth rate of -8.04% from 448 000 in 2005 to 194 000 in 2015.

CHART 54. GROWTH IN TOURISM (USING BEDNIGHTS) BY ORIGIN - MHLONTLO LOCAL MUNICIPALITY, 2005-2015 [NUMBER]



Source: IHS Global Insight 2016

10.4 Tourism spending

In their Tourism Satellite Account, StatsSA defines tourism spending as all expenditure by visitors for their trip to the particular region. This excludes capital expenditure as well as the shopping expenditure of traders (called shuttle trade). The amounts are presented in current prices, meaning that inflation has not been taken into account.

It is important to note that this type of spending differs from the concept of contribution to GDP. Tourism spending merely represents a nominal spend of trips made to each region.

TABLE 44. TOTAL TOURISM SPENDING - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2005-2015 [R BILLIONS, CURRENT PRICES]

	Mhlontlo	O.R.Tambo	Eastern Cape	National Total
2005	0.1	0.9	7.7	107.2
2006	0.1	1.1	9.3	126.9
2007	0.1	1.1	9.8	138.7
2008	0.1	1.1	10.8	152.5
2009	0.1	1.1	10.7	153.4
2010	0.1	1.1	11.5	167.2
2011	0.1	1.1	11.4	174.6
2012	0.1	1.1	12.1	199.9
2013	0.1	1.1	12.3	217.6
2014	0.1	1.1	12.6	238.7
2015	0.1	1.1	11.7	234.1
Average Annual growth				
2005-2015	-0.48%	1.71%	4.33%	8.13%

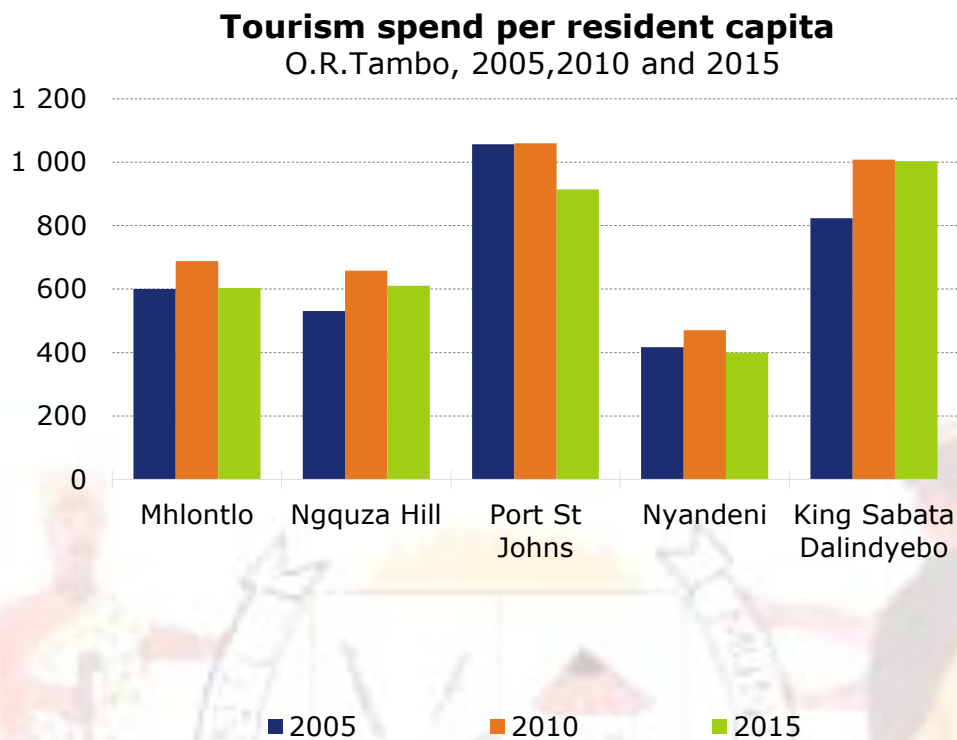
Source: IHS Global Insight 2016

Mhlontlo Local Municipality had a total tourism spending of R 116 million in 2015 with an average annual growth rate of -0.5% since 2005 (R 122 million). O.R.Tambo District Municipality had a total tourism spending of R 1.06 billion in 2015 and an average annual growth rate of 1.7% over the period. Total spending in Eastern Cape Province increased from R 7.68 billion in 2005 to R 11.7 billion in 2015 at an average annual rate of 4.3%. South Africa as whole had an average annual rate of 8.1% and increased from R 107 billion in 2005 to R 234 billion in 2015.

10.5 Tourism spend per resident capita

Another interesting topic to look at is tourism spending per resident capita. To calculate this, the total amount of tourism spending in the region is divided by the number of residents living within that region. This gives a relative indication of how important tourism is for a particular area.

CHART 55. TOURISM SPEND PER RESIDENT CAPITA - MHLONTLO LOCAL MUNICIPALITY AND THE REST OF O.R. TAMBO, 2005,2010 AND 2015 [R THOUSANDS]



Source: IHS Global Insight 2016

In 2015, Mhlontlo Local Municipality had a tourism spend per capita of R 603 and an average annual growth rate of 0.04%, Mhlontlo Local Municipality ranked fourth amongst all the regions within O.R.Tambo in terms of tourism spend per capita. The region within O.R.Tambo District Municipality that ranked first in terms of tourism spend per capita is King Sabata Dalindyebo local municipality with a total per capita spending of R 1,000 which reflects an average annual increase of 1.99% from 2005. The local municipality that ranked lowest in terms of tourism spend per capita is Nyandeni with a total of R 400 which reflects an decrease at an average annual rate of -0.41% from 2005.

10.6 Tourism spend as a share of GDP

This measure presents tourism spending as a percentage of the GDP of a region. It provides a gauge of how important tourism is to the local economy. An important note about this variable is that it does not reflect what is spent in the tourism industry of that region, but only what is spent by tourists visiting that region as their main destination.

CHART 56. TOTAL SPENDING AS % SHARE OF GDP - MHLONTLO, O.R. TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2005-2015 [PERCENTAGE]

	Mhlontlo	O.R.Tambo	Eastern Cape	National Total
2005	7.7%	6.7%	6.1%	6.5%
2006	7.8%	7.0%	6.5%	6.9%
2007	6.4%	6.0%	5.8%	6.6%
2008	6.4%	6.2%	6.2%	6.4%
2009	5.4%	5.3%	5.6%	6.1%
2010	4.9%	4.9%	5.4%	6.1%
2011	4.3%	4.5%	5.0%	5.8%
2012	4.0%	4.2%	4.8%	6.1%
2013	3.5%	3.9%	4.5%	6.1%
2014	3.2%	3.7%	4.3%	6.3%
2015	2.7%	3.2%	3.8%	5.8%

Source: IHS Global Insight 2016

In Mhlontlo Local Municipality the tourism spending as a percentage of GDP in 2015 was 2.67%. Tourism spending as a percentage of GDP for 2015 was 3.19% in O.R.Tambo District Municipality, 3.82% in Eastern Cape Province. Looking at South Africa as a whole, it can be seen that total tourism spending had a total percentage share of GDP of 5.83%.

11. International Trade

Trade is defined as the act of buying and selling, with international trade referring to buying and selling across international border, more generally called importing and exporting. The Trade Balance is calculated by subtracting imports from exports.

11.1 Relative importance of international trade

In the table below, the Mhlontlo Local Municipality is compared to O.R.Tambo, Eastern Cape Province and South Africa, in terms of actual imports and exports, the Trade Balance, as well the contribution to GDP and the region's contribution to total national exports and imports.

TABLE 45. MERCHANDISE EXPORTS AND IMPORTS - MHLONTLO, O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2015 [R 1000, CURRENT PRICES]

	Mhlontlo	O.R.Tambo	Eastern Cape	National Total
Exports (R 1000)	60	19,022	47,207,000	1,041,437,998
Imports (R 1000)	18	7,007	54,068,186	1,075,891,997
Total Trade (R 1000)	78	26,029	101,275,187	2,117,329,995
Trade Balance (R 1000)	41	12,015	-6,861,186	-34,453,999
Exports as % of GDP	0.0%	0.1%	15.4%	25.9%
Total trade as % of GDP	0.0%	0.1%	32.9%	52.8%
Regional share - Exports	0.0%	0.0%	4.5%	100.0%
Regional share - Imports	0.0%	0.0%	5.0%	100.0%
Regional share - Total Trade	0.0%	0.0%	4.8%	100.0%

Source: IHS Global Insight 2016

The merchandise export from Mhlontlo Local Municipality amounts to R 59,900 and as a percentage of total national exports constitutes about 0.00%. The exports from Mhlontlo Local Municipality constitute 0.00% of total Mhlontlo Local Municipality's GDP. Merchandise imports of R 18,500 constitute about 0.00% of the national imports. Total trade within Mhlontlo is about 0.00% of total national trade. Mhlontlo Local Municipality had a positive trade balance in 2015 to the value of R 41,400.

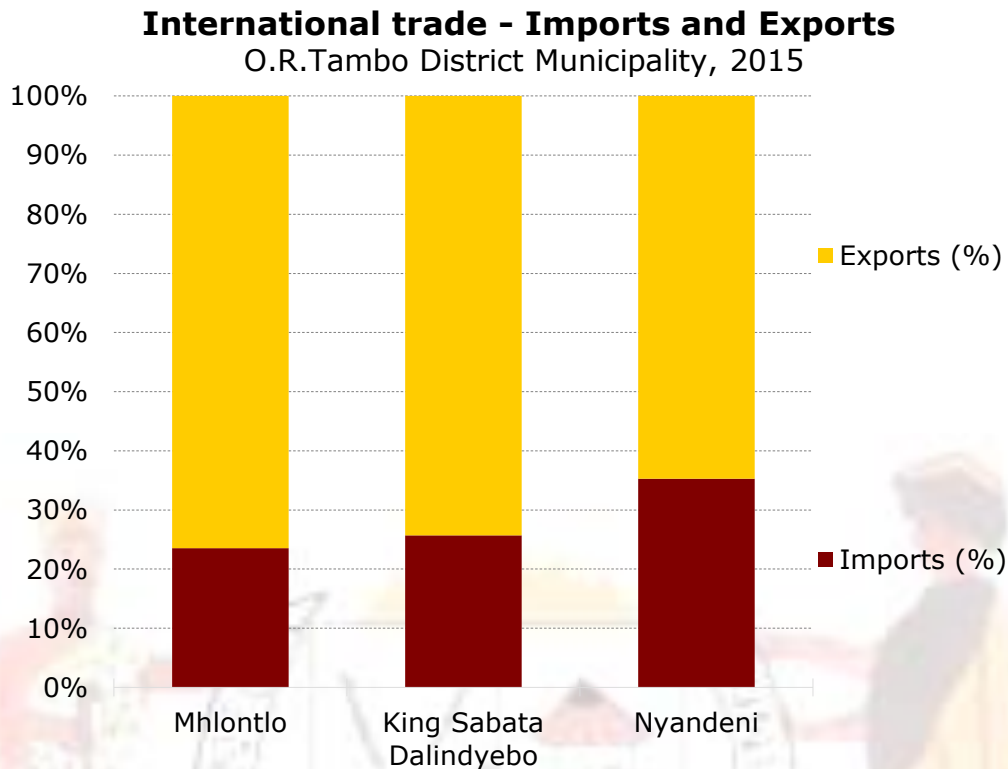
CHART 57. IMPORT AND EXPORTS IN MHLONTLO LOCAL MUNICIPALITY, 2005-2015
[R 1000]



Source: IHS Global Insight 2016

Analysing the trade movements over time, total trade increased from 2005 to 2015 at an average annual growth rate of 51.55%. Merchandise exports decreased at an average annual rate of 0.00%, with the highest level of exports of R 59,900 experienced in 2015. Merchandise imports increased at an average annual growth rate of 31.15% between 2005 and 2015, with the lowest level of imports experienced in 2005.

CHART 58. MERCHANDISE EXPORTS AND IMPORTS - MHLONTLO AND THE REST OF O.R.TAMBO, 2015 [PERCENTAGE]



When comparing the Mhlontlo Local Municipality with the other regions in the O.R.Tambo District Municipality, King Sabata Dalindyebo has the biggest amount of international trade (when aggregating imports and exports, in absolute terms) with a total of R 22.7 million. This is also true for exports - with a total of R 16.9 million in 2015. Port St Johns had the lowest total trade figure at R 0. The Port St Johns also had the lowest exports in terms of currency value with a total of R 0 exports.

12. Environment

12.1 Topography

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

12.2 Rainfall

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

12.3 Vegetation

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

12.4 Land capability

Land Capability is determined by the collective effects of soil, terrain and climate features. It indicates the most intensive long-term and sustainable use of land for rain-fed agriculture and at the same time highlights the permanent limitations associated with the different land use classes. It is therefore a more general term and conservation oriented than land suitability.

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

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

12.5 Climate change

The Municipality is a less contributor to the climate change because there are no firms and factories that may contribute to air pollution. The municipality is trying to control burning of refuse by developing re-cycling and by-back centre. The municipality has adopted the district climate change strategy as it has no capacity to develop its own strategy.

The extent of unimproved grasslands suggests that Mhlontlo has good potential for livestock production, in particular sheep and cattle. The good climatic conditions, soils, and land abundance also point to the potential richness of the natural resource base in the municipality and suggests potential in high value crops and fruit production.

Portions of the area have potential for forestry in terms of land capability, topography and rainfall, and this sector should be encouraged in the western sub-region.

12.6 Biodiversity conservation

12.6.1 Bioregions

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

12.6.2 Critical biodiversity areas

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

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

12.6.3 Why Conserve Biodiversity

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

13. Health

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

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

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

- a. Water quality monitoring,
- b. Food control,
- c. Waste management,
- d. Health surveillance of premises,
- e. Surveillance of prevention of communicable diseases, excluding immunisations,
- f. Vector control,

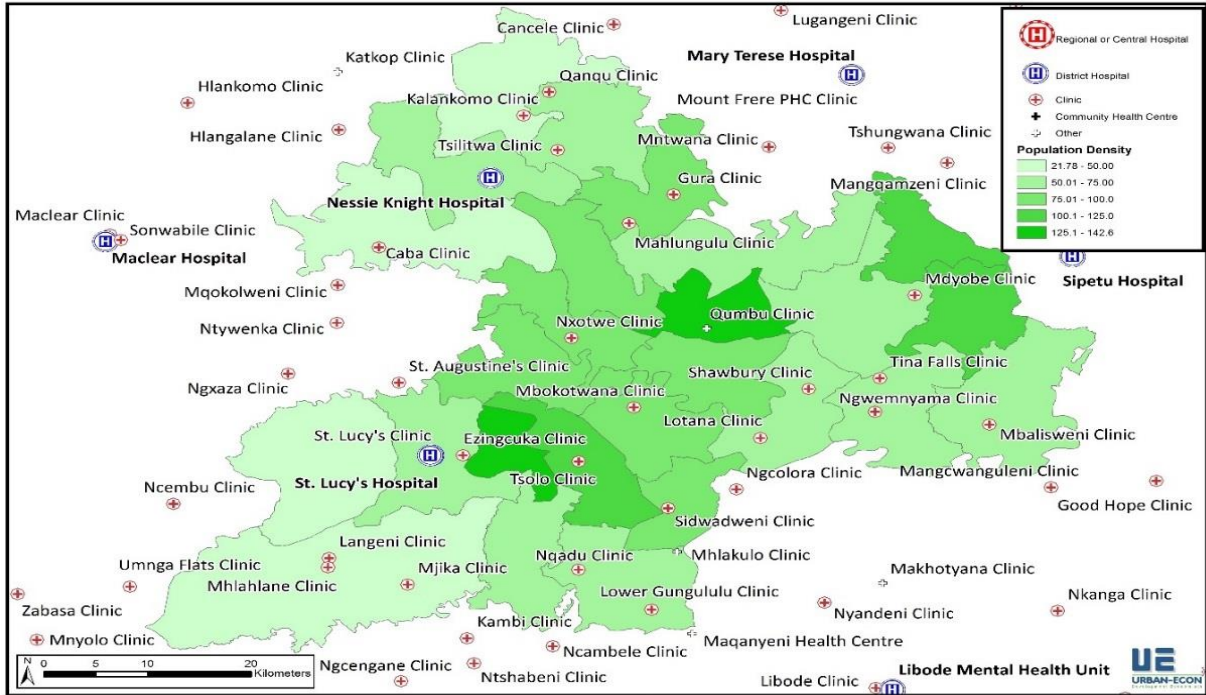
- g. Environmental pollution control,
- h. Disposal of the dead, and
- i. Chemical safety

MHLONTLO HIV/AIDS REPORT

Data Element	April 2017- December 2017
HIV test 15yrs and older (Excluding ANC)	30206
HIV test 19- 59 months	697
HIV test 5- 14 years	1700
HIV test positive 15yrs & older	2343
HIV test positive 19 – 59 months	36
HIV test positive 5 – 14 years	167
Children under 15years remaining on ART	5013
Adult remaining on ART	13574
HIV positive client not on ART	34
Number of Adherence clubs	17
Private Pick Up Points(External)	1

The Mhlontlo – Qumbu Health District has issued in the table **above** the HIV/Aids report. It shows that approximately 9.6% of the Mhlontlo population is on ARVs. All Hospital and clinics in Mhlontlo have access to issue ARVs. Nessie Night Hospital has 2 permanent doctors and 3 session doctors, Dr Malizo Mpehle has 12 permanent doctors and 5 session doctors and St Lucy’s Hospital also has 1 permanent doctor. There are 9 contract doctors in clincis including 2 of Mhlakulo health centre and 1 of Qumbu health centre.

The Map below shows the location of the health posts in Mhlontlo Municipality.



14. Education

14.1 Infrastructure

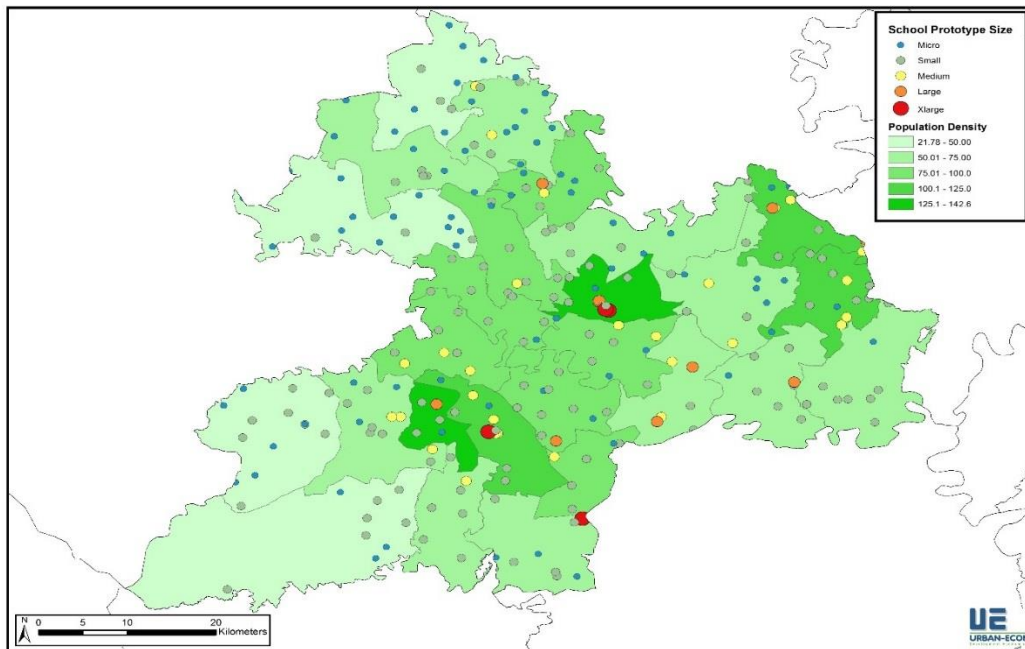
The Department of Education Qumbu Satellite has issued the list of schools to be constructed in 2017/2018 year end. There are 18 schools under ASIDI projects, 6 emergency classroom, 8 water and sanitation projects and 5 approved provincial projects. 241 schools with mhlontlo has nutrition and 21 has scholar transport.

The Mhlontlo district pass rate for 2017 year is 69%. In 2015 the pass rate was 59%, 2016 was 67% and 2017 was 69%. Qumbu pass rate is 75.7% and Tsolo pass rate is 67%.

50% of the total learners needing scholar transport are benefitting 5611 out of 10527.

Pass rate	Tsolo	Qumbu
No. of schools below 60%	4	2
No. of schools achieved 60-69%	4	2
No. of schools achieved 70-79%	5	2
No. of schools achieved 80-89%	2	5
No. of schools achieved 90-100%	1	4

Map below shows location of schools in Mhlontlo municipality.



Stats SA, 2011

15. Housing

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

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

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

In planning for the provision of housing, municipalities are expected to ensure its integration with spatial planning, land use management, roads and other plot-

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

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

16. Land Claims

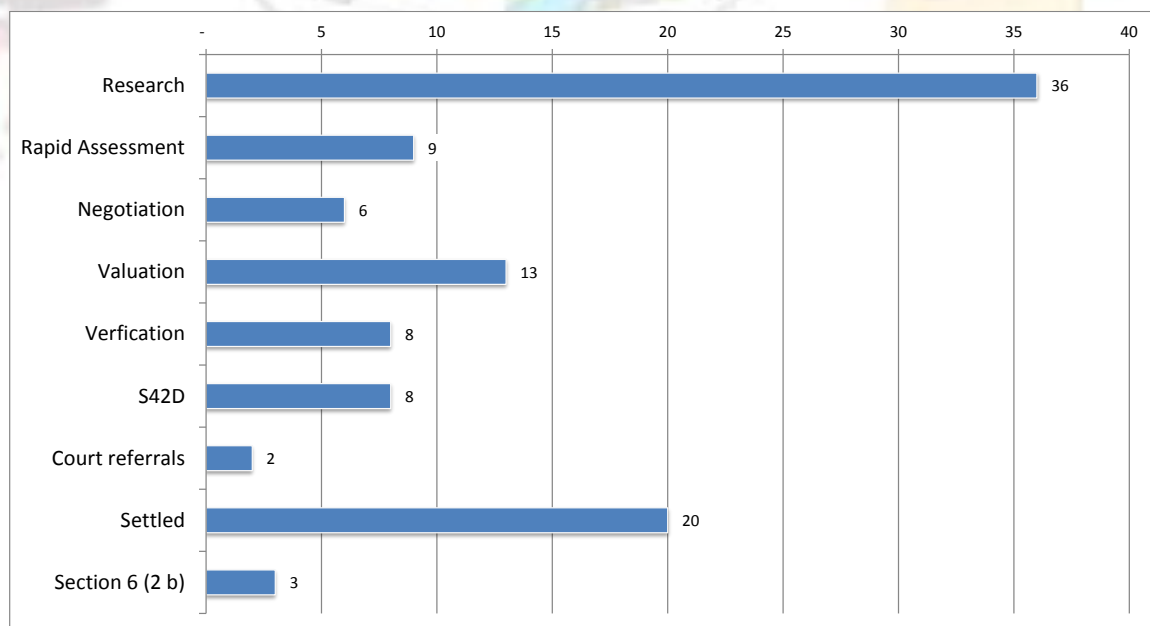
The following is the Land claims of the O.R. Tambo District Municipality

Overall Land Claims In O.R. Tambo District Municipality, 2011

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

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

Overall land claims in O.R. Tambo District Municipality, 2011



Land claims under research amounts to 36 in 2011. The number of settled land claims amounts to 20 and the number of valuations under process amounts to

13. Court referrals is only 2 and the number of land claims still under rapid assessment is 9.

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

17. Public Places And Community Facilities

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

The first issue is the allocation of funding to such facilities, both on the capital and operating account. But then there is a problem of organisational arrangements to manage the facility. All too often municipalities are not able to do this well. In the case of operating expenditure municipalities serving economically weaker areas, B4s in particular, are not able to allocate revenue to cover the costs of running community facilities. Ten (10) wards within Mhlontlo Municipality have ward centres and 16 wards have not. There is also a lack of funding for office equipment and personnel to assist the communities in the centres.

18. Sport and Sporting Facilities

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

There are two sport grounds in both towns and their condition is not conducive for sport. There are also another four sport grounds that are under construction in ward 02, 07, 09,13 and 14.

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

19. Roads Infrastructure

There is clearly a hierarchy in the roads system with roads ranging from national roads (a 'plenary' function which is the responsibility of national government as it is not mentioned in the schedules), provincial roads and municipal roads. The

hierarchy is continued further with respect to district roads, which are recognised through the provisions of Section 84 of the Structures Act.

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

According to the Ward Based Needs analysis that was conducted during 2017/2018, the Mhlontlo Local Municipality is experiencing a big challenge on roads infrastructure. About 3500+/_ km's of roads that are needed by the community of Mhlontlo. The Mhlontlo Municipality has developed a Road and Storm Water master plan and approved by the council and it details how to address the above backlog.

20. Access to Transport Services

Although this has been a trend only in urban municipalities, all municipalities are required to develop own Integrated Transport Plans. In the context of Mhlontlo the transport vision outlined in such Integrated Transport Plan would typically be weighted towards public transport. The proposed transport system in terms of mode, routes and interfaces including planned provision of related public facilities will be anchored on the imperatives of the Spatial Development Framework. The Mhlontlo Municipality has developed its Integrated Transport Plan and approved by the council. It identify and defined three implementation mechanisms that are relevant to the spatial development framework's movement policy and also the implementation of an appropriate public transport system. That is:

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

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

- a. All road-based services that are subsidised should be confined to the identified routes.
- b. Transfers should happen at identified interchange nodes.
- c. Routes should be serviced in the peak and off-peak times.
- d. The public transport (buses) routes need to be advertised and marketed.

- e. A standard fares system need to be introduced.
- f. Improve standards of living; by providing safe and affordable transport access to employment, education, recreation and markets.
- g. Poverty reduction, which includes providing, targeted interventions to support access to income opportunities and affordable transport for the poor.

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

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

21. Access To Social Welfare

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

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

22. Institutional Development And Transformation

This section is a detailed internal analysis of the municipal status quo, focusing on powers and functions, delegation framework, municipal composition, staff establishment and financial viability. The situation analysis provides a high level overview of the progress achieved towards the implementation of the priorities set for 2017/2018. In addition, the report emphasises issues raised by the Auditor General and the steps taken to address them.

22.1 Municipal powers and functions

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

High Level Progress review

Priority in IDP	Progress
Conduct assessments as per Section 78	Not completed
Establish service level agreements for functions outsourced and/or performed by another government entities.	Service Level Agreement for Billboards and display advertisement in public places. SLA for Disaster, Water and Sanitation with O.R. Tambo District Municipality. SLA with DEDEA, Public Works, Nyandeni LM and Lundini LM.
Establishment of service level agreement with other organs of state and private organisation	SEDA, LGSETA, SASSETA
Increase functions performed by Mhlontlo Local Municipality	Licensing authority complete and is fully functioning. Construction of Weigh Bridge is still underway with the Department of Transport.
Projects that need Environmental Impact Assessment (EIA)	N2 via New Rest to Dilizintaba A/R, T162 via Stopiyeni to Hlabathi A/R, Kimbili1 to Kimbili2 A/R. Construction of Weigh Bridge

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

Table 14 Municipal Powers and Functions

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

¹ Source: Municipal Demarcation Board Assessment of Capacity for 2012/2013 Period

² Source: Interviews with Municipal Management

				Umtata Airport which is about 70kms		
•	Municipal health services	NONE	NO		Not an Authority	
•	Municipal public transport	NONE	NO		Authority for the function but not performed.	
•	Pontoons, fairies, settees, piers and harbours excluding the regulations of international and national shipping	NONE	NO	Not Applicable	Authority for the function but not performed.	
•	Municipal public works only in respect of the needs of the municipalities		YES			
•	Storm water management system	Provide water drainage system	YES		Understands authority and has adequate capacity to perform function	
•	Trading regulations	Issue Trading Licences	YES		Understands authority and does not adequate capacity to perform function	NO
•	Water and sanitation services (limited to potable water supply system, domestic waste water and sewerage disposal system)	NONE	NO	District Municipality	NO	NO

•	Beaches and amusement facilities	NONE	NO	Not Applicable	There are no beaches but there are amusement facilities such as Tsitsa falls and Tina falls	NO
•	Billboards and display advertisement in public places	Advertising	YES		Review and Enforcement of by-laws	SLA in place and Section 78 completed
•	Cemeteries, funeral parlours and crematoria	Provide Cemetery Services	YES		YES	
•	Cleaning	Cleaning of streets and roads	YES		YES	
•	Control of public nuisance	NONE	YES	Working with the Police Department	Authority for the function but function not performed.	Policy in place
•	Control of undertakings that sell liquor to the public	NONE	YES		Authority for the function but function not performed.	
•	Facilities for the accommodation care and burial of animals	NONE	YES		Authority for the function but function not performed.	
•	Fencing and fences	NONE	YES		Authority for the function but function not performed.	
•	Licensing of dogs	NONE			Authority for the function but function not performed.	
•	Licensing and controlling of undertakings that sell food to the public	NONE	YES	Done by the District Municipality	Authority for the function but function not performed.	Signing of SLA
•	Local amenities	Management and maintenance of Municipal amenities	YES		YES	

•	Local sport facilities	Maintenance of sports fields Fencing (ADHOC)	YES		YES	
•	Markets	NONE	YES		Authority for the function but function not performed. The nearest is Kei Fresh produce which is OR Tambo District which is utilised by local farmers.	
•	Municipal abattoirs	NONE	NO		Authority for the function but function not performed.	
•	Municipal parks and recreation	Provision of recreation facilities	YES		YES	
•	Municipal roads	Construction and Maintenance of roads	YES		YES	
•	Noise pollution	NONE	YES		Authority for the function but function not performed.	
•	Pounds	Control of stray animals	YES		YES	
•	Public places	NONE	YES		Authority for the function but function not performed.	
•	Refuse removals, refuse dumps and solid waste disposals	Control and Management of Refuse and Solid Waste	YES		YES	

•	Street trading	Provide Trading licenses	YES		YES	
•	Street lighting	Provide and maintain street lights	YES		YES	
•	Traffic and parking	Traffic Control	YES		YES	

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

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

Table 15: Additional Functions Performed

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

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

Table 16: Functions Not Performed by Mhlontlo Local Municipality

Authorised Function	Reason not performed	Opportunity to generate revenue
Child Care Facilities	Municipal capacity and lack of adequate infrastructure	Low
Fire-fighting services	Service offered by O.R. Tambo district municipality	Medium
Electricity and gas reticulation	Municipal capacity and lack of adequate infrastructure	High
Municipal airport	No service requirement	Not Applicable
Municipal health services	Municipal capacity	Low
Municipal public transport	Municipal capacity and lack of adequate infrastructure	High

Pontoons, fairies, settees, piers and harbours excluding the regulations of international and national shipping	No service requirement	Not Applicable
Water and sanitation services (limited to potable water supply system, domestic waste water and sewerage disposal system)	Service offered by the District Municipal. Capacity and lack of adequate infrastructure (District Municipality)	Medium
Beaches and amusement facilities	No service requirement	Not Applicable
Municipal abattoirs	Municipal capacity and lack of adequate infrastructure	Low

22.2 System of delegation within Mhlontlo Local Municipality

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

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

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

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

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

Priority in IDP	Progress
Employment Equity Plan and Work Place Skills Plan	EEP was developed and adopted by the council. EEP is in place and implemented all though there are challenges.
Critical appointment	90% achieved.
Development and review of policies and by-laws	Some of the policies are in place and reviewed by the council annually. Some of the by-laws are in place adopted, promulgated and implemented
Billing systems, Debtors and Creditors turnover rate	The Municipality is billing its consumers on a monthly basis. Debt aging 461 days and Creditors aging 37 days, Procurement Turn-around time 30 days.

TABLE 17: Human Resource Policies

Policy & Procedures	Developed	Council Approved	Under Review	Fully Implemented	Need Review
Work organization & Organizational Structure	✓	✓		✓	
Recruitment Selection, Appointment, Probation, Promotion & Transfer	✓	✓		✓	
Working and Hours of Working	✓	✓		✓	
Benefits & Allowances Policy	✓	✓		✓	
Leave of absence policy	✓	✓		✓	
Employment relations	✓	✓		✓	
Miscellaneous provisions	✓	✓		✓	
Termination of Employment Policy	✓	✓		✓	
Disciplinary Code and Procedures	✓	✓		✓	

Acting Allowance Policy	√	√		√	
Dress code, uniforms and Protective clothing policy	√	√		√	
HIV and Aids Policy	√	√		√	
Health & Safety Policy	√	√		√	
Employee Assistance Policy	√	√		√	
Sexual Harassment Policy	√	√		√	
Declaration of Interest Policy	√	√		√	
Remuneration policy	√	√		√	
Promotion Policy	√	√		√	
Municipal Housing Scheme/Assistance Policy	√	√		√	
Telephone usage policy	√	√		√	
Long service allowance policy	√	√		√	
Policy on the implementation of new policy procedures	√	√		√	
Subsistence & Travelling Policy	√	√		√	
Internship Policy	√	√		√	
Training & Development Policy	√	√		√	
Policy on ward committees	√	√		√	
Policy on the funeral of Councillors and Traditional Leaders	√	√		√	
Customer Care Policy	√	√		√	

PMS Policy	✓	✓		✓	
Cellphone Policy	✓	✓		✓	
EPWP Policy	✓	✓		✓	
Pauper Burial Policy	✓	✓		✓	
Pound Policy	✓	✓		✓	
IGR Policy	✓	✓		✓	

22.3 Municipal composition

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

Table 18: Municipal Composition

Gender, Race and Political Composition	Gender		Amakhosi	Race	Political Diversity					
	Female	Male	Traditional Leaders	Black	ANC	UDM	EFF	DA	CI	Ind.
	24	27	10	51	40	3	2	2	2	2
Standing Committee	Committee			Number	Chairperson/Head					
	Executive Committee			10	Cllr N Dwyili (Mayor)					
	LED, Planning and Rural Development			1	Cllr E Pula					
	Infrastructure Development			2						
	Corporate Services			3	Cllr G. Mazitshana					
	Budget and Treasury Office			4	Cllr V. Mnyanda					
	Community Services			5	Cllr S.S. Mbangata					
	Special Programmes and Social Services			6	Cllr N. Ludidi					
	Human Settlement and Disaster Management			7	Cllr NE Sigwili					
	Planning, Research and Intergovernmental Relations			8	Cllr N Lingela					
	Member without portfolio			9	Cllr N. Zikolo					
	Municipal Manager									
	Budget and Treasury Office									

Departments	Infrastructure Development
	Local Economic Development, Planning and Rural Development
	Corporate Services
	Community Services

22.4 Staff establishment

Staff establishment statistics confirm that significant progress has been made towards filling vacant posts. While insufficient funding continues to be a challenge; more than 62.9% of the posts have been filled. The Institution is planning to fill all the vacant position during the 2018/2019 and 2019/2020 financial years. **Table 19** below tabulates a summary of the staff complement.

Table 19: Staff Establishment

Number of Approved Posts in 2018/19	Total number currently employed	Number of vacancies	% Of filled Posts	% of Vacancies
283	178	105	62,9	37.1

Table 20: Critical Vacant Posts

Department	Post	Current Situation
Municipal Manager	Manager Legal Services	Unfunded
Corporate Services	Director Corporate Services	Funded

The Mhlontlo Municipality organisational structure has been reviewed and approved by the council. All the posts are approved with job description. The Critical positions are as mentioned in table 20 above. Institutional Social Development Unit, Environment Unit and Internal Audit Unit have been established with limited personnel and are part of the organisational structure.

22.5 Management profile

deliver on municipal functions.

Table **21** below confirms that there are adequate human resources to deliver on municipal functions.

Table 21: Management Profiles

	Municipal Manager	Chief Financial Officer	Corporate Services	Technical Services Manager	LED Manager	Community Services
Current Position	MSA Section 54A	MSA Section 56	MSA Section 56 (Vacant)	MSA Section 56	MSA Section 56	MSA Section 56
Qualifications	MPA	National Diploma In Accounting		B.Tech. in Public Management	Masters in SCM (Business Logistics)	Dip (Traffic)
Years of Local Government Experience	10	16		11	11	16
Years in current position	4	8		9	5	11

23. Good Governance and Community Participation Structures

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

23.1 Ward Committees

256 ward committee members have been elected and 10 ward committees for each ward in 22 wards. Ward 12, 13, 15 and 21 have elected 9 ward committees for each ward. Ward centres still have no resources or support to adequately plan, conduct and record ward committee meetings. The municipality has eight community centres used for ward meetings, where such infrastructure does not exist; local churches, Traditional Authorities or schools are used for ward committee meetings. Ward Committees report about their challenges and complaints to the council through ward committee report to the office of the Speaker.

23.2 Community Development Workers (CDWs)

23 Community development workers were employed in the municipality. They form part of the municipal activities and ward structures. They are the secretaries in War rooms and also sit in the ward committee meetings and other municipal meetings. CDWs prepare report of challenges of the ward and report to the office of the Speaker.

23.3 Council meetings

The council meetings are convened as per the Standing Rules as approved by the council. Transparency in the council meetings is promoted through various means including open council meetings advertised in the local newspaper and website for the public to attend.

23.4 Public participation

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

23.5 Corporate governance

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

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

Litigations: The municipality has not yet employed a Legal Manager but it is part of the organisational structure with no funding. The litigation register is in place and is with the office of the Director Corporate Services. The municipality hire the legal service provider as and when needed.

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

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

23.6 Inter-governmental relations structures

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

Operation Masiphathisane (War Rooms): Operation Masiphathisane was piloted in Mhlontlo Municipality by the Premier Phumulo Masualle in July 2016 as a service delivery model and 7 wards were launched. A programme was developed with the assistance of the OR Tambo District to launch the remaining 19 wards.

All the 26 wards of Mhlontlo have War Rooms and training conducted and it was facilitated by the District. There is a personnel allocated by the district in Mhlontlo to assist in ensuring the functionality of the war rooms. Reports are submitted to the office of the Mayor.

District IGR Forum: Political heads (Mayors) from the local municipalities, the district municipality and management of the sector departments constitute the

district forum DIMAFO. The forum aims to provide political leadership in aligning planning, implementation and monitoring of government programs. The DIMAFO prepares a report to be tabled by the Executive Mayor to the Political MuniMEC.

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

24. Financial Planning and Management

24.1 Valuation roll

The Mhlontlo Local Municipality is in a process to conducted its general valuation for the next five years 2017/2018 – 2021/2022 circle. The previous valuation roll is fully implemented. Supplementary valuation roll is done on annually basis.

24.2 Financial policies

Mhlontlo Local Municipality is a small municipality operating with a limited revenue base. This section of the report gives a high level overview of the progress achieved towards improving the financial viability of the municipality. Municipality has allocated resources towards ensuring that all policies critical to financial management have been developed. Table 22 below tabulates the status of financial policies. Approved with Council resolution no.: CON -05-17/18

Table 22: Status of Financial Policies

Policy & Procedures	Develo ped	Council Approve d	Under Revie w	Fully Implemente d	Need Revie w
Budget Preparation Policy	√	√		√	
Asset Management	√	√		√	
Irregular, Un- authorised, Fruitless & Wasteful Expenditure	√	√		√	
Supply Chain Management Policy	√	√		√	
Banking & Investment Policy	√	√		√	
Credit Control & Debt Collection	√	√		√	

Indigent Policy	✓	✓		✓	
Property rate Policy	✓	✓		✓	
Fleet Management Policy	✓	✓		✓	
Risk Management Policy	✓	✓		✓	

24.3 Municipal funding

The municipality has a limited revenue base in terms of size and our ability to innovatively generate revenue is further constrained by our social and economic situation. While we constantly strive to maintain a balanced budget by ensuring that our income covers our expenditure; challenge of dependance on grants remains. As indicated **Table 23** below. The Municipality is financially liquid, there are no threats on the finances as the municipality does not have loans and overdraft. The assets exceeds the current liabilities.

Table 23: Income Sources (2016/2017)

INCOME	Actual	% Of income	Actual	% Of income
	2017	in 2017	2016	in 2016
Grants and Subsidies				
Central Government	227 938 299	83.57	220 292 608,89	84.01
Provincial Government	350 000.00	0.13	170 000,00	0,06
District				
Operating Income				
Assessment Rates	33 561 153	12.30	31 807 393	12,14
Refuse Removal	1 278 064	0.47	1 157 510,70	0,44
Other Income	9 637 027	3.53	8 514 117	3,25
	272 764 543	100	261 941 628	100

24.4 Municipal budgeting framework

Municipality Activity	Accountability	Target Date
Budget implementation	AO, CFO & HOD's	July 2017
<p>Mayor begins planning for next three-year budget in accordance with IDP</p> <p>Mayor tables in Council the schedule of budget key deadlines setting the time table for: preparing, tabling and approving the budget; developing IDP (as per s 34 of MSA) and budget related policies and consultation processes.</p> <p>MFMA s 21,22, 23; MSA s 34, Ch 4 as amended</p> <p>Council establishes IDP and budget committees for the process</p>	<p>Mayor – s53 MFMA</p> <p>AO, CFO & HOD's- s68, 77 MFMA</p> <p>AO, CFO & HOD's- s76- 81 MSA</p>	Sep 2017
<p>Municipality review options and contracts for service delivery</p> <p>Council through the IDP development process determines strategic objectives for service delivery and development for next three-year budgets including review of provincial and national government sector and strategic plans.</p>	<p>Mayor</p> <p>AO, CFO & HOD's</p>	Sep 2017
<p>Council engages on consultative processes for IDP Development</p> <p>Council reviews budget plans to be national policies potential price increases of bulk resources</p>	AO, CFO & HOD's- MFMA s 35, 36, 42; MTBPS	Nov 2017
IDP development processes continue	Mayor AO, CFO & HOD's	Nov 2017
<p>Council considers tariff (rates and service charges) policies for next financial year</p> <p>MSA s 74, 75</p> <p>Mayor tables MFMA s72 report to justify necessity for municipal adjustments budget, resolutions, plans, and proposed revisions to IDP</p>	<p>Mayor</p> <p>AO, CFO & HOD's</p>	Feb 2018
Council considers approval and adoption of adjustments budget and reviewed SDBIP's	<p>Mayor</p> <p>AO, CFO & HOD's</p>	Feb 2018
Council budget committees consider initial budget drafts	<p>Mayor</p> <p>AO, CFO & HOD's</p>	Feb 2018

Council adopts tabled draft budget on before the end of March 2017	Mayor, AO, CFO	31 st Mar 2018
Community participation process and input soliciting and interaction on the budget EXCO and budget committees to deal with inputs from consultation process	Mayor AO, CFO	Apr 2018
Council considers views of the local community, NT, PT, other provincial and national organs of state and neighbouring municipalities. Mayor to be provided with an opportunity to respond to submissions during consultation and table amendments for council consideration. Council to consider approval of budget, related policies and plans at least 30 days before start of budget year. MFMA s 23, 24; MSA Ch 4 as amended	Mayor AO, CFO	May 2018
Mayor must consider for approval of SDBIP and ensure that annual performance contracts are concluded in accordance with s 57(2) of the MSA. Mayor to ensure that the annual performance agreements are linked to the measurable performance objectives approved with the budget and SDBIP. The mayor submits the approved SDBIP and performance agreements to council, MEC for local government and makes public within 14 days after approval. MFMA s 53; MSA s 38-45, 57(2) Council must finalise a system of delegations. MFMA s 59, 79, 82; MSA s 59-65	Mayor AO, CFO	June 2018

24.5 Expenditure

24.5.1 Operating Expenditure

Expenditure for salaries, wages and allowances (**see**

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

Salaries, wages and allowances have decreased from 32.76% from 2015/2016 to 29,91% in 2016/2017 of total operating expenditure. The implementation of the reviewed expenditure controls and monitoring mechanisms, general expenses have increased from 66.18% in 2015/2016 to 69.07% in 2016/2017 and Repairs and maintenance have decreased.

Table 24: Operating Expenditure (2016-2017)

EXPENDITURE	Actual	Actual	Actual
-------------	--------	--------	--------

	2017	% total expenditure	2016	% total expenditure
Salaries, wages and allowances	95 232 630	29.91	92 348 123	32.76
General Expenses	219 946 795	69.07	186 582 620	66.18
Repairs and Maintenance	3 253 735	1.02	2 984 709	1.06
Total	318 433 160	100	281 915 452	100

24.5.2 Capital Expenditure

In line with our priorities, the municipal capital expenditure increased by 13.7% from R48 321 156.00 during the 2015/2016 financial year, to R55 985 044.00 in 2016/2017.

Table 25: Analysis of Capital Expenditure

Capital expenditure category	Actual	% of total	Actual	% of total
	2015/2016	Expenditure	2016/2017	Expenditure
INFRASTRUCTURE				
Roads, Pavements, Bridges & Storm water.	R14 669 473	30.36%	R7 544 479	13.48%
Water Reservoirs & Reticulation	0		0	
Car Parks, Bus Terminals and Taxi Ranks	0		0	
Electricity Reticulation	0		0	
Sewerage Purification & Reticulation	0		0	
Housing	0		0	
Street Lighting	0		R7 761 672	13.86%
Refuse sites	0		R89 915	0.16%
Gas	0		0	
Other	R21 287 392	44.05%	R26 440 112	47.23%
Sub-total Infrastructure	R35 956 865	74.41%	R41 836 178	74.73%
COMMUNITY				
Establishment of Parks & Gardens	0		0	

Sports fields	0		R298 980	0.53%
Community Halls	0		R421 358	0.75%
Libraries	0		0	
Recreational Facilities	0		0	
Clinics	0		0	
Museums & Art Galleries	0		0	
Other	R5 208 352	10.77%	10 305 765	18.40%
Sub-total Community	R5 208 352	10.77%	11 026 103	19.68%
HERITAGE ASSETS				
Heritage Assets	0		0	
Sub-total Heritage Assets	0	0	0	0
INVESTMENT PROPERTIES				
Investment Properties	0		0	
Sub-total Investment Properties	0	0	0	0
OTHER ASSETS				
Other motor vehicles	R6 656 120	13.77%	R2 113 154	3.77%
Plant & equipment	R59 897	0.12%	R154 378	0.27%
Office equipment	R410 922	0.85%	R656 797	1.17%
Abattoirs	0		0	
Markets	0		0	
Airports	0		0	
Security Measures	0		0	
Civic Land and Buildings	0		0	
Other Land and Buildings	0		0	
Other	R29 000	0.06%	R87 450	
Sub-total Other Assets	R7 155 939	14.80%	R3 011 779	5.21%
SPECIALISED VEHICLES				
Refuse	0		0	

Fire		0		0	
Conservancy		0		0	
Buses		0		0	
Sub-total Specialised Vehicles		0	0	0	0
AGRICULTURAL ASSETS					
Agricultural Assets		0		0	
Sub-total Agricultural Assets		0	0	0	0
BIOLOGICAL ASSETS					
Biological Assets		0		0	
Sub-total Biological Assets		0	0	0	0
INTANGIBLES					
Intangibles		0		R110 984	0.19%
Sub-total Intangibles		0	0	R110 984	0.19%
TOTAL		R48 321 156	100%	R55 985 044	100%

24.6 Fiscal Oversight and Control

24.6.1 Internal Audit function

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

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

24.6.2 Auditor General's Findings

Financial year	Audit Opinion Issued
2014/2015	Qualified
2015/2016	Unqualified
2016/2017	Unqualified

Auditor General has issued unqualified opinion on the financial statements submitted for the financial year ended June 2017. There are recurring issues raised by AG like Assets, Property Plant and Equipment and Irregular, Fruitless and Wasteful Expenditure.

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

24.6.3 Audit Action Plan





N O	Component	Finding	Auditors Recommendation	Action Plan	Municipal Department	Municipal Sub Department	Municipal Official	Deadline	Completion Stage	Information to be submitted to AG
1	Employee costs	COAF 005: Planning – Performance appraisals not done for all municipal employees. During the audit, it was noted that performance appraisal are not performed for all employees of the municipality other than sec 56&57 employees.	Management should ensure that internal controls are in place to monitor and evaluate performance of all employees.	Performance agreements to be cascaded and policy to be implemented as is.	Corporate Services	HR Department	Mr L Matiwane	Ongoing - 30 June 2018	Not started	PMS Policy and Reports on implementation of the PMS

2	Employee costs	COAF 023 : Employee Cost: S& T Incorrectly Classified as Employee Costs It was established that the subsistence allowance for the accounts mentioned below was incorrectly classified as employee costs.	Management must develop a checklist for which item in the financial statements is assessed against the GRAP requirements.	No Action Required as this was ammended and submitted to the auditor general as it was only a matter of rectifying mapping. Management must develop a checklist for which item in the financial statements is assessed against the GRAP equirements.	Corporate Services	HR Department	Mr A Lwana	31-Jul-18	Not started	Financial Statements for the year ended 30 June 2018
3	Employee costs	COAF 025 Execution: Employee Cost: Payroll Payments made via the cashbook During the audit of payroll it was noted that there are amount for salaries and bonuses paid via the cashbook. PAYE was not accounted for and thus could	No payments should be made via the cash book so as to ensure that PAYE is calculated correctly and accounted for to avoid SARS penalties which may result in fruitless &	Ensure that all employees are billed and included in the payroll reports before salary payments are made and if there are employees omitted the payroll staff should ensure they re-submitted for costing. Alos ensure that the payroll reconciliation are	Corporate Services	HR Department	Mr L Matiwane	Ongoing	In progress	Monthly Payroll Reconciliations



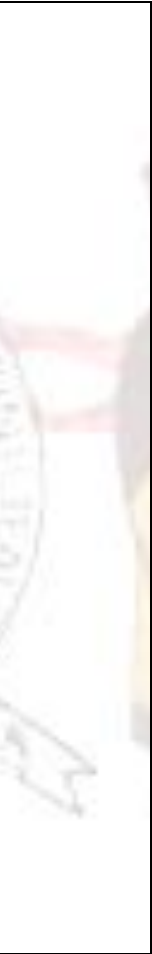
		not establish the amount the PAYE was understated.	wasteful expenditure	prepared on a monthly basis.						
4	Employee costs	COAF 025: HR Compliance- No evaluation panel for the Municipal Manager During the audit it was noted that no evaluation panel was established to perform the annual performance of the municipal manager.	Management should develop policies and procedures that will ensure compliance with HR compliance and regulations	Management should ensure that the approved PMS Policy is being implemented and cascaded down to all employee levels	Corporate Services	HR Department	Mr L Matiwane	Ongoing - 30 June 2018	Not started	Reports on implementation of PMS
5	Employee costs	COAF 025: Employee Benefits-Leave accrual discrepancies Per the Leave accrual calculation noted that there	Management should update the disclosure note 8 on the Annual Financial Statements and should scrutinize to	Obtain the leave provision schedule and perform recalculations on leave and ensure that the leave has been restated accordingly	Corporate Services	HR Department	Mr L Matiwane	30-Jun-18	Not started	Financial Statements to be submitted for audit purposes

		discrepancies identified in the following employees:	ensure all the calculations are correct.							
6	Employee costs	COAF 010: Employee costs- Discrepancies identified in allowances Recalculated the overtime/standby allowance payments made to the employees and noted that there were differences; Recalculated the shift allowance and the following differences were identified;	Management should have a standard template for overtime with the following details: - actual hours worked/ days - formula on how the overtime amount was calculated - Calculations should be reviewed by senior official to ensure it is correct.	When preparing for allowance payments ensure that the approval forms are signed by the HOD and also the HR Manager and CFO as to ensure that the calculations are paid in accordance	Corporate Services	HR Department	Mr L Matiwane	Ongoing	In progress	The pre approval forms for allowances and also the payment schedules

7	General IT controls	<p>COAF 006: Entity level controls – weaknesses identified</p> <p>The following weaknesses were identified on the municipality's ICT environment:</p> <p>Finding 1: There is no approved IT Governance framework.</p> <p>Finding 2: There is no approved IT Strategic plan.</p> <p>Finding 3: The following responsibilities are not formally delegated:</p> <ul style="list-style-type: none"> · Information security and · Corporate Governance of ICT <p>Finding 4: There is no SLA contract for the</p>	<p>Management should ensure that the municipality has a properly functioning IT unit with formally documented controls, policies and processes in place.</p> <ul style="list-style-type: none"> · The unit should also be adequately staffed in order to ensure that the implementation of all control processes takes place at correct intervals. · Management should also ensure that all the weakness 	<p>Management should ensure that there is Review of the standard operating procedures and allocate responsibilities.</p>	Corporate Services	HR Department	Mr L Matiwane	Ongoing	Not started	Department Monthly Reports as well as the reviewed standard operating procedures
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		<p>application system Cibecs. Finding 5: The ICT steering committee in place is not effective as it has not set for meetings from the start of the financial year to date. Finding 6: There are no progress reports or action plans for IT service providers' SLAs, therefore no evidence of monitoring of their performance against agree terms. Finding 7: There is no patch management system in place. Finding 8: There are no processes</p>	<p>identified are adequately addressed and that commitments made in addressing prior year findings are adequately followed through.</p>							
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		<p>in place to ensure that users' access and privileges on all financial systems are periodically reviewed to confirm that such privileges are still commensurate to their duties. Finding 9: There are no processes in place for the independent review of activities of the person granting users access to the network, application systems and performance reporting systems - this issue was also raised in the prior year. Finding 10:</p>							
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		<p>There are no approved standards and procedures/guidelines on how changes and upgrades to packages systems are to be handled.</p> <p>Finding 11: There is no approved backup and retention strategy.</p> <p>Finding 12: There is no an approved disaster recovery plan (DRP) that include all systems (network, financial and performance reporting systems) in place.</p> <p>Finding 13: There are no physical access</p>								
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		<p>controls in place to ensure physical access restriction and protection of systems, information and equipment against environmental hazards.</p> <p>Finding 14: Backups are not performed regularly.</p> <p>Finding 15: The IT unit is not adequately staffed as it only has two staff members, the IT administrator and one IT technician – this issue was also raised in the prior year.</p>							
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8	Unauthorised, irregular and fruitless and wasteful expenditure	COAF 025: Municipality incurred unauthorised expenditure and F&W. It was established during testing that the following procedures were not met as the municipality incurred irregular expenditure, unauthorised and fruitless and wasteful expenditure in the current year:	Management must ensure that they comply with regulations applicable to the municipality.	Management should obtain a schedule of Unauthorized, Fruitless and Wasteful Expenditure and confirm that for the current year incurred expenditure and reported is investigated as per legislative prescripts.	Municipal Managers Office	MM Office	Mr SG Sotshongaye		In progress	
9	Internal Audit	COAF 006: Internal audit unit not adequately staffed. While obtaining understanding of the municipality's internal controls, it was noted that the internal audit	Management should ensure that the municipality has an adequately staffed internal audit unit in order to ensure that	Municipality must ensure that all the critical positions are funded and filled as to capacitate the units.	Municipal Managers Office	Internal Audit Department	Ms L Mdingi	ASAP	Not started	Appontment letters and Reviewed Organogram

		unit of the municipality is not adequately staffed as it is only capacitated with the Chief Audit Executive, one intern and one student.	the unit is able to execute its duties satisfactorily.							
10	Budget Disclosure	IDC COAF 019: Budget: Differences between the AFS and final budget It was noted that there is a difference of R 559 418 between the amount recorded in the Statement of Comparison of Budget and Actual Amounts and the amount recalculated by the auditor.	Management should ensure that proper review of the financials occurs, and ensure that the supporting documents are also correct.	Obtain the schedule and also the budget workings supporting the financial statements and confirm that these two documents agree and restate the amounts	Budget and Treasury Office	Chief Financial Officer	Mrs N Boti	30-Jun-18	In progress	The restated figures with supporting workings




1 1	Immovable assets	<p>COAF 005: Capital assets - Fixed asset register not updated and no reconciliations performed. During the walkthroughs of capital assets there following control deficiencies were noted:</p> <p>1) There is no reconciliation of assets to asset register for the following capital assets:</p> <ul style="list-style-type: none"> · Heritage assets · Intangible Assets · Investment Property · Property, Plant and equipment <p>2) The asset register is not up to date for the following assets:</p>	<p>Management should ensure that they implement controls that are in place. Fixed asset register should be updated monthly as per the municipality's asset management policy and procedures. Fixed asset register asset reconciliation should be performed monthly as per the municipality's asset management policy and procedures.</p>	<p>Perform reconciliations for fixed asset registers as per the asset management policy on a monthly basis by ensuring that the Fixed Asset Register agrees to the General Ledger</p>	Budget and Treasury Office	Assets Management Department	Mr S Notununu	30-Jun-18	In progress	Monthly Fixed Asset Register
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		<ul style="list-style-type: none">· Heritage assets· Intangible Assets· Investment Property· Property, Plant and equipment								
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1 2	Immovable assets	COAF 017: Execution: PPE: Accounting Policy on the AFS is incorrect Per inspection of Annual Financial Statements (AFS) noted that the accounting policy of useful life of PPE is not consistent with Fixed Asset Register (FAR) and Asset Management Policy (AMP) For example the roads and paving is stated as 10 - 15 years per AFS but as per FAR and AMP is up to 50 years.	Management should ensure that AFS are adequately reviewed to ensure that all accounting policies that should be included have been included and are consistent with the municipality's policies and procedures to give a fair reflection of the entities activities for the period under review and compliance with GRAP standard on presentation of financial statements.	No Action Required this was amended in the Final Adjusted AFS Submitted for Audit Purposes and BUT the management needs to confirm that the disclosure in the financial statements does agree to the approved municipal policies.	Budget and Treasury Office	Assets Management Department	Mr A Lwana	31-Jul-18	Not started	The Financial Statements for the year ended 30 June 2018 that agrees to the municipal policy
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1 3	Immovable assets	<p>COAF 015: Execution: PPE: Errors on Financial Statements</p> <p>During the performance of our work on property, plant and equipment we noted the following:</p> <ul style="list-style-type: none"> · Cost for Infrastructure per the TB does not agree to AFS (Note 8). Landfill site transfer from WIP was disclosed under additions instead of transfers on PPE note. · Impairments not separately presented in the Financial Statements · Accounting policy 1.4 	<p>Management should ensure that the annual financial statements submitted for audit are adequately reviewed to identify errors, inconsistent and misleading disclosures and that all disclosures that should be included as per the Standards of GRAP have been included</p>	<p>No Action Required this was amended in the Final Adjusted AFS Submitted for Audit Purposes BUT the management needs to ensure that the financial statements to be submitted to AG are submitted for independent review as the AFS preparers might oversee some of the casting errors and also omitted accounting policies.</p>	Budget and Treasury Office	Assets Management Department	Mr A Lwana	31-Jul-18	Not started	The Financial Statements for the year ended 30 June 2018 that agrees to the municipal policy
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		<p>Investment properties is referred to as Property, plant and equipment (continued) on page 17 of AFS.</p> <ul style="list-style-type: none"> The below paragraph of GRAP as per AFS (page 45) is not correct, change in accounting policy is par 83 not 87. "Change in Estimate - Useful Life of Property, Plant and Equipment reviewed In line with GRAP 17 paragraph 87, there was no change in the estimated useful life of various assets of the municipality for 								
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		the reporting period."								
14	Investment property	COAF 017: Execution: Investment Property: Change in accounting policy Per inspection of Annual Financial Statements (AFS) noted that: <ul style="list-style-type: none"> the accounting policy for investment property is not consistent with Fixed Asset Register (FAR) and Asset Management Policy (AMP). change in accounting policy note was not included the note to the financial statements as required by GRAP 3. 	Management should ensure all accounting policies that should be included in the annual financial statements are included and these are consistent with policies and procedures that are in place for the municipality in order to avoid inconsistencies in disclosures in the annual financial statements.	No Action Required this was amended in the Final Adjusted AFS Submitted for Audit Purposes BUT the management needs to ensure that the financial statements to be submitted to AG are submitted for independent review as the AFS preparers might oversee some of the casting errors and also omitted accounting policies.	Budget and Treasury Office	Assets Management Department	Mr A Lwana		Not started	The Financial Statements for the year ended 30 June 2018 that agrees to the municipal policy

15	Operating expenditure	COAF 23: Subsistence Allowance - Amount per claim form does not agree with recalculated amount	The human resource department should recheck the calculations before paying out any subsistence claims.	When preparing for Subsistence allowance payments ensure that the approval forms are signed by the HOD and also the HR Manager and CFO as to ensure that the calculations are paid in accordance to the policy	Corporate Services	HR Department	Mr L Matiwane	Ongoing	In progress	S&T Payment vouchers
16	Payable from exchange	COAF 025: Unrecorded liability During the audit work performed, it has been identified that payment which was made on the 11 July 2017 for an invoice that was received on the 27 June 2017 was not raised as liability at year end.	Management should review invoice register before processing items in the general ledger and trial balance to identify any possible incorrect classifications of account balances.	Management should ensure that the a cut off procedure is performed to ensure that all liabilities for the year have been raised and paid within the prescribed period. Also extract the GL and scrutinise that all payments after year end are of the subsequent year.	Budget and Treasury Office	Expenditure Department	Mr M Msutu		In progress	Creditors Schedule and also the accruals listing as at year end.

17	Predetermined objectives	COAF 013: INFRASTRUCTURE & LED: Actual performance not compared to prior year performance in the APR. During the performance of our work it was noted that there is no comparison made of the prior year actual performance (2015/16) to the current year actual performance (2016/17) for all the Municipal Key Performance Areas (KPA) per the IDP review and SDBIP 2016/17.	Management should ensure that there is adequate review of annual performance report to ensure that submitted APR is in compliance with all applicable laws and regulations.	Develop a template that will ensure that prior year comparative information is included in the Annual Performance Report	Municipal Managers Office	Chief Operations Officer	Mr Mhloli P	Ongoing	In progress	Annual Performance Report
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18	Predetermined objectives	COAF 013: INFRASTRUCTURE: Targets not specific and measurable. During the audit, it was noted that performance appraisal are not performed for all employees of the municipality other than sec 56&57 employees.	Management should ensure that internal controls are in place to monitor and evaluate performance of all employees.	The SDBIP and the IDP needs to be reviewed to ensure that it does meet the SMART criteria	Infrastructure	PMU	Mr M Mcinga	Ongoing	In progress	Municipal SDBIP, IDP and Annual Performance Report
19	Predetermined objectives	COAF 013 : INFRASTRUCTURE: Inconsistencies identified. During the audit of predetermined objectives inconsistencies between the plan and reported objectives, indicators and	Management must ensure that the Annual Performance Report is adequately reviewed to ensure that the reported information is in line with the SBDIP and	Management should ensure that after submission of quarterly reports to the Chief Operating officer the POEs are submitted as corroborative evidence of the achieved targets and also for audit evidence	Infrastructure	PMU	Mr M Mcinga	Ongoing	In progress	Quarterly Performance Reports with POEs and Annual Report

		targets were identified	IDP and is accurate.							
20	Predetermined objectives	COAF 013: LED-Performance indicator is not well defined During the performance of our work on predetermined objectives we identified indicator and/or targets that were not well defined. Detailed information is as follows:	Management should ensure that all the indicators on the SBDIP are well defined and verifiable as required by the FMPPI.	The SDBIP and the IDP needs to be reviewed to ensure that it does meet the SMART criteria	LED and Planning	LED	Mr Z Zipete	Ongoing	In progress	Municipal SDBIP, IDP and Annual Performance Report
21	Predetermined objectives	COAF 012: INFRASTRUCTURE: APR results reported not accurate A municipality must, after consultation with the local community, and develop and	Performance management unit (PMU manager) should ensure that results achieved are reconciled and properly reviewed by ISD director	Management should ensure that after submission of quarterly reports to the Chief Operating officer the POEs are submitted as corroborative evidence of the achieved targets	Infrastructure	PMU	Mr M Mcinga	Quarterly and Annually	In progress	Quarterly Performance Reports with POEs and Annual Report


		<p>implement mechanisms, systems and processes for the monitoring, measurement and review of performance in respect of the key performance indicators and performance targets set by it. We evaluated audit evidence for the performance indicators listed below and noted that the actual reported results were not recorded accurately in the annual performance report.</p>	<p>before they are reported in annual performance report.</p>	<p>and also for audit evidence</p>						
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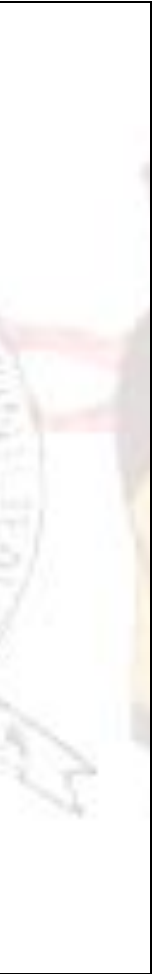
2 2	Predetermined objectives	COAF 014: LED: Reported information does not agree to audited information		Management should ensure that after submission of quarterly reports to the Chief Operating officer the POEs are submitted as corroborative evidence of the achieved targets and also for audit evidence	LED and Planning	LED	Mr Zipete Z	Quarterly and Annually	In progress	Quarterly Performance Reports with POEs and Annual Report
2 3	Predetermined objectives	COAF 014: LED: Information submitted is insufficient. The POE information submitted per RFI 42 is insufficient to provide evidence for reported information for the following indicators: • Hosted Eco tourism event	Management should ensure that there is a complete POE file with all the relevant documentation that is easily accessible and available to support reported performance information.	Management should ensure that after submission of quarterly reports to the Chief Operating officer the POEs are submitted as corroborative evidence of the achieved targets and also for audit evidence	LED and Planning	LED	Mr Zipete Z	Quarterly and Annually	In progress	Quarterly Performance Reports with POEs and Annual Report

		• Supported wool growers								
24	Predetermined objectives	COAF 014: LED: Expenditure amount per target not included in the APR. During the performance of our work on audit of predetermined objectives it was noted that LOCAL ECONOMIC DEVELOPMENT RURAL DEVELOPMENT AND PLANNING did not included actual expenditure per target as required on annual performance report submitted for audit	Management should ensure that there is adequate review of annual performance report to ensure that submitted APR is in compliance with all applicable laws and regulations.	Develop a template that will ensure that prior year comparative information is included in the Annual Performance Report	Municipal Managers Office	Chief Operations Officer	Mr Mhloli P	Quarterly and Annually	In progress	Annual Performance Report

25	Predetermined objectives	COAF 014: INFRASTRUCTURE: Reported information does not agree to audited information. During the performance of our work we noted differences between reported and audited information for the following indicator	Management should ensure that annual performance report is adequately reviewed prior submission to the Auditor-General South Africa.	Management should ensure that after submission of quarterly reports to the Chief Operating officer the POEs are submitted as corroborative evidence of the achieved targets and also for audit evidence	Infrastructure	PMU	Mr M Mcinga	Quarterly and Annually	In progress	Quarterly Performance Reports with POEs and Annual Report
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26	Procurement and Contract Management	<p>COAF 005: SCM: Non-compliance - adverts not placed for 30 days, non-submission of certificate of good standing. During the records review assessment, the following issues were noted:</p> <p>1. Adverts were not placed for a period of 30 days as per the SCM requirements for these contracts, with adverts placed on 29 July 2016, with closing date 24 August 2016, resulting in the advert being placed for 24 days:</p> <ul style="list-style-type: none"> MIG/EC/R12337 	<p>SCM Management should ensure all adverts are placed for 30 days and all adverts placed are attached to the bid documentation submitted for audit. Management should ensure all the certificates of good standing are submitted by all the bidders.</p>	<p>No Action Required as the information was submitted to the auditors and this test was performed as at planning stage and at execution the auditors didn't receive the management that was submitted to the auditors during planning phase and this was subsequently RESOLVED</p>	Budget and Treasury Office	SCM Department	Ms N Budaza-Mditshwa	N/A	Completed	N/A
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		<p>/15/18 Construction of Qumbu Streets awarded to Nomantombi Trading JV Sirobi Civils.</p> <ul style="list-style-type: none"> • MIG/EC/R/2301 60 Construction of Tsolo Streets surfacing phase 2 awarded to Batabile Construction CC. 2. There was no advert attached for the following contract: • AMACPH2/MHL/DOE/16/17 Completion of Amacwerha phase 2 Additional awarded to Mothapo Consulting CC and it could therefore not be 							
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		<p>confirmed whether the advert was placed for the required period. 3. There was no certificate of good standing attached for the following contracts:</p> <ul style="list-style-type: none"> • MIG/EC/R12337 /15/18 Construction of Qumbu Streets awarded to Nomantombi Trading JV Sirobi Civils • AMACPH2/MHL/DOE/16/17 Completion of Amacwerha phase 2 Additional awarded to Mothapo Consulting CC 								
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27	Procurement and Contract Management	<p>COAF 025: Supplier failed to declare this interest</p> <p>The following suppliers failed to declare interest and as they were noted to be state employees</p> <ul style="list-style-type: none"> · All round protection · Oyakwa 1414 · Bakoena it services · Silver solutions 2021 	<p>Management must ensure that they comply with procurement regulations and should ensure that they do not procure any goods and services from bidders who are state employees.</p>	<p>No Action Required as the information was submitted to the auditors and management is of the view that the finding was RESOLVED BUT Management should continue to review the interest of the suppliers through declarations and also the CSD and also obtain a list of employee declaration to ensure that all those are added to restricted suppliers.</p>	Budget and Treasury Office	SCM Department	Ms N Budaza-Mditshwa	Ongoing	In progress	Employee declarations and also the supplier declarations
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28	Procurement and Contract Management	COAF 21: Non-compliance Preferential Procurement Regulations It was established during testing of the procurement that the following contract listed below was advertised at 80/20 however all the tenders received were above R 1 million and the municipality did not cancel and re-advertise the tenders	Management must ensure that they comply with procurement regulations.	Obtain a list of tenders procured and confirm that all applicable legal prescripts have been followed and subsequently update the irregular registers. Also ensure that all SCM personnel and Bid Committees are offered training.	Budget and Treasury Office	SCM Department	Ms N Budaza-Mditshwa		In progress	Irregular expenditure register as at 30 June 2018 and also list of employees offered training
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29	Procurement and Contract Management	COAF 22: Contract Management Not performed for the leasing of machine contract. It was established during testing that the following contract listed below was not monitored on a monthly basis and the performance measures were not defined. LM/SP/01/MHLM2016/17-Nashua Leasing of Machines	Management must ensure that they comply with regulations applicable to the municipality.	Budget & Treasury Office to email contracts management template on a monthly basis for HoDs to complete and monitor. Discuss projects monthly at management meetings. Ensure that progress reports are tabled quarterly to council, and monthly on standing committee meetings. Deadline 01 March 2018	Budget and Treasury Office	SCM Department	Ms N Budaza-Mditshwa	Ongoing	In progress	Contracts Management Reports for all contracts entered in to
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30	Procurement and Contract Management	<p>COAF 023: Quotations were accepted without tax clearance certificate</p> <p>The following goods and services with a transaction value of above R30 000 were procured on a quotations basis from suppliers who did not have tax clearance from SARS confirming that their tax matters are in order.</p> <p>IPDMLM2017/2022: KDBS Consulting R 198 132</p>	Prospective suppliers must be required to submit their tax clearance certificate when they apply for registration on the list of prospective suppliers and annually when the certificates expire.	No Action Required as the information was submitted to the auditors and management is of the view that the finding was RESOLVED and also Management now uses SARS oin and also CSD to confirm the tax status	Budget and Treasury Office	SCM Department	Ms N Budaza-Mditshwa	Ongoing	In progress	Bid Documents
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3 1	Procurement and Contract Management	COAF 020: CIDB Requirements for construction contracts It was noted that the tender for the following projects did not specify the CIDB grading that the contractor must be registered for in order to be considered for the tender.	Managements need to ensure that the CIDB requirements are compiled when procurement for construction is undertaken.	Ensure that for all procurement of goods and services that includes the term construction "CIDB" grading is included in the advert inviting bidders. Also ensure that all SCM personnel and Bid Committees are offered training.	Budget and Treasury Office	SCM Department	Ms N Budaza-Mditshwa	Ongoing	In progress	Bid Documents and also list of employees offered training
3 2	Revenue	COAF 009: Revenue: Internal control deficiencies on July Tariffs We evaluated revenue items and noted the discrepancies as listed in the table below;	Management should ensure that tariffs approved by the council are loaded to the system at the beginning of the financial period	Management should ensure that the tariffs are changed at the beginning of the financial year and they agree to approved budget	Budget and Treasury Office	Revenue Department	Mrs L Bunyenge - Dyomfana	31-Jul-18	In progress	Approved list of tariffs

25. Local Economic Development and Rural Development

25.1 Development Corridors

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

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

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

25.2 Development Nodes

On the other hand, development nodes are the main centres, which are being fed by development corridors in terms of traffic flow, people and physical thresholds. Development nodes are important points providing concentration of different social, services and economic activities. Development nodes can be used to concentrate activities, which could have a multiplier effect to a broader municipal area. Accordingly, Mhlontlo plans to use nodes such as Qumbu and Tsolo urban centres as growth poles to anchor future growth. Some work has been done towards realising this planning approach in the municipality. The Spatial Development Framework has been reviewed during 2017/2018, the municipality plans to anchor its urban or corridor planning in the two urban areas.

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

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

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

25.3 High Impact Catalytic Projects

25.3.1 Mzimvubu Multi-Purpose Project

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

The project scope entails the development of a multipurpose dam on Tsitsa River, a tributary of the Mzimvubu River, to supply irrigated agriculture, domestic and industrial water requirements and hydropower generation. The project footprint spreads over OR Tambo, Alfred Nzo and Joe Gqabi District Municipalities. The Mhlontlo Municipality with the assistance of the District Municipality has developed the LSDF for Mzimvubu Multi-purpose dam and Ntabelanga dam and both are still at draft stage.

25.3.2 Ntabelanga-Laleni Conjunctive Scheme

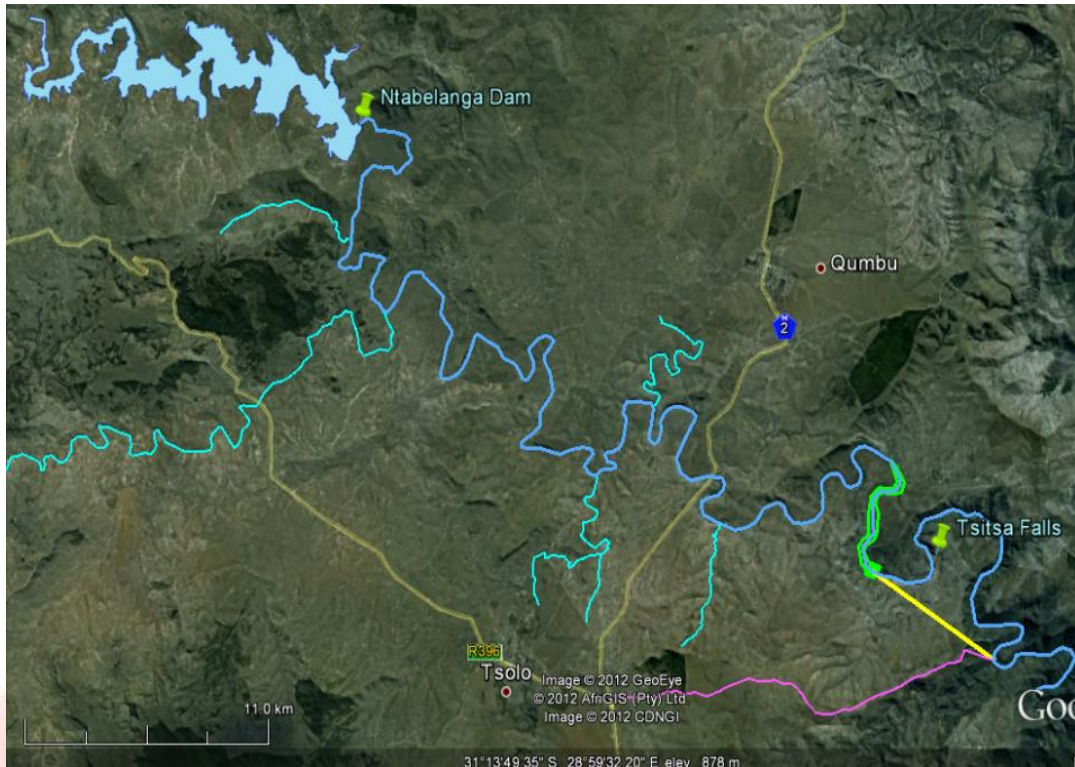
The scheme being investigated is a conjunctive scheme comprising a large dam at Ntabelanga and a smaller dam at Laleni, both to be operated as an integrated scheme.

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

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

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

Ntabelanga-Laleni Conjunctive Scheme



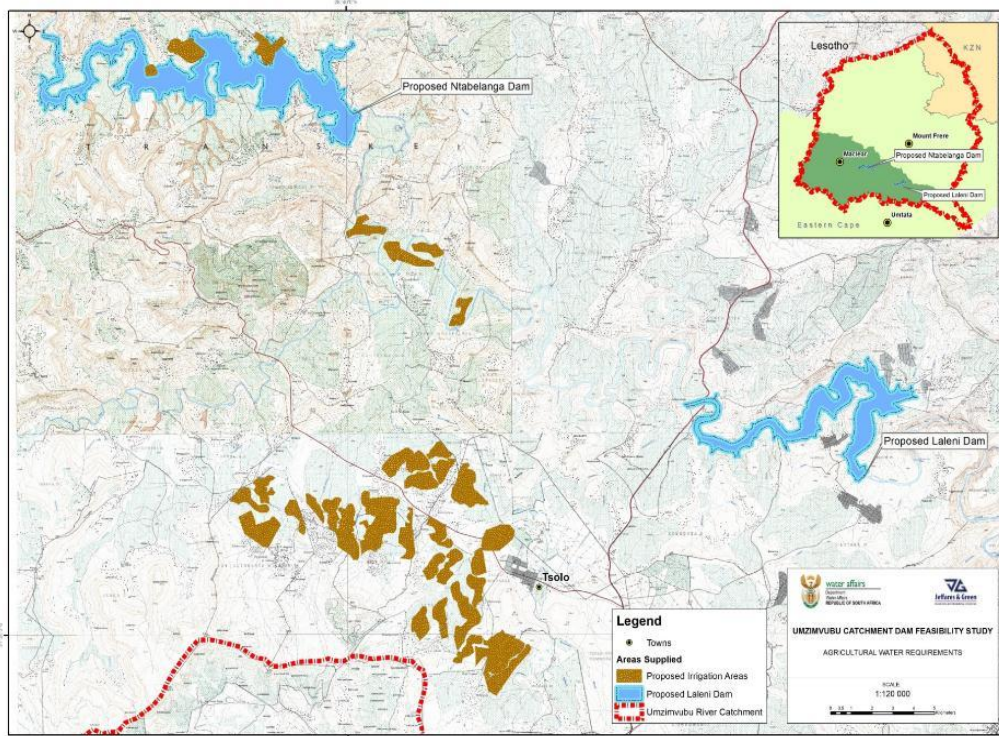
25.3.3 Irrigation Water Requirements

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

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

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

25.3.4 Proposed Irrigation Areas



25.3.5 Determination of Farm Unit Size

Commercial irrigation farming relies on planting and harvesting at certain times. Timing can be critical. Shared use of implements sounds good in theory, but seldom works in practice. Everyone wants the implements at the same time. One method to determine farm size is according to justified economic use of a typical tractor and cultivation implements per farming unit: each farmer owns his own.

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

A 60ha farming unit would justify its own implements, based on the above work rates and a 35 calendar day (21 productive day) critical planting window. The identified lands can be divided up into 45 rationalised farming units of between 40 and 90 ha each (ave 63.7ha).

25.3.6 Combined Bulk Water Requirements

Including system losses:

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

25.3.7 Hydropower Potential

Hydropower generation is possible:

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

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

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

WC SEZ Hub & Regional Linkages



25.4 Africa’s Best 350 Ltd

Africa’s Best 350 Ltd (AB350) is a public company based in the Eastern Cape with its core business which is simply passenger bus services. The business boasts of 116 buses offering safe, reliable and affordable transport services to the people of the Eastern Cape. The company is building its structure for mechanical and body repair workshop in ward 4 Gungululu village in Tsolo. It has currently employed 420 permanent employees with indirect social impact spinoffs within the Eastern Cape.

25.5 Rural Development

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

25.4.1 Rationale for the Rural Development Pilot

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

The states rationale for rural development is to address:

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

The priorities for the Mhlontlo pilot are to:

- Mobilize the whole of government behind all of the rural development pillars outlined in the Provincial Rural Development Strategy (horizontal, and vertical across sphere);
- Develop a quality physical, social and economic infrastructure;
- Ensure availability of land as viable asset to the rural poor;
- Enhance indigenous knowledge and cultural values;
- Ensure vibrant arts and cultural life; and
- Provide the pilot site with access to basic social services, information, communication and technology.

CHAPTER THREE: DEVELOPMENT STRATEGIES

26. Vision

A responsive, stable and accountable municipality that improve lives.

27. Mission

To achieve the above vision, the Mhlontlo Municipality “***aims to deliver sustainable quality services, in an effective and efficient manner, through meaningful participation by all stakeholders***”.

27.1 Our Strengths

- Council consistently meeting as legislated and Council Committees functional
- Oversight structures fully functional and anti-corruption policy in place
- Compliance with national and provincial legislation
- Ability to address service delivery protests
- High levels of community participation in IDP processes
- Good relations with Traditional leaders
- Functioning ward committees
- Critical posts adequately staffed
- Policies, by-laws and procedures in place
- Politically stable
- HR Policies and administrative procedures in place
- Ownership of a fully-fledged plant with enough machinery
- In-house capacity to carry out limited roads maintenance
- Financially stable
- Communication with stakeholders
- Four police stations within our jurisdiction

27.2 Our Weaknesses

- Inadequate implementation of policies, by-laws & procedures
- Revenue base is limited
- Very low debt collection rates
- Poor supplier/contract management
- Late delivery of documents to councillors as per Municipal Standing Rules
- Anti-corruption policy not being implemented
- Some municipal by-laws are not gazetted and cannot be enforced.
- Poor staff discipline (late coming)
- Inadequate training infrastructure
- Existence of displaced and excess employees
- Lack of staff retention strategy (critical and scarce skills)
- Lack of succession plan and talent management strategy
- Weak monitoring and evaluation of existing projects

- Limited own capacity to roll out and maintain roads infrastructure
- Poor reaction time to mechanical breakdown (maintenance of plants and building)
- Excessive personnel costs
- Inconsistent participation by Councillors in Oversight Committees
- Poor management of performance
- Inadequate hard and soft infrastructure (ICT)
- Poor enforcement of by-laws / Policy
- Dependency of municipality on grants
- Poor coordination of Technical IGR
- Land invasions

27.3 Our Opportunities

- Natural Resources
- Wild District municipal support
- Umzimvubu multi-purpose project
- Broadband
- Tourism

27.4 Our Threats

- Crime
- Unemployment
- Land claims
- Land invasions
- Climate change

CHAPTER FOUR: SPATIAL RATIONALE AND ANALYSIS

28. Spatial Development Framework

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

The Spatial Development Framework was adopted by the council on the 15/03/2011 and has been reviewed during the year 2017/2018. It is a legally enforceable component of the IDP, which indicates both to the Municipality (councillors and officials) and to the public (investors, developers and land owners etc.) where certain types of land use and associated developments are

permissible, and where certain activities are unlikely to be permitted. As such, it forms the basis for land use management and serves as a guideline to inform the Mhlontlo Local Municipality in its decisions on land development (new development and changes to existing land uses) in its area of jurisdiction. Therefore, the Spatial Development Framework also functions as a framework for public and private sector investment in different types or levels of development in those areas of Mhlontlo that have been identified as appropriate or suited to such development.

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

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

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

CHAPTER FIVE: DEVELOPMENT OBJECTIVES

29. Municipal Priority Objectives

The municipal strategic objectives are formulated in line with Local Government’s Back To Basics Approach. In addition, and in recognition of the selection of Mhlontlo as a rural development pilot project, rural development has been added under LED key performance area.

29.1 Five Year Priority Objectives

Strategic Focus Area (1)	Delivery On Basic Services
Strategic Goal	To ensure universal access to basic socio-economic services to communities and households.
Strategic Priority Area (2)	Institutional Capacity Building and Transformation
Strategic Goal	To build a strong and capable municipal administration
Strategic Focus Area (3)	Sound Financial Management
Strategic Goal	To be a financially viable municipality
Strategic Focus Area (4)	Good governance and Public Participation
Strategic Goal	A responsive, accountable, Inclusive municipal governance and administrative capacity
Strategic Focus Area (5)	5. Local economic development
Strategic Goal	A thriving economy that creates wealth, employment, and sustainable livelihoods for all

CHAPTER SIX: REVIEW OF MUNICIPAL SECTOR PLANS

30. Status of Sector Plans

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

Table 26: List of Current and Outstanding Sector Plans

Sector Policy	Developed (Yes/No)	Year of Adoption	Last Review	Planned Development/ Review
Water Services Development Plan (WSDP)	No			
Integrated Transport Plan (ITP)	Yes	2013		
Integrated Waste Management Plan (IWMP)	Yes	2006	2015/2016	
Spatial Development Framework (SDF)	Yes	2007	2010/2011	2015/2016
Local Economic Development Strategy (LED)	Yes	2007	2011/2012	2016/2017
Storm Water Management Plan	Yes	2013		
Integrated energy plans	No			
Communications Strategy/Plan	Yes	2011		
Infrastructure investment plan (IIP)	Yes	2013		
Comprehensive Infrastructure Plan (CIP)	No			
Strategic Environmental Assessment (SEA)	Yes			2015/2016
Land Use Management Plan	Yes			

Housing Sector Plan	Yes	2006	2013/2014	
Forestry and agricultural development plan	No			2015/2016
HIV & Aids Plan	Yes			
Tourism development plan	Yes	2011/2012		
Ward Based Plans (Ward 02 & 13)	Yes	2014/2015		

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

Table 27: Delineation of Responsibility for Sector Plans

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

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

30.1 Performance Management Systems

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

The Mhlontlo Municipality has developed a PMS framework and was adopted in December 2011. Performance contracts for the section 56 managers were signed by all section 56

managers. The individual performance contracts are not cascaded down yet up to the lower level of employees as per the framework. The policy is in place and reviewed annually in order to align it with the IDP and to make it applicable to all the employees of the municipality.

30.2 Housing Sector Plan

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

30.2.1 Purpose of Housing Sector Plan

- a. To ensure effective allocation of limited resources (specifically financial and human) to a large pool of potential development interventions.
- b. To provide a formal and practical method of prioritizing housing projects and obtaining political consensus for the sequencing of their implementation.
- c. To ensure more integrated development through bringing together the relevant cross-sectoral role players to coordinate their development interventions in one plan.
- d. To provide greater spatial linkages between the spatial development framework and the physical implementation of projects on the ground.
- e. To ensure that there is a definite housing focus for the IDP.

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

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

30.2.2 Housing demand profile of the municipality

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

30.3 Local Economic Development Strategy

The current LED Framework was reviewed in 2016 and due to adopted as part of the current 5-year IDP. The LED Strategy is aligned with the National, Provincial and District objectives. This includes the Spatial and economic investment choices.

30.3.1 Mhlontlo Local Economic Strengths

#	What are we good at?	How can we take advantage of these?
1	Leveraging our indigenous forests and plantations	Expansion of labour intensive job opportunities
2	Rapid growth in the number of cooperative / SMME's development initiatives	Strengthen our support measures for cooperatives and SMMEs in respect of registration and finance
3	Ability to attracting new investments	Maintain a stable and investor-friendly economic environment
4	Tourist attraction	Continue to grow the Perennial Tsitsa falls and Tina falls as viable tourism products
6	Have a thriving trade sector	Ensure proper land use management can promote tourism. Create more job opportunities
8	Effective skills development programmes	Ensure skills capacity development programmes are aligned to the local economic priorities
9	Abundance of historical heritage	Protect, develop and maintain heritage sites
10	Good relations with sister departments	Accelerate economic growth, job creation and reduce poverty
11	Effective and efficient municipal administration	Accelerate service delivery, and grow capacity to generate own revenue

30.3.2 Mhlontlo Local Economic Weaknesses

#	Where are we most challenged by?	How can we overcome these challenges
1	Inability to manage litter in Qumbu and Tsolo towns	Improve current waste collection and management strategies. Implement small town regeneration strategies
2	Poor enforcement of by-laws	Strengthen capacity to enforce by-laws

3	High levels of economic leakages	Develop processing capacity in the strategic sectors in particular agriculture and forestry
4	Weak implementation of SDF, Land Use Management	Ensure strategic coherence and improve implementation capacity
5	Limited equipment and plant to support agricultural development	Fast track agri-parks implementation. Build strong public and private sector partnerships
6	Limited expertise in livestock value chain development (access to feed, channel to market)	
7	Underdeveloped community tourism infrastructure	Align infrastructure development plans with LED priorities
8	Poor support for construction business (especially small contractors)	Develop and vigorously implement small contractor development programmes
9	Weak alignment between projects and budgets allocations Limited capacity to undertake integrated development and infrastructure plan	Strengthen internal planning capacity
10	Poor stakeholder relations management between traditional leaders and government departments with respect to land claims	Enhance the stakeholder management and communication strategies with traditional leaders and land claims

30.3.3 Mhlontlo Local Economic Opportunities

Nature	Opportunity	How Can We Exploit It
Political	Stable political environment in Mhlontlo	Retain and expand investments
Economic	Natural endowments: Tsitsa Falls and Tina Falls, indigenous and forestry plantations, good climatic conditions, mining resources (quarry and sand)	Accelerate agro-tourism industry growth and development. Create opportunities for beneficiation and facilitate informal and formal sector integration
	Natural and heritage resources (including san paintings, arts and crafts, caves)	Implement the Tourism Master Plan

	Subsistence livestock farming	Facilitate access to market, finance and inputs.
Social	Social cohesion	Expand opportunities for public private partnership
Technological	Being part of the broad band pilot	Diversity the economy, grow the knowledge driven sectors, to improve competitiveness
Environmental	Good climatic conditions	Accelerate growth and development of the agricultural sector

30.3.4 Mhlontlo Local Economic Threats

Nature	Nature of the threat	Likely Impact on the municipality
Political	Political Killings	Threatens safety and security
	Increased risk of political stability (nationally)	Negative investment climate nationally likely to dampen economic growth prospects
	Perceptions of political interference	
Economic	High unemployment rate	Reduced capacity to address poverty and inequality
	Stagnant economic growth	
	Unstable markets	
Social	Immigration influx	Xenophobic attacks
	Drug / Substance abuse	Increased levels of violent crime
Environment	Global warming, drought	Threatens food security
Legal	Land Invasion	Threatens development

Crime and Robbery

Threatens investment opportunities

30.3.5 Vision for Mhlontlo Local Economy

To be a thriving economy that creates wealth, employment, and sustainable livelihoods for all.

30.3.6 Mission

30.3.7 LED Strategic Objectives

The LED Strategy is built anchored on four strategic objectives as shown below:

Strategic Objective (1)	Accelerate employment creation, and alleviate poverty
Strategic Objective (1)	Target strategic economic sectors for growth and development
Strategic Objective (3)	Retain, expand, and attract investment
Strategic Objective (4)	Enhance municipal capacity to drive LED

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

30.4 Disaster Risk Management Policy Framework

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

30.5 Human Resources Development Strategy

The Human Resource Strategy was developed and approved by the council during 2011/2012, in its many forms and formats and was last reviewed in 2017/2018, it Oprovides an understanding of when and how team members will be applied to the projects and to what degree. A natural extension of the projects plan, the human resource strategy defines what resources are required to achieve the programme goals. A Human Resources Development Strategy should reflect on staff establishment policy, critical and scarce skills required by the Municipality to be able to implement its strategic objectives. The Strategy should include *inter alia* recruitment, replacement and retention policies. It should also build internal and external capacity through training, development and skills development.

30.6 Communication Strategy

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

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

30.7 Ward Based Plans

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

- **Prioritised Outcomes for ward 13**

Prioritiesd Outcomes	Number of Votes
a. Better education and skills	127
b. Accessibility by roads and communication networks	124
c. Food security by households	107
d. Sustainable income from crops and livestock	75
e. Better health for people and livestock	55

- **Prioritised Outcomes for ward 02**

Prioritiesd Outcomes	Number of Votes
d. Access to roads for mobility	36
e. Improved health	26
f. Sustainable income	22
g. Skills development	14
h. Better education	14

31. Municipal Scorecard

Strategic Area	Focus	1. BASIC SERVICES DELIVERY							
Strategic Goal	To ensure universal access to basic socio-economic services to communities and households								
NDP	Bringing about faster economic growth, higher investment and greater labour absorption								
PDP	Vibrant, equitable enabled communities								
Delivery Agreement	Outcome 6: An efficient, competitive and responsive economic infrastructure Outcome 7: Vibrant, equitable and sustainable rural communities with food security for all Outcome 8: Sustainable human settlements and improved quality of household life								
Priority Area		Municipal Objective (MO)							
1.1 Road and storm water		1.1.1 To construct and maintain 100kms of access roads with storm water management							
		1.1.2 To construct 768km surfaced roads.							
		1.1.3 To maintain 8km of access and urban roads annually							
		1.1.4 To ensure maintenance of provincial roads (T-Roads) – 107 kms of blading. 4.5 km of re-gravelling per quarter							
MO Ref	Municipal Programmes	(KPI)	Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
1.1.1	Maintenance of 100km access roads	25 Kms completed	Existing roads	ISD	25km Access roads maintenance	25km Access roads maintenance (blading or patching)	25km Access roads maintenance (blading or patching)	25km Access roads maintenance (blading or patching)	25km Access roads maintenance (blading or patching)
	Construction of Bridge and 15km access road	Completed Bridge and number of Kms complete	Gravel road	ISD	Construction of 15km of access road and Ngqakaqeni Bridge	N/A	N/A	N/A	N/A
1.1.2	Construction of 7.78kms surfaced roads	Completed 2.73 in Qumbu site and 5,05km in Tsolo site	Gravel road	ISD	6.51km Road surfacing in Qumbu and Tsolo	1.17km Road surfacing	N/A	N/A	N/A

1.1.3	Maintenance of 8km access and urban roads	Km completed	Existing roads	ISD	8kms access roads and urban roads	8kms access roads and urban roads	8kms access roads and urban roads	8kms access roads and urban roads	8kms access roads and urban roads
1.1.4	Maintenance of provincial roads (T-roads)	Kms completed	Existing Provincial roads	Roads and Public Works	450kms of T-Roads blading and 25km of re-gravelling	450kms of T-Roads blading and 25km of re-gravelling	450kms of T-Roads blading and 25km of re-gravelling	450kms of T-Roads blading and 25km of re-gravelling	450kms of T-Roads blading and 25km of re-gravelling
1.1.5	Construction of Qumbu side walks	Completed 2.7km	Virgin road	OR Tambo DM and ISD	N/A	2.7km of Qumbu Sidewalks construction	N/A	N/A	N/A
1.1.6	Construction of 2km Qumbu Landfill Site surfaced road	Completed 2km	Virgin road	OR Tambo DM	N/A	Finalising sourcing of funds and 2km construction	N/A	N/A	N/A
1.1.7	Construction of 20.41km gravel access roads	Completed 10.52km for N2 Via New rest to Dilizintaba, 5.39km for T162 via Sitopiyeni to Hlabathi and 4.5km in Kimbili to Kimbili 2	Virgin road	ISD	N/A	N/A	10.52km for N2 Via New rest to Dilizintaba Construction	5.39km for T162 via Sitopiyeni to Hlabathi Construction	4.5km in Kimbili to Kimbili 2 Construction
	Rehabilitation of 25.6 km access roads	Completed 5.2km for Zimbengwini, 9.5km Nyanisweni Nyandeni, 6.1km Kwam Gongo, 7.8km Ngxakolo.	Regraveling of roads	ISD	N/A	Construction of 5.2km Zimbengwini A/R	Construction of 9.5km Nyanisweni Nyandeni A/R	Construction of 6.1km Kwam Gongo A/R	Construction of 7.8km Ngxakolo A/R
1.1.8	Construction of 4km surfaced roads	Completed 2.km in Qumbu site and 2km in Tsolo site	Gravel Road	ISD	N/A	N/A	N/A	1km at Qumbu and 1km at Tsolo Construction	1km at Qumbu and 1km at Tsolo Construction

Priority Area		Municipal Objective (MO)							
1.2 Electrification		1.2.1 To ensure that all indigent people have access to free basic electricity (FBE)							
		1.2.2 To construct 15 high mast and street lights							
		1.2.3 To eliminate electricity backlogs (6 000 households)							
MO Ref	Municipal Programmes	(KPI)	Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
1.2.1	Free basic electricity (FBE)	No of indigent households receiving FBE	Indigent register	BTO	Update indigent register and provisioning of free basic electricity	Update Indigent register and 25% of indigent households receive FBE	Update Indigent register and 50% of indigent households receive FBE	Update Indigent register and 75% of indigent households receive FBE	Update Indigent register and 100% of indigent households receive FBE
1.2.2	Connection and energizing of 3000 households	No. of households connected	Phase 2B and phase 3 Electrification	ISD	Planting of poles to 200 households network and cable stringing	Connection of 394 households for phase 2 and 298 households for phase 3	Connection of 631 households for phase 3	Connection of 171 households and 5,5km link line for phase 3	Connection of 1.500 households for phase 4
1.2.3	Construction of 15 high mast lights and maintenance of street lights	No. of high masts constructed and street lights maintained	Existing high mast lights and street lights	ISD	Construction of 15 high mast lights and 45 street lights	Maintenance of 57 high mast and 45 street lights	Maintenance of high mast and street lights	Maintenance of high mast and street lights	Maintenance of high mast and street lights

1.3 Water & Sanitation		1.3.1 To ensure elimination of water backlogs (29 000 households)							
		1.3.2 To eliminate household waterborne sewer backlogs in urban centres							
		1.3.3 To eliminate sanitation backlogs to rural areas (20 400 households)							
MO Ref	Municipal Programmes	(KPI)	Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
1.3.1	Access to clean water	No. of households connected	N/A	ORTDM	Connection of 6, 000 households	Connection of 6, 000 households	Connection of 6, 000 households	Connection of 6, 000 households	Connection of 6, 000 households
1.3.2	Elimination of household water borne-sewer backlogs	No. of households connected	N/A	ORTDM	Compilation of the water borne sanitation backlog	Backlog reduced by 25%	Backlog reduced by 50%	Backlog reduced by 75%	Backlog reduced by 100%
1.3.3	Elimination of rural sanitation backlogs	No. of new VIP toilets constructed	20 400 rural households without VIP toilets	ORTDM	5000 VIP toilets constructed	5000 VIP toilets constructed	5000 VIP toilets constructed	5000 VIP toilets constructed	5000 VIP toilets constructed

1.4 Human Settlements		1.4.1 To facilitate construction of low and middle income housing							
		1.4.2 To ensure provision of adequate land for human settlements							
MO Ref	Municipal Programmes	(KPI)	Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
1.4.1	Housing beneficiary administration	% of up to date records	N/A	N/A	Update and maintain register	Update and maintain register	Update and maintain register	Update and maintain register	Update and maintain register
	Human settlement planning	Completed settlements plans	Remainder of ERF 102 (Qumbu Commonage)	LEDWARD	Identification of suitable land	Development of settlement plans	Development of settlement plans	Development of settlement plans	Development of settlement plans

1.5 Waste Management			1.5.1 To ensure full compliance with waste management laws and regulations						
MO Ref	Municipal Programmes	(KPI)	Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
1.5.1	Implementation of integrated Waste Management Plan	Work completed towards Tsolo Waste Transfer station	Approval IWMP	ISD	Establishment of Tsolo Waste Transfer station	Ensure compliance	Ensure compliance	Ensure compliance	Ensure compliance
		Maintenance completed as schedule	Landfill site	Community Services	Maintenance of Qumbu landfill site	Maintenance of the Qumbu landfill site	Maintenance of the Qumbu landfill site	Maintenance of the Qumbu landfill site	Maintenance of the Qumbu landfill site
		Number of waste management EPWP programmes undertaken	EPWP programmes	Community Services	Implement EPWP programmes on waste management	Implement EPWP programmes on waste management	Implement EPWP programmes on waste management	Implement EPWP programmes on waste management	Implement EPWP programmes on waste management
	Refuse collection	Number of urban households reached	Refuse bags provided for 1611 urban households.	Community Services	Distribution of R600 000 refuse bags to all urban households	Distribution of 600 00 refuse bags to all urban households	Distribution of 600 000 refuse bags to all urban households	Distribution of 600 000 refuse bags to all urban households	Distribution of 600 000 refuse bags to all urban households
	Waste Recycling	Progress made with the establishment of transfer sites	No transfer sites	LEDWARD	Establishment of recyclable waste transfer sites	Promote waste recycling coops	Promote waste recycling coops	Promote waste recycling coops	Promote waste recycling coops
1.5.2	To maintain 4km of urban roads and storm water management	No. of existing urban roads and storm water drainage	EPWP programmes	ISD	N/A	Maintenance of 1km urban roads and storm water drainage	Maintenance of 1km urban roads and storm water drainage	Maintenance of 1km urban roads and storm water drainage	Maintenance of 1km urban roads and storm water drainage

1.6 Sporting Facilities			1.6.1 To construct and maintain arts, culture and sporting facilities in all wards						
MO Ref	Municipal Programmes	(KPI)	Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
1.6.1	Promotion and development of sport, arts and culture activities	Completed sport field	Dilapidated sport field	ISD	Rehabilitation of Mvumelwano sports fields	Rehabilitation of Tsolo and Qumbu sports field Mvumelwano sport fields	Rehabilitation of Tsolo and Qumbu sports field	Rehabilitation of Tsolo and Qumbu sports field	Construction of Amacwera, Sthangameni and Ngcolosi sport fields
		Number of successfully supported activities per ward	Sport, Arts and Culture activities	Community Services	To support ward-based Sport, Arts and Culture	To support ward-based Sport, Arts and Culture	To support ward-based Sport, Arts and Culture	To support ward-based Sport, Arts and Culture	To support ward-based Sport, Arts and Culture

1.9 Social Services and Infrastructure			1.9.1 To ensure construction of 4 new libraries, promotion of learning and educational activities and maintenance						
1.9 Social Services and Infrastructure			1.9.2 To revitalize the urban centers of Tsolo and Qumbu towns						
1.9 Social Services and Infrastructure			1.9.3 To provide integrated transport management services						
1.9 Social Services and Infrastructure			1.9.4 To coordinate effective implementation of safety and security plan						
1.9 Social Services and Infrastructure			1.9.5 To provide adequate pound and cemeteries management service						
1.9 Social Services and Infrastructure			1.9.6 To promote the interests of special and vulnerable groups						
MO Ref	Municipal Programmes	(KPI)	Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
1.9.1	Promotion of culture of life-long learning	Progress with construction	No. of existing libraries	DSRAC	Resource mobilisation for library construction	Library construction	Library construction	Library construction	Library construction
		No. of successfully completed services	Promotional activities currently undertaken	Community Services	Promotion of education and learning activities	Promotion of education and learning activities	Promotion of education and learning activities	Promotion of education and learning activities	Promotion of education and learning activities

1.9.2	Revitalisation of Urban Centres	No of successfully completed projects	No revitalisation projects	Community Services	Cleaning and greening	Cleaning and greening	Cleaning and greening	Cleaning and greening	Cleaning and greening
1.9.3	Construction of Qumbu Hall and offices	Completed social infrastructure	Social Infrastructure	ISD	Construction of Qumbu hall and municipal offices	Construction of Qumbu hall and municipal offices	N/A	N/A	N/A

MO Ref	Municipal Programmes	(KPI)	Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
1.9.3	Transport Management Services	Progress with the construction of the VTC	Registering Authority Office	Community Services	Produce design for Vehicle Testing Centre	Construction of VTC	VCT management	VTC management	VTC management
		No. of licensed and registered vehicles	Registering Authority Office	Community Services	Licensing of 500 vehicles and registration of 700 vehicles	Licensing and registration of 1 000 vehicles	Licensing and registration of 1 000 vehicles	Licensing and registration of 1 000 vehicles	Licensing and registration of 1 000 vehicles
		No. of learners tested and learner drivers tested	2000 learner drivers tested	Community Services	Testing of 2000 learner driver testing	Testing of 2000 learner driver testing	Testing of 2000 learner driver testing	Testing of 2000 learner driver testing	Testing of 2000 learner driver testing
1.9.3	Public Transport infrastructure	Number of signs and markings maintained	Signs and markings irregularly maintained	Community Services	N/A	Maintain road signs and markings	Maintain road signs and markings	Maintain road signs and markings	Maintain road signs and markings
		Progress with the construction of public infrastructure	Transport terminal	SANRAL	Construction of Tsolo Bus-Taxi Rank	Construction of Qumbu Bus-Taxi Rank	N/A	N/A	N/A

1.9.4	Safety and security	Progress with the implementation of the Community safety and security plan	Community safety Strategy and forum	Community Services	N/A	Review of community safety and security plan as well as provision of security services	Implement and monitor safety and security plan	Implement and monitor safety and security plan	Implement and monitor safety and security plan
1.9.5	Pound Management	Progress with relocation of pounds	2 pounds sites existing in Tsolo and Qumbu	Community Services	Relocation of Qumbu pounding site and impounding of stray animals	Relocation of Qumbu pounding site and impounding of stray animals	Impounding of animals and Maintenance	Impounding of animals and Maintenance	Impounding of animals and Maintenance
		Quantity of suppliers		Community Services	Management of Pound Sites	Management of Pound Sites	Management of Pound Sites	Management of Pound Sites	Management of Pound Sites
	Cemetery Management	Clean and secure cemeteries and tagging	2 cemeteries in Qumbu and Tsolo. No of existing cemeteries tagged	Community Services	Cleaning and provision of security of all cemeteries	Cleaning and provision of security. Ongoing tagging of cemeteries	Cleaning and provision of security. Ongoing tagging of cemeteries	Cleaning and provision of security. Ongoing tagging of cemeteries	Cleaning and provision of security. Ongoing tagging of cemeteries
1.9.6	4 Ton Truck for skip bins	Purchase of 4 ton truck	None availability of skip in truck	Community Services	N/A	Purchase of 4 ton truck for skip bins by 30 August 2018	Refuse collection	Refuse collection	Refuse collection
1.9.7	4 ton Truck brake down (Tow truck)	Purchase of brake down truck	None availability of brake down truck	Community Services	N/A	Purchase of 4 tone brake down truck by 31 December 2018	Impounding of vehicles	Impounding of vehicles	Impounding of vehicles
1.9.8	Vehicle Impounding Site	Paving and fencing of impounding site	Availability of impounding site	Community services	N/A	Paving and fencing 30 March 2019	Impounding of vehicles	Impounding of vehicles	Impounding of vehicles

1.9.9	Special programmes (HIV/Aids, Disabled, Women, Elderly, Youth and Children)	Completion of annual plans and successful completion of planned activities	Number of successfully completed	Strategic Services	Development of Special Programmes Implementation Plan	Development of Special Programmes Implementation Plan	Development of Special Programmes Implementation Plan	Development of Special Programmes Implementation Plan	Development of Special Programmes Implementation Plan
1.9.10	Moral Regeneration Movement	Decrease in number of young people engaged in drug and substance abuse and teenage pregnancy	Mhlontlo Moral Regeneration Movement Structure and Annual Action Plan	Corporate Services	N/A	Conduct awareness campaigns 4	Conduct awareness campaigns 4	Conduct awareness campaigns 4	Conduct awareness campaigns 4
1.9.11	Heritage	Number of Heritage events hosted	Previously hosted heritage events	Corporate Services	N/A	Host one heritage event	Host one heritage event	Host one heritage event	Host one heritage event

Strategic Priority Area		2. Institutional Capacity Building and Transformation							
Strategic Goal		To build a strong and capable municipal administration							
NDP		<ul style="list-style-type: none"> Building a capable developmental state Focussing on key capabilities of people and the state 							
PDP		<ul style="list-style-type: none"> Capable, conscientious, and accountable institutions 							
National Outcome		Outcome 3: Develop a skilled and capable workforce Outcome 9: Build a responsive, accountable, effective and efficient local government system							
Priority Area				Municipal Objective (MO)					
2.1 Human resources alignment and development				2.1.1 To review and ensure maintain an IDP-aligned organisational structure by 30 June 2018 and beyond. 2021					
MO Ref	Programmes	(KPI)	KPI Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
2.1.1	Organisational review and alignment	Date by which final reviewed organogram for 2019/20 financial year is submitted to council for approval.	Current organogram council approved	Corporate Services	Final reviewed organogram for 2018/19 financial year is submitted to council for approval by 30 June 2018.	Final reviewed organogram for 2018/19 financial year is submitted to council for approval by 30 June 2019.	Annual review of the organogram	Annual review of the organogram	Annual review of the organogram
	Job evaluation	Number of reports prepared on the implementation of the job grading and placement	Job descriptions completed. Evaluation underway	Corporate Services	3 reports prepared on the implementation of the job grading and placement	3 reports prepared on the implementation of the job grading and placement	Job evaluation, grading and placement	Job evaluation, grading and placement	Job evaluation, grading and placement
	Skills development	No of successfully completed skills programmes	WSP and Training Development Policy	Corporate Services	41 councillors, 10 traditional leaders and 20 officials who successfully	41 councillors, 10 traditional leaders and 20 officials who successfully	Skills development	Skills development	Skills development

		by 30 June 2019			completed skills programmes by 30 June 2019	completed skills programmes by 30 June 2019			
	Institutional transformation	Reviewed employment equity plan submitted to the Department of Labour by 30 June 2019	Employment Equity Plan	Corporate Services	Yes-Reviewed Employment equity plan submitted to the Department of Labour by 30 June 2019.	Reviewed Employment equity plan submitted to the Department of Labour by 30 June 2019.	Review and implement equity plan	Review and implement equity plan	Review and implement equity plan

Priority Area				Municipal Objective (MO)					
2.2 Institutional policies and systems				To align institutional policies and systems with best practise in local government by 30 June 2021					
MO Ref	Programmes	(KPI)	KPI Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
2.2.1	Develop, Review and Implement HR Policies and procedure manuals	Reviewed and new developed policies and procedures manuals are submitted to council	Systems and policies in place	Corporate Services	Yes - reviewed and new developed policies submitted to council by 30 June 2019.	Reviewed and new developed policies and procedure manuals submitted to council by 30 June 2019.	Update/ review and align systems and policies	Update/ review and align systems and policies	Update/ review and align systems and policies

Priority Area		Municipal Objective (MO)							
2.3 OHS and employee wellness		2.3.1 To promote a health and wellness culture among Councillors and municipal employees by 30 June 2021.							
MO Ref	Programmes	(KPI)	KPI Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
2.3.1	OHS and Employee wellness	Number of wellness programmes conducted by 30 June 2019.	OHS and wellness policies and plans in place	Corporate Services	4 wellness programmes conducted by 30 June 2019.	4 wellness programmes conducted by 30 June 2019	Implement OHS and wellness plan	Implement OHS and wellness plan	Implement OHS and wellness plan
		Number of site visits for OHS conducted by 30 June 2019.			4 site visits for OHS conducted by 30 June 2018.	4 site visits for OHS conducted by 30 June 2019			

Priority Area		Municipal Objective (MO)							
2.4 Information and Communication Technology (ICT)		2.4.1 To ensure adequate availability of critical ICT Infrastructure in line with the ICT strategy and governance policies by 30 June 2021.							
MO Ref	Programmes	(KPI)	KPI Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
2.4.1	ICT innovation and information management	Reviewed IT Management Strategy submitted to council structures by 30 June 2019	ICT Governance Framework Policy	Corporate Services	Reviewed IT Management Strategy submitted to council structures by 30 June 2019	4 reports on the implementation of IT Strategy	Implement IS plan	Implement IS plan	Implement IS plan
		Reviewed IT Governance Policy submitted to			Corporate Services	Reviewed IT Governance Policy submitted to council	3 reports on the implementation of IT	Implement IT Governance Policy plan	Implement IT Governance Policy plan

		council structures.			structures by 30 June 2019.	Governance Policy			
2.4.2	Automization and Centralization of records and improved record management processes and procedures by 2021	Installation of electronic document management system (EDMS).	File plan and procedure manual	Corporate Services		Installation of document management system by 30 June 2019	3 reports form document management system submitted to council by 30 June 2020	3 reports form document management system submitted to council by 30 June 2021	3 reports form document management system submitted to council by 30 June 2022
		Facilitation of disposal of old records	File Plan and Procedure manual	Corporate Services		3 reports on the disposal of old records by 30 June 2019	3 reports on the disposal of old records by 30 June 2020	3 reports on the disposal of old records by 30 June 2021	3 reports on the disposal of old records by 30 June 2022
		Centralize records management	File Plan and Procedure manual	Corporate Services		3 reports on the centralization of records management to corporate services department by 30 June 2019	3 reports on the collection of Records from all municipal departments by 30 June 2020	3 reports on the collection of Records from all municipal departments by 30 June 2021	3 reports on the collection of Records from all municipal departments by 30 June 2021
2.4.3	Communications & Public Relations	Number of Local Communications Forum meetings held by 30 June 2022	Local Communications Forum	Corporate services		4 Local Communications Forum meetings held by 30 June 2019	4 Local communications Forum meetings held by 30 June 2020	4 Local communications Forum meetings held by 30 June 2021	4 Local communications Forum meetings held by 30 June 2022
		Number of digital broadcasting awareness hosted by 30 June 2022	OB sound clips	Corporate Services		4 ordinary council meetings, 2 Mayoral outreach OBs and 1 SOMA by 30 June 2019	4 ordinary council meetings, 2 Mayoral outreach OBs and 1 SOMA by 30 June 2020	4 ordinary council meetings, 2 Mayoral outreach OBs and 1 SOMA by 30 June 2021	4 ordinary council meetings, 2 Mayoral outreach OBs and 1 SOMA by 30 June 2022

		Number of media releases by 30 June 2022	Printed Stories	Corporate services		12 Media releases by 30 June 2019	12 Media releases by 30 June 2020	12 Media releases by 30 June 2021	12 Media releases by 30 June 2022
		Number of live broadcasts on community radio stations by 30 June 2022	Radio slots	Corporate Services		12 radio interviews by 30 June 2019	12 radio interviews by 30 June 2020	12 radio interviews by 30 June 2021	12 radio interviews by 30 June 2022
		Number of Billboards and live reads by 30 June 2022	None	Corporate services		20 billboards/live reads by 30 June 2019	20 billboards/live reads by 30 June 2020	20 billboards/live reads by 30 June 2021	20 billboards/live reads by 30 June 2022
		Number of media tours conducted by 30 June 2022	None	Corporate Services		6 media tours to major municipal projects by 30 June 2019	6 media tours to major municipal projects by 30 June 2019	6 media tours to major municipal projects by 30 June 2019	6 media tours to major municipal projects by 30 June 2019
Priority Area				Municipal Objective (MO)					
2.5 Labour relations				2.5.1 To strengthen and maintain good relations within the workplace by 30 June 2018.					
MO Ref	Programmes	(KPI)	KPI Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
2.5.1	Strengthening of labour relations	No of successful LLF meetings convened by 30 June 2019.	Functioning Local Labour Forum	Corporate Services	12 LLF meetings convened by 30 June 2019.	12 LLF meetings convened by 30 June 2019.	Maintain healthy industrial relations	Maintain healthy industrial relations	Maintain healthy industrial relations
Priority Area				Municipal Objective (MO)					
2.7 Performance management				2.7.1 To review current, and implement a fully cascaded municipal-wide performance management system by 30 June 2021					
MO Ref	Programmes	(KPI)	KPI Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
2.7.1	Performance management	Performance reviews for the 1 st , 2 nd and 3 rd	PMS policy and framework in place	Corporate Services	Yes-performance reviews	Yes-performance reviews for the	Implement and monitor	Implement and monitor	Implement and monitor

		quarter conducted by 30 June 2019- Yes/No.			for the 1 st , 2 nd and 3 rd quarter conducted by 30 June 2019	1 st , 2 nd and 3 rd quarter conducted by 30 June 2019			
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Strategic Focus Area		3. Sound Financial Management							
Strategic Goal		To be a financially viable municipality							
NDP		Building a capable and development state							
PDP		Goal 5: Capable, conscientious and accountable							
National Outcome		Outcome 9: Build a responsive, accountable, effectively and efficient local government system							
Priority Area		Municipal Objectives (OB)							
3.1 Revenue Collection		3.1.1 To ensure monthly collection on both historic and current debts							
MO Ref	Municipal Programme	KPI	KPI Baseline	Lead Dept.	5 Year Projects				
					2017/18	2018/19	2019/20	2020/21	2021/22
3.1.1	Revenue collection- Historic debt	% Monthly debt collection	R32.3 million	BTO	Complete data cleansing	To ensure monthly collection rate of 100% on arrear debt (Government) by 30th June 2019.	To ensure monthly collection rate of 100% on arrear debt (Government) by 30th June	To ensure monthly collection rate of 100% on arrear debt (Government) by 30th June	To ensure monthly collection rate of 100% on arrear debt (Government) by 30th June
		% Monthly debt collection	R8.1 million	BTO		To ensure monthly collection rate of 30% on arrear debt (Businesses) by 30th June 2019.	To ensure monthly collection rate of 30% on arrear debt (Businesses) by 30th June	To ensure monthly collection rate of 30% on arrear debt (Businesses) by 30th June	To ensure monthly collection rate of 30% on arrear debt (Businesses) by 30th June
		% Monthly debt collection	R12.5 million	BTO		To ensure monthly	To ensure monthly	To ensure monthly	To ensure monthly collection

						collection rate of 30% on arrear debt (Households) by 30th June 2019.	collection rate of 100% on arrear debt (Households) by 30th June	collection rate of 100% on arrear debt (Households) by 30th June	rate of 100% on arrear debt (Households) by 30th June
		% Monthly debt collection	R145 000	BTO		To ensure monthly collection rate of 50% on arrear debt (Farmers) by 30th June 2019.	To ensure monthly collection rate of 100% on arrear debt (Farmers) by 30th June	To ensure monthly collection rate of 100% on arrear debt (Farmers) by 30th June	To ensure monthly collection rate of 100% on arrear debt (Farmers) by 30th June
3.1.2	Revenue collection-Billed debt		R1 077 933			To ensure monthly collection rate of 100% on billed revenue (Government) by 30th June 2019.	To ensure monthly collection rate of 100% on billed revenue (Government) by 30th June	To ensure monthly collection rate of 100% on billed revenue (Government) by 30th June	To ensure monthly collection rate of 100% on billed revenue (Government) by 30th June
		% Monthly debt collection	R5 419 906	BTO		To ensure monthly collection rate of 30% on billed revenue (Businesses) by 30th June 2019.	To ensure monthly collection rate of 30% on billed revenue (Businesses) by 30th June	To ensure monthly collection rate of 30% on billed revenue (Businesses) by 30th June	To ensure monthly collection rate of 30% on billed revenue (Businesses) by 30th June
		% Monthly debt collection	R2 632 506	BTO		To ensure monthly collection rate of 40% on billed revenue	To ensure monthly collection rate of 40% on billed revenue	To ensure monthly collection rate of 40% on billed revenue	To ensure monthly collection rate of 40% on billed revenue (Households) by 30th June

						(Households) by 30th June 2019.	(Households) by 30th June	(Households) by 30th June	
		% Monthly debt collection	R35 000	BTO		To ensure monthly collection rate of 50% on arrear debt (Farmers) by 30th June 2019.	To ensure monthly collection rate of 50% on arrear debt (Farmers) by 30th June	To ensure monthly collection rate of 50% on arrear debt (Farmers) by 30th June	To ensure monthly collection rate of 50% on arrear debt (Farmers) by 30th June
3.1.3	Data cleansing	General Valuation roll and Supplementary valuation roll	Property register in place	BTO	Update register	100% Update of register by 30th June 2019.	1 Supplementary valuation roll	1 Supplementary valuation roll	1 Supplementary valuation roll

Priority Area		Municipal Objectives (OB)							
3.2 Revenue Management		3.2.1 To develop and fully implement a Revenue Enhancement and Management Strategy							
MO Ref	Municipal Programme	KPI	KPI Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
3.2.1	Revenue Management	Progress made in the implementation of the revenue management plan	Revenue Management Strategy developed and Council approved	BTO	Formulate municipal-wide plan	Develop 1 Revenue enhancement strategy by 30th June 2019.	Review revenue enhancement strategy	Review revenue enhancement strategy	Review revenue enhancement strategy

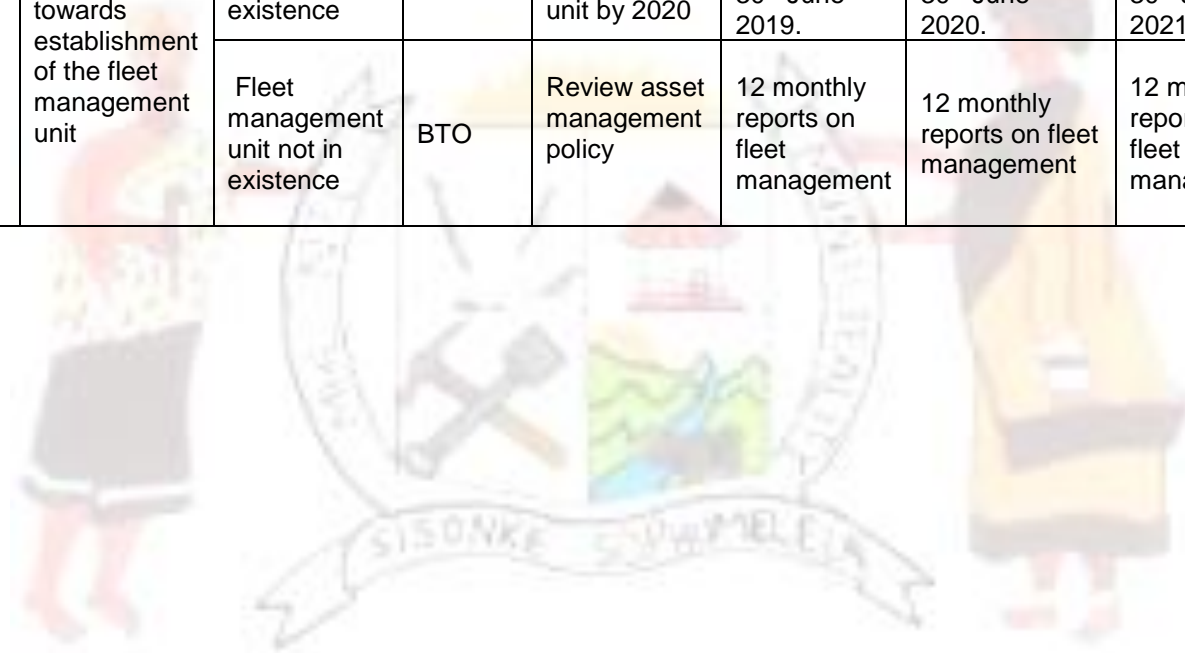
Priority Area		Municipal Objectives (OB)								
3.3 Expenditure Management		3.3.1 To develop/review and implement Expenditure Management Policy								
MO Ref	Municipal Programme	KPI	KPI Baseline	Lead Dept.	5 Year Projects					
					2017	2018	2019	2020	2021	
3.3.1	Expenditure management	Turnaround time	Interest charged on overdue accounts	BTO	Compliance with payment schedule	100% Compliance with payment schedule (30 days turnaround time)	100% Compliance with payment schedule (30 days turnaround time)	100% Compliance with payment schedule (30 days turnaround time)	100% Compliance with payment schedule (30 days turnaround time)	100% Compliance with payment schedule (30 days turnaround time)

Priority Area		Municipal Objectives (OB)								
3.4 Budgeting and Financial Reporting		3.4.1 To ensure credible budgeting and proper financial reporting in line with relevant legislation								
MO Ref	Municipal Programme	KPI	KPI Baseline	Lead Dept.	5 Year Projects					
					2017/18	2018/19	2019/20	2020/21	2021/22	
3.4.1	Budgeting and financial reporting	Compliance with Treasury requirements	Budget in place but not fully funded	BTO	Formulate credible budget	Formulate 1 credible budget	Formulate 1 credible budget	Formulate 1 credible budget	Formulate 1 credible budget	Formulate 1 credible budget

Priority Area		Municipal Objectives (OB)								
3.5 Asset Management		3.5.1 To ensure that assets are managed and utilised in line with relevant policies and procedures								
MO Ref	Municipal Programme	KPI	KPI Baseline	Lead Dept.	5 Year Projects					
					2017/18	2018/19	2019/20	2020/21	2021/22	
3.5.1	Asset management	GRAP compliant Asset Register	Asset management policy developed	BTO	Review asset management policy	Update assets register to be GRAP compliant by 30th June 2019.	Update assets register to be GRAP compliant by 30th June 2020.	Update assets register to be GRAP compliant by 30th June 2021.	Update assets register to be GRAP compliant by 30th June 2022.	Update assets register to be GRAP compliant by 30th June 2022.

Priority Area			Municipal Objectives (OB)						
3.6 Supply Chain Management			3.6.1 To ensure that supply chain policies comply with MFMA and all relevant regulations						
MO Ref	Municipal Programme	KPI	KPI Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
3.6.1	Supply chain management	Compliance levels	SCM not fully compliant	BTO	Training in SCM	30% of procurement procured locally by 30th June 2019.	30% of procurement procured locally by 30th June 2020.	30% of procurement procured locally by 30th June 2021.	30% of procurement procured locally by 30th June 2022.
3.6.2	Supply chain management	Procurement Plan	SCM not fully compliant	Supply chain management		1 Approved procurement plan by 30th June 2019.	1 Approved procurement plan by 30th June 2020.	1 Approved procurement plan by 30th June 2021.	1 Approved procurement plan by 30th June 2022.
3.6.3	Supply chain management	Compliance levels	SCM not fully compliant	BTO		30% of procurement procured from youths by 30th June 2019.	30% of procurement procured from youths by 30th June 2020.	30% of procurement procured from youths by 30th June 2021.	30% of procurement procured from youths by 30th June 2022.
3.6.4	Supply chain management	Compliance levels	SCM not fully compliant	BTO		10% of procurement procured from disabled people by 30th June 2019 by 30th June 2019.	10% of procurement procured from disabled people by 30th June 2020.	10% of procurement procured from disabled people by 30th June 2021.	10% of procurement procured from disabled people by 30th June 2022.
3.6.5	Supply chain management	Compliance levels	SCM not fully compliant	BTO		60 days turnaround time on awards from closing date	60 days turnaround time on awards from closing date	60 days turnaround time on awards from closing date	60 days turnaround time on awards from closing date

Priority Area			Municipal Objectives (OB)						
3.7 Fleet Management			3.7.1 To ensure that assets are managed and utilised in line with relevant policies and procedures						
MO Ref	Municipal Programme	KPI	KPI Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
3.7.1	Fleet Management	Progress towards establishment of the fleet management unit	Fleet management unit not in existence	BTO	Establish of fleet management unit by 2020	100% roadworthy vehicles by 30 th June 2019.	100% roadworthy vehicles by 30 th June 2020.	100% roadworthy vehicles by 30 th June 2021.	100% roadworthy vehicles by 30 th June 2021.
			Fleet management unit not in existence	BTO	Review asset management policy	12 monthly reports on fleet management	12 monthly reports on fleet management	12 monthly reports on fleet management	12 monthly reports on fleet management



Strategic Focus Area		4. Good governance and Public Participation							
Strategic Goal		A responsive, accountable, Inclusive municipal governance and administrative capacity							
NDP		<ul style="list-style-type: none"> Promoting active citizenry to strengthen development, democracy and accountability Encouraging strong leadership throughout society to work to resolve problems Focussing on key capabilities of people and the state Building a capable and development state 							
PDP		Goal 5: Capable conscientious and accountable institutions							
National Outcomes		Outcome 9: A responsive, accountable, effective and efficient local government system							
Priority Area		Municipal Objectives (MO)							
4.1 Public participation		4.1.1 Ensure meaningful effective stakeholder participation in municipal IDP and Budget processes.							
MO Ref	Municipal Programme	(KPI)	KPI Baseline	Responsible Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
4.1.1	Masiphathisane	Number of trained ward committees	Established ward committees	Office of the MM	Launch Ward Committees	Conduct 12 war room meetings per ward	Conduct 12 war room meetings per ward	Conduct 12 war room meetings per ward	Conduct 12 war room meetings per ward
4.2.2	Training and capacitation of ward committee members	Number of trained ward committee members	Established ward committees	Corporate Services	Training of 260 ward committee members	Training of 260 ward committee members	Training of 260 ward committee members	Training of 260 ward committee members	Training of 260 ward committee members
4.2.3	Conduct public participation meetings and Mayoral Imbizos	Number of meetings conducted	Public Participation policy	Office of the Municipal Manager and Corporate Services	Conduct 26 public participation meetings	Conduct 26 public participation meetings and 6 Mayoral Imbizos and SOMA	Conduct 26 public participation meetings and 6 Mayoral Imbizos and SOMA	Conduct 26 public participation meetings and 6 Mayoral Imbizos and SOMA	Conduct 26 public participation meetings and 6 Mayoral Imbizos and SOMA

Priority Area			Municipal Objectives (MO)						
4.2 Monitoring and evaluation			4.2.1 Ensure effective monitoring and evaluation of quality service standards						
MO Ref	Municipal Programme	(KPI)	KPI Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
4.2.1	Strengthen oversight and accountability	Performance of MANCO, Audit Committee and MPAC	MANCO, Audit Committee and MPAC	Office of the MM	7 statutory reports Capacity building for MPAC	7 statutory reports Capacity building for MPAC	7 statutory reports Capacity building for MPAC	7 statutory reports Capacity building for MPAC	7 statutory reports Capacity building for MPAC

Priority Area			Municipal Objectives (MO)						
4.3 Anti-corruption			4.3.1 Eradicate corruption throughout the municipality.						
MO Ref	Municipal Programme	(KPI)	KPI Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
4.3.1	Strengthen fraud and anti-corruption	Progress achieved with the implementation of the anti-corruption plan	Anti-corruption strategy council approved	Office of the Municipal Manager	Formulate Anti-corruption plan	Conduct 4 awareness campaigns on fraud and anti-corruption	Conduct 4 awareness campaigns on fraud and anti-corruption	Conduct 4 awareness campaigns on fraud and anti-corruption	Conduct 4 awareness campaigns on fraud and anti-corruption

Priority Area			Municipal Objectives (MO)						
4.4 Intergovernmental relations			4.4.1 Strengthen alignment of sector department programmes and the municipal IDP.						
MO Ref	Municipal Programme	(KPI)	KPI Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
4.4.1	Enhance IGR performance	No of effective IGR meetings	Intergovernmental Relations Policy	Office of the Municipal manager	Formulate MoUs with DM and Sector departments	Monitor alignment with Council calendar	Conduct 4 technical IGR Meetings and 4 political IGR meetings	Conduct 4 technical IGR Meetings and 4 political IGR meetings	Conduct 4 technical IGR Meetings and 4 political IGR meetings
4.4.2	Enhance Traditional Leaders participation	No. of Traditional Leaders meetings convened and assistance during initiation periods	Mhlontlo Traditional Leaders Structure	Corporate Services	N/A	Convene 4 Traditional leaders meetings. Assist in initiation programmes	Convene 4 Traditional leaders meetings. Assist in initiation programmes	Convene 4 Traditional leaders meetings. Assist in initiation programmes	Convene 4 Traditional leaders meetings. Assist in initiation programmes
Priority Area			Municipal Objectives (MO)						
4.5 Policies and by-laws			To enhance quality services and good customer care						
MO Ref	Municipal Programme	(KPI)	KPI Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
4.5.1	Batho-Pele	Progress with implementation of Batho-Pele principles	Batho-Pele not effectively implemented and monitored	Corporate Services	Establish Customer Care System	Conduct 4 workshops on Batho Pele Principles	Conduct 4 workshops on Batho Pele Principles	Conduct 4 workshops on Batho Pele Principles	Conduct 4 workshops on Batho Pele Principles

Strategic Focus Area		5. Local economic development, Planning and Rural Development							
Strategic Goal		A thriving economy that creates wealth, employment, and sustainable livelihoods for all							
NDP		Bringing about faster economic growth, higher investment and greater labour absorption							
PDP		A growing inclusive and equitable economy							
National Outcome		Outcome 2: Create decent employment through inclusive economic growth Outcome 6: Support an efficient, competitive and responsive economic infrastructure framework							
5.4 LED capacity				Build municipal capacity to drive LED					
Priority Area				Municipal Objectives (MO)					
5.1 Employment creation and poverty alleviation				5.1.1 Reduce by a quarter the unemployment rate and the number of people living in poverty by 2020 5.1.1.2 To be a thriving economy that creates wealth, employment, and sustainable livelihood for all					
MO Ref	Municipal Programme	(KPI)	KPI Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
Priority Area				Municipal Objectives (MO)					
5.1 Employment creation and poverty alleviation				5.1.1 Reduce by a quarter the unemployment rate and the number of people living in poverty by 2020					
MO	Municipal Programme	(KPI)	KPI Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
5.1.1.	Skills Development	Developed database of Mhlontlo artisans	There are training programmes that are conducted by various SETAs and SEDA	LEDPARD		Conduct skills audit for artisans such as carpenters, motor mechanics, electricians, elders and plumbers around Mhlontlo Municipality	Facilitate skills training	Facilitate skills training	Facilitate skills training

MO Ref	Municipal Programme	(KPI)	KPI Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
5.1.2.	Job Creation	No. of jobs created	EPWP/ 1796 CWP participants employed	LEDPARD	Identify participants of the programme	Develop database for job creation	Update database for job creation	Update database for job creation	Update database for job creation
5.1.3.	Food gardens	Number of food gardens ploughed	Business Plan for food gardens	LEDPARD	Identify beneficiaries	Ploughing of 100 food gardens	Ploughing of 100 food gardens	Ploughing of 100 food gardens	Ploughing of 100 food gardens

Priority Area					Municipal Objectives (MO)				
5.2 Strategic economic sector growth and development					5.2.1 Ensure rapid growth and development of strategic economic sectors				
MO Ref	Municipal Programme	(KPI)	KPI Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
5.1.4	High value crops production	No. of beneficiaries	4 hydroponic tunnels	LEDPARD	Installation of 6 hydroponic tunnels	Installation of 3 hydroponic tunnels	Installation of 6 hydroponic tunnels	Installation of 6 hydroponic tunnels	
5.1.5	Brick Making	No. of Incubators established	Business plan in place	LEDPARD	Business Plan Development	Funding of one brick-making Incubator	Funding of two Brick-making projects,	Identify beneficiaries, Purchase of inputs and equipment	Monitoring
5.1.6	Sewing	No of sewing Training centres established	Some informal traders were trained on Sewing	LEDPARD	Business Plan Development	Establish one Sewing Training Centre at Mhlontlo	Supply of inputs & equipment to 20 beneficiaries		

Priority Area				Municipal Objectives (MO)					
5.2 Strategic economic sector growth and development				5.2.1 Ensure rapid growth and development of strategic economic sectors					
MO Ref	Municipal Programme	(KPI)	KPI Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
5.2.1.	Cooperative Development Centre	Completed Cooperative Development Centre	Building on a roofing stage but floors damaged by rains	LEDPARD	N/A	Upgrade of Toleni CDC	N/A	N/A	N/A
5.2.2.	Revival of small industrial sectors (Transido) for furniture manufacturing	Progress made towards rehabilitation of Transido Sites	Sites dilapidated and under ECDC	LEDPARD	N/A	Securing handover of Tsolo TRANSIDO site from ECDC	Site rehabilitation	Site rehabilitation	Site rehabilitation
5.2.3.	Establishment of market centres	Number of establishment market centres	No existing market centres	LEDPARD	N/A	Register the project for MIG funding	Solicit funding from MIG	Solicit funding from MIG	Construction of market centres
5.2.4.	Supply of equipment to informal Traders	Number of Informal traders supplied with Cooler boxes ,umbrellas, foldable tables and chairs.	A study was done and presented to the municipality by ORTDM Health Practitioners.	LEDPARD	N/A	Supply of Cooler boxes ,umbrellas, foldable tables and chairs to 50 informal traders in Qumbu and another 50 in Tsolo	N/A	N/A	N/A
5.2.5.	Tourism Marketing Strategy	Developed Tourism Marketing Strategy	Tourism Master Plan	LEDPARD	Development of Tourism Marketing Strategy	Development of Mhlontlo Tourism Marketing Strategy	Implementation of Mhlontlo Tourism Marketing Strategy	Implementation of Mhlontlo Tourism Marketing Strategy	Implementation of Mhlontlo Tourism Marketing Strategy
5.2.6.	Review of Tourism Master Plan	Reviewed Tourism master Plan	Tourism Master Plan		Review Tourism	Implementation of	Implementation of Tourism Master Plan	Implementation of Tourism Master Plan	Implementation of Tourism Master Plan

					Master Plan	Tourism Master Plan			
5.2.7.	Establishment of a Cultural Village	Established Cultural Village	Business Plan in place		N/A	Present Business Plan to potential funders, National Department of Tourism.	Develop a Cultural Village	Market and oversee Cultural Village operations	Market and oversee Cultural Village operations
5.2.8.	Establishment of Visitor Information Centre (VIC)	Established VIC	None		N/A	Purchase of two modular structures	Develop a VIC at Tsolo Municipal precincts	Operate the 2 VICs	Operate the 2 VICs
5.2.9.	Construction of a Kiosk inside Mhlontlo Nature Reserve (MNR)	Constructed Kiosk at the MNR	None		N/A	Construction of a kiosk	Mobilise and attract a private business partner to operate the kiosk	Operate a kiosk	Operate a kiosk
5.2.10	Setup extreme sports activities inside the MNR	Setup extreme sporting activities	None		N/A	Invite interested investors to come up with proposals for extreme sporting activities	Setup the area for suitable activities	Operate extreme sporting activities	Operate extreme sporting activities
5.2.11	Construction of public ablution facilities at the MNR	Construct public ablution facilities	None		N/A	Design and construct 6 public ablution facilities	Maintain public ablution facilities	Maintain public ablution facilities	Maintain public ablution facilities
5.2.12	Construction of public ablution facilities at the Bajodini	Construct public ablution facilities	None		N/A	Design and construct 6 public	Maintain public ablution facilities	Construct additional 4 ablution facilities	Maintain public ablution facilities

						ablution facilities			
5.2.13	Host One Tourism Month event at Tsitsa Falls	Number of tourism events hosted	Tourism month event activates previously hosted by the municipality		N/A	Host one Tourism Month event at Tsitsa Falls by 30 June 2019.	Host one Tourism Month event in one of Mhlontlo declared area.	Host one Tourism Month event in one of Mhlontlo declared area.	Host one Tourism Month event in one of Mhlontlo declared area.
5.2.14	Manage One stall in both the Tourism Indaba and Grahamstown Arts Festivals	Number of stall managed by Mhlontlo Crafters in both Durban and Grahamstown	ORTDM offers stall to all local municipalities .		N/A	Manage one stall in the Tourism Indaba and one stand in the Grahamstown Arts Festival by June 2019.	Manage one stall in the Tourism Indaba and one stand in the Grahamstown Arts Festival by June 2019	Manage one stall in the Tourism Indaba and one stand in the Grahamstown Arts Festival by June 2019	Manage one stall in the Tourism Indaba and one stand in the Grahamstown Arts Festival by June 2019
5.2.15	Purchase of kiddies fun games and design kiddies centre at the MNR	Purchase kiddies fun games and design kiddies centre at the MNR	None		N/A	Purchase kiddies games and design kiddies centre	Operate kiddies games and design kiddies centre at the MNR	Operate and maintain kiddies games and design kiddies centre at the MNR	Operate and maintain kiddies games and design kiddies centre at the MNR

Priority Area				Municipal Objectives (MO)					
5.3 Investment retention and attraction				5.3.1 Retain, grow and attract new investments linked to the strategic economic sectors					
MO Ref	Municipal Programme	(KPI)	KPI Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
5.3.1.	Trade and Investment Strategy Promotion	Implemented Trade and Investment Strategy	Trade and Investment Strategy is developed	LEDPARD	Implementation of Trade and Investment Strategy	Implementation of Mhlontlo Trade and Investment Strategy	Implement the Mhlontlo Trade and Investment Strategy	Implement the Mhlontlo Trade and Investment Strategy	Implement the Mhlontlo Trade and Investment Strategy
5.3.2.	Small Town Revitalisation	Developed Small Town Revitalisation Business Plan	STR workshop for Councillors and officials was held.	LEDPARD	N/A	Develop a Business Plan for Mhlontlo STR	Implementation of STR Business Plan	Implementation of STR Business Plan	Implementation of STR Business Plan
5.3.3.	Middle income housing development	No existing middle income housing development scheme.	Existing Qumbu Ext 6 layout plan	LEDPARD	General Plan for Qumbu Ext 6	Develop Business Plan for Middle Income Housing	Mobilize funds for the project roll-out	Identification of potential buyers and	Project Roll out
5.3.4.	Commercial Property Development	No existing commercial property development scheme	Copy of a layout plan completed	LEDPARD	Township Establishment for light Industrial Sites for Tsolo and Qumbu	Township Establishment for light Industrial Sites for Tsolo and Qumbu	Township Establishment for light Industrial Sites for Tsolo and Qumbu	Township Establishment for light Industrial Sites for Tsolo and Qumbu	Township Establishment for light Industrial Sites for Tsolo and Qumbu

Strategic Focus Area		6. Spatial Development and Land Use Management							
Strategic Goal		Urban growth expansion and balance with environmental endowment							
NDP									
PDP		Managed human settlements clustered in settlement regions and corridors, alongside productive precincts, managed ecological natural resource areas, connected to a network of strategic transportation routes, open to the global, national and provincial economies							
National Outcome		Outcome 10: Environmental assets and natural resources that are well protected and continually enhanced Outcome 8 : Sustainable human settlements and an improved quality of household life							
Priority Area				Municipal Objectives (MO)					
6.1 Environmental Management				6.1.1 Manage urban development impacts on natural resources and critical biodiversity networks					
MO Ref	Municipal Programme	(KPI)	KPI Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
6.1.1	Environmental Management	Completed Strategic Environmental Assessment	Existing 2012 SEA	LEDPARD	-	Develop a Strategic Environmental Assessment (SEA)	Implementation of SEA	Implementation of SEA	Implementation of SEA
		Environmental Management Plan	Existing 2012 SEA	LEDPARD	-	N/A	Environmental Management Plan	Implementation of Environmental Management Plan	Implementation of Environmental Management Plan
Priority Area				Municipal Objective					
6.1.2 Spatial Development				Ensure urban growth expansion and balance with environmental endowment					
MO Ref	Municipal Programme	(KPI)	KPI Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
6.1.2.1	Facilitate developments by identifying	Precinct Plan	Existing Municipal SDF	LEDPARD	-	Development of Precinct Plans	Implementation of Precinct Plan	Implementation of Precinct Plan	Implementation of Precinct Plan

	the locations potentially suited to densification and in-fill development	Nodal Framework Plans	Existing Municipal SDF	LEDPARD	-	-	Development of Nodal Framework Plans	Implementation of Nodal Framework	Implementation of Nodal Framework
6.1.2.2	Establish an integrated, Urban-wide public transport Network	Integrated Development Plan	Existing Integrated Development Plan	LEDPARD	-	Develop the Integrated Transport Plan	Implementation of ITP	Implementation of ITP	Implementation of ITP
Priority Area				Municipal Objectives					
6.2.1 Land Use Management				To guide and manage development according to the vision, strategies and policies of the Integrated Development Plan and Spatial Development Framework, and in the interest of the general public to promote sustainable development and quality of life.					
MO Ref	Municipal Programme	(KPI)	KPI Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
6.2.1.1	Qumbu and Tsolo CBD Management	Developed by laws	SPLUMA by-laws	LEDPARD	-	Development of Qumbu and Tsolo Towns By-laws	Implementation of by-laws	Implementation of by-laws	Implementation of by-laws
		Land use report	Land use management scheme	LEDPARD	-	Land Use Survey and update for Both towns	Monitor Land Usage	Monitor Land Usage	Monitor Land Usage
		Identify boundary pegs	Encroachment report	LEDPARD	-	Identify site boundaries for the encroached ERVEN in both towns	By-Law enforcement	By-Law enforcement	By-Law enforcement

MO Ref	Municipal Programme	(KPI)	KPI Baseline	Lead Dept.	5 Year Projects				
					2017	2018	2019	2020	2021
6.2.1.2	Development of Credible Integrated Development Plan	Developed Credible IDP	Credible and budget	LEDPARD	-	Reviewed and Credible IDP	Reviewed and Credible IDP	Reviewed and Credible IDP	Reviewed and Credible IDP



CHAPTER SEVEN: PROJECTS



National KPA: Basic Service Delivery	Strategy: To ensure universal access to basic socio-economic services to communities and households			Project Name: Infrastructure			
Key Performance Indicator: Number of KMs completed	Municipal Objective: 1.1.1. To construct and maintain 100kms of access roads with storm water management. 1.1.2. To construct 768km surfaced roads. 1.1.3. To maintain 8kms of access and urban roads annually. 1.1.4. To ensure maintenance of Provincial roads – 107 kms of blading, 4.5 km of re-gravelling per quarter			Location: Mhlontlo LM			
Major Activities	Implementation Targets						
	Funding Required	Funding Source	2018/19	2019/20	2020/21		
10.52km N2 via New Rest to Dilizintaba A/R	R4 795 743.20	MIG	R4 795 743.20	-	-		
5.39km T162 via Stopiyeni to Hlabathi A/R	R3 996 075.60	MIG	R3 996 075.60	-	-		
4.5km Kimbili-1 to Kimbili-2 A/R	R4 450 241.40	MIG	R4 450 241.40	-	-		
5.2km Zimbengwini A/R Rehabilitation	R4 116 862.17	E/Share	R4 116 862.17	-	-		
6.5km Nyanisweni Nyandeni A/R Rehabilitation	R6 363 454.60	E/Share	R6 363 454.60	-	-		
6.1km Khwam Gongo A/R maintenance	R2 482 026.25	E/Share	R2 482 026.25	-	-		
7.8km Ngxakolo A/R maitenance	R2 696 772.56	E/Share	R2 696 772.56	-	-		
Stabilisation of Mbinja pass	R1 500 000	DoT	R1 500 000	-	-		
EPWP (Roads and Storm water drainage)	R1 821 000	DPW	R1 821 000	-	-		

National KPA: Basic Service Delivery	Strategy: To ensure universal access to basic socio-economic services to communities and households		Project Name: Infrastructure				
Key Performance Indicator: Number of high mast lights constructed and street lights maintained.	Municipal Objective: 1.2.2. To construct 15 high mast and street lights. 1.2.3. To eliminate electricity backlogs (6000 H/H)		Location: Mhlontlo LM				
Major Activities	Implementation Targets						
	Funding Required	Funding Source	2018/19	2019/20	2020/21		
Maintenance of Qumbu & Tsolo High Mast lights and Streets lights	R2 202 111.04	E/Share	R2 202 111.04	-	-		

National KPA: Basic Service Delivery	Strategy: To ensure universal access to basic socio-economic services to communities and households		Project Name: Infrastructure				
Key Performance Indicator: Completed sport fields	Municipal Objective: To construct and maintain arts, culture and sporting facilities in all wards		Location: Mhlontlo LM				
Major Activities	Implementation Targets						
	Funding Required	Funding Source	2018/19	2019/20	2020/21		
Rehabilitation of Tsolo Sport Field	R7 000 000	MIG	R7 000 000	-	-		
Rehabilitation of Qumbu Sport Field	R7 000 000	MIG	R7 000 000	-	-		
Rehabilitation of Mvumelwano Sport Field	R11 000 000	MIG	R11 000 000	-	-		

National KPA: Service Delivery and Good Governance	Strategy: To ensure universal access to socio-economic services to communities and households		Project Name: Community Services				
Key Performance Indicator: Maintenance completed as schedule. Number of waste management EPWP programmes undertaken. Number of Urban H/H reached. Progress made with the establishment of transfer site.	Municipal Objective: To ensure full compliance with waste management laws and regulations		Location: Mhlontlo LM				
Major Activities	Implementation Targets						
	Funding Required	Funding Source	2018/19	2019/20	2020/21		
Purchase of tools and equipment	R60 000.00	E/Share	R60 000.00	-	-		
Construction of Tsolo Transfer Station	R1 000 000.00	DEDEAT	R1 000 000.00	-	-		
Purchase of Skipped bins truck	R900 000.00	E/Share	R900 000.00	-	-		
Maintenance of landfill site	R400 000.00	E/Share	R400 000.00	R430 000.00	R460 000.00		
EPWP (Cleaning and Greening)	R2 280 000.00	E/Share	R2 280 000.00	R2 416 800.00	R2 561 808.00		
Distribution of refuse bags to households	R2 528 000.00	E/Share	R2 528 000.00	R2 765 500.00	R2 784 505.00		



National KPA: Service Delivery and Good Governance	Strategy: To ensure universal access to socio-economic services to communities and households		Project Name: Community Services				
Key Performance Indicator: Progress on construction. No. of successfully completed services. No. of licensed and registered vehicles. No. of signs and markings maintained. Progress with the implementation of the community safety and security plan. Progress with the relocation of pounds.	Municipal Objective: 1.9.1. To ensure construction of 4 new libraries, promotion of learning and educational activities and maintenance. 1.9.4. To coordinate effective implementation of safety and security plan. 1.9.5. To provide adequate pound and cemeteries management services.		Location: Mhlontlo LM				
Major Activities	Implementation Targets						
	Funding Required	Funding Source	2018/19	2019/20	2020/21		
Relocation of Qumbu Pound	R750 000.00	E/Share	R750 000.00	-	-		
Relocation of Tsolo Pound	R750 000.00	E/Share	R750 000.00				
Qumbu impounding of animals	R658 600.00	E/Share	R658 600.00	R320 00.00	R320 000.00		
Tsolo impounding of animals	R658 600.00	E/Share	R658 600.00	R320 000.00	R320 000.00		
Construction of VTC	R2 750 000.00	E/Share	R2 750 000.00	-	-		
Licensing and registration of vehicles	R367 200.00	E/Share	R367 200.00	R73 200.00	R85 000.00		
Testing of learner drivers	R1 808 000.00	E/Share	R1 808 000.00	R1 705 000.00	R1 900 000.00		
Mintain road signs and marking	R122 000.00	E/Share	R122 000.00	-	-		
Review of community safety and security plan	R100 000.00	E/Share	R100 000.00	-	-		
Provision of Security Services	R5 400 000.00	E/Share	R5 400 000.00	R5 800 000.00	R6 200 000.00		
Quarterly community safety meeting	R15 720.00	E/Share	R15 720.00	R15 720.00	R15 720.00		
Host 2 arrive alive shows	R202 750.00	E/Share	R202 750.00	R232 870.00	R254 000.00		
Purchase of Traffic Employees protective clothing	R180 000.00	E/Share	R180 000.00	-	-		
Quarterly Calibration of Prolazer III	R52 000.00	E/Share	R52 000.00	-	-		
Construction of Weigh bridge	R400 000.00	E/Share	R400 000.00	-	-		
Qumbu Library (Tender stage)	R-	DSRAC	R500 000	R2 230 000	R2 751 000		
Construction of Tsolo Offices	R4 901 000	DSD	R901 000	-	-		

National KPA: Financial Viability and Management	Strategy: To be a financial viable municipality			Project Name: BTO			
Key Performance Indicator: % monthly debt collection. Revenue collection billed debts. Data cleansing. Compliance with Treasury requirements. GRAP compliant asset register. No. of indigent H/H receiving FBE	Municipal Objective: 3.1.1 To ensure monthly collection on both historic and current debts. 3.2.1 To develop and fully implement a revenue enhancement and management strategy. 3.4.1 To ensure credible budgeting and proper financial reporting in line with relevant legislation. 3.5.1 To ensure that assets are managed and utilised in line with relevant policies and procedures. 1.2.2 To ensure that all indigent people have access to Free basic electricity.			Location: Mhlontlo LM			
Major Activities	Implementation Targets						
	Funding Required	Funding Source	2018/19	2019/20	2020/21		
Valuation roll update	R1 243 900	E/Share	R1 243 900	-	-		
Updating rate payers' contact details	R220 020	E/Share	R220 020	-	-		
Publicise credit control policy	R15 000	E/Share	R15 000	-	-		
Implementation of revenue enhancement strategy	R315 000	E/Share	R315 000	-	-		
Updating of indigent register	R304 000	E/Share	R304 000	-	-		
Provision of free basic electricity	R2 563 327.56	E/Share	R2 563 327.56				
Provision of free alternative energy	R3 900 000	E/Share	R3 900 000	-	-		
FAR update	R1 400 000	E/Share	R1 400 000	-	-		
Contracts management	R500 000	E/Share	R500 000	-	-		
mSCOA	R1 000 000	E/Share	R1 000 000	-	-		
Preparation of 2017/2018 AFS	R595 000	E/Share	R595 000	-	-		
Advanced Excel Training	R91 500	E/Share	R91 500	-	-		

National KPA: Institutional Capacity building and Transformation	Strategy: To build a strong and capable municipal administration		Project Name: Corporate Services				
Key Performance Indicator: Date by which final reviewed organogram for 2019/20 financial year is submitted to the council for approval. No. of successfully completed skills programmes by 30 June 2019. Reviewed and new developed policies and procedures manuals are submitted to council. No. of wellness programmes conducted by 30 June 2019.	Municipal Objective: 2.1.1 To review and ensure maintain an IDP-aligned organisational structure by 30 June 2018 and beyond 2021. 2.2.1 To align institutional policies and systems with best practise in local government by 30 June 2021. 2.3.1 To promote a health and wellness culture among councillors and municipal employees by 30 June 2021. To ensure adequate availability of critical ICT infrastructure in line with the ICT strategy and governance policies by 30 June 2021.		Location: Mhlontlo LM				
Major Activities	Implementation Targets						
	Funding Required	Funding Source	2018/19	2019/20	2020/21		
Human Resources	R2 472 264.00	E/Share	R2 472 264.00	R2 632 264.00	R2 783 990.00		
Review of Policies	R186 335.00	E/Share	R186 335.00	R211 568.00	R213 954.00		
Wellness programmes	R247 000.00	E/Share	R247 000.00	R268 456.00	R273 206.00		
Installation of Documents Management System	R1 750 000.00	E/Share	R1 750 000.00	-	-		
Communications and Public Relations	R593 500.00	E/Share	R595 500.00	-	-		
Purchase of furniture and Equipment	R524 000.00	E/Share	R524 000.00	-	-		
Skills Development	R2 772 264.00	E/Share	R2 772 264.00	R2 882 659 .00	R2 904 920.00		
Operations and Maintenance of ICT	R1 247 390.00	E/Share	R1 247 390.00	-	-		
Review Employment Equity Plan	R6 885	E/Share	R6 885.00	R8 254.00	R8 800.00		

National KPA: Good Governance	Strategy: A responsive, accountable, inclusive municipal governance and administrative capacity		Project Name: Special Programmes Unit and IGR				
Key Performance Indicator: Number of effective IGR meetings. No. of Traditional Leaders meetings convened and assistance during initiation periods. No. of heritage events hosted	Municipal Objective: 4.1.1 Ensure meaningful effective stakeholder participation in municipal IDP and budget processes. 4.4.1 Strengthen alignment of sector department programmes and the municipal IDP		Location: Mhlontlo LM				
Major Activities	Implementation Targets						
	Funding Required	Funding Source	2018/19	2019/20	2020/21		
IGR Meetings	R92 206.80	E/Share	R92 206.80	R97708.25	R104 769.23		
HIV/Aids	R269 464.00	E/Share	R269 464.00	R289 568.00	R301 566.00		
Elderly	R351 016.00	E/Share	R351 016.00	R379 255.00	R395 235.00		
Women	R233 174.00	E/Share	R233 174.00	R252 359.00	R278 000.00		
Disabled	R438 448.00	E/Share	R438 448.00	R452 456.00	R463 889.00		
Children	R220 150.00	E/Share	R220 150.00	R238 458.00	R259 682.00		
Youth	R268 875.00	E/Share	R268 875.00	R287 562.00	R301 035.00		
Moral Regeneration	R159 000.00	E/Share	R159 000.00	R179 456.00	R186 358.00		
Traditional Leaders	R88 000.00	E/Share	R88 000.00	R109 855.00	R120 007.00		
Public Participation	R1 245 380	E/Share	R1 245 380	R1 343 034.00	R1 400 334.00		
Training and Capacitation	R697 600	E/Share	R697 600	R804 899	R880 000		

National KPA: Local Economic Development	Strategy: A thriving economy that creates wealth, employment and sustainable livelihoods for all					Project Name: LEDPARD	
Key Performance Indicator: Develop a data base of Mhlontlo Artisans. No. of food gardens ploughed. No. of beneficiaries. No. of incubators established. No. of sewing training centres established.	Municipal Objective: 5.1.1 Reduce by a quarter unemployment rate and number of people living in poverty by 2020. 5.1.2 To be a thriving economy that creates wealth, employment and sustainable livelihood for all. 5.2.1 Ensure rapid growth and development of strategic economic sectors.					Location: Mhlontlo LM	
Major Activities	Implementation Targets						
	Funding Required	Funding Source	2018/19	2019/20	2020/21		
Ploughing of 100 food garden	R300 000.00	E/Share	R300 000.00	R370 000.00	R405 000.00		
Installation of three hydroponic tunnels	R750 000.00	E/Share	R750 000.00	R880 000.00	R960 000.00		
Development of Mhlontlo Tourism Strategy	R300 000.00	E/Share	R300 000.00	R340 880.00	R386 000.00		
Workshop on Mhlontlo Tourism Strategy	R47 035.00	E/Share	R47 035.00	-	-		
Host one tourism month event	R42 250.00	E/Share	R42 250.00	R58 264.00	R64 543.00		
Bajodini horse racing event	R180 000.00	E/Share	R180 000.00	R200 000.00	R230 000.00		
Tourism indaba	R100 000.00	E/Share	R100 000.00	R130 000.00	R155 000.00		
Implementation of Trade and Investment Strategy	R161 250.00	E/Share	R161 250.00	-	-		
Training of 60 beneficiaries on brick making and buying of inputs	R1 300 000.00	E/Share	R1 300 000.00	R1 500 000.00	R1 900 000.00		
Construction of Steel warehouse for brick making incubator	R800 000	E/Share	R800 000	-	-		
Training of 30 beneficiaries on sewing and buying of inputs	R555 000.00	E/Share	R555 000.00	R580 000.00	R610 000.00		
Supply of trading equipment to informal traders	R450 000.00	E/Share	R450 000.00	R480 000.00	R510 000.00		
Purchase of two modular structures for information	R300 000	E/Share	R300 000				
Construction of Kiosk at Mhlontlo Nature Reserve	R250 000	E/Share	R250 000				
Gazebo	R50 000	E/Share	R50 000				

National KPA: Local Economic Development	Strategy: Urban growth expansion and balance with environmental endowment					Project Name: LEDPARD	
Key Performance Indicator: Completed Strategic Environmental Assessment. Precinct Plan. Nodal framework plan. IDP. Developed by-laws. Identify boundary pegs. Credible IDP.	Municipal Objective: 6.1.1 Manage urban development impacts on natural resources and critical biodiversity networks. 6.1.2 Ensure urban growth expansion and balance with environmental endowment. 6.2.1 To guide and manage development according to the vision, strategies and policies of the IDP and SDF and in the interest of the general public to promote sustainable development and quality of life.					Location: Mhlontlo LM	
Major Activities	Implementation Targets						
	Funding Required	Funding Source	2018/19	2019/20	2020/21		
Development of STR Business plan	R100 000.00	E/Share	R100 000.00	-	-		
Development of Middle Income Housing B/Plan	R200 000.00	E/Share	R200 000.00	-	-		
Completion of Toleni CDC	R2 100 000	E/Share	R2 100 000				
Development of by-laws	R222 500.00	E/Share	R222 500.00	-	-		
Strategic Environmental Assessment	R500 000.00	E/Share	R500 000.00	R550 000.00	R600 000.00		
Development of integrated transport plan	R150 000.00	E/Share	R150 000.00	-	-		
Land use survey – Qumbu	R100 000.00	E/Share	R100 000.00	-	-		
Land use survey – Tsolo	R100 000.00	E/Share	R100 000.00	-	-		
Identification of site boundaries -Tsolo	R179 200.00	E/Share	R179 200.00	-	-		
Identification of site boundaries - Qumbu	R179 200.00	E/Share	R179 200.00	-	-		
Integrated Development Plan	R1 822 628.60	E/Share	R1 822 628.60	R2 200 343.00	R2 343 880.00		
Mhlontlo dam scooping (design stage)	R450 000	DRDAR	R450 000	-	-		
Mhlontlo Productive Areas (design stage)	R3 252 000	DRDAR	R3 252 000	-	-		
Building Repairs and Maintenance	R999 996.00	E/Share	R999 996.00	R1 289 000	R1 407 342.00		
Construction of Ablution facilities at Bajodini	R200 000	E/Share	R200 000				
Construction of Ablution facilities at Mhlontlo N/R	R200 000	E/Share	R200 000				
Construction of Qumbu Town hall	R10 000 000	E/Share	R10 000 000				

PROJECTS FUNDED BY DISTRICT MUNICIPALITY

PROGRAMME / PROJECT	LOCATION	ESTIMATED COSTS
Sidwadweni water supply phase 5 remainder	Bulembu, Bhongweni, Balasi	R35 000 000
Tsolo Waste Water Treatment Works (Phase 2 – Construction of WWTW and bulk conveyance infrastructure (Retention)	Tsolo Town – ward 6	R9 500 000
Ntabasigogo Phase 3 water supply (Retention)	Ward 21- Mamani, Gungqwana, Sangqu, Tyume, Mangcusheni, Ntlotshe	R3 240 000
Tsolo WWTW (Including Tsolo Junction development)	Tsolo Town – ward 6	R14 000 000
Mhlontlo water supply	Ward 12- Hlabathi, Kwa-Madiba, Mbombo, Mdyobe, Mkhambani, Zahobeni and Mgantsho	R500 000
Mhlontlo sanitation	Ward 2- Zibungu, Mthonyamemi, Cheka	R10 000 000
Mhlontlo sanitation	Ward 1	R10 000 000
Mhlontlo sanitation	Ward 21	R16 000 000
Mhlontlo sanitation	Ward 22	R12 100 000

Mhlontlo LM ESKOM Projects

Project Name	Project type	Planned CAPEX	Planned H/H
Qumbu & Tsolo Housig development	Households	R16 000 000	1000
Mhlontlo wards & Extension Pre-Eng.	Pre-eng. Costs	R93 157.99	

Mhlontlo DEA Projects

Project Name	Project description	Budget	Financial Year
Environmental Capacity Building	Community environmental awareness and capacity building	Budgeted	2018/2019
	Mangrove forests	Budgeted	2018/2019

PROJECTS BY THE DEPARTMENT HEALTH

PROJECT NAME	PROJECTS TO BE IMPLEMENTED	PROJECT VALUE ®
Nessie Knight Hospital	Upgrading of main hospital complex	R42 560 000
	Staff accommodation upgrade	R107 218 720
Dr. Malizo Mpehle Hospital	Renovations and addition to staff accommodation	R95 200 000
St Lucy's Hospital	Revitalisation of existing hospital	R394 293 293
St Lucy's Water Supply & Storage water tanks	Gate 6 Manufacturing & Fabrication	R5 000 000
Dr Malizo Mpehle Hospital water supply	Gate 6 Manufacturing & Fabrication	R4 000 000
Nessie Knight Hospital	Gate 7 site Process	R15 939 000
Nessie Knight Hospital	Gate Prefeasibility strategic brief	R11 000 000
St Lucy's Hospital	Gate 7 site process	R2 000 000
Kambi Clinic	Gate 7 site process	R980 000

EASTERN CAPE DEPARTMENT OF SOCIAL DEVELOPMENT

Projects to be implemented	2018/2019 budget	Location	Wards
RAR	R155 055	Mhlontlo	All wards
RAR	R155 055	Mhlontlo	All wards
Single parents association And Family Preservation Programme.	R200 000	Mhlontlo	Qumbu: 9 Tsolo: 5
Ntlalontle Family Preservation	R161 826	Mhlontlo	All wards
ECDC	R5 630 205	Mhlontlo	All wards
Catholic Development Centre - Isibindi Mhlontlo	R556 368	Mhlontlo	

MHLONTLO BROADBAND ROLLOUT PROGRESS

SITE TYPES	SIGNED OFF	PENDING COMMISSIONING	TOTAL
Schools	129	102	231
Clinics	21	6	27

MHLONTLO HOUSING DEVELOPMENT GRANT AND EPWP GRANT

Type of Infrastructure	Project name	Project Status	Project Duration		Total Project Cost	Total Expenditure	Total Available	MTEF Forward estimates	
								2018/2019	MTEF 2019/20
Top Structure	Maladini destitutes 104 units	Construction	30/06/2018	30/03/2021	R13 091 000	-	R191 000	R900 000	R12 000 000
Top Structure	OR Tambo-Destitutes 730 subs	Construction	17/04/2014	30/03/2021	R26 402 000	R1 743 000	R198 000	-	R9 000 000
Top Structure	Qumbu-Mhlontlo 1857 subs	Construction	07/07/2014	30/03/2021	R63 757 000	R6 138 000	R5 983 000	R11 800 000	R10 800 000
Top Structure	Qumbu-504 Rectification	Construction	13/12/2013	30/03/2019	R66 022 000	R59 617 000	R995 000	-	-
Top Structure	Qumbu rural-500 subs	Construction	08/05/2014	30/03/2020	R74 141 000	R21 003 000	R16 767 000	R11 800 000	-
Top Structure	Qumbu & Tsolo rural voucher 160 units	Construction	30/06/2017	30/03/2019	R10 722 000	R7 728 000	R2 994 000	-	-
Top Structure	Qumbu & Tsolo rural voucher 160 units	Construction	30/06/2017	30/03/2020	R20 398 000	R7728 000	R2 950 000	R9 720 000	-
Top Structure	Tsolo-500 subs	Construction	20/05/2014	30/03/2021	R69 365 000	R33 894 000	R7 979 000	R11 800 000	R10 800 000
Top Structure	Tsolo-Mhlontlo 619 subs	Construction	25/06/2014	30/03/2021	R85 874 000	R36 640 000	R5 983 000	R11 800 000	R10 800 000
Top Structure	Tsolo-424 subs	Construction	01/09/1998	30/03/2019	R24 279 000	R5 625 000	R5 885 000	R6 214 000	R6 556 000

CHAPTER EIGHT: FINANCIAL PLAN

8.1 Government Grant and Subsidies

GOVERNMENT GRANTS & SUBSIDIES - ALLOCATIONS ¹	Preceding Year 2016-2017		Preceding Year 2017-2018		Medium Term Revenue and Expenditure Framework		
	Budget Figures R'	Audited Figures R'	Adjusted Budget R'	Full Year Forecast R'	Budget Year 2018-2019	Budget Year +1 2019-2020	Budget Year +2 2020-2021
					Budget R'	Budget R'	Budget R'
<u>National Grant Allocations²</u>							
1. Equitable Share	154 313 000	154 313 000	159 379 000	154 379 000	165 930 000	179 871 000	191 665 000
2. Finance Management Grant	2 010 000	2 010 000	2 345 000	2 345 000	2 415 000	2 415 000	2 415 000
3. Municipal Infrastructure Grant (MIG)	41 660 000	41 660 000	48 789 000	44 989 000	43 394 000	44 250 000	46 619 000
4. Electrification Programme Direct	12 500 000	12 500 000	14 000 000	14 000 000	0	12 800 000	6 400 000
5. EPWP	1 232 000	1 232 000	1 417 000	1 417 000	1 821 000	0	0
TOTAL GRANTS THAT ARE DIRECTED TO MHLONTLO MUNICIPALITY	211 715 000	217 472 000	225 930 000	217 130 000	213 560 000	239 336 000	247 099 000

8.2 Revenue by Source

	Audit outcome 2015/16	Audit outcome 2016/17	Budget 2017/18	Adjusted Budget 2017/18	Projected Budget 2018/19	Projected Budget 2019/20	Projected Budget 2020/21
<u>Rental of facilities and equipment</u>	R 46 161,40	R 48 707,23	R 41 250,99	R 41 251,00	R 43 437,30	R 45 782,92	R 48 300,98
<u>Fines</u>	R 476 921,00	R 71 100,00	R 58 486,56	R 58 487,00	R 61 586,81	R 64 912,50	R 68 482,69
<u>Licenses and Permits (Traffic)</u>	R 1 488 639,00	R 1 305 222,00	R 1 493 161,06	R 1 493 161,00	R 1 572 298,53	R 1 657 202,65	R 1 748 348,80
<u>Agency Services (Enatis)</u>	R 853 904,05	R 1 158 114,92	R 1 102 011,04	R 1 102 011,00	R 1 160 417,58	R 1 223 080,13	R 1 290 349,54
<u>Advertising bill boards</u>	R 61 415,96	R 59 683,06	R 0,00	R 53 694,00	R 56 539,78	R 59 592,93	R 62 870,54
<u>Business License</u>	R 38 786,16	R 122 571,39	R 24 799,67	R 24 800,00	R 26 114,40	R 27 524,58	R 29 038,43
<u>Cemetery Fees - burials</u>	R 15 559,97	R 18 074,86	R 23 388,15	R 23 388,00	R 24 627,56	R 25 957,45	R 27 385,11
<u>Clearance certificates</u>	R 637,44	R 905,15	R 4 117,10	R 948,00	R 998,24	R 1 052,15	R 1 110,02
<u>Plan fees</u>	R 2 668,74	R 4 227,54	R 0,00	R 2 383,00	R 2 509,30	R 2 644,80	R 2 790,27
<u>Pound fees</u>	R 171 559,76	R 148 210,64	R 161 055,50	R 480 054,00	R 505 496,86	R 532 793,69	R 562 097,35
<u>Pound sales</u>	R 973 129,49	R 867 896,73	R 460 960,39	R 622 015,00	R 654 981,80	R 690 350,81	R 728 320,11
<u>Sale of wood</u>	R 122,82	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00
<u>Tender fees</u>	R 112 437,74	R 211 829,23	R 139 659,65	R 139 660,00	R 147 061,98	R 155 003,33	R 163 528,51
<u>Valuation copy</u>	R 614,09	R 28,34	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00
<u>Interest charged on overdue accounts (Refuse Removal)</u>	R 137 771,09	R 174 803,22	R 0,00	R 85 296,00	R 89 816,69	R 94 666,79	R 99 873,46
<u>Interest charged on overdue accounts (Rates)</u>	R 547 399,78	R 601 288,52	R 0,00	R 483 330,00	R 508 946,49	R 536 429,60	R 565 933,23
<u>Interest Received (Current Account)</u>	R 649 478,16	R 258 816,42	R 0,00	R 321 757,00	R 338 810,12	R 357 105,87	R 376 746,69
<u>Interest Received (Call Accounts)</u>	R 2 909 864,36	R 3 659 305,38	R 0,00	R 3 742 322,00	R 3 940 665,07	R 4 153 460,98	R 4 381 901,33
<u>Commission on payroll</u>	R 0,00	R 0,00	R 0,00	R 146 020,00	R 153 759,06	R 162 062,05	R 170 975,46
	R 8 487 071,01	R 8 710 784,63	R 3 508 890,09	R 8 820 577,00	R 9 288 067,58	R 9 789 623,23	R 10 328 052,51

8.3 Operational Budget

DEPARTMENT	ANNUAL BUDGET 2017-2018	DRAFT ANNUAL BUDGET 2018-2019	ANNUAL BUDGET 2019-2020	ANNUAL BUDGET 2020-2021	% 2018/19
Budget and Treasury Office	29 253 090,00	31 836 996,57	33 524 357,38	35 334 672,68	8,8%
Cemetery		627 200,00	660 801,60	696 484,89	0,17%
Council	15 237 344,00	14 751 029,81	15 532 834,39	16 371 607,45	4,08%
Human Resources	21 050 827,00	23 299 821,85	24 534 712,41	25 859 586,88	6,44%
ICT	2 069 198,00	3 527 128,33	3 714 066,13	3 914 625,70	0,97%
IDP	4 646 648,00	5 481 452,28	5 771 969,25	6 083 655,59	1,51%
IDP	-	84 000,00	88 452,00	93 228,41	0,02%
Internal Audit		803 092,20	845 656,09	891 321,52	0,22%
Local Economic Development	14 141 472,00	16 027 195,77	16 876 637,14	17 787 975,55	4,43%
Mayor	19 753 163,00	20 999 715,24	22 112 700,15	23 306 785,96	5,8%
Municipal Manager	11 692 421,00	9 584 303,10	10 092 271,17	10 637 253,81	2,65%
PMU	51 258 479,00	40 658 663,16	42 813 572,31	45 125 505,21	11,23%
Project Management Unit	15 870 964,00	98 611 509,34	103 837 919,33	109 445 166,97	27,25%
Refuse Removal	19 158 616,00	22 877 887,05	24 090 415,06	25 391 297,48	6,32%
Technical Services	148 156 930,00	44 790 194,99	47 164 075,32	49 710 935,39	12,38%
Town Planning	1 940 330,00	6 429 386,80	6 770 144,30	7 135 732,09	1,78%
Traffic and Safety	18 380 578,00	21 509 135,40	22 649 119,57	23 872 172,03	5,94%
Grand Total	372 610 060,00	361 898 711,87	381 079 703,60	401 658 007,59	100%

CHAPTER NINE: LIST OF COMMUNITY NEEDS

Below table 27 is the detailed list of community needs as captured during the community outreach and ward-based planning process.

Table 27: List of Ward-Based Needs

WARD NUMBER 01		
Service	Location	Need
Community Facilities	Majaba	Police Station
Electricity	Taleni and Nonkobongo, Ntompini, Hobeni, Zinkampini, Mthontsi, Phantsi	Installation
	Mangolweni, Mnga, Magqubeni, Majaba, Singeni, Nkampini, Quthubeni, Mpololweni, Mpoza, Mkhumenge, Faraday	Extensions
	All ward villages	High mast lights
Roads	Batyi A/R, Lukhalane A/R, Mkhumenge A/R, Zinkampini A/R, Phantsi to Mnga A/R, Majaba to Nonkobongo A/R, Nogqadaza A/R, Ntywenka A/R, Balasi to Mkhwezweni A/R, Luqolweni to Mthontsi A/R, Taleni A/R, Ntompini A/R (Qala), Qala wase Mpoza A/R	Road Construction
	Mdeni A/R, Luqolweni to Khamfazi A/R, Nkampini to Ntywenka A/R, A/R to the Projects Faraday A/R, Jecweni A/R, Majaba A/R, Balasi A/R, Luqolweni A/R, T-208, T459, T-205, Mdeni, Nkalweni to Mfuleni, Quthubeni A/R, Mthonyameni A/R	Maintenance
	Lukhalane, Majaba, Inxu, Gongo Bridge (Jecweni), Qhwakele Bridge, Majaba to Singeni Bridge, Nonkobongo Bridge	Bridges
Water	Ntompini, Hobeni, Mpololweni	Water supply
	Bhatyi, Majaba, Mpoza, Mbinja, Magqubeni, Mnga, Singeni	Maintenance
	Balasi, Faraday, Quthubeni	Addition of taps
Sanitation	Hobeni, Quthubeni, Mkhwezweni	Toilets supply
	All ward villages	Extensions

Schools	Zanemvula JSS, Laduma Izulu SPS, [Singeni, Mthoniyameni (New school), Zwelitsha SPS, Mcheni SPS Mpoza SPS, Richard Samela JSS, Hobe SPS, Madumelwano JSS Mthoniyameni, Kratyela and Mfuleni Skill Centre	Mud School Extension of Classes ABET
Fencing	All ward villages	Fencing of grazing and ploughing Fields.
Housing	All ward villages	Rural Housing
LED	Mnga, Nkampini, Jecweni, Majaba, Singeni, Ntywenka Magqubeni All ward villages Mpoza, Mnga, Jenca Mbinja, Mnga, Jecweni, Jenca Mbinja, Mnga, Mpoza Tourism site All ward villages	Land Care Thobinceba Poultry, Garden Projects, Ratyela Community garden, Mpoza Community garden, Sithethelele Poultry, Sinovuyo Garden Project, Namkelekile garden, Nyamezela garden, Thubalethu co-op, Masizakhe Youth Garden, Qwakele Brick making, Sdimba Agric co-op Sinomkhitha Coop Construction Dipping Tank Rehabilitation Dipping Tank Sheep dipping tank Sheering shed Pungela Peak Resort, Nature Conservation stock dams
Telecommunications	All ward villages Majaba	MTN, Vodacom, SABC poor network coverage Post office
Poverty Relief Projects	All ward villages Mpoza, Mnga, Mthoniyameni	Siyazondla & Massive food Mngcunube
Community Awareness Projects	All ward villages	HIV/Aids, Environment, Alcohol and Drug abuse, Crime
Community Halls	All ward villages	Community halls
Health Facilities	Mbinja, Jenca, Luqolweni, Mnga, Mpoza	Clinic
Sport Facilities	All ward villages Mbinja Mnga	All sport codes, Library Manyanani group Leven singers
Pre-School and Day care centres	All ward villages	

WARD NUMBER 02		
Service	Location	Need
Community facilities	Zwelitsha	Police Station
Electricity	Langeni, Tomsana, Mhlahlane, Maplotini, Nombodlelana, Zibungu, Kambi 20, ncitshane	No electricity Extensions
Roads	Mthonyameni A/R, Nombodlelana to Ncitshana A/R, Ncitshana A/R, Jojweni Mnqandanto to Qonqeni A/R, T214 to Ncitshane A/R, Mthonyameni to Mqobiso A/R, T215, Matankini to Mndundu to Khalane A/R , Qola to Nobubele SPS A/R, Mthonyameni to Ncitshane A/R, Ncitshane to Zibungu JSS A/R, Mqobiso to Zibungu, T215 to Nkanyamba, T215 to Thambekeni, Streets in all ward villages, Luqolweni to T213, Komkhulu to Tomsana A/R, Mnqandanto to Ncitshana A/R, T215 to Dikishe A/R All ward villages T215, Mqobiso to Phantsi kwesikolo A/R, Nyembezi A/R, T214 too Komkhulu, T214 to Kwambhusha, T214 to Twatweni	New Construction Access roads to graveyards Maintenance
Water	All ward villages Zibungu	Water maintenance and Supply. Also taps inside their yards Fencing of water scheme
Sanitation	All ward villages	Addition of toilets
Schools	Langelihle JSS Mthonyameni SPS, Mnqandanto JSS, Ncitshane SPS, Nobubele SPS, Mqobiso JSS, Ngubeszwe JSS, High school, Cheka SPS, Skill centre, Scholar transport Skill centre	Mud school Extension of classes New Construction Mthonyameni
Fencing	Ncitshane, Zibungu, Cheka, Mnqandanto, Mthonyameni, Elangeni, Nombodlelana All ward villages except Nombodlelana, Mqobiso, Zibungu	Mielie fields Grazing land
Housing	All ward villages	Rural housing
LED	Zibungu Mqobiso Cheka Zibungu Kambi 20 A Nombodlela Ncitshane	Masizakhe poultry, Gedlindlala Coop, Masibonisane wool growers, Siyazama Veg. Sizakancane Bee keeping Siyabonga Piggery Madliwa brick making, Mari Ant Piggery. Siyakha coop, Bafazi coop Zizamele veg. Masakhane Proj.

	Mthonyameni Langeni Kambi 20 Kambi 20 Kambi 20 Mthonyameni All ward villages Nombodlelana Kambi 20	Qilana Mining Mrhubhe Sihle Geca Kamvaletu Bee Farming Zimelegeqe Stock dam, Sheep dipping tank, Dipping tank rehabilitation Sheering shed Extension and fencing of sheering shed
Telecommunication	Vodacom, MTN	Poor network coverage
Poverty relief projects	All ward village except for Kambi 20	Umngcunube
Community awareness projects	All ward villages	HIV/AIDS awareness campaign, Alcohol abuse, child abuse, drug abuse
Community halls MPCCs	All ward villages	
Health facilities	Ncitswane, Mnqandanto Mjika Clinic	Clinic To be changed to mini hospital
Pre-schools and Daycare centres	All ward villages	
Sport facilities	All ward villages	All codes
	Kambi 20	Traditional Council

WARD NUMBER 03

Service	Location	Need
Community Facilities	All ward villages Nomhala, St Cuthberts, Manka	Fencing of Graveyards Pay point
Electricity	Manxiweni, Phindela, Xobho, Malongwe, Zinjekeni, Madadeni, Manka, Nomhala, Qudu, Nkwankca, St Curthberts, Zingcuka, Ngcolosi, Gqeyana, Jojweni	Electricity supply Electricity extension

Roads	<p>Manka A/R, Jojweni A/R, St cuthberts A/R, Clinic to Nkwanca to Nomhala, Gqiyane A/R, Quthu-Bantubabi A/R, Mgweqe A/R, Sqithini A/R, Streets in all ward villages, Speed hump in Manka, Matshanda via Mfolozi to kwa Gcaga, Matshanda to Gqiyane, Jojweni to Mjika, Speed humps at St Curthberts, Gqiyane to Gandamtsholo, Malongwe A/R, Nkululekweni A/R, Speed humps at Bantubabi, Matshanda to Thenjiwe Store</p> <p>Gqiyane to Mgweqe, Mdantsane A/R, Qudu A/R, Gqiyane A/R, Qudu to Bantubabi, Gcaga to Gqiyane, Bantubabi, Manka to Nomadolo, Rhabe to Mpehle, Beledale via Qolweni to Kwazihlewe, Mangezimeni A/R</p> <p>Nkwankca to Manxiweni</p>	<p>Constrution</p> <p>Maintenance</p> <p>Bridge</p>
Water	<p>All ward villages</p> <p>All ward villages</p> <p>Siphongweni water conservation</p>	<p>Addition of taps</p> <p>Maintanance</p> <p>Maintenance</p>
Sanitation	<p>Jojweni, Ngcolosi and Gqiyane, Zinjekeni</p> <p>All ward villages</p>	<p>Supply</p> <p>Extensions</p>
Fencing	<p>Ngcolsi 12, St cuthberts, Zingcuka,</p> <p>Nomhala, Gandamtsholo</p> <p>All ward villages</p>	<p>Mealie fields and grazing lands</p> <p>Fencing of household gardens</p>
Schools	<p>Manka JSS, Zamukulungisa SPS</p> <p>Dumaninonke</p>	<p>Mud school</p> <p>Renovation</p> <p>FET College and High School</p>
Housing	<p>All ward villages</p>	<p>Rural housing</p>
LED	<p>All ward villages</p> <p>All ward villages</p> <p>St Cuthbert's</p> <p>All ward villages</p> <p>Mangezimeni</p> <p>All ward villages</p>	<p>Stock dam</p> <p>Sheering Shed, Land Care</p> <p>Khulani veg.</p> <p>Masikhule Poultry Project</p> <p>Masenzeni Zingcuka coop.,</p> <p>Bathobebe cultural project</p> <p>Irrigation scheme</p> <p>Poultry project</p> <p>Poultry project</p>

	All ward village Mfolozi St Cuthberts Nomhala St cuthberts Ngcolosi Zingcuka Nomadolo Jojweni St Curthberts Malongwe, Siqithini	Crop production Jongamthi co-op Quarry Dipping tank, Tree planting Working wetlands Maintenance of stock dam Maintenance of stock dam Maintenance of stock dam Dipping tank Maintenance of dipping tank Planting of trees
Poverty Relief	St Cuthberts, Zingcuka, Ngcolosi, Nomhala Bantubabi	Umngcunube EPWP
Community Awareness Projects	All ward villages	Drug and Alcohol abuse, Circumcision, Calibanism, Rape, TB, Child and Women abuse, Teenage pregnancy, Theft/crime, HVI/AIDS
Health Facilities	Ngcolosi 12, Nomhala, Manka	Clinic
Sports Facilities	All ward villages Zingcuka Ngcolosi 12	All sport code Zangoma Cultural group, Zanokhanyo Cultural, Siyakhanyisa Cultural, Bhekani cultural Sport for old age people
Day care centre	All ward villages	
Community Halls and MPCCs	All ward villages Nomhala and St Cuthberts	

WARD NUMBER 4

Service	Location	Need
Community Facilities	Hlangani, Qolombana, Mgceleni, Gotyibeni, Lucingweni Mngceleni	Police Station Old age home
Electricity	Mahlubini, Mngceleni, Hlangani, Gungululu, Qolombane, Gotyibeni, Lucingweni	Extension
Roads	Mahlubini to Nqadu A/R, Mahlubini A/R, Hlangani A/R, Zwelitsha A/R, Lucingweni to Ngqwala, Gotyibeni A/R, Gotyibeni via Mngceleni to Zwelitsha	New Construction

	Mahlubini, Mhlakulo, Mngceleni, Gungululu, Gotyibeni, T216, T212, Gotyibeni bridge Qolombana Bridge	Maintenance Construction
Water	Hlangani, Zwelitsha, phase 2 Gotyibeni and Mngceleni – Phase 1, Lucingweni, Gungululu Qolombane, Mahlubini, Gungululu, Hlangani Gungululu Qolombana	Water connection Maintenance and addition of taps Connection and addition of taps (Sidwadweni phase 2) Borehole Windmill
Sanitation	Qolombane, Gotyibeni, Zwelitsha, Lucingweni, Hlangani, Gungululu Mahlubini, Lucingweni, Qolombana, Gotyibeni	Extensions Rebuilding of toilets
Schools	Dubulingqanga SPS, Mngceleni SPS, Gungululu Hlangani JSS, Tshongweni SSS, Gotyibeni JSS Hlangani School	Mud schools Renovation Extension of classes and Maintenance Construction of High School Construction of Library Road signs
Fencing	All villages	Mealie fields and grazing land
Rural Housing	All ward villages All villages	Rural housing Disaster housing
LED	Gungululu Qolombane Hlangani Zwelitsha/Mngceleni Lucingweni	Gungululu farmers, Zamazizi Piggery and poultry Sinenjongo Coop, Qolombane Coop, Lingelethu Barkery, Sithandaneni poultry, Zizamele Veg, Siyakhulu Garden, Makusetyezwe Brick making, Ndiyazama sewing Hlangani garden Masikhule Poultry, Vukani Sheep Prod. Lingathina cultural group Masikhule veg. Phakamani bafazi Veg.

	<p>Mngceleni</p> <p>Qolombana Zwelitsha Gotyibeni Gotyibeni Gungululu Gotyibeni Mahlubini All villages</p> <p>Lucingweni Qolombana Gungululu</p> <p>Mahlubini, Hlangani, Gotyibeni, Qolombana Gotyibeni, Qolombane, Lucingweni, Mngceleni, Gungululu All ward villages All ward villages All ward villages All ward villages</p>	<p>Nceduluntu Poultry, Lucingo wool growers ass, Chu ngenyameko co-op, Masiphathisane bakery, Masingathane Poultry</p> <p>Zoe Tuks Farming Proj, Yima zoe multi purpose</p> <p>Nonkqubela Farming Bonani Poultry Zusiphe co-op Three Tlee 5 Farming Masizakhe poultry Lingathina Cultural Group</p> <p>Lingelethu Project Nonkqubela wool growers Masakhane Poultry Alima Agric. Coop Sheep dipping tank Construction Dipping tank Sheering shed Stock dams Land care Sailors (amatanki ombona) Skills for unemployed</p>
Telecommunications	<p>Hlangani, Mahlubini, Qolombane, Gotyibeni, Lucingweni</p> <p>Qolombane, Mngceleni</p> <p>All ward villages</p>	<p>Poor network coverage and TV pole</p> <p>Post office</p> <p>Wifi</p>
Poverty Relief	<p>Mngceleni Qolombane, Gotyibeni</p>	<p>Mngcunube, CWP Mngcunube</p>
Community Awareness Projects	<p>All ward villages</p>	<p>HIV/Aids, Environment, Crime, Drug and Alcohol abuse, Circumcision</p>
Community Halls And MPCCs	<p>All ward Villages Qolombana</p>	<p>Thusong service centre</p>
Health Facilities	<p>Mahlubini, Gotyibeni, Mngceleni, Hlangani</p> <p>Gungululu clinic</p>	<p>Clinic</p> <p>Extension (To be a Health Centre)</p>
Pre-schools and Daycare Facilities	<p>Gotyibeni, Mahlubini, Qolombane, Mngceleni, Gungululu, Lucingweni Gungululu, Mhlubini, Gotyibeni, Mhlakulo, Mngceleni, Lucingweni, Qolombane</p>	<p>Preschool</p> <p>Day care</p>
Sports Facilities	<p>All ward villages</p> <p>Qolombane</p>	<p>All sport code facilities, Sports field</p> <p>Masithembe Cultural group, Abafazi Cultural Dance</p>

	Lucingweni	Masihlume Cultural Group
	Gotyibeni	Masakhane Cultural Group

WARD NUMBER 05		
Service	Location	Need
Community Facilities	Lower Mjika, Tiki-tiki, Ngqwala Matyeba, Xabane, Madwaleni, Tiki-tiki, Tyeni, Ngqwala, Lower mjika	Police station Satelite police station Old age Home
Electricity	Trustin, khuwedi, Embekweni, Nyumaha, Mbango Trustin, Tshashu, Madwaleni, Taleni, Matyeba, Marambeni, Ngqwala, Lower Mjika, Xabane, tiki-tiki,	Supply Extension
Roads	T213 Via Matyeba JSS to Khohlo, Madwaleni to Hlangani, T213 to Songqishe, Xabane A/R, T213 to Mdlanongwe, Mdlanongwe to Ngudle, T213 to Ngudle, T187 to Cameron Ngudle, T213 to Gwebindlala, Tiki-tiki to Madwaleni, Nomlala via Gwebindlala to Wesile, Tiki-tiki to Xabane, Tyeni A/R, T213 to Memka, Konco to Vayineki,, T221 All T-roads to be black surfaced, Tiki-tiki to Goqwana, Tiki-tiki streets, , Rabe Church to Mealie fields(tiki-tiki), Ngqwala Streets, Konco to Bedlane, Xabane Streets, Matyeba Streets, Madwaleni streets, Tyeni streets T213, Ngqwala A/R, T213 to Tikitiki, T210 to Tiki-tiki, Songqishe to Ngudle Madwaleni river x 2, Tikitiki river, Welakabini river, Mjika river, Mdlanongwe river x2, Bedlane river (T221), Matyeba river, Portal Bridges Tiki-tiki, Nyumaha Bridge, Mbango Bridge, Sawutana portal Bridge Drifts at Tiki-tiki-Tyeni Tiki-tiki and Tyeni	Construction of roads Maintenance Bridges Walkways
Water	All ward villages Tshatshu tank Matyeba x 2 , Ngqwala, Tyeni , Madwaleni Tiki-tiki	Maintenance And Additions Construction Borehole Borehole fencing
Sanitation	All ward villages	Additions/maintenance
Schools	Cameroon Ngudle SSS and hostel, Ngqwala S.S.S. Xabane JSS Gcisa High, Tyeni	Mud school Extension of Classes Renovation & Hostel

	Ruben Ntuli Technical school	Hall and sports fields
Fencing	All ward villages	Mealie fields and Grazing land & Cemeteries
Housing	All villages	Rural Housing
LED	Xabane Matyeba Madwaleni Lower Mjika Tiki-tiki Tyeni Lower Mjika Matyeba Madwaleni Madwaleni Ngqwala Matyeba Lower Mjika Tiki-tiki, Madwaleni, Lower Mjika, Ngqwala Matyeba , Tyeni , Tiki-tiki, Xabane Ngqwala, Matyeba, Lower Mjika, Xabane, Tyeni, Madwaleni	Bhongolwethu wool growers, Amambara Veg. Mvuselelo Crop Production, Sheering shed Matyeba wool growers, Bakery, Sinovuyo old age, Thula uzobona development group, Gwebindlala Project, Matyeba Co-op Masizakhe veg. Sivusele Project, Senzele Project, Gudla veg., Sophumele Support Group, Lower mjika wool growers Siyavuya old age (Art, Sewing and Pottery), Masilingane Coop, Siphakamise veg, tiki-tiki wool growers, Sinendalo trading enterprise, Nontuthuzelo Old Age Mlungisi piggery project, SesifikileCoop, Sikhulise poultry, Siyazama sewing Lower Community coop Sikhulise poultry & piggery Madwaleni wool growers Makukhanye garden, Sinenjongo sewing project Makukhanye Poultry Gcinikhaya Bakery Siyaqingqa Project Sheep dipping tank, and Dipping tank Maintenance of Dipping tank Stock dam
Telecommunications	Madwaleni, Xabane, Tyeni, Tiki-tiki	Poor network coverage (MTN, Vodacom, Cell C, SABC)

Poverty Relief/ Drought relief	All ward villages Tiki-tiki, Madwaleni, Xabane, Lower Mjika, Ngqwala	Siyazondla, EPWP, Stock feed Mngcunube
Community Awareness Projects	All ward villages	Stork theft, HiV & Aids, Environment, Alcohol and drug abuse, Crime, veld fires, diabetes, Care of facilities,
Community Halls MPCCs	All ward villages Matyeba, Tiki-tiki Ward Centre	 Renovation
Health Facilities	Matyeba, Xabane, lower Mjika, Tyeni	Clinic
Sports Facilities	All ward villages	All sport codes
Pre-schools and day care centres	All ward villages	

WARD NUMBER 06

Service	Location	Need
Community facilities	Goqwana, Tsolo villages, Goqwana Tsolo villages Tsolo Villages, Tsolo 500 Tsolo villages Tsolo villages, Tsolo 500 Tsolo villages	Satellite police station Old age home Restructuring of Taxi rank, Grass cutting Refuse removal Public toilets Impoundment of stray animals Cutting of trees near old clinic Construction of youth centre
Electricity	Ngxingweni, Tsolo 500 Goqwane Tsolo village Tsolo Villages	supply Extensions Maintenance of street lights and addition of High mast lights Maintanance and addition of street lights
Roads	T210 – black surfacing, By pass street from two star to Transido, Maintenance of bridge between Tsolo Town and Malizo Mpehle Hospital, Side walks on the main street, Streets in Tsolo 500, From TARDI to Ngxingweni, Side walks from Tsolo Town to Malizo Mpehle Hospital, Robots and speed humps in Tsolo Town,	New Construction

	<p>Speed humps on the road to Tsolo clinic, Storm water drainage in Tsolo Town, Mbombela Road, Ngcikiza Road, Komkhulu Road, Sibhalweni Road,</p> <p>T210, T199, Cross Bow Homes streets & Black Surfacing, Goqwana A/R, Jojweni to Goqwana, Kwa Peter to Tiki-tiki, Speed humps on N2 near Jojweni and sign posts,</p>	Maintenance
Water	<p>Goqwana</p> <p>Tsolo Village</p> <p>Tsolo village</p> <p>New Homes, Tsolo 500</p> <p>Tsolo village</p>	<p>Maintenance and addition of taps</p> <p>Maintenance & purification</p> <p>Water rectification</p> <p>Taps in each house hold</p> <p>Construction of water metre readings</p>
Sanitation	<p>Tsolo village, Small farms</p> <p>Malizo Mpehle Memorial Hospital</p> <p>Goqwana</p> <p>New Homes</p>	<p>Water borne sewage</p> <p>Water borne sewage Extensions</p> <p>Reconstruction of toilets</p>
Schools	<p>Wonderland JSS, Tsolo 500 school</p> <p>Labry SPS, Tsolo Residence</p> <p>High School (Goqwana)</p>	<p>New Construction</p> <p>Addition of classes</p>
Fencing	<p>Goqwana, Tsolo village, Commonage</p> <p>Tsolo village</p> <p>Tsolo village</p> <p>Tsolo Town</p>	<p>Mielie fields and Grazing lands</p> <p>Fencing of R396 Road</p> <p>Fencing of infill sites</p> <p>Expanding of graveyard</p>
Housing	<p>Goqwana</p> <p>Tsolo Junction</p>	<p>Rural Housing</p> <p>New Housing Development</p>
LED	<p>Tsolo villages</p> <p>Tsolo village</p> <p>Goqwana</p> <p>Goqwana</p>	<p>Sinakho Coffine Man., Sqalo proj. Phakamani retired pro. Syaphambili wood workers Blocks and Bricks</p> <p>Tsolo village small holding farmers coop</p> <p>Eyethu Poultry Project</p> <p>Sakhasonke single parent association</p> <p>Langa toilet paper & pampers coop</p> <p>Masinedane veg (Mdantsane)</p> <p>Masinedane veg (Labry)</p>

	Goqwana Goqwana Goqwana Goqwana, Goqwana Goqwana Goqwana Goqwana	Masizakhe baking project Mahlangabeza Coop Sheep dipping tank Dipping Tank Sheering shed Stock dams Landcare Rehabilitation of Tractor with equipment
Telecommunication	Goqwana	TV network, Vodacom, MTN
Poverty relief projects	Goqwana, Cross Bow Homes	Mngcunube, Siyazondla
Community awareness projects	Goqwana, Tsolo Village, Tsolo 500	Crime, Environment, Drug and Alcohol Abuse, HIV/Aids, hygiene and cleanliness
Community halls MPCCs	Goqwana	
Health facilities	Goqwana Tsolo villages	Clinic Clinic to be finished
Pre-schools and Daycare centres	Goqwana	
Sport facilities	Goqwana Tsolo Villages New Homes New Homes New Homes	All codes Rehabilitation of sports field Fencing of sports ground Swimming pool Gymnastic equipment

WARD NUMBER 7

Service	Location	Need
Community Facilities	Ntshiqo Ntshiqo, Mayaluleni	Satellite Police station Old age home
Electricity	All ward villages Godzi, Gungqwana	Extensions High mast lights
Roads	Mayaluleni to Bele- Zingcuka, MbozwanaA/R, Mayaluleni to Pumla Mqetshwa, Ntshiqo streets, Ntibane farms, Ncogweni to Myaluleni, Bakhangele Pre-school to R396, Phumla Mqeshwa, Mazizini A/R, A/R to Nkqubela Daycare, Mdibanisweni A/R, Streets in Gungqwane, Gungqwana A/R, Mayiya to Bakhangele, Mhlangula to Komkhulu, Ntibane Farms A/R, Luqolweni to	New Roads

	Zintutyaneni, Ntabelanga Streets, Myiya to R396 to Njana, Streets at Mdibanisweni	Maintenance
	Ntibane Farms, Lutuka, Mayaluleni, Luqolweni A/R, Gungqwana to Ntibane Farms, Pumla Mqeshwa A/R, Speed humps from R396 to Godzi, Transido to Tyeni	Bridge
	Bakhangele to Macangceni, Godzi - Tyeni Mangunkone to Godzi, Bakhangele to Macangceni, Mayaluleni, Gungqwane to Ntibane Farms	Storm water drainage
Water	Ntibane Farms, Ncogweni, Gungqwane	New water supply
	Phumla, Mayaluleni, Godzi, Mazizini, Ntshiqo, Ntibane Farms, Mdibanisweni	Addition of Taps & maintenance
	All ward villages	Maintenance of windmill
	All ward villages	Fencing of springs
Sanitation	Ntsiqo2, Ntibane farms, Mazizini Mayaluleni, Ntabelanga	Rebuilding
	Mdibanisweni, Gungqwana, Ntshiqo, Godzi, Mayaluleni	Extensions
Schools	Mbozwana PS	Removal Mud structure
	Nombizo J.S.S	
	Mandela JSS, Zwelonke JSS, Godzi JSS, Ntshiqo JSS, Lutuka S.S.S	Extension and renovation
Fencing	Ntshiqo, Ntibane farms, Godzi, Mazizini, Mdibanisweni, Gungqwana, Mayaluleni, Ntabelanga	Mealie fields
	Ntibane Farms, Ntabelanga	Grazing lands
Housing	All villages	Rural housing
LED	Mdibanisweni Godzi, Mdibanisweni Ntshiqo, Ntibane Farms, Gungqwana Mdibanisweni, Gungqwana, Godzi, Ntshiqo, Mayaluleni, Ntibane Farms, Ntabelanga	Siphosethu Vegetable Dipping tank Dipping tank Maintenance Sheep dipping tank
	All ward villages	Land care
	Ntabelanga	Stock Dam
Telecommunications	Ntsiqo, Godzi, New Homes	Post office

Poverty Relief	All ward villages Godzi, Mazizini, Ntabelanga	Massive food, Ntinga, Phezukomkhono, Siyazondla, Skills Centre to Address unemployment Mngcunube
Community Awareness Projects	Mayaluleni, Mdibanisweni, Ntibane Farms, All ward villages	HIV/Aids, Domestic violence Drug abuse all high schools, Crime prevention
Community Halls	All villages	
Health Facilities	Ntsiqo, Mdibanisweni, Gungqwana Ntibane farms, Mayaluleni, Godzi, Ntabelanga, Mazizini, Nombizo, Komkhulu	Clinic Mobile clinic
Pre-schools and Daycare Facilities	Mayaluleni, Zintutyaneni, Ntibane farms, Luqolweni, Nkqubela, Pumla, Ntshiqo, Gungqwana, Mdibanisweni, Godzi, Ntabelanga, Primrose	
Sports Facilities	All villages	All sport codes

WARD NUMBER 8

Service	Location	Need
Community Facilities	Qebeyi, New rest Qanda, Mbokotwana, Mfabantu Holton All ward villages	Old age home Orphanage home Police station Fencing of Graveyards
Electricity	Mqokro Mbokothwana, Gomeni, Mfabantu, Qanda (Eskhotheni), mhlabathi, New Rest, Qebeyi Tsitsa's gate, Mbokothwana	Supply Extension connection High mast lights
Roads	Tar-road from N2 to Mbokothwana, N2 to Ntshintshi, Qanda via Dilizintaba to New rest, Mbokotwna to Tsolo, Ntshintsi via N2 to Dilizintaba, Dilizintaba to Qebeyi, Qanda to Dr Malizo, Qebeyi to Tsitsa gate, Qebeyi to Rini, Speed humps at Newrest, Shinta to Qebeyi School, Mdeni to Mkambeni, Mfabantu to Zifama, Mfabantu via Xhokonxa to Platjie (Black Surfacing), N2 to Dalukhanyo J.S.S. (Black Surfacing), N2 to Qebeyi J.S.S, Speed humps at all ward villages	New construction

	N2 to Bekameva, Mhlabathi A/R, Drayini to kwa Xelegu, N2 to Mfabantu via Gomeni, Drayini to Qebeyi A/R Nomalwashu bridge, Xhokonxa bridge Mbokotwana Bridge	Maintenance Maintanace
Water	Mfabantu, Mbokotwana Qanda, Esikhotheni, Gomeni, Mbokotwana, New rest, Mhlabathi, Qebeyi, Xhokonxa	New water connection Maintenance addition of taps
Sanitation	All ward villages	Replacement and addition
Schools	Mmangweni SPS Dalukhanya JSS, Somagunya SSS, Thembeni SPS Holton	Removal of mud school Extension of classes Skill centre
Fencing	All ward villages	Mealie fields
Housing	All ward villages	Rural housing
LED	New rest Qanda Gomeni Qanda Qanda Qanda Qanda All ward villages except for Mbokotwana Gomeni, New rest, Xhokonxa Mhlabathi, Qanda, Mfabantu (maintenance) All ward villages All ward villages All ward villages Mfabantu Qebeyi Mhlabathi New Rest Mfabantu	Likamvalethu poultry Qanda Herchary Lagcibeni coop Qwasha Coffins & Manufacturing Qwasha Dev. Proj Litha Lethu Solutions Qanda wool growers Sheering shed Sheep dipping tank Dipping tank Land care Stock dams and Maint. Aforestation Bambanani farmers Association Zanodumo Mhlabathi Old Age Nceduluntu Project Mfabantu wool growers association
Telecommunications	Mfabantu Gomeni and Mfabantu	All mobile phones SABC
Poverty Relief	All ward villages except for Gomeni, Newrest and Qanda	Lima, Mngcunube
Community Awareness Projects	All ward villages	Crime, HIV & Aids, Environment, Centre for support groups, Draught

Community Halls And MPCCs	All ward villages except Qanda Hilton	Thusong centre
Health Facilities	Mhlabathi, Mgababa Gomeni, Mfabantu, Qebeyi, Qanda, Xhokonxa, New Rest	Clinic Mobile clinic
Pre-schools and Daycare Facilities	All ward villages Except Mfabantu.	Maintenance
Sports Facilities	All ward villages Library	All sport codes

WARD NUMBER 09

Service	Location	Need
Community facilities Pay point	Lotana Upper Lotana, Lotana Shawbury, Lotana All ward villages	Police Station, Old age home Grave yard fencing
Electricity	Thafeni Lotana, Ngqubusini, Shawbury, upper lotana, mncetyana, Bhanti, Upper Lotana	supply Extensions
Roads	T170, Bhanti A/R-streets, black surfacing of T170 to Tsitsa Falls, Ntilini A/R, Mrhotshozweni A/R, T167 to Tina Fall Police station (black surfacing), Mncetyana A/R, Hashini A/R, from Lotana to Lalini A/R T167, Ngqubusini A/R, Upper Lotana River side, Bhukuqu, Lotana bridge, Lalini bridge	Construction Maintenance Bridge Re-build
Water	Qakeni All ward villages All ward villages	Water supply Addition of taps, Maintenance Taps inside the yards
Sanitation	Lotana, Ngqubusini, Upper Lotana Ntili, Mncetyana, Lotana, Shawbury	Re-build Extensions
Schools	Thandanani SSS, Lotana JSS Notsweleba JSS, Shawbury JSS, Ngqubusini JSS, Upper lotana JSS	Removal of Mud Structures Addition of classes
Fencing	All ward villages	Mielie fields and grazing land

Housing	All ward villages	Rural Housing
LED	<p>Lotana</p> <p>Shawbury</p> <p>Upper lotana</p> <p>Ngqubusini</p> <p>Ngqubusini</p> <p>Shawbury</p> <p>Mission</p> <p>Ngqubusini</p> <p>Mncetyana</p> <p>Shawbury, Lotana, Ngqubusini, Mncetyana</p> <p>Shawbury, Ngqubusini, Upper Lotana.</p> <p>Shawbury</p>	<p>Nqubela food security, Velasakhono old age, ,Sinakho development project, Siyazama Bafazi project</p> <p>Ikamvalethu veg. ilitha lamakhosikazi veg. Vukuzenzele veg. Vukani Proj.</p> <p>Upper lotana piggery</p> <p>Qhubeleka Veg.</p> <p>Imizamo emihle piggery</p> <p>Ilingeletu Poultry</p> <p>Mhlengi's car wash</p> <p>Makuvele ukukhanya project</p> <p>Fix bricks and blocks project</p> <p>Landcare</p> <p>Dipping tank</p> <p>Masibonakale projects</p>
Telecommunication	Lotana	Post office
Poverty relief	Mncetyana, Upper Lotana	Lima
Community awareness projects	Lotana, Ngqubusini, Mncetyana, Shawburry, Upper lotana.	Ntlalohle family preservation programme, Alcohol & Drug Abuse
Community halls MPCCs	All ward villages	
Health facilities	<p>Mncetyana, Upper Lotana</p> <p>Ngqubusini</p>	Mobile Clinic
Pre-schools and Day care centres	All ward villages	Pre-schools
Sport facilities	All ward villages	All codes

WARD NUMBER 10

Service	Location	Need
Community Facilities	Mampingeni village, Gandana, Tsonyane, Lalini, Kwam, Dumba, Nkanti	Old age home

Electricity	Badibanise, Pulukweni, Tekeni, Mamngomeni Dumba, Ngwemnyama, Mampingeni, Tsonyane, Nkanti, manzana, Ntababusuku, Lalini,	Supply Extension
Roads, Bridges and storm water pipes	T169, Mgantsho to Ngonyameni, Gongo to Mamngomeni, Manzana to Kwam, Extension of Dumba A/R to New Dumba settlement, Tsonyana A/R, Nkanti A/R, Nkanti to Mdeni, T167 to Gonqa, Nkanti to Mmangomeni, Cibini via Ngwemnyama to Clinic, T168 to Qakeni, Mbodleni to Qakeni, Dumba to Tina falls, T167, T168, T168 to Chief Madolo, Streets @ Mampingeni, Kwam A/R, Ngwemnyama Clinic to Dumba Dumba A/R, Gandana A/R, Chibini to DumbaA/R, Ngwemnyama, T168 to Methodist church, Ngwemnyama A/R to Graveyard, Mbombo to Madiba, Manzana A/R T168 storm water drainage Dumba, Mbobo	Construction Maintenance Bridges
Water	Gandana, Mamngomeni Tsonyana, Nkanti, Kwam, Dumba, Ngwemnyama, Manzana, Pulukweni, Mampingeni, Manzana, Addition of taps, Ngwemnyama, Dumba Tsonyana, Kwam	Water supply Maintenance Addition of taps Maintenance of borehole
Sanitation	All villages Mampingeni	Extensions Rebuilding
Schools	Mdedelwa JSS, Tsonyana JSS, Gandana JSS	Removal of mud school

	FET College	
Fencing	All ward villages	Mealie fields and grazing land
Housing	All ward villages	Rural housing
LED	Kwam Kwam Kwam Ngwemnyama Nkanti Ngwemnyama Mampingeni Ngwemnyama Mampingeni Ngwemnyama Ngwemnyama Ngwemnyama Tsonyana Ngwemnyama Gandana Dumba All ward village Nkanti Mampingeni, Ngwemnyama, Kwam	Kwam Poultry Kwam sewing Kwam maize project Ngwemnyama Maize Project Khulani Bafazi Poultry Project Hlumisa sewing Project Mampingeni Piggery Project Masizakhe youth project Ncaloshe Project Ikhule Poultry Project Sinesipho food project Masizondle Farmers Tsonyana Maize Production Proj Zesikhanye Disabled project Masikhule Project Dumba Poultry Sheep Dipping Tank Dipping Tank Renovation of Dipping tank
Telecommunications	Mampingeni	Post office
Poverty Relief	All ward villages Tsonyane	Massive food production and food security, Lima EPWP
Community Awareness	All villages	HIV and Aids, Crime, domestic violence, Drug and Alcohol Abuse, Initiation schools, electricity
Community Halls And MPCCs	All ward villages Mampingeni	Ward centre
Health Facilities	Mampingeni, Nkanti	Clinic and mobiles to other villages
Pre-schools and Daycare Facilities	All ward villages	Pre-school
Sports Facilities	All ward villages	All sport codes
Dipping tanks	Dumba, Mdeni, Tsonyana, Mampingeni	New constr.
Stock dams	All ward villages	New constr. & Renovation
Land care	All ward villages	
Sheering shed	Mampingeni	

WARD NUMBER 11		
Service	Location	Need
Community facilities	Mbhongweni, Makhoti, Hlabathi Mbhongweni	Old Age Home Police Station
Electricity	Makhoti, Ndakana, Hlabathi, Mngcengco, Matha, Dudumeni Endwe, Mbhongweni, Magumbini, Sixhotyeni, Mthika, nongingqi	Electricity supply Extensions
Roads	Magumbini to Nzondeni A/R, T163, T167, Caweni to Dudumeni A/R, T163 to Endwe A/R, Zixhotyeni to Mthombe A/R, Mngcengco A/R, Black Surfacing of T167, T162 Ncadu via Bovini to Sthophiyeni to Hlabathi J.S.S, Nakana SPS to Nenjane to Hlabathi SPS, Magumbini to Lwalweni, Ndakana SPS to Kudusu, Dweba SSS to Zahobeni, Magcakeni A/R, Nongingqi to Thaleni Nkingeni to Ezixhotyeni A/R, Embhongweni to Endwe A/R, Ezibhodini to Magumbini A/R, Ndakana A/R, Nkingeni via Zixhotyeni to Mngcengco, T167 Bridge at Ntlangano, Tina bridge, Koloni Bridge X2, Sincwadi Bridge	New construction Maintenance
Water	All ward villages Mbhongweni	Water supply Maintanance and addition of taps
Sanitation	All villages	Toilets supply
Schools	Mtika SPS, Hlabathi SPS Mbhongweni JSS, Endwe JSS, Sikll centre (New)	Mud Schools Extension of classes
Fencing	All ward villages	Mielie fields and grazing lands
Housing	All ward villages	Rural housing
LED	Endwe All ward villages Magumbini, Makhoti, Ndakana All ward villages Mbhongweni, Hlabathi Ward	Masimanyane Farmimg Proj Sheep dipping tank Dipping tank Stock dam & Umngcunube Sheering shed Aforestaion and fencing
Telecommunication	Mbhongweni All ward villages	Post office Poor network coverage and SABC
Poverty relief projects	All ward villages	Umngcunube, EPWP

Community awareness projects	All ward villages	Environmental, Electricity, HIV/Aids, Crime, Gender violence
Community halls MPCCs	All ward villages	Thusong centre
Health facilities	Mbalisweni clinic Ndakana, Hlabathi Other villages	Extension Clinic Mobile
Pre-schools and Daycare centres	All ward villages	
Sport facilities	All ward villages	All codes

WARD NUMBER 12		
Service	Location	Need
Community facilities	Mkhambeni	Satellite police station and old age home
Electricity	All villages except for Ncumbe & Mambalwini	Connection
Roads	From Bovini via Sthopiyeni to Hlabathi JSSS; From T162 Mthombe-Xilinx to Zahobe; Bhethani-Nyabeni-Ntilini; From T162 via Mangxamfu to Manxiweni; Streets all ward; From T291 to Manxiweni-Buwa; From Dweba SSS to Zahobeni; Zihlolotyeni A/R, Komkhulu to Ngqongo School Dumezweni to Tina falls (Bridge), Nodali to Mbombo A/R, T162, Nodali-ward centre to Rwaxeni, T291 to Mdyobe, T291 to Ngqongo School, Mpindweni to Mzoboshe, Ntilini to Buwa, Tina to Mzoboshe	New Roads Maintenance Bridges
Water	All ward villages Ngqongo	Water supply Addition of taps
Sanitation	Betani (for Disabled)	New constr. (extensions)
Schools	Ncumbe, Dumile SPS, Zizamele SPS, Zwelisile, Nazaret SPS, Ngqongo SPS, Mkhwane SPS, Ntsheleni SPS	Mud schools

Fencing and equipment	All ward villages	Mealie fields and Grazing Camps
Housing	All ward villages	Rural housing
LED	Ntsheleni Mbombo Nyanisweni Ntilini Mangxamfu Buwa All villages	Sikhumbulenati Garden, Lumphumlo coop Vukani Coop Nyanisweni Pro, Siyakhula Pro, Dipping tank, Masincedane farming Siyakhula garden Siyakhula Pro. Land care
Telecommunications	Mpindweni, Ngxalane Rwaxeni	Poor network coverage & TV Post office
Poverty Relief	All ward villages	
Community Awareness Projects	All ward village	Crime, drug and alcohol abuse, HIV & Aids, Environment
Community Halls And MPCCs	All villages Rwaxeni	
Health Facilities	Rwaxeni, Mkhambeni All villages	Clinics Mobile Clinics
Pre-schools and Daycare Facilities	Tembelani, Vusani, Dumile, Zithulele, Ntsheleni, Mpindweni, Mambalwini	Preschool
Sports Facilities	All ward villages	Sport grounds

WARD NUMBER 13

Service	Location	Need
Community Facilities	Gabazi Majuba	Police Station Old age home
Electricity	New Stead, Gabazi, Manxiweni, Mzoboshe, Ngxakolo, Sikhobeni, Mpindweni	Extension
Roads	New Stad A/R, T-road to Ndwaleni- Dumnqeshe, Gabazi-Mpindweni A/R, Gabazi to Madukuda, Manxiweni (Sikhobeni), Ngxingweni to Nkalweni Mkhambeni to Gabazi, Khaleni to Ngcolekini school, Nkalweni A/R. New Stead to Godini A/r, Buhlungwana to New Stead, T165, Gabazi to Mjilana, Godini	New Roads Maintenance

	to Mpindweni, Buhlungwana to Tabasa, Siphongwe to Mjilana, All ward villages Gabazi to Mpidweni; Ngxalane Mzoboshe to Mpidweni Madukuda and Xabane	Tar road Bridges Maintenance of bridges
Water	Mzoboshe, Buhlungwana, Godini, Mpindweni All ward villages	Water supply Addition of taps
Sanitation	Buhlungwana, Tina Falls, Gabazi Ngxakolo, Godini, Sikhobeni, Newstead, Mzoboshe	No toilets Extensions
Schools	Sikhobeni SPS, Mkhiwane SPS, Gabazi JSS, Mzoboshe SPS Majuba High School- New School New stead	Mud schools, Prefabs and Extension Scholar transport to town
Fencing	Godini, New Stead, Ngxakolo A, All ward except for Sikhobeni and Buhlungwana	Field fencing Grazing Camps
Housing	All ward villages	Rural housing
LED	Gabazi Gabazi, Godini, Mdyobe, Ngxoto Buhlungwana Godini & Mpidweni(Mzoboshe) Tabasa Gabazi New stead, Buhlungwana, Godini All ward villages Gabazi, Tabase, Newstead, Mzoboshe	Gabazi Goat Project Poultry Project, Crop Production Project, Bushman Caves discovered, Siyazama Poultry, Baguqule farming, Siyahluma Veg., Ilitha lethu poultry, Mnqwini veg & Poultry, Happiness orphans Project, Sizanani project, Themba lethu poultry, Masiphilisane poultry, Phumalanga piggery, Masizame old age, Sinokhanyo support group, Coceka cleaning proj. Mahlasela group (Maskhandi), Godini project Maintanance of dipping tank Dipping tank Sheep dipping tank Aforestation Sheering shed, Land care Stock dams

Telecommunication	Mzoboshe, Skhobeni, Ngxakolo, Gabazi, Godini	SABC poor network coverage
Poverty Alleviation	All ward villages	Food security
Community Awareness Projects		Alcohol and drug abuse, Stock theft, HIV/Aids, Environment
Community Halls And MPCCs	All ward villages	
Health Facilities	New Stead All villages	Clinics & mobile clinics
Pre-schools and Daycare Facilities	All ward villages	
Sports Facilities	All ward villages	Sports ground

WARD NUMBER 14		
Service	Location	Need
Community Facilities	Mvumelwano Ncalukeni, Ndwane, Tshisane, Moyeni, Balasi Laleni	Ward Centre Old age home Settelite Police Station
Electricity	Mvumelwano, Ndwane, Upper Roza, Lower Roza, Zimbileni, Laleni, Ndasana, Ncalukeni, Makhaladini	Extensions to all
Roads	Laleni to Lotana, Ndwane to N2, Ncalukeni to Qumbu Clinic, Makhaladini to Shawbury, Manxiweni to T road, Lower Roza Church to N2, Ndasane to Mjikweni A/R, A/R to Grave yards, Moyeni A/R, Ndwane to A/R (Makhaladini), Sboko to Stadium A/R, Laleni to Ntilini, Zimbileni to Ndwane, Streets @ Makhaladini Mvumelwano, Ncalukeni, Lower Kroza, Zimbileni N2 to Mkhhaladini, Black surfacing Mvumelwano to Gabazi, Ncalukeni A/R, Stadium to Moyeni, Balasi Storm water, Mvumelwano to Makhaladini, N2 Ncalukeni to N2 Roza, Laleni A/R & Bridge	New Construction Speed humps & fencing of N2 Maintenance

	Foot bridge @ Zimbileni Mhlangwe Bridge	Construction Maintanance
Water	All ward villages	Maintenance and addition of taps
Sanitation	All ward villages	Extensions
Schools	Mahobe j.s.s, Lower kroza j.s.s, Ndasane JSS, Ndwane JSS, TVET College, General Maqhutyana Tech School	New construction
Fencing	Zimbileni, Laleni, Ncalukeni, Ndasana, Lower kroza, Upper Kroza, Ndwane, Balasi	Mealie Fields, Grazing Camps & Graveyards
Land care	All ward villages	To fixed donger and fencing grazing camp
Housing	Zimbileni, Laleni, Lower Roza, Ndasana, Ncalukeni, Ndwane, Mvumelwano, Upper Kroza	New construction
Telecommunications	All ward villages Ncalukeni	Poor network coverage, mtn and Vodacom, Poor reception network Post office
LED	Makhaladini Zimbileni Laleni Upper Kroza Mvumelwano, Upper Roza Ncalukeni Ndwane Lower kroza Revival of Laleni Tshisane Tshisane Ndasane Ward (Tractor)	Masizondle Farmer's coop Inqilo coop Masikhule Cultural Dance coop Laleni coop Noni's piggery Women's Garden, Hlanganani Old age, Noni Maqhutyana pro Siyazama Poultry, Uhlaza veg. Old age Grannies, Igqange labafazi Women group, Community garden, Sigugile, Wakeup coop, Ndwane Maize Nursary Nursary, Lalenyouth dev. Community garden, Koluphala Proj. Zosulwe farmers & multi purpose Coop Community garden, Poultry, Sewing(women), Bees(Youth), Fishing, Plantation of Trees, New and Rehabilitation of dams, Goats breeding, Shearing Shed, Vuka gogo, Fruit Orchard, Gardens Ploughing, Bee keeping and Fishing, Moyeni Poultry, Siyahluma Victims, Tractor

	Zimbileni All ward villages	Stock dam Draught relief
Poverty Relief	All wards villages	EPWP, Lima, Greening, Ploughing of gardens
Community Awareness Projects	All ward villages	Crime, rape, alcohol and drug abuse Stock theft
Community Halls And MPCCs	All ward villages Mvumelwano	Community Hall Thusong development centre
Health Facilities	Lower Roza, Upper Kroza, Laleni All ward villages	Clinics Mobile
Pre-schools and Daycare Facilities	Laleni, Upper Kroza, Ndasane, Zimbile	Daycare centre Daycare centre
Sports Facilities	All ward villages	Sports Grounds and library
Dipping tanks	Ndwane, Upper kroza, Ncalukeni, Balasi. Lower kroza, Ndasane, Lalini All ward villages	New construction. Maintenance Sheep dipping tank
Stock dams	All ward villages	New construction

WARD NUMBER 15

Service	Location	Need
Community Facilities	Marambeni	Old age home
Electricity	All ward villages except for Qumbu Marambeni, Mbidlana, Zibaneni, Ndakeni, Senkunzi, Machibini, Ext 6, Luqolweni, Gqunu farms, Ntsheleni	High mast lights and streets lamps Connection of Extensions
Roads	New homes and other villages Gqunu A/R, Ngcizela to Eric Jafta, Ntlantsana to Mzuku, Luqolweni to Balasi, T195 to Balasi, Pedestrian Crossing (Marambeni & Little flower), T195 to Caba, Surfacing of Ext 2,3,4,6, Storm water drainage (Ntsheleni A/R), A/R to informal settlement, Speed humps in Qumbu town, Streets in Ntsheleni, Kwadana to Sidakeni, Black surfacing of New Homes Streets	Streets New Construction

	Ntsheleni Luqolweni A/R, Machibini A/R, Ext 2&5, T195 to Balasi, Mzingisi bridge, Marambeni Senkunzi, New Homes, Gqunu Farms Lucwaba, Ridge, Little flower, Marambeni, Ntsheleni Little Flower River	Bus Stop with shelter Maintenance Bridge Speed humps Pedestrian bridge
Water	New homes All ward villages Senkunzi Marambeni Ntsheleni	Maintenance Maintenance Windmill Maintenance of spring Addition of taps
Sanitation	New homes & All villages All ward villages	Water borne sewage Extensions
Schools	Luqolweni JSS, Marambeni JSS, Mzingisi JSS, Khanyisa JSS New homes	Addition of classes and Maintenance New school
Fencing	Qumbu Gqunu farms New homes	Commonage Mielie fields Veg. Gardens
Housing	All ward villages	Rural Housing
LED	Qumbu villages Luqolweni, Gqunu farms Balasi Marambeni, Zibaneni, Senkunzi, Gqunu Farms. Ntsheleni Balasi	Shopping complex Dairy farming, Maize farming, Poultry, Brick making, Masiphile Traco, Gqunu Irrigation scheme. Mining Ubuntu women project, women in agriculture project, Resuscitation of TRACO Old age projects, Sinovuyo Veg. Proj. Landcare
Telecommunications		
Poverty Relief	All ward villages except for Marambeni	Mngcunube
Community Awareness Projects	All ward villages	Drug and alcohol, HIV & Aids, Crime, teenage pregnancy

Community Halls	All ward villages Qumbu Town Hall	
Health Facilities	Marambeni All ward villages	Clinic Mobile clinics
Pre-schools and Daycare Facilities	Senkuzi, Marambeni Ntsheleni, Luqolweni	Siykhula, Eyethu, Siyakhula Luqilima, Nolukhanyo
Sports Facilities	All ward villages New homes	All sport codes Maint. Of sport field

WARD NUMBER 16		
Service	Location	Need
Community facilities	Matyhameni	Police Station
Electricity	Debeza, Luqolweni, Ncemeni, Konkabi, Mjikweni, Lower Tyira, Mathyhameni, Mission	Village Extensions
Roads	Welsh via T195 to Nxotwe Mjikweni A/R, Luqolweni A/R, Ncemeni A/R All ward villages Konkabi, Nkokweni, Ncemeni to Matyhameni, Lower Chulunca Mjikweni to Mbokotwana	Resurfacing Maintenance Streets Bridge Pedestrian bridge
Water	Debeza, Konkabi, Lower Chulunca Mjikweni, Ncemeni, Lower Tyira, Nkokweni, Debeza, Matyhameni Matyhameni, Luqolweni Ncemeni, Konkabi, Matyhameni	Water Supply Addition of taps Maintenance Borehole
Sanitation	All ward villages except for Matyhameni	Sanitation
Schools	Mntonintsi SPS Thintwa JSS High school Mjikweni J.S.S.	Extension of classes Fencing and renovation Construction Renovation
Fencing	All ward villages	Mielie fields and grazing lands
Housing	All ward villages	
LED	Matyhameni Mjikweni Konkabi, Mjikweni, Debaza	Vulisango veg., Thandanani Poult. Sisonke Veg., Mjikweni Poultry Dipping tank

	All ward villages Debeza, Nkokweni, Lower Chulunca, Konkabi, Mjikweni, Lower Tyira, Ncemeni, Matyamini Lower Tyira Ncemeni	Landcare Stock dam rehabilitation Sizamele Project Sophumela veg. & Siyazama Poultry
Telecommunication	Matyhameni	Post box
Poverty relief projects	All ward villages	Crop production and other seeds, Mngcunube
Community awareness projects	All ward villages	Drug and alcohol abuse Crime, TB, HIV/AIDS
Community halls MPCCs	All ward villages Matyhameni	
Health facilities	Lower Tyira All other villages	Clinic Mobile clinic
Pre-schools	Konkabi, Mjikweni, Lower Tyira	Pre-school
Sport facilities	All ward villages Mjikweni	All codes Tennis court

WARD NUMBER 17

Service	Location	Need
Community Facilities	Mahlungulu All ward villages	Old age home, Police Station Graveyard fencing
Electricity	Madukuda, Ntabelanga All ward villages	Electricity supply Extension connection
Roads	Mahlungulu A/R, Gqunu A/R, Madukuda A/R, Stitshini A/R, Kanunu A/R, Mnqunyana A/R, Mpidweni A/R, Mphumaze A/R, Madukuda to Mhlangala A/R, Ntsheleni to Mphumaze A/R, Madukuda to Gqunu A/R, Natal to Mjikelweni, Streets at all ward villages Mhlangala A/R, Lower Ngcolokini A/R, Black Hill A/R, Upper Ngcolokini A/R, Mzuzanto A/R, Mahlungulu A/R, Mzuzanto to Mahlungulu	New construction Maintenance

	Madukuda Bridge, Mpumaze Bridge	Construction of bridge
Water	Mzuzanto, Mhlangala, Mnqunyana, Mpindweni, Nkanunu, Stishini	Water supply
	Lower Ngcolokeni, Upper Ngcolokini, Gqunu, Madukuda, Mphumaze, Mahlunqulu-Ext.	Maintenance
	All ward villages	Maintenance
Sanitation	Lower Ngcolokini, Zilandana, Mzuzanto, Mahlunqulu, Gqunu, Blackhill, Mpumaze, Mhlangala	Toilets
	Upper Ngcolokini	Extensions
Schools	Mphumaze SPS, Mhlangala SPS, Gqunu JSS, Upper Ngcolokeni JSS,	Mud school
	Upper Ngcolokini, Zilandana JSS, Gqunu J.S.S., Mahlunqulu J.S.S	Maintenance and Extension of Classes
	Mahlunqulu Mzuzanto and Zilandana	Special School Scholar transport
Fencing	All ward villages	Mealie fields and grazing lands
Housing	All ward villages	Rural housing
LED	Mahlunqulu, Zilandana, Mzuzanto, Mphumaze, Gqunu, Mnqunyana, Madukuda, Lower Ngcolokini, Blackhill, Upper Ngcolokini	Stock dams
	Mahlunqulu, Mnqunyana	Dipping tank rehabilitation
	Mzuzanto, Mpumaze	New dipping tank
	Mphumaze	Mphumaze veg.
	Mahlunqulu	Zamukulungisa Poultry, Siyazama Poultry project
		Gqunu Rural Development Project
		Sigcobise veg.
	All ward villages	Sheep dipping tank, Land care, Shearing shed
Telecommunications	Mahlunqulu	Post office
Poverty Relief	All ward villages	Lima
Community Awareness Projects	All ward villages	Crime, Child abuse and HIV&Aids, Veld fires

Community Halls And MPCCs	All ward village Zilandana	Community halls
Health Facilities	Mhlangala, Lower Ngcolokini Gqunu, Madukuda	Clinic Mobile clinic
Pre-schools and Daycare Facilities	All ward villages	
Sports Facilities	All ward villages	All sport codes

WARD NUMBER 18		
Service	Location	Need
Community Facilities	Mafusini Mdeni	Siyavuyiswa old age Orphans Home
Electricity	Ngxabane, Lower Lwandlana, Ncoti, Sithangameni, Ngxotho, Sigubudwini, Sikolweni, Mdeni, Mafusini, Cengcane Marambeni, Mampola	Extension connection New Connection
Roads	Albert Ludidi A/R, Lower Lwandlana from T101 to Upper Lwandlana, St Barths A/R from T132 to Kuyasa shop, Cengcane to St barths, T132 to Stangameni, T132 to Sikolweni, Sigubudwini A/R, T132 Black Surfacing Gqili bridge, Mafusini bridge, Ncoti bridge, Tina bridge, Skwayini, Sigubudwini bridge, Mdeni Lower Lwandlana A/R, Ngxotho A/R, Mafusini A/R, Lower Lwandlana to Upper Lwandlana	New construction Bridges Maintenance
Water	All ward villages	Maintenance and Addition
Sanitation	All ward villages	Extensions
Schools	Ndlelantle JSS, Sithangameni JSS, Albert Ludidi JSS, Gura JSS Computer Skills	Removal of Mud schools and extension of classes

Fencing	All ward village	Grazing Camps, grave yards and Mealie fields
Housing	All ward villages	Rural housing
LED	Mdeni, Gura, Sikwayini, Lower Lwandlana Mdeni, Gura Mafusini, lower Lwandlana, Sthangameni, Mdeni, Sikolweni, Ngxotho, Sigubudwini All ward villages Sithangameni, Ngxabane	Cengcane Veg. Bambanani wool growers, Mdeni Veg, Siyazama veg, Manala development, Ntabantsimbi Veg, Ngcoti veg, Yibanathi Pro, Mfundi Esitiyeni Pro, Sohlangana Pro, Mzamo project, Phakamani Project, Sakhulutsha coop, Siyazondla project maintenance of Dipping tank Sheep dipping tank Stock dams and Rehabilitation Dipping tank
Telecommunications	All ward villages	MTN Coverage is poor
Poverty Alleviation	Mafusini, Lwandlana, Ngcoti, Sithangameni Lwandlana, Ngcoti	Lima EPWP
Community Awareness Projects	All ward villages	Crime, Drug and alcohol abuse, HIV Aids, Abuse and rape of old age, Discipline,
Community Halls And MPCCs	All ward villages Ngxabane	Thusong service centre
Health Facilities	Provision of ambulance in clinics All ward villages	Mobile clinic
Pre-schools and Daycare Facilities		Thambeka pre school, Langalibalele maintenance, Mahlubi day care centre, Nceduluntu day care centre, Mdeni Pre school, Ngcoti Pre school, Ngxabane Pre school, Lower Lwandlani Pre school, Sithangameni pre-school, Noluyolo-Gura PreSchool,

		Sigubudwini PreSchool, Mafusini PreSchool, Ngxoto Pre school
Sports Facilities	All ward villages	All sport codes

WARD NUMBER 19		
Service	Location	Need
Water Supply	Lwandlana, Tsilithwa, Nonyikila, Nyanisweni & Mthonjeni, Nyandeni, Mdabukweni, Skwayini, Mbeza Qanqu scheme (All ward villages)	Establish
Community facilities	Nyanisweni , Nonyikila Nyandeni, Tsilitwa Nyandeni	Police station Satelite Police station Pay point
Electricity	All ward villages	Extensions
Sanitation	All ward villages	Extension
Roads T 131	T 22 – the great place	Upgrade & Black surface
Khalankomo to Qumbu	T131 to Tembeni School	Construction
Tech School		Construction
Nyandeni to Nonyikila	Luqolweni/Nonyikila	Construction
Nyandeni – Qanqu	Nyandeni & Qanqu	Construction
Cengcane forest via Lwandlana to Tsilitwa	Lwandlana (Lwandlana A/R)	Construction
Nonyikila to Nyanisweni	Nyanisweni	Maintenance & Upgrade
Mdabukweni to Mbeza	Sivivaneni & Qanqu	Construction
Sgubudwini to Mthonjeni	Sgubudwini to Mthonjeni	Construction
Sgubudwini to Skolweni		Construction
Sgubudwini to Komkhulu		Construction
Bridges		
Great place & Qanqu Qanqu Bridge		Repairs Maintanance

	T 440 Skwayini A/R	Maintance Maintanace
Maize production	All villages	Tractor supply
Irrigation Scheme	Tsilithwa & Nobamba	Establish
Dairy project	Qanqu	Establish
Fencing	Qanqu & Nobamba	Establish
Aforestation	Magxeni, Qanqu, Nonyikila, Nobamba	Fastrek licencing & Implementat
Agro-processing	Tsilithwa	Establish
Thusong centre	Tsilithwa	Appoint officials
Ward centre	Nonyikila	Construction
Agricultural High School	Mthonjeni	Fastrek approval & build
		Misolwethu weave and bid work
		Sinombono sewing
		Siyazondla veg and poultry
		Zanendyebo project
		Home made
		Morning star
		Sisanceda grain garden
		Umthombomtsha brick making
		Qanqu brick making
		Masikhule Poultry Project
	Lwandlana	Siyakhana Project
	Nonyikila	Working for water
Housing	All ward villages	Construction
Mbambisa JSS	Tsilithwa	Major renovation
Qhanqu JSS	Qanqu, Hostel	Construction
Mdabukweni JSS	Mdabukweni	Construction and Sanitation
Thukela JSS	Nyandeni	Construction
Thukela Pre-school	Nyandeni	Nyandeni

Magxeni pre-school	Magxeni	Construction
Lwandlana pre-school	Lwandlana	Construction
Notintsi School	Nobamba	Addition of classes
Mandlezulu	Sivivaneni	Addition of classes
Pre-School	Nobamba	Construction
Qumbu Tech	Hostel	Construction
Joubert	Hostel	Construction
Pre school	Mdabukweni	
Pre school	Mthonjeni	
Pre school	Mtondela	
Mtengwane S.S.S.		Addition of classes
Mtondela SPS		Addition of classes
Nyhwara SPS		Addition of classes
Skwayini JSS		Addition of classes
Community Halls & MPCCs	All ward villages Nyandeni	Ward centre
Sport Facilities	Nyandeni, Lwandlana, Nyanisweni	Sport field
Health facilities	Nonyikila, Mtonjeni, Mbeza Luqolweni, Mdabukweni	Clinic Mobile clinic

WARD NUMBER 20		
Service	Location	Need
Community facilities	Khalankomo, Khubusi, Etna Khalankomo	Police Station Old age home
Electricity	All ward villages	Extensions
Roads	Sikolweni to Khamastone, Khalankomo to Tsilithwa A/R, Ethwa Church to Makuleni A/R, Ethwa A/R, Ezimbengwini to Ediphini A/R, Kamastone to Tsilithwa A/R, Gqwesa to	New Construction

	<p>Ethwa A/R, Black surfacing from Sulenkama to Ethwa and to Tina, Mjikelweni to Mdabukweni A/R, Magontsini A/R, Ntaboduli to Sithaleni, Sithaleni to Sulenkama, Sijako to Dr Njongwe, Manzaniba to Mabuya, Kopshop to Maxabandile, Phelandaba to Qwesa, Kalankomo Old Clinic to Kwa Qwabaza, Xabadiya A/R, Mjikweni to Masimini, Gqwesa A/R, Ntaboduli to Tyeni, Ntibane to Mabheleni, Khamastone to Sangqu, Khalankomo to Tshatsheni</p> <p>Gqwesa to Mjikelweni, T490, Sulenkama to Etwa, Khubusi A/R, Qhanqu to Upper Qotira A/R, Gqwesa to Tyemnyama A/R, Nomjezi to Nyandeni, Gqwesa to Kubusi, Etwa to Mjikelweni, Kubusi A/R, Gwadana to Tyeni, Tyemnyama, Mjikelweni to Masimini, Qotira A/R, Kubusi A/R, Nyandeni to Tyemnyama, Qotira to Zimbengwini, Malamlela via Milani to Ntibane, RD 086</p> <p>Qotira to Etwa Bridges</p>	<p>Maintenance</p> <p>Bridges</p>
Water	All ward villages Khalankomo, Ethwa, Qotira, Milani, Ntibane, Ngxaxha, Khubusi	Maintenance (No water) Extensions
Sanitation	Ntibane, Ngxaxha, Milani Etwa, Kubusi, Kalankomo, Mjikelweni, Tshatsheni, Qotira, Gqwesa, Ntibane	Sanitation Extensions
Schools	Zimbengwini JSS, Ethwa JSS, Kamastone JSS, Bavuma JSS, Mjikelweni JSS, Gqwesa JSS, Xabadiya JSS, Qotira JSS, Etwa J.S.S. Skill centre and School	Mud schools Extension of classes
Fencing	All ward villages	Mielie fields, Grazing land and Grave yards, All schools
Housing	All ward villages	Rural Housing
LED	Ezimbengwini Gqwesa Qotira Mjikelweni	Loyiso farmers coop. Masiphakameni Coop, Sisonke Pr. Sikelela poultry, Zizamele piggery Siyazondla, Siyavana Pro.

	<p>Ethwa</p> <p>Qotira</p> <p>Gqwesa</p> <p>Kamastone</p> <p>Khalankomo</p> <p>Tyemnyama</p> <p>Khubusi</p> <p>Gqwesa</p> <p>Qotira</p> <p>Khalankomo</p> <p>All ward villages</p> <p>Qwesa, Ntaboduli, Qotira, Ngxaxha</p> <p>Ethwa</p> <p>All ward villages</p>	<p>Sande Mahlubi Coop, Siyazama Ve</p> <p>Iphupha Coop</p> <p>ABS Bakery primary Coop</p> <p>Vuyolwethu poultry</p> <p>KamastonePoultry, Baking Proj.</p> <p>Makukhanye Veg</p> <p>Tyemnyama Poultry, Klaas Proj.</p> <p>Iyakhanya garden, Hayi Yiyeke Poultry</p> <p>Vukuzenza old age garden</p> <p>Zenzeleni garden, Zithonga Zithathu Pro.</p> <p>Vulindlela wool growers association</p> <p>Dumaninonke coop</p> <p>Sincedile Project</p> <p>Vukuzenzele Project</p> <p>Masakhane Project</p> <p>Sheep Dipping tank</p> <p>Dipping tank</p> <p>Rehabilitation</p> <p>Sheering shed</p> <p>Land care</p>
Telecommunication	All ward villages	SABC, Cell C & MTN poor network coverage
Poverty relief projects	All villages	Siyazondla, Lima
Community awareness projects	All ward villages	Crime, HIV/AIDS, Drug and Alcohol abuse
Community halls MPCCs	All ward villages except Khalankomo	Community hall
	Gqwesa	
Health facilities	Khubusi, Ethwa, Gqwesa, Milani, Mjikelweni	Clinic

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

WARD NUMBER 21		
Service	Location	Need
Community facilities	All ward villages	Old age home
Electricity	Maqwathini, Sixhotyeni, Mpendle Sitishini, Jokweni, Thikolwana, Ntsohle, Sangqu, Dumaneni, Bunene, Ntabasgogo, Hukwini, Ndoyi, Mthozelo, Ntaboduli, Maladini, Sthaleni, Gwadana , Nyango All ward villages	New electrification Extensions High Mast Lights
Roads	Hukwini-Mpendle-Sixhotyeni to Maladini A/R, Tsilitwa via Thikolwana to T22, Mangcuseni to Ntsohle A/R, Mhaga Stop to Sidumana A/R, T22 to Sitishini A/R, Maladini to Ntubini, Nabela via Thembisa to Sidumana, Mphehlo via Nyango to Katkop, T22 to Mthozela dipping tank, T22 to Gwadana, Gwadana Streets, T22 via Jokweni to Tikolwana, Sangqu to Hope, Sulenkama Hospital via Sangqu via Ndakeni to Ntaboduli Sitishini to Bunene A/R, Sulenkama to Sangqu A/R, Ntabasgogo to Hukwini A/R, Sulenkama to Ntubeni A/R, Maladini to Nyango, Marambeni to katkop, T22 via Dumaneni to Ngxabaxha Sulenkama Bridge Ntsohle Bridge Sangqu Bridge T22 Bridge (Mnkcuncuzo) Gqukunqa Bridge Ntabasigogo Bridge Ndakeni to Ntaboduli Bridge Gqukunqa to Ngqwaneni Bridge	New Construction Maintenance Maintenance Maintenance

Water	Upper Chulunca Water Scheme, Ntabasgogo water scheme, Bunene water scheme, Gqukunqa water scheme, Ntaboduli water scheme Sangqu, Jokweni, Maladini, Mpendle, Ntaboduli, Ntabasigogo, Thikolwana	Maintenance Addition of taps
Sanitation	Maladini, Manxeleni, Nyango, Mphehlo, Sixhotyeni, Jokweni, Mpendle , Thikolwana, Dumaneni, Mthozela, Bunene Ntaboduli, Ntabasigogo, Sangqu, Sthaleni, Sitishini, Gwadane, Hukwini, Ndakeni, Ndoyi	Toilet supply Extensions
Schools	Bunene PS, Maladin JSS, Sangqu JSS, Ntabasigogo J.S.S. Ntaboduli J.S.S. Sulenkama SSS, Dumaneni J.S.S	Removal of mud school Renovation Addition of classes
Fencing	Sulenkama, Dumaneni-Mthozela, Hukwini-Ndoyi, Maladini-Nyango-Manxeleni, Ndakeni, Gwadana, Mpendle, Ntaboduli, Ngcoti, Sthaleni,	Mealie fields
Housing	All villages	Rural housing
LED	Dumaneni Sitishini Thikolwana Mthozela-Dumaneni Sangqu Maqwathini Ntsohle Ndoyi Ntabasigogo Ntabasigogo Gwadana Sthaleni Hukwini Tyhume Gqukunqa, Sulenkama, Mthozela Bunene, Ntsohle, Hukwini-Ndoyi, Ngqwaneni, Ngcoti, Manxeleni, Dumaneni Banking facilities & EPWP	Thembisa proj. Thembani proj. Nompumelelo Proj. Mthozela/Dumaneni Barkery Sangqu barkery, Sophumela proj. Khanya proj. Siyaphambili Project Jingi-Jingana Old Age Siyakhula Poultry Project Vusulutsha Piggery Makukhanye Project Vukuzenzele Siyakhula Project Vukuzenzele Sinothando Old Age Mining A-forestation

	Ntabasigogo, Ntsohle, Sangqu, Gungqwana, Mthozela Jokweni/Thikolwana Nyango, Jokweni/Thikolwana, Gwadana, Ndoyi, Mpendle, Hukwini, Dumaneni Sitishini, Ntabasigogo, Nyango, Jokweni, Sangqu, Mpendle, Ndoyi, Gwadana, Dumaneni All villages Sulenkama	Dipping tank Maintenance (Dipping tank) Shearing shed Stockdams Land care Village Bank
Telecommunication	Sulenkama Sizindeni, Hukwini, Ndoyi, Bunene, Sitishini, Ntabasigogo, Ntsohle, Maladini, Dumaneni, Ndakeni, Sthaleni, Nyango, Sangqu, Gwadana, Ntaboduli, Mthozela	Post office No cell net work signals, SABC Network
Poverty relief projects	All ward villages	Food security projects, Lima
Community awareness projects	All ward villages	Safety and Liaison.
Community halls MPCCs	All ward villages Sulenkama	Thusong centre
Health facilities	Nyango, Maladini, Manxeleni, Mpendle, MaQwathini, Sixhotyeni, Mpehlo Nyango, Sthaleni, Ndaleneni, Gwadana	Clinics Mobile clinics
Pre-schools and Daycare centres	Ndoyi, Sitishini, Jokweni, Sangqu, Thikolwana, Bunene, Mthunzini, Ntsohle, Mpendle, Dimaneni2, Hukwini, Ntabasigogo, Ntubeni, Luxeni, Ntaboduli, Ndakeni, Gwadane Dumaneni preschool	New construction Needs furniture
Sport facilities and development	All ward villages Community library (Sulenkama)	All codes Horse racing Course
Town Development	Sulenkama	Tourism Development & Tourism Site

WARD NUMBER 22		
Service	Location	Need
Community facilities	Caba Ngqakaqeni	Police station Old age home Soup Kitchen
Electricity	Ngqongweni, Ngxabaxha, Ngqakaqeni, Mpetsheni, Sibomvaneni, Nkonkweni, Ntubeni, Ngqwaneni, Caba, Krancolo, Mafusini, Kwa Qomaya, Ngcoti, Detyana, Gqukunqa, Gungqwana, Mandyimba, Machibini, Komkhulu, Mabholompa, Nongqongqo, Saphompolo	Extensions
Roads	Detyana to Maqanyeni, Detyana to Nkalweni, Upper Chulunca to Mthozela, T195 to Mafusini, Ntubeni to Gqwaneni, Mthozela to Ngxabanxa, Ntubeni to Ngcoti, Nongqongqo to Upper Chulunca, Caba to Ngqukunqa, Nkokweni via Ngqongweni to T195, Gungqwane to Gqukunqa, Mafusini to Gqukunqa, T195 to via Shukunxa to Ngqakaqeni, Gqukunqa via Krancolo to Ngqakaqeni Mabholompa bridge, Tsitsa Bridge (Ngqakaqeni) T195, Komkhulu to Kwazulu, Luxeni to Sulemkama, T195 to Ngqongweni, T195 to Detyana, Mabholompa via Nkonkweni to Chulunca, Mthozela to Saphompolo, Machini to Sulemkama	New Construction New construction Maintenance
Water	All ward villages All ward villages	Extensions Water problem and connection, addition of taps
Sanitation	Gqukunqa, Ngqongweni, Komkhulu, Mpetsheni, Krancolo, Sibomvaneni, Ngcoti, Detyana Caba, Ngxabaxha, machibini, Nkonkweni, Langeni, Mabholompa, Nongqongqo, mandyimba	Supply of sanitation Addition of Toilets
Schools	Zanokhanyo JSP, Ngqukunqa SPS, Kwantabankulu SPS, Upper Chulunca SSS, Gungqwana JSS, Maqanyeni SPS, Krancolo JSS, Nkonkweni SPS	Mud Schools

	Detyana JSS, Buhlebelizwe JSS, Upper Chulunca JSS, Shukunxa JSS, Ngqakaqeni JSS, Zwelivumile SPS, Ngqongweni village and Caba	Extension of classes New school, Technical school
Fencing	Ngqongweni, upper Chulunca, Detyana, Sibomvana, Mpetsheni, Mafusini, Ngqakaqeni, Saphompolo, Caba, Luxeni, Mrhoweni, Gqukunqa, Gungqwane, Ngcoti, Maqanyeni, Nkonkweni All ward villages	Mielie fields Grazing fields
Housing	All ward villages	Rural housing
LED	Langeni Upper Chulunca Shukunxa Caba Gqukunqa Detyana Ngxabaxha Ngqakaqeni Sibomvaneni All ward villages Gungqwana, Ngcoti, Nkonkweni, Ngqakaqeni Caba, Upper Chulunca, Shukunxa, Kwantabankulu All ward villages Caba Ngqakaqeni Krancolo Mpetsheni Mabholompa Krancolo Caba Mpetsheni	Elangeni fruit and veg. Conscious people of Africa Kuyasa Poultry, Siyazama veg Buta Sayolo poultry Zama zama project Fundulwazi garden Nomzamo proj. Caba red meat Siyazama proj. Siyakhuthaza Poultry Thinga Farming Project Sheep dipping tank Dipping tank Renovation dipping tanks Sheering shed Land care Caba Manditshe Project Mbulambethe Masizakhe Old Age Siyakudumisa Old Age Embo Development Coop Khulani Vegetable Sakha Ubuntu Old Age Elethu Icebo Poultry Coop
Telecommunication	All ward villages	SABC, other networks
Poverty relief projects	All ward villages except for Ngxabaxha and Machibini	Mngcunube
Community awareness projects	All ward villages	Environment, HIV/Aids, Drug and alcohol abuse, Teenage pregnancy, Crime
Community halls MPCCs	All ward villages Kwantabankulu	
Health facilities	Upper chulunca, Gqukunqa, Other villages Caba Clinic	Clinic Mobile Ambulance
Pre-schools and	All ward villages	

Daycare centres		
Sport facilities	All ward villages Caba	All codes Buyambo Arts and Culture

WARD NUMBER 23		
Service	Location	Need
Community facilities	Siqikini Other villages Nozityana, Magqubeni Kimbili 2	Police Station Satellite police station Old age home Orphanage Home
Electricity	Moyeni Mbidlana, Chokomfeni, Kimbili1, Nozityana, Magqubeni, Siqikini, Kimbili 2, Ndakeni, Mbentsa, Bhelekence, Balasi, Middle Tyira, Bajodini	Electrification Extensions
Roads	Kimbili 1 to kimbili 2 A/R, Bajodini A/R, Bala Tyira, Bajodini to Siqikini, Ndakeni A/R, ZibaneniA/R, Mbentsa A/R, Ntsikwe to Welsh, MMangweni to Bajodini, Streets at all ward villages Chokomfeni A/R, Bajodini to Blackhill, Zibaneni to Mjikweni	New Construction Maintenance
Water	Kokstad, Moyeni All ward villages	Water Supply Maintenance and addition of taps
Sanitation	All ward villages	Addition of toilets
Schools	Nomzamo SPS, Chokomfeni JSS, Middle Tyira Kimbili JSS, Khanyalanga SPS Balasi J.S.S.	Mud school Extension of classes Renovation Construction of High School
Fencing	All ward villages	Mielie fields and grazing lands
Housing	All ward villages	Rural housing Disaster Houses
LED	Kimbili2 Nozityana Bhelekence Bajodini Nozityana Kwa Ntsikwe Siqikini	Valindlala veg, Lilitha proj. Siyakhula Proj Sigugile Project Sinenjongo Disabled Siyazondla Garden Chithindlala

	Mbentsa Ndakeni All ward villages Mmangweni, Kimbili2, Bajodini All ward villages	Vukuzingele Project Working for water Sheep dipping tank Dipping tank Sheering shed Land care, Stock dams Stock breeding
Telecommunication	Nozityana Magqubeni	Poor net work coverage and TV pole, Post office
Poverty relief projects	All Ward Villages except for Balasi, Ndakeni and Nozityana All Ward Villages	Umngcunube, EPWP
Community awareness projects	All ward villages	Crime, HiV/Aids, Teenage pregnancy, Environment, Drug and alcohol abuse.
Community halls MPCCs	All ward villages	
Health facilities	Siqikini, Chokomfeni, Bajodini All ward villages	Clinic Mobile clinic
Pre-schools and Daycare centres	All ward villages	
Sport facilities	All ward villages Bahloniphe Group Sinothando Cultural Group Zanethemba Cultural Group Bhelekence Cultural Group Chokomfeni Cultural Group Masithandane Cultural Group Ntsikwe Cultural Group	All codes

WARD NUMBER 24

Service	Location	Need
Community facilities	Magutywa, Upper Malepe-lepe Magutywa	Satellite Police Station Old age home
Electricity	Rustenburg, Ntshongweni, Drayini, Magutywa No. 8, Ndzebe, Nxotwe, Upper Malepe-lepe, magutywa No. 9, Lower Malepe-lepe	Extension

Roads	<p>Chekwayo to Ntshongweni, Chekwayo to Nkokweni great place, Ngele A/R, Silevini A/R, Nxotwe to Nkonkabi, Nzebe A/R, Tsolo to Bhinjwa, Lower Malepe-lepe A/R, Zwelitsha to Ncihala</p> <p>Chulunca to Ntshongweni, T199, T200, Magutywa 9 &8, Kwa Bhatyi to Drayini</p> <p>Tsitsa river, Ngcolosi river</p>	<p>New Construction</p> <p>Maintenance</p> <p>Bridge</p>
Water	<p>Malepe-lepe, Ndzebe, Mncetyana, Magutywa, Cekwayo, Nxotwe,</p>	<p>Water Supply</p> <p>Maintenance</p>
Sanitation	<p>Nxotwe Ndzebe, Malepe, Mncetyana, Magutywa</p>	<p>Toilet supply Completion</p>
Schools	<p>Daluhlanga SSS, Skills centre</p> <p>Nxotwe JSS, Malepe JSS, Zanebandla JSS, Magutywa J.S.S, Zwelakhe J.S.S</p> <p>Lower Malepe-lepe</p>	<p>New Construction</p> <p>Extension of Classes</p> <p>School hall</p>
Fencing	<p>All ward villages except Ntshongweni</p>	<p>Mielie fields and grazing land, Ndzebe pre school</p>
Housing	<p>All ward villages</p>	<p>Rural Housing</p>
LED	<p>Magutywa 9 Ndzebe Nxotwe Upper Malepe Lower Malepe lepe</p> <p>All ward villages Ntshongweni, Nxotwe, Mncetyana, Ndzebe Chekwayo, Mncetyana, Ndzebe All ward villages</p>	<p>Khanyisa poultry Ndzebe youth proj. Zanoncedo proj. Siyazama proj. for Disabled Masithembe Sophumelela, Masikhule sewing, Nceduluntu coop Sheep dipping tank Dipping tank Sheering shed Land care, Stock dams</p>
Telecommunication	<p>Chekwayo, Nxotwe, Malepe, Magutywa</p> <p>Nxotwe, Malepe</p>	<p>Poor network coverage</p> <p>Post office</p>
Poverty relief projects	<p>All ward villages Mncetyana</p>	<p>Lima/Mngcunube EPWP</p>
Community awareness projects	<p>All ward villages</p>	<p>HIV/Aids, Environment, Drug and alcohol abuse, Crime</p>
Community halls MPCCs	<p>All ward villages Malepe</p>	
Health facilities	<p>Magutywa, Mncetyana,</p>	<p>Clinic</p>
Pre-schools and Daycare centre's	<p>All ward villages</p>	
Sport facilities	<p>All ward villages</p>	<p>All codes</p>

WARD NUMBER 25		
Service	Location	Need
Community facilities	Bheja Toleni	Old age home Police Station
Electricity	Goxe, Bhubesini, Samaria, Gwedane, Votini Bheja, Sithaleni, Notanaza, Mfundisweni, Magqagqeni, Toleni, Buwa, Bhubesini, Tsolo, Xabane, Mjikwa, Matshona	Electric Supply Extensions
Roads	Matshona to Toleni JSS, Bheja to Toleni, Sithaleni to Notanaza, Tsolo to Bhubesini, Goxe A/R Toleni A/R, Buwa A/R, Xabane to Mjikwa A/R, Samaria A/R, Tsolo to Ngwayibanjwa	New Construction Maintenance
Water	All ward villages except for Gwedane	Water Supply Fencing of springs and boreholes Addition of taps in Gwedane
Sanitation	All ward villages	Renewal of toilets
Schools	Kholisa ville JSS, Siyoyo JSS, Toleni JSS, Toleni SSS, Buwa S.S.S Skill Centre (Toleni S.S.S.)	Mud School New Construction
Fencing	All ward villages	Mielie fields and Grazing lands
Housing	All ward villages	Rural housing
LED	Magqagqeni Papane (Makukhanye Project) Notanaza Toleni Sthaleni Bheja Buwa All ward villages	Sibonile sewing project, Masivuyisane poultry proj, Papane Agriculture Project Notanaza youth Proj Masondlane garden, Mayibuye poultry, Ndumiso Coop, Masizame Sewing, Zizamele Farmers, Votini Maize Production Bhongolethu poultry, Nkwazini Coop Siqalo Poultry Proj, Nolithemba sewing Buwa Farmers Construction and maintenance of Stock dams,

	Toleni Bhubesini Sthaleni All ward villages	maintenance of sheep Dipping tank Maintenance dipping tank Sheering shed maintenance, dipping tank Sheering shed Land care
Telecommunication	Toleni	Post office Library
Poverty relief projects	Buwa, Notanaza, Gwedane, Magqagqeni, Samaria, Sithaleni,	Lima
Community awareness projects	All ward villages	Environment, Crime, Drug and alcohol abuse, HIV/Aids, teenage pregnancy, electricity
Community halls MPCC	All ward villages	
Health facilities	Bheja Other villages	Clinic (Medical Centre) Mobile
Pre-schools and Daycare centres	All ward villages	Construction and Maintenance
Sport facilities	All ward villages	All codes, Bhubesini Sports Ground

WARD NUMBER 26

Service	Location	Need
Community facilities	Cingco Tshisane, Lotana's gate	Old age home Police Station
Electricity	Jojweni, Nkanini, Tshisane, Cingco, Gwali, Mhlakulo	Extension
Roads	Nkanini to Tshisane, T170 to Mandundu, Mbutho to Tshisane, N2 to Mbutho, New Rest A/R, Mhlakulo A/R, Mbutho to Tshisane, N2 to Mbutho, Streets at Jojweni, Streets at Sidwadweni, Streets at Mhlakulo T170 to Mbutho, T170, T170 to Cingco, T170 to Gwali, N2 via Tshisane to Cingco, N2 to Nkanini to Mhlakulo, T170 to T171,	New construction Maintenance

	Speed humps (Jojweni), Cingco to Gwali, Speed humps near Mchasa and Mchathu School, N2 to Mdeni A/R, N2 to Mchathu, Streets at Mbutho, Speed humps at Tsolo Junction, Robots at Tsolo Junction, N2 to Mhlakulo Clinic Nkanini Cingco to Gwali	Pedestrian Bridge Extension of bridge and road
Water	New Rest All ward villages Tshisane, Upper Lotana, Gwali, Mbutho, Cingco, Jojweni Tshisane, Mbutho, Cingco Mbutho All ward villages All ward villages	Water Supply Addition of taps Maintanance Maintanance of borehole Addition of borehole Windmill Fencing of Springs
Sanitation	Mbutho All ward villages	Rebuilding of toilets Addition of toilets
Schools	Cingco JSS, Vukani Kusile JSS, Mchathu JSS, Leppan JSS (to be renewed), Mchasa S.S.S Mhlakulo J.S.S, Sidwadweni J.S.S. Mchathu Gwali	Mud School Extension of classes Renovation and extension of Classes Construction of septic tank High school
Fencing	All ward villages Cingco, Mbutho, Gwali, Mhlakulo	Grazing land & Graveyards Miellie fields
Housing	All ward villages	Rural housing
LED	Mbutho Mbutho Gwali Tshisane Cingco Sidwadweni Cingco Mhlakulo Mhlakulo All ward villages Sdwadweni, Gwali, Mbutho, TshisaneMhlakulo	Siyazama poultry, Someleze sewing Eyethu project, Khulani proj, Jongimpumelelo Proj Nosisa project Vuyisanani project, Tshisane Proj. Cingco youth hard workers Someleze proj, Sidwadweni Proj, Sophumelela Proj. Philasande Poultry Siyakhana Project Sheep dipping tank Rehabilitation of dipping tank Sheering shed

	Cingco, Tshisane, Gwali, Mbutho, Sidwadweni All ward villages Mbutho Mdeni Mhlakulo	Land care, Stock dams maintenance Vulindlela Project, Sunrise Poultry and sewing Project Philasande Multipurpose Proj, Khanyisa Piggery Proj, Nceduluntu Coop
Telecommunication	Sidwadweni	Mtn, Vodacom
Poverty relief projects	All ward	Siyazondla, Mngcunube
Community awareness projects	All ward villages	HV/Aids, environment, Teenage pregnancy, Crime, Drug and Alcohol abuse
Community halls MPCCs Ward centre	All ward villages Cingco	
Health facilities	Cingco, Mbutho, Gwali Nkanini	Clinic Mobile Clinic
Pre-schools and Daycare centres	All ward villages	
Sport facilities	All ward villages	All codes Library

ORGANOGRAM
2018/2019

LEGEND

Vacant
Unfunded

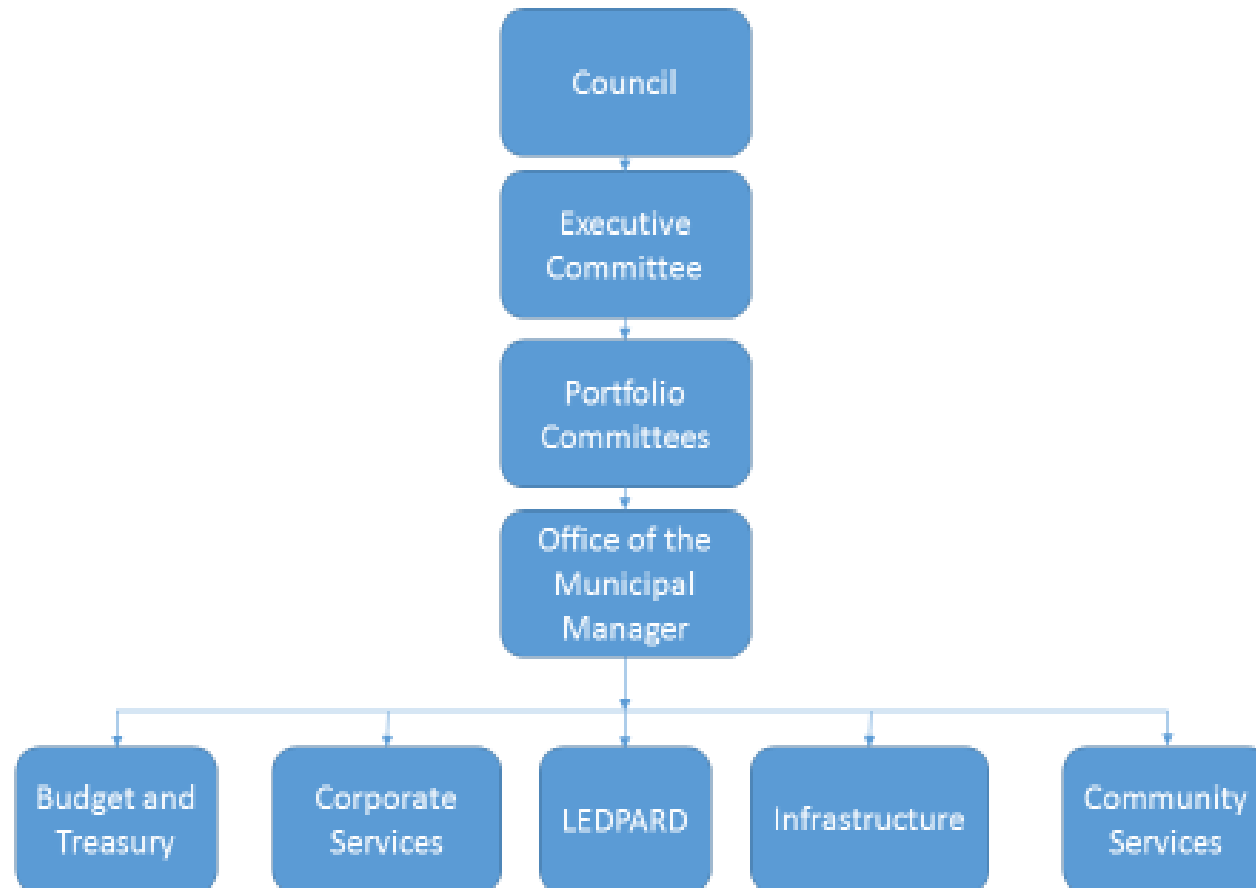
Vacant funded

Some filled
some vacant
unfunded

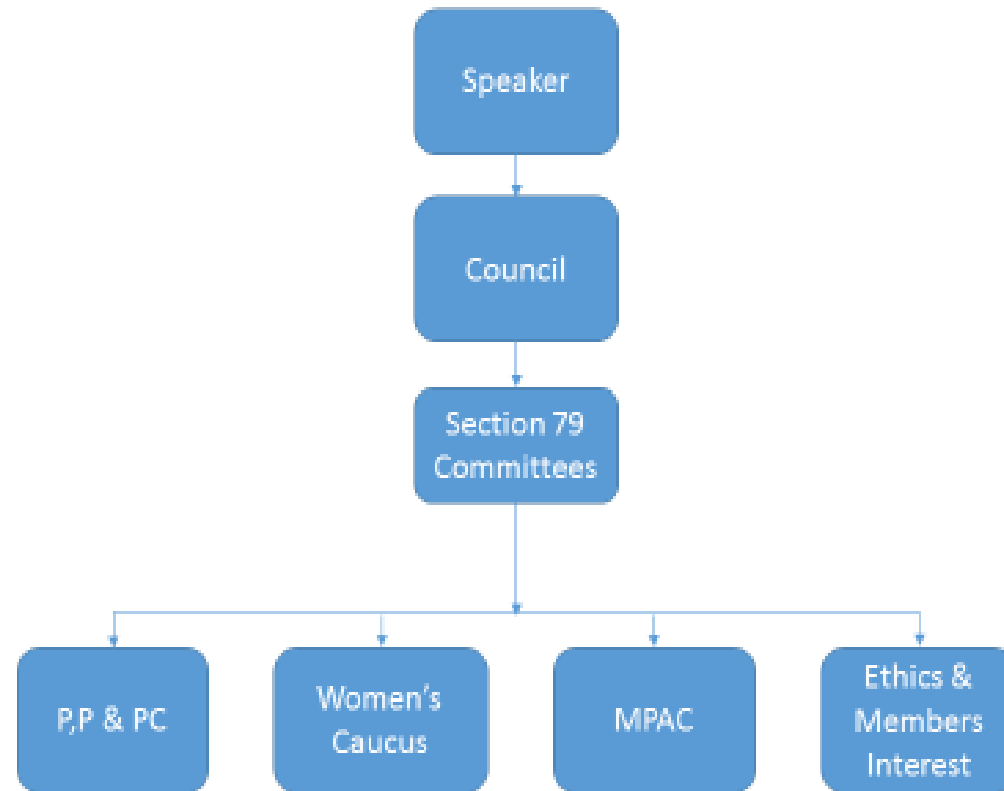
Some filled some
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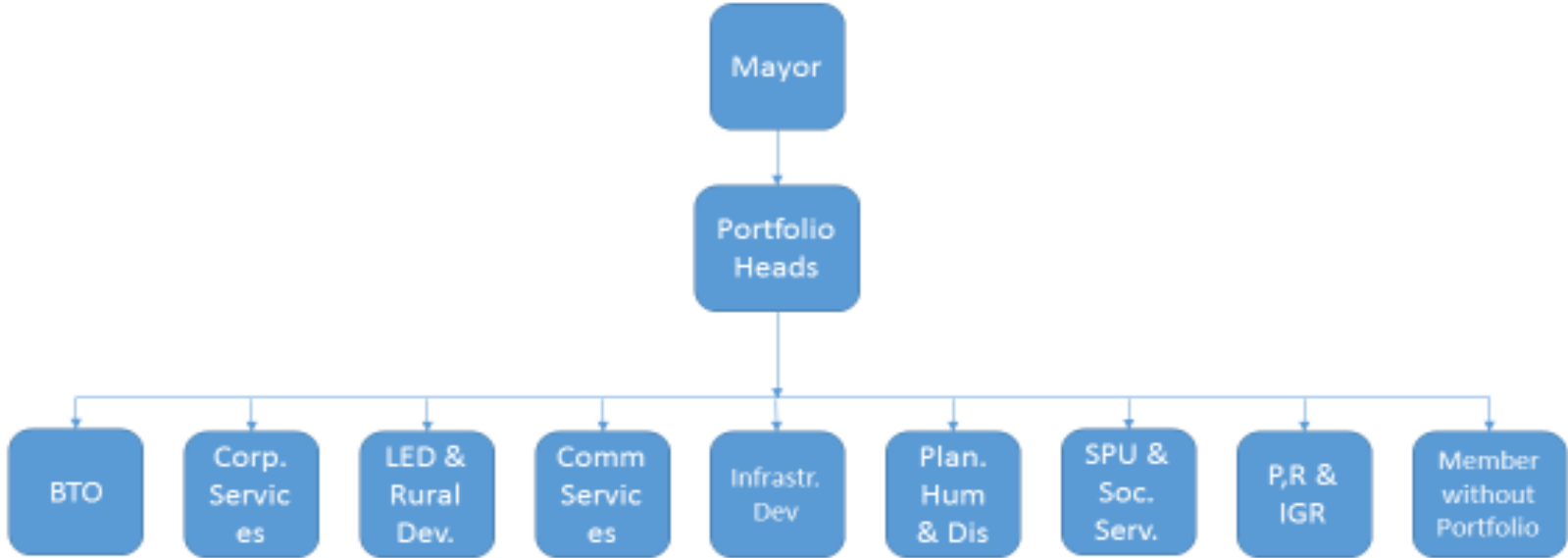
Council Structure



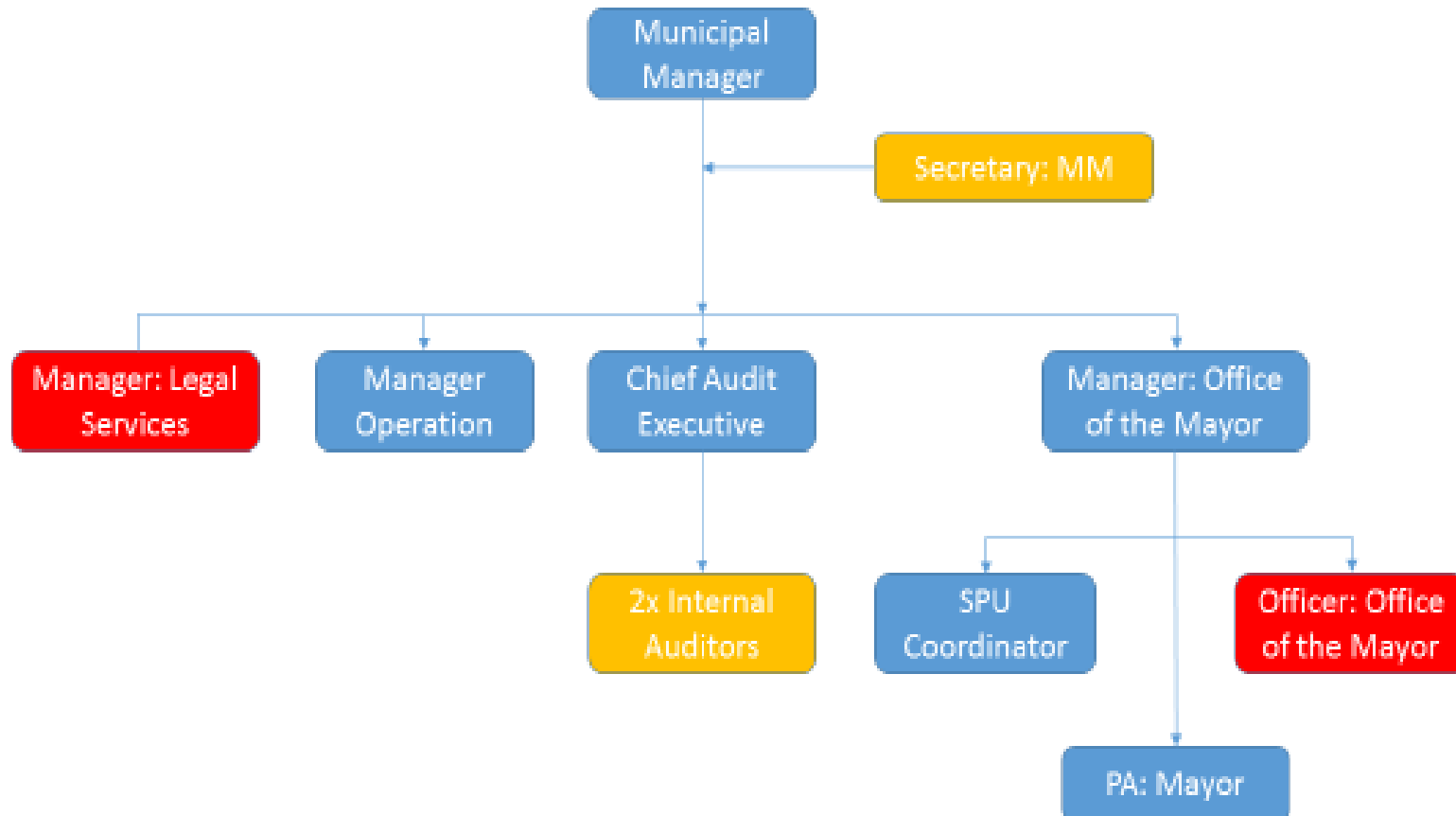
Office of the Speaker



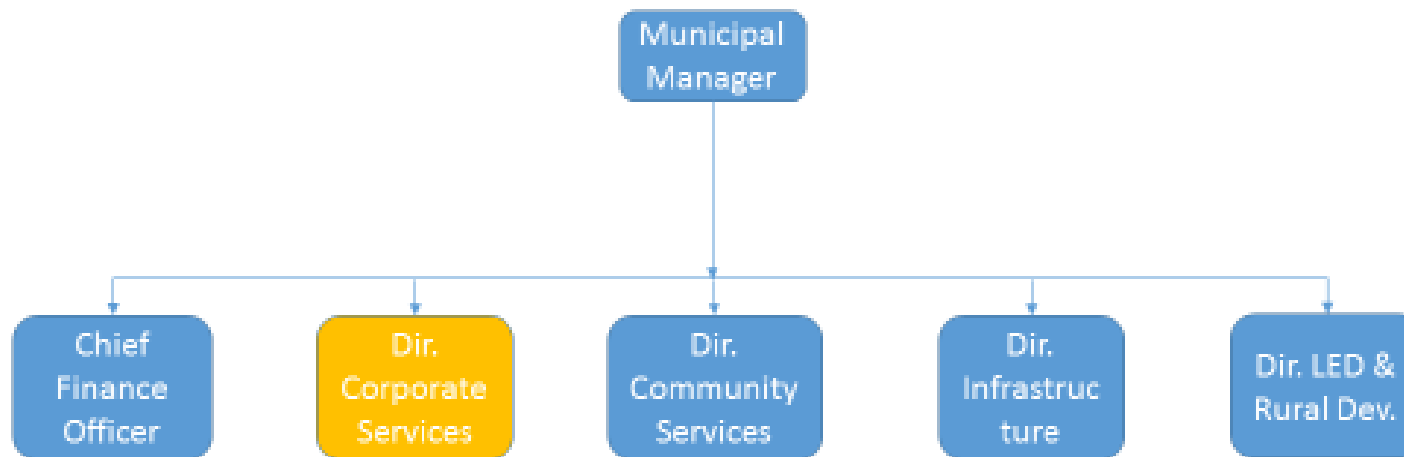
Office of the Mayor



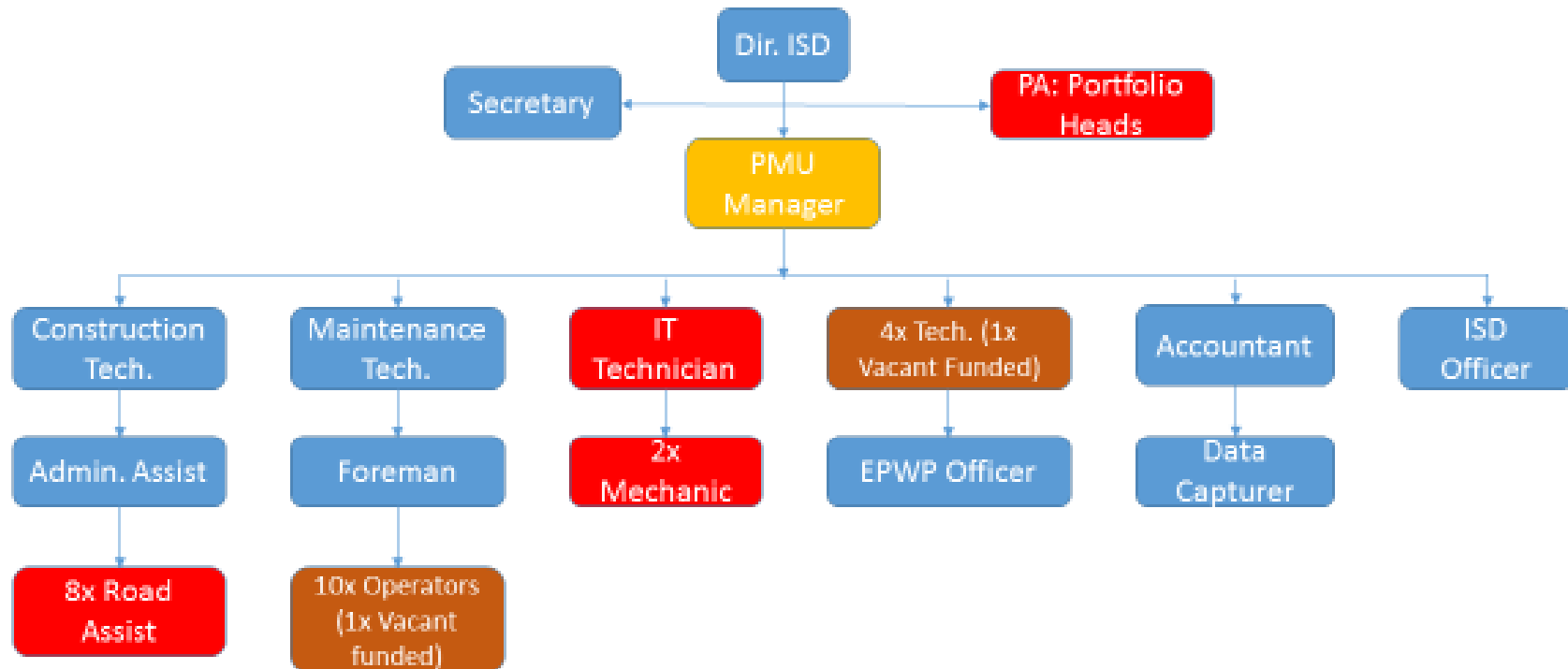
Office of the Municipal Manager



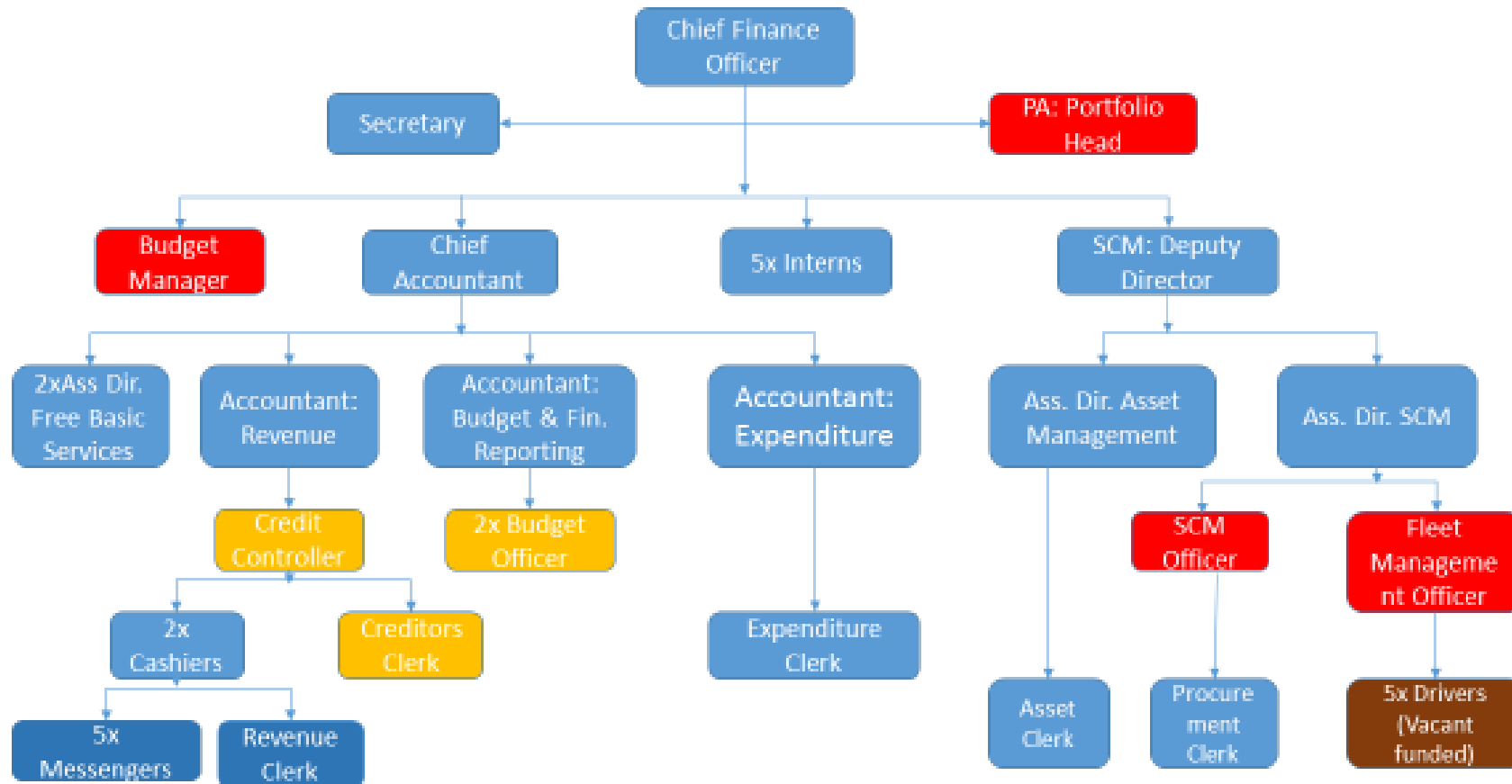
Office of the Municipal Manager



Infrastructure Services Development

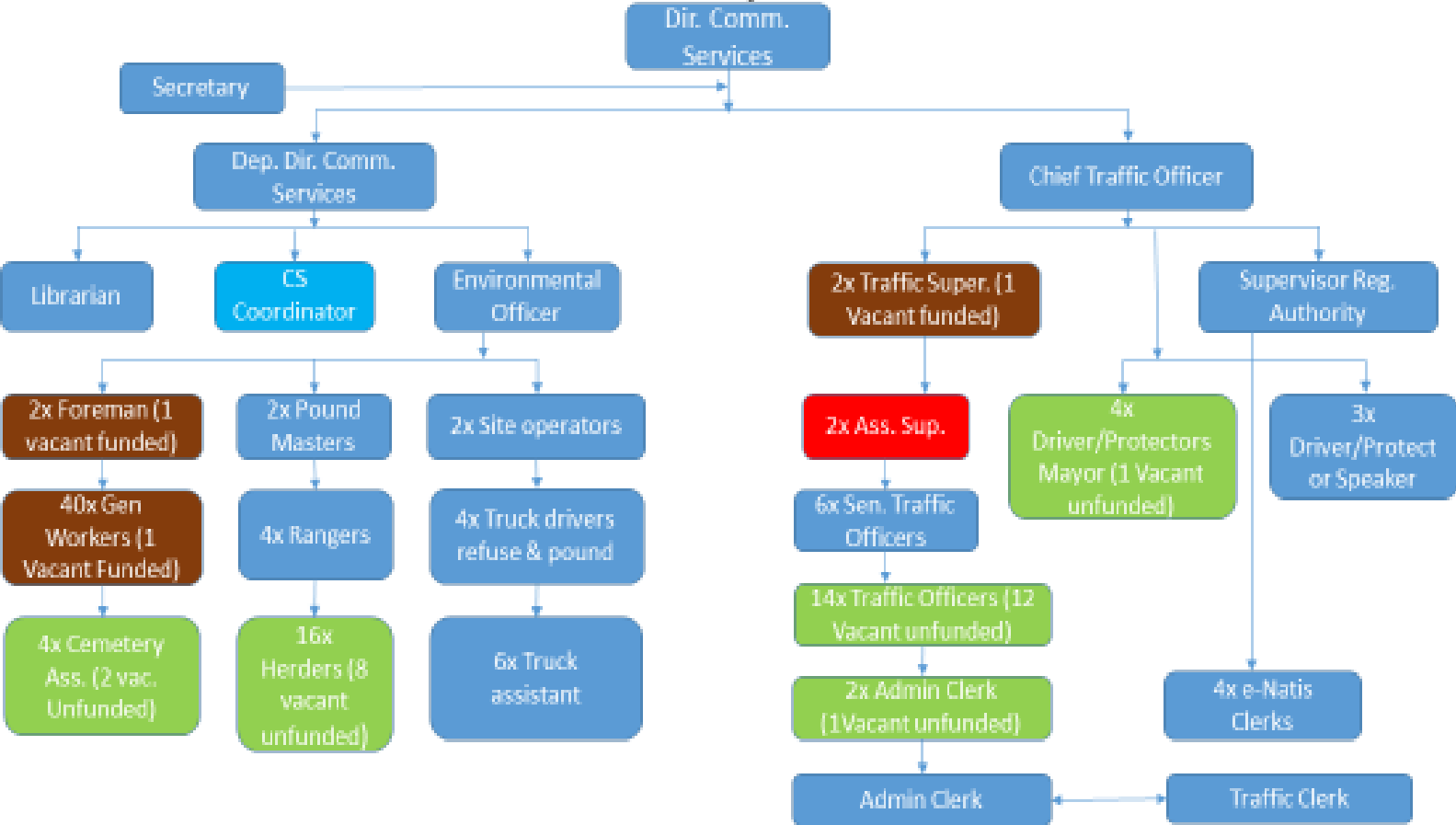


Budget and Treasury Office





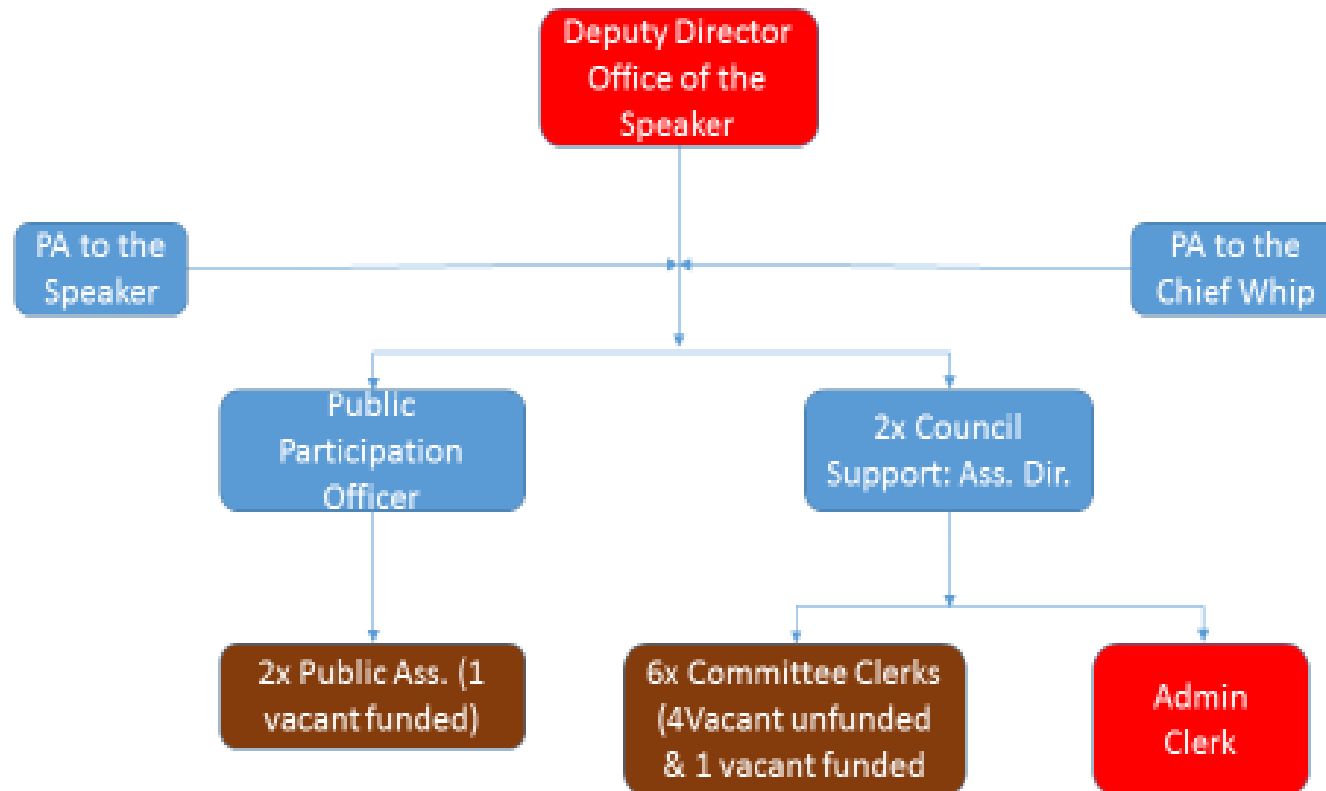
Community Services



Corporate Services



Corporate Services



LED, PLANNING & RURAL DEVELOPMENT

